

BOARD CHARTER

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Objective of GWC (Reference to GWC Article of association and memorandum of association)- (Clause3, Article 3-MoA)

The objects of the GWC according to the article of association include:

1. Preparation, construction, management and lease of all types of stores; **(Clause3, Article 3-MoA)**
2. Storage of goods according to the consignment system under customs supervision inside or outside customs areas; **(Clause3, Article 3-MoA)**
3. Participate in companies which practice similar works, or cooperate with the company to achieve its objective in Qatar, or purchase them or annex them to it; **(Clause3, Article 3-MoA)**
4. Perform all transportation, handling and distribution works and goods customs clearance; **(Clause3, Article 3-MoA)**
5. Lease, selling, manufacturing and maintenance of equipments; **(Clause3, Article 3-MoA)**
6. Assemble all types of materials outside the scope of use, as well as scrap from government and non-government authorities, resell or manufacture it. **(Clause3, Article 3-MoA)**
7. Arrange and manage local and international auctions and represent companies in this field; **(Clause3, Article 3-MoA)**
8. Participate in establishing or taking partial possession of industrial companies and management companies; **(Clause3, Article 3-MoA)**
9. Development, operation and management of all types of government projects; **(Clause3, Article 3-MoA)**
10. Acquisition, operation and management of laboratories, including foods, their components, radiation laboratories, insecticides examination laboratory, human and veterinary medical medicines examination laboratory, animal feeds examination laboratory, environmental laboratories, examination of industrial wastes before and after treatment, conduct the necessary inspection for customs release purposes for goods, inspection and examination of foods samples, show their validity and conformity with specifications to assist government authorities to achieve control on foodstuffs, establish violations related to the same and conduct all inspections, testing and examination works for whatever purpose; **(Clause3, Article 3-MoA)**

11. Acquisition, selling and lease of real estates which fall within the company activity; The company may have interest with corporations which practice activity similar or related to its activity, or may assist it to achieve its objectives inside or outside Qatar. Also, it may participate in any manner with the said corporations, merge in them, purchase them or affiliate to them. The company shall not store goods or materials harmful to the environment or health or legally or lawfully prohibited. The company shall undertake to meet all its financial obligations including debts, investments and all financial dealings according to Islamic Shariah provisions. **(Clause3, Article 3-MoA)**

Role of the Board

MAJOR FUNCTIONS OF THE BOARD

The major functions of the Board as approved by the Board are:

1. Strategy formulation and approval, including the development of major goals and strategies, in conjunction with the senior management team; **(Article 5.2.1 of CG codes)**
2. The Group Chief Executive Officer - GROUP CEO is a GWC employee. Responsibility for selection and, when necessary, removal of the GROUP CEO is jointly exercised by the board with the approval of the chairman of the board of directors; **(Article 5.2.1 of CG codes)**
3. Monitoring organizational performance using agreed performance measures linked to business strategies benchmarked against corporate peers; **(Article 10.1.4 of CG codes)**
4. Ensuring that stewardship frameworks are in place including overview of policies, practices and performance of risk management, internal compliance and control, codes of conduct, legal compliance and public reporting; **(Article 17.6 a-q of CG codes)**
5. Networking on behalf of the organization to assist in achieving organizational goals. **(Article 31-MoA)**

In interpreting these functions Board members generally follow a clear direction in the way the Board carries out its major functions, and delegates detail or other functions to management. The board adopts the following approach:

1. The Board will focus on “ends” rather than “means” when formulating policies about delegation. Budgets, programs, personnel policies, building, equipment and a host of other matters that traditionally consume board time are management means issues rather than ends.
2. However, all terms and means that contravene the state laws or other statutory regulations or that contradict the norms and culture of the state of Qatar or the dictate of the memorandum of association is hereby prohibited and can not be implemented. **(Article 5.2.2 of CG codes) and (Article 6.1 of CG codes)**
3. From time to time the Board may redefine where management actions start and end.

Further Narration of Role of the Board (Explanation Breakdown of Major Functions)

- (a) The Board has primary responsibility to shareholders for the sustainability and relevance of the GWC by guiding and monitoring its business and affairs.
- (b) In carrying out its responsibilities, the Board undertakes to serve the interests of GWC shareholders, employees, customers and the broader community.
- (c) Each Director of GWC will act in good faith in the best interests of GWC as a whole, and collectively oversee and appraise the strategies, major policies, processes and performance of the company using care and diligence to ensure that GWC's long term sustainability is assured.
- (d) The independence of the Directors will be a paramount principle of governance. Directors will not misuse their position in the Board to advance personal interests. Directors will not use information available to them as Board members to advance personal interests or agendas.
- (e) Directors are required to inform the Board of any conflicts or potential conflicts of interest they may have in relation to particular items of business. Directors must absent themselves from discussion or decisions on those matters. Where a conflict of interest or potential conflict is not identified by a Director, the Chair of the Board or Committee (or other Directors) will call the matter to the attention of the Director.

Structure and composition

The Board Structure is described in the Articles of association of GWC. As currently defined it provides for a *Seven (7) elected Board membership all of who shall be elected by the Ordinary General Assembly by secret ballots.* (Ref: Article 27-MoA)

Term of References (Ref: Article 28-MoA)

Member of the Board shall be:

1. Not less than twenty one year old; (Ref: Article 28-MoA)
2. Have not been convicted with criminal offense or involved in dishonesty or in any of the crimes mentioned in articles (324), (325) of commercial company law unless he is reinstated; (Ref: Article 28-MoA)
3. Own (20,000) twenty thousand shares in the company allocated to guarantee the company, shareholders and creditor and other equities towards responsibility of the board members. These shares shall be deposited within sixty days from the start of membership in one of the certified banks and it shall remain deposited and shall not be subject to dealing or mortgage or distraint until the end of membership and the balance sheet of the of the end of the financial year is certified and if the member fails to give the security as required his membership shall be dismissed; (Ref: Article 28-MoA)
4. May not be elected for more than two sessions; (Ref: Article 28-MoA)
5. Electable for three renewable years; (Ref: Article 29-MoA)

6. No one with his personal capacity or in his own capacity as representative to any persons is allowed to be member of the Board of GWC if this person is a member of the Board of three (or more) joint stock companies whose headquarters are in the state, also No one with his personal capacity or in his own capacity as representative to any persons is allowed to be Chairman or Deputy Chairman of GWC if this person is a chairman or Deputy Chairman of the Board of two (or more) joint stock companies whose headquarters are in the state. In all cases, ordinary persons may not be managing directors in more than one company whose headquarters are in the state or have membership in the Board of other companies of similar activities or competitors and who ever violates shall his/her membership dismissed. **(Ref: Article 28-MoA)**
7. The Board of directors shall elect Chairman and Deputy Chairman by secret ballot. **(Ref: Article 30-MoA)**
8. Chairman of the Board shall be the Company chairman and shall represent the company in front of others and shall implement the decision of the board and abide by its recommendations. **(Ref: Article 31-MoA)**

Board Committees (Article 14.2 of CG codes)

The responsibilities bestowed on the Board require the formation of committees to enhance effective monitoring of the Company. The following committees shall be established by the Board:

- (a) Board Nomination Committee
- (b) Board Audit Committee
- (c) Board Remuneration Committee

Board Nomination Committee (Article 14.2 of CG codes)

- I. 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 will not deprive any shareholder of his rights to nominate or to be nominated); **(Article 15.2 of CG codes)**
- II. 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 Authority from time to time; **(Article 15.3 of CG codes)**
- III. Upon its establishment, the Nomination Committee shall adopt and publish its terms of reference explaining its authority and role. **(Article 15.4 of CG codes)**
- IV. The Nomination Committee's role shall also include conducting an annual self-assessment of the Board's performance. **(Article 15.5 of CG codes)**

Board Audit Committee (Article 14.2 of CG codes)

- I. The Board of Directors shall establish an Audit Committee that shall be comprised of at least three members the majority of whom should be Independent. The Audit Committee must include at least one member with financial and audit experience. If the number of available Independent Board Members was not sufficient to fill the Audit Committee membership, the Company may

appoint members that are not Independent Board Members provided that the Chairman of the Committee is Independent. **(Article 17.1 of CG codes)**

- II. In any event, any person who is or has been employed by the Company's external auditors within the last 2 years may not be a member of the Audit Committee. **(Article 17.2 of CG codes)**
- III. The Audit Committee may consult at the Company's expense any independent expert or consultant. **(Article 17.3 of CG codes)**
- IV. The Audit Committee shall meet as needed and regularly at least once every three months and shall keep minutes of its meetings. **(Article 17.4 of CG codes)**
- V. 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 recommendations concerning the external auditor, the Board shall include in the Company's Governance Report, a statement detailing such recommendations and the reason(s) behind the Board of Directors' decision not to follow the recommendations. **(Article 17.5 of CG codes)**
- VI. Upon its establishment, the Audit Committee shall adopt and make public its terms of reference explaining its main role and responsibilities in the form of an Audit Committee Charter. **(Article 17.6 of CG codes)**

Board Remuneration Committee (Article 14.2 of CG codes)

- I. The Board of Directors shall establish a Remuneration Committee comprised of at least three Non-Executive Board Members the majority of who must be Independent. **(Article 16.1 of CG codes)**
- II. Upon its constitution, the Remuneration Committee shall adopt and make available its terms of reference explaining its role and main responsibilities. **(Article 16.2 of CG codes)**
- III. The Remuneration Committee's main role shall include setting the remuneration policy of the Company including remuneration of the Chairman and all Board Members as well as Senior Executive Management. **(Article 16.3 of CG codes)**
- IV. The Remuneration Policy shall be presented to the shareholders in the General Assembly for approval and shall be made public. **(Article 16.4 of CG codes)**
- V. 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. **(Article 16.5 of CG codes)**

Replacement and Resignation (Ref: Article 32-MoA)

If the post of a member of the board is vacant it shall be occupied by the shareholder who has majority of votes but who is not already in the board. If this is not possible then the one who follows and this new member shall continue with the predecessor's term only.

Responsibilities of the Board (Preambles/Notes of responsibilities of Board as is now)

The Board is responsible for the management of the affairs of GWC; this responsibility includes:

- (a)** Setting the strategic direction of GWC and monitoring management's implementation of that strategy;
- (b)** Selection and appointing the Chief Executive Officer, determining his/her conditions of service and monitoring his/her performance against established objectives;
- (c)** Selection and appointing the Company Auditors both external and internal, determining his/her conditions of service and monitoring his/her performance against established objectives;
- (d)** Appointing the Board Secretary;
- (e)** Reviewing on a regular basis, the conditions of service and performance monitoring procedures to apply to senior management;
- (f)** Monitoring financial outcomes and the integrity of reporting; in particular, approving annual budgets and longer-term strategic and business plans;
- (g)** Setting specific limits of authority for management to commit to new expenditure, entering contracts or acquiring businesses without Board approval;
- (h)** Approving acquisitions and disposals of businesses and investments;
- (i)** Approving significant changes of key policies;
- (j)** Ensuring that effective audit, risk management and compliance systems are in place to protect the Company's assets and to minimize the possibility of GWC operating beyond legal requirements or beyond acceptable risk parameters;
- (k)** Monitoring compliance with regulatory requirements and ethical standards; Reviewing, on a regular basis, senior management succession planning and development;
- (l)** Reporting to the Shareholders on the discharge of their responsibilities in such a manner as is approved by the Board from time to time.
- (m)** Appointing such Committees of the Board as may be appropriate to assist in the discharge of its responsibilities, determining their responsibilities and approving a charter for each Committee;
- (n)** In discharging these responsibilities, each Director is bound by the company's Act, the memorandum of association and all charters, policies and codes of conduct in force from time to time including, but not limited to: (i) This Charter; (ii) The Committee charters (iii) The Directors' Code of Conduct,
- (o)** The Board's responsibilities are collegiate and, once decisions are made, Directors must not publicly advocate policies contrary to established Board decisions.
- (p)** The Board delegates to the Group Chief Executive Officer responsibility for implementing the strategic direction, and for managing the day-to-day operations of

GWC.

Role of the Chairman (Article 8 of CG codes)

The responsibility of the Chairman includes:

- I. 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. **(Article 8.1 of CG codes)**
- II. Ensuring that he/she is not a member of any of the Board committees prescribed in this charter. **(Article 8.2 of CG codes)**
- III. Liaising with the Group Chief Executive Officer and the Board Secretary to see that new Board members are appropriately briefed and have access to information on aspects of the Company's operations;
- IV. Establishing the agenda for Board meetings, in consultation with the Group Chief Executive Officer and Board Secretary; **(Article 8.3 of CG codes)**
- V. Being the main point of contact and communication between the Board and the Group Chief Executive Officer, ensuring that the Board's views are communicated clearly and accurately;
- VI. Acting as primary counselor to the Group Chief Executive Officer.
- VII. Leading the review of the Board's performance and the review of the GROUP CEO's performance, ensuring that the delegated authority of the GROUP CEO and expected key performance criteria for the GROUP CEO are clear.
- VIII. Presiding over Board and General Meetings of the Company. **(Several CG & commercial law)**
- IX. Setting a standard for Board members in terms of attendance at meetings and prior familiarity with Board Papers distributed and issues to be raised;
- X. Ensuring that the meetings are conducted competently, ethically and in an open fashion consistent with a transparent culture.
- XI. Ensuring that general meetings are conducted efficiently and that member have adequate opportunity to air their views and obtain answers to their queries.

Role of Directors (Article 10 of CG codes)

Duties of the Non-Executive Board Members include but are not limited to the following:

- I. Participation in the meetings of the Board of Directors and providing independent opinion on strategic matters, policy, performance, accountability, resources; **(Article 10.1.1 of CG codes)**
- II. Ensuring that priority shall be given to the Company's and Shareholders' interests in case of conflict of interests; **(Article 10.1.2 of CG codes)**
- III. Participation in the Company's Audit Committee; **(Article 10.1.3 of CG codes)**

- IV. 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; and; (Article 10.1.4 of CG codes)
- V. The development of the procedural rules for the Company's corporate governance for ensuring their implementation in a consistent manner; and (Article 10.1.5 of CG codes)
- VI. Availing the Board of Directors and its different Committees of their skills, experiences, diversified specialties and qualifications through regular presence in the Board meetings and effective participation in the General Assemblies and the acquisition of a balanced understanding of Shareholders' opinions. (Article 10.1.6 of CG codes)

Fiduciary Duties of Board Members (Article 6 of CG codes)

These duties include:

- I. Each Board Member owes the Company the fiduciary duties of care, loyalty and compliance with the rules set out in related laws and regulations including this *Board Charter*. (Article 6.1 of CG codes)
- II. 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. (Article 6.2 of CG codes)
- III. Board Members shall act effectively to fulfill their responsibilities towards the Company (Article 6.3 of CG codes)

Review of performance

- I. The Board will conduct, at least every **one** years, a comprehensive review of its performance as a Board. The method of conducting each review, and the extent of that review, is for the Board to determine from time to time. The review of the GROUP CEO's performance is conducted in accordance with the terms set out in the formal letter of appointment signed by the GROUP CEO and where not spelt out the Chairman of the Board will set out the terms. (Article 8.3.6 of CG codes)

Review of Charter

The Board will regularly review and amend this charter and the charters of Board Committees to ensure they remain consistent with the Board's objectives and responsibilities, and relevant standards of corporate governance.

Approval of Charter

This charter must be approved in the form of a passed resolution of the Board.