



Corporate Governance

for the financial year ending 31 December 2017

Ladies and Gentlemen, Esteemed Shareholders,

It honours me to present to this meeting the Corporate Governance Report of Qatar Navigation Q.P.S.C (Milaha) covering the fiscal year ending 31 December 2017. The Corporate Governance Report has been prepared in accordance with the requirements of Articles (1 - 4) of the Governance Code for Companies & Legal Entities listed on the Main Market issued by the Qatar Financial Markets Authority (QFMA) on 10th November 2016 and other relevant laws and regulations of the State of Qatar. Generally the new Governance Code issued by QFMA requires that Milaha, among the listed companies, shall prepare and present this report to the shareholders of the company annually at the General Assembly meeting.

For the benefit of the new shareholders and investors, the report has some information repeated as stated in the Corporate Governance Report of previous year, which the Company is presenting again in compliance with regulatory requirements.

Furthermore, the new Governance Code issued by QFMA states that it shall come into force six months after the date of publishing same in the official gazette, i.e. as from 15 November 2017. However, in December 2017 QFMA gave its approval for extending the grace period allowed to listed companies for reconciling their positions by six more months ending 14 May 2018. It honours us to say that Milaha is in conformity with the new Governance Code. The Board of Directors continuously, in cooperation with the executive management, takes all measures necessary for enhancing prime management and disclosure in order to ensure the confidence of Milaha shareholders and investors.

Thank you,

Ali bin Jassim bin Mohammad Al-Thani
Milaha Chairman

BRIEF HISTORY

Qatar Navigation Q.P.S.C ("Mlaha" or "the Company") was incorporated on 5TH July 1957 as a Qatari Shareholding Company; its shares are publicly traded in Qatar Exchange. The company's operational and commercial activities include marine transport, acting as agent for foreign shipping lines, providing overseas services, selling of transport vehicles and industrial equipment, repairing ships, manufacturing and installation of offshore facilities, conducting land transport, vessel chartering, and investing in real estate. In March 2016, the extraordinary General Assembly of the Company approved the activity of "Truck trading, and owning, selling, hiring, and leasing of all types of trucks." Moreover, Milaha has expanded its Offshore Marine services by establishing an overseas branch company in Singapore for undertaking the operations of offshore services in South East Asia. The Company already has branches in some GCC countries which are engaged in some activities of Milaha.

The Company acquired all the shares of Qatar Shipping Company in 2010. Prior to that, the Company already owned 15% of Qatar Shipping Company. The remaining 85% of the share capital was acquired in 2010. As a result of the acquisition, the Company gained full ownership of Halul Offshore Services Company as well, subsequent to the acquisition of Qatar Shipping Company.

The authorized and fully paid up capital of the Company amounts Qatari Riyals 1,145,252,000 distributed over 114,525,200 shares; the total number of shares. Currently, the total number of Company employees approximates 2,971.

1. INTRODUCTION

The Company's Corporate Governance requires ratifying of certain regulations and processes necessary for implementing the policies, procedures and measures that will establish relations between the management and the stakeholders. The objectives of Corporate Governance are maximizing the returns to the stakeholders and various parties through exercising effective guidance on and control over the Company's activities, while maintaining integrity and objectivity. In broader terms, governance describes why developing of an organizational structure can enable a company to better manage its resources within a legal framework. It also describes how adopting international standards will enable a company to realize transparency, integrity, and trust in the Company's financial statements and thereby boost the confidence of debtors and lenders in the company and encourage them to enter into transactions with the Company in line with their strategies. Qatar Navigation believes that applying a proper corporate governance framework and principles is essential to assist the Company in achieving its goals and realizing better performance. This framework would improve the company's work environment internally and externally, safeguard the interests of the shareholders, and assist the company in distributing the roles and responsibilities perfectly. It would also inevitably lead to reflecting the real meaning of the principle of priority to public interest, company's interest, and stakeholders' interest before any other interest.

2. COMPLIANCE WITH GOVERNANCE PRINCIPLES

Qatar Navigation is committed to strengthening its Corporate Governance practices in line with local and global standards. The Board of Directors is developing proper governance rules which involve the highest standards of independence, supervision, and transparency in order to maintain the confidence of current and future investors. In order to substantiate this commitment, the Board sought the help of an international firm for developing a mechanism for monitoring the adherence to corporate governance practices as dictated by the new QFMA Corporate Governance Code and using it for improving the control on a regular basis. The Governance report sheds light on the main elements of the control system which have been designed and implemented for the fiscal year from 1 January 2017 to 31 December 2017. Further, the Board is committed to periodically review its policies, charters, and internal processes which should be followed by the Board members, high executive management, and all employees.

3. BOARD OF DIRECTORS

The Company's Governance system includes the Board of Directors' charter adopted by the Board members, which is compatible with some provisions of the new QFMA Corporate Governance Code incorporating the duties and responsibilities of the Board. One of the most important trustworthy duties of the Board of Directors is that the board members should always be faithfully loyal to the interests of the Company and its shareholders. This duty requires the Board members to side with the interests of the Company and shareholders counter to their personal interests. The Board of Directors is required to rely on clear and transparent information and with due diligence, and to act effectively to the interest of the Company and shareholders. The Board is currently updating the charter of the Board of Directors in order to incorporate all the roles and obligations provided for in the new QFMA Corporate Governance code

The Board of Directors is also responsible for directing the general investment policy of Milaha, supervising the company's management activities, and approving the Company's strategic targets. The Board is entrusted with full powers and authorities, under Qatar's Commercial Companies Law and the Company's Articles of Association, for managing and steering the whole of the Company's business.

3.1 Formation of Board of Directors

The Board of Directors consists of eleven members, and the membership term for each Director is three years. A Board member may be reelected more than once as per the Company's Articles of Association and the Commercial Companies Law. The Board of Directors' current term began in April 2015 for a period of three years (2015-2016-2017).

The following table shows information about the Board members:

No.	Board member and entity he represents	Position in Milaha Board	Number of shares represented	Other information
1.	Sheikh Ali bin Jassim bin Mohammad Al-Thani	Chairman	101,574	H.E. Sheikh Ali bin Jassim Al-Thani has been a member of Milaha's Board since 2003. He is also a director with Qatar Investment Authority, and a board member of each of Masraf Al-Rayan Bank and Qatar Insurance & Reinsurance Company.
2.	Sheikh Khalid bin Khalifa bin Jassim Fahad Al-Thani; representing Qatar Petroleum	Vice Chairman	9,863,964	H.E. Sheikh Khalid bin Khalifa bin Jassim Al-Thani has been a member of Milaha's board since 2012. He is also the Chief Executive Officer of Qatargas Operating Co. Ltd and Chairman of Qatar Diar Company and Chairman of Gulf International Services.
3.	Sheikh Jassim bin Hamad bin Jassim Jabor Al-Thani	Member	144,403	H.E. Sheikh Jassim Hamad bin Jassim Al-Thani has been a member of Milaha's Board since 2000. He is also the chairman of QIB, and a board member of each of Qatar Insurance Company.
4.	Mr. Adil Ali Bin Ali; representing M/s Ali Bin Ali Establishment	Member	1,863,034	Mr. Adil Ali Bin Ali has been a member of Milaha's Board since 1994. He is also the President of Ali Bin Ali Establishment, and a board member in each of Doha Insurance and the Qatar Electricity and Water Company.
5.	Mr. Sulaiman Haidar Sulaiman	Member	40,000	Mr. Sulaiman Haidar Sulaiman has been a member of Milaha's Board since 2003. He is also the chairman of Sulaiman Brothers' Company, and a board member of Gulf International Services.
6.	Mr. Ali Ahmed Al Kuwari	Member	51,000	Mr. Ali Ahmad Al-Kuwari has been a member of Milaha's Board since 2005. He is also the CEO of QNB Group, vice-chairman of Qatar Exchange board of directors, and a board member of Nakilat representing Qatar Navigation.
7.	Mr. Saad Mohammad Saad Al-Romaihi	Member	46,000	Mr. Saad Mohammad Saad Al-Romaihi has been a member of Milaha Board's since 2010. He is also a staff member of the Amiri Diwan, and a board member of Qatar Manufacturing Industries Company.
8.	Mr. Ali Hussain Al-Sada	Member	1,295,180	Mr. Ali Hussain Al-Sada has been a member of Milaha's Board since 2010. He is also the managing director of Al-Ruwais Real Estate & Investment Company, and a board member of each of QNB and Dlala Brokerage Company.
9.	Mr. Hamad bin Mohammad Al-Mana	Member	969,262	Mr. Hamad bin Mohammad Al-Mana has been a member of Milaha's Board since 2009. He is also the vice-chairman & managing director of Mohamed Hamad Al-Mana Group; and a board member of each of Doha Bank and Qatar Insurance & Reinsurance Company.
10.	Dr. Mazen Jassim Mohammad Jaidah	Member	98,326	Dr. Mazen Jassim Mohammad Jaidah has been a member of Milaha Board since 2009. He is also the president of the executive council of Jaidah Holding, and a board member in Qatar Foundation.
11.	Mr. Salman Abdullah Abdulghani	Member	84,824	Mr. Salman Abdullah Abdulghani Al-Abdulghani has been a member of Milaha's Board since 2015. He is the president of the Council of Trustees and a project consultant of the board of directors of Hadara. Additionally, he is a board member of Qatar Electricity and Water Company representing Qatar Navigation.

3.2 Powers of the Board of Directors

The Board of Directors has the widest authorities necessary for reviewing and drawing the Company's strategic goals and targets, and it is responsible for achieving these objectives and targets by monitoring the implementation of the policies, through the executive management. Under Qatar's Commercial Companies Law and the company's Articles of Association, the Board of Directors invites the shareholders to the ordinary or extraordinary general assembly meetings in order to obtain their approval on the issues and resolutions which are not within the Board's authority. The Chairman will practice his responsibilities independent of the responsibilities of the Company's President & CEO, who is appointed by the Board of Directors. The organizational structure of the Company reflects the official responsibilities of either of them separately.

3.3 Duties of the Chairman

According to the Company's Articles of Association and the Board's Charter, the duties of the Chairman include, for example but not limited to, steering of the Board's work efficiently and effectively, including that he should make sure that the Board members are obtaining timely full information about the Board's work, and that essential issues are discussed properly and effectively as per the agenda of each meeting, and that any issue proposed by any Board member is taken into consideration. The Chairman may delegate this role to another Board member.

3.4 Meetings of the Board

The Board holds its periodic meetings according to a schedule pre-approved by the Board. At least six meetings per annum should be held, under the provisions of the company's Articles of Association, and if necessary and on emergency grounds the Board may pass resolutions off meeting which shall be approved later on as per the Qatari Commercial Companies Law.

A Board meeting is held upon a call from the Chairman or his deputy in the Chairman's absence. Also a meeting must be invited to when two Board members request a Board meeting to be held. Such invitations should be sent at least seven days ahead of the scheduled meeting date along with a detailed agenda of the meeting. In the fiscal year ending 31 December 2017, the Board of directors held seven meetings, in addition to some resolutions adopted off-meeting.

3.5 Secretary of the Board

The Board has appointed a Board Secretary working under the direct supervision of the Board's Chairman. The secretary has a Certified Accountant certificate, extensive work experience in Milaha, managing the affairs of listed companies, in addition to his experience in corporate governance processes and board of directors secretariat, for example without limitation preparing the Board meeting agenda, ensuring that the invitations for Board meetings are delivered to all Board members, as well as recording, maintaining, and distributing the Board resolutions to the relevant departments after the Board approves them. The Secretary is also required to follow up on the execution of the Board resolutions and shall present a report on the results to the Board in every meeting for review and ensuring that all resolutions issued by the Board are executed, otherwise he shall provide the reasons of failure to execute the resolution(s). The Secretary is also responsible for distributing the relevant company information as requested by members of the Board.

The Board members have the right to utilize the services of the Board's secretary and his advice. The Board's Secretary can be appointed or dismissed only by a Board of Directors' resolution.

3.6 Board of Director's Remuneration

The remuneration for the Board members is determined under Article (40) of the Company's Articles of Association and Article (119) of Qatar's Commercial Companies Law. Moreover, the Board recommends the amount of cash compensation for the Board members assigned with management responsibilities in the Company.

3.7 Duties and Other Obligations of the Board

- Ensuring the attendance of the members of the Executive Committee, Incentives & Remuneration Committee, Nomination Committee, Audit Committee and the internal auditor, and representatives of the external auditors in the General Assembly Meetings.
- The Board shall hold induction session for the new Board members including a visual display in order to ensure that they understand the Company's activities and operations, and become fully aware of their obligations.

- The Board members are responsible for understanding their roles and duties and for having knowledge about financial, commercial, and industrial issues, and about the operations and activities of the Company. For this purpose, the Board shall approve and implement adequate and official training courses aimed at augmenting the skills and knowledge of the Board members.
- The Board members should always be aware of the latest developments in the area of governance and of the best relevant practices.
- The Board members are committed to attending the meetings of the Board regularly. In the event of absence, the provisions of Article No. (36) of the Company's Articles of Association and the Board's Charter will be applied.

3.8 Appointing the Board Members

As per the conditions mentioned in the Commercial Companies Law and the Company's Articles of Association, the following should be observed:

- Nomination and appointment of the Board members should take place in accordance with the procedures stated in the Commercial Companies Law and the Company Articles of Association.
- The Board of Directors formed a Nomination Committee in 2014 which has been re-formed in 2015 from among the Board members prior to the next election of the Board members. The Nomination Committee is required to verify the applications of nomination for the membership of the Board of Directors, ensure the application's conformity to the conditions provided for in the Commercial Companies Law, Company's Articles of Association, as well as the stipulation of Clause no. (5) of the Governance charter. (The nomination through the Committee does not prevent any shareholder of the company from standing by himself or from being nominated to the election)

- Nomination should take into account, among other things, the ability of candidates to give ample time for carrying out their duties as Board members, in addition to their skill, knowledge, experience, and their professional, technical and academic qualifications, and personality. Nominations should also take into account "the appropriate guidelines for nominating the Board members" which are subject to changes by the Authority from time to time.

4. BOARD OF DIRECTORS COMMITTEES

The Board of Directors establishes Committees reporting to Board. The performance of each of the committees is assessed by the Board based on standards set in the Governance Charter. Generally, the Board committees do assist the Board in carrying out its duties, and carrying out the overall responsibilities of the Board in managing the Company.

The Board of Directors has established four committees for assisting the Board and facilitating the execution of the Board's obligations and responsibilities. The committees were:

- Executive Committee
- Audit Committee
- Incentive and Remuneration Committee
- Nomination Committee

The tables below show the formation of the Committees with brief description of the duties assigned to each:

4.1 The Executive Committee

This committee was initially formed in March 2009, and then re-formed in the subsequent terms of the Board. The most important duties of the Committee, according to the Executive Committee's Charter Is overseeing the investment activities, value of which is above the authority limit of the Chairman and the Chief Executive Officer, for protecting the interests of the Company from any potential risks. Names of the Executive Committee members are:

No.	Name of the Member	Position
1.	Sheikh Khalid bin Khalifa Al-Thani	Vice Chairman – Chairman of the Executive Committee
2.	Sheikh Jassim bin Hamad bin Jassim Jabor Al-Thani	Board member – Member of the Executive Committee
3.	Mr. Adil Ali Bin Ali	Board member – Member of the Executive Committee
4.	Mr. Ali Ahmed Al-Kuwari	Board member – Member of the Executive Committee
5.	Mr. Hamad bin Mohammad Al-Mana	Board member – Member of the Executive Committee

4.2 The Nomination Committee

The Nomination Committee was formed in the last quarter of 2014, then re-formed in 2015. The duties of the committee include verifying the nominations for membership of Board of Directors and ensuring that the applications meet the prescribed conditions and controls under Qatar's Commercial Companies Law, Company's Articles of Association, and corporate governance code. The Nomination Committee presents its recommendation on proposing these applications for election in the General Assembly meeting. The Nomination Committee members are as follows:

No.	Name of the Member	Position
1.	Mr. Saad Mohammad Al-Romaihi	Board member – Chairman of Nomination Committee
2.	Dr. Mazen Jassim Jaidah	Board member – Member of Nomination Committee
3.	Mr. Ali Hussain Al-Sada	Board member – Member of Nomination Committee

- The Nomination Committee should approve and publish its scope of work in a way which accurately describes its authority and its role, in accordance with the Nomination Charter approved by the Board of Directors.
- The role of the Nomination Committee will include conducting an annual self-assessment of the Board's performance. A Board self-assessment mechanism has been developed.
- The Nomination Committee must observe any conditions or requirements in connection with nominating, electing, or appointing Board members issued by any other authority.
- The Board of Directors is currently updating the nomination committee's Charter to include the changes required by the new Corporate Governance Code.

4.3 Incentive and Remuneration Committee

This Incentive and Remuneration Committee was formed by the Board in September 2010, and then it has been repeatedly re-formed in all subsequent terms of the Board. Its duties include setting the remuneration policy for Board members and Company's employees, and ensuring proper implementation of these policies. The remuneration for the executive management will be based on the profit recognized at the end of the fiscal year. The Incentive & Remuneration Committee members are as follows:

No.	Name of the Member	Position
1.	Mr. Adil Ali Bin Ali	Board member - Chairman of the Remuneration Committee
2.	Mr. Saad Mohammad Al-Romaihi	Board member – member of the Remuneration Committee
3.	Mr. Sulaiman Haider Sulaiman	Board member – member of the Remuneration Committee

The Board of Directors is currently updating the Incentive and Remuneration committee's Charter in order to include the changes required by the new Corporate Governance Code.

4.4 The Audit Committee

This committee was initially established in 2003, and since then, it has been repeatedly restructured in all subsequent terms of the Board. The duties of the committee include assisting the Board in carrying out its supervisory responsibilities by reviewing the financial statements presented to the shareholders and other relevant parties. The Audit Committee also oversees and reviews the findings and comments in the audit reports prepared by the Internal Audit and the External Auditors. The committee monitors the Departments' compliance with the Board policies and applicable laws, regulations, and instructions. The committee also submits the Board periodical reports about the results of its activities. The Committee does not include any member formerly employed by the Company's external auditor. The committee held four meetings in the year 2017. The Audit Committee members are as follows:

No.	Name of the Member	Position
1.	Mr. Sulaiman Haider Sulaiman	Board member – Chairman of Audit Committee
2.	Dr. Mazen Jassim Jaidah	Board member – Member of Audit Committee
3.	Mr. Salman Abdullah Abdulghani	Board member – Member of Audit Committee

The Board of Directors is currently updating the Incentive and Remuneration committee's Charter in order to include the changes required by the new Corporate Governance Code, e.g. the number of meetings of the Audit Committee

In addition to the Board committees, as part of the overall governance framework, the Company has formed management committees to oversee the main business activities.

5. THE INTERNAL AUDIT

5.1 Internal Audit Plan

At the beginning of every fiscal year, the Internal Audit Department prepares a risk based internal audit plan and an audit program and presents both to the Audit Committee for approval.

The audit plan and audit program cover all of the Company's business units; no activity is excluded from the scrutiny of internal audit. The internal audit staff members have full freedom for examining all documents or records they deem necessary for carrying out their obligation.

The Internal Audit Department is responsible for executing the audit plans and programs approved by the Audit Committee and submitting periodic reports which include their observations and recommendations to the Audit Committee. The Audit Committee periodically presents reports to the Board on the significant audit issues and provides assurance to the Board about the existence of a sound internal control system in the Company.

5.2 Roles and Responsibilities of the Internal Audit Department

The Internal Audit Department is responsible for providing Milaha's Board of Directors, through the Audit Committee, with reasonable assurance on the effectiveness of the governance system, internal controls, and risk management systems pertaining to Milaha and all its subsidiaries.

- The Internal Audit Department enjoys full independence in order to carry out its duty without limitation and to express its opinion objectively, by reporting directly to the Audit Committee formed by Milaha's Board of Directors. The management of Milaha is supporting the Internal Audit Department in ensuring its independence.
- The Internal Audit Department is responsible for performing an independent review on the Company's financial statements, records, regulations, procedures, and internal regulations in the Company's head office and any other premises of the company, and for submitting the findings to the Audit Committee.
- The Internal Audit department is responsible for evaluating the internal controls responsible for preventing the misuse of the company's assets. The Department also conducts surprise warehouse inventory stock taking and cash counts at different locations.

These activities are conducted to verify the existence of the fixed assets and ensure that they are recorded properly. The Internal Audit is responsible for ensuring that the operational processes are in line with approved policies and procedures which involve robust internal controls corresponding to each process of operations. The Internal Audit plays a role in strengthening the integrity and effectiveness of the various business units of the company.

- The Internal Audit Department is responsible for ensuring that all Company activities are compatible with the Company's policies and procedures, applicable laws in the State of Qatar, and the obligations set out in the contracts signed by the company, and also responsible for ensuring that the Company follows the best standards and business benchmarks.
- The Internal Audit Department is also responsible for evaluating the Company's operational procedures, identifying to what extent the results match the set targets, and identifying how the procedures applied are consistent with the approved plans.
- The Internal Audit Department is responsible for evaluating the design of the Company's electronic data processing systems and for the essential modifications to the current systems necessary for determining the efficiency and effectiveness of the internal control system.

6. THE EXTERNAL AUDITOR

The external auditors are customarily appointed by the General Assembly upon recommendations of the Board of Directors. In the previous General Assembly meeting held on March 2017 the shareholders approved the reappointment of M/s KPMG as the company's external auditor for the year 2017. KPMG are certified auditors working independently from the Board of Directors and the Company's management.

The Company usually ensures the absence of any conflict of interests between the Company and the external auditors before appointing them. If it appeared, after appointment, that the matter had been otherwise, the external auditor should be replaced. The external auditor or any of his staff may not be a member of the Board or occupy any position in the Company.

The external auditors carry out an independent audit of the annual financial statements and a review of the half yearly financial statements prepared as per International Financial Reporting Standards (IFRS). The financial reports are

published in local newspapers in both Arabic and English languages and are also posted on the Company's website and Qatar Exchange's website to allow the shareholders and the public in general to access the Company's information.

The external auditors have the right to examine any of the Company's records, books and documents and to ask for any information deemed necessary to perform their duty as auditor.

Further, the external auditors have the right to attend meetings with the Audit Committee and with the Board. They also attend the General Assembly meetings in order to answer questions raised by the shareholders regarding the Company's financial statements.

7. DISCLOSURES

The Company is completely abiding by QFMA disclosure requirements, as it discloses its major events in Qatar Exchange and in the media according to the instructions of QFMA and requirements of the company's Articles of Association. A summary of the Company's financial statements is usually sent to the shareholders prior to the General Assembly meeting, and likewise the annual report is distributed to the shareholders in the General Assembly meeting. The annual report will include important information pertaining to the Company's activities and the financial statements are prepared as per the International Financial Reporting Standards.

7.1 Shares owned by Board Members and Major Shareholders

Hereby we disclose below the number of shares held by the Board members and by major shareholders as of 31/12/2017:

- Number of shares held by the Board members : 13,677,604
- Number of shares held by major shareholders : 37,903,613

7.2 Capital Structure, Shareholders Rights, and Major Transactions

- Milaha discloses the Capital structure within the Company's Annual Report, which is presented to the shareholders General Assembly according to International Accounting and Auditing standards. The Company's authorized and fully paid-up capital amounts to QR 1,145,252,000 distributed over 114,525,200 shares.
- In the event that substantial transactions are approved, against which the minority shareholders vote, the Board of Directors shall ensure the protection of the minority shareholders.

- The Board is abiding by Article (7) of the company's Articles of Association through a mechanism that ensures equal rights for all the shareholders; as a single shareholder, whether being a natural person or legal person, may not own over 10 % of the share capital

7.3 Conflict of Interests and Insider Trading

In addition to the provisions of Milaha's Articles of Association and the Board of Director's Charter, the company adopts the policy detailed below regarding its transactions, regarding the prevention of the conflict of interests and insider trading:

- The Company's policy for preventing conflict of interests and insider trading comprise general rules and procedures that govern the Company's involvement in any commercial transaction with a related party. In general the company may not enter into any commercial transaction or contract with a related party, without fully observing the terms and conditions provided for in the Commercial Companies Law and the Company's policy on related parties, including the principles of transparency, equity, and disclosure.
- In the event of presenting to the Board's meeting an issue of conflict of interests or a commercial transaction between the Company and a member of the Board or a related party, this matter should be discussed in the absence of the concerned Board member. This member should never participate in voting on the transaction, and the transaction should be made according to market prices and on absolute commercial basis, and without including any conditions adverse to the interests the Company.
- On the occurrence of such transactions they should be disclosed in the annual report be presented in the General Assembly meeting following these commercial transactions.
- The trading in the Company's shares and other securities by members of the Board, executive management and key staff is disclosed. The Company is adopting obvious rules and procedures governing such trading based on the procedures applied in Qatar Exchange.

8. RIGHTS OF OTHER STAKEHOLDERS

- The Company's executive management is safeguarding the rights of the stakeholders and related parties (i.e. shareholders, employees, creditors, clients, customers, suppliers, investors, etc.)

- The Board of Directors effectively ensures the application of the principles of fairness and equality among all employees without discrimination on the basis of race, gender or religion. Also, the higher executive management carries out the role of distributing the incentives to the employees in accordance with the remuneration policy approved by the Board.
- Under the provisions of the Company's Personnel Regulations the executive management is required to encourage the employees by fostering a work environment in the Company, and resolving their problems without adversely affecting their productivity and performance, and encouraging them to unfold their problems freely to their managers.
- The Board has adopted a mechanism allowing the employees of the company to notify the Board about any suspicious behavior which may constitute legal violations or cause damages to the Company. The Board shall ensure confidentiality to such employees and will protect them from any harmful reaction by their managers or other employees.

9. SHAREHOLDER RIGHTS

The shareholders do enjoy the rights secured to them by the Commercial Companies Law and the Articles of Association, and Governance Charter of the Company. Each shareholder who attends the General Assembly meeting has the right to discuss the topics listed in the agenda and direct questions to the Board members and the auditors. The Board members must answer the questions and inquiries raised by shareholders to the extent that does not endanger the Company's interest.

The shareholders also have to exercise their voting rights at the General Assembly meeting, and may also delegate their voting right to another member who is attending the meeting.

The annual General Assembly meeting of shareholders is held in accordance with Articles 46, 47, 48, and 49 of the Company's Articles of Association and provisions of the Commercial Companies Law. The shareholders will receive notification of this meeting beforehand. The notification will be sent to the shareholders, Qatar Exchange, and QFMA and published in the local newspapers and on the company's website. Copies of the Annual Report and the financial statements will be provided to shareholders before the scheduled meeting to enable them to discuss the contents of the report with the Board of Directors.

9.1 Shareholder Rights Regarding Dividends

The Board of Directors presents to the General Assembly a clear policy on the distribution of dividends as per the company's Articles of Association and the Commercial Companies Law, and gives the grounds justifying such policy based on the benefit of both the Company and the shareholders.

9.2 Access to Information

Every shareholder has the right to view the company's Memorandum of Association and Articles of Association and obtain general information about the Company as per the controls provided for in this regard.

Milaha has a website where the Company posts all general disclosures and information, that ought to be announced under law, charter, and related systems.

10. RECORDS OF SHAREHOLDING

- 10.1 The Company maintains up-to-date and accurate records of the shareholdings based on information obtained from Qatar Exchange.
- 10.2 In accordance with the instructions issued by Qatar Exchange to listed companies, the shareholder records are deposited with Qatar Securities Central Depository Authority which is the party responsible for shareholder affairs. The Company has delegated the task of maintaining and organizing this record to QSCDA, in accordance with Articles (159) and (160) of the Commercial Companies Law. Any shareholder has the right to approach Qatar Securities Central Depository Authority for viewing the record book as per the controls issued by Qatar Financial Markets authority.

11. INVESTOR RELATIONS

The Company maintains good relations with the shareholders through open and transparent communication channels. Information is regularly provided to the existing and prospective investors and related parties through the website of Qatar Exchange and various media outlets in addition to the company's website: www.milaha.com The website provides detailed information to the shareholders about the Company's governance, financial statements and other important information. All these can be accessed through the Shareholders & Investor Relations window on the Company's website.

12. COMPLIANCE WITH LAW AND REGULATIONS

The Company is fully compliant with all laws, regulations, and systems applicable in Qatar; and has never been subject to any fine or penalty from regulatory authorities for non-compliance with laws and regulations during the fiscal period. Such fines or penalties, if any, would have impaired the shareholders' rights.