



Shareholder's Rights Policy

1. Introduction

Pursuant to the:

1. Memorandum of Association and Articles of Association of the National Bank of Bahrain B.S.C (**NBB**);
2. Provisions of the Commercial Companies Law of 2001 as amended from time to time (the **Commercial Companies Law**);
3. Provisions of the Personal Data Protection Law of 2018 as amended from time to time (the **PDPL**);
4. Provisions of the Central Bank of Bahrain Rulebook of 2006 as amended from time to time (the **CBB Rulebook**); and
5. Provisions of the BHB Listing Rules of 2019 as amended from time to time (the **BHB Listing Rules**).

(collectively, the **Laws and Regulations**)

NBB hereby discloses information concerning its shareholders (the **Shareholders**) whereby the Shareholders are to enjoy certain rights and adhere to specific obligations as follows.

2. Rights attributed to the Shareholders

Shareholders are deemed to be members of NBB, and Shareholders holding the same class of shares enjoy the same rights and are treated equally.

2.1. The Right to Deal in Shares

NBB is a public Bahraini shareholding company for which its shares are subject to trading on the Bahrain Bourse.

c) Authority of the Ordinary General Assembly

The authority of the Ordinary General Assembly extends to all issues relating to NBB, except those reserved for the Extraordinary General Assembly Meeting by way of the applicable Laws and Regulations and NBB's internal policies. This authority includes appointing and dismissing a member of the Board of Directors, determining the remuneration of the members of the Board of Directors, appointing an auditor, approving NBB's financial statements, and examining proposals relating to borrowing, mortgaging, or issuing bonds or guarantees.

The Ordinary General Assembly may not issue resolutions on issues other than those listed in the relevant agenda, except for urgent matters that arose after the agenda had been prepared. However, Shareholders owning 5% or more of the shares in NBB shall have the right to request the discussion of certain matters not enclosed within the Ordinary General Assembly Meeting's agenda provided that a written request is submitted at least five (5) days prior to the meeting date.

The Right to Attend Meetings

2.2.2. Extraordinary General Assembly Meeting

a) Invitation to convene and quorum requirements

Extraordinary General Assembly Meeting must be convened by an invitation of the Board of Directors or alternatively by a written request to the Board of Directors as issued by the NBB's Shareholders representing at least 10% of NBB's capital.

The Board of Directors must summon an Extraordinary General Assembly Meeting within a period not exceeding one (1) month from the date of such request.

The Extraordinary General Meeting would only satisfy quorum requirements if attended by Shareholders representing at least two-thirds of NBB's capital.

Resolutions of the Extraordinary General Assembly shall be passed by two-thirds of the shares present at the meeting. However, if the resolution relates to increasing or decreasing NBB's capital, converting NBB's legal entity type, or merging it with another entity, the resolution may only be issued if approved by three-fourths of the shares present at the Extraordinary General Assembly Meeting.



b) Authority of the Extraordinary General Assembly Meeting

Extraordinary General Assembly Meetings must be conducted to execute decisions which are deemed as 'extraordinary' by NBB's constitutional documents, including increasing or decreasing NBB's capital, amending NBB's constitutional documents, converting NBB's legal entity type, or merging it with another entity.

However, the Extraordinary General Assembly may not amend NBB's constitutional documents in a manner that would transfer its head office outside of the Kingdom of Bahrain.

3. The Right to Appoint Members of the Board of Directors

Any Shareholder who owns 10% or more of NBB's shares shall have the right to appoint member(s) of the Board of Directors in accordance with the percentage of shares held, subject to the provisions of the applicable Laws and Regulations including but not limited to the corporate governance regulations issued by the Central Bank of Bahrain.

4. The Right to Obtain Information

Each Shareholder shall have the right to receive a printed report at the end of each financial year which shall contain NBB's:

1. Consolidated statement of financial position;
2. Consolidated statement of profit and loss;
3. Consolidated statement of comprehensive income;
4. Consolidated statement of changes in equity;
5. Consolidated statement of cash flow;
6. Board of Director's report; and
7. Auditor's report.

Moreover, Shareholders shall have the right to access NBB's records and obtain copies or extracts of their particulars in accordance with NBB's constitutional documents provided that such action does not impact NBB's interests or its financial status.

Shareholders shall have the right to access all the information that is relevant to them through NBB's website including but not limited to its historical financial statements, meeting minutes of at least five (5) recent consecutive years, as well as its current investor relations contact information.

All documents made available to the Shareholders shall be factual, clear, unambiguous, accurate, and succinct. Such documents shall not be false, misleading, or deceptive, and must contain all information which the Shareholders and their financial advisers would reasonably require for the purpose of making an informed decision.

5. The Right to Subscribe to New Shares

Shareholders have priority to subscribe to new shares issued by NBB. However, Shareholders shall not have priority to subscribe to shares when such shares are issued by NBB for the purpose of an employee stock program, or to introduce a strategic partner, or in exchange of a debt.

In the event of an increase in NBB's capital, a statement shall be issued in one of the local daily newspapers containing a notice to the Shareholders notifying them of their priority to subscribe to new shares, the date of the opening of subscription, the closing date, and the price of the new shares. Each Shareholder must express their intention to exercise their right of priority to subscribe to the new shares within a period of fifteen (15) days from the date such statement is published.

New shares shall be distributed amongst the Shareholders in proportion with their current shareholding prior to the increase. In the event of an increase in capital, the nominal value of the new shares shall be equal to the nominal value of the existing shares.

6. The Right to Receive Dividends

Shareholders shall have the right to receive dividends if determined by a resolution of the Ordinary General Assembly, in accordance with the provisions of the Commercial Companies Law.

Dividends will be distributed to the Shareholders who are registered as the last owner of such shares at the date of the approval of NBB's financial statements by the Ordinary General Assembly.

7. The Right to Receive Other Entitlements

In the event of liquidation or the decrease of NBB's capital, Shareholders shall have the right to receive an amount equivalent to the shares held by such Shareholder. Such entitlement shall be paid to the last owner of the shares.

8. The Right to Submit a Request to the Competent Court

Shareholders shall have the right to request the competent court to determine (as is discretion) whether NBB's affairs are being conducted in an unfair manner which is prejudicial to the interests of its Shareholders, provided that such Shareholder is affected by the alleged circumstances.

Shareholders may request the competent court to nullify any resolution passed by the General Assembly or the Board of Directors which is contrary to the applicable provisions of the Laws and Regulations, to NBB's constitutional documents, or to public order.

9. The Right to Access and Manage Personal Data

NBB is committed to protecting the privacy and security of personal data collected from its Shareholders in accordance with the applicable Laws and Regulations (including but not limited to the PDPL).

NBB may collect, organize, store and transfer Shareholder's personal data to exercise its rights, perform its contractual obligations, and carry out its duties under the applicable Laws and Regulations. NBB may transfer personal data to third parties including but not limited to service providers, regulatory authorities, and other companies within NBB's Group if necessary and in accordance with the PDPL.

NBB has implemented appropriate technical and organizational measures to protect all personal data against unauthorized access, disclosure, alteration, or destruction. NBB also requires its service providers to implement similar measures to safeguard such personal data.

Shareholders shall have the right, in relation to their personal data only and in accordance with the provisions of the PDPL, to:

1. Receive information regarding their personal data stored by NBB and the purposes for which the data is intended to be processed;
2. Request to be notified upon the processing of their personal data;
3. Object to the processing of their personal data for direct marketing purposes; and
4. Request the rectification, blocking and erasure of their personal data.

10. Obligations to which the Shareholders are to adhere to

10.1. Shareholders of the same class are to adhere to the same obligations. Such obligations include the following:

10.1.1. To pay NBB any amounts arising in respect to NBB's capital or any increase thereon, in addition to interest on late payment, as soon as such amounts are due;

10.1.2. To pay expenses incurred by NBB in enforcing any payment in respect if any unpaid amounts and the sale of shares;

10.1.3. To refrain from any action that may harm NBB; and

10.1.4. To implement any resolutions passed lawfully by the General Assembly.

10.2. Shareholders are further obliged to refrain from voting on their behalf or on behalf of an individual they represent on any matter in which the shareholder has a conflict of interest.

11. Policy Review

This policy should be reviewed every three years or more frequently than necessary, based on changes in the Bank's processes, systems, or regulatory requirements.