

**Introduction:**

Further to the requirements of Article (31) of the Corporate Governance Regulation of shareholding companies listed in the main market, the Board of Directors of Doha Insurance Company is pleased to submit the company's governance report for 2014 to the esteemed Qatar Financial Markets Authority (QFMA), including data and information related to this regulation and the procedures followed by the company in this regard.

Doha Insurance Company is seeking to adopt and apply the requirements of shareholding corporate governance regulation for shareholding cos . , considering that compliance with those requirements and standards is the best way to achieve the success of the company and to realize the desired objectives set by the Board of Directors in association with the senior executive management.

In light of the provisions of the governance regulation, the company has amended titles and rules to conform to the same, included in the corporate governance regulations for shareholding companies listed in the main market within the limits of legislations applicable, in particular, Law No. (5) for the year 2002 by issuing the law of Commercial Companies and its Amendments.

**Section I: Governance Framework**

We would like in the first section of this report to demonstrate to what extent the company is committed, in general, to abide by the governance regulation and to determine the company's position and to highlight the steps taken by the company as follows:

### **First: Board of Directors**

The current Board of Directors was elected for the period (2012-2014) at the company general assembly's ordinary meeting held on 28/02/2012 in accordance with the rules and conditions set forth in the Commercial Companies Law No. (5), 2002, and Its Amendments and provisions of company's memorandum of association, which requires running run for membership of the Board to own 50 thousand shares of the company's shares. The Article (96) of the Commercial Companies Law No (5), 2002, also identified other conditions to be met.

The following are the names of the members of the Board of Directors who are a group of businessmen:

<b>No.</b>	<b>Name &amp; Position of Member</b>	<b>Representation</b>	<b>% of owned shares</b>	<b>No. of owned shares</b>	<b>Rating</b>
1	Sh. Nawaf Nasser Bin Khaled Al-Thani (Board Chairman)	Himself	<b>0.40</b>	<b>198,498</b>	Non-independent Executive
2	Sh. Khalifa Bin Jassim Bin Mohammed Al-Thani (Board Vice Chairman)	Arab Engineering Constructions Co.	<b>0.45</b>	<b>225,022</b>	Non-independent Non-Executive
3	Mr. Adel Ali Bin Ali Al Muslemani (Managing Director)	Himself	<b>0.39</b>	<b>196,470</b>	Non-independent Executive
4	Sh. Jabor Bin Hamad Bin Jassim Al-Thani (Board Member)	Himself	<b>0.41</b>	<b>205,542</b>	Non-independent Non-Executive
5	Sh. Ali Bin Nasser Bin Abdullah Al -Ahmad Al-Thani (Board Member)	Nasser Bin Abdullah & Sons Co.	<b>0.37</b>	<b>183,655</b>	Non-independent Non-Executive
6	Major Gen. Dahlan Jamaan Basheer Al-Hamad	Armed Forces	<b>1.21</b>	<b>606,863</b>	Non-

	(Board Member)	Investment Portfolio			independent Non-Executive
7	Mr. Victor Nazeem Rida-Agha	Brouq Trading Co.	<b>2.70</b>	<b>1,349,919</b>	Non-independent Non-Executive
8	Mr. Hussam Abdul Salam Mohammed Abu Essa (Member)	Himself	<b>0.35</b>	<b>176,194</b>	Non-independent Non-Executive
9	Mr. Saud Omar Hamad Al-Mana (member)	Al Mana Group	<b>0.27</b>	<b>134,532</b>	Non-independent Non-Executive
10	Mr. Hitmi Bin Ali Al-Hitmi (Member)	Ali Bin Khalifa El Hitmi & Co.	<b>0.39</b>	<b>196,470</b>	Non-independent Non-Executive
11	Mr. Hassan Jassem Darwish Fakhroo (Member)	Himself	<b>0.64</b>	<b>318,016</b>	Non-independent Non-Executive

On 22/10/2014, the company's Board of Directors decided to drop the membership of Sheikh Ali Bin Nasser Al-Ahmad Al-Thani, in his capacity as representative of Nasser bin Abdullah and Sons Co., due to his repeated absence from attending meetings of the Board for more than three consecutive meetings without acceptable excuses to the Board, in order to effectuate the provisions of the Commercial Companies Law No.(5), 2002 in this regard. The Board, also, decided in its meeting to assign the membership to Sheikh Ali Bin Ghanim bin Ali Al-Thani, as representative of Ali Bin Ghanim Al-Thani Group, as the group is winning the largest number of votes of shareholders who did not win the membership of the Board in the last election conducted on (2012-2014) at general assembly ordinary meeting which was held on 28/02/2012. (The number of shares owned by Ali bin Ghanim Al-Thani Group is 50,000 shares, 0.10% of the company's shares. Therefore, the company's representative is classified at the board of directors as non-executive and independent).

The Board of Directors, at the same time, has notified Qatar Financial Markets Authority and Qatar Stock Exchange with this change, as well as the Central Bank of Qatar, which approved the procedure pursuant to the letter of the bank dated 18/11/2014.

### **Secondly: Charter of Board of Directors**

The Charter of Board of Directors has been adopted and prepared according to the form of the corporate governance system, rules and standards included in the system, provisions of the Commercial Companies Law No. 5 of 2002, as amended, and the Company's memorandum of association and its amended Statute in respect of the board of directors, conditions of membership, powers, responsibilities, duties and rights of its members.

### **Committees of the Board**

The Board of Directors shall be assisted by a number of committees. The board shall delegate the same to carry out certain tasks to help their the board in carrying out its tasks and responsibilities. These committees shall perform its tasks under the supervision of the Board of Directors. The current committees formed are as follows :

#### **1. Investment Committee**

It is responsible for the study of the available investment opportunities that come to the company, whether by members of the Board of Directors or others, and to decide upon the same. Among its tasks is to achieve the best returns on the company's deposits and to take the appropriate decisions as to the company's investment portfolio. This Committee shall be, generally, responsible for developing Strategies and directing the company's investment policy in accordance with the mandate granted to it by the Board of Directors.

The committee held three meetings during 2014, whereas decisions were taken to invest or to refrain from investment in a range of available investment opportunities.

## **2. Real Estate Committee**

One of its core tasks is to study investment opportunities in real estate, take the appropriate decisions on the sale or purchase of properties and luring offers of construction of new purchased properties or offers of renovation for existing real estate units owned by the company.

## **3. Audit Committee**

It is the body responsible for the audit of quarterly and full year financial statements, approval of procedure of contracting internal and external audit offices, issue the necessary recommendation to the Board of Directors, provide the internal control environment and compliance with laws and regulations. It is also responsible for approving the work systems, guidelines and policies that ensure implementation of the company's action plans.

## **4. Remuneration Committee**

It lays down the policy of remunerations for Board members and for the Executive Management in the Company. In deciding remunerations, the committee complies with the provisions of Article (118) of the Commercial Companies Law, i.e. within 10% of the net profit after deducting depreciations, reserves and the distribution of an assumed first dividend of 5% of the capital to shareholders. The remunerations committee also decides the annual remuneration of the CEO, the Executive Management and the work force of the Company, in light of the Company results during the financial year. The ordinary general meeting of shareholders adopted the remunerations policy on 13/3/2013.

## **5. Nomination Committee**

The board of directors, in its meeting held at the company's premises on 24/12/2014, determined names of members of the Nominations Committee. It is composed of three members of the Board of Directors:

- Sh. Khalifa Bin Jassim Bin Mohammed Al-Thani
- Sh. Jabor Bin Hamad Bin Jassim Al-Thani
- Mr. Hassan Jassem Darwish Fakhroo

The committee will oversee the election to the Board of Directors intended to take place at the beginning of 2015 for a new three-year term (2015-2017). It shall be governed by the provisions of the Commercial Companies Law No. (5), 2002, with respect to running for the membership of the Board noting that the corporate governance system shall be imposed when current legislation is amended.

With regard to internal control and risk management, the executive management of the company shall submit reports to the Board of Directors including assessment of the company's financial situation and results of the insurance operations. The company's financial statements shall be published in the daily newspapers and posted on the website of the company. M/s Deloitte & Touche's Auditors office has been appointed to carry out the internal audit for the year 2014.

With regard to risk management, the company has no specialized committee in risk management. But the company's management reviews the risks on a regular basis and takes the appropriate actions, either directly through the specialized technical departments in liaison with the Chief Executive Officer of the company, or through committees formed by the Board of Directors, with regard to both insurance related risks or investment and other risks.

The Board is fully aware of the need to form a risk management committee and will proceed soonest with this task to ensure a high level of performance and upgrade the efficiency of the technical departments among others and in general reduce the risk levels.

### **Third: Charter of Corporate Governance**

The Company has established a Charter for governance which includes the principles, rules and the practical applications enlisted in the corporate governance regulation adopted by Qatar Financial Markets. This we hope will lead to the optimal application of the regulation in accordance with its vision and strategies. The Charter provided for all additions or modifications made to the corporate governance regulation, or those required by relevant laws and regulations, as part of or modified article as the case may be. The Charter has been adopted by the Board of Directors.

### **Fourth: Commitment**

Doha Insurance Company abides by the rules and regulations in place at the Qatar Stock Exchange and Qatar Financial Markets Authority. The company is, currently, and to a large extent following the governance regulation, to the extent permitted by the applicable legislations and regulations in question.

The company also seeks to implement the highest levels of corporate governance regulation in order to ensure more confidence in its performance and to achieve the interest of its shareholders.

### **Fifth: Rating**

On 14 July, 2014, **Standard & Poor's** Rating Services raised the insurer financial strength and counterparty credit ratings for **Doha Insurance CO.** to "A-" from "BBB+" outlook remains stable.

On 26 August, 2014, **A.M.Best** has assigned a financial strength rating of “A-“ (Excellent) and an issuer credit rating to **Doha Insurance Co.** The Outlook assigned to both ratings is **Stable**.

•**Section II: Scope of Governance System**

Article No.	Clause No.	Compliance	Non-compliance	Remarks/ Notes
Article (3) Corporate compliance with principles of governance	3-1 The board of directors is keen to ensure company's compliance with principles of governance	√	-	The company has adopted a charter for governance system
	3-2 The Board is compliant with reviewing and updating governance.	√	-	
	3-3 The Board of Directors shall prepare, review and develop rules of professional codes of conduct regularly	√	-	Professional codes of conduct have been adopted

Article No.	Clause No.	Compliance	Non-compliance	Remarks/ Notes
Article (4) Charter of Board of Directors	The Board of Directors' charter has been adopted	√	-	The Board of Directors has adopted the Charter.
	Compliance with the publishment of the Charter of Board of Directors	√	-	Published in the company website.

Article No.	Item No.	Compliance	Non-compliance	Notes
Article No. (5) Tasks and Duties of Board of Directors	5-2-1 - The Board of Directors approval on strategic tasks. The Board shall appoint and replace the executive management and determine its	√	-	Remuneration shall be determined by the Board of Directors and company's HR system  It will be adhered to in



	remuneration. -The board shall have a succession plan for the upper management			the future.
	5-2-2 The board shall ensure that the company shall abide by the rules and regulations of the company's articles of association.	√	-	
	5-2-3 It may delegate its powers to committees emanated from the Board with clear instructions and still the board shall be responsible of such delegation	√	-	Delegation shall be specified by mechanisms of work of committees or through resolution of board of directors

Article No.	Clause No.	Compliance	Non-compliance	Remarks/ Notes
Article (6) Trusting Duties of Members of Board of Directors	6-1 6-2 6-3 The board members are totally committed to the well being of the company as per the laws and regulation and have utmost good faith in abiding by the relevant laws and regulations and 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 No.	Clause No.	Compliance	Non-compliance	Remarks/ Notes
Article No. (7) Separating the Jobs of Chairman and CEO	No one person should have the job of chairman and the job of CEO at the same time.	√	-	Chairman of Board of Directors is not the CEO.

Article No.	Clause No.	Compliance	Non-compliance	Remarks/ Notes
Article No. (8) Duties of Chairman of Board of Directors	8-1 - 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 proper time. - Board Chairman shall act as liaison between the Board and the Executive Management and his obligation is approve the agenda of the Board of Directors meetings, taking into account any matter raised by a member during the meetings and discussion under other matters agenda. - The Chairman may delegate such duty to a Board member, but the Chairman remains responsible for the proper conduct of that duty. - Encourage all Board members to participate effectively in running the affairs of the Board in the interest of the Company. - Ensure keeping in touch with shareholders and communicate their opinions to the Board of Directors Ensure that an annual evaluation of the Board's performance is carried out	√  √  √  √		Chairman of Board of Directors shall exercise these tasks as set out in job description of the Chairman
	8-2 Chairman of the Board may not be a member of any of the Board's committees.	√	-	The Chairman shall not be a member in any of the Board's committees.

Article No.	Clause No.	Compliance	Non-compliance	Remarks/ Notes
Article No. (9) Formation of Board of Directors	9-1 the Board shall be consisted of executive , non-executive and independent members	√	-	all members of the Board have more than 50,000 shares to be eligible for membership

				and as such are considered non independent according to the description set for in this system, Article (1), Definitions
	9-2 one third of Board members at least should be independent	√	-	As above.
	9-4 An independent candidate shall not have more shares than minimum needed to qualify the nomination.	√	-	

Article No.	Clause No.	Compliance	Non-compliance	Remarks/ Notes
Article No. 10) Non-Executive Board Members	Duties of non-executive Board members include , but not limited to, the following:  10-1 Participating in board meetings, giving independent opinion on strategic matters, performance, accountability , resources, key appointments and work standards  10-2 Giving priority for the interest of the Company and the Shareholders in case of conflict of interest.  10-3 Taking part in the Audit Committee of the Company  10-4 Supervising the performance of the Company in its endeavour to achieve its goals , reviewing performance reports including annual, semi annual and quarterly reports	√  √  √  √	-  -  -  -	

	<p>10-5 Supervising the development of procedural rules of Company governance, and supervise their implementation in line with such rules</p>	√	-	
	<p>10-6-1 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 the general assembly as well as their balanced and just understanding of shareholders opinions</p>	√	-	
	<p>10-6-2 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</p>	√	-	

Article No.	Clause No.	Compliance	Non-compliance	Remarks/ Notes
Article No. 11) Board Meetings	11-1 The Board should hold at least six meetings a year.	√	-	The board held (6) meetings during the year 2014.
	11-2 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.	√	-	Meetings of the Board shall be held in accordance with the Commercial Companies Law and company's Memorandum of Association.

Article No.	Clause No.	Compliance	Non-compliance	Remarks/ Notes
Article (12) Board Secretary	12-1 The Board Secretary shall be Mr. Samir Qawas, the company's legal advisor. He holds a Bachelor Degree in Law, obtained in 1975 from Ain Shams University, Egypt. He worked in the field of insurance since graduation in Kuwait and UAE. He works as the Director of Legal Affairs at Doha Insurance Company since 2001.	√	-	Available

Article No.	Clause No.	Compliance	Non-compliance	Remarks/ Notes
Article No. (13) Conflict of Interests and use of classified information	13-1 The Company shall adopt and publish general rules and procedures which regulate its entering into a commercial transaction.	√	-	Policy set out in Corporate Governance Manual was adopted by the company in this regard.
	13-2 Members of Board of Directors shall not participate in any meetings that contain conflict of interests.	√	-	

Article No.	Clause No.	Compliance	Non-compliance	Remarks/ Notes
Article No. (14)	14-1 Board members shall 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	√	-	
	14-2 Members of other committees and auditors should attend the general assembly of the Company	√	-	All members of the Board of Directors and auditors attend the general assembly meeting

	14-3 The Board shall lay down a training program for the newly appointed Board Members	√	-	It shall be considered in the future
	14-4 The Board shall adopt suitable training courses to boost the skills and knowledge of members.	√	-	Not available for the time being
	14-5 The Board shall keep its members aware of developments in the field of governance.	√	-	
	14-6 The Company Statute shall include clear procedures for dismissing members in case they fail to attend Board meetings.	√	-	Article (35) provides for considering a member dismissed if he is absent from 3 consecutive meeting or 5 non consecutive meeting without acceptable excuse. The membership of Sheikh Ali Bin Nasir Al-Ahmad Al-Thani was dropped for repetition of absence from attending meetings without acceptable excuse and selecting and Sheikh Ali bin Ghanim Bin Ali Al-Thani as a member.

Article No.	Clause No.	Compliance	Non-compliance	Remarks/ Notes
Article No. (15)	The Board shall assess advantages of forming committees to oversee progress of work of key functions.	√	-	

Article No.	Clause No.	Compliance	Non-	Remarks/ Notes
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Article No.	Clause No.	Compliance	Non-compliance	Remarks/ Notes
Article No. (16) Nomination and Appointment Committee	There shall be formal procedures for nomination/appointment of Board members, publishing responsibilities of the committee and conducting the annual self-evaluation.	√	-	The Commercial Companies Law is currently applied till provision of appropriate legal legislations in the future.
Article No. (17) Remuneration Committee	17-1 The Board of Directors shall form a remuneration committee	√	-	The company is, currently, committed to provisions of the Commercial Companies Law. In 2012, the committee was formed and its work mechanism was achieved. The General Assembly approved the Remuneration Policy on 13/03/2013
	17-2 Dissemination of responsibilities and duties of the committee	√	-	
	17-3 The remuneration policy shall be presented for approval of the General Assembly.	√	-	

Article No.	Clause No.	Compliance	Non-compliance	Remarks/ Notes
Article No. (18) Audit Committee	18-1 The Audit Committee shall be made up of three Board members and an independent head for the committee.	√	-	All members are non-independent
	18-2 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.	√	-	
	18-4 Audit committee should meet when necessary and regularly at least every three months.	√	-	The Committee shall meet at least four times a year.

	The committee should keep minutes of its meetings			
	18-6 publishing of responsibilities and duties of the committee	√	-	Part of the of Company's governance report.
	18-6 Adopting a policy for external auditors	√	-	Commitment to the Statute and Commercial Companies Law and Company's Audit Mechanism.
	18-6 The committee shall meet with external auditors once a year at least.	√	-	

Article No.	Clause No.	Compliance	Non-compliance	Remarks/ Notes
Article No. (19) Internal Auditor	19-1 The Company should adopt an internal control system duly agreed on by the Board	√	-	Partially available and work is going on to complete it.
	19-2 The company should evaluate methods and procedures of risk management	√	-	In the near future.
	19-3 The Company should have in internal audit unit with clearly defined role and functions	√	-	Deloitte & Touche Office has been appointed to carry out internal audit works in 2014
Article No.	Clause No.	Compliance	Non-compliance	Remarks/ Notes
Article No. (20) External Auditor	The external audit office shall perform an annual and semiannual external independent audit			'Ernest & Young' Office. They are independent from the company and attend meetings of the general assembly. They will be replaced every (5) years.



Article No.	Article (21) Qualification of Board Members Declaration	Compliance	Non-compliance	Remarks/ Notes
21	<p><b>1. Sheikh Nawaf Bin Khaled Al-Thani Board Chairman</b></p> <hr/> <ul style="list-style-type: none"> <li>- Prominent businessman who owns several companies and commercial agencies</li> <li>- Board chairman of NBK &amp; Sons Holding Co</li> <li>- Board Member of Salam International Co</li> </ul> <p><b>2. Sheikh Khalifa Bin Jassim Bin Mohammed Al-Thani Vice Chairman</b></p> <hr/> <ul style="list-style-type: none"> <li>- Owner and partner of Arabian Construction Engineering Co</li> <li>- Chairman of Qatar Chambers</li> </ul> <p><b>3. Mr. Adel Ali Bin Ali Al Muslemani Managing Director</b></p> <hr/> <ul style="list-style-type: none"> <li>- Prominent businessman and partner of Ali Bin Ali &amp; Sons Co</li> <li>- Board Member of Qatar Navigation Co , Halul Marine Services Co &amp; Qatar Electricity &amp; Water Corporation (KAHRAMAA)</li> </ul> <p><b>4. Major General Dahlan Jamaan Basheer Al-Hamad Board member</b></p> <hr/> <ul style="list-style-type: none"> <li>- Chairman of Qatar Military Sports Association</li> <li>- Member of the International Association of Athletics Federations (IAAF)</li> </ul> <p><b>5. Sheikh Jabor Bin Hamad Bin Jassim Al-Thani Board Chairman</b></p> <hr/> <ul style="list-style-type: none"> <li>- Businessman and owner of several companies engaged in different economic business in Qatar</li> </ul> <p><b>6. Sheikh Ali Bin Nasser Bin Abdullah Al Ahmed Al-Thani Board Member</b></p> <hr/> <ul style="list-style-type: none"> <li>- Renown businessman, partner and Managing Director of Nasir Bin Abdullah &amp; Sons Group , a company representing several commercial agencies</li> </ul> <p><b>7. Mr. Victor Nazeem Reda Agha Board Member</b></p> <hr/> <ul style="list-style-type: none"> <li>- Prominent businessman , owns Al Sadd Travel Company and Al Sadd Exchange Co , Partner in other companies</li> <li>- Board Member of Qatar Ahlibank</li> <li>- Board Chairman of La Cigale Hotel</li> </ul> <p><b>8. Mr. Hussam Abdul Salam Abu Essa Board Member</b></p> <hr/> <ul style="list-style-type: none"> <li>- Prominent businessman</li> <li>- Board Vice Chairman of Salam International Co</li> </ul>			

- Board Member of Salam Buonian Development Co
- Advisory Board Member of Qatar University College of Business and Economics

**9. Mr. Saud Omer Hamad Al-Mana  
Board Member**

- Prominent businessman, representing several international companies in Qatar
- Owner and Partner in Al Mana Group

**10. Mr. Hitmi Bin Ali Al Hitmi  
Board Member**

- Renown businessman
- Partner and owner of Hitmi Bin Ali Al Hitmi Co
- Former Board Chairman of Barwa Real Estate Co

**11. Mr. Hassan Jassem Darwish Fakhroo  
Board Member**

- Renown businessman
- Partne , owner and Board Chairman of Qassem Darwish Fakhroo Group

Article No.	Clause No.	Compliance	Non-compliance	Remarks/ Notes
Article (22) Shareholders Rights	Rights of ownership of shares are protected by virtue of the Statute	√	-	The Statute of the Company guarantees protection of shareholders and their rights.

Article No.	Clause No.	Compliance	Non-compliance	Remarks/ Notes
Article (23) Ownership Registers	1-23 Ownership of shares Registers are maintained and updated	√	-	Register of Shareholders is maintained and updated by the Qatar Stock Exchange in terms of maintaining confidentiality of shareholders " information and as not to compromise their interests
	2-23 Shareholders can freely access the shareholders ' register during official work hours or as per the information	√	-	As per the regulation adopted by Qatar Stock Exchange.
	23-3 Shareholders may obtain any of the document listed in Article 3-23 upon payment of fees	√	-	As per the regulation applied by Qatar Stock Exchange.

Article No.	Clause No.	Compliance	Non-compliance	Remarks/ Notes
Article (24) Rights of Shareholders relevant o shareholders' meetings	24-1 Procedures to access the information contained in the Statute and Regulations	√	-	Register of Shareholders is maintained and updated by the Qatar Stock Exchange in terms of maintaining confidentiality of shareholders' information and as not to compromise their interests.
	24-2 This Company shall have a website whereas all declarations shall be published	√	-	The Company has a website whereas all such required declarations are published.

Article No.	Clause No.	Compliance	Non-compliance	Remarks/ Notes
Article (25) Rights of Shareholders relevant o shareholders' meetings	24-1 Rights of shareholders to call for invitation to convene the General Assembly Meeting, place matters to be listed in the agenda, discuss issues listed in the agenda and raise questions provided for in the Statute and the Regulations.	√	-	Register of Shareholders to call for holding assembly general meeting as per the commercial companies law and as provided for in the company's statute.

Article No.	Clause No.	Compliance	Non-compliance	Remarks/ Notes
Article (29) Structure of Capital , Rights of Shareholders and necessary actions	29-1 The capital structure shall be declared and the company shall decide which of the shareholders agreements to be declared	√	-	Provisions on protection of minority shareholders are not contained in the Company's Statute.
	29-3 The Statute and/or the regulations provide for warning/notice as well as rights in case of adjustment of ownership which exceeds certain limits	√	-	Provisions of warning/ notice as well as rights are not contained in the company's statute and shall be complied with in the future should there be any binding laws and amendment of the company's statute accordingly.

1. Structure of the company's capital consists of the capital issued and paid in full, as well as the reserves.

2. Capital

	<u>Authorized Capital</u>	<u>Issued and paid in full</u>	
		2014	2013
Capital at QR 10/share (Qatari Riyal)	<u>500.000.000</u>	<u>500.000.000</u>	<u>257.400.000</u>
Number of shares at QR 10 \ share (Qatari Riyals)	<u>50.000.000</u>	<u>50.000.000</u>	<u>25.740.000</u>

On 17/12/2014, the General Assembly of the Company approved an increase of the Company's capital by 94.25%, i.e. from QR 257.400.000 to QR 500.000.000, by offering additional 24.260.000 shares for subscription, to the tune of 9 shares for each 10 shares at QR 10/share, plus QR 8 as issuance fee for each share, which led to the increase in the authorized capital.

Article No.	Clause No.	Compliance	Non-compliance	Remarks/ Notes
Article (30) Stakeholders Rights	30-1 Personnel shall be treated as per the fair and equitable basis	√	-	The company shall act to protect the equal rights of employees
	30-2 Staff remuneration prepared by the board of directors shall bear in mind the long service.	√	-	Provisions of warning \ notice as well as rights are not contained in the Company's statute and the human resources policies.
	30-3 The board shall devise a mechanism to report immoral behavior disclosure of breaches/ violations and protection of the reporter	√	-	
	30-4 The board shall devise a mechanism allowing the company's staff to report to the council the illegal suspicious or detrimental acts harmful to the company			The Company shall comply with Article 29, Clause 4. The Company's code of ethics stipulates that report of any breach, violation or illegal action harmful to the Company's interest and the necessity of to report to the Company's Audit Committee of whether such violation is relevant to the accounts or auditing matters, as for other breaches, reporting shall be to the immediate manager or to the Company's

				Chief Executive Officer. The Company shall offer proper protection for the employer against negative reactions if he/she reports any such breach.
Article No.	Clause No.	Compliance	Non-compliance	Remarks/ Notes
Article (31) Reports	31-1 The governance report covers the clause contemplated in Article 31	√	-	This requirement is observed in this report

**Nawaf Nasir Bin Khalid Al Thani**  
Board Chairman

**Bassam Hussain**  
CEO

F/F