Integrated Management System

EMSTEEL Strategic Investment Committee (SIC) Charter

1. DEFINITIONS / ABBREVIATIONS

Term/Abbreviation	Definition
Board or BOD	The Board of Directors of the Company.
Chair	Chairperson of the Committee.
Charter	A document including the terms of reference regulating the operations and setting out the roles and responsibilities of the SIC.
Committee or SIC	The Strategic Investment Committee established by the BOD to assist the BOD in fulfilling their oversight responsibilities towards investment and corporate strategy.
Delegation of Authority	The policy on Delegation of Authority as may be amended from time to time.
EMSTEEL or Company	EMSTEEL Building Materials PJSC.
Group	Collectively, the Company and each of its wholly owned or controlled subsidiaries.
Independent Board Member	A Board Member who has no relationship with the Company, its Executive Management, auditor, parent company, subsidiary, sister or affiliate company, in a manner that may lead to financial or other benefits that may affect his / her decisions. A member forfeits his independence capacity in the cases stipulated in this Decision.
JV	Joint Venture
M&A	Mergers & Acquisitions.
Non-Executive Board Member	A board member that neither holds any position in the Company, nor receives a salary therefrom, and the remuneration it receives as Board member shall not be considered as a salary.
REIT	Real Estate Investment Trust
SCA	Securities and Commodities Authority of the UAE.
Secretary	The Group Chief Growth Officer, or any other person selected by the Chair to act as Secretary of the Committee.

2. PURPOSE

2.1 The purpose of the SIC of EMSTEEL is to provide a structured oversight, review and endorsement of the following matters, prior to approval by the Board:

a. corporate strategy, medium- and long-term business plans (including the 5-year business plan);

b. Annual Plan and Budget and amendments thereto (including assumptions);

c. organic growth investments: Project Feasibility Studies and Budgets;

d. inorganic growth investments: alignment to strategy, returns, risks, capital structure impact (includes M&A, JV and divestments);

e. treasury investments; and

f. investment protocols (Investment in Equity or Debt Instruments, Derivatives, Associates, REIT & others).

2.2 In broad terms, the SIC:

a. evaluates organic and inorganic investment opportunities;

b. monitors treasury and other financial investments; and

c. aligns investments with EMSTEEL's strategic objectives.

3. MANDATE AND TERM

3.1 The mandate of the SIC covers EMSTEEL and all its subsidiaries.

3.2 The SIC's term shall commence upon its formation by the Board and shall continue for a period of three (3) years, co-existing with the term of the Board.

4. COMMITTEE ROLES & RESPONSIBILITIES

Sr. No.	Area/Function	Responsibilities
1.	Organic Growth Investment	a. Review and endorse all Organic Growth investments proposals of the Company, until closure. b. Review the Project Note submitted by the Investments team to the Committee. Above proposals shall at a minimum, provide the following details: i. Project Concept/Background ii. Feasibility Study including analysis of Market/Demand, Technology, Costs and Pricing iii. Implementation Schedule

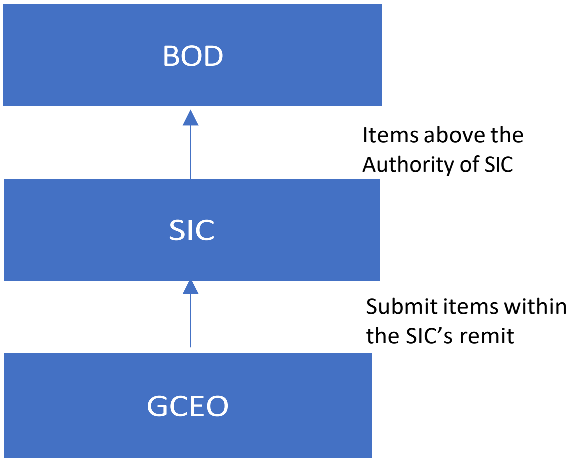
Sr. No.	Area/Function	Responsibilities
		iv. Investment and Fund sourcing v. Financial Evaluation and Estimated investment IRR. c. Evaluate the Project proposal ensuring alignment with overall Company corporate strategy, risk limitations and return requirements, while taking into consideration impact on the Company's capital structure. d. Evaluate and provide feedback on the Investment Strategy and provide its endorsement for Board approval in accordance with limits specified in the Delegation of Authority Manual. e. Nominate a Committee member to oversee investment execution/construction progress and monitor project progress on a regular basis. f. Review and approve leverage ratio and associated covenants of the facility, in case of bank financed projects. g. Monitor the project progress including time/cost analyses of projects during the construction/pre-operational period and till stabilization of commercial production. h. For Investments appraised/ approved by Board initially SIC shall assume approving authority in later stages (i.e., approval of project documentation, implementation schedule etc.) unless Board approved terms are breached. i. To be responsible for apprising the Board of the status of all ongoing projects, including performance of past projects, as required by the Board.
2.	In-Organic Growth Investment	a. Review the Investment/ Divestment Proposals submitted to the Committee. b. Evaluate the Investment/ Divestment Proposals to ensure alignment with overall Company corporate strategy, risk limitations and return requirements, while taking into consideration impact on the Company's capital structure. c. Binding Offer and Deal Closing i. Due diligence and external valuation - SIC shall review the summary of all 'Red Flags' identified as part of the due diligence

Sr. No.	Area/Function	Responsibilities
		that may be conducted and resolutions proposed. SIC shall further obtain the details of actions required to resolve/mitigate diligence findings including adjustments required to terms of offer, final investment valuation and impact on return profile for the investment, if any ii. Financing arrangements – SIC shall obtain updates with regards to final terms secured for financing and impact on return profile for the investment, if any iii. Binding Offer - SIC shall be responsible for the endorsement of the Binding Offer (BO) prior to the Board Approval. For investments which have been approved by Board, SIC shall provide approval of Binding Offer as long as Binding Offer is within the investment terms/ parameters approved by the Board in Investment Appraisal stage. iv. Transaction Closing - SIC approval shall be sought before execution of transaction closure documentation (including Shareholder / Joint Venture Agreements, Share Purchase Agreements) prior to execution. d. At least on an annual basis, SIC shall monitor the In-Organic Investments portfolio and identify action points such as potential divestments and additional investment requirements. e. SIC shall be responsible for apprising the Board of the status of all existing investments.
3.	Treasury Investments	a. Approve all proposals for Treasury investments in accordance with limits prescribed in the Delegation of Authority Manual. Investments requiring Board approval, shall be recommended by the Committee to the Board for approval/rejection. b. Review the Company's cash flow budget to determine whether there exists sufficient liquidity for current and planned cash outflows for Company to undertake Treasury investments in accordance with limits prescribed in in the Delegation of Authority Manual. c. Evaluate proposals for divestments/liquidation after review of the cash flow budget.

Sr. No.	Area/Function	Responsibilities
		d. Review and approve leverage ratio and associated covenants of the facility, in case of bank financed treasury investment. It must, however, be noted that leveraged treasury investments are outside the approval limits of the Committee.

5. GOVERNANCE STRUCTURE

The SIC governance structure is as follows:



6. AUTHORITY AND DELEGATION OF THE BOD

6.1 The Committee has authority from the Board to review and address any matter within the scope of its Charter, endorse the matters within its responsibilities and recommendations to the Board in relation to the outcomes.

6.2 The Committee shall have unrestricted access to any information, records, and other resources necessary to discharge its duties and responsibilities.

6.3 The Committee may also require any employee(s) of the Company to attend its meetings as appropriate for carrying out its duties, unless otherwise directed by the Board.

6.4 The Committee may seek independent professional advice, at the expense of the Company, when such advice is considered necessary to properly fulfil their roles and responsibilities.

6.5 For investments initially approved by Board, the Committee has the authority to subsequently approve Non-Binding Offer and Binding Offer, as long as initially approved investment terms / parameters are not breached.

6.6 The Committee shall have the authority to seek an update on any Active or Closed Investment from the Investment team.

7. COMPOSITION

7.1 General

7.1.1 The SIC shall consist of a minimum of three (3) Non-Executive Board Members, with the majority being Independent Board Members.

7.1.2 The BOD shall appoint one member of the Committee to act as Chair. In case that a Chair has not already been appointed by the BOD, the members of the Committee may appoint a Chair by majority vote of full Committee membership.

7.1.3 The Committee members are appointed based on their qualifications and experience, to collectively offer expertise necessary to discharge its responsibilities in an efficient and appropriate manner. Furthermore, it is expected that each Committee member will have the capacity to devote the necessary time and attention to the duties of the Committee.

7.1.4 Committee membership continues until the BOD decides by majority vote to replace or remove a member through issuing a written notice to the Chair, or when a member resigns.

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7.1.6 A Committee member who intends to resign must submit a written notice at least sixty (60) days in advance to allow sufficient time for the appointment of a replacement. If a member resigns or ceases to serve on the Committee for any reason, leading to non-compliance with the composition criteria outlined above, the Board shall appoint the necessary number of new members as soon as practicable to fill the vacancy.

7.1.7 The Corporate Governance and Board Secretariat Department shall maintain the titles and identities of the Committee members and shall ensure that the records are updated as necessary to reflect any changes thereto.

7.2 Chair

7.2.1 The Chair is appointed by the BOD and must be an Independent Board Member.

7.2.2 The Board chairperson may not be the Chair or a member of the Committee.

7.2.3 The Chair will approve the agenda for Committee meetings and any Committee member may suggest items for consideration.

7.2.4 In the absence of the Chair, one of the independent committee members nominated by the Chair or elected by the Committee shall act as Chair.

7.2.5 The Chair shall act as liaison between the Board and the Committee, canvassing the Board for opinion and voicing its views to the Committee.

7.2.6 The Chair shall at least on an annual basis report to the Board on the key activities conducted by the Committee.

7.2.7 The Chair shall ensure that Committee activities and recommendations are appropriately documented and followed up on.

7.3 **Secretary**

7.3.1 The **Group Chief Growth Officer** shall be the Secretary.

7.3.2 The Secretary shall assist the Chair with the organization of Committee meetings including preparation of meeting agendas and ensure that the Committee operates in compliance with its Charter and any applicable laws, regulations, policies, procedures, and standards.

7.3.3 The Secretary shall take note of the proceedings and resolutions of all the Committee meetings, including the names of those in attendance.

7.3.4 The Secretary shall minute the existence of any conflicts of interest.

7.3.5 The decisions taken by the Committee are documented by including them in the Committee's meeting minutes approved by the attending members. The Committee is granted through its decisions the authority necessary to EMSTEEL's management to take appropriate actions and implement SIC recommendations.

7.3.6 A document may be prepared regarding one of the Committee's decisions to be signed by the Chair and addressed to the Board, the CEO or any other individual or authority (provided that this decision has been approved by majority of the Committee members).

7.3.7 Draft minutes of meetings shall be circulated promptly by the Secretary to all members of the Committee within ten (10) business days of the meeting.

7.3.8 The meeting minutes shall be agreed/approved electronically by the SIC members within ten (10) business days of receiving the minutes. The minutes should be signed by the SIC members at the next SIC meeting. In case a member refuses to sign, his/her objection shall, together with the causes of objection, be reflected in the meeting minutes.

7.3.9 The Secretary shall safely keep all minutes and documents and maintain the confidentiality of all Committee proceedings.

7.3.10 The minutes of all Committee meetings shall be available for inspection by any member of the Committee at any time.

7.3.11 The Secretary shall maintain the Committee action log and will present to the SIC during the meeting the progress of closing actions taken in previous meetings.

7.3.12 The Secretary shall keep the Committee members fully briefed on any information that may be considered while taking decisions.

7.3.13 The Secretary shall coordinate with the concerned functions regarding Committee recommendations that necessitate legal compliance and regulatory procedures; and

7.3.14 Decisions taken and resulting action points shall be promptly communicated by the Secretary to the Group Chief Executive Officer and to whom they consider deemed appropriate.

8. MEETINGS

8.1 Attendance and Quorum

8.1.1 The Committee meetings are to be attended by Committee members as well as other individuals as invited by the Chair. A majority of the Committee members, subject to a minimum of two (2) attending, will constitute a quorum. Members must endeavour to attend all meetings of the Committee.

8.1.2 The Committee shall convene on a need basis, to discuss any matter within the remit of the Committee, either at such times as determined by the Chair or may convene at the request of the Group Chief Executive Officer. To the extent practicable, the Committee members shall attend the meetings in person.

8.1.3 The Committee meetings shall be chaired by the Chair and in case of his/her absence, the Committee members present must appoint one amongst themselves to be the Chair. Under no circumstances shall proxies be permitted for Committee meetings.

8.1.4 In cases where attendance of the Committee members is not possible, alternative means to ensure quorum formation such as Tele and/or Video Conferencing should be exercised (subject to compliance with the procedures prescribed by SCA in this regard).

8.2 Invitation, Agenda and Minutes

8.2.1 The meeting shall be valid only after inviting all the Committee members.

8.2.2 The agenda of each meeting will be prepared by the Chair with the assistance of the Secretary and, whenever reasonably possible, circulated to each Committee member one (1) week prior to the meeting date. This shall be communicated to the Committee members by either a written notice or electronically via e-mail.

8.2.3 The minutes of meetings of the Committee shall be drafted by the Secretary and shall reflect details of considered issues and adopted resolutions, including any reservations or objecting opinions raised by the members.

8.2.4 Meeting minutes shall be circulated within five (5) business days of the meeting and all attending Committee members shall approve the draft minutes within ten working days from the date of the meeting and sign the final minutes at the next meeting.

8.3 **Voting on Decisions/ Recommendations**

8.3.1 Only members of the Committee can vote on resolutions/recommendations in Committee meetings.

8.3.2 The Committee may request any officer or employee of the Company or the Company's outside counsel to attend a meeting of the Committee or to meet with any members or consultants of the Committee. However, the invitees to Committee meetings shall not have the right to vote on any decisions.

8.3.3 The resolutions of the Committee shall be issued at the majority of votes of attending and represented members. On equal voting, the Chair shall have the casting vote.

8.4 **Conflict(s) of Interest:**

8.4.1 Committee members shall adhere to EMSTEEL's code of conduct, conflict of interest and any values and ethics established by EMSTEEL:

a. Each Committee member shall ensure that no decision or action is taken that has the effect of placing his or her interests in conflict with the interests of EMSTEEL.

b. It shall be the duty of each Committee member to bring to the attention of the Chair any conflicts of interest that arise in relation to their appointment or subsequent to their appointment. The Chair should evaluate any such conflict of interest and make recommendations to the Board and the remaining Committee members should the conflict be such that the composition of the Committee needs to be adjusted.

c. The Chair may refer any conflict of interest directly to the Board if he/she deems it more appropriate that such conflict of interest be considered only by the Board, for which the Board may request the Chair for his/her recommendations.

d. If any conflict of interest exists, the Committee member subject to the conflict shall not participate in the issue giving rise to the conflict.

8.4.2 The SIC members shall have the option to record audio or video of the meetings, provided that a written permit is obtained from all SIC members.

9. REPORTING TO THE BOD

The Committee shall report to the Board annually, summarizing its activities and recommendations.

10. CONFIDENTIALITY

All proceedings of the Committee, including reports submitted and presentations made, shall be kept confidential and will not be disclosed or released to any person other than Committee members, except as required by law, or as advised by the Board or the SIC. Committee members shall follow the laws and regulations in respect to privacy and confidentiality of information.

11. REMUNERATION

The remuneration of a Committee member for serving on the Committee shall be determined by the Nomination and Rewards Committee and subsequently endorsed by the Board for approval by the shareholders.

12. EVALUATION

12.1 On an annual basis, a structured self-evaluation of the Committee's performance shall be undertaken by the Chair and members together with the Secretary. Refer to Appendix I for the illustrative parameters and criteria for assessment.

12.2 The results of the evaluation should be shared with the Committee and the Board as part of the annual SIC report.

13. OWNERSHIP AND DOCUMENT MAINTENANCE RESPONSIBILITIES

13.1 **Document Owner**

The Corporate Governance Department at EMSTEEL is the primary owner of this document and is responsible for ensuring its accuracy, relevance, and alignment with corporate governance standards.

13.2 **Approval Authority**

This Charter must be endorsed by SIC Chair and approved by BOD before implementation in alignment with EMSTEEL's Delegation of Authority Manual.

13.3 **Document Updates**

a. Any amendments or revisions to this document must be proposed by or submitted to the Business Development and M&A Department or the Legal, Governance, Risk and Compliance Function.

b. Changes should be reviewed by Group General Counsel, Group Chief Growth Officer and routed to the designated authorities for approval in accordance with section 13.2 above.

13.4 **Periodic Review**

This document shall be reviewed at least once every three (3) years or as required by regulatory or organizational changes.

13.5 **Version Control**

Each revision or update must be documented in the Issue History section, clearly indicating the changes made, date of revision, and the approving authority.

13.6 **Distribution and Accessibility**

a. The latest version of this document must be made available to all relevant stakeholders through EMSTEEL's Integrated Management System website: https://emiratessteeluae.sharepoint.com/sites/EMSTEEL-IMS

b. Stakeholders are responsible for ensuring they reference the current version in their work.