

The Aramex logo consists of the word "aramex" in a bold, lowercase, sans-serif font, colored white. It is set against a solid red rectangular background. To the left of this logo, there is a vertical red bar that runs down the page, ending in a small red square at the bottom.

aramex

**Corporate Governance Report
2016**

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About Aramex

Since its foundation in 1982, Aramex has grown to become a world leader in comprehensive logistics and transportation solutions recognized for its customized services and innovative products for businesses and consumers. Listed on the Dubai Financial Market (DFM) and headquartered in the UAE, we are located at the crossroads between East and West, which allows us to provide effective logistics solutions worldwide and reach more customers.

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

We currently have business operations in over 567 cities across 66 countries worldwide and employ over 17,000 transportation professionals. When considering the 40 alliances we have with leading international express and logistics providers, our network expands to more than 12,000 offices and 66,000 employees across 240 countries. Our breadth of services, including express courier, freight, logistics, supply chain management, e-commerce and record management also give us considerable reach. We remain committed to further enhancing our global operations and pursuing more opportunities for business growth.

We live in an era where technology transforms and influences our daily lives more than ever before; therefore, technological innovation is critical to our success. We are strategically leveraging technology in a variety of ways, acquiring or partnering with domestic-focused logistics companies that have strong local networks, for better and more efficient last-mile delivery solutions. This approach has significant benefits, which is 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 moving goods and services efficiently and maintaining our market leading position.

We recognize that in order to grow a truly sustainable business, we must give back to the markets and communities in which we operate. Our “Delivering Good” sustainability platform is active in over 180 educational, social, and environmental projects worldwide and we have partnered with many international and local organizations dedicated to similar causes. We are proud of the close ties we have with the communities we operate in and the contributions made to their sustainable economic development.

To end, we are actively developing a culture where innovation can thrive and will continue to invest in our people, technology, and infrastructure, implement innovative solutions to satisfy our customers’ evolving needs, deliver maximum value to our stakeholders, and maintain 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”.

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 “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”. 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 2016:

Board Member	Position	Dealings of Board Members			Dealings of Board Members' Relatives			
		Total Selling	Total Buying	Number Shares as of December 31 st	Relation	Total Selling	Total Buying	Number of Shares as of December 31 st
Abdullah Al-Mazrui	Chairman	None	1,164,454	12,381,872 (Mazrui Investments llc Mr. Abdullah Al-Mazrui personally owns majority stakes)	None	None	None	None
Fadi Ghandour	Founder and Vice Chairman	144,945,900	None	None	None	None	None	None
Hussein Hachem	Chief Executive Officer and Director	None	None	None	None	None	None	None
Helal Al-Marri	Director	None	None	None	None	None	None	None
Ahmed Al-Badi	Director	None	None	2,928,200	None	None	None	None
Ayed Aljeaid	Director	None	289,231	3,217,431	None	None	None	None
Mana Al-Mulla	Director	None	None	None	None	None	None	None
Ahmed Fahour* (Representing Australia Post Transaction Services Pty Ltd)	Director	None	147,343,204	147,343,204	None	None	None	None
Mohamed Alsuwaidi**	Director	None	None	None	None	None	None	None
Arif Naqvi**^	Director	None	None	None	None	None	None	None
Charles El Hage***^	Director	None	None	None	None	None	None	None

* Mr. Arif Naqvi had resigned his position as Board Member of Aramex PJSC, effective Monday, 10th of October 2016, due to personal reasons. The Chairman went on the 30th of October to nominate Australia Post Transaction Services, represented by Mr. Ahmed Fahour, to fill the vacancy resulting from the resignation of Mr. Arif Naqvi from the Board of Directors.

** Mr. Charles El Hage had resigned his position as Board Member of Aramex PJSC, effective Wednesday, 30th of November 2016, due to personal reasons. The Chairman went on the 14th of December to nominate Mr. Mohamed Alsuwaidi, to fill the vacancy resulting from the resignation of Mr. Charles El Hage from the Board of Directors.

^ The details mentioned above are added based on the Company's Governance Report of 2015, and will be updated as soon as we received the same for 2016.

3. Governance Practices

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 Member	Position	Status		Other Directorships and Substantial Positions	Membership Date
Abdullah Al-Mazrui	Chairman	Independent	Non-Executive	- Chairman, Emirates Insurance Company. - Chairman, The National Investor Company. - Director, National Investment Corporation. - Director, Investcorp Bank. - Director, Depa United Group. - Director, Endeavor Global. - Director, Pearl Initiative. - Director, Abu Dhabi Economic Council.	15-Feb-2005
Fadi Ghandour	Founder and Vice Chairman	Non-Independent	Non-Executive	- Executive Chairman, Wamda Capital.	14-Sep-2005
Hussein Hachem	Chief Executive Officer and Director	Non-Independent	Executive	- None.	30-May-2011
Helal Al-Marri	Director	Independent	Non-Executive	- Director, Taaleem Education. - Director, Emaar Malls. - CEO, Dubai World Trade Centre Authority. - Director General, Dubai Department of Tourism and Commerce Marketing.	15-Feb-2005

Board Member	Position	Status		Other Directorships and Substantial Positions	Membership Date
Ahmed Al-Badi	Director	Independent	Non-Executive	- Director, Emirates Insurance Company. - Director, Gulf Capital. - Director, Union National Bank.	15-Feb-2005
Ayed Aljeaid	Director	Non-Independent	Non-Executive	- None.	15-Feb-2005
Mana Al-Mulla	Director	Independent	Non-Executive	- Chairman, UNIKAI Foods. - Chairman, Emirates Refreshments Company. - CEO, Khalifa Industrial Zone (KIZAD).	23-Aug-2010
Ahmed Fahour* (Representing Australia Post Transaction Services Pty Ltd)	Director	Non-Independent	Non-Executive	- None.	30-Oct-2016
Mohamed Alsuwaidi**	Director	Independent	Non-Executive	- Director, Mubadala Reinsurance. - Director, Guinea Alumina Corporation. - Director, Suyadi CPC. - Employed, Mubadala Investments. - Director and Member in other boards and committees of Emirates Aluminum.	14-Dec-2016
Arif Naqvi*^	Director	Independent	Non-Executive	- Director, Air Arabia. - Director, Orascom Construction.	14-Sep-2005
Charles El Hage**^	Director	Independent	Non-Executive	- Director, Chalhoub Group.	30-May-2011

* Mr. Arif Naqvi had resigned his position as Board Member of Aramex PJSC, effective Monday, 10th of October 2016, due to personal reasons. The Chairman went on the 30th of October to nominate Australia Post Transaction Services, represented by Mr. Ahmed Fahour, to fill the vacancy resulting from the resignation of Mr. Arif Naqvi from the Board of Directors.

** Mr. Charles El Hage had resigned his position as Board Member of Aramex PJSC, effective Wednesday, 30th of November 2016, due to personal reasons. The Chairman went on the 14th of December to nominate Mr. Mohamed Alsuwaidi, to fill the vacancy resulting from the resignation of Mr. Charles El Hage from the Board of Directors.

^ The details mentioned above are added based on the Company's Governance Report of 2015, and will be updated as soon as we received the same for 2016.

Board Members Expertise and Qualifications

Board Member	Board Members Expertise and Qualifications
Abdullah Al-Mazrui	<p>BA (Honors) Chapman University, California – USA</p> <p>Previous Expertise:</p> <ul style="list-style-type: none"> - Managing Director and Chief Executive National Bank of Abu Dhabi - Chairman, Emirates & Tunisian Investment Bank - Managing Director, Investbank. - Member of Management Committee Currency Board, UAE. - Director of the Arab Investment Company, Riyadh. - Director of Abu Dhabi Investment Company. - Director of Gulf International Bank, Bahrain. - Director, UBAN International Limited, Hong Kong - Board Member - Etisalat - Director, Union of Arab Banks, Beirut, Lebanon - Director, Federal National Council, UAE - Chairman, Gulf Financing Company. <ul style="list-style-type: none"> - Member of Arab Bankers Association, London. - National Investment Corporation. - Abu Dhabi Economic Council. - Abu Dhabi Education Council. - Member of Advisory Board of Insead, Abu Dhabi. <p>Current Expertise:</p> <ul style="list-style-type: none"> - Chairman, Mazrui Holding Company - Chairman, International School of Choueifat - Chairman, Jashanmal National Company - Chairman, Modecor - Chairman, National Catering Company - Solidarity Projects
Fadi Ghandour	<p>BA Political Science, The George Washington University – USA</p> <p>Previous Expertise:</p> <ul style="list-style-type: none"> - Founder and CEO, Aramex. <p>Current Expertise:</p> <ul style="list-style-type: none"> - Executive Chairman, Wamda Capital, a Venture Capital fund that invests in technology-enabled companies in the Arab World. - Director, Abraaj Capital. <ul style="list-style-type: none"> - Director, Endeavor Global. - Advisory Council of the MIT Media Lab. - Member, Board of Trustees at the American University of Beirut (AUB). - Passionate about social entrepreneurship, Fadi is the Founder and Chairman of Ruwwad for Development.
Hussein Hachem	<p>Bachelor degree from the American University of Beirut</p> <p>Executive Development and Management programme at the Wharton Business School, University of Pennsylvania, USA.</p> <p>Previous Expertise:</p> <ul style="list-style-type: none"> - Hussein is a veteran of the industry with over 22 years of regional and international experience. His career at Aramex started with re-establishing operations in Kuwait after the 1991 Gulf War. He then became General Manager in Kuwait, Sri Lanka and then the United Arab Emirates. In 2005, Hussein was promoted to Vice President for the UAE and Oman, and then to CEO of Gulf Cooperation Council countries. For the last few years, he has served as the CEO of the Middle East and Africa, managing the largest revenue <p>Current Expertise:</p> <ul style="list-style-type: none"> - Chief Executive Officer, Aramex. <p>Hussein is a member of the Private Investors from Africa (PIA), a business coalition founded in 2001 that aims to leverage private sector experience in Africa to tangibly contribute to the continent's future, and of the Young Presidents Organization (YPO). He is also a fellow of the Middle East Leadership Initiative, a flagship leadership program of The Aspen Institute.</p>

Board Member	Board Members Expertise and Qualifications
<p>Helal Al-Marri</p>	<p>generating markets for the company and playing an instrumental role in the growth and expansion of Aramex operations globally.</p> <p>MBA from London Business School Chartered Accountant from the Institute of Chartered Accountants in England and Wales</p> <p>Previous Expertise:</p> <ul style="list-style-type: none"> - Higher Committee Member, the successful Dubai Expo 2020 bid organization. - Director, Expo Organizing Committee. - Consultant, with McKinsey & Company and KPMG, his experience spans a diverse portfolio of industries across geographies. <p>Current Expertise:</p> <ul style="list-style-type: none"> - Director General, of Dubai’s Department of Tourism and Commerce Marketing (Dubai Tourism) – the principal authority responsible for strengthening Dubai’s positioning as a world-leading tourism destination and commercial hub. - He also heads Dubai World Trade Centre Authority (DWTCA), which is the region’s largest business and consumer event, exhibition and conference hosting and organizing group. <ul style="list-style-type: none"> - Chairman, Sheikh Hamdan Bin Mohammed Bin Rashid Sports Complex. - He concurrently serves on the boards of government and UAE-based private sector entities including Dubai Chamber of Commerce and Industry, Dubai Islamic Economy Development Centre, Emaar Malls, Dubai Smart Government, Free Zone Council, International Humanitarian City and Taaleem Education.
<p>Ahmed Al-Badi</p>	<p>B.A. in International Relations Lewis and Clark College, Portland, Oregon, USA</p> <p>Previous Expertise:</p> <ul style="list-style-type: none"> - Acting Minister of Oil and Natural Resources United Arab Emirates. - Chairman, Emirates Petroleum United Arab Emirates. - Chairman, Executive Committee, Council of the Arab Ministers of Health, United Arab Emirates. - Chairman of the Board, Federal Environmental Agency United Arab Emirates. - Minister of Health, United Arab Emirates. - President of the Forty Fifth World Health Assembly. - Chairman, Higher Committee on the Environment. - Deputy Chairman of the Board of the General Industrial Corp. Abu Dhabi. <ul style="list-style-type: none"> - Member of the Board of The Abu Dhabi Commercial Bank - Director of Treasury Department Abu Dhabi Investment Authority (ADIA). - Member of the Board of the Arab Investment Company Riyadh, Saudi Arabia. - Deputy Director, Directorate of Finance and Administration of ADIA. <p>Current Expertise:</p> <ul style="list-style-type: none"> - Chairman of the Board, Belbadi Enterprises LLC United Arab Emirates.
<p>Ayed Aljeaid</p>	<p>BA in Aviation from the King Faisal Aviation University in Riyadh in 31/07/1975, division 113- first in his promotion with honors and Excellency. Masters in Military Arts, Command & Staff College in Levinworth Kansas - USA</p> <p>Previous Expertise:</p> <ul style="list-style-type: none"> - Advanced Fighter Aircraft Instructor Fighter Pilot on (F15). - Evaluation Officer of Fighter Aircraft (F-5) <ul style="list-style-type: none"> - Member of Joint Planning Committee during the 2nd Golf War - Official Spokesman for Air Operation during the 2nd Golf War

Board Member	Board Members Expertise and Qualifications
	<ul style="list-style-type: none"> - Chief Evaluation Section at F-5 Fighters Wing Aircraft - Chief (F-15) Evaluation Section - Planning Officer in the Department of Plans & Operations at RSAF HQ - Head of Planning Division of the Operation & Planning Department in the RSAF - Head of Air Force Group at Joint Operation and Theater of operation during the 2nd Golf War representing Air operation in coordination of (F-15) operation requirements C4I systems, C4I for GCC. <ul style="list-style-type: none"> - Director of RSAF Operation Command Centre. <p>Current Expertise:</p> <ul style="list-style-type: none"> - Personal Assistant (PA) to HRH Prince Khaled Bin Sultan Bin Abdulaziz - Chief Executive Officer, Makshaff Services Limited - Chairman, National Flight Service (NFS) - Board Member, Falcon Air Cargo Company (FECA)
<p>Mana Al-Mulla</p>	<p>BS in Business Administration from The University of Suffolk in Boston</p> <p>Previous Expertise:</p> <ul style="list-style-type: none"> - Managing Director of Dubai Refreshments Company P.J.S.C from 2008-2013. - Managing Director for The National Investor Company during 2013 and he has served as a member of the Board of Directors of The National Investor from 2010-2013. - Served as Assistant General Manager at Mohamed and Obaid Al Mulla Company L.L.C where he established an independent Real Estate department. - Director, Oman Insurance Company (UAE) P.J.S.C - Dubai Refreshment Co P.J.S.C <ul style="list-style-type: none"> - Director, Economic Zones World (Jafza). - Director, Etisalat P.J.S.C - Director, Commercial Bank of Dubai P.J.S.C - Director, Union Properties PJSC <p>Current Expertise:</p> <ul style="list-style-type: none"> - Mr. Al Mulla joined Abu Dhabi Ports in 2014. - Board Member of American Hospital Dubai LLC. - Member of Executive Committee of Mohammed & Obaid Al Mulla LLC.
<p>Ahmed Fahour</p>	<p>Bachelor of Economics, La Trobe University in Melbourne</p> <p>Master of Business Administration degree at Melbourne Business School</p> <p>Previous Expertise:</p> <ul style="list-style-type: none"> - Ahmed commenced his professional career at Boston Consulting Group (BCG) in 1987, where he consulted on a range of major commercial projects including mergers, acquisitions, corporate vision and strategy. - In 2000, Ahmed was recruited by Citigroup and moved to New York, where he worked as Head of Corporate Development and, later, as CEO of Citigroup Alternative Investments- as well as serving on the company's Global Management Committee. He was subsequently appointed as Citigroup's CEO for Australia and New Zealand. - In 2004, he joined the National Australia Bank (NAB) as an Executive Director and Australian CEO. <ul style="list-style-type: none"> - He was appointed Managing Director and CEO of Australia Post in early 2010. Ahmed has been implementing a more customer-focused business model at Australia Post designed to capture the corporation's major growth opportunities in ecommerce, logistics, and as a provider of trusted digital services. <p>Current Expertise:</p> <ul style="list-style-type: none"> - Ahmed Fahour is Managing Director & Group CEO of Australia Post. - Ahmed is currently Chairman of LaunchVic and Pro-Pac Packaging Ltd. He is also an Adjunct Professor in the Faculty of Business, Economics and Law at La Trobe University.

Board Member	Board Members Expertise and Qualifications
<p>Mohamed Alsuwaidi</p>	<p>B.Sc. in Accounting from UAE University Previous Expertise:</p> <ul style="list-style-type: none"> - Union National Bank. - Abu Dhabi Executive Council. <p>Current Expertise:</p> <ul style="list-style-type: none"> - Director, Mubadala Reinsurance. - Director, Guinea Alumina Corporation. - Director, Suyadi CPC. - Employed, Mubadala Investments. <p style="text-align: right;">- Director and Member in other boards and committees of Emirates Aluminum.</p>
<p>Arif Naqvi[^]</p>	<p>Graduate of the London School of Economics and Political Science Previous and Current Expertise:</p> <ul style="list-style-type: none"> - Established Abraaj Group in 2002 and has served as its Group Chief Executive since inception, building it into one of the leading private equity firms in the world. Abraaj is widely recognized as a pioneer of global growth markets private equity with over 20 country offices including 5 regional hubs in Dubai, Istanbul, Mexico City, Nairobi and Singapore. - Mr. Naqvi is a Trustee of the Interpol Foundation and is on the Board of the United Nations Global Compact. He is also a Columbia Global Leadership Council member and is an Honorary Fellow of the Royal College of Art in London. <p style="text-align: right;">- Mr. Naqvi has been the recipient of numerous awards, including the Oslo Business for Peace Award, the highest form of recognition given to individual private sector leaders for fostering peace and stability through business, and the Sitara-i-Imtiaz, a prominent civilian honor awarded by the Government of Pakistan. In 2011, Private Equity International named him as one of the 50 most influential people in the global private equity industry.</p> <p style="text-align: right;">- In 2008, Mr. Naqvi and his family established the Aman Foundation, the largest private social sector enterprise in Pakistan, which supports sustainable development in healthcare, nutrition and education.</p>
<p>Charles El Hage[^]</p>	<p>Bachelor and Master of Science in Industrial Management and Industrial Engineering, Purdue University, Indiana, USA. Previous and Current Expertise:</p> <ul style="list-style-type: none"> - A former Senior Vice President of Booz Allen Hamilton, Charles has 25 years of worldwide management consulting experience, covering a wide variety of countries, industry and functional areas. In particular, Charles established and developed the Booz Allen Hamilton business in the Middle East. - Charles has provided services to a broad spectrum of multinational and regional companies, in areas such as Banking, Insurance, Automotive, Health Care, Telecoms, Oil & Gas, Chemicals, Logistics, Information Technology, and Construction. <p style="text-align: right;">- He is currently investor and/or Director on the boards of a number of Middle Eastern companies and non-profit organizations. These include Chalhoub Group, Quantum Holding, Debbas Group and Jouzour Loubnan, just to name a few.</p>

[^] The details mentioned above are added based on the Company's Governance Report of 2015, and will be updated as soon as we received the same for 2016.

- b.** There was no female representation in the Board of Directors in the year 2016.
- c.** There was no female participation during the period allocated for Board nomination, which has been duly announced.
- d.** Board of Directors' Remuneration:
 - 1) Total remuneration paid to the Board of Directors for year 2015 was AED 3,370,000.
 - 2) Total proposed Board of Directors' remuneration for 2016 is AED 3,630,000 to be presented for approval at the Annual General Meeting. The remunerations are calculated for each Director based on the number of Board meetings attended during the year. Board Members do not receive additional attendance allowances.
 - 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	
Fadi Ghandour	10,000	4	-	2	60,000
Hussein Hachem	10,000	-	-	2	20,000
Helal Al-Marri	10,000	4	-	2	60,000
Ahmed Al-Badi	10,000	4	-	-	40,000
Mana Al-Mulla	10,000	3	-	-	30,000
Ahmed Fahour* (Representing Australia Post Transaction Services Pty Ltd)	10,000	-	-	-	-
Mohamed Alsuwaidi**	10,000	-	-	-	-
Charles El Hage**	10,000	-	-	2	20,000
					230,000

* The Chairman went on the 30th of October to nominate Australia Post Transaction Services, represented by Mr. Ahmed Fahour, to fill the vacancy resulting from the resignation of Mr. Arif Naqvi from the Board of Directors. The Chairman further appointed Australia Post Transaction Services, represented by Mr. Ahmed Fahour, as a member of Board committees (Nomination and Remuneration Committee, Audit Committee and Strategy Committee).

** The Chairman went on the 14th of December to nominate Mr. Mohamed Alsuwaidi, to fill the vacancy resulting from the resignation of Mr. Charles El Hage from the Board of Directors. The Chairman further appointed Mr. Mohamed Alsuwaidi, as a member of Board committees (Nomination and Remuneration Committee, Audit Committee and Strategy Committee).

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

e. The Board of Directors held 7 meetings during the year 2016, as per the following details:

Board Member	1 st Meeting 20-01-2016	2 nd Meeting 01-03-2016	3 rd Meeting 03-05-2016	4 th Meeting 25-05-2016	5 th Meeting 02-08-2016	6 th Meeting 30-10-2016	7 th Meeting 14-12-2016	Times of Personal Attendance
Abdullah Al-Mazrui	✓	✓	✓	✓	✓	✓	✓	7
Fadi Ghandour	✓	-	✓	✓	✓	✓	-	5
Hussein Hachem	✓	✓	✓	✓	✓	✓	✓	7
Helal Al-Marri	✓	✓	✓	✓	✓	✓	-	6
Ahmed Al-Badi	✓	✓	Represented by Abdullah Al-Mazrui	✓	✓	✓	✓	6
Ayed Aljeaid	✓	✓	✓	✓	-	✓	✓	6
Mana Al-Mulla	-	✓	✓	✓	-	✓	-	4
Ahmed Fahour* (Representing Australia Post Transaction Services Pty Ltd)	-	-	-	-	-	✓	✓	2
Mohamed Alsuwaidi**	-	-	-	-	-	-	-	-
Arif Naqvi*	-	-	-	-	-	-	-	-
Charles El Hage**	✓	✓	✓	✓	✓	✓	-	6

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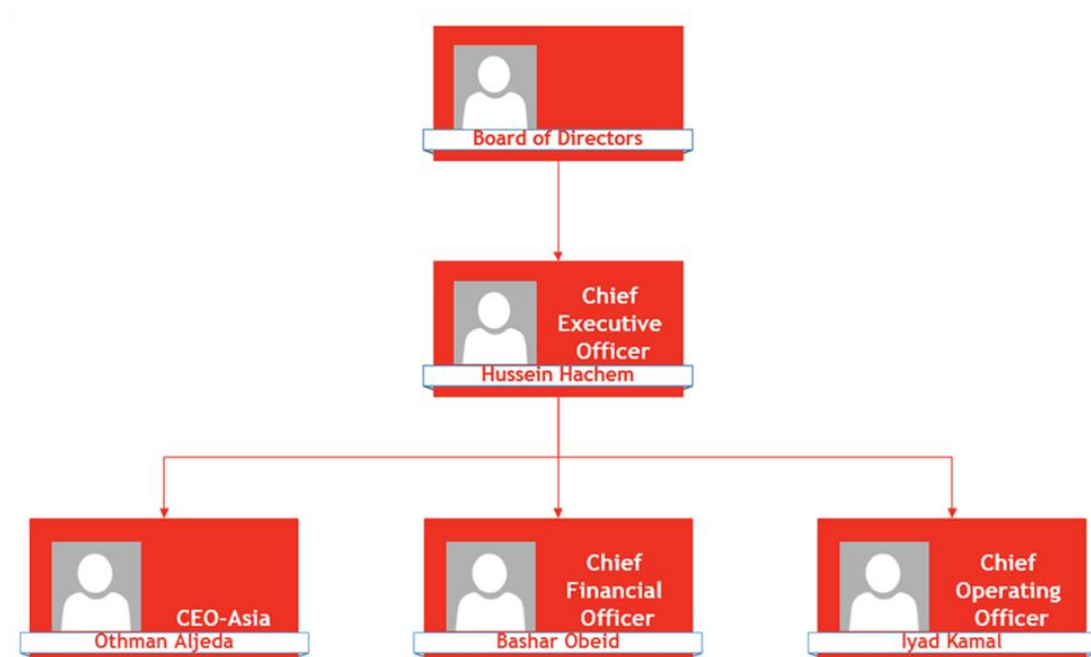
** Mr. Charles El Hage had resigned his position as Board Member of Aramex PJSC, effective Wednesday, 30th of November 2016, due to personal reasons. The Chairman went on the 14th of December to nominate Mr. Mohamed Alsuwaidi, to fill the vacancy resulting from the resignation of Mr. Charles El Hage from the Board of Directors.

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	Management	Companies Controlled by Directors	Board Directors	Total
Rent Expenses	-	1,388,864	-	1,388,864

h. Company Organizational Chart:



i. 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 2016:

Name	Position	Date of Join	Total Salaries and Allowance (AED)	Total Bonuses (AED)	Other Bonuses (AED)
Hussein Hachem	Chief Executive Officer	01-May-1991	2,747,869	2,594,986	13,123,500
Bashar Obeid	Chief Financial Officer	16-Aug-1993	1,397,305	1,560,855	5,047,500
Iyad Kamal	Chief Operating Officer	01-Dec-1991	987,611	1,358,862	4,925,000
Othman Aljeda	CEO - Asia	19-Mar-1994	1,535,033	1,285,410	2,962,500

4. External Auditor

- a. **Ernst & Young:** It is one of the largest professional services companies in the world, and is one of the "big four" in the field of auditing and accounting firms, providing services in every kind of business, including a review of tax accounting and corporate finance, transactions, internet security and risk management. Ernst & Young has offices in more than 140 countries and employs over 140,000 people, the company's headquarters is in New York City, and has the largest tax consulting in the United States, it also has a long history in the Middle East, where its first office opened in 1923.
- 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 2016 (if any). The current auditor (Ernst & Young) has been the company's auditor for the past 7 years.

Audit Firm	Service Type	Fees and Expense (AED)
Ernst & Young	Audit Fees	6,503,256
Ernst & Young	Tax Consulting Services	49,580
Ernst & Young	Acquisitions Due Diligence Services	275,280
Ernst & Young	Sustainability Report Review Services	557,409
Ernst & Young	Other Services	247,075
Deloitte	Consultancy - Australia Post Joint Venture	2,095,535
Deloitte	Tax Consulting Services	170,245
PricewaterhouseCoopers	Acquisitions Due Diligence Services	88,434
PricewaterhouseCoopers	Tax Consulting Services	52,885

5. Audit Committee

- a. Following is the formation 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
Helal Al-Marri	Chairman of the Audit Committee
Fadi Ghandour	Member
Ahmed Al-Badi	Member

Audit Committee Member	Position
Mana Al-Mulla	Member
Ahmed Fahour*	Member
Mohamed Alsuwaidi**	Member

* The Chairman went on the 30th of October to nominate Australia Post Transaction Services, represented by Mr. Ahmed Fahour, to fill the vacancy resulting from the resignation of Mr. Arif Naqvi from the Board of Directors. The Chairman further appointed Australia Post Transaction Services, represented by Mr. Ahmed Fahour, as a member of Board committees (Nomination and Remuneration Committee, Audit Committee and Strategy Committee).

** The Chairman went on the 14th of December to nominate Mr. Mohamed Alsuwaidi, to fill the vacancy resulting from the resignation of Mr. Charles El Hage from the Board of Directors. The Chairman further appointed Mr. Mohamed Alsuwaidi, as a member of Board committees (Nomination and Remuneration Committee, Audit Committee and Strategy Committee).

b. The Audit Committee held 4 meetings during the year 2016, as per the following details:

Board Member	1 st Meeting 02-05-2016	2 nd Meeting 28-07-2016	3 rd Meeting 30-10-2016	4 th Meeting 22-11-2016	Times of Personal Attendance
Helal Al-Marri	✓	✓	✓	✓	4
Fadi Ghandour	✓	✓	✓	✓	4
Ahmed Al-Badi	✓	✓	✓	✓	4
Mana Al-Mulla	✓	-	✓	✓	3
Ahmed Fahour	-	-	-	-	-
Mohamed Alsuwaidi	-	-	-	-	-

6. Nomination and Remuneration Committee

a. Following is the formation 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
Ahmed Al-Badi	Chairman of the Nomination and Remuneration Committee
Fadi Ghandour	Member
Mana Al-Mulla	Member
Ahmed Fahour*	Member
Mohamed Alsuwaidi**	Member
Charles El Hage**	Member

* The Chairman went on the 30th of October to nominate Australia Post Transaction Services, represented by Mr. Ahmed Fahour, to fill the vacancy resulting from the resignation of Mr. Arif Naqvi from the Board of Directors. The Chairman further appointed Australia Post Transaction Services, represented by Mr. Ahmed Fahour, as a member of Board committees (Nomination and Remuneration Committee, Audit Committee and Strategy Committee).

** The Chairman went on the 14th of December to nominate Mr. Mohamed Alsuwaidi, to fill the vacancy resulting from the resignation of Mr. Charles El Hage from the Board of Directors. The Chairman further appointed Mr. Mohamed Alsuwaidi, as a member of Board committees (Nomination and Remuneration Committee, Audit Committee and Strategy Committee).

b. The Nomination and Remuneration Committee did not hold any meetings during the year 2016.

7. Insider Trading Transactions Committee

a , b. The Company did not form an insider trading transactions committee. The responsibilities and purviews of this committee for the year 2016, and the years before, were handled by the Company’s Legal Department. An official committee will be formed during the first quarter of 2017.

8. 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.

Following is the mechanism of the internal control system:

- Establishing an internal control department with proper independence through direct reporting to the Audit Committee.
- Adopted an internal control system as per the requirements of 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”.

- Management plays an essential and effective role in implementing the internal control system.
 - In formulating its annual plan, the internal control department relies on the risk assessment, scope of work and plan of the internal audit function.
- b.** The internal control department is managed by Mr. Firas Marouf:
- Has 14 years of experience in audit, consulting, risk management, internal control and compliance, during which he worked as a Senior Business Risk Consultant at Ernst & Young for the period 2002-2005 and served as the Head of Internal Audit of Aramex for 9 years, and now is the Chief Risk and Compliance Officer.
 - Bachelor of Arts in Accounting, University of Jordan.
 - Control Self-Assessment Certification (CCSA), The Institute of Internal Auditors (The IIA)
 - Certification in Risk Management Assurance (CRMA), The Institute of Internal Auditors (The IIA)
 - Diploma in Compliance and Financial Crime, Henley Business School, University of Reading, UK
 - Certified Risk Analyst (CRA), International Academy of Business and Financial Management
 - Certified Accounting Technician (CAT), Association of Chartered Certified Accountants (ACCA)
- c.** The Corporate Governance Officer of the Company is Mr. Firas Marouf.
- d.** During the year 2016, the Company did not face any major issues that required the attention or involvement of the internal control department. For details about the responsibilities and purviews of the internal control department, please refer to the “Internal Controls Policy” in Appendix (F) of this report.

9. Irregularities of the Financial Year

No irregularities during the financial year of 2016.

10. Company Contribution to Community Development and Environment Preservation During the Year 2016

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.

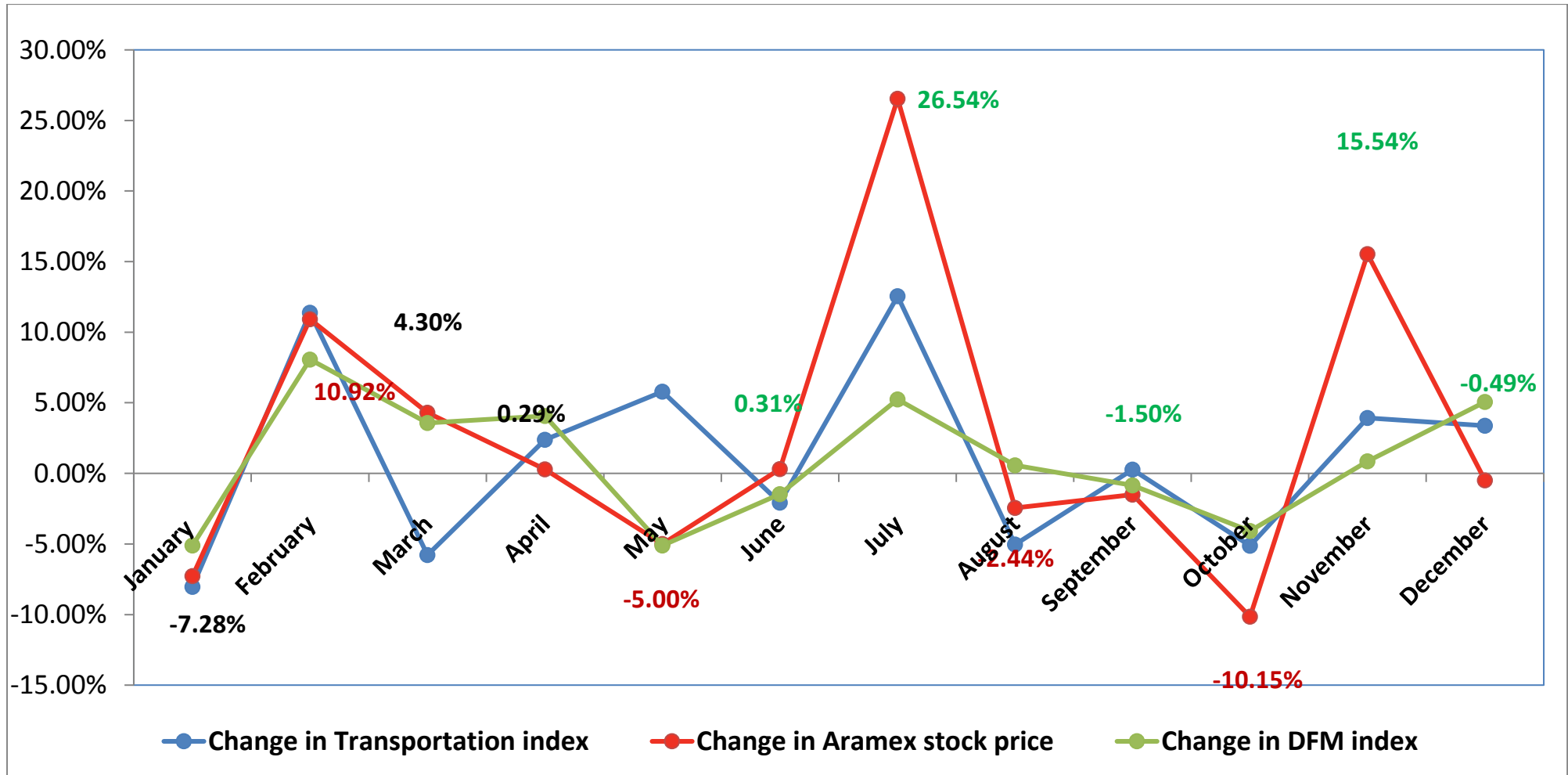
During 2016, the Company has participated in community development and environment preservation with the amount of USD 1,488,364 (Partnership: 736,727 – Sponsorship: 255,470 – Others: 496,167) representing 1.1% of pre-tax profit.

11. 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 2016 (the below information was obtained from the trading page of Dubai Financial Market's Website)

Month	Period	Opening Price	Closing Price	Change	Highest Price	Lowest Price
January	January 3rd - January 31st	3.12	2.93	7.28%	3.20	2.55
February	February 1st - February 29th	2.92	3.25	10.92%	3.27	2.8
March	March 1st - March 31st	3.25	3.39	4.30%	3.40	3.07
April	April 3rd - April 28th	3.36	3.4	0.29%	3.60	3.3
May	May 1st - May 31st	3.31	3.23	5.00%	3.45	3.16
June	June 1 - June 30th	3.21	3.24	0.31%	3.41	3.2
July	July 3rd - July 31st	3.2	4.1	26.54%	4.18	3.02
August	August 1st - August 31st	4,10	4,00	2.44%	4.19	3.76
September	September 1st - September 29th	4,00	3.94	1.5%	4.03	3.8
October	October 3rd - October 31st	3.87	3.54	10.15%	3.93	3.54
November	November 1st - November 30th	3.59	4,09	15.54%	4.13	3.46
December	December 4th - December 29th	4.07	4.07	0.49%	4.30	3.98

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 2016 (the below information was obtained from the trading page of Dubai Financial Market's Website)



c. Following is the shareholders distribution as of December 31st, 2016 (Individual, Company and Government) categorized into Local and GCC, Arab and Foreign:

Category	Individual		Company		Government		Total	
	Number of Shares	Percentage of Shares	Number of Shares	Percentage of Shares	Number of Shares	Percentage of Shares	Number of Shares	Percentage of Shares
Local	169,208,714	11.56%	359,430,094	24.55%	21,018,192	1.44%	549,657,000	37.54%
GCC	24,612,454	1.68%	185,453,231	12.67%	-	0%	210,065,685	14.35%
Arab	16,364,710	1.12%	12,086,814	0.83%	-	0%	28,451,524	1.94%
Foreign	12,005,666	0.82%	663,920,126	45.35%	-	0%	675,925,792	46.17%
Total	222,191,544	15.18%	1,220,890,264	83.39%	21,018,192	1.44%	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
Australia Post Transaction Services PTY	147,343,204	10.06%
Levant Logistics Holdings	144,945,900	9.9%
جونة للاستثمارات ذ.م.م	95,652,212	6.53%

e. Following is a statement of shareholders distribution by shares ownership as of December 31st, 2016:

Shares Ownership	Number of Shareholders	Number of Shares	Percentage of Shares
Less than 50,000	20,748	84,663,277	5.78%

Shares Ownership	Number of Shareholders	Number of Shares	Percentage of Shares
From 50,000 to less than 500,000	476	69,580,441	4.75%
From 500,000 to less than 5,000,000	175	307,219,662	20.98%
More than 5,000,000	39	1,002,636,620	68.50%

- f. Our investor relations division was developed 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 Communications Manager and Investor Relations Officer (mohammad.alqassem@aramex.com). Below is the link to the investor relations page on the company’s website: <https://www.aramex.com/investor-relations/services-contacts>
- g. The Annual General Meeting was held on Sunday, April 24th, 2016, during which the amendments over the articles of association, in compliance with the Federal Law No. 2 of 2015 on commercial companies and according to the draft submitted by the company, were presented and approved. Accordingly, an amended copy of the Company’s articles of association was provided to the Securities and Commodities Authority, which was duly approved by the Authority.
- h. Following are the Company’s material events during the year 2016
 - The Company acquired Fastway Limited (Fastway Couriers), a leading courier service provider headquartered in New Zealand. The deal involved a 100 per cent buyout of the company’s business in New Zealand and Australia for NZD \$125,277 million (Approximately AED 293,650 million).
 - The Company and Australia Post formed a joint-venture targeting the global e-commerce market, with a particular focus on Asia.
 - Mr. Fadi Ghandour has disposed of all his shareholding in Levant Logistics Holdings, a Cayman Island company which owns 144,945,900 shares in Aramex representing 9.9% ownership of Aramex shares, to Boson Ventures Corporation, a Cayman Island company.



A. Mazrui

Abdullah Al-Mazrui
 Chairman of the Board

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 (article 1.4. of the approval limits).
- 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:
 - 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;
 - Capital expenditures;
 - Decisions made in the normal course of business including dealings with banks and financial institutions other than the transfer of funds between the Company's bank accounts;

III. APPROVAL LIMITS:

- The following approval limits shall apply to all provisions set forth in this Matrix with the exception of the following:
 - transfer of funds between the Company's and/or the subsidiaries' bank accounts may be done by the CEO jointly with the CFO of the Company without limit; and
 - all acquisitions of shares by the Company or any of its subsidiaries shall require the approval of the Vice Chairman of the Company.
- Authorized approvers will be classified into six categories (A, B, C, D, E and F) as follows:
 - Chairman of the Board of Directors (A)
 - Vice Chairman of the Board of Directors (B)
 - Board of Directors Members (C)
 - Chief Executive Officer (D)
 - Chief Financial Officer (E)

- Senior VP Finance and Corporate Treasurer (F)

- 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 following are the approval limits and category of approver:

Amount	Category of Signature
Above USD 5,000,000	A+B or A+D
Above USD 5,000,000	B+C+D
Up to USD 5,000,000	B+D or D+E
Up to USD 1,500,000	E+F
Up to USD 1,000,000	F+TBD*

*TBD: To be determined by the CEO of the Company.

- The approval limits may or may not be reflected 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.
- Approval limits are in US Dollars.
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.

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. REPROTING 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) INTERNAL CONTROLS POLICY

I. PURPOSE

This policy provides guidelines to the Shareholders, Board of Directors, Management and Employees of Aramex with respect to the Internal Controls. The purpose of this policy is to ensure compliance with ESCA Ministerial Resolution No. 518/2009 on the Internal Controls.

The Shareholders, Board of Directors and Management need to ensure that internal controls are established, properly documented, maintained and adhered to in each department of the major stations as part of the normal day-to-day management, financial, operations and support processes.

II. SCOPE

- The general rule which will be applied as part of the Control Self Assessment is that at least 50% of the stations (in terms of Gross Profit Generated) and 50% of processes will be included in the CSA scope.
- A completely acceptable approach for the selection of stations and processes would be to rely on the Internal Audit Department's Risk Assessment.

III. DEFINITIONS

- The Control Self Assessment (CSA) is the process where Management, in the form of Process Owners or Control Owners, review and test the controls under their responsibility.
- The Internal Controls Department is the department to assist and support process and control owners to design, build and implement internal control activities for further embedding of proper internal controls into their areas of responsibility.

IV. AUTHORITY AND RESPONSIBILITY

- **Management**
 - The Company shall have a precise system for internal controls; the system shall aim at setting an evaluation for the methods and the procedures for risk management in the Company, applying the rules of governance thereon in the due manner, insuring the

compliance of the Company and its staff with the provisions of the applicable laws, bylaws, and decisions that regulates the operation thereof, as well as the internal policies and procedures, and reviewing the financial statements which are presented to the supreme management in the company and which are used to prepare the financial lists.

- The Company shall appoint a Compliance Officer who shall be responsible for verifying the extent to which the Company and the staff thereof are abiding by the issued laws, bylaws, decisions, and regulations. The positions of Compliance Officer and the Internal Controls Manager may be held contemporarily by the same person.
- A key principle of the CSA process is the ownership of Management of the internal control framework. Regardless of who carried out the CSA testing, Management at a particular location will assume responsibility for the CSA test results and will certify their acceptance of the internal controls effectiveness conclusions.

- **Internal Controls Department**

- The Internal Controls Department is responsible for facilitating (through the provision of advice and tools) and coordinating the sign-off process for the CSA. In addition, the Internal Controls Department will provide the BOD / Audit Committee with an overall opinion on whether the results of the CSA indicate that the controls are effective or not. This will be done by looking at the control deficiencies identified in aggregate and assessing the impact on the organization as a whole.
- To meet its objectives, the Internal Controls Department has unrestricted access, at all times, to the records, personnel, property and operations of Aramex. The Internal Controls Department has responsibility for the safekeeping and confidentiality of all information provided.
- The Internal Controls Manager reports functionally to the Chairman of the Board of Directors / Audit Committee and administratively to the Chief Executive Officer. The Organizational Structure of the Internal Controls Department could be found in (Appendix A).
- The Internal Controls Manager is required to report to the Chairman of the Board of Directors / Audit Committee and the Chief Executive Officer on any matters identified that involve fraud or significant breaches of laws and regulations.

- **BOD and Audit Committee**

- The internal controls system shall be issued by the Board of Directors after consulting with the Management, and shall be applied by a department specialized in internal controls.
- The Board of Directors shall specify the goals, duties, and powers of the Internal Controls Department that shall have adequate independence to perform its duties and shall directly report to the Board of Directors
- The Board of Directors shall execute an annual review to ensure the efficiency of the internal controls system in the Company and its Subsidiaries, and shall disclose the results to the shareholders in the Annual Corporate Governance Report.
- The annual review shall include the following elements in particular:
 - The substantial elements for monitoring; including the control over the financial affairs, operations, and risk management.
 - The changes that affected the nature and the extent of the main risks since the last annual review, and the Company's capability to respond to such changes in its business as well as in the surrounding environment.
 - The extent and the type of the continuous control by the Board of Directors over the risks, the internal controls system, and the performance of the internal auditors.
 - The number of the times of notifying the BOD or the Audit Committee thereof with the results of the works of control in order to enable the same from evaluating the status of the internal controls in the Company as well as the efficiency of the risk management.
 - The cases of failures or weaknesses in the control system that were discovered, and the emerging, unexpected circumstances that substantially affected, or that are likely to substantially affect, the performance or the financial situation of the Company.
 - The efficiency of the Company's operations in regard to the preparation of the financial reports as well as the abidance by the "Listing Rules" and those relating to disclosure.
- The Board of Directors shall disclose in the Corporate Governance report the extent to which the Company is abiding by the internal controls system during the duration of the report, this disclosure shall include the following:
 - The mechanism by which the internal control department is functioning in the Company.
 - The measure that the Company applied for specifying, valuating, and managing big risks.

- Any additional information that helps in understanding the operations of risk management and the internal controls system in the Company.
- An acknowledgement by the BOD of its responsibility for the internal controls system in the Company and for its review and efficiency.
- The measure that the Company applied to review the efficiency of the internal controls system.
- The measure that the Company applied to deal, from the prospective of the substantial internal controls, with any serious problems that have been disclosed in the annual reports and accounts.
- The Board of Directors shall verify that all the disclosures of the Company provide sufficient and punctual information that are not misleading to the investors thereon, and which are issued in full compliance with the rules of disclosure.
- The Audit Committee shall have the following duties and missions:
 - To review the systems of financial controls, internal controls, and risk management in the Company.
 - To discuss the internal audit system with Management, and ensuring that the same is performing its duty in establishing an efficient system for the internal controls.
 - To review the results of the main investigations in the matters of internal controls 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 submit a report to the Board of Directors concerning the matters mentioned in this Item.
- The Chairman of the Board of Directors / Audit Committee reviews the authority, scope of work and resources of the IAD on a regular basis to confirm if any changes are required.

V. RISK MANAGEMENT

With regards to Risk Management, the Company will rely on the Internal Audit Department's Risk Assessment to identify and rate major business risks. Accordingly, Management will list the highest risks and provide action plans to monitor and lower such business risks. This should be reported to the BOD on an annual basis.

VI. INDEPENDENCE AND OBJECTIVITY

The Internal Controls Department shall maintain its independence in substance and appearance at all times through its direct reporting to the Board of Directors. Internal Controls Department shall not assume any responsibilities or perform any duties within the Company that are outside the scope of this policy that have not been approved by the Chairman of the Board of Directors / Audit Committee.

Internal Controls Department shall continually strive to be objective in performing its responsibilities and work hand-in-hand with management in the common pursuit of continuous growth and productivity.

VII. POLICY ADMINISTRATION

This policy will be approved by the Board of Directors and communicated to the shareholders.

This policy will be revised as needed by the Board of Directors while sparing no effort to ensure the consistency and transparency of its implementation over the years.