



Aamal Company Q.P.S.C.
Terms of Reference for the Chairman

1	INTRODUCTION	3
2	ELECTION AND REMOVAL	3
3	REPORTING LINES AND AUTHORITY	4
4	DUTIES AND RESPONSIBILITIES	4
5	PERFORMANCE STANDARDS	5
6	QUALIFICATIONS AND EXPERIENCE	6
7	AMENDMENTS	6

1 INTRODUCTION

1.1 Introduction

- 1.1.1 The chairman of the board of directors has the principal role of providing leadership in supervising and managing the affairs of the board, including ensuring the board is properly organized, functions effectively and meets its obligations and responsibilities. The chairman also ensures that the board approaches its responsibilities in a manner that allows the board to function independently of management, in addition to acting as the primary, but not exclusive, spokesperson for the board.
- 1.1.2 The 'Terms of Reference' (**ToR**) for the chairman is intended to identify the specific responsibilities of the chairman to enhance coordination and communication between the board of directors and management in Aamal Company Q.P.S.C. (referred to as '**Aamal**' or 'the **company**').

1.2 Complementary to law and articles

- 1.2.1 The responsibilities of the chairman identified are to be carried out consistently with the Articles of Association and Memorandum of Association (together, the '**Articles of Association**' or the '**AoA**') of the company, the Commercial Companies Law No. (11) of 2015 (the '**companies law**'), and the provisions of the Governance Code for Companies and Legal Entities Listed in the Main Market (the '**code**') issued by the Qatar Financial Markets Authority ('**QFMA**' or the '**authority**') under decision No. (5) of 2016 and other governance documents.

1.3 ToR online

- 1.3.1 These ToR for the chairman are posted on the company's website.

2 ELECTION AND REMOVAL

2.1 Election by the board

- 2.1.1 The board shall elect a chairman and a vice-chairman from among its members for a term of 3 years.
- 2.1.2 The election will be coterminous with the director's term of appointment.
- 2.1.3 The vice-chairman replaces and assumes the powers and duties of the chairman when the chairman is absent.
- 2.1.4 The chairman may delegate some of his/her powers to another board member or an executive manager of his/her choice.
- 2.1.5 The chairman or a vice-chairman cannot be, whether in person or in another capacity, board chairman or vice-chairman for more than two companies whose headquarters are located in the State of Qatar.
- 2.1.6 The chairman position shall not be combined with any other executive position in the company.
- 2.1.7 The chairman shall not be a member of the Audit Committee, the Nomination and Remuneration Committee.

2.2 Reelection

- 2.2.1 Before reelecting the chairman of the board, the board must carefully consider his/her past performance on the board.

2.3 Removal

- 2.3.1 The removal of the chairman shall be, as per the provisions of the Board Charter.
- 2.3.2 The board may remove and replace the chairman of the board by resolution.
- 2.3.3 The chairman may withdraw from the chair of the board by written notification to the board.

3 REPORTING LINES AND AUTHORITY

3.1 Reporting lines

- 3.1.1 The chairman is accountable to the shareholders and stakeholders of Aamal.

3.2 Authority

- 3.2.1 The chairman has the authority to set the board meeting agendas.
- 3.2.2 The chief executive officer (referred to as 'CEO') will have an administrative reporting line to the chairman.
- 3.2.3 The chairman will act as a conflict resolver and attend to disputes within the board members or board committees' members.

3.3 Separation of chairman and CEO roles

- 3.3.1 In accordance with the QFMA Code, the role of the chairman and CEO are distinct and separate. The same person should not hold or exercise the positions of chairman and CEO at the same time. The division of responsibilities between the two positions is made clear in Aamal and the ToR for the CEO are defined separately.
- 3.3.2 In all circumstances, there should be a limitation on one person in the company to have unfettered powers to make decisions.

4 DUTIES AND RESPONSIBILITIES

4.1 Duties

- 4.1.1 The chairman is primarily responsible for the activities of the board and its committees. He/she shall act as the spokesman for the board and is the principal contact for the CEO. The CEO and the chairman of the board shall meet regularly.
- 4.1.2 The chairman chairs the board meetings, coordinates work within the board and attends to the affairs of the board externally.
- 4.1.3 The chairman shall regularly maintain contact with the board, and consult with them on strategy, business development and risk management of the company. The chairman will be informed by the board, without delay, of important events which are essential for the assessment of the situation and development, as well as for the management of the company.

4.2 Responsibilities

The primary responsibilities of the chairman include, as a minimum:

- 4.2.1 Providing leadership to the board, chair board meetings and ensuring that appropriate issues are addressed in a timely manner.
- 4.2.2 Ensuring the proper functioning of the board in an appropriate and effective manner.
- 4.2.3 Coordinating the agenda, information packages and related events for board meetings in conjunction with the board secretary.
- 4.2.4 Approving the agenda of the board meeting taking into consideration any matter proposed by any other board member.

- 4.2.5 Encouraging all board members to collectively and effectively participate in dealing with the board affairs, for ensuring that the board is working with its responsibilities to achieve the best interest of the company.
- 4.2.6 Making all data, information, documents and records of the company, and of the board and its committees, available for board members and ensure board receives proper information including:
 - Full knowledge of Aamal's business, strategy and affairs.
 - The information and resources required to fulfill its responsibilities, including regular updates from the MD/CEO, as well as executive management on all issues important to the welfare and future of the company
 - Management strategies, plans and performance.
- 4.2.7 Creating effective communication channels with shareholders and making their opinions heard to the board.
- 4.2.8 Allowing effective participation of the non-executive board members in particular, and promoting constructive relations between executive, non-executive and independent board members.
- 4.2.9 Building consensus and developing teamwork within the board to foster a constructive and harmonious relationship between the board and management.
- 4.2.10 Keeping the members constantly informed about the implementation of the provisions of the code, the chairman may authorize Audit Committee or other committee in this matter.
- 4.2.11 Ensuring the board has a process for assessing its own performance, and the performance of the committees and the individual directors. The task to conduct the performance assessment is delegated to the Nomination and Remuneration Committee but the chairman ensures this is being performed.
- 4.2.12 Chairing General Assembly meetings and ensuring these meetings are efficiently and effectively organized with the assistance of the board secretary, and the shareholders are adequately informed of the performance of the company.
- 4.2.13 Ensuring that all directors are offered training, on an annual basis at least, in addition to initial induction, and that the annual budget includes an allocation for board trainings. The chairman would supervise the board secretary on induction process and maintaining/updating the register of contact details, providing induction packs and familiarizing new director's with the board processes.
- 4.2.14 Maintaining high levels of corporate governance standards in Aamal in-line with local regulations and better practices.
- 4.2.15 Ensuring the implementation of the Disclosure Policy.
- 4.2.16 Signing the Annual Report on the company's corporate governance practices.

5 PERFORMANCE STANDARDS

- 5.1 Performance standards for the chairman position are attained when the following are accomplished:
 - non-occurrence of dissention among board members
 - efficient and effective management of board meetings
 - timely and effective resolutions of conflicts and disputes
 - targets set by the board steadily increase both the intangible and tangible value of Aamal
 - shareholders satisfaction with Aamal's performance
 - timely, efficient and effective conduct of annual performance evaluation of the full board and committees, vis-à-vis their established charters
 - non-occurrence of exceptions to governance standards assumed by Aamal.

6 QUALIFICATIONS AND EXPERIENCE

- 6.1 The chairman is non-executive director and, therefore, the qualifications and experience for the board member have been specified in the Nomination Policy.
- 6.2 Apart from the qualifications required for board members, the essential qualifications for the board chairman are as follows:
 - 6.2.1 Possess the knowledge and skills required to provide leadership by setting the vision, principles, values and strategy, and to supervise the board and Aamal's management to work towards maximization of shareholder wealth.
 - 6.2.2 Ability to commit the time and exert effort necessary to fulfil all board chairman's responsibilities, including review of required reports, assessment of relevant performance and attendance at meetings.

7 AMENDMENTS

- 7.1 These ToR for the Chairman shall be reviewed on a regular basis, or at least every 3 years.