



شركة قطر للتأمين

Qatar Insurance Company

Charter of the Board of Directors

Preamble:

The Company was founded as Qatar Insurance Company SAQ in accordance with the provisions of Law No. (3) for the year 1961 for the organization of joint stock companies by founding Decree No. (1) for the year 1964, dated 11/3/1964 and was recorded in the Commercial Register under the number (20) on 28/3/1964.

The Company is managed by the Board of Directors consisting of (9) nine members, (1) one of whom is appointed by the Government of Qatar whereas the remaining (8) eight are elected by the Ordinary General Assembly of the Company by secret ballot from among the shareholders who own not less than (200,000) two hundred thousand shares. The Directors are appointed for duration of (3) three years with the possibility of being re-elected more than once in accordance with the conditions stipulated in the Commercial Companies Law No. (5) for the year 2002, as amended and the statute of the Company. The Commercial Companies Law and the statute of the company do not have provisions to allow the classification of members of the Board as executives, non-executive and independent Directors.

The Board performs its functions according to the provisions of the Commercial Companies Law and the appropriate provisions of Corporate Governance system laid down by the Board of Directors of the Qatar Financial Markets Authority in its meeting held on 27/1/2009 and international standards of governance including those developed by the Organization for Economic Cooperation and Development Economic (OECD) and Bank for International Settlements (BIS) and the International Network for Corporate Governance (ICGN) and the International Institute of Finance (IIF) and the systems of stock market in Qatar.

In addition to the legislative text contained in the Commercial Companies Law No. 5 of 2002 and its amendment and Company's amended Articles of Association, the Board Charter lays down the membership conditions and method of composition, powers, duties and rights of its members.

This Charter of the Board of Directors of Qatar Insurance Company is a guide for best practice of Corporate Governance system and a framework for performance in order to achieve the vision of the future, through a detailed statement of the functions of the Company's Board and the responsibilities and duties of its members and should be followed by every member of the Board to protect the Company's interests and to achieve its goals.

Article (1)

Preamble is an integral part of this Charter.

Article (2)

The Board of Directors shall ensure the Company's commitment to the best practices and mainly the principles set forth in the system of Corporate Governance issued by the Qatar Financial Markets Authority. The Board shall also review the amendments that may be made by the aforesaid authority.

Article (3)

The Board of Directors shall review and continue to develop rules of professional conduct that embodies the Company's values, policies and internal procedures for all board members and staff and advisors of the company. The principles of professional conduct shall ensure that they reflect best practices and meet the needs of the Company.

Article (4)

The Board shall be collectively responsible to manage the Company in an appropriate manner, approve the strategic objectives of the Company, appoint senior executive management and replace them and determine their remuneration and review management performance and ensure the planning for the success of the Company.

Article (5)

The Board of Directors shall ensure Company's compliance with laws and relevant regulations, and the Company's statute, and all the disclosure requirements are complied with. It shall adopt clear procedures governing the entry of the Company in any business, any major contract with a related party, ensure the achievement of the principles of transparency, fairness and disclosure. It also bears the responsibility to protect the Company's interest and avoid business practices which are illegal or arbitrary or inappropriate.

The Board shall ensure that there is a website for the Company which publishes the disclosures and all relevant information as required under applicable laws or regulations.

Article (6)

The Board of Directors may delegate some of its powers to special committees to perform specific operations, in accordance with written instructions. Notwithstanding the above, the Board remains responsible for all the powers or authorities mandated. The Board may decide to use powers it deems necessary including the use of experts and consultants and determine their remuneration.

Article (7)

Chairman of the Board shall be responsible for the proper functioning of the Board in a manner appropriate and effective.

Article (8)

The Chairman of the Board shall not be the Chief Executive Officer of the Company nor member of any committee or sub-committees of the Board.

Article (9)

The Chairman of the Board of Directors:

- 9.1 Shall make sure that the Board discusses all key issues and topics raised in an effective and timely manner.
- 9.2 Approve the agenda for each meeting of the Board of Directors, taking into account any issue raised by any member of the Board. The Chairman may delegate this task to a member of the Board, however, remains responsible for that member to do this task in an appropriate manner.
- 9.3 Encourage all Board members to participate fully and effectively in the conduct of the affairs of the Board as required in the Company's interest.
- 9.4 To ensure effective communication with shareholders and the delivery of their views to the Board.
- 9.5 To allow members of the Board, in particular, to encourage active participation and develop constructive relations between them.
- 9.6 To ensure access for members of the Board to information, documents and records relating to the Company, and ensure that the executive management of the Company provides the Board and its Committees documents and information required.
- 9.7 To ensure an annual assessment of the performance of the Board members.

Article (10)

The Board shall hold its meetings on a regular basis so as to ensure the effective carrying out of its duties. The number of meetings must not be less than the minimum number of (6) six meetings required to be held in a year.

The Board shall meet at the invitation of the Chief Executive or upon the written request of (2) two of its members, and must send the invitation for the meeting with the agenda at least one week from the date of the meeting with a right to each member of the Board to add any item to the agenda.

Article (11)

11.1 The Board shall appoint a Secretary for keeping minutes of all Board meetings. The Secretary shall keep records, books and reports submitted to the Board and should under the authority of the Chairman of the Board ensure proper receipt and distribution of information and co-ordination among members of the Board and between the Board and other stakeholders, including the company's shareholders, management and staff.

11.2 The Secretary of the Board shall make sure that Board members have full access to all minutes of Board meetings and other information and documents and records relating to the Company.

11.3 It should be able for all members of the Board to use the services of the Secretary.

11.4 A Secretary shall be appointed or removed only by a decision of the Board.

- 11.5 The Secretary should preferably be a member of the recognized body of professional accountants or a member of the recognized or Chartered body of Corporate Secretaries or a lawyer or should hold a degree from a recognized university, or equivalent and have at least (3) three years experience in handling public companies listed in a market.

Article (12)

A member of the Board shall;

- i. Possess the knowledge, skill and information concerning the activities of the company.
- ii. Have the ability to protect the interests of the Company and achieve its goals.
- iii. Maintain confidentiality of the information which comes to his possession by virtue of his Board membership, and to favor the company's interest when a conflict of interest situation arises, and deal with transparency in the securities of the company.
- iv. To give his separate opinion in matters under discussion.
- v. To have enough time to do his duties towards the Company and to regularly attend board meetings and shareholders' meetings, unless he has reasonable grounds to prevent him from attending the meetings which are communicated in writing to the Secretary of the Board prior to the meeting in due time.
- vi. To be careful in the performance of the functions of the Board and to act in the interest of the Company and to comply with the powers granted to him.

Article (13)

A member of the Board must consider the following in exercising his roles and responsibilities towards the Company;

- 13.1 Act in good faith and exercise the same caution and care exercised by an ordinary person for his own activities under similar circumstances and work for the Company's interest.
- 13.2 Take appropriate steps to be fully aware of all relevant issues, to work with due care, such as consultation with independent outside experts when necessary and to take independent decisions and know when to vote on matters relating to the Company, as well as be aware of the decisions of the Company and related issues, and require a duty of care to take appropriate steps to oversee the company's management and financial status.
- 13.3 When newly elected, shall access the corporate structure and all management information that would enable him to carry out his responsibilities as a Board member.
- 13.4 Avoid conflict of interest situations and transactions with related parties and to fulfill the duty towards the company and its shareholders, and give priority to the interests of the Company over his own interests, and work in good faith.
- 13.5 Comply with the procedures and guidelines relating to related party transactions particularly while:
 - A) Entering into a transaction with the Company where the Board member or his family members or partners or any other party closely linked to him has a financial interest in the Company.

- B) Carrying out activities which compete with the financial interests of the company, including involvement in the work of a competitor. However this paragraph does not prohibit a concerned party from owning less than (10%) of shares of companies listed on stock exchange, or cases where the conflict is disclosed and approved in accordance with the provisions of applicable law, rules and regulations.
- C) Sees an opportunity which rightfully belonged to the Company unless the Company rejected the offer.
- D) In the case of a conflict of interest situation involving a member of the Board of Directors, that member shall make full disclosure of this conflict and refrain from voting on the subject matter.
- E) Any action which leads to a preferential personal loan when the Company does not grant preferential loans on similar terms to the public.
- F) Any action which constitutes insider trading or unlawful disclosure of confidential information.
- G) Any act or transaction that does not comply with applicable laws and regulations.

Article (14)

The members of the Board:

- 14.1 shall participate in the meetings of the Board and give an opinion on strategic issues, performance and accountability, resources, key appointments and standards of work.
- 14.2 shall give priority to ensure the interests of the Company and shareholders in the event of any conflict of interest.

- 14.3 Participate in the audit committee of the Company.
- 14.4 Monitor the performance of the Company in achieving its goals and objectives agreed upon and review the performance reports, including annual reports and half yearly and quarterly results.
- 14.5 Oversee the development of the procedural rules for the governance of the Company and to oversee the application in line with those rules.
- 14.6 Enhance own skills, experience and develop diverse competencies and qualifications through regular attendance of meetings of the Board and its committee effective participation in public associations and understanding the views of shareholders in a balanced and just and equitable manner.

The majority members of the Board may request the opinion of an independent consultant at the expense of the Company, in respect of any matter of the Company.

Article (15)

Board of Directors shall carry out their activities within the scope of the powers granted to them under the Statute of the company, guidance established by shareholders' resolutions, applicable laws and relevant regulations. The Board members shall have the sole responsibility for losses incurred as a result of exercising powers in excess of those granted to them.

Article (16)

A member of the Board may depute one of his colleagues in the Board to attend meetings of the Board, and may not be represented in the Board by more than one member.

Article (17)

In addition to the remuneration which the Board members are entitled to at the end of each financial year, the Board of Directors may decide to allow sitting fees for the Board members for attending Board meetings or meetings of any Committees thereof, upon the recommendation of the Business Strategy and Compensation Committee.

Article (18)

Board of Directors shall amend this Charter in line with any amendments to the Corporate Governance system, or any legislative amendments.

Article (19)

The Charter is as on the date of its approval published and made available to the public.



Khalid Bin Mohd. Bin Ali Al-Thani
Chairman & Managing Director



Khalifa Abdulla Turki Al-Subaey
President & CEO

