



Mannai Corporation QPSC

Mannai Procedures Manual for Implementing Strategy and Objectives

The Governance Code for Companies & Legal Entities Listed on the Main Market as per Article 8.1.6 mandates that one of the Key functions of the Board is to prepare a Procedures manual required to implement the strategy and objectives of the Company. Accordingly a Procedures Manual to implement the strategy and objectives of the company is framed.

The procedures for implementation of strategy of the Company comprises of broadly four major categories as follows:

1. Annual Planning and Budgeting
2. Monthly Business Review
3. Mid-Year Review and Forecast
4. Board Update and Review

Initially the procedures for setting and implementing the strategy and objectives of the company take place on an annual cycle each year, starting with the planning and budgeting cycle and ending with an annual strategy and budget, which is then approved by the board. During the year through a combination of monthly reviews and board update and reviews, every 2 months, enables the Company to keep the strategy execution on track and take corrective action, which feeds in to following years annual planning and budgeting cycle.

1. Annual Planning and Budgeting Cycle (October to December)

- At the conclusion of the 3rd quarter, templates are prepared which contain the financial results for the previous year and the first nine months of the current year, comparing the current year results to the prior year, the current year's budget and the latest forecast. These are shared with the General Managers (GMs) for each business unit.
- GMs are provided a template to complete and submit an analysis of their business's current environment, SWOT analysis, evaluation of the current year's objectives, a strategy proposal for the following year as well as submit a financial forecast for the 4th Quarter and the following year's proposed budget. Any investments and capex proposed need to contain a financial appraisal and additional headcount need to be justified.



- Each GM attends an evaluation session with the relevant Excom members in attendance (Group CEO, CFO, Excom member) where their presentation is reviewed and inputs given.
- Following the review, the revised strategy, objectives and financial forecasts and budgets are consolidated for the group by the CFO for submission and review by the board.
- In December each year the proposed strategy, objectives and budgets are submitted to the Board of Directors for consideration and input. Once the Board is satisfied with the proposed document, it will be approved and delegated to management for execution.

2. Monthly Business Review Process

- Each month, the financial results for each business unit and sub-units are circulated to the General Managers for review inside a monthly business review template.
- Each GM is required to review their numbers and complete the template with an update on their progress against their strategy and objectives for the year.
- Completed Monthly Business Review packs are circulated to Excom members.
- Business Reviews are conducted with each Business General Manager's and invited business unit management with relevant Excom members. The results and status of execution is discussed. Corrective actions may be proposed, discussed and implemented if a business is deviating from plans.

3. Mid Year Review and Forecast

- Following conclusion of the half year close in July, each General Manager is requested to prepare and submit a reforecast of for the current year and submit any explanation for variances from budget.
- This forecast is then used as a comparison for the remainder of the year in the monthly business review process.



4. Board Update and Review

- At the conclusion of each quarter, a board presentation is prepared updating the board on the financial results of the previous quarter, and highlighting any major variances in business performance. The Board of Directors is updated on the progress on strategy and objectives and is provided a forum to give management feedback and input.
- At the end of each year (i.e. in December), the information is merged with the presentation of the following/upcoming years Board Presentation on Strategy, Objectives and Financial Budget outlined in clause 1 above and the cycle repeats.

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Chairman