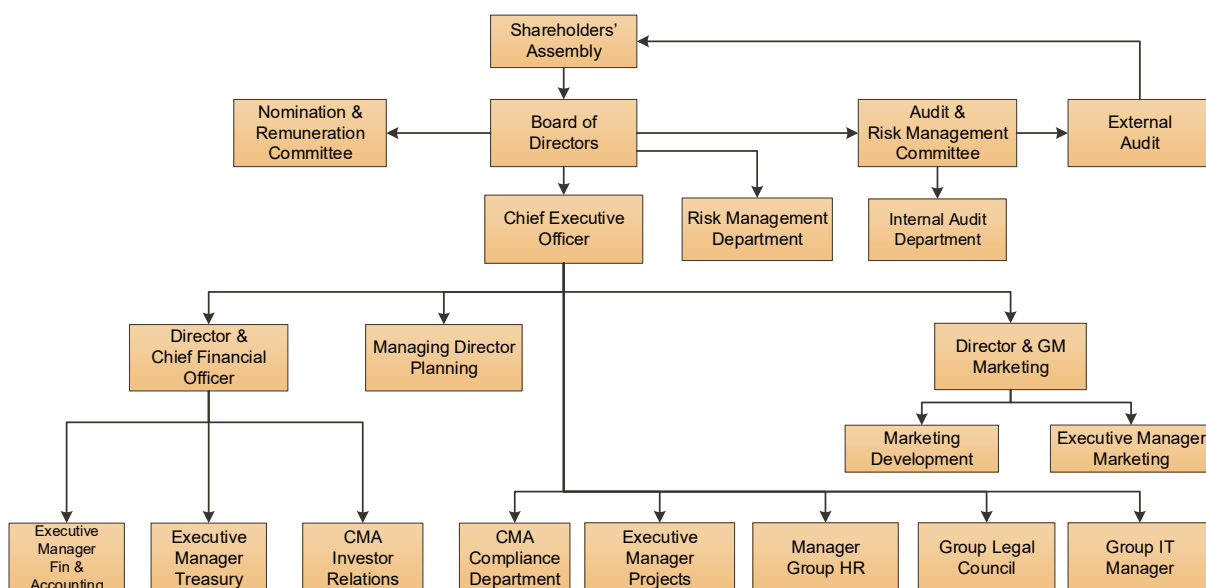


CORPORATE GOVERNANCE:

Independent Petroleum Group K.S.C.P (IPG K.S.C.P), under the leadership of its Board of Directors, is fully committed to the implementation of the new rules on Corporate Governance issued by the Capital Market Authority (CMA), Kuwait. The Company's vision is to implement Corporate Governance, both in letter and spirit.

1. GOVERNANCE STRUCTURE:

The Company endeavors to promote the governance and compliance culture in all facets of the business and at all levels. The organization structure provides for sound governance practices to be reflected within its reporting lines, clear segregation of duties and independence in all the management functions of the Company. The Company's corporate governance structure is portrayed in the chart given below:



2. BOARD COMPOSITION:

The Board of Directors of the Company is a balanced one, taking into consideration the skills and expertise required for efficiently carrying out the Company's business activities. The Board consists of eight members elected by the General Assembly for a period of three years. Of these, four are non-executive, including the Chairman. The other Board members are executive members involved in the day-to-day activities of the Company.

The Board, comprising of eight members is as follows:

A. Khalaf Ahmad Al-Khalaf, Founder and Chairman of IPG K.S.C.P.

Joined IPG Board on September 11, 1976.

Non-executive & non-independent member

Experience:

- Ex- Minister of Electricity and Water, Government of the State of Kuwait.
- Ex- General Manager, M H Al-Shaya Company.
- Ex- Board Member, Kuwait Aviation Fueling Company.
- Ex- Board Member, Kuwait Spanish Petroleum Company.
- Ex- Board Member, Kuwait National Petroleum Company.
- Ex- Assistant Superintendent, Water and Power Stations, Ministry of Electricity and Water, Kuwait.
- Ex- Co-Director of the Water Resources Development Center, Ministry of Electricity and Water, Kuwait.
- Ex- Project Engineer, Kuwait National Petroleum Company.

Qualification:

B.Sc. Mechanical Engineering, University of New Hampshire, USA, 1964.

B. Ghazi Fahed Abdul Aziz Alnafisi, Founder and Vice-Chairman of IPG K.S.C.P.

Joined IPG Board on September 11, 1976.

Non-executive & non-independent member

Experience:

- Founder, Chairman & Managing Director of Al Salhiya Real Estate Co (Till Date).
- Member of Board of Directors of Arcapita Bank, Bahrain (Till Date).
- Vice-Chairman of of Azzad Catering & Services Company (Till Date).
- Chairman of Kuwait Hotels Owners' Association (Till Date).
- Ex- Chairman of the Board of Gulf Investment Co., Bahrain.
- Ex- Chairman & Managing Director of National Investment Company, Kuwait.
- Ex- Chairman of the Board of Kuwait Aviation Fueling Company.
- Ex- General Manager of Kuwait Aviation Fueling Company.

Qualification:

- Diploma in Aeronautical Engineering – Chelsea College, University of London, June 1965.
- Special one and half year training session on Aviation Fueling from British Petroleum.

C. Waleed Jaber Hadeed, Founder, Board Member and Chief Executive Officer of IPG K.S.C.P.

Joined IPG Board on September 11, 1976.

Executive & non-independent member

Experience:

- Ex- General Manager, International Marketing Department (London), Kuwait National Petroleum Company.
- Manager, Middle East Office (Kuwait), International Marketing Department, Kuwait National Petroleum Company.
- Manager, Far East Office (Singapore), International Marketing Department, Kuwait National Petroleum Company.

Qualification:

B.Sc. Economics and Mathematics, Central Missouri State University, USA 1967.

D. Abdullah Mohammed Akil Zaman, Founder, Board Member and Director – Planning of IPG K.S.C.P.

Joined IPG Board on September 11, 1976.

Executive & Non-independent member

Experience:

- Ex- Board Member, Kuwait Spanish Petroleum Company.
- Ex- Board Member, Kuwait Aviation Fueling Company.
- Ex- Deputy Managing Director, Planning, Kuwait National Petroleum Company.
- Ex- Manager Planning, International Marketing Department (London), Kuwait National Petroleum Company.
- Ex- Planning Department, Head Office, Kuwait National Petroleum Company.
- Ex- Systems Analyst, Kuwait National Petroleum Company.

Qualification:

BA Mathematics, University of California, Berkeley, USA, 1964.

E. Ali Mohammed AL-Radwan, Founder and Board Member of IPG K.S.C.P.

Joined IPG Board on September 11, 1976.

Non-executive & non-independent member

Experience:

- Founder and Senior Partner in The Law Bureau Ali-Radwan & Partners, Kuwait (Till Date).
- Founder & Chairman of the National and German Electrical & Electronic Services Company (Till Date).
- Deputy General Manager, Deputy Chairman & Member of the Board in Kuwait National Petroleum Company.
- Ex - Secretary General to the National Assembly & Constitution Assembly.
- Ex - Founder & Member of the Kuwait Bar Association.
- Ex - Member of the Board of Directors, Kuwait Stock Exchange.
- Ex - Member of the Board of Directors, Kuwait Oil, Gas & Energy (Kuwait Government Company).

Qualification:

BA in law – Cairo University – 1961.

F. Ali Abdul Rahman Rashid Al-Bader, Board Member of IPG K.S.C.P.

Joined IPG Board on March 9, 2003.

Non-executive & Independent member

Experience:

- Member of Board of Directors of the Public Authority for Compensations (Kuwait).
- Member of the Higher Council for Planning and Development.
- General Manager – Al Arab Consultancies Office.
- Ex – Chairman, Gulfbank of Kuwait.
- Ex – Member of Board of Directors of Kuwait Economic Development Fund.
- Ex - Chairman of the Board and Managing Director of Kuwait and Middle East Bank.
- Ex - Managing Director of the Public Authority for Investment (Kuwait).

- Ex - President of Arab-African International Bank.
- Ex - Member of Banking Control Management, Kuwait.

Qualification:

- Master of Business Administration, Finance – Michigan State University- 1973.
- Bachelor Degree in Commerce & Accounting – Cairo University -1969.

G. Abdullah Ebrahim Ali Al-Kandari, Board Member and Chief Financial Officer of IPG K.S.C.P.

Joined IPG on March 28, 2001 & Board Member since March 03, 2010.

Executive & non-independent member.

Experience:

- Finance Manager, Independent Petroleum Group (IPG).
- Cost & Budget Coordinator, Kuwait Petroleum Corporation International Operations (KPC).
- Ex - Auditor, Anwar Al-Qatami & Grant Thornton.
- Ex - Senior Internal Auditor, Burgan Bank.
- Special 15-month training program on operation of banks with Burgan Bank.

Qualification:

- Graduated from University of Kuwait 1983.
- Graduated with Master Degree in Professional accounting from University of Miami 1986.
- Member of American Institute of Certified Public Accountants "AICPA" from Washington State – USA -1992.

H. Mohammed Abdul Hamid Mohammed Ali Qasim, Board Member and General Manager – Marketing of IPG K.S.C.P.

Joined IPG on December 5, 2004 & Board Member since March 24, 2013.

Executive & non-independent member

Previous Experience:

- Ex - Deputy Managing Director (Sales), Kuwait Petroleum Co.
- Ex - DMD, Marketing (Planning), Kuwait Petroleum Co.
- Ex - Vice President, Kuwait Petroleum International, Kuwait.
- Ex - Board Member, Kuwait Petroleum International, KPI Aviation Co (UK) Ltd, Kuwait Petroleum Espana, Kuwait Petroleum France, Kuwait Petroleum Sweden, Kuwait Petroleum Development Thailand, KNPC (Kuwait National Petroleum Co.).
- Ex - Vice President, Refinery/Milazzo Joint Venture with AGIP.
- Ex - Chairman, Kuwait Petroleum Western Hemisphere Co., USA.
- Ex - Board Member, Kuwait Aviation Fuelling Co., Kuwait.
- Ex - Manager, Crude Oil Sales Dept., Kuwait Petroleum Corporation.
- Ex - Manager, Q8 Lubricant Sales Dept., Kuwait Petroleum Corporation.
- Ex - Manager, Sales Administration Dept., Kuwait Petroleum Corporation.
- Ex - Manager, Kuwait Petroleum Corporation (Singapore Liaison office).
- Ex - Area Sales Co-ordinator, Kuwait Petroleum Corporation.
- Ex - Assistant Manager, Tokyo Office, Japan, Kuwait Petroleum Corporation.
- Ex - Senior Sales Representative, Kuwait National Petroleum Company, London Office.
- Ex - Executive Trainee, Kuwait National Petroleum Company, Marketing Division.
- Ex - Supervisor, Bank of Kuwait and Middle East.

Qualification:

- B.Sc. in Economics - Kuwait University -1972.
- Banking Diploma - Banking Institute of Kuwait.
- Masters (International Business) – Sophia University, Tokyo, Japan-1981.

3. BOARD MEETINGS DURING 2016:

Details of meetings held by the Board and various Board Committees during 2016 are as given below:

Name of Board Member	Meeting No. 195 Dated 10/1/2016	Meeting No. 196 Dated 02/03/2016	Meeting No. 197 Dated 10/04/2016	Meeting No. 198 Dated 10/04/2016	Meeting No. 199 Dated 11/07/2016	Meeting No. 200 Dated 11/10/2016	Total Meetings Attended
Khalaf A. Al-Khalaf	✓	✓	×	×	✓	✓	4
Ghazi Fahad Alnafisi	✓	✓	✓	✓	✓	✓	6
Waleed J. Hadeed (Secretary to Board of Directors)	✓	✓	✓	✓	×	✓	5
Abdullah A. Zaman	✓	✓	✓	✓	✓	✓	6
Ali. M. Al-Radwan	✓	✓	✓	✓	×	✓	5
Ali. R. Al-Bader (Independent Member)	✓	✓	✓	✓	×	✓	5
Abdullah E. Al-Kandari	✓	✓	✓	✓	✓	✓	6
Mohammed A. Qasim	×	✓	✓	✓	✓	✓	5

The Board's Secretary performed all the administrative and legal responsibilities of the Board of Directors. The Secretary also aided the Board members in gaining access to the required information to perform their roles, on a continuous basis, according to the Board of Directors' decision or based on discussions with the Chairman of the Board.

The minutes of all meetings held by the Board and various Board Committees are documented and signed by the members thereof.

4. BOARD OF DIRECTORS' ROLE & RESPONSIBILITIES AND ACCOMPLISHED TASKS DURING 2016:

The duties and responsibilities of every director of the Board is clearly laid out in the Charter and the delegation of authority and responsibility to the executive directors is well defined. The Company has a policy to provide accurate and timely information to the directors on a periodic basis for evaluation, review and decision making process.

Major Role & Responsibilities:

- Approving major company goals, strategies, plans and policies.
- Approve annual budgets, quarterly and annual financial information.
- Supervising company's major capital expenditure, asset and stock ownership and disposal of the same.
- Ensuring the company's commitment to policies and procedures.
- Ensuring the accuracy and validity of the information required for disclosure.
- Establishing effective communication channels to enable shareholders' access to periodic and continuous information on the Company's activities and any other essential developments therein.

- Structuring the Corporate Governance system, its general supervision and monitoring.
- Monitoring the performance of each Board Member and Executive Management using the Key Performance Indicators (KPIs).
- Preparing the Annual Report to be presented at the General Assembly. Forming the specialized Committees as required by the regulatory bodies and defining their responsibilities, rights and obligations.
- Determining the authority delegated to the Executive Management and the decision making process.
- Monitoring the performance of the Executive Management members and ensure that they are accomplishing all assigned roles.
- Approving succession planning.
- Setting a policy for regulating the relationship with the Stakeholders to protect their rights.
- Setting a mechanism to regulate dealings with Related Parties to avoid conflict of interest.
- Approving Key Risk Indicators, measurements and risk appetite for the company to deal with these risks.

Accomplished tasks during 2016:

- The Board reviewed and approved different charters under CMA.
- On a regular basis the Board followed up on the progress of the executive management in implementing various policies and procedures.
- The Board periodically reviewed the progress of various approved projects.
- The Board monitored the progress of strategy implementation through approved Key Performance Indicators.

5. BOARD OF DIRECTORS' COMMITTEES:

In discharging its duties, the Board delegates authority to relevant Board sub-committees with clearly defined mandates although the Board retains its accountability. The Board has established the following Board sub-committees to enhance its supervision and effectiveness over operations of the Company. Each committee member's expertise, skills and background were considered while forming the Committees:

a. Audit & Risk Management Committee:

Scope & Activity:

The Committee is responsible to provide a culture of commitment in the company and by that, ensuring the correctness and integrity of the financial reporting of the company as well as the verification of the adequacy and effectiveness of the internal control systems applied. The Committee reports directly to the Board and will specialize in risk management, and preparing the policies & procedures for risk management function to comply with Company's risk appetite. CMA, Kuwait, has permitted the Company to combine the functions of Audit & Risk Management under one Committee. The main role of the Committee includes the following:

- Review of periodical financial statements before submission to the Board of Directors.
- Allowing the external auditor to discuss his views with the Committee before submission of the annual accounts to the Board for approval.
- The study of accounting policies and principles used, their amendments and to express any opinion and recommendation to the Board of Directors in that matter.
- Reviewing the level of compliance with applicable legal requirements that are specific to them, such as CMA regulations, Commercial Companies Law and other applicable laws.

- To review the charter of the internal audit function annually and also to ensure that the internal audit function has open communications with executive management and other auditors.
- Reviewing the results of the internal audit and regulatory reports.
- Ensuring the independence of external auditor. Reviewing the scope and methodology of the proposed action plan and monitoring the performance of external auditor.
- Preparing and reviewing the strategies and policies of risk management and risk appetite.
- Evaluating the systems and mechanisms that are used to determine, measure, and monitor the risks.
- Assisting the Board in identifying and assessing the acceptable thresholds of risk.
- Reviewing and recommending the organizational structure of risk management unit.
- Reviewing deals and suggested transactions with related parties (if any).
- Reviewing the information and reports that are related to risk management and which are published in the annual report of the company.

Composition of Audit & Risk Management Committee:

- Ghazi Fahad Alnafisi (Head of the Committee)
- Ali R. Al-Bader.
- Ali M. Al-Radwan.

Meetings of the Committee:

The Committee meets on a regular basis, at least four times during the year and on a quarterly basis, or whenever the need arises, or upon the request of the head of the Committee or two of its members. The first meeting of the Committee was held on 11 October, 2016 and all the Committee members were attended it.

Key achievements of Audit & Risk Management Committee:

- Reviewed and discussed the periodical financial statement before submission to the Board.
- Approved the formation and outsourcing of the internal audit function.
- Reviewed and discussed the risk appetite and exposure levels in the countries in which the Company operates.
- Reviewed the hedging policy adopted by the Company.

b. Nomination & Remuneration Committee:

Scope & Activity:

The Committee develops policies and makes recommendations to the Board on nominations, appointment, re-appointment of BOD Members and Executive Management. The Committee supervises the implementation of remuneration policies of Board members and Executive Management. The Committee is also responsible for examining the selection and appointment practices of the Company.

The main role of the Committee includes the following:

- Recommendation to accept the nomination and re-nomination of the members of the Board and executive management.
- Developing a clear policy for the remuneration of the Board of Directors and executive management.
- Determining the right skills required for membership of the Board of Directors.
- Proposal of the nomination and re-nomination of the members of the Board to the General Assembly.

- Determining the performance evaluation mechanisms of the Board as a whole and the performance of each member of the Board and executive management.
- Encouraging the development of the skills of members of the Board on an ongoing basis.
- Periodical review of payroll and job grading.
- Overseeing the nomination procedures of Board members during the General Assembly.
- Preparing job descriptions for executive, non-executive, and independent members of the Board.

Composition of the Committee:

- Khalaf A. Al-Khalaf (Head of the Committee)
- Ghazi Fahad Alnafisi
- Ali R. Al-Bader

Meetings of Nomination & Remuneration Committee:

The Committee meets regularly, at least once in a year and the secretary records/documents the minutes of these meetings. The first meeting of the Committee was held on January 12, 2017 and all the members of the Committee were attended it.

Key achievements of the Committee:

- Reviewed and discussed the remuneration policy adopted by the Company.
- Reviewed and approved the sitting fees payable to the Board of Directors for the year ended 2016.

Compensation paid to the Executive Management and Board of Directors:

Total value of remuneration paid to the key management including executive management for the current year 2016, given in the table below:

Particulars <i>(Amount in KD '000)</i>	2016
Salaries of Executive Management	829
Current Year Terminal Benefit Expenses	262
Directors' Sitting Fees	80
Total	1,171

6. COMPANY'S EXECUTIVE MANAGEMENT:

Executive management of the Company possess qualifications, skills and competencies required for fulfilling their duties and responsibilities. Major roles and responsibilities of the executive management are as follows:

- Review and discuss any ideas or proposals to the Board of Directors.
- Responsible towards the Company, its shareholders and any third party for any acts of fraud or misuse of power, for any violations of the Companies Law / contractual obligations.
- Execute all internal policies and regulations of the Company which are approved by the Board of Directors.
- Execute annual strategy and plan approved by Board of Directors.
- Prepare periodic reports (financial and non-financial) concerning the accomplishments of the Company in the light of strategic plans and goals.
- Manage daily work and facilitate activities. This is in addition to managing Company resources optimally, increasing profits and decreasing expenses in accordance with the Company goals and strategy.
- Participate effectively in ethical values, culture building and development in the company.

- Set internal audit and risk management systems and ensure efficiency and sufficiency of the same.
- Ensure adherence to the risk mitigation policy approved by the Board.

7. INTEGRITY OF FINANCIAL REPORTING:

The executive management provided the Company's Board of Directors with a written undertaking on February 13, 2017 (date of the Board Meeting) that the Company's financial reports reflected a sound and fair representation of all financial aspects of the entity and that they were prepared in accordance with the applicable International Accounting Standards.

The Annual Report submitted to shareholders by the Board of Directors includes an undertaking of soundness and integrity of all financial statements and reports related to the Company's activity.

The Audit & Risk Management Committee recommends appointment, re-appointment and replacement of the external auditors specifying the remuneration thereof to the Board of Directors. The external auditor is appointed at the Annual General Meeting based on the recommendation of the Board of Directors. The Committee also ensures the independence of external auditors.

The quarterly and the annual financial statements of the Company are reviewed by the Audit & Risk Management Committee and Board of Directors before submission to the external auditors.

8. INTERNAL CONTROL:

The company has an internal control system to ensure that all tangible and intangible resources are directed, monitored, measured and protected in an effective manner.

The internal control process adopted by the Company's Board of Directors and executive management is designed to provide reasonable assurance regarding the achievement of following objectives:

- Effectiveness and efficiency of operations.
- Safeguarding of assets.
- Reliability of financial reporting.
- Compliance with applicable laws and regulations.
- Detection and prevention of errors and irregularities in a timely manner.

As required by CMA regulations, an independent external firm has been engaged to provide a high level Internal Control Review report before 31 March 2017.

9. INTERNAL AUDIT FUNCTION:

The company has nominated an Internal Audit head and appointed an independent external firm of professional accountants to perform the internal audit function in the Company. The objective of the Internal Audit Department is to provide an assurance over the operational effectiveness of the system of internal controls and implementation of Company's policies & procedures through periodic reporting on various findings. The Internal Audit Function reports directly to the Audit & Risk Management Committee.

10. RISK MANAGEMENT FUNCTION:

The Company has a separate risk management department operating under the direct supervision of the Audit & Risk Management Committee to identify, measure and monitor risks associated with the Company's activities. Risk management function includes the methods and processes used to manage risks and seize opportunities related to the achievement of their objectives. It provides a framework for risk management, which typically involves identifying particular events or circumstances relevant to the Company's objectives (risks and opportunities), assessing them in terms of likelihood and magnitude of impact, determining a response strategy, and monitoring progress. By identifying and proactively addressing risks and opportunities, the Company protects and creates value for its stakeholders, including owners, employees, customers, regulators, and society overall.

The Company has identified Financial and Operational risk as a major risk requiring continuous monitoring and review.

11. CODE OF CONDUCT AND ETHICAL STANDARDS:

Company's Board of Directors has approved the professional and ethical standards of conduct that should be followed by all members of the Board of Directors and employees in their field of work regardless of the place and work circumstances. The Company stands committed to the highest degree of ethical standards representing the basic values and principles of the Code of Conduct. The Charter on Code of Conduct & Ethical Standards of the Company has been formulated to address the following values:

- Respect.
- Financial integrity & honesty.
- Diversity & equal opportunities.
- Health & safety.

12. DISCLOSURE & TRANSPERANCY:

The Company has an approved policy on disclosure & transparency that outlines the disclosure procedures commensurate with the legal and ethical requirements. The Company submits adequate and accurate disclosures to its stakeholders in line with the regulatory and legal requirements to fulfill its objectives of transparency. This policy is to be used as a reference for the departments' personnel to carry out their daily tasks. Strict adherence to this policy ensures conforming, at all times, to the laws and regulations in the State of Kuwait ("Kuwait"). In the event of any conflict or difference between the provisions of this policy and the provisions of the laws and regulations in Kuwait, the regulatory requirements will take precedence over the provisions of this policy.

The Charter addresses the following major aspects in relation to the Company's Disclosure & Transparency function:

- Providing Information to the Stakeholders
- Rules & Regulations applicable for the parties who have access to Company's insider information
- Disclosure of Company's information to the general` public
- Insider Information

- **Interested Parties**

The shareholders' register is maintained by the Kuwait Clearing Company which carries updated information about the shareholders of the Company. Agenda for Annual General Meeting is communicated to the Shareholders through insertions in major local dailies.

Conflict of Interest:

The Company exerts due care in applying policies to avoid conflict of interest. The Company has an approved policy to review all related party transactions on a regular basis so as to ensure fair practices and behavior from Board members and personnel. The Board monitors and addresses any probable interest that will conflict with the business interests of the Company adversely.

Investor Relations:

The Company's unit of investors' affairs is responsible for ensuring effective communication with shareholders in line with the approved policy. The Company communicates with shareholders through the Annual Reports & Accounts and by providing information in advance of the Annual General Meeting.

13. PROTECTION OF SHAREHOLDERS' RIGHTS:

The Company is committed to protect the rights of its shareholders. The approved policy on shareholders' rights aims to ensure the Company's commitment to guard the rights of its shareholders in accordance with the laws and other pertinent regulations. The provisions of this policy provides strict guidelines to the Company as a whole, Board of Directors, executive management, and employees in order to protect the shareholders' rights. The head of Committee and Compliance Department in coordination with the Secretary of the Board of Directors is responsible to apply this policy.

The Company endeavors to protect the shareholders' rights, which include the following:

- Ensuring the agreed-upon share in dividends.
- Provision of proportionate share in the Company's assets in case of liquidation.
- Providing data and information related to shareholders on the Company's activities, operations and investment strategy on a regular basis.
- Participation in the General Assembly meeting of shareholders and voting on its decisions.
- Right to get the financial statements for the financial period elapsed as well as the report of the Board of Directors and the auditor's report.
- Timely information on Board of Director's Election.
- To issue a liability claim on the members of the Board or executive management, in case of their failure to perform the tasks assigned to them.
- Candidacy for membership of the Board of Directors.

Major Shareholders:

The major shareholder(s) who own or have control over 5% or more of the Company's share capital as at 31st December 2016 are:

Full Name	Percentage %
Markaz Energy Fund	10.500
Al Ahlia Insurance	7.990
Ghazi Fahad Alnafisi	6.735

14. RECOGNITION OF THE ROLE OF STAKEHOLDERS:

The Company is fully responsible to safeguard stakeholders' rights and create steady work environment by ensuring the entity's sound financial position. As part of the Corporate Governance framework, protection of Stakeholders' policy is developed to ensure respect and protection of stakeholders' rights according to laws and regulations issued by the relevant regulatory authorities in Kuwait. The policy applies to the Company, Board of Directors, Executive Management and all employees who have a role in protecting stakeholders' rights in the Company. If there is any conflict between the provisions of this policy and any regulatory requirements, always the regulatory requirements will take precedence over the provisions of this policy. The Head of Compliance department is responsible to monitor the implementation of this policy on behalf of the Company. Company's policy on protection of stakeholders' rights recognizes all the interested parties as Stakeholders, including, the shareholders, regulatory authorities, customers, employees, suppliers, third parties, etc.

The Board of Directors assumes the following main responsibilities in order to protect the rights of Company's stakeholders:

- Appointing competent Executive Management
- Supervision of the Company's affairs effectively and efficiently
- Adopting effective policies
- Awareness of the condition and performance of the Company
- Maintaining adequate capital for the Company
- Compliance with laws, regulations and instructions

The Company ensures the following to its stakeholders' in order to protect their rights:

- All the stakeholders are treated fairly and without discrimination
- Strict review of the transactions carried out by the Company with related parties (if any) and providing appropriate recommendations to the BOD.
- Providing reliable and adequate information to the stakeholders on a continuous basis.
- Periodic reporting to the BOD on grievances (if any) of the stakeholders.

Insider Information:

The policy on insider information is aimed at preventing employees, members of the Board and the Executive Management from using such information for personal benefit. A declaration has been obtained from the company's insiders acknowledging that they are aware of the consequences arising out of any misuse of the insider information.

Whistle Blowing Policy:

Whistleblowing Policy deals with the Company's obligation to provide an environment for exchange of positive communication between the Board, Executive Management and staff for achieving high

standards of professionalism and integrity. This policy aims at detecting any practices that fall out of the scope of laws, regulations and sound professional behavior so as to be remedied on a timely basis. It also provides confidentiality and ensures full protection to the whistle blower.

15. ENCOURAGING AND ENHANCING THE PERFORMANCE OF BOARD MEMBERS AND EXECUTIVE MANAGEMENT:

The Company has developed Key Performance Indicators for evaluating the performance of the Board of Directors and as well as the performance of each Board member and executive management. Enhancing the value of stakeholders is the primary objective behind developing these performance indicators for each category stated above.

16. SOCIAL RESPONSIBILITY POLICY:

The Company is committed to align its work and strategy with responsibility towards the environment, community and major stakeholders. The purpose of this Policy is to guide the Company in its administration of social responsibility, including the achievement of sustainable development for the community and workers by contributing towards reducing the level of unemployment in the community and achieving optimum utilization of available resources. The Company also endeavors to enhance the knowledge and awareness of its employees on the importance of social responsibility programs through various staff outreach programs and communication tools.

The Company is planning to initiate various social responsibility programs under the following major areas:

- Responsibility towards society
- Protecting the environment
- Provision of healthy and efficient working environment for its employees at all the levels
- Other social responsibility endeavors including donations to other genuine social security initiatives, charity events, learning programs etc.