



## Governance Report 2018

### Sharjah Group Company

In its internal policy, the company has adopted a level of professionalism over the past years to achieve the application of governance when listing by adding substantial value with emphasis on the internal controls, which ensured the company's success and prosperity throughout the years of its operation. This is from the fulfillment of promises to all our partners, having strong financial results, investment in its staff, developing solutions to better serve our customers, facing challenges and exploring new horizons for our shareholders, partners and the communities in which we operate.

Our most important objectives are to reach with the company's management to the best practices in an effective and dynamic method in favor of all shareholders through management that understand its responsibilities, develop its skills in making decisions with clearly defining its objectives and trying to reach them as soon as possible in order to encourage investment on the long run, financial stability and work integrity that would result in achieving sustainable growth. In order to reach this end, the company's Board of Directors (corporate governance system) adopted, according to all legal and regulatory requirements concerned, the code of professional conduct and institutional governance, especially the directives issued on the application of the Board of Directors' decision No (7/R. M of 2016) regarding the institutional discipline standards and public shareholding companies governance.

Sharjah Group Company adopts the Federal Law Article No 2 of 2015 on the commercial companies regarding regulating the business of the public shareholding companies in addition to the Board of Directors' decision No (7/R. M of 2016) regarding the institutional discipline standards and shareholding companies governance as well as Sharjah Group Company's Articles of Association and the internal policies and procedures guide as a basis in taking any action to regulate the company's business.

#### 2. Statement of the transactions of the members of the Board of Directors

According to the company's policy to establish the governance principles in the trading of the members and staff and according to the Article 12 of the instructions of listing securities in Abu Dhabi stock market, which states:

“The Board Chairman and members of the company listing securities in the market and its General Director or any of the staff who have access to the basic data of the company may not trade themselves or by others in the securities of the mother company, affiliate, ally or sister company during the following periods:

- 1) 10 days before announcing substantial information that would affect the stock price up and down unless the information results from emergency and sudden events.
- 2) 15 days before the end of the financial and quarterly period and till the disclosure of the financial statements of this quarter.



The company's Board members abide by that and no trading was made by them or their spouses or children and the staff who have access to the company's basic data on the company's stocks during the year 2018.

### 3. Board of Directors Composition

a- The Board of Directors of Sharjah Group Company has experience and high skills. The Board focuses on achieving the best practices of governance and has a clear direction and a positive outlook on the long run as they are well acquainted with the company's business and activities as well as committed to achieve the company's objectives, taking into consideration the best interest of the shareholders. The Board used affiliated committees to assign some tasks and responsibilities where each committee submits its reports and recommendations to the Board of Directors out of responsibility and transparency. The Board of Directors is formed from seven members according to the following schedule.

Name	Category (executive, non-executive, independent)	Experience	Qualification	Period served as a BOD member of the Company since his first election date	Their memberships and positions in any other shareholding companies	Their positions in any other important supervisory, governmental or business entities
1- Ziyad Mohamoud Khairallah Al Haji - Chairman	Independent member	Board Chairman of Sharjah Group - Managing Director of General Ceramic Company –Chairman of Emaar International Plastic Industries	Diploma of Banking Sciences	Since 2012 to date	Managing Director of General Ceramic Company – Chairman of Emaar International Plastic Industries	Board member in Sharjah Chamber of Commerce & Industry and Honorary Secretary in Sharjah Chamber of Commerce & Industry
2- Ebrahim Ahmed Al Mannaei - Vice Chairman	Independent member	General Director - Vice Chairman – Board member (Sharjah Group)	Bachelor of Foreign Trade	Since 1984 to date	Nothing	Nothing
3- Mohammed Abdullah Yaqoub Al Wazzan - Managing Director	Executive member	Worked in several banks and financial institutions in Kuwait.  Took part in boards of several shareholding companies, listed and	Bachelor of Administration, Finance and Financial Institutions / Kuwait University - Diploma of Credit	Since 2008 to date	Nothing	Nothing



		unlisted	Management / Institute of Banking Studies, Kuwait  Holder of several professional certifications in Business Administration and Finance from London Business School & IMD			
4- Dr. Humid Obaid Al Matrooshi	Independent member	Board member of Sharjah Group Company – Managing Director in Ajman Hospital – Ajman Police  Head of Financial Department, Head of Traffic & License Department, Head of Financial Affairs, Director of Reform and penal institutions Department in the rank of Colonel – Ministry of Interior / several positions and ranks	Bachelor of Business Administration – Foreign Trade, Master in Economic Development, PhD in Industrial Development within the framework of economic integration of the GCC countries	Since 2011 to date	Board member in Sharjah Insurance Company – Sharjah  Former Board member in Marka Company – Dubai	None
5-Khalid Abdul Aziz Kashwani	Independent member	Owner and Director of Abdul Aziz Kashwani Real Estate Company – experience in:  -Real estate valuation and arbitration – real	Bachelor of Business Administration	Since 2012 to date	Nothing	Head of Real Estate Sector Working Group in Sharjah Chamber of Commerce & Industry



		estate development and investment – management consultancy – owner of Chinese House Restaurants				
6- Yaqoub Abdullah Yaqoub Al Wazzan	Non-executive member	Worked in the Insurance Department / Kuwait Oil Company / Assistant Managing Director in the Association & Gulf Transport Company  CEO of Kuwait Association & Gulf Transport Company  Partner / Director in Scaler Group For General Trading & Contracting LLC	Bachelor of Insurance / Kuwait University	Since 2012 to date	Nothing	Nothing
7-Nasr Bakhit Al Muhairi	Independent member	Officer in the Customs & Ports Department, Customs Inspection Officer – Sharjah International Airport	High school	Since 2012 to date	Board member in General Ceramic Company - Sharjah	None

- There is no female element in the Board of Directors because no female was nominated during the elections of 2017.

**d- Statement of the following:**

- 1- The total Board members remunerations paid for the fiscal year 2017 amounted to 875000 AED.
- 2- Proposal of non-distributing remunerations to the Board members for the year 2018.
- 3- There are no allowances received for attending the committees meetings during the year 2018.

