



CORPORATE GOVERNANCE

Corporate Governance 2017 | Mazaya Qatar Real Estate Development Q.S.C.



Preamble

Corporate governance is an integral part of Mazaya Qatar real estate development Company (“Mazaya Qatar”) and its business practices. The Corporate Governance of Mazaya Qatar aims to achieve the following objectives:

- **Transparency:** openness in the business and operating operations of the company, avoiding ambiguity, secrecy and misleading, to ensure transparency in all operations.
- **Accountability:** It is a shareholder's right to hold the regulatory authority accountable for its performance. This is a right guaranteed by the law and the company's articles of association.
- **Equality:** equality between minor and major investors, both domestic and foreign.

Mazaya Qatar real estate development Company Article of Association guarantees this principle in terms of equal rights to nomination, voting, accountability, and access to information.

1. Definitions

State	State of Qatar
Authority	Qatar Financial Markets Authority
Law	Relevant law that regulates provisions of the person subject to this code
Market	The main market in the Qatar Stock Exchange.
Foreign Market	The regulated market established outside the State licensed to deal in securities in accordance with the provisions of foreign laws.
Depository	The company licensed by the Authority to carry out the functions of deposit and registration for everything related to securities traded on the financial markets (QCSD).
Governance	System by which a company is directed and controlled. The governance specifies the foundations and principles of the distribution of rights and responsibilities among the different participations in the Company - such as the Board of Directors, managers, shareholders and other Stakeholders - and spells out the rules and procedures for making decisions of the Company's affairs.
Governance Report	An independent annual report that includes the Company's disclosure on its compliance with implementation this Code principles and provisions signed by the Chairman and submitted to the Authority attached to its annual report.
Company (s)	Company or legal entity listed on the Market as the case might be.
Board	Board of Directors of the listed company, or those in charge of managing the listed legal entity, as the case might be.
Board Charter	A charter prepared by the Board to determine its functions, responsibilities and duties of the Chairman and members.
Chairman	A Board Chairman of the listed company, or the person in charge to manage the listed legal entity according to the Law, its Memorandum of Association and its Articles of Associations.
Non-Executive Board Member	A Board member who does not have a full-time management position at the Company or who does not receive a wage.
Independent Board Member	<p>A Board member, who has complete independence, A Board member shall be considered non-independent, if he or she, for example but not limited to:</p> <ol style="list-style-type: none">1. Owns at least (1%) of shares of the Company or any company of its group.2. Is a representative of a legal person that own's at least (5%) of shares of the Company or any company of its group.3. Has been one of Senior Executive Management of the Company or any company of its group during the Year Preceding Board election.4. Has a first-degree relative relation with any Board member or Senior Executive Management of the Company, or any company of its group.5. Is a Board member of any company within the Company group in which nominated for its Board membership.6. Has been an employee, during the Year preceding Board election, at any of the parties associated with the Company or any of its group such as External Auditors, and main suppliers, or if such member, during the two Years preceding the Board election, had controlling shares in any such party.7. Has, directly or indirectly, any commercial or financial dealings with the Company or any company of its group during the two Years Preceding Board election.

Secretary	Person appointed by the Board pursuant to this Code, responsible for organizing and coordinating matters relating to the Board and to the Company.
Senior Executive Management	Chief Executive Officer (CEO) and other executive managers reporting directly to him, Including heads of the internal control units in the Company.
Internal Control	Undertaking of financial audit, performance assessment and risk management carried out by an independent unit or more within the Company.
External Auditor(s)	Person licensed pursuant to provisions of the Law, who is registered in the Authority external auditor's list to carry out the duty of revision and audit of financial statements and reports, to express an opinion in accordance with the rules and principles of the profession and the International Standards on Auditing (ISA) or auditing standards relating to Islamic financial institutions; and to confirm whether those financial statements are free of material mistakes; as well as the liquidations.
Cumulative Voting	Method of voting for electing the Board members, which gives each shareholder voting rights equivalent to the number of owned shares. The shareholder has the right to use the said votes for a single candidate or divide them among selected candidates without any duplication.
Major Transaction(s)	Any transaction or series of linked or related transactions aiming to own, sell, lease, exchange, or otherwise dispose of (except for establishing guarantees) assets of the company or assets to be acquired by the Company or transactions which would change the essential nature of the Company business; or those whose gross value exceeds (10%) of the lesser of either the Company's market value or the net value of the Company's assets according to the latest announced financial statements.
Information	Information, data and documents associated with the establishment of the Company, its activities, reports and other Information that the Company must disclose and made it available to shareholders and enable them to access and obtain such Information according to the Law, provisions of this Code and other Authority's Legislations.
Insider(s)	Any person, due to the position, became acquainted with Information not available to the public. Such Information could affect attraction or reluctance of dealers in the securities of the Company or other companies in which the Company or the shareholders have interest, or could affect the Company's ability to meet its obligations. This could include the Board members, Senior Executive Management, employees of the Company or any company of its group and others who have access to such Information due to contractual, professional or other relations.
Stakeholders	Any person who has an interest in the Company based on a right or a legal position, such as shareholders, employees, creditors, customers, suppliers, and others.
Related Party	A person is considered a Related Party to the Company if that person is a Board member of the Company or any company of its group; is a Member of the Senior Executive Management of the Company or any company of its group; owns at least (5%) of the Company shares or any of its group; or is a relative of any of the former mentioned to the second degree. It also includes the legal persons controlled by a member of the Board of the Company or any company of its group or of Senior Executive Management and their relatives to the second degree, or that participated in a project or a partnership of any kind with the Company or any company of its group.
Minority	Shareholders who represent a class of shareholders that does not control the Company so that they are unable to influence the Company.
Transactions	Commercial or financial transactions of the same nature whose value amounted (10%) of the Company's transactions volume in one Year, or more than average Company's total transactions during the last three Years.
Year	The financial year of the Company.

2. Corporate Governance Framework

Mazaya Qatar Real Estate Development Company is committed to implementing the highest standards of corporate governance in its daily dealings by fully complying with the corporate governance laws listed on the Qatar Exchange, which are regulated and supervised by the Qatar Financial Markets Authority. Corporate governance is one of the main pillars upon which Mazaya Qatar relies on to establish a culture of openness, transparency and clarity in its commercial and administrative transactions, in order to protect the rights of investors, the rights of other stakeholders and the rights of minority shareholders locally and internationally.

The governance framework of Mazaya Qatar is provided by the Corporate Governance System and the legal entities listed in the main market issued by the Board of Directors of Qatar Financial Market Authority No. (5) of 2016, which was published in the Official Gazette on 15 May 2017, in addition to the applicable laws and other regulations in Qatar and Qatar Exchange. Mazaya Qatar is always keen to ensure compliance with all relevant laws and regulations, especially with regard to governance and its applications. The company is constantly updating its internal regulations to reflect the directives from updating or modifying or issuing new laws imposed by regulators.

Mazaya Qatar also Discloses its commitment to implementing the provisions of the Corporate Governance System and the legal entities listed in the main market in its annual report.

Mazaya Qatar Real Estate Development Company is committed to implementing the corporate governance system and the legal entities listed in the main market. Accordingly, the Board of Directors of the company has developed a general framework for corporate governance in order to comply with the requirements of Qatar Financial Markets Authority and work towards applying best practices in this field.

The Governance Committee was formed as follows:

#	Name	Position
1	Sh. Mansoor Bin Khalifa Al Thani	Chairman
2	Eng. Hamad Bin Ali Al Hedfa	Member
3	Mr. Abdulla Ali Al Kuwari	Member

The Corporate Governance Committee reviews the Company's governance system to ensure that the Company complies with the requirements set out in this code. The Committee also informs the Board of Directors of the new developments in governance, makes appropriate recommendations and directly supervises the implementation of these recommendations as well as supervises corporate governance principles, and governance policies.

3. Codes and regulations updates

3.1 Companies Corporate governance

In the year 2017, Mazaya Qatar Real Estate Development Company has updated its corporate governance code In-line with the latest requirements of the Qatar Financial Market Authority and its corporate governance code, reflecting the best international practices in this regard.

This amendment comes as Mazaya Qatar real estate development seeks to modernize its systems to support the achievement of its objectives and principles, to facilitate the procedures and processes followed, and to ensure that the company's operations are performed in more efficient and flexible ways and at the lowest possible cost and time, while ensuring transparency and protect the rights of investors and minor shareholders, and other parties with interest.

Mazaya Qatar Real Estate Development Company is also currently reviewing its Article of Association to ensure compliance with the provisions of the Corporate Governance Law issued by the Board of Directors of Qatar Financial Market Authority No. (5) for the year 2016 and reconciling their status within the period granted and announced by the Authority.

3.2 Article of Association

In line with the requirements of Commercial Companies Law No. 11/2015, Mazaya Qatar Real Estate Development Company amended the terms of the Company's Articles of Association in line with the sample format issued by the Ministry of Economy and Trade and added some items in line with the requirements of the Corporate Governance code issued by Qatar Financial Markets Authority. The amendment of the system was completed and documented on 8 June 2017 and was published in the Official Gazette on 10 September 2017.

The board of directors of the company has added several articles to the Article of Association, which confirms the company's commitment to the requirements of governance, to increase transparency and protect the rights of minority shareholders. The Board was keen to add provisions to ensure that shareholders were given information on candidates for Board membership prior to the elections.

Mazaya Qatar Real Estate Development Company is currently reviewing its Articles of Association to add and amend certain Clauses in compliance with the requirements of the new Governance Code. The amendments will be submitted for approval in the upcoming extraordinary general assembly meeting to amend the Article of Association within the period of reconciliation of the conditions granted by the Qatar Financial Markets Authority.

4. Board of Directors

The Company Board of Directors is considered the main responsible for the company performance, strategic activity, and is responsible for managing the company in a manner that ensures its success and the preservation of shareholders' rights and therefore has the ultimate necessary power to carryout its role as specified in the Board of Director's Charter and in Article (28), Article (34), and Article (38) of the Company's Articles of Association.

Also, during their meetings and the meeting of their sub committees, the board of Directors shall supervise the work of the Executive Management, consider the reports submitted and discuss the issues to be taken for appropriate decisions therein.

4.1 The Board Composition

The members of the Board of Directors shall be elected for a period of three (3) years, but the first appointed Board of Directors shall remain in duty for a period of five years. A member of the Board of Directors may be re-elected more than once, unless the member lacks one of the conditions stipulated in Article (97) of the Commercial Companies Law or the conditions stipulated in Article (29) of this Code. A Member may withdraw from the Board provided that it is in a timely manner or otherwise will be held responsible by the company.

Subject to the provisions of Articles (107, 108, 109, 110 and 111) from the Commercial Companies Law, the Board of Directors shall have the ultimate necessary power to carry-out the work required for the purpose of the Company and shall, within the limits of his proficiency, delegate one of the members to perform one or more specific tasks or supervise the company's activity. The Chairman, Vice chairman and the member or the delegated members are the authorized signatories on behalf of the company together or Individually, in accordance with the decision issued by the board of directors in this regard. The Board of Directors may appoint one or more managers in the Company and shall also be entitled to sign on behalf of the Company individually or together.

Without disruption to the powers of the General Assembly, the Board of Directors may also authorize the committees to exercise some of their powers, and can form one or more special committee to carry-out specific tasks provided that the decision of forming will include the nature of tasks, The ultimate responsibility of the Company remains with the Board, even if formed committees or authorized other parties or persons to perform some of its functions, and the Board shall avoid the issuance of general or indefinite mandates.

The recent Board of Directors was elected on 12 April 2017 in accordance with the transparency criteria adopted by the company and the implementation of the principle of justice and equality among all candidates. Whereby the Nomination Committee announced the opening of the nomination for membership of the new Board of Directors from 20 March 2017 till 30 March 2017. A total of 13 candidates applied for nomination while the committee confirmed their compliance with all the required legal conditions and adopted their nomination papers. The names of the candidates were announced on the company's website, and informed the Ministry of Economy and Commerce, Qatar Financial Markets Authority and Qatar Exchange have also announced the list of candidates.

Mazaya Qatar Real Estate Company held the General Assembly meeting on 12 April 2017, in which the shareholders voted in secret ballot in the election fund in the presence of the representatives from the Ministry of Economy and Trade, the external auditor, the meeting secretary and the vote counter. After the voting process, the voting cards were sorted and checked and the votes of the voting shareholders were recorded in accordance with the provisions of Article 96 of the Commercial Companies Law No. 11 of 2015, which states that " each share shall have one vote given by the shareholder to whomever he chooses from the nominees. A shareholder may divide his voting shares between more than one nominee. A share may not vote for more than one nominee, and resulted in the election of the following members listed below:

Name	Representative of
Mr. Rashid Fahad Al Naimi	Qatar Foundation for education, Science and community development
Mr. Mohamed Ali Al Kubaisi	Qatar Investment & projects Development Holding Company
Mr. Mohammed Ahmed Makki	Qatar Foundation for education, Science and community development
Eng. Hamad Ali Al Hedfa	Self
Mr. Abdallah Ali Al Kuwari	Qatar Real Estate Investment Company
Sh. Mansoor Khalifa Al Thani	Self
Sh. Hamad Mohamed Al Thani	Self
Mr. Yousef Ahmed Al Sada	Self

On April 17, 2017 the Board of directors held a meeting where the Board elected Mr. Rashid Fahad Al Naimi as Chairman of the Board and Mr. Mohammad Ali Al Kubaisi as Vice President.

4.2 Prohibition of Combining positions

Mazaya Qatar Real Estate Development Company was not successful to comply with the prohibition of combining positions, since a board member is combining together membership of two companies that conduct a homogeneous activity. It is worth mentioning that the above-mentioned member represents Mazaya Qatar Real Estate Development Company as a member of the board of directors of the other company with a homogeneous activity (a private Qatari shareholding company).

4.3 Brief Details about the Board of Directors and Chief Executive Officer

1. Mr. Rashid Fahad Al Naimi – Chairman of the Board

Educational Qualifications:

- Bachelor of Science in Economics from Indiana, State university, USA
- Master's Degree in Business Administration from Oxford University in United Kingdom.

Current Positions:

- Chief Executive officer of Investments at Qatar Foundation for education, Science and community development
- Chairman of Mazaya Qatar Real Estate Development Company
- Board Member of Vodafone Qatar
- Holds executive positions in several companies including Meeza, in addition to several local and international companies

2. Mr. Mohamed Ali Al Kubaisi – Vice President

Educational Qualifications:

- Bachelor Degree in Civil Engineering with Hons from Qatar University.

Current Positions:

- Deputy Chief Executive Officer of Qatar Investment & Projects Development Holding Company (QIPCO Holding).
- Vice president of Mazaya Qatar Real Estate Development Company
- Board Member of Investment House.
- Board Member of Mannai Corporation
- Holds executive positions in several companies locally and internationally

3. Mr. Mohamed Ahmed Makki – Board Member

Educational Qualifications:

- Bachelor Degree in engineering from University College London
- MBA from London Business School in UK

Current Positions:

- Commercial Director of Community Development Department in the Office of the Chief Executive Officer of Qatar Foundation for Education, Science and Community Development
- Board Member of Mazaya Qatar Real Estate Development Company
- Holds executive positions in several local companies.

4. Eng. Hamad Ali Al Hedfa – Board Member and Chief Executive Officer

Educational Qualifications:

- Bachelor Degree in Engineering with Hons. from Texas A&M University, USA
- Advance Diploma in Project Management
- Holds Hons. degrees and certificates from All-American Scholars
- Holds various professional/vocational certificates across many sectors

Current Positions:

- Board Member of Mazaya Qatar Real Estate Development Company
- CEO of Mazaya Qatar Real Estate Development Company
- Board Member of Nishan Investments and Real Estate Development

5. Mr. Abdallah Ali Al Kuwari – Board Member

Educational Qualifications:

- Bachelor Degree in Architectural Engineering

Current Positions:

- Chief Executive Officer of Qatar Real Estate investment Company
- Board Member of Mazaya Qatar Real Estate Development Company
- Holds executive positions in some local companies.

6. Sh. Mansoor Khalifa Al Thani – Board Member

Current Positions:

- Board Member of Mazaya Qatar Real Estate Development Company
- Holds executive positions in several companies including MBK Holding, Qatar Aviation Services, and Al Wajba Information Security.

Previous Positions:

- Director of Information and Communication Systems and Acting Director of Finance and Admin. For the Council of the Ruling Family Affairs
- Chairman of Qatar Charity
- Held executive position in Expert Information Group

7. Sh. Hamad Mohamad Al Thani – Board Member

Educational Qualifications:

- Bachelor of Arts in Business Management from Heriot Watt University

Current Positions:

- Vice President of Investment Qatar Insurance Company
- Board Member of Mazaya Qatar Real Estate Development Company

8. Mr. Yousef Ahmed Al Sada – Board Member

Educational Qualifications:

- Bachelor of Science from Qatar University

Current Positions:

- Advisor to the Vice President in Qatar University
- Board Member of Mazaya Qatar Real Estate Development Company
- Chief Executive Officer of Dar Al Baraka trading and Contracting

4.4 Duties of the Board Chairman

The Chairman of the Board of Directors shall lead the Board to formulate and establish the vision, mission and objectives of the Company as well as to develop the overall strategy of the Executive Management to achieve the vision and mission of the company, which emphasizes the maintenance of the company's position morally and materially and be the primary responsible for achieving the interest of the company and partners through providing long-term profits for the shareholders.

The Chairman is also responsible for engaging and exchanging information with Board members in all transparency and clarity in a timely manner, and ensuring effective communication between the company and its shareholders. He also urged the active participation of non-executive members and ensuring constructive relationships between executive and non-executive members. The Chairman also discusses in detail the strategies, annual general budget, and review of operational plans. The Chairman also plays an active leadership role, working closely with the CEO and reviewing the agendas and programs of the meetings of each committee with its chairman.

4.5 Duties of non-executive board members

The Non-Executive Board Members use, exploit and employ their diverse expertise and make them available to the Chairman of the Board and the remaining members and committees through periodic meetings, which reflect positively on the company's productivity and profitability, benefiting the company and the shareholder.

The non-executive board members are keen to develop proposals related to the company's overall strategy to develop this strategy. They also monitor the operation of the company and supervise the performance of the executive management in achieving the company's objectives

4.6 Board members Performance evaluation

The Nomination and remuneration Committee establishes an appropriate system to monitor the performance of the members of the Board of Directors. Therefore, the Committee shall ensure that members of the Board of Directors fulfill their duties and responsibilities in full, on an annual basis in accordance with the methodology adopted by the Board of Directors.

The results of this evaluation are presented at the Annual General Assembly Meeting and this assessment helps to provide better performance to the Board members during their Membership period.

4.7 Compliance of the Board of Directors and invitation for meeting

The Board of Directors of the Company shall meet at the invitation of its Chairman, on a regular and effective basis and whenever necessary, in accordance with the provisions of Article (35) of the Articles of Association of the Company. Where the board of directors met 8 times in 2017.

All members of the Board of Directors are present in regular basis during the meetings except for some cases beyond their control. Members also employ their expertise and qualifications for the Board and its committees through attendance and active participation.

The decisions of the Board of Directors are issued based on the majority of the votes of the present members and the representatives. When the votes are equal, the president's side is likely to follow and the member who has not approved any decision taken by the Board shall have the right to prove his objection in the minutes of the meeting. In case of necessity and for reasons of urgency, some resolutions are passed and taken through circulation and will be presented at the next Board meeting and will be included in the minutes of the meeting.

4.8 Number of current Board meetings during the year 2017 and the number of members attending each meeting

Meeting # / Year	Date	No. of Members Attended	No. of Members Excused
1/2017	6 February 2017	6	2
2/2017	14 March 2017	7	1
3/2017	17 April 2017	5	3
4/2017	26 April 2017	7	1
5/2017	19 June 2017	7	1
6/2017	13 August 2017	4	4
7/2017	23 October 2017	6	2
8/2017	26 December 2017	5	3

4.9 Secretary of the Board

Mazaya Qatar Real Estate Development Company is committed to appoint a secretary to the Board of Directors. Mr. Mohamed Mansour was appointed as Secretary of the Board by a decision of the Board of Directors on 29 October 2014. The Secretary of the Board has professional experience in addition to a university qualification that qualifies him for this position. The company has adopted the Term of Reference (TOR) for the secretary of the board, which determines the course of his work.

5. Committees of the Board

The Board of Directors formed its committees as set out in the Governance Code for Companies and Legal Entities Listed on the main market at its meeting on 16 June 2017. The Board was unable to form committees prior to this date due to lack of sufficient data on the members' practical experience.

5.1 Nominations and Remuneration Committee

The Nomination and Remuneration Committee of Mazaya Qatar Real Estate Development Company consists of three members. It is the responsibility of the Nomination and Remuneration Committee to establish transparent procedures in several functions, including:

- Supervising the evaluation of the board and senior management
- Conducting an annual self-evaluation for the performance of the Board of Directors
- Determination of bonuses in the company in general, and in particular the senior executive management.
- Determine the remuneration for the Chairman and members of the Board of Directors and raise its recommendation to the General Assembly within a framework in-line with the guidelines set out by the Board of Directors.

Nominations and Remuneration Committee is formed as follows:

#	Name	Designation
1	Mr. Mohamed Ali Al Kubaisi	Chairman
2	Sh. Mansoor Khalifa Al Thani	Member
3	Mr. Mohamed Ahmed Makki	Member

5.2 Audit Committee

The Board of Directors has formed an Audit Committee consisting of three members, two independent members and a non-independent member headed by an independent member, taking into consideration that none has previously audited the Company's accounts and has financial expertise in the field of auditing.

The committee has met 6 times during the past year, with appropriate decisions being taken in matters that have been audited, for example, not limited to, quarterly and annual reports.

The Audit Committee monitors the financial and accounting policies, and internal controls on a regular basis. The Internal Audit raises the reports directly to the Audit Committee to ensure the independence of these internal controls. The Committee also recommends external auditors to the Board for adoption at the Annual General Meeting and to manage them.

The Audit Committee covers various areas of the company's operations. The Internal Auditor shall have access at all times to all accounts, books, records, systems, property and individuals in order to fulfill the audit responsibilities.

Number of meetings of the Audit Committee during the year 2017 and number of members attending each meeting

Meeting # / Year	Date	No. of Members Attended	No. of Members Excused
1/2017	6 February 2017	3	0
2/2017	14 March 2017	3	0
3/2017	13 August 2017	2	1
4/2017	23 October 2017	2	1
5/2017	25 December 2017	2	1
6/2017	28 December 2017	3	0

The Audit Committee is formed as follows:

#	Name	Designation in the audit committee	Member independence
1	Sh. Hamad Mohamad Al Thani	Chairman	Independent
2	Mr. Abdallah Ali Al Kuwari	Member	Non-Independent
3	Mr. Yousef Ahmed Al Sada	Member	Independent

6. The Company's Control System

6.1 Internal Audit

The company has an internal audit department with experience and competency in financial auditing, performance appraisal and risk management, which is fully independent. The Internal Audit Department assists the Company in finding the best ways to complete its business, in addition to its role in verifying adherence to policies and procedures. The audit also focuses on the effectiveness of the work systems, internal control and identification of weaknesses and submits its reports and recommendations directly to the Audit Committee to take required action to reduce or avoid risk. It also provides suggestions for correcting any defect and to assist the executive management in improving risk management tools.

6.2 Risk Management

The Board of Directors is fully responsible for the management of the Company and to enhance risk assessment practices in the Company, the risk process and implementation steps have been identified by documenting the systems, policies and procedures relating to those risks and ensuring that a comprehensive risk assessment, including identification and implementation of risk limits, The Board retains the responsibility for monitoring and controlling risks, with the support of the Audit Committee and the Board of Directors. The company also takes into account the requirements of the corporate governance system and the legal entities listed in the main market to establish an independent risk assessment and risk management unit. The Company will establish an administrative committee to carry out these tasks and report to the Audit Committee.

6.3 External Audit

External Auditor

The Company has complied with the criteria for the appointment of the External Auditor. During the Ordinary General Assembly Meeting of the Company, that was held on 12 April 2017, which approved the appointment of M/s. Ernst & Young Audit firm for the year 2017. The External Auditor was appointed prior to the issuance of the Governance Code for Companies and Legal Entities listed in the Main Market on May 15, 2017.

The Company is also working to update the audit requirements to comply with Article 24 of the Governance Code for Companies and Legal Entities listed in the Main Market to be implemented in the coming year in line with the requirements of the Governance Code for Companies and Legal Entities listed in the Main Market.

Functions and Responsibilities of the External Auditor

The Company's External Auditor M/s. Ernst & Young presented their report to the General Assembly, and read it, which explained the company's compliance with its Article of Association, the provisions of the law and the relevant legislation of the Authority, and its commitment to apply the best international auditing and financial reporting systems and their compliance with international accounting and auditing standards. Their report was discussed at the Ordinary General Assembly by the shareholders, clarifying the issues contained therein, responding to all inquiries, and indicating the extent of the company's cooperation in enabling them to access the information necessary to complete their work.

7. Disclosure

Mazaya Qatar Real Estate Development Company is committed to the implementation of all disclosure requirements and the publication of financial reports according to the laws, regulations and procedures. These information's are also being published on the company's website. The company also complies with transparency standards as stipulated in the Governance Code for Companies and Legal Entities listed in the Main Market. The following are tables showing the number of shares owned by the Chairman and members of the Board, the Senior Executive Management, and the major shareholders or controlling shareholders.

7.1 Number of shares owned by the member of the board of director in their personal capacity and as representatives of legal persons until 31 December 2017:

Board Member	Representative of	No. of Shares Owned			Total Shares	% ownership	Independency	Executive/ Non-Executive
		Company	Personal	subsidiaries				
Mr. Rashid Fahad Al Naimi	Qatar Foundation for education, Science and community development*	24,525,384	-	-	24,525,384	21.19%	Non-Independent	Non-Executive
Mr. Mohammed Ahmed Makki			-	-			Non-Independent	Non-Executive
Mr. Mohamed Ali Al Kubaisi	Qatar Investment & projects Development Holding Company	165,375	-	-	165,375	0.14%	Independent	Non-Executive
Eng. Hamad Ali Al Hedfa	Self	N/A	-	-	-	-	Non-Independent	Executive
Mr. Abdallah Ali Al Kuwari	Qatar Real Estate Investment Company	4,630,500	-	1,546,704	6,177,204	5.34%	Non-Independent	Non-Executive
Mr. Yousef Ahmed Al Sada	Self	N/A	247,408	420,121	667,529	0.58%	Independent	Non-Executive
Sh. Mansoor Khalifa Al Thani	Self	N/A	-	-	-	-	Independent	Non-Executive
Sh. Hamad Mohamed Al Thani	Self	N/A	52,500	-	52,500	0.05%	Independent	Non-Executive

*In order to prepare the report, Qatar Foundation for Education, Science and Community Development (QF) was classified as Qatar Investment Authority (QIA). The shares were transferred from the Qatar Foundation Fund to Qatar Investment Authority during 2017.

Based on the above, the Board of Directors includes the majority of non-executive members and includes four independent members.

7.2 Number of shares owned by the Executive Management until 31 December 2017

#	Name of Executive/Senior Managers	Designation	No. of Shares Owned
1	Hamad Ali Al Hedfa	Chief Executive officer	-
2	Joseph Al Hamod	Senior Manager – Finance & Admin	-
3	Ali Onuk	Senior Manager – Business Development & Startegy	-
4	Claude Jabbor Khalil	Senior Manager - Marketing	619

7.3 Number of shares owned by major shareholders or controlling shareholders until 31 December 2017:

#	major shareholders or controlling shareholders	No. of Shares Owned	% ownership
1	Qatar Investment Authority*	24,525,384	21.19%
2	Sh. Mohamad Khalid Hamad Abdallah Al Thani*	8,735,567	7.55%
3	Qatar Fuel (Woqod)	6,201,926	5.36%
4	Qatar Real Estate Investment Company*	6,177,204	5.34%

*Direct and indirect ownership

7.4 Senior Management remuneration

Senior management remuneration is disclosed in note 22 from the Company financial statements.

7.5 Transactions with related parties

The Company is complying with the disclose of transactions with related parties as described in Note 22 from the Company's financial statements.

7.6 Dispute or litigation

No litigation or arbitration dispute was filed against or in the favor of the Company during 2017, except that a subcontractor of one of the Company's projects filed an urgent action to prove the status of the site. The case was terminated during the year.

8. Conflict of interest and transparency

Mazaya Qatar Real Estate Development Company is committed to disclosing transactions concluded by the Company with any related party. In the event of any conflict of interest or commercial dealings with any of the related parties, such transactions will happen only after presenting to shareholders during the General Assembly meeting and the approval on them in the General Assembly Meeting and the application of the principles of transparency and disclosure, in accordance with the laws and procedures.

Mazaya Qatar successfully completed the development and adoption of internal policies and procedures necessary to comply with this article by completing the following:

Adoption of the company's governance framework containing the rules of professional code of conduct that reflects the company's values and policies and other internal procedures so that the Board members and staff of the company and its advisors adhere to. The internal policies and procedures includes the following:

- Code of professional conduct
- Related Parties Charter
- Insider Trading Guidelines Policy
- Whistle Blowing Policy

Mazaya Qatar Real Estate Development Company is committed that neither the Chairman or the Members of the Board of Directors must not have any interest whether directly or indirectly in the contracts, projects and undertakings that Qatar Real Estate Development has committed to implement. In the event of any matter of conflict of interest or any commercial transaction between the Company and a member of its Board of Directors or any related party of the Board of Directors of Mazaya Qatar Real Estate Development Company during the Board meeting, the matter is discussed in the absence of the concerned member who is never entitled to participate in voting on the transaction, and in which transaction is carried out according to market prices and on a purely commercial basis, and does not include conditions that violate the company's interest.

For reasons of transparency, all ownership of the members of the Board of Directors are listed in this report. Before the date of the Assembly, the Board is required to make available to the shareholders a detailed description of transactions and to disclose them in the financial reports

9. The stakeholders' Rights

9.1 Shareholders equality in Rights

The company is committed to the standards stipulated in the corporate governance code and the legal entities listed in the main market for the rights of stakeholders and the equality of shareholders where each shareholder is entitled to attend meetings of the General Assembly, and has a number of votes equivalent to the number of shares, and decisions are issued by an absolute majority of the shares represented at the meeting. Minors and detainees shall be represented by a legal representative

The power of attorney may be exercised in the presence of the General Assembly meetings provided that the agent is a shareholder and that the power of attorney is private and fixed in writing. The shareholder may not delegate any of the members of the board of directors to attend meetings of the General Assembly on his behalf. In all cases, the number of shares held by the representative should not exceed (5%) from the Company shares. Except for judicial persons, a shareholder may not have more than 25% of the votes cast for the shares represented at the meeting.

Each shareholder shall have the right to discuss the matters on the agenda of the General Assembly and to ask questions to the members of the Board of Directors. Members of the Board shall answer the questions to the extent that they do not jeopardize the Company's interest.

The shareholder may refer to the General Assembly if he finds that the answer to his question is insufficient and the General Assembly resolution shall be enforceable.

Any provision of the Company's Articles of Association shall be superseded otherwise.

9.2 Shareholders' Rights Related to General Assembly and their Participation

Subject to the provisions of Articles 124 and 125 of the Commercial Companies Law No. 11 of 2005, Mazaya Qatar Real Estate Development Company is committed to hold the General Assembly at least once a year at the invitation of the Board of Directors and at the time and place determined by the Board after the approval of the Companies Control Department. The meeting must be held within the first four months following the end of the financial year of the company. The Board of Directors, shareholders or shareholders holding at least 10% of the Company's capital shall have the right to call for the General Assembly whenever the need arises.

When a number of shareholders representing at least 10% of the company's capital request to include matters on the agenda, the Board of Directors must include them. Otherwise, the Assembly may decide to discuss these matters at the meeting.

9.3 Dividends distributions and the rights of minority shareholders

The Company is committed to distribute a percentage of shareholders' net profits after deducting the statutory reserve and voluntary reserve. The shareholder shall be entitled to his share of the profits in accordance with the system and controls in force of the Authority and the financial market in which the shares are listed.

And the right to receive profits which the General Assembly decides to distribute, whether cash or shares, to shareholders registered in the register of shareholders at the depository at the end of the trading day of the General Assembly.

The Company is committed not to prejudice the rights of the shareholders in general and the minority in particular, if the company enters into significant transactions that may harm their interests or prejudice the ownership of the company's capital, provided that the company is committed to disclose its capital structure and any agreement it makes, and the shareholders that owns (5%) or more of the company's shares either directly or indirectly.

9.4 Shareholders' Rights Related to Board Members Elections

The company also allocates on its website to inform shareholders a special section (called Investors relations), documents and information about the company, including corporate governance report, the Charter of the Board of Directors, the conflict of interest policy, the guidelines and the policy of insider trading Guidelines policy, Related parties policy, Nomination and Remuneration Committee Charter, wages policy, Audit Committee Charter, Audit Rotation and Independence Policy, Codes of ethics, Code of Professional Conduct, Disclosure Policy, investor relations policy, information about the candidates to the membership of the Board of Directors before the election, including a description of the professional and technical candidates skills and experience and other qualifications, and the Companies Supervision Department in the Ministry of Economy & Commerce and Qatar Financial markets Authority has the right to see these data and get a copy. The company also must have staff to answer shareholder's questions that is provided on the company's site, his address and how to contact him.

9.5 Shareholders' Right Regarding to major Transactions

In compliance with the provisions of the law in this regard, the Board of Directors is committed to the principles of the system of governance and to the disclosure of transactions and major transactions concluded by the company. The current Article of Association does not contain a specific mechanism for protecting shareholders' equity when major deals are made, and the company will comply with the requirements of the corporate governance code and the legal entities listed in the main market.

9.6 The Stakeholders' Rights (Non-Shareholders)

The Company shall be committed to preserving and respecting the rights of the stakeholders. Any interested party in the Company, whether shareholder or non-shareholder, may request the information relevant to his interest, accompanied by a request to prove his identity. The Company shall provide the required information in a timely manner and to the extent that it does not threaten the interests of others or harms their interests.

9.7 The Community's Right

As a part of the Qatari community, Mazaya Qatar is working hard to consolidate this concept by actively participating in all events, community events, national events and initiative in all that serves the country, the citizen and the resident. As part of its efforts to support national products, Mazaya Qatar Real Estate Development Company has made recommendations and instructions by the executive management of the company.

In recognition of its energy consumption, Mazaya Qatar is developing green buildings for its projects. The buildings use about 40% of the world's energy, 25% of the world's water, 40% of the world's resources and nearly one third of the greenhouse gas emissions. However, green buildings offer the greatest potential to achieve significant reduction in greenhouse gas emissions in developed and developing countries. Energy consumption in buildings can be reduced by 30% to 80% using state-of-the-art technologies that are highly efficient and commercially available. This is one of the reasons why energy efficiency in buildings serves as the primary purpose of the energy plan at the local, regional and global levels, which Mazaya Qatar Real Estate Development Company assigns the highest interests.