



# Corporate Governance Report

1<sup>st</sup> January – 31<sup>st</sup> December, 2013

# CORPORATE GOVERNANCE REPORT

## MANNAI CORPORATION QSC

1<sup>st</sup> January – 31<sup>st</sup> December, 2013

### **1. Introduction:**

With reference to:

- The Corporate Governance Code for companies listed in markets regulated by the Qatar Financial Markets Authority, issued on January 27, 2009 (hereinafter referred to as "Code"); and
- Provisions of Article 31(3) of the Code, which provides that the Code shall come into force after issuance by the Qatar Financial Markets Authority (hereinafter referred to as "QFMA") and publication in the Official Gazette, and whereas the Code was issued and published in the Official Gazette on June 25, 2009, and has come to effect; and
- Provisions of Article 2(1) of the Code which provides for the application of the provisions of the Code to all companies listed on any market regulated by the QFMA; and

Provisions of Article 2(2) and Article 30 of the Code, which require the companies listed in markets regulated by the QFMA to prepare an annual Corporate Governance report, to be signed by the Chairman of the Board of Directors, that includes all information related to implementation of the provisions of the Code and the Board of Directors' assessment of the Company's compliance with the provisions mentioned in the Code or explain the reason(s) for non-compliance with these provisions, and submitting this report to the QFMA, THEREFORE

- The Board of Directors of Mannai Corporation (hereinafter referred to as "Board of Directors") has prepared this Corporate Governance Report of Mannai Corporation (hereinafter referred to as "Company") for the year ended 31<sup>st</sup> December, 2013, guided by the provisions of the Code, the related laws and regulations, circulars issued by QFMA, Company's Articles of Association, sound Corporate Governance practices, the Management's sound applications, and Corporate Governance standards. Through this Corporate Governance Report, the Company will keep the shareholders, stakeholders and public abreast of all its policies and practices in order to enable them to assess abidance of the Company by the Code and Corporate Governance principles in general, according to the provisions of Article 2(2) of the Code.

## **2. Preamble:**

The Board of Directors has complete and absolute belief that the sound application of Corporate Governance rules and procedures leads to achievement of high and continuous growth, quality and excellence in performance, and also results in increased trust in the company and aims to protect the interests of minorities and small shareholders, in addition to generating profits and providing job opportunities, reducing risk, and increasing performance competency and accountability.

Hence, the Board of Directors appreciated the importance of the principles of Corporate Governance and recognized the importance of its application (even before issuance of the Code), as it was mentioned in the Report of the Board of Directors for the year 2007, under the title- Summary of 2007, and the way ahead: *"... expansion of the Board of Directors and strengthening Corporate Governance in the Company."*

The Board of Directors of the Company called for beginning the structuring of its corporate governance procedures in line with the principles of the Code. Believing in the importance of corporate governance, the Board of Directors, in compliance with Article 5(3) and Article 30(1) of the Code, formed a two-member committee comprised of Mr. Keith Higley as the Chairman and Mr. Saeed Abu Odeh as a member. On December 3, 2009, the Board of Directors approved the Terms of Reference of the Corporate Governance Committee, where the committee was assigned to enable the Board of Directors, through good Corporate Governance, to add value to the company and its reputation among its shareholders, related parties and stakeholders, and to ensure the Directors' understanding of their roles in Corporate Governance process according to the provisions of Article 14(5) of the Code, and to ensure that the Board complies with relevant laws, regulations and codes of practice in accordance with the provisions of Article 5(2/2) of the Code.. **(Annexure 1: Terms of Reference - Corporate Governance Committee).**

## **3. Company's philosophy on Corporate Governance**

Corporate Governance means the following to the Board of Directors:

- 1) Method by which the company practices its power to manage all its assets, and human and physical resources,
- 2) Management's appreciation of the shareholders' rights in their capacity as the owners of the company,
- 3) Compliance with the rules, procedures, values, and moral and professional behaviors in practice of management and business, and taking sound decisions regarding the affairs of the company,
- 4) Distribution of the rights and responsibilities between the different stakeholders and related parties in the company.



In light of the above, the Board of Directors believes in the sound application of Corporate Governance and continuous development of Corporate Governance practices to suit the changing requirements and commitment to review the Corporate Governance practices in a constant manner. The Board of Directors strongly believes in following the fundamental values of Corporate Governance in managing the company, which are discipline, transparency, disclosure, independency, accountability, responsibility, fairness, social responsibility and accuracy in financial statements. The Board of Directors also tries to concentrate on the pillars of Corporate Governance, which are moral behavior, strengthening roles of stakeholders and related parties and risk management.

Moreover, the Board of Directors fully realizes that implementation of Corporate Governance in the company in a correct way does not mean mere respect of a group of rules and provisions, but it is also a culture and method in controlling the relationship between the shareholders, Board of Directors, Senior Executive Management, employees, and everyone dealing with the company, so that the shareholders ensure that the Management makes right use of their property to optimize profitability and achieve effective control. All this is reflected in what is called "The Mannai Way." (Annexure 2: The Mannai Way).

#### **4. Board Charter**

As required in the provisions of Article (4) of the Code, the Board of Directors has adopted a "Board Charter" which is attached hereto (Annexure 3: Board Charter).

#### **5. Board of Directors:**

##### **(1) Mission and responsibilities of the Board of Directors:**

In compliance with the provisions of Article 5 of the Code, the provisions of Articles 26, 30 and 31 of the Company's Articles of Association provide that the Board of Directors is assigned with the responsibility of managing and supervising the company. It has the broadest scope of authorities for the same and shall be entitled to assume all activities required for such management in accordance with the law, the Company's Articles of Association, and resolutions of the General Assembly, in addition to appointing the senior executive management. Moreover, the Board of Directors may sometimes delegate some of its functions to undertake specific operations and constitute special committees, and in this event, the Board remains liable for the functions it has delegated. Also, according to the Terms of Reference of the Nomination Committee, the Nomination Committee is authorized to review management development programmes and the succession planning process for the executive management group and other senior management prepared by the Group CEO.



## **(2) Duties of the Chairman of the Board of Directors:**

The Chairman of the Board of Directors is the head of the company and shall represent it before third parties, and his signature shall be held as signature of the Board of Directors in the Company's relations with third parties, and he shall execute resolutions of the Board as provided for in Article 28 of the Company's Articles of Association. The Chairman is responsible for ensuring the proper functioning of the Board, and has the right to call for Board meetings in accordance with provisions of Article 32 of the Company's Articles of Association ensuring the discussion of all important points, approving the agenda of every meeting of the Board of Directors, promoting constructive relations between all the Board members, encouraging Board members to effectively participate in dealing with the affairs of the Board of Directors, and facilitating timely receipt of complete and accurate information by Board members. In compliance with the provisions of Article 8(2) of the Code, the Chairman is not a member in any of the committees of the Board of Directors.

## **(3) Board of Directors' Fiduciary Duties:**

In compliance with the provisions of Article 6(1) of the Code, each Board Member owes the Company the fiduciary duties of care, loyalty and compliance with the laws and regulations. The Board of Directors constantly invite, in accordance with provisions of Article 36 of the Company's Articles of Association, some of the Company's senior executive managers, employees or other experts to attend the Board meetings in order to provide some information or explanations to enable the Board of Directors to act effectively to fulfill their responsibilities towards the Company on the basis of clear and sufficient information, in good faith, with due diligence and care, and in the best interests of the Company and all shareholders, in compliance with the provisions of Articles 6(2) and 6(3) of the Code.

## **(4) Board composition:**

- a. Nominations and appointments of Board Members are made in the Ordinary General Assembly of shareholders according to formal, rigorous and transparent procedures in the presence of representatives of Ministry of Business and Trade in accordance with the provisions of Article 50 of the Company's Articles of Association. The current Board of Directors constitutes of nine members, elected by the Company's shareholders in the General Assembly on January 23, 2013, for a period of three years till January 22, 2016 in accordance with the laws and provisions of the Company's Articles of Association. It was taken into consideration that the Board Members have adequate expertise and knowledge to effectively perform their functions in the Company and give sufficient time and attention to their roles in accordance with the provisions of Article 9(3) of the Code. Attached is a detailed list with names, categories and responsibilities of each of the Board members in

accordance with the provisions of Article 30(3) of the Code (Annexure 4) and résumés of each of them in accordance with the provisions of Article 20(1) of the Code (Annexure 5).

- b. In compliance with the provisions of Article 9(2) of the Code, the current Board of Directors composition includes executive, non-executive and independent members. More than one-third of the Board members are independent and majority are non-executive members as per the attached list (Annexure 4).
- c. In compliance with the provisions of Article 7(1) of the Code, the positions of the Chairman of the Board and Group Chief Executive Officer are not held by the same person, and there is distinction between both positions, as HE Sheikh Hamad Bin Abdullah Bin Khalifa Al Thani holds the post of Chairman of the Board of Directors, and Mr. Alekh Singh Grewal holds the post of Group Chief Executive Officer. This complete distinction between the two posts clearly divides the responsibilities between the posts, as the Chairman of the Board of Directors manages the Board, and the Group Chief Executive Officer manages the business of the company as he shoulders the responsibility of executive leadership and daily management of the Company, and he is assisted by the Management Team in-charge of application of the strategies of the Board of Directors and controlling the daily operations of the company.

No one person in the Company has unfettered powers to take decisions in accordance with the provisions of Article 7(2) of the Code. This is clear from the Board composition, which includes executive, non-executive, and independent members in accordance with the provisions of Article 9(1) of the Code.

- d. According to the provisions of Article 32(1) of the Company's Articles of Association, the number of Board meetings shall not be less than six meetings in a fiscal year in compliance with the provisions of Article 11(1) of the Code. The Board of Directors held six meetings during 2013 on the following dates: 27<sup>th</sup> February, 2013, 21<sup>st</sup> April, 2013, 2<sup>nd</sup> June, 2013, 5<sup>th</sup> August, 2013, 27<sup>th</sup> October, 2013, and 9<sup>th</sup> December, 2013
- e. In accordance with the provisions of Article 32 of the Company's Articles of Association, the Board shall meet upon an invitation of its Chairman or at least two Board Members in compliance with provisions of Article 11(2) of the Code. The invitation for the Board meeting and agenda shall be communicated to each Board Member, noting that any Board Member may add any item to the agenda.
- f. In compliance with the provisions of Article 12 of the Code and according to the provisions of Article 32(5) of Company's Articles of Association, a Secretary meeting all mandatory regulatory requirements for the position has been appointed for the Board of Directors, whose functions include recording and safekeeping the minutes of all the Board meetings, and ensuring that the Board members have access to all the meeting minutes, information, documents and records of the company.



**(5) Non-executive Directors:**

As we have mentioned earlier, majority of the Board of Directors are non-executive directors in compliance with the provisions of Article 9(2) of the Code, and their main duties are:

- a. Participating effectively in the meetings of the Board of Directors and providing independent opinion in particular on strategic matters, evaluating Company performance, key appointments such as appointment of Group Chief Executive Officer in accordance with the provisions of Article 31 of the Company's Articles of Association.
- b. Participating in the Company's Audit Committee, as most of the committee members are non-executive independent directors.
- c. Monitoring the Company's performance and reviewing its annual, half annual and quarterly financial reports.
- d. Participating in the Company's Corporate Governance Committee, as all the committee members are non-executive directors, and according to its Terms of Reference, it is assigned to supervise development of the procedural rules for the Company's corporate governance according to the provisions of Article 10(1/5) of the Code.
- e. Participating in the various committees of the Board of Directors such as the Remuneration Committee and Nomination Committee, attending the meetings of the Board of Directors and participating effectively in the General Assemblies of shareholders according to the provisions of Article 40 of the Company's Articles of Association and in compliance with provisions of Article 10(1/6) of the Code.
- f. Seeking opinion of expert independent consultants according to the provisions of Article 36 of the Company's Articles of Association and in compliance with provisions of Article 10(2) of the Code.

**(6) Other Board Functions & Duties: (to be updated in consultation with Mr. Keith)**

In compliance with provisions of Article (14) of the Code, we would like to point out to the following:

- a. Directors have absolute access to all necessary information and documents relating to the company, and the Board Secretary, in accordance with provisions of Article 12/2 of the Code, always ensures that the Directors have access to such information and documents.
- b. Members of the various committees, the Internal Auditor, and External Auditor always attend General Assembly meetings and the External Auditor signs the



assembly minutes in accordance with provisions of Article (134) of the Commercial Companies Law of 2002.

- c. In accordance with provisions of Article 14(4) of the Code, the Board of Directors from time to time provides training courses for Directors in order to enhance their skills and professional knowledge. The Company not only provides such courses to Directors, but also to members of the Senior Executive Management team. In terms of director training, both Mr. Keith Higley and Mr. Alekh Grewal attended and participated in the INSEAD International Directors Programme in 3 modules during 2013. Each of them was also awarded the Certificate in Corporate Governance from the INSEAD Business School.
- d. In accordance with provisions of Article 14(5) of the Code, the Corporate Governance Committee at all times keeps Directors updated about the latest developments in the area of Corporate Governance. The Terms of Reference of the Corporate Governance Committee, which has been approved by the Board of Directors, provides *"Accordingly, the Board has decided to establish a Corporate Governance Committee comprised of two Board Members to keep the Board updated in its Corporate Governance responsibilities and best practice"*.
- e. In accordance with provisions of Article 14 (6) of the Code, Article (33) of the Articles of Association of the Company contains rules governing Directors' unauthorized absence from Board meetings.

#### **(7) Conflict of Interests and Insider Trading**

- a. The Company has adopted and announced the rules relating to the Company's entering into any commercial transaction with a related party, to ensure that all transactions that involve potential related parties or conflicts of interest are determined on a fair, reasonable and consistent basis. According to the provisions of Article 35(5) of the Company's Articles of Association, the Board of Directors shall put at the disposal of shareholders, before holding the General Assembly, the operations in which the Chairman or a Board member or a manager may have interests in conflict with Company interests. **(Annexure 6: Summary of Related Party Transactions Policy)**
- b. The company has adopted and announced the rules relating to transactions of insiders and to prevent leak of any internal information which were not published to all shareholders, and these rules cover Board of Directors, Senior Executive Management, managers and all employees of the company, and the families of those persons. The purpose of this is to:
  - 1. Maintain equality between all shareholders in receipt of internal information of the company.

2. Raise the transparency and disclosure level and increasing the shareholders' trust in the company.
3. Avoid any suspicion on insiders benefiting personal gains from use of internal information. The policies concerning transactions of insiders, related parties transactions are published on the Company's website on the internet. **(Annexure 7: Summary of Insider Trading Policy).**

A summary of the related party transactions and insider trading policies have been published on the Company's website.

**(8) Method of setting remuneration of members of the Board of Directors and Senior Executive Management:**

The remuneration of the members of the Board of Directors shall be set by the shareholders in the Ordinary General Assembly of the company according to the provisions of Article 129 of the Commercial Companies Law No. 5 of 2002 and according to the provisions of Article 37 of the Company's Articles of Association. The total of Board of Directors remuneration shall not be estimated at more than 10% of the net profit after deduction of depreciation, reserves and for allotment of proceeds of not less than 5% of the share capital among shareholders in accordance with Article 30 (3) of the Company's Articles of Association.

The policy of determining remuneration of the Board of Directors and the senior executive management takes into account the responsibilities and scope of the functions of the Board Members and members of Senior Executive Management as well as the performance of the company. Compensation may include fixed and performance related components and such performance related components may also be related to the long term performance of the company. It is noteworthy that the Remuneration Policy shall be presented to the shareholders in the Annual General Assembly for approval and will be made public.

The Company's Remuneration Policy was confirmed at the Ordinary General Assembly held on February 17, 2010 and is reiterated in the Company's Annual Report for 2011 and 2012, and 2013.

In addition, the provisions of Article 35(1) of the Company's Articles of Association require the Board of Directors to put at the disposal of shareholders and before holding the General Assembly all the amounts received by the Chairman and members of the Board of Directors of the Company during the fiscal year, including wages, charges, salaries, and consideration of attending Board meetings, and sundry expenses, in addition to amounts received by each of them as a technical or administrative employee or in consideration of any technical or administrative or consultative work performed to the company.



#### **(9) Committees of the Board of Directors:**

While most of the important affairs are discussed in the Board of Directors, the Board of Directors, in accordance with the provisions of Article 5(3) of the Code, has formed a number of committees that are assigned with some responsibilities and support the Board of Directors in performing its functions in the best way. The Board, at its session held on 10.12.2012, resolved that the tenure of the Board Committees expiring on 13.12.2012 be extended for a period of 3 years valid till 13.12.2015. The Board further resolved that composition of the Board Committees for the renewed term till 13.12.2015 shall remain unchanged.

These committees are as follows:

##### **a. Corporate Governance Committee:**

This committee was referred to in the beginning of this report in the Preamble. We add here that the committee performs review of the Company's Corporate Governance system and update the Board with the developments in this regard and presenting recommendations to the Board of Directors. For more details, see Annexure 1.

##### **b. Remuneration Committee:**

In accordance with the provisions of Article 16 of the Code, the Committee of Remuneration was formed and consisted of the following non-executive and independent Board members:

1. HE Sheikh Suhaim Bin Abdullah Bin Khalifa Al Thani, Chairman
2. Mr. Mohammed Ali Mohammed Khamees Al Kubaisi, Member
3. Mr. Keith John Higley, Member

The Board of Directors adopted and published the Terms of Reference of the Committee which clarified its role and basic responsibilities in accordance with the provisions of the Code. This committee shall oversee the Remuneration principles and policies of the Company, including remuneration of the Board of Directors and Senior Executive Management, and keep the Board advised accordingly. (**Annexure 8: Terms of Reference, Remuneration Committee**).

The remuneration policies and principles were presented before the shareholders in the General Assembly held on February 17, 2010, and it was approved and published in the Company's Annual Report, and announced on the Company's website according to the provisions of Article 16(4) of the Code.

##### **c. Nomination Committee:**



In accordance with the provisions of Article 15(2) of the Code, the Committee of Nomination was formed and consisted of the following independent Board members:

1. HE Sheikh Suhaim Bin Abdullah Bin Khalifa Al Thani, Chairman
2. Mr. Mohammed Ali Mohammed Khamees Al Kubaisi, Member
3. Mr. Ali Yousuf Kamal, Member

The Board of Directors adopted and published the Terms of Reference of the Committee in accordance with the provisions of Article 15(4) of the Code. The main role of the Nominations Committee is to ensure that nominations and appointments of Board Members shall be made according to formal, rigorous and transparent procedures in accordance with the provisions of Article 15(1) of the Code, and to conduct self-assessment of the Board's performance from time to time. The committee also sets principles for selection and nominations to the Board of Directors in compliance with the provisions of Article 15(3) of the Code. **(Annexure 9: Terms of Reference, Nomination Committee).**

**d. Audit Committee:**

In accordance with the provisions of Article 17(1) of the Code, the Committee of Audit was formed and consisted of a majority of independent Board members:

1. HE Sheikh Suhaim Bin Abdullah Bin Khalifa Al Thani, Chairman
2. Mr. Mohammed Ali Mohammed Khamees Al Kubaisi, Member
3. Mr. Ali Yousuf Kamal, Member
4. Mr. Alekh Grewal, Member

This committee does not include any person who is or has been employed by the company's external auditors as per the provisions of Article 17(2) of the Code. The Board of Directors adopted and published the Terms of Reference of the Committee in accordance with the provisions of Article 17(6) of the Code. The Terms of Reference of the Committee explain its main roles and basic responsibilities in its Audit Committee Charter. It is noteworthy that the Charter includes all the provisions of aforementioned Article 17(6) of the Code. All of this was disclosed in the Annual Report of the Company. The Committee meets at least every three months and keeps minutes of its meetings. The Audit Committee held six meetings during 2013 on the following dates: 27<sup>th</sup> February, 2013, 21<sup>st</sup> April, 2013, 2<sup>nd</sup> June, 2013, 4<sup>th</sup> August, 2013, 27<sup>th</sup> October, 2013, and 9<sup>th</sup> December, 2013. **(Annexure10: Terms of Reference, Audit Committee).**

## **6. Internal Control and Risk Management**

The Board of Directors is responsible for the company's internal control, the overall aim of which is to safeguard the company's assets and thereby its shareholders' investment. Board of Directors and its Audit Committee oversee the actions of management and monitor the effectiveness of the internal control systems that have been put in place. In this regard, and in accordance with the provisions of Article 30 of the Code, we can mention the following:

- (1) The Company's compliance with all the provisions of the Code, relevant laws and regulations, and the Company's Articles of Association, as Article 30 of the Company's Articles of Association provides that the Board of Directors' authority to manage the company is not restricted except by provisions of the law or the Company's Articles of Association or resolutions of the General Assembly.
- (2) The Executive Committee regularly reviews and updates the professional conduct rules setting forth the Company's corporate values and other internal policies and procedures that should be complied in accordance with the provisions of Article 3(2) of the Code. These rules include Employee Manual, Audit Committee Charter, Company Regulations, Related Party Transactions Policy, Insider Trading Policy, and other circulars issued by the Senior Executive Management from time to time.
- (3) The Company adopted internal control systems to assess the methods and processes relating to risk management. The Company's framework for internal control is made up of five components: control environment, risk assessment, control activities, information and communication, and monitoring.
- (4) The company integrates the principles of problem identification and continuous improvement into its business operation process and makes continuous efforts to train employees who will put these principles into practice.
- (5) The Internal Control systems are set under clear lines of responsibility, accountability, and audit throughout the company's departments and divisions.
- (6) The Board of Directors continuously evaluates the information provided by the Executive Management and the Audit Committee. The Audit Committee's task of monitoring the efficiency of internal control systems by the management team is of particular interest to the Board. This work includes checking that steps are taken with respect to any problems detected and suggestions made by auditors to rectify them.
- (7) Internal control has been developed under following policies:
  - a) Systems to ensure that the Management executes their responsibilities in compliance with relevant laws and regulations and the Company's Articles of Association;
  - b) Rules and systems related to the management of risk of loss;



- c) Systems to ensure that employees conduct business in compliance with relevant laws and regulations (including Corporate Governance Code) and articles of association;
  - d) Systems to ensure appropriateness of business operations;
  - e) Systems to ensure that all transactions that involve potential related parties or conflicts of interest are determined on a fair, reasonable and consistent basis. The Company has established a number of control processes relating to conflict of interest between the Company and related parties.
- (8) The Senior Executive Management continuously evaluates the adequacy of its systems, processes and controls to ensure that the deviations and risk is minimized.
- (9) Internal auditor submits to the Audit Committee a quarterly internal audit report which includes a review and assessment of the internal control systems of the company.
- In respect of the current period, the Board considered the internal control systems effective and adequate. No significant areas of concern which might affect shareholders were identified. During the period, minor control deviations have been adequately dealt with through appropriate corrective actions. There have been no significant internal control failures affecting the financial performance of the company.
- The company monitors and manages the risk relating to operations through risk reports devised by the management. Same is discussed in the monthly business review meetings.
- The financial risk management aspects are disclosed in the annual audited report of the company.
- (10) The general risk policy and the basic principles underpinning it are implemented by means of a comprehensive risk control and management system based upon a proper definition and allocation of functions and responsibilities at the operating level and upon supporting procedures, methodologies and tools, suitable for the various stages and activities within the system. The risk factors to which the Company is subject are set forth generally below:
- a) **Corporate governance risks:** regarding verification that compliance with the good corporate governance rules established by the Company through its monitoring of the Corporate Governance Process is crucial to adequately safeguarding the interests of the Company and those of all its shareholders.
  - b) **Market risks:** exposure of the Group's results of operations to fluctuations in prices and market variable prices of financial assets, among others.
  - c) **Credit risks:** possibility that a counter party fails to perform its contractual obligations, thus causing an economic or financial loss to the Group.
  - d) **Business risks:** uncertainty as to the behavior of key variables inherent in the business.



- e) **Regulatory risks:** resulting from regulatory changes made by the various regulators.
  - f) **Operational risks:** direct or indirect financial losses caused by inadequate internal processes, technological failures, human error, or as a consequence of external events.
  - g) **Reputational risks:** potential negative impact on the Company's value resulting from business performance not living up to the expectations created among various stakeholders.
- (11) In compliance with Article 18.3.3 of the Code, the Internal Auditor periodically submits a report to the Audit Committee, which includes a review and assessment of the internal control system of the Company. The Report covers all what is provided for in the Article 18(5) of the Code. It is noteworthy that the Internal Auditor has access to all documents to review all aspects and activities of internal control, and to carry out comprehensive audits of practices, procedures and internal controls of all business and support units and subsidiaries on regular basis.
- (12) The Audit Committee and the Senior Executive Committee study all important and extraordinary items contained in the reports prepared by the internal and external auditors by taking appropriate decisions and to conduct continuous assessment of the information submitted by the Audit Committee or the External Auditor, so that the internal control systems are implemented effectively and correctly.

## **7. External Auditor**

The External Auditor is appointed by the General Assembly upon recommendation of the Board of Directors. During the General Assembly meeting held in March, 2013, the shareholders appointed M/s. Deloitte & Touche as the external auditor for the financial year of 2013. M/s. Deloitte & Touche are qualified and independent of the Company and the Board of Directors.

The External Auditor also carries out independent annual audit and semi-annual review aimed at ensuring that the financial statements are prepared in accordance with the international standards. The half-annual financial statements for the year 2013 were issued on August 05, 2013 and the annual financial statements will be presented to the Board on 27 February, 2014. All the financial reports are published in Arabic and English newspapers. The shareholders and public may also log on the Company's website for the financial results and other related information. The External Auditor attends the Company's annual ordinary General Assembly and answers any queries raised by the shareholders.

## **8. Transparency and Disclosure**

As we have mentioned before, Transparency and Disclosure are fundamental values in Corporate Governance, and they are two sides to a coin: if one is not available, the other becomes absent, as they are considered powerful tools in having affect on the behavior of the company, and to protect the shareholders and investors and support them in evaluating the competence of the management, and taking appropriate decisions that are based on sufficient information regarding evaluation of the company.

Based on the provisions of Articles 20 and 30(8) of the Code, the Company has complied with all the disclosure requirements mentioned in these articles. A Company website was developed that contains all the important and basic information of the company, including but not limited to the financial reports, the various Committees formed by the Board of Directors and their Terms of References, and the résumés of each member of the Board of Directors according to provisions of the Article 5(3) of this Code.

The company carries out timely and accurate disclosure of the financial statements and other important information. The Board of Directors ensures that all disclosure made by the Company provides accurate and true information which is non-misleading.

Also, according to the provisions of Article 3(g) of the Audit Committee Charter, the committee is assigned with the supervision of compliance with disclosure rules and any other requirements.

It is important to mention here that the Company provides all the necessary information to the External auditors so as to enable them to prepare the Company's financial reports in accordance and compliance with the IFRS and ISA standards and requirements. It is clearly stated in the external auditor's report that the Company conforms to IFRS and that the audit has been conducted in accordance with ISA. The Company audited financial reports are published in newspapers, announced on the website, and copies are distributed to shareholders in the General Assembly.

## **9. Shareholders rights**

The Board of Directors and the Senior Executive Management recognize their responsibilities to represent the interest of all shareholders and to maximize shareholder value. The Board of Directors ensures respect of the shareholders rights in a way that achieves fairness and equality.

The Company's Articles of Association includes provisions that ensure non-discrimination between shareholders. For instance, Article 18 of it states that "Each share shall entitle its holder to a portion equal to that of others without any discrimination...", Article 16 states that "Any shareholder can own any number of shares in the Company...", and last but not



least, Article 40 states that "Each shareholder shall be entitled to a number of votes equal to the number of his shares...."

Moreover, according to the provisions of the Code and the Company's Articles of Association, the shareholders have:

1. The right to attend the General Assembly Meetings
2. Vote personally or by proxy in the General Assembly Meetings
3. Looking into and approval of the Board of Directors' proposals for distribution of dividends. On February 17, 2010, the General Assembly approved the policy of distribution of dividends based on the recommendation of the Board of Directors and in accordance with the provisions of Article 27 of the Code. The Policy was reiterated at the Ordinary General Assembly on February 23, 2011.
4. Invitation to General Assembly meeting and the right to place items on the agenda, discuss matters listed on the agenda and address questions and receive answers thereupon.
5. Elect members of the Board of Directors. The Board members were unanimously elected in the General Assembly held on February 17, 2010. It is noteworthy that due to the election of the Board of Directors unanimously and due to absence of other applicants, cumulative voting, as outlined in Article 26(2) of the Code, was not necessary.

In accordance with the provisions of Article 27 of the Code, the General Assembly of shareholders on February 17, 2010, and upon recommendation of the Board of Directors, approved the dividend policy including background and rationale of such policy in terms of the best interest of the Company and the shareholders simultaneously, which was reiterated at the Ordinary General Assembly on February 23, 2011..

As per extract from the dividend policy: *"The Company believes that the payment of dividends is an important element in creating shareholder value for its investors and subject to the above, it is the policy of the company at this time, which may be subject to changes in the future, to propose to the shareholders cash dividends generally in line with the market."*  
**(Annexure 11: Dividend Policy).**

#### **Ownership Records:**

As the company is listed on Qatar Exchange, the record that contains the names of the shareholders shall be with Qatar Exchange in its capacity as in-charge of follow up of shareholders' affairs, and it is considered authorized by the Company to keep and regulate this record according to the provisions of Articles 159 and 160 of the Commercial Companies Law of 2002. Qatar Exchange, according to its internal regulations, deals with the shareholders. The Company requests Qatar Exchange from time to time to provide records



showing ownership of shares according to procedures set by Qatar Exchange. Each shareholder has the right to obtain the Memorandum of Association and Articles of Association of the company, and other documents whenever required. Moreover, in accordance with the provisions of Article 23(3) of the Code, the Company has a website, [www.mannai.com](http://www.mannai.com), that includes all general information about the Company.

#### **Company's capital structure, shares and major transactions:**

In the Company's Extraordinary General Assembly held on October 22, 2012, the Company's share capital was increased to QR.456,192,000 divided among 45,619,200 shares. The capital of the company was disclosed in daily Arabic and English newspapers, on the Company's website, and to the various control bodies.

#### **10.Stakeholders' rights:**

In accordance with the provisions of Article 29 of the Code, the Board of Directors ensures that the rights of stakeholders and related parties such as employees, creditors, clients, customers, suppliers, investors etc. are all protected and respected, and they have complete freedom in obtaining correct and sufficient information. The Company's Management maintains open and transparent communication channels with stakeholders, and also the information is published through the Company's website and the daily newspapers.

The Company's Management follows a principle of fairness and equality among the employees and workers, and there is no discrimination based on race, gender or religion. It is mentioned in the Employee Manual that *"The Company policy is not to discriminate in its activities or with respect to employment terms and conditions on the basis of age, gender, race, colour, national origin or religion. Such a policy ensures that only relevant factors are considered, and that equitable and consistent standards of conduct and performance are applied."*

The Management also provides incentives and remuneration according to specific policies and principles. On February 17, 2010, the General Assembly, upon recommendation of the Board of Directors, approved the Remuneration policy which aims at remunerating fairly and responsibly in light of performance related components and scope of the functions at all levels, and to link rewards to corporate and individual performance and shareholders' interests. **(Annexure 12: Remuneration Policy)**. The Policy was reiterated at the Ordinary General Assembly on February 23, 2011.

In compliance with the provisions of Article 29(4) of the Code, the Board of Directors has adopted a whistle blowing policy providing employees with protection and confidentiality when they report to the Management any suspicious behavior, where such behavior is unethical, illegal, or detrimental to the Company's and shareholders' interests, and ensure their protection from any harm or negative reaction by others. The Management is

committed to taking cognizance of and investigating all cases of reported misconduct or wrongdoing and reporting the outcome of such investigations to the Board. The whistle blowing policy is summarized on the Company's website. (**Annexure 13: Summary of Whistle Blowing Policy**).

**11. Articles of the Code Not Yet Adopted Into Company's Articles of Association:**

It has earlier been noted in the previous Corporate Governance Reports of the Company submitted to QFMA and simultaneously to the Company shareholders that:

"The Company has not fully adopted the following Articles of the Code into the Company's Articles of Association and the explanation is given below:

9/1 Board Composition (However, the composition of our Board is compliant with this Article).

23/1 Access to Information (However, detailed existing terms of access to information are contained in our present Articles of Association).

26/1 Shareholders' Rights Concerning Board Members' Election (However, the Board accepts the principle).

28/2 Minority Shareholders' Rights and 28/3 Tag along Rights (The Board recognize their responsibility to represent the interests of all shareholders, however shareholder decisions will ultimately depend on a majority vote in accordance with Article (128) of the Commercial Companies Law No (5) of 2002).

  
**Hamad Bin Abdullah Bin Khalifa Al Thani**  
**Chairman of the Board of Directors**





## **Annexure 1:**

### **Terms of Reference - Corporate Governance Committee**

#### **MEMBERSHIP**

Members of the Committee are appointed by the Board.

The QFMA Corporate Governance Code requires that the Board of Directors shall at all times keep its Members updated about the latest developments in the area of Corporate Governance and best practices related thereto. The Board may delegate the same to a Corporate Governance Committee or any other body as it deems appropriate.

Accordingly, the Board has decided to establish a Corporate Governance Committee comprised of two Board Members to keep the Board updated in its Corporate Governance responsibilities and best practice.

Any Board Members and company executives and managers may be invited to attend the Committee meetings. In particular the committee will liaise closely with the Company's Reporting officers to the Qatar Exchange and QFMA (presently the CEO and CFO) and with the Company's Legal Department.

The Corporate Governance Committee may at the company's expense consult any lawyer, independent expert or consultant in its work.

Appointments to the Committee are for a period of three years which may be extended by the Board.

#### **QUORUM**

The quorum is two although any member may keep the Board briefed and updated as necessary.

#### **FREQUENCY OF MEETINGS**

The Committee should meet at least three times a year and more regularly in the first twelve months of the introduction of the QFMA Corporate Governance Code requirements. The Committee's briefings and advice to the Board will be minuted in the main Board minutes.

#### **DUTIES**

##### **BACKGROUND**

The QFMA Corporate Governance Code states "Each Director is responsible for having an appropriate understanding of their role and duties and for educating themselves in financial, business and industry practices as well as the Company's operations and functioning". "The Board of Directors shall at all times keep its Members updated about latest developments in the area of corporate governance and best practices related thereto".

Accordingly the main role of the Corporate Governance Committee is as follows :

- Through good Corporate Governance enable the Board to add value to the company and its reputation among its shareholders and stakeholders.
- Keep the Board of Directors updated at all times about the latest developments in the area of Corporate Governance and best practices related thereto.
- In conjunction with the Reporting Officers of the Company to the Qatar Exchange and the QFMA (presently the CEO and CFO) and the Company's Legal Department ensure the Board complies with relevant laws, regulations and codes of practice.
- When necessary meet with the QE, QFMA and Company lawyers as appropriate for expert guidance on areas of compliance.
- Assist the Board in establishing "The Board Charter" required in the Corporate Governance Code, detailing the Board's functions and responsibilities as well as Board Members duties based on Annex 2 of the QFMA Corporate Governance Code.
- The Corporate Governance Code is based on the principle of "Comply or Explain" the reasons of non-compliance. Where a company does not comply with any provision of the Code it must explain the reasons in an Annual Corporate Governance Report to be signed by the Chairman, sent to the QFMA and reported to the General Assembly. The Committee will be responsible in conjunction with the CEO and CFO for preparation of the Annual Corporate Governance Report.

Some elements of the code may require an amendment to the Company's Articles of Association. It should be noted that the Board has stated that any proposals to amend the Company's Articles of Association should only be brought forward for consideration after the transition period and finalization of the Code and following formal consultation with the Company's legal advisers.

## REPORTING

The Committee will report regularly to the Board and keep the Board updated at all times about latest developments in the area of Corporate Governance affecting the Company.



## **Annexure 2:**

### **The Mannai Way**

#### **CUSTOMERS**

Delighted customers are our future and we are judged by how well we:

- > Exceed our customers' expectations through listening and understanding.
- > Earn our customers loyalty and trust through honesty and courtesy.
- > Commit to the highest standards in quality of customer care, timely delivery and after sales service.
- > Become the customers' first choice each and every time because of our passion for excellence.
- > Anticipate and respond to customer needs.

#### **LEADERSHIP**

Everyone in Mannai is a leader. Leaders are judged by the standards they set for themselves. Leaders in Mannai:

- > Share knowledge and ideas openly.
- > Treat everyone equally with fairness and integrity.
- > Motivate and inspire to get results.
- > Embrace and adapt to change.
- > Empower people to take responsibility.

#### **COMMUNITY**

Mannai aims to promote the interests of Qatar, and we will be judged by:

- > Our contribution to the local economy.
- > Our adherence to practices that protect and support our natural environment.
- > How well we develop and train our human resources.

#### **SHAREHOLDERS**

We aim to meet the expectations of our shareholders, and we will be judged by:

- > Our ability to deliver consistent long-term value.
- > Our high standards of corporate governance.

#### **BUSINESS PARTNERS**

We believe in an open partnership with our suppliers and can be judged by how well we:

- > Deliver our best in class solutions to our customers.
- > Develop our long-term relationships as partner of choice.
- > Build competitive advantage for the businesses we represent.

## **TEAMS**

Mannai is a team. Our team is judged by how well we work together. We aim to:

- > Practice open and clear communication.
- > Help one another to deliver benefits for the whole group.
- > Show respect for each other and take pride in our achievements.
- > Treat mistakes as an opportunity to learn, not to blame.
- > Create a stimulating environment where people are proud to work.



### **Annexure 3: Board Charter**

The objective of this document is to set out the role and responsibilities of the Directors on the Board of Mannai Corporation QSC.

As required in the provision of Article (4) of the Code, the Board of Directors of Mannai Corporation QSC has adopted the following Board Charter:

#### **Board Composition**

1. The Board composition shall be in accordance with the provisions laid down in the Company's Articles of Association. The Board shall include executive, non-executive and independent Board Members so as to ensure that the Board decisions are not dominated by one individual or a small group of individuals.
2. At least one third of the Board Members shall be Independent Board Members and a majority of the Board Members shall be Non-Executive Board Members.
3. Board Members shall have adequate expertise and knowledge to effectively perform their functions in the best interest of the Company and they shall give sufficient time and attention to their role as Board Members.
4. Every newly elected Board Member shall upon his election become familiar with the Company structure, management and all other information that will enable him to assume and effectively discharge his responsibilities.

#### **Board Functions**

1. The Company shall be managed by a Board of Directors which shall be individually and collectively responsible for the proper management of the Company.

2. The Board shall be responsible for:

- a. Approving the Company's strategic objectives, appointing and replacing management, approving management remuneration, reviewing management performance and ensuring succession planning.
- b. Ensuring that the Company is in compliance with related laws and regulations as well as the Company's Articles of Association and by-laws.
- c. Delegating some of its functions to various Committees comprising of different Board Members for the purpose of carrying out certain specific and clearly defined tasks as set out in the Terms of Reference for each such Committee.

#### **Duties of Board Members**

1. Duties of the every Board Member shall include but not limited to the following:

- a. participation in the meetings of the Board of Directors and providing his independent opinion on strategic matters, policy, performance, accountability, resources, key appointments;
- b. ensuring that in case of conflict of interest that priority is given to the interest of the Company and the Shareholders;
- c. participation in the meetings and deliberations of the Board Committees;
- d. monitoring, along with other Board Members, the Company's performance in relation to its agreed objectives and goals;
- e. reviewing the performance reports including the Company's annual, half yearly and quarterly reports;
- f. overseeing the development of policies, procedures and rules for effective Corporate Governance and ensuring that their implementation is being done in an effective and consistent manner;
- g. providing the benefit of his skills, experiences, specialty and qualifications to the Board and its Committees through his presence and effective participation; and



- h. participation in the General and Extraordinary Assemblies of the Shareholders.

### **Duties of the Chairman of the Board**

The Chairman is responsible for ensuring the proper functioning of the Board; in an appropriate and effective manner including timely receipt by the Board Members of complete and accurate information.

The Chairman will not be a member of any of the Board committees prescribed in the Corporate Governance Code.

In addition to his responsibilities as a Director, the Chairman of the Board of Directors shall also be responsible for the following:

- a. To ensure that the Board discusses all the main issues in an efficient and timely manner;
- b. to approve the agenda of every meeting of the Board of Directors taking into consideration any matter proposed by any other Board Member; this task may be delegated by the Chairman to a Board Member but the Chairman will still be responsible for the proper discharge of this duty by the said Board Member ;
- c. to encourage all Board Members to fully and effectively participate in dealing with the affairs of the Board of Directors for ensuring that the Board of Directors is working in the best interest of the Company;
- d. to ensure effective communication with Shareholders and communication of their opinions to the Board of Directors; and
- e. to allow effective participation of the Board Members;
- f. to ensure that an annual self assessment of the Board's performance has been carried out.

### **Board Members' Fiduciary Duties of Care and Loyalty**

- a. Each Board Member has a fiduciary duty of care, loyalty and compliance with the rules set out in related laws and regulations including the Corporate Governance Code and in this Board Charter.
- b. Board Members shall act effectively to fulfill their responsibilities towards the Company.
- c. Board Members must faithfully discharge their duties, and each Board Member must act in good faith and exercise the same care and diligence which an ordinary, prudent person would exercise in taking care of his own money under similar circumstances, and reasonably act in the best interests of the Company and all its Shareholders.
- d. Board Members owe a Duty of Loyalty to the Company and its Shareholders. This fiduciary duty requires Board Members to subordinate their personal interests to the interests of the Company and its Shareholders and at all times act in good faith.
- e. A majority of the Non-Executive Board Members may request the opinion of an independent consultant, in relation to any of the Company's affairs, at the Company's expense.

### **Conflict of Interest and Insider Trading**

1. The Company has formulated the Policies and Procedures pertaining to Related Party Transactions and Insider Trading. Summarized versions of these documents have been published on the Company's website.
2. As per Company Policy, whenever an issue involving conflict of interest or any commercial transaction between the Company and



any of its Board Members or any Party related to a Board Member, is discussed in a Board meeting, the matter shall be discussed in the absence of the concerned Board Member. Such a transaction will be carried out on an arm's length basis at prevailing market prices and the interested Board Member will not participate in the discussions or voting on the matter.

3. Such transactions shall be disclosed in the Company's annual report and specifically referred to in the General Assembly.
4. In accordance with the Company's Policy on Insider Trading, Board members are responsible for compliance with the Insider Trading Laws and with the relevant provisions of the Qatar Exchange and QFMA.
5. Furthermore, Board Members are prohibited from the following:
  - a. Entering into a transaction with the company where the Board Member or a member of his family, or a business associate or any other party closely affiliated with the Board Member, has a financial interest in the Company;
  - b. Carrying out activities which compete with the financial interests of the Company, including engaging in a competing business. However this clause will not prohibit a Board Member from owning less than 10% of a listed company or instances where the conflict is disclosed and expressly approved in accordance with the law, rules or regulations;
  - c. Usurpation of an opportunity which rightfully belongs to the Company unless the opportunity is first offered to, and rejected by the Company;
  - d. Any action which leads to granting a preferential personal loan when similar loans and loan terms are not offered to the general public;
  - e. Any action which constitutes an insider trading or otherwise improperly disclosing confidential Company information. and
  - f. Any action or transaction that is not compliant with relevant laws and regulations.

#### Annexure 4:

#### Present Board Composition

Name	Membership	Responsibilities	Category
1. H.E Sheikh Hamad bin Abdulla bin Khalifa Al Thani	Representative of Qatar Investment & Project Development Holding Co.	Chairman, Representative before courts and others Implementation of Board's decisions	Independent and non-executive
2. H.E Sheikh Suhaim bin Abdulla bin Khalifa Al Thani	Representative of Qatar Investment & Project Development Holding Co.	Chairman, Audit Committee Chairman, Remuneration Committee Chairman, Nomination Committee	Independent and non-executive
3. Mr. Mohamed Ali Mohamed Khamees Al Kubaisi	Representative of Specialized Projects Services Co.	Member, Audit Committee Member, Remuneration Committee Member, Nomination Committee	Independent and non-executive
4. Mr. Rashid Fahad Omeir Al-Jabor Al-Noaimi	Representative of Qatar Foundation for Education, Science, and Community Development.		Independent and non-executive
5. Mr. Ali Yousuf Hussain Kamal	Representative of Al Sakhama Trading Contracting Co.	Member, Audit Committee Member, Nomination Committee	Independent and non-executive
6. Mr. Khalid Ahmed Al Mannai	Personal	Director	Executive
7. Mr. Keith John Higley	Representative of Qatar Investment & Project Development Holding Co.	Member, Remuneration Committee Member, Corporate Governance Committee	Non-executive
8. Mr. Alekh Grewal	Representative of Qatar Investment & Project Development Holding Co.	Member, Audit Committee Group CEO	Executive
9. Mr. Said Adnan Abu Odeh	Representative of International Real Estates Investment Co.	Member, Corporate Governance Committee	Independent and non-executive



**Annexure 5:**

**Résumés**

**His Excellency**

**Sheikh Hamad Bin Abdulla Bin Khalifa Al Thani**

<b>Education</b>	: Graduated in Political Science & International Relations with honours from University of Coventry, United Kingdom, 2002.
<b>Positions Currently Held</b>	: Chief Executive Officer, Qatar Investment & Projects Development Holding Company (QIPCO Holding) : Chairman of the Board, Mannai Corporation QSC : Chairman of the Board, Midmac Contracting WLL : Chairman of the Board, Investment House : Chairman of the Board, Qatar Finance House : Member of the Board of Supervisors, Siemens Qatar WLL
<b>Positions Previously Held</b>	: Director, Qatar Investment & Projects Development Holding Company (QIPCO Holding) : Member of the Board, Qatar Airways : Member of the Board, Qatar National Bank : Chairman of the Advisory Board, ThyssenKrupp Technologies Qatar WLL : Member of the Board, Qatar Real Estate Investment Company (Al Aqaria) : Member of the Board, Qatar Shipping Company (QShip)

**His Excellency**

**Sheikh Suhaim Bin Abdulla Bin Khalifa Al Thani**

**Education**

: Graduated in Business & Law from London Metropolitan University, United Kingdom, 2006.

**Positions Currently Held**

: Member of the Board, Qatar Investment & Projects Development Holding Company (QIPCO Holding).

: Vice Chairman, Mannai Corporation QSC.

: Vice Chairman, Mazaya Qatar Real Estate Development Q.S.C

: Member of the Board, International Bank of Qatar

**Positions Previously Held**

: Member of the Board, National Leasing

**Mohamed Ali M. K Al Kubaisi**

**Education:**

B.Sc. Civil Engineering with Honors  
Qatar University – 1985

**Current Positions:**

Deputy Chief Executive Officer, Qatar Investment & Projects Development Holding Company (QIPCO Holding).  
Board Member, QIPCO Holding Subsidiary Companies.  
Board Member, Mannai Corporation Q.S.C  
Board Member, Mazaya Qatar.  
Board Member, Axiom Telecom, UAE.  
Board Member, Damas, UAE.  
Board Member of Supervisors, Siemens WLL Qatar.

**Previous Positions Held**

- Group Managing Director, Qatar Investment & Projects Development Holding Company (QIPCO Holding)
- Board Member, Al Aqaria / Qatar Real Estate Investment Company (QREIC).
- Board Member, Qatar Shipping Company (QShip).
- Board Member, Qatar Finance House (QFH).
- Board Member, International Bank of Qatar (IBQ).
- Member of the Advisory Board, ThyssenKrupp Technologies Qatar WLL.
- Engineering Consultant / Amiri Palace H.H Prime Minister's Office.
- Infrastructure Facilities & Interfaces Manager – Ras Laffan Liquefied Natural Gas Company Ltd.
- Interface Coordinator – Ras Laffan Liquefied Natural Gas Co Ltd.
- Senior Project Engineer – Ras Laffan Port Project Qatar – General Petroleum Corporation.
- Assistant Director for New Works – GHQ Qatar Armed Forces, Ministry of Defense.
- Assistant Area Projects Director (Armed Forces Works Engineering Unit).
- Liaison Officer on a highly classified project value of Qrs. 3,500 Million (Technical Office).
- Site Engineer (Technical Office).



## Rashid Fahad Al-Naimi

Mr. Rashid Al-Naimi is the Chief Executive Officer of Investments at Qatar Foundation for Education, Science and Community Development. Qatar Foundation aims to unlock human potential through its three pillars of Education, Science and Research, and Community Development, and thereby helping the State of Qatar transform from a carbon-based economy to a knowledge-based one.

Mr. Al-Naimi handles the complete responsibility for Qatar Foundation's investment portfolios and long-term investment policies that include Qatar Foundation Endowment, Qatar Foundation Investments as well as the organisation's other joint ventures and initiatives. Additionally, he is the residing Chairman of MEEZA, Gulf Bridge International, Mazaya Qatar, and board member across a number of companies including Vodafone Qatar, Al Khaliji Bank, Msheireb Properties, and Mannai.

In his previous role as Vice President of Administration at Qatar Foundation, Mr. Al-Naimi managed the Shared Services Organization in Qatar Foundation that included the Finance, Human Resources, Business Process Improvement, Information Technology, Procurement, and Support Services Directorates.

Mr. Al-Naimi has featured in several major publications and has been a key speaker at a number of events including QITCOM. He has been recognized by his peers for his contributions and has been the recipient of the **"Innovative Leader of the Year Award"** at the 2<sup>nd</sup> Annual Financial Thought Leaders Forum and the **"Most Society Impacting Network Award"** from CISCO for the implementation of an *'Internet Protocol-based solution based on Cisco's IP Next-Generation Network architecture, which benefits society and provides the ability to collaborate in community building.'*

Mr. Al-Naimi's career has developed over the past twenty five years. He is a natural leader and has maintained roles in Senior Management for over a decade. Prior to joining Qatar Foundation, Mr Al-Naimi was the Manager of Human Resources for RasGas Company Limited.

Mr. Al-Naimi's breadth of experience encompasses a wide spectrum of the business lifecycle from conception, to production, from supply chain, to delivering cost-effective world-class products and services. He holds an outstanding record for performance in delivering successful restructuring and turn-around programs by creating team-oriented environments that focus on continuous improvement to increase shareholder value.

He holds a passion for delivering on commitments and believes that people are the greatest asset.

Mr. Al-Naimi has a Bachelor of Science in Economics from Indiana State University, USA, and continues to drive for personal and professional excellence.

### **Ali Yousef Hussain Kamal**

Mr. Ali Kamal graduated from the United States of America with a Bachelor of Science degree in Business Administration with emphasis in Finance and a Bachelor of Arts/Science degree in Economics.

Mr. Ali Kamal worked in New York as a financial analyst with Goldman Sachs and Credit Suisse.

He also worked in the Ministry of Foreign Affairs in charge of the Consulate Affairs and Trade Relations for France, Belgium, Switzerland, Luxembourg and Spain based at the Qatar Embassy in Paris.

Mr. Ali Kamal is a director of Mannai Corporation, Qatar Industrial Manufacturing Company and Mazaya Qatar

## Khalid Mannai

Mr. Mannai was initially schooled in Qatar until he journeyed to the UK to complete his secondary education. Subsequently, he studied Agriculture Economics at the Cornell University at Ithaca, New York; and obtained a Bachelor of Business Administration & Management from the University of St Thomas/Rice University, Houston, Texas.

After graduating, Mr. Mannai joined Morgan Stanley & Co in New York - a major international firm with worldwide operations in merchant banking, investment banking and related services - for practical pre-employment training and experience, especially in its Corporate Finance division, where he was fully exposed to all aspects of finance, such as instruments, real estate, mergers and acquisitions; leverage buy-outs; and capital and fixed income brackets.

Mr. Mannai returned to Qatar and joined the Mannai Group in 1987, where he underwent induction in the Stores Department. Subsequently, he dealt with the spare parts operations of several reputed automotive and trading principals; and was responsible in developing the overall Salwa Industrial Complex. During this period, he was also responsible for expanding the business and developing the market for Mannai's franchise products.

Mr. Mannai was promoted to Vice President in 1989 and was tasked with various business development assignments such as, but not limited to, the development of an airline operation, the establishment of offices in Russia, the establishment of an automotive operation and development of trading activities in Egypt; and the establishment of an automotive operation in Saudi Arabia, in addition to developing business and trading activities. In October 2000 Mr. Mannai was elected as Chairman, and following the successful restructuring of the company and completion of the sale of a majority stake to QIPCO, Mr. Mannai is now the Executive Director of the Mannai Corporation.

Bitten by the finance bug, he attended the Young Manager's Programme at INSEAD (The European Institute of Business Administration) in France during 1994. He has attended various seminars, such as Second Generation Family Business, Orchestrating Winning Performance - Leading the Family Business at IMD, yearly World Economic Forum meetings and Auto workshops, to name a few.



## Keith Higley

Following a period with Standard Chartered Bank in London and overseas, Keith Higley spent the bulk of his career with Lloyds Bank until joining Mannai Corporation in Qatar in 2001.

Before joining Mannai, his career was based on a succession of leadership roles in the Lloyds Bank group both in the UK and around the world including Country Manager UAE, General Manager Japan and Director of a region of Lloyds Bank in the U.K.

He was Managing Director of the two largest factoring and invoice discounting companies in the UK and played a leading role in the UK finance industry including eight years on the board of the Factors and Discounters Association, latterly as its Chairman.

Following his appointment as Chief Executive Officer in Mannai his remit was to concentrate resources on its core domestic business to ensure Mannai remained a market leader in Qatar's fast growing economy. The group was completely restructured over the following four years into today's thriving business focused on trade and services. Keith joined the Board of Mannai Corporation in 2005 and was subsequently appointed Managing Director.

Mannai Corporation was successfully listed on the Qatar Exchange in 2007. Keith retired as Managing Director of Mannai in December 2008 and continues on the Board as a Non-Executive Director.

He is also a Director of Axiom Telecom in the UAE, an associate company of Mannai and Executive Chairman of Damas International Limited, in the UAE, a subsidiary of Mannai.

He is a Fellow of the Chartered Institute of Bankers, a member of the Institute of Credit Management and a Chartered Director qualified by the Institute of Directors UK. He also holds the Certificate in Corporate Governance from INSEAD Business School.

### Alekh Grewal

Alekh Grewal's first job was with Thomson McLintock (now KPMG) in London and spent 8 years in the UK before immigrating to Australia in 1987.

Alekh has over twenty years experience in Industry of which several years were spent in the General Management of large to medium sized companies. The businesses ranged from hire & sale, contracting, service, technology, trading & distribution, consulting to manufacturing.

During this period, he has achieved significant accomplishments in all aspects of executive management, particularly business start-ups, acquisitions and divestments, turnarounds and profitable development.

Alekh spent 15 years in Australia, working for most of that time with James Hardie, a Multinational Australian Company. His time with James Hardie was spent running its various subsidiaries in the capacity of General Manager and CFO. His final position with James Hardie Asia Pacific was as CFO.

He left Australia in 2001 to join KPMG India as its Chief Operating Officer, Partner and Deputy Chairman.

Alekh joined Mannai Corporation in November 2004 as Chief Financial Officer. In 2008 Alekh was promoted as Chief Operations Officer and in 2009 he became the Chief Executive Officer.

He has been very instrumental in acquisitions of Axiom Telecom, UAE, and Damas International LLC, UAE. Following the acquisition of Damas LLC., in 2012, Alekh was promoted as Group Chief Executive Officer. At the Extraordinary General Assembly in 2013 Alekh was appointed as Director of Mannai Corporation. Alekh is also a member of Executive Committee, Audit Committee and Board member of Mannai Corporation.

Alekh is also Director of following Group Companies of Mannai Corporation:

- Techsignia Solutions Pvt. Ltd., Pune, India.
- Utility Networks Information Systems Consultants (Utilinet), Jordan.
- Transfiled Mannai Facilities Management Services WLL, Qatar.
- AXIOM Telecom, Dubai, UAE
- NexThink SA, Switzerland.
- Damas International LLC., Dubai, UAE.

He is a Fellow of the Institute of Chartered Accountants in England & Wales and an Associate of the Institute of Chartered Accountants in Australia. He also holds a Bachelor of Commerce (Honors) degree. He attended the Advanced Management Program at Harvard and the International Directors Program at INSEAD. He was awarded the Certificate in Corporate Governance from the INSEAD Business School.

## Said Abu Odeh

### Education:

Advanced Management Program  
Harvard Business School  
Boston, Massachusetts, USA, 2009

Masters in Engineering Administration  
George Washington University  
Washington D.C USA, 1984

Bachelor of Science in Civil Engineering  
Purdue University West Lafayette  
Indiana, USA, 1983

### Current Positions:

Chief Operations & Business Development Officer, Qatar  
Investment & Projects Development Holding Company (QIPCO  
Holding)

Director, Mannai Corporation.

Director, Future Pipe Industries - Qatar.

Director, Black Cat Construction & Engineering Company.

Director, Amec Black Cat

Director, Special Projects Services Company.

Director, Specialty Nutrition Company.

General Manager Tornado Company.

### Previous Positions Held

- Vice Chairman ASAS Real Estate Company.
- General Manager Qatar Investment & Projects Development Holding Company (QIPCO Holding) 2003 – 2007
- General Manager – Middle East Business Development Company. (MEBD) 1998 -2003



## **Annexure 6:**

### **Summary of Related Party Transactions Policy**

The Company aims to ensure that all transactions that involve potential related parties or conflicts of interest are determined on a fair, reasonable and consistent basis. Mannai has established a number of control processes that enable it to properly consider transactions within the group from a related party and conflict of interest point of view.

## **Annexure 7:**

### **Summary of Insider Trading Policy**

The Company prohibits trading in its securities based on material, nonpublic information regarding the Company ("Inside Information"). The Policy covers officers, directors and all other employees of the Company, as well as family members of such persons, and others, in each case where such persons have or may have access to Inside Information.

It is the policy of the Company to oppose the unauthorized disclosure of any nonpublic information acquired in the work-place and the misuse of Material Nonpublic Information in trading in its securities.

## **Annexure 8:**

### **Terms of Reference - Remuneration Committee**

#### **MEMBERSHIP**

Members of the Committee are appointed by the Board.

In accordance with the QFMA Corporate Governance Code, the Committee shall be comprised of at least three Non - Executive Board Members the majority of whom must be Independent.

The Board has appointed three Non - Executive Directors, two of whom are Independent Directors.

Only members of the Committee have the right to attend Committee meetings. However, other individuals such as the Chairman of the Board, CEO, Head of HR, external advisers and other Directors may be invited to attend for all or part of any meeting as and when appropriate.

The Remuneration Committee may consult at the Company's expense any independent expert or Consultant.

Appointments to the Committee are for a period of up to three years which may be extended by the Board.

#### **QUORUM**

The Quorum necessary for the transaction of business is two.

#### **FREQUENCY OF MEETINGS**

The Committee will meet whenever required throughout the year to review Remuneration Policy and the fixed and performance related remuneration of Board Members and Senior Executive Management. The Committee will keep minutes of its meetings.

#### **NOTICE OF MEETINGS**

The Committee Chairman or a delegated member of the Committee may give notice of a meeting together with an agenda at three working days notice.

#### **ANNUAL GENERAL MEETING**

The Chairman of the Committee will attend the Annual General Meeting prepared to answer any shareholder questions on Remuneration Policy.



## **DUTIES**

In accordance with the QFMA Corporate Governance Code, the main role of the Remuneration Committee shall include setting the Remuneration Policy of the Company including remuneration of the Chairman and all Board Members as well as Senior Executive Management.

- The Remuneration Policy shall be presented to the shareholders in the Annual General Assembly for approval and will be made public.
- Remuneration shall take into account the responsibilities and scope of the functions of the Board Members and members of Senior Executive Management as well as the performance of the company.
- Compensation may include fixed and performance related components noting that such performance related components should be based on the long term performance of the company.
- No Member of the Committee shall decide his or her own remuneration.

## **REPORTING**

The Committee Chairman reports formally to the Board on its proceedings. The Committee shall produce an annual report of the Company's Remuneration Policy and practices which is presented to the shareholders in the General Assembly for approval.

## **Annexure 9:**

### **Terms of Reference - Nomination Committee**

#### **MEMBERSHIP**

Members of the Committee are appointed by the Board.

In accordance with the QFMA, Corporate Governance Code the Committee shall be comprised of Independent Board Members and Chaired by an Independent Board Member.

The Board has decided to appoint three Independent Board Members to the Committee including an Independent Chairman.

Only members of the Committee have the right to attend meetings. However, other individuals such as Chairman of the Board, CEO, Head of HR, external advisers and other Board Members may be invited to attend for all or part of any meeting as and when appropriate.

The Nomination Committee may consult at the Company's expense an independent expert or consultant.

Appointments to the Committees are for a period of up to three years which may be extended by the Board.

#### **QUORUM**

The quorum necessary for the transaction of business is two, both of whom must be Independent Non Executive Directors.

#### **FREQUENCY OF MEETINGS**

The Committee will meet whenever required throughout the year and annually to conduct an annual self assessment of the Board's performance.

#### **NOTICE OF MEETINGS**

The Committee Chairman or delegated member of the Committee may give notice of a meeting together with an agenda at three working days notice.

#### **ANNUAL GENERAL MEETING**

The Chairman of the Committee will attend the Annual General Meeting prepared to answer any shareholder questions on the Committees activities.

## DUTIES

In accordance with the QFMA Corporate Governance Code the main role of the Nominations Committee is to ensure that nominations and appointments of Board Members shall be made according to formal, rigorous and transparent procedures including :

- The recommendation of Board Member appointments and re-nomination for election by the General Assembly (nomination by the Committee does not deprive any shareholder of his rights to nominate or be nominated).
- Nominations shall take into account *inter alia* the candidates' sufficient availability to perform their duties as Board Members, in addition to their skills, knowledge and experience as well as professional, technical, academic qualifications and personality and should be based on the 'Fit and Proper Guidelines for Nomination of Board Members' annexed to the Code as amended by the Authorities from time to time;
- The Nomination Committee's role shall also include conducting an annual self-assessment of the Board's performance.
- The QFMA requires that a Company must also comply with any conditions or requirements relating to the nomination, election or appointment of Board members issued by any relevant authority in Qatar.

[In addition the Board requires that the Nomination Committee keeps under review the leadership needs of the Company, both executive and non-executive and senior management, with a view to ensuring the continued ability of the organization to compete effectively in the market place.

Accordingly, it will review management development programmes and the succession planning process for the executive management group and other senior management prepared by the CEO].

## REPORTING

The Committee Chairman reports formally to the Board on its proceedings.



## **Annexure 10:**

### **Terms of Reference - Audit Committee**

#### **MEMBERSHIP**

Members of the Committee are appointed by the Board.

In accordance with the QFMA Corporate Governance Code the Committee shall be comprised of at least three members the majority of whom should be Independent.

At least one member must have financial and audit experience.

The Chairman should be an Independent Director.

The Board has appointed three Independent Directors and the CEO, a qualified accountant.

Only members of the Committee have the right to attend meetings. However, other individuals such as the Chairman of the Board, CEO, CFO, other Directors, representatives from Internal Audit and the finance function may be invited to attend all or part of any meeting as and when appropriate.

The external auditors are invited to attend meetings as appropriate and to report on the annual audit.

The Audit committee may consult at the company's expense any independent expert or consultant.

Appointments to the Committee are for a period of up to three years which may be extended by the Board.

#### **QUORUM**

The quorum necessary for the transaction of business is two, including at least one Independent Director.

#### **FREQUENCY OF MEETINGS AND INTERNAL AUDIT REVIEW**

The Committee should meet at least once every three months at appropriate times in the reporting and audit cycle and otherwise as required. The Internal Auditor will report to the Board through the Audit Committee and the Audit Committee will receive Quarterly an Internal Audit Report including a review of the Internal Control System of the company.

The Committee will keep minutes of its meetings.

#### **NOTICE OF MEETINGS**

The Committee Chairman or a delegated member of the Committee may give notice of a meeting together with an agenda at three working days notice.

## **ANNUAL GENERAL MEETING**

The Chairman of the Committee will attend the Annual General Meeting prepared to answer any shareholder questions on the Committee's activities.

## **DUTIES AND AUDIT COMMITTEE CHARTER**

In accordance with the QFMA Corporate Governance Code the main role and responsibilities of the Audit Committee are contained in its Audit Committee Charter detailed below :

### **Audit Committee Charter**

1. to adopt a policy for appointing the External Auditors; and to report to the Board of Directors any matters that, in the opinion of the Committee, necessitate action and to provide recommendations on the necessary procedures or required action;
2. to oversee and follow up the independence and objectivity of the external auditor and to discuss with the external auditor the nature, scope and efficiency of the audit in accordance with International Standards on Auditing and International Financial Reporting Standards;
3. to 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:
  - a. Any changes to the accounting policies and practices;
  - b. Matters subject to the discretion of Senior Executive Management;
  - c. The major amendments resulting from the audit;
  - d. Continuation of the Company as a viable going concern;
  - e. Compliance with the accounting standards designated by the Authority;
  - f. Compliance with the applicable listing Rules in the Market; and
  - g. Compliance with disclosure rules and any other requirements relating to the preparation of financial reports;
4. to coordinate with the Board of Directors, Senior Executive Management and the Company's Chief Financial Officer or the person undertaking the latter's tasks, and to meet with the external auditors at least once a year;
5. to consider any significant and unusual matters contained or to be contained in such financial reports and accounts. And to give due consideration to any issues raised by the Company's Chief Financial Officer or the person undertaking the latter's tasks, or the Company's compliance officer or external auditors;
6. to review the financial and Internal Control and risk management systems;

7. to discuss the Internal Control systems with the management to ensure management's performance of its duties towards the development of efficient Internal Control systems;
8. to consider the findings of principal investigations in Internal Control matters requested by the Board of Directors or carried out by the Committee on its own initiative with the Boards' approval;
9. to ensure coordination between the Internal Auditors and the External Auditor, the availability of necessary resources, and the effectiveness of the Internal Controls;
10. to review the Company's financial and accounting policies and procedures;
11. to review the letter of appointment of the External Auditor, his business plan and any significant clarifications he requests from Senior Management as regards the accounting records, the financial accounts or control systems as well as the Senior Executive management's reply ;
12. to ensure the timely reply by the Board of Directors to the queries and matters contained in the External Auditors' letters or reports;
13. to develop rules, through which employees of the Company can confidentially report any concerns about matters in the financial reports or Internal Controls or any other matters that raise suspicions. And to ensure that proper arrangements are available to allow independent and fair investigation of such matters whilst ensuring that the aforementioned employee is afforded confidentiality and protected from reprisal. Such rules should be submitted to the Board of Directors for adoption.
14. to oversee the Company's adherence to professional conduct rules;
15. to ensure that the rules of procedure related to the powers assigned to the Board of Directors are properly applied;
16. to submit a report to the Board of Directors on the matters contained in this Article ;
17. to consider other issues as determined by the Board of Directors;

## REPORTING

The Committee Chairman reports formally to the Board on its proceedings.

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



## **Annexure 11:**

### **Dividend Policy**

Article 37 of the Corporate Governance Code requires that the Board of Directors shall submit to the General Assembly a clear policy on Dividend Distribution.

This shall include the background and rationale of such policy in terms of the best interest of the Company and the shareholders.

The payment of dividends is subject to the recommendation of the Board of Directors and approval by the Company's shareholders.

The declaration of dividends is discretionary and generally in line with market practice. Any future dividend payments by the Company will depend on a number of factors including but not limited to the company's operational performance, financial results, financial condition and prospects, as well as cash and liquidity requirements (including capital expenditure and investment plans) the market situation, legal regulatory and other such factors as the Board may deem relevant at the time.

The Company believes that the payment of dividends is an important element in creating shareholder value for its investors and subject to the above, it is the policy of the company at this time, which may be subject to changes in the future, to propose to the shareholders cash dividends generally in line with the market.

## **Annexure 12:**

### **Remuneration Policy**

Mannai Corporation aims to remunerate fairly and responsibly by ensuring reward for performance is competitive and by aligning executive reward with shareholders interests.

Remuneration takes into account the responsibilities and scope of the functions at all levels as well as the performance of the company.

Compensation at Management and Senior Executive level includes fixed and performance related components in order to motivate the achievement of objectives and to link rewards to corporate and individual performance.

No Senior Executive or Director should decide his or her own remuneration.

## **Annexure 13:**

### **Summary of Whistle Blowing Policy**

The Company expects the highest standards of integrity from its employees.

A comprehensive whistle blowing policy is in place in order to encourage employees to report any misconduct or wrongdoings without fear of reprisal.

The Company is committed to taking cognizance of and investigating all cases of reported misconduct or wrongdoing and reporting the outcome of such investigations to the Board.



List of Subsidiaries and Joint Venture Companies of Mannai Corporation QSC

S.No.	Name of the Company	Location	% of holding	Subsidiary / Joint Venture	Remarks if any
1	Mannai Trading Co. WLL	Qatar	100	Subsidiary	
2	Manweir WLL	Qatar	100	Subsidiary	
3	Technical Services Co. WLL	Qatar	100	Subsidiary	
4	Gulf Laboratories Co. WLL	Qatar	100	Subsidiary	
5	Qatar Logistics WLL	Qatar	100	Subsidiary	
6	Space Travel WLL	Qatar	100	Subsidiary	
7	Mansoft Qatar WLL	Qatar	100	Subsidiary	
8	Transfield Mannai Facilities Management Services WLL	Qatar	51	Joint Venture	Operations are controlled and managed solely by the JV partner and hence treated as investment in Joint Venture
9	Mannai Rezayat Sparrow Co. WLL	Qatar	51	Joint Venture	Operations are controlled and managed solely by the JV partner and hence treated as investment in Joint Venture
10	Transfield Services Mannai Oil & Gas WLL	Qatar	51	Joint Venture	Operations are controlled and managed solely by the JV partner and hence treated as investment in Joint Venture
11	Techsignia Solutions Pvt. Ltd.	India	100	Subsidiary	
12	Mansoft Solutions & Systems Pvt. Ltd.	India	100	Subsidiary	
13	Mansoft Solutions & Systems UAE WLL	Dubai	100	Subsidiary	
14	GTC Otomotiv Anonim Sirketi	Turkey	100	Subsidiary	
15	Damas International Ltd.	Dubai	66	Subsidiary	
16	Global Trading Centre FZCO	Dubai	100	Subsidiary	
17	Utility Networks Co. Pvt. Ltd.	Jordan	75	Subsidiary	

18	Mannai Networks & Solutions LLC	Oman	100	Subsidiary	
19	Gulf Geotechnical Services & Material Testing LLC	Oman	100	Subsidiary	
20	Utility Networking Co.	Saudi Arabia	100	Subsidiary	
21	Damas LLC	UAE	66	Subsidiary of Damas	
22	Damas Jewellery LLC	UAE	66	Subsidiary of Damas	
23	Damas Jewellery DMCC	UAE	66	Subsidiary of Damas	
24	Al Mana Damas International LLC	UAE	34	Subsidiary of Damas	
25	Ayodhya Jewellers LLC	UAE	66	Subsidiary of Damas	
26	Time Art Watches and Optics Trading LLC	UAE	66	Subsidiary of Damas	
27	Arshi Jewellery LLC	UAE	50	Subsidiary of Damas	
28	Farhan Jewellery LLC	UAE	50	Subsidiary of Damas	
29	Premium Investments International LLC	UAE	66	Subsidiary of Damas	
30	Damas SPV Jewellery LLC	UAE	66	Subsidiary of Damas	
31	Gem Universe LLC	Oman	46	Subsidiary of Damas	
32	Damas Company WLL	Bahrain	66	Subsidiary of Damas	
33	Damas & Al Ghannam jewellery Co WLL	Kuwait	59	Subsidiary of Damas	

34	Damas Saudi Arabia Company Limited	KSA	65	Subsidiary of Damas	
35	Islanders Damas Pvt. Ltd.	Maldives	50	Subsidiary of Damas	
36	Damas (Thailand) Co. Ltd.	Thailand	66	Subsidiary of Damas	