

# **Qatar National Cement Company (Q.P.S.C.)**



## **BOARD CHARTS**

### **Board of Directors Charter**

**In accordance with Corporate Governance regulation issued  
by virtue of QFMA's Board Decision No. (5) of 2016 and  
updated with QFMA's Board Decision No. (5) of 2020**

**September 2024**



## QNCC Board of Directors Terms of Reference

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## QNCC Board of Directors Terms of Reference

### INTRODUCTION

The Board of Directors of Qatar National Cement Company (Q.S.C.) (hereinafter 'QNCC' or the 'Company') is responsible for providing stewardship to the Company and for providing effective leadership in achieving QNCC's strategic goals and objectives to grow value in a profitable and sustainable manner. These Terms of Reference principally apply to the Board of Directors of QNCC.

QNCC's Board Terms of Reference are developed in accordance with the Corporate Governance leading practices, Qatar Commercial Companies Law, Qatar Financial Markets Authority Corporate Governance Code for Listed Companies in Qatar Exchange and QNCC's Articles of Association.

In the event of conflict between the Board Terms of Reference and the Articles of Association, the latter requirements shall prevail.

In accordance with QFMA requirements, this Terms of Reference will be published in the Company's website.

### Amendments:

These Terms of Reference may be amended by a majority vote cast by the members of the Board present at any meeting, on condition that the proposed amendment or amendments should not be in conflict with the Company's Articles of Association and the applicable laws and regulations referred to above.

### Abbreviations used in this document:

BOD	Board of Directors
QE	Qatar Exchange
QCCL	Qatar Commercial Companies Law
QFMA	Qatar Financial Markets Authority



## QNCC Board of Directors Terms of Reference

### BOARD MEETINGS

BOARD MEETINGS	
<b>VENUE</b>	<ul style="list-style-type: none"> <li>▪ QNCC GhQ in Doha or other location within Qatar, as determined by the Chairman, provided all members are present or represented or excused without impacting quorum.</li> </ul>
<b>FREQUENCY</b>	<ul style="list-style-type: none"> <li>▪ The board shall meet at appropriate times and intervals as necessary to effectively exercise its roles and responsibilities and to respond to the needs of the business. The board is empowered to convene whenever business exigencies require, ensuring that urgent matters are addressed in a timely manner. Meetings may be held in person or electronically, in compliance with the company's Articles of Association and QFMA governance requirements. The board must hold at least six meetings annually, with one meeting at least every three months.</li> </ul>
<b>BOARD SECRETARY</b>	<ul style="list-style-type: none"> <li>▪ The Board appoints a Board Secretary and determines the Secretary's scope of work and remuneration. The Secretary is responsible for maintaining and safekeeping Board documentation and is responsible for the distribution of Board meeting agendas, invitations, other required documentation, and the distribution of Board meeting minutes and resolutions. The Secretary is also responsible for providing orientation material and scheduling orientation sessions for the new Board members. Appointment or removal of a Board Secretary may only be done through a Board resolution.</li> <li>▪ In accordance with QFMA requirements, the Board Secretary shall preferably have a legal/ accounting background from a recognized university or equivalent, and a minimum of 3 years of experience in performing board secretarial duties for a listed company.</li> </ul>
<b>INVITATION AND AGENDA</b>	<ul style="list-style-type: none"> <li>▪ A Board meeting can be summoned by the Board Chairman or upon request from at least two members.</li> <li>▪ The meeting agenda together with any materials that will be discussed in the meeting will be circulated by the Board Secretary to all members at least one week prior to the meeting. Invitations can be sent through fax, mail or email to the members, and shall be by at least the latter. The Board may invite QNCC's management, staff or any other third party (e.g., external auditor and independent consultant) to attend the meetings to obtain information, recommendations and clarifications as required.</li> </ul>



## QNCC Board of Directors Terms of Reference

<b>BOARD MEETINGS</b>	
<b>QUORUM AND REPRESENTATION</b>	<ul style="list-style-type: none"><li>▪ At least half of the Board Members should be present / represented for the meeting to be considered valid.</li><li>▪ Proxy voting is permissible as long as there is written evidence of the delegation to another member of that member's power to vote in his absence. A member may represent only one other member in the meeting.</li></ul>
<b>RESOLUTIONS</b>	<ul style="list-style-type: none"><li>▪ Board resolutions are decided by majority vote of the attendees and representatives.</li><li>▪ In case of a tie in the number of votes, the Chairman or his representative who is acting in the Chairman's capacity shall have a casting vote. Objections of members should be recorded in the minutes of the meeting.</li></ul>
<b>MINUTES OF THE MEETING / BOARD DECISIONS</b>	<ul style="list-style-type: none"><li>▪ Board minutes of meetings are recorded by the Board Secretary in a special MoM register, shall be shared with all the attendees of the meeting for approval, with all invited members for information purposes, and should be signed at least by the Chairman, delegate board member, and the Board Secretary.</li></ul>



## QNCC Board of Directors Terms of Reference

### BOARD COMPOSITION

BOARD COMPOSITION	
<b>NUMBER OF MEMBERS</b>	<ul style="list-style-type: none"> <li>▪ Eight (8) members comprised of executive, non-executive and independent directors.</li> <li>▪ Two (2) members shall be appointed by the Qatar Investment Authority, including the Chairman of the board</li> <li>▪ Two (2) members shall be appointed by the General Retirement and Social Insurance Authority/Civil fund.</li> <li>▪ Four (4) members shall be appointed by the General Assembly.</li> </ul>
<b>CATEGORIES</b>	<ul style="list-style-type: none"> <li>▪ <u>Executive Members</u>: members who perform executive management duties for the Company and/or are full-time employees of the Company.</li> <li>▪ Furthermore, members are not independent if:               <ul style="list-style-type: none"> <li>○ They are related to a member of Executive Management / Board (to the fourth degree);</li> <li>○ They have significant dealings (direct or indirect) with the Company, or is related to a person (fourth degree) who has significant dealings with the Company;</li> <li>○ They have obtained significant compensation from the Company, other than compensation provided for acting as a Board Member;</li> <li>○ Owns at least 1% of the shares of the company or any company of its group, and</li> <li>○ Be a representative of a legal person that owns at least 5% of share of the company or any company of its groups.</li> </ul> </li> <li>▪ Independent Board Members will constitute at least one third of the Board and a majority of the Board members shall be nonexecutive</li> </ul>



## QNCC Board of Directors Terms of Reference

### BOARD COMPOSITION

#### DIRECTOR'S RIGHTS

- The BOD shall enjoy the widest powers necessary to carry out the acts required by the objectives of the Company, and may within its powers delegate one or more of its members (e.g. Chairman and delegate board member) to do a specific act or acts or to supervise the Company activities.
- Board Members shall have full and immediate access to information, documents, and records pertaining to the Company. The Company's executive management shall timely provide the Board and its committees with all requested documents and information.
- The BOD may delegate some of its functions and constitute special committees, for the purpose of undertaking specific operations on its behalf.
- The Board of Directors shall have the discretion to establish any committee it deems necessary to effectively carry out its duties and responsibilities. This includes the creation, modification, or dissolution of committees to address specific operational or strategic needs, ensuring the Board remains adaptable and responsive to evolving requirements.
- The BOD may consult at the Company's expense any independent expert or consultant. Consultation requires the approval of the Chairman. However, a majority of the Non Executive Board Members may request the opinion of an independent consultant, in relation to any of the Company's affairs, at the Company's expense.
- The BOD may not sell the Company's real estate, place it under mortgage, or take up loans without the permission of the General Assembly, unless such actions are in their nature in scope of the Company's objectives.
- The BOD shall also enjoy all other rights vested to it by QCCL, Articles of Association and QFMA Corporate Governance Guidelines and its amendments not mentioned in this document.



## QNCC Board of Directors Terms of Reference

### ROLES AND RESPONSIBILITIES

ROLES AND RESPONSIBILITIES	
<b>DELEGATIONS AND AUTHORITIES</b>	<p>The Board has the widest powers to manage the Company. Following are the key responsibilities of the Board:</p> <ul style="list-style-type: none"><li>▪ Elect the Chairman (if not appointed by the State of Qatar), Vice Chairman and delegate members of the board (delegate BoD member role can be combined with other roles, e.g. Chairman).</li><li>▪ Appoint the CEO and the Executive Management cadre.</li><li>▪ Define the roles, responsibilities and duties of the CEO and the reports to be issued by the CEO to the Chairman, delegate BoD member, and the Board.</li><li>▪ Appoint advisors to the Board and setting their roles, responsibilities, duties and remuneration.</li><li>▪ Review and approve QNCC's organization structure and reporting lines.</li><li>▪ Set the financial authorities of Management and delegate authorities to certain Board Members.</li><li>▪ Approve financial commitments in excess of the delegated authorities of Board Committees and Executive Management.</li><li>▪ Review and assess QNCC's financial statements and disclosures prior to announcement to shareholders.</li><li>▪ Make enquiries about potential problems that are raised to the Board's attention and follow up with Management until the Board is satisfied that the issues have been addressed appropriately by Management.</li><li>▪ Assess the performance and set the remuneration of the Chairman and delegate BoD member, Vice-Chairman and other Board members, CEO, Board Secretary and key executives based on the Remuneration Committee's recommendations and Company's related policies. Review and approve the executive remuneration policy framework recommended by the Remuneration Committee.</li><li>▪ Create Board committees and set their authorities and duties. Periodically review and approve annually the work of Board committees provided that the legal quorum is achieved.</li><li>▪ Ensure that there is a succession plan in place for key executive positions, including the CEO and other members of the Executive Management cadre to maintain continuity and stability.</li></ul>





## QNCC Board of Directors Terms of Reference

<b>ROLES AND RESPONSIBILITIES</b>	
<b>STRATEGY AND PLANNING</b>	<ul style="list-style-type: none"> <li>▪ Provide the strategic direction to QNCC by approving the Company's vision and mission periodically, and at least every three years or as and when deemed necessary, approve and lead the development of the strategic plan and business objectives.</li> <li>▪ Reviewing and approving QNCC's overall risk management framework, including identifying key risks, setting risk appetite, and ensuring appropriate mitigation strategies are in place.</li>   <li>▪ Review and recommend improvements and approve strategic initiatives including new business initiatives and key industrial investments and divestitures.</li> <li>▪ Review and approve major corporate policies, including those related to corporate governance, risk management, and internal controls.</li>   <li>▪ Monitor operations and assess QNCC's performance and management of risks via periodic updates provided by the CEO.</li> </ul>
<b>FINANCE AND AUDIT</b>	<ul style="list-style-type: none"> <li>▪ Approve the Company's annual budget.</li> <li>▪ Monitor the financial performance of the Company.</li> <li>▪ Ensure that QNCC maintains adequate levels of capital and reserves, according to sound commercial principles.</li> <li>▪ Ensure the integrity of the company's financial reporting through the appointment of external auditors and the establishment of an internal audit function.</li> <li>▪ Review periodically, in conjunction with the Audit Committee, the arrangements with the External Auditors, in order to ensure their sustainability in accordance with the size and nature of QNCC.</li> <li>▪ Nominate the External Auditor to the General Assembly and receive Audit Reports from the External Auditor. Review reports and direct the management to improve related aspects.</li> <li>▪ Present the Company's audited Financial Statements at the ordinary meeting of the shareholders' General Assembly.</li> <li>▪ Appoint the Internal Auditor, through the Audit Committee.</li> <li>▪ Discuss with the Audit Committee matters related to internal audit and compliance including compliance to QE and QFMA requirements.</li>   <li>▪ Recommend to the General Assembly proposed dividends and the dividend policy.</li> </ul>



## QNCC Board of Directors Terms of Reference

<b>ROLES AND RESPONSIBILITIES</b>	
<b>GOVERNANCE AND COMPLIANCE</b>	<ul style="list-style-type: none"> <li>▪ Oversee the overall corporate governance of QNCC.</li> <li>▪ Review and approve governance policies, (including policies on conflict of interest and insider trading) and principles recommended by the Board Committees, Executive Management and External Consultants. Review Company's policies, directly or through a delegated committee, periodically to ensure they are adequate, suitable and in line with the internal business changes and the external macro-economic factors. Receive recommendations from the Nomination and Governance Committee and evaluate them and where necessary approve changes to governance documentation.</li> <li>▪ Supervise and ensure proper internal control systems, mainly through the Audit Committee. Ensure that QNCC is in compliance with its Articles of Association and applicable laws (e.g., QCCL) and regulations including QFMA regulations.</li> <li>▪ Work with Executive Management to establish and maintain a strong corporate culture that supports QNCC's vision, mission, and values, and encourages ethical behavior and compliance with laws, regulations, and internal policies.</li> <li>▪ Receive and review any legal cases filed against the Company periodically.</li> </ul>
<b>RESPONSIBILITY TO STAKEHOLDERS</b>	<ul style="list-style-type: none"> <li>▪ Provide shareholders with timely information to be able to take resolutions in the General Assembly.</li> <li>▪ Ensure the fair treatment of all shareholders within the same class in accordance with the law.</li> <li>▪ Ensure that a transparent process of stakeholder relations is in place including procedures for disclosures and communication.</li> <li>▪ Ensure the required reporting to shareholders in accordance with QFMA and QE requirements.</li> </ul>
<b>GENERAL ASSEMBLY</b>	<ul style="list-style-type: none"> <li>▪ Conduct the Annual General Assembly in Doha within four months from the last date of QNCC's financial year based on the BOD's invitation and after obtaining approval from the Ministry of Business and Trade. The meeting will be valid if at least half the Board members which must include the Chairman &amp; Delegate BoD member, Vice Chairman, and shareholders who represent the minimum capital requirement (50% of company shares) are present.</li> </ul>



## QNCC Board of Directors Terms of Reference

### ROLES AND RESPONSIBILITIES

#### GENERAL ASSEMBLY

- The resolutions of the General Assembly shall be made by the absolute majority of the shares represented at the meeting.
  - If the required quorum is not achieved in the first meeting, ensure a second general assembly meeting will be called for within 15 days following the date set for the first meeting by way of publishing in two local Arabic daily newspapers at least three days prior to the meeting. The second meeting will be considered valid regardless of the number of shares represented therein.
- Ensure that the Board-level committees' members, the Internal Auditor and representatives of the External Auditors attend the General Assembly.
- Conduct a General Assembly meeting where requested by the external auditor, or shareholders who own 10% or more of the Company's shares within 15 days of the request.
- Prepare the agenda for the General Assembly, in coordination with the Chairman, to be published in two local daily Arabic newspapers before 15 days from the General Assembly date. The agenda, should include the following items: \*
  - Board of Directors report on the Company's activities, financial status and the future plan.
  - External Auditor Report and Financial Statement presentation for discussion and approval.
  - Endorsement of the Annual Governance Report.
  - Nomination/ appointment of the External Auditor and setting his remuneration.
  - Election of Board Members representing the private sector; o Clearance of Board Members; o Dividend distribution; and o Board remuneration.

\*by virtue of the provisions of Article (121) of Law no (8) for year 2021



## QNCC Board of Directors Terms of Reference

### ROLES AND RESPONSIBILITIES

#### EXTRAORDINARY GENERAL ASSEMBLY

- Invite all shareholders for an Extraordinary Meeting at the Board's discretion, or by a request from shareholders who represent at least 25% of the Company's capital. Extraordinary meetings are considered valid provided that shareholders representing the minimum capital requirement are present (75% of capital).
  - If the required quorum is not achieved in the first meeting, ensure a second extraordinary general assembly meeting will be called for within 30 days following the date set for the first meeting. The second meeting is considered valid provided that shareholders representing at least 50% of capital are present.
  - If the required quorum is not achieved in the second meeting, ensure a third extraordinary general assembly meeting must be called for after 30 days following the date set for the second meeting. The third meeting is considered valid regardless of the number of attendees except for cases that pertains to the Company's dissolution, transformation, or merger, which requires that shareholders representing at least 75% of capital are present.
- The extraordinary meeting should be conducted for the following cases and decisions are only valid provided by majority of two thirds of the shares represented at the meeting:
  - Amend the Memorandum of Association or the Articles of Association of the Company;
  - Increase or decrease the capital of the Company;
  - Sell all the projects for which the Company was established or dispose of it in any other way; and
  - Dissolve, liquidate, transfer or merge the Company.



## QNCC Board of Directors Terms of Reference

### BOARD COMMITTEES

<b>BOARD COMMITTEES</b>	
<b>GENERAL</b>	<ul style="list-style-type: none"> <li>▪ Board Committees are formed in order to assist the Board by providing organized and focused means to achieve the Company's goals and to properly address issues. QNCC has established 'Audit', 'Executive', 'Remuneration' and 'Nomination and Remuneration' committees in accordance with leading governance practices.</li> <li>▪ An overview of these Committees is provided here, whereas each abides by its own detailed Terms of Reference. Board Committees regularly report to the Board on their proceedings and deliberations.</li> </ul>
<b>AUDIT COMMITTEE</b>	<ul style="list-style-type: none"> <li>▪ The Board appoints an Audit Committee in line with the Corporate Governance guidelines. The Committee consists of a minimum of three non-executive members (a majority of whom are independent, including the Chairman).</li> <li>▪ The members shall not be working or shall not have worked with the external auditors of the Company within the last two years.</li> <li>▪ Committee meetings should be conducted regularly at a minimum of every three months. The Committee should meet with the external auditors at least once annually.</li> <li>▪ The Audit Committee shall review and assess the financial and accounting policies, financial controls, internal controls, compliance and risk management systems of QNCC on a regular basis, as well as review and approve the internal audit plan, ensuring that it covers key areas of risk and that audits are conducted in a timely manner. It should also assess the performance and effectiveness of the internal audit function.</li> <li>▪ The Internal Audit function of QNCC reports directly to the Audit Committee ensuring independence.</li> <li>▪ The nomination of External Auditors is recommended by the Audit Committee to the Board, and in turn the Board will review and recommend the final nomination for approval in the Annual General Assembly meeting.</li> </ul>



## QNCC Board of Directors Terms of Reference

### BOARD COMMITTEES

#### NOMINATION AND GOVERNANCE COMMITTEE

- The Board appoints a Nomination and Governance Committee. The Committee consists of independent board members.

#### Nomination

- Oversee the establishment of a nomination process for Board members.
- Review candidate profiles of all new Board members applying for election to the Board considering current Board composition.
- Recommend to the Board for recommendation to the General Assembly election of new members (excluding State of Qatar appointed members).
- Review members for re-election and provide opinion to the Board for communication of the Board's view on re-election of members to the General Assembly.
- Manage the annual performance of self assessment exercise of the full Board.

#### Governance

- On a periodic basis, the Committee reviews and assesses any changes to international and local corporate governance practices and applicable regulations that could impact QNCC's operations and recommends any changes required to the Board of Directors for approval.



## QNCC Board of Directors Terms of Reference

### REMUNERATION COMMITTEE

- The Board appoints a Remuneration Committee.
- The Board is entitled to restructure the Committee and review its terms of reference whenever deemed necessary. The Committee consists of a minimum three non-executive members with the majority comprised of independent members.
- Committee meetings should be held at least once every six months and the Committee's Chairman should update the Board on its significant discussion points, issues, and deliberations.  
Remuneration
- One of the main tasks of the Committee is to set the remuneration policy of the Company.
- The Committee will support in setting the performance standards for the Board and key executives.
- The Committee will support in recommending remuneration of Board Members to the Board for approval by the General Assembly, excluding share incentive schemes as per the QFMA's Board Decision No. (05) for year 2020. Furthermore, the Committee will review the remuneration of key executives including the CEO and recommend remuneration amount to the Board for approval.



## QNCC Board of Directors Terms of Reference

### BOARD MEMBERSHIP

<b>BOARD MEMBERSHIP</b>	
<b>QUALIFICATIONS &amp; CONDITIONS</b>	<p>The qualifications below should also be considered based on the Articles of Association of QNCC and the QCCL:</p> <ul style="list-style-type: none"> <li>▪ Should comply with QCCL Article (97) provisions (e.g. age of the candidate should be twenty one (21) years or above, number of shares as per Articles of Association...etc.)</li> <li>▪ The candidate/member should possess the knowledge and skills required to provide leadership by setting the vision, principles, values and strategic plan, and to supervise management to ensure maximization of shareholder wealth.</li> <li>▪ Expertise in international markets and managing complex businesses are considered complementary qualifications.</li> <li>▪ The members should be able to commit time and exert effort necessary to fulfill all Board responsibilities, including review of required reports, assessment of relevant performance, and attendance of meetings.</li> <li>▪ Personal characteristics such as integrity, enthusiasm, strong leadership traits, ability to work as a team member, and also eagerness and commitment to work for the benefit of the Company, in line with QNCC's overall vision, and the Company's Code of Ethics.</li> </ul>
<b>NOMINATION AND TERM</b>	<ul style="list-style-type: none"> <li>▪ The Board will establish a transparent nomination process (excludes State of Qatar representatives) which is managed by the Nomination and Governance Committee.</li> <li>▪ The Nomination and Governance Committee will review proposals for re-election/ replacement members and provide their recommendation to the Board. The Board will subsequently present the nominated person's curriculum vitae and recommendations to the General Assembly for decision making.</li> <li>▪ Members of the Board of Directors shall be elected for a renewable term of three years.</li> </ul>





## QNCC Board of Directors Terms of Reference

<b>BOARD MEMBERSHIP</b>	
<b>MEMBER REPLACEMENT</b>	<ul style="list-style-type: none"> <li>▪ If any elected Board member position becomes vacant (except for Board seats reserved for State of Qatar appointed members who are appointed by Qatar Investment authority and the General Retirement &amp; Social Insurance Authority) with no subsequent and valid substitute representation, then that position shall be filled by the shareholder with the highest number of votes among those who did not succeed in winning membership on the Board. If the vacant post is that of State-appointed members, Qatar Investment authority and the General Retirement &amp; Social Insurance Authority will appoint the person that will occupy the vacancy. The member will serve the remaining term of the member he is replacing.</li> <li>▪ In case one quarter of the Board positions becomes vacant, the Board should call a General Assembly meeting to elect replacement members within two months from the date the last position is vacated.</li> <li>▪ The General Assembly may remove the Chairman or a member upon a motion by the absolute majority of the members of the Board, or upon a request signed by a number of shareholders representing at least 25% of the Company's capital.</li> </ul>
<b>RESIGNATION</b>	<ul style="list-style-type: none"> <li>▪ The Board member can withdraw himself from the Board on condition that appropriate timing is achieved.</li> <li>▪ If a member is absent for three consecutive Board meetings or four non-consecutive meetings, he will be considered to have resigned from the position, unless he provides acceptable reasons to the Board. These reasons foresee Serious Illness or Injury, Family Emergency, Travel Issues, Legal Obligations, and Pre-approved Leave.</li> </ul>
<b>REMUNERATION</b>	<ul style="list-style-type: none"> <li>▪ The Board through the Remuneration Committee will set the remuneration of the Board in accordance with the guidelines stipulated in QCCL, and the Articles of Association, as well as by the QFMA. The Board will annually present to the General Assembly details of remuneration provided to Board Members and will also submit a Remuneration Policy to be approved by the General Assembly.</li> </ul>



## QNCC Board of Directors Terms of Reference

### BOARD CODE OF CONDUCT

<b>BOARD CODE OF CONDUCT</b>	
<b>ACCOUNTABILITY</b>	<ul style="list-style-type: none"> <li>▪ The Board represents the interests of shareholders by overseeing management performance on behalf of the shareholders. The Board's responsibility of this oversight function includes both duty of care and duty of loyalty. The Board will be kept accountable for the Company's performance and its activities as per the applicable laws and regulations (e.g. QCCL Articles (136), (328) and (329)...etc.)</li> </ul>
<b>TRANSPARENCY</b>	<ul style="list-style-type: none"> <li>▪ Board Members will observe QNCC's values and act honestly and with integrity in all their dealings.</li> <li>▪ The Board Members act in good faith and in QNCC's best interest, not in the personal interest of the Board Members, interest of family member or an organization with which the member is affiliated. The Board Members do not use their position for personal gain and should be free from any influence of conflict of interest when they participate in Board and Board Committees' deliberations and voting.</li> <li>▪ The Board promotes ethical behavior and encourages an open environment where Board Members and employees are encouraged to report any unethical behavior observed and not permit retaliation for reports of misconduct made in good faith.</li> </ul>
<b>FAIRNESS</b>	<ul style="list-style-type: none"> <li>▪ Board Members always strive to deal fairly with QNCC's management, shareholders, suppliers, competitors, customers, employees and other business partners. Board Members avoid taking unfair advantage of anyone through manipulation, or concealment of privileged information, misrepresentation of material facts, or any other unfair dealing practice.</li> <li>▪ The Board Members do not use QNCC's assets, labor and information for personal use unless approved as part of the compensation or reimbursement of expenses.</li> <li>▪ Board Members also shall not offer any gift, gratuity or entertainment to any vendor, supplier, agent, partner, customer or other intended party (if not of nominal value) which could reasonably be perceived as intended to influence any business decision.</li> </ul>



## QNCC Board of Directors Terms of Reference

<b>BOARD CODE OF CONDUCT</b>	
<b>FAIRNESS</b>	<ul style="list-style-type: none"> <li>▪ Business entertainment and gifts are offered only in a commercial setting to create goodwill and sound working relationships and not to gain unfair advantage such as to create a sense of obligation, compromise judgment, or appear to be a bribe or kickback. In general, business gifts/ entertainment of a value of less than QAR 1,500 are considered nominal for Non-Executive Board Members. Executive Members of the Board should follow the nominal amount mentioned in the QNCC Employee's Code of Ethics. It should be noted that members and their relatives (up to the fourth degree) may not accept gifts from individuals or other entities, where such are offered, in order to influence the Board member's actions related to QNCC's business activities.</li> </ul>
<b>SUSTAINABILITY</b>	<ul style="list-style-type: none"> <li>▪ Board Members always use their professional experience and skills and commit adequate time and effort in order to serve QNCC and secure sustainable returns to its shareholders and enhance industrial investments.</li> <li>▪ Board Members actively promote the continuous improvement of the Company procedures and practices while adhering to its policies and standards. They also encourage achievement of knowledge at all levels to help personal and QNCC success.</li> <li>▪ Board Members protect QNCC's assets, ensure their efficient use and make sure the assets are used for legitimate business purposes.</li> <li>▪ Board Members should consider the environmental, social, and governance (ESG) aspects of QNCC's operations and oversee the development and implementation of policies and practices that promote sustainable business practices.</li> </ul>
<b>CONFIDENTIALITY</b>	<ul style="list-style-type: none"> <li>▪ The Board Members maintain the confidentiality of all proprietary, sensitive or important information of QNCC entrusted to them, except when disclosure is authorized or legally mandated.</li> <li>▪ All non-public information of QNCC is considered confidential information. Board Members who have access to confidential information shall not share this information for any purpose.</li> </ul>

# **Qatar National Cement Company (Q.P.S.C.)**



## **Board Committees' Terms of References**

**In accordance with QFMA's Board Decision No. (5) of 2016**

**September 2024**



## QNCC Board Committees' Terms of References

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## INTRODUCTION

Board Committees are established to assist the Board of Directors in performing its duties. We recommend the establishment of the following Board Committees:

- 1) Audit Committee;
- 2) Nomination and Governance Committee;
- 3) Remuneration Committee; and
- 4) Executive Committee

However, the QNCC combined Nomination and Governance Committee and Remuneration Committee together in one committee called "Nomination & Remuneration Committee".

The following Terms of References principally apply to the Board of Directors of Qatar National Cement Company Q.S.C. (hereinafter 'QNCC' or the 'Company'). They have been developed taking into consideration leading corporate governance practices (Qatar Financial Markets Authority's Corporate Governance Code for Listed Companies, UK Combined Code, OECD Principles for Corporate Governance, US Conference Boards Governance Best Practices Manual ...etc.) and the Commercial Companies Law.

### **Amendments:**

These Terms of References may be amended by a majority vote cast of the members of the Board present at any meeting, on condition that the proposed amendment or amendments should not contradict with the Articles of Association of the Company and local rules and regulations (such as the Commercial Companies Law and the Corporate Governance Code for Listed Companies issued by the Qatar Financial Markets Authority).

### **Abbreviations used in this document:**

BOD	Board of Directors
IFRS	International Financial Reporting Standards
QFMA	Qatar Financial Markets Authority



## AUDIT COMMITTEE

<b>COMMITTEE COMPOSITION</b>																			
<b>NUMBER OF MEMBERS &amp; MIX</b>	<ul style="list-style-type: none"> <li>▪ Composed of at least three members, majority of whom will be independent non-executive directors.</li> <li>▪ The Chairman of the Board &amp; Managing Director shall not be a member in the Audit Committee.</li> <li>▪ Person conducted audit of the company within previous two years shall not be a candidate, directly or indirectly, for the audit committee membership (Article 18 of QFMA Corporate Governance).</li> <li>▪ Chairman of the committee shall not chair more than one committee composed by the Board.</li> <li>▪ Chairman of the audit committee shall not be a member in any other committee of the Board.</li> </ul>																		
<b>COMPOSITION</b>	<table style="width: 100%; border-collapse: collapse;"> <tbody> <tr> <td style="width: 70%;">▪ Independent Non-Executive</td> <td style="width: 30%;">Committee Chairman</td> </tr> <tr> <td>▪ Independent Non-Executive</td> <td>Member</td> </tr> <tr> <td>▪ Non-Independent/Executive</td> <td>Member</td> </tr> <tr> <td>▪ CEO</td> <td>(by Invitation)</td> </tr> <tr> <td>▪ Head of Internal Audit</td> <td>(by Invitation)</td> </tr> <tr> <td>▪ External Auditor</td> <td>(by Invitation)</td> </tr> <tr> <td>▪ Head of Finance and Administration</td> <td>(by Invitation)</td> </tr> <tr> <td>▪ Head of Legal Department</td> <td>(by Invitation)</td> </tr> <tr> <td>▪ Any other external party/ QNCC employee as deemed appropriate</td> <td>(by Invitation)</td> </tr> </tbody> </table>	▪ Independent Non-Executive	Committee Chairman	▪ Independent Non-Executive	Member	▪ Non-Independent/Executive	Member	▪ CEO	(by Invitation)	▪ Head of Internal Audit	(by Invitation)	▪ External Auditor	(by Invitation)	▪ Head of Finance and Administration	(by Invitation)	▪ Head of Legal Department	(by Invitation)	▪ Any other external party/ QNCC employee as deemed appropriate	(by Invitation)
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▪ Any other external party/ QNCC employee as deemed appropriate	(by Invitation)																		
<b>TERM</b>	<ul style="list-style-type: none"> <li>▪ For board members, valid membership to the Board is a prerequisite to membership to the Audit Committee. The membership will run concurrently with the term spent on the Board and will be for a maximum three year renewable period.</li> </ul>																		



## QNCC Board Committees' Terms of References

<b>COMMITTEE MEMBERSHIP</b>	
<b>QUALIFICATIONS AND REQUIREMENTS</b>	<ul style="list-style-type: none"><li>▪ At least one member should have financial and audit experience.</li><li>▪ The Audit Committee Chairman should be independent.</li></ul>
<b>NOMINATION</b>	<ul style="list-style-type: none"><li>▪ The Board should approve appointments of the Committee members.</li></ul>
<b>RESIGNATION</b>	<ul style="list-style-type: none"><li>▪ Three months notice, approved by the Board.</li></ul>
<b>COMPENSATION</b>	<ul style="list-style-type: none"><li>▪ The Committee Chairman and members shall be remunerated on a per meeting basis in accordance with the remuneration policy approved by the Board.</li></ul>
<b>SECRETARY</b>	<ul style="list-style-type: none"><li>▪ Appointed by the Audit Committee, the Committee Secretary will be responsible for maintaining all committee documentation, distribution of meeting agendas, arranging for committee meetings in addition to other duties included in the job description of the Committee Secretary.</li></ul>





## QNCC Board Committees' Terms of References

<b>COMMITTEE MEETINGS</b>	
<b>VENUE</b>	<ul style="list-style-type: none"><li>▪ QNCC Head Office or other location approved by the Committee Chairman.</li></ul>
<b>FREQUENCY</b>	<ul style="list-style-type: none"><li>▪ At least six times per year and at least once every two months; and</li><li>▪ At least once a year with Head of Internal Audit and external auditors.</li></ul>
<b>INVITATION &amp; AGENDA</b>	<ul style="list-style-type: none"><li>▪ Agenda for each Audit Committee meeting shall be circulated at least one week prior to the date of the meeting in normal situations.</li></ul>
<b>QUORUM</b>	<ul style="list-style-type: none"><li>▪ Majority of members including Chairman.</li><li>▪ Proxy voting is allowed.</li><li>▪ If at any meeting the Chairman is not present within 15 minutes after the time appointed for holding the meeting, the members present may choose one of the other independent members to be the Chairman of the meeting.</li></ul>
<b>DECISION MAKING</b>	<ul style="list-style-type: none"><li>▪ Majority consent, the Chairman's vote decides on any ties.</li></ul>
<b>ACCESS TO INFORMATION</b>	<ul style="list-style-type: none"><li>▪ The Committee, in performing its functions, may as appropriate have unrestricted access to Company records and any other documents, reports, material or information in the possession of any employee or external advisor of the Company.</li></ul>
<b>MINUTES OF MEETING</b>	<ul style="list-style-type: none"><li>▪ The Committee Secretary keeps records of the meeting discussions and decisions and circulates minutes of each meeting within one week after the meeting for comments and approval of the minutes.</li><li>▪ The minutes are to be signed by the Chairman of the meeting.</li><li>▪ The minutes of meeting shall be kept by the Secretary and shall be open for inspection by any director of the Company's Board.</li></ul>



## COMMITTEE RESPONSIBILITIES

### FINANCIAL STATEMENTS

- Review significant accounting and reporting issues, including complex or unusual transactions, highly judgmental areas and recent professional or regulatory pronouncements, and understand their impact on the financial statements of the Company including related entities inside or outside the State of Qatar.
- Review with management and the external auditors the results of the audit, including any difficulties encountered.
- Review the annual financial statements and the yearly, half-yearly and quarterly reports, and consider whether they are accurate, valid, complete, and consistent with the information known to committee members and reflect appropriate accounting standards and principles.
- Ensure that the financial statements and reports are in compliance with accounting policies and practices determined by the QFMA, the applicable listing rules in the Qatar Exchange market, and with disclosure rules and any other requirements relating to the preparation of financial reports.
- Review the Company's annual report, notes to the annual report and related regulatory filings before release and consider the accuracy and completeness of the information as applicable.
- Review with management and the external auditors all matters required to be communicated to the committee under generally accepted auditing standards.
- Understand how management develops interim financial information, and the nature and extent of internal audit and external audit involvement and coordination.
- Review interim financial reports with management and the external auditors before filing with the applicable regulators, and consider whether they are complete and consistent with the information known to committee members.
- Review any legal and regulatory matters that may have a material impact on the financial statements of the Company.



## QNCC Board Committees' Terms of References

### INTERNAL AUDIT

- Obtain explanations from management, internal auditors and external auditors on whether the Company's financial and operating controls are adequate and functioning effectively.
- Obtain reports from the Compliance & Risk function on the assessment of risks pertaining to the Internal Control environment.
- Consider the effectiveness of the Company's management of risks and internal controls over annual and interim financial reporting, regulatory and other reporting, including information technology security and controls.
- Consider how management is to be held accountable for the security of computer systems and applications and the contingency plans for processing financial information in the event of a system breakdown.
- Understand the scope of internal and external auditors' review of internal control over financial reports and obtain reports on significant findings and recommendations, together with management's responses.
- Consider with internal and external auditors any fraud, illegal acts, deficiencies in internal control or other similar areas.
- Review and approve the charter, plans, activities, staffing and organizational structure of QNCC Internal Audit function.
- Review and approve the appointment, replacement, relocation or dismissal of audit personnel as well as their remuneration.
- Ensure there are no unjustified restrictions or limitations on the functioning of the Company's Internal Audit, as well as on Internal Audit's access to Company records, documents, personnel as and when required in performance of their functions.
- Review the effectiveness of the Internal Audit function, including compliance with the Institute of Internal Auditors' Standards for the Professional Practice of Internal Auditing and other applicable standards and best practices.
- On a regular basis, meet separately with the Head of Internal Audit to discuss any matters that the Committee or Internal Audit believe should be discussed privately.
- Ensure that management responds to recommendations by the internal auditors and that all information, records...etc. sought for and required by internal auditors in the performance of their formal duties is/are made available to them by management in an unhindered manner.



## QNCC Board Committees' Terms of References

<b>EXTERNAL AUDIT</b>	<ul style="list-style-type: none"><li>▪ Review the external auditors' proposed audit scope and approach, including coordination of audit effort with Internal Audit.</li><li>▪ Discuss with the external auditor the nature, scope and efficiency of the audit performed by them in accordance with International Standards on Auditing and IFRS.</li><li>▪ Review the performance of the external auditors and recommend final discharge of the auditors. In case of any conflict with the Board, the decision will be documented.</li><li>▪ Review and confirm the independency and objectivity of the external auditors by obtaining statements from the auditors on relationships between the auditors and the Company, including non-audit services.</li><li>▪ Make recommendations to the Board of Directors regarding the appointment/reappointment of the external auditors.</li><li>▪ Confirm and assure the independence of the Head of Internal Audit and external auditors, including a review of management consulting services and related fees provided by the external auditors annually.</li><li>▪ Review and discuss quarterly reports from external auditors on all critical accounting policies and practices and any significant financial reporting issues and judgment made in connection with the preparation of QNCC's financial statements.</li><li>▪ On a regular basis, meet separately with the external auditors to discuss any matters that the Committee or auditors believe should be discussed privately, including management responses to their reports.</li><li>▪ Ensure that the Head of Finance and Administration reports to the Committee on a periodic basis regarding any non-audit services provided by the external auditor; and the level of fees paid for providing such services.</li></ul>
<b>REPORTING</b>	<ul style="list-style-type: none"><li>▪ Regularly report to the Board of Directors about committee activities, issues and related recommendations.</li><li>▪ Subject to applicable regulatory requirements, report annually to the shareholders describing the Committee's composition, role and responsibilities and how they were discharged and any other information required by regulations.</li><li>▪ Report to the Board on issues of integrity of financial statements, legal matters, risk matters, compliance matters and significant audit issues and recommendations.</li></ul>



## QNCC Board Committees' Terms of References

<b>COMPLIANCE</b>	<ul style="list-style-type: none"><li>▪ Review with management and the Compliance &amp; Risk function the charter, plans, activities, staffing and organizational structure of the compliance and risk function.</li><li>▪ Ensure the efficiency of the Compliance &amp; Risk function in detecting the deviations and breaches within the Company, and ensure the non-existence of any factors that would impact its independence, and objectivity as well as proper reporting of the Compliance &amp; Risk function.</li><li>▪ Review and approve the appointment, replacement or dismissal of the Compliance &amp; Risk personnel and their remuneration.</li><li>▪ Review the effectiveness of the system for monitoring compliance with applicable laws, regulations and standard. Monitor the results of management's investigation and follow-up (including disciplinary action if applicable) of any instances of non-compliance within QNCC or its related entities.</li><li>▪ Review the findings of inspections by any regulatory body.</li></ul>
<b>RISK MANAGEMENT</b>	<ul style="list-style-type: none"><li>▪ Review and approve a risk management strategy for the Company, and the Company's risk appetite and risk policies.</li><li>▪ Review progress made in the identification of operational, market, strategic, legal and reputational risks, ensure implementation of action plans to monitor and manage these risks.</li><li>▪ Review progress made by QNCC in identifying and assessing risks faced by the Company and its related entities.</li><li>▪ Review and monitor fraud and other operational losses across the Company.</li><li>▪ Oversee business continuity management and business continuity planning for the Company.</li><li>▪ Review the processes and control framework for the management of risks that QNCC is exposed to.</li><li>▪ Define the risk management roles and responsibilities across the Company.</li></ul>



## QNCC Board Committees' Terms of References

<b>RISK MANAGEMENT</b>	<ul style="list-style-type: none"><li>▪ Set parameters for contingency plans for all functions of the Company in order to limit impact or damage resulting from business continuity risk:<ul style="list-style-type: none"><li>– Implement and manage the Crisis Management Plan and Crisis Management Framework.</li><li>– Agree on acceptable outage timings of services across the Company.</li><li>– Provide strategic direction during a crisis situation.</li><li>– Management of external communications including liaising with the media, regulatory authorities, emergency services and government agencies.</li></ul></li><li>▪ Review reports submitted to the Committee from the Compliance &amp; Risk function with regard to risk management practices in QNCC.</li></ul>
<b>OTHER RESPONSIBILITIES</b>	<ul style="list-style-type: none"><li>▪ Review any other reports the Company issues that relates to the Committee's area of responsibility.</li><li>▪ Conduct an annual self-evaluation of the performance of the Committee, including its effectiveness and compliance with its Terms of Reference.</li><li>▪ Perform other activities related to the approved Internal Audit Charter of the Company as requested by the Board of Directors.</li><li>▪ Annually review the Committee's Terms of Reference and recommend to the Board any changes, where applicable.</li><li>▪ Supervise and oversee the conduct of special investigations as and when needed.</li><li>▪ Obtain independent professional financial and risk management advice where necessary to assist it in the proper exercise of its powers and responsibilities, with the cost to be borne by the Company.</li><li>▪ Perform any additional activities delegated by the Board.</li><li>▪ Submit an annual report to the Board including work done and recommendations.</li></ul>



## NOMINATION AND GOVERNANCE COMMITTEE

<b>COMMITTEE COMPOSITION</b>	
<b>NUMBER OF MEMBERS &amp; MIX</b>	<ul style="list-style-type: none"> <li>▪ Composed of three members who are non-executive and independent Board Members.</li> <li>▪ The Chairman of the Board &amp; Managing Director shall not be a member in the Nomination and Governance Committee.</li> <li>▪ Chairman of the committee shall not chair more than one committee composed by the Board.</li> <li>▪ Chairman of the audit committee shall not be a member in any other committee of the Board.</li> </ul>
<b>COMPOSITION</b>	<ul style="list-style-type: none"> <li>▪ Independent Non-Executive (Committee Chairman)</li> <li>▪ Independent Non-Executive (Member)</li> <li>▪ Independent Non-Executive (Member)</li> <li>▪ Chairman of the Board &amp; Managing Director and/or Executive Management as and when needed (by Invitation)</li> <li>▪ Any other external party/ QNCC employee as deemed appropriate (by Invitation)</li> </ul>
<b>TERM</b>	<ul style="list-style-type: none"> <li>▪ For board members, valid membership to the Board is a pre-requisite to membership to the Nomination and Governance Committee. Membership to the Committee will run concurrently with the term spent on the Board and will be for a maximum three year renewable period.</li> </ul>



## QNCC Board Committees' Terms of References

<b>COMMITTEE MEMBERSHIP</b>	
<b>NOMINATION</b>	<ul style="list-style-type: none"><li>▪ The Board shall appoint members to the Nomination and Governance Committee based on the available pool of independent members and non-executive members from the Board.</li></ul>
<b>RESIGNATION</b>	<ul style="list-style-type: none"><li>▪ Three months notice, approved by the Board.</li></ul>
<b>COMPENSATION</b>	<ul style="list-style-type: none"><li>▪ The Committee Chairman and members shall be remunerated on a per meeting basis in accordance with the remuneration policy approved by the Board.</li></ul>
<b>SECRETARY</b>	<ul style="list-style-type: none"><li>▪ Appointed by the Committee, the Committee Secretary maintains committee records, distributes agendas and arranges for Committee meetings in addition to any other responsibility documented in the Secretary's job description.</li></ul>





## QNCC Board Committees' Terms of References

<b>COMMITTEE MEETINGS</b>	
<b>VENUE</b>	<ul style="list-style-type: none"><li>▪ QNCC Head Office, or other location approved by the Committee Chairman.</li></ul>
<b>FREQUENCY</b>	<ul style="list-style-type: none"><li>▪ Minimum twice a year.</li></ul>
<b>INVITATION &amp; AGENDA</b>	<ul style="list-style-type: none"><li>▪ Agenda for each Nomination and Governance Committee meeting shall be circulated at least one week prior to the date of the meeting.</li></ul>
<b>QUORUM</b>	<ul style="list-style-type: none"><li>▪ Majority of members including the Chairman.</li><li>▪ Proxy voting is allowed.</li><li>▪ If at any meeting the Chairman is not present within 15 minutes after the time appointed for holding the meeting, the members present may choose one of the other independent members to be the Chairman of the meeting.</li></ul>
<b>DECISION MAKING</b>	<ul style="list-style-type: none"><li>▪ Majority consent, the Committee Chairman's vote decides on any ties.</li></ul>
<b>MINUTES OF MEETING</b>	<ul style="list-style-type: none"><li>▪ The Committee Secretary keeps records of the meeting discussions and decisions and circulates minutes of each meeting within one week after the meeting date for comments and approval of the minutes.</li><li>▪ The minutes are to be signed by the Chairman of the meeting.</li><li>▪ The minutes of meeting shall be kept by the Secretary and shall be open for inspection by any director of the Company's Board.</li></ul>



## COMMITTEE RESPONSIBILITIES

### NOMINATION

- Identify and nominate new Board Member candidates that demonstrate the ability and oversight to make sound decisions on behalf of the Company and its shareholders.
- Evaluate the annual performance of the current BOD and recommend BOD members appointments and re-nomination for election by the General Assembly.
- Ensure that nominations take into account the candidates' sufficient availability to perform their duties as Board Members, in addition to their skills, knowledge and experience as well as professional, technical, academic qualifications and personality and nominations should be based on the 'Fit and Proper Guidelines for Nomination of Board Members' annexed to the QFMA Corporate Governance Code.
- Provide recommendations concerning the appropriate size and composition of the Board, including :
  - The composition and functions of Board Committees;
  - All matters relating to the effective functioning of the Board members.
- Establish criteria for selecting new Board members, and exercise oversight of the evaluation of the Board and management.
- Conduct an annual self-assessment of the Board's performance and Board Committees.
- Assess and evaluate members based on criteria including:
  - Their integrity and judgment;
  - Their records of public service;
  - Their ability to devote sufficient time to the affairs of the Company; and
  - The diversity of backgrounds and experience they will bring to the Board.
- Exercise the authority, if need be, to retain and terminate any search firm to be used to identify BOD candidates, including authority to approve the search firm's fees and other retention terms.
- The Committee ensures that all BOD candidates should be individuals of substantial accomplishment with demonstrated leadership capabilities, and represent all shareholders and not any special interest group of constituency.



## QNCC Board Committees' Terms of References

### GOVERNANCE

- Review and assess on a periodic basis any changes to international and local corporate governance practices that could have an impact on how the Company operates and manages its governance policies. Eventually, recommend any changes thereto to the full Board of Directors.
- Consider any governance non-compliance matters and recommend to the Board actions to resolve the same as applicable.
- Recommend actions with regard to changes in governance practices and compliance within QNCC and its related entities' governance policies.
- Recommend to the Board the approval of QNCC's Corporate Governance policy.
- Ensure that the following matters relating to the Board are being complied with:
  - Publication of all disclosures/required information of QFMA and other regulators to QNCC's website.
  - Development of an official training program to promote the knowledge of the Board members.
  - Inclusion of provisions to QNCC's governance practices that provide the shareholders sufficient information about candidates to the members of the BOD.
- Submit an annual report to the Board including work done and recommendations.



## REMUNERATION COMMITTEE

<b>COMMITTEE COMPOSITION</b>	
<b>NUMBER OF MEMBERS &amp; MIX</b>	<ul style="list-style-type: none"> <li>▪ Composed of at least three members who are non-executive, majority of whom are independent.</li> <li>▪ The Chairman of the Board &amp; Managing Director shall not be a member in the Remuneration Committee.</li> <li>▪ Chairman of the committee shall not chair more than one committee composed by the Board.</li> <li>▪ Chairman of the audit committee shall not be a member in any other committee of the Board.</li> </ul>
<b>COMPOSITION</b>	<ul style="list-style-type: none"> <li>▪ Independent Non-Executive (Committee Chairman)</li> <li>▪ Independent Non-Executive (Member)</li> <li>▪ Independent/ Non-Executive (Member)</li> <li>▪ Chairman of the Board &amp; Managing Director and/or Executive Management as and when needed (by Invitation)</li> <li>▪ Any other external party/ QNCC employee as deemed appropriate (by Invitation)</li> </ul>
<b>TERM</b>	<ul style="list-style-type: none"> <li>▪ For board members, valid membership to the Board is a pre-requisite to membership to this Committee. Membership to the Committee will run concurrently with the term spent on the Board and will be for a maximum three year renewable period.</li> </ul>



## QNCC Board Committees' Terms of References

<b>COMMITTEE MEMBERSHIP</b>	
<b>NOMINATION</b>	<ul style="list-style-type: none"><li>▪ The Board shall appoint members to the Remuneration Committee based on the available pool of independent members and non-executive members from the Board.</li></ul>
<b>RESIGNATION</b>	<ul style="list-style-type: none"><li>▪ Three months notice, approved by the Board.</li></ul>
<b>COMPENSATION</b>	<ul style="list-style-type: none"><li>▪ The Committee Chairman and members shall be remunerated on a per meeting basis in accordance with the remuneration policy approved by the Board.</li></ul>
<b>SECRETARY</b>	<ul style="list-style-type: none"><li>▪ Appointed by the Committee, the Committee Secretary maintains committee records, distributes agendas and arranges for Committee meetings in addition to any other responsibility documented in the Secretary's job description.</li></ul>



## QNCC Board Committees' Terms of References

<b>COMMITTEE MEETINGS</b>	
<b>VENUE</b>	<ul style="list-style-type: none"><li>▪ QNCC Head Office, or other location approved by the Committee Chairman.</li></ul>
<b>FREQUENCY</b>	<ul style="list-style-type: none"><li>▪ Minimum three times per year.</li></ul>
<b>INVITATION &amp; AGENDA</b>	<ul style="list-style-type: none"><li>▪ Agenda for each meeting shall be circulated at least one week prior to the date of the meeting.</li></ul>
<b>QUORUM</b>	<ul style="list-style-type: none"><li>▪ Majority of Members including the Chairman.</li><li>▪ Proxy voting is allowed.</li><li>▪ If at any meeting the Chairman is not present within 15 minutes after the time appointed for holding the meeting, the members present may choose one of the other independent members to be the Chairman of the meeting.</li></ul>
<b>DECISION CONSENSUS</b>	<ul style="list-style-type: none"><li>▪ Majority consent, the Committee Chairman's vote decides on any ties.</li></ul>
<b>MINUTES OF MEETING</b>	<ul style="list-style-type: none"><li>▪ The Committee Secretary keeps records of the meeting discussions and decisions and circulates minutes of each meeting within one week after the meeting date for comments and approval of the minutes.</li><li>▪ The minutes are to be signed by the Chairman of the meeting.</li><li>▪ The minutes of meeting shall be kept by the Secretary and shall be open for inspection by any director of the Company's Board.</li></ul>



## COMMITTEE RESPONSIBILITIES

### REMUNERATION

- Develop a remuneration policy statement covering BOD and key executives. Such policy statement will specify the relationship between remuneration and performance, and include measurable standards that emphasize long-term interests.
- Develop a transparent framework for remuneration of executive management to attract, retain and motivate qualified individuals required to run QNCC successfully.
- Develop the remuneration policy for executive members appointed to QNCC related entities. Provide advice to directors appointed to QNCC's related entities with regard to director and executive management compensation.
- Obtain Board approval on the remuneration policy. Present the remuneration policy to the General Assembly for ratification.
- Set corporate goals and objectives relevant to the General Manager and other Executive Management, ensuring that remuneration is set based on the achievement of long term and strategic goals.
- Recommend to the Board the compensation for current and newly appointed Executive Management in line with market compensation levels in the industry.
- Approve the terms of employment, service contract, scope of pension arrangements, basis of bonus and increment awards and terms for cessation of employment of the CEO, and other Executive Management positions.
- Review of the remuneration policy for employees of the Company and present recommendations to the Board for approval.
- Review with management competitor market data, trend analysis, QNCC's performance and the methodology for determining the annual compensation pools.
- Review and approve any negotiated severance and retirement agreements in accordance with the applicable working instructions.
- Review and approve any mandatory disclosure of management compensation.
- Assess the compensation of QNCC's Executive Management in line with their performance and participation in Committees.



## QNCC Board Committees' Terms of References

<b>REMUNERATION</b>	<ul style="list-style-type: none"><li>▪ Approve the terms of employment, service contract, and scope of pension arrangements, basis of bonus and bonus awards and terms for cessation of employment for Chairman &amp; Managing Director, CEO, and other Executive Management positions.</li><li>▪ Review and evaluate annually the General Manager and other Executive Management's performance against such established long term corporate goals and objectives, and report its findings to the Board.</li><li>▪ Determine terms of any compensation package in the event of an early-agreed termination of contracts of Executive Management.</li><li>▪ Set related entity board compensation packages taking into consideration country rules and regulations.</li><li>▪ Prepare required recommendations and proposals to the BOD for approval pertaining to the scope of work of relevant management committees as well as other recommendations raised by senior management through appropriate channels.</li><li>▪ Periodically review compensation packages for related entities' executive management.</li></ul>
<b>OTHER RESPONSIBILITIES</b>	<ul style="list-style-type: none"><li>▪ Conduct an annual self-evaluation of the performance of the Committee, including its effectiveness and compliance with its Terms of Reference.</li><li>▪ Annually review the Committee's Terms of Reference and recommend to the Board any changes, where applicable.</li><li>▪ Obtain professional advice including the advice of independent remuneration consultants, as deemed necessary in the setting of remuneration.</li><li>▪ Determine the retention or termination of remuneration consultants, and approve consultant's fees and terms of engagement.</li><li>▪ Report regularly to the Board on Committee findings, recommendations and any other matters the Committee deems appropriate or the Board requests.</li><li>▪ Review periodically information on employee expense regulations.</li><li>▪ Perform any additional activities delegated by the Board.</li><li>▪ Submit an annual report to the Board including the work done and recommendations.</li></ul>





## OTHER COMMITTEES

<b>GENERAL PROVISIONS</b>	
<b>DESCRIPTION</b>	<ul style="list-style-type: none"><li>▪ The Board of Directors shall have the discretion to establish any committee it deems necessary to effectively carry out its duties and responsibilities. This includes the creation, modification, or dissolution of committees to address specific operational or strategic needs, ensuring the Board remains adaptable and responsive to evolving requirements.</li><li>▪ Any committee established by the Board must operate in accordance with applicable laws, regulations, and corporate governance standards. The Board will regularly review the composition and function of these committees to ensure they continue to meet legal obligations and support the organization's objectives.</li></ul>

# **Qatar National Cement Company (Q.P.S.C.)**



**Code of Ethics**  
**In accordance with QFMA's Board Decision No. (5) of  
2016**

**May 2023**



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## INTRODUCTION

Qatar National Cement Company (Q.S.C) (hereinafter “QNCC” or “the Company”) Code of Ethics is a resource to assist all QNCC employees in making decisions and choosing actions with:

- ▶ Confidence that the decision conforms to QNCC’s ethical standards;
- ▶ Expectations that QNCC’s actions and those of its employees are within the laws and regulations; and
- ▶ Comfort that decisions taken meet the standard of “doing the right thing” not only for QNCC but the community at large.

QNCC’s Code of Ethics defines the ethical principles of, **Integrity, Respect, Objectivity, Accountability, Excellence, Sustainability, Confidentiality, and Social Responsibility** and is illustrated with examples that represent common challenges and issues faced by employees at work.

Additionally this Code defines actions that respectively should and should not be conducted by employees.

- ▶ Each ethical principle is first defined; and
- ▶ The definition is followed with a series of focus area guidelines – a list of actions and decisions that are consistent with the stated principles.

The guidelines are illustrative and are not intended to suggest that they fully define all ways applicable for ethical principles that might apply. In several instances, there are policies and procedures that address more detailed aspects of the issue(s) being discussed.

All employees should refer to QNCC’s **Corporate Governance Policies Manual** for additional details.

All employees should be aware that policies, procedures, laws and regulations may change. It is an employee’s responsibility to ascertain, when relying on policies, procedures, laws and regulations that one is using the most updated information.

QNCC is fully committed to its Code of Ethics and will take action to protect its interest and that of its employees. Violation of the Code may lead to penalties and may even result in termination of employment in cases of serious violations.

The Board of Directors shall review and reassess the adequacy of this Code annually, and make any amendments to the Code that is deemed appropriate.



## PRINCIPLE 1: INTEGRITY

### Definition:

The principle of integrity imposes an obligation to be straightforward and honest in all business relationships. Integrity also implies fair dealing and truthfulness. Integrity begins with telling the truth, obligates us to be transparent in all of our business dealings, and to operate in good faith – free from any attempt at deception or deceit. Employees are expected to be frank, candid and open in their communications and dealing with others – be they employees, vendors, suppliers, partners, customers or the community. Our commitment to integrity also presumes that employees will be truthful in their dealings with each other even when doing so might be difficult, as when one might disagree with or need to provide constructive criticism to a colleague.

### Guidelines:

#### Truthfulness and Honesty

- All employees of must be honest, open and forthright in all their business dealings and activities.
- An employee must maintain honest and accurate records of:
  - Financial and accounting records;
  - Business performance records; and
  - Time and expense reporting.
- An employee must honor contracts, agreements, promises and company-assigned responsibilities.
- An employee must take honest responsibility for performance of self and others.
- An employee must be honest about his/ her qualifications, and other circumstantial data.
- An employee must ensure that all information communicated to others do not include:
  - False or misleading statements;
  - Statements or information furnished recklessly; or
  - Statements where information required to be included has been omitted/ obscured and where such omission or obscurity would be misleading.
- Employees should be encouraged to report any perceived dishonesty or unethical behavior without fear of reprisal. This promotes a culture of integrity and discourages dishonest practices.



## QNCC Code of Ethics

### Transparency

- It is QNCC's principle that our strategic direction, financial performance, corporate governance framework are disclosed to stakeholders for them to assess.
- Employees are expected to provide appropriate encouragement and constructive criticism. Such communication should be clear, constructive and sufficiently detailed as to be useful to the other party. Encouragement and criticism should be 'two-way', freely exchanged among peers and between supervisors and their subordinates.
- All dealings by employees should be done on a candid and open basis. All non-confidential information relevant to a decision by QNCC or its stakeholders should be disclosed.

### Laws and Regulations

- Employees shall acquire adequate knowledge of and shall comply with all applicable laws, rules and regulations of the respective countries where QNCC operates currently as well as in the future, while QNCC commits to facilitating the acquisition of knowledge for all its employees in this matter.
- Employees shall not knowingly participate in, assist or conceal any acts or violations of any applicable law, rule, or regulation.
- Employees should consult with their immediate supervisor if they have any questions or concerns about conditions of employment and/or corporate policies or procedures.

### Accuracy of Records and Financial Integrity

- Business records must be created promptly and accurately at the time of each transaction or event. This activity should only be conducted by authorized personnel.
- Records should be stored securely, effectively organized for easy retrieval, and retained in compliance with all applicable legal and regulatory requirements.
- Regular updates and reviews are required to ensure the accuracy and completeness of records. These activities should be supervised by designated personnel.
- The disposal of records must follow established company procedures, ensure the continued confidentiality of information, and comply with all relevant laws and regulations.
- All business records must be available for audits. Employees are obligated to report any record inaccuracies, and non-compliance with this policy may lead to disciplinary action.



## PRINCIPLE 2: RESPECT

### Definition:

Respect calls on us to recognize each individual's inherent worth, and the unique contributions they can make. This includes creating a working environment that embraces diversity and fairness, fosters inclusion, and excludes any discrimination and harassment. Employees are entitled to expect fair treatment at QNCC and are expected to treat others fairly. This also requires employees to conduct QNCC's business as such that its reputation for fair dealings is sustained and enhanced.

Respect does not require that we always agree with others, but it does require that we listen without prejudging. Respect calls for us to encourage others to express their views and to accept those views as legitimate, even when we choose to disagree. Employees are expected to respect their colleagues, customers and others with whom they interact in their professional capacity.

### Guidelines:

#### Embrace Diversity and Foster Inclusion

- QNCC employs people from diverse cultural and ethnic backgrounds. Building on each others' diversity, backgrounds and skills can lead to the development of new ideas. As an employee of QNCC, one should respect his/her colleagues and customers and treat everyone professionally and fairly.
- QNCC not only values diversity but also promotes an inclusive work environment where diverse perspectives are heard, valued, and influence decision-making processes.

#### Discrimination and Harassment

- Employees must treat their customers, colleagues and the public with utmost respect and dignity. Employees are further encouraged to respond courteously to inquiries from others and provide timely and appropriate responses to inquiries/complaints from others.
- Employees must always be polite and respect others' opinions and should aim to create a friendly and conducive environment. There will be no tolerance for discrimination or harassment by any QNCC employee. Any violations will result in penalties or may lead to termination of employment.
- Employees in supervisory roles should distribute work equitably without favoritism or discrimination and ensure that subordinates are provided with the right tools and information to assist them in the completion of their tasks.



## QNCC Code of Ethics

### Communication

- QNCC wishes to maintain an environment conducive to inter-department communications, sharing of ideas and resources for the furtherance of QNCC's goals and objectives. QNCC desires for its employees to be actively involved and provide suggestions. All employees should respect the ideas of others, listen without prejudice, provide constructive feedback and support in implementing any new ideas.
- QNCC operates under an open-door policy, encouraging open and honest communication between employees at all levels. We believe this fosters a more inclusive and responsive work environment.

### Working Safety

- QNCC is committed to complying with all applicable health and safety laws and regulations. Our aim is to maintain a work place that is free from hazards.
- QNCC ensures all employees receive adequate training to perform their jobs safely. We provide resources to educate employees about potential work place risks.
- Employees at QNCC are obligated to report any work place incidents, injuries, or unsafe conditions immediately. This allows us to promptly address and rectify any safety issues.
- QNCC actively encourages and implements preventive measures such as routine safety inspections and maintenance of equipment to prevent accidents before they occur.





### PRINCIPLE 3: OBJECTIVITY

#### Definitions

Objectivity can be understood as situations where employees take actions while avoiding business bias, conflict of interest or undue influence of others. Objectivity could be impaired where a conflict of interest exists whether actual or implied. The principle of objectivity imposes an obligation on all employees not to compromise their professional or business judgment because of bias, conflict of interest or the undue influence of others and to disclose where potential impairment to objectivity exists.

#### Conflicts of Interest

- Employees must exercise due caution when making business decisions to ensure that there is no conflict (either real or perceived) between their personal interest and their obligations to and/ or the interest of QNCC.
- No employee shall be involved in a situation where his/ her personal interests might conflict with the interests of the organization. QNCC recognizes and respects the right of the individual to invest or participate in outside activities, provided they do not interfere with or restrict the effectiveness of the employee's job performance.
- Employees are expected to promptly disclose any potential conflicts of interest to their supervisor or the appropriate authority within QNCC, even if they are unsure if it constitutes a conflict.
- Although it is impossible to set forth all possible situations which may arise, the following is a non-exhaustive list of examples of conflicts of interest that may occur:
  - An employee involved in the selection of, negotiation with, any person or organization doing or seeking to do business with QNCC, shall not own any direct or indirect interest in such person or organization.
  - An employee shall not borrow money from any person or organization doing or seeking to do business with QNCC (other than banks or other lending institutions in the ordinary course of business).
  - An employee shall not render service in any capacity (i.e., director, officer, employee, or consultant) to any person or organization doing or seeking to do business with QNCC, or to a competitor of QNCC. Employees may not accept any form of outside employment without the consent of the General Manager.
  - Political or social activity which conflicts with QNCC business goals is not permitted.



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- As a general rule, an employee should avoid conducting business for QNCC with his/her own family members up to the fourth degree (i.e., cousins) or with a business in which a family member is associated with any significant role. If such a transaction is unavoidable, the employee must obtain prior written approval from the QNCC's Audit Committee. Any dealings with a related party/ affiliate should be conducted in such a way that no preferential treatment is given to this business that would not otherwise be given to another business.

### Gifts, Gratuities Entertainment or Other Solicitations

- The payment of bribes or facilitating payments is not allowed under any circumstances. QNCC employees should not accept any bribe or facilitate payment of such.
- Employees of QNCC are not allowed to solicit gifts or entertainment from prospective or current customers, vendors or any other individual or business. Accepting a gift may be construed as improperly influencing the employee in the discharge of his/ her responsibilities, hence, is not allowed and may lead to disciplinary action.
- Employees may occasionally be offered gifts and/or entertainment by suppliers or customers. The general rule in this respect is that gifts and entertainment should be refused tactfully, unless such gift is clearly of nominal value. Nominal value is defined as anything below QAR 1,000. Gifts and gratuities from external parties exceeding a value of QAR 1,000 should be immediately reported to the Administration function for subsequent reporting to the CEO.
- In line with our commitment to transparency, all gifts, gratuities or entertainment, even those of nominal value, must be reported to the Administration function for record-keeping.
- Employees should also not offer any gift, gratuity or entertainment to any vendor, supplier, agent, partner, customer or other intended party (or which could reasonably be perceived as intended) to influence any business decision.

### Bias

- QNCC employees should aim to build objective relationships with all internal and external stakeholders.
- Assessments of vendors, supplier, subordinates and other individuals should be based on a fair acknowledgment of their performance and should not include any personal bias.
- QNCC is committed to providing training and resources to help employees recognize and counteract unconscious bias, ensuring our workplace stays equitable and objective.



## PRINCIPLE 4: ACCOUNTABILITY

### Definitions

Accountability can be understood as the commitment to accept personal and professional responsibility for one's own actions and decisions as well as to hold others accountable for their actions and decisions. Each employee will be required to conduct his/her duties in accordance with the agreed upon positional roles and responsibilities as stated in their respective job descriptions.

Employees must understand and accept personal accountability, as a necessary precondition for both individual and organizational success.

### Guidelines

#### Leadership

- In leadership roles, accountability is the acknowledgment and assumption of responsibility for services, properties and products offered, actions and decisions taken, and policies of the Company.
- All employees must take the initiative to lead and utilize all resources under their disposal to enhance QNCC's success. As a leader of resources, an employee is accountable for the overall performance of the resources within his delegated authority.
- Leaders are expected to set a positive example and uphold QNCC's values and principles in their actions and decisions. They should foster a culture of integrity and accountability within their teams.

#### Shared Responsibility

- QNCC's Board is accountable to its shareholder(s) and the management is accountable to the Board. Management then delegates its responsibilities to the employees of the Company. As such, the accountability cascades down to all QNCC employees to ensure the success of the organization and to increase its value as expected by the shareholder(s). All employees must share the sense of ownership for company performance.
- All employees are encouraged to take collective ownership of team projects, fostering a collaborative and supportive working environment.



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### Personal Responsibility

- Employees must admit responsibility for any wrongdoing. Employees should not blame others, without adequate reasons and evidence. In any case, an employee must be forthcoming with taking responsibility for their actions.
- Each employee in a supervisory position should ensure that performance of subordinates is assessed in an honest, fair and objective manner. Credit is provided for exemplary performance of subordinate, as and where needed.
- Employees should be aware of the formal disciplinary process which has defined the penalties for every violation. For this, one should refer to the Human Resources and Administration Policies and Procedures Manual.
- Employees are encouraged to engage in continuous learning and personal development to improve their job performance and contribute more effectively to the company, for which QNCC will facilitate the means.

### Use of Company Resources

- Company time, funds and property must be used for QNCC business purposes only, unless otherwise approved by the appropriate authority. Use of QNCC resources (e.g., company telephones, copiers, fax machines, email and internet access) should be only be for QNCC purposes.
- Employees should respect and maintain the physical and digital assets of the company, ensuring they remain in good condition and are used efficiently and effectively.
- Employees with access to company computers are expected to limit their use to company business purposes only – unless otherwise authorized by their supervisors.
- Personal use of computers, if approved, must be limited to reasonable usage and may not include access to, receipt or transmission of inappropriate material, text, images or files.
- All employees have a responsibility to report any misuse of company resources.



## PRINCIPLE 5: EXCELLENCE

### Definition:

Excellence is working towards the highest standards of performance. It governs both the outcomes and the processes needed to attain the best possible results. Excellence requires one to make a quality effort, follow all applicable standards and achieve the best results. Employees are expected to do the best they can do, every time, even when no one is watching or when the outcome is not related to a 'critical' or measurable result.

### Guidelines:

#### Technical and Professional Competence:

- All employees of QNCC are encouraged to seek and apply new knowledge and skills in ways that improve their ability to perform current duties and aspire to perform additional duties.
- Employees should attend personal and professional development training and other related events as appropriate.
- All employees are encouraged to attain professional certifications related to their area of work.
- Employees should continually identify opportunities for self-improvement, pursuing additional training or educational opportunities as necessary.
- Encourage cross-training to increase versatility and depth of knowledge within teams.

#### Work Environment

- Employees will, at all times, set a good example and be role models for commitment, customer focus and team work.
- QNCC gives utmost importance to the health and safety of all personnel in all stages of its business operations. Safety is of particular concern and employees are expected to observe all safety practices and perform their work in a safe manner.
- Leaders should strive to create a psychologically safe work environment where employees feel comfortable voicing ideas and concerns.
- Employees are expected to contribute to a positive work culture, demonstrating respect, empathy, and kindness towards all colleagues.



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### Quality of Work and Service

- Employees must strive to provide customers, colleagues and the public with high quality services in line with best industry standards.
- Employees are encouraged to improve quality, productivity and service by providing ideas and suggestions to improve the ways things have traditionally been done.
- Regularly solicit feedback from customers, colleagues, and the public to continually improve the quality of services provided.

### Innovation

- QNCC is committed to fostering an innovative environment. We encourage creative thinking and the sharing of novel ideas at all levels of the company.
- We strive for continuous improvement in our processes, products, and services. We promote the use of innovative technologies and practices to advance industry standards.
- QNCC offers training and development opportunities to inspire innovation, enhance skills, and keep our workforce at the forefront of industry trends.
- We recognize and reward innovation. Employees who contribute significantly to innovative initiatives or ideas are acknowledged and rewarded.



## PRINCIPLE 6: SUSTAINABILITY

### Definition:

Sustainability of QNCC means ensuring the long term viability of QNCC by optimizing all business needs without having an effect on QNCC's strategic goals. Sustainability also includes developing the sustainability of the Qatari economy through investments in the industrial sector.

### Guidelines:

#### Stakeholder Expectations

- QNCC will always exert its fullest effort to maintain activities within the Company's direction taking into consideration political and socially responsible factors, in addition to commercial aspects. Employees are encouraged to take part in socially responsible actions and support QNCC in meeting its commitments.
- QNCC will follow efficient yet controlled procedure to seek industrial investments that serve the company's objectives and the Qatari economy. QNCC employees will strive to be proactive to the effects of macro-economic factor changes in the markets it is operating in, to minimize the risks to its investments and work in good faith and honesty with regard to maintaining healthy commercial, social and political value to its shareholders.
- QNCC and its employees are committed to ensuring socially responsible initiatives are in place including environmental and health, education and youth related aspects. QNCC's commitment is also to ensure that all people including customers, partners, employees, shareholders and other community members, in all countries that the Company operates in (or might operate in the future), are treated with respect and as key partners to its success.

#### Accounting and Internal Controls

- QNCC recognizes the importance of true and fair recording and disclosure of its financial accounts. Fair and accurate books and records are essential for managing QNCC's business and maintaining accuracy and integrity of the Company's financial reporting and disclosure. Any attempt to conceal or misstate information by employees in company records will be considered as a serious offense and may result in disciplinary action and criminal prosecutions. All employees are responsible for reporting any violation of QNCC's accounting policies and procedures.



## **QNCC Code of Ethics**

- The internal controls are embedded in the day to day activities of QNCC, through policies, procedures and financial and operational authorities of the company. All employees should understand the internal controls relevant to their position and follow the policies and procedures related to these controls.
- Promote a culture of accountability where each employee understands their role in maintaining accurate and honest financial records.

### **Audits**

- Internal and external audits help ensure compliance to regulations, laws, leading practices and QNCC's policies and procedures. Furthermore, audits help identify potential weaknesses and opportunities for improvements so that they may be dealt with and corrected promptly. QNCC employees are required to cooperate fully with internal and external auditors, by providing clear and truthful information during the audit process.
- The company should periodically review and update its auditing procedures to adapt to changing business environments and regulatory standards.
- Encourage employees to report any concerns or suspicions related to financial mismanagement, without fear of retaliation. This can be done through secure and anonymous channels to promote a culture of transparency and accountability.

### **Environmental Stewardship**

- QNCC is committed to complying with all applicable environmental laws and regulations. We take responsibility for understanding and meeting these requirements.
- We proactively work to limit our environmental impact. This includes efficient use of resources, waste reduction, and minimizing emissions.
- QNCC continuously seeks to improve our environmental performance. We invest in technologies and practices that reduce our environmental footprint.
- We strive to increase environmental awareness among our employees and stakeholders. We promote practices that contribute to environmental sustainability.





## PRINCIPLE 7: CONFIDENTIALITY

### Definition:

Confidentiality is ensuring that access to information and data is given only to the authorized personnel in the Company. It encompasses the avoidance/prevention of misuse and misappropriation of company data and resources, and protects company rights and proprietary information.

### Guidelines:

#### Proprietary and Insider Information

- The misuse of proprietary information is an offence as serious as stealing tangible company property. This includes 'confidential information' that is generally not known or shared with the public.
- Employees should not provide confidential or proprietary company information to unauthorized persons such as competitors, suppliers, and media or outside contractors without proper authorization. This includes financial information, contractor/vendor lists, contractual clauses, discounts and special rates, computer programs, as well as descriptions of Company processes or operations. Employees should ensure appropriate non-disclosure agreements are in place with external parties, whenever applicable.
- Employees should not discuss potential business relationships, purchases, mergers or acquisitions or other organizational changes either internally or with unauthorized third parties except on a "need to know" basis.
- QNCC's information and communication systems, including connections to the Internet, are for business purposes use only. Employees can use them for conducting business or for other incidental purposes authorized by the management or by the applicable QNCC guidelines. System security should be considered when sending confidential information.
- All employees are personally responsible for protecting QNCC's property (information and physical) entrusted to him/her. Employees should ensure that all electronic and physical data in their possession is fully secured at all times.
- All employees should be aware of the information falling under proprietary and insider information. Disclosing this information will lead to disciplinary action and possibly criminal prosecution depending on the type and criticality of information shared.



## QNCC Code of Ethics

### Stakeholder Information

- Shareholder information should be handled with the same level of confidentiality and care as all other sensitive company information. Sharing such information can have serious legal and financial implications.
- QNCC will take precautions to avoid improper, inappropriate or inadvertent disclosures of sensitive, confidential or privileged information, records or documents related to its stakeholders. Within QNCC, employees will share information only with those who have a “need to know” the relevant information. QNCC will maintain and protect business partners’ information even after termination of the relationship with the Company.

### Employee Information and Privacy

- QNCC recognizes the obligation to protect the confidential information of its employees both inside and outside of the Company. Information about employees, such as salary, ID and passport numbers, age, status, banking or other financial information should not be shared with third parties unless required for Company operations and/or required by the legal authorities.
- Personal items, messages or information that is considered private should not be placed or kept anywhere in the workplace. Electronic files stored in QNCC’s servers are considered company assets and may be accessed by IT personnel in the performance of their duties. Therefore, employees should refrain from using company computers for any document they wish to keep private. Employees should respect other employee’s workspace and data and should not access the same without prior approval from management.
- QNCC has established open whistle-blowing channels for employees to raise concerns. The Board and Management are committed to protecting the confidentiality of whistle-blowers and have set mechanisms to ensure whistle-blower identity is not released.

### Cyber Security

- QNCC is committed to protecting all digital data. We employ robust security measures to prevent unauthorized access, disclosure, modification, or destruction.
- We invest in advanced security systems to protect our digital infrastructure. This includes regular updates, vulnerability testing, and threat monitoring.
- QNCC provides regular cyber security training to all employees. We aim to create awareness of potential cyber threats and promote safe online behavior.
- We have a well-defined incident response plan in place. In the event of a security breach, we ensure swift action to mitigate the impact and prevent recurrence.



## PRINCIPLE 8: SOCIAL RESPONSIBILITY

### Definition:

The Community Engagement policy at QNCC outlines our commitment to positively interact with and contribute to the local communities where we operate. It emphasizes our dedication to economic development through local hiring and support for local businesses, as well as our investment in social well-being through education, health, and welfare initiatives. The policy also stresses the importance of transparent communication with community members, ensuring they are well-informed about our operations and their potential impacts. This policy is a cornerstone of our social responsibility, demonstrating our commitment to the betterment of our local communities.

### Guidelines:

#### Community Engagement

- Engagement Strategy: QNCC is committed to engaging positively with local communities. Our strategy includes regular dialogue, collaborative projects, and responding to community concerns.
- Economic Contribution: We aim to contribute to the economic well-being of the communities we operate in. This includes local hiring, supporting local businesses, and investing in community development projects.
- Social Contribution: QNCC is dedicated to improving the social well-being of local communities. We support initiatives that promote education, health, and social welfare.
- Transparent Communication: We believe in transparent and open communication with community members. We share information about our operations and their potential impacts on the community.



## **GUIDANCE**

### **Where to Seek Guidance**

Employees who:

- Have ethical related questions;
- Would like assistance in addressing ethical issues;
- Would like assistance in interpreting the QNCC Code of Ethics and/or;
- Suspect or have observed misconduct in the workplace.

Employees are encouraged to contact any of the following individuals:

\_\_\_\_\_ TBD by QNCC (e.g. an ombudsman/ Legal)

\_\_\_\_\_ CEO

\_\_\_\_\_ Chairman & Managing Director



## QNCC Code of Ethics

### ACKNOWLEDGEMENT OF UNDERSTANDING

To acknowledge that you have reviewed and understood all of this material in the Code, please sign and date this Code and return it within one week of receipt.

When you sign this Code of Ethics, you agree to adhere to all cited requirements included in this Code and the relevant provisions. You should have an understanding of the following policies and procedures of QNCC.

- **Corporate Governance Policies Manual**
- **Human Resources and Administration Policies and Procedures Manual**

I acknowledge that I have read, understood, and am subject to all of the material contained in this Code of Ethics of QNCC and the above mentioned policies and procedures.

Name: \_\_\_\_\_

Date of Acknowledgement: \_\_\_\_\_

Signature: \_\_\_\_\_