



**Al Meera Consumer Goods Co. (Q.S.C)**

**Board Charter**

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## 1 Introduction

Corporate Governance entails an internal system which encompasses policies, people and processes aimed at fulfilling shareholder and other stakeholder interests through effective direction and control of management activities utilizing good business savvy, objectivity and integrity.

### 1.1 Objective

The objective of this document is to set out a corporate governance framework for Al Meera Consumer Goods Company (“Al Meera” or “the “Company”) focusing on Board of Directors’ (“Board”) responsibility and oversight and management of accountability vis-à-vis governing regulations and generally accepted principles of good corporate governance.

The basic responsibility of the Directors of the Board (“Directors”) is to exercise their reasonable business judgment on behalf of the Company. In discharging this obligation, Directors rely on, among other things, the Company's corporate officers, outside advisors and auditors.

### 1.2 Governance Structure

In June 2004 H.H Emir issued Law Number (4) for the year 2004 for merging Co-Operative Societies in one company named Al Meera Consumers Goods Company. In May 2005 Al Meera Consumer’s Goods Company was formed. In line with its mission statement, Al Meera focuses on providing its services for Qatari people and expatriates, with the dual motives of preserving the Qatari identity and employing a greater number of citizens. Its future objectives include improving quality of goods and services, establishing training centers, expanding in the local and outside markets, importing from new markets and marketing the same goods with the Al Meera trademark and giving priority to qualified Qataris in recruitment.

To best serve the interests of its stakeholders, i.e., shareholders, customers, suppliers and employees; Al Meera is committed to create a governance structure that reflects the highest standards of independence, oversight and transparency. The Board of Directors is empowered to form various sub-committees to assist the Board in maintaining effective oversight over the Company’s operations.

## 2 Purpose

The purpose of this Board Charter is to provide a concise description of the corporate governance obligations, principles and practices of the Board of Directors of Al Meera Consumer Goods Company.

This Charter is drafted in compliance with the provisions of the Corporate Governance Code issued by the Qatar Financial Markets Authority. The Board Charter shall be published and made available to the public<sup>1</sup>.

<sup>1</sup> Article 4; QFMA Code of Corporate Governance



## 2.1 Mission of the Board

The Company shall be managed by an effective Board of Directors which shall be individually and collectively responsible for the proper management of the Company.<sup>2</sup>

In addition to the Board functions and responsibilities as set out in this Charter, the Board shall be responsible for<sup>3</sup>:

- Approving the Company's strategic objectives, appointing and replacing management, setting forth management compensation, reviewing management performance and ensuring succession planning concerning the Company's management.
- Ensuring the Company's compliance with related laws and regulations as well as the Company's articles of association and by-laws. The Board is also responsible for protecting the Company from illegal, abusive or inappropriate actions and practices.
- The Board may delegate some of its functions and constitute special committees, for the purpose of undertaking specific operations on its behalf. In this case written and clear instructions shall be given concerning the delegated function or authority, with the requirement to obtain the Board's prior approval on specific matters. In any event, and even where the Board delegates one of its functions or authorities, the Board remains liable for all of its functions or authorities so delegated.<sup>4</sup>

## 3 Board Composition

The Board constitution will be based on the Company's Memorandum and 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<sup>5</sup>.

At least one third of the members of the Board shall be independent<sup>6</sup>. The Board will carefully consider all relevant facts in making an independence determination. A person will be considered to be independent if he/she is not under the actual influence of any factor that limits his/her capacity to consider, discuss and decide on the Company's matters in an unbiased and objective manner.

The majority of the members of the Board shall be non-executive<sup>7</sup>. A non-executive Board member is one who does not perform executive management duties in the Company, who is not dedicated to the Company full time and who does not receive monthly or yearly remuneration from the Company other than that received as a Board member.

<sup>2</sup> Article 5.1; QFMA Code of Corporate Governance

<sup>3</sup> Article 5.2; QFMA Code of Corporate Governance

<sup>4</sup> Article 5.3; QFMA Code of Corporate Governance

<sup>5</sup> Article 9.1; QFMA Code of Corporate Governance

<sup>6</sup> Article 9.2; QFMA Code of Corporate Governance

<sup>7</sup> Article 9.2; QFMA Code of Corporate Governance



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<sup>8</sup>.

#### 4 Ten ure of Board Members' se rvic e

The Board Members will be elected for a term of three years, and it is possible to reelect Board Members more than once with the exception of the representatives of Qatar government.

The first Board of Directors will hold the office for a period of five years

#### 5 Reporting Line

The Board reports to and is accountable to the Shareholders of the Company vide the Annual and Extraordinary General Assemblies.

#### 6 Appointment of Board Members

- The Board of Directors comprises seven Members of which two members of the Board are appointed by the Government of Qatar (“Government”)<sup>9</sup> or its designated entity. From amongst these two, a chairman is nominated by the government, the remaining five members are elected by secret vote by shareholders<sup>10</sup> subject to the rules outlined in this document, Company’s Memorandum and Articles of Association and governing regulations. The Qatar Government does not participate in this election.
- For the selection of the remaining five members, an announcement shall be made in advance of the General Assembly meeting of shareholders; those interested in becoming Board members have to file their nominations. Once nominations are filed during a specified period, a secret ballot voting, in which each share represents one vote, shall be conducted in the General Assembly meeting<sup>11</sup>, with the presence of an observer from the Ministry of Economy and Commerce. The General Assembly from amongst itself shall form a group of shareholders to oversee the ballot. Based on the maximum votes received by each nominee, five directors are elected. However, the remaining nominees who have received votes shall be listed in a descending order as reserves with the intention of maintaining a full Board membership at all times.

In case of a tie between the fifth and the sixth elected members of the Board, there shall be a revote in the same meeting to re-rank them. This re-voting scheme shall apply whenever there is a similar situation amongst the reserve members as well.

- Nominations and appointments of Board Members shall be made according to formal, rigorous and transparent procedures.<sup>12</sup>

<sup>8</sup> Article 9.3; QFMA Code of Corporate Governance

<sup>9</sup> Article 26; Articles of Association

<sup>10</sup> Article 26; Articles of Association

<sup>11</sup> Article 95; Law No. 5 of 2002

<sup>12</sup> Article 15.1; QFMA Code of Corporate Governance



- The Board shall constitute a Nomination Committee chaired by an Independent Board Member and comprised of Independent Board Members which shall recommend Board Members' appointments and re-nomination for election by the General Assembly (for the avoidance of doubt, nomination by the Committee does not deprive any shareholder of his rights to nominate or to be nominated).<sup>13</sup>
- 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*' as amended by the Authority from time to time.<sup>14</sup>
- Upon its establishment, the Nomination Committee shall adopt and publish its terms of reference explaining its authority and role.<sup>15</sup>
- The Nomination Committee's role shall also include conducting an annual self-assessment of the Board's performance.<sup>16</sup>
- The Company shall comply with any conditions or requirements relating to the nomination, election or appointment of Board Members issued by any other relevant authority.<sup>17</sup>
- Formal appointment letters will be issued to the board with the role and responsibilities statement for the directors.

## 7 Appointment of Chairman

The Company managed by Board of Directors which consists of seven Members, the Ministry of Economy and Trade nominates two Members for the shares of Qatar Government, from whom a Chairman is selected, and the remaining Members will be elected by secret ballot and the Qatar Government shall not participate in the election of Board Members

The same person may not hold or exercise the positions of Chairman and Chief Executive Officer at the same time. The division of responsibilities between the two positions shall be clear<sup>18</sup>. For this purpose, separate role descriptions for the Chairman and CEO are prepared by Al Meera.

In all circumstances, no one person in the Company should have unfettered powers to take decisions.

## 8 Qualification criteria for a Board Member

The members of the Board of Directors shall meet the minimum criteria<sup>19</sup> as follows in addition to conditions stipulated in the Articles of Association<sup>20</sup> of the Company:

- a) His age should not be less than twenty one years;

<sup>13</sup> Article 15.2; QFMA Code of Corporate Governance

<sup>14</sup> Article 15.3; QFMA Code of Corporate Governance

<sup>15</sup> Article 15.4; QFMA Code of Corporate Governance

<sup>16</sup> Article 15.5; QFMA Code of Corporate Governance

<sup>17</sup> Article 15.6; QFMA Code of Corporate Governance

<sup>18</sup> Article 7; QFMA Code of Corporate Governance

<sup>19</sup> Article 96; Law No. 5 of 2002

<sup>20</sup> Article 27; Articles of Association

- b) Not convicted in any criminal act or any crime related to the dignity and trusteeship or any crime mentioned in the articles (324) and (325) of law no. 5 of 2002, unless its consideration is expired; and
- c) He should hold the number of shares prescribed by the statute of the company, to guarantee the rights of company, shareholders and third parties.

## 9 Board Chairman

The Chairman of the Board of Directors is legally responsible for, specifically chairing the Board of Directors and ensuring the executive team of Al Meera conducts its activities and functions in accordance with the law.

The Vice Chairman will deputize for the Chairman and will therefore have a similar profile with a more internal operational focus. The Vice Chairman will work closely with the Chairman and will require strong management qualities and innovative thinking.

## 10 Board Vacancies

If a Board has a vacancy due to death, disability, disqualification, removal, or resignation, the Board shall within two month fill the vacancy from the list of elected reserves in accordance with the highest rank; the tenure of the replacing Board member shall last till the three year term of the original director.<sup>21</sup>

### 10.1 Resignations

Any member of the Board, except the Chairman, may resign at any time by giving not less than thirty days' written notice to the Company addressed to the Chairman. The Chairman may resign by giving not less than twenty days' written notice to the Board.

### 10.2 Removal

The General Assembly may remove any member of the Board; removal of the government appointed members must be approved by the Government<sup>22</sup>. Removal may be based on the member:

- Becoming incapable, due to ill-health, of effectively performing the duties of his office.
- being declared bankrupt.
- Being convicted of a criminal offence or the Board Director has been found guilty of serious misconduct which is of a nature which warrants his removal from office. The removal may also become necessary for the effective performance of the Board and for the benefit of the Company.

## 11 Duties and Responsibilities of the Board and members

### 11.1 Overview

The Board of Directors shall provide overall oversight of Al Meera and is jointly

<sup>21</sup> Article 31; Articles of Association

<sup>22</sup> Article 35; Articles of Association



responsible for the delivery of the Al Meera business plan alongside the Chairman. The Board is vested with all powers necessary for the management and administration of Al Meera's business operations.

The Board has to function independent of Management and is not responsible for the day-to-day affairs of the Company. However, the Board has the responsibility to oversee Management and be informed, investigate and act as necessary to promote Al Meera's strategic and business objectives. The Company's business is conducted by its employees, managers and corporate officers led by the Chief Executive Officer ("CEO"), with oversight from the Board.

## **11.2 Fiduciary Relationship of the Board and the company:**

Each Board Member owes the Company the fiduciary duties of care, loyalty and compliance with the rules set out in related laws and regulations and this Charter. The members are required to adhere to the following principles at all times<sup>23</sup>:

*Principle 1:* Board Members must at all time act on an informed basis, in good faith, with due diligence and care, and in the best interests of the Company and all shareholders.

*Principle 2:* Board Members shall act effectively to fulfill their responsibilities toward the Company.

## **11.3 Fiduciary duties of the Board:**

The Directors responsibilities as a Board member are defined in the "Board Charter". The Directors of Al Meera are individually and collectively responsible for the discharge of these duties. Broadly, a Director has the following fiduciary duties:

### **11.3.1 Duty of Care**

- In faithfully discharging their duties, 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.
- A Board Member must take reasonable steps to be fully aware of all relevant issues, including engaging in due diligence, such as consulting outside independent experts when appropriate, and to make informed and independent decisions when voting on Company matters. In addition to the obligation to be informed on Company decisions and matters, the duty of care also requires Board members to take reasonable steps to monitor the Company's management and finances.
- Every newly elected Board Member shall upon his/her election become familiar with the Company structure, management and all other information enabling the said Board Member to assume his/her responsibilities.

<sup>23</sup> Article 6; QFMA Code of Corporate Governance





### **11.3.2 Directors Duty of Loyalty upon Conflict of Interests and Related Party Transactions**

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.

In addition to complying with the procedures and guidelines concerning Related Party Transactions, to fully discharge their duty of loyalty, all Board Members should refrain from:

- 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 paragraph does not prohibit a concerned party 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<sup>24</sup>;
- c) Usurpation of an opportunity which rightfully belongs to the Company unless the opportunity is first offered to, and rejected by the Company;
- d) Apparent, likely, and actual conflict of interests. In the instance of such a conflict of interests involving a Board Member, the concerned Board Member must fully disclose the conflict, and refrain from voting on, or being present, when any matters related to the conflict are brought to a Board vote;
- e) Any action which leads to granting a preferential personal loan when similar loans and loan terms are not offered to the general public;
- f) Any action which constitutes an insider trading or otherwise improperly disclosing confidential Company information; and
- g) Any action or transaction that is not compliant with relevant laws and regulations.

### **11.3.3 Duty to Comply With the Corporate Authority**

Board Members must act within the scope of the authority entrusted to them under the Company's articles of incorporation, duly enacted Board directives, shareholder resolutions, and related laws and regulations. Board Members acting outside the scope of their authority shall be liable for Company losses suffered as a result of such unauthorized actions.

<sup>24</sup> Annexure 2; QFMA Corporate Governance Code



#### 11.3.4 Agency Relationship between the Board and the Company

The Board assumes the role of an Agent in upholding the interests of the Principal (the company and its stakeholders). Delegation of decision making authority from Principal to Agent may create issues between both of them because:

- The interests of the Principal and Agent diverge.
- The Principal cannot perfectly and cost effectively monitor the actions of the Agent
- The Principal cannot perfectly and cost effectively acquire the information available to or possessed by the Agent.

The crux is that the possibility of opportunistic behavior on the part of the Agent which works against the welfare of the Principal. This can be resolved if the Board performs the following roles:

- **Monitors:** That is they work as managers acting in the interests of the shareholders' best interests.
- **Evaluates and Influence:** They should examine proposals, decisions, and actions which better the prospects of the Company. Further they should ensure that they provide feedback and offer direction.
- **Initiates and Determines:** They should delineate corporate mission, specify strategic options and make decisions with the firm motive of furthering the Company's interests and not their own personal interests.

#### 11.4 **Duties and Responsibilities Board members:**

Members of the Board should consider that their primary role is to provide leadership to the Company, to set the Company's long-term strategic objectives and to develop robust corporate governance and risk management practices.

A member of the Board must:

- a) be available and regularly and actively attend the Board and Shareholders' meetings;
- b) protect the Company's interests;
- c) act in good faith;
- d) subordinate his/her personal interests to the interests of the Company and its Shareholders at all times;
- e) exercise diligence and care;
- f) be loyal to the Company;
- g) speak out;
- h) comply with corporate authority entrusted to him/her in the Articles of Association, shareholders' resolutions, this Board Charter and related laws and regulations;
- i) be transparent and observe confidentiality;
- j) take all reasonable steps to be fully aware of issues;
- k) make informed and independent decisions when voting on Company matters;



and

- l) Take reasonable steps to monitor the Company's management and finances.

#### **11.5 Duties and Responsibilities of the Non-Executive Board Members**

- Participation in the meetings of the Board of Directors and providing independent opinion on strategic matters, policy, performance, accountability, resources, key appointments and operational standards;
- Ensuring that priority shall be given to the Company's and Shareholders' interests in case of conflict of interests;
- Participation in the Company's Board Sub-Committees formed;
- Monitoring the Company's performance in realizing its agreed objectives and goals and reviewing its performance reports including the Company's annual, half yearly and quarterly reports;
- Review of corporate governance policies and procedures and ensure implementation;
- Availing the Board of Directors and its different Committees of their skills, experiences, diversified specialties and qualifications through regular presence at the Board meetings and effective participation in the General Assemblies and, provide a balanced understanding of Shareholders' opinions.
- 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.

#### **11.6 Duties and Responsibilities of 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 of complete and accurate information by the Board Members<sup>25</sup>.

The Chairman may not be a member of any of the Board committees<sup>26</sup>. The duties and responsibilities of the Chairman of the Board of Directors shall, in addition to the provisions of the Board Charter, include but not be limited to the following<sup>27</sup>:

- to ensure that the Board discusses all the main issues in an efficient and timely manner;
- to approve the agenda of every meeting of the Board of Directors taking into consideration any matter proposed by any other Board Member; this may be delegated by the Chairman to a Board Member but the Chairman remains responsible for the proper discharge of this duty by the said Board Member;
- 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;
- to ensure effective communication with shareholders and communication of their opinions to the Board of Directors;

<sup>25</sup> Article 8.1; QFMA Code of Corporate Governance

<sup>26</sup> Article 8.2; QFMA Code of Corporate Governance

<sup>27</sup> Article 8.3; QFMA Code of Corporate Governance



- to allow effective participation of the non-executive board members in particular and to promote constructive relations between executive and non- executive board members.
- To ensure the conduct of an annual evaluation of the Board's performance.
- To chair the meetings of the board and general meetings of the Company<sup>28</sup>.

#### 11.7 Duties and Responsibilities of the Board of Directors

- Exercise of the Company's legislative functions, which the Formation Deed of the Company or Articles of Association provides that, only the Board can exercise and make strategic decisions affecting the future operation of the Company. Overseeing the discharge by the executive management of the day to day business of the Company and adherence to the general policy of the Company.
- Approving the internal regulations, organizational structure of the Company, the employees' regulations and other policy and procedure documentation of the Company including delegation of authority.
- Setting appropriate policies to manage risks to the Company's operations and the achievement of its objectives and seeking regular assurance that the system of internal control is effective in managing risks in the manner it has approved.
- Taking necessary action in respect of suspicious transactions in the light of the provisions of the internal regulations of the Company.
- Approval of the annual plans, annual budget estimates and the financial statements and appointment of auditors and determination of their remuneration.
- Review interim and annual financial statements and other reports on the Company's performance.
- Setting up specialized committees from within or outside the members whether permanently or temporarily, for taking up and studying matters the Board deems necessary.
- Ensuring development and training of a qualified Qatari for managerial positions in the Company in accordance with the advanced administrative and technical methods.
- Directors should be collectively responsible for all accounts and non financial information even though they may be responsible for only one or two functions through Committees for that function.
- The Board shall put in place an induction program for newly appointed Board Members in order to ensure that, upon their election, Board Members are made fully aware of their responsibilities, and have proper understanding of the manner in which the Company operates.
- Board Members shall have full and immediate access to information, documents, and records pertaining to the Company. The Company's executive management shall provide the Board with all requested documents and information.
- The Board shall ensure that the Nomination, Remuneration and the Audit Committee members, the Internal Auditor and representatives of the External Auditors attend the General Assembly.
- The Board of Directors shall at all times, keep its Members updated about the latest

<sup>28</sup> Article 46; Articles of Association



developments in the area of corporate governance and best practices relating thereto. The Board may delegate the same to the Audit Committee or the Governance Committee or any other body as it deems appropriate.

- The Board Members are 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. In this respect, the Board shall adopt an appropriate formal training to enhance Board Members' skills and knowledge.
- The Board shall also be responsible to ensure adherence with the procedures defined in Memorandum and Articles of Association of the Company.

### **11.8 Board's Role in Risk Management**

The Board's role in the management of risks to the Company's objectives shall include consideration of the:

- Nature and extent of the risk facing the Company;
- Risk Register prepared and updated by the CEO;
- Extent and categories of risks which it regards as reasonable for the Company to accept;
- Likelihood of the risks concerned materializing;
- Company's ability to reduce the incidence and impact on its objectives of risks that do materialize.
- Costs of operating particular controls relative to the benefit thereby obtained in managing the related risks.

### **11.9 Board's Code of Conduct**

Directors are expected to comply with the Code of Conduct for Directors ("Board Code"). The Board Code reflects a commitment of the Board to the highest standards of ethical and business conduct. Each Board Director should become familiar with and abide by the specific ethical standards set forth in the Board Code, as well as any interpretations and procedures issued hereunder.

Directors are encouraged to consult with the Legal Department of the Company if there is any doubt as to whether a particular transaction or course of conduct complies with or is subject to the Board Code.

## **12 Assessing the Board's Performance**

Board Directors should annually complete a self-assessment questionnaire that may be used to prepare a report on the Board's performance.

## **13 Operations of the Board**

### **a) Meeting order and agenda**

- The Chairman, with input from the CEO, will establish an agenda for each Board meeting. Each Board Director is free to suggest the inclusion of items on the Board meeting agenda. Board Directors are requested to provide suggested agenda items two weeks in advance of the Board meeting. Board materials shall be distributed to the Board sufficiently in advance of the Board meeting. Board of directors are responsible to prepare agenda for the general meeting.



- The Board shall hold at least six meetings a year, or as many meetings as necessary to best serve the company. In normal situation, each Director of the Board shall be given at least a week's advance written notice of the time, date and place of such meeting. The Board Secretariat shall prepare and distribute a timetable for all required to attend the meetings.
- The Chairman of the Board ("Chairman") will establish the rules of order and procedure of the meeting to ensure the meeting is conducted in an orderly fashion. The Chairman will also control the order of issues to be presented to the Board. The Chairman retains the right, if necessary, to rule out of order, any remarks or discussion. The Chairman may make additional meeting rules as appropriate or advisable and can call upon an extraordinary meeting of the Board in case of extenuating circumstances.
- The Board should not allow the lapse of two complete months without convening a meeting of the Board<sup>29</sup>.
- The Board shall meet when convened by its Chairman or upon the written request of two Board Members. The invitation for the Board meeting and agenda shall be communicated to each Board Member at least one week before the date of the meeting, noting that any Board Member may add any item to the agenda.
- The notice of a Board meeting should be given in advance unless in an urgent meeting which is considered by the Chairman to be held on a very short notice. The Chairman, in conjunction with the Executive Director(s) shall undertake the primary responsibility for preparing the Board's agenda. The agenda should include matters specifically reserved for the Board's decision.
- As a matter of leading practice and to allow sufficient time for Directors to consider the information, Board documents and agenda items are circulated in advance of the meeting unless the meeting is an urgent one. Where there is a need to summaries a report, a brief precise of findings and/or recommendations should be considered.
- No new topics or documents may be circulated in the meeting without a prior approval of the Chairman.
- Electronic invitations and communications may be used as means to call for, sending and receiving meeting documents; email addresses chosen by the Directors would be used for this purpose.

**b) Attendance and Participation**

- The quorum for a meeting of the Board shall be 50% of Directors including the Chairman or the Vice Chairman<sup>30</sup>.
- Directors are required to attend the meeting; whereas others, such as the CEO and Auditor, may be invited to attend for particular items within their responsibility. The Board may also invite external parties such as the External Auditors, solicitors and consultants as and when a need arises. However, invitation must be approved by the Chairman.
- Resolutions of the Board of Directors are adopted by majority votes of the present members. If votes are equal, the side of Chairman of the meeting will prevail. The opposing member can record his dissenting note in the minutes of meeting<sup>31</sup>.

<sup>29</sup> Article 34; Articles of Association

<sup>30</sup> Article 34; Articles of Association

<sup>31</sup> Article 34; Articles of Association



- Any attendee who is not a Board Member shall not have a voting right on any matter coming before the Board for voting.
- If one of the Directors of the Board fails in a year to attend three consecutive meetings of the Board, or five non-consecutive meetings, without an excuse acceptable by the Board, that Director is considered resigned<sup>32</sup>.
- Directors should dedicate the meeting time to the agenda items to maximize the benefit of the meeting; all discussion and exchange of opinions and point of views should be respected amongst participants.
- All attendees are expected to remain throughout the meeting duration; leaving the meeting should be avoided and if it becomes necessary, the Chairman should be consulted.
- Any delegation of a Board Director to another Director should be in writing; the delegated member shall have the vote of the delegating member.

**c) Minutes and records of meetings**

- Minutes shall be prepared by the Board Secretary and tabled for circulation for endorsement at the following meeting and signed off by the Chairman of the Board.
- A record of Board submissions and papers, and of materials presented to the Board, shall be maintained together with minutes of meetings for future reference by the Board Secretary, for action and follow-up and for any other future use.
- Based on the decisions taken by the Board, the Board Secretary shall prepare Executive Decision Letters to those who are either required to take action or affected by the decisions; confidentiality should be observed where it is required or given. The Letters shall indicate the meeting number, date and the taken decision.

**14 Board Secretary**

The Board shall appoint a Board Secretary whose functions shall include recording the minutes of all the Board meetings and safekeeping records, books and reports submitted by or to the Board. Under the direction of the Chairman, the Board Secretary shall also be in charge of ensuring timely access to information and coordination among the Board Members as well as between the Board and other key stakeholders including shareholders, Management, and employees.

The role and responsibilities of the Board Secretary are detailed in the job description for the position.

All Board Members shall have access to the services and advice of the Board Secretary.

The Board Secretary may only be appointed or removed via a Board resolution.

**15 Committees of the Board**

The Board may delegate any of its powers to any Committee of the Board comprising members of the Board. The sub-committees may assist in the oversight responsibilities on financial reporting, internal control and risk management, internal audit, external audit, compliance, investments, performance assessment of the Board, remuneration policies and

<sup>32</sup> Article 36; Articles of Association



other matters.

Where a Committee is formed, specific terms of reference of the Committee would be established to cover matters such as the purpose, composition, authority and functions of the Committee. The Committee Chairman may call the committee into meeting at the formal request of one-third of the members of the committee.

The deliberations and discussions of the committees shall take place in a closed environment unless the committee decides otherwise. Decision of the committee shall be issued by a majority vote and in case of tie; the Committee Chairman shall exercise his voting right. A dissenting member of the Board should record his dissent in the minutes.



## 16 Leadership Development

### a) Director's Orientation and Ongoing Training

Board members should refer to the Board Training Policy for guidance on the induction and ongoing educational support.

### b) Evaluation of Senior Management

The Board shall evaluate the CEO on an annual basis. The evaluation should be based on objective criteria including performance of the Company, accomplishment of long-term strategic objectives and development of senior management. The Board shall use the evaluation when considering the compensation of the CEO. Moreover, the Board in conjunction with the CEO shall also evaluate Senior Management annually. The CEO shall communicate the evaluation to Senior Management.

## 17 Share Dealings and Insider Trading

- a) The Board must disclose insider information directly relating to the Company without delay unless it is exempted from the disclosure requirement in an individual case.
- b) No member of the Board or the Executive Management may buy or sell shares in the Company (for their own account or for the account of others) whilst in possession of insider information relating to the Company, or during the following periods:
  - from the date on which a Board meeting is called to discuss the yearly or half-yearly financial report of the Company to the date on which such report is disclosed to the public, which must be at least 15 days.
  - from a week before the end of the financial quarter of the Company to the announcement of the Company's quarterly results.

## 18 Interaction with Interested Groups and the Media

If public comment from a Board is appropriate, these comments should, in most circumstances, come from the Chairman or Chief Executive Officer. Board Directors should not disclose Board information to the public and should observe the confidentiality guidelines set in place. If the media contacts a Board member, in most circumstances, the Board Director should refer the inquiry to the person in charge of Al Meera's Marketing and Corporate Communications Directorate or authorized spokesperson(s).

## 19 Disclosures

The Board should prepare a report of the Board for inclusion in the annual report and financial statements and, this can be affected by way of a Chairman's Statement. Additionally, the Company should produce an annual Corporate Governance Report on the Company's corporate governance practices, which should be signed by the Chairman of the Board of Directors and submitted to the Qatar Financial Market Authority.



**20 Annual Review**

The Board Charter shall be jointly reviewed at least annually (in line with Law no. 5 of 2002, other regulatory guidelines/circulars and the articles of association of the Company), by the Board and Board Secretary with changes subject to Board approval.

