



April 04th, 2018

**NOMINATION POLICY
(LEEJAM SPORTS COMPANY)**

Title: Nomination Policy	
Policy Reference: _____	
Applicable to: Directors, members of the Committees, and Senior Executives	
Effective Date	Pages
April 2018	5

CHANGE RECORD

Date	Author	Version	Change Details

APPROVAL

Leejam AGM held on April 04th ,2018

Part 1: Introductory Provisions	1
1. Introduction and Purpose	1
2. Definitions and Abbreviations	1
Part 2: Nomination of Directors	1
1. General Rules.....	1
2. Conditions and Qualifications.....	1
3. Nomination Process	2
4. Termination and Vacancies.....	3
Part 3: Nomination and Appointment of Committee Members	3
1. Rules of Nomination and Appointment	3
Part 4: Nomination and Appointment of Senior Executives	3
1. Rules of Nomination and Appointment	3
Part 5: Closing Provisions	4
1. Entry into Effect and Review.....	4
2. Disclosure	4

Part 1: Introductory Provisions

1. Introduction and Purpose

- 1.1. The purpose of this Nomination Policy (this “**Policy**”) is to regulate the nomination of:
 - (a) the Directors of Leejam Sports Company (the “**Company**”);
 - (b) the members of the Committees; and
 - (c) The Senior Executives.
- 1.2. This Policy is intended to implement and supplement the relevant provisions of the Bylaws. In case of conflict between this Policy and the Bylaws, the Bylaws shall prevail.
- 1.3. The provisions of this Policy are mandatory. The Board shall oversee the implementation of the measures required to ensure the Company’s compliance with this Policy.

2. Definitions and Abbreviations

- 2.1. The terms and expressions used in this Policy shall have the meanings assigned to them in the Company’s Corporate Governance Manual, unless otherwise required by the context.

Part 2: Nomination of Directors

1. General Rules

- 1.1. The Directors shall be appointed by the Ordinary General Assembly using the cumulative voting method for a term not exceeding three (3) years. Directors can always be reappointed.
- 1.2. Any Shareholder may nominate him/herself or others to the membership of the Board in accordance with applicable laws and regulations, the Bylaws, and this Policy.

2. Conditions and Qualifications

- 2.1. Directors are required to be professionally capable and have the required experience, knowledge, skill, and independence which enable them to perform their duties efficiently. Directors shall have the following qualifications, in particular:¹
 - (a) **Ability to Lead:** Directors shall enjoy leadership skills which enable them to delegate powers in order to enhance performance and apply best practices in effective management and compliance with professional standards, ethics and values.
 - (b) **Competency:** Directors shall have the academic qualifications and proper professional and personal skills as well as an appropriate level of training. The Directors shall have practical experience related to the current and future businesses of the Company or management, economics, accounting, law, or governance, as well as the desire to learn and receive training.
 - (c) **Ability to Guide:** Directors shall have the technical, leadership, and administrative competencies as well as the ability to take prompt decisions and understand technical requirements and developments related to the workflow. The Directors shall also be

¹ These qualifications are derived from Article 18 of the Corporate Governance Regulations (the “**CGR**”).

able to provide strategic guidance and long-term planning and have a clear future vision.

(d) **Financial Knowledge:** Directors shall have the ability to read and understand financial statements and reports.

(e) **Physical Fitness:** Directors shall be physically and mentally fit to perform their duties and responsibilities and shall not suffer from any health issues that may hinder them from performing their duties and responsibilities.

2.2. Candidates for Board membership shall satisfy the following conditions at the time of their nomination:

(a) they shall not have been convicted of a crime involving moral turpitude or dishonesty;

(b) they shall not be members of the board of directors of more than five joint stock companies at the same time; and

(c) they shall have no interest or be engaged in a business or activity that is competing with businesses or activities of the Company (except as otherwise permitted under applicable laws and regulations, the Bylaws, or the Conflict of Interest Policy).

2.3. In addition to the conditions and qualifications set out in Paragraphs 2.1 and 2.2 above, the Board may, based on the recommendation of the Nomination and Remuneration Committee, issue supplemental conditions, qualifications, and criteria for Board membership.

3. **Nomination Process**

3.1. Before the expiry of a term of the Board, the Board shall issue a resolution authorizing the commencement of the nomination process and determining any supplemental conditions, qualifications, and criteria for Board membership pursuant to Paragraph 2.3 of Part 2. This resolution should be passed at least 90 days before expiry of the term of the existing Board.

3.2. Once the resolution of the Board is issued in accordance with Paragraph 3.1 above, the Company shall announce the commencement of the nomination process on the websites of the Company and the Exchange, and through any other medium specified by the Capital Market Authority (the “CMA”), and invite persons wishing to be nominated to the membership of the Board (the “**Nomination Announcement**”). The Nomination Announcement shall set out the applicable conditions, qualifications, and criteria for Board membership. The nomination period shall remain open for at least a month from the date of the Nomination Announcement.

3.3. Candidates shall submit a written request to the Nomination and Remuneration Committee expressing their desire to run for Board membership, and such request should be accompanied by the relevant documents stated in the Nomination Announcement.

3.4. The Nomination and Remuneration Committee shall review and examine each candidate’s request and the accompanying documents in accordance with applicable policies and standards.

- 3.5. The Nomination and Remuneration Committee shall recommend to the Board candidates for nomination (or re-nomination) to the Board in accordance with applicable laws, regulations, rules, and policies (including this Policy).
- 3.6. The Board shall review, and issue a resolution in relation to, the recommendations of the Nomination and Remuneration Committee with respect to candidates for Board nomination.
- 3.7. The number of nominees to the Board whose names are presented to the General Assembly shall be more than the number of available Board seats.
- 3.8. Upon calling for the General Assembly meeting that will elect Directors from among the candidates, the Company shall announce on the websites of the Company and the Exchange information about the candidates for Board membership. The Company shall also make such information available for collection at the Company's head office.
- 3.9. The General Assembly shall take into account, when electing Directors, the recommendations of the Nomination and Remuneration Committee and the availability of the personal and professional capabilities required for Directors to perform their duties effectively.

4. Termination and Vacancies

- 4.1. Termination of Board memberships and appointment of replacement Directors in case of vacancies on the Board shall be governed by applicable laws and regulations, the Bylaws, the Manual, and applicable policies.
- 4.2. The Ordinary General Assembly may, at any time, dismiss all or some of the members of the Board without prejudice to the right of those dismissed to compensation if the dismissal occurred for an unacceptable reason or at an inappropriate time. The General Assembly may also - based on a recommendation from the Board of Directors - terminate the membership of any member who fails to attend three consecutive meetings of the Board without a legitimate excuse.
- 4.3. If a member of the Board of Directors resigns, and he/she has comments on the company's performance, he/she must submit a written statement of those comments to the Chairman of the Board of Directors, and this statement must be presented to the members of the Board of Directors.

Part 3: Nomination and Appointment of Committee Members

1. Rules of Nomination and Appointment

- 1.1. The members of the Committees shall be nominated and appointed in accordance with the charter of the relevant Committee.

Part 4: Nomination and Appointment of Senior Executives

1. Rules of Nomination and Appointment

- 1.1. The Board shall appoint the Company's Senior Executives and regulate, monitor and oversee their operations and ensure their effectiveness in performing the tasks and duties assigned them. The Nomination and Remuneration Committee shall recommend to the Board potential candidates for Senior Executive positions in the Company including the position of Chief Executive Officer.

- 1.2. The nomination, screening, and annual evaluation criteria for executive positions shall be adopted by a resolution of the Board, following a recommendation by the Nomination and Remuneration Committee, and shall enter into effect and be amended, as necessary, in accordance with its provisions.

Part 5: Closing Provisions

1. Entry into Effect and Review

- 1.1. This Policy shall be adopted by a resolution of the General Assembly, following a recommendation by the Board (which recommendation shall be based on the recommendation of the Nomination and Remuneration Committee), and shall enter into effect from the date on which it is approved by the General Assembly.
- 1.2. The Nomination and Remuneration Committee shall oversee the implementation of this Policy and shall periodically review its provisions and recommend any amendments thereto to the Board.
- 1.3. Any amendments to this Policy shall be adopted in the same manner in which this Policy was adopted.

2. Disclosure

- 2.1. The Board shall comply with the relevant disclosure obligations and requirements under the Disclosure Policy and the applicable laws and regulations in respect of this Policy.