

Information Technology Governance Policy

IT GOVERNANCE POLICY | REVIEWED ON FEBRUARY 2019

APPROVED BY: AUDIT COMMITTEE

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1. Introduction

This document establishes the principles and standards for the governance of Information Technology (IT) within Raya Holding. IT Governance is the accountability of Raya's Board of Directors whom delegates this task to the Company's Audit Committee. The design and management of the IT governance system is delegated to the Company's IT Director.

2. IT Governance

IT governance is an integral part of enterprise governance and consists of the leadership and organizational structures and processes that ensure that the organization's IT sustains and extends the organization's strategy and objectives. The objective of IT governance is to direct IT endeavors, to ensure that IT performance meets the following objectives:

- Alignment of IT with the enterprise and realization of the promised benefits
- Use of IT to enable the enterprise by exploiting opportunities and maximizing benefits
- Responsible use of IT resources
- Appropriate management of IT-related risks

In summary, IT governance ensures that IT goals are met and IT risks are mitigated such that IT delivers value to sustain and grow the enterprise. IT governance drives strategic alignment between IT and the business and must judiciously measure performance.

3. Key Principles

The IT Governance Policy is guided by the governance principles of Raya Holding, aligned to the Company's IT governance baseline and complies with legislation as it concerns IT governance within the applicable industries in which the Company operates. Due to the diverse nature of operations, Raya Holding has adopted seven Governance baseline principles for the development and implementation of an Information Technology Governance Framework (ITGF). These principles incorporate standards included in COBIT, ITIL and ISO and starts from

the premise that IT needs to deliver the information that the enterprise needs to achieve its objectives.

The seven Imperial Governance baseline principles are:

1. **Business alignment and enablement** focuses on ensuring the linkage of business and IT plans, defining, maintaining and validating the IT value proposition, and aligning IT operations with enterprise operations.
2. **Operations Performance** is about ensuring IT is capacitated with the right people who are developed and empowered and ensuring optimal IT processes and measurements are deployed.
3. **Sourcing** requires responsible and adequate procurement of IT hardware and software and the correct selection and vetting of IT partners and suppliers.
4. **Supplier performance management** outlines practices regarding the implementation and monitoring of service level agreements and commercial agreements.
5. **Business Continuity / Disaster Recovery** details requirements and practices regarding the processes to ensure IT impacted disruptions.
6. **Security** promotes our views regarding data privacy, cyber-security and user access.
7. **Compliance** sets out guidance in respect of internal monitoring and external assurance.

4. RAYA'S IT GOVERNANCE FRAMEWORK

The governance framework in the use of IT within Raya Holding is defined as follows:

- Raya Holding's Board of Directors has assumed responsibility of IT governance and, as such, has placed it on the Group Audit Committee's Charter ensuring promotion of an ethical IT governance culture and awareness. The Raya Holding Governance baseline principles have been adopted to ensure that IT internal controls are adequate. Independent assurance on the effectiveness of the IT internal controls are provided by the Internal (Company Internal Audit services) and External (Ernest & Young) Auditors.
- The activities and functions of the IT strategy are aligned to the business strategy and opportunities to improve the use of IT within Raya Holding's are identified and exploited by the Board of Directors.

- The Raya Holding's Board of Directors has delegated to management the responsibility for the implementation of IT governance and has required that the applicable Chief Executive Officers duly appoint a suitably qualified and experienced IT Director (ITD).
- The optimal investment is made in IT, costs are managed and the Return on Investment is measured by the relevant divisional boards and oversight committees. Where applicable synergies between IT initiatives are enabled and IT choices are in the best interest of the organization as a whole.
- IT risks are identified and adequately addressed in line with Raya Holding's Risk Management framework. Raya Holding ensures that it has adequate business resilience arrangements in place for disaster recovery and assurance has been provided to the Board of Directors.
- IT resources are sourced optimally and legitimately, keeping core capabilities in-house.
- Processes and procedures are in place to ensure that Raya Holding's IT Assets are managed, maintained, replaced and disposed effectively and in accordance to applicable divisional IT policies.
- Infrastructure, systems and policies are in place for the management of information which includes information security and information privacy.
- The Audit Committee considers IT as it relates to financial reporting and the going concern of the company by regular and risk-based audit coverage.
- IT use is sustainable with respect to the environment.

5. Responsibilities

Raya Holding's Board of Directors carries out its governance duties through various committees that oversee the governance of IT. IT Governance is applied at three levels: Strategic, Tactical and Operational. For the purposes of this document, the key committees that oversee IT Governance are:

- The Raya Holding Board of Directors, the Company's Audit Committee at a strategic level;
- The Company's Executive Management Team, and the Company's IT Director; and
- The IT steering Committees and project committees at the operational level.

6. Implementation Policy

The IT governance policy will be rolled out across Raya Holding. It needs to be embraced by the Company and its related processes filtered into the daily IT operations and the way we do business.

Approval

Version	Prepared by	Reviewed by	Approved by	Review Date
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