

# Mumtalakat

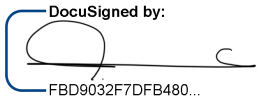
شركة ممتلكات البحرين القابضة  
BAHRAIN MUMTALAKAT HOLDING COMPANY

## Management Investment Committee Charter

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## 1. Introduction

The Management Investment Committee (“**MIC**”) has been established by a resolution of the Board Investment Committee (“**BIC**”) to assist in fulfilling its oversight responsibilities on policy, standards and procedures for investing in a responsible manner.

## 2. Reporting Lines

The MIC shall report to the BIC which, in turn, reports to the Board of Directors of Bahrain Mumtalakat Holding Company B.S.C.(c) (“**Mumtalakat**” or “**the Company**”).

## 3. Role of the MIC

The role of the MIC is to oversee the investment activities of the Company in accordance with the Board-approved Discretionary Authority Limits (“**DAL**”) and the Company’s policies and/or procedures, as amended from time to time. The MIC shall thoroughly examine, review, debate and challenge all proposed new investment related activities of the Company, portfolio management activities of its Portfolio Investments (see definition below) and other Company related matters before recommending such activities for execution or implementation. The MIC shall focus on discussing the strategic, financial, commercial, business and other relevant merits of proposals submitted, after satisfying itself that other relevant aspects such as risk, legal, regulatory and other such considerations have also been examined.

The term “**Portfolio Investments**” refers to the companies actively managed and/or overseen by the following departments within the Company whose duties are as follows:

- **Strategic Investments (“SI”)**: SI oversee and actively manage Mumtalakat’s core direct investment portfolio of local strategic investment holdings and international direct / indirect investments as well as oversee and manage the Company’s investments/interests in third party managed funds, co-investments or investments in other financial instruments.
- **Local Impact Investments (“LII”)**: LII oversee and actively manage Mumtalakat’s local impact holdings.
- **Government to Government Assets (“G2G”)**: refers to Mumtalakat’s Government to Government assets which are typically passively managed.

The term “Investments” includes without limitation, the following structures: equity/quasi equity direct investments, indirect investments, loans (including shareholder loans), mergers, asset swap, intra-group restructuring (including without limitation share transfers) in each case for cash, in kind or other consideration. It

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may also include investments in third party managed funds, derivative implementations or investments in any other financial instruments.

## 4. Composition

The MIC members shall be appointed by the Chief Executive Officer (“CEO”) of the Company in accordance with the authority granted to the CEO under Section 2.2 of the DAL. The current voting members of the MIC are:

- Shaikh Abdulla bin Khalifa Al Khalifa, Chief Executive Officer, who shall act as the Chairman of the MIC
- Omar Syed, Chief Investment Officer – Strategic Investments
- Suha Karzoon, Managing Director – Finance and Technology
- Khalid Taqi, Managing Director – Local Impact Investments
- Isa Maseeh, Managing Director – Risk and Portfolio Construction

At each meeting of the MIC, any other members of the Company whose input would be relevant to the topic discussed (such as Legal, Compliance, Procurement, Treasury, or other departments) shall be invited to attend, in a non-voting capacity, in order to present or otherwise participate in the discussion topics.

## 5. Secretary

The secretary of the MIC will be the Managing Director – Corporate Services (“MD-CS”) (the “Secretary”), or such other person as may be authorized by the MD-CS.

## 6. Meetings, Attendance and Voting

- 6.1 The MIC shall meet every two weeks or as required, in order to carry out its duties pursuant to this charter and the DAL. In certain exceptional circumstances where the timing does not allow for a meeting, and if approved by the Chairman, the MIC may pass decisions by email circulation. Where a matter has already been presented at a meeting of the MIC, the Chairman may agree that any updates or subsequent approvals to that matter may be presented by means of email circulation.
- 6.2 All matters submitted to and discussed at the MIC shall be supported by a deck of materials which shall be submitted to the Secretary of the MIC at least 72 hours prior to the time of the meeting at which they will be discussed. Assuming materials are sent, the Secretary of the MIC shall upload such materials on Diligent and/or circulate such materials to the MIC members at least 48 hours prior to the time of the meeting.
- 6.3 The meeting shall be deemed duly convened and quorum will be deemed present with the attendance of all the voting members. The Secretary shall schedule meetings on a date and at a time that suits all the members, however from time to time, there may be a member who is unable to attend a meeting. Any

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member who cannot attend a meeting may be excused from attendance only at the direction of the Chairman, in which case a quorum shall be deemed present even with the absence of that member.

- 6.4 There shall be no delegation of authority by any member of the MIC who cannot be present for any reason.
- 6.5 Voting shall be unanimous, unless there is a regulatory or legal reason why certain MIC members may need to refrain from voting (i.e., sanctions or conflicts of interest) or (b) any MIC member is not permitted to vote for any other reason. In such cases where legal constraints exist that disallow a member to vote on a matter, the approval of all remaining members will be deemed as unanimous approval. If the MIC is unable to reach a unanimous decision on any matter, such matter shall be raised to the Board Investment Committee for a vote.
- 6.6 Telephonic/video conferencing meetings and circular resolutions are permitted. The same quorum and voting requirements will apply.
- 6.7 The MIC shall hold quarterly meetings to coincide with the Board Audit and Risk Committee meetings, to discuss semi-annual valuations.

## 7. Authority

- 7.1 The MIC shall have and may exercise its authority as delegated by the DAL and/or the Company's policies and procedures.
- 7.2 A duly convened meeting of the MIC at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the MIC.

## 8. Duties and Responsibilities

The duties of the MIC will be as follows:

- 8.1 Serve as the Tender Committee for the Company on investment related procurement in accordance with the exemptions granted to the Company by the Tender Board of Bahrain and approve the issuance of requests for proposals as well as awards in relation to investments and divestments in accordance with the Procurement Policies and Procurement Procedures.
- 8.2 Review and recommend to the BIC and BARC the asset allocation strategy as applicable.
- 8.3 Review and evaluate new asset classes or subsequent changes to strategies proposed by the management and make recommendations to the BIC.

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- 8.4 Recommend to the BIC for the Board's approval the investments department(s) policy/policies ensuring that it includes an investment framework and guidelines.
- 8.5 Establish a proper post-acquisition monitoring framework to collate reports / information / conduct site visits to monitor the overall performance of Portfolio Investments particularly those in which the Company has significant shareholdings or financial exposure.
- 8.6 Submit relevant reports to the BIC on the financial and operational performance of the Portfolio Investments.
- 8.7 Review the risks associated with individual investments or the relevant portfolios.
- 8.8 Review Mumtalakat's funding outlook based on approved business plans and annual budgets and recommend to the BIC potential financing options including bank loans, bond/sukuk issuances, monetizing assets, or leveraging underlying portfolio/assets.
- 8.9 In relation to Investments (whether new or follow-on Investments):
  - 8.9.1 Recommend to the BIC for the approval of the Board the form of capital deployment in relation to existing or new Investments;
  - 8.9.2 Approve Investments that are included within the Board-approved annual budget, in accordance with the limitations of such annual budget, and the Board-approved policies and as applicable any approved asset allocation strategy;
  - 8.9.3 Recommend to the BIC for the approval of the Board any unbudgeted Investments for amounts above BD 25 million;
  - 8.9.4 Approve unbudgeted Investments for amounts up to BD 25 million and report to the BIC all such Investments on a periodic basis; and
  - 8.9.5 The same process of approval shall also apply to Investments in third party managed funds, derivative implementations or Investments in any other financial instruments, as applicable, except for the specific process set-out in sections 8.12 and 8.13 in relation to liquid third party managed funds.
- 8.10 In relation to other portfolio management activities of the Portfolio Investments (which shall include, major events that could have a material impact on the Portfolio Investments performance or financial standing or other material updates including those with no specific monetary value), the MIC shall be informed of such events and it shall determine on a case by case basis whether it is best suited to approve such events (if approval is applicable) or whether to raise this event for notification (or approval if relevant) to the BIC and/or the Board.

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8.11 For the divestments from Portfolio Investments (which shall include, without limitation, a sale of shares or assets, or liquidation or wind-up of companies (other than special purpose vehicles set up for the purpose of investment structuring)) or other such monetization events:

- 8.11.1 Approve divestments from Portfolio Investments that are included within the Board-approved annual budget in accordance with the limitations of such annual budget and the Board-approved investment policy/policies and as applicable any approved asset allocation strategy.
- 8.11.2 Recommend to the BIC for the approval of the Board any unbudgeted divestments of Portfolio Investments in amounts above BD 25 million; and
- 8.11.3 Approve unbudgeted divestments of Portfolio Investments in amounts up to BD 25 million and report to the BIC all such divestments of such Portfolio Investments on a periodic basis.
- 8.11.4 Receive notification of all divestments pursuant to acquisition terms pre-agreed in the legal documentation (for clarity, these divestments are not subject to any approvals to be received from the Company).

8.12 Approve all redemptions from the Company's liquid third party managed funds regardless of value as well as approve all new Investments in liquid third party managed funds using such redemption proceeds regardless of value.

8.13 Approve the rebalancing between existing liquid third party managed funds regardless of value (rebalancing in this context means reducing or eliminating one or more existing exposure to fund another one or more existing exposure or capital call).

8.14 Approve the establishment or termination of custodian relationships as well as investment advisor selection/termination.

## 9. Approval Process

In accordance with the items specified under Section 8, the MIC approval process will, at a minimum, include the following:

### Pre-Investments:

#### 9.1 Level 1: Concept Approval –

- Presentation of brief proposals on an investment opportunity as a concept and if approved, to be analyzed further.



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- If external Due Diligence (“DD”) is required, present the recommended advisor list and budget for approval in line with the Procurement Policy and Procedures. Once the procurement process is complete, revert to MIC for approval on selecting the recommended advisors.

- 9.2 **Level 2: Detailed Analysis and DD Findings** – Upon completion of comprehensive analysis and subsequent review, the team will work on the establishment of fundamental terms between the involved parties, the proposal is poised for presentation to MIC for thorough deliberation and approval of the transactional terms.
- 9.3 **Level 3: Transaction Closing** – This final stage of approval will occur post-negotiation once all aspects of the transaction have been finalized.

## Portfolio Management:

- 9.4 **Follow-on Investments** – In the event of funding for Portfolio Investments, a follow-on investment assessment should be conducted and submitted to MIC. The MIC will have the authorities set-out in section 8.9 above.
- 9.5 **Other Portfolio Investments Related Matters** – An assessment of any matters which have a direct/indirect financial implication, or major event that could have a material impact on Portfolio Investments should be presented to MIC for approval or notification as set out in section 8.10 above.
- 9.6 **Administrative Matters** – Semi-annual valuations, annual Company investment budgets and other key performance related matters are to be presented to MIC for approval.

## Divestments:

- 9.7 **Level 1: Divestment Proposal** –
- Presentation of brief proposals on a divestment opportunity (highlighting proposed exit rationale, type of exit, expected valuation range, and timing of exit) as a concept and if approved, to be analyzed further.
  - If external advisors are required, present the recommended advisor list and budget for approval in line with the Procurement Policy and Procedures. Once the procurement process is complete, revert to MIC for approval on selecting the recommended advisors.
- 9.8 **Level 2: Detailed Assessment** – Upon advancing in the exit discussions and a buyer is identified, the team will work on the establishment of fundamental terms between the involved parties, the proposal is poised for presentation to MIC for thorough deliberation and approval of the transactional terms.

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- 9.9 **Level 3: Transaction Closing** – This final stage of approval will occur post-negotiation once all aspects of the transaction have been finalized.

For the avoidance of doubt, a MIC item could remain in a certain Level for more than one meeting depending on the nature of the transaction. In the event where Levels need to be combined, approval would need to be obtained from the MIC.

## 10. Minutes

The Secretary of the MIC will be responsible for preparing minutes of the MIC meetings. The minutes of the MIC meetings will be approved by email subsequent to the meeting and with each Member of the MIC (unless excused for any reason described above) casting their vote in Diligent.

## 11. Reporting

- 11.1 The MIC Chairman shall submit a report to the Board Investment Committee at the earliest scheduled BIC meeting. Reports will cover any matters that in the opinion of the MIC should be brought to the attention of the BIC or the Board or are otherwise required to be reported pursuant to DAL.
- 11.2 The MIC Chairman must bring to the attention of the Chairman of the BIC any matter of significant concern arising from the performance of any of the MIC's responsibilities promptly upon such concern arising.

## 12. Amendments

- 12.1 Any further amendments to this MIC Charter, including without limitation any changes made to the membership of the MIC, may be made by the CEO in furtherance of his authority under Section 2.2 of the DAL to form internal committees or sub-committees.