ANNUAL REPORT

2022

الخليج الدولية للخدمات

Gulf International Services

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This annual report may contain forward-looking statements concerning the financial condition, results of operations and businesses of Gulf International Services Q.P.S.C. All statements other than statements of historical facts are deemed to be forward-looking statements, being statements on future expectations that are based on current expectations and assumptions, and involve known and unknown risks and uncertainties that could cause actual results, operations and business performance or events impacting the Group to differ materially from those expressed or as may be inferred from these statements.

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“A year marked by strong recovery achieved through sound asset utilization, better market penetration and strategic realizations leading to a sustainable value creation”

Mission

Gulf International Services (GIS) is committed to improve its quality of services, widen the services range and broaden its business across borders to help sustain profitable growth, adding value to its shareholders and satisfy its customer's expectations.

Vision

GIS aims to be a premier quality service provider mainly to the national and / or international oil and gas industry and other industries.

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His Highness

Sheikh Tamim bin Hamad Al Thani

The Amir of the State of Qatar

His Highness

Sheikh Hamad bin Khalifa Al Thani

The Father Amir

Board of Directors

Sheikh Khalid Bin Khalifa Al-Thani

Chairman

Mr. Saad Rashid Al-Muhannadi
Vice Chairman

Mr. Ghanim Mohammed Al Kuwari
Board member

Sheikh Jassim Bin Abdullah Al-Thani
Board member

Mr. Ali Jaber Al-Marri
Board member

Mr. Mohammed Nasser Al-Hajri
Board member

Mr. Mohammed Ibrahim Al-Mohannadi
Board member

Letter from the Chairman

Sheikh Khalid Bin Khalifa Al-Thani

Chairman

“The Group demonstrated a robust post-pandemic recovery, while realizing benefits of strategic initiatives to shape up a resilient future and create additional value for its shareholders”

Dear Shareholders,

Since the start of 2022, the Group demonstrated a strong post-pandemic recovery and witnessed robust growth across the business segments, supported by constructive macroeconomic context, along with improved oil & gas industry dynamics.

Business review

All the group companies have progressed well to a strong set of results compared to last year. The drilling segment witnessed a strong recovery from improved asset utilization and successful contract renewals with extended tenors. In addition, the drilling segment gained market access on the international front by winning new contracts in KSA and Maldives for its lift boats.

Within the aviation segment, improved business performance was realized through better flying activity and notable contributions from the MRO business. The insurance segment built up its strong performance by further expanding its general line of business. The catering segment benefited from the realizations of a new contract won last year, along with certain renewals of existing contracts with broader scope adding up to overall service volumes for the segment, coupled with contributions from the contracts related to the FIFA 2022 World Cup.

Strategic initiatives

This year was marked by several strategic initiatives, most importantly the merger of Amwaj with Shaqab and Atyab, where efforts are underway as the merger is expected to be accomplished during early 2023, subject to the regulatory and shareholders' approvals.

In addition, on the debt restructuring front relentless efforts are being placed to achieve an efficient and effective debt structure for the Group, which is a key ingredient of our corporate strategy. These plans which are currently under progress and would bring additional layer of financial sustainability to the Group and consequently improve our competitive positioning.

All these efforts are aligned with our utmost priority of maximizing long-term value for our shareholders.

Our strategy going forward

GIS' strategy is to maximize value by capitalizing on the competitive strengths of Group companies, while pursuing attractive opportunities to expand other complementary businesses. In addition, GIS will continue to emphasize achieving cost efficiencies across all its businesses and implement new optimization measures which could further transform already lean operations.

Going forward, our group companies will continue to maintain their market share while looking ahead to improve asset utilization and build a resilient future to create long-term shareholder value.

Letter from the Chairman

(Continued)

Financial results

The Group reported strong set of results compared to the last year. The drilling segment witnessed a significant recovery in losses. Also, the aviation and insurance segments progressed well in terms of bottom-line profitability compared to previous years. The catering segment turned to profits, with easing of industry specific pandemic-linked restrictions and realizations from various manpower and catering contracts.

On overall basis, the Group reported a net profit of QR 290 million for the year ended 31 December 2022, with the Group's total assets amounted to QR 10.9 billion as at 31 December 2022.

Creating future shareholder value

Since the initial public offering from February 2008 through 2016, the Group's shareholders have received accumulated cash dividends of approximately QR 2.7 billion, equivalent to approximately QR 16.6 per share, with an average payout ratio of approximately 52%. In addition, shareholders have received a total of 63 million additional shares through three bonus issuances since inception.

As we ended the year strongly, backed by constructive industry dynamics coupled with strategic realizations, along with a better outlook for our businesses. Therefore, after taking into account the Group's operating, investing and financing needs, the Board of Directors is pleased to recommend a total dividend distribution of QR 186 million for the year ended 31 December 2022, equivalent to QR 0.1 per share, representing 10% of the nominal share value.

Conclusion

To conclude, my sincere gratitude and appreciation to His Highness Sheikh Tamim Bin Hamad Al-Thani, the Amir of the State of Qatar, for his inspired leadership, unwavering efforts and continued support and guidance. As a proud Qatari company, GIS is fully committed to supporting Qatar's 2030 national vision.

Finally, I want to thank all our shareholders for their continued trust and support. We will do our best to create value for our shareholders and achieve GIS goals and we expect that all our stakeholders will support these efforts with their fullest cooperation to execute our future plans.

BOARD OF DIRECTORS' REVIEW

"As the Group demonstrated a strong recovery, all the segments advanced towards achieving excellence and remaining true to their core competencies"

The Board of Directors is pleased to present its annual review of the financial and operational performance of Gulf International Services for the financial year 2022.

Macroeconomic overview

The growth of oil and gas services industry is directly linked to oil price levels and an overall expansion of the industry in terms of capital investments. During the year, sentiments within the oil and gas industry remained buoyant, with many producers eyeing expansion, especially in the region, linking to better growth prospects for the oil & gas services industry. Moreover, with the ease of COVID-linked restrictions and a successful completion of the FIFA 2022 World Cup related activities provided support to local industries throughout the year.

Business and market expansion updates

Drilling business

Within the drilling segment, the performance continued to reflect positive impacts on account of better day-rates applied since last mid last year for the offshore fleet. In addition, most of the previously suspended onshore rigs, redeployed during the latter part of 2021, had positive effects on the overall rig utilization. Also, during the year, the segment had successfully renewed contracts for certain offshore rigs with an extended term ranging from 2 to 5 years, improving the segment's future financial position.

Moreover, the segment was also able to penetrate in the international markets via winning new liftboat contracts in KSA and Maldives, further enhancing asset utilization rates and building international footprints for the segment.

Aviation business

The aviation segment continued to witness improved business performance linked to better flying activity, within both domestic and international operations. Also, contributions from MRO & international operations continue to support the segment performance.

During the year, GHC successfully secured new contract extensions within both the domestic and international operations. Moreover, an aircraft was mobilized to the Angolan fleet from the Qatari fleet to cover the additional flying hours as per the new contract. Also, another aircraft was mobilized to the Turkish fleet from Qatar to meet the upcoming increased demand from the market.

Insurance business

The insurance segment built up its strong performance by further expanding its general line of business. However, the medical insurance business witnessed loss of certain contracts. On the other hand, efforts are underway to explore new opportunities within domestic retail and SME markets. The performance of the segment's investment portfolio remained wavered due to volatilities in capital markets. Al-Koot is also well positioned to benefit from the mandatory health insurance scheme recently launched by the government which is expected to have a positive impact on the medical premiums.

Catering business

The catering segment continue to demonstrate improved set of results on the back of realizations from the new contracts won last year. Moreover, specific pandemic-linked restrictions gradually started to subside which led to positive contributions by the segment to the Group.

Board of Directors' Review
(Continued)

Also, the Group has successfully accomplished valuation and negotiations with Manaya Holding Group, in relation to a potential all-share merger of Amwaj, with selected entities of Shaqab Abela Catering Services Co. ("Shaqab") & Atyab Fruits and Vegetables ("Atyab").

The merger is expected to be accomplished during early 2023 subject to all shareholders entering into definitive agreements and proceed to obtain regulatory approvals, along with respective general assembly meeting approvals. Upon a definitive merger agreement, full details about the merger will be announced.

Our strategy going forward

The Group's strategy will mainly focus on expanding its market share in Qatar and tapping into new international markets applicable to each segment. Moreover, one of the core objectives of GIS will be to strategically reposition its core businesses through achieving continued cost efficiencies and maximizing asset utilization. Such initiatives would allow segments to leverage their domestic and international strengths better, with an eye on creating shareholder value. In addition, the Group intends to strategically build new revenue streams through benefiting from projects linked to Qatar's North Field expansion.

Achieving cost efficiencies and asset utilization

Optimizing costs and resources are one of the key priorities for the Group companies, where the entities are on a continuous journey to transform themselves into leaner and more efficient units with stricter cost discipline.

Regarding asset utilization, Group companies' key focus is to ensure optimal utilization of its assets without compromising quality and safety standards. Within the drilling segment, rig utilization stood at 91%. As for the aviation segment, the total fleet's flying hours improved by 31%, with better flying activity noted within both domestic, as well as, international operations.

Financial results

The Group posted a net profit of QR 290 million, up by 436% compared to last year. The Group's total revenue for the year ended 31 December 2022 improved by 19% compared to 2021 and amounted to QR 3.7 billion for the year ended 31 December 2022, compared to QR 3.1 billion for last year. For the year ended 31 December 2022, the Group reported an EBITDA of QR 807 million.

The profitability mainly improved on account of better results from the drilling, aviation and insurance segments. The drilling segment witnessed recovery on account of higher rig rates and improved asset utilization. While the aviation segment benefited from stronger flying activity, coupled with better contributions from the MRO business. Within the insurance segment, improved results was mainly supported by lower claims reported.

The Group's total assets increased by 10% during the year, to reach QR 10.9 billion as at 31 December 2022. On the liquidity front, the closing cash, including short-term investments, stood at QR 1.1 billion. The Group reported a total debt of QR 4.29 billion as at 31 December 2022.

Funding strategy

Funding strategy of the Group revolves around achieving an optimum level of debt, which best fits Group's overall corporate strategy of growth and its earnings base.

The current levels of debt continue to weigh on the Group's net earnings, as finance cost is one of the key cost ingredients, and specifically limits drilling segment's ability to perform and becoming profitable.

Given the overall corporate strategy and future growth prospects, the debt restructuring is inevitable and would not only build an optimum interest cover, but also provide greater flexibility to manage liquidity and ease pressure on the Group's financial position. With the similar intentions, Group's management has remained active throughout the year while engaging all the stakeholders, in order to achieve an optimal debt structure.

Dividends

Given a strong recovery in terms of the Group's financial performance, the Board of Directors recommends a total annual dividend distribution of QR 186 million for the year ended 31 December 2022, equivalent to QR 0.1 per share and representing 64% of the Group's net profits.

Conclusion

The Board of Directors expresses its gratitude to His Highness Sheikh Tamim bin Hamad Al Thani, the Amir of the State of Qatar, for his wise guidance and strategic vision. Our gratitude is also extended to the clients of GIS for their continued trust and faith, and the senior management of the Group companies for their hard work, commitment and dedication. We would also like to thank our esteemed shareholders for their trust placed in us.

BOARD OF DIRECTORS' SEGMENTS REVIEW

Drilling

Strategy

Business strategy for the drilling segment revolves around delivering the best possible operations, both in terms of utilization and commitment to health, safety and environment; streamlining already lean cost structures; and diversifying while expanding the client base. GDI also aims to seek opportunities to expand its fleet based on incremental demand for drilling services in the market.

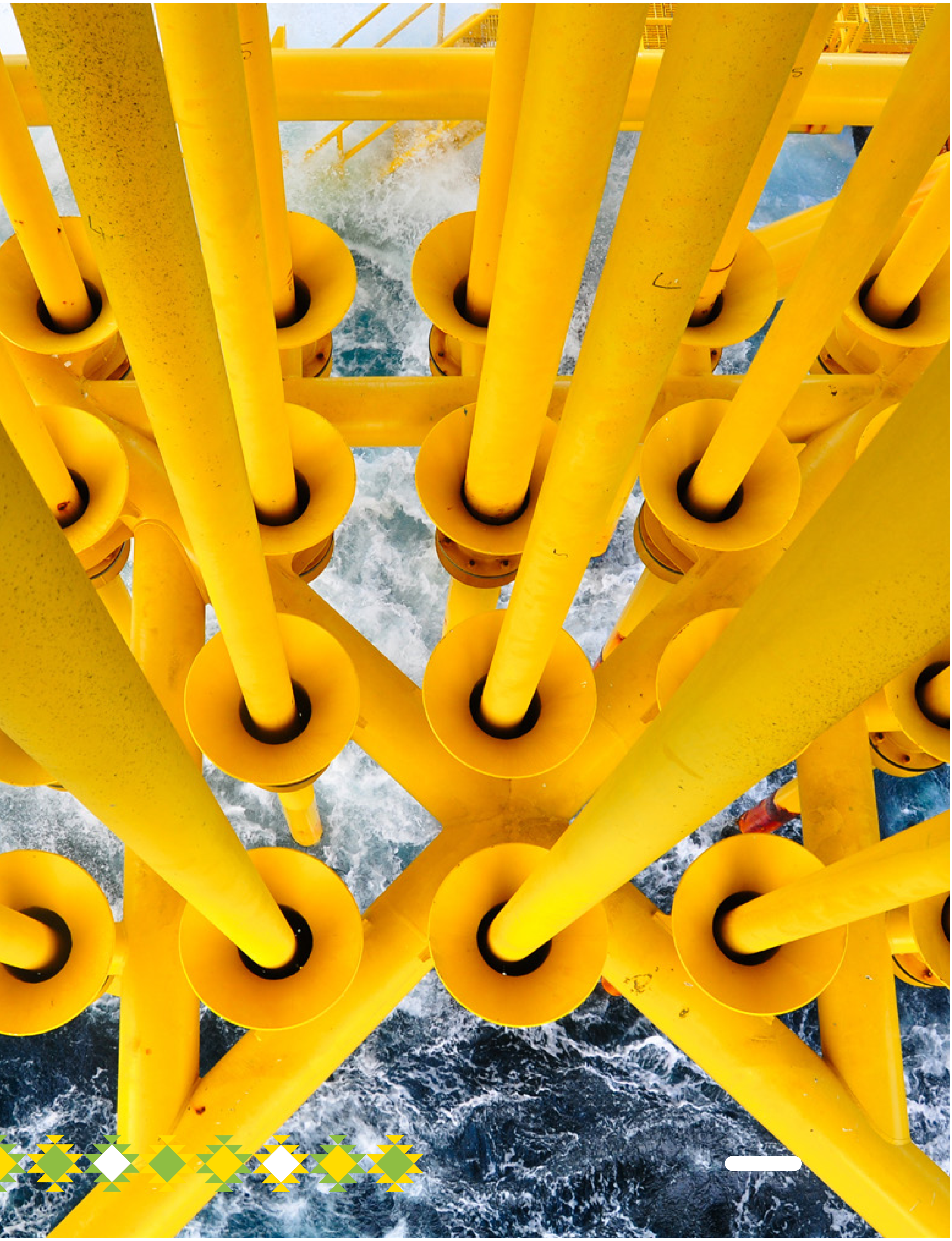
Industry updates

The onshore and offshore drilling industry is emerging from a prolonged downturn, and market conditions have materially improved since the beginning of 2022. There has been a robust recovery in demand for energy in light of post-pandemic recovery. In parallel, the global supply has been disrupted due to geopolitical tensions, broadening prospects for oil & gas exploration. The supply-demand dynamics for jack-up rig market has also remained favorable during the year, leading to higher day-rates and better fleet utilization at a global scale.

Key achievements

One of the segment's key achievements was to penetrate the international markets by winning new lift-boat contracts in KSA and Maldives, improving overall asset utilization rates, and adding international footprints for the segment.

The performance continued to reflect positive impacts on account of better day-rates for the offshore fleet implemented since the last mid-year. Also, during the year, the segment had successfully renewed contracts for certain offshore rigs with an extended term ranging from 2 to 5 years, improving the segment's future financial position. In addition, another onshore rig (GDI-8) became operational during the fourth quarter of 2022, adding positively to the overall asset utilization.



Board of Directors' Segments Review
(Continued)

Competitive strengths

The drilling segment of GIS is a leading oil and gas on-shore drilling services provider in Qatar, with a dominant market share in the off-shore drilling services within Qatar. This is added to the extensive experience of rig-management services within Qatari waters, in collaboration with other major oil and gas exploration companies.

Furthermore, Gulf Drilling International (GDI) operates the largest fleet in Qatar where no single competitor operates locally with a similar fleet size. As a result, GDI benefits from considerable economies of scale relative to its competition permitting GDI the ability to deliver drilling services at a lower cost. Whereas most drilling contractors elected to stack drilling rigs in the past decade due to depressed market conditions, GDI has maintained stable fleet utilization. As a result, GDI's fleet requires minimal mobilization and reactivation costs, which is viewed favorably by prospective clients.

Key HSE realizations

GDI has always put a strong emphasis on safety measures and continuous efforts to prevent incidents companywide. The company works relentlessly to strengthen safety and improve quality and operational efficiency.

In 2022, under GDI's Essential Observation program GDI-7 was selected as the best observation for QatarEnergy Drilling & Completion Department for Contractors HSE Award Program. GDI's offshore rigs, Al-Khor and West Tucana were jointly recognized as the "2021 Shell Global Rig of the Year" for the jack-up category worldwide in an award ceremony held during the year. Also, GDI achieved the first position among Qatar Energy ISND contractors for HSE Scorecard program during the contractor forum.

No major incidents were reported, apart from an incident of minor nature. The incident was appropriately investigated, where causes were identified and SMART corrective actions were implemented to avoid the reoccurrence in the future.

Going forward, the HSE team of GDI will conduct IMS internal audits to ensure and verify compliance with GDI procedures and requirements. These audits will also cover GDI's vendors and suppliers. To improve crew awareness of GDI HSEMS policies and procedures, "HSEMS Procedures Self-Verification Sheets" campaign will be prepared and implemented.

Achieving cost efficiencies

Effective cost optimization has always been a top priority to GDI and a well-embedded concept into GDI's culture. As the business improved in terms of asset utilization and day-rates, the segment is determined and fully set to keep its operating costs lean. In comparison to peers, GDI had the lowest operating cost for the organic fleet during 2022.

GDI views cost optimization as a continuous exercise that would achieve better financial flexibility to pursue growth opportunities and allow the Company to withstand and navigate industry downturns. Moreover, minimizing downtime and maximizing compliance with preventive maintenance KPI's are key to achieving efficiency.

Asset utilization

While GDI's core focus is to service the Qatari market, a key milestone was reached during the year, as two lift-boats commenced the first international contracts. As a result, GDI established an operational presence outside Qatar and is positioned for further international expansion.

Actual rig utilization reached 91% for 2022 compared to 81% of rig utilization achieved last year. This is a testament to the segment's commitment to maintaining optimum utilization levels, while ensuring that safety and performance standards are not compromised.

Going forward, GDI will aim to stay true to its commitment to operational excellence and has continued to perform safely and at high performance standards for its clients. Also, GDI will seek to leverage its international expansion to maximize fleet utilization and further diversify its client base.

Financial performance

The segment reported a revenue of QR 1.3 billion for the year ended 31 December 2022, up by 26% compared to last year. The revenue growth has largely been linked to the new rig day-rates implemented for the offshore fleet since the mid of last year (July'21). Also, the redeployment of the two onshore suspended rigs (GDI-5 and GDI-7) during 3Q-21, along with commencement of operations of GDI-8, positively contributed to the topline performance. Moreover, full deployment of Gulfdrill JV's fleet during 2Q-21, had a positive impact on the segment revenue for on account of comparatively higher management fees.

The segment reported a net loss of QR 90 million, compared to a net loss of QR 201 million last year. Improvement in segment's profitability was mainly linked to improved revenues and rig utilization, which was partially offset by elevated finance cost on account of higher LIBOR rates.

Specific updates on Gulfdrill JV

Gulfdrill JV operations had a full year of five rigs in operations. JV fleet had a good year in terms of safety records. However, certain downtime due to equipment failures resulted in insignificant revenue losses during the year. The operational cost of JV rigs remained in line with the estimates. Although the OPEX structure for the JV rigs is naturally higher than the operational cost of existing GDI's owned fleet, given the different type/model of rigs operating under the JV compared to the owned fleet.

During the year, the JV reported revenue of QR 748 million versus QR 518 million reported last year. With better revenues reported during the year, bottom-line profitability for the JV also improved, with a net profit of QR 34 million achieved in terms of net profits for the financial year 2022, compared to a net loss of QR 21 million for the year ended 31 December 2021.

Outlook

With improving market conditions, the industry's cyclical nature will ultimately bring forth a strong recovery phase that will drive incremental demand for drilling rig services that are more favorable for drilling contractors. In such a scenario a safe, reliable, and efficient operations with a disciplined cost base will lead to improved business performance in the years ahead.

Board of Directors' Segments Review
(Continued)

Aviation

Strategy

The business strategy for the Aviation services segment has been mainly built on expanding markets domestically and growing international footprints with a focus on MENA and Africa. The strategy also targets growing its fleet to meet anticipated growth, while upgrading the existing fleet to retain customer base with most advanced aircrafts, and growing maintenance, repairs and overhaul activities.

Industry updates

During the year, global demand for helicopters in support of offshore oil and gas services continues to show positive signs of recovery with constructive macroeconomic drivers.

Aviation services revenue primarily generates from transporting personnel to, from and between offshore drilling rigs, which continue to be a significant segment of the global offshore oil & gas market.

COVID-19 related restrictions which affected aviation services' demand during previous years, have gradually been lifted, and helped in the growing demand for helicopter services. The impact of COVID-19 was also seen in the supply chain and logistics, with an increased lead time for spare parts supply.

Key achievements

GHC efficiently utilized its available fleet during the year, while preserving its presence in the international markets. GHC has continued to look beyond its core business segments and served on third party maintenance service contracts with domestic and international customers awarded last year and successfully carried forward to this year.

During the year, GHC's joint venture in Turkey, Redstar Aviation (RSA), was awarded as "Air Ambulance Company of the Year" by the International Travel & Health Insurance Journal (ITIJ). The ITIJ awards companies on their extraordinary efforts across all sectors of the travel and health insurance industry and are designed to recognize companies that are demonstrating resilience in the face of adversity, innovation during challenging times, and leadership through best practice.

Board of Directors' Segments Review
(Continued)

Competitive strengths

Gulf Helicopters Company (GHC) has a strong profile and is well-recognized by major oil & gas companies. The company is well known in the international helicopter services industry because of GHC's fleet size, technical capabilities, safety, and quality standards. Gulf Helicopters' fleet of offshore helicopters is made up of modern generation helicopter types; including AW139 and AW189; which are popular and widely used for offshore transportation in Qatar, and internationally as well. The company owns a fleet of helicopters, which gives it an added advantage in terms of flexibility and more reliable control of helicopters supply. GHC also continues to build up its in-house MRO capabilities and has managed to add third party clients. Contribution of MRO towards the overall business has improved over the years, largely due to various activities including repair & overhaul and manpower support, also the development of additional in-house capabilities such as blade shop, bottle shop and dynamic shop has improved the revenue generation. Moreover, the clientele is dispersed with local and international contracts including customers from Bangladesh, Saudi Arabia, Thailand, Kuwait, and Pakistan. However, clients based in Qatar remain key customers for MRO business.

GHC's team is amongst the most experienced and highly skilled aviation professionals. The company intends to utilize its fleet and skilled professionals to deliver flexible and reliable solutions that are increasingly important to customers.

Market expansion updates

During the year, GHC managed to secure an extension of contracts in Qatar and international markets. GHC's group company in Turkey has been awarded a short-term contract for offshore helicopter services and is currently under discussion with clients for long-term contracts. Moreover, GHC added another AW139 helicopter to the ongoing client contract in Angola. Domestically, GHC has been granted six months extension to its existing contract for VVIP transport. In addition, with an intent to upgrade the fleet an aircraft acquisition contract is signed with a well-known supplier to supply 5 helicopters with an option to add 5 more additional helicopters. As per the contract, the delivery timeline of helicopters would by 2024-29.

Going forward, the objective remains centered around the growth of core aviation operations, as well as, building MRO business where the segment is currently looking for opportunities in various markets as part of its international expansion strategy.

Key HSE realizations

GHC conducted a wide range of HSE related training and educational activities during the year, that enhanced awareness of health and safety. Following the certification of ISO 45001:2018 standards back in 2020, GHC has fully implemented the standards throughout the organization in 2022. The enhanced safety reporting culture and emphasis on HSE regulations and procedures helped GHC to maintain consistent HSE performance during 2022, and, as a result, no major HSE incidents were reported during the year.

Moving forward, the company's HSE strategy is to implement ISO 14001:2015 standard that specifies the requirements for an environmental management system which should be used to enhance its environmental performance.

Achieving cost efficiencies

During 2022, GHC continued its cost optimization targets without compromising the quality and safety of operations. Controllable expenditures were closely monitored to ensure that costs were fully optimized and profitability is sustained at an optimal level, with an intent of creating shareholder value. Going forward, GHC will continue to review its fleet and operations, which could create opportunities to further reduce operating costs.

Asset utilization

During the year, AW139 and AW189 fleets were actively deployed on contracts and utilization rates remained in line with budget. An additional AW139 helicopter was procured during the year and added to the domestic fleet, as a back-up to existing operations.

Moreover, an aircraft was mobilized to the Angolan fleet from the Qatari fleet to cover the additional flying hours as per the new contract. Also, another aircraft was mobilized to the Turkish fleet from Qatar to meet the upcoming increased demand from the market. On overall basis, including both domestic and international operations, a growth of 31% was noted in flying hours for the financial year 2022 to reach 18,489 hours compared to last year.

Management of segment's fleet involves a careful evaluation of the expected demand for helicopter services in target market. GHC is in the continuous journey of enhancing and upgrading its current fleet to ensure retention of its existing customers and to maintain a core fleet that has the latest aircraft technology. Moreover, AW139 and AW189 fleets are being actively marketed on tenders for Oil & Gas companies internationally.

Financial performance

The aviation segment reported total revenue of QR 915 million for the year ended 31 December 2022, up by 27% compared to last year. The increase was mainly attributed to higher flying hours recorded within both domestic and international operations; especially Turkey and Angola, coupled with revenue growth noted across all the businesses within the segment.

The segment net profit, reached QR 310 million, representing an increase of 40% compared to last year, mainly on account of revenue growth, despite the impacts of currency devaluation from the Turkish subsidiary. This year GHC recorded its highest-ever net profits in the history.

Outlook

Given the current oil prices and recently announced Oil & Gas industry-related expansion plans by many countries, including Qatar's North Field expansion, the demand prospects for offshore oil and gas services remains robust.

Board of Directors' Segments Review
(Continued)

Insurance

Strategy

The key strategy for the insurance segment is mainly to promote both the medical and energy line of business through building up premiums either by reaching newer clients, within or outside the Oil and Gas sector, or benefiting from national projects such as Qatar's North Field expansion.

Achieving growth driven by pricing improvement of new and re-newel of the contract with existing clients remains central to the segment's strategy. Other key strategies include implementing effective claims management policies & procedures and diversification of the investment portfolio, coupled with strategic re-allocation of investable assets to support the overall profitability of the segment and to ensure a strong liquidity position.

Key achievements

The segment obtained the highest share allocation on QatarEnergy and its group companies via the Local Insurance Sharing Protocol (LISP) effective from 1 July 2022. This is in recognition of the insurance segment strength and capabilities compared to other local insurance companies.

Other notable achievements during the year, includes successful award of new contracts and renewal of long-term contracts. Al-Koot consistently achieved a healthy solvency ratio way above its risk appetite. The insurance segment has also maintained its credit rating of A- (S&P) with a stable outlook.

Market expansion updates

The energy and medical line of businesses remained central to the market expansion strategies for the segment, wherein, improving existing strength in the local energy business by retaining long-term major contracts, along with winning new clients and increased allocation in the local insurance sharing protocol remains a key focus.

Moreover, international portfolio growth and expansion in the energy sector covering Middle East, Africa, Eastern Europe and Asia remains a key to the segment's objectives of expanding its international footprints. Also, reinforced medical insurance influence in the market as major medical insurance provider by acquiring new major business and growing the small and medium enterprise portfolios is central to medical line of business.

During the year 2022, the general insurance line of business focused on market penetration i.e., taking its offerings to a more significant number of clients, both locally and internationally, within the target territorial remits. The segment's general line of business has built upon its territorial scope strategically since 2019 and focused on strengthening relationships with brokers and clients during a tighter market cycle with high-quality services. This allowed the creation of a strong partnership with clients, brokers, and reinsurers, who benefitted from the quality of service and insurance solutions on a long-term basis and were well placed to continue with quality services the segment could offer even when the market turned soft and/ or emergence of new players.

On the other hand, the medical insurance line of business had geared towards implementing the State of Qatar health insurance scheme in two phases. Phase-1 includes mandatory travel insurance for all visitors in the country, where Al-Koot had successfully implemented all the requirements and ready to launch upon confirmation from the State of Qatar. Phase-2 focusses on mandatory insurance for all expatriates, which were proven profitable during the implementation within the region, where Al Koot is ready to implement all required changes and development upon further instructions from the government.

Going forward, the insurance segment is keen on capturing higher market share by introducing new product lines in both commercial and retail businesses coupled with outstanding service quality.

Board of Directors' Segments Review
(Continued)

Achieving cost efficiencies

Al-Koot focused on certain main objectives to achieve its optimal cost efficiency levels during the year. Firstly, claim exposure was minimized due to reinsurance program, applicable for both medical and general line of businesses. Secondly, increased efforts were made on claims validation process and audits were performed. Lastly, stringent processes coupled with in-depth negotiations were conducted on account of supplier selection process, in order to ensure same quality of services is delivered at a lowest possible cost.

During the year, the segment was able to contain its claim expenses as insurance claims at the segmental level reduced by 37% versus last year. Going forward, the segment would continue to identify other expenses that could be optimized further without impacting its business operations.

Financial performance

Revenue within the insurance segment for the year ended 31 December 2022, decreased by 9% as compared to last year, to reach QR 898 million. The decline in revenue was mainly linked to the loss of two insurance contracts within the medical line of business. This decline was partially offset by growth in premiums from the general insurance line of business, on account of renewals of existing contracts with wider coverage scope.

On the contrary, the segment net earnings increased by 18% as compared to last year, to reach QR 71 million. The growth in bottom line profitability was mainly supported by an overall decline in claims, which decreased by 37% on a year-on-year basis. On the contrary, negative performance of the segment's investment portfolio amid volatilities in capital markets weighed on the segment's profitability. A decline of QR 48 million (-97%) noted on account of investment income[1] for the current year versus 2021. This decline was predominantly linked to the unrealized losses booked on revaluation of held for trading investment securities.

Outlook

As the most significant energy insurer in the country, the segment would continue to focus on growth in the local energy portfolio and expand internationally. Introducing new products in both commercial and retail businesses will also aid in market expansion.

[1] Investment income includes dividend income, capital gains, unrealized gain / loss on revaluation of held for trading investment securities and finance income.

Catering services

Strategy

The business strategy for the catering services segment has primarily been built around client retention; improving the tender success ratio; raising the market share of workforce and facility management services; and maximizing occupancy levels in the camps. Other key elements of the strategy include continuous cost optimization and diversification to non-oil & gas sectors, while also targeting SME clients.

Industry updates

This year was marked by the ease of COVID-linked restrictions and a successful completion of the FIFA 2022 World Cup. These context elements aided the local catering industry, which was under pressure during the previous years because of higher cost operations with lower margins. However, due to global inflation crisis, the cost of materials has significantly increased, adversely affecting the cost structures of catering operators and curtailing industry-wide margins.

Key achievements

During 2022, the business achieved its primary target of retaining existing key clients. The segment achieved a higher tender success ratio and customer satisfaction than the initial targets for the financial year 2022. Moreover, the segment exceeded the target percentage for acquiring non-oil & gas businesses. During the year, Amwaj received several recognition certificates from many reputable clients due to exceptional and high-quality service.

Market expansion updates

The segment made continuous efforts to grow its client base, wherein new clients were added to the facility management segment, and higher occupancy levels were achieved within the accommodation segment. Also, positive realizations from new contracts won last year remained evident throughout the year.

Board of Directors' Segments Review
(Continued)

HSE realizations

Amwaj is in the process of the re-certification of ISO 22000:2018, ISO 45001:2018, and ISO 14001:2015, based on the scope of Management and Operation of Onshore and Offshore Catering Services, Provision of Facilities Management Services - Cleaning, Pest Control and Laundry.

A surveillance audit for assessment of ISO 9001:2015 was completed for the scope of Management and Operation of Onshore and Offshore Catering Services, Provision of Facilities Management Services - Cleaning, Pest Control, Laundry, Housekeeping, Manpower supply for Healthcare, Oil & Gas, Transportation and allied services.

For the year 2022, Amwaj has operated successfully with 'Zero Lost Time Incident', 'No Fatalities' and 'No Food Borne Illness' incidents.

Achieving cost efficiencies

Since the start of the pandemic, AMWAJ has initiated additional efforts to further optimize its cost structures through various measures, including streamlining organization structures and optimizing payroll. Moreover, savings from the procurement of commodities and consumables have been continuously explored.

Financial performance

During the year, the catering segment reported a revenue of QR 568 million, with an increase of 57% compared to last year. The revenue increase was mainly due to the growth in revenue within the manpower segment, on the back of realizations from a new contract won last year. Additionally, certain contracts have been renewed within manpower & catering segments, with broader scope improving overall service volumes for the segment.

The segment was able to significantly reduce its losses and turned to profits with a net profit of QR 9 million for the year ended 31 December 2022 compared to a net loss of QR 15 million for the last year, mainly due to higher revenues and better margins, whereas, high raw-material prices on account of inflationary pressures at a global scale and higher mobilization costs of newly started projects during the year continue to affect the direct costs.

Outlook

Looking forward, Qatar's catering services market is expected to grow positively. This will be mainly driven by Qatar's North Field expansion and the upcoming global events in Qatar, which should create an increased demand for the catering and hospitality sectors.

Moreover, GIS has successfully accomplished valuation and negotiations with Manaya Holding Group, in relation to a potential all-share merger of Amwaj, wholly owned subsidiary of GIS, with selected entities of Shaqab Abela Catering Services Co. ("Shaqab") & Atyab Fruits and Vegetables ("Atyab").

The merged entity will have three shareholders namely – Gulf International Services representing 100% of Amwaj alongside Tamween Capital W.L.L. and Abela Qatar International W.L.L. both representing 100% of Shaqab and Atyab. The merger is expected to be accomplished during early 2023 subject to all shareholders entering into definitive agreements and proceed to obtain regulatory approvals, along with respective general assembly meeting approvals. Upon a definitive merger agreement, full details about the merger will be announced.

GIS Group at a Glance

Overview

Gulf International Services, a Qatari public shareholding company listed on the Qatar Stock Exchange, was established on February 12, 2008 in accordance with the provisions of its Articles of Association and Law no. 5 of 2002, promulgating the Commercial Companies Law, especially Article 68 thereof. Subsequently, the Company settled its status and brought its Articles of Association into conformity with the provisions of Law no. 11 of 2015, promulgating the Commercial Companies Law, and in line with the specific nature of its incorporation.

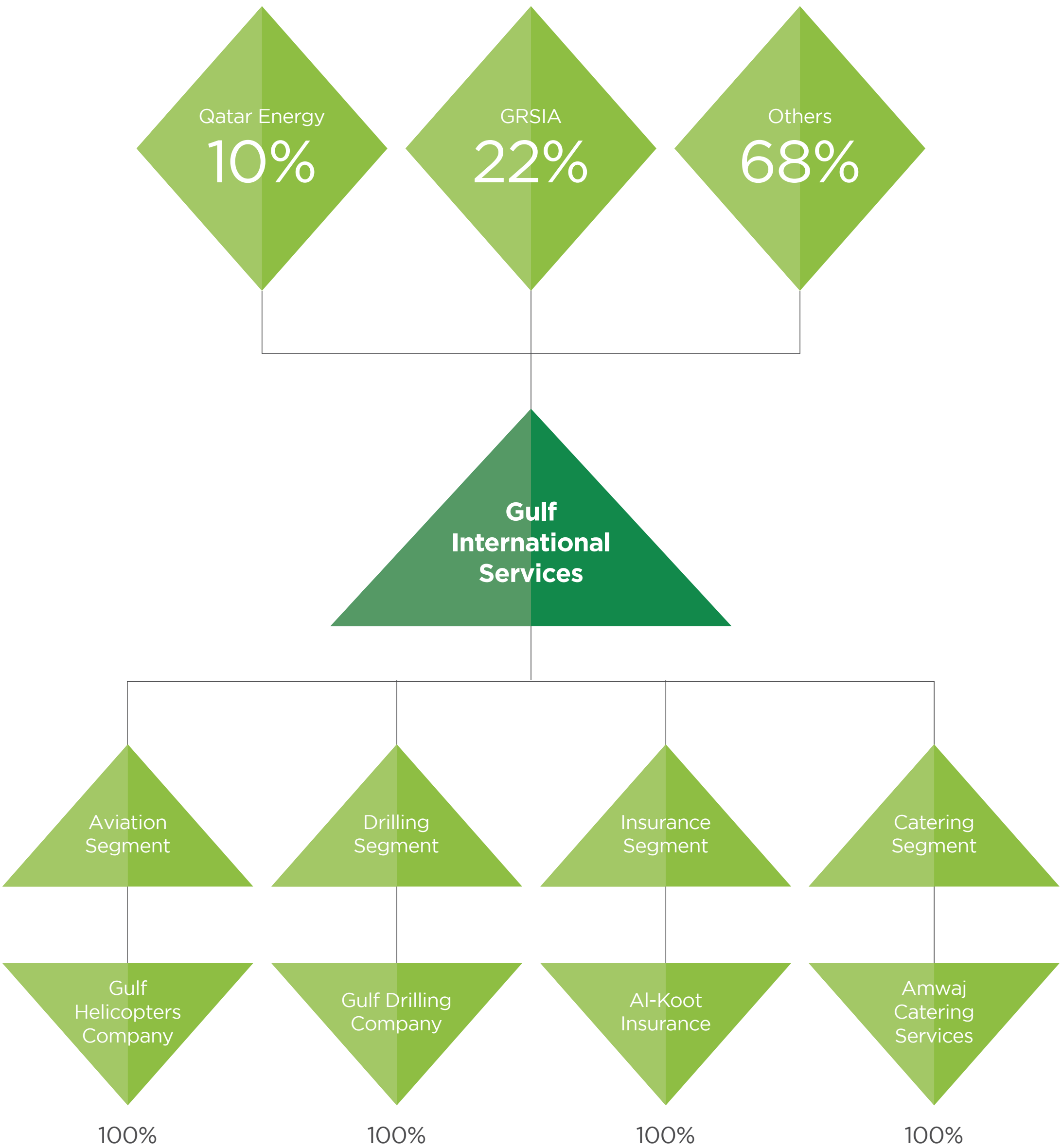
Through its Group companies, GIS operates in four distinct segments: insurance and reinsurance, drilling and associated services, helicopter transportation services and catering services.

Head Office Functions and Management Structure

QatarEnergy provides all of the head office functions for GIS through a comprehensive services agreement. The operations of the subsidiaries remain independently managed by their respective Boards of Directors and senior management teams.

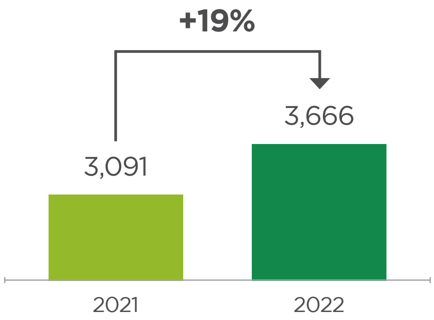
GIS Group at a Glance
(Continued)

Ownership Structure

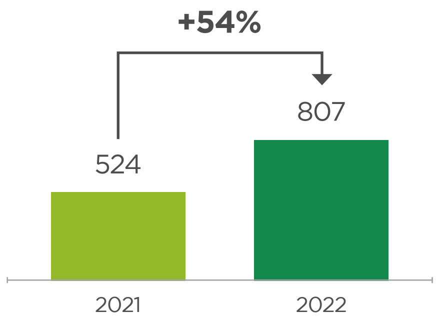


2022 GIS Performance

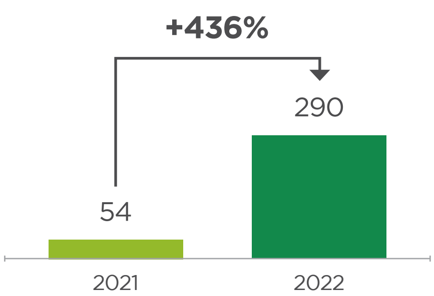
Revenue (QR 'million)



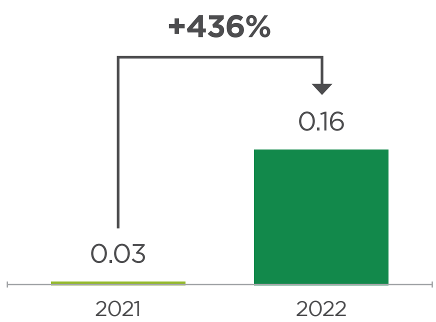
EBIDTA (QR 'million)



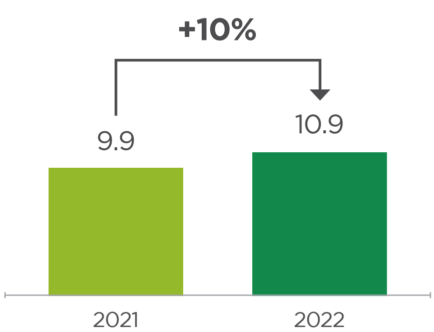
Net Profit (QR 'million)



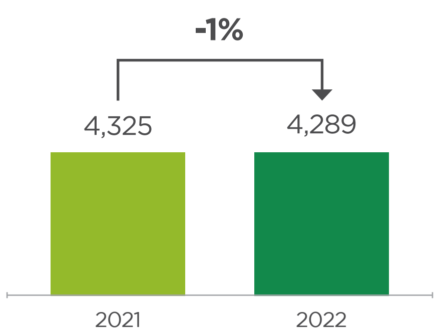
Earnings per share (QR)



Total Assets (QR 'billion)



Total Debt (QR 'million)



GIS BUSINESS SEGMENTS AT A GLANCE

GIS operates in four business segments:

Drilling
Aviation
Insurance
Catering

Drilling

Gulf Drilling International ("GDI")

GDI was incorporated in 2004 as a joint venture between QatarEnergy (60%) and Japan Drilling Company (40%). Subsequent to exercising a share option provision within the joint venture agreement, QatarEnergy increased its stake to 69.99% and then transferred this shareholding to GIS. With effect from May 1, 2014, GIS exercised an option in the joint venture agreement and acquired the remaining 30% of GDI, resulting in GDI becoming a wholly-owned subsidiary of GIS.

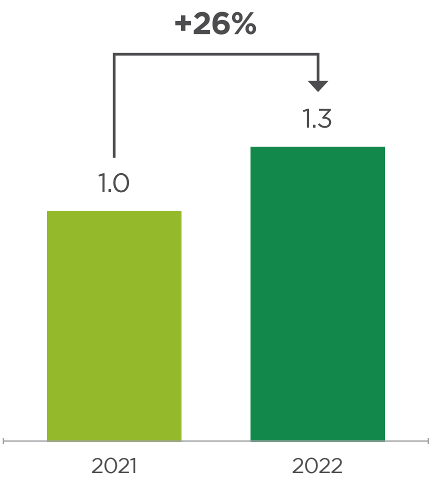
GDI currently has direct ownership of 15 drilling rigs (7 offshore rigs and 8 onshore rigs), which are used to drill wells suitable for oil and natural gas extraction, 1 jack-up accommodation barge and 2 lift boats.

GDI in joint venture with Sea Drill Limited, has formed "GulfDrill LLC" with a 50% stake, with an objective to support the execution of the drilling contract which have been awarded to GDI in relation to North Field Expansion project. The contract cover provision of five premium jack-up rigs, where the operations for all the rigs had already started in different phases in 2020 and 2021. As part of the agreement, the joint venture will source the rigs from Sea Drill and an unrelated third-party shipyard, on chartering basis (operating lease), where the JV will pay the supplier of rigs based on an agreed day rate. GDI has no required capital contribution to the joint venture and has been subcontracted by the joint venture to mobilize and manage the rigs to meet the requirements of the drilling contract.

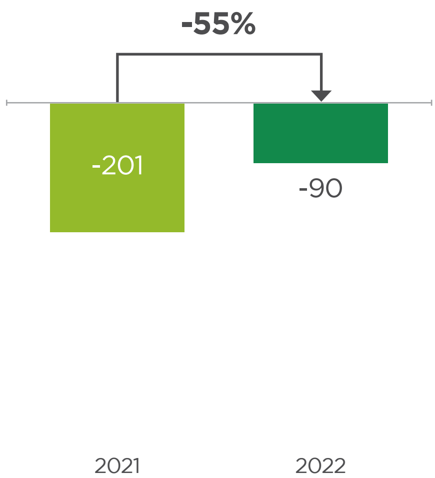
GIS Business Segments at a Glance
(Continued)

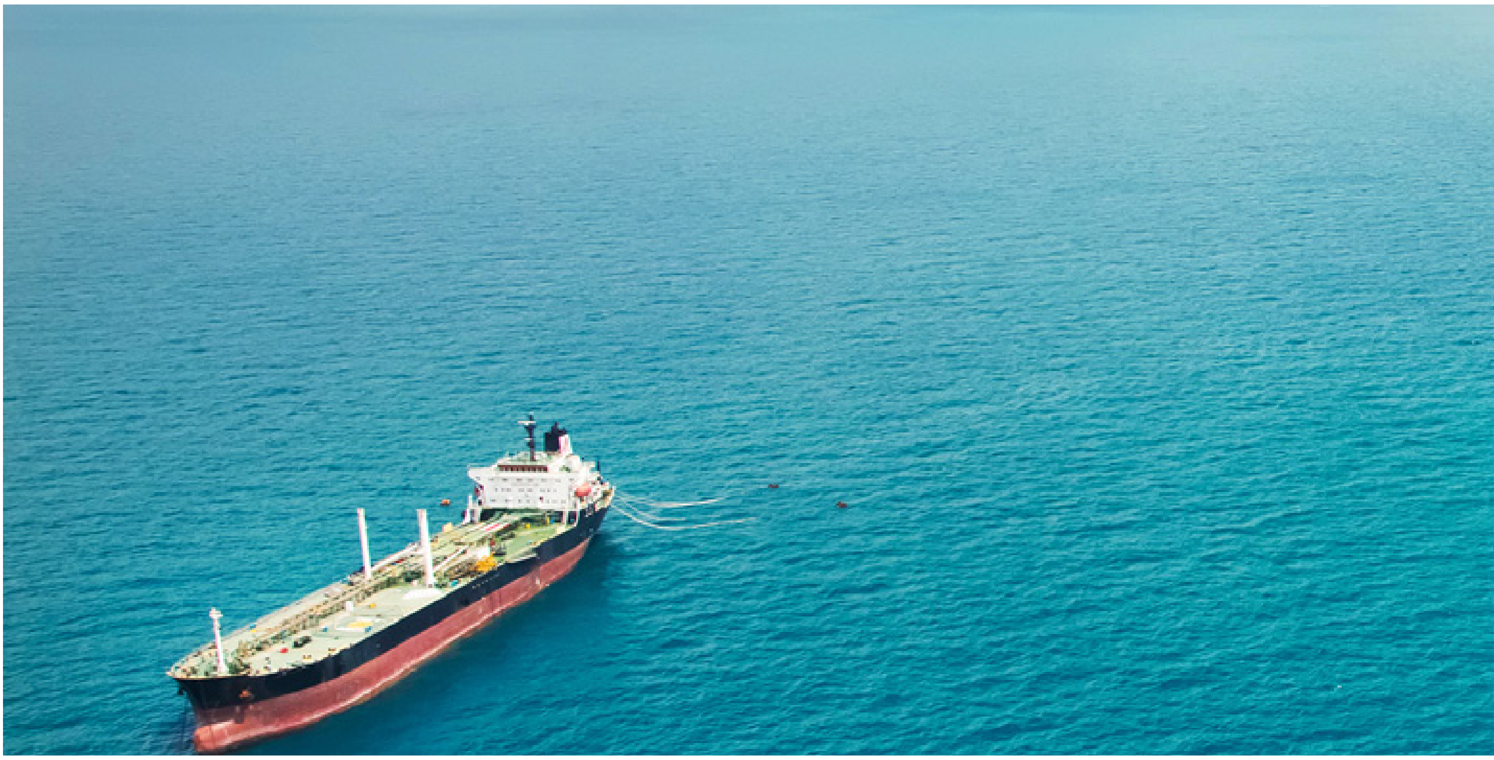
Drilling segment financial performance for 2022

Revenue (QR 'billion)



Net Loss (QR 'million)





Aviation

Gulf Helicopters Company ("GHC")

Originally incorporated in 1970 under the name of Gulf Helicopters Limited as a subsidiary of British Overseas Airways Corporation, the company was subsequently acquired by Gulf Air, and then sold to QatarEnergy in 1998. QatarEnergy transferred its 100% shareholding to GIS in 2008. GHC provides helicopter transportation services in Qatar, Gulf Region, Africa, Europe, India and Turkey.

GHC is one of the leading commercial aviation service provider, with global footprints extending to Europe, Africa, Middle East and South Asia with a fleet of 61 aircrafts. GHC's core operational activities consist of a variety of helicopter transportation services, including offshore / onshore transporting, long and short-line load lifting, seismic support, VIP executive transport, and ad-hoc short-term contracts, simulator training and component maintenance.

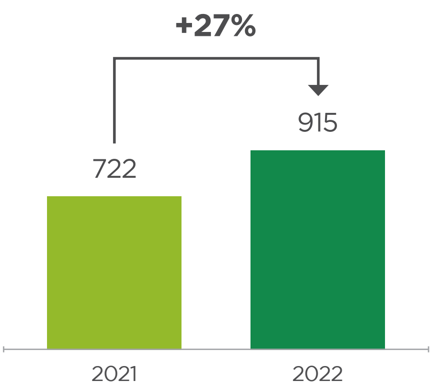
GIS Business Segments at a Glance
(Continued)

GHC holds direct / indirect ownership in the following companies in various international locations:

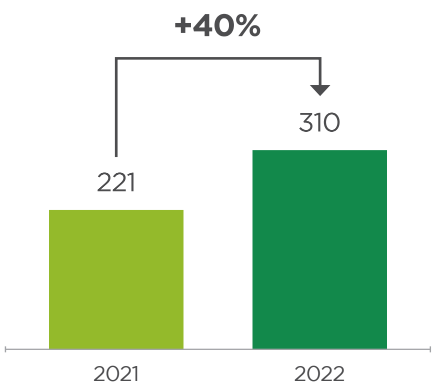
Name of Company	Relationship	Country of Incorporation	Percentage of Holding	
			2022	2021
Air Ocean Maroc	Joint venture	Morocco	49%	49%
Gulf Med Aviation Services Limited	Joint venture	Malta	49%	49%
United Helicharters Private Limited	Subsidiary	India	90%	90%
Al Maha Aviation Company	Subsidiary	Libya	100%	100%
Redstar Havacilik Hizmetleri A.S.	Subsidiary	Turkey	100%	100%
Gulf Helicopters Investment & Leasing Company	Subsidiary	Morocco	100%	100%

Aviation segment financial performance for 2022

Revenue (QR 'million)



Net Profit (QR 'million)

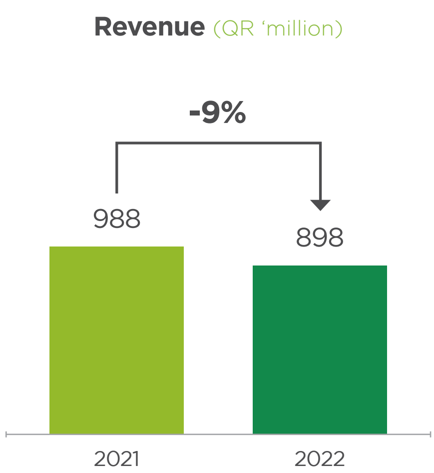


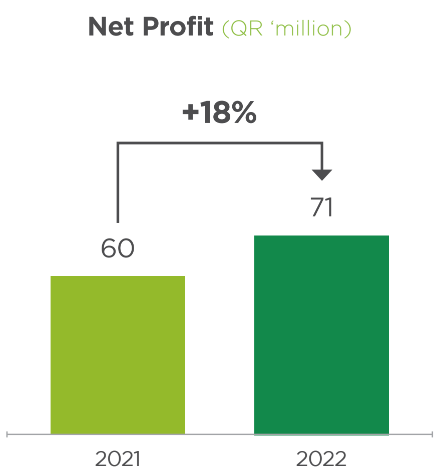
Insurance

Al Koot Insurance and Reinsurance Company

Incorporated in 2003, it is currently a wholly-owned subsidiary of GIS. All of the Company's services are principally provided within the construction, operations, marine, and medical insurance and reinsurance fields.

Insurance segment financial performance for 2022





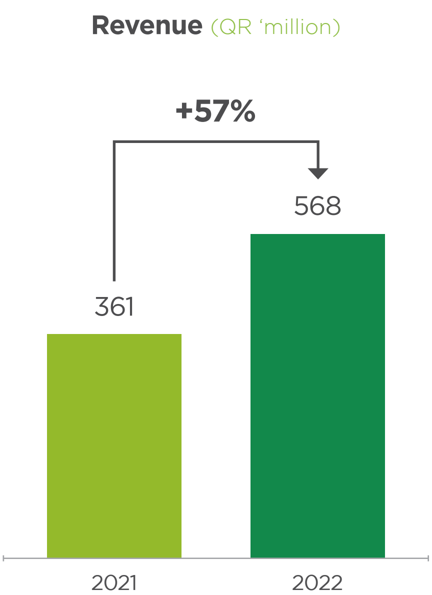
GIS Business Segments at a Glance
(Continued)

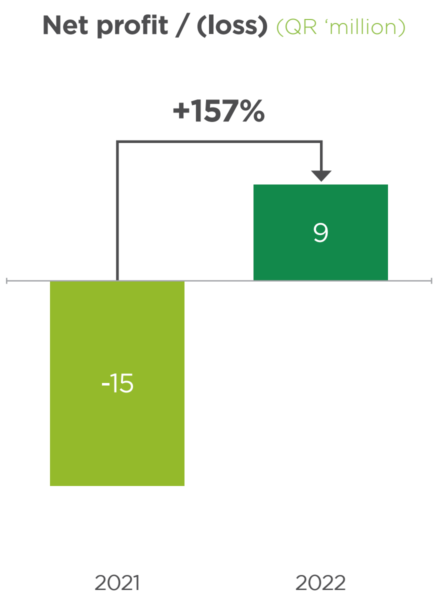
Catering

AMWAJ Catering Services Company Limited

Incorporated in 2006 as a wholly-owned subsidiary of QatarEnergy, and was subsequently acquired by GIS on June 1, 2012. In addition to its original objective of providing high quality catering services, AMWAJ has diversified to encompass cleaning, pest control, manpower supply, facilities management, camp management, retail and VIP catering. With soft facility management services, which include commercial cleaning services that cover both internal and external areas, the company offers comprehensive and efficient services that include cleaning & janitorial and laundry services for clients. AMWAJ Catering Services also offers distinguished and high-quality Corporate Hospitality and VIP dining services for small exclusive gatherings or large high-profile celebrations, also catering for Wedding Banquets etc.

Catering segment financial performance for 2022





INDEPENDENT AUDITORS' REPORT

To the shareholders of
Gulf International Services Q.P.S.C.

Opinion

We have audited the consolidated financial statements of Gulf International Services Q.P.S.C. (the 'Company') and its subsidiaries (together the 'Group'), which comprise the consolidated statement of financial position as at 31 December 2022, the consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information, as set out on pages 8 to 81.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2022, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Standards as issued by the International Accounting Standards Board (IFRS Standards).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the Group's consolidated financial statements in the State of Qatar, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INDEPENDENT AUDITORS' REPORT
(Continued)

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

<table>
<tr><th colspan="2">Impairment of property and equipment</th></tr>
<tr><td colspan="2">See Note 6 to the consolidated financial statements.</td></tr>
<tr><td>The key audit matter</td><td>How the matter was addressed in our audit</td></tr>
<tr><td>We focused on this area because:

• The carrying value of the Group's drilling rig related assets and aircraft that are subject to impairment testing and included within "Property and equipment" as at 31 December 2022 is QR 5,139 million. This represents 47% of the Group's total assets, hence a material portion of the consolidated statement of financial position.

• There is increased complexity and the assessment involves significant judgments in forecasting future cash flows in the drilling and aircraft industries due to the nature of their operations and prevailing market conditions, hence we considered this to be a key audit matter.</td><td>Our audit procedures in this area included the following, among others:

• Understanding the Group's process of identifying indicators of impairment in drilling rig related assets and aircraft;

• Assessing the competence and capabilities of the staff in the Group who performed the technical assessment of recoverable amounts;

• Involving our own valuation specialists to support us in challenging the recoverable amounts derived by the Group, in particular:

- Assessing the appropriateness of the methodology used by the Group to assess impairment; and

- Assessing the appropriateness of the key assumptions used in the impairment model including utilization of drilling rig related assets and aircraft, growth rates, operating profit margins, discount rate, etc.

• Evaluating the adequacy of the consolidated financial statement disclosures, including disclosures of key assumptions and judgements.</td></tr>
</table>

Impairment of goodwill	
See Note 7 to the consolidated financial statements.	
The key audit matter	**How the matter was addressed in our audit**
We focused on this area because: • The Group has recognized goodwill amounting to QR 303 million and represents 3% of the Group's total assets. • The goodwill arose as a result of acquisition of a subsidiary which is a separate cash-generating unit (CGU) of the Group. • The annual impairment testing of goodwill is considered to be a key audit matter due to the complexity of the accounting requirements and the significant judgement required in determining the assumptions to be used to estimate the recoverable amount. The recoverable amount of the CGU, which is based on the higher of the value-in-use or fair value less costs to sell, has been derived from discounted forecast cash flow model. This model uses several key assumptions, including estimates of projected cash flows, terminal value growth rates, margins, growth rates and the weighted-average cost of capital (discount rate).	Our audit procedures in this area included the following, among others: • Assessing the competence and capabilities of the staff within the Group who performed the impairment testing; • Involving our own valuation specialists to support us in challenging the recoverable amount derived by the Group, in particular: - Assessing the appropriateness of the methodology used by the Group to assess impairment; and - Assessing the appropriateness of the key assumptions used in impairment model including projected cash flows, terminal value growth rate, margins, growth rates and the weighted-average cost of capital (discount rate) etc. which included comparing these inputs with externally derived data as well as our knowledge of the client and the industry; • Evaluating the adequacy of the consolidated financial statement disclosures including the disclosures of key assumptions and judgments.

INDEPENDENT AUDITORS' REPORT
(Continued)

Valuation of insurance contract liabilities	
See Note 13 to the consolidated financial statements.	
The key audit matter	**How the matter was addressed in our audit**
We focused on this area because: • The Group's insurance contract liabilities represent 23% of its total liabilities relating to claims reported unsettled, claims incurred but not reported and unearned premiums. • The valuation of these insurance contract liabilities involves significant judgements regarding uncertainty in the estimation of future benefits payments and assessment of frequency and severity of claims. Estimating the reserves for claims incurred but not reported ('IBNR') and unearned premium reserves ('UPR') involves undertaking significant judgements and assumptions along with the use of actuarial projections and techniques hence, we considered this to be a key audit matter.	Our audit procedures in this area included the following, among others: • Testing the design and operating effectiveness of the key controls around reserving process, reported claims, unreported claims and unearned premiums; • Testing a sample of outstanding claims and related reinsurance recoveries, focusing on those with most significant impact on the consolidated financial statements, to assess whether claims and related recoveries are appropriately estimated; • Assessing the competence and capabilities of the management's expert appointed by the Group; • Engaging our own actuarial specialist to evaluate appropriateness of the methodology and the actuarial estimates of the management's expert, in particular: - Assessing and challenging the key reserving assumptions including loss ratios, frequency and severity of claims, and reasonableness of estimates made by the Group; and - Evaluating whether reserving was consistent in approach, with sufficient justification for changes in assumptions. • Evaluating the historical accuracy of the development of outstanding claims and IBNR by performing a review of retrospective historical performance of the estimates and judgements made by the Group; and • Evaluating the adequacy of the consolidated financial statement disclosures, including disclosures of key assumptions and judgements.

Other Information

The Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the consolidated financial statements and our auditors' report thereon. Prior to the date of this auditors' report, we obtained the report of the Board of Directors which forms part of the Annual Report, and the remaining sections of the Annual Report are expected to be made available to us after that date.

Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we have obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Board of Directors for the Consolidated Financial Statements

The Board of Directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Standards, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

INDEPENDENT AUDITORS' REPORT
(Continued)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal Requirements

As required by the Qatar Commercial Companies Law No. 11 of 2015, whose certain provisions were subsequently amended by Law No. 8 of 2021 ("amended QCCL"), we also report that:

i) We have obtained all the information and explanations we considered necessary for the purposes of our audit.
ii) The Company has maintained proper accounting records and its consolidated financial statements are in agreement therewith.
iii) We have read the report of the Board of Directors to be included in the Annual Report, and the financial information contained therein is in agreement with the books and records of the Company.
iv) Furthermore, the Company did not hold inventories as at reporting date.
v) We are not aware of any violations of the applicable provisions of the amended QCCL or the terms of the Company's Articles of Association having occurred during the year which might have had a material effect on the Company's consolidated financial position or performance as at and for the year ended 31 December 2022.

13 February 2023
Doha
State of Qatar

Gopal Balasubramaniam
KPMG
Qatar Auditors' Registry Number 251
Licensed by QFMA: External
Auditors' License No. 120153

INDEPENDENT REASONABLE ASSURANCE REPORT

To the shareholders of Gulf International Services Q.P.S.C.

Report on Internal Controls over Financial Reporting

In accordance with Article 24 of the Corporate Governance Code for Companies and Legal Entities Listed on the Main Market ("the Code") issued by the Qatar Financial Markets Authority ("QFMA"), we were engaged by the Board of Directors of Gulf International Services Q.P.S.C. ("the Company") to carry out a reasonable assurance engagement over Board of Directors' description of the processes and internal controls and assessment of the suitability of the design, implementation and operating effectiveness of the Company's internal controls over financial reporting (the 'ICOFR') as at 31 December 2022 (the "Directors' ICOFR Report" presented in section 4 of the Company's 2022 corporate governance report).

Responsibilities of the Board of Directors

The Board of Directors is responsible for fairly stating that the Directors' ICOFR Report is free from material misstatement and for the information contained therein.

The Directors' ICOFR Report, which was signed by the Company's Board of Directors' and shared with KPMG on 13 February 2023 and is to be included in the annual report of the Company, includes the following:

- the Board of Directors' assessment of the suitability of design, implementation and operating effectiveness of the ICOFR;
- the description of the process and internal controls over financial reporting for the processes of compliance, general ledger and financial reporting, investment management, treasury management and Information Technology General Controls (as applicable);
- designing, implementing and testing controls to achieve the stated control objectives;
- identification of control gaps and failures, how they are remediated, and procedures set to prevent such failures or to close control gaps; and
- planning and performance of the management's testing, and identification of the control deficiencies.

The Board of Directors is responsible for establishing and maintaining internal controls over financial reporting based on the criteria established in *Internal Control – Integrated Framework* (2013), issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO" or "COSO Framework").

This responsibility includes designing, implementing, maintaining and testing internal control relevant to the preparation and fair presentation of the Directors' ICOFR report that is free from material misstatement, whether due to fraud or error. It also includes developing the control objectives in line with the COSO Framework; designing, implementing and testing controls to achieve the stated control objectives; selecting and applying policies, making judgments and estimates that are reasonable in the circumstances, and maintaining adequate records in relation to the appropriateness of the Company's ICOFR.

The Board of Directors is responsible for ensuring that management and staff involved with the preparation of the Directors' ICOFR report are properly trained, systems are properly updated and that any changes in reporting encompass all significant processes of the Company.

The Board of Directors is also responsible for compliance with all applicable laws and regulations applicable to its activities.

INDEPENDENT REASONABLE ASSURANCE REPORT

(Continued)

Our Responsibilities

Our responsibility is to examine the Directors' ICOFR Report prepared by the Company and to issue a report thereon including an independent reasonable assurance conclusion based on the evidence obtained. We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* issued by the International Auditing and Assurance Standards Board, which requires that we plan and perform our procedures to obtain reasonable assurance about whether the Directors' ICOFR report is fairly presented, in all material respects, in accordance with the control objectives set out therein.

We apply International Standard on Quality Management 1 which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the independence and other ethical requirements of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the Directors' ICOFR report whether due to fraud or error.

Our engagement included assessing the appropriateness of the Company's ICOFR, and the suitability of the control objectives set out by the Company in preparing and presenting the Directors' ICOFR report in the circumstances of the engagement. Furthermore, evaluating the overall presentation of the Directors' ICOFR report, and whether the internal controls over financial reporting are suitably designed and implemented and are operating effectively as of 31 December 2022 based on the COSO Framework.

The procedures performed over the Directors' ICOFR report include, but are not limited to, the following:

- Conducted inquiries with management of the Company to gain an understanding of the risk assessment and scoping exercise conducted by management;
- Examined the in-scope areas using materiality at the Company's separate financial statement level;
- Assessed the adequacy of the following:
  - Process level control documentation and related risks and controls as summarized in the Risk & Control Matrix ("RCM");
  - Control Environment, Risk Assessment, Monitoring, and Information and Communication (CERAMIC) controls documentation and related risks and controls as summarized in the RCM;
  - Risk arising from the Information Technology and controls as summarized in the RCM; and
  - Disclosure controls as summarized in the RCM.
- Obtained an understanding of the methodology adopted by management for internal control design and implementation testing;
- Inspected the walkthrough and design and implementation testing completed by management and conducted independent walkthrough testing, on a sample basis, as deemed necessary;

- Assessed the significance of any internal control weaknesses identified by management;

- Assessed the significance of any additional gaps identified through the procedures performed.

- Examined the management plans for testing the operating effectiveness to evaluate the reasonableness of tests with respect to the nature, extent and timing thereof, and whether the testing responsibilities have been appropriately assigned;

- Examined the management's testing documents to assess whether the operating effectiveness testing of key controls has been performed by the management in accordance with the management testing plan; and

- Re-performed tests on key controls to gain comfort on the management testing of operating effectiveness.

As part of this engagement, we have not performed any procedures by way of audit, review or verification of the Directors' ICOFR report nor of the underlying records or other sources from which the Directors' ICOFR report was extracted.

Other information

The other information comprises the information to be included the Company's annual report. We have not obtained the other information to be included in the annual report except for the report of the Board of Directors, which is expected to be made available to us after the date of this report. The Directors' ICOFR report and our reasonable assurance report thereon will be included in the annual report. When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Board of Directors.

Characteristics and Limitations of the Directors' ICOFR Report

Non-financial information is subject to more inherent limitations than financial information, given the characteristics of the Board of Directors' Report on Internal Controls over Financial Reporting and the methods used for determining such information. Because of the inherent limitations of internal controls over financial reporting including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Therefore, internal controls over financial reporting may not prevent or detect all errors or omissions in processing or reporting transactions and consequently cannot provide absolute assurance that the control objectives will be met. Also, projections of any evaluation of the internal controls over financial reporting to future periods are subject to the risk that the internal control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. Furthermore, the controls activities designed, and operated as of 31 December 2022 covered by our assurance report will not have retrospectively remedied any weaknesses or deficiencies that existed in relation to the internal controls over the financial reporting prior to the date those controls were placed in operation.

The Directors' ICOFR report is prepared to meet the common needs of a broad range of users and may not, therefore, include every aspect of the information that each individual user may consider important in its own particular environment.

Criteria

The criteria for this engagement are the control objectives set out therein against which the design, implementation and operating effectiveness of the controls is measured or evaluated. The control objectives have been internally developed by the Company, based on the criteria established in the COSO Framework.

INDEPENDENT REASONABLE ASSURANCE REPORT

(Continued)

Conclusions

Our conclusion has been formed on the basis of, and is subject to, the matters outlined in this report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

In our opinion, based on the results of our reasonable assurance procedures, the Directors' ICOFR report fairly presents that the Company's ICOFR were properly designed and implemented and are operating effectively in accordance with the COSO framework as at 31 December 2022.

Restriction of Use of Our Report

Our report should not be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than the shareholders of the Company and QFMA for any purpose or in any context. Any party other than the shareholders of the Company and QFMA who obtains access to our report or a copy thereof and chooses to rely on our report (or any part thereof) will do so at its own risk. To the fullest extent permitted by law, we accept or assume no responsibility and deny any liability to any party other than the shareholders of the Company and QFMA for our work, for this independent reasonable assurance report, or for the conclusions we have reached.

Our report is released to the shareholders of the Company and QFMA on the basis that it shall not be copied, referred to or disclosed, in whole (save for the Company's own internal purposes) or in part, without our prior written consent.

13 February 2023
Doha
State of Qatar

Gopal Balasubramaniam
KPMG
Auditor's Registration No. 251
Licensed by QFMA: External
Auditor's License No. 120153

INDEPENDENT LIMITED ASSURANCE REPORT

To the shareholders of the Gulf International Services Q.P.S.C.

Report on Compliance with the Qatar Financial Markets Authority's law and regulations and Other Relevant Legislation including the Corporate Governance Code for Companies & Legal Entities Listed on the Main Market

In accordance with Article 24 of the Governance Code for Companies Listed on the Main Market ("the Code") issued by the Qatar Financial Markets Authority ("QFMA"), we were engaged by the Board of Directors of Gulf International Services Q.P.S.C. ("the Company") to carry out a limited assurance engagement over Board of Directors' assessment whether the Company has a process in place to comply with its articles of Associations, and the provisions of the QFMA's law and regulations and other relevant legislation and whether the Company is in compliance with the articles of the Code as at 31 December 2022.

Responsibilities of the Board of Directors

The Board of Directors of the Company is responsible for preparing the corporate governance report that covers at the minimum the requirements of Article 4 of the Code. The Board of Directors provided their assessment whether the Company has a process in place to comply with its Articles of Associations, and the provisions of the QFMA's law and regulations and other relevant legislation and the Company's Compliance with the articles of the Code (the "Statement"), which was shared with KPMG on 5 February 2023, and to be included as part of the annual corporate governance report.

This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the Statement that is free from material misstatement, whether due to fraud or error.

The Board of Directors is responsible for ensuring that management and staff involved with the preparation of the Statement are properly trained, systems are properly updated and that any changes in reporting encompass all significant business units.

The Board of Directors is also responsible for compliance with all laws and regulations applicable to activities of the Company.

Our Responsibilities

Our responsibility is to examine the Statement prepared by the Company and to issue a report thereon including an independent limited assurance conclusion based on the evidence obtained. We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* issued by the International Auditing and Assurance Standards Board which requires that we plan and perform our procedures to obtain a meaningful level of assurance about whether the Statement is fairly presented, in all material respects, that the Company has a process in place to comply with its Articles of Associations, and the provisions of the QFMA's law and regulations and other relevant legislation and whether the Company is in compliance with the requirements of the articles of the Code as at 31 December 2022, as the basis for our limited assurance conclusion.

We apply International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

INDEPENDENT LIMITED ASSURANCE REPORT

(Continued)

We have complied with the independence and other ethical requirements of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The procedures selected depend on our understanding of the Company's compliance with the articles of the Code and other engagement circumstances, and our consideration of areas where material non compliances are likely to arise.

In obtaining an understanding of the Company's process for compliance with its Articles of Associations, and the provisions of the QFMA's law and regulations and other relevant legislation, and its compliance with the articles of the Code and other engagement circumstances, we have considered the process used to prepare the Statement in order to design limited assurance procedures that are appropriate in the circumstances.

Our engagement included assessing the appropriateness of the Company's process for compliance with its Articles of Associations, and the provisions of the QFMA's law and regulations and other relevant legislation and its compliance with the articles of the Code and evaluating the appropriateness of the methods, policies and procedures used in the preparation of the Statement.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our limited assurance procedures do not involve assessing the qualitative aspects or effectiveness of the procedures adopted by the Board of Directors to comply with the requirements of the articles of the Code.

The procedures performed over the Statement include, but are not limited to:

- Examining the assessment completed by the Board of Directors to validate whether the Company has process in place to comply with its Articles of Associations, and the provisions of the QFMA's law and regulations and other relevant legislation including with the articles of the Code;
- Examining supporting evidence provided by the Board of Directors to validate the Company's compliance with the articles of the Code; and
- Conducting additional procedures as deemed necessary to validate the Company's compliance with the Code (e.g. review governance policies, procedures and practices, etc.).

Other information

The other information comprises the information to be included in the Company's annual corporate governance report which are expected to be made available to us after the date of this report. The Statement and our limited assurance report thereon will be included in the corporate governance report. If we conclude that there is a material misstatement therein, we are required to communicate the matter to the Board of Directors.

Characteristics and Limitations of the Statement

Many of the procedures followed by entities to adopt governance and legal requirements depend on the personnel applying the procedure, their interpretation of the objective of such procedure, their assessment of whether the compliance procedure was implemented effectively, and in certain cases would not maintain audit trail. It is also noticeable that the design of compliance procedures would follow best practices that vary from one entity to another, which do not form a clear set of criteria to compare with. Non-financial information is subject to more inherent limitations than financial information, given the characteristics of the Board of Directors' assessment on the process in place to ensure compliance with article of association and provisions of the QFMA's law and relevant legislations, including compliance with the Code and the methods used for determining such information. Because of the inherent limitations of internal controls over compliance with relevant laws and regulations, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected.

The Statement is prepared to meet the common needs of a broad range of users and may not, therefore, include every aspect of the information that each individual user may consider important in its own particular environment.

Criteria

The criteria for this engagement is the assessment of process for compliance with the Company's Articles of Associations, and the provisions of the QFMA's law and regulations and other relevant legislation and compliance with the provisions of the Code.

Conclusions

Our conclusion has been formed on the basis of, and is subject to, the matters outlined in this report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Based on our limited assurance procedures performed, nothing has come to our attention that causes us to believe that the Board of Directors' Statement does not present fairly, in all material respects, that the Company has a process in place to comply with its Articles of Association, and the provisions of the QFMA's law and regulations and other relevant legislation and the Company is in compliance with the articles of the Code as at 31 December 2022.

Restriction of Use of Our Report

Our report should not be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than the shareholders of the Company and QFMA for any purpose or in any context. Any party other than the shareholders of the Company and QFMA who obtains access to our report or a copy thereof and chooses to rely on our report (or any part thereof) will do so at its own risk. To the fullest extent permitted by law, we accept or assume no responsibility and deny any liability to any party other than the shareholders of the Company and QFMA for our work, for this independent limited assurance report, or for the conclusions we have reached.

Our report is released to the shareholders of the Company and QFMA on the basis that it shall not be copied, referred to or disclosed, in whole (save for the Company's own internal purposes) or in part, without our prior written consent.

13 February 2023
Doha
State of Qatar

Gopal Balasubramaniam
KPMG
Auditor's Registration No. 251
Licensed by QFMA: External
Auditor's License No. 120153

Consolidated Financial Statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2022

	2022 QR '000s	2021 QR '000s
ASSETS		
Non-current assets		
Property and equipment	5,560,956	5,591,281
Goodwill	303,559	303,559
Right-of-use assets	27,731	36,292
Contract assets	13,104	9,464
Equity-accounted investees	28,088	12,078
Financial investments	306,592	418,658
Total non-current assets	6,240,030	6,371,332
Current assets		
Inventories	393,170	284,088
Contract assets	-	6,514
Due from related parties	759,940	686,354
Financial investments	438,185	420,689
Trade and other receivables	799,656	694,994
Reinsurance contract assets	1,091,277	757,382
Short term investments	746,126	348,632
Cash and bank balances	396,447	349,407
Total current assets	4,624,801	3,548,060
TOTAL ASSETS	**10,864,831**	9,919,392
EQUITY AND LIABILITIES		
EQUITY		
Share capital	1,858,409	1,858,409
Legal reserve	384,339	377,308
General reserve	74,516	74,516
Foreign currency translation reserve	(71,371)	(55,836)
Fair value reserve	(27,646)	3,786
Retained earnings	1,350,550	998,204
Equity attributable to owners of the Company	3,568,797	3,256,387
Non-controlling interests	(312)	(198)
Total equity	3,568,485	3,256,189

	2022 QR '000s	2021 QR '000s
LIABILITIES		
Non-current liabilities		
Lease liabilities	7,432	15,947
Loans and borrowings	2,633,625	3,692,705
Contract liabilities	2,730	1,820
Provision for decommissioning costs	45,899	45,669
Provision for employees' end of service benefits	112,028	101,259
Total non-current liabilities	2,801,714	3,857,400
Current liabilities		
Lease liabilities	33,939	28,868
Dividends payable	48,619	50,429
Loans and borrowings	1,655,607	632,704
Trade and other payables	1,046,056	831,273
Due to related parties	27,812	44,507
Insurance contract liabilities	1,668,009	1,214,575
Contract liabilities	14,590	3,447
Total current liabilities	4,494,632	2,805,803
Total liabilities	7,296,346	6,663,203
TOTAL EQUITY AND LIABILITIES	**10,864,831**	9,919,392

These consolidated financial statements were approved by the Board of Directors of the Company and signed on its behalf by the following on 13 February 2023.

Khalid Bin Khalifa Al-Thani
Chairman

Saad Rashid Al-Muhannadi
Vice Chairman

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2022

	2022	2021
	QR '000s	QR '000s
Revenue	3,665,539	3,091,050
Direct costs	(2,992,875)	(2,744,556)
Gross profit	**672,664**	346,494
Other income	41,391	60,258
Other expenses	(61,647)	(24,781)
General and administrative expenses	(218,520)	(198,829)
Provision for impairment of financial assets, net	(776)	(24,556)
Operating profit	**433,112**	158,586
Finance income	38,387	32,717
Finance costs	(181,926)	(129,067)
Net finance costs	(143,539)	(96,350)
Group's share of profit / (loss) in equity-accounted investees, net of tax	17,577	(2,515)
Profit for the year before net monetary loss arising from hyperinflation and tax	**307,150**	59,721
Net monetary loss arising from hyperinflation	(11,412)	-
Profit before tax	**295,738**	59,721
Income tax expense	(5,688)	(5,686)
Profit for the year	**290,050**	54,035

	2022 **QR '000s**	2021 QR '000s
Other comprehensive loss		
Items that are or may be reclassified subsequently to profit or loss		
Debt investments at Fair Value Through Other Comprehensive Income (FVOCI) – net change in fair value	(31,432)	(18,689)
Foreign operations – foreign currency translation differences	(15,535)	(30,123)
Other comprehensive loss for the year	**(46,967)**	(48,812)
Total comprehensive income for the year	**243,083**	5,223
Profit / (loss) attributable to:		
Owners of the Company	290,164	54,182
Non-controlling interests	(114)	(147)
	290,050	54,035
Total comprehensive income / (loss) attributable to:		
Owners of the Company	243,197	5,369
Non-controlling interests	(114)	(146)
	243,083	5,223
Earnings per share		
Basic and diluted earnings per share (Qatari Riyal)	**0.156**	0.029

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2022

	Share capital QR '000s	Legal reserve QR '000s	General reserve QR '000s
Balance at 1 January 2021	1,858,409	371,389	74,516
Total comprehensive income:			
Profit / (loss) for the year	-	-	-
Other comprehensive (loss) / income	-	-	-
Total comprehensive income / (loss) for the year	-	-	-
Social fund contribution	-	-	-
Transfer to legal reserve	-	5,919	-
Balance at 31 December 2021	1,858,409	377,308	74,516
Balance at 1 January 2022	1,858,409	377,308	74,516
Effect of hyperinflation	-	-	-
Total comprehensive income:			
Profit / (loss) for the year	-	-	-
Other comprehensive loss	-	-	-
Total comprehensive income / (loss) for the year	-	-	-
Social fund contribution	-	-	-
Transfer to legal reserve	-	7,031	-
Balance at 31 December 2022	**1,858,409**	**384,339**	**74,516**

Attributable to owners of the Company					
Foreign currency translation reserve QR '000s	Fair value reserve QR '000s	Retained earnings QR '000s	Total QR '000s	Non-controlling interests QR '000s	Total equity QR '000s
(25,712)	22,475	951,292	3,252,369	(52)	3,252,317
-	-	54,182	54,182	(147)	54,035
(30,124)	(18,689)	-	(48,813)	1	(48,812)
(30,124)	(18,689)	54,182	5,369	(146)	5,223
-	-	(1,351)	(1,351)	-	(1,351)
-	-	(5,919)	-	-	-
(55,836)	3,786	998,204	3,256,387	(198)	3,256,189
(55,836)	3,786	998,204	3,256,387	(198)	3,256,189
-	-	76,464	76,464	-	76,464
-	-	290,164	290,164	(114)	290,050
(15,535)	(31,432)	-	(46,967)	-	(46,967)
(15,535)	(31,432)	290,164	243,197	(114)	243,083
-	-	(7,251)	(7,251)	-	(7,251)
-	-	(7,031)	-	-	-
(71,371)	**(27,646)**	**1,350,550**	**3,568,797**	**(312)**	**3,568,485**

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

	2022 **QR '000s**	2021 QR '000s
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the year	290,050	54,035
Adjustments for:		
Depreciation of property and equipment	347,473	349,615
Impairment loss on property and equipment	2,202	-
Gain on sale of property and equipment	(352)	(4,380)
Loss on sale of property and equipment	445	-
Write-off of property and equipment	411	2,773
Depreciation of right-of-use assets	23,634	21,676
Share of profit of equity-accounted investees	(17,577)	2,515
Provision for slow-moving and obsolete inventories	1,554	705
Provision for impairment of financial assets	776	24,556
Provision for employees' end of service benefits	24,625	24,011
Net change in fair value of financial investments at FVTPL	36,781	(17,890)
Net gain from sale of financial investments	(13,027)	(15,085)
Profit distribution from managed investment funds	(3,652)	(3,888)
Dividend income	(3,543)	(3,326)
Finance income	(38,387)	(32,717)
Finance costs	181,926	129,067
Net monetary gain arising from hyperinflation	11,412	-
Operating profit before working capital changes	844,751	531,667
Changes in:		
Inventories	(110,637)	(46,492)
Contract assets	2,874	(609)
Trade and insurance receivables, prepayments and due from related parties	(378,371)	(68,690)
Contract liabilities	12,053	(3,998)
Trade and insurance payables, accruals and due to related parties	470,803	100,679
Cash generated from operations	**841,473**	512,557
Employees' end of service benefits paid	(13,856)	(14,140)
Net cash generated from operating activities	**827,617**	498,417

	2022 **QR '000s**	2021 QR '000s
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property and equipment	(275,987)	(177,764)
Acquisition of financial investments	(306,881)	(334,586)
Net movement in short-term investments	(397,774)	(119,598)
Finance income received	36,580	32,717
Proceeds from sale and maturity of financial investments	349,887	245,959
Proceeds from sale of property and equipment	1,228	20,478
Net movement in cash at banks – restricted for dividends	1,810	24,809
Profit distribution from managed investment funds	3,652	3,888
Dividends from equity-accounted investee	1,567	-
Dividends received	3,543	3,326
Net cash used in investing activities	**(582,375)**	(300,771)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of lease liabilities	(20,048)	(20,223)
Proceeds from loans and borrowings	106,288	286,309
Repayment of loans and borrowings	(143,323)	(411,140)
Movement in unclaimed dividend bank account	(1,810)	(24,809)
Finance costs paid	(141,936)	(126,604)
Net cash used in financing activities	(200,829)	(296,467)
Net change in cash and cash equivalents	44,413	(98,821)
Effect of movements in exchange rates on cash held	4,428	11,521
Cash and cash equivalents at 1 January	298,987	386,287
Cash and cash equivalents at 31 December	347,828	298,987

Notes to the consolidated financial statements are an integral part of the financial statements. For more information, please visit GIS' website: **www.gis.com.qa** or please scan the QR-code using a smart phone for easy access to the full set of consolidated financial statements.

2022 CORPORATE GOVERNANCE REPORT

1. Introduction

Gulf International Services (hereinafter referred to as "GIS" or "the Company"), a Qatari public shareholding company listed on Qatar Stock Exchange, was established on 12th of February 2008 in accordance with the provisions of its Articles of Association and the Commercial Companies Law promulgated by Law no. 5 of 2002, especially Article 68 thereof. GIS then brought its Articles of Association into conformity with the provisions of the Commercial Companies Law promulgated by Law no. 11 of 2015 as amended by Law no. 8 of 2021, having regard to the peculiar nature of its incorporation.

QatarEnergy, the founder, Special Shareholder and 10% shareholder, provides GIS with all the required financial and head office services under a service-level agreement. GIS therefore applies some of QatarEnergy's established rules and procedures as a service provider. As part of its Board of Directors' efforts aimed at complying with the principles of corporate governance and applying industry-standard best practices, GIS management made an agreement with a consultant to develop a Corporate Governance Framework, which was approved by the Board of Directors at its first meeting of 2013 held on 25th of February 2013.

2. Scope of implementation of the governance and compliance with its principles

Out of a firm belief in the importance and necessity of entrenching the principles of good governance to ensure and enhance value creation to shareholders, GIS Board of Directors is firmly committed to implementing governance principals set forth in the Governance Code for Companies and Legal Entities Listed on the Main Market issued by Qatar Financial Markets Authority (QFMA) pursuant to QFMA Board decision no. 5 of 2016, and in line with the provisions of the Company's AoA.

In doing so, the Board defined the roles and responsibilities of the Board of Directors, Senior Executive Management and employees of the Company. It promotes the principals of justice and equality among stakeholders without discrimination and enables them to exercise and enjoy their rights, upholding values of protecting the minority. The Board maintains productive control and risk management, enhances transparency and disclosure and provides information to the stakeholders at the right time and in the manner that enables them to make decisions and undertake their duties properly.

Moreover, the Board of Directors upholds the values of corporate social responsibility, puts the interest of the Company and its stakeholders ahead of any other interest, carries out its roles and responsibilities in good faith, integrity, honor and sincerity and takes the responsibility arising therefrom to the stakeholders and community.

The Board of Directors always ensures that an organizational framework, that is consistent with the legal and institutional framework of the listed companies, is in place at the Company level. This is achieved through a process of reviewing and updating governance applications, as and when required. In addition, the Board of Directors endeavors to maintain a Code of Conduct that reflects the values held by the Company and ensures the establishment of the principals of transparency upholding the values of self-control and integrity and acknowledging responsibility.

In addition, as the head office service provider, QatarEnergy ensures that its concerned staff are made aware of and trained on risk management, self-control and professional code of conduct, anti-bribery and corruption, conflict of interest and information classification and security, among others.

Taking into account the provisions of Article no. 2 of QFMA Governance Code, the Company strictly observes the provisions of QFMA Governance Code and endeavors to maintain its official documents in conformity with such Code to ensure full and proper application of the provisions thereof.

3. Board of Directors

3-1 Board Structure

GIS was established by QatarEnergy, a Qatari state-owned public corporation established by Decree Law no. 10 of 1974, as a parent company of a group of companies with interests in a broad cross-section of industries, ranging from insurance and re-insurance, onshore and offshore drilling, accommodation barge, helicopter transportation and catering services. GIS went public and listed on Qatar Stock Exchange by QatarEnergy to provide Qatari people with investment opportunity, and to share the generated profits with them, ensuring they get the maximum benefit. Also, the IPO price was lower than the fair estimate of the share value. All shareholders receive annual dividends in proportion to their shareholdings.

Recognizing the peculiar nature of GIS' activities and the Company's strategic position, especially in drilling and aviation segments, and taking into account the public interest, it was therefore critical, to make sure assets are properly managed in a manner that ensures sustainability and creates value for the Company's shareholders, that QatarEnergy, the founder of the Company, retains special privileges, including the Special Share. These special privileges are provided for in article no. 77 of the Commercial Companies Law promulgated by Law no. 5 of 2002 at that time, which are still in effect as part of the provisions of the Commercial Companies Law promulgated by Law no. 11 of 2015 as amended by Law no. 8 of 2021. In addition, article no.152 states that the Company's Articles of Association may provide for the determination of some privileges for a class of shares, provided that the shares of the same class are equal in rights, advantages and restrictions.

Due to many reasons that show how closely the Company's financial and operational performance is connected to QatarEnergy, making it vital to maintain aligned strategy and vision, QatarEnergy, the Special Shareholder, had to reserve the right to appoint three (3) Board Directors and senior and executive management teams who are sufficiently qualified and experienced to perform their duties effectively in the best interest of the Company and dedicated to achieving its goals and objectives. The reasons are summarized as follows:

- QatarEnergy is the founder, Special Shareholder and 10% shareholder.
- The strategic activities of the Company, particularly in the aviation and drilling segments.
- QatarEnrgy provides technical and technological support to group companies.
- QatarEnergy provides all financial and head office services to the Company under a comprehensive service-level agreement. These services are provided as and when requested to ensure that the operations of the Company are fully supported.

2022 CORPORATE GOVERNANCE REPORT

(Continued)

Therefore, the Board, in accordance with the Company's amended Articles of Associations, consists of seven (7) Directors, three (3) of whom are appointed by the Special Shareholder. Four (4) Directors are elected as per their eligibility in the satisfaction of Article (23) ("Eligibility of Directors") by secret ballot of the General Assembly. The Special Shareholder shall not participate in the voting process. Voting takes place in accordance with the applicable rules and regulations.

Except for those matters that are decided by shareholders as provided in the Company's Articles of Association, the Board of Directors has the widest powers to give full effect to the objects of the Company. The Board may delegate any such power to any one or more of the Directors.

3-2 Board Composition

Directors are appointed for renewable terms of three (3) years or such shorter periods (being no less than one (1) year). During 2021, the Company opened the nomination period for the membership of the Company's Board of Directors for four seats for a term of three (3) years (2021- 2024) for shareholders (individuals and companies) as per their eligibility in satisfaction of Article no. 23 ("Eligibility of Directors") of the Company's Articles of Association, which clearly states that:

1. The elected Director of the Board shall own a number of shares that are not less than one million shares of the company's capital to guarantee the rights of company, shareholders, creditors and third parties from any responsibility that falls on the Board of Directors, and these shares should be deposited within one week from the commencement of membership date and shall not be negotiated or mortgaged or blocked until the period of membership is expired, and the balance sheet of the last fiscal year in which the director conducted his work shall be approved. If the director fails to submit the guarantee, as mentioned above, his membership will be invalid.
2. Each shareholder, without exception, that satisfies the eligibility criteria set forth in Article 23 ("Eligibility of Directors") may nominate only one representative regardless of the percentage of his shares. For the purposes of this Article, a legal person, its subsidiaries and companies and/or individuals under its control, shall be deemed one person.
3. With exception of the Directors elected by the Special Shareholder, no person, either in person or as a proxy, can be a member of the Board of Directors unless by holding that post he becomes:
    1) A director in the Boards of two companies undertaking business activities similar to the Company or its Affiliates; or
    2) A director in the Board of Directors of more than three Qatari shareholding companies.
    3) The chairman or deputy chairman in more than two Qatari shareholding companies.

    The membership becomes invalid if the above is violated and everything received from the Company must be returned to the Company.

4. In determining whether a person is suitable to be appointed as an Independent Board Member, such determination shall be based on the regulations and requirements of Qatar Stock Exchange. The relevant Independent Director must not be under the influence of any factor that may limit his/her capacity to consider, discuss and decide on the Company's matters in an unbiased and objective manner.

Accordingly, the following members, who had met the eligibility requirements, were appointed by acclamation during the meeting of the Ordinary General Assembly held on 10th of March 2021 for four seats for a term of three (3) years (2021-2024), starting 11th of March 2021:

1. Mr. Ali Jaber Hamad Al-Marri, representative of the General Retirement & Social Insurance Authority (Non-Independent/Corporate).
2. Sheikh Jassim bin Abdullah Al-Thani, representative of Qatar Investment Authority (Independent/Corporate).
3. Mr. Saad Rashid Al-Muhannadi, representative of Woqod Vehicles Inspection "FAHES" (Non-Independent/Corporate).
4. Mr. Mohammed Nasser Al-Hajri, representative of Qatar Electricity & Water Company (Independent/Corporate).

On the other hand, in accordance with Articles nos. 22 and 40 of GIS' Articles of Association, QatarEnergy, the Special Shareholder, pursuant to resolution no. 10 of 2021 passed on 17th of March 2021, nominated its representatives as follows:

1. Sheikh Khalid bin Khalifa Al-Thani, Chairman.
2. Mr. Ghanim Mohammed Al-Kuwari, Member.
3. Mr. Mohammed Ibrahim Al-Mohannadi, Member.

The following should be noted:

- Independent Directors in the current composition were identified from among the elected Directors as defined in QFMA regulations in this regard.
- None of the Directors appointed by the Special Shareholder "Qatar Energy" is Independent, as they are representatives of a legal person that owns more than 5% of the Company's share capital.
- GIS Board of Directors does not include executive Directors, as QatarEnergy provides the Company with all the executive services under a service - level agreement.

In accordance with the composition of the Board and its roles and responsibilities provided for in Board Charter, Manual of Authority and Company's Articles of Association, no one or more of Directors may have control over passing resolutions. Resolutions of the Board shall be passed by a simple majority of those Directors present and the Chairman of the Board, and entitled to vote at the relevant meeting of the Board, each Director present having one vote.

QatarEnergy appoints only qualified and eligible Board Directors who are sufficiently experienced to perform their duties effectively in the best interest of the Company and dedicated to achieving its goals and objectives. In addition, QatarEnergy ensures that all of its representatives in group companies attend appropriate training and awareness programs so that subsidiaries' boards of directors can achieve the highest levels of performance and adopt the best governance practices.

GIS makes timely disclosure of any and all resolutions by QatarEnergy concerning the composition of the Board of Directors or any change thereto (Directors' bios are included in the appendix to this report).

3-3 Key roles and responsibilities of the Board

The Board of Directors represent all shareholders and is one of the most important pillars upon which the implementation of the governance at Company level rests, the Board of Directors is accountable to shareholders for exercising due care and diligence in managing the Company in an effective manner, as well as establishing the principles of good governance at all levels to serve the interests of the Company, its shareholders and stakeholders for the greater good. Accordingly, the Board developed a Board Charter within the Corporate Governance Framework in accordance with the industry-standard best corporate governance practices. The roles and responsibilities of the Board and the duties which must be fully performed by Directors are specifically identified in the Charter, which is reviewed and amended following any relevant new changes made by regulators. In addition, the Governance Framework developed by the Board contains the job descriptions of all Board Directors according to their classification and the positions they may have in any Board Committee. The Framework also contains the job description of the Board Secretary.

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As part of the Company's Board of Directors' efforts aimed at determining Board roles and responsibilities in accordance with QFMA Governance Code and ensuring adherence, GIS, based on the approval of the Company's Extraordinary General Assembly meeting held on 13th of March 2022, amended Article no. 27 "Directors' Responsibilities and Liabilities" of its Articles of Association to read as follows: "The Board shall prepare a Charter called "Board Charter" detailing the Board's functions, and rights, duties and responsibilities of the Chairman and Directors. The functions and responsibilities of the Board are defined in accordance with the provisions of the Law and the Governance Code for Listed Companies issued by Qatar Financial Markets Authority."

In accordance with Board Charter, which is available on the Company's website, the Board, among other responsibilities, provides strategic guidance to GIS in line with the Company's vision and mission. This is achieved through approving and supervising the implementation of the Company's strategic directions, main objectives and business plans. The Board develops and supervises proper internal control systems and risk management, appoints the Company's Senior Executive Management and approves the succession planning concerning the management. It establishes mechanisms for dealing and cooperating with providers of financial services, financial analysis, credit rating and other service providers, supervises and ensures the appropriateness of internal control systems of the risk management, conducts periodic review of the Company's internal control procedures mainly by the Board Audit Committee and approves the training and education in the Company that includes programs introducing the Company, its activities and governance in accordance with the Governance Code for Companies and Legal Entities Listed on the Main Market issued by QFMA.

The Board of Directors puts in place a corporate governance framework consistent with the provisions of QFMA Governance Code and oversees all aspects of the framework, monitors its effectiveness and makes amendments as required. The Board also reviews the Company's policies and procedures to ensure compliance with the relevant laws, regulations and GIS Memorandum of Association and Articles of Association.

The Board may delegate some of its functions or authorities to Board Committees or Special Committees. Special Committees are constituted to undertake specific tasks under written and clear instructions. In accordance with the Company's Manual of Authority, the Board shall determine the authorities it may delegate to the executive management and the procedures for decision-making. The Board may also determine the matters that it retains the right to decide on. In all cases, the Board remains liable for all of its functions or authorities so delegated.

The Board carries out its functions and duties in accordance with the provisions of Article (9) of QFMA Governance Code, amongst which the Board shall not enter into loans that spans more than three years and shall not sell or mortgage real estate of the Company, or drop the Company's debts, unless it is authorized to do so by the Company's Articles of Association, which so authorize to the Company's Board of Directors. In addition, under GIS internal regulations, including Board Charter, the Board shall ensure that the Company adheres to its Articles of Association and the applicable laws and regulations, including QFMA regulations. Also, the Board may not act or make transactions that do not comply with the relevant laws and regulations, and that such actions or transactions must be approved by the relevant authorities, including the Company's General Assembly.

In accordance with the Company's AoA, All Directors shall be jointly and individually liable for any fraudulent act, abuse of power, negligent errors in management or violations of the Articles or Law.

3-4 Board Chairman

The Chairman is primarily responsible for the proper management of the Company in an effective and productive manner, making available for Board Directors all data and information in a timely manner. The Corporate Governance Framework includes the Chairman's job description (roles and responsibilities). As described in detail under the Governance Framework, these roles and responsibilities, whether strategic, operational or administrative, are well aligned with the Chairman's main objective of providing the strategic guidance to GIS, protecting shareholders' rights and achieving the Company's vision and strategic objectives profitably and sustainably.

In accordance with the Company's Articles of Association, the Chairman shall represent the Company towards Third Parties. The Vice Chairman shall substitute for the Chairman in his absence.

As part of its efforts to be in compliance with the provisions of the Commercial Companies Law as amended by Law no. 8 of 2021, GIS, based on the approval of the Company's Extraordinary General Assembly meeting held on 13th of March 2022, amended Article no. 41 "Role of Chairman and Deputy Chairman" of its Articles of Association to read as follows: "The Chairman shall represent the Company towards Third Parties and Judiciary, and his signature shall be regarded by Third Parties and Judiciary as indicating approval by the Board of any transaction to which it relates. The Chairman shall implement the resolutions passed by the Board and abide by the recommendations thereof. The Chairman may delegate some of his powers to other Directors or members of the senior executive management. The delegation shall be of definite period and subject. He has the authority of appointment or replacement of the Company's representatives on group companies' Board of Directors and he does not have the right to grant a Director or member of the senior executive management this authority. General Assembly meetings shall be chaired by the Chairman, or in his absence the Deputy Chairman (if any), or in the absence of both of them any other Director appointed by the Directors to act as the Chairman."

The Chairman is not a member of any Board Committee referred to in QFMA Governance Code. The Chairman does not hold any executive position at the Company. In this regard, the Company's management ensures that:

- No one person in the Company should have unfettered powers or influence on decision-making at the time of developing the Company's Manual of Authority and the relevant regulations.
- The Chairman in his capacity is not a member in any of the Board Committees or Special Committees, while ensuring that committees' Manuals of Authority and Terms of Reference are developed for effective functioning, members of the committees are properly selected, and that committees' Manuals of Authority and Terms of Reference are in line with best governance practices.
- The roles and responsibilities of the Chairman are separated from those of the rest of Board Directors and members of the Company's executive management.

3-5 Board Directors

Directors are committed to exercising due care and making full use of their diverse skills and experience in managing the Company and complying with the relevant regulations and laws, including Board Charter and the Code of Ethics, and to work in accordance with the ethical principles of integrity, respect, objectivity, accountability, excellence, sustainability and confidentiality to ensure upholding the interests of the Company, its shareholders and other stakeholders to be priority before any other interest. In accordance with the Company's Articles of Association and Conflict of Interest Policy, Directors shall declare any financial and commercial transactions and judicial proceedings that may adversely affect the performance of their assigned duties and responsibilities.

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3-6 Board meetings

The Board of Directors convenes to conduct the Company's business and shall adjourn and otherwise regulate its meetings as it thinks fit. In accordance with Article (30-1) of the Company's Articles of Association, the Board shall meet at least six (6) times during the Company's fiscal year, and a three-month period may not lapse without a meeting of Board. The number of Directors required to constitute a quorum shall be five (5) Directors (present or duly represented by an alternate) as a minimum, and the Chairman shall be one of them. In accordance with the amended Articles of Association, the Board fulfilled the minimum required number of meetings (6 meetings) during 2022.

In accordance with Board Charter and the Company's Articles of Association, all Board meetings are convened by a notice from the Chairman or, in his absence, the Vice Chairman (if any), or any two Directors or such other Director as is duly authorized by the Chairman. Meeting agenda and invitations shall be given to every Director not less than seven (7) days prior to the date set for the meeting. A meeting of the Board shall, with a notice of less than seven (7) days, be deemed to have been appropriately convened in the absence of any objection by Directors and as agreed by those Directors to attend.

GIS, based on the approval of the Company's Extraordinary General Assembly meeting held on 13th of March 2022, amended Article no. 35 "Business Not on Agenda" of its Articles of Association to read as follows: "No resolution may be proposed to the Board at a meeting unless the matter is on the agenda for that meeting or at least two (2) Directors (or the proxy of such Directors) agree to a request by a Director that one or more items may be added to the agenda."

In accordance with the Company's Articles of Association, an absent Director may appoint in writing a Director to represent him in attendance and voting, provided that no Director may represent more than one Director. The office of a Director shall be vacated by such Director if he absents himself from three (3) consecutive or four (4) non-consecutive Board meetings without an excuse being accepted by the Board.

To ensure full participation of all Directors in Board meetings, Director has the right to use any secure technological means of communications to enable him to hear and actively participate in discussing Board agenda items and passing resolutions. A participating Director in such a manner shall be considered as personally present at the meeting and counted in the quorum and shall be entitled to vote.

3-7 Board resolutions

In accordance with the Company's Articles of Association and internal regulations, Board resolutions shall be passed by a majority of those Directors present and the Chairman of the Board at a duly constituted Board meeting. The Board shall keep minutes of all resolutions and proceedings of Board meetings and those absent from and attending such meetings. The Chairman, Secretary and all attendants shall sign on the minutes. Any objecting Director shall enter his objection in the minutes of meeting.

The Board of Directors may, in case of necessity and on urgency grounds, pass resolutions in writing by circulation subject to written approval on such resolutions by all Directors. The resolution shall be deemed in force and effective for all purposes as if it was adopted at a duly called meeting of the Board. In all cases, the written resolution shall be submitted at the next meeting of the Board, to be included in the minutes of the meeting.

3-8 Board Secretary

In accordance with the Company's Articles of Association, the Board or the Special Shareholder may take a decision to appoint a Secretary of the Board for such period and on such terms as it may decide and may revoke such appointment. The Board shall decide on the duties of the Company's Secretary and on the scope of his/her authority and his/her annual remuneration.

The detailed roles and responsibilities of the Board Secretary are included in in the Board of Directors Job Descriptions within the Corporate Governance Framework. These roles and responsibilities are aligned with the main objective of providing comprehensive and confidential administration and support services to the Board of Directors. The Secretary keeps safe Board documents and coordinates among Board Directors in a timely and appropriate manner.

The Secretary, in accordance with Board Charter and his/her job description, is responsible for arranging the logistics of the meetings, taking and recording the minutes of Board meetings and resolutions, maintaining and safekeeping of Board documentation, minutes of meetings, resolutions and correspondence and distributing of Board meeting agendas, invitations, other required documentation, full coordination among Directors, the Board and relevant stakeholders, enabling Directors to have quick access to all the Company's documents, as well as its information and data. He/she is also responsible for keeping official forms, correspondence, official documents, lists of names of Board Directors and their membership, and fulfilling other official requirements. In addition, he/she provides orientation material and scheduling orientation sessions for new Board Directors.

The current Board Secretary has a legal experience that spans more than 19 years. In addition, the Secretary has long expertise on the affairs of a listed company.

The Secretary may, as he/she deems appropriate and upon approval of the Chairman, delegate to a representative any of his/her duties, powers or discretionary authorities. However, the representative shall not have the right to delegate such duties, powers and authorities to another person.

3-9 Board Committees

As part of implementing governance, the Board of Directors established some Board Committees and some Special Committees and delegated to these committees some powers and authorities to carry out specific tasks and conduct Company's business. The Board of Directors remains liable for all the powers and authorities so delegated. Board Chairman is not a member of any Board Committee or Special Committee. The Board also reviews and assesses the performance of the committees on an annual basis. Board Committees are as follows:

3-9-1 Audit Committee

The Board Audit Committee (BAC) was constituted pursuant to Board resolution no. 5 of the fourth meeting of GIS Board of Directors of 2010. The current BAC was formed by virtue of resolution no. 2 of 2021 passed on 13th of June 2021 concerning the reconstitution of Board Committees. The BAC currently consists of 3 (three) Board Directors, including an Independent Director as Chairman. All committee members are elected Board Directors who have the required experience necessary to effectively perform their duties and exercise all authorities and powers vested in or exercisable by the Committee. Committee Chairman is not a Chairman or a member of any other Committee.

The Articles of Association were amended based on the approval of the Company's Extraordinary General Assembly meeting held on 2nd of May 2018, wherein the definition of the Independent Director and identification mechanism was added. Based on this amendment, in determining whether a person is suitable to be appointed as Independent Director, such determination shall be based on the regulations and requirements of Qatar Stock Exchange.

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In applying the definition in QFMA Governance Code and based on candidate applications and related declarations submitted by all elected Directors, the majority of committee members are Independent Directors and no one of the current members has directly or indirectly conducted external audit for the Company during the two years prior to their membership in the Committee.

The Corporate Governance Framework, which was developed in line with QFMA Governance Code and industry-standard best governance practices, contains BAC Terms of Reference. Committee responsibilities include financial aspects, external and internal audits, internal controls, compliance, risk management and any other aspect within the competence and mandate of the Committee.

BAC reports periodically to the Board of Directors on its activities, issues and raises recommendations, particularly with regard to the review and endorsement of the quarterly, half-year and year-end financial statements, as well as internal and external audit reports, internal control system and risk management.

During its meetings of 2022, Committee considered several matters and resolved the following:

1. Approve the External Auditor's report on the consolidated financial statements for the financial year ended 31st of December 2021.
2. Review and endorse the consolidated financial statements for the financial year ended 31st of December 2021 and present the executive summary report.
3. Endorse the appointment of the External Auditor for the financial year ended 31st of December 2022 and determine their fees.
4. Endorse 2021 Corporate Governance Report.
5. Review and endorse the consolidated financial statements for the financial period ended 31st of March 2022 and present the executive summary report.
6. Review and endorse the consolidated financial statements for the financial period ended 30th of June 2022 and present the executive summary report.
7. Review and endorse the consolidated financial statements for the financial period ended 30th of September 2022 and present the executive summary report.
8. Periodic review of internal audit activities, including risk assessment update, audit plan for the Company and its subsidiaries, conclusions, recommendations and related corrective actions.
9. Endorse the appointment of the External Auditor for a period of five (5) years (subject to a yearly approval of the General Assembly), starting from the financial year ending 31st of December 2023 after reviewing the procedures for floating the tender and making relevant assessments.
10. Conduct annual self-assessment of the Committee's performance.
11. Endorse the appointment of the Internal Auditor for a period of five (5) years, starting 1st of January 2023 after reviewing the procedures for floating the tender and making relevant assessments.
12. Present GIS 2022 BAC meeting timetable for acknowledgement.

In accordance with Committee's Terms of Reference, the meeting of the Committee shall be valid only in the presence of the Committee Chairman and a majority of its members. Minutes of meeting shall be prepared for each meeting and signed by all members and representatives present at the meeting. In accordance with the Committee's amended Terms of Reference, Committee holds at least (6) meetings during the financial year. During 2022, Committee met the minimum required number of meetings (6 meetings).

The Board Audit Committee currently consists of three members. The table below shows the current members of the Board Audit Committee:

Name	Position
Mr. Mohammed Nasser Al-Hajri	Chairman
Sheikh Jassim bin Abdullah Mohammed Jabor Al-Thani	Member
Mr. Ali Jaber Al-Marri	Member

3-9-2 Nomination and Remuneration Committee

As part of its efforts to comply with the provisions of QFMA Governance Code, the Company had established a Nomination and Remuneration Committee by Board resolution no. 3 of 2017. The current Committee was formed by virtue of resolution no. 2 of 2021 passed on 13th of June 2021 concerning the reconstitution of Board Committees. Committee currently consists of three Board Directors who have the required experience to efficiently perform their duties and exercise all authorities and powers vested in or exercisable by the Committee. Committee Chairman is not a Chairman of another Board Committee, and the BAC Chairman is not a member of the Nomination and Remuneration Committee.

Committee's Terms of Reference were developed in line with QFMA Governance Code and the industry-standard best corporate governance practices. Committee responsibilities include outlining the general policy for granting remunerations on an annual basis, taking into consideration the requirements of relevant regulators. Committee sets the foundations for granting remunerations and allowances to Board Directors and the Senior Executive Management and submits proposals on the remunerations of the subsidiaries' Boards of Directors.

In determining the proposed remuneration, Committee takes into account the duties and responsibilities of Board Directors and the Company's performance and benchmarks with the best practices of the similar companies listed on Qatar Stock Exchange.

On the other hand, the scope of the Committee's responsibilities includes setting the foundations and developing criteria for the shareholders to identify eligible persons and elect candidates for Board membership at the General Assembly meeting, receiving applications for membership of the Board of Directors and submitting a list of candidates, including its recommendations in this regard. In addition, Committee reviews the self-assessments of Board Directors, which include a comprehensive analysis of the Board's performance and related recommendations, taking into consideration many factors that best serve the long-term interests of the Company's shareholders and meet their expectations. Committee reports to the Board of Directors on its activities, issues and raises recommendations.

In 2022, Committee held a meeting on 15th of February 2022, during which it considered several matters and resolved the following:

1. Review self-assessment of Board Directors –Directors made positive assessments at various levels, such as independence, objectivity, knowledge and experience, teamwork, leadership, goals, contributions, participation and inputs.
2. Propose the remuneration of the Board Directors for the financial year ended 31st of December 2021.
3. Review the proposed remunerations of the subsidiaries' Boards of Directors - ensuring that these remunerations were determined based on the operational and financial performance of the subsidiaries with a fair estimate.

In accordance with Committee's Terms of Reference, the meeting of the Committee shall be valid only in the presence of the Chairman of the Committee and a majority of its members. Minutes of meeting shall be prepared for each meeting and signed by all members and representatives present at the meeting. Committee shall meet as and when necessary. Prior to Board meeting for reviewing the year-end financial statements, Committee shall meet to make recommendation on the proposed remuneration of Board Directors that should be presented to and approved by the Annual General Assembly.

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Remuneration of Board of Directors

The Company developed a periodically revisited remuneration and allowance policy for Board Directors. The policy has fixed component for Board Directorship and attending meetings and a variable component (remuneration) based on the performance of the Company and the extent to which it achieves its medium- and long-term objectives, provided that the total of both components - in any case - should not exceed the maximum "ceiling" amount determined by the policy as approved by QatarEnergy. The main principles of this policy are included in the Corporate Governance Framework. In accordance with the Company's Articles of Association, the proposed remuneration of Directors shall be presented to and approved by the General Assembly.

As part of its efforts to be in compliance with the provisions of the Commercial Companies Law as amended by Law no. 8 of 2021, GIS, based on the approval of the Company's Extraordinary General Assembly meeting held on 13th of March 2022, amended Article no. 44 "Remuneration of Directors" of its Articles of Association to read as follows: "The Directors shall be paid such remuneration as may be determined by applicable Law and regulations, subject to approval by a resolution of the General Assembly. Directors may receive a lump sum in the event that the Company does not make any profits, subject to the approval of the Company's General Assembly."

In its remuneration policy, the Company complies with the limits provided for in Article no. 119 of the Commercial Companies Law promulgated by Law no. 11 of 2015 that such remuneration does not exceed (5%) of the net profit after deducting reserves, legal deductions and distributing dividends of not less than (5%) of the Company's paid-up capital.

Remuneration of senior management

All financial, administrative and head office services are provided by resources from QatarEnergy under a service-level agreement. Accordingly, the Company's staffing structure does not include any senior executive position.

Committee currently consists of three members. A meeting was held on 15th of February 2022 to consider the proposed remuneration of the Board of Directors for the financial year ended 31st of December 2021. The recommendation made by the Board of no remuneration was approved by the General Assembly held on 13th of March 2022. As for Board Committees, no remuneration is paid for membership. Only the members of the Nomination and Remuneration Committee receive allowances for attending its meetings. The table below shows the current members of the Committee:

Name	Position
Mr. Ghanim Mohammed Al-Kuwari	Chairman
Mr. Mohammed Ibrahim Al-Mohannadi	Member
Mr. Ali Jaber Al-Marri	Member

3-10 Assessment of Board Performance

The Board of Directors conducts an annual self-assessment to ensure that Directors are efficient, honor their commitments, make the most efforts possible and exchange experiences. The assessment takes into account several factors that best serve the long-term interests of the shareholders and meet their expectations as follows:

1. Independence and impartiality in presenting views and ideas while avoiding conflicts of interest.
2. Directors' knowledge and experience that are relevant to the Company's activity.
3. Commitment, participation and team working at the Board and its committees.
4. The role of the Board and the extent to which it achieves the objectives set, including the outcome of the business and the achievement of the Company's strategy.
5. Communication between the Board on the one side and its committees and the Executive Management of the Company on the other side.
6. Decision-making mechanisms and the accuracy and adequacy of the required information.
7. Providing constructive opinions, suggestions and recommendations and ideas in the best interest of the Company.

The Remuneration Committee, at its first meeting of 2022 held on 15th of February 2022, reviewed the self-assessments of Board Directors for the financial year ended 31st of December 2021. Directors made positive assessments at various levels, such as independence, objectivity, knowledge and experience, teamwork, leadership, goals, contributions, participation and inputs. Assessment results were then presented to the Company' Board of Directors at its first meeting of 2022 held on 17th of February 2022.

In its first meeting of 2023, the Remuneration Committee will review 2022 Board self-assessment and will make its recommendations in this regard as part of its report to the meeting of the Board of Directors.

During 2022, the Board performed the tasks and dispensed business decisions within its authorities as provided for in the Board Charter. Directors had no grievances or complaints. All proposals were discussed during Board meetings and necessary relevant actions were taken, whether corrective or reinforcing. The Board is satisfied that it has effectively discharged all of their duties and obligations.

4. Company's control system

The primary purpose of internal controls is to assist in achieving management's objective of ensuring, as far as practicable, the orderly and efficient conduct of its business, including adherence to management policies, the safeguarding of assets, the prevention and detection of fraud and error, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information. To achieve this, the Company adopted an internal control system that includes the development of internal controls over financial reporting, policies and operating procedures for risk management, internal and external audit, monitoring Company's compliance with the relevant regulations. Clear lines of self-control, responsibility and accountability throughout the Company are therefore set.

The internal control system is overseen by the Audit Committee and the Board of Directors to discuss observations on the internal controls. The Internal Auditor periodically makes and submits reports in this regard.

To ensure that best standards are applied in developing internal control systems, the management adopted COSO Internal Control – Integrated Framework (2013) as a benchmark framework. COSO Internal Control – Integrated Framework (2013) consists of inter-related components, including control environment, risk assessment, control activities, information and communication, and monitoring.

Internal control is an integral part of GIS' corporate governance which involves the Board, Board Audit Committee, executive management and employees at all organizational levels. It is a process which includes methods and processes to:

1. Safeguard GIS' assets.
2. Ensure the reliability and correctness of financial reporting.
3. Secure compliance with applicable legislation and guidelines.
4. Ensure that objectives are met and continuous improvement of operational efficiency.

The objective for GIS' financial reporting is to be in line with the highest professional standards and to be full, fair, accurate, punctual and understandable.

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Moreover, having a benchmark framework, such as COSO Framework, will enable the management to establish and maintain an internal control system. Company's auditors can also refer it as a benchmark framework to perform their duties in accordance with article no. 24 of QFMA Governance Code for Companies & Legal Entities Listed on the Main Market issued pursuant to QFMA's Board Decision no. 5 of 2016, in particular with regard to the assessment of the appropriateness and effectiveness of the applicable control systems.

To ensure compliance with the provisions of Article no. 4 of QFMA Governance Code, Gulf International Services should:

1. Establish and maintain adequate and effective internal controls over financial reporting to mitigate the risk of significant misstatements.
2. Evaluate and assess the adequacy and effectiveness of the internal controls over financial reporting to mitigate the risk of significant misstatements.

To achieve this, the management developed a framework to assess the Company's internal controls over financial reporting based on the Company' 2022 standalone financial statements. A top-down approach was used in designing and testing of the Company's framework wherein it begins at the financial statement level and with the understanding of the overall risks to internal controls over financial reporting.

Business risks were assessed using the Company's 2021 standalone financial statements. The risk assessment, which involved application of "Materiality" on GIS' 2021 standalone financial statements (considering the qualitative and quantitative factors) based on the inputs of the External Auditor and the best practices, was made to determine the significant accounts, disclosures, their relevant assertions and applicable business processes within the Company for controls identification, evaluation and testing.

This approach directs attention to accounts, disclosures, and assertions that present a reasonable possibility of material misstatement to the financial statements and related disclosures. The next activity involves understanding of the risks in the Company's processes relevant to the identified significant accounts, disclosures and assertions based on risk assessment and select for testing those controls that sufficiently address the assessed risk of misstatement to each relevant assertion. This process can be detailed as follows:

Risk assessment:

1. Identifying and assessing the risks of material misstatement in the financial statements.
2. Determining materiality (considering the qualitative and quantitative factors), external audit input, and other factors relating to the determination of material weaknesses.
3. Identifying classes of transactions, significant account balances, disclosures, their relevant assertions and applicable business processes based on determined materiality. The financial statement assertions include existence or occurrence, completeness, valuation or allocation, rights and obligations, presentation and disclosures.

Perform walkthrough:

Following the risk assessment, the relevant internal controls which mitigate the risk of material misstatements for applicable business processes are identified through walkthroughs by reviewing the established policies and procedures, enquiries with management and process owners and understanding the flow of transactions.

These internal controls are grouped as follows:

1. Entity Level Controls (ELCs) – present across the Company and include measures taken by management to equip staff to adequately manage risks through raising awareness, providing appropriate knowledge and tools as well as developing skills.
2. Information Technology General Controls (ITGCs) - The ITGC (applicable IT applications and infrastructure relevant to identified business process) on Company's general IT infrastructure and systems.
3. Business Process Controls - both manual and automated, are embedded in business processes applicable to financial transactions. These controls may change over time due to changes in the Company's business processes.

A walkthrough involves following a transaction from origination through the Company's processes, including information systems, until it is reflected in the Company's financial records, using the same documents and information technology that Company personnel use.

Walkthrough procedures usually include a combination of inquiry, observation, inspection of relevant documentation.

Test of internal controls:

Following the risk assessment and controls identification, control testing was conducted on each of the identified controls to assess if they are designed adequately and operating effectively. Control testing encompasses three components: test of design effectiveness, test of operating effectiveness, and ongoing monitoring.

Test of Design Effectiveness:

Testing the design effectiveness of controls involves determining whether the Company's controls, if they are operated as prescribed by persons possessing the necessary authority and competence to perform the control effectively, satisfy the Company's control objectives and can effectively prevent or detect errors or fraud that could result in material misstatements in the financial statements. This will conclude if the Company has an adequate system of internal controls over financial reporting.

Testing the design includes a mix of inquiry of appropriate personnel, observation of the Company's operations, and inspection of relevant documentation.

Test of Operating effectiveness

Testing the operating effectiveness of controls involves obtaining evidence about whether the control is operating as designed throughout the relevant financial reporting period. For each control selected for testing operating effectiveness, the evidence necessary to conclude that the control is effective depends upon the risk associated with the control, which is assessed based on factors such as nature and materiality of misstatement the control is intended to prevent, history of errors, frequency with which control operates, effectiveness of entity level controls, competency of personnel performing the control, nature of control i.e., automated or manual.

Evaluating identified deficiencies:

A 'deficiency' in internal control over financial reporting exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis.

Evaluation of the severity of each control deficiency should be made to determine whether the deficiencies, individually or in combination, are significant deficiencies or material weaknesses as of the balance sheet date.

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The Company's management recognizes that a significant deficiency or weakness in internal controls over financial reporting increases the possibility that a misstatement in the Company's annual or interim financial statements will not be prevented or detected on a timely basis, which is important enough to merit attention of those charged with management and governance.

A deficiency in design exists when (a) a control necessary to meet the control objective is missing or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met.

A deficiency in operating effectiveness exists when a properly designed control does not operate as designed, or when the person performing the control does not possess the necessary authority or competence to perform the control effectively.

Remediation Testing:

The Company ensures that any issues or deficiencies either relating to design or operative effectiveness of specific controls are remediated. Once a new control is in place or remediated, it should be given enough time for its operations to validate the control's operating effectiveness. The amount of time that a control should be in place and operating effectively depends on the nature of the control and how frequently it operates.

Based on its assessment of the Company's current internal controls over financial reporting and Testing of Design and Operating Effectiveness, the management believes that the Company has developed an appropriate internal control framework that meets the requirements of the internal control over financial reporting. Moreover, the management considers the developed framework as appropriate to form the basis for compliance with the requirements of Qatar Financial Markets Authority in this regard.

The following are the main elements of the Company's internal control framework:

4-1 Risk management

As a service provider under a service-level agreement, QatarEnergy' established risk management rules and regulations are applied. However, the Board of Directors endeavors to maintain an appropriate risk management framework at Company level, as risk management is an integral part of company governance, which the shareholders expect from the Board of Directors.

This framework takes into consideration pursuing an integrated process for continuous risk management, starting from risk identification, assessment, measurement, management to monitoring as follows:

- Risk identification and assessment involve identifying and assessing all risks facing the Company. Risks are classified into four main categories: strategic, operational, financial and compliance related. For each risk, there must be measures to address it effectively, as well as a set of indicators to monitor changes in the overall risk structure and landscape. Risks are simulated in several scenarios in order to develop proper remedies and assess their cumulative impact on the performance of the Company.
- Risks are then measured based on the impact and possibility of their occurrence.

- Risks are managed with the possibility that their level is increased, decreased or maintained in a manner consistent with the determined level of risk accepted by the Company. During treatment, the Company takes into consideration that risks have a life cycle, i.e., before, during and after the occurrence. The Company ensures protection, and that regulations, operational procedures and controls are developed in accordance with the best practices to minimize and mitigate related risks.
- Risks are then monitored to ensure that any related problems are quickly identified and properly addressed.

4-2 Audit

4-2-1 Internal Audit

Gulf International Services periodically floats a tender for the engagement of an independent consultant to provide it with internal audit services in accordance with tendering procedures. Offers are received by an established Tender Committee. Based on its evaluation of the technical and commercial offers, the Tender Committee makes its recommendations to the Board Audit Committee on the selection of the appropriate consultant.

During 2022, a tender was floated to appoint an Internal Auditor to provide the Company and its subsidiaries, as instructed by the BAC and in accordance with the audit plan, with internal audit services as a “service provider”. The Committee, by its resolution no. 2 of 2022, endorsed the appointment of the Internal Auditor for a period of five years, starting 1st of January 2023 after reviewing the procedures for floating the tender and making relevant assessments.

The appointed Internal Auditor makes risk assessment at the Company and its subsidiaries level, draw up appropriate audit plan, get BAC approval, conduct audit in accordance with the approved audit plan, submit their periodic reports to the BAC and follow up on the implementation of the outstanding observations and related corrective action plans.

The Internal Auditor has access to business functions and all data are provided as and when requested. The Internal Auditor verifies control systems, financial oversight and risk management, reviews the development of risk factors at the Company and the appropriateness and effectiveness of the applicable systems to address the related risks. The Internal Auditor also verifies the extent to which the Company is committed to applying internal control systems and complying with the relevant laws and regulations, including Company’s compliance with the rules and provisions that govern listing and disclosure to the stock market.

The internal audit reports are prepared by the Internal Auditor at the Company and subsidiaries level according to the approved audit plan and in line with the international auditing standards. All reports and recommendations are quarterly presented by the Internal Auditor to the BAC and subsequently submitted to the Company’s Board of Directors as part of the BAC periodic report. The report includes assessment results of risks and applied systems at the Company, control and risk management procedures, updates on audit work and related results and an assessment of the Company’s performance as to applying the internal controls to ensure adherence to and compliance with the regulations set by the regulators, a follow up and the current status of the executive management’ plans of corrective actions to address any weaknesses in the internal controls and any other tasks as recommended by the Audit Committee. The executive management receives a copy of the report to take the necessary corrective actions as instructed by the Board Audit Committee.

The Internal Auditor completed 3 audits during 2022 in accordance with the audit plan that covers GIS and its subsidiaries. The scope of the internal audit, which was based on risk assessment, included many areas across group companies, covering main operations (operations, procurement, life insurance, joint venture agreements, client contracts, reinsurance, business development and investments).

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4-2-2 External Audit

The External Auditor provides assurance that the financial statements were properly and fairly prepared in accordance with the international accounting and auditing standards. They report on observations made on significant financial issues and implemented financial controls. Taking into account the requirements of article no. 24 of QFMA Governance Code, the scope of work of the External Auditor includes undertaking control works and assessment of the Company performance, especially relating to appropriateness and effectiveness of internal control systems implemented in the Company, including internal controls over financial reporting, the Company's compliance to its Articles of Associations and the provisions of the Law and QFMA's relevant legislations, including the provisions of QFMA Governance Code.

As part of its efforts to be in compliance with the provisions of the Commercial Companies Law as amended by Law no. 8 of 2021, GIS, based on the approval of the Company's Extraordinary General Assembly meeting held on 13th of March 2022, amended article no. 57 "Auditors" of its Articles of Association to read as follows: "The Auditors of the Company, who shall be a reputable internationally recognized firm of independent accountants registered to do business in the state of Qatar, shall be recommended by the Board and appointed annually for a term of one (1) year by the General Assembly. Auditors may not be appointed for more than three (3) consecutive terms unless otherwise decided by the General Assembly. The Board shall provide the Auditors with all information reasonably required by them to compile their reports within two (2) months of the Company's Financial Year end. The Auditors shall have full access to the Company's books and records. The Auditors shall provide a report on the Company's accounts prior to the relevant meetings of the Board and the General Assembly in accordance with applicable rules and regulations. The Auditors shall attend the Annual General Assembly (to be convened within four (4) months of the Company's year-end), and give their report in relation to the accounts of the Company laid before such Annual General Assembly."

The Board Audit Committee examines and evaluates offers received from external auditors registered in QFMA external auditors' list. Accordingly, the Committee makes its recommendation to the Board on the appointment of the External Auditor. Once approved by the Board, the recommendation shall be included in the agenda of the Company's General Assembly.

The General Assembly appoints the External Auditor for one year, renewable for a similar period or other similar periods up to a maximum of five consecutive years, provided that no re-appointment shall be made before two consecutive years are passed. The agreement between the Company and the External Auditor provides that the External Auditor's employees are required to strictly maintain confidentiality. Under relevant regulations and laws, the External Auditor is prohibited from combining between their assigned business, functions and duties and any other business in the Company, and from working at the Company before at least one year from the date of relations end with such Company.

The Company floated a tender for the appointment of an External Auditor for a period of five years, starting 2018. The recommendation on the proposed appointment by the committee, which is formed in accordance with Company's tendering procedures, is annually presented to the Company's Ordinary General Assembly for approval. In 2022, the Company's General Assembly, at its meeting for 2021 which was held on 13th of March 2022, approved the appointment of KPMG as the Company's External Auditor for 2022 for an annual fee of QR 313,690 inclusive of the external audit work and additional work of ICoFR and corporate governance assessment as instructed by QFMA, as well as the Company' compliance with QFMA Governance Code.

With the expiry of the current agreement with the External Auditor on 31st of December 2022, GIS floated a tender during 2022 to appoint an External Auditor to provide the Company and its subsidiaries with audit services. The Committee, by its resolution no. -- of 2022, endorsed the appointment of the External Auditor for a period of five years (subject to a yearly approval of the General Assembly), starting from the financial year ending 31st of December 2023 after reviewing the procedures for floating the tender and making relevant assessments.

During 2022, the External Auditor attended the meeting of the Company's General Assembly for the financial year ended 31st of December 2021 held on 13th of March 2022, and submitted their independent assurance report on: (a) Consolidated financial statements audit, (b) Board of Directors' report on the design, implementation and operating effectiveness of internal control over financial reporting, (c) Board of Directors' report on compliance with the applicable Qatar Financial Markets Authority laws and relevant legislations, including the Governance Code for Companies and Legal Entities Listed on the Main Market.

As for the financial year ended 31st of December 2022, the External Auditor, KPMG, will attend the Company's General Assembly meeting for the financial year 2022 to be held on 13th of March 2023, and will submit the independent assurance report to the Company's shareholders on:

a) **Audit of the consolidated financial statements.** In their opinion, the External Auditor pointed out that the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2022, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ('IFRSs').
b) **Internal Controls over Financial Reporting and their related assessment.** In their opinion, the External Auditor pointed out that based on the results of their reasonable assurance procedures, the Directors' ICOFR report fairly presents that the Company's ICOFR were properly designed and implemented and are operating effectively in accordance with the COSO framework as at 31 December 2022.
c) **Compliance with the Qatar Financial Markets Authority's law and regulations and Other Relevant Legislation including the Corporate Governance Code for Companies & Legal Entities Listed on the Main Market.** In their opinion, the External Auditor pointed out that based on their limited assurance procedures performed, nothing has come to their attention that causes them to believe that the Board of Directors' Statement does not present fairly, in all material respects, that the Company has a process in place to comply with its Articles of Association, and the provisions of the QFMA's law and regulations and other relevant legislation and the Company is in compliance with the articles of the Code as at 31 December 2022.

Moreover, the External Auditor's full independent reports mentioned above, which include responsibilities, inherent limitations, scope and its determinants, criteria, results and the basis for conclusion/opinion, were published as part of the Company's annual report available on the Company's website (www.gis.com.qa).

4-3 Compliance

GIS Board of Directors is strongly committed to maintaining full compliance with all applicable regulations, including QFMA requirements for listed companies. The Board makes every effort to ensure that a governance structure based on best practices, standards and regulatory governance requirements is developed and implemented.

Areas of non-compliance with particular provisions of QFMA Code, including the reasons for any such non-compliance, were highlighted in this report. The Company makes every effort to be in compliance with the provisions of the applicable QFMA law and relevant legislations, including the Code.

The main responsibility of the Compliance Section is to assist the Board of Directors, Board Audit Committee and the Company's management to comply with governance rules, and to manage and monitor risks by ensuring that relevant policies and procedures are in place to protect the Company, as a listed entity, against exposure to non-compliance risks.

The Compliance Section continuously monitors changes to governance regulations and best practices, and periodically updates the Board on any changes to governance practices / regulations.

As and when the Company is required to update its governance structure due to new changes to corporate governance regulations and leading practices, Compliance Officers are required to prepare and submit proposals on governance changes to the Board for approval.

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To this end, as additional layer, a mechanism is being developed to review, monitor and ensure that the Company is compliant with applicable laws, rules and regulations, and to enhance the Company's self-revision of risk management. The mechanism generally aims to:

- Provide a reasonable assurance of the Company's compliance with the relevant applicable laws and regulations.
- Detect cases of non-compliance, whether accidental or intentional.
- Take the necessary disciplinary actions in accordance with the Company's regulations in cases of noncompliant behavior.
- Take the necessary corrective actions to address the consequences of noncompliance.
- Develop proposals to avoid non-compliance in the future.

Each and every company of GIS group companies, which are not the main focus of this report, is fully aware of the importance of establishing the principles of good governance, including transparency, accountability and responsibility to support efforts geared towards achieving strategic goals and objectives, financial stability and integrity, and thus enhancing operational excellence. On the other hand, each company is managed independently by a Board of Directors having the necessary powers to manage and exercise its duties in full accordance with its fiduciary responsibility, ensuring the protection of all shareholders' rights of different classes. Each company also has its own systems and internal controls, including risk management systems, which are overseen by its Board of Directors, Board committees and other relevant executive committees, such as audit committees, institutional risk management committees and governance and compliance committees. All of this contributes positively to creating a control environment in line with the best standards and practices.

Moreover, the Company's Board of Directors ensures that the financial and operational performance of its group companies is periodically discussed. In addition, GIS appoints only qualified and eligible Directors – its representatives to subsidiaries - who are sufficiently experienced to perform their duties effectively in the best interest of the subsidiary and dedicated to achieving its goals and objectives. Upon appointment, a Director shall be fully responsible to the subsidiary, in which he holds a seat on its Board, and shall be held accountable for his decisions to GIS as a shareholder in the meeting of the General Assembly, thereby increasing the level of independence from the appointee and non-interference in the management.

5. Disclosure and Transparency

5-1 Disclosure

The Company complies with disclosure requirements, including A) financial reports and notes thereto as disclosed to the regulators, published in the local newspapers and posted on the Company's website (www.gis.com.qa), B) number of shares owned by the Chairman, Board Directors and members of the Senior Executive Management, and C) major shareholders. The Company also complies with the requirements of disclosing information on the Chairman, Directors, Board Committees, Chairman and Directors' qualifications and experience as noted from their bios, and whether any of them is a member of the Board of Directors of other listed company, a member of its Senior Executive Management or its Board committees.

On the other hand, during 2022, no penalties were imposed on the Company as a result of violations committed during the year, including violations and sanctions imposed because of non-compliance with the implementation of any of principals or provisions of QFMA Governance Code. In addition, there were no settlements of any actual, pending, or threatened litigation during this period against the Company, and that there are no unasserted claims and assessments to be probable of assertion.

Disclosure is made in accordance with specific procedures approved by the Company's management. These procedures include ways of dealing with rumors by proving false or true, and how to clearly disclose in writing in a manner that is consistent with QFMA relevant legislations.

The Board takes appropriate measures to ensure that all disclosures are made in accordance with the instructions and rules of the relevant regulatory authorities, and that accurate and non-misleading information with the required quality and quantity is provided to all shareholders in an equitable manner to enable them to take informed decisions.

5-2 Conflict of Interest

The Board complies with QFMA Governance Code principals for the disclosure of any dealing and transaction the Company enters into with any "Related Party", in which such Related Party has an interest that may conflict with the Company's interest. In all cases, any transaction with Related Parties is disclosed in the notes to the Company's consolidated financial statements, which are published in the local newspapers and posted on the Company's website.

The Company also seeks the approval of the General Assembly before entering into a major deal or transaction, as defined by QFMA, with a Related Party. Such deal or transaction must be put on the agenda of the next General Assembly to complete the requisite procedures for conclusion.

Moreover, the Company developed a policy on Related Party transactions in its Corporate Governance Framework. This policy takes into account the following:

- Review of these transactions, if any, by the Board Audit Committee and the Board of Directors to ensure compliance with relevant regulations.
- Ensure that all transactions with, or for the benefit of, any Related Party are on terms and conditions that are acceptable and within safe and sound practices and fulfil the adequacy condition of the required documents and the appropriate levels of the approving authority.
- Ensure that a transparent process, when applicable, is in place with adequate disclosure of Related Party transactions to shareholders.
- Price in a manner consistent with the recognized market practices, or on an appropriate basis, being arms-length.
- Adequate documentation, and such documentation may take the form of, for example, a services agreement, sale and purchase agreement, loan agreement etc., as appropriate, and that the terms and conditions contained therein are consistent with market practices.

In all cases, all relationships held by the Company with others must serve the Company's interest, as well as all transactions shall be made according to market prices and on arm's length basis and shall not involve terms that are contrary to the Company's interest.

During 2022, Related Party transactions at the Company level (on a stand-alone basis) included:

- Annual expenses paid to QatarEnergy for providing the Company with all financial and head office services under a service-level agreement.
- Income tax amounts received from subsidiaries.
- Annual dividends approved by the subsidiaries' General Assemblies.
- Rent amounts received from a subsidiary for residential villas rented to its employees.
- Credit facilities provided to a wholly owned subsidiary of GIS to cover the working capital needs.
- Foreign exchange transactions made between GIS and its subsidiaries as part of managing cash and working capital needs. These transactions were made at the official exchange rates.

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5-3 Transparency and upholding the interest of the Company

The Board of Directors recognizes that the risk of conflict of interest may arise from the fact that a Director or a member of the executive management is a "Related Party", or access to Company's information by employees, service providers and any other stakeholder. In order to avoid this, the Company adopted a conflict of interest policy within its Corporate Governance Framework to identify, as far as possible, conflict of interest situations, and to prevent losing objectivity by adhering to the appropriate professional conduct and establishing the principles of transparency, fairness and disclosure.

In accordance with the Company's internal regulations and Conflict of Interest policy, if a Related Party is in a conflict of interest situation, it shall not be entitled to attend the discussion, cast vote, or pass a resolution in this respect.

In general, a Related Party shall avoid any situation that may involve or result in actual or potential conflict of interest. In all cases, all related decisions must serve the interests of the Company.

Moreover, Directors and employees / service providers understand that all information related to GIS, its subsidiaries and customers is confidential and only used for the Company's purposes. Using such information for personal or family purposes or for other benefits is considered unethical and illegal conduct.

5-4 Disclosure of share trading

The Company adopted procedures and rules that govern insider trading. These procedures and rules take into account the definition of the insider, whether permanently due to holding a position in the Company, or temporarily as a result of carrying out specific tasks for the Company. This insider has access to material information about the Company that could have a positive or negative impact on the investment decisions that can be taken by those who trade Company's share at Qatar Stock Exchange.

The Company updates Qatar Central Securities Depository (QCSD) with the details of the insiders, Directors and members of the Company's executive management to ban their tradings according to the applicable rules, and to disclose their tradings of the Company's shares on a daily basis by Qatar Stock Exchange.

In general, insiders are not allowed to benefit directly or indirectly from the use of inside information that has not yet been disclosed. Trading Company's shares on the basis of inside information, regardless trade size, is a serious violation of the Company's ethical standards and policies. In addition, the insider may not assist others to trade the Company's shares by improperly disclosing inside information.

6. Stakeholder rights

6-1 Equal rights of shareholders

Shareholders are equal and have all the rights arising from share ownership in accordance with the provisions of the Law, regulations and relevant decisions.

The Company's Articles of Associations and internal regulations provide for the procedures and guarantees needed for all shareholders to exercise their rights, particularly the rights to dispose of shares, receive the determined dividends, attend the General Assembly and participate in its deliberations and vote on decisions, as well as the right to access information and request it with no harm to the Company's interests.

The Company amended its Articles of Association, as approved by the Extraordinary General Assembly meeting held on 5th of March 2018, by adding a provision on shareholder's right to sell shares as follows: "Should a Shareholder or a group of Shareholders reach an agreement to sell Shares in the Company equal to or exceeding fifty percent (50%) of the Company's market capitalization, such agreement shall not be enforceable unless an offer is extended to the remaining Shareholders to exercise, at such Shareholders' discretion, their Tag-Along Right."

As part of its efforts to be in compliance with the provisions of the Commercial Companies Law as amended by Law no. 8 of 2021, GIS, based on the approval of the Company's Extraordinary General Assembly meeting held on 13th of March 2022, amended article no. 13 "Rights Attaching to Shares" of its Articles of Association to read as follows: "Shareholders holding shares of the same class are equal and have all the rights, privileges and restrictions arising from share ownership. Each Share shall, except the Special Share, give its holder equal rights in the Company's assets and Shareholder distributions as well as rights to vote on a one-share- one-vote basis. The rights of the holders of Shares (other than the Special Share) are subject to the rights of the holder of the Special Share as set out in these Articles.

6-2 Register of shareholders

The register of shareholders is managed in accordance with QE applicable rules and procedures. The register of shareholders is kept and updated by Qatar Central Securities Depository (QCSD). Under the agreement between GIS and QCSD, the latter undertakes the tasks of registering, maintaining and depositing of securities, clearing and settlement, entering dealings in securities, whether purchase, sale, transfer of ownership, registration or pledging in the respective registers.

6-3 Shareholder rights to access information

The Company's Articles of Association and internal regulations provide for the procedures to be followed by shareholders for accessing information allowed to be disclosed to enable them to exercise their full rights without prejudice to other shareholders' rights or adversely affect the interests of the Company.

The Board of Directors and the Company's employees are making continuous efforts to establish constructive relationship and maintain communication with shareholders and investors so that they can make sound investment decisions by:

(a) Ensuring fair and transparent disclosure of the Company's information both in quality and quantity in accordance with applicable laws and regulations.
(b) Publishing a quarterly analytical report that includes details and analysis of the Company's financial and operational performance.
(c) Publishing a presentation and holding a quarterly virtual earning call.
(d) Dedicating a professional team to meet shareholders and discuss their inquiries regarding the company's financial and operating performance.
(e) Attending events and conferences.
(f) Updating the Company's website (www.gis.com.qa) in line with the modern display techniques to better serve the shareholders of the Company and all related parties. The website contains a dedicated section for investor relations through which all information subject to regular and immediate release, including, financial reports, press releases and corporate governance reports and their requirements.
(g) Making and maintaining strong partnerships with newspapers and other media.

Qatar Stock Exchange and Qatar Financial Markets Authority are provided with the details of the contact person. Further, an email account (gis@qatarenergy.qa) is dedicated for receiving inquiries or questions from the Company's shareholders. The Company also seeks views and consider assessments and suggestions from the institutional and individual shareholders, with whom it maintains regular communication.

The representatives of the Company ensure that all information provided to shareholders / investors is of the class that is allowed to be disclosed to the public. Providing confidential information or favoring a shareholder more than another is strictly prohibited.

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GIS, based on the approval of the Company's Extraordinary General Assembly meeting held on 13th of March 2022, amended article no. 60 "Access to Books of Account" of its Articles of Association to read as follows: "The books of account of the Company shall be kept at its head office. Subject to such confidentiality and such other restrictions as the Board may from time to time agree, the Shareholders and their respective auditors and the Directors shall have full access to such books of account and all information that enable them to exercise their full rights without prejudice to other shareholders' rights or harm the Company's interest, provided; however, that prior to undertaking any review of the Company's books or records, the Shareholders shall first use their best efforts to obtain the information sought to be obtained from such review by making inquiry of the Company's Auditors."

6-4 Shareholder rights to General Assembly

6-4-1 Attendance and invitation

The Annual General Assembly considers and approves the Board of Directors' report on the Company's activity and financial performance during the financial year, External Auditor's report, Company's financial statements, governance report, Board's recommendation on dividend distributions, absolving Directors from their liability and approving their remuneration, and appointing the External Auditor and approving their fees.

As part of its efforts to be in compliance with the provisions of the Commercial Companies Law as amended by Law no. 8 of 2021, GIS, taking into account the instructions made by QFMA on regulating shareholders' rights to the Company's General Assembly meeting held on 13th of March 2022, amended the following articles of its Articles of Association:

a) Article no. 46 "Annual General Assembly" now reads as follows: "A General Assembly shall be convened by the Board and held at least once every year (at a date and venue determined by the Board and notified to the Ministry of Commerce and Industry), within four (4) months of the end of the Financial Year ("Annual General Assembly"). The procedures to be followed for convening and conducting each Annual General Assembly shall be those set forth in these Articles."
b) Article no. 48 "Place of General Assembly Meetings" now reads as follows: "All meetings of the General Assembly shall be held in Qatar. The meetings of the General Assembly may be held by means of modern technology in accordance with the controls set by the Ministry of Commerce and Industry."
c) Article no. 49-1 "Notice of General Assembly" now reads as follows: "A General Assembly shall be convened by a notice from (and shall be chaired by) the Chairman or, in his absence, the Deputy Chairman (if any) or such other Director as may have been authorised to do so by the Chairman. A notice to attend the meeting of the General Assembly shall be electronically made to all shareholders on the websites of Qatar Stock Exchange and the Company and shall be published in a Qatari daily newspaper published in Arabic or otherwise by any other means of notification before not less than twenty-one (21) days prior to the proposed date of the General Assembly."
d) Article no. 49-2-1 "Notice of General Assembly" now reads as follows: "The notice shall contain: (i) the time, date and place of the meeting; (ii) a notice to Shareholders that they may appoint a proxy (who must be a Shareholder) to attend on their behalf; (iii) an agenda for the meeting with a detailed explanation."
e) Article no. 50 "Requisition of General assembly" now reads as follows: "A Shareholder or Shareholders together holding at least (10%) of the Company's share capital may require that a General Assembly be convened. Shareholders representing at least (25%) of the Company's share capital may require that an Extraordinary General Assembly be convened in accordance with the provisions of the Law and the regulations in this regard."

f) Article no. 52 “Right to Attend and Vote” now reads as follows: “Each Shareholder (including minors and interdicted persons), whose name is entered in the Shareholders Register at the end of trading session on the day on which the General Assembly is convened and who is present in person or duly represented by proxy, shall be entitled to attend the General Assembly, participate in deliberations and raise questions to Directors who shall respond to the questions to the extent that this does not harm the interest of the Company. A shareholder may refer to the General Assembly if they believe the response to their question is not sufficient. Shareholder shall have the right to vote on such matters on the meeting agenda. Such Shareholder shall have one vote for each Share held. The General Assembly shall elect the Directors by secret ballot and voting should take place in accordance with the applicable rules and regulations.”

In accordance with the Company’s AoA, a shareholder may appoint by a proxy executed in writing another shareholder who is not a Director to attend the General Assembly on his behalf, provided that shareholder by proxy shall not own more than (5%) of the Company’s share capital.

6-4-2 Effective Participation

The Company saves no effort to ensure that shareholders have the opportunity to participate effectively, vote in General Assembly meetings and be well informed of the rules, including voting procedures, which govern general shareholder meetings. In achieving this, the Company:

- Provides the shareholders with sufficient information in quality and quantity on the date, location and agenda of the general meetings, as well as complete and timely information regarding the matters to be discussed at the meeting to enable them to make a decision. This is achieved through announcing the meeting agenda in the local newspapers and posting it on the Company’s own website. It also communicates the agenda to Qatar Stock Exchange for announcement on its website.
- Enables shareholders to directly pose questions to the Board Directors, place items (if any) on the agenda of the meeting, and to propose or object to resolutions, subject to the procedures established by law and applicable regulations in this regard.
- Provides a mechanism through which shareholders can attend and vote in person or in proxy. Equal effect should be given to votes whether cast in person or in proxy.

In accordance with the Company’s Articles of Association, shareholder may object to any resolution deemed for the interest or harm of a certain group of shareholders; or brings personal benefits for Directors or others without regard to the Company’s interests. Shareholder is entitled to enter such objection into the record of the meeting and to invalidate the objected resolution without prejudice to the provisions of the Articles of Association in this regard.

As for the financial year ended 31st of December 2022, the Company’s Ordinary and Extraordinary General Assembly meetings were held on 13th of March 2022. The agenda of the Ordinary General Assembly and the proposed amendments to the Company’s Articles of Association were approved. The amendments were originally made to ensure compliance with certain provisions of the Commercial Companies Law promulgated by Law no. 11 of 2015 as amended by Law no. 8 of 2021, as well as the provisions of QFMA Governance Code.

As for the financial year ended 31st of December 2022, the following agenda of the Company’s Ordinary General Assembly meeting (to be held on 13th of March 2023) will be considered:

1. Listen to Chairman’s Message for the financial year ended 31st of December 2022.
2. Listen and approve Board of Directors’ Report on GIS’ operations and financial performance for the financial year ended 31st of December 2022.
3. Listen and approve External Auditor’s Report on GIS’ consolidated financial statements for the financial year ended 31st of December 2022.
4. Approve GIS’ consolidated financial statements for the financial year ended 31st of December 2022.
5. Approve 2022 Corporate Governance Report.
6. Approve Board recommendation for a dividend payment of QR 0.1 per share for 2022, representing 10% of the nominal share value.

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7. Absolve the Directors of the Board from liability for the financial year ended 31st of December 2022 and approve their remuneration with a total of QR 3,800,000 for all Directors.
8. Appoint "PwC" as the Company's External Auditor for the financial year ended 31st of December 2023 and approve their fees.

In addition, an Extraordinary General Assembly meeting is scheduled to be held on 13th of March 2023 to approve the proposed merger of Amwaj, a wholly-owned subsidiary of GIS, with other selected entities, and authorizing GIS Board of Directors, or anyone authorized by GIS Board of Directors, to take all the necessary steps as to complete the transaction.

6-4-3 Election of Board Directors

GIS adheres strictly to disclosure requirements with regard to candidates for Board membership (four elected Directors). The Company has already provided its shareholders with full information about all candidates for the Board's term of office (2021-2024), including their qualifications and experience as noted from their bios. On 23rd of February 2021, GIS proactively provided the regulators with the names of the candidates and posted their names on the Company's website well enough before the meeting of the General Assembly, which was held on 10th of March 2021, so that shareholders could take informed decisions regarding the candidates on substantive grounds.

As for appointed Directors, QatarEnergy appoints only qualified and eligible Board Directors who are sufficiently experienced to perform their duties effectively in the best interest of the Company and dedicated to achieving its goals and objectives. QatarEnergy makes timely disclosure of any and all decisions on the composition of the Board of Directors or any change thereto.

6-4-4 Dividend distribution

In accordance with the provisions of the Company's Articles of Association amended by the resolution of the Extraordinary General Assembly held on 26th of February 2017 and pursuant the resolution of the Extraordinary General Assembly held on 5th of March 2018 and without prejudice to the Company's ability to fulfill its obligations towards third parties and pursuant to a resolution of the General Assembly, dividends of not less than five (5) percent of the net profits of the Company after deducting legal deductions shall be distributed to registered shareholders at the end of trading session on the day on which the General Assembly is convened, provided that dividends shall not exceed the amount recommended by the Board.

The main lines of the dividend distribution policy included in the Company's Corporate Governance Framework are explained in the attachments to the meeting agenda of the Company's General Assembly.

In general, the dividend policy requires the Company to balance shareholders' expectations with its operational and investment needs. This is achieved through investigating the following factors before a recommendation on the dividend distribution could be presented to the General Assembly:

- Cash flow constraints: It is not obligatory on GIS to distribute full profit to the shareholders. GIS shall keep sufficient cash for its operational requirements before dividend distribution.
- Lenders Constraints: GIS shall satisfy the financial requirement of lenders, if any.
- Legal constraints: Any legal reserves shall be reserved before distributing the dividend.
- Future investment plan: investment plans of GIS shall be considered, and sufficient cash shall be retained before dividend distribution unless it has been decided to fund the investment through additional share capital or bank financing.

The proposed annual dividend is subject to the final approval of the General Assembly. The Company, through its agreement with a local bank, Qatar National Bank, makes it easier for the shareholders to claim their dividends for the year or previous years by making transfers to the accounts of the shareholders who provided their bank account details to Qatar Central Securities Depository or submitted a request for transferring their dividends to any QNB branch. The Company's website is updated with the required documents and all related details to claim dividends.

As for the resolution of Company's General Assembly passed in 2022 for the financial year ended 31st of December 2021, the General Assembly approved Board of Directors' recommendation not to distribute dividends for the year 2021.

As for the financial year ended 31st of December 2022, the Board of Directors' recommendation for a dividend payment of QR 0.1 per share for 2022, representing 10% of the nominal value of share will be presented at the Company's General Assembly meeting that will be held on 13th of March 2023.

6-5 Conducting Major Transactions

The Company is committed to treat all shareholders equitably. Shareholders of each class of shares are equal and have all the rights arising from the share ownership in accordance with the provisions of the relevant law, regulations and decisions. The Company ensures that minority shareholders are protected against abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly.

The Company ensures that minority shareholders are protected against abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly.

Therefore, the Company ensures that all shareholders are equitably treated at the General Assembly meeting, and that voting process is facilitated without prejudice to the provisions of its AoA.

In accordance with the Company's Articles of Association, Shareholders in general and Minorities in particular may, in the event that the Company conducts Major Transactions that might harm their interests or prejudice the ownership of the Company's share capital, object and enter such objection into the record of the meeting and to invalidate the objected transaction without prejudice to the provisions of these Articles in this regard.

The Company's capital structure is disclosed in the financial statements and herein. Additionally, Qatar Stock Exchange discloses the Company's major shareholders on its website.

With the exception of some selected entities identified in the Company's Articles of Association, and pursuant to the resolution of the Company's Extraordinary General Assembly held on 2nd of May 2018, no person or entity, shall hold either directly or indirectly (or be beneficially entitled to) shares of a nominal value exceeding 2% of the Company's share capital. The maximum ownership of the company's share capital is 2%. Qatar Central Securities Depository (QCSD), the entity entrusted with managing the register of the Company's shareholders, ensures that this maximum ownership limit is maintained.

GIS, based on the approval of the Company's Extraordinary General Assembly meeting held on 13th of March 2022, amended article no. 20 "Restrictions on shareholding" of its Articles of Association to read as follows: "The Board of Directors may, by a Board resolution considering applicable rules and regulations, determine the ownership percentage of non-Qatari shareholders up to one hundred percent (100%) of the shares listed on Qatar Stock Exchange or on any regulated stock market."

Accordingly, the Board of Directors, by resolution no. 2 of 2022, approved to increase the ownership limit for non-Qatari shareholders to 100%. All necessary measures were then taken in this regard with the relevant authorities. Pursuant to a decision made by the Council of Ministers in its meeting held on 12 October 2022, it was approved to increase the percentage of ownership of a non-Qatari investor in the Company's capital up to 100%.

2022 CORPORATE GOVERNANCE REPORT

(Continued)

Details of shareholdings in GIS share capital could be obtained from Qatar Central Securities Depository as per the register of shareholders. Details of major shareholdings as at 29th of December 2022 are as follows:

Shareholder	Percentage of Shares (%)
Pension Fund - General Retirement and Social Insurance Authority	16.71%
QatarEnergy	10.00%
Military Pension Fund	5.27%
Qatar Investment Authority	3.76%
Other Shareholders	64.26%
Total	**100.00%**

GIS relies on QCSD to obtain valid up-to-date record of shareholdings. As per the information obtained from QCSD as at 29th of December 2022, no shareholder has exceeded the limit specified in the Company's Articles of Association, except as expressly provided therein.

6-6 Stakeholder rights (non-shareholders)

GIS safeguards and ensures respect for the rights of the Company's stakeholders in accordance with QFMA Code. Each stakeholder may request the information related to his interest upon submitting a proof of identity. The Company is committed to provide the requested information in a timely manner and in a way that does not threaten others' interests or prejudice its interests.

A whistleblowing policy and related procedures were adopted within the Company's Corporate Governance Framework to disclose any wrongdoing that may adversely impact the Company, its customers, shareholders, employees or the public at large. Under the policy, GIS assigns a member of the Board Audit Committee to address whistleblowing concerns. The assigned Committee member ensures that issues raised through whistleblowing are raised and reported to the Board Audit Committee according to the materiality of the issue.

A whistleblowing hotline (+974) 4013-2802 was established and provided on the Company's website (www.gis.com.qa) to report malpractice, unlawful or unethical behaviour.

These procedures are also a key defense against management override of internal controls and thus can help improve corporate governance.

GIS recognizes that the decision to report a concern can be a difficult one to make, not least because of the fear of reprisal from those responsible for the malpractice. GIS will not tolerate harassment or victimization and will take action to protect the whistle-blower that raises a concern in good faith.

6-7 Community right

Realizing the importance of its responsibility and the comprehensive role it plays in community development, Gulf International Services Company makes unremitting efforts to support social initiatives and deepen its positive impact on the individual, community and the environment in general. The Company is making efforts to reduce the environmental impact of its operations to the lowest possible sensible level by adopting effective sustainability plans, while also providing job opportunities for qualified Qataris and maintaining suitable operating environment. As part of its ongoing efforts to diversify its sources of income and expand its complementary business, GIS and its subsidiaries support

Qatar's overall strategy towards, achieving comprehensive economic development, in the interest of the community in which it operates through initiatives in the areas such as:

1. Health Safety and Environment: health awareness campaign, health service collaborations, engagement in safety culture and programs such as "Goal Zero", HSE training, operational excellence, energy efficiency, environment management which included water management, waste management, chemicals management, noise management, spill prevention and air emissions management etc.,
2. People: Qatarization programs (partnership with educational institutions, internships, career fairs, trainings and talent management), diversity and equal opportunities, employee retention, training and development, promoting health and fitness, sports activities etc.; and
3. Community: local procurement, sponsorships and donations, health awareness campaigns, community participation programs, such as cultural, social and sport events etc.

The Social and Sport Contribution Fund

Pursuant to Law no. 13 of 2008 as amended by Law no. 8 of 2011, a 2.5% of the Company's annual net profit is allocated to support sports, cultural, social and charitable activities. For the financial year ended 31st of December 2021, the 2.5% amounted to QR 1.35 million (2020: no amount was allocated as the Company did not make profits). The deducted amount was credited in full to the account of the Social and Sport Contribution Fund on 21st of March 2022.

For the financial year ended 31st of December 2022, the Company has allocated QR 7.25 million, representing 2.5% of its 2022 net profits, to support these activities.

Conclusion

Through its Board of Directors, Gulf International Services Company is committed to implementing corporate governance principles and best practices, maintaining by-laws and internal procedures to achieve the highest levels of governance and create anticipatory (proactive) compliance environment aimed at safeguarding its assets and capital, protecting the interests of its customers and shareholders and preserving the Company's integrity and image.

The Board is satisfied that it has effectively discharged all of its duties and obligations and fulfilled its mandate during 2022 as set out in its Charter and relevant legislation. The Board exercises due care and diligence in managing the Company in an effective and productive manner to achieve the interest of the Company, all shareholders and stakeholders in a balanced manner.

Khalid bin Khalifa Al-Thani
Chairman

Appendix: Board of Directors Bios

APPENDIX: BOARD OF DIRECTORS BIOS
(Continued)

Sheikh Khalid bin Khalifa Al-Thani

Chairman

Non-Executive / Non-Independent Member

Qualifications and experience:

Sheikh Khalid bin Khalifa Al-Thani holds a Master Degree in Business Administration (MBA) from Pacific Lutheran University, Tacoma, Washington, United States.

Khalid bin Khalifa Al Thani was appointed Chief Executive Officer (CEO) of Qatargas Operating Company Limited (Qatargas) in 2010. He also serves as Vice Chairman and CEO of the Qatargas group of companies.

Before his appointment to Qatargas, Sheikh Khalid was Director of Ras Laffan Industrial City since 2007 and prior to that he held the position of Business Development Manager of Mesaieed Industrial City. Sheikh Khalid held various key positions in QatarEnergy since joining the corporation in 1991.

Other positions*: Vice Chairman, Milaha

Number of shares in GIS: Nil

APPENDIX: BOARD OF DIRECTORS BIOS

(Continued)

Mr. Saad Rashid Al-Muhannadi

Vice Chairman

Non-Executive / Non-Independent Member, representing Woqod Vehicle Inspection (FAHES)

Qualifications and experience:

Saad Rashid Al-Muhannadi obtained BSC in Industrial & Systems Engineering from the University of Southern California (USC), LA. USA 1990.

Saad joined QatarEnergy Engineering Department as a Developee in 1990.

He held various positions within the Engineering Business Department before he was appointed as Engineering Business Manager in 2001 where he was responsible for a wide spectrum of duties.

Saad became the first Corporate Manager – Contracts in 2003, reporting to the Managing Director (MD) of QatarEnergy, where a Centralized Contracts Department was established to serve all QatarEnergy Departments. This included the development of Systems, Processes with a full suite of related procedures.

In June 2006 Saad was appointed to the post of Director Technical and was reporting to the Managing Director (MD) of QatarEnergy.

Executive responsibility for planning, directing controlling and executing a diverse range of Oil and Gas related and Civil Infrastructure Capital Projects.

Saad was appointed as Chief Executive Officer of Qatar Chemical Company Limited (Q-Chem) in September 2015.

In April 2017, he was appointed as the Chief Executive Officer of WOQOD.

In July 2019, he was appointed as the managing Director and CEO of WOQOD.

In April 2021, he was appointed as Vice -Chairman of GIS.

In April 2021, he was appointed as Vice-Chairman of GIS.

Other positions*: Managing Director and CEO, WOQOD

Number of shares in GIS: 97100

APPENDIX: BOARD OF DIRECTORS BIOS

(Continued)

Mr. Ghanim Mohammed Al-Kuwari

Chairman of the Nomination and Remuneration Committee

Non-Executive / Non-Independent Member

Qualifications and experience:

Mr. Ghanim Mohammed Al-Kuwari obtained Bachelor of Science in Computer Science from the University of Wisconsin in 1986.

Mr. Al-Kuwari joined QatarEnergy in 1986 as fresh graduate in Information Systems Division. He has held various positions from 1989 to 1993.

In 1993, he was seconded to Qatargas and shortly became IT Manager. In 2006, he was promoted to the position of Chief Operating Officer-Administration. He is currently the Chief Human Capital Officer in Qatargas.

Other positions*: Nil

Number of shares in GIS: 34160

APPENDIX: BOARD OF DIRECTORS BIOS

(Continued)

Mr. Mohammed Ibrahim Al-Mohannadi

Member of the Nomination and Remuneration Committee

Non-Executive member / Non-Independent

Qualifications and experience:

Mr. Mohamed Al Mohannadi holds the CEO position of Gulf Helicopters Company (GHC) since 2008 and Board of Director since 2011, Mr. Mohamed Al Mohannadi has been associated with Gulf Helicopters since November 1994. Earlier to this, Mr. Al Mohannadi held the position of Customer Services Manager with Gulf Air in Doha. He holds an aviation management degree from Florida Institute of Technology, USA.

Mr. Al Mohannadi is a proven entrepreneur and strategic leader who translates business strategies into maximum profits aligned with efficient, safe and quality service conforming to International Standards.

Mr. Mohammed Al-Mohannadi implemented a strategic plan to expand the network of Gulf Helicopters and build a modern fleet and was able to bring about comprehensive changes and an advanced philosophy that takes the quality of services as its starting point.

Other positions*: Nil

Number of shares in GIS: 50220

APPENDIX: BOARD OF DIRECTORS BIOS

(Continued)

Mr. Ali Jaber Al Marri

BAC member
Member of the Nomination and Remuneration Committee

Non-Executive / Non-Independent Member, representing General Retirement and Social Insurance Authority

Qualifications and experience:

Mr. Ali Jaber Hamad Al Marri earned a Master of Business Administration from Gulf University, Bahrain, in 2009. He was graduated with a bachelor's degree in accounting from Beirut Arab University in 1999. He had also received a Diploma in Commerce in 1991.

Mr. Al-Marri currently holds the position of Director of the Internal Audit Department at General Retirement and Social Insurance Authority (GRSIA).

He has 35 years of experience in the management of financial and administrative affairs, human resources. Mr. Al-Marri participated in developing GRSIA strategic plans, objectives, vision, mission and reflection in achieving the general objectives of GRSIA in a manner that leads to improved effective performance.

Other positions*: Nil

Number of shares in GIS: Nil

APPENDIX: BOARD OF DIRECTORS BIOS

(Continued)

Sheikh Jassim bin Abdullah Al-Thani

BAC member

Non-Executive / Independent Member, representing Qatar Investment Authority

Qualifications and experience:

Sheikh Jassim bin Abdullah Al-Thani obtained a Bachelor Degree (B.SC) in Administrative Science and Economic majoring in Accounting from Qatar University in 2005.

Sheikh Jassim started his career as an Assistant Manager at the Qatar Takaful Company and was promoted to Assistant General Manager in 2006 and worked in that position until 2009. He then worked in the Business Development Department of QIA for 5 years and subsequently worked in the Training Department for two years. He is currently working as a Senior Performance Analyst within the CFO Office of QIA, a position he has held since April 2016.

Other positions*: Nil

Number of shares in GIS: Nil

APPENDIX: BOARD OF DIRECTORS BIOS

(Continued)

Mr. Mohammed Nasser Al-Hajri

BAC Chairman
Non-Executive member / Independent, representing Qatar Electricity & Water Company

Qualifications and experience:

Mr. Mohammed Nasser Al-Hajri holds a Master's degree in Gas Engineering from University of Salford in the United Kingdom and Bachelors' degree in Chemical Engineering from Qatar University.

He Jointed Qatar Electricity & Water Company in 2021.

He joined QatarEnergy in 1991 and brings a wealth of business and operational experience of more than 32 years of upstream and downstream oil & gas and manufacturing industries.

Mr. Al- Hajri held different leadership roles in QatarEnergy since 1991 and his last position was Executive Vice President of Downstream Development Directorate.

Other positions*: Managing Director and General Manager of Qatar Electricity & Water Company (QEWC)

Number of shares in GIS: 33280

*Positions on the Boards of other public shareholding companies. GIS Directors may also have positions in other entities / companies.

الخليج الدولية للخدمات
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