



الفالـح
التعليمية القابضة
AL FALEH
EDUCATIONAL HOLDING

**INVEST IN EDUCATION
INVEST IN THE FUTURE**





الفالح
التعليمية القابضة
AL FALEH
EDUCATIONAL HOLDING



Corporate Governance Report

September 2020- August 2021



Governance Report of Al Faleh Educational Holding Q.P.S.C

Financial Year Ending 31 August 2021

(A Qatari Public Shareholding Company) (the “Company”)

Article N.	Clause Number	Compliance	Non-Compliance	Not Applicable	Governance Applications	Non- Compliance Causes
Article 1: The Company shall comply with the principles of Corporate Governance	1-1	The Board of Directors (the “Board”) shall ensure that the Company complies with the principles set in the Corporate Governance Code for Companies Listed on the Venture Market (the “Code”) as issued by Qatar’s Financial Markets Authority (the “Authority”). ✓			The board of directors has worked on ensuring the company is committed to this code and all its provisions and interpretations related to justice, equality, and fair treatment among all stakeholders of the company. This report was approved by the board of directors before it was released. In addition, the board of directors oversee, review, develop, and abide by the rules of professional conduct and internal policies and procedures of the company to ensure that the company always adopt best governance practices. The board also overlooks and monitors the work and activities of the board committees and their charters. In addition, the board supervises the internal policies and procedures of the company to ensure compliance with the principles stated in the provisions of this article and update them whenever necessary.	
	1-2	The Board shall regularly review and update the governance implementation mechanisms which it adopts. ✓			The board of directors oversee, review, and update the governance implementation mechanisms to ensure that the Company always adopt best governance practices	



	1-3	<p>The Board shall constantly review and develop the rules of professional conduct that embody the Company's values, other internal policies and procedures, which Board members, employees and advisors of the Company shall comply with.</p> <p>(The rules of professional conduct mentioned above may include, but are not limited to, the Board of Directors Charter, the Audit and Risk Committee Charter, the Company's regulations, the related parties' transactions policy and the trading rules for subcontractors). The Board shall review the principles of professional conduct periodically to ensure that such rules reflect best practices and meet the Company's needs.</p>	✓			<p>In addition, the board of directors oversee, review, develop, and abide by the rules of professional conduct and internal policies and procedures of the company to ensure that the company always adopt best governance practices. The board also overlooks and monitors the work and activities of the board committees and their charters. In addition, the board supervises the internal policies and procedures of the company to ensure compliance with the principles stated in the provisions of this article and update them whenever are necessary. Hence, the company achieves best governance practices at all times</p>	
Article 2: The Board Charter		<p>The Board shall adopt a charter which shall be named the Board of Directors' Charter. Such charter shall determine in detail the tasks, responsibilities and duties of its members, which they shall strictly comply with.</p> <p>The abovementioned charter shall be drafted in accordance with the provisions of the Code, and in accordance with the indicative model attached to the Code and shall take into account that Authority conducts from time to another, in addition to publishing the charter of the Board of Directors on the Company's website and making it available to the public.</p>	✓			<p>The Board members charter approved and detailing the Board's functions and responsibilities as well as the Board Members' duties with which they shall fully comply. The said Charter is drafted in accordance with the provisions of the Code.</p>	
Article 3: Board's Mission and Duties	3-1	<p>The Board shall manage the Company in an efficient manner, and shall be fully responsible for supervising the management of the Company in an appropriate manner.</p>	✓			<p>The Board is managing the Company in an efficient manner and are fully responsible for supervision of the management of the Company in an appropriate manner.</p>	



	3-2	3-2-1	Approving the Company's strategic goals, appointing the managers and determining their remunerations and how to replace them, monitoring management performance and company succession planning.	✓			The board is responsible for endorsing the company's strategic goals, appointment of managers and setting their remuneration and their replacement process. The Board is also responsible for monitoring the company management performance and Company succession planning.	
		3-2-2	The Board shall comply with relevant laws and regulations, the Company's Memorandum and Articles of Association as well as protect the Company against any illegal or arbitrary or improper acts or practices.	✓			The Board is, in compliance with relevant laws and regulations, the Company's Memorandum and Articles of Association as well as protecting the Company against any illegal or arbitrary or improper acts or practices.	
		3-2-3	The Board shall have the right to delegate some of its powers to the Company's special committees in order to implement specific tasks and based on clear written instructions determining the nature of the tasks. In all cases, the Board remains liable for all powers and authorities delegated to such committees and their acts.	✓			The board delegates some of its powers to the special committees of the Company. Subsequently, the committees of the company regularly report and update the Board on matters within their power.	
Article: 4 Fiduciary Duties of Board Members	4-1		Each Board member shall perform his/her duties with care and loyalty and comply with the Company's laws and regulations including the Articles of Association and the Board of Directors Charter.	✓			The board of directors represents all shareholders and owes the company the fiduciary duties of care, loyalty, and compliance with the Company's laws and regulations including the Articles of Association, the Code, and the Board of Directors Charter.	
	4-2		Board members shall at all times perform their duties based on clear information, in good faith	✓			The Board of Directors always acts on an informed basis, in good faith, with due	



		and due care and diligence in the best interests of the Company and all of its shareholders.				diligence and care, and in the best interest of the company and all shareholders.	
	4-3	Board members should perform their duties in an efficient manner in order to fulfill their responsibilities to the Company.	✓			The Board of Directors performing their duties efficiently and in the best interest of the Company and shareholders.	
Article: 5 Separation of the positions of Chairman and CEO		It shall be prohibited to cumulate positions of Chairman of the Board (the "Chairman") with any other executive position in the Company. Any executive manager which is appointed by the Chairman shall remain directly liable for his/her acts before the latter.	✓			The Chairperson does not hold any other executive position in the Company.	
Article 6: Powers of the Chairman	6-1	The Chairman is responsible for the proper functioning of the Board in a proper and effective manner, including providing the Board members promptly with complete and correct information	✓			Board members have full and immediate access to information, documents, and records pertaining to the company.	
	6-2	The Chairman may be a member in any of the Board committees mentioned in the Code.	✓			The Chairman is not a member of any Board committees	



	6-3	<p>In addition to the duties and responsibilities of the Chairman as stipulated in the Board's Charter, his/her duties shall include the following (but not limited to):</p> <p>6-3-1 Ensuring the Board discusses all main issues in a prompt and efficient manner</p> <p>6-3-2 Approving the Board's agenda for every meeting taking into consideration any matter proposed by any its members. The Chairman may delegate this task to any Board member but shall remain accountable for such delegated member's acts.</p> <p>6-3-3 Encouraging the Board members to participate collectively and effectively in conducting the affairs of the Board to ensure assuming its responsibilities in the Company's best interests.</p> <p>6-3-4 Ensuring that there are actual communication channels between the shareholders and the Board of Directors.</p> <p>6-3-5 Giving the non-executive members the opportunity to participate effectively and promoting good relations between the executive Board members and non-executive members.</p> <p>6-3-6 Ensuring an annual assessment of the Board's performance.</p>	✓			<p>The chairman is the president of the company and represents the company in front of the courts and third parties and is responsible for achieving the best interest of the company and its shareholders. The board charter includes the duties and responsibilities of the board chairman.</p> <ol style="list-style-type: none">1. The board discusses all key issues in an efficient and timely manner.2. Chairperson of the board approves the agenda of each board meeting.3. Chairperson of the board encourages all board members to participate fully and effectively and ensure they achieve the best interest of the company.4. Chairperson of the board ensures effective communication with shareholders. The shareholders also have the right to raise any concerns or questions during the general assembly, and the board shall hear their concerns and answer them accordingly.5. The chairperson of the board encourages all board members to participate fully and effectively. <p>The chairperson is committed for annual evaluation of the Board members.</p>	
Article 7: The Board's Formation	7-1	<p>The Board's formation shall be determined pursuant to Company's Articles of Association. The number of members shall be determined according to the requirements and size of the</p>	✓			<p>The Company has formed its Board of Directors as per Articles of Association of the Company. The Board of Directors has the following composition</p>	



		Company and shall maintain the existence of non-executive and independent members in order to prevent the control by executive members of the Board's resolutions. At least one-third (1/3) of the Board's members shall be independent.				<ol style="list-style-type: none"> 1. Dr Sheikha Aisha Falih F N Al Thani (Executive Director) 2. Sheikh Muhammad Nawaf N K Al Thani (Non-Executive Director) 3. Sheikh Khaled Nawaf N K Al Thani (Non-Executive Director) 4. Mr. Hussein Ahmad A Al Siddiqi (Independent director) 5. Professor Jennifer Rosemary Harrow (Independent Director) 6. Professor Paul William Palmer (Independent Director) 	
	7-2	Any Board member shall have enough knowledge in management and the required expertise in order to be able to execute their mission in an efficient manner in the Company's best interests, they shall allocate enough time to perform their duties.	✓			The board of directors have a balanced and right mixture of skillset, education, knowledge, and expertise to effectively manage the company and protect its best interest.	
	7-3	Shares owned by independent Board member candidates shall not exceed the number of shares required to ensure their membership in the Company's Board.	✓			No shares owned by independent Board members.	
Article 8: Non-executive Board members	8-1	<p>The duties of non-executive Board members shall include the following (but not limited to):</p> <p>8-1-1 Participating in Board meetings and providing an independent opinion about strategic issues, policy, accountability, resources, main appointments and work standards.</p> <p>8-1-2 Prioritization of the Company's interests and shareholders in case of any conflict of interest.</p>	✓			<p>The Non-Executive Board Members performed at least the following;</p> <ol style="list-style-type: none"> 1. Participated in the meetings and provided independent relevant opinions. 	



		<p>8-1-3 Participating in the Company's auditing committee.</p> <p>8-1-4 Monitoring the Company's performance when achieving its agreed goals and reviewing the special performance reports including annual, biannual and quarterly reports.</p> <p>8-1-5 Supervising the development of procedural regulations regarding the Company's Governance and its application in compliance with those regulations.</p> <p>8-1-6 Providing their skills, expertise and qualifications to the Board and its various committees through their regular attendance of the Board's meetings, effective participation in General Assemblies and understanding the opinions of shareholders in a balanced and fair way.</p>				<ol style="list-style-type: none">2. Performed duties in the best interest of the Company and shareholders.3. Participated in audit committee meetings.4. Monitored the Company performance.5. Supervise the corporate governance regulations of the Company for ensuring its implementation.6. Actively involved in all the meetings	
	8-2	The majority of non-executive Board members may consult an independent consultant at the Company's expense regarding any of the Company's matters.	✓			During the year Mr. Rajeesh was appointed as a consultant by the non-executive Board members.	
Article 9: The Board Meetings	9-1	The Board should hold regular meetings in order to execute its duties effectively, which shall not be less than six (6) meetings during a Company's fiscal year. In all cases, two (2)	✓			The Board of Directors convene regularly, in order to enable the Board to perform its duties effectively. During the current year the	



		months must not expire without a Board meeting being held.				number of meetings were as per the requirement of the Law.	
	9-2	The Board meets at the invitation of its Chairman or based upon a written request submitted by two (2) of the Board members. The invitation should be submitted to every Board member a week before the date of the meeting with the meeting agenda. Each member has the right to add any item on the agenda.	✓			The invitation for all the Board meetings were sent as per the requirements of this code.	
Article 10: Secretary of the Board	10-1	The Board shall appoint a secretary for the board, whose duties shall include recording, coordinating and keeping all the minutes of the board's meetings, its records, and reports submitted to and from the Board. The Secretary of the Board, under the supervision of the Chairman, shall ensure proper communication and distribution of information and coordination among the members of the Board and between the Board and other stakeholders in the company, including the shareholders, management and employees.	✓			The Board has appointed Mr. Jamal El Shareif as the Board Secretary whose job includes registering, coordinating and keeping all the minutes of meetings and resolutions of the Board in a special and serial numbered register stating the present members and any reservations they may have. The Secretary is also keeping all the Board minutes, registers, books and reports submitted by or to the Board. Under the direction of the Chairman, the Secretary is also of in charge of ensuring timely receipt and distribution of information, meeting's paperwork, documents and agenda, and coordinating among the Board members as well as between the Board and the other stakeholders in the company including shareholders, management, and employees.	
	10-2	The Secretary of the Board shall ensure that the members of the Board have full and prompt access to all minutes of Board meetings, information and documents related to the company's records.	✓			Board members have full and timely access to all the minutes of Board meetings, information, documents, and Company registers.	



	10-3	All members of the Board should be able to benefit from the services and advice of the Board Secretary.	✓			Secretary services and advice is available for all Board Members	
	10-4	A board Secretary may not be appointed or dismissed except by a resolution issued by the Board.	✓			Appointed by virtue of a board resolution.	
	10-5	It is preferable for the Board's Secretary to be a member of a recognized professional accountants board or a member of a board of secretaries of recognized chartered companies or to hold a degree from a university that is recognized by the Supreme Council for Education, or any equivalent to such degree or to be a graduate from law school or the faculty of business administration or economics or other colleges related to the nature of the Company's activity.	✓			The Board Secretary has the relevant qualification and experience.	
Article 11: Conflict of Interest and Dealings with Subcontractors	11-1	The Company should approve and publish its regulations and general policy when entering into transactions with a related party or related parties (i.e. the Company's general policy regarding related parties transactions).	✓			Related party policy drafted as per the requirements of the Code of Corporate Governance for Companies listed on the venture market on the Qatar Stock Exchange.	
	11-2	In all situations, the Company is prohibited to enter into any transaction with a related party, unless it strictly complies with the abovementioned policy which shall incorporate principles of transparency, disclosure and equity and provided that the General Assembly	✓			All the Related party transactions were on arm's length and in compliance with the related party policy and approved by General Assembly.	



		of shareholders approves such related party transaction.					
	11-3	In case any issue related to a conflict of interest or any commercial transaction is opened for discussion at a meeting between the Company and any of the Board members or any relative of the Board members, the issue should be discussed in the absence of that member who loses the right to vote on that issue.	✓			All such issues were discussed in the absence of member having interest in that matter.	
	11-4	In all cases, the transaction should be entered into on an arm's length and based on a pure commercial basis, provided that it does not include any provisions contradictory to the Company's interest.	✓			All transactions were on arm's length and in the best interest of the Company.	
	11-5	The abovementioned transactions shall be disclosed in the Company's annual report and mentioned specifically in the next General Assembly that takes place after such transactions are entered into.	✓			All the related party transactions were disclosed in the annual report and in schedule 1 and 2 of this report.	
	11-6	Board members shall disclose their trading of the Company's shares or its other securities. The Company should adopt clear regulations and procedures governing the trading by Board members and employees of the Company's shares.	✓			Board members trading in the Company shares will be disclosed in the annual report.	
Article 12: The Board Functions and Other Duties	12-1	Board members shall have full and immediate access to the Company's information, documents and records. The executive management of the Company should provide the Board and its committees with all required documents and information.	✓			The Board has full access to all information, data, documents and registers of the Company.	



12-2	Board members must ensure the attendance of the members of the Nomination and Remuneration Committee and Audit and Risk Committee, internal auditors and representatives of the external auditor to the General Assembly meeting.	✓			All of the persons mentioned in the article 12.2 of this report were present in the previous General Assembly meeting and will do the maximum effort to attend the next general assembly meeting.	
12-3	The Board shall put in place a training program for the newly appointed Board members to ensure their understanding of the Company's workflow and operations, and their responsibilities once elected.	✓			This is the first year of listing and training programs are planned for 2021/222.	
12-4	The Board members are responsible for the good comprehension of their role and duties and educating themselves about financial, commercial and industrial issues of the Company's work and operations. To this end, the Board should adopt proper formal training courses to improve the skills and knowledge of the Board.	✓			This is the first year of listing and training programs are planned for 2021/222.	
12-5	The Board should keep the Board members fully aware of the developments of governance and its best practices. The Board may delegate the mentioned task to the auditing committee, governance committee or any other entity as it deems convenient.	✓			Board secretary keeps updated all the members from time to time	
12-6	The Company's Articles of Association should include clear procedures regarding the dismissal of Board members in case they refrain from attending Board meetings.	✓			Procedures for sacking the Board members documented in the Articles of Association.	
12-7	If a member of the Board does not attend three (3) consecutive Board meetings or five (5) non-consecutive meetings and without an excuse	✓			All Board members are in strict compliance with this clause.	



		which is acceptable by the Board, such member will be deemed to have resigned.					
12-8		The Board meeting shall be considered valid if conducted via the phone or any other electronic means if all members attending the meeting could communicate with each other. The Board members may make decisions without holding a meeting if all Board members submit their approval via e-mails provided that they register the written or electronic approvals with the minutes of the Board meetings.	✓				All the Board meetings were valid and minutes of the meeting and resolutions passed maintained properly.



Article 13: Appointing the Board members to the Appointments Committee	13-1	The Board members may establish an appointments committee as they deem fit as per the nature of the Company's business and its Board.	✓			The Board has established the Nomination & Remuneration Committee with the following members; <ol style="list-style-type: none">1. Professor Jennifer Rosemary Harrow; and (Independent Director) - Chairperson of the Committee.2. Sheikh Muhammad Nawaf N K Al Thani (Non-Executive Director) - Member of the committee.3. Mr. Hussein Ahmad A Al Siddiqi (Independent director) - Member of the committee.	
	13-2	The Board members should be nominated and appointed according to transparent and strict procedures.	✓			The members of the Board were appointed by Founders by virtue of the Articles of Association for a period of five years	
	13-3	The Board of Directors may establish an appointments committee headed by an independent Board member and composed of independent Board members who shall appoint the candidates for the Board members to be elected or re-elected by the General Assembly (to clarify the confusion: being appointed does not mean the exclusion of any shareholder of elections or re-elections).		✓		The Board has established the Nomination & Remuneration Committee with the following members; <ol style="list-style-type: none">1. Professor Jennifer Rosemary Harrow; and (Independent Director) - Chairperson of the Committee.2. Sheikh Muhammad Nawaf N K Al Thani (Non-Executive Director) - Member of the committee.3. Mr. Hussein Ahmad A Al Siddiqi (Independent director) - Member of the committee.	The Company merged the Nomination Committee and Remuneration Committee into one committee which is the Nomination and Remuneration Committee. Majority of the members of the committee are Independent members which should be in line with the applicable laws.



	13-4	Appointments should take into consideration, among other things, the candidates' ability to allocate time to fulfill their duties as Board members, in addition to their skills, knowledge, expertise; their professional, technical and academic qualifications; and personalities. Appointments could be based upon appointment guidelines, annexed to this Articles of Association, which could be modified from time to time.	✓			At the time of appointment by the founders all the requirements mentioned in this code were considered while appointing the Board members.	
	13-5	The appointments committee should adopt and publish the framework of its role and powers once established in order to show its powers and role.	✓			The Nomination & Remuneration Policy approved and the role and powers of appointment committee documented	
	13-6	The role of the appointments committee should include self-appraisal procedure to assess the performance of the Board.	✓			The Nomination & Remuneration Committee is committed for conducting an annual self-assessment of the Board of Directors	
	13-7	Banks and other companies shall consider any conditions or requirements issued by Qatar Central Bank or any other concerned authority regarding nomination, election or appointment of Board members.			✓		
Article 14: Board Remuneration Remunerations Committee	14-1	The Board members may establish a remunerations committee if they deemed fit as per the nature of the Company's business and its Board of Directors.	✓			Nomination & remuneration committee established.	
	14-2	The Board of Directors may establish a remunerations committee composed of at least three (3) non-executive members , the majority of which should be independent.	✓			Majority of the committee are independent.	






	14-3	The remunerations committee should adopt and publish the framework of its role and powers once established.	✓			The Nomination & Remuneration Policy approved and the role and powers of appointment committee documented.	
	14-4	The main role of the remunerations committee is to determine the Company's remuneration policy including remunerations for the Chairman, the Board members and the senior management.	✓			The Nomination & Remuneration Policy approved.	
	14-5	The remuneration policy and guidelines of Board members should be disclosed in the Company's annual report.	✓			The remuneration policy and guidelines of Board member disclosed in the Company's annual report.	
	14-6	The remunerations committee should take into consideration the responsibilities and scope of work of Board members and the senior management and the Company's performance. The remunerations should include a fixed amount and a variable amount which is based on the Company's long-term performance.	✓			The Nomination & Remuneration Policy approved.	
Article 15: Auditing Committee	15-1	The Board of Directors should establish an auditing committee which shall be composed of at least three (3) members. The majority of the committee's members shall be independent members and one member at least among them shall have auditing experience. In case the number of available independent Board members is not sufficient to establish such committee, the Company may appoint non-independent members providing that the head of the committee shall be independent.	✓			Audit committee established with the following members: <ol style="list-style-type: none">1. Professor Paul William Palmer (Independent Director)2. Mr. Hussein Ahmad A Al Siddiqi (Independent director) - Member of the committee.3. Sheikh Khaled Nawaf N K Al Thani (Non-Executive Director)	






	15-2	Any person who is currently employed or has been in the last two (2) years by the Company's is prohibited from becoming a member of the auditing committee.	✓			No member of the audit committee was working with the external auditors in the last two years	
	15-3	The auditing committee may consult any independent expert or consultant at the Company's expenses.	✓			No such consultant appointed	
	15-4	The auditing committee should meet whenever necessary to convene, on a regular basis at least once every three (3) months and must ensure that minutes of the meetings held are drafted.	✓			Audit committee meetings held on a regular basis.	
	15-5	In case of a conflict between the auditing committee and the Board resolutions, including in the situation whereby the Board reject's the committee's recommendations regarding the external auditor, the Board must include in the governance report a statement of the details of those recommendations and the reasons justifying the Board's refusal.	✓			No such conflict occurred	
	15-6	Upon its establishment, the auditing committee should adopt and publish the framework of its role and responsibilities in the form of a charter. These responsibilities shall specifically include the following: a) Adopting a policy for contracting with external auditors providing that they report to the Board on all matters on which they require the committee's opinion to undertake the proper measures and give recommendations about the necessary procedures or steps. b) Supervising and monitoring the independence of the external auditors, their objectivity and scope as per the international auditing standards and	✓			The audit committee charter has been approved explaining the main roles and responsibility of the audit committee in particular with the followings; a) External audit policy drafted. b) Roles of the audit committee with reference to the external auditors defined in the external	



		<p>international standards required to prepare financial reports.</p> <p>c) Supervising the validity and accuracy of financial data and annual, biannual and quarterly reports. In addition to reviewing those reports and data, they should focus in particular on the following:</p> <ul style="list-style-type: none">(1) Any changes of auditing policies and practices.(2) All aspects to be evaluated based upon the senior executive management's discretion.(3) The main modifications resulting from the auditing.(4) The Company's viability and sustainability of its success in business.(5) Complying with the Authority's auditing standards.(6) Complying with the venture market listing rules.(7) Complying with procedures of disclosure of financial reports and other requirements. <p>d) Coordinating with the Board, senior executive management and the CFO or his representative, and meeting with the external auditors once a year at least.</p> <p>e) Studying any important and extraordinary matters included or to be included in financial reports and accounting and thoroughly examining any issues raised by the CFO, his representative, the Compliance Officer or the external auditors.</p>				<p>auditor policy and audit charter.</p> <p>c) Audit committee regularly review the financial statements along with other reports for accuracy and validity by having main focus on the any change in accounting policy, application of the accounting policy, matters to be immediately reported to management, changes, adjustments proposed by external auditors, considering the going concern issue, compliance with applicable accounting standards, compliance with applicable listing rules and compliance with disclosure rules and other requirements for preparation of the financial statements.</p> <p>d) The audit committee is regularly coordinating with the Board and senior executive management and at-least once in a year with external auditors.</p> <p>e) Audit Committee regularly meets with the CFO for discussion on significant issues.</p>	
--	--	--	--	--	--	--	---



		<p>f) Reviewing the financial and internal oversight systems and risk management.</p> <p>g) Discussing the internal oversight system with the management and ensuring the management's implementation of an efficient internal oversight system.</p> <p>h) Examining the results of the main investigations of internal oversight issues entrusted by the Board and executed upon the committee's initiative and approved by the Board.</p> <p>i) Ensuring the coordination between the internal and external auditors, providing the necessary resources, validating the effectiveness of the Internal Oversight Body and supervising it .</p> <p>j) Reviewing the Company's policies and financial and auditing procedures.</p> <p>k) Reviewing the letter of appointment of the external auditor, his agenda and any enquiries of the senior management regarding the auditing registers, financial accounts, regulatory systems and the feedback provided by the executive management.</p> <p>l) Providing a prompt response to the Board's queries regarding the issues mentioned in the letters and external auditors' reports.</p> <p>m) Establishing roles through which the Company's employees could express their doubts on a confidential basis about any suspicious matters in financial reports, internal oversight system or any other issues and ensuring that necessary</p>				<p>f) Reviewed the financial, internal control and risk management system</p> <p>g) Regular discussions made with management regarding internal control system.</p> <p>h) Reviewed the internal control reports submitted by the internal auditor.</p> <p>i) Ensured coordination with the external auditor of the internal auditors.</p> <p>j) Reviewed all drafted policies.</p> <p>k) Reviewed the appointments letter of external auditors.</p> <p>l) Ensured prompt response to the issues raised by the external auditors.</p> <p>m) Complaint reporting and personnel protection policy drafted</p>	
--	--	--	--	--	--	--	--






		<p>procedures for a fair and independent investigation about these issues are put in place in order to grant anonymity and protection to the whistleblower against any negative reaction or harm. All the mentioned procedures should be submitted to the Board for approval.</p> <p>n) Monitoring the Company's compliance with rules of professional conduct.</p> <p>o) Ensuring the proper implementation of the related labor regulations and authorities as delegated by the Board.</p> <p>p) Reporting to the Board about the issues as stated in the present Article.</p> <p>q) Examining any other issues as determined by the Board.</p>						n-q) ensured compliance and periodically submitting report to the BOD for the matters in this article
Article 16: Compliance with the Internal Oversight and Internal Auditor Systems.	16-1	The Company should adopt an internal oversight system which shall be duly approved by the Board to evaluate risk management methods and procedures and apply the governance system approved by the Company in compliance with the relevant laws and regulations. The internal oversight system should establish clear standards for the responsibilities and accountability in all departments of the Company.	✓					As this is the first year of listing however management is committed for the establishment of Internal Control System, to evaluate the methods and procedures concerning risk management, implementation of the Company's Corporate Governance Code and compliance with related laws and regulations.
	16-2	The internal oversight operations should include establishing effective independent units for risk assessment and management, internal auditing units, internal operations and external auditing units. The internal oversight system should ensure that all related parties' transactions are entered into in accordance with its regulations.	✓					As this is the first year of listing however management is committed for the establishment of Internal Control System for risk assessment and risk management. Only internal audit unit established.



	16-3	<p>The Company should have an internal auditing unit with clearly-established specific tasks. Specifically, it should do the following:</p> <ol style="list-style-type: none">(1) Audit the internal oversight system and supervise its implementation.(2) Managed by an independent and operationally competent team that is properly trained.(3) The unit reports directly or indirectly to the Board through the Board's auditing committee and is accountable before the Board.(4) The unit should have full access to all the Company's activities.(5) The unit should be independent including not being responsible of handling the Company's day-to-day operations. Its independence should be supported in different ways such as determining the remunerations of its members directly by the Board.	✓			<p>Internal audit unit has been established with the following objectives.</p> <ol style="list-style-type: none">1. Audit the internal control system.2. Managed by independent team.3. The internal auditor is reportable to the Audit and Risk Committee.4. Internal auditor has full access to all companies activities.5. Internal auditor is completely independent.
	16-4	<p>The internal audit unit should include at least one (1) internal auditor appointed by the Board. The internal auditor is held accountable to the Board.</p>	✓			
	16-5	<p>The internal auditor should report to the auditing committee and the Board an internal auditing report that includes the assessment provided by the Company's internal oversight system. The report's scope must be determined based upon an agreement between the Board (upon the recommendation of the auditing committee) and the internal auditor. The report should specifically include the following:</p>	✓			<p>The years audit plan submitted to the audit committee and approved by the audit committee and board. Scope agreed with the Board. The report covers the following areas:</p>



		<ul style="list-style-type: none">• Oversight procedures and supervision on the financial affairs, investments and risk management.• Comparison of the development of risk factors and the Company's policies to face the drastic or unexpected changes in the market.• Evaluating the performance of the Board and the senior management in applying the internal oversight system, including determining the number of times notices have been sent to the Board regarding regulatory issues (including risk management) and how the Board addressed these issues.• The failures in implementing internal oversight, its weaknesses or the emergencies that affected or may affect the Company's financial performance; moreover, the procedure taken by the Company when handling the failure of the internal oversight (particularly the disclosed issues in the annual reports and financial data).• The Company's compliance with the terms and conditions that control the disclosure and listing on the venture market.• The Company's compliance with the internal oversight systems in risk identification and management.• All relevant information that describes the Company's risk management operations.				<ul style="list-style-type: none">• Procedures and supervision of financial affairs, investment, and risk management.• Comparison with the prior year risk factors with the current year.• Board performance assessment in implementing the Internal Control Systems,• Internal control deficiencies identified in the internal audit report <p>Reports on compliance with listing regulations & internal control system</p>	
--	--	---	--	--	--	---	--



	16-6	The internal auditor should prepare a report every six (6) months	✓			Internal audit reports submitted after every six months.	
Article 17: The Auditor (the External Auditor)	17-1	The auditor (external auditor) should be independent and competent and is appointed upon the auditing committee's recommendation to the Board and by virtue of a General Assembly resolution. The auditor shall conduct an annual independent external audit and biannual revision of the data. The mentioned audit should provide the Board and the shareholders with an objective confirmation that the financial data are prepared in compliance with the Code, relevant laws and regulations and the international standards of the financial data processing, in addition to the fact that it represents the Company's financial standing and performance in all material aspects.	✓			An independent, qualified External Auditor, (KPMG) appointed upon the recommendation of the Audit Committee to the Board.	
	17-2	The external auditors should comply with the best professional standards, and the Company shall not enter into any contract with them for any consultations or services else than related to the Company's financial auditing. Such auditors shall be totally independent from the Company and the Board and must never have a conflict of interest with the Company.	✓			The external auditors are completely independent and not providing any service in addition to the audit services.	
	17-3	The external auditors of the Company should attend the Company's Ordinary General Assembly in order to submit their annual report and respond to queries.	✓			The external auditors will be invited in the upcoming AGM.	
	17-4	The external auditors are liable towards shareholders and should exercise the due professional diligence in auditing. External	✓			No such matter reported by the external auditors	



		auditors should inform the Authority or any other regulatory authority, if the Board refrains from taking due action in relation with suspicious matters raised or determined by the auditors.					
	17-5	All companies listed on the venture market should change their external auditors once every five (5) years at most.	✓				Auditors will be changed once five years are completed.

Article 18: Disclosure	18-1	The Company should comply with all disclosure requirements including submitting its financial reports and disclosing the number of shares held by Board members, executives, significant and controlling shareholders. In addition to that, the Company should disclose any information regarding their resumes showing their educational qualifications, job and membership in other boards (if any). The names of the various committees' members established by the Board according to Article (3.2.3) should be disclosed with a description of their composition.	✓				The Company has disclosed requirements including financial reporting as well as shareholdings of Board Members, senior executives and significant or controlling shareholders, resume of the board members, and membership of other boards and committee
	18-2	The Board should ensure that all disclosure operations made by the Company are correct, accurate and non-deceptive	✓				All disclosed information accurate, true and not misleading
	18-3	The financial reports of the Company should conform with international auditing standards (IFRS/IAS) and (ISA), and their requirements. The report of the external auditors should include an explicit indication whether they had all necessary information or not. The report should state whether the Company conformed with (IFRS/IAS) standards or not and whether the auditing was done according the international standards of auditing IAS.	✓				The Company financial reports were prepared in compliance with the disclosure requirements of IFRS/IAS.



	18-4	The audited financial reports should be provided to all shareholders.	✓			Audited financial statements circulated among all shareholders.	
Article 19: General Rights of Shareholders and Ownership's Principal Elements	19-1	Shareholders have all rights as per the relevant laws and regulations including this Articles of Association and the Memorandum of Association. The Board should ensure the respect of shareholders' rights so as to achieve justice and equality.	✓			Shareholders are well informed of their rights.	
Article 20: Ownership Records	20-1	The Company should keep updated correct and accurate registers reflecting shareholders' ownership.	✓			All share ownership records of the company are up to date.	
	20-2	Any shareholder shall have the right to access the shareholders' register and has free access to it during the Company's normal working hours or as mentioned in the procedures applicable to getting information from the Company.	✓			Shareholders have free of charge access to the company shareholders register during the business hours	
	20-3	The shareholder shall have the right to get a copy of the following documents: The Board members' register, the Memorandum of Association and Articles of Association, documents regarding any privileges or rights over the Company's assets, related parties' transactions or any other document mentioned by the Authority from time to time for a fee determined by the latter.	✓			Copies of the following were circulated to the shareholders. <ul style="list-style-type: none">• Board members register.• Memorandum of Association• Articles of Association• Related party transaction relevant information and other documents.	
Article 21: Access to Information		The Company shall include in its Memorandum and Articles of Association the procedures for accessing information in a way that guarantees the shareholders' rights of access to the Company's records and data on a regular basis and in the right time. These procedures must be clear, separate and shall include the following: <ol style="list-style-type: none">1) The Company's accessible information, including such information which access to is granted in favor	✓			Procedures for accessing information included in Memorandum and Articles of Association as per the requirements of this code.	



		of individual shareholders and those representing the minimal percentage of the Company's shareholding capital. 2) The clear and explicit procedure to have access to this information. 3) The Company shall have a website on which all disclosures, related information and public information must be published on. These information shall include all published information as per the Code and any related applicable laws and regulations.					
Article 22: Shareholders' Rights	22-1	The Memorandum of Association and Articles of Association should include regulations that guarantee the actual shareholders' right to call for General Assembly meeting, enlist issues to the agenda to be discussed, ask questions, get responses and make decisions on an informed basis.	✓				As per Articles of Association of the Company shareholders has the right to call for a General Assembly, matters to be included in the agenda and raise questions.
Article 23: Fair Treatment of Shareholders and Voting Rights	23-1	All shares of the same class have the same rights.	✓				All shares of the same class have the same rights attached to them
	23-2	Proxy voting is allowed in conformity with the relevant laws and regulations.	✓				Shareholders have the rights for proxy in compliance with the Articles of Association and other related law and regulations



Article 24: Shareholders' Right to Elect Board Members	24-1	The Memorandum of Association and Articles of Association shall include provisions that grant the shareholders information regarding Board membership candidates, prior to such elections being held, including a description of their professional and technical skills, expertise and other qualifications.	✓			As per articles of Association and Memorandum of Association shareholders are entitled to receive information relating to Board Candidates prior to elections.	
	24-2	Shareholders should have the right to elect Board members through cumulative voting.	✓			Shareholders has the right to cast their votes for Board members election by Cumulative Voting	
Article 25: Shareholders' Rights in relation with Dividends Distribution	25-1	The Board shall submit to the General Assembly a clear policy explaining and regulating the distribution of dividends, including an explanation of this policy so as to serve both the interests of the Company and its shareholders.	✓			Dividend distribution policy has been drafted in the interest of the Company and Shareholders.	
Article 26: Capital Structure, Shareholders' Rights and Substantial Transactions	26-1	The capital structure must be disclosed and the companies must determine the kind of shareholders' agreements that should be disclosed.	✓			Capital structured disclosed in the annual report.	
	26-2	The Company shall include protective regulations of the minority of shareholders within its Memorandum and Articles of Association, in case of the approval of any substantial transaction which they have voted against.	✓			Policy for protecting the minority shareholders drafted. Articles of Association also contain provision for protection of minority shareholders	
	26-3	The Company shall include in its Memorandum and Articles of Association a mechanism that ensures equal rights in shares selling, in case of any change in the capital ownership above a	✓			Mechanism has been included in the Articles of Association as per the requirements of article 26.3.	

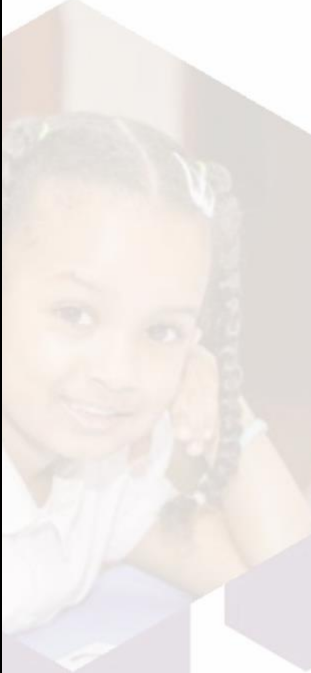

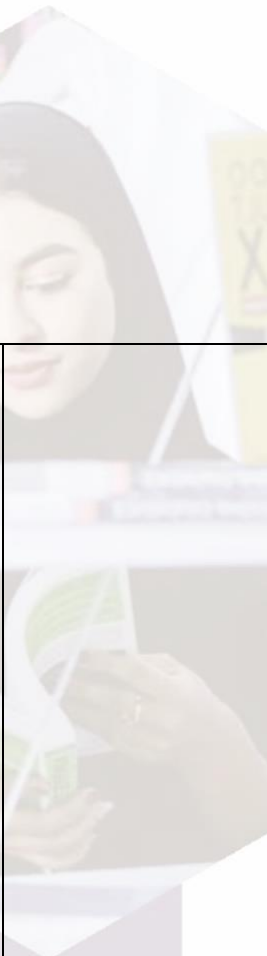


		determined percentage (the threshold). In its determination of the threshold, the Company shall take into consideration the shares owned by a third party but controlled by a disclosing shareholder including the shares of shareholders' agreements which shall be disclosed as well.					
Article 27: Rights of Other Stakeholders	27-1	The rights of other stakeholders shall be respected in case they participate in the governance and they should be able to have access to credible, sufficient and relevant information in the proper time and on a regular basis.	✓			All stakeholders are able to have access to credible, sufficient and relevant information in the proper time and on a regular basis.	
	27-2	The Board shall ensure that all employees are treated in conformity with the principles of justice and equality without discrimination based on race, sex or religion.	✓			All employees are treated according to principles of fairness and equity without any discrimination whatsoever on the basis of race, gender, or religion.	
	27-3	The Board shall establish a remuneration policy in order to provide incentives to its employees. The management should always serve the Company's best interests. This policy should take into consideration the Company's long-term performance.	✓			The Nomination & Remuneration Policy approved.	
	27-4	The Board should adopt a mechanism which allows the employees to inform the Board of any suspicious, wrong, illegal or damaging behaviors within the Company. The Board shall ensure the employee's privacy and protection against any harm or negative reactions of other employees or supervisors.	✓			Violation reporting and personnel protection policy drafted.	



Article 28: The Governance Report	28-1	The Board of Directors shall prepare the annual governance report which shall be signed by the Chairman. The Governance report shall include all information related to the implementation of the provisions of the present Code.	✓			The Board of Directors prepared annual governance report and signed by the Chairman. The Governance report includes all information related to the implementation of the provisions of the present Code.
	28-2	The Governance Report shall be submitted to the Authority on an annual basis and at any time as may be requested by the Authority, it shall also be appended to the annual report prepared by the Company in compliance with its periodic disclosure obligation.	✓			Submitted to the authority and included in the annual report
	28-3	The Governance Report shall be included in the agenda of the Ordinary General Assembly, a copy of such report shall be distributed to all shareholders during the meeting.	✓			The Governance report included in the agenda of the Ordinary General Assembly and a copy were circulated to shareholders
	28-4	The Governance Report shall include all information related to the implementation of the provisions of the Articles of Association, more specifically: (1) Procedures that have been implemented by the Company in this regard. (2) Any violations that have been committed during the concerned fiscal year, explaining the reasons behind their occurrence, how to address them and how to prevent them from occurring in the future. (3) The members of the Board and committees and their responsibilities and activities during the year as per the class of those members and their powers.	✓			The Governance report for the year 2021 includes but not limited to the following information: (1) Procedures implemented by the Company. (2) Violation occurred in the current year along with the reason of occurrence and prevention plan. (3) Members of the Board and Board committees.



	<p>In addition to the mechanism of determination of the remuneration of the Board members and the senior management.</p> <p>(4) Internal oversight procedures including supervising financial affairs, investments and risks management.</p> <p>(5) The Company's procedure to determine, evaluate and manage considerable risks. A comparative analysis for the risks factors and discussing the adopted mechanism to face radical or unpredictable changes on the market.</p> <p>(6) Evaluating the performance of the Board and the senior management in applying the internal oversight system including determining the number of notices that have been sent to the Board regarding regulatory issues (including risk management) and how the Board addressed those issues.</p> <p>(7) The failures of applying the internal oversight, its weaknesses or the emergencies that affected or may affect the Company's financial performance; moreover, the procedure taken by the Company when handling the failure of the internal oversight (particularly disclosed problems in the annual reports and financial data).</p> <p>(8) The Company's compliance with the terms and conditions that control the disclosure and listing on the venture market.</p> <p>(9) The Company's compliance with the internal oversight systems in risk identification and management.</p> <p>(10) Any other relevant information that describe the Company's risk management operations and internal oversight procedures.</p>			<p>(4) Internal oversight procedures.</p> <p>(5) Risk assessment and risk management.</p> <p>(6) Board performance evaluation.</p> <p>Any other relevant information that describes the Company's risk management operations and internal oversight procedures.</p>	
--	--	--	--	---	---



Schedule 1 - Disclosure of Related Party Transactions

Related Party Transactions for the fiscal year September 2020-August 2021

Sr. No.	Description	Amount	Amount
1	Rent Security deposit & concession (Receivable)		4,053,500
2	Detail of the transaction with Chairperson and members of the Board of Directors and Key managerial personnel		
	Rent Payment:		11,359,000
2.1	Sheikh Mohammed Bin Nawaf Al Thani Doha Academy -Rental of staff accommodation - 26 flats	2,232,000	
	Sheikha Aisha Bint Falih Al Thani		
	AFG - Rental for AFG College Building	4,370,000	
2.2	AFG –Rental of staff accommodation at Pearl 9 flats (6 Months)	540,000	
	DA - Rental of staff accommodation Villa (10 Months)	120,000	
	DA - Rental of DA Salwa building	1,190,000	
	Sheikha Anwar Bint Nawaf Al Thani		
2.3	DA - Rental of staff accommodation 12 flats	1,224,000	
	DA - Rental of staff accommodation 6 flats	612,000	
2.4	Sheikha Maryam Bint Nawaf Al Thani DA – Rental of Staff Accommodation – 3 flats	306,000	
2.5	Sheikh Jassem Bin Nawaf Al Thani DA – Bin Umran Staff Accommodation – 3 flats	306,000	
2.6	Sheikh Nasser Bin Nawaf Al Thani DA -Matar Qadeem, Old Airport - Staff Accommodation – 2 flats	229,500	
3	There are no transaction that are entered into with the related party that conflicts with the interest of the company.		
4	The total value of the related party transactions whether taken on an individual basis or on a cumulative basis does not exceed 10% of the Company’s market value or the net value of the Company’s assets.		



Al Faleh Educational Holding Q.P.S.C.

Schedule II – Specific Disclosure in line with the *Qatar Commercial Companies Law* Number 11 of 2015 and its amendments to include the benefits received by the Company's chairperson and each member of this Board in cash or kind, and allowances paid to members of the senior executive management during the fiscal year September 2020-August 2021

Sr. No.	Description	Amount	Amount
1	Directors Sitting Fees		300,000
1.1	Hussein Siddiqi	100,000	
1.2	Professor Jenny Harrow	100,000	
1.3	Professor Paul Palmer	100,000	
2	There are no benefits in kind and cash enjoyed by the Chairperson of the Board of Directors and each member of the Board of Directors in the fiscal year.	Nil	
3	There are no remunerations that the Board of Directors proposes to distribute to the members of the Board of Directors	Nil	
4	No Amounts allocated to the current members of the Board of Directors except as mentioned above.	Nil	
3	Rent Security deposit & concession (Receivable)		4,053,500
5	Compensation to senior executive management		3,390,522
6	Detail of the transaction with chairperson and members of the Board of Directors and members of the senior executive management		
	Rent Payment:		10,594,000
6.1	Sheikh Mohammed Bin Nawaf Al Thani Doha Academy -Rental of staff accommodation - 26 flats	2,232,000	
6.2	Sheikha Aisha Bint Falih Al Thani		
	AFG - Rental for AFG College Building	4,370,000	



	AFG –Rental of staff accommodation at Pearl 9 flats (6 Months)	540,000	
	DA - Rental of staff accommodation Villa (10 Months)	120,000	
	DA - Rental of DA Salwa building	1,190,000	
6.3	Sheikha Anwar Bint Nawaf Al Thani		
	DA - Rental of staff accommodation 12 flats	1,224,000	
	DA - Rental of staff accommodation 6 flats	612,000	
6.4	Sheikha Maryam Bint Nawaf Al Thani		
	DA – Rental of Staff Accommodation – 3 flats	306,000	
7	Advertising Expenses		1,423,687
7.1	Doha Academy – Advertisement, Marketing & Branding	133,923	
7.2	AFG – Advertisement, Marketing & Branding	601,515	
7.3	Al Faleh Education Holdings – Advertisement, Marketing & Branding	688,249	
8	There was no donations made during the year	Nil	