



**Twelfth Corporate Governance Report 2021  
Salam International Investment Limited (SIIL)**

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

On 23/03/2022

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## Introduction

Pursuant to the Governance Code for the Companies listed in the Main Market (referred to hereafter as “Code”), which are subject to the control of Qatar Financial Markets Authority (QFMA), 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 Stock 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 of the 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-Tenth-Eleventh).

Pursuant to the Companies Governance Code and legal entities that are listed in the Main Market, issued by the Board of Directors of Qatar Financial Markets Authority Article No. (5) /2016, and in accordance with the provisions of Law No. 8 of 2021 amending some provisions of Commercial Companies Law No. 11 of 2015.

SIIL is pleased to present its Twelfth annual report (2021) “The Report”, which contains the modular typical sections in addition to the Company’s achievements during the year 2021 in the implementation of the Code.

## **Section One**

### **Procedures followed by the Company during 2021, to Comply with the Requirements of the Code**

**1-** During 2021, 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 approving the framework and work approach of said committees by the BoD during the year 2013, which are: Audit Committee, Remuneration Committee and the Nomination Committee of the Board of Directors (Membership Committee).

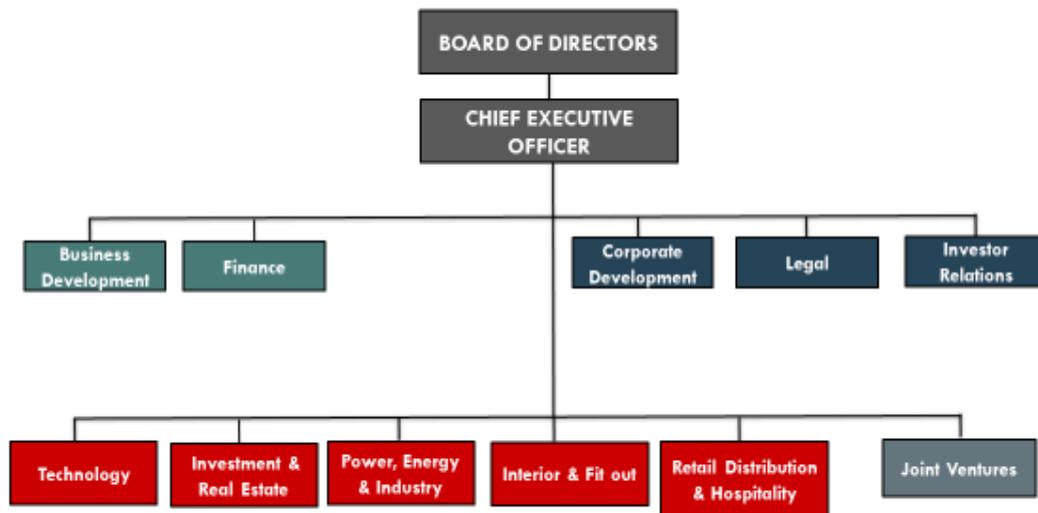
In 2017, the Board of Directors restructured the committees, so that the participation of all members of the Board in each committee is expanded. The framework and working procedures of the committees have also been published on the Company's website. Section Two of this report will detail the above-mentioned committees and their achievements during 2021.

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

During 2020, the Company renewed the appointment of the Independent External Consultant, in order to carry out the internal control functions stipulated 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 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).

Work is currently under process in the company to develop an annual training program, through which the methods of training board members, executive directors and company employees are continued and updated on topics related to governance, risk management, compliance and control. It is expected to get the program's modules ready in September 2022.

## **Section Two**

### **Board of Directors**

#### **6. Board of Directors Composition:**

The Board of Directors was elected in early 2021, with a mandate beginning from 2021 until the adoption of the financial statements for the year 2023. 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:

#### **7. Members and Share Ownership as of 31/12/2021**

<b>Name</b>	<b>Brief Description</b>	<b>No. of Shares</b>	<b>%</b>
<b>Mr. Issa Abdul Salam Abu Issa Chairman of Board of Directors</b>	<p>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.</p> <p>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>	<b>156,562,230</b>	<b>13.70%</b>
<b>Mr. Hussam Abdul Salam Abu Issa Vice-Chairman of the Board</b>	<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</p>	<b>99,253,852</b>	<b>8.60%</b>

	<p>member of the Advisory Board of the College of Administration and Economy at Qatar University, a member of the International Dean Council of Harris School of Public Policy at Chicago University, 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.</p> <p>He is a member of the International Advisory Council for Pac in San Francisco, a member of the Qatari-German Businessmen Council, a member of the Lebanese American University School of Family Business Studies, a member of the National University Hospital in Singapore and a member of the Board of Directors of AmidEast Washington. Advisor in René Mouawad Foundation – USA.</p> <p>Mr. Abu Issa holds a Bachelor’s Degree in Marketing from the United States and has 38 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.</p> <p>Sheikh Nawaf is a prominent figure in the Qatar business community and an active contributor to the country’s real estate and economic growth.</p> <p>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,</p>	<p><b>4,800,000</b></p>	<p><b>0.42%</b></p>

	<p>Chairman of Al Waab City, Chairman of Doha Insurance Board and Chairman of Nasser Bin Nawaf &amp; Partners Holding Company.</p> <p>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>		
<p><b>His Excellency Mr. Nasser Sulaiman Haidar</b>  <b>Mohammed Al-Haidar</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, the Chairman of Al Sulaiman Holding Company, former Head of Studies &amp; Research Dept. – Ministry of Finance and Petrol, a former Member of Qatar’s Advisory Council and a Member of the Board of the Qatari Chamber of Commerce and Industry, and a member of the Qatari Businessmen Association, a Member of the GCC Family Companies Council and a Member of the Tax Grievance Committee (General Tax Authority), and founding partner in Qatar Hotels Association. a Member of the Board of Directors of Qatar General Insurance and Reinsurance Co. 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>2,557,680</b></p>	<p><b>0.22%</b></p>

<p><b>His Excellency Sheikh Dr. Thani Bin Ali Bin Saud Al Thani</b></p> <p>Member of the Board of Directors</p>	<p>He is a 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.</p> <p>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 publications 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>1,000,000</b></p>	<p><b>0.09%</b></p>
<p><b>Mr. Ali Haider Sulaiman Al Haidar</b></p> <p>Representative of Suliman &amp; Brothers Company 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 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</p>	<p><b>1,000,000</b></p>	<p><b>0.09%</b></p>

	<p>Co. and a Board Member at the following: Al Haider Holding Co., Al Beejan for Contracting, Al Hadara International and Mesopotamia for General Contracting.</p> <p>Mr. Ali has a B.Sc. in computer science from Qatar University.</p>		
<p><b>Mr. Bassam Abdul Salam Abu Issa</b> Member of the Board of Directors</p>	<p>He is a Member of the Board of Directors, Executive Director of Corporate Business Development and a member of the Investment and Audit. 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 established by Ithmar, a board member and a shareholder In Audacia Capital Bank licensed by Dubai Financial Authority. He graduated with a Bachelor of Arts in Industrial Relations from the University of Kent in UK 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 30 years of professional experience.</p>	<b>11,395,427</b>	<b>1.00%</b>
<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 Chief Executive Officer of Al Sada Establishment for Trading, Real Estate &amp; Contracting, the Vice-Chairman of Sectors Trading &amp; Contracting, a Board Member of Gulf</p>	<b>1,000,000</b>	<b>0.09%</b>

	Experts Electro-mechanical, the Vice Chairman of La Perla Travel and the Chairman of Enzo for Trading & 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.		
<b>His Excellency Sheikh Ali Bin Jassim bin Mohamed Jassim Al Thani</b>  Member of the Board of Directors	Adviser to the CEO of Qatar Investment Authority, and he also served as Head of the Investment Department, member of the Board of Directors at Al Rayan Bank, and has completed a number of courses in the fields of feasibility studies, business management, project finance and banking. He holds a BS in Economics and Political Science - University of Portland, Oregon, USA. He has more than 25 years of professional experience.	<b>1,900,000</b>	<b>0.17%</b>
<b>Mr. Ahmed Rashed Ahmed Al-Moosafri</b> Member of the Board of Directors	Director of Investment at Barzan Holdings, Founder and Chairman of Maroon Capital, Non-Executive Member of the Blue Group. Previously worked as a Financial Analyst at QNB Capital. He holds a Master's degree in Strategic Business Administration, with nearly 10 years in the field of finance and investment, providing strategic advice to companies, including the management of deals and projects, financial evaluation, negotiations, investments structuring, and setting up corporate strategies.		
<b>Mr. Abdul Salam Issa Abu Issa</b> Member of the Board of Directors	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	<b>15,250,000</b>	<b>1.45%</b>

	<p>Qatar representing Salam International Investment Limited. Mr. Abdul Salam Abu Issa holds a Master’s Degree in International Finance and Economics from the University of Newcastle Upon Tyne - UK. He has worked in the oil and gas, banking and road construction sectors before joining Salam International in 2012. And He is a member of Young Presidents Organization (YPO Qatar). Board member at the Qatari Businessmen Association</p>		
<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 Extrusion 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</p>		

	<p>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>		
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### **8- 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, the Governance Code 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 Sulaiman Haider Al-Haidar.
- Mr. Ali Haider Sulaiman Al Haidar (representing Sulaiman & Brothers Co.).
- His Excellency Sheikh Thani Bin Ali Bin Saud Al Thani Mr. Badr Ali Al-Sada.
- His Excellency Sheikh Ali bin Jassim bin Mohamed Al Thani
- Mr. Ahmed Rashed Ahmed Al-Moosafri

- **Executives (non-independent):**
  - Mr. Abdul Salam Issa Abu Issa (Chief Executive Officer)
  - Mr. Bassam Abdul Salam Abu Issa (Executive Director)
  
- **Non-Executives (non-independent):**
  - Mr. Issa Abdul Salam Abu Issa
  - Mr. Hussam Abdul Salam Abu Issa (Executive Director)

Upon the adoption of the financial results for 2023, 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 2024.

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)

### **9- Chairman and Chief Executive Officer (CEO):**

Without prejudice to 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 Managing Director 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. All the members of the Existing Board should meet the above-mentioned terms.

### **10- 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 not under twenty-one years old with full capacity  
**B.** Shall not be sentenced to a criminal penalty, an offense against honor or trust, or a crime stipulated in Articles 334 and (335) of the Law, or have been declared bankrupt unless rehabilitated.

**C.** To own one million (1,000,000) shares of the company. Those shares are to be deposited in one of the approved banks within (60) days from the date of the commencement of the membership, such shares shall continue to be deposited and couldn't be traded, mortgaged or seized before the end of the term of office and after the ratification of the Financial Statements pertaining to the last fiscal year in which that member was performing his tasks.

Such shares shall also be allocated to ensure the rights of the Company, shareholders, creditors and third parties for the responsibility of the members of the Board of Directors, if the member fails to provide the aforesaid deposit then his membership will become invalid.

At least one-third of the Board Members shall be Independent Board Members, the majority of the Board members shall be Non-Executive Board Members (who does not have a full-time management position at the Company or who does not receive a wage). The Company's Articles of Association may allocate one seat or more to represent the Minority and another to represent the Company employees. The Independent Members and the members representing the Company's employees shall be exempted from this requirement or from owning the Company's shares stipulated in Item (C ) above.

If a Board member loses one of the aforementioned conditions, he will lose the membership from the date he lost that condition.

**D.** 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 get them marked by Qatar Stock Exchange as management shares, in return for membership in the Board of Directors. In the event of losing membership for any reason, this percentage of the shares owned by the aforementioned member shall continue to be seized, until the date of the General Assembly following the loss of membership, and the issuance of the decision to discharge the members of the Board of Directors.

**E.** The board members must hold an accredited university degree, or at least an equivalent, or to have at least 5 years of experience in corporate management, either private or public.

**F.** Upon election, every member of the Board of Directors should immediately sign a declaration under which he undertakes not disclose information, and to adhere to the provisions of the Articles of Association, and any other laws or regulations governing shareholding companies and members of their Board of Directors.

**G.** Each member must sign a declaration that the conditions of membership of the Board of Directors are met in accordance with the provisions of the law and the Articles of Association, and the guidelines contained in this Governance Code.

**H.** Any legal entity, or a person representing a legal entity as a member of the Board of Directors, or appointed in the Board of Directors, shall continue to adhere to the guidelines contained in this Code and the Charter of the Board of Directors.

### **11- 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 Companies Commercial Law in force.

**D.** If he is in violation of the provisions of Article (98) of the Companies Commercial Law no. (11) of 2015.

**E.** The General Assembly may dismiss the Chairman of the Board of Directors, or one of the board members. This is based on a proposal issued by the Board of Directors by an absolute majority, or based on a request signed by a number of shareholders representing at least a quarter of the subscribed Capital. In the latter case, the Chairman of the Board must invite the General Assembly to convene within ten days from the date of the dismissal request, otherwise the Management will send the invitation at the Company's expense.

**F.** A member of the Board of Directors who has lost his membership in the Board, in accordance with the above, is not entitled to claim any rights or compensation from the Company as a result.

**12. A member** may withdraw from the Board, provided that it is in a proper time. Otherwise he will be liable by the Company.

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

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

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

#### **14. Chairman Duties:**

The Chairman is the President of the Company, represents it before the others and before the judiciary and is primarily responsible for ensuring the proper management of the Company in an effective and productive manner and working to achieve the interest of the Company, partners, shareholders and 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 timely manner;
- B. Approving the Board meeting agenda, taking into account any matter 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 powers.

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

### **15. 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 regulations 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 abusive; or any acts, or decisions that may cause them harm, discriminate among them, or let a group dominate.

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, without prejudice of 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 interest 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 powers delegated to the Executive Management, the decision-making procedures and the validity of such delegation. It shall also determine matters reserved for decision by the Board. The Executive Management shall submit periodic reports to the Board on the exercise of the delegated powers.

**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 enter into loan contracts that exceed the duration of three years, sell or mortgage the company's properties or discharge the debtors of the company from their obligations unless that was clearly stated in the company's Articles of Association 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.

### **16. Delegation of Tasks:**

The Board may delegate some of its functions and constitute special committees for the purpose of undertaking specific tasks on its behalf; provided that this decision stipulates the nature of such tasks. However, the Board remains fully responsible towards the company and third parties. The Board shall avoid issuing general or indefinite mandates.

The CEO of Salam International approves and adopts the annual work plans and budgets of the Company and its subsidiaries, which are a mandate for the concerned departments to work on their implementation so that the Planning and Budget Committee, under the supervision of the CEO, monitors the progress of these powers and the extent of commitment to implementing these plans and adhering to the approved budgets in each quarter of the year.

The company has a system for measuring the Key Performance Indicators (KPI) in order to evaluate the performance of the Executive Management, but this system is not applied at the present time.

### **17. 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. He enjoys nearly 40 years of experience including the handling of the affairs of the companies in 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 manage 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 according to 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, and confirm the date on which such a request was received.

**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 of not combining positions which are prohibited of being combined by 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 correspondences regarding the execution of the tasks entrusted to him, whether mentioned above or any additional tasks that may be assigned to him.

- L. Coordinate among the committees of the Board 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.

### **18. Board of Directors Meetings:**

The Board of Directors meet on regular basis or when an invitation is issued by its Chairman or upon a 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 ahead of meeting date. Items can be added to the agenda upon the request of a Board member. The Board of Directors must meet at least six times during the Company's fiscal year. Three months must not elapse without holding a Board meeting. The provisions of Article 104 of the Law apply to the organization of Board meetings. The Board meeting shall be deemed valid if attended by the majority of the members provided that either the Chairman or the vice-Chairman attends the meeting.

The absent member may delegate 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 excuse acceptable to the Board, the Board member shall be deemed as 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 7 meetings during 2021 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 2021:**

Meeting No.	Date	Members attending in person	Members attending via proxy	Absent
1/2021	23/02/2021	8	1	-
2/2021	14/03/2021	10	1	-
3/2021	24/04/2021	11	-	-
4/2021	16/06/2021	11	-	-
5/2021	04/08/2021	11	-	-
6/2021	27/10/2021	8	3	-
7/2021	08/12/2021	11	-	-

## 19-Board of Directors Committees:

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

### 1. Audit Committee:

Consisting of the following:

Mr. Ali Haider Sulaiman Al-Haidar	Chairman
Mr. Hussam Abdul Salam Abu Issa	Member
Mr. Badr Ali Al-Sada	Member
Mr. Bassam Abdul Salam Abu Issa	Member
Mr. Abdul Salam Issa Abu Issa	Member
Mr. Ahmed Rashed Al-Moosafri	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.** According to requirements of the Governance code issued by QFMA, the Committee shall comprise of at least three members. The majority of whom should be independent members. 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. The Head of Internal Audit participate in the work of this Committee ex officio.

**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 by no mean.

**C.** The Committee shall meet at least six times a year (every two months) or whenever needed. Either upon the invitation of its Chairman or upon 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, set out and approve and 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 present Committee members, 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.

**H.** The quorum of the Committee is complete upon the attendance of no less than two-thirds of its members. The committee's meeting shall be deemed valid if attended by its chairman and the majority of the members.

**I.** 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.

**J.** 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 those recommendations.

**K.** 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.

**L.** 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 delegate in attending Committee meeting 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.

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

**N.** The committee shall submit an annual report to the Board including its work and recommendations.

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

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

**A.** Preparing and presenting to the Board a proposed Internal Control system for the Company upon constitution, and conducting periodic audits whenever necessary

**B.** Setting the procedures of contracting with and nominating External Auditors, and ensuring their independence while performing their work

**C.** Overseeing the Company's Internal Controls, following the External Auditor's work, making coordination between them, ensuring their compliance with the implementation of the best International Standards on Auditing and preparing the financial reports in accordance with International Financial Reporting Standards (IFRS/IAS) and (ISA) and their requirements; verifying that the External Auditor's report include an explicit mention if it had obtained all the necessary Information and the Company's compliance with international standards (IFRS/IAS), or whether the audit was conducted based on International Standards on Auditing (ISA) or not.

**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, applications 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 standards.
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.** Considering, reviewing and following up the External Auditor's reports and notes on the Company financial statements

**F.** Ensuring the accuracy about and reviewing the disclosed numbers, data and financial statements and whatever submitted to the General Assembly.

**G.** Making coordination among the Board, Senior Executive Management, and the Internal Controls of the Company.

**H.** Review of financial and internal control and risk management systems.

**I.** Conducting investigations in financial control matters requested by the Board.

**J.** Making coordination between the Internal Audit Unit in the Company and the External Auditor.

**K.** Reviewing the financial and accounting policies and procedures of the Company and expressing an opinion and recommendation to the Board on this regard.

**L.** Reviewing the Company's dealings with the Related Parties, and making sure whether such dealings are subject to and comply with the relevant controls

**M.** Developing and reviewing regularly the Company's policies on risk management, taking into account the Company's business, market changes, investment trends and expansion plans of the Company.

**N.** Supervising the training programs on risk management prepared by the Company, and their nominations.

**O.** Preparing and submitting periodic reports about risks and their management in the Company to the Board - at a time determined by the Board - including its recommendations, and preparing reports of certain risks at the request of the Board or the Chairman.

**P.** Implementing the assignments of the Board regarding the Company's Internal Controls.

**Q.** Conducting a discussion with the External Auditor and Senior Executive Management about risk audits especially the appropriateness of the accounting decisions and estimates, and submitting them to the Board to be included in the annual report.

**- The Committee's achievements during the year 2021:**

**A.** The Committee held six meetings during 2021 where they discussed the 2021 budget, the final financial statements for the year 2020 and the quarterly and semi-annual financial statements for 2021. It also reviewed the final financial statements for 2021 in February 2022. This is in accordance with the provisions of Article 18 of the Corporate Governance Code.

**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. Nomination (Membership) Committee:**

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

Mr. Nasser Suliman Haidar Mohammed Al-Haidar	Chairman
Sheikh Thani Bin Ali Bin Saud Al-Thani	Member
Mr. Hussam Abdul Salam Abu Issa	Member
Mr. Bassam Abdul Salam 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 five members of the Board, the majority of whom are members of the Board, and it is chaired by one of the independent members of the Board.

**B.** The quorum of the Committee is complete by the attendance of two-thirds of its members. The committee's meeting shall be deemed valid if attended by its Chairman and the majority of the members. In the event that Chairman is absent president, the quorum is not complete unless two thirds of its members are present, from whom they choose a Chairman for the meeting.

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

**F.** 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. The Chairman and all present Committee members shall duly sign the minutes and resolutions.

**G.** 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.

**H.** 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.

**I.** 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.** Developing general principles and criteria used by the General Assembly members to elect the fittest among the candidates for Board membership.

**B.** Receiving candidacy requests and preparing a list of nominees to the Board of Directors and recommend that the General Assembly to elect the Board of Directors from this list. The Committee shall send the list containing the names and information of the candidates to the membership of the Board of Directors to Qatar Financial Markets Authority, for approval at least two weeks before the Board membership attaching the Resume of each candidate and an authenticated copy of the candidacy request.

**C.** Nominating whom it deems fit for the Board membership when any seat is vacant.

**D.** Developing draft of succession plan for managing the Company to ensure the speed of a suitable alternative to fill the vacant jobs in the Company.

**E.** Nominating whom it deems fit to fill any job of the Senior Executive Management.

**F.** Submitting an annual report to the Board including a comprehensive analysis of the Board performance to identify the strengths, weaknesses, and proposals in this regard.

**G.** Nomination by the committee does not mean any jeopardize of the rights of the shareholders stipulated by law, or depriving any shareholder in the Company of the right to nominate a member or be nominated for membership of the Board.

**H.** 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.

**I.** 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.

**J.** 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. Having credibility, integrity, competence and the necessary expertise.
9. Devoting sufficient time to carry out the tasks entrusted to the members of the Board.
10. Any other criteria required by self-evaluation and objectivity.

**- The Committee Achievements during 2021:**

**A.** The Committee held four meetings during 2021 during which it opened the nomination and election for the Board membership, elected the Chairman of the Committee, evaluated the performance of the Board during the first half of 2021, and then evaluated the performance of the Board for the entire year 2021, in accordance with the Board's approved performance evaluation process.

**B.** During 2022, the Committee adopted a Code for evaluating the annual performance of the Board of Directors, and updated this Code in 2020.

**3. Remuneration Committee:**

**Consists of the following:**

Sheikh Nawaf bin Nasser bin Khalid Al Thani	Chairman
Mr. Ali Haider Sulaiman Al Haidar	Member
Sheikh Dr. Thani Bin Ali Bin Saud Al Thani	Member
Mr. Badr Ali Al-Sada	Member
Sheikh Ali Bin Jassim bin Mohamed Jassim Al Thani	Member
Dr. Adnan Ali Steitieh	Committee Secretary

The article (19) of the Corporate Governance Code issued by QFMA, states that the Chairman of the Audit Committee, should not be a member in another Committee. Since Mr. Ali Haider Al-Haidar is a member in the Remuneration Committee obviously to the provision of aforesaid article, the Board of Directors, in order to comply with the Corporate Governance Code and rectify this mistake, will re-form the Remuneration Committee, excluding the membership of Mr. Ali AL-Haidar from this Committee, in its 1<sup>st</sup> Board meeting in 2022.

**- 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, ex officio, may participate in the committee's scope of work upon the invitation of the Committee.

**B.** The members of the Committee shall, at their first meeting, set out, adopt and 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 register 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 upon the invitation of its Chairman or upon 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 feasible 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 of the Company as well as the feasible targeted growth at the same time.

**E.** The Committee shall propose the policies and principles of remunerations. The Board shall present 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 2021:**

**A.** The Committee held One meeting during 2021, in which it considered the remuneration of the Board of Directors’ committees for the year 2020, and the incentives for the Executive Management, and submitted its respective recommendations to the Board.

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

## **20. Assessment of the Board’s Performance:**

The Membership Committee should, within its approved multiple functions, carry out an annual objective self-evaluation 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 efficiently overseeing the management of the Company. The Board bears the responsibility for developing strategic policies and objectives, effectively monitoring the performance of the Company and its subsidiaries and ensuring the presence of succession plans for management as well as equity protection and development over long-term.

In particular, the Membership Committee should adopt, when preparing the annual performance evaluation of the Board, on 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 promptness and effectiveness of the implementation of the issues listed on the agenda of the Board.
5. Extent of compliance with transparency and disclosure with regards 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.

## **21. Evaluation of the Board's Performance in 2021:**

The Membership (Nominations) Committee conducted an objective evaluation of the performance of the Board of Directors during 2021, following the criteria adopted within the evaluation system and according to the following:

The Board held seven meetings in 2021. 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 2020. The Board reviewed, studied and discussed the quarterly and semi-annual financial statements for 2021 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 remuneration, senior executive management remuneration and committees remunerations were also adopted.

The Board issued (18) resolutions in 2021 related to investment opportunities and operational issues for the Company and its subsidiaries, including two resolutions that passed and were approved during the meeting following the issuance of those resolutions. All these decisions were issued after extensive discussions and consensus with no reservation made by 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 2021.

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 9 press releases and 9 disclosures during 2021 relating to the developments of some projects and legal proceedings.

Hence, the Board has fully complied with the provisions of the Law, the Articles of Association, the Governance Code, the Transparency and Disclosure System and any other rules and regulations governing the work of the Board.

## **22. 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.

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 Commerce and Industry as well as that of the Company's General Assembly shall be required.

### **23. Board Remuneration for 2021:**

In implementation of the aforementioned remuneration policy, and despite achieving profits in the year 2021, the Board waived its remuneration.

### **24. 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 requirement to be entitled for the remuneration and the annual performance incentive. This is provided that the evaluation shall be carried out through the Board's Remuneration Committee, based on the approved performance evaluation system of the executive management and based on the balanced scorecard. Thus, the entitlement to the remuneration will not be limited to the profitability criterion or dividends, and will be mainly based on the overall assessment of employees' performance, which varies in focus and objectives from time to time, as per the circumstances and challenges that the Company goes through.

### **25. Committees Remuneration:**

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.

Pursuant to the provisions of Article 122 of the Code, the Board of Directors has made available 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 wages, charges, salaries, bonuses, benefits in kind and amounts allocated to each member of the Board as a pension or end of service gratuity, and also detailed the operations in where conflicts of interest is potential. Any shareholder shall have the right to get access to such data at least one week prior to the General Assembly meeting.

In 2021 the Committees' members did not receive any remunerations.

## **Section Three**

### **26. 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 developments, 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 Exchange (QSE), 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 material information related to the current Company's projects, or the projects that the Company is intending to be engaged 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 material 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 Evaluation 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 notes 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 an easy accessible information related to the investors relations on its website, 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.

At present, and until an official spokesperson is appointed, the CEO is handling this task.

## **Policy for the Contracting with External Auditors**

The policy of the Company with respect to contracting with external auditors is based on Article (4) of the Commercial Companies Law No. 11/ 2015 and the provisions of Article 23 of the Governance Code regarding the companies listed on the Main Market issued by the Qatar Financial Markets Authority (QFMA) and on the systems 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 auditor (external auditor) appointed by the General Assembly for one year. The General Assembly shall approve its remunerations, based on recommendation from the Board of Directors.

**B.** It is permitted that the General Assembly reappoints the 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 Commerce and Industry, listed in the tables of approved external auditors at the QFMA 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 for the listed companies 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 balance sheet and the profit/loss statements.

3. Monitor the implementation of the Law and the Company's Article of Association.

4. Inspect the Company's financial and administrative systems, its internal financial control systems and ascertain their suitability for the progress of the Company's business and preservation of its assets.

5. Verify the Company's assets and their ownership, confirm the legality of the liabilities and their authenticity.
6. Review Board resolutions and instructions issued by 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. Submit a written report to the General Assembly about its function, and assign or delegate someone to read the report before the General Assembly. A copy of the report shall be sent from Auditor to the concerned 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 balance sheet and the profit/loss statements are in accordance with the 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 the established principles.
6. The violations to the Law or Company's Articles of Association that occurred during the subject audit year which have fundamental results on the Company's operations and financial position, and whether the said violations are still standing, within the limit of the information that was available to him.

## **Incentives and Rewards Policy**

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

- A.** Pursuant to the Company's public strategy aimed at achieving growing and 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. Targeted feasible growth of the Company.
3. Achieve the minimum Key Performance Indicator (KPI), most notably the gross revenues, net profit and the Economic Added Value (EVA).
4. Company cash flow status.
5. Returns and dividends distributed to the shareholders.

**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 status of the Company or the business unit.
3. The contribution of the subsidiary or the business unit to the consolidated 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 performance of the Company as well as the targeted feasible 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 evaluation result is less than 80%.

The evaluation 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 fiscal 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 the deduction of the depreciations, provisions and statutory reserves, in addition to the earnings retained 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 bonus shares and raise the capital by the amount of the issued shares.

### **Risk Management Policy**

The Risk Management Policy aims at identifying the weaknesses, potential risks, precautionary and remedial measures to prevent, limit and contain 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:**

The Risk Management Policy aims at identifying the weaknesses, potential risks, precautionary and remedial measures to prevent, limit and contain those risks when they arise, in order to mitigate the impact on the achievements of SIIL's strategic business objectives. The Risks Management process includes the following steps:

## **Raise Potential Risks**

SIIL needs to identify the new and emerging risks that may have potential impact on the achievement of the Company's strategic business objectives. To do so, SIIL will gather the necessary information, to identify the potential risks, categorize the identified risks, and involve the risk-related parties. This process will be done through conducting internal and external researches, contacting an expert, getting feedback from employees and stakeholder.

## **Risk Analysis**

After the assessment of the potential risks, the Company needs to identify possible impacts and likelihood of each risk, find the possible causes, also identify the interdependence to other risks.

## **Risks Evaluation**

When the risks analysis is finalized, the probability of the risks and the possible loss are determined. After this steps come the calculation of the risks expectation, and the determination of the risk level.

## **Risk treatment**

Upon completion of the Risks evaluation, and determination of risks levels, follow-up actions are to be defined, taking into consideration the following:

1. Acceptance of the risk
2. Shift of risk
3. Controlling of risk
4. Insurance of risk
5. Lowering of risk
6. Mitigation of risk

When the above is complete, it is followed by further steps, including: defining risk monitoring measurements, defining disaster management procedures, and definition & communication of responsibilities. The process adjustments are derived before finally handled by the Change Management.

## Action Plan

The Executive Management in the Company will set up the action plans and their timeframes. The Executive Management will update the risk assessment and monitor the implementation of the actions plans.

## Risk Monitoring & Review

The Executive Management will monitor the progress of these action plans and provide their review and reports on the outcomes.

## Insiders Trading Policy

### Purpose:

The Board of Directors adopted the below-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 subsidiaries 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 employees.

### The Insider:

The insider is anyone who, due to his position within the Company, has access to information that is not available to 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 impact on the Company's ability in terms of fulfilling its obligation, including the Board members, the Senior Executive Management, the employees in the company or any of the Group's companies or others, who might have access to such information under contractual or professional relationships 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 fiscal year, in addition to the information related to all the trading transactions carried out by the members of 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 on the Market, its General Manager, and its employees who had access to material

information on the Company are 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 subsidiary, should be any of these companies listed on the Market, 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, subsidiaries, 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 register encompassing all the insiders and those who might be deemed as temporary insiders and have the right or access to the Company’s inside information before being published. This register includes the insiders-related disclosures, 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 act or transaction is deemed null and void.

### **The Insiders’ Obligations:**

1. Any person (he and his minors) or any legal entity are committed to inform the Stock Exchange, in the case that their shares added to it the ownership of the respective group reached 5% or above of the Company’s shares or any of its Groups.
2. Also they are committed to disclose the information on every 1% change above the limits of the aforementioned 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 Register.

6. The Insider is committed to inform the Company of any trading he carries out in the securities of the Mother Company's or subsidiary, before and after those trading.

## **Whistle-Blowing Policy**

### **Purpose:**

As Salam International believes in its values and principals of integrity, team work and responsibility, the Whistle-blowing Policy comes to reinforce and protect these values, and at the same time, protect the whistleblower 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 violations or significant concerns or potential misbehavior that may hit the Company or its shareholders, so it can handle such a violation in a proper way.

This Policy aims to provide any information that may guide the Company's Management towards carrying out its obligations, through reporting the violations, wrong behaviors, illegal acts, 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, staff, or advisors regardless of their positions, and without any exception. It is possible also for any of the stakeholder to report any concerns or violations.

### **Reporting of Violations**

The Company welcomes any report that may guide to the correction of the mistakes or the procedures, detection of the violations, or reinforcement and protection of 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, misuse of stock exchange markets, bribery, misuse of power, forgery, cheating, fraud, accounts and data manipulation, gaining material or in-kind benefits)

- Illegal behavior and improper manners or those that are against customs and public 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 manner.
- 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 workplace).

## **Commitments**

### **Commitments of the Whistleblower**

Every whistleblower should commit to the following:

- Verification of the validity of the report by avoiding rumors, fears, or making unfounded allegations
- Being objective when reporting, away from personal disputes, slandering, making revenge, hurting people who enjoy good faith, 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 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 based on the breach'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 employees 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 whistleblower should take into consideration the full confidentiality while reporting for 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 Whistleblower)**

The Company is committed to the following:

#### **The Protection of the Whistleblower:**

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

#### **Confidentiality:**

Nondisclosure of the whistleblower's identity (either if he disclosed his name or not) and safeguarding him, 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 the details spread to unconcerned parties.

#### **Conducting Necessary Search and Investigation:**

Should seriously handle any report on violations, 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 support 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 corrective actions in case that 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 reporting means that ensures easy and rapid whistleblowing 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.

### **Handling of the Report:**

All violations' reports and the reports coming from the Company's Management and officers are sent through the respective communication channels, to the Audit committee to present it to the Board of Directors, showing the nature of the received reports, and what investigations and actions were taken in this concern.

In case that the report was made based on reasonable and justifiable inputs, then an investigation must be conducted and recommendations issued. Also giving advice and consultation to the whistleblower or to whom the breach is attributed. The action against the breach 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.

### **Succession Planning Policy:**

#### **Purpose**

Salam International Investment Limited (SIIL) has initiated the setup of a succession plan to provide continuity in leadership and avoid extended and costly vacancies in key positions. SIIL's succession plan will be designed to identify and prepare candidates for high-level management positions that become vacant due to retirement, resignation, death or new business opportunities. The Succession Planning is expected to be ready and presented to the Board of Directors for approval during the first quarter of 2022.

#### **Policy**

The policy of SIIL will be to assess the leadership needs of the company to ensure the selection of qualified leaders that are diverse and a good fit for the

organization's mission and goals and have the necessary skills for the organization.

### **Procedures**

The CEO will be responsible for SIIL's succession plan. The CEO, through the Budget & Planning Committee, which includes the Executive Director – Corporate Development, Human Resources and CFO, will address the issues related to the succession planning.

The Committee will identify key positions and incumbents targeted for succession planning. This should include an analysis of planned retirements, potential turnover, etc., identify individuals who show the potential needed for progression into the targeted positions and leadership within the company.

The Committee will establish a succession plan that identifies critical executive and management positions, forecasts future vacancies in those positions and identifies potential managers who would fill vacancies. Vacancies will be filled from within or, in the event no viable candidate is available, on an "acting" basis while an external recruitment effort is conducted.

### **Integrity and Non-conflict of Interest Policy:**

A- The Company prohibits its Chairman, members of its Board of Directors, Executive Directors, and all its employees from using any information he has come across in order to achieve an interest for him or his immediate relatives as a result of dealing in the company's shares.

In accordance with the aforementioned policy, the Company issues a periodic circular to the members of the Board of Directors and Executive Directors, preceding each period of the announcement of the interim financial results. This circular includes announcing the validity period of the ban on buying and selling shares stipulated in Article (173) of the Qatar Stock Exchange's internal regulations, with an emphasis on the need to inform Qatar Stock Exchange in advance of any sale or purchase outside the ban period. This ensures integrity in dealing and equality of opportunity.

The company also adheres to the provisions of the Commercial Companies Law No. (8) of 2021 amending some provisions of the Commercial Companies Law,

related to conflict of interests, especially the provisions of Article 109 of the Law. which states the following:

**1** - The Chairman and each member of the Board of Directors and member of the Senior Executive Management must disclose to the Board any interest, direct or indirect, that he has in the transactions and deals that take place for the Company's, and the disclosure must include the type, value and details of those deals and transactions and the nature and extent of the interest to him along with indicating the stakeholders thereof.

**2** - If the total value of the transactions and deals stipulated in the previous clause is equal to or more than (10%) of the market value of the Company or the value of the Company's net assets according to the latest published financial statements, whichever is lower, and unless the Articles of Association stated a lower percentage. It is a must to obtain a prior approval of the General Assembly, after have those transactions and deals been evaluated by the Auditor. the Auditor's report is to submitted to the General Assembly, provided that it includes the type and details of those transactions and deals, their value, the nature and extent of the interest, the stakeholders and a statement whether it is according to market prices and on a purely commercial basis. This approval is renewed annually if those transactions and deals are of a periodic nature.

**3-** Any of the stakeholders stipulated in Clause 1 of this Article shall refrain from attending the meetings of the General Assembly or the meetings of the Board of Directors in which the issue related to it is discussed or voted on.

**4** - In the event that any of the persons stipulated in Clause (1) of this Article violates the provisions contained therein, he shall be dismissed from his role or position in the company and shall not be entitled to run for membership of the Board of Directors of any other company or to assume any role or position in the senior executive management therein, for a period of one year from the date of the issuance of the dismissal decision.

**5** - Without prejudice to the rights of bona fide third parties, the violation of the provisions of this article also entails that the shareholders may claim before the competent court the invalidity of the deals or transactions and oblige the violator to pay compensation determined by the court in the event of non-disclosure, and they may also claim compensation as a result of mismanagement or violation of members of the Board to their obligations regardless of the invalidity of the deals or transactions in the event that the terms of the deals or transactions are unfair or harm the interests of the shareholders. In all cases, the violator shall be obligated to pay any profit or benefit that he gained from that to the Company.

**6-** Shareholders who own at least (5%) of the Company's capital may view the papers and documents related to the deals or transactions to which the provisions

of this Article apply, and obtain copies or extracts from them, and the Board of Directors shall enable them to view those papers and documents, or obtain images and extracts thereof, as the case may be.

7- The companies listed in the financial market shall disclose to the Authority the transactions and deals referred to in Clause (2) of this Article, and the details, nature and extent of the interest of the persons mentioned in Clause (1) of this Article, in accordance with the procedures followed by the Authority.

**B-** Every member of the Board of Directors shall sign, upon being elected, an acknowledgment and pledge of commitment to maintain the confidentiality of information and data, and not to disclose, leak or disclose it to others, or use it to achieve a private benefit for him or any of his relatives.

**C- Practical Practice:** in application of the principles of transparency, disclosure and equality of opportunity, and in order to avoid conflict of interests. A member of the Board of Directors withdraws from meetings of the Board of Directors or the General Assembly, in which they are deliberating on a topic or connection related to the concerned member of the Board of Directors. Voting on the relevant item shall not take place until verification that the aforementioned members have left the meeting room. The Company has previously applied this principle on more than one occasion and in more than one case.

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

The CSR strategy is based on the Qatar National Vision 2030, and on its Economic Pillar in particular. It is also based on the Company's vision that aims to make Salam International Investment Limited one of the most successful public shareholding 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 the human resources 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 SIIL through its activities to ensure the needs of the national economy and society of goods and services are met, in addition to the efficient use of production factors within the community.
- Contribute to the development of human resources: for the employees of the Company, and for members of community through securing mechanisms to learn skills, scholarships, fresh graduates' training, and the promotion of the knowledge economy.

- Environmental Protection: Taking into account environmental considerations when implementing projects, so that the environment is not only protected, but also improved and to go to our grandchildren in a better condition than how we got from our ancestors.
- In implementation of the CSR strategy, since 2018, Salam International applied the programs listed under the “Corporate Responsibility” section of the Annual Report.

## Section Four

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

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

The Board of Directors is responsible for establishing and maintaining internal control on financial reports “ICOFR” in line with what is required by the Qatar Financial Markets Authority (QFMA). This is to provide reasonable assurance regarding the reliability of financial reports and the preparation of consolidated financial statements for the purpose of preparing external reports in accordance with International Financial Reporting Standards (IFRS). The ICOFR also includes disclosure controls and procedures designed to prevent misleading information.

The Company’s Internal Control aims to verify compliance with the approved regulations and procedures, compliance with the policies, plans, regulations and laws in force, in addition to protecting the assets and efficient use of resources.

The Company's Internal Control is currently performed through several separate units, where internal control is performed by the Financial Department, Legal Affairs Department, Human Resources Department and Corporate Development Department. However, the Company is still seeking to combine all internal control activities in an independent department, to be either one of the main departments of the Company, or might be performed by a house of expertise from outside the Company.

#### **Actions related to 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 operations 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 the operations and compliance with regulations, procedures, and legal requirements.
- I. Review the Company organizational structure and Governance.
- J. Review Company performance.
- K. To review the general controls of information technology and its systems.

### **Risks in Financial Reporting**

The main risks in financial reporting are that either the consolidated financial statements are not presented fairly due to inadvertent or intentional errors or the publication of consolidated financial statements is not done on a timely basis. A lack of fair presentation arises when one or more financial statement accounts or disclosures contain misstatements or omissions that are material.

Misstatements are deemed material if they could, individually or collectively, influence economic decisions that users make based on the consolidated financial statements.

To confine those risks of financial reporting, the Group has established ICOFR with the aim of providing reasonable but not absolute assurance against material misstatements. We have also assessed the design, implementation and operating effectiveness of the Group's ICOFR based on the criteria established in Internal Control Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). COSO recommends the establishment of specific objectives to facilitate the design and evaluate the adequacy of a control system. As a result, in establishing ICOFR, management has adopted the following financial statement objectives:

- Existence / Occurrence - assets and liabilities exist and transactions have occurred;

- Completeness - all transactions are recorded; account balances are included in the consolidated financial statements;
- Valuation / Measurement - assets, liabilities and transactions are recorded in the financial reports at the appropriate amounts;
- Rights and Obligations and ownership - rights and obligations are appropriately recorded as assets and liabilities; and
- Presentation and disclosures - classification, disclosure and presentation of financial reporting is appropriate.

However, any internal control system, including ICOFR, no matter how well designed and operated, can provide only reasonable, but not absolute assurance that the objectives of that control system are met. As such, disclosure controls and procedures or systems for ICOFR may not prevent all errors and fraud. Furthermore, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs.

### **Organization of the Internal Control System**

#### **Functions Involved in the System of Internal Control over Financial Reporting**

Controls within the system of ICOFR are performed by all business and support functions with an involvement in reviewing the reliability of the books and records that underlie the consolidated financial statements. As a result, the operation of ICOFR involves staff based in various functions across the organization.

#### **Controls to Minimize the Risk of Financial Reporting Misstatement**

The system of ICOFR consists of a large number of internal controls and procedures aimed at minimizing the risk of misstatement of the consolidated financial statements. Such controls are integrated into the operating process and include those which:

- are ongoing or permanent in nature such as supervision within written policies and procedures or segregation of duties;
- operate on a periodic basis such as those which are performed as part of the annual consolidated financial statement preparation process;
- are preventative or detective in nature;

- have a direct or indirect impact on the consolidated financial statements themselves. Controls which have an indirect effect on the consolidated financial statements include entity level controls and Information Technology general controls such as system access and deployment controls whereas a control with a direct impact could be, for example, a reconciliation which directly supports a balance sheet line item; and
- feature automated and/or manual components. Automated controls are control functions embedded within system processes such as application enforced segregation of duty controls and interface checks over the completeness and accuracy of inputs. Manual internal controls are those operated by an individual or group of individuals such as authorization of transactions.

### **Measuring Design, Implementation and Operating Effectiveness of Internal Control**

For the financial year 2020, the Group has undertaken a formal evaluation of the adequacy of the design, implementation and operating effectiveness of the system of ICOFR considering:

- The risk of misstatement of the consolidated financial statement line items, considering such factors as materiality and the susceptibility of the financial statement item to misstatement;
- The susceptibility of identified controls to failure, considering such factors as the degree of automation, complexity, and risk of management override, competence of personnel and the level of judgment required.
- These factors, in aggregate, determine the nature, timing and extent of evidence that management requires in order to assess whether the design, implementation and operating effectiveness of the system of ICOFR is effective. The evidence itself is generated from procedures integrated within the daily responsibilities of staff or from procedures implemented specifically for purposes of the ICOFR evaluation. Information from other sources also form an important component of the evaluation since such evidence may either bring additional control issues to the attention of management or may corroborate findings.
- The evaluation has included an assessment of the design, implementation, and operating effectiveness of controls within various processes including Human

Resources and Payroll, General Ledger and Financial Reporting. The evaluation also included an assessment of the design, implementation, and operating effectiveness of Entity Level Controls, Information Technology General Controls, and Disclosure Controls.

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

As a result of the assessment of the design, implementation, and operating effectiveness of ICOFR, management did not identify any material weaknesses and concluded that ICOFR is appropriately designed, implemented, and operated effectively as of December 31, 2020.

Work is currently underway to prepare the Compliance policy and related procedures through a Consultant, to be approved and implemented during the next year.

Therefore, the Internal Control during the year 2021 also did not record any defect or failure that had a material impact on the financial performance of the Company. It also did not show any defects or fundamental irregularities in the management of the company.

#### **Violations:**

As for compliance with the provisions of the Corporate Governance Code and the legal entities listed in the Main Market, the Company has complied with all the provisions except for those were mentioned in the report.

### **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 QFMA and any supervisory authority in relevance to the Corporate Governance Code and its implementation.

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

## **Section Five**

## Shareholders Rights, Capital Structure and Minority Rights

### 31. Shareholders Rights:

Shareholders shall have all the rights bestowed upon them by the relevant laws and regulations, including the Company's Article of Association, mainly:

**A. Right to participate in the decision-making process** by attending the General Assemblies, the 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 discuss 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 considers the reply as 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, charges, salaries, in-kind benefits, and the amounts allocated to each member of the Board as pension or end of service gratuity, 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 own certain percentage of the capital to request inspection of the Company, or the right of the shareholder to sue, by himself, for damages incurred to him 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, and stipulated by law.

**D.** The shareholder shall have the right to view the shareholders register at QSE, as per QSE applicable regulations free of charge with respect to his contribution, in accordance with the regulations set by the Qatar Financial Markets Authority and in accordance with the regulations in force at QSE.

**E.** The Company shall publish on its website the Memorandum of Association and the Article of Association of the Company, the information related to the Board members, the quarterly, semi-annual and annual financial data, disclosures, annual reports 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.

**F-** Shareholders holding at least 5% of the Company's capital may view the papers and documents related to the deals or transactions to which the provisions of this Article apply, and obtain copies or extracts thereof, and the Board of Directors shall enable them to view those papers or documents, or obtain copies and extracts thereof, as the case may be.

**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.** The Board members, as shareholders at the Company, are not permitted to participate in the voting for the General Assembly decisions related to their discharge from liability.

### **32. Capital Structure:**

The total number of the Company's shareholders on 31/12/2021 has reached 5,821 shareholders.

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

<b>Name</b>	<b>Number of Shares Owned</b>	<b>Equity Ratio</b>
Mr. Issa Abdul Salam Abu Issa	1,565,622.30	13.70%
Mr. Hussam Abdul Salam Abu Issa	99,280,852	8.65%
Al Hussam Holding Co.	109,725,000	9.60%

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

The Company has amended its Articles of Association to conform 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. This will include finding a mechanism to release sale of shares to the public or the right of synchronous sale in case of changes in the ownership of Company capital exceeding a pre-determined percentage.

## Section Six

### Transparency and Disclosure

#### 34. Litigation and Lawsuits:

##### A- Lawsuits filed by Salam International and its subsidiaries in 2021:

#	Case no. / Court	Plaintiff	Defendant
1	2650/2019 Civil – Full Court / 7	Mideco Trading & Contracting	Al Sarh Trading & Contracting
2	3328/2019 Civil – Full Court / 13	Mideco Trading & Contracting	1. Crown Corr 2. Hadara Qatar
3	1619/2020 Civil – Full Court / 8	Salam Technology	1. Classical Palace 2. Obayashi Qatar 3. Hamad Bin Khalid Contracting
4	2067/2020 Civil, Full Court / 3	Qatari German Switchgear Co.	Al Ajjaj Limited co. (AAlco Group)
5	2552/2020, Civil, Full Court/ 1, Liquidation	Salam International	Shiftpoint and others
6	3329/2020 – Civil, Full Court / 1 Liquidation	Salam International	Blink and others
7	875/2021 Appeal, Civil, Summary Court / 2	Mideco Trading & Contracting	Action International Services
8	113/2021, Appeal, Rents / 5	Salam Studio & Stores	Northgate Real Estate
9	164/2021 , Commercial, Full Court	Gulf Steel & Engineering	SBH - JV
10	721/2021, Commercial, Summary Court	Salam Petroleum Services	Al Tawafeeq Trading Co.
11	467/2021 Commercial, Full Court /10	Alu Nasa	Al-Jaber & Sensia JV
12	731/2021 Commercial, Summary Court / 14	Salam Petroleum Services	Energy Technical Services
13	15025/2021, Notice from Al-Rayyan Police Station	Salam Studio & Stores	Virginia Grace Al-Bassar
14	1428/2021 Commercial, Full Court / 9	Gulf Steel & Engineering	Gulf Ray + Bandary Engineering
15	1429/2021 Commercial, Full Court / 8	Gulf Steel & Engineering	Bandary Engineering
16	2884/2021, Rents Committee / 2	Salam International	Horizonte Construcccion
17	41/2022 Civil, Summary Court / 11	Salam technology	Leighton Contracting Co. Commercial Bank

18	3227/2016 Execution, Full Court / 2	Salam International	Colorado Real Estate
19	3225/2016 Execution, Full Court / 2	Salam International	Colorado Trading & Contracting
20	2457/2017 Execution, Full Court / 3	Stream Industrial & Engineering	Doha Technical Services (Khalid Al-Marri)
21	1751/2019 Execution, Summary Court	Salam International	Al Eklill Trading & Contracting
22	19783/2018 Cheques Notices/ Capital Police	Salam International	George Bustani + Al-Eklill
23	896/2020 Execution, Full Court / 4	Salam Petroleum Services	1. Al-Thumama Trading Co. 2. Sultan Jawhar Faraj Al-Abdullah
24	3212/2014 Execution, Full Court / 3	New Image Building Services	Qatar Coral Real Estate Group
25	2762/2019 Execution, Full Court / 3	Gulf Steel & Engineering	SEG Qatar
26	377/2021 Execution, Full Court / 3	Mideco Trading & Contracting	Bin Omran Trading & Contracting
27	438/2021 Execution, Civil, Full Court / 3	Salam Technology	Bin Omran Trading & Contracting
28	2276/2021 Execution, Summary Court / 4	Gulf Steel & Engineering	Alumco Qatar
29	45/2021 Execution, Full Court / 3	Mideco Trading & Contracting	Hadary & Sabek co.
30	4620/2021 Execution, Civil, Full Court / 2	Salam Technology	Expat Trading & Contracting
31	4619/2021 Execution, Civil, Summary Court/1	Salam Technology	Darwish Engineering Co.
32	1613/2021 Execution, Civil, Full Court / 2	Salam Technology	Leighton Contracting Co.
33	4721/2021 Execution, Civil, Summary Court/2	Salam International	Salem Abdul Rahman Al-Naimi
34	1685/2021 Execution, Full Court / 1	Salam International	Grid Qatar
35	796/2021 Civil, Full Court / 1	Mideco Trading & Contracting	Larsen & Toubro Qatar, AL Suraie
36	825/2021 Execution, Full Court	Gulf Steel & Engineering	Boutique Qatar
37	3134/2019 Civil, Full Court / 3	Stream Industrial & Engineering	Arabtec
38	45/2021 Appeal, Civil, Summary Court / 3	Stream Industrial & Engineering	Barakat Engineering
39	1269/2021 Commercial, Full Court / 3	Stream Industrial & Engineering	Domopan Qatar

40	4434/2020 Civil, Summary Court / 6	Qatar Boom	Empire Trading And Contracting
41	1013/2020 Civil, Summary Court / 2	Salam Enterprises	Mission Trading & Contracting
42	294/2020 Civil, Full Court / 8	Salam Enterprises	Harvey Nichols Doha
43	5138/2020 Civil, Summary Court / 14	Salam Enterprises	Urban Development Company for Trading & Contracting
44	1771/2020 Civil, Full Court / 9	Salam Enterprises	Societe d'Entreprise
45	297/2020 Civil, Full Court / 6	Salam Enterprises	Al Huda Engineering Works
46	3180/2020 Civil, Full Court / 5	Salam Enterprises	Al Ajjaj Limited co. (AAlco Group)
47	1537/2021 Civil, Summary Court / 10	Salam Enterprises	Mission Trading & Contracting
48	889/2021 Civil, Full Court / 9	Salam Enterprises	Bin Omran Trading & Contracting
49	1942/2021 Civil, Summary Court / 11	Salam Enterprises	Gulf International Construction & Interiors Co.
50	4850/2019 Civil, summary Court / 6	Salam Enterprises	Classical Palace Interiors
51	1680/2021 Civil, Full Court / 5	Salam Industries	Hisham Saleh Al-Hamad Al-Mana
52	71/2021 Appeal, Civil, Summary Court / 7	Mideco Trading & Contracting	Ezzat Projects
53	766/2020 Appeal, Civil, Summary Court / 4	Mideco Trading & Contracting	Al Teyseer Building Materials Co.
54	1060/2020 + 1061/2020 Appeal, Civil, Full Court / 6	Salam Technology	Calethon Construction
55	386/2020 Appeal, Civil, Summary Court / 5	Mideco Trading & Contracting	MAMCO General Contracting
56	294/2020 Appeal, Civil, Summary Court / 3	Mideco Trading & Contracting	Qatar Trading & Transport Company
57	953/2020 Appeal, Civil / 4	International Trading & Contracting (ITC)	Truth Construction

## **B – Lawsuits filed against Salam International and its Subsidiaries in 2021:**

#	Case no. / Court	Plaintiff	Defendant
1	593/2018 Commercial, Full Court / 10	Fibrex Construction Company	Alu Nasa
2	9731/2019 Civil, Summary Court / 12	Pan Gulf Rent a Car	Mideco Trading & Contracting
3	3852/2019 Civil, Full Court / 4	Aquila Technologies	Salam International

4	66/2020 Civil, Full Court / 6	Crown Corr	Mideco Trading & Contracting
5	373/2021 Appeal, Full Court / 1	Bin Omran Trading & Contracting	Salam Technology
6	2376/2020 Civil, Full Court / 10	Bin Omran Trading & Contracting	Salam International
7	2295/2020 Civil, Summary Court / 9	Qatar Navigation	Salam Technology
8	99/2021 Commercial, Full Court / 9	Ahmad Abdullah Muhsen	Salam Bounian Development
9	1243/2021 Appeal, Civil / 3 Arbitrators	Evolutionary Systems	Salam Technology
10	372/2021 Appeal, Civil, Summary Court / 10	FANAR Neon and Advertising	Salam Technology
11	745/2021 Commercial, Summary Court	Pigeon Engineering Projects	Mideco Trading & Contracting
12	2722/2021 Commercial, Summary Court / 1	Kryslar Trading Contracting	Mideco Trading & Contracting
13	789/2021 Commercial, Full Court / 3	Gulf Glass Fiber	Salam Petroleum Services
14	2898/2021 Commercial, Summary Court / 14	Arabian Specialized Materials Company	International Trading & Contracting + Mideco Trading & Contracting
15	343/2021 Civil, Full Court / 2	GITA	Salam Technology
16	1735/2021 Labors Committee / 3	Mohamed Hamassat	Mideco Trading & Contracting
17	1143/2021 Appeal, Civil, Full Court / 1	Mohamed Issa Khan	Salam International
18	3653/2021 Commercial, Summary / 16	I.C.Y Trading	Mideco Trading & Contracting
19	462/2021 Civil, Full Court / 5	Youssef Mohamed Youssef Al-Hajiri	Salam Bounian Development Co.
20	1081/2021 Labors Committee / 1	Mohamed Ahmad Jadallah	Salam International + Stream Industrial & Engineering
21	5196/2020 Civil, Summary Court / 1	Qatari Electronic System	Stream Industrial & Engineering
22	73/2021 Administrative, Full Court / 1	Private Engineering Office	Stream Industrial & Engineering
23	3280/2020 Civil, Summary Court / 4	Alseel Real Estate	Stream Industrial & Engineering
24	3110/2019 Civil, Full Court / 3	Teyseer Contracting	Stream Industrial & Engineering
25	2406/2020 Civil, Full Court / 3	Berge Construction	Stream Industrial & Engineering
26	6278/2020 Civil, Summary Court / 3	Qatar Manlift	Stream Industrial & Engineering
27	5281/2020 Civil, Summary Court / 9	Wilter World Trading & Contracting	Stream Industrial & Engineering

28	2762/2020 Civil, Full Court / 8	Bell World Trading & Contracting	Stream Industrial & Engineering
29	18/2021 Civil, Full Court / 9	Raptors Trading & Contracting	Stream Industrial & Engineering
30	276/2021 Civil, Summary Court / 1	Santor Electrical	Stream Industrial & Engineering
31	316/2021/1 Civil, Full Court / 3	JBK Controls	Stream Industrial & Engineering
32	1395/2021 Civil, Summary Court / 14	Santor Electrical	Stream Industrial & Engineering
33	1830/2021 Civil, Summary Court / 1	Ridge Trading & Contracting	Stream Industrial & Engineering
34	1269/2021 Civil, Full Court / 9	Transrail Lighting Limited	Stream Industrial & Engineering
35	1420/2021 Civil, Full Court / 10	Dallas Trading	Stream Industrial & Engineering
36	70/2021 Civil, Full Court / 2	COMO	Salam Enterprises
37	3787/2019 Civil, Summary Court / 1	Energy Tec	International Trading & Contracting
38	2383/2020 Civil, Summary Court / 12	Qatar Plastic Additives & Industries Group/ its branch: Qatar Pipelines & Fittings	Salam Technology
39	3710/2020 Civil, Summary Court / 13	Fanar Neon & Advertising	Salam Technology
40	16/2020 Commercial, Full Court / 10	Specialist Independent Building Services Limited	Salam Technology
41	144/2020 Civil, Summary Court / 13	Engineering Rebar Factory (ERF)	Mideco Trading & Contracting
42	701/2020 Civil, Summary Court / 1	Nasser Rashed Al-Kaabi	Mideco Trading & Contracting

### **35. Integrity and Non-Conflict of Interests:**

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 direct relatives.

Pursuant to the aforementioned policy, the Company issues periodic circulars to Board Members and Executive Directors prior to each time it will announce the interim financial results. This circular includes the announcement of the duration of the ban on the sale and purchase of shares as stipulated in Article (173) of the Qatar Stock Exchange's regulations, with the need to inform the Qatar Stock Exchange ahead of any sale or purchase outside the ban 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 the conflict of interests, 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 conflict of interests, 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 matter or connection relating to the member of the Board concerned. The relevant item shall be voted on only after the members have ensured that the concerned member had left the meeting venue. The Company has already applied this principle on more than one occasion and in more than one case.

No material transactions took place between any of the Board members and the related parties in 2021.

### **36. Adherence to the Rules and Conditions Governing the Disclosure and Listing in Qatar Stock Exchange (QSE):**

**A.** The Company is committed by the rules and conditions governing the disclosure and listing in Qatar Stock Exchange, “QSE” and abides by all disclosure requirements, including disclosure of the number of shares owned by the Board of Directors, executives and major or controlling shareholders.

**B.** The Company is also committed to disclose any material information related the Company’s ongoing projects, or those projects that the Company intends to undertake or any other projects or information that may have impact on the share price.

**C.** The Company released in 2021 a total of 11 press releases and disclosures that included the disclosure of important and material information such as the disclosure of the financial results, new projects and strategic partnerships, the disclosure of court cases and the relevant court decisions.

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

**F.** The Company has disclosed the Remunerations 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 investors relations including:

1. The Amiri decree relating to the establishing of the Company.
2. The Memorandum of Association and Articles of Association of the Company and their amendments.
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 Qatar Stock Exchange.

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

**H.** The Company puts every year, at the shareholders' disposal, detailed statements, including 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 balance sheet, profit and loss statement, the report of the Board of Directors and the full text of the auditors' report, including the notes and the Company's disclosures contained therein, in two daily local newspapers and on the Company's website and Qatar Stock Exchange's website.

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

## Section Seven

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

The Company continued, during 2021, 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

### **38. Company's Plan for 2022:**

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 Articles of Association in order to achieve complete and full compliance with the Governance Code, in a manner that does not conflict with the laws in force 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 Corporate Governance 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 Corporate Governance 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 good conduct for the common goal of achieving feasible and sustainable growth and realizing 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