



BOARD OF DIRECTORS
CHARTER

Approved by: Raya Board of Director

Version: 1.2 Approved for release on: May, 2010

RAYA CORPORATION (or the "Company") Board of Directors Charter

(Effective 20th March, 2007)

The Board of Directors (the "Board") of RAYA Corporation believes that sound corporate governance practices provide an essential foundation to assist the Board in fulfilling its responsibilities. The Board has adopted these guidelines to reflect RAYA's commitment to good corporate governance. RAYA's aim is to comply with the mandates of the Capital Markets Authority ('CMA') in Egypt.

The Nomination and Governance committee will periodically review these guidelines and propose modifications to the Board for consideration as appropriate.

1. Board Responsibilities

Board Functions

The Board represents and is accountable to all the shareholders of the company. The Board's responsibilities are active, not passive, and include the following:

1. Strategic Planning
2. Strategic Business Development
3. Investments / Divestments / Acquisitions Approvals
4. Operational and Financial Performance Monitoring
5. Audit and Risk Management
6. Investor Relations
7. Policy Setting
8. CEO Evaluation and Succession Planning
9. Approving the remuneration of the chairman.

Board Interaction with Third Parties

The Board Chair shall represent the company with the media, major customers, government/legal entities and others. The Board Chair and the Director of Investor Relations shall act as the company spokespersons with existing/potential institutional investors, shareowners, fund managers, regulatory bodies and the financial media. Directors of the Board will refer all inquiries from third parties to the Board Chair.

Confidentiality

The proceedings and discussions of the Board and its committees are confidential. Each director shall maintain the confidentiality of information received in connection with his/her service as a director.

Conflicts of Interest

Directors are expected to avoid any action, position or interest that conflicts with the interests of the Company or gives the appearance of a conflict. If an actual or potential conflict of interest develops, the director shall immediately report the matter to the Chairman of the Board. Any significant conflict must be resolved or the director must resign. If a director has a personal interest in a matter before the Board, the director shall disclose the interest to the Board, excuse himself or herself from discussion on the matter and not vote on the matter. In addition, at least annually each director shall submit a signed questionnaire which assesses areas where potential conflicts may arise.

2. Size and Composition of the Board

Size of the Board

The Board of Directors will consist of a minimum of 7 members and a maximum of 13 members appointed by the Board and approved by the General Assembly. The size of the Board will be assessed from time to time to determine whether it continues to be appropriate in the context of future operations. The exact number, within those limits, shall be fixed from time to time by the Nomination and Governance committee.

Board Chair and Vice Chair

The Board will, from amongst its members elect a Chair and may also elect a Vice Chair to sit in place of the Chair upon the latter's absence. Board Chair and Vice Chair positions can be renewed for other terms. In the event that both Chair and Vice Chair are absent, the Board shall appoint a member as the acting Chair.

Board Chair and Vice Chair memberships

A Board majority can remove the Chair or Vice Chair during the term. The Board can then elect a new Chair from within their ranks.

The Chairman of the Board shall be the chairman of all General Assembly meetings at which he shall be present, and at all meetings of the Board of Directors at which he shall be present. The Chairman shall also perform such other duties as may be assigned to the Chairman by these Bylaws or the Board of Directors.

Independence Requirements

The Board shall be comprised partly of members who qualify as independent directors (the "independent directors"). The mix of inside and independent directors may change from time to time.

The RAYA CEO will have a permanent seat on the Board.

The Corporate Governance committee has been tasked with making determinations of independence for directors.

3. Nomination and Election of Directors

The Board shall have three categories of members:

- Shareholders
- Independent and/ or non-executive experts
- RAYA CEO

Selection of independent and/ or non-executive members ('experts'):

- The Nomination and Governance committee is responsible for identifying, screening and recommending experts. The Nomination and Governance committee shall review on an annual basis, the composition of the Board as a whole, and whether RAYA is being well served by the directors taking into account the number of directors, their independence, age, skills, experience and availability for service to RAYA. The committee shall evaluate the skills, diversity of viewpoints and background, knowledge and experience on the Board and, in the light of this evaluation, prepare a description of the role and capabilities required for particular appointments for experts
- Each independent director is expected to notify the Chair of the Nomination and Governance committee, as soon as reasonably practicable, in the event that his or her personal circumstances change in a manner that may affect the Board's evaluation of such director's independence.

4. Director Qualifications

Term and Term Limits

Board members are elected for a period of 3 years, and can be renewed for other terms. Each director shall hold office until a successor is elected and qualified or until his earlier death, resignation or removal.

Retirement Age

The retirement age for Board members is 72 years. The Nomination and Governance committee will not without specific reason propose re-election of a person who has reached 69 years of age.

5. Board Meetings

Frequency, Time and Place of Meetings

The Board meetings will be held at the Company headquarters, at least four times per year, upon the call of the Board Chair or the demand of one third of the Board members. Under no circumstance should there be less than one meeting every quarter.

The Board may meet outside the Company headquarters provided that all directors are present or represented in the meeting, and that such meeting is held in Egypt.

Each meeting of the Board of Directors shall be held on such date and at such hour as fixed by the Board or in the notice or waivers of notice of the meeting or, in the case of an adjourned meeting, as announced at the meeting at which the adjournment is taken.

Quorum

Except as otherwise required by applicable law, Board meeting shall not be deemed in quorum unless the meeting is attended by at least half of the directors including the Chairman or Nomination and Vice Chairman either in person or by proxy. The minimum number of directors for a Board meeting to be deemed in quorum is three.

Proxy

Directors may be represented at a Board meeting only by another director duly authorized in writing, and such authorization shall constitute presence by proxy at such meeting. The director with such authorization shall have two votes. A director may not act as proxy for more than one other director. The delegate of the Egyptian member must be an Egyptian. In all cases, delegate votes may not exceed one third of total votes of the attendees.

Manner of Acting

Except as otherwise required by applicable law, the vote of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors. Each director shall have one vote. If there are three members only, consensus is mandatory. If there is a tie in a vote, the Board Chair shall have a casting vote.

The minutes of the previous Board meeting shall be endorsed at the beginning of the following meeting.

In the absence of a quorum, the directors present by majority vote and without notice other than by announcement may adjourn the meeting from time to time until a quorum shall attend. At any such adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the meeting as originally notified.

Action Without a Meeting

Any action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting, if a unanimous written consent which sets forth the action is signed by each member of the Board and filed with the minutes of proceedings of the Board. Such filings shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

Notice of Meetings

No notice need be given of any Board meeting for which the Board has fixed the date, hour and place. Notice of the date, hour and place of all other meetings shall be given to each director personally, by telephone, post or by e-mail. If by mail, the notice shall be forwarded to the director at his residence or usual place of business as the same appears on the books of the Corporation not later than seven days before the meeting. If delivered by e-mail, the notice shall be sent to the director not later than three days before the meeting. If given personally, or by telephone, the notice shall be given not later than two days before the meeting.

Director Attendance

A director is expected to spend the time and effort necessary to properly discharge his or her responsibilities. Accordingly, a director is expected to prepare for and attend meetings of the Board, meetings of all committees on which the director sits and the annual meeting of shareholders, with the understanding that, on occasion, a director may be unable to attend a meeting. A director who is unable to attend a meeting in person is expected to notify the Chairman of the Board or the Corporate Secretary in case of Board meetings or the Chairman of the appropriate committee in case of committee meetings in advance of such meeting.

Attendance by Telephone or Other Means of Communication

Directors may participate in meetings of the Board of Directors by means of conference telephone or other communications equipment by means of which all directors participating in the meeting can hear one another, and such participation shall constitute presence in person at the meeting.

Meeting Agenda

The Board Chair or, in his or her absence, the Vice Chair, establishes the agenda for each Board meeting with input from the management and, as necessary or desired, from the other directors. Each director is free to suggest the inclusion of items on the agenda to the Board Chair.

Advance Receipt of Meeting Materials

Information regarding the topics to be considered at a meeting is essential to the Board's understanding of the business and the preparation of the directors for a productive meeting. To the extent feasible, the meeting agenda and any written materials relating to each Board meeting will be distributed to the directors sufficiently in advance of each meeting to allow for meaningful review of such agenda and materials by the directors. Directors are expected to have reviewed and be prepared to discuss all materials distributed in advance of any meeting.

Board Committees

The Board shall have the following standing committees: Audit, Remuneration, Investment and Corporate Governance. Each committee shall have at least three members. Compensation and Finance committees shall each be composed solely of non-executive and/or independent directors and the Audit and Risk Management shall comprise solely of independent directors. The committees shall exercise such powers of the Board as may be provided in the charters established for such committees.

Subject to applicable legal and stock exchange listing requirements, the Board may form new committees or disband existing committees depending upon its needs and circumstances.

Corporate Governance Committee

The corporate governance committee shall consist of at least three members of the board. Members of the Committee shall be appointed by the board. All members of the Committee shall be non-executive and/or independent directors chosen for their competence and experience. The directors of the board shall elect the chairman of the Committee. Members of the Committee shall be appointed by the board for a year at a time but can be reappointed for an unlimited number of times.

Assignment and Rotation of Committee Members

Based on the recommendations of the Corporate Governance committee, the Board appoints committee members and committee chairs on an annual basis or to fill vacancies created by death, resignation or removal. The Board considers experience gained through continuity of service to be valuable, and therefore, committee membership and the position of committee chair will not be rotated on a mandatory basis unless the Board determines that rotation is in the best interest of the Company.

Frequency of Committee Meetings

Each committee meets at least the minimum number of times set forth in such committee's charter. In addition, meetings may be called by the Chairman of the committee or by any two members of the committee from time to time. It is the responsibility of the directors to attend the meetings of the committees on which they serve.

Committee Agendas

The Chairman of each committee, in consultation with the appropriate members of the Committee and any person or persons appointed by Management as liaison to such committee, develops his or her committee's agenda.

Quorum and Manner of Acting

A majority of the members of any committee of the Board shall constitute a quorum for the transaction of business at meetings of the committee, and the act of a majority of the members present at any meeting at which a quorum is present shall be the act of the committee. A majority of the members present at any meeting, regardless of whether or not they constitute a quorum, may adjourn the meeting to another time or place. Any business which might have been transacted at the original meeting may be transacted at any adjourned meeting at which a quorum is present.

Powers Reserved to the Board

No committee of the Board shall take any action to amend the certificate of incorporation or these Bylaws, adopt any agreement to merge or consolidate the Corporation, declare any dividend or recommend to the shareholders a sale, lease or exchange of all or substantially all of the assets and property of the Corporation, a dissolution of the Corporation or a revocation of a dissolution of the Corporation. No committee of the Board shall take any action which is required in these Bylaws, in the certificate of incorporation or by statute to be taken by a vote of a specified proportion of the whole Board of Directors, and approved by the General Assembly in its ordinary or extraordinary meetings as mandated by law.

Committee Self-Evaluations

Following the end of each fiscal year, each committee shall review its performance and charter and recommend to the Board any changes it deems necessary.

AUDIT COMMITTEE

COMPOSITION AND MEETINGS

The audit committee will consist of at least three and no more than six members. The board will appoint committee members and the committee chair.

Each committee member will be both independent and financially literate. At least one member shall be designated as the “financial expert,” as defined by applicable legislation and regulation.

The committee will meet at least four times a year, with authority to convene additional meetings as circumstances require. All committee members are expected to attend each meeting — in person or via teleconference or videoconference. The committee will invite members of management, auditors, or others to attend meetings and provide pertinent information, as necessary

PURPOSE

To assist the board of directors in fulfilling its oversight responsibilities for the financial and operational reporting processes, risk management, the system of internal control, the audit process, and Raya’s process for monitoring compliance with laws and regulations and the code of conduct.

AUTHORITY

The audit committee has authority to conduct or authorize investigations into any matters within its scope of responsibility. It is empowered to:

- Recommend to the Board of Directors and to the General Assembly the appointment and compensation of the external auditor/s to be employed by Raya.
- Oversee the work of any external auditor/s employed by Raya.
- Approve the appointment, compensation, removal, or replacement of the chief audit executive.
- Oversee the operations of the Internal Audit Department.
- Resolve any disagreements between management and the auditor regarding financial reporting.
- Pre-approve all auditing and non-audit services.
- Retain independent counsel, accountants, or others to advise the committee or assist in the conduct of an investigation.
- Seek any information it requires from employees — all of whom are directed to cooperate with the committee’s requests — or external parties.
- Meet with company officers, external auditors, or outside counsel, as necessary.

Investment Committee

A. Establishment

The board of Raya Holding (the "Company") hereby agrees and establishes the Investment Committee of the board (the "Committee"), with all the powers and duties set forth in these regulations and subsequent resolutions of the board. Certain capitalized or uncapitalized terms used but not defined in these regulations have the meanings given to them in the charter of the board.

B. Composition

The composition of the Committee should reflect a balance of experience, background and investment expertise.

The Investment Committee shall be constituted from members of the Board as well as external members, able to represent the interests of the Board as a whole.

The Investment Committee shall be appointed by the Board and will sit as a subcommittee of the Board.

The Committee will comprise of at least members:

- Members of the Board
- CFO
- Business and/or investment professionals.

Committee Chair

The board will elect the committee Chair from among its members who are also members of the Board to carry on the following duties:

- Provide leadership to enhance the Committee's effectiveness and Act as the liaison between the Committee and the board to:
- Carry out the annual plan of the Committee's business
- Set the agenda for each Committee meeting

Sub-Committees

The Committee is authorized to create sub-committees if required and may delegate a portion of its responsibilities to such sub-committees.

C. Duties and Powers

The Committee has the following duties:

- a) Setting the overall investment guidelines in line with the Board's strategy.
- b) Report to the Board recommendations of investment opportunities / activities and time horizon for the Board's approval.
- c) Reviewing and monitoring investments (post investments audits).
- d) Setting the Due-diligence criteria.
- e) Periodically reviewing investment performance with appropriate indexes and preset KPIs /IPS (Investment policy statement) with the Board.
- f) Review all investment cases submitted by the board.
- g) Submit quarterly executive summary to the board of current investments.

D. Meetings

I. Frequency

The Investment Committee shall meet at least four times a year, or as required for Investment cases, with additional meetings at the discretion of the Committee Chair.

Regular Quarterly Meetings:

A meeting will take place at the end of each quarter to:

- Review projects in progress.
- Review and decide to recommend to the board new business cases.
- Examine the Investments review reports from the CFO.
- Consider any investment related matter referred to the Committee by the Board.

II. Meeting with the Board

The Committee will meet with the Board after the Committee's regular Meeting at the end of each quarter to:

- Present the Committee's work for the previous period.
- Present the Committee's plans for the following quarter.
- Get feedback, approvals and or decisions for current business cases when needed.

III. Special Meetings

Special meetings will be held as requested by the Chair of the Committee. Any member of the Committee can request the Chair to call a special meeting.

IV. Meeting Notes and Decisions

Minutes of Committee's meetings will be recorded; all decisions that need the board approval will be communicated by the Chair of the Committee at the succeeding meeting of the Board.

E. Access to Staff and External Advisors

The Committee shall have full, free and unrestricted access to the CEOs and management staff. The Committee has the authority to seek advice from legal counsel, consultants or other advisors, to assist it in fulfilling its responsibilities without obtaining the approval of the Board, Expenditures that would exceed budgeted amounts must receive prior approval of the Board.

Remuneration Committee

A. Establishment

The board of Raya Holding (the "Company") hereby agrees and establishes the remuneration Committee of the board (the "Committee"), with all the powers and duties set forth in these regulations and subsequent resolutions of the board. Certain capitalized or uncapitalized terms used but not defined in these regulations have the meanings given to them in the charter of the board.

B. Composition

The Committee shall consist of at least three non executive members headed by the chairman of the company. All members of the Committee must also be members of the board. All members of the Committee must be independent within the meaning of Section 1.4 of the charter of the board, with the exception of no more than one member. The board shall appoint one of the members of the Committee as chairman of the Committee. The other members of the Committee shall be appointed and may be replaced at any time by the board.

C. Duties and Powers

The Committee has the following duties:

- a) Establishing the Company policy on remuneration for the executive directors, executive management, Chairman, and CEOs of the different lines of business.
- b) Making recommendations to the Board on the Group's framework of executive remuneration and its cost.
- c) Approving for the members of the Executive Leadership Team or other senior executives, as it considers, the entire individual recruitment terms, remuneration benefits, employment conditions, pension rights, compensation payments and severance terms, individual bonus plans and targets and the subsequent achievement of performance against targets.
- d) Proposing for the approval of the Board and for recommendation by the Board to shareholders all new long term incentive schemes.
- e) Approving the rules and associated guidelines for granting awards under the Company's long term incentive plans.

D. Meetings

I. Frequency

The Committee shall meet as often as required for a proper functioning of the Committee, but at least twice a year. If possible, the meetings shall be scheduled annually in advance. The Committee shall meet earlier if this is deemed necessary by the chairman of the Committee, or by two members of the Committee.

II. Notice

Meetings of the Committee shall be called by the chairman of the Committee. Save in urgent cases, to be determined by the chairman of the Committee, the agenda for the meeting shall be sent at least five working days before the meeting to all members of the Committee. To the extent possible, written explanations and other related documents will be enclosed for each item on the agenda.

III. Attendance by Non-Members

The Committee may require the CEO to attend any of its meetings. The Committee may also invite the head of the human resources department of the company and any independent experts to attend meetings of the Committee. Any member of the board may attend meetings of the Committee.

IV. Minutes

Minutes must be drawn up for every meeting of the Committee. The minutes will be signed by the chairman of the Committee and the minute taker and then will be added to the company's records. Each member of the Committee shall receive a copy of the minutes at or before the next meeting of the Committee.

V. Reports to the Board

The Committee shall report to all members of the board, promptly after each of its meetings, on the findings of the Committee and any actions taken by it. If requested, the chairman of the Committee shall provide the board with any further information it requires. Board members shall have access to all records of the Committee.

VI. Miscellaneous

- a. **General Assembly.** The chairman of the Committee (or one of the other Committee members) shall be available to answer questions regarding the Committee's activities at the annual general assembly.
- b. **Amendment.** The board may, at any time, amend these regulations or revoke any powers granted by it to the Committee.

6. Director Compensation

Each director who is not a salaried executive of the company and has not been recruited on the basis of shareholder nomination will receive compensation for serving as a director. The compensation may include a fixed remuneration paid in cash and a variable remuneration linked to performance of the company. The value of director compensation will be approved by the General Assembly on an annual basis. The Nomination and Governance committee will annually review and recommend the form and amount of director compensation.

7. Director Access to Management and Independent Advisors Access to Management

The directors shall at all times have access to the members of the senior management of the Company and shall coordinate such access through the Chair of the Board or the Corporate Secretary.

Senior managers who are subject area experts or who may contribute to the Board's discussions based on their individual backgrounds are encouraged to attend Board meetings, on the invitation of the Board Chair, even though they are not members of the Board.

Access to Independent Advisors

The Board as a whole and each committee has the power to hire independent legal, financial or other advisors as they may deem necessary without consulting or obtaining the approval of any officer of the Company in advance. Mindful of cost efficiency the company will provide sufficient funding to the Board and to each committee, as determined by the Board and each of its committees, to exercise their functions and provide compensation for the services of their advisors and, in the case of the Audit Committee, external auditors. The Board or a committee hiring an independent advisor will notify the Board Chair of such hiring and the identity of the advisor.

8. Director Orientation and Continuing Education

All new directors must be provided with a copy of this "Board of Directors Charter" and will participate in the Company's orientation initiatives as soon as practicable. The programs may include visits to company facilities, presentations by senior management and outside advisors, as appropriate, to familiarize new directors with RAYA's business, its strategic plans, its significant financial, accounting and risk management issues and its compliance programs as well as their duties and responsibilities as directors. All other directors are also invited to attend any orientation programs.

The Nomination and Governance committee and members of senior management of the Company as well as appropriate outside advisors will periodically report to the Board on any significant developments in the law and practice of corporate governance and other matters relating to the duties and responsibilities of directors in general.

9. Removal of Directors and Filling of Vacancies Resignation of Directors

Any director may resign at any time upon written notice to the Corporation. The resignation shall become effective at the time specified in the notice and, unless otherwise provided in the notice, acceptance of the resignation shall not be necessary to make it effective.

Filling of Vacancies Not Caused by Removal

Any vacancy occurring in the Board of Directors, including any vacancy created by reason of an increase in the number of directors may be filled by the affirmative vote of a majority of the remaining directors, unless otherwise provided in the Articles of Incorporation. A director elected to fill a vacancy, or a director elected to fill a vacancy in the case of an increase in the number of directors, shall hold office until the next Annual General Assembly at which directors are approved. The Nomination and Governance committee shall recommend candidates to the Board for election.

Removal of Directors and Filling of Vacancies Caused by Removal

Any director may be removed, either for or without cause, at any time, by the affirmative vote of the holders of record of a majority of the outstanding shares of stock entitled to vote at the General Assembly.

Board may propose the removal of one of its directors in the middle of their term through a majority of the entire Board or the Nomination and Governance committee may propose removal of directors annually for reasons of non attendance or unsatisfactory annual evaluation. The removal of directors is effected but has to be approved in the next General Assembly meeting.

10. Annual Self Evaluation

Following the end of each fiscal year, the Board will conduct an annual performance evaluation to determine whether it is functioning effectively. The Nomination and Governance committee oversees an annual assessment by the Board of the Board's performance. The Nomination and Governance committee is responsible for establishing the evaluation criteria and implementing the process for such evaluation, as well as considering other corporate governance principles that may, from time to time, merit consideration by the Board.

11. Ownership and Sale of Company Shares

The Board encourages stock ownership on a long-term basis by its members and by the senior management. Any trading activity with RAYA shares by the directors is subject to RAYA's Insider Trading Policy.

12. Amendments

By Shareholders

These guidelines may be amended by the shareholders at a meeting called for such purpose in any manner not inconsistent with any provision of law or the articles of association.

By Directors

These guidelines may be amended by the affirmative vote of a majority of the whole Board of Directors in any manner not inconsistent with any provision of law or of the articles of association; provided, that the Board may not amend this section 12, or section 3 (*Nomination and Election of Directors*), section 6 (*Director Compensation*) and section 9 (*Removal of Directors and Filling of Vacancies*).

Version	Prepared by:	Approved by:	Effective Date:
1.1	Reem Asaad Corporate Communication Director	Raya Board of Director	March 2007
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