



**Al Meera Consumer Goods Co. QSC**  
**Corporate Governance Charter Policy**

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## 1. AL MEERA'S CORPORATE GOVERNANCE PHILOSOPHY

Corporate Governance entails an internal system which encompasses policies, people and processes aimed at fulfilling shareholders' and other stakeholders' interests through effective direction and control of management activities utilizing good business savvy, objectivity and integrity. We are committed to meet the aspirations of all our stakeholders. We, at Al Meera, believe that Corporate Governance is a way of life, rather than a mere legal compulsion. It further inspires and strengthens investors' confidence and commitment to the Company.

To best serve the interests of our stakeholders, Al Meera is committed to create a governance structure that reflects the highest standards of independence, oversight and transparency. The guiding framework for this is provided by the Corporate Governance Code for public listed entities issued by the Qatar Financial Market Authority ("QFMA CGC") on 27 January 2009, whilst general reference is also drawn from other applicable laws and regulations of the State of Qatar and the Qatar Exchange.

Al Meera issues an annual Statement on Corporate Governance concurrently with the Company's Annual Report for the fiscal year.

Al Meera values and respects the rights of its shareholders. The rights of the Shareholders are established by the Article of Association (AOA) to ensure that shareholders' rights are respected in a fair and equitable manner.

The established rights of the shareholders as per the AOA specifically include inter alia, a priority in subscription of Al Meera's shares, access to ownership records, attendance at Annual and Extraordinary General Assemblies, exercise of voting rights and delegation of voting rights through proxies, decision and distribution of Dividends as per Ordinary General Assembly, calls for General Assembly, setting and discussion of meeting agendas and the right to receive feedback on questions asked, method of voting on Board election, and participation in major decisions through Extraordinary General Assembly and so on.

## 2. CORPORATE GOVERNANCE MODEL

The standard Corporate Governance model interconnects the relationship between the three main stakeholders namely Shareholders (General Assembly), the Board and the Management, whose roles are distinctly different but complimentary to the core objectives and functioning of Al Meera.

### 2.1 Board of Directors:

The Board of Directors are accountable to the shareholders and other stakeholders, to ensure that the Company is managed in a safe and sound manner.

### 2.2 Management Team:

Executive Management team is accountable to the Board to manage the business affairs in accordance with the Memorandum and Articles of Association, corporate governance framework, policies and procedures, delegation of authority and the applicable legal and regulatory requirements.

### 3. PURPOSE OF THIS POLICY

The purpose of this Policy is to outline the Corporate Governance structure of Al Meera and should be read together with the following, formally adopted governance documents:

- Board Charter
- Board Code of Conduct and Ethics
- Board Nomination and Remuneration Committee Charter
- Nomination Policy for Directors
- Board Remuneration Policy
- Board Training Policy
- Board and Board Sub-committees Performance Assessment Framework
- Board Audit Committee Charter
- Investment Committee Charter
- General Tendering Committee Charter
- Delegation of Authority Limits
- Audit Rotation and Independent Policy
- Disclosure Policy
- Terms of References for Board Chairman, CEO and Board Secretary

### 4. CORPORATE GOVERNANCE PRINCIPLES

Al Meera's guiding principles of good corporate governance are, as follows:

#### 4.1 Board Operations - the Board's ability to manage its own activities

- A balance of executive and non-executive directors representing a mix of applicable skills and experience.
- A nominations process designed to ensure that the appropriate balance and capability of the board is maintained on the basis of periodic evaluation of the performance of the board and individual directors.
- Substantial representation on the board by directors meeting defined criteria of independence in order to facilitate objectivity in decision making.
- Access to training (particularly on induction) and professional advice on issues board members deem necessary.

#### 4.2 Strategy - the Board's role in the strategy development process

- Active board participation in strategy development, including the review and challenge of the strategy.
- Creation of an adaptable organisation that is able to respond quickly to changing market opportunities.

- 4.3 Corporate Culture - the Board's role in setting and communicating standards for organisational behaviour
- Promote openness with management on issues for which the board will ultimately be accountable.
  - Sponsor and actively promote adherence to the organisation's defined code of conduct.
  - Promote the use of incentivisation schemes that align the interests of the board and senior management with those of the shareholders and other stakeholders.
- 4.4 Monitoring and evaluation – the Board's role in monitoring management and evaluating its performance against defined goals
- Ensure that the organisation complies with relevant laws and regulations as well as with accounting, human resource and other internal policies.
  - Understand organisational risks and be informed routinely about how they are managed and how the board can be assured that this is effective.
  - Apply a rigorous process for evaluating the performance of the CEO.
- 4.4 Stewardship – the Board's responsibility towards stakeholders and accountability for their interests
- Uphold rigorous standards for individual members' preparedness, participation and candour.
  - Protect the organisation and its stakeholders from potential damage due to conflicts of interest.
  - Manage stakeholder expectations regarding the safeguarding of their interests, in part by ensuring that communication is thorough, timely and transparent.

## 5. CORPORATE GOVERNANCE STRUCTURE

### 5.1 Governance Structure

The Board forms the necessary Board and Management Committees to assist the Board in providing effective oversight over the Company's operations. Board would review the structure periodically and modify it if deemed necessary.

Additional committees may be formed from time to time and/ or the existing Committees could be assigned additional responsibilities.

The existing structure is, as follows:



## 5.2 Board Secretary

The role of the Board Secretary is to assist the Board and its Committees in maintenance of relation between Executive Management and the Board, and the Board and shareholders.

## 5.3 Assurance Providers

The assurance functions i.e. external audit, internal audit, risk management and compliance are independent and report functionally to the Board Committee.

## 5.4 Board Committees

The Board delegates some of its responsibilities to different Board Committees. The terms of reference for the respective Committees sets out the provisions for committee composition and its administration, authority, roles and responsibilities.

The present Board Committees are, as follows:

### Audit Committee

Assists the Board in independently ensuring and maintaining oversight of Al Meera's financial reporting system, internal control, risk management, compliance, audit functions and legal and regulatory requirements including monitoring the implementation of the Company's Corporate Governance framework.

### Nomination and Remuneration Committee

Assists the Board of Directors to recommend the remuneration and rewards policy and in particular, for the Director(s) and Executive Management team (CEO and Deputy CEO), support the Board Chairman in the performance review of Board and Sub-committees.

### Investment Committee

In order to assist the Board of Directors with more detailed assessments of investment opportunities, an Investment Committee was established by the Board of Directors.

### General Tending Committee

The General Tendering Committee was established by the Board to ensure that the Company purchases best materials and items and in addition, the implementation of business works and acquired services is realized through the best means and conditions with the least possible cost. The Tender and Auction Regulation sets out the terms of reference for the Committee.

### Other Committees

The Board reserves the right to form temporary Committees and discontinue them, from time to time as it deems necessary.

## 5.5 Management Committees

Management Committees may be formed and chaired by the CEO or Deputy and members (who are heads of the relevant divisions), are appointed by the Committee Chairman.

Specific terms of references will be established for each Committee formed.

The CEO reserves the right to form temporary Committees and discontinue them, from time to time and as necessary.

## 6. BOARD TRAINING POLICY

A policy has been developed to ensure that Directors of Al Meera are formally inducted into the Board and that all Directors are provided with suitable continuing educational programme to assist them in understanding the strategic direction and business of the Company and, their role as a Board member.

## 7. TERMS OF REFERENCES

Separate Terms of Reference have been documented for the Board Chairman, CEO and Board Secretary to identify their specific responsibilities and enhance co-ordination and communication between the Board of Directors and Management.

The responsibilities identified therein are to be carried out consistently with the principles Qatar Financial Market Authority and other governance documents of Al Meera.

## 8. DELEGATION OF AUTHORITY

The Board Committees, Management Committees and other specific Management personnel will execute activities/transactions on behalf of the Company in accordance with the delegated authority limits. As a general principle, policies covering operational issues, internal control, risk management, human resources, IT, compliance and such other functions in Al Meera would be approved by the Board. The procedures / processes relating to the functioning of the Board or Board Directors would be part of the Board Charter duly approved by the Board or by the appropriate Board Committee.

The application of authority limits to different functions will be based on principles of delegation and documented accordingly.

## 9. BOARD REMUNERATION POLICY

The Board has developed a remuneration policy and packages that provide incentive for the employees and management of the Company to always perform in the best interests of the Company. The policy takes into consideration the long term performance of the Company.

## 10. BOARD EFFECTIVENESS

The Board has established a mechanism for the periodic review (annually) of its own and each of its Committees' performance against specific criteria. The review will be an evaluation of the Board as a whole and its Committees' having regard to its strategic objective.

## 11. CODE OF CONDUCT AND ETHICS

The Board is committed to the highest standards of integrity and business conduct. The Board believes that operating with the highest level of honesty and integrity is critical to protect the interests of Al Meera, their shareholders, the general investing public and the clients of Al Meera.

Accordingly, the Board has adopted a Code of Conduct and Ethics to reflect its commitment to the highest standards of ethical and business conduct.

## 12. SHAREHOLDER COMMUNICATION

The Board encourages full participation of shareholders at the Annual General Meeting to ensure a high level of accountability and identification with the Company's strategy and goals.

## 13. AUDITORS INDEPENDENCE

The Board has adopted a rotation and independence policy to ensure that audit independence is maintained, both in fact and appearance, such that Al Meera's external financial reporting is viewed as being highly reliable and credible.

## 14. INTERNAL CONTROLS AND RISK MANAGEMENT

The Board of Directors must ensure that the Company has sound internal control and, systems for risk management are appropriate in relation to the extent and nature of the organisation's activities. Internal control and the systems also encompass the organisation's corporate values, ethical guidelines and corporate social responsibility.

## 15. DISCLOSURE POLICY

The disclosure policy of Al Meera Consumer Goods Company Q.S.C ("Al Meera" or the "Company") intends to formally state the qualitative and quantitative information it shall disclose for the benefit of market participants (stakeholders) and set the internal controls over the disclosure process.

The Company strives to achieve the objective of financial transparency through the disclosure of material information as per the regulatory reporting requirements. This Policy assists the Board, senior management and relevant departments to understand their roles and responsibilities in the disclosure process.

## 16. ANNUAL REVIEW OF THE POLICY

This Policy will be reviewed annually by the Audit Committee with recommendations for amendments presented to the Board for approval accordingly.

