

Doha Insurance Co.(Q.S.C.)

COMPANY'S GOVERNANCE CHARTER

CORPORATE GOVERNANCE CHARTER

PART ONE

PRELUDE , DEFINITIONS, SCOPE OF APPLICATION

Prelude

Corporate governance system aims basically at the proper management of the Company, raising the standard of the performance and fulfill the interests of the Company as well as shareholders. Rules of governance identify the distribution of rights and liabilities among various interested parties in the Company , such as the Board of Directors , Directors , shareholders and other concerned parties . Rules also explain procedures for passing resolutions regarding Company affairs.

Corporate Governance Charter includes principles, rules and practical implementations of governance included in the Corporate Governance System issued by the Board of Directors of Qatar Financial Markets Authority in its meeting of 27/1/2009 to be a guide for the ideal implementation of that system and a framework for its performance for achieving its future vision. At the same time the Company takes into consideration the best international governance standards , such as those laid down by the Organization of Economic Cooperation and Development (OECD) , the Bank of International Settlements (BIS), the International Corporate Governance Network (ICGN) , and the International Institute of Finance (IIF). These standards have been adapted to the peculiarities of Qatar and to Qatar Commercial Law , Securities Market regulations in addition to the Company's Articles of Association, statutes and the nature of its activity.

Article (1)
Definitions

<i>Procedures of Obtaining Information</i>	<i>Procedures adapted by the Company for allowing shareholders to gain access to information as stated by the governance system.</i>
<i>Accessible Company Information</i>	<i>Company documents and related data which are to be made available to shareholders or obtained by them. This information should include, at least, documents which should be made available to shareholders by law or by the system of governance. The Company , when classifying whether or not certain information should be made available, shall take into consideration Company resources which will be allocated to secure obtaining such information and the potential damage that the Company and shareholders may be exposed to as a result of divulging secret information.</i>
<i>Affiliated Company</i>	<i>Is a company which belongs to the same group of companies as that of the Company.</i>
<i>Group of companies</i>	<i>The Company plus the companies controlled by it, as “control” is defined in the International Accounting Standards.</i>
<i>Authority</i>	<i>Qatar Financial Markets Authority (QFMA)</i>
<i>Board’s Charter</i>	<i>A charter that outlines the Board’s functions and responsibilities , also the duties of the Board Members.</i>
<i>The Board or Board of Directors</i>	<i>Board of Directors of the Company.</i>
<i>Board of Directors Secretary</i>	<i>A person appointed by the Board of Directors in accordance with governance system , who is responsible for organizing and coordinating the affairs of the Board and the Company.</i>
<i>Chairman</i>	<i>Chairman of the Board of Directors.</i>
<i>The Company</i>	<i>Any shareholding Company listed in Qatar’s Market, generally any public Company under the control of</i>

	QFMA
<i>Governance System</i>	<i>The system issued by QFMA and the amendments thereto.</i>
<i>Governance Report</i>	<i>An annual report that deals with the implementations and practices of the Company in connection with governance. It is signed by the Chairman of the Board and is submitted to QFMA according to the governance system.</i>
<i>Accumulative Voting</i>	<i>Electing board members is done as follows : each shareholder shall have a total number of votes equals to the total number of his voting shares multiplied by the number of vacant seats on the Board which shall be filled. A shareholder may give total number of his votes to one candidate, or he may divide his votes among any number of candidates.</i>
<i>Executive Board Member</i>	<i>Executive Board Member performs administrative executive jobs to the Company and/or could be a full time employee of the Company.</i>
<i>Accounts Controller</i>	<i>Reviews accounts and examines the Company's financial statements, he is independent therefrom.</i>
<i>General Assembly</i>	<i>General meeting of shareholders of the Company.</i>
<i>Independent Board Members</i>	<p><i>Is a member who is not under any influence or factor which could limit his ability to examine, debate and take objective decisions in Company affairs (based on mere facts). A board member is considered un-independent in the following cases – as examples but not limited to -:</i></p> <ol style="list-style-type: none"> <i>1- If currently is or during the last three years was :</i> <ol style="list-style-type: none"> <i>a- an employee of the Company, including the executive management , or</i> <i>b- an employee or Board member or owner or partner major shareholder in a consultant to the Company (which includes the external auditor), or</i>

	<p><i>c- an employee of a judicial person who is a member of the senior executive management or a relative thereof, or a person who is under the effective influence of either of them, or director on his Board or a member of his senior management or a major shareholder. A person is considered a major shareholder if he owns (10%) or more of the shares with voting rights.</i></p> <p><i>2- If he was a relative of a member of the senior executive management of the Company.</i></p> <p><i>3- If he or a relative of his , had during the last three years material commercial or financial dealings with the Company , whether directly or indirectly.</i></p> <p><i>4- If during the last three years he received substantial remuneration from the Company other than the remuneration he got or gets in his capacity as member of the Board of Directors.</i></p> <p><i>5- If he has been a Board member for more than nine consecutive years.</i></p>
<p><i>Senior Executive Management</i></p>	<p><i>Chief Executive Officer and other executive directors responsible directly to him.</i></p>
<p><i>Internal Audit</i></p>	<p><i>Internal audit operations, and balance sheet as well as the procedures referred to in Part four of Corporate Governance System.</i></p>
<p><i>A Big Deal</i></p>	<p><i>Any deal or group of connected deals that aim at acquiring or selling or leasing or exchanging or disposing of (with the exception of creating warranties) the Company assets or the assets that the Company shall acquire, or,</i></p> <p><i>a- Those which change the basic nature , or</i></p> <p><i>b- Those whose total value exceeds (10%) of the lower value between: the market value of the Company (in case of a listed Company) or the net asset value of the Company</i></p>

<i>The Market</i>	<i>Any securities market under the control of QFMA including Doha Securities Market and Qatar Securities Market Company.</i>
<i>Non Executive Board Member</i>	<i>A Board member who has no administrative executive job in the Company and does not devote all his time for the Company, and does not receive monthly or yearly remuneration from the Company other than the remuneration due to him as a Board member.</i>
<i>A Connected Person</i>	<p><i>A person is considered connected to the Company if he is :</i></p> <ul style="list-style-type: none"> <i>a- A board member of the Company or an affiliated Company.</i> <i>b- A member of the senior executive management ,</i> <i>c- A person who owns or controls (10%) or more of the voting rights in the Company or in any of its companies,</i> <i>d- Relative of any of the natural persons mentioned in Items (a) , (b) and (c) above,</i> <i>e- Any Company in which the natural persons mentioned in items (a) to (d) own jointly or severally (20%) or more of the voting rights, also Board members , General Manager and senior officials of the Company.</i> <i>f- A Company or an affiliated Company.</i>
<i>A Relative</i>	<i>A relative of any person up to the fourth degree.</i>
<i>A Shareholder</i>	<i>Any person (judicial or natural) who owns share in the Company.</i>
<i>Persons Having Interests</i>	<i>Any person (judicial or natural) who has interest in the Company, including for example , shareholders , staff , creditors, clients, suppliers and investors.</i>
<i>Subsidiary Company</i>	<i>A company controlled by another company , or the other company owns more that (50%) of its capital.</i>
<i>Association</i>	<i>The right of minority shareholders to participate in a major sale transaction of shares or in a public offering</i>

	<i>of sale , also in the sale of their shares at the same terms.</i>
<i>Material Commercial or Financial Transactions</i>	<i>Commercial or financial transactions are considered material (substantial) if the volume of transactions of the same kind (e.g. distribution of products or supply of inputs etc.) during one year reaches (10%) or more of the average total of annual transactions of the same kind which have been concluded with the Company during the last three years (or the outcome of dividing three years' transactions by three in order to get the average number of transactions during one year).</i>

Article (2)

Scope of Compatibility

And the Principle of Compliance or the Clarification

of Justifications for Non Compliance

The governance system is based on the principle of compliance or the justification of non compliance . The Company should disclose the extent of its adherence to its provisions. In case of non compliance with any of the provisions of that system, the Company should identify the Article or the Item which has no been complied with. It should also justify and explain the logical reasons and bases which caused it not to comply with the mentioned Article or Item. This is done within the governance report in accordance with the disclosure mechanism mentioned in this charter, in a way that enables both shareholders and the public to evaluate the Company's adherence to the principles of governance in general.

Part Two

Compliance with the Principles of Governance

Article (3)

The Company Should Comply with the Principles of Governance

The Board of Directors should ensure that the Company complies with the principles set forth in this Charter. The Board should review and update regularly the implementation of governance which it adopts.

The board should review and develop the professional codes of conduct which embody the values of the Company as well as the other internal policies and procedures which the Board members and the officials and consultants of the Company should abide by. (Professional codes of conduct include, but not limited to , the Board of Directors Charter, the charters of audit committee, the Company systems, the policies of dealing with various parties and the rules of insider trading). These rules should be reviewed regularly to ensure that they reflect best practices and meet the needs of the Company.

Part Three

Board of Directors

Article (4)

Board Charter

The Board should ensure that the Company adopts a charter for Board members which defines , in detail , the duties and responsibilities of the Board, also the duties of the Board members with which they should fully comply. The charter should be worded in accordance with the governance provisions and the amendments that the QFMA may introduce from time to time. The Board Charter should be published and made available to the public.

Article (5)

Duties and Responsibilities of the Board

The Company is managed efficiently by a Board of Directors who shall be collectively responsible for the proper running of the Company.

In addition to the Board's duties and responsibilities stated in the Board's Charter, the Board shall also be responsible for:

- 1) *Agreeing on the strategic targets of the Company , appointing and replacing directors and determining their remunerations, reviewing management performance and securing succession planning of the management of the Company.*
- 2) *Ensuring that the Company abides by its rules, regulations, Articles of Association and Statute. The Board also shoulders the responsibility of protecting the Company against illegal , arbitrary or unsuitable acts and practices.*
- 3) *The Board may delegate some of its authorities . Committees may be formed for specific purposes. In such case clear written instructions should be given with regards to the job or authority. The prior approval of the Board should be obtained regarding certain matters. In any case, even if the Board has delegated any of its jobs or authorities , it will still be responsible for all the authorities and powers it has delegated.*

Article (6)

Board of Directors Trusting Duties

Each member of the Board of Directors owes allegiance to the Company and vows to abide by loyalty and institutional authority as defined in the relevant laws, rules and regulations including governance system and Board of Directors Charter.

Board members should always act on the bases of clear information, in good will and with due care and attention. They should act in the interest of the Company and all shareholders in an efficient and responsible way.

Article (7)

Separating the Jobs of Chairman and General Manager

No one person should have the job of chairman and the job of general manager at the same time. Duties of the two positions should be clearly distinguished.

In all cases , no one person in the Company should have the absolute power to take decisions.

Article (8)

Duties of the Chairman of the Board

Chairman of the Board shall be responsible for the proper and efficient running of the Board of Directors business, including making complete and correct information available to Board members in the right time.

Chairman of the Board may not be a member of any of the Board's committees.

Chairman of the Board duties and responsibilities , include, in addition to those stated in the Board Charter, for example but limited to, the following:-

- 1) Ensuring that the Board debates all basic matters efficiently and in the right time.*
- 2) Approve the agenda of each Board meeting, taking into consideration matters raised by Board members. This duty may be delegated to a Board member, but the Chairman remains responsible for the proper conduct of that duty.*
- 3) Encourage all Board members to participate effectively in running the affairs of the Board in the interest of the Company.*
- 4) Ensure keeping in touch with shareholders and communicate their opinions to the Board of Directors.*
- 5) Allow non executive members of the Board in particular to take active part, and encourage constructive relations between executive and non executive members of the Board.*
- 6) Ensure that an annual evaluation of the Board's performance is carried out.*

Article (9)

Formation of the Board of Directors

Formation of the Board is defined in the Articles of Association of the Company. And as soon as legislations allow, the Board should include executive , non executive and independent members , so as to ensure that no one person or small group of persons can have control over the decisions of the Board.

Also , as soon as legislations allow , one third of Board members at least should be independent , and the majority of members to be non executive.

Board members should have the knowledge and experience to do their jobs effectively in the interest of the Company. They should devote enough time and attention for their job as Board members.

Article (10)

Non Executive Board Members

Duties of non executive Board members include , but not limited to, the following:-

- 1) Participating in board meetings, giving independent opinion on strategic matters, performance, accountability , resources , basic appointments and work standards,*
- 2) Giving priority for the interest of the Company and the Shareholders in cases of conflict of interests.*
- 3) Taking part in the Audit Committee of the Company.*
- 4) Supervising the performance of the Company in its endeavor to achieve its agreed targets, reviewing performance reports including annual, semi annual and quarterly reports.*
- 5) Supervising the development of procedural rules of Company governance, and supervise their implementation in harmony with such rules.*
- 6) Making their skills , experiences, various specialties and qualifications available to the Board of Directors or its committees, through their regular attendance of board meetings, and their effective participation in general meetings as well as their balanced and just understanding of shareholders opinions.*

The majority of non executive Board members may ask for opinion of an independent consultant at the expense of the Company , with regard to any Company matters.

Article (11)

Board Meetings

The Board should hold meetings regularly. This should ensure that the Board performs its duties efficiently. The Board should hold at least six meetings a year.

The Board meets at the invitation of the Chairman or at the written request of two members. Invitations to the meeting together with the meeting agenda should be sent at least one week prior to the date of the meeting.

A Board member may add any item to the agenda.

Article (12)

Board Secretary

The Board appoints a secretary to the Board whose job is to record, coordinate, keep the minutes of Board meetings, records, books and reports submitted from and to the Board . The Board secretary should , under the supervision of the Chairman, secure distribution of information and coordinate between Board members, the Board and other people having interests in the Company including shareholders , management and staff.

The Board secretary should ensure that Board members can have full and quick access to the minutes of meetings also to the Company's data, documents and records.

All Board members should be able to make use of the Board secretary's services and advice.

Board secretary may not be appointed or discharged except by a decision by the Board of Directors.

It is preferable that the Board Secretary should be a member in a chartered accountants association, or a member in a chartered Company secretaries

association, or a lawyer graduated from a recognized university and should have at least three years experience in running the affairs of a listed public Company.

Article (13)

Conflict of Interests and Insider Dealings

The Company should adopt and publish general rules and procedures which regulate its entering into a commercial transaction with an interested party (The Company policy in relation with interested parties). Under no circumstances it is allowed to enter into a commercial transaction with an interested person (or contract with him) except after fully taking into consideration the Company policy related to parties with interest. Such policy should include the principles of transparency, justice and disclosure. It should stipulate that a transaction with a party with interest should be approved by a majority of shareholders' votes provided that the party with interest should not vote.

In case there is a question of conflict of interests or any commercial transaction between the Company and a Board member or any party who is related to that member – being debated in a Board meeting, the subject should be debated in the absence of the relevant member who should never be allowed to vote on the transaction. Moreover , the transaction should be concluded at market prices and on purely commercial bases. It should not include terms that contradict the Company's interest.

Such transactions should be disclosed in the annual report of the Company and should be referred to in the general assembly meeting that follows such transactions. Board members' dealings in the Company's shares and other securities should be disclosed. The Company should adopt clear rules and procedures that control the dealings of Board members and staff in the Company shares.

Article (14)

Board's Functions and Other Duties

Board members should have full and immediate access to the Company's information, documents and records. Executive management should provide the Board and its committees with all the required documents and information.

Board members should make sure that members of appointments, remunerations and control committees , as well as internal auditors and representatives of the external auditors, attend the general assembly of the Company.

The Board should lay down a training program for the newly appointed Board members so that they understand fully their responsibilities and get to learn about the Company operations.

Board members shall be asked about their understanding of role and their duties. They should educate themselves in financial, commercial and industrial matters as well as in the work and operations of the Company. For this purpose, the Board should adopt suitable training courses to boost the skills and knowledge of members.

The Board should keep its members aware of developments in the field of governance. The Board may delegate this task to the audit committee or governance committee or any other suitable party.

The Company statute should include clear procedures for dismissing members in case they fail to attend Board meetings.

Article (15)

Appointment of Board Members. Nomination Committee

- 1) Nomination of Board members should be done according to official, strict and transparent procedures.*
- 2) When standing legislation allows it, the Board of Directors should form a nomination committee headed by an independent Board member and made up of independent members of the Board who would propose the appointment of Board members and re-nomination for election by the general assembly (to remove confusion, nomination by the committee does*

not mean depriving any shareholder of his right to be nominated or to nominate himself).

- 3) Nominations should take in consideration , among other things, the ability to devote enough time to perform duties as Board members, also their skills , knowledge, experiences and their professional, technical and academic qualifications in addition to their characters. These nominations could be based on suitable guiding principles for the nomination of Board members attached to governance system, and which may be amended by the QFMA from time to time.*
- 4) A nomination committee when formed , it should adopt and publish the framework of its work as well as its authority and role.*
- 5) The role of nomination committee should include annual appraisal of the performance of the Board.*
- 6) Any terms or requirements related to the nomination or election or appointment of Board members issued by the Supervisory Authority in the Company , should be observed and taken into consideration.*

Article (16)

Board Members Remunerations, Remunerations Committee

- 1) The Board of Directors shall form a remuneration committee made up of not less than three non-executive Board members with a majority of independents.*
- 2) When formed, the remuneration committee should adopt and publish the framework of its work, role and basic responsibilities.*
- 3) The basic role of remuneration committee should include defining remuneration policy in the Company including remunerations paid to the Chairman and members of the Board as well as the Senior Executive Management.*

- 4) *The policy and principles of remunerations should be shown to shareholders in a general assembly for their consent, and should be made public.*
- 5) *Remunerations committee should take into consideration the responsibilities and scope of function of the Board members and the Senior Executive Management. Remunerations may include a fixed part and a part tied to the performance of the Company in the long run.*

Article (17)
Audit Committee

- 1) *The Board of Directors should form an Audit Committee made up of three Board members, the majority of whom should be independent members, Audit Committee should include at least one member who has financial auditing experience. In case the number of independent was not enough to form an audit committee, the Company may appoint members on the committee from non independent members, provided that the committee chairman shall be independent.*
- 2) *In any case , a person who currently works or used to work with the external auditors of the Company during the last two years, cannot be a member of the audit committee.*
- 3) *Audit committee may consult an expert or an independent consultant.*
- 4) *Audit committee should meet when necessary and regularly every three months at least. The committee should keep minutes of its meetings.*
- 5) *In case of conflict between the recommendations of the audit committee and the resolutions of the Board of Directors, including when the Board declines to follow the committee's recommendations regarding the external auditor, then the Board should include in the governance report, a statement detailing these recommendations and the reason or reasons behind the Board's decision not to abide by them.*

6) *When formed, the audit committee should adopt and publish the framework of its work, role and basic responsibilities in the form of a charter . these responsibilities shall include in particular the following :*

a- Adopting a policy for contracting external auditors, provided it submits to the Board of Directors all matters that, in the opinion of the committee, need special arrangements and giving recommendations on the steps that should be taken.

b- To supervise and follow up the independence objectivity and debate of external auditors on the nature and scope of audit in accordance international auditing standards and international standards on financial reporting.

c- Supervise the punctuality and correctness of financial statements and the annual , semi annual and quarterly reports. Also to review these statements and reports. In this respect , the following should be emphasized:

1) Any changes in policies and applications/practices in accountancy.

2) Aspects which are subject to discretionary decisions by Senior Executive Management.

3) Basic amendments resulting from audit.

4) Company to continue in existence and to prosper.

5) To abide by accounting standards as laid down by QFMA.

6) To comply with rules of listing in the market.

7) To comply with rules of disclosure and other requirements for the preparation of financial reports.

d- Coordinate with the Board of Directors , Senior Executive Management and the Financial Director of the Company or whoever acts on his behalf, meet with external auditors once a year at least.

- e- Examine important and unusual matters included or shall be included in financial reports and accounts, to search closely in matters brought up by the Financial Director or whoever acts for him , or by the compliance officer or by external auditors.*
- f- Review the financial control system, internal control and risk management.*
- g- Discussing internal control system with the Management , guarantee the performance by the Management of its duties towards developing an effective internal control system.*
- h- Examine the results of investigating basic internal control matters assigned to it by the Board of directors or the executive at the request of the Committee with the approval of the Board.*
- i- Secure coordination between internal auditors and external auditors, availability of necessary resources and making sure of the efficiency of internal control and the supervision thereon.*
- j- Review financial and accounting policies and procedures of the Company.*
- k- Review letter of appointment of the external auditor and his plan of work , also any queries he has from the senior management of the Company and are related to records of accounts or control systems, as well as replies by the Executive Management.*
- l- Secure a quick reply to the Board of Directors queries and to external auditors letters or reports.*
- m- Lay down rules through which members of the Company staff can communicate , secretly, their suspicions around any matter in financial reports or internal control or any other matter, to guarantee the presence of suitable arrangements that allow conducting an independent and just investigation on such matters, while making sure that this member of staff is granted secrecy and protection from*

any negative reaction or harm and to propose such rules to the Board of Directors for adoption.

- n- Supervise compliance of the Company by the code of professional conduct.*
- o- Ensure that work rules related to these jobs and powers as delegated by the Board of Directors are suitably applied.*
- p- Submit a report to the Board of Directors on matters stated in this Article.*
- q- Examine any other matters decided by the Board of Directors .*

Part Four

Internal Control

Article (18)

Observing Rules, Internal Control, Internal Auditor

- 1) The Company should adopt an internal control system duly agreed on by the Board, to evaluate methods and procedures of risk management , apply governance system adopted by the Company and abide by relevant rules and regulations , Internal control system should lay down clear standards for responsibility and accountability in all sections of the Company.*
- 2) Internal control operations should include the formation of effective and independent units for the evaluation and management of risks. It should also include units for internal financial and operational auditing in addition to the external auditing. Internal control system should ensure that all dealings of relevant parties should be done according to proper controls.*
- 3) The Company should have an internal audit unit with clearly defined role and functions , in particular internal audit unit should :-*
 - a- Examine internal control system and supervise the implementation thereof.*

- b- Be run by a qualified, independent and well trained work team,*
 - c- Submit reports to the Board of Directors either directly or indirectly through the Audit Committee of the Board.*
 - d- Shall have access to all Company activities.*
 - e- Shall be independent including not having to do the day to day work of the Company. This independence shall be backed through determining the remunerations of the unit members directly by the Board.*
- 4) Internal audit unit shall be made up of at least one internal auditor appointed by the Board of Directors. The internal auditor shall be responsible before the Board.*
- 5) Internal auditor should submit reports to the Audit Committee and the Board of Directors. Reports shall include review and evaluation of the internal control system of the Company. The scope of the report should be defined by agreement between the Board (at the recommendation of the Audit Committee) and the internal auditor. The report should include:-*
- Procedures of control and supervision over financial affairs, investments and risk management.*
 - Comparing the development of risk factors in the Company and the existing systems for coping with fundamental or unexpected changes in the market.*
 - Evaluation of the performance of the Board and the Senior Management in the implementation of internal control system including determining the number of times when the Board had made mistakes in control matters (including in risk management), also the method that the Board had dealt with these matters.*
 - Failing to apply internal control or the weak points in the application thereof or cases of emergency which affected or could affect the financial*

performance of the Company, also the procedure followed by the Company in dealing with the failure in applying internal control.(in particular problems declared in the Company's annual reports and financial statements).

- *Compliance of the Company with the rules and conditions which control disclosure and listing in the market.*
- *Adherence of the Company to internal control systems when identifying and managing risks.*
- *All relevant information which describe risk management operations in the Company.*

6) *Internal audit report should be prepared once every three months.*

Part Five

Accounts Controller (External Auditor)

Article (19)

- 1) *An independent qualified accounts controller (external auditor) shall be appointed at the recommendation of the Audit committee to the Board. Upon a decision by the Company's general assembly the external auditor shall perform an annual and semi annual external independent audit. This audit aims at providing the Board of Directors and the shareholders with objective assurance that the financial statements are prepared in accordance with governance system and the relevant laws and regulations as well as international standards which control the preparation of financial statements, and that they represent exactly the financial position and performance of the Company from all material aspects.*
- 2) *External auditors should abide by the best professional standards. The Company may not contract them the provide consultations or services other than doing the financial audit for the Company. External auditors should be*

fully independent from the Company and its Board. There should be no conflict of interest in their relation with the Company.

- 3) External auditors should attend the ordinary general assembly meeting of the Company where they present their annual report and answer queries.*
- 4) External auditors are responsible before shareholders. They owe the Company the duty of doing their professional utmost when performing the audit. External auditors should inform the FQMA and any other regularity bodies in case the Board does not take the necessary measure regarding suspicious matters raised or identified by auditors.*

Part Six
Disclosure
Article (20)

The Company should abide by all disclosure requirements including financial reports and declaring the number of shares held by Board members, executive staff, and major and controlling shareholders. The Company should also disclose information regarding Board members CVs , their education, professions and other board memberships (if any)and names of members of various committees formed by the Board in accordance with Article (5/3).

The Board should ensure that all Company disclosure operations provide correct and not misleading information.

Financial reports of the Company should be pursuant to the International Auditing Standards IFRS/IAS and their requirements. External Auditors report should contain clear reference if they had access to all necessary information. Their report should also mention whether the Company complies with the IFRS/IAS Standards , and whether the audit was done pursuant to International auditing Standards (IAS).

Audited financial reports of the Company should be distributed to all shareholders.

Part Seven
Shareholders' Equity

Article (21)

Shareholders General Equity and Basic Elements of Ownership

Shareholders enjoy rights granted to them pursuant to relevant laws and regulations including governance system and Company's articles of association. The Board should guarantee shareholders equity to achieve justice and equality.

Article (22)

Ownership Records

Subject to the provisions of Articles (159, 160,161) of Commercial Companies Law (No. 5) of 2002 , the Company should keep proper , accurate and updated records for share ownership.

A shareholder may examine shareholders record in the Company as provided by the rules laid down by FQMA and procedures in practice in Qatar Bourse .

A shareholder is also entitled to get a copy of the following documents:- shareholders record, Board of directors record, Article of Association and Statute of the Company , documents which give privileges or rights to Company votes, contracts of connected persons or any other document named by FQMA from time to time, against the payment of a fee determined by FQMA.

Article (23)

Obtaining Information

The Company should include in its articles of association and statute, procedures for obtaining information in a way that reserves shareholders rights in timely and regularly obtaining of Company documents and the information connected thereto. Procedures for getting information should be clear and detailed and should include (1) accessible Company information including information available all the time to individuals and shareholders who represent a small percentage of the Company capital (2) clear instructions on how to get such information.

The Company should have a website for publishing all disclosures and relevant general information including information which should be published pursuant to governance system and any relevant laws and regulations.

Article (24)

Shareholders Equity in Relation to Shareholders Assemblies

Company Articles of Association and Statute should include provisions that guarantee shareholders actual right to call for a general assembly to be held at a suitable time. They should also guarantee the right to list items on the agenda and debating items on the agenda as well as asking questions and receiving answers , also the right to take decisions , while they are fully aware of raised matters.

Article (25)

Fair Deal for Shareholders and Practicing the Right to Vote

- 1) Shares of the same category shall have the same rights attached to them.*
- 2) Voting by proxy is allowed as per relevant rules and regulations.*

Article (26)

Shareholders Rights with Regard to Electing Board Members

- 1) Company articles of association and statute should include provisions that guarantee giving shareholders information on candidates for Board membership before the election. Such information should describe candidates professional and technical skills , their experiences and other qualifications.*
- 2) Shareholders should have the right to vote for Board members by way of accumulative voting, when relevant legislation shall allow the implementation of the above article.*

Article (27)

Shareholders Rights Regarding the Distribution of Dividends

The Board of Directors should present the general assembly with clear policy of the distribution of dividends. The presentation should include an explanation on the background of that policy with regard to serving the interest of the Company as well as shareholders.

Article (28)

Capital Structure , Shareholders Equity, Major Deals

- 1) The Company should disclose its capital structure. It should also define shareholders agreements which should be disclosed.*
- 2) Company articles of association and/or its statute should include provisions for the protection of minority shareholders in cases of major deals where minority shareholders have voted against them.*
- 3) Company articles of association and/or its statute should include a mechanism that secures launching a public offering of shares, or secures the practice of equality in selling shares in case of change in the ownership of the Company capital which exceeds a certain percentage (the ceiling). When determining the ceiling, shares owned by a third party but they are under the control of the declaring shareholder , should be taken into consideration , including shares appointed by shareholders agreements which should also be disclosed.*

Part Eight

Rights of Others Parties with Interests

Article (29)

- 1) Rights of parties with interests should be respected . In cases when parties with interests participate in governance , they should be able to obtain reliable, sufficient and relevant information regularly and timely.*
- 2) Board of Directors should treat employees fairly and without discrimination on account of race, gender or religion.*

- 3) *The Board should lay down remuneration policy for granting incentive bonuses to Company staff and management. Such policy should take into consideration the long term performance of the Company.*
- 4) *The Board should adopt a mechanism that allows Company employees to inform the Board of suspicious actions when such actions are not straight or illegal or harmful to the Company. The Board should provide protection for the employee who conveys information from any harm or negative reaction by other employees or by his supervisors.*

Part Nine
Governance Report
Article (30)

The Board should prepare an annual report which should be signed by the Chairman. The report should include the Board's evaluation of the Company's compliance with governance provisions and should be submitted to QFMA yearly and whenever it asks for it. The report shall contain all information regarding the implementation of the of governance system provisions , in particular :-

- 1) *Procedures followed by the Company in this respect.*
- 2) *Any violation committed during the financial year , its causes and method of remedying it and means of avoiding its recurrence in the future.*
- 3) *Members of the Board and its committees, their responsibilities and activities during the year according to their categories and authorities, also method of determining remunerations of Board members and senior executive management.*
- 4) *Internal control procedures including supervising financial affairs, investments and risk management.*
- 5) *Measures followed by the Company to determine , evaluate and manage major risk, also a comparative analysis of the risk factors that the Company faces, debating adopted systems for confronting radical or unexpected changes in the market.*

- 6) *Evaluation of the performance of the Board and the senior management in the implementation of internal control system, including determining number of times when the Board was informed of control matters (including risk management) and method of dealing with these matters followed by the Board.*
- 7) *Failure to implement internal control or the weak points in implementing or states of emergency which affected or could affect the Company's financial performance, also the measure followed by the Company in dealing with failure to implement internal control (matters declared in the Company's annual reports and financial statements, in particular).*
- 8) *Compliance by the Company with rules and terms which govern disclosure and listing in the market.*
- 9) *Compliance by the Company of internal control systems when defining and managing risks.*
- 10) *All relevant information which describe risk management operations and internal control procedures in the Company.*

Part Ten

Implementation of This Charter

Article (31)

- 1) *Board of Directors shall follow the implementation of the provision of this charter.*
- 2) *Reports , interpretations , circulars and guidelines issued by FQMA for the execution of the rules of corporate governance , shall be considered part and parcel of this charter.*
- 3) *All additions or amendments which may be introduced to the corporate governance system or decreed by relevant laws and regulations, are considered complementary or amending items to this charter as the case may be.*

4) *This charter shall become valid after being sanctioned by the Board of Directors of the Company.*

Article (32)

In all cases the Board of Directors shall be committed to the implementation of the Articles of this Charter, to the extent allowed by laws in force and should not contradict these laws. In particular we mention Commercial Companies Law No. (5) of 2002. The Article related to accumulative voting in the election of the Board of Directors is only one example.

(signature)

(signature)

*Bassam Hussein
Executive Director*

*Nawaf Nasser Bin Khalid Al-Thani
Chairman of the Board of directors*

