



QATAR ELECTRONIC SYSTEMS COMPANY

DISCLOSURE POLICY

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1 Introduction

1.1 Purpose

- The Disclosure Policy (the “**Policy**”) of Qatar Electronic Systems Company (“**TechnoQ**” or the “**Company**”) is established to ensure that all necessary information related to business activities is passed on to the stakeholders in an appropriate, timely and consistent manner through an appropriate channel. It is imperative that all Company related communications are consistent and selective disclosure is avoided.
- This Policy aims at enhancing the transparency of the Company’s activities, strategies, and policies. The goal of this policy is to set out the rules on how the Company provides and discloses information to its stakeholders, regulatory authorities, and the public, in order to assist them in making informed decisions and have a better understanding about the Company’s operations.
- Disclosure and transparency is one of the key responsibilities of the Company’s Board of Directors’ (“**BoD**” or the “**Board**”) with support from the Audit and risk committee (“**ARC**”), other Board committees, Chief Executive Officer (“**CEO**”), Managing Director (“**MD**”), Executive management team (“**EMT**”) and other operational staff.
- The Company has an obligation to ensure that all information disclosed with the external stakeholders comprising of the investors, customers, shareholders, external auditors, regulators, and Government authorities, is accurate, clear, and credible, ensuring compliance with the regulatory directives of Qatar Stock Exchange (“**QSE**”), Qatar Financial Markets Authority (“**QFMA**” or the “**Authority**”) and other concerned regulatory bodies, as applicable in the State of Qatar.
- The Company’s Legal and Compliance (“**LC**”) department and the Compliance Officer (“**CO**”) will be responsible for maintaining and implementing this Policy, with necessary support from the Board, Board committees, Board secretary, CEO, MD, and EMT. The Chief Legal and Compliance Officer (“**CLCO**”) and/or authorised delegate will be responsible to review this Policy, on behalf of the Board, at least annually, with support from the CO, EMT, to ensure alignment with the business necessities and requirements of the compliance program.
- This Policy is established in accordance with the provisions of the Authority’s governance code (the “**Code**”) for companies and legal entities listed on the QSE, Company’s Article of Association (“**AoA**”) and the Commercial Companies Law of 2015 (“**Companies Law**”).
- This Policy is applicable to all Board members, CEO, EMT, employees and independent contractors of the Company, collectively to be known as “**Covered Persons**,” and mandates that these Covered Persons adopt to the highest standards of lawful conduct and diligence, in both personal and professional capacities, to ensure adequate compliance of the Policy in line with the requirements of the Code.
- This Policy aims to assists all the Covered Persons, **especially the Board members** and relevant departments, to understand their roles and responsibilities in the disclosure process.
- The Company is committed to conduct its business activities lawfully and in a manner that is consistent with its disclosure and transparency obligations. This Policy establishes the overarching principles and commitment to action for the Company with respect to achieving necessary disclosures by:



- ✓ Identify the necessary disclosure requirements within which the Company operates;
- ✓ Promote a consistent, rigorous, and comprehensive approach to timely disclosures applicable to the Company and its Board members, with transparency;
- ✓ Develop and maintain practices that facilitate and monitor ongoing disclosures from a regulatory perspective;
- ✓ Ensure standards of good corporate governance, ethics, and community expectations; and
- ✓ Facilitate culture of transparency where every person within the Company accepts personal responsibility for disclosures, what is required under the law and the Code, with ethics and integrity.
- By implementing this Policy, the Company strives to exemplify the finest aspects of its business and establish its commitment to sound governance practices. The Company strives to be recognized as an organization of integrity, and where ethical business practices are a routine, without any exceptions.

1.2 Scope and administration

- The Policy aims to distinguish between different types of information, including the information that can be publicly disclosed to the market, information liable to be disclosed in matters relating to conflict of interest, related parties, dividend distribution, shareholders' rights, investor relations, Company's information, investor relations, response to rumours and confidentiality which will all together constitute key features of the Company's disclosure requirements. The major objectives of this Policy are:
 - ✓ To assist the relevant stakeholders in understanding their roles and responsibilities in the disclosure process;
 - ✓ To ensure that the information disseminated is timely, factual, and accurate; and
 - ✓ The information disclosed is in accordance with the applicable legal framework, and in compliance with the requirements of regulatory bodies.
- This Policy provides the approach adopted towards managing and controlling the process of disclosure of financial and non-financial information, in order to ensure that the information disseminated complies with the applicable laws and financial reporting requirements.
- This Policy doesn't provide insight into general internal and external communication activities. In pursuance to the objective of the Company to ensure that there is no conflict of interest and all actions performed by the Company's Covered Persons adhere to the ethical considerations enshrined in the Company's business model.
- The Policy also includes the disclosure requirements the Company needs to follow through its website and different reports, in line with the Code. The aforementioned objectives will be adhered to in all documentations and transactions relating to:
 - ✓ Technical reports related to or with respect to the Company's financial and non-financial information;
 - ✓ Disclosures pertaining to Board members for trading in securities, prohibited positions and capital structure;
 - ✓ Communication with the shareholders, their rights, and responsibilities;
 - ✓ Management of matters relating to related party transactions, conflict of interest considerations and dividend distribution;
 - ✓ Presentations and communications from or by EMT or other employees in the overall disclosure process; and
 - ✓ Disclosure of information on the Company's website.



1.3 Responsible individual behaviour

- All Covered Persons will be responsible to comply with the guidelines of this Policy considering the following key aspects, but not limited to:
 - ✓ Read and understand this Policy and work in accordance with it;
 - ✓ Remain apprised with any changes in the Company's disclosure requirements and related policies and procedures;
 - ✓ Seek advice if they are unsure of any aspects of the mandatory and ongoing disclosures;
 - ✓ Ensure that the Company's business partners are aware of its disclosure requirements; and
 - ✓ Seek questions and/or raise concerns with respect to the disclosures and compliance requirement.
- The CLCO and CO will be responsible to facilitate adequate understanding of the Company's disclosure requirements, considering the following key aspects, but not limited to:
 - ✓ Lead by example and remain aware of their role in the compliance program and ongoing periodic disclosures;
 - ✓ Foster a culture of integrity and trust;
 - ✓ Ensure that this Policy is accessible and understood by those for whom the Company is responsible;
 - ✓ Be open and respond to questions and assist in finding solutions when issues are raised;
 - ✓ Be accountable for those the Company leads and takes responsibility for their decisions and actions; and
 - ✓ Protect and never retaliate against anyone who raises good-faith concerns about a breach of the disclosure and transparency requirements.

1.4 Roles and responsibilities

- **Board:** The Board will be responsible to ensure effective implementation of this Policy with the purpose and objectives of disclosure and transparency are adequately understood by the concerned stakeholders. The Board chairman will be responsible to ensure that the Policy is duly implemented in supporting the disclosure requirements of the Company, with the necessary support from the Covered Persons.
- **Audit and risk committee:** The ARC's role is to assist the Board in fulfilling its oversight responsibility relating to the integrity of the Company's financial statements, financial reporting process and adequacy of controls over the non-financial matters. The ARC charter describes their responsibilities and duties towards achieving the Company's objectives.
- **Legal and compliance department:** The Company's LC department will be responsible for dealing with the Company's overall legal and compliance matters. The LC department along with the compliance and investor relations ("IR") team will be responsible for reviewing the policy and recommending any changes to the CLCO and CEO, as deemed necessary and relevant. The CO will consider the following key aspects with respect to the ongoing disclosures, but not limited to:
 - ✓ Ensure that sufficient controls and systems have been established for preparing quantitative and qualitative disclosures;
 - ✓ Assess and compile the relevant disclosures depending upon the materiality. Information will be regarded as 'material, if its omission or misstatement could change, depending on the case; and/or



- ✓ Influence the assessment of a user relying on that information to make an economic decision.
 - Any non-compliance to the disclosure requirements will be raised to the Board/ARC and/or CEO/CLCO/Chief Internal Auditor (“**CIA**”), as the case may be.
 - **Corporate communications department:** The corporate communications (“**CC**”) department will be responsible to organize timely publication of financial results, other relevant news in the local newspapers and on the Company’s corporate website.
 - **Finance department:** The designated authorised personnel from the respective above-mentioned departments will be responsible for supporting the LC department in ensuring periodic disclosures of the Company. The Chief Finance Officer (“**CFO**”) will be responsible for validating the disclosures relating to the financial statements and other financial information. All personnel responsible for financial disclosures will send the information (after validation from the concerned department Heads) to the concerned personnel of the Finance department within sufficient time before the deadline for making the disclosures. Such internal timelines for the completion of disclosures, validation and sending to the coordinating person will be determined by the LC and CC department.
- Kindly refer **Appendix A** for responsibility matrix of the Company disclosures.

1.5 Key definitions

- **Designated spokesperson:** An Individual who is designated by the Company to speak and make disclosures on behalf of the Company or to respond to any specific enquiries from any stakeholder or regulatory agency. The CEO, MD, CFO, CLCO, CIA, and/or any other designated personnel by the CEO will be the “**designated spokespersons**” of the Company in the ordinary course of business. These spokespersons may from time-to-time designate others to speak on behalf of the Company or respond to any queries from the investment community or the media, subject to approval of the Board/ARC and/or CEO.
- **Disclosure officers:** They are the employees responsible for communicating with any stakeholder or regulatory body in order to ensure that other employees or unauthorized personnel do not represent the stand of the Company unless specifically authorized to do so by the Policy.
- **Material information:** Information that will likely have an impact on the Company’s standing in the market or affect its overall reputation and economic status i.e., affecting the financial, business operations.
- **Stakeholders:** Any member of the investment community, media, or any other interested party, including but not limited to the general public.
- **Undisclosed material information:** Material information pertaining to the Company that has not yet been disclosed publicly or information that has been disclosed, but a reasonable time for its dissemination has not passed.

1.6 Non-compliance

- It is essential that all Covered Persons should, in their daily work, behave as if they were representatives and ambassadors of the Company. Therefore, each employee should be committed to preserving and enhancing the Company’s reputation.
- The Company has set high expectations of itself and its business partners and is open to questions or concerns as and when they are raised. The Company relies on its people who all share the role of ensuring that this Policy is recognized, understood, and adhered to.



- There may be times when the employees are not sure how to respond to or may witness an act of potential wrongdoing, one that may be incompatible with the Policy. In such circumstances, all the Covered Persons will be responsible to act in accordance with the guidelines set out in this Policy. In exercising this duty, the people should act without fear of reprimand or disciplinary action.
- All Covered Persons are individually and collectively responsible to ensure strict compliance with the guidelines of the disclosure requirements. Non-adherence to the Company's disclosure requirements and will be considered as a serious breach of the Company's standards.
- If any of the Covered Persons intentionally or unintentionally violate any of the requirements of this Policy, they will be subject strict disciplinary action decided by the concerned authorities of the Company, depending on the severity of the case. The Board may delegate this responsibility to ARC and/or CLCO and/or CO to ensure adequate compliance of this Policy and take necessary action, as and when a potential breach/non-compliance is reported.
- In case of any contradiction with any of the local laws, rules, customs, or norms s applicable in the State of Qatar, the latter will assume prominence and will be considered for final compliance.
- Furthermore, this Policy's guidelines will be read in conjunction with the other Company policies for governance to ensure compliance with the requirements of the Code.



2 Shareholders' Rights

2.1 Introduction

- The Company is committed to protect the rights of its shareholders in a way that ensures achieving their and Company's interests, according to related laws, and regulations. In this context, the Board is committed to set guidelines of protecting shareholders' rights and update them as deemed necessary to reflect the changes in provisions of the Companies Law and the Code.
- The provisions of this Policy will apply to the Company, Board, EMT and employees according to the role of each party in protecting the shareholders' rights. All Covered Persons will be notified about the requirements of applying the policy and relevant guidelines.
- The CO and/or Board secretary will be responsible for adequate adherence to the guidelines of this section of the Policy, on behalf of the Board.

2.2 General rights

- The Board is committed to ensuring adequate protection of the shareholders rights in a fair and ethical manner, not subject to violation or abuse by the Covered Persons and/or shareholders.
- The Board will treat all shareholders and owners equally without any discrimination and will not withhold any of the referred rights to any category of shareholders or set standards to discriminate between them to get these rights, as well as will not compromise the Company's interests or contradict with related laws.
- The Board strives and is committed to providing the following rights to its shareholders:
 - ✓ Obtain allocated shares of dividend;
 - ✓ Obtain share of Company's assets in case of liquidation;
 - ✓ Obtain updates on the Company's activities, on a periodic basis, on its operating and investing strategies, including the reports presented to the Board/ARC;
 - ✓ Participate in GA meetings, voting its decrees and ensuring that they have access to financial data at least seven days before the GA meeting, at the end of the financial period;
 - ✓ Participate in the election of Board members;
 - ✓ Dispose stocks in terms of recording, transferring, and converting the ownership of shares;
 - ✓ Obtain periodic reports on the performance of the Board, Board committees, and the Company;
 - ✓ Filing a case of responsibility in case of their failure in performing their assigned tasks;
 - ✓ Vote in GA meetings, either by the shareholder and/or their authorised representatives;
 - ✓ Access to the shareholder's register;
 - ✓ Access to the Company disclosures, upon request; and
 - ✓ Access to the minutes of the GA meetings.
- The Board will disclose to QFMA and QSE on the Company's capital structure, or any arrangements that may make changes to the ownership structure to dominant shares in the Company. Shareholders will receive information on a periodic basis and upon request, in line with the above guidelines and the Code.
- The Board will ensure compliance with all the prescribed guidelines for making appropriate disclosures related to the shareholders, as part of the governance report.
- **Rights to subscription:** Shareholders will be given priority to subscribe to shares in case of increasing the Company's share capital. In the subscription process, the shareholders'



contribution will be subject to ownership rate in the current capital within fifteen days from the notice date (unless AoA includes the waiver of shareholders of their rights in the priority of subscription).

- The Board will be responsible to submit an application to the depositary on a monthly basis to obtain an updated copy of shareholders' register. The record will include names of shareholders, their nationalities, identification cards, the number of shares held by each of them and their contact details.
- **Access to information:** The Board will ensure periodic access to information that enables the shareholder(s) to exercise full rights without prejudice to other shareholders' rights or harm the Company's interest. The Board will comply to review and update the information regularly, to provide the shareholders with all Information as deemed important to them, and enable them to exercise their rights, using new and modern technologies.
- In accordance with the provisions of the Code, the Company will disclose the detailed curriculum vitae with minimum qualifications relating to the potential candidates for Board membership, to all the shareholders, sufficiently in advance prior to the elections of the Board members.
- **Protecting shareholders data:** The CO and Board secretary will be responsible to maintain and retain an updated copy of shareholders' record. The Board secretary will be responsible to ensure that all data retained within the shareholders' record are confidential and will be accessed by authorized personnel only. Shareholders will be allowed to access the data and documents of the Company without prejudice to laws and instructions issued by the Code, on a periodic basis, and upon request.

2.3 General assembly meetings

- The Board encourages all its shareholders to participate in GA meetings and in all decisions taken by it including electing the Board members, using the cumulative voting method.
- The Board will call for an ordinary GA meeting upon a written justified request by the shareholder(s) who own at least 10% of Company's capital, within fifteen days from the date of request. The Board will call for an extra-ordinary GA meeting at a justified written request by shareholder(s) who own at least 25% of Company's capital within thirty days from the request date.
- The Board will take into consideration the following aspects for GA meeting, but not limited to:
 - ✓ Send an invitation to all the shareholders to attend the GA with the meeting time, place, and agenda of the meeting;
 - ✓ The place and time of convening the GA meeting will be announced twice in Qatari local newspapers and on the Company's corporate website **with the elapse of at least seven days**, between the first and second advertisement, thereby publishing the second advertisement **at least seven days before** the date of holding the GA meeting.
- Agenda of the GA meeting may include discussion of the following items, but not limited to:
 - ✓ Board/ARC and Governance reports;
 - ✓ Board report on the Company's activities, its financial position, and its overall work results;
 - ✓ External audit report on the results of the Company's fiscal year;
 - ✓ Distribution of dividend or percentage of net distributable profit;
 - ✓ Matters pertaining to the Company's strategic milestones, priorities, and any other points;
 - ✓ Report on the remuneration of the Board members and EMT; and



- ✓ Any violations monitored by the regulatory authorities and any penalties issued as a result of such violations resulting in applying (financial and non-financial) penalties against the Company without prejudice to governed laws and regulations issued by the concerned regulatory authority and discussing the notes of regulatory representatives in case of his/her attendance.
- The Board encourages the shareholders for effective participation in the GA meetings, discuss the subjects included in the schedule and its related enquiries regarding the various activities, ask questions to the Board members and external auditors and expect reasonable responses from them.
- GA may not discuss subjects not included in the schedule unless they are urgent matters that occurred after setting the schedule or revealed during the meeting or it is required by any of the regulators, auditors or the shareholders owning at least 5% of the Company's capital.
- If it is shown within the discussion that the information relating to those matters is insufficient, the meeting will be delayed for not more than **ten business days**, as deemed necessary and required, by the shareholders who represent a quarter of the share capital; the delayed meeting is held without the need to resend the invitation;
- All the data related to scheduled items and reports of the Board/ARC and financial data pertaining to the shareholders, will be made available to the shareholders at least **one week before** the GA meeting, for them to read all the data included in the records concerning the disclosures of the Board, Board committees and EMT, as applicable.
- A shareholder(s) will be responsible to provide, in writing and upon a power of attorney, be entitled to appoint another shareholder who is not a Board member to attend the GA on his behalf, provided that the shareholder by proxy shall not own more than 5% of the Company's capital shares.
- The GA may not:
 - ✓ Increase the financial burdens of shareholder or increase the nominal value of shares;
 - ✓ Reduce the percentage of net profits to be distributed for shareholders and determined in the Company's contract; and
 - ✓ Apply new conditions except conditions mentioned in the Company's AoA and the Code related to shareholder's eligibility in attending GA and voting herein.
- Shareholders may object to usual and unusual decrees of GA by any of the following methods:
 - ✓ The shareholder will be entitled to object to any decision deemed for the interest or harm of a certain group of shareholders; or brings a special benefit for Board members or others without regard to the Company's interests, be entitled to demonstrate this in the meeting minutes and to invalidate the objection according to the provisions of the Code in this regard; and
 - ✓ They may choose to file a case to nullify any decree issued by the Board or GA (either usual or unusual) contrary to law, AoA or the Code or when it intends to damage interests and call for compensation when required.

2.4 Minority shareholders

- A minority shareholder may be described as one who has no controlling interest in the Company. It is understood that such a shareholder holds less than fifty percent of the voting shares, and consequently does not possess any right to claim control.
- Minority shareholders do not have the power, whether in law or in fact, to appoint or replace Board members, which is a key aspect of control.



- The concept of minority shareholder rights involves recognition of the fact that the shareholders have a stake in the Company, even though they could be outvoted on any issue. The main principles of minority shareholder rights are as follows:
 - ✓ The majority shareholders generally should act in the best interest of the Company. This can override the fact that a majority shareholder, or multiple shareholders acting/colluding together to form a majority, can vote in favour of any action; even one which is detrimental to the interests of the minority shareholders.
 - ✓ Therefore, a majority shareholder attempting to either breach or ignore the fundamental rules set down in the creation of the Company will be considered to be violating minority shareholder rights and will be subject to disciplinary action;
 - ✓ Majority shareholders are prevented from attempting to change the Company's AoA in a way that harms the interests of other minority shareholders, unless done with the agreement of all shareholders; and
 - ✓ Minority shareholders have the right to inspect relevant company documentation. This includes the Company accounts, contracts, sales agreements, and other paperwork, for which minority shareholders will usually have access to these documents so they can make sure the majority shareholders are acting responsibly.
- Fair treatment of minority shareholders has been inherent in the statutory provisions of the Companies Law and all allied laws and regulations in force in the State of Qatar, however, formerly there was no clear definition provided for what constitutes a minority shareholder. The Companies Law has been amended by law no. (8) of 2021 (the Amending Law), mandating the following:
 - ✓ The definition of a "minority shareholder" under the ambit of Article (1) of the Companies Law, as the category of shareholders who do not have the ability to influence the Company's decisions, which is consistent with the Code;
 - ✓ Item no. 6 of Article (288) protects the rights of minority shareholders by requiring that an offer be made to the minority shareholders in case of an acquisition of 50% or more of the company's share capital; and
 - ✓ Item No. 3 of Article (97) stipulates that, the articles of association of a public shareholding company may allocate one or more seats on the board of directors for representatives of minority shareholders, and one seat for a representative of the employees in the company.

3 Conflict of Interest

3.1 Introduction

- The conflict-of-interest policy will provide the necessary guidance to manage the transactions and situations where there is potential conflict of interest for its Covered Persons, especially the Board members, or its stakeholders, in the due course of Company's business.
- A conflict of interest arises where the interests of an employee actually or potentially conflict with that of the Company.
- Where it is unclear whether there exists a conflict of interest, necessary advice should be sought as soon as practicable from the CEO/CIA/CFO/CO, as the case maybe, with written confirmation of the opinion of the case.



3.2 Covered persons

- **Board members:** A Board member(s) who has an interest in any matter that relates to the Company's affairs, will be responsible to give a notice of interest to the other members.
- In case where the interest is of material personal interest, the member will refrain from attending the Board meetings where such matter is being discussed or voted upon. A material personal interest is an interest that has the capacity to influence the vote of a particular member.
- **EMT and operational staff:** All EMT members and operational staff should ensure that any relationship with a third party, clients or suppliers should not influence or prejudice their obligations to the Company. All employees are required to understand conflicts of interest, how they arise and what should be done when a conflict is identified.
- Probable situations which would likely give rise to conflict of interest for employees would be:
 - ✓ When a friend or family member has a personal stake in the daily conduct of business or the business interests of the Company;
 - ✓ The employee uses his/her position in the Company for personal gain or personal gain of any friend/family member;
 - ✓ Joins the Board or becomes the member of the board of another company operating within the same market as the Company; and
 - ✓ Is involved in a personal relationship with another employee of the Company by virtue of which certain undue advantages are gained.
- Covered Persons becoming aware of an actual or perceived conflict of interest will disclose it to their immediate supervisor and/or CEO/CIA/CFO/CO, at the earliest, as the case may be. Managing a possible conflict of interest situation, once it has been disclosed, would comprise considering the following key aspects, but not limited to the following:
 - ✓ Clear disclosure concerning the conflict;
 - ✓ Abstaining from voting on, making or influencing decisions or proposals;
 - ✓ Withdrawing from discussions on relevant proposals;
 - ✓ Having restricted access on information relating to the conflict of interest; and
 - ✓ Having access denied to information relating to sensitive documents or confidential information relating to the conflict.
- Any Covered Person(s) will not be involved in a transaction until the CO and/or concerned EMT member authorised by the CEO has provided written confirmation of agreement to the conflict management proposal.
- Where a conflict of interest may relate to or have an impact on the Company's reputation, the CO and/or the concerned EMT member aware of such a case, will present the matter to the CEO, post which approval will be obtained from the Board/ARC, prior to any agreement on the conflict management proposal.
- All Covered Persons will be required to complete an annual declaration of personal conflicts of interest which will be submitted to the CO and/or Board secretary, who will be responsible to maintain and archive all the signed documents.

3.3 Managing conflicts

- The Board/ARC and CEO, with support from the EMT, will consider the following key aspects for managing the matters involving any conflict of interest within the Company, but not limited to:



- ✓ Before the Board or committee act on a contract or transaction involving a potential conflict of interest, the concerned Board member having a conflict of interest and attending the meeting will disclose all facts material to the conflict of interest;
- ✓ The Board member who decides to not attend a meeting at which he/she has reason to believe that the Board/ARC will act on a matter in which the person has a conflict of interest, will disclose to the Board/ARC chairman all the facts material to the conflict of interest. The Board/ARC chairman will report the disclosure during the meeting and record of the said mention will be reflected in minutes of the meeting;
- ✓ Any other Covered Person who has potential conflict of interest will not participate in or be permitted to hear the Board/ARC's discussion of the matter except to disclose material facts and to respond to queries pertaining to the case. Such person will not attempt to exert his or her personal influence with respect to the matter, either at or outside the meeting;
- ✓ A Covered Person(s) who has a potential conflict of interest with respect to a contract or transaction that will be voted on at a meeting, especially related to the Board members, will not be counted in determining the presence of a quorum for purpose of the voting. The person having a conflict of Interest may not vote on the contract or transaction and will not be present in the meeting room when the voting takes place unless the vote is by secret ballot. Such person's ineligibility to vote will be reflected in the minutes of the meeting; and
- ✓ Covered Persons who are not Board members or who have a conflict of interest with respect to a contract or transaction that is not the subject of Board/ARC, will disclose to the CO and/or authorised delegate by the CEO, about any potential conflict of interest that such person has with respect to a contract or transaction, which will be discussed with the CEO and presented by the CO to the Board/ARC.
- ✓ Such disclosure will be made as soon as the conflict of interest is known to the responsible person. He/she will refrain from any action that may affect the Company's participation in such contract or transaction. In the event it is not entirely clear that a conflict of interest exists, the individual with the potential conflict will disclose the circumstances to the CO and/or authorised delegate by the CEO, who will determine the existence of a conflict-of-interest scenario, subject to the above mentioned guidelines.

Kindly refer **Appendix D** for conflict-of-interest acknowledgement form template.



4 Company Information

4.1 Material information

- The Board, Board committees and the EMT recognizes the significance of the disclosure expectations of its key stakeholders, comprising of the investors, customers and regulatory directives prescribed by QSE and QFMA.
- In the normal course of business, the Board/ARC with support from the CEO and CFO, will make available, all financial information as required by QSE and QFMA including, but not limited to:
 - ✓ Quarterly financial statements;
 - ✓ Half-yearly financial statements;
 - ✓ Annual financial statements;
 - ✓ Annual reports; and
 - ✓ Business news releases.
- Financial information will be posted in the investor relations section of the Company's website, in line with the corporate communication guidelines.
- If the Company chooses to disclose a material fact, it will be broadly disclosed. Until such time as public disclosure is complete, in order to prevent selective disclosure, material facts will be considered confidential material information.
- It is difficult to provide a complete definition of what constitutes 'material information'. However, information is considered material if its disclosure is likely to have an impact on the price of a security, or include significant changes that potentially impact the perceived or real value of the Company, including but not limited to:
 - ✓ Purchases or modification of major assets;
 - ✓ Future plans for real-estate development;
 - ✓ Announcements of earnings or losses;
 - ✓ Actual change in earnings or in forecasted earnings that is higher or lower than the forecast;
 - ✓ Pending or prospective merger, acquisition, or tender offer;
 - ✓ Sale of significant assets, or a significant subsidiary;
 - ✓ Major changes in the governance and organization structure;
 - ✓ Significant developments in actual or threatened litigation; and
 - ✓ New equity or debt offerings.
- Both favourable and unfavourable information can be material, as well as information that forecasts whether an event may or may not occur. Material changes of the Company will be broadly disclosed by way of a news release.
- Unfavourable news will be disclosed just as promptly and completely as favourable news. The news release will contain enough detail to enable the media and investors to understand the substance and importance of the change being disclosed.

4.2 Quarterly earnings

- The Board/ARC strives and is committed to abide by the requirements of Article (48) of the listing rules issued by QFMA related to periodic disclosure for the issuer in particular paragraph (d) of the same Article, which states that the issuer "must prepare and publish the quarter reports within a period not exceeding thirty days from the end of the quarter";



- The Company also abides with the requirements of Article (50) of the launch and the inclusion of securities, where the issuer has to publish quarterly reports in two local daily newspapers, at least one of them in Arabic.
Kindly refer **Appendix C** for securities trading disclosure form template;
- Quarterly press releases containing a discussion of the Company's earnings' results shall be submitted to the QSE, QFMA and the appropriate media channels for dissemination to the public after the Board's approval of the financial results at the same time; and
- All such press releases shall be reviewed by the CC team, IR team, CFO, and approved by the chairman and CEO.

4.3 Annual financial statements

- The Board/ARC will be responsible to ensure compliance with the QFMA and QSE guidelines related to periodic disclosure of the Company, comprising of "The company will comply with the disclosure requirements, including the financial reports, the number of shares owned by the chairman and the board members, senior executive management, and major shareholders or controlling shareholders. The company must also comply with disclosure about information related to the chairman, members, and committees of the board as well as their scientific and practical experiences as in the curriculum vitae, and whether one of them is a board member, senior executive management of another company or a member of any of their board committees."
- The Board/ARC will ensure periodic disclosure of financial information while considering the following key aspects, but not limited to:
 - ✓ The annual report shall include a comprehensive analysis of performance and financial position compared with the previous year, and projections for the next year. The report shall also include the expectation of the Board regarding the ability of the Company to continue its activity and fulfil its obligations, the number of shares owned by each of the chairman and the Board members, EMT and major stakeholders or controlling shareholders;
 - ✓ In addition, the information about the chairman, Board members and committees shall be disclosed in this report and whether they are Board members, EMT or Board committee members in any other company. This publication will be provided to the QSE and QFMA, with a copy of the report within a period not exceeding **one hundred twenty (120) days** from the end of the Company's fiscal year;
 - ✓ A year-end financial press release, containing a discussion of the Company's earnings results, will be submitted to the QSE, QFMA and the appropriate media channels for dissemination to the public after the Board's approval of the financial results at the same time; and
 - ✓ All such press releases will be reviewed by the CC and/or IR team, CFO, CO and approved by the CEO and/or Board/ARC, as the case maybe.
 - ✓ The Company will also prepare financial statements on a semi-annual basis to be prepared and published within **sixty (60) days** from end of the half year.

Kindly refer **Appendix E** for prohibited positions declaration form template and **Appendix F** for capital structure disclosure form template.



5 Other Essential Disclosures

5.1 Investor relations

- For matters pertaining to the IR and relevant disclosure, the following key aspects will be taken into consideration:
 - ✓ The IR team will be the focal point of contact for IR matters;
 - ✓ The IR team will act as the focal point of contact for any information related to shareholders, regulators, investment community, regulatory authorities (QSE, QFMA, State audit bureau, etc.) in consultation with the CEO and EMT, as deemed necessary;
 - ✓ The IR team will ensure timely reporting of financial information and corporate price sensitive information to QFMA and QSE;
 - ✓ All IR communications will comply with QFMA and QSE requirements; and
 - ✓ Prior to external release of IR communications materials, the CC team will ensure that relevant approvals (Board/ARC/CEO/EMT, as applicable) have been obtained.
- Kindly refer **Appendix B** for disclosures tracker.

5.2 Responding to rumours

- In accordance with the provisions of the Code, *“the company must determine its policy on dealing with rumours by denying or proving, and on how to disclose clearly in writing without inconsistency with the Authority’s relevant legislations. The board must ensure the accuracy and truth of the company’s disclosure and its compliance with all disclosure rules.”*
- In general, no comment will be made in response to rumours or speculation regarding the Company. However, certain exceptions may be made under the direction of the Board/ARC chairman, CEO and EMT, as the case may be. This section of the policy will be read in conjunction with the Company’s corporate communication policy, for detailed guidelines on responding to rumours.

5.3 Confidentiality

- Confidentiality is an express term in the contract of employment, stating that an employee or member of staff will not disclose confidential information that concerns the Company. However, where a member of staff discovers information that they believe shows malpractice, unethical conduct, or illegal practices within the Company, then the option to disclose the information independently of line management and without fear of reprisal for breach of confidentiality is made available under this Policy.
- The Company will treat all disclosures in a confidential and sensitive matter. As part of this, the identity of any member of staff making an allegation may be kept confidential so long as it does not hinder any investigation.
- However, the individual making the disclosure may need to provide a statement as part of the evidence gathering process and their identity may be revealed or implied as part of the investigating process. If a criminal investigation follows, the member of staff may be needed as a witness. If this occurs, the human resources department will notify the member of staff at the earliest opportunity.
- Matters of a confidential nature are subject to strict confidentiality restrictions and care is taken to ensure that the information is used only as permitted. Access to confidential information is



restricted to authorized personnel, they should be aware of their confidentiality obligations and should have signed confidentiality agreements on behalf of the Company.

- Lapses, if any, on this aspect by any employee, and repercussions, if any, will be appropriately managed by the CEO and EMT in accordance with the relevant regulatory framework and other governance policies.

6 Appendices

6.1 Appendix A – Responsibility matrix (illustrative)

- This appendix summarizes responsibility of the concerned personnel and departments within the Company for information and disclosure management. This information below is subject to the review and approval of the Board chairman who is responsible for the implementation of the Policy.

#	DESCRIPTION OF INFORMATION	RESPONSIBILITY
1	<ul style="list-style-type: none"> • Manage and coordinate media relations activities. • Prepare content of the Annual Report and send it to the IR/PR financial). • Ensure that approvals (chairman/CEO/CFO, as applicable), have been obtained prior to any external release of IR communications materials. • Ensure the timely publication of financial statements and other relevant news. 	CC department
2	<ul style="list-style-type: none"> • Act as the first point-of-contact for any information related to shareholders, regulators, investment community or the QSE. • Ensure timely reporting of financial information and corporate price sensitive information to the QFMA and QSE. 	IR department
3	Review and approve press releases.	Board Chairman and CEO
4	Notes to financial statements	Respective departments to provide to Finance department
5	Financial statements	Finance Manager
6	Assist the Board in the financial reporting process by ensuring the accuracy and integrity of financial statements	ARC and CFO
7	Retain corporate information (Board report, shareholder's information, etc.)	Board Secretary
8	Review Company's compliance with legal and regulatory matters	IR and L&C department
9	CEO's / MD's statement and management review	CEO/MD and department Chiefs
10	Risk management information	CIA
11	Review and update of the policy	LC and CC department



6.2 Appendix B – Disclosures tracker (illustrative)

The Company shall disclose the information not limited to the following:

#	DESCRIPTION OF INFORMATION
Website	
1	Details and experience of the Board and Board committee members
2	Board charter
3	Board committee charters
4	Related party transactions policy
5	Annual report
6	Articles of association
7	IR information (name and position, office phone number, email address, picture)
8	Sustainability report – environment, social and governance dashboard
Annual report	
9	Related party transactions
10	Disclosure of shareholdings of Board members
11	Pattern of shareholding
12	Capital structure
13	Board's evaluation of the committees and their achievements
14	Any corporate social responsibilities related activities
General assembly	
15	Annual report
16	Board remuneration policy
17	External audit report
18	Corporate governance report
19	Dividend distribution
Corporate governance report	
20	All disclosure requirements, including financial reporting
21	Disclosure of shareholdings of Board members, EMT and major or controlling shareholders
22	Disclosure of the procedures followed by the Company in implementing the provisions of the Code
23	Disclosure of any violations committed during the year, including violations and sanctions imposed due to non-compliance, with implementation of any of principles or provisions of the Code, their reasons, the remedial measures taken and measures to avoid these in the future
24	Disclosure of information relating to Board members and committees, EMT, their scientific, practical experiences and their curriculum vitae, their responsibilities, powers, and activities during the year, as well as their remunerations and whether any are board members, EMT of another company, or a member of any of their board committees
25	Disclosure of the procedures of risk management and internal control of the company including the supervision of the financial affairs, investments, and any relevant information
26	Disclosure of the committees' works, including number of meetings and their recommendations



27	Disclosure of the procedures followed by the Company in determining, evaluating, and managing risks, a comparative analysis of the Company's risk factors and discussion of the systems in place to confront drastic or unexpected market changes
28	Disclosure of the performance assessment of the Board, compliance of its members in achieving the Company's interest, doing the committee's works, and their attending of Board and committees. Disclosure of the performance assessment of the EMT in implementing the internal controls system and risk management including identification of number of appeals, complaints, proposals, notifications, and the way used by the Board to handle the regulatory issues
29	Disclosure of the internal control failures, wholly or partly, or weaknesses in its implementation, contingencies that have affected or may affect the company's financial performance, and the procedures followed by the Company in addressing internal control failures
30	Disclosure of the Company's compliance with applicable market listing and disclosure rules and requirements
31	Disclosure of any conflict or dispute in which the company is a party including arbitration and lawsuits
32	Disclosure of operations and transactions entered into by the company with any 'related party'

The Company should observe additional disclosure requirements in its annual report and audited accounts, as per prevailing requirements of the QSE, QFMA, accounting standards and/or better practices.

6.3 Appendix C – Securities trading disclosure form template

SHARES/SECURITIES TRADING DISCLOSURE FORM

(Pursuant to Article 13 of QFMA's Corporate Governance Code)

I, the undersigned, hereby acknowledge that I have read and understood the provisions of **Article (13)** of the governance code, and I agree to comply with it. Accordingly, I hereby confirm the disclosure to the Company's management, on all the trading activities on the Company's stock conducted by me and my family members' i.e., my spouse and minor child/children.

Number of shares held by me as at 31-Dec-20__: _____

Number of shares held by my family members' as at 31-Dec-20__: _____

#	DISCLOSURE DETAILS	YES	NO
1	I / my family members' have traded on the Company's shares during the financial year __		



If the answer to the above question is “YES”, kindly provide details for the following question:
I hereby disclose the following trading activities to the Company’s management, (as applicable):

#	DESCRIPTION OF TRADING ACTIVITIES
1	
2	
3	

If the answer to the above question is “NO”, kindly specify the reasons for non-disclosure:

—
In addition to the above, I hereby acknowledge that me and my family members’, will not conduct any trading transactions on the Company’s stock during the trading Blackout periods.

Name: _____

Signature: _____

Date: _____

Article (13) of the Code:

Disclosure of Securities Trading:

The Board members, Senior Executive Management, all Insiders, their spouses, and minor children must disclose any trading and transaction they carry out involving the Company’s shares and any other securities, and the Board shall adopt clear rules and procedures regulating trading of the Insiders in securities issued by the Company.

Definition of Blackout Periods:

The period from the date on which the Board of Directors are invited to endorse year-end financial statements and the half-yearly financial statements, until the Board’s full approval of these statements and the publication, provided that the period between the two dates is not less than fifteen days.



6.4 Appendix D – Conflict of interest acknowledgement form template

CONFLICT OF INTEREST ACKNOWLEDGEMENT FORM

General Information	
Name of the Employee:	
Employee ID No.:	
Department:	
Date:	Time:
Location:	
Position:	
<p>The purpose of this acknowledgement is to protect the integrity and independence of the Company and their decision-making process. It also aims to ensure that all the stakeholders have confidence in the Company's neutral and fair attitude, which is free from any kind of bias or favouring side. It also strives to protect the impartiality and reputation of the Company as an entity and its members.</p>	
General Declaration	
<p><i>I, the undersigned, in respect of my employment with the Company, hereby confirm that I:</i></p> <ul style="list-style-type: none"> Do not have any conflict of interest in connection to any activity to be undertaken by me; In case of an involvement in any activity which may lead to potential conflict of interest, will immediately apprise my reporting Manager/CEO/MD/CO, on the same; Have not made, and will not make, any offer of any type whatsoever, from which an advantage can be derived under the activity; and Have not granted, sought, attempted to obtain, or accepted and will not grant, seek, attempt to obtain, or accept any advantage, financial or in kind, to or from any party whatsoever, constituting an illegal or corrupt practice, either directly or indirectly, as an incentive or reward relating to the activity. 	
Exception To General Terms [Disclosure]	
<p>In case of an occurrence of any activity which may lead to conflict of interest / potential conflict of interest, kindly provide the details for the same:</p> <ol style="list-style-type: none"> 	
Description Of The Situation/Activity/Transaction Leading To Conflict Of Interest	
<ol style="list-style-type: none"> 	
Date Of Reporting The Incident/Activity & Action Taken By Employee	
<ul style="list-style-type: none"> [Date], [Action] [Date], [Action] 	
Approvals	



Signature: _____

Date: _____

6.5 Appendix E – Prohibited positions declaration form template

DECLARATION OF PROHIBITED POSITIONS

To,
The Board Secretary,
Qatar Electronic Systems Company
Doha, Qatar

Date:

Dear Sir / Madam

This is to declare that I, [Name], [Position], holder of [QID no.] am not in violation of the provisions of the applicable laws and regulations in relation to the occupation of prohibited positions. In particular, I declare that:

- I am not the Chairman/Vice-Chairman for more than two companies with headquarters located in the State of Qatar.
- I am not a Board Member in more than three companies with headquarters located in the State of Qatar.
- I am not a Managing Director in more than one company with headquarters located in the State of Qatar.

The above declarations made by me are done in good faith with the knowledge that the said statements are known to me as being true. I shall abide by the applicable laws and regulations applicable in the State of Qatar as they apply to my position and am willing to accept any legal liability ensuing as a result of the aforementioned statements being found to be untrue.

Name: _____

Signature: _____

Date: _____



6.6 Appendix F – Capital structure disclosure form template

The Company's capital is xxxxxxxx QAR (in words) divided into xxxxxxxx shares (in words). As of close of trading 31st December 20__, the capital structure is as follows:

#	Shareholder's Name	Current Position	Representants (any other company)	QID no.	No. of shares held as of 31 st Dec —	% of total capital	Executive / Non-executive	Independent / Non-independent	Membership term	Board membership in other companies