

# aramex

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**Corporate Governance Report  
31 December 2019**

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## About Aramex

Since its foundation in 1982, Aramex has grown to become a global leader in the logistics and transportation industry, recognized for its customized and innovative services for businesses and consumers. Listed on the Dubai Financial Market (DFM) and headquartered in the UAE, our location bridges the path between East and West, enabling us to reach more customers with the provision of effective logistics solutions worldwide.

We currently have business operations in 600+ cities across more than 65 countries worldwide and employ over 15,856 professionals. Factoring in the 40 alliances we have with leading international express and logistics providers, as part of the Global Distribution Alliance (GDA), our network expands to more than 12,000 offices and 66,000 employees across 240 countries.

Our breadth of services, including international and domestic express delivery, freight forwarding, logistics and supply chain management, e-commerce, and record management extend our considerable reach. We remain committed to further enhancing our global operations and pursuing more opportunities for future business growth and advancement.

Our unique asset-light business model and commitment to innovation underpin every strategic decision we make. This has proved highly successful, allowing us to adapt swiftly to challenging market conditions, execute last-mile delivery solutions, develop new products and services, and respond quickly to the continual changes in customer preferences.

We live in an era where technology transforms and influences our daily lives more than ever before; as a result, technological innovation is critical to our success. We are strategically leveraging technology for better and more efficient last-mile delivery solutions. This approach has significant benefits, and that's why we consider ourselves a technology-driven enterprise, selling transportation and logistics solutions without owning heavy assets. We also believe that investing in technologies in the field of e-commerce is key to the movement of goods and services efficiently whilst maintaining our market-leading position.

In order to grow a truly sustainable business, it is crucial that we utilize our core competencies to enhance a positive impact as active citizens in the communities in which we operate.

Partnering with many likeminded local and international organizations and through Aramex’s Sustainability strategy “Delivering Good”, we are active in more than 107 educational, social and environmental projects worldwide. We are proud of our strong relationships with our community partners that is impacting positively the sustainable economic development within these communities.

To that end, we are actively developing a culture where innovation can thrive. With continuous investment in our people, technology, infrastructure, and the implementation of innovative solutions, we satisfy our customers’ evolving needs and deliver the maximum value to our stakeholders, along with maintaining partnerships with local communities.

## 1. Governance Practices

As a listed company in the Dubai Financial Market, Aramex corporate governance practices are guided by the “The Chairman of Authority's Board of Directors' Resolution No. (7 R.M) of 2016 Concerning the Standards of Institutional Discipline and Governance of Public Shareholding Companies” and its amendments that were issued under Resolution No. (2 R.M) of 2019.

Being aware of its responsibilities towards its shareholders, Aramex is committed to applying the best governance practices derived from the company's values, by having an effective management that is able to deliver on short-term and long-term commitments in a framework of oversight and transparency.

Aramex applies all provisions of the said Resolution and its amendments. This report aims to demonstrate the approach and extent of corporate governance implementation by the Board of Directors and executive management of Aramex, and their commitment to continue applying the same in the years to come.

## 2. Dealings of Board Members and their First-Degree Relatives in Securities of the Company

The Board follows the “Insider Trading Policy for Securities Issued by Aramex PJSC”. This policy applies to all transactions in Aramex securities by Board Members and employees. This policy also applies to transactions in the securities of Aramex's subsidiaries and associate companies.

The Board of Directors and employees are authorized to carry out the purchase and sale of Aramex securities in line with the provisions of this policy. Any transactions not effected pursuant to this policy will be deemed null and void. For more details about this policy, please refer to Appendix (A) of this report.

The Directors of the Board are aware of their obligation to disclose their transactions in the securities of Aramex, and they are committed to comply with all the requirements of the Securities and Commodities Authority and the Dubai Financial Market.

Based on the annual declaration forms signed by the Directors of the Board, the following table demonstrates the dealings of the board members and their first-degree relatives in the securities of Aramex during 2019:

**Board of Directors' Members as of December 31<sup>st</sup>, 2019:**

Board Member	Position	Board Member Dealings			Dealings of Board Member's Relatives			
		Total Selling	Total Buying	Number Shares as of December 31 <sup>st</sup>	Relation	Total Selling	Total Buying	Number of Shares as of December 31 <sup>st</sup>
Mr. Abdullah M. Mazrui	Chairman	None	None	12,381,872 (Mazrui Investments LLC of which Mr. Al-Mazrui personally owns majority stakes)	None	None	None	None
Mr. Arif Alharmi Albastaki	Director	None	None	None	None	None	None	None
Mr. Fadi Ghandour	Director	None	None	None	None	None	None	None
Mr. Dr. Wolfgang Baier	Director	None	None	None	None	None	None	None
Mr. Ahmed Al-Badi	Director	None	None	None	None	None	None	None
Mr. Ayed Aljeaid	Director	None	None	867,431	None	None	None	None
Mr. Mohamed Alsuwaidi	Director	None	None	None	None	None	None	None
Mr. Ramez Shehadi	Director	None	None	None	None	None	None	None
<b>Board members who resigned or did not nominate themselves in 2019:</b>								
Ms. Christine Holgate (Representing Australia Post Transaction Services Pty Ltd)	Director	-	-	-	-	-	-	-
Mr. Mohamed Alabbar	Director	-	-	-	-	-	-	-

\* Ms. Christine Holgate (representing Australia Post Transaction Services Pty Ltd) resigned from her position as a Board Member on April 10, 2019, due to the sale by Australia Post Transaction Services Ltd. of its shares in Aramex.

\* Mr. Mohamed Alabbar resigned from his position as a Board Member on April 11, 2019 due to other engagements preventing him from continuing his membership of the Board.

**3. Formation of the Board of Directors**

- a. Based on the annual declaration forms signed by the Directors of the Board, the following table demonstrates the formation of the current Board by its members’ status, their directorships in any other joint stock companies and any other substantial regulatory, governmental or commercial positions, in addition to the time served on Aramex’s Board since their first election:

Board of Directors’ Members as of December 31 <sup>st</sup> , 2019:					
Board Member	Position	Status		Other Directorships and Substantial Positions	Membership Date
Mr. Abdullah M. Mazrui	Chairman	Independent	Non-Executive	<ul style="list-style-type: none"> <li>- Chairman, Emirates Insurance Company</li> <li>- Chairman, The National Catering Company</li> <li>- Chairman, Mazrui International Company</li> <li>- Chairman, Jashanmal National Company.</li> <li>- Director, Investcorp Bank</li> <li>- Director, Depa United Group</li> </ul>	15-Feb-2005
Mr. Arif Alharmi Albastaki	Director	Independent	Non-Executive	<ul style="list-style-type: none"> <li>- Chairman, Emaar Industries &amp; Investments</li> <li>- Board Member, Amlak Finance</li> </ul>	10-May-2019
Mr. Fadi Ghandour	Director	Non-Independent	Non-Executive	<ul style="list-style-type: none"> <li>- Chairman, Wamda Management Company (a TECOM company)</li> <li>- Director, Fit Republic Limited</li> <li>- Director, AqarMap</li> </ul>	14-Sep-2005

Dr. Wolfgang Baier	Director	Independent	Non-Executive		2-May-2018
Mr. Ahmed Al Badi	Director	Independent	Non-Executive	- Chairman, Belbadi Enterprises - Director, Emirates Insurance Company - Director, Gulf Capital	15-Feb-2005
Mr. Ayed Aljeaid	Director	Non-Independent	Non-Executive		15-Feb-2005
Mr. Mohamed Alsuwaidi	Director	Independent	Non-Executive	- Chairman, Emirates Water and Electricity Company - Deputy Chairman, Abu Dhabi Power Corporation - Director, Emirates Global Aluminum - Director, Abu Dhabi Pension Fund - Director, TAQA - CEO, Abu Dhabi Developmental Holding Company (ADDHC)	14-Dec-2016
Mr. Ramez Shehadi	Director	Independent	Non-Executive		21-Mar-2017
<b>Board members who resigned or did not nominate themselves in 2019:</b>					
Ms. Christine Holgate (Representing Australia Post Transaction Services Pty Ltd)	Director	Non-Independent	Non-Executive		24-Sep-2017
Mr. Mohamed Alabbar	Director	Non-Independent	Non-Executive		24-Sep-2017

## Board Members Positions and Qualifications

Board Member	Board Members Positions and Qualifications
<p><b>Mr. Abdullah M. Mazrui</b></p>	<p><b>Bachelor's degree (Honors) from Chapman University, California – USA</b></p> <p><b>Previous Positions:</b></p> <ul style="list-style-type: none"> <li>- Managing Director and Chief Executive Officer of the National Bank of Abu Dhabi</li> <li>- Chairman, Emirates &amp; Tunisian Investment Bank</li> <li>- Chairman, The National Investor</li> <li>- Member of Management Committee - Currency Board, UAE</li> <li>- Chairman, Gulf Financing Company</li> <li>- Director of the Arab Investment Company, Riyadh</li> <li>- Director of Abu Dhabi Investment Company</li> <li>- Director of Gulf International Bank, Bahrain</li> <li>- Director, UBAN International Limited Bank, Hong Kong</li> <li>- Board Member – Etisalat, Abu Dhabi. Director, Union of Arab Banks, Beirut</li> <li>- Director, Federal National Council, UAE.</li> <li>- Member of Arab Bankers Association, London</li> <li>- National Investment Corporation</li> <li>- Abu Dhabi Economic Council</li> </ul> <ul style="list-style-type: none"> <li>- Abu Dhabi Education Council</li> <li>- Member of Advisory Board of Insead, Abu Dhabi</li> <li>- Director, General Industry Corporation, Government of Abu Dhabi, UAE</li> <li>- Member of Advisory Board of EDHEC Business School, France</li> <li>- Managing Director, Investbank</li> </ul> <p><b>Current Positions:</b></p> <ul style="list-style-type: none"> <li>- Chairman, Mazrui Holdings LLC</li> <li>- Chairman, Mazrui International Company</li> <li>- Director, Allied Enterprises LLC</li> <li>- Chairman, International School of Choueifat</li> <li>- Chairman, Jashanmal National Company</li> <li>- Director, Dun &amp; Bradstreet</li> </ul>

Board Member	Board Members Positions and Qualifications
<p><b>Mr. Fadi Ghandour</b></p>	<p><b>Bachelor’s degree Political Science from The George Washington University – USA</b></p> <p><b>Previous Positions:</b></p> <ul style="list-style-type: none"> <li>- Co-founder, Vice Chairman, and CEO of Aramex (1983 – 2012)</li> </ul> <p><b>Current Positions:</b></p> <ul style="list-style-type: none"> <li>- Chairman and CEO, Wamda Group</li> </ul>
<p><b>Dr. Wolfgang Baier</b></p>	<p><b>Master’s degree in Law from the University of Vienna – Austria</b></p> <p><b>Master’s degree in Business Economics – Universities of Exeter (UK) and Graz (Austria)</b></p> <p><b>PhD in Law from the University of Vienna – Austria</b></p> <p><b>Previous Positions:</b></p> <ul style="list-style-type: none"> <li>- Group Chief Executive Officer of Singapore Post Limited</li> <li>- Chief Executive Officer International of Singapore Post Limited</li> <li>- Partner in McKinsey &amp; Company Singapore office</li> <li>- Non-executive Director at Singapore Post Limited and several of its affiliates in Asia, Europe, and the United States</li> </ul> <p><b>Current Positions:</b></p> <ul style="list-style-type: none"> <li>- Group Chief Executive Officer at Luxasia Pte Ltd.</li> <li>- Board member of DKSH, Swiss Company</li> </ul>

Board Member	Board Members Positions and Qualifications
<p><b>Mr. Ahmed Al-Badi</b></p>	<p><b>Bachelor’s degree in International Relations from Lewis and Clark College, Portland, Oregon - USA</b></p> <p><b>Previous Positions:</b></p> <ul style="list-style-type: none"> <li>- Acting Minister of Oil and Natural Resources – OPEC Vice President - United Arab Emirates.</li> <li>- Chairman, Emirates Petroleum United Arab Emirates.</li> <li>- Chairman, Executive Committee, Council of the Arab Ministers of Health, United Arab Emirates.</li> <li>- Chairman of the Board, Federal Environmental Agency United Arab Emirates.</li> <li>- Minister of Health, United Arab Emirates.</li> <li>- President of the Forty Fifth World Health Assembly.</li> <li>- Chairman, Higher Committee on the Environment.</li> <li>- Director, Abu Dhabi International Private Schools.</li> <li>- Deputy Chairman of the Board of the General Industrial Corp. Abu Dhabi.</li> <li>- Member of the Board of The Abu Dhabi Commercial Bank</li> </ul> <ul style="list-style-type: none"> <li>- Director of Treasury Department Abu Dhabi Investment Authority (ADIA).</li> <li>- Member of the Board of the Arab Investment Company Riyadh, Saudi Arabia.</li> <li>- Deputy Director, Directorate of Finance and Administration of ADIA.</li> <li>- Director, Union National Bank.</li> <li>- Director, Abu Dhabi Council for Economic Development.</li> <li>- Director, Board of Trustees of Emirates Foundation.</li> <li>- Member of Advisory Board – EMRO (Eastern Mediterranean, World Health Organization)</li> </ul> <p><b>Current Positions:</b></p> <ul style="list-style-type: none"> <li>- Director – Lewis and Clark College</li> <li>- Director – Worldcare International Limited</li> </ul>

Board Member	Board Members Positions and Qualifications
<p><b>Mr. Ayed Aljeaid</b></p>	<p><b>Bachelor's degree in Aviation from the King Faisal Aviation University in Riyadh in 31/07/1975, division 113- first in his promotion with honors and excellency.</b></p> <p><b>Master's degree in Military Arts, Command &amp; Staff College in Leavenworth Kansas - USA</b></p> <p><b>Previous Positions:</b></p> <ul style="list-style-type: none"> <li>- Advanced Fighter Aircraft Instructor Fighter Pilot on (F15).</li> <li>- Chief Evaluation Section at F-5 Fighters Wing Aircraft</li> <li>- Evaluation Officer of Fighter Aircraft (F-5)</li> <li>- Chief (F-15) Evaluation Section</li> <li>- Planning Officer in the Department of Plans &amp; Operations at RSAF HQ</li> <li>- Head of Planning Division of the Operation &amp; Planning Department in the RSAF</li> <li>- Head of Air Force Group at Joint Operation and Theater of Operation during the Second Gulf War</li> <li>- Planning Officer in the Joint Planning Department During the Second Gulf War</li> <li>- Director of RSAF Operation Command Centre</li> </ul> <ul style="list-style-type: none"> <li>- Official Spokesman for Air Operation during the Second Gulf War</li> <li>- Personal Assistant (PA) to HRH Prince Khaled Bin Sultan Bin Abdulaziz. Chairman, Falcon Air Cargo Company (FECA)</li> </ul> <p><b>Current Positions:</b></p> <ul style="list-style-type: none"> <li>- Chief Executive Officer, Makshaff Services Limited</li> <li>- Chairman, National Flight Service</li> <li>- Chairman, National Air Service</li> <li>- Chairman, Alhayah</li> <li>- Chairman, National Aviation Ground Support (NAGS)</li> <li>- Chairman, Elbow Beach Hotel – Bermuda</li> </ul>

Board Member	Board Members Positions and Qualifications
<p><b>Mr. Arif Alharmi Albastaki</b></p>	<p><b>High Diploma in Banking &amp; Finance from the Dubai Men’s College, Higher Colleges of Technology</b>  <b>Master’s of International Business from the University of Wollongong - Dubai, United Arab Emirates</b></p> <p><b>Previous Positions:</b></p> <ul style="list-style-type: none"> <li>- Vice Chairman at TECOM Group</li> <li>- Board Member of Awqaf and Minor Affairs Foundation</li> <li>- Board Member of Amlak International for Finance and Real Estate Development – Saudi Arabia</li> <li>- Board Member of Al Salam Bank – Algeria</li> <li>- Head of Amanah Commercial Banking, HSBC Bank Middle East</li> <li>- Head of Commercial Banking, Dubai Islamic Bank</li> </ul> <p><b>Current Positions:</b></p> <ul style="list-style-type: none"> <li>- Managing Director and Chief Executive Officer of Amlak Finance PJSC</li> <li>- Chairman of Amlak Finance – Egypt</li> </ul>
<p><b>Mr. Mohamed Alsuwaidi</b></p>	<p><b>Bachelor of Science degree in Accounting from United Arab Emirates University – UAE</b></p> <p><b>Previous Positions:</b></p> <ul style="list-style-type: none"> <li>- Chairman, Manhal Development Company, UAE</li> <li>- Director, Mubadala Industry</li> <li>- Employed, Abu Dhabi Executive Council</li> <li>- Employed, Mubadala Investments</li> <li>- Employed, Union National Bank</li> </ul> <p><b>Current Positions:</b></p> <ul style="list-style-type: none"> <li>- Director, Mubadala Reinsurance</li> <li>- Director, Guinea Alumina Corporation</li> <li>- Director, Suyadi CPC</li> <li>- Director and member in other boards and committees of Emirates Aluminum</li> </ul>

Board Member	Board Members Positions and Qualifications
<b>Mr. Ramez Shehadi</b>	<p><b>Bachelor of Engineering in Mechanical Engineering from Rutgers University - USA</b>  <b>Master of Applied Science in Industrial Engineering from the University of Toronto – Canada</b></p> <p><b>Previous Positions:</b></p> <ul style="list-style-type: none"> <li>- Senior Partner, Executive Vice President &amp; Managing Director of Booz Allen Hamilton</li> <li>- Lead Partner, MENA Digital Practice Leader &amp; Global Booz Digital Co-Leader at Booz &amp; Company</li> <li>- Co-Founder and Senior Director of Product Development at eBreviate</li> <li>- Senior Associate in the Strategic IT Practice at A.T. Kearney</li> <li>- Research Associate at the Centre for Management of Technology &amp; Entrepreneurship</li> <li>- Mechanical Engineer at Stone &amp; Webster</li> <li>- Co-Founder of R&amp;R Ventures</li> <li>- Board of Directors Member of the Young Arab Leaders</li> </ul> <p><b>Current Positions:</b></p> <ul style="list-style-type: none"> <li>- Managing Director, Facebook (MENA)</li> <li>- Board of Directors Member of MMA (Mobile Marketing Association) in MENA</li> <li>- Member of IAB (Interactive Advertising Bureau) in MENA</li> <li>- Board of Trustees Member of Beirut Museum of Art</li> <li>- Advisory Board Member of the Stony Brook School</li> <li>- Active Endeavor Mentor</li> <li>- Young Presidents Organization Member of both the Emirates and Lebanon chapters</li> <li>- Fellow of the Aspen Institute’s Middle East Leadership Initiative and the Aspen Global Leadership Network and serves as a Moderator to both</li> </ul>

- b. The only female on the Board of Directors in the year 2019 was Ms. Christine Holgate, the representative of Australia Post Transaction Services Pty Ltd. After Mr. Christine Holgate resigned on 10/4/2019, no females were appointed on the Board of Directors.
- c. Board of Directors’ Remuneration:
- 1) Total remuneration paid to the Board of Directors for year 2018 was AED 3,640,000.
  - 2) Total proposed Board of Directors’ remuneration for 2019 is AED 3,600,000 to be presented for approval at the Annual General Meeting.

- 3) Abovementioned remunerations are inclusive of the Board Committees' attendance allowances for Committee Members, amounting to AED 10,000 per Committee meeting. Following are the details of the allowances:

Board Member	Allowance (AED)	Personal Attendance			Total Remuneration (AED)
		Audit Committee	Nomination and Remuneration Committee	Strategy Committee	
Ms. Christine Holgate	10,000	-	2	-	20,000
Mr. Arif Alharmi Albastaki	10,000	-	1	2	30,000
Mr. Fadi Ghandour	10,000	1	-	3	40,000
Dr. Wolfgang Baier	10,000	-	-	3	30,000
Mr. Ahmed Al Badi	10,000	5	-	-	50,000
Mr. Mohamed Alsuwaidi	10,000	4	2	2	80,000
Mr. Ramez Shehadi	10,000	-	3	2	50,000
<b>Total</b>					<b>300,000</b>

For more details about this policy, please refer to Appendix (B) of this report.

- 4) Board Members do not receive additional attendance allowances.

d. The Board of Directors held 5 meetings during the year 2019, as per the following details:

No.	Date of Meeting	Number of Personal Attendance	Number of Attendees by Proxy	Name of Absent Members
1	27 February 2019	8	-	Mr. Mohamed Alabbar
2	1 May 2019	7	-	Mr. Ahmed Al Badi
3	23 June 2019	7	-	Mr. Mohamed Alsuwaidi
4	31 July 2019	7	-	Mr. Ayed Aljeaid
5	30 October 2019	7	1	-

e. The Board of Directors did not issue any resolutions in writing (by passing/circulation) during the financial year 2019.

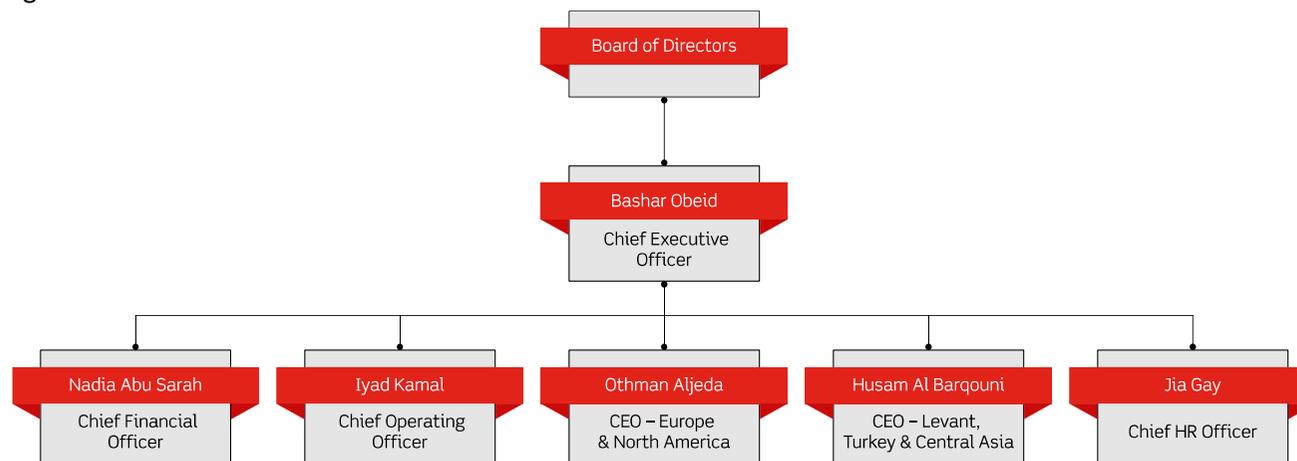
f. For details about the responsibilities and purviews delegated to Management by the Board of Directors, please refer to the “Delegation of Authority Matrix” in Appendix (C) of this report.

g. Following are the details of related-party transactions:

Transaction Type	Companies Controlled by Directors	Associates	JVs - Parent is a Venture	Companies Controlled by Shareholders	Total (AED)
Sales to Related Parties	-	662,281	75,444,436	145,600,896	221,707,613
Cost from Related Parties	-	1,647,229	1,175,691	-	2,822,920
Amounts Owed by Related Parties	-	-	24,518,904	32,803,963	57,322,866
Amounts Owed to Related Parties	-	586,271	4,918,982	6,891,985	12,397,238

The Company did not enter into any transactions (with related parties or otherwise) valued at 5% or more of the Company’s capital during 2019.

**h. Company Organizational Chart:**



Following is a statement of the names, positions and joining dates of the Company’s Senior Executives along with their total salaries, allowances and bonuses, paid to them during the year 2019:

Name	Position	Date of Joining	Total Salaries and Allowances (AED)	Bonus (AED)	Total (AED)	Other Bonuses
Mr. Bashar Obeid	Chief Executive Officer	16-Aug-1993	2,700,560	1,744,482	4,445,042	10,755,000
Mr. Iyad Kamal	Chief Operating Officer	01-Dec-1991	1,474,395	1,653,750	3,128,145	10,755,000
Mr. Othman Aljeda	CEO - Europe & North America	19-Mar-1994	2,295,772	1,561,875	3,857,647	6,330,000
Ms. Nadia Abu Sarah	Chief Financial Officer	12-Nov-1994	1,200,000	735,000	1,935,000	N/A
Mr. Husam Al Barqouni	CEO – Levant, Turkey & Central Asia	15-Jun-1991	1,058,400	1,378,125	2,436,525	4,260,000
Ms. Jia Gay	Chief HR Officer	01-Sep-2018	1,320,000	184,059	1,504,059	N/A

#### 4. External Auditor

- a. PricewaterhouseCoopers is a network of firms with more than 250,000 people operating from 158 countries across the globe, committed to delivering quality services in Assurance, Tax and Advisory (which includes our Consulting, Deals and Strategy and practices). In doing so, PwC helps build trust in society, enabling their clients to make the most of opportunities and solve important business problems. PwC works with an extremely diverse range of clients, from private individuals and family-owned businesses, to government organizations. In the Middle East, a strategic alliance with the UK has had a transformational impact on PwC's position in the local market, creating a market leading business within a period of just a few years. PwC has operated in the Middle East region for more than 40 years. Collectively, our Middle East network employs over 4,400 people and has 23 offices across 12 countries: Bahrain, Egypt, Iraq, Jordan, Kuwait, Lebanon, Libya, Oman, Qatar, Saudi Arabia, the Palestinian Territories and the United Arab Emirates.
- b. Following is a statement of the audit fees and expenses related to services provided by the company's external auditor, in addition to any other services provided by audit firms other than the company's external auditor during the year 2019 (if any).

Name of Audit Firm and Partner Auditor:	PricewaterhouseCoopers, Rami Sarhan
Number of years spent as the Auditor of the Company:	1 year
Total Audit Fees for the year 2019 (in AED):	5,843,107
Fees and costs of services other than the audit of the financial statements of the Company for the year 2019 (in AED) if applicable.	83,552
Details and nature of the other services (if any)	Corporate tax and VAT consultancy

List the other services that any other external auditor (other than the Company's appointed auditor) provided to the Company in the year 2019 (if any):

Audit Firm	Service Type	Fees and Expense (AED)
KPMG	Corporate Tax consultancy	79,475
Deloitte	Corporate Tax consultancy	103,935
Local advisors	VAT, Tax and transfer pricing consulting services	439,052
EY	VAT, Tax and transfer pricing consulting services	1,446,824
EY	Professional Service - Project Petra	238,719
EY	Sustainability Report Review Services	293,808
Total		2,601,813

- c. No reservations were made by the external auditors on the annual financials for the year ended 31 December 2019.

## 5. Audit Committee

- a. The Chairman of the Audit Committee, Mr. Ahmed Al Badi, acknowledges his responsibility for the Committee charter and for reviewing the Committee's system review and effectiveness.

Following shows the members of the Company's Audit Committee. For details about the responsibilities and purviews of the Audit Committee, please refer to the "Audit Committee Charter" in Appendix (D) of this report.

Audit Committee Member	Position
Mr. Ahmed Al Badi	Chairman
Mr. Mohamed Alsuwaidi	Member
Mr. Fadi Ghandour	Member

b. The Audit Committee held 5 meetings during the year 2019, as per the following details:

Committee Member	Meeting 26-2-2019	Meeting 29-4-2019	Meeting 30-7-2019	Meeting 29-10-2019	Meeting 15-12-2019	Times of Personal Attendance
Mr. Ahmed Al-Badi	✓	✓	✓	✓	✓	5
Mr. Mohamed Alsuwaidi	✓	✓	✓	✓	-	4
Mr. Fadi Ghandour	-	-	-	-	✓	1

## 6. Nomination and Remuneration Committee

a. The Chairman of the Nomination and Remuneration Committee, Mr. Ramez Shehadi, acknowledges his responsibility for the Committee charter and for reviewing the Committee's system review and effectiveness.

- b. Following are the members of the Company's Nomination and Remuneration Committee. For details about the responsibilities and purviews of the Nomination and Remuneration Committee, please refer to the "Nomination and Remuneration Committee Charter" in Appendix (E) of this report.

Nomination and Remuneration Committee Member	Position
Mr. Ramez Shehadi	Chairman
Mr. Mohamed Alsuwaidi	Member
Mr. Arif Alharmi Albastaki	Member

- c. The Nomination and Remuneration Committee held 3 meetings during the year 2019, as per the following details:

Committee Member	Meeting 19-2-2019	Meeting 18-4-2019	Meeting 14-10-2019	Number of Personal Attendance
Mr. Ramez Shehadi	✓	✓	✓	3
Mr. Mohamed Alsuwaidi	✓	✓	-	2
Mr. Arif Alharmi Albastaki			✓	1

#### 7. Insider Trading Transactions Committee

The Company did not form an insider trading transactions committee. The responsibilities and purviews of this committee for the year 2019, and the years before, were handled by the Board Secretary and the Governance Officer. An Insider Trading Transactions Committee will be formed during the year 2020.

**8. Any Other Committee(s) Formed by the Board of Directors**

- a. The Chairman of the Strategy Committee, Mr. Mohamed Alsuwaidi, acknowledges his responsibility for the Committee charter and for reviewing the Committee's system review and effectiveness.
- b. Name of Committee: Strategy Committee
- c. Following are the members of the Company's Strategy Committee. For details about the responsibilities and purviews of the Strategy Committee, please refer to the "Strategy Committee Charter" in Appendix (F) of this report.

Strategy Committee Members	Position
Mr. Mohamed Alsuwaidi	Chairman
Mr. Arif Alharmi Albastaki	Member
Mr. Fadi Ghandour	Member
Dr. Wolfgang Baier	Member
Mr. Ramez Shehadi	Member

- d. The Strategy Committee held 3 meetings during the year 2019, as per the following details:

Committee Member	Meeting 1-4-2019	Meeting 23-6-2019	Meeting 16-9-2019	Number of Personal Attendance
Mr. Mohamed Alsuwaidi	✓	-	✓	2
Mr. Arif Alharmi Albastaki	-	✓	✓	2
Mr. Fadi Ghandour	✓	✓	✓	3
Dr. Wolfgang Baier	✓	✓	✓	3
Mr. Ramez Shehadi	-	✓	✓	2

## 9. Internal Control System

- a. Pursuant to this report, the Board of Directors acknowledges its responsibility for the Company's internal control system review and effectiveness. The Internal Control department (Risk and Compliance department) is responsible for overseeing risk management and compliance related activities (specifically trade and corporate compliance requirements). The recently established Risk Management section is responsible for ensuring that key risks are appropriately identified and managed in collaboration with senior management. The Compliance section is split between Trade and Corporate Compliance. Trade Compliance focuses on ensuring compliance with all local and international regulations including import requirements, export controls and sanctions. Corporate Compliance focuses on the implementation and adherence to various corporate policies including the code of conduct, anti-bribery and corruption, conflict of interest and gifts, entertainment and hospitality. In addition, the Internal Control department (Risk and Compliance department) also includes additional risk assurance areas including corporate insurance, health, safety and security and information security.
- b. The Internal Control department (Risk and Compliance department) during 2019 was managed by Mr. Angus Russell McKay. Mr. McKay was appointed on 7 April 2019. He has over 20 year's experience working in Risk Management, Compliance, Internal Audit, Insurance and Risk Consulting both within the UAE and the UK. In the UK, he worked for a large multinational insurance broker (Willis Limited) providing Risk Management and Liability

assessments to a range of multinational companies before moving into strategic risk management consultancy with Ernst & Young in 2005 before moving to the UAE in 2010. Before joining Aramex, Russell worked for Ernst & Young providing Risk Management consultancy services and then joined Etisalat, in 2011, where he helped establish Enterprise Risk Management (ERM) capabilities within the Etisalat Group and Operating Companies. He also had oversight over Corporate Compliance and left Etisalat as a Senior Director for Internal Control, which was the Department responsible for Risk Management and Compliance. Mr. McKay holds a Bachelor of Arts (BA Hons) in Risk Management, from Glasgow Caledonian University, UK, and a Masters of Business Administration (MBA), Glasgow Caledonian University, UK.

- c. The Governance Officer of the Company is Ms. Amanda Dahdah. Ms. Dahdah was appointed as the Governance Officer of the Company in July 2019. Ms. Dahdah joined Aramex in 2011 as an in-house Legal Counsel, eventually becoming a Senior Legal Counsel in 2017. In her position, Ms. Dahdah supervised a vast array of legal matters for the Company's corporate office, as well as its international subsidiaries. Prior to joining Aramex, Ms. Dahdah worked in a leading private practice in Jordan, and in the Group Regulatory Compliance Department of Arab Bank's head office. Ms. Dahdah earned her bachelor's degree in Law in 2004 from the University of Jordan.
- d. During the year 2019, the Company did not face any major issues that required the attention or involvement of the internal control department.

#### 10. Irregularities of the Financial Year

No irregularities were identified during the 2019 financial year.

#### 11. Company Contribution to Community Development and Environment Preservation During the Year 2019

Since publishing its first sustainability report in 2006, the Company has maintained a consistent framework of planning, implementation, monitoring and publication, and continued to improve its efforts and practices towards sustainability. This framework is our platform that helped us to maintain our consistent communication across a wide range of issues. Our sustainability pillars include: Youth Education and Empowerment, Entrepreneurship, Community Development, Disaster Relief, Sports, and Environment.

During 2019, the Company has participated in community development and environment preservation in the amount of USD 903,461 (Partnership: USD 518,099 – Sponsorship: USD 356,662 – Others: USD 28,700) representing 0.6% of pre-tax profit.

**12. General Information**

- a. Following is a statement of the Company's stock market price (highest and lowest prices) at the end of each month during the year 2019 (the below information was obtained from Dubai Financial Market)

Month	Month – High	Month – Low	Closing Price
January	4.250	3.920	4.250
February	4.480	4.100	4.390
March	5.010	4.250	4.740
April	4.850	4.540	4.750
May	4.780	4.210	4.280
June	4.350	4.110	4.240
July	4.470	4.110	4.400
August	4.390	4.080	4.210
September	4.250	3.990	4.010
October	4.090	3.920	3.920
November	4.000	3.380	3.730
December	3.800	3.540	3.570

- b. Following is a statement of the Company's stock price comparative performance with the general market index and the sector index during the year 2019 (the below information was obtained from Dubai Financial Market)

Month	ARMX	DFMGI	Transportation
January	4.250	2567.59	725.9
February	4.390	2635.78	721.71
March	4.740	2634.86	753.41
April	4.750	2767.10	778.34
May	4.280	2620.33	735.45
June	4.240	2658.63	737.05
July	4.400	2918.38	773.31
August	4.210	2758.60	771.34
September	4.010	2781.07	760.88
October	3.920	2746.93	777.38
November	3.730	2678.70	776.48
December	3.570	2764.86	798.73



- c. Following is the shareholders distribution as of December 31, 2019 (Individual, Company and Government) categorized into Local, GCC, Arab and Foreign:

Category	Individuals		Companies		Governments		Total	
	Number of Shares	Percentage of Shares						
Local	173,730,521	11.8660%	329,742,910	22.5219%	35,229,431	2.4062%	538,702,862	36.7941%
GCC	29,646,158	2.0249%	221,195,454	15.108%	-	-	250,841,612	17.1329%
Arab	16,308,188	1.1139%	5,844,578	0.3992%	-	-	22,152,766	1.5131%
Foreign	11,818,432	0.8072%	640,584,328	43.7528%	-	-	652,402,760	44.56%
Total	231,503,299	15.812%	1,197,367,270	81.7819%	35,229,431	2.4062%	1,464,100,000	100%

- d. Following is a statement of shareholders who own 5% or more of the company's capital:

Shareholder	Number of Shares	Percentage of Shares
Levant Logistics Holdings	144,945,900	9.9%
جونة للاستثمارات ذ.م.م (Jaona Investments LLC)	95,652,212	6.5332%

- e. Following is a statement of shareholders distribution by shares ownership as of December 31, 2019:

Shares Ownership	Number of Shareholders	Number of Shares	Percentage of Shares
Less than 50,000	19,484	76,783,925	%5.244
From 50,000 to less than 500,000	501	76,526,302	%5.227
From 500,000 to less than 5,000,000	185	314,065,178	%21.451
More than 5,000,000	48	996,724,595	%68.078

- f. Our Investor Relations Division is published on the Company's website, in compliance with "The Chairman of Authority's Board of Directors' Resolution No. (7 R.M) of 2016 Concerning the Standards of Institutional Discipline and Governance of Public Shareholding Companies". The Investor Relations Division is managed by Mr. Mohammad Al Qassem, Senior External Communications Manager and Investor Relations Officer and can be contacted on the below contact details:

Name: Mr. Mohammad Al Qassem

Email: [mohammad.alqassem@aramex.com](mailto:mohammad.alqassem@aramex.com)

Telephone: +971 4 524 6755

Mobile: + 971 50 288 9601

Fax: + 971 4 286 5050

Following is the link to the Investor Relations page on the company's website: <https://www.aramex.com/investor-relations/aramex-shares>

- g. The Annual General Meeting was held on Wednesday, April 10, 2019, and no special resolutions were presented to the Board for approval.
- h. Ms. Reem Nayfeh was appointed as the Board Secretary in 2015. Ms. Nayfeh joined Aramex in 2003 as an in-house legal counsel, eventually becoming VP of Legal Affairs in 2006. She continued to oversee the legal services function for the Company's corporate office, as well as its international subsidiaries until 2017. She is also an active member of Aramex's Global Management Team. Prior to joining Aramex, Ms. Nayfeh worked in private

practice in the US and the Middle East. Ms. Nayfeh earned her bachelor's degree in Biochemistry in 1993, her master's degree in Business Economics in 1997 and a Juris Doctorate from the University of Cincinnati in 2000. Ms. Nayfeh is a certified board secretary by Hawkamah/DFM. Ms. Nayfeh's duties during the year 2019 included setting the work schedule for the Board of Directors, taking meeting minutes, preparing resolutions and communications, as well as following up on signature thereof. Additionally, Ms. Nayfeh coordinated with all Company departments to prepare documents and reports presented to the Board, and generally provided all administrative support necessary for the conduct of the Board meetings, and undertook all duties assigned to her by the Chairman and members of the Board.

- i. Following are the Company's material events during the year 2019: N/A
- j. The percentage of Emiratis in the company is as follows:  
December 31, 2017 was 0.22%  
December 31, 2018 was 0.27%  
December 31, 2019 was 0.22%
- k. The company is developing the following innovative projects and initiatives:
  - Big data and machine learning
  - Cloud computing architecture
  - Automated guided vehicles and mixed reality glasses
  - Next generation customer engagement
  - Address geocoding and route optimization
  - Next generation ERP implementation

Chairman of the Board of Directors	Chairman of the Audit Committee	Chairman of the Nomination and Remuneration Committee	Head of the Internal Controls Department
			
Date: 16.2.2020	Date: 17.2.2020	Date: 24/02/2020	Date: 27/02/2020



**Appendix (A) INSIDER TRADING POLICY FOR SECURITIES ISSUED BY ARAMEX PJSC (the “Company”)****I. SCOPE**

This policy provides guidelines to Board Members and employees of Aramex with respect to transactions in Aramex securities. The purpose of this policy is to ensure compliance of all Board Members and employees with ESCA Ministerial Resolution No. 518/2009 on Corporate Governance and Article 14 of ESCA Decision No. 2 of 2001 as to Trading, Clearing, Settlement, Transfer of Ownership and Custody of Securities and the amendments thereto.

**II. APPLICABILITY**

This policy applies to all transactions in Aramex securities by Board Members and employees. This policy also applies to transactions in the securities of Aramex’s subsidiaries and associate companies.

The Board of Directors and employees are authorised to carry out the purchase and sale of Aramex securities in line with the provisions of this policy. Any transactions not effected pursuant to this policy will be deemed null and void.

**III. DEFINITIONS**

“Restricted Persons” are defined as persons that may possess “material inside information”. Restricted persons include:

All members of the Board of Directors and the senior management, consisting of the following:

- CEO
- Senior Vice President Finance and CFO
- COO
- Regional CEOs

“Material inside information” is defined as price sensitive non-public information. Information should be regarded as material inside information if there is a reasonable likelihood that it would be considered important to a reasonable investor in making an investment decision regarding the purchase or sale of Aramex securities. Material inside information includes but is not limited to:

- Financial Information

- Projections of future earnings or losses
- News of a pending or proposed merger or joint venture
- News of the disposition of a subsidiary
- Impending bankruptcy or financial liquidity problems
- Gain or loss of a substantial customer or supplier
- New development, project, or process announcements of a significant nature
- Stock splits or consolidations
- New equity or debt offerings
- Acquisitions
- Significant litigation exposure due to actual or threatened litigation
- Major changes in senior management

#### **IV. POLICY REQUIREMENTS**

All Board Members and employees are prohibited from disclosing any material Company inside information to any person.

It is not permitted for any Board Member or employee to spread rumours regarding the buying or selling of shares.

Chairman and members of the Board, the Chief Executive Officer and all other employees are prohibited from trading personally or through others, whether through a broker or otherwise, with the shares of Aramex unless such sale or purchase is (1) disclosed to the Market including quantity and price; and (2) approved by the Market Director.

Furthermore, persons referred to above should commit to disclose in advance to the market about any trading with the shares of the mother company or its subsidiaries, if applicable and if these companies are listed in the market.

In addition to the above, Restricted Persons are prohibited from trading with the shares of Aramex during the following periods:

- A period of 10 (ten) days preceding the announcement by the Company of crucial information which may affect the Company's share price; and
- A period of 15 (fifteen) days preceding the end of the quarter until the release of the Company's annual or quarterly financial statements.

#### V. DISCLOSURE REQUIREMENTS

Laws and regulations may require Board Members and employees to disclose and take approval from regulatory authorities prior to their transactions. There may be civil and criminal penalties in the UAE for non-disclosure of ownership or transactions in securities and abiding by these laws and regulations are the individual's responsibility. Specific disclosure requirements include:

- Disclosure to the DFM (as required by ESCA Decision no 3 of 2000: Regulations as to Disclosure and Transparency):
- The number of shares owned by Board Members must be disclosed within 15 (fifteen) days as from their assumption of membership and also at the end of each financial year.
- The trades effected by Restricted Persons during the current year must be disclosed at the end of each financial year.
- The names of shareholders (including Board Members and employees) who own, or whose holding together with their minor children reaches, 5% or more of the Company's shares. This information should be submitted to the DFM every time the shareholding increases by 1% of the Company's shares over and above 5%.

Disclosure to the Company (as required for the Governance Report):

Restricted Persons will be required to disclose transactions in Aramex shares as follows:

- Board Members: To be disclosed through the Annual Board Member Declaration Form. This includes transactions by relatives who are defined as a father, mother, child, spouse, father in law, mother in law or child of spouse ("First Degree Family Relations")
- Senior Management: Restricted Persons Declaration Form.
- Above-mentioned declarations shall be provided annually to the General Counsel of the Legal Department and/or Board Secretary by the end of the calendar year.

**VI. IMPLEMENTATION**

All Restricted Persons at Aramex shall be sent a briefing of this policy annually via receipt confirmed electronic mail. The Board Secretary or his appointed representative shall be responsible for this distribution.

**Appendix (B) BOARD MEMBER REMUNERATION POLICY****I. PURPOSE**

This policy aims to ensure that the level and composition of remuneration for Board Members should be sufficient and reasonable to attract and maintain talented individuals to fulfil such roles.

**II. POLICY GUIDELINES**

In making its recommendations regarding Board Member remuneration, the Nomination and Remuneration Committee will take into account the following guidelines:

- Remuneration to Board Members in shares or as a percentage of profit is prohibited.
- Board Members will be reimbursed for actual expenses incurred in carrying out their duties as members of the Aramex Board.
- Remuneration shall be reasonable and in line with the company's performance.

Executive Board Members will be entitled to receive the same remuneration as non-executives in addition to their compensation as executives in Aramex.

**III. REMUNERATION PROCESS**

The Nomination and Remuneration Committee will annually review (and seek expert advice when required) and make recommendations to the General Assembly on the remuneration for Board Members as follows:

- At the beginning of the year, the Nomination and Remuneration Committee will submit proposed Board Member remuneration to the Board for approval.
- The Nomination and Remuneration Committee will then submit the proposed Board Member remuneration to the General Assembly for its approval.
- In proposing the amounts to the General Assembly the Nomination and Remuneration Committee will ensure that:
  - Board Members do not receive remuneration if shareholders are not paid a minimum of 5% of the Company's capital as dividends during a particular year;
  - The proposed Board Member remuneration shall not exceed 10% of the net profit after depreciation and reserves are deducted.

- The Board Member remuneration per member is calculated based on the number of Board meetings the member attended during the course of the year.
  - Board Members who attend at least four meetings during a year are entitled to the full remuneration.
  - Board Members who do not attend at least four meetings during a year are entitled to a pro rata share of the full remuneration based on the number of meetings attended out of four. For example, if a Board Member attended only one meeting during a fiscal year in which seven board meetings were held, the Board Member would receive 25% of the full remuneration.
- Members of the Board Committees will receive remuneration for attending committee meetings equivalent to AED 10,000 per meeting.
- A Member shall not be entitled to receive remuneration for meetings in which he attended by proxy.

**Appendix (C) DELEGATION OF AUTHORITY MATRIX****I. PURPOSE:**

The purpose of this document is to define the Delegation of Authority policy within Aramex PJSC (“Aramex” or the “Company”). The overall objectives of the Delegation of Authority Matrix are:

- To promote proper internal control over the authorization and execution of business transactions.
- To require close monitoring of complex capital expenditure projects.
- To facilitate / expedite the business decision making process.

**II. POLICY:**

- It is the policy of Aramex to abide by the set Delegation of Authority Matrix during its day-to-day operations.
- The Delegation of Authority Matrix has been developed in a fashion that reflects the philosophy requiring that decision-making authority be pushed down to the lowest practical organizational level thereby enabling employees at all organizational levels to have the decision-making authority needed to accomplish their assigned responsibilities.
- While the delegations presented in the Authority Matrix are necessarily broad, more detailed delegations further downward within Aramex are necessary to ensure proper internal control at the decision-making levels.
- The Matrix should be combined with operating and financial policies, procedures and standards, and a formalized reporting mechanism in order to create a more complete picture of authorities delegated within Aramex.
- The following guidelines should be followed in the administration of the Delegation of Authority Matrix:
  - Delegations are to positions, not incumbents. Accordingly, authorities of an incumbent cease upon leaving the position.
  - Practices that promote good internal control should be adhered to when delegating authority. For example, responsibility for the authorization of transactions must rest with individuals who are not responsible for accounting for those transactions, who must in turn be independent of those who make cash disbursements.
  - Where the matrix indicates that more than one party has the ‘authority to approve’, this means that the joint approval of these parties is required.

- To assure the Board of Directors that the overall objectives of the delegations of authority process are achieved, certain restrictions on the amount of capital and operating authority that can be delegated have been established as per the table below.
- This Matrix governs all actions taken by the Company or transactions that are carried out by the Company which include but are not limited to the following:
  - Corporate transactions
  - Commercial transactions
  - Acquisition of the shares of another company;
  - Divestment of operations or liquidation of subsidiaries, including a line of business, or other self-contained business activity;
  - Procurement, Finance, Treasury, including capital expenditures;
  - Decisions made in the normal course of business including dealings with banks and financial institutions, including the transfer of funds between the Company’s bank accounts;

**III. ACTIONS AND APPROVAL LIMITS:**

ACTIONS	APPROVAL LIMITS
<b>Corporate (including acquisition of companies and capital increases)</b>	<b>Up to USD 1.5 million:</b> Group CEO <b>USD 1.5 million and above:</b> Board approval
<b>Procurement</b>	<b>Up to USD 2.5 million:</b> Joint Approval by Group CEO and CFO <b>USD 2.5 million and above:</b> Board approval
<b>Finance and Treasury</b>	<b>Up to USD 5 million:</b> Joint Approval by Group CEO and CFO, Group CEO and COO, Group CEO and Corporate Treasurer. <b>USD 5 million and above:</b> Board approval
<b>Intercompany transactions including loans</b>	<b>No limits:</b> Joint Approval by Group CEO and CFO, Group CEO and COO, Group CEO and Corporate Treasurer.

- During an authorized approver's absence, approval authorization may be obtained from the individual at the next higher level.
- Alternatively, an authorized approver may delegate a substitute approver with the approval of the next higher level. The delegation of approval authority by the authorized approver must be evidenced in writing or via electronic email.
- The approval limits specified under Finance/Treasury may or may not be reflected in its entirety for bank signatory purposes, however, authorized bank signatories must ensure having obtained the required approvals as set forth above. Approvals must be evidenced in writing or via electronic mail
- Disbursements in foreign currency must be translated in US Dollars prior to the determination of the signatory requirements.
- Disbursements and expenditures may not be split into multiple approvals in order to avoid limit specifications.

#### Related Party Transactions and Conflict of Interest

- All transactions entered into on behalf of any Aramex entity must be at arm's length.
- Where a transaction is to take place between two entities within the Aramex group both entities are to treat each other as though they were external to the Aramex group.
- Care should be taken where contracting parties are or could be seen to be related to the contracting individual, or to any Related Party\*. In such instances, conflict of interest issues must be brought to the attention of the individual's manager who should document the details of the relationship and the action decided to be taken to avoid actual or perceived conflict of interest.
- Where any doubt as to conflict of interest exists, authority for approval of the transaction should be escalated to the next authority level or to the General Counsel of Aramex.

\* A Related Party is the Chairman and members of the Board of Directors of Aramex PJSC, members of the senior executive management and employees of Aramex PJSC, and the companies in which any of such persons holds 30% or more of its capital, as well as subsidiaries or sister companies or affiliate companies.

**Appendix (D) AUDIT COMMITTEE CHARTER**

The Audit Committee is constituted as a Committee of the Board of Aramex and this Charter may be amended at any time by the Board.

**I. PURPOSE**

The Audit Committee shall assist the Board in fulfilling their oversight responsibilities for the:

- Integrity of the financial statements;
- The external auditor's qualifications and independence; and
- Performance of Aramex Internal Audit Department.

**II. AUTHORITY**

The Audit Committee has the authority to monitor and review all financial issues along with external and internal audit activities for Aramex. It is empowered to:

- Have unrestricted access to all business units/departments, records (both manual and electronic), property and personnel;
- Meet with Aramex's officers, External Auditors, Internal Auditors or legal counsel, as necessary;
- Obtain external legal, or other professional, advice and to secure the attendance of anyone it considers has relevant experience, expertise or knowledge;
- Investigate or commission the Internal Audit Department or external agency to investigate any cases or allegations of fraud, ethical misconduct and other irregularities against any person at Aramex;
- Appoint, compensate, and oversee the work of any registered professional firm (legal, auditing, consulting etc.) employed by Aramex;
- Obtain the necessary assistance and cooperation of personnel in the business units/departments; and
- Nominate an Audit Coordinator for day to day follow up of external or internal audit findings that may not require the attention of the Audit Committee.

**III. MEMBERSHIP**

The Committee is appointed by the Board in accordance with SCA regulations. The Committee should have at least 3 (three) members, all of whom shall be Non-Executive Directors, and at least 2 (two) must be Independent Directors.

Additionally, 1 (one) member of the Committee must be a financial expert with recent and relevant financial experience. It shall be permissible to appoint a member or more from outside the company in case the sufficient number of Non-Executive Members of the Board of Directors does not exist the position of a committee member should not be filled by any partner (or former partner) of the current External Auditor, this provision shall apply for one year as from the date in which he ceased to be a partner, or any financial interest thereto whichever comes later.

The Chairman of the Committee is to be an independent non-executive member of the Board and is to be appointed by the Board (but is not to be the Chairman of the Board).

The members of the Committee shall be elected, by the Board, to serve for a 3 (three) year term, until their successors are elected and qualified or until their resignation or removal. The voting and appointment of Committee members shall take place at the first Board meeting of a newly convened Board of Directors. Members may be re-elected for unlimited number of subsequent terms.

**IV. MEETINGS**

The Committee will meet whenever necessary, but not less than once every 3 (three) months, at such time and place as is deemed appropriate. Additional meetings may be requested by any member, the Internal Auditor or the External Auditor.

All the attending members shall approve and sign the agendas of meetings of the Audit Committee before the same are filed by the Secretary of the Committee. Copies of the minutes are sent to the members after approving and signing the same for the sake of keeping. The minutes of the meetings of the Committee thereof shall be kept by the secretary of the Committee, and in case any of the members declined signing, the objection of such member shall be recorded in the minutes along with the reasons of such objection in case the reasons are expressed.

**V. QUORUM**

The presence of 2 (two) Committee members shall constitute a quorum for the transaction of business at any meeting. However, 1 (one) of these attending members must be the Chairman of the Committee. All matters shall be decided at any such meeting, a quorum being present, by the affirmative votes of both members present.

**VI. LEGALLY REQUIRED DUTIES AND RESPONSIBILITIES**

The Audit Committee, as a minimum, shall have the following tasks and duties:

- Adopt a policy on dealing with the External Auditor and report/recommend to the Board any issues that require action on part of the Board.
- Upon the completion of external audit procedures and in preparation for the AGM, the Audit Committee will meet with the external auditor (independently from the Board), for the external auditor to present the external audit letter, the scope, nature and extent of work, services provided, independency and objectivity. Accordingly, the Audit Committee will report to the Board specifying the issues (if any) for which it deems important to take an action, along with submitting its recommendations for the actions that need to be taken.
- The external auditor is then to present the same to the Board of Director for their approval in light of the Audit Committee recommendations.
- Monitor the independence of the External Auditor and discuss with the same the nature, scope and efficiency of the audit in accordance with generally accepted auditing standards.
- Independently from the Board of Directors, the Committee will meet to ensure (on quarterly and annual basis) the integrity of the financial statements and review the same as part of its ordinary work during the year, and before the announcement to the market, and accordingly the Committee will report its recommendations (if any) to the Board. In particular, the Committee shall concentrate on the following:
  - Any changes in the accounting policies and practices.
  - Distinguish the matters that are subject to the discretion of the Management.
  - The substantial amendments resulting from auditing.
  - Assuming the continuous operation of the Company
  - Abiding by the accounting standards decided by the Securities and Commodities Authority.
  - Abiding by the “Listing Rules and Disclosure”, and other legal requirements pertaining to the preparation of financial reports.

- In case the Audit Committee could not meet before the announcement to the market to review the financial statements, the Chairman of the Board and the Chief Executive Officer will approve and sign the financial statements. Consequently, the Audit Committee will meet to review the same.
- To coordinate with the Board, executive management and the CFO and also to meet with the External Auditors at least once a year.
- To consider any significant and unusual matters to be reported in the financial statements and to address concerns raised by the CFO, Compliance Officer or External Auditors.
- To review Aramex's financial controls, internal control, and risk management system.
- To discuss the Internal Control system with management and to ensure that it is operating effectively.
- To review the results of the main investigations in the matters of internal control as assigned by the Board of Directors, or as initiated by virtue of the initiative of the Committee that is approved by the Board of Directors.
- To ensure coordination between the Internal and External Auditors to ensure the availability of the resources necessary for the internal audit and to review and monitor its efficiency.
- To review Aramex's financial and accounting policies and procedures;
- To review the letter of the external auditors, their action plan, and any substantial questions the same poses to Management with regards to the accounting records, the financial accounts, or the control systems, and the Management response or approval thereof.
- To ensure that the Board of Directors is responding in due time to the requests for clarification and the substantial matters mentioned in the letter of the external account auditor.
- To develop a policy on confidential reporting by employees. The policy should relate to financial irregularities, internal control matters or other matters of concern to Aramex. Further, to ensure that proper procedures are in place to allow for independent and fair investigations of reported matters.
- To monitor compliance with the Code of Conduct.
- To ensure adherence to the Duties & Responsibilities included in this Charter.
- To submit a report to the Board of Directors on the extent of the Committee's compliance with the Duties & Responsibilities included in this Charter.
- To consider any other matters referred to the Committee by the Board. The Board of Directors may delegate to the Audit Committee certain matters in which the Board has the authority to decide on.

## **VII. ACCESS TO UPDATED INFORMATION**

The Finance function of Aramex in general, and the CFO in specific, will be responsible for keeping the Audit Committee updated about the relevant changes in laws and regulations affecting Aramex's financial operations and financial statements. The CEO will be responsible for keeping the Audit Committee updated about relevant recommendations and/or changes that need to be addressed within the framework of Aramex corporate governance.

## **VIII. REPORTING POLICY AND PROCEDURES**

Following each Audit Committee meeting, the Committee is to report in writing on its concluded actions, results and recommendations to the Board with absolute transparency, for the Board of Directors to oversee the Committee's work and ensure its commitment towards the duties assigned to it. The Secretary of the Committee prepares the report and the Secretary of the Board of Directors sends it to the Board upon the approval of the Chairman of the Committee.

## **IX. OTHER**

The Committee members shall undertake an annual review of its Charter and make recommendations to the Board for any amendments.

**Appendix (E) NOMINATION AND REMUNERATION COMMITTEE CHARTER**

The Nomination and Remuneration Committee is constituted as a Committee of the Board of the Company. The Committee's Charter may be amended at any time by the Board.

**I. PURPOSE**

To assist the Board in fulfilling their oversight responsibilities for the independence of Board Members and to monitor the integrity of human resources processes at Aramex.

**II. MEMBERSHIP**

The Committee is appointed by the Board in accordance with SCA regulations. The Committee should have at least 3 (three) members, all of whom shall be Non-Executive Board Members and at least 2 (two) must be Independent Board Members.

The Chairman of the Committee is to be an independent non-executive member of the Board and is to be appointed by the Board (but is not to be the Chairman of the Board).

The members of the Committee shall be elected, by the Board, to serve for a 3 (three) year term, until their successors are elected and qualify or until their resignation or removal. The voting and appointment of committee members shall take place at the first Board meeting of a newly convened Board of Directors. Members may be re-elected for unlimited number of subsequent terms.

**III. MEETINGS**

The Committee will meet as frequently as it determines, at least 1 (one) time per year, at such time and place as is deemed appropriate. Additional meetings may be requested by any Board member or the Human Resources manager. All the attending members shall approve and sign the agendas of meetings of the Committee before the same are filed by the Secretary of the Committee. Copies of the minutes are sent to the members after approving and signing the same for the sake of keeping. The minutes of the meetings of the Committee thereof shall be kept by the secretary of the Committee, and in case any of the members declined signing, the objection of such member shall be recorded in the minutes along with the reasons of such objection in case the reasons are expressed.

**IV. QUORUM**

The presence of 2 (two) committee members shall constitute a quorum for the transaction of business at any meeting. However, 1 (one) of these attending members must be the Chairman of the committee. All matters shall be decided at any such meeting, a quorum being present, by the affirmative votes of both members present.

**V. AUTHORITY**

The Nomination and Remuneration Committee is empowered to:

- Make decisions in line with the Duties & Responsibilities laid out in this Charter.
- Obtain all required information through the Human Resources Manager and/or the Board Secretary.
- Obtain external legal or other professional advice and to secure the attendance of anyone it considers having relevant experience, expertise or knowledge.

**VI. DUTIES AND RESPONSIBILITIES**

The specific duties and responsibilities of the Nomination and Remuneration Committee shall be to:

- Ensure that Independent Directors remain independent in a continuous basis.
  - Continuous verification of the board members' independence, during their term. If the committee discovers that any of the members do not meet the independency criteria, it shall present this matter to the company's board of directors and the board shall notify the member by a letter to be sent by registered mail to the members' registered address recorded in the company's files and shall address the reasons for the lack of independency; such member shall provide clarification to the board within fifteen days from the date of the notification.
  - The board of directors in its earliest meeting after the member's response or after the expiry of the period preferred to above, shall issue a decision confirming whether the member is considered independent or not.
  - Even when such board member is no longer meeting the independence criteria and such situation does not result a breach to the minimum requirement for the number of independent board members, the same must be taken into account when establishing board committees.
  - Notwithstanding provisions of Article (102) of the Commercial Companies Law, if the board decision holding that the member is no longer independent is to impact the minimum requirements for the independent board members, the board shall appoint a new member replacing

such member and such appointment shall be reviewed by at the earliest general assembly of the company in order to give effect to the decision of the board.

- Develop, monitor and annually review the policies relating to remunerations, benefits, incentives and bonus salaries to the board members and employees of the Company. The Committee shall also ensure that remunerations and privileges granted to the executive management are rational and proportionate with the performance of the Company.
- Determine the required core competencies at the executive management and employees' levels and the criteria for selecting the same.
- Develop, monitor and annually review the Company's human resources and training policy and make recommendations to the Board of Directors.
- Recommend Board Member remuneration.
- Follow up and monitor the "Annual Board Member Declaration Form" process.
- Arrange and follow up on the procedures pertaining to the proposal for the membership in the Board of Directors in accordance with the provisions of the applicable laws, regulations and the provisions of SCA Corporate Governance Code.

#### **VII. REPORTING POLICY AND PROCEDURES**

Following each Committee meeting, the Committee is to report in writing on its concluded actions, results and recommendations to the Board with absolute transparency, for the Board of Directors to oversee the Committee's work and ensure its commitment towards the duties assigned to it.

The Secretary of the Committee prepares the report and the Secretary of the Board of Directors sends it to the Board upon the approval of the Chairman of the Committee.

#### **VIII. OTHER**

The Committee will consider any other matters referred to the Committee by the Board.

**Appendix (F) STRATEGY COMMITTEE CHARTER****I. PURPOSE AND SCOPE**

The primary function of the Strategy Committee (the “Committee”) of the Board of Directors (the “Board”) of Aramex PJSC (the “Company”) is to exercise the responsibilities and duties set forth below, including, but not limited to, assisting the Board in carrying out its oversight responsibilities relating to the Company’s strategy on geographical expansions, the future of the industry, how integrators are evolving, potential acquisitions, the development of disruptive technologies and other key strategic transactions outside the ordinary course of the Company’s business (“Strategic Issues”).

**II. COMPOSITION**

The Committee shall be comprised of no less than two members of the Board as appointed by the Board in addition to the Company’s Chief Executive Officer, Chief Financial Officer, Chief Operating Officer and Chief Technical Officer. The Board shall appoint the members of the Committee annually. Each member of the Committee shall serve until his or her successor shall be duly appointed and qualified or until his or her earlier resignation or removal.

Unless a Chair is elected by the full Board, the members of the Committee may designate a Chair by majority vote of the full Committee membership.

The Committee shall meet as necessary to enable it to fulfill its responsibilities and duties as set forth herein. The Committee may invite members of management or others to attend Committee meetings and provide pertinent information as the Committee may request on the issues being considered.

The Committee shall report its actions to the Board and keep written minutes of its meetings which shall be recorded and filed with the books and records of the Company.

**III. RESPONSIBILITIES AND DUTIES**

To fulfill its responsibilities and duties, the Committee shall:

1. Review, and provide guidance to management and the Board with respect to the Company’s strategy for Strategic Issues including advising the CEO regarding the objectives and the deliverables of the Strategic Issues.
2. Oversee the implementation of the Strategic Issues and review performance against the objectives set by management.
3. Provide periodic reports to the Board of any Strategic Issues being considered, or authorized and approved, by management.
4. Review and assess the adequacy of this Charter periodically as conditions dictate and recommend any modifications to this Charter, if and when appropriate, to the Board for its approval.

**IV. ADVISORS**

The Committee may conduct or authorize investigations and/or due diligence into or research of matters within the Committee's scope of responsibilities and duties as described above, and may seek and retain accounting, legal, consulting or other expert advice, at the expense of the Company.