

**Tenth Corporate Governance Report 2019**  
**Salam International Investment Limited (SIIL)**

Report Issued by Board of Directors of  
Salam International Investment Limited (SIIL)

On 13/02/2020

## Table of Contents

		Page No.
	Preamble	
	Section One The procedures followed by the Company during the year 2019, to meet the requirements of the Code	
1	Completion of the Code Requirements	
2	Amendments to the Statute	
3	Board of Directors Committees	
4	Internal Control	
5	Organization Structure	
6	Training and Workshops	
	Section Two Board of Directors	
7	Board of Directors Composition	
8	Members and Share Ownership as of 31/12/2019	
9	Election and Composition of the Board of Directors	
10	Chairman and Chief Executive Officer	
11	Board of Directors Membership Terms	
12	Loss of Board Membership	
13	Withdrawal of a member from the Board of Directors	
14	Duties of Board Member	
15	Chairman Duties	
16	Board of Directors Functions and Responsibilities	
17	Delegation of Tasks	
18	Secretary of the Board	
19	Board of Directors Meetings	
20	Board of Directors Committees	
21	Assessment of the Board's Performance	
22	Assessment of the Board's Performance in 2019	
	Section Three	
23	Board Remunerations	
24	Board Remunerations for 2019	
25	Senior Executive Management	
26	Committees Remunerations	
	Section Four	
27	General Governance Policies	
28	Corporate Social Responsibility and Community Rights Strategy	
	Section Five	
29	Internal Control and External Audit	

30	Compliance Manager	
31	Internal Control Failures and Violations	
	Section Six Shareholders Rights, Capital Structure and Minority Rights	
32	Shareholder Rights	
33	Capital Structure	
34	Minority Rights and Major Transactions	
	Section Seven Transparency and Disclosure	
35	Litigation and Lawsuits	
36	Integrity and Non-Conflict of Interests	
37	Adherence to the Rules and Conditions Governing the Disclosure and listings in Qatar Exchange	
	Section Eight	
38	General Human Resources Policies and Procedures	
39	Company's Plan for 2020	
	Conclusion	

## **Preamble**

Pursuant to the Listed Companies Governance Code (referred to hereafter as “Code”), with regards to the companies subject to the control of Qatar Financial Markets Authority, issued by the Board of Directors of Qatar Financial Markets Authority, (referred to hereafter as “Authority”) released in 2009, and amended in 2016, notably Article 4 thereof. Salam International Investment Company Limited (“SIIL”) (Q.P.S.C) (referred to hereafter as “the Company”) prepared the First Annual Corporate Governance Report for (2010), which included the measures taken by the Company to abide by the provisions of the Code and compose the Board of Directors (referred to hereafter as “the Board”) and abide by the rules and conditions governing the disclosure and listing in Qatar Exchange. Salam International (SIIL) also prepared its Second Annual Report (2011), which includes the Board’s assessment of the compliance of Salam International with the provisions of the Code. Salam International (SIIL) has prepared the Third Annual Report (2012), which includes an update of the modular sections from the two previous reports, in addition to the achievements of the Company during 2012 in the implementation of the Code.

SIIL prepared its fourth annual report (2013), which includes updating typical sections of the previous reports as well as the company’s achievements in 2013 in the implementation of the Code. SIIL also prepared all regular annual modular reports for the following years (Fifth-Sixth-Seventh-Eight-Ninth).

Pursuant to the Listed Companies Governance code and legal entities with regards to the subject to the control of Qatar Financial Markets Authority, issued by the Board of Directors of Qatar Financial Markets Authority article No. (5) /2016. SIIL is pleased to present its tenth annual report (2019) “Report”, which contains the modular typical sections in addition to the Company’s achievements during the year 2019 in the implementation of the Code.

## **Section One**

### **Procedures followed By the Company during 2019, to meet the Requirements of the Code**

1-During 2019, the Company continued to comply with the requirements of the Code and with its rules and provisions.

#### **2-Board of Directors Committees**

After the formation of the Board of Directors committees stipulated in the Code during the year 2013, in accordance with the provisions of Articles 18-19 of the Governance Code, and after having adopted the framework and Codes of work of said committees during the year 2013, which are: Audit Committee, Remuneration Committee and the Nomination Committee of the Board of Directors (Membership Committee).

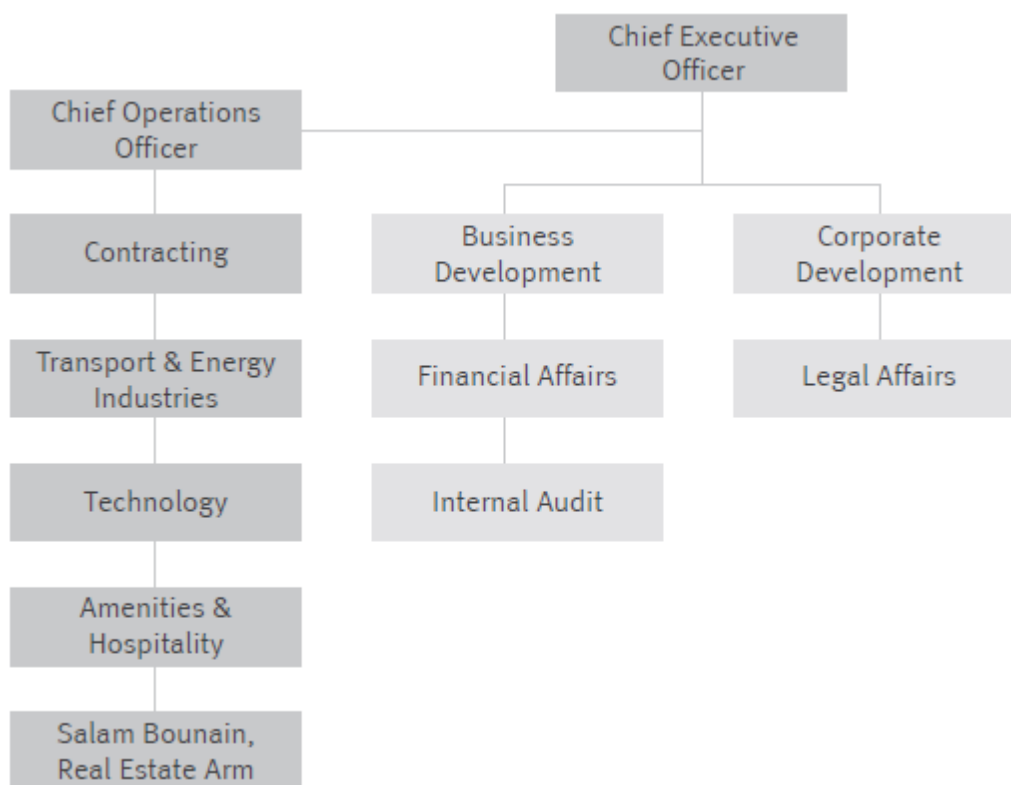
In 2017, the Board of Directors restructured the committees, so that the participation of all members of the Board in each committee is expanded. The framework and working procedures of the committees have also been published on the Company's website. Section Two of this report will detail the above-mentioned committees and their achievements during 2019.

#### **3-Internal Control**

During 2019, the Company renewed the appointment of the Independent External Consultant, in order to carry out the internal governance functions provided for in Article 20 of the Governance Code.

#### **4-Organization Structure**

The diagram below summarizes the Company's corporate central functions and the main sectors of which all subsidiaries and operations fall under.



## 5-Training and Workshops

### **-Board of Directors:**

The senior executive management continued to periodically acquaint the Board members with the activities of the subsidiaries and their business units and showing their work plans and achieved results.

### **-Training of Company staff:**

Each of the subsidiary companies undertake training programs within its fields of activities to acquaint staff with its range of merchandise and services. Furthermore, companies involved in contracting perform staff trainings in health safety and environment (HSE).

## **Section Two**

### **Board of Directors**

The Board of Directors was elected in early 2018, with a mandate beginning from 2018 until the adoption of the financial statements for the year 2020. The following is a brief introduction of the members of the Board of Directors and the percentage of ownership of each in the company's capital:

Name	Brief Description	No. of Shares	%
<p><b>Mr. Issa Abdul Salam Abu Issa</b> <b>Chairman of Board of Directors</b></p>	<p>He is the Chairman of the Board of Salam International Investment Limited in Qatar, and the Chairman of the Board of Salam Bounian Development Company in Qatar. He is the Vice-Chairman of Serene Real Estate –Development Co. in Lebanon and Secretary General of Qatari Businessmen Association. Board member of Al-Shaqab Equestrian Academy. He is also a member of the World Economic Forum (Davos), a member of the Arab Business Council and board member of several other esteemed regional companies. Mr. Abu Issa holds a Bachelor Degree in Business Administration from San Diego University, USA, and has over 40 years of experience.</p>	<p><b>15'656'223</b></p>	<p><b>13.70%</b></p>
<p><b>Mr. Hussam Abdul Salam Abu Issa</b> <b>Vice-Chairman of the Board</b></p>	<p>He is the Vice-Chairman of the Board of Salam International Investment Limited in Qatar, a Board member of Doha Insurance Company in Qatar, a member of the Advisory Board of the College of Administration and Economy at Qatar University, a former member of the Board of Directors of Al-Ballagh Cultural Society, a member of the International Dean Council of Harris School of Public Policy at Chicago University, a member of the GCC Chamber of Commerce, a member of the Islamic Chamber of Commerce and a member of the Advisory Committee for the Bosphorus Summit ICP in Turkey. He also serves as a member of AmidEast Educational Establishment in Lebanon. He is a member of the International Advisory Council for Pac in San Francisco, a member of the Qatari-German Businessmen Council, a member</p>	<p><b>9'829'613</b></p>	<p><b>8.60%</b></p>

	<p>of the Lebanese American University School of Business Studies, a member of the National University Hospital in Singapore and a member of the Board of Directors of AmidEast Washington. Mr. Abu Issa holds a Bachelor's Degree in Marketing from the United States and has 37 years of professional experience.</p>		
<p><b>His Excellency Sheikh Nawaf bin Nasser bin Khaled Al Thani</b> Member of the Board of Directors</p>	<p>He is a member of the Board of Directors of Salam International Investment Limited in Qatar, representing Doha Insurance Company. Sheikh Nawaf is a prominent figure in the Qatar business community and an active contributor to the country's real estate and economic growth. He is credited for a great deal of experience sharing and collaboration building. Sheikh Nawaf is an active participant in many esteemed companies most notably as Chairman of Nasser Bin Khaled (NBK) Holding, Chairman of Al Waab City, Chairman of Doha Insurance Board and Chairman of Nasser Bin Nawaf &amp; Partners Holding Company. He is also a member of the Board of Directors of Arabtec and Samina Capital Fund. Sheikh Nawaf is a member of the Board of Directors of the Qatari Businessmen Association, the President of the French Businessmen Club and Vice-President of the Arab-German Friendship Society. H.E Sheikh Nawaf has been awarded the French Presidential Medal and bestowed a rank of a Knight, in appreciation of his unique efforts in promoting commercial relationships between Qatar and France.</p>	<b>480'000</b>	<b>0.42%</b>
<p><b>His Excellency Mr. Nasser Sulaiman Haidar Mohammed Al-Haidar</b></p>	<p>He is a Member of the Board of Directors of Salam International Investment Limited in Qatar, the Chairman of Al</p>	<b>255'768</b>	<b>0.22%</b>



<p>Member of the Board of Directors</p>	<p>Sulaiman Holding Company, a Member of Qatar’s Advisory Council and member of the Qatari Businessmen Association, a Member of the GCC Family Companies Council and a Member of the Membership and Registration Committee at the Qatari Chamber of Commerce and Industry.</p> <p>Mr. Nasser holds a Bachelor’s degree in Political Science and International Relationships from Aquinas University in Michigan in the United States of America</p>		
<p><b>His Excellency Sheikh Dr. Thani Bin Ali Bin Saud Al Thani</b></p> <p>Member of the Board of Directors Representing Ali Bin Ghanem Al Thani Holding Group</p>	<p>Member of the Board of Directors at Salam International Investment Limited, representing Ali Bin Ghanem Al Thani Holding Group. He is the founder of Thani Bin Ali Al Thani Law Firm for Legal Consulting and Arbitration. Dr. Thani has received his Ph.D in Commercial Law from Cairo University. He is a member of the Arbitration Tribunal of International Chamber of Commerce in Paris as the representative of the State of Qatar. Dr. Thani is a member of the board of directors for international relations at the Qatar International Center for Conciliation and Arbitration, and also a member of the GCC Center for Arbitration in Commerce.</p> <p>Sheikh Dr. Thani Al Thani heads the Corporate Social Responsibility Committee and is an accredited arbitrator with many arbitration centers. He issued several publication in various aspects of law and participated in numerous specialized legal conferences and courses covering civil, commercial and criminal law, in addition to many dedicated legal gatherings and seminars.</p>	<p><b>100’000</b></p>	<p><b>0.09%</b></p>

<p><b>Mr. Hani Abd-el-Kader Al-Kadi</b> Representative of Jordan Arab Investment Bank, Member of the Board of Directors</p>	<p>He is a Member of the Board of Directors of Salam International Investment Limited in Qatar, representing Arab Jordan Investment Bank (Qatar). He is the General Manager, Chief Executive Officer and Board Member of the Arab Jordan Investment Bank in Amman. He is also a member of the Board of Directors of the International Bank of Jordan. He is a Member of The Coutts Middle East Advisory Board and member of the advisory council for the Middle East and North Africa at Harvard Business School. Mr. Hani Al-Kadi has held several positions including: Financial Analyst at Bankers Trust Bank in New York and London and Credit Officer at JP Morgan Bank in New York. Mr. Al Kadi holds a Master's Degree in Business Management from Harvard University in Boston 1988 and a Bachelor's of Science Degree in Civil Engineering from Imperial College University in London 1984.</p>	<p><b>475'000</b></p>	<p><b>0.42%</b></p>
<p><b>Mr. Ali Haider Sulaiman Al Haidar</b> Representative of Suliman &amp; Brothers Company Member of the Board of Directors</p>	<p>Member of the Board of Directors of Salam International Investment Limited in Qatar representing Suliman &amp; Brothers Co.. He is Vice-Chairman at Salam Bounian in Qatar as well as Vice-Chairman at Suliman Brothers Co. and partner at Suliman Al Hajj Haider &amp; Sons. He is a Board Member at Al Haidar Foods Co. and a Board Member at the following: Al Haider Holding Co., Al Beejan for Contracting, Al Hadara International and Mesopotamia for general contracting. Mr. Ali has a B.Sc. in computer science from Qatar University.</p>	<p><b>100'000</b></p>	<p><b>0.09%</b></p>
<p><b>Mr. Jassim Mohammed Abdul Ghani Al Mansouri</b></p>	<p>He is a Member of the Board of Directors of Salam International Investment Limited in Qatar, Chairman and one of</p>	<p><b>100'000</b></p>	<p><b>0.09%</b></p>

<p>Member of the Board of Directors</p>	<p>the founders of iHorizons for media, information and Services, which he founded with two of his partners in early 1996. Over 15 years, they expanded the company via ambitious and arching projects to several activities in Qatar and the GCC region. Since April 2018, Mr. Jassim held the position of Chief Executive Officer and Vice-Chairman of AL-Had Holding.</p> <p>Mr. Jassim has experience with government and semi-government entities, and he held several positions such as Executive Director of HR at Qatar Telecom (now Ooredoo) as well as Chairman of the following companies: People Dynamics, Tawater and Habiger Production. He studied in the USA where he earned his Bachelor of Science degree in Computer Science from Michigan University. His main strengths are relationships, communication and networking that he had built over the years, in addition to his market insight and business and management knowledge.</p>		
<p><b>Mr. Bassam Abdul Salam Abu Issa</b> Member of the Board of Directors</p>	<p>Member of the Board of Directors, Executive Director of Corporate Business Development and a member of the Investment and Auditing Committees of Salam International Investment Limited in Qatar. Mr. Bassam Abu Issa is a shareholder and member of the Board of Directors of “Ithmar Invest”, a regional financial investment company headquartered in Jordan, with branches in Palestine, Saudi Arabia and Qatar. He is also a board member and a shareholder in Dar Al-Tamweel Islamic Finance Company, a board member and a shareholder In the f the Audacia Capital Bank licensed by the Dubai Financial Authority. He graduated with a Bachelor</p>	<p><b>1’139’500</b></p>	<p><b>1.00%</b></p>

	<p>of Arts in Industrial Relations from the University of Kent at Canterbury-England and has embarked on his career by joining Salam Studio &amp; Stores as Director of Operations in Muscat, and then took over as General Manager then became Executive Director of Retail Operations of the Salam Group. He has more than 25 years of professional experience.</p>		
<p><b>Mr. Badr Ali Hussein Al-Sada</b> Member of the Board of Directors</p>	<p>He is a Member of the Board of Directors of Salam International Investment Limited in Qatar. Vice-Chairman and Executive Director of Al Sada Establishment for Trading, Real Estate &amp; Contracting, the Vice-Chairman of Sectors Trading &amp; Contracting, a Board Member of Gulf Experience Electro-mechanical, the Vice Chairman of La Parla Travel and the Chairman of Enzo for Trading &amp; Contracting and works in the Banking Sector. He completed his studies at the College of North Atlantic in the state of Qatar where he received his degree in Business Administration, majoring in Accounting.</p>	<b>100'000</b>	<b>0.09%</b>
<p><b>Mr. Abdul Salam Issa Abu Issa</b> Member of the Board of Directors</p>	<p>He is a Member of the Board of Directors and Chief Executive Officer of Salam International Investment Limited in Qatar, Member of the Board of Salam Bounian for Development in Qatar representing Salam International Investment Limited. He is a partner at Firefly Communications. Mr. Abu Issa has worked in the oil and gas, banking and road construction sectors and is a member of Qatar Entrepreneurs Society. Board member at the Family Business Council- Gulf. Mr. Abdul Salam Abu Issa holds a Master's Degree in International Finance and Economics from the University of Newcastle.</p>	<b>1'661'206</b>	<b>1.45%</b>

<p><b>Dr. Adnan Ali Steitieh</b> Secretary of the Board of Directors</p>	<p>He is the Legal Counsel and the Secretary of the Board of Directors of Salam International Investment Limited. Advisor and Secretary of the Board of Salam Bounian for Development.</p> <p>Dr. Steitieh is an independent board member at the following: Arab Jordan Investment Bank, Palestine Investment Bank, Power International Holding Co., Baldna for Food Industries, Assets Real Estates Co., and Nehmeh Group of companies.</p> <p>Dr. Steitieh represents Salam International in various Boards of Directors at several companies in Qatar, UAE, Saudi Arabia, Palestine and Lebanon, including: Qatar Aluminum Extruding Co. Qalex, Le Gray Hotel Beirut, Ijjada Co. in KSA.</p> <p>Dr. Steitieh was a lecturer professor at several universities, including Qatar University.</p> <p>He is also an accredited international arbitrator at the Qatar International Center for Conciliation and Arbitration, and a Member of the Commission for Corporate Social Responsibility Award.</p> <p>Dr. Steitieh holds a Ph.D. in Economics and Business Administration from Leipzig Graduate School of Management in Germany and a Bachelor's Degree in Law from the Arab University of Beirut, Lebanon, in addition to higher certificates in international relations, sustainable development, and public policy with more than 40 years of professional experience.</p>	<p><b>45'001</b></p>	<p><b>0.04%</b></p>
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### **3- Election and composition of the Board of Directors**

The members of the Board of Directors are elected by the Company's General Assembly and the Board of Directors is formed in accordance with the provisions of the Law and the Articles of Association of the Company. At least one third of the members of the Board shall be independent Board Members and the majority of the Board Members shall be Non-Executive Board Members. One or more seats may be allocated to represent the minorities and another to represent the employees of the company.

In all cases, the formation of the Board must ensure that no one or more members shall be in charge to control the decision making process.

The Board of Directors must meet the conditions listed above.

The Board consists of:

- **Independent members:**

- His Excellency Sheikh Nawaf Bin Nasser Bin Khaled Al Thani (representing Doha Insurance Company).

- His Excellency Mr. Nasser Suliman Haider Al-Haidar.

- Mr. Ali Haider Suliman Al Haidar (representing Suliman & Brothers Co.).

- Mr. Hani Abd-el Kadir Al Kadi (representing Arab Jordan Investment Bank - Qatar) – resigned on 01/01/2020.

- His Excellency Sheikh Thani Bin Ali Bin Saud Al Thani (representing Ali Bin Ghanem Al Thani Group).

- Mr. Jassim Mohammed Abdul Ghani Al Mansouri.

- Mr. Badr Ali Al-Sada.

- **Executives (non-independent):**

- Mr. Issa Abdul Salam Abu Issa (Executive Chairman)

- Mr. Hussam Abdul Salam Abu Issa (Executive Director)

- **Non-Executives (non-independent):**

- Mr. Abdul Salam Issa Abu Issa (Chief Executive Officer)

- Mr. Hussam Abdul Salam Abu Issa (Executive Director)

Upon the adoption of the financial results for 2020, and the election of a new Board of Directors, the membership of the current Board of Directors will expire. A new Board of Directors is expected to be elected before the end of the first quarter of 2020.

A brief introduction of each member of the Board of Directors has been posted on the company's website:

[www.salaminternational.com](http://www.salaminternational.com)

## **10- Chairman and Chief Executive Officer (CEO)**

In accordance with the provisions of the law in this regard, no one person shall be in his capacity as Chairman or Vice-Chairman of more than two companies whose head offices are in the State of Qatar, or to be a member of the Board of Directors of more than three companies whose head offices are in the State of Qatar, or to be a delegated member of the management in more than one company whose head office is in the state of Qatar, nor to combine the membership of the Board of Directors of two companies that practice a homogeneous activity. The law also prohibits the combination of the presidency of the board and any executive position in the company. The Chairman may not be a member of any of the board committees stipulated in this Code. The Chairman and the members of the Board shall submit an annual declaration to be kept by the Secretary in the portfolio that is prepared for this purpose, in which each of them shall agree not to combine the positions which are prohibited in accordance with the law and the provisions of this Code.

## **11- Board of Directors Membership Terms:**

The following conditions are required for the candidate to be eligible for membership of the Board of Directors:

- A. The candidate must be at least twenty-one years old.
- B. Shall not be sentenced to a criminal penalty, an offense against honor or trust, or a crime referred to in Article 40 of Law No. (8) /2012 on the Qatar Financial Markets Authority, Articles 334 and (335) of Law No. (11)/ 2015 to issue the Commercial Law or to be prohibited from practicing any work in the entities subject to the Authority's supervision under Article 35 (12) of Law No. (8)/ 2012, or had been declared bankrupt unless his name has officially been restituted.
- C. To own one hundred thousand (100,000) shares of the company.
- D. To deposit one hundred thousand (100,000) of his owned shares in one of the accredited banks within (60) days from the date of the commencement of the membership, or from the date the shares are registered as management shares at the Qatar Exchange. This is done in order to guarantee the rights of the Company, shareholders, creditors and third parties of the responsibility of the members of the Board of Directors so that such shares shall continue to be deposited with a non-negotiable, mortgage or attachment until the end of the term of office and the validity of the budget of the last fiscal year carried out by the member.
- E. With regard to shareholders appointed to the Board of Directors for owning a percentage of 10% of the Company's shares, their entire share should also be deposited in one of the approved banks or marked on the Qatar Stock Exchange as management shares, in return for membership in the Board of Directors. In case of loss of membership for any reason, the provisions of the preceding paragraph will apply to the shares of the Administration.

F. The board members must be qualified, have adequate knowledge of management and appropriate expertise to perform their duties effectively, and must devote sufficient time to carry out their work with integrity and transparency in the interest of the company, its goals and objectives.

G. Upon his election, every member of the Board of Directors should immediately sign a Declaration of Conformity under which he undertakes to abide by the provisions of the contract and the Articles of Association, and any other laws or regulations governing joint stock companies and their Board of Directors.

H. Each member must sign a declaration that the conditions of membership of the Board of Directors are met and that he shall not take any position that legally prohibits him from combining it with the membership of the Board, in accordance with the provisions of the law and the Code of Governance and the statutes.

I. Any legal person, or regular person representing a legal person as a member of the Board of Directors, or a member of the Board of Directors, shall continue to abide by the guiding principles contained in these Regulations and the Charter of the Board of Directors.

## **12- Loss of Board Membership:**

A member of the Board of Directors loses his membership in the following cases:

A. If he breaches or loses any of the membership conditions of the Board of Directors mentioned in item 10 above.

B. If he misses attending (3) three consecutive meetings of the Board; or (4) four non-consecutive meetings without an acceptable excuse during his term of office.

C. If he resigns from office with a written notice, approved by the Board of Directors and in accordance with the provisions of the law.

D. If he is in violation of the provisions of Article 98 of the Law.

E. If the member has no solvency, suitability or good reputation, or if he subsequently loses any of them.

13. A member of the Governing Council may withdraw from the Board, provided that it is in a timely manner. Otherwise he is liable by the Company.

## **14. Duties of Board Members:**

The Company has adopted in 2019 a charter for the Board of Directors.

The Charter includes the duties of the members of the Board of Directors in detail, including the following:

A. Adopting the strategic plan and the main objectives of the Company.



- B. Establishing systems and regulations for the internal control of the Company and its supervision.
- C. Developing a Corporate Governance Code.
- D. Establishing clear, specific policies, criteria and procedures relevant to the membership of the Board of Directors.
- E. Developing a written policy governing the relationship between stakeholders.
- F. Developing policies and procedures to ensure that the Company respects the rules and regulations.
- G. Inviting all shareholders to attend the General Assembly meeting.
- H. Approving nominations for senior management positions.
- I. Developing a mechanism for dealing and cooperating with financial service, financial analysis and credit rating providers.
- J. Developing awareness programs for spreading the culture of self-control and risk management in the company.
- K. Adopting a clear and written policy setting for the basis and manner of awarding the remunerations of Board members.
- L. Establishing a clear policy for contracting with the concerned parties.
- M. Establishing the foundations and criteria for assessing the performance of the Board and the senior executive management.

### **15. Chairman Duties:**

The Chairman is the President of the Company, representing it to third parties and before the law. He holds first responsibility position regarding the effective and productive management of the Company and for satisfying the interests of the Company, partners, shareholders and other stakeholders. The Charter of the Board of Directors shall include the duties and responsibilities of the Chairman, including at least the following:

- A. Ensuring that the Board of Directors efficiently tackle all essential issues in the right time.
- B. Ensuring that the Board discusses all key issues in an effective and timely manner.
- C. Approving the meeting agenda, taking into account any issue raised by any member of the Board.
- D. Encouraging the members of the Board to participate collectively and effectively in the conduct of the affairs of the Board, in order to ensure that they fulfill its responsibilities in the interest of the Company.
- E. To make available all data, information, documents and records of the company, the Board and its committees to the Board members.
- F. To find channels of effective communication with shareholders and to communicate their views to the Board.
- G. To allow non-executive members of the Board, in particular, to participate actively and to encourage constructive relations between Executive and non-Executive Board members.

H. To ensure that members are continuously informed of the implementation of the provisions of this Code. The Chairman may delegate the Audit Committee or others in this matter.

The Vice-Chairman shall replace the Chairman in his absence. The Chairman may delegate to other members of the Board some of his authorities.

I. Ensure conducting an annual evaluation of the Board's performance.

#### **16. Board of Directors Functions and Responsibilities:**

The Board of Directors shall, in general, have all powers and authority to manage the Company and to carry out all actions required by this management in accordance with its purpose, and shall not limit such powers and authorities, except as provided for by law, Company regulation or General Assembly resolutions.

The Board represents all the shareholders and should take the necessary care needed in the management of the Company in an effective and productive manner for the interest of the Company, partners, shareholders, stakeholders, public benefit, investment development in the country and community development, and shall be responsible for protecting shareholders from acts and practices that are illegal or any acts and decisions that may cause them harm, discriminate between them or give preference to a group over other groups. The Board's responsibilities must be clearly defined in the Company's Articles of Association and the Charter of the Board referred to in the preceding Article.

The Board, in a manner not contrary to the provisions of the law, should perform its functions and duties, and bear responsibility. In particular, the Board is responsible for the following:

A. The Board shall perform its functions with responsibility, good faith, diligence and concern; its decisions shall be based on adequate information from the executive management or from any other reliable source.

B. Each member of the Board shall represent all the shareholders, and shall commit himself to the interests of the Company, not the interest of his representative or of those who voted for his appointment to the Board.

C. The Board must define the authorities delegated to the Executive Management, the decision-making procedures and the duration of the mandate. It shall also specify the subjects that the Board shall retain the power to decide. The Executive Management shall submit periodic reports to the Board on how it exercises delegated authorities.

D. The Board shall ensure that procedures are established to acquaint any new members of the Board to the Company, especially the financial and legal aspects, as well as their training if necessary.

E. The Board shall ensure that the Company shall avail adequate information on its affairs to all members of the Board in general and to non-executive members

in particular, in order to enable them to carry out their duties and functions efficiently.

F. The Board may not undertake loan contracts that exceed three years' duration, sell or mortgage the company's properties or discharge the debtors of the company from their obligations unless they are authorized to do so in the company's system and in the conditions stipulated therein. The Board may carry out such acts only with the authorization of the General Assembly, unless such acts are included in the Company purposes.

### **17. Delegation of Tasks:**

The Board may delegate some of its functions and constitute special committees for the purpose of undertaking specific operations on its behalf; provided that this decision stipulates the nature of such tasks. The Board should avoid issuing generic or indefinite mandates.

### **18. Secretary of the Board**

#### **- Qualifications and Appointment of the Secretary:**

The Secretary of the Board of Directors shall, in general, organize and plan all the meetings and activities of the Board of Directors, its committees and the General Assembly of the Company. He also monitors the implementation of the decisions of the Board of Directors and the directives of the Chairman.

The Secretary of the Board shall be appointed by a decision of the Board of Directors for the term of the Board and shall be reappointed with the election of each new Board.

The current Secretary has the required qualifications. He holds a higher degree in economics and management in addition to a bachelor's degree in law and political science. He is an accredited arbitrator at Qatar International Center for Arbitration and Conciliation and as associate professor at Qatar University. He enjoys nearly 40 years of experience including the handling of the affairs of listed companies that have been on the market for more than 20 years.

#### **- Duties of the Board Secretary:**

The Secretary shall assist the Chairman and all members of the Board in the tasks they perform. The Secretary of the Board is committed to streamline all the works of the Board, including:

- A. To record the Board's minutes of meeting, specifying the names of the members present and absent, indicating what took place at the meeting and confirming the members' objections to any decision issued by the Board.
- B. Record the decisions of the Board in the register set for this purpose, by date of issue.
- C. Schedule and arrange the meetings held by the Board in the register set for this purpose in accordance with the date of the meeting, indicating: the

members present and absent, the decisions taken by the Board at the meeting and the objections, if any.

D. Keep track of the Board's minutes of meeting, its resolutions, reports and all records and correspondence in paper and electronic formats.

E. Send the meeting invitation to the members of the Board, and the participants, if any, with the agenda at least two weeks prior to the date of the meeting and receive requests from members to add one or more items to the agenda.

F. Full coordination between the Chairman and the members of the Board and among the members themselves, as well as between the Board, concerned parties and stakeholders, including shareholders, management and employees.

G. Enable the Chairman and Members to have prompt access to all Company documents, as well as its information and data.

H. Maintain records of the declarations of the members of the Board making sure not to combine the positions prohibited of being combined in accordance with the law and the provisions of this Code.

I. Circulate the relevant resolutions of the General Assembly and the Board of Directors to subsidiaries and respective departments.

J. Ensure the proper delivery and distribution of information and coordination among Board members and other stakeholders, including shareholders, management and employees, and ensure full and prompt access to all minutes of Board meetings, information, documents and records relating to the Company.

K. Sign the company's correspondence regarding the execution of the tasks entrusted to him, whether mentioned above or any additional tasks that may be assigned to him.

L. Coordinate between the committees of the Council in general.

M. Enable all members of the Board to benefit from the services of the Secretary and advice within the scope of his duties.

N. Any other tasks commissioned by the Board of Directors or by the Chairman.

### **19. Board Meetings:**

The Board of Directors meet on regular basis or when an invitation is issued by its Chairman or at the request of at least two members of the Board of Directors, as per the Company's Articles of Association. All members of the Board should be invited to the meeting at least one week in advance of the date of the meeting. Items can be added to the agenda at the request of a Board member.

The Board of Directors must meet at least six times during the Company's fiscal year. Three full months must not pass without a Board meeting. The provisions of Article 104 of the Act apply to the organization of Board meetings. Board meetings shall be valid only in the presence of the majority of the members, including the Chairman or the

Vice-Chairman.

An absent member may deputize a member of the Board to represent him in attendance and voting. However, a member may not represent more than one member at a time. If a member of the Board fails to attend three consecutive meetings or four non-consecutive meetings without an accepted excuse which is accepted by the Board, otherwise the member shall be considered to have resigned.

Participation in Board meetings is allowed by any means of secure modern technology, which enables the participant to listen and participate actively in the Board discussions and the issuance of decisions.

The Board of Directors held 8 meetings during 2019 and has thus satisfied the requirements of Article 104 of the Law, Article 14 of the Governance Code, and Article 29 of the Company's Articles of Association.

Board of Directors' meeting schedule for the year 2019:

Meeting No.	Date	Members attending in person	Members attending via proxy	Absent
1/2019	7 Jan. 2019	11	-	-
2/2019	6 Mar. 2019	9	2	-
3/2019	1 Apr. 2019	11	-	-
4/2019	29 Apr. 2019	10	1	
5/2019	25 June 2019	11	-	-
6/2019	05 Aug. 2019	11	-	-
7/2019	29 Oct. 2019	11	-	-
8/2019	29 Dec. 2019	11	-	-

## 20-Board of Directors Committees

Upon its election, the Board formed three dedicated committees to assist in the performance of its functions:

### 1. Audit Committee:

Consisting of the following:

Mr. Ali Haider Suliman Al-Haidar	Chairman
Sheikh Thani Bin Ali Bin Saud Al Thani	Member
Mr. Badr Ali Al-Sada	Member
Mr. Hani Abd-El Kadir Al-Kadi	Member
Mr. Hussam Abdul Salam Abu Issa	Member
Mr. Bassam Abdul Salam Abu Issa	Member
Mr. Abdul Salam Issa Abu Issa	Member
Mr. Dr. Adnan Ali Steitieh	Committee Secretary

## **Audit Committee and Internal Audit Department's Charter and scope of work:**

-Structure and composition of the Committee and its scope of work:

A. The Committee shall comprise of at least three members, the majority of whom should be independent members; and the committee must include at least one member with financial and audit experience. In the event that the number of independent members available was not sufficient to complete the audit Committee, it is permitted to appoint non-independent members provided that the Chairman of the Committee is independent.

B. It is not permitted that any person who is currently employed or has been employed by the Company's external auditors within the last 2 years, to be a member of the Audit Committee.

C. The Committee shall meet at least four times a year (every three months) or whenever needed. Either at the invitation of its Chairman or at the request of two of its members. Members of the Committee shall be informed of the date of the meeting, either in writing or via e-mail, five working days prior to the date of the meeting.

D. The members of the Committee shall, at their first meeting, shall set out and approve adopt the Committee work plan in a manner compatible with its role and basic responsibilities, in addition to appointing a Committee secretary.

E. The Committee shall publish its Committee Charter after it is approved by the Board of Directors.

F. The minutes of meeting and Committee decisions must be recorded in a register. The minutes and decisions should then be signed by all members of the Committee present, and a copy should be sent to the Secretary of the Board of Directors.

G. The Committee should establish a Charter, which ensures the speedy completion of its agendas and the issuance of its decisions, as well as the supervision of the implementation of such decisions.

The quorum of the Committee is complete upon the attendance of no less than two-thirds of its members.

H. Decisions of the Committee shall be taken via consensus of the members. If this is not possible, the positions of its members will be documented and the decisions will be issued based on a two-thirds majority of its members.

I. In the event of any disagreement between the Audit Committee's recommendations and the Board of Directors decisions, including where the Board refuses to follow the Committee's recommendations concerning the external auditor, the Board shall include in the Company's Governance Report, a statement detailing such recommendations and the reasons behind the Board of Directors' decision not to follow the recommendations.

J. The Secretary of the Committee shall coordinate and document the Committee's work and maintain and keep the minutes of meeting, in addition to

ensuring that the information, documents, minutes of meetings are promptly and fully accessible to all members of the Committee.

K. It is permitted The Committee may hold its meetings remotely, by means of video calls, conference calls or through electronic mail exchange. Such meetings shall be documented and recorded and the minutes of meetings duly signed by participating Committee members, otherwise it will be deemed void. It is permitted to deputize in attending Committee provided that each member does not represent more than one member at a time and that the number of members present is not less than the majority of the members of the Committee.

L. The committee is formed by the Board of Directors' decision. The Committee shall be reconstituted with each re-election of the Board, and may be reconstituted before the expiration of the existing mandate of the Board, if necessary.

**- The Committee's Charter and authorities:**

In general, the Committee should undertake all matters relating to the verification of the integrity of financial and supervisory policies and procedures and risk management. In particular, the Committee undertakes the following tasks:

A. Adopt a policy for appointing the External Auditors; and to report to the Board of Directors any matters that, in the opinion of the Committee, necessitate action and to provide recommendations on the necessary procedures or required action.

B. Oversee and follow up the independence and objectivity of the external auditor and to discuss with the external auditor the nature, scope and efficiency of the audit in accordance with International Standards on Auditing and International Financial Reporting Standards, and review their work plans.

C. Recommend to the Board of Directors the appointment of the Internal Audit Manager.

D. Oversee, the accuracy and validity of the financial statements and the yearly, half-yearly and quarterly reports, and to review such statements and reports. In this regard particularly focus on:

1. Any changes to the accounting policies and practices;
2. Matters subject to the discretion of Senior Executive Management;
3. The major amendments resulting from the audit;
4. Continuity of the Company and successful operations.
5. Compliance with the accredited accounting criteria.
6. Compliance with disclosure rules and any other requirements relating to the preparation of financial reports.
7. Compliance with the applicable Market listing Rules

E. Meet external auditors at least once a year.

- F. Examine any important and extraordinary matters, included within the financial reports, interim and final accounts, and carefully investigate any matters raised by the Company's CFO, compliance officer or external auditors.
- G. Supervise the internal audit and risk management activities. Or oversee the they were provided by an external expert house.
- H. Review of financial and internal control and risk management systems.
- I. Evaluate the effectiveness and adequacy of the system and the scope of internal audit programs.
- J. Discuss the internal control system with management to ensure that management performs its duty towards the development of an effective internal control system.
- K. Look into the results of investigations of internal control matters.
- L. Ensure the coordination between internal and external auditors.
- M. Periodically Review the Company's financial and accounting policies and procedures regularly and whenever needed.
- N. Establish a confidential reporting system for stakeholders on any matters that raise suspicion or doubt in financial reporting or internal controls. Ensuring an independent and fair investigation of these matters, and protecting the person reporting such matters (whistle blower) from any adverse reaction or damage that may arise.
- O. Verify the extent to which the Company complies with the application of the rules of professional conduct in the approved policies.
- P. The Committee may employ experts and specialists if necessary at the expense of the Company.
- Q. The Committee is permitted to obtain access to any information and data in order to conduct its work and invite any member of the Board of Directors or the Executive Directorate of the Company and Affiliates to attend its meetings and discuss with them a specific matter to be stated in the meeting's invitation.
- R. The Committee should submit periodic reports on the results of its work and its recommendations to the Board of Directors for approval within the Company's policies.
- S. The Committee should assume any other functions delegated to it by the Board of Directors and fall within its competencies.

The Company shall reconstitute the committee, and adjust its functions in accordance with the provisions of the Governance Code, after the election of the new Board of Directors.

**- The Committee's achievements during the year 2019:**

- A. The Committee held six meetings during 2019 where they discussed the 2019 budget, the final financial statements for the year ended 2018 and the quarterly and semi-annual financial statements for 2019. It also reviewed the final financial statements for 2019 at the beginning of February 2020. This is in



accordance with the provisions of Article 18 of the Corporate Governance Regulations.

B. During 2012, the Committee adopted the policy of contracting with the external auditors and then updated the policy at end of 2014 and the beginning of 2015.

C. The committee recommended appointing a specialized entity or institution to carry out the internal audit tasks.

D. The committee held a workshop for its members and interested members of the Board of Directors to introduce the new international accounting and auditing standards (IFRS).

## **2. Membership Committee:**

### **Consists of the following:**

Mr. Nasser Suliman Haidar Mohammed Al-Haidar	Chairman
Sheikh Thani Bin Ali Bin Saud Al-Thani	Member
Mr. Ali Haider Suliman Al-Haidar	Member
Mr. Abdul Salam Issa Abu Issa	Member
Dr. Adnan Ali Steitieh	Committee Secretary

### **Committee's Charter and Scope of Work:**

#### **- Structure and Composition of the Committee and its**

#### **Scope of Work:**

A. The Committee shall consist of three independent members of the Board, and shall be chaired by one of these members.

B. The quorum of the Committee is complete by the attendance of two-thirds of its members.

C. Decisions of the Committee shall be taken via consensus of the members. If this is not possible, the positions of its members will be documented and the decisions will be issued based on a two-thirds majority of its members.

D. The members of the Committee shall, at their first meeting, set out and adopt Committee charter highlighting its main roles and responsibilities, and appoint a Committee Secretary.

E. Committee minutes of meeting and Committee and resolutions decisions shall be kept in a registry, a copy of the same to be sent to the Secretary of Board of Directors. All Committee members shall duly sign the minutes and resolutions.

F. The Secretary of the Committee should coordinate and document the Committee's work through minutes of meeting, in addition to ensuring that the information in the minutes is fully and promptly accessible to all members of the Committee.

G. The Committee may hold its meetings remotely, by means of video calls, conference calls or through electronic mail exchange. Such meetings shall be documented and the minutes duly signed by the participating members of the

Committee, otherwise they shall be deemed void. A member can delegate another member to attend on their behalf, provided that each member does not represent more than one member at a time and that the number of members present is not less than the majority of the members of the Committee. The Committee shall meet at least once a year, or whenever necessary.

**- The Committee's Charter and Authorities:**

The Committee should undertake the following tasks:

A. Prepare a list of nominees to the Board of Directors and recommend that the General Assembly to elects the Board of Directors from this list. Nomination by the committee does not mean any jeopardize the rights of the shareholders stipulated by law, or depriving any shareholder in the Company of the right to nominate a member or their self for membership of the Board.

B. The Membership Committee shall nominate the candidates for membership of the Board of Directors, taking into consideration the conditions of appointing the members of the Board stipulated in the Articles of Association of the Company and the Charter of the Board. In addition to verifying that the candidate fulfills the criteria for candidacy for membership of the Board of Directors, including the availability of skills, knowledge, experience, professional, technical and academic qualifications as well as strength of personality.

C. The Membership Committee shall determine whether the member is an independent member, or whether he is an executive or non-executive, taking into account the minimum requirements needed for each category.

D. The Committee shall carry out an annual objective evaluation for the performance of the Board of Directors by following specific criteria including the following:

1. Number of annual meetings.
2. Adherence to the periodicity of meetings.
3. Meeting attendance rate.
4. Promptness and effectiveness in handling the issues on the agenda of the Board.
5. Extent of compliance with transparency and disclosure with regard to the Board's decisions.
6. Interaction with the various committees of the Board and the implementation of their recommendations.
7. Meeting the plans and objectives and implementation of the approved policies.
8. Any other criteria required by self-evaluation and objectivity.

**- The Committee Achievements during 2019:**

A. The Committee held three meetings during 2019 during which it evaluated the performance of the Board during the second half of 2019 and then for the

entire 2019, in accordance with the Board's approved performance assessment evaluation process.

B. During 2012, the Committee adopted a Code for evaluating the annual performance of the Board of Directors, and updated this Code in 2018.

### **3. Remuneration Committee:**

#### **Consists of the following:**

Sheikh Nawaf bin Nasser bin Khalid Al Thani	Chairman
Mr. Hani Abd-El Kadir Al-Kadi	Member
Mr. Jassim Mohammed Abdul Ghani Al Mansouri	Member
Mr. Badr Ali Al-Sada	Member
Dr. Adnan Ali Steitieh	Committee Secretary

#### **- Structure and Composition of the Committee and its**

##### **Scope of Work:**

A. The Committee shall consist of at least three members of the non-executive Board members, the majority of whom shall be independent. Members of the Executive Management, in their respective capacity, may participate in the committee's scope of work at the invitation of the Committee.

B. The members of the Committee shall, at their first meeting, set out, adopt approve its terms of reference highlighting its main roles and responsibilities in form of a Committee Charter. In addition, the members shall appoint the Committee Secretary.

C. The Committee shall publish its Committee Charter after being approved by the Board of Directors.

D. Minutes of meeting and Committee decisions should be recorded in a registry and a copy of the same shall be sent to the Secretary of the Board of Directors. The Committee minutes of meetings and resolutions should be signed by all members of the Committee.

E. The quorum of the Committee is complete upon the attendance of no less than two-thirds of its members.

H. Decisions of the Committee shall be taken via consensus of the members. If this is not possible, the positions of its members will be documented and the decisions will be issued based on a two-thirds majority of its members.

M. The Committee shall meet at least once a year or whenever needed, either at the invitation of its Chairman or at the request of two of its members. Members of the

Committee shall be informed of the date of the meeting, either in writing or via e-mail, five working days prior to the date of the meeting.

N. The Secretary of the Committee should coordinate and document the Committee's work through minutes of meeting, in addition to ensuring that the information in the minutes are fully and promptly accessible to all members of the Committee.

I. The Committee may hold its meetings remotely, by means of video calls, conference calls or through electronic mail exchange. Such meetings shall be documented and minutes duly signed by the participating members of the Committee, otherwise they shall be deemed void. A member can delegate another member to attend on their behalf, provided that each member does not represent more than one member at a time and that the number of members present is not less than the majority of the members of the Committee.

**The Committee's Charter and Authorities:**

A. Setting the remuneration policies and principles in addition to salaries in the Company. Including the remuneration of the Chairman of the Board, the members

of the Board and the Senior Executive Management, as well as reviewing them whenever needed.

B. The Committee shall establish the remuneration policy, taking into account the following criteria:

1. Long-term performance of the Company.
2. Targeted useful growth of the Company.
3. Responsibilities and functions of the Board of Directors members.
4. Responsibilities and tasks of the senior executive management.

C. Proposing the Employee Share Option Plan (ESOP), if permitted by law.

D. The Committee shall propose a remuneration policy for the Company, based on the individual performance of the “employees” and the collective performance of the “business units”. Rewards may include a fixed part and a performance-related part. The performance-related part must be based on the long-term performance as well as the useful targeted growth at the same time.

E. The Committee shall propose the policies and principles of remunerations. The Board shall submit them to the shareholders of the General Assembly to be made public.

F. The Committee should supervise the application of the remuneration policies and principles.

G. The Committee may employ experts and specialists if necessary at the expense of the Company. The Committee is also permitted to seek assistance from the Company's employees and invite the Company's executives to participate in its business.

H. The Committee should assume any other functions that fall within its competencies delegated to it by the Board of Directors.

I. The Committee should submit its reports and recommendations to the Board of Directors for approval.

**- The Committee's Achievements During 2019:**

A. The Committee held one meeting during 2019.

It examined the Board of Directors' remuneration for the year 2018, the remuneration package of the new CEO and work conditions of the Chairman of the Board and others. The Committee submitted its respective recommendations to the Board.

B. The Committee has adopted since 2012 a policy for incentives and rewards.

## **21. Assessment of the Board's Performance:**

The Membership Committee should, within its approved multiple functions, carry out an annual objective self-assessment of the performance of the Board of Directors. In its evaluation of the Board's performance, the Committee relies on the fact that the Board of Directors is collectively responsible for overseeing the management of the Company bears the responsibility for developing strategic policies and objectives, effective monitoring the performance of the Company and its subsidiaries and ensuring the presence of succession plans for management as well as long-term equity protection and development.

In particular, the Membership Committee, in its preparation of the annual performance appraisal of the Board, should adopt the criteria adopted in the charter of the Committee, which are set out below:

1. Number of annual meetings.
2. Adherence to the periodicity of meetings.
3. Meeting attendance rate.
4. The speed and effectiveness of the implementation of the issues on the agenda of the Board.
5. Extent of compliance with transparency and disclosure with regard to the Board's decisions.
6. Interaction with the various Board committees and the implementation of their recommendations.
7. Meeting plans, targets and objectives and implementing approved policies.
8. Any other criteria required by self-evaluation and objectivity.

## **22. Assessment of the Board's Performance in 2019:**

The Membership (Nominations) Committee conducted an objective evaluation of the performance of the Board of Directors during 2019, following the criteria adopted within the evaluation system and according to the following:

The Board held eight meetings during 2019. The members of the Board achieved a 100% attendance rate, of which 97.8% were attendees in person and 2.2% were via proxy. The Board also committed itself to the periodicity of the meetings, as no more than three full months elapsed between any two consecutive meetings of the Board.

The Board adopted the financial and closing statements for 2018. The Board reviewed, studied and discussed the quarterly and semi-annual financial statements for 2019 and the respective auditors' reports which the Board approved.

In carrying out its functions, the Board took into account the recommendations of its committees; where the recommendations of the Audit Committee on the financial statements were adopted. Similarly, Remuneration Committee's recommendations on incentives for employees' remuneration, board liabilities, executive/management bonuses and commissions were also adopted.

The Board issued (21) resolutions in 2019 related to investment opportunities and operational issues for the Company and its subsidiaries, including one resolution that passed and were approved during the meeting following the issuance of the resolution. All these decisions were issued after extensive discussions and consensus with no objections from any of the Board members. The Board also followed up on the implementation of its decisions in meetings subsequent to those where the decisions were made.

The Board decided to postpone certain items on its agenda due to the lack of information needed in order to make the appropriate decision and decided to refrain from some of the approved investment opportunities due to changing market conditions and the data on which these decisions were based, for the sake of protecting the interests of the Company and thus protect shareholders' rights. The Board has completed the discussion and addressing all items on its agenda during 2019.

The Board has fully committed itself to disclosing the results of its meetings, and any material facts and information that are of interest to shareholders and potential investors. It issued 8 press releases and 4 disclosures during 2019 relating to the developments of some projects and legal proceedings. Hence, the Board has fully complied with the provisions of the Law, the Statute, the Governance Code, the Transparency and Disclosure System and any other rules and regulations governing the responsibilities of the Board.

### **23. Board Remuneration:**

A. The Ordinary General Assembly shall determine the remuneration of the Board members. The total of such remuneration must not exceed (5%) of the net profits, after deducting the depreciation, reserves and distributing dividends of no less than 5% of the capital to the shareholders. In all cases, the remuneration may not exceed the maximum limit allowed by law or specified in a Ministerial decree in this regards.

B. No Board member shall be entitled to a remuneration on attending the Board meetings. However, he shall be entitled to an annual remuneration related to his performance pending the approval of the General Assembly. The bonus is calculated as a percentage of the net profits pursuant to Article 119 of the Commercial Companies Law No. (11) /2015, and in accordance with the remuneration policy in paragraph 2.14-b above.

C. It is permitted that Board members get a lump sum amount as remuneration in the years where the Company fails to realize profits. In such a case, the approval of the concerned authority in the Ministry of Business and Trade as well as that of the Company's General Assembly shall be required.

#### **24. Board Remuneration for 2019:**

In accordance with the above mentioned remuneration policy, and since the Company did not achieve profits in 2019, the Board of Directors did not earn any remuneration for the aforesaid year.

#### **25. Senior Executive Management:**

The remuneration of the Chief Executive Officer is based on the same general and specific criteria for that of the employees of the Company, in addition to achieving 10% of the return on capital as a minimum of the remuneration and the annual performance incentive. This is provided that the evaluation shall be carried out through the Board's Compensation Committee, based on the performance appraisal system of the approved executive management based on the Balanced Scorecard. Thus, the entitlement to the bonus will not be limited to the profitability criterion or dividends, and will be based mainly on the overall assessment of employee performance, which varies in concentration and objectives from time to time, as the Company goes through circumstances and challenges.

#### **26. Commissions for Committees:**

It is permitted that members of the committees may receive a lump sum amount, as a reward for attendance and participation in the committees, in accordance with the decision of the Board of Directors in this respect.

In accordance with the provisions of Article 122 of the Code, the Board of Directors has availed to the shareholders a detailed list containing all amounts received by the Chairman of the Board of Directors and each member of the Board, whether fees, salaries, bonuses, benefits in kind and amounts allocated to each member of the Board as a pension or compensation or end of service, and also detailing the operations where potential conflicts of interest is envisaged.

Any shareholder shall have the right to have access to such data at least one week prior to the General Assembly meeting.

## Section Three

### **27. General Governance Policies:**

#### **Professional Conduct and Work Ethics Policy**

The general Human Resources policies and regulations provide the standards of professional conduct at Salam International Investment Limited.

The Company's overall Human Resources policies and regulations address the risks of integrity and incorruptibility, and include the general standards of professional conduct, prohibition of unauthorized use, preservation of Company assets and prohibition of illegal practices.

#### **Disclosure and Communication Policy**

Purpose:

Salam International is committed to best disclosure and communication practices in order to meet the principles and rules of the Governance, integrity and transparency. The Board of Directors adopted a clear policy for disclosure and communication outlining a transparent and honest relationship among current and potential shareholders, by mean of periodically acquaint them with the Company's records, in the aim of encouraging the investment in the Company's shares, and giving them the feeling of security for their investment in the Company.

#### **Commitments of the Company under the Framework of Disclosure and Communication Policy:**

1. The Company is to comply with the rules and regulations governing the disclosure and listing in Qatar Stock Market, in addition to the compliance with all the disclosure requirements, including the disclosure of the information related to the number of shares owned by the members of the Board of Directors, Executive Directors, and major or controlling shareholders.
2. The Company will commit to disclose any fundamental information related to the current Company's projects, or the projects that the Company is intending to be involved in, or any projects/information that may affect the share's price.
3. The Company should issue press releases and disclosure of information whenever it is necessary to do so, provided it is a disclosure of important and fundamental information, including the disclosure of the financial



results, new projects and strategic partnerships, disclosure of information related to law cases and their relative decisions.

4. The Company will publish the financial reports in accordance with the international accounting and auditing standards IFRS, IAS, ISA in local newspapers, and on the website of Qatar Stock Exchange and the Company's website.
5. The Company will disclose information related to the names of the members of the committees of the Board of Directors, and their charter and scope of work.
6. The Company should disclose information related to the Incentives and Remuneration Policy, the External Auditors Selection Policy, the Risk Management Policy and the Board Performance Assessment System
7. The Company should continue publishing all information, disclosures, and data once available and/or periodically during the period it is listed in the Stock Exchange.
8. The Company will every year, publish the financial statements, the Profit & Loss Statement, the Report of the Board of Directors, and the full text of the auditors' report, including the explanations and the relevant Company's disclosures, in two local newspapers, and on the websites of the Company and Qatar Stock Exchange.
9. The Company will publish the Governance Report on its website every year, and will disseminate a copy of it during the General Assembly meeting.
10. The Company is committed to provide information related to the investors relations on its website with an easy access, and ensures to update the information periodically.

### **Appointment of an Official Spokesperson**

1. The Company will appoint an official spokesperson – one or more – who is authorized to give statements and press releases about the Company
2. The official spokesperson – mentioned in the above paragraph – will reply to all rumors and inquiries.
3. No one, except the official spokesperson, has the right to give any statement, information, or data without a written approval from the Chairman or whom is authorized by the Chairman.

### **Policy Regarding Appointing External Auditors**

The policy of the Company with respect to contracting with external auditors is based on Article (4) of the Corporate Law No. 11/ 2015 and upon Article 23 of the Governance Code regarding listed companies issued by the Qatar Financial Markets Authority and upon bylaws governing the external auditors and financial estimators for listed parties as issued by the Authority.

The policy comprises the following principles:

A. The Company shall have an accounts auditor (external auditor) appointed by the General Assembly for one year. The General Assembly shall approve its remunerations, based upon recommendation from the Board of Directors.

B. It is permitted that the General Assembly appoints the accounts auditor for consecutive years.

C. In the event of re-appointing an auditor, the maximum appointment shall not exceed five consecutive years. It is not permitted to re-appoint the auditor unless after the elapse of two consecutive years.

D. It is required that the auditor be from an international or regional accounting firm.

E. It is required that the auditor be duly registered at the Auditors Registry of the Ministry of Economy and Commerce, listed in the tables of approved external auditors at the Authority or any relevant specialized party, in accordance with the laws and regulations in effect at the State of Qatar.

F. The auditor shall meet the obligations as stated in Article 9 of the regulations for external auditors and financial estimators as issued by the Authority.

G. To inform both the Ministry and the Authority with the name of the auditor nominated by the Board.

H. The auditor shall perform the following:

1. Monitor and audit Company accounts, in accordance with the approved auditing practices, Authority requirements and the technical and professional basis of the profession.

2. Check the budget and the profit/loss account.

3. Monitor implementation of the Law and the Company Statute.

4. Inspect the Company financial and administrative systems, its internal financial control systems and ascertain their suitability to the well going of Company business and preservation of its assets.

5. Verify the Company assets and their ownership, confirm the legality of the liabilities and their authenticity.

6. Review Board resolutions and instructions to the Company.

7. Any other duties that an auditor is required to perform in accordance with the law governing the auditors practice and other relevant regulations and norms of the auditing business.

8. Provide a written report to the General Assembly about its function, and assign or deputize to read the report to the General Assembly. A copy of the report shall be sent from Auditor to respective authority.

I. The aforementioned report by the auditor shall include the following:

1. He has obtained the information, data and clarifications that he considers to be important to perform his job.

2. That the Company keeps regular book, records and documents in accordance with the internationally recognized accounting principles which show the

financial position of the Company and the results of its operations in a fair manner, and that the budget and the profit/loss accounts are in accordance with books and records.

3. That the auditing procedures he conducted for the Company accounts are in his opinion sufficient to construct a reasonable basis to provide his opinion regarding the Company's financial position, results of operations and Company cash flows, in accordance with internationally recognized auditing rules.

4. That the statements provided in the Board's report to the General Assembly are in accordance with Company records and books.

5. That the inventory was conducted in accordance with required procedures.

7. The violations to the Law or Company Statue that occurred during the subject audit year which have fundamental results on the Company operations and financial position, and whether the said violations are still standing, within the limit of his information.

## **Incentives and Rewards Policy**

### **- Company Staff Rewards and Incentives:**

A. Pursuant to the Company's public strategy aimed at achieving sustainable growth and profits and long-term benefits for the Company shareholders, it adopts the rewards and incentives policy at the Company in general, based on the following general criteria:

1. Long-term company performance.
2. Beneficial targeted growth of the Company.
3. Achieve the minimum action plan indices, most notably the net revenues, net profit and the Economic Added Value (EVA).
4. Company cash flow.
5. Shareholders dividends and revenue.

B. The Staff Rewards and Incentives Policy is also based on the following **special criteria**:

1. Responsibilities and duties.
2. Staff Individual performance.
3. Collective performance of the Company and the business units.

C. As for the subsidiaries and the business units, the rewards and incentives policy shall primarily rely on the following criteria:

1. The long term performance of the Company or concerned business unit.
2. Cash flow situation of the Company or the business unit.
3. The contribution of the subsidiary or the business unit to the cumulative profits.
4. Responsibilities and duties.

## 5. Staff Individual performance.

D. It is permitted that the rewards include a fixed part and a performance-related part. The performance related part must be based on the long-term Company performance as well as the useful targeted growth in general and the individual performance in particular.

The policy is based on the annual individual performance evaluation, taking into consideration the relative weights of each of the skills, behavior and quality objectives: It should be noted that the rewards and incentives shall not be earned if the assessment evaluation result is less than 80%.

The evaluation and assessment shall be done by the Human Resources Department at the Company based on the adopted staff assessment system. This system in turn is based on the balanced performance scorecard. Hence, the merit for incentives shall not only be dependent on profitability criteria.

It will depend on the overall assessment of staff performance, which will vary in focus and targets from one individual to another.

### **Dividends Distribution Policy**

The dividends distribution policy depends on the financial results achieved in each financial year, the Company's plans for expansion and growth, the cash flow requirements of the Company and the availability of excess liquidity. The dividends are limited to a portion of the net profit, after deduction of depreciations, provisions and legal reserves, in addition to the retained earnings from previous years. The Company shall decide the nature and percentage of dividends based on the aforementioned factors that change from year to year, according to the parameters or the circumstances prevailing at the time. In the years when the Company has surplus cash, it may adopt cash dividends. In the years in which the Company has opportunities to grow and expand, the Company may resort to either the recycling of profits, or capitalizing them, in part or in whole, distribute cash profits and free shares, distribute free shares and raise the capital by the amount of the issued shares.

### **Risk Management Policy**

The Risk Management Policy aims identify the weaknesses, potential risks, precautionary and remedial measures to prevent, limit and prevent those risks when they arise. The Risks Management Policy includes the following risks:

A. **Operational risks:** These include, among other things, defects in products and services, interruption of work, performance gap, efficiency and productivity, customer satisfaction, health and safety, unexpected changes in the market and also the periodic nature of the business.

B. **Financial risks:** These include pricing, liquidity, credits and debt risk.

**C. Honestly and integrity risks:** These include forgery, illegal practices, unauthorized use and reputation.

**D. Information technology risks.**

**E. Environmental risks.**

**F. Crisis management.**

**-The Measures Taken With Respect to Risk Management:**

As reported in previous reports and since 2012, the Company has engaged an independent consultant to review and evaluate all internal procedures and processes. To purpose is to identify potential weaknesses and risks, and to make the necessary recommendations to prevent, contain and not exacerbate their effects as they arise. The tasks of the independent consultant covers finance functions, human resources, strategic planning, marketing and communication, information technology, and legal affairs.

In addition, the Company regularly assesses operational risks. These include: defects in products and services, interruption of work, performance gap, efficiency and productivity, customer satisfaction, health and safety, unexpected changes in the market and the periodic nature of the business.

## **Insiders Trading Policy**

### **Purpose:**

The Board of Directors adopted the above-mentioned rules that govern how the Board members and the Company's officers trade in the financial securities that are issued by the Company, the Mother Company, the Affiliates and the sister companies, to ensure the highest level of integrity, transparency and disclosure. These rules are binding to the Board members and the Company's officers.

### **The Insider:**

The insider is anyone who, due to his position within the Company, has access to information that is not for the public, and this information may have effect on the traders either to attract them to or turn them away from investing in the Company's securities, or those of other companies that SILL or its shareholders might have interest in. This information may have influence on the Company's ability in terms of fulfilling its obligation, including the Board members, the Senior Executive Management, the officers in the company or any of the Group's companies or others, who might have access to such information under contractual or professional relations or others.

### **The Company's Obligations:**

1. The Company's Board of Directors, Senior Executive Management, major shareholders or controlling shareholders, are committed to disclose the information related to the number of shares they own within 15 days from the date of being elected to the Board membership and at the end of each year, in addition to the information related to all the trading transactions carried out by the Company's Board of Directors and its Executive management in accordance with the respective laws, regulations and directives.
2. The Chairman and the Board members of the company that is listed in the Stock Exchange, its General Manager, and its officers who had access to fundamental information on the Company to be banned to trade – either by himself or by a third party on his behalf or for others –in the securities of the Company itself or the mother company or affiliate, should be any of these companies listed in the Stock exchange, during the ban periods stated upon in the laws and regulations in force.
3. The Company will commit to disclose the information related to the trading of the insiders and their relatives in the securities issued by the Company, the mother company, affiliates, or sister companies including the Board members in accordance with the respective rules, regulations and directives. This is achieved by mean of maintaining a special and integral record encompassing all the insiders and those who might be deemed as temporary insiders who have the right or access to the Company's inside information before being published. This record includes the disclosures of the insiders, for the past and for the future.
4. The Board members or any of the insiders should not utilize the confidential information that may affect the securities' price for the purpose of making personal gains, and any such an action or transaction is deemed as null and void.

### **The Insiders' Obligations:**

1. Any person (he and his minors) or any entity are committed to inform the market, in the case that their shares added to it the group share reached 5% or above of the Company's shares or any of the Group's companies.
2. Also they are committed to disclose the information on every 1% change in the limits of the above-mentioned disclosure.
3. No one in the Company can disclose any of the Company's inside information to other parties except for the competent or juridical authorities.
4. It is prohibited to trade in the securities issued by the Company or influencing others to do so based on inside information or to take

advantage of an inside or confidential information in order to make financial or in-kind gains.

5. All insiders should sign an official declaration by which they acknowledge that they possess inside information and data pertaining to the Company and its clients. All the insiders trading transactions are registered in the Insiders Trading Record.

## **Violation Reporting Policy**

### **Purpose:**

As Salam International believes in its values and principals incorporated in integrity, team work and responsibility, the Violation Reporting Policy comes to reinforce and protect these values, and at the same time, protect the reporter from any harm that may affect him or his personal interests. The Company hopes that this policy will give chance for early reporting of any violation or significant danger or potential misbehavior that may hit the Company or its shareholders, so it can handle such a violation properly.

This objective of this Policy is to provide any information that may guide the Company's Management towards carrying out its obligations, through reporting the violations, wrong behaviors, illegal actions, unethical manners, or those violating the Company's policies, procedures and directives.

### **Range of Application:**

The policy is applicable to all the Company's employees, whether they are executives, officers, or advisors regardless of their positions, and without any exception. It is possible also for stakeholder to report any danger or violation.

## **Violation Reporting**

The Company welcomes any report that may help the Company to correct the mistakes or the procedures, to detect the violations, or to reinforce and protect its values, by mean of reporting a wrong practices such criminal or financial violations, or breaches to any legal or legislative obligations, internal regulatory requirements, or those considered dangerous to health or safety or environment, for example but not limited to:

- Admin and Financial corruption (theft, embezzlement, money laundering, manipulation in securities, trading based on inside information, conflict of interests, abuse of stock exchange markets, bribery, misuse of power, forgery, cheating, fraud, accounts and data manipulation, gaining financial or in-kind privileges)
- Illegal behavior and improper manners or those that are against customs and general ethics.
- Abuse of the Company's properties and assets, and criminal offenses that were or are or will be committed whatsoever.
- Not to comply with or not to properly apply the policies.
- Disclose confidential information in illegal way.
- Threatening the health and safety of the employees.
- Breach the professional conduct code and unethical manners
- Misuse of powers or legal authorities.
- Violating the health, safety and environment measures (causing harm and damage to the environment or the worksite).

## **Commitments**

### **Commitments of the Violation Reporter**

Every violation reporter should commit to the following:

- Verify the validity of the report by avoiding rumors, fears, or making allegations that are not based on actual facts
- Being objective when reporting, away from personal disputes, slandering, making revenge, hurting people who enjoy good intentions, or defaming them, or make use of the report or use it to make personal gains, or to affect the trust in the company and its affiliates.
- Accuracy in reporting and using a clear statements in the report, while avoiding symbols and incomprehensible indications, or use of missing information or part of it, and provide clear details of the issue the subject of the report, in order to show what is the violation status and how and where it is committed, and provide all necessary details and evidences on the violation as per the violation's nature.
- Reporting the violation at the earliest possible.
- The reporter will be held accountable shall he tell false or untrue or malicious allegations, or in case he told false or untrue report that led to harm the Company's reputation or one of its officers without a justifiable reason, or led to any kind of harm or caused disturbance. The Company has the right to take corrective actions in case the reporter was one of its employees, or to sue him before the juridical authorities and make him compensate the Company's for the damage he caused.



- The reporter should take into consideration the full confidentiality while reporting under the public interest of the Company, giving the Company the chance to handle the report and conduct the necessary search and investigations as per the Company's adopted procedures. Reserving the Company's reputation against allegations that were not made based on adequate evidences, or made based on rumors, speculations or personal fears, or unjustified anxiety, which in case proved unworthy in terms of validity and accuracy gives the Company the right to sue him.

### **The Company's Obligations (Protection of the Reporter)**

The Company is committed to the following:

The Protection of the Reporter:

Taking all the necessary measures to ensure the reporter's protection, and preventing any harm that may occur to him. The Company bears any expenses or charges that are required to keep the reported information or the reporter, such as travel costs, meeting with the reporter, and communication and correspondences costs. The Company also ensures that no harm will touch the reporter as a result for the violation reporting as per the provisions of this policy.

Confidentiality:

By mean of not showing the identity of the reporter (either he disclosed his name or not) and keeping him safe, and not to put him into accountability, unless in the case that the disclosure of the identity is imposed by law for the purpose of conducting investigations by the security and investigation authorities and juridical authorities. The Company is also committed not to let the issue or details spread to unconcerned parties.

Conducting Necessary Search and Investigation:

Should properly handle any report on violation, no matter what is the nature or language of the report or the adequacy of its information. A search should be conducted to be then followed by investigations to uncover the report's details, and to check if it really exists and if there is sufficient evidence to it, or in case it may require more search and investigations to be conducted, or request the assistance of special experts, or other parties, or persons connected to the report.

Corrective Actions:

Taking the right correction actions in case the investigations confirmed the reported violation is valid, based on true reasons that entails taking corrective actions without any delay to prevent the complications resulted from such a violation, or losing the Company's right to take the right action in the right time.

### Means of Reporting

To provide means of reporting that ensure easy and rapid reporting process. The Company is committed to show the contact details in a visible place and on the Company's website. The Company is to periodically check the reports to ensure the handling of the report at the earliest possible.

### The Handling of the Report:

The Internal Control Department receives all violation reports sent through the respective communications media, also it receives the reports coming from the Company's Management and officers. Then the Department raises a comprehensive report every three months to the Audit committee to present it to the Board of Directors, showing the nature of the received reports, and what investigations and action were taken in this concern.

In case the report was directly or indirectly about the Head of the Internal Control Department, then the report is referred to the Chairman so he can do the necessary investigations.

In case that the report was made based on reasonable and justifiable inputs, then an investigation must be conducted and recommendations given. Also giving advice and consultation to the reporter or to whom the violation is attributed. The action against the violation should be taken in accordance with the provisions of the Company's adopted penalties directives and Qatar Labor Law in force.

In General, in case that the report is not justified, or not based on supporting evidence, then the report is to be reserved, without conducting any further investigations. This decision is final and will not be reconsidered unless extra evidences were submitted.

## **28. Corporate Social Responsibility (CSR) and Community Rights Strategy:**

The CSR strategy is based on the Qatar National Vision 2030, in particular its Economic Pillar. It is also based on the Company's vision that Salam

International Investment Limited becomes one of the most successful public joint stock companies in the Middle East and a leading example for family businesses. In line with that strategy and the Company's mission, SILL aims to develop human capital and the communities in which it operates. Therefore, the CSR Program at Salam International Investment Limited includes the following:

- Commitment to total quality: the contribution of SILL within its activities to ensure the needs of the national economy and society of goods and services are met, and the efficient use of production factors within the community.
- Contribute to the development of human capital: for the employees of the Company, and for members of community through securing skills acquisition, scholarships, new graduate's training, and the promotion of the information-based economy.
- Environmental protection: Taking into account environmental considerations when implementing projects, so that the environment is not only protected, but also improved and to be transferred to our grandchildren better than what we have learned from our ancestors.
- In implementation of the CSR strategy, during the 2018, Salam International applied the programs listed under the Corporate Responsibility section of the Annual Report.

## Section Four

### **29. Internal Control and External Audit:**

#### **Internal Control Department:**

Internal control aims at ascertaining the extent of compliance with approved systems and procedures, complying with the policies, plans, systems and laws in place, as well as protecting assets and the efficient use of resources.

The Company's internal control is currently exercised through several separate units, namely by financial management, legal department, human resource management and development management.

However, the Company still aims to combine all internal control activities within an independent department, to be one of the Company's main departments, or by an external expert house.

#### **Action Regarding Internal Control:**

The Company commissioned an independent consultant to undertake the following tasks:

- A. Prepare the Internal Audit Charter to identify authorities and responsibilities.
- B. Risk assessment of the Company's activities and accounting operations.

- C. Identification of the major business risks in terms of importance and probability of occurrence.
- D. Internal audit plan for risk assessment and assistance in achieving strategic objectives.
- E. Internal audit policies and procedures to ensure the integrity of internal control.
- F. Internal controls and / or business review, to determine the accuracy and efficiency of internal controls in addressing identified risks.
- G. Comprehensive financial audit to ensure that the financial statements are free from material misstatement.
- H. Auditing operations and compliance with regulations, procedures, requirements and legal requirements.
- I. Scrutinize the operations and their compliance with the legal procedures and requirements.
- J. Review the Company structure and Governance.  
Review Company performance.
- K. To review controls and regulations regarding security of information technology.

### **30. Compliance Manager:**

The Company has appointed a compliance manager in order to enhance and activate communication with the supervisory authorities, as mentioned in previous reports. The compliance manager's role is to coordinate between the Company and any supervisory authority in relevance to the Corporate Governance

Code and its implementation.

- Name: Mr. Suleiman Farouk Al-Khateeb
- Capacity: Executive Director
- Phone +974 44838733
- Email: [s.alkhateeb@salaminternational.com](mailto:s.alkhateeb@salaminternational.com)

### **31. Internal Control Failures and Violations:**

Internal Control did not record during 2019 any malfunction or failure that materially affected the Company's financial performance. There have also been no significant defects or violations in the management of the Company.

#### **Violations:**

Regarding the compliance with the provisions of the Corporate Governance for companies and entities listed in the main market, the Company has complied with all the provisions of Code including separating the positions of the Chairman and Chief Executive Officer.

#### **External Audit:**

Each year, the General Assembly appoints an external auditor, among the senior external auditors accredited and registered by the Ministry and the Authority. The Auditor's roles and responsibilities include auditing the Company account in accordance with International Accounting Standards, which comprise the production of the consolidated statement of financial position at the end of each financial year, the consolidated statement of income, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the statement of cash flows for the financial year, summary of significant accounting policies and other explanatory notes.

## Section Five

### Shareholders Rights, Capital Structure and Minority Rights

#### 32. Shareholders Rights:

Shareholders shall have all the rights bestowed upon them based on the relevant laws and bylaws, including the Company Statute, mainly:

**A. Right to participate in the decision-making process** as manifested by attending the General Assemblies, right to discuss the topics proposed to the Assembly, right to vote on the General Assembly decisions, vote and impeach members of the Board, right to reserve and object to the decisions of the General Assembly and right to approve or abstain from giving the approval for Board Members' remunerations.

**B. Right to monitor the management of the Company**, as manifested in the right to debate the topics listed on the agenda, address questions to the Board members and auditor, discuss matters that are not listed on the agenda but relate to serious facts revealed during the meeting, right to list specific matters on the agenda by a number of shareholders, right to resort to the General Assembly if the shareholder deems the reply inadequate, right of the shareholder to be informed of all the amounts received by the Chairman and every member of the Board, whether as remuneration, fees, salaries, in-kind benefits, and the amounts allocated to each member of the Board as pension or end of service compensation, as well as the operations which may cause a potential conflict of interests.

**C. Right to Complain and Litigate** as manifested in the right of the shareholders who have 20% of the capital to request inspection of the Company, or the right of the shareholder to sue, by himself, for damages he incurred as a shareholder, or the right of the General Assembly to prosecute every party who may have caused damage to the interests of the Company or the equities of the shareholders, and claim compensation for any illegal act, as per the provisions of the law.

- D. The shareholder shall have the right to oversee the shareholders register at QE, as per the applicable Authority regulations.
- E. The Company shall publish on its website the Memorandum of Association and the Statute of the Company, the information related to the Board members, the quarterly, semi-annual and annual financial data, disclosures, annual report of the Board and annual Corporate Governance report.
- F. It is permitted that any shareholder(s) owning at least 10% of the capital of the Company to call the Ordinary General Assembly to convene.
- G. Shareholders that represent at least 25% of the capital are permitted to call for the extraordinary General Assembly to convene.
- H. Any shareholder(s) representing at least 10% of the capital of the Company are permitted to request the inclusion of new items on the agenda of the General Assembly.
- I. Every shareholder shall have the same right as all other shares of the same category.
- J. The shareholders are permitted to vote by proxy, provided the proxy is purpose-specific and proven in writing. The number of shares with the procurator may not exceed 5% of the Company shares and no Board member may act as proxy.
- K. No Board member, as shareholder at the Company, shall not participate in the voting for the General Assembly decisions related to his release of liability.

### **33. Capital Structure:**

The total number of Company shareholders on 31/12/2019 has reached 5110 shareholders.

The following shareholders/entities own 5% or more of Company paid up capital:

Name	Number of Shares Owned	Equity Ratio
Mr. Issa Abul Salam Abu Issa	1,565,622.30	13.70%
Mr. Hussam Abdul Salam Abu Issa	98,866,130	8.60%
Al Hussam Holding Co.	109,725,000	9.60%

### **34. Minority Rights and Major Transactions:**

The Company has amended its Articles of Association and Corporate Governance Code to be in conformity with Commercial Law 11 /2015. The amendment has included the provisions regarding protecting minority shareholders, in case of approval to major deals whereby the minority shareholders have voted against such deals. These will include finding a mechanism to release sales of shares to the public or the right of synchronous sale in case of changes of ownership of Company capital exceeding a pre-determined percentage.

## Section Six

### Transparency and Disclosure

#### 35. Litigation and Law Suits:

- Law cases filed against Salam Technology
- Appeal – Case no. 830/2019 – Labor – full: filed by Alex Bird against Salam Technology
- Executive – case no. 2762/2019 – full execution, filed by Gulf Steel and Engineering Societe d'Entrprise (SEG Qatar)

#### 36. Integrity and Non-Conflict of Interest:

A. The Company prohibits the Chairman and the members of its Board of Directors, its Executive Directors and all its employees from taking advantage of any information they may have come to know, as a result of dealing in shares of the Company, for their own interest or the interest of their immediate relatives.

Pursuant to the aforementioned policy, the Company issues periodic circulars to Board Members and Executive Directors prior to each reporting period. This circular includes the announcement of the period of validity of the sale and buy-out ban stipulated in Article (173) of the Qatar Exchange's Bylaws, with the need to inform the Qatar Exchange in advance of any sale or purchase outside the embargo period. In order to ensure integrity in dealing and equal opportunities.

The Company is also committed to the provisions of the Commercial Law (11)/2015 concerning conflict of interest, especially regarding the provisions of Article 109 of the law.

B. Every member of the Board of Directors shall immediately upon his election sign a declaration and commitment to maintain the confidentiality of information and data, and to not disclose, leak or expose it to third parties or to exploit it for his personal benefit or the benefit of any of his relatives.

C. Actual Practice: In accordance with the principles of transparency, disclosure and equality of opportunity, and avoiding conflicts of interest, a member of the Board of Directors shall withdraw from the meetings of the Board of Directors or the General Assembly, in which there will be deliberations regarding a subject or association relating to the member of the Board concerned. The relevant item shall be voted on only after the members have ensured that the concerned members have left the meeting hall. The Company has already applied this principle on more than one occasion and in more than one case.

### **37. Adherence to the Rules and Conditions Governing the Disclosure and Listing in Qatar Exchange:**

A. The Company is committed by the rules and conditions governing the disclosure and listing in Qatar Exchange, “QE” and abides with all disclosure requirements, including disclosure of the number of shares owned by the Board of Directors, executives and top or influencing shareholders.

B. The Company is also committed to disclose any key information related the Company’s current projects, or projects that the Company intends to undertake or any other projects or information influencing the share price.

C. The Company released in 2019 a total of 12 press releases and disclosures that included the disclosure of important and relevant information such as the disclosure of financial results, new projects and strategic partnerships, the disclosure of a court case and the relevant court decision.

D. Financial reports are prepared in accordance with the international accounting standards IFRS, IAS and ISA. The Company publishes said reports in local newspapers, on QE website and on the Company website.

E. The Company has disclosed the names of the members of the committees emanating from the Board as well as their frameworks, charters and by-laws.

F. The Company has disclosed the remuneration policy, the External Auditor Selection Policy, the Risk Policy and the Board Performance Assessment Policy.

G. The Company has designed and implemented a website that contains general information about the Company, its activities and investments, in addition to a dedicated window for shareholders affairs including:

1. The Amiri decree relating to establishing the Company.
2. The Memorandum of Association and Articles of Association of the Company and any amendments to them.
3. Company financial statements.
4. Disclosures and press releases.
5. The General Assembly’s periodic invitations and the Company Annual Report.
6. Information to the shareholders on how to buy and sell shares in general, in addition to the names of brokerage companies accredited by the Qatar Exchange.

The Company will continue to publish all information, disclosures and data upon availability and/or periodically.

H. The Company places annually at the shareholders’ disposal list that includes a detailed accounts of financial data related to members of the Board of Directors, including the following:

1. All amounts received by the Chairman and members of the Board of Directors.



2. The In-kind benefits enjoyed by the Chairman and members of the Board of Directors.
3. Remuneration of the Board Members.
4. Operations in which a member of the Board of Directors or senior executive could have an interest that is conflicting with the Company's interests.

I. The Company publishes annually its budget, profit and loss account, the report of the Board of Directors and the full text of the auditors' report, including the clarifications and the Company's disclosures contained therein, in two local newspapers and at the Company website and Qatar Stock Exchange website.

J. The Company publishes its annual Corporate Governance report on its website, and copies of it are distributed at the General Assembly.

## Section Seven

### **38. General Policies and Procedures for Human Resources:**

The Company continued during 2019 to implement the approved human resources policies and procedures, which include general policies such as: business ethics, protection of Company assets and facilities and non-disclosure of business secrets. These policies also guarantee the right of all employees' to inform about irregularities without fear of any consequences.

## Section Eight

### **39. Company's Plan for 2020:**

Now that the Company has adopted the Board Charter, the Corporate Governance Code, the Incentives and Remuneration Policy, the Dividends Distribution Policy, the External Auditors Selection Policy, the Risk Management Policy and the Board Performance Assessment System, the Company will continue to meet the requirements of the Code and adhere to its other rules and regulations. Hence the Company has amended the Statute in order to achieve complete and full compliance with the Governance Code, in a manner that does not conflict with the laws applied in the State of Qatar.

In conclusion: The Board of Directors of Salam International Investment Limited (SIIL) would like to stress its adherence and full compliance with the corporate governance code in the past, present and future. SIIL considers the CG Code as a system to a sound management and a mean to reconcile and

balance out the varying interests of stakeholders and to evenly distribute the rights and responsibilities within a framework of transparency, integrity, disclosure and equal opportunity.

Furthermore, the CG Code enhances SIIL's legacy in corporate management which stimulates all Board members and all Company employees to act as business entrepreneurs and at the same time fully comply with the rules of transparency, integrity and solid conduct for the common goal of achieve sound and sustainable growth and achieving additional benefits to shareholders.

**Issa Abdul Salam Abu Issa**  
**Chairman of the Board of Directors**

This text has been translated from its original Arabic equivalent which remains the official version