



دلالة القابضة
DLALA HOLDING

DLALA
BROKERAGE
AND **INVESTMENT**
HOLDING
COMPANY Q.S.C.

CAPITAL
SAVINGS
BUSINESS
SHARI'A
DEPOSIT
INVEST FINANCE STOCKS ESTATE
CAPITAL
GROWTH FUNDS
DEBENTURE REAL ESTATE
STRATEGIES QAR
SAVINGS
ASSETS
TRADE
FINANCE
PORTFOLIO

INVESTING
SAVINGS PORTFOLIO
MONEY
SAFE
INVEST BOND
PENSION
CAPITAL QAR
SAVINGS
BUSINESS
ASSETS
ESTATE MARKET ESTATE
GOLD CAPITAL
BUSINESS
REAL ESTATE INVESTING SHARIA
FUNDS
TRADE SAVINGS
INVESTING INVEST
CURRENCY PROPERTY
INVESTING FUNDS
SHARIA STRATEGIES
GROWTH BUSINESS ISLAMIC
MARKET STRATEGIES PORTFOLIO FUNDS TRADE
BONDS
BUSINESS
MANAGEMENT
INVEST QAR
GROWTH ESTATE
CURRENCY
MANAGEMENT
TRANSACTION FINANCE

ASSETS
TRADE
FINANCE
PORTFOLIO
SECURITIES
CURRENCY
INVESTING
FUNDS
INVEST
GROWTH ESTATE
CURRENCY
MANAGEMENT
TRANSACTION FINANCE
TRADE GOLD
DEBENTURE CASH
BUSINESS INVEST CAPITAL
PORTFOLIO MONEY QAR
MANAGEMENT
MONEY
PORTFOLIO INVEST
INCOME INVEST
DEPOSIT STRATEGIES
SHARI'A ASSETS
CAPITAL
INVESTING
SHARI'A INCOME
SAFE BOND
PENSION
CAPITAL QAR
SAVINGS
BUSINESS
ASSETS
STOCKS MARKET ESTATE
GOLD CAPITAL
BUSINESS
REAL ESTATE INVESTING SHARIA QAR
FUNDS
TRADE SAVINGS
CAPITAL FUNDS
GROWTH
MANAGEMENT FUNDS SECURITIES
GOLD CAPITAL STRATEGIES
BUSINESS GROWTH STOCKS
MANAGEMENT GOLD SAVINGS
TRANSACTION QAR
DEPOSIT INVEST
INCOME SECURITIES
INVESTING

CORPORATE GOVERNANCE DISCLOSURE STATEMENT

1 January 2011 to 31 December 2011

Statement on Corporate Governance

The fundamental governance principles that regulate the relationship between Dlala Brokerage and Investment Holding Company Q.S.C. ("Dlala") shareholders, management, employees and third parties, i.e. customers, legal authorities, suppliers and all types of individuals and institutions with whom Dlala does business are stipulated below:

Integrity

With regard to Dlala's activities and relationships with customers, employees, shareholders, legal authorities, institutions and organizations, Dlala remains committed to the principle of integrity.

Credibility

Aware that confidence relies at the heart of business success, Dlala provides customers, shareholders, employees and legal authorities with clear, comprehensive and accurate information and offers timely and excellent services.

Compliance

Dlala is committed to abiding all laws, regulations and standards.

Confidentiality

Dlala does not share any information or details on transactions concerning shareholders, employees, suppliers and business partners and above all personal information regarding customers, with any person or institution, except with those authorities with which the sharing of information is permitted or required by laws and regulations.

Transparency

Except for information that is deemed a commercial secret and not yet disclosed to the public, Dlala discloses to the public financial and non-financial information promptly, accurately, thoroughly, comprehensively and in a way that is easy to interpret and access.

Dlala management strives to establish transparent and close communication with the shareholders. The primary objective is to make Dlala share an attractive and predictable investment vehicle for existing shareholders as well as for potential investors. To this purpose, Dlala's management implements strategic plans and announces results in accordance with generally accepted accounting principles and provisions of relevant legislation in a comprehensive, fair, accurate and timely manner.

Effective Corporate Governance is an important part of our identity. Accordingly, we ensure the responsible, value-driven management and control of Dlala through our system of corporate governance. The guiding framework for this is provided by the Corporate Governance Code for public listed entities, issued by Qatar Financial Markets 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 Qatar Exchange.

The Corporate Governance Disclosure Statement highlights key components of the governance system as designed and implemented in Dlala for the reporting period from 1 January 2011 to 31 December 2011.

Shareholders

Dlala maintains an open and transparent dialogue with its shareholders. The Annual General Assembly was held on 03 April 2011, during which the following resolutions were approved:

- The Board of Directors' Report on the Company's activities and its financial position for the fiscal year ended 31 December 2010 and the future plan of the Company.
- The Auditor's Report on the Company's Accounts for the fiscal year ended 31 December 2010.
- The balance sheet and the profit & loss account for the fiscal year ended 31 December 2010.
- Absolved the Chairman and Members of the Board of Directors from all responsibilities for the fiscal year ended on 31 December 2010.
- Approval of recommendations from the Board of Directors regarding cash dividends of 8.5% (85 Dirhams per share).
- Appointment of Ernst & Young as external auditor for the fiscal year 2010 and the auditor's fees.
- Elected new 5 board members for 3 years.

The next Annual General Assembly is scheduled to be held on 18 March 2012, with the following agenda:

- Presentation and approval of the Board of Directors' Report on the activities of the Company's financial status for the fiscal year ended on 31st December 2011 and future plans.
- Presentation of the External Auditor's Report on the balance sheet and income statement of the Company for the fiscal year ended on 31st December 2011.
- Discuss and approve the balance sheet and income statement for Dlala Holding for the fiscal year ended on 31st December 2011.
- Approval of recommendations and suggestions from the Board of Directors regarding cash dividends of 10% (one Riyal per share).
- Absolve the Chairman and Members of the Board of Directors from all responsibilities for the fiscal year ended on 31st December 2011, and fixing of their remunerations.
- Discuss the Corporate Governance Report for 2011.
- Appoint the External Auditors for the fiscal year 2011 and approve their fees.
- Approve the Board's recommendation to rent a property from a board member to launch a branch for a subsidiary company.

The Articles of Association ("AoA") includes provisions to ensure that the rights of shareholders are respected in a fair and equitable manner, and more specifically include provisions with regard to access to ownership records, calls for General Assembly Meetings and propose agenda items, equal treatment of shareholders, the exercise of voting rights, method of voting for Board Members, removal of Board Members for being absent from Board Meetings without reasonable excuse, dividend distribution and major decisions reserved for the decision of the Extraordinary General Assembly.

Major Shareholders

The Articles of Association prescribe that the total shares that are owned by one shareholder may not exceed 5% of the total shares of the Company. This rule is applied through the registration system of Qatar Exchange. Dlala will continue to rely on Qatar Exchange to obtain valid up-to-date record of shareholdings. As per the information obtained from Qatar Exchange dated 30 December 2010, no shareholder

has exceeded the 5% limit. No shareholder agreements exist that require disclosure.

As on 31 December 2011, 86.51% of the total number of shares in the Company is held by Qatari nationals (Individuals and Company) and 13.49% of the total number of shares is held by foreign investors.

Board of Directors

The Dlala Board is the primary governing body for Dlala. Its documented roles and responsibilities include supporting the management structure, setting and maintaining strategic direction, ensuring efficiency and effectiveness, enhancing public standing, maintaining integrity and accountability of the organization, being accountable and responsive to stakeholders and shareholders, regularly attending Board Meetings and important related meetings, assisting in maintaining the mission and visions of Dlala, discussing/approving internal audit reports and appointing Internal Auditors and introducing ideas that would enhance the performance of the Company's operations including its subsidiaries.

Dlala Board has its own Board Charter which further details the roles and responsibilities of the Board; requirements related to Board Meetings; Board Committees established

to assist the Board in carrying out its responsibilities; requirements for the Board to review its performance annually and consider changes to improve the effectiveness of the Board and/or its committees; requirements to separate the positions of the Chairman of the Board and the Chief Executive Officer; responsibilities of the Chairman of the Board, Vice Chairman of the Board, non-executive Board Members, Board Secretary, Chief Executive Officer and Senior Management; protocol for handling media communications and the Directors' code of conduct.

As per its AoA, the Dlala Board is currently composed of 9 members who are nominated representatives of the incorporators appointed for five years. Changes in the nominated Board Members by the incorporators have been formally documented.

| Name | Function | Date of first appointment | Corporate represented | Status Exec/Non-exec/ Independent |
|---|-----------------------------|---------------------------|---|---|
| H.E. Rashid Ahmed Al Mannai | Chairman | April 2011 | – | Non Executive |
| H.E. Dr. Sheikh Hamad Bin Nasser Al-Thani | Vice Chairman | June 2005 | Qatar Foundation for Education, Science and Community Development | Non Executive |
| Mr. Abdul Rahman Al Mana | Member | April 2011 | Education and Health Fund – Ministry of Economy & Finance | Non Executive |
| Ms. Moza Al Sulaiti | Member | April 2011 | Pension Fund of the General Retirement and Social Insurance Authority | Non Executive |
| Mr. Ahmed Al Asmakh | Member Managing Director | April 2011 | – | Executive |
| H.E. Sheikh Suhaim Bin Khaled Al Thani | Member | April 2011 | – | Non Executive |
| Mr. Ali Hussein Al Sada | Member | April 2011 | – | Non Executive |
| Dr. Mohamed Nasser Al Qahtani | Member | April 2011 | – | Non Executive |
| Mr. George Shehadeh | Member | March 2009 | Amwal Company | Non Executive |

Further details of our distinguished Board Members are included in Annex 1 to this Report.

The Board met 5 times during the reporting period, as follows:

| Board Meeting Number/Year | Date | No. of Members Attended | No. of Members Excused | Proxy Votes |
|---------------------------|------------------|-------------------------|------------------------|-------------|
| 01/2011 | 18 January 2011 | 8 | – | 1 |
| 02/2011 | 24 April 2011 | 8 | 1 | – |
| 03/2011 | 15 June 2011 | 8 | 1 | – |
| 04/2011 | 27 July 2011 | 6 | 1 | 2 |
| 05/2011 | 05 October 2011 | 6 | 3 | – |
| 06/2011 | 22 December 2011 | 7 | 2 | – |

Board Committees

Three Board Committees i.e. an Audit Committee, an Executive Committee and Nomination, Remuneration and Governance Committee have been established following a decision of the Board of Directors.

Audit Committee

The Committee is responsible for supervising and undertaking all internal and external audit activities, according to the pre-approved action plan of the Board of Directors. The Committee comprises of four members of the Board. The membership of the Committee will correspond to the tenure of Board Membership. All members of the Audit Committee have accounting and financial experience.

The members of the Audit Committee are:

- **H.E. Dr. Sheikh Hamad Bin Nasser Al-Thani**
Chairman
- **Mr. Abdul Rahman Al Mana**
Member
- **Mrs. Moza Al Sulaiti**
Member

The Audit Committee met 2 times during the reporting period.

Dlala Board renamed the Internal Audit Committee to Audit Committee and updated its terms of reference on 5 October 2010. The responsibilities of the Committee as per its updated terms of reference are:

1. Report to the Board any matters that, in the opinion of the Committee, necessitate action and recommend follow-up action.
2. Report to the Board on matters related to the Committee as outlined in QFMA CGC.
3. Consider other issues as determined by the Board.
4. Monitor risk factors related to Dlala and recommend to the Board for mitigating the risk factors.

5. Review the Financial and Internal Control and Risk Management systems.
6. Discuss the Internal Control systems with the management to ensure management's performance of its duties towards the development of efficient Internal Control systems.
7. Consider the findings of principal investigations in Internal Control matters requested by the Board or carried out by the Committee on its own initiative with the Board's approval.
8. Review Dlala's financial and accounting policies and procedures.
9. Monitor accuracy and validity of the financial statements and the yearly, half-yearly and quarterly reports, and to review such statements and reports, with special focus on:
 - Any changes to the accounting policies and practices;
 - Matters subject to the discretion of Senior Executive Management;
 - Major amendments resulting from the audit;
 - Continuation of Dlala as a viable going concern;
 - Compliance with the accounting standards – International Financial Reporting Standards;
 - Compliance with the applicable listing rules in Qatar Exchange; and
 - Compliance with disclosure rules and any other requirements relating to the preparation of financial reports.

10. Consider any significant and unusual matters contained or to be contained in Dlala's financial reports and accounts.
11. Oversee and follow-up the independence and objectivity of the External Auditor and for determining the nature, scope and efficiency of the external audit in accordance with International Standards on Auditing and International Financial Reporting Standards.
12. Ensure that the External Auditor conducts an annual and semi-annual independent audit with the purpose of providing an objective assurance to the Board and shareholders that the financial statements are prepared in accordance with related laws and regulations and International Financial Reporting Standards and accurately represent the financial position and performance of Dlala in all material respects.
13. Meet with the External Auditors at least once a year.
14. Consider any issues raised by the External Auditors.
15. Ensure the timely reply by the Board to the queries and matters contained in the External Auditors' letters or reports.
16. Ensure that the External Auditor attends the General Assembly and delivers the annual report and answers any queries in this respect.
17. Recommend to the Board regarding appointment of External Auditors, by following the following guidelines:
 - a. External auditors should be independent and not have non-audit interests in Dlala and its Board Members. External Auditor shall not have any conflicts of interests in his relation to Dlala.
 - b. External auditors should be an audit professional with relevant experience in auditing financial statements of listed companies based on International Standards on Auditing and International Financial Reporting Standards.
 - c. Follow the applicable rules and regulations regarding auditor rotation.
18. 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.
19. Evaluate the performance of External Auditor.
20. Oversee the functioning of Internal Audit and in particular to ensure that the following Internal Audit functions are performed:
 - a. Audit the Internal Control Systems and oversee their implementation.
 - b. Internal Audit to be carried out by operationally independent, appropriately trained and competent staff.
 - c. Internal Audit will submit the report to the Board through the Committee.
 - d. Internal Audit has access to all Dlala activities.
 - e. Internal Audit to be independent from day-to-day functioning of Dlala. Independence to be reinforced by the compensation of Internal Audit being determined by the Board based on the recommendation of the Committee.
 - f. Internal Auditor will attend the General Assembly.
21. Ensure that the Internal Audit function includes at least one internal auditor appointed by the Board.

22. Recommend to the Board for approval of the scope of Internal Audit and to particularly include the following:
 - a. Control and oversee procedures of financial affairs, investments, and risk management.
 - b. Comparative evaluation of the development of risk factors and the systems in place to respond to drastic or unexpected market changes.
 - c. Assessment of the performance of the Board and senior management in implementing the Internal Control Systems, including the number of times the Board was notified of control issues (including risk management) and the manner in which such issues were handled by the Board.
 - d. Internal Control failure, weaknesses or contingencies that have affected or may affect Dlala's financial performance and the procedure followed by Dlala in addressing Internal Control failures (especially such problems as disclosed in Dlala's annual reports and financial statements).
 - e. Dlala's compliance with applicable market listing and disclosure rules and requirements.
 - f. Dlala's compliance with Internal Control systems in determining and managing risk.
 - g. All relevant information describing Dlala's risk management operations.
23. Ensure that the Internal Audit Report is prepared every three months and submitted to the Committee and Board.
24. Supervise and monitor the financial, administrative and technical activities of Internal Audit.
25. Evaluate the performance of Internal Auditor.
26. Ensure that External and Internal Auditors are separate legal entities and ensure that all other requirements of appointing External Auditor are applied to the appointment of Internal Auditor including auditor rotation (in cases when the Board decides to outsource Internal Audit function to an external consultant)
27. Coordinate with the Board, Senior Executive Management & Dlala's Chief Financial Officer or the person undertaking the latter's responsibilities.
28. Coordinate between the Internal Auditor and External Auditor, the availability of necessary resources, and the effectiveness of the Internal Controls.
29. Review remarks raised on any of the reports submitted to the Committee and forward them to the concerned departments for follow-up and timely action.
30. Develop rules, through which employees of Dlala can confidentially report any concerns about matters in the financial reports or Internal Controls or any other matters that raise suspicions, where such matter is unethical, illegal or detrimental to Dlala. 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.
31. Consider issues raised by the Dlala's Chief Financial Officer or the person undertaking the latter's responsibilities, or Compliance Officer or Internal Auditors or External Auditors.
32. Oversee Dlala's adherence to professional conduct rules.

33. Ensure all laws and instructions regarding Dlala's activities are duly adhered to.
 34. Ensure that the rules of procedure related to the powers assigned to the Board are properly applied.
 35. Attend the General Assembly.
 36. Consult at Dlala's expense any independent expert or consultant with prior approval from the Board.
 37. Recommend and follow-up all activities related to training, promotion and development of human resources.
 38. Delegate responsibilities to a sub-committee comprising one or more of its members or to Dlala's CEO.
3. Approve all expenses that are beyond the authority of the CEO.
 4. Review the quality and efficiency of the services provided by the Company and recommend ways of improvement and development.
 5. Develop future plans and strategies according to the policies of the Board of Directors.
 6. Supervise and monitor the funds invested by the Company in order to ensure their compliance with the approved policies of the Company.
 7. Develop general guidelines and policies for investments and present them to the Board of Directors.

Executive Committee

The Executive Committee comprises four Board Members and is headed by the Chairman. The membership of the Committee will correspond to the tenure of Board membership.

The members of the Executive Committee are:

- **H.E. Rashid Al Mannai**
Chairman
- **H.E. Sheikh Suhaim Bin Khaled Al Thani**
Member
- **Mr. Ali Hussein Al Sada**
Member
- **Dr. Mohamed Nasser Al Qahtani**
Member

The responsibilities of the Committee as documented in the Board Meeting minutes of 2005 are to:

1. Review the preliminary balance sheet before presenting to the Board of Directors.
2. Approve all agreed upon agreements and obligations that are beyond the authority of the CEO.

Nomination, Remuneration and Governance Committee

Nomination, Remuneration and Governance Committee comprises of three members of the Board. The membership of the Committee will correspond to the tenure of Board membership.

The members of the Committee are:

- **Dr. Mohamed Nasser Al-Qahtani**
Chairman
- **Mr. Ahmed Mohamed Al Asmakh**
Member
- **Mr. George Shehadeh**
Member

Dlala Board formed the Nomination, Remuneration & Governance Committee and approved its terms of reference on 5 October 2010. The responsibilities of the Committee as per its terms of reference are:

1. Report to the Board any matters that, in the opinion of the Committee, necessitate action and to recommend necessary follow-up action.

2. Report to the Board on the matters related to the Committee as outlined in the QFMA CGC and its terms of reference.
3. Consider other issues as determined by the Board.
4. Responsible for the Board nomination process and overseeing the process regarding appointment of Board of Directors.
5. Responsible for formulating and publishing a formal, rigorous and transparent procedure for nomination of Board Members based on the requirements of the Dlala Holding's bylaws (including Articles of Association), QFMA CGC, Commercial Companies Law and other relevant authority.
6. Propose to the Board for amendment to the Articles of Association for approval by the Extraordinary General Assembly of the shareholders, wherever the Committee deems such amendments to be necessary.
7. Establish and publish (after approval from the shareholders in the General Assembly) a remuneration policy, which governs the remuneration of the Chairman of the Board, Board Members and Senior Executive Management based on Dlala's bylaws (including Articles of Association), QFMA CGC, Commercial Companies Law, other applicable regulations and international best practices applicable to Qatar.
8. Define and implement Related Party Policy to govern commercial transactions with the related parties and potential conflicts of interest, with reference to the definition of related parties as included in the QFMA CGC. Such policy to include the requirements as specified in the QFMA CGC.
9. Ensure, in co-operation with the Chairman of the Board, that an annual evaluation of the Board's performance is performed.
10. Prepare and present to the Board for approval – Management succession plan, Induction program for new Board Members, Training process and plan for Board Members, Annual Corporate Governance Report as per requirements of QFMA CGC.
11. Attend the General Assembly. (Article 14.2 – QFMA CGC)
12. Consult at Dlala's expense any independent expert or consultant with prior approval from the Board.
13. Delegate responsibilities to a sub-committee comprising one or more of its members or to Dlala's CEO.
14. Keep the Board updated about the latest developments in the area of corporate governance and industry best practices.

In view of the upcoming Board elections, the Committee has prepared guidelines for the nomination and election of Board of Directors and will ensure that appointments of Board Members are made according to formal, rigorous and transparent procedures.

Board Secretary

Dlala has assigned a Board secretary, who also holds additional responsibility as Marketing and Public Relations Manager. His appointment is confirmed by Board Resolution dated 9

August 2010. Minutes of all Board meetings are maintained and Board resolutions are documented.

Internal and External Auditor

The Board appointed PWC as its outsourced Internal Auditor in November 2009. The Internal Auditor reports to the Board through the Audit Committee. The primary responsibilities of the Internal Auditor (PWC) as documented in the 'Terms of Engagement – Outsourcing of Internal Audit Services' letter dated 16 November 2009 are:

- Prepare and agree a high level risk assessment and annual audit plan

- Agree the scope of work for the review of each project in the audit plan and document this
- Execute the audit planning and field work
- Prepare internal audit reports
- Follow-up agreed actions to assess success by management in implementing these actions

The shareholders at their General Meeting held on 03 April 2011, appointed Ernst & Young as their external auditor.

Internal Control System

The Board is responsible for the internal control system in the Company. The Board has adopted an organizational structure, job descriptions, policies and procedures and a financial and operational delegation of authority to govern the Company's operations. The Board has ensured, through the existing delegations of authority, that no individual has unfettered powers.

During the reporting period, the Internal Auditor has completed audits of Operations/Front Office, IT, Finance, Marketing, HR, Legal as well as Compliance functions.

A dedicated Compliance Department, reporting to the CEO, has been assigned the responsibility

to manage, monitor and report on compliance risk. The Department has designed systems of internal control to monitor compliance with laws and regulations.

A dedicated Legal Department, reporting to the CEO, has been assigned the responsibility to manage, monitor and report on legal risk.

A dedicated Finance Department, reporting to the CEO is responsible for financial affairs of Dlala. Finance Department has designed systems of internal control to initiate, record, approve and report transactions in accordance with International Financial Reporting Standards.

Insider Trading

A Security Trading and Disclosure Policy (including insider trading provisions) was implemented in January 2010. Automated controls are integrated in operational

processes to monitor compliance with the policy, including reporting of trading by Board members, Management and employees through Dlala.

Dividend Policy

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

Board in its meeting on 30th January 2012 has proposed a cash dividend of one Riyal per share (i.e. 10%) for 2011.

Remuneration Policy (Art 30.3)

A provision of QR 800,000 as bonus to Board of Directors has been made for the year 2011. Board remuneration is subject to approval of the General Assembly. A maximum limit of 10% of the net profit can be attributed to bonus distribution. Should the Company not make a profit in the year, a lump sum compensation could be paid out to Board members, provided that the reward for any one Board member does not exceed QR 100,000 per year.

The Board determines Senior Management compensation. The Senior Management compensation is composed of a salary and a performance related bonus. Dlala discloses Board and Senior Management compensation as a part of the Related Party disclosures in the Group's Financial Report.

Compliance and Control Improvements (Art 30.2, 30.6, 30.7, 30.8, 30.9)

The regulatory environment in Qatar is subject to frequent changes. Dlala monitors the regulatory changes and consistently seeks to comply with all new or changed laws and regulations. In addition, Dlala maintains an open and constructive dialogue with regulatory authorities on areas for further improvement.

As per the decisions of the accountability committee followed by the decision of the grievances Committee of the QFMA at its meeting held on April 19, 2011, two subsidiaries of Dlala Holding were fined as follows ; Dlala

Brokerage was fined a sum of five hundred thousand riyals and Dlala Islamic was fined four hundred and fifty thousand riyals, all the necessary disclosures were published on the websites of Dlala Brokerage and Dlala Islamic, Qatar Exchange and Qatar Financial Markets Authority (QFMA).

The aforementioned fines were imposed in consideration with violations to the following articles of QFMA financial services firms rule book: (41), (3) of the second appendix and (80) of QE bylaws.

Next Steps to Achieve Compliance with the QFMA Corporate Governance Code (CGC)

Article 2 of the QFMA CGC requires listed companies to disclose the extent to which they comply with the provisions included in the Code as well as justify and explain the reasons and rationale behind the non-compliances. Dlala has identified the following areas in which further enhancement to its corporate governance practices are required, in line with the provisions of the Code:

1. **Nomination, Remuneration and Governance Committee**

The Committee, in co-operation with the Chairman of the Board, will conduct annual evaluation of the Board performance including assessment of the performance of the Board and senior management in implementing the Internal Control systems and identification of the number of times when the Board was notified of control issues (including risk management) and the way such issues were handled by the Board.

The Committee is currently preparing a formal remuneration policy for Board approval to govern the remuneration of the Chairman of the Board, Board Members and Senior Management. The policy will include provision to ensure that the remuneration practices consider the long-term performance of Dlala, and will be published once adopted.

2. **Risk Management**

The BOD assumes full responsibility for the development of strategic risks and the application of the relevant principles, frameworks and policies. To further enhance its risk management practices, Dlala will continue moving forward establishing the risk function within the company; the risk function is well considered in the company's alignment of its departments in an HR project to be delivered by an external consultant.

The Board will retain overall oversight and governance responsibility for risk management, supported by the Board Audit Committee and the Risk Management function.

3. **Board Secretariat**

The Board Secretary will ensure that the Board and Committee Members receive the information to be discussed in the Board or Board Committee meetings at least one week in advance of the meeting date to ensure adequate preparation time.

4. **Investor Relation**

In support of Dlala's Management Commitment to establish transparent and close communication with the shareholders, clear and comprehensive access to information procedures for shareholders is currently being prepared and published.

5. **Related Party Policy and Conflicts of Interest**

A Related Party policy to govern commercial transactions with related parties, potential conflicts of interest, related practices and disclosures, is prepared and under the approval process from Governance Committee of the Board of Directors.

6. Process improvements

Succession plan is one of the items in the scope of the consultation agreement with an Independent Consultant (KPMG), appointed for designing and implementing HR Processes

Dlala will design and implement the following governance processes:

- A training process and plan for Board members.
- A process to prepare and issue an annual Corporate Governance Report.
- A process to monitor auditor rotation and independence.
- A mechanism will be designed and implemented to enable employees to report behavior that is suspicious, illicit, unethical or detrimental to the Company; while ensuring the confidentiality of the information received and the protection of the whistleblower.

7. Policies and Procedures

The existing governance documentation, complemented with all supporting documents required such as charters, terms of reference and policies and procedures were completed.

To reflect existing practices, all policies and procedures within Dlala Holding and its subsidiaries are to be evaluated and reviewed by an external consultant.

Rashid Al Mannai
Chairman

Annex 1 – Presentation of our Board Members



H.E. Mr. Rashid Ahmed Hamad Al Mannai
(Chairman)

- His Excellency holds a Bachelor’s Degree of Business Administration with major in Financial Management, enjoys extensive experience in the financial sector, participated and attended many forums and conferences locally and internationally as well, and has extensive knowledge in the field of investment within financial markets locally and internationally.
- Served as Assistant Director of Marketing Department at Doha Bank; also served as Chief of Information Unit at the Department of Passports and Expatriates Affairs.
- Currently heads the Executive Committee of Dlala Holding.



H.E. Sheikh Dr. Hamad Bin Nasser Al-Thani
(Vice Chairman – Representing Qatar Foundation for Education, Science and Community Development)

- His Excellency holds an MBA in Financial Planning from the University of Wales and his PhD in Industrial Project Management in 1996.
- His Excellency heads prominent organizations across a number of sectors. He currently holds the position of Economic Advisor at the cabinet; he is also a Chairman of Board of the Qatari-German Company for Medical Devices; Chairman of the Future Company for Pipe Industries and Board Member of the Qatar Foundation for Education, Science and Technology. He is a former CEO of Qatar Development Bank.
- His Excellency chairs Dlala’s Audit Committee.



Mr. Abdul Rahman Ahmad Al Mana
(Board Member – Representing the Education and Health Fund of the Ministry of Economy and Finance)

- Mr. Abdul Rahman Al Mana holds a Bachelor’s Degree in Finance and Economics.
- Currently, he is an Investment Analyst in Assets Management Department at the Qatar Investment Authority; he also enjoys an extensive experience in the financial sector; he also participated in many economic and investment forums and conferences in the State of Qatar.
- He is a member of Dlala’s Audit Committee.



Ms. Moza Mohammed Juma Al Fuddalla Al Sulaiti
(Member of Board – Representing the Pension Fund of the General Authority for Retirement and Social Insurance authority)

- Ms. Sulaiti holds a Master’s Degree in Banking and Finance from the University of Salford, UK.
- Ms. Sulaiti is currently the Director of Planning and Research/Deputy Director of the Fund Accounts Bureau at the General Authority for Retirement and Social Insurance since 2009; before that she was working at the Diwan of Accounting since 1993; also participated in many economic and investment forums and conferences in the State of Qatar.
- She is a member of Dala’s Audit Committee.



H.E. Sheikh Suhaim Bin Khaled Bin Hamad Al Thani
(Board Member)

- HE Sheikh Suhaim Bin Khalid Bin Hamad Al Thani holds a Bachelor’s Degree in Business Administration from the University of Plymouth in Britain.
- His Excellency has worked at HSBC and Deutsche Bank.
- His Excellency has a number of courses in business, finance and banking.
- A member of the Executive Committee of Dala Holding.



Dr. Mohamed Nasser Mohamed Nasser Al-Qahtani
(Board Member)

- Dr. Mohamed Al-Qahtani has a Ph.D. in International Trade Law from the University of Durham, United Kingdom in 2009, in addition to a Master’s Degree in International Trade Law from the University of Northumbria at Newcastle in the United Kingdom. He also attended and participated in many forums, conferences, locally and internationally in the fields of law and economics.
- Dr. Mohammed Al-Qahtani is currently the Vice CEO, the Director of Administrative Affairs & HR, Member of the Investment Committee and the Tenders Committee at Al Meera Company since 2010. He is also a Board Member of the Qatar Meat & Livestock Co. “MAWASHI”. He also has served as Chief Procurement Officer at Qatar Liquefied Gas Co., Ltd. “Qatargas”; in addition to that he served as an Acting Director of the Department of Procurement and Contracts of Doha Asian Games in 2006, and previously worked at the Ministry of Interior Affairs in the rank of captain.
- He is the Chairman of the Nomination, Remuneration & Governance Committee of Dala Holding.



Mr. George Shehadeh
(Board Member – Representing Amwal Company)

- Mr. Shehadeh holds a Bachelor’s Degree in Economics from University College London, U.K. He is a graduate of the Harvard Business School Executive Program.
- Mr. Shehadeh is the Chief Executive of Amwal. Prior to joining Amwal, he was the Managing Director of Principal Investment at SHUAA Capital in Dubai where he was responsible for the company’s proprietary investment within the region and globally. He was a member of Board of Directors of Amwal since 2007 and SHUAA Capital Saudi Arabia J.S.C., a company regulated by Capital Markets Authority in Saudi Arabia. He also co-founded and acted as a CEO of intrinsic Asset Management in London managing both traditional and alternative investment funds.
- Member of Dlala’s Executive Committee.



Mr. Ahmed Mohamed Ali Ibrahim Asmakh
(Member of the Board and the Managing Director)

- Mr. Ahmed Asmakh holds a Bachelor’s Degree in History from the University of Qatar in 2002.
- Mr. Ahmed Asmakh currently is a Second Secretary at the Ministry of Foreign Affairs since 2003; he also enjoys wide experience in the financial securities field in the local and international markets.
- Member of the Nomination, Remuneration & Governance Committee of Dlala Holding.



Mr. Ali Hussein Ali Al Sada
(Board Member)

- Mr. Ali Al Sada enjoys wide experience in the financial securities field.
- Mr. Ali Al Sada, as a businessman, manages a wide range of private investment. He is also a Board Member and an Executive Committee Member at the Qatar National Bank “QNB” since 1998, Board Member at Qatar Navigation company, and a Board Member of Halul Marine Services Ltd. a wholly owned subsidiary of Qatar Navigation, and also a Board Member of several companies outside the State of Qatar in the UAE, Bahrain and Syria.
- Member of Dlala’s Executive Committee.