



CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31ST DECEMBER 2019



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Abu Dhabi National Hotels P.J.S.C ("ADNH") was established in 1975 and is a public joint stock company registered in the Abu Dhabi Securities Exchange (ADX) since 2000. It is governed by the Standards of Institutional Discipline and Governance of Public Shareholding Companies issued by the Securities and Commodities Authority ("SCA") Resolution No. (32) of 2007; as amended by the Ministerial Decree No. (518) of 2009, issued by the Minister of Economy in his capacity as Chairman of the SCA Board of Directors ("Corporate Governance Rules") and further amended through Resolution of the SCA Chairman of the Board of Directors No. (7 / R) for the year 2016 on the standards of institutional discipline and governance of public joint stock companies in addition to their conformity with the provisions of Federal Law No: 2 for the year 2015 on commercial companies.

The Company adopts appropriate governance regulations, accounting and accountability principles and ensures the highest levels of transparency in its business.

Below are the requirements for application of the Corporate Governance Rules and the Company's report on fulfillment of such requirements.

1. **Statement of procedures taken to complete the Corporate Governance system during 2019, and method of implementing thereof.**
 - a) The Company complies with the Corporate Governance Regulations ("CGRs") and applies best practices to reflect the compliance of its Board of Directors and Executive Management with the CGRs by applying its core values of transparency, accountability and responsibility which enhances the relationship between the company's shareholders, Board of Directors and all stakeholders.
 - b) The Board of Directors elects from among its members a Vice Chairman who acts on behalf of the Chairman in the absence of the Chairman or for any other reasons that prevent the Chairman from attending.
 - c) It is not permissible for one person to hold the position of Chairman, Chief Executive Officer and Managing Director at the same time or with any other executive post in the Company. In all cases, the majority in the Company Board of Directors (the "BOD") including the Chairman are UAE nationals.
 - d) The Audit Compliance & Corporate Governance (AC&CG) Committee and Nomination, Compensation & HR (NC&HR) and Supervision & Follow-Up Committee work according to the Corporate Governance system and consist of Members of the Board of Directors.
 - e) The AC&CG Committee applies the procedures within the framework of its functions according to the Corporate Governance system and directly reports to the BOD.
 - f) The Company complies with the highest levels of ethical and professional conduct and obliges its employees to comply therewith.
 - g) The BOD nominates an external auditor upon the recommendation of the AC&CG Committee and the appointment of the external auditor as well as the yearly fees are approved by the Company's General Assembly.



2. Statement of ownership and transactions of Board of Directors (Board) Members and their spouses, their children in the Company securities during 2019 according the following schedule:

S/N	Name	Position/ Relationship	Shares Held as at 31/12/2019	Total Sale Transactions	Total Purchase Transactions
1.	Sheikh Saif Bin Mohammed Bin Butti Bin Hamed Alhamed	Chairman	4,166,630	Nil	Nil
2.	Sheikh Ahmed Mohammed Sultan Suroor Aldhahiri Sheikha Shekha Suroor Aldhahiri	Vice Chairman Wife	10,000 457,764	Nil	Nil
3.	Mr. Abdulla Khalil Mohamed Samea AlMutawa	Board Member	Nil	Nil	Nil
4.	Mr. Ahmed Khalifa Mohamed Obeid Almehairi	Board Member	Nil	Nil	Nil
5.	Mr. Mohamed Khalaf Ahmed Khalaf Alotaiba	Board Member	3,635,931	Nil	Nil
6.	Mr. Alaa Mohamed Atta Khalil Eraiqat	Board Member	10,000	Nil	Nil
7.	Mr. Khaled Haji Abdulla Hussain Alkhoori	Board Member	342,228	Nil	Nil
8.	Mr. Khalaf Sultan Rashed Saeed Al Dhaheri	Board Member	Nil	Nil	Nil
9.	Mr. Darwish Ahmed Darwish Ahmed Alketbi	Board Member	50,000	Nil	Nil

The Following Directors' Memberships Expired on 3rd March 2019:

S/N	Name	Position/ Relationship	Shares Held as at 31/12/2019	Total Sale Transactions	Total Purchase Transactions
1.	Mr. Hareb Mubarak Abdulla Mohammed Almuhairi	Board Member	Nil	Nil	Nil
2.	Mr. Abdul-Rahman Hader Mohammed Jasem Almeraikhi	Board Member	Nil	Nil	Nil
3.	Mr. Hamad Mohamed Abdulaziz Rubayea Almheiri	Board Member	Nil	Nil	Nil

3. Board Formation:

- A.** Statement of the current Board formation (along with the names of both the resigned and the appointed Board Members) according to the following schedule:



Ser.	Name	Category (Executive, Non-Executive, and Independent)		Experience and Qualifications	The Period he spent as a Board Member from the date of his first election	Their membership and positions in any other joint-stock companies	Their positions in any other important regulatory, governmental or commercial entities.
		Category	Independent Non-Executive				
1	Sheikh Saif Bin Mohammed Bin Butti Bin Hamed Alhamed	Chairman	Independent Non-Executive	Holder of Bachelor Degree in Economics & Political Science	Since 2007	Chairman of Al Wathba National Insurance Co Deputy Chairman of Bank of Sharjah	Vice Chairman of United Al Saqer Group & its subsidiaries
2	Sheikh Ahmed Mohammed Sultan Suroor Aldhahiri	Vice Chairman	Independent /Non-executive	Holder of Bachelor Degree in Civil Engineering	Since 2007	Board member of Etisalat Board member of FAB Board member of Abu Dhabi Aviation Board member of Al Dhafra Insurance Co.	Chairman of Board of Directors of Suroor Engineering Development Company, Abu Dhabi
3	Mr. Mohamed Khalaf Ahmed Khalaf Alotaiba	Board Member	Independent /Non-executive	Holder of Bachelor's Degree in business Administration	Since 2013	Board Member, ADNIC	Board member Al Otaiba Investment Group Board Member Emirates General Contracting Board Member United Emirates General Construction Est.
4	Mr. Alaa Mohamed Atta Khalil Eraiqat	Board Member	Independent /Non-executive	Has +21 years banking experience @ both local & International levels	Since 2008	Board member of ADCB Group CEO of ADCB	--



5	Mr. Khaled Haji Abdulla Hussain Alkhoori	Board Member	Independent /Non-executive	Holder of Bachelor's & Master's Degree in Civil Engineering	Since 2008	Board Member of ADCB	
6	Mr. Darwish Ahmed Darwish Ahmed Alketbi	Board Member	Independent /Non-executive	Holder of Master's Degree in International Business	Since 2016	----	----
7	Mr Ahmed Khalifa Mohamed Obeid Almehairi	Board Member	Independent /Non-executive	Bachelor's Degree, Business & Finance and completion of Program on Administration from Harvard University	Since 2019	Board member Aldhabi Investment PJSC	----
8	Mr Abdulla Khalil Mohamed Samea Almutawa	Board Member	Independent /Non-executive	Bachelor's Degree, Business Administration	Since 2019	Board Member, ADCB	GM, Private Office of Sh Suroor Bin Mohamed Al Nahyan, Board Member of Bank al Falah Ltd, Chairman of Makhazen Investment Co., Non-exec member of EFG Hermes Board
9	Mr Khalaf Sultan Rashed Saeed Al Dhaheri	Board Member	Independent /Non-executive	Master's Degree in Finance & Business Administration	Since 2019	----	----

B. Statement of the percentage of female representation in the Board in 2019 (in case of non-representation, please state that there is no representation):

No representation.

C. Statement of reasons for the absence of any female candidate for the Board membership.

No female candidates ran for the membership of the BOD during the General Assembly held on 3rd March 2019.



D. Statement of the following:

1. Total remuneration paid to Members of the Board of Directors for the year 2018.

BOD remunerations are determined according to the Company's Articles of Association subject to Article 169 of the Federal Companies Law No. (2) of 2015. The BOD Members' remunerations consist of:

a percentage from the net profits as described in Article 38 of the Company's Articles of Association. The Company may pay additional fees, expenses or a monthly salary to such extent as may be decided by the Board for any Director, if such member works in any Committee, exerts special efforts or carries out additional works to serve the Company beside his normal duties as a Board Member. In all cases, the remuneration of the members of the Board of Directors shall not exceed 10% of the net profit after deduction of depreciations and reserves.

It is worth mentioning that the total remuneration approved by the General Assembly to be paid to the members of the Board of Directors in the fiscal year ending on 31 December 2018 was AED 8,688,000 (Eight million, six hundred and eighty-eight thousand Dirhams).

2. Total remuneration proposed to be paid to Members of the Board of Directors for the year 2019, which shall be presented in the Annual General Assembly for approval:

The total remuneration proposed to be paid to Members of the Board of Directors for the year 2019 in accordance with Board Resolution No. 5 of Meeting No. 1 of 2020 held on 4th February 2020 is AED9,844,000 (Nine million, eight hundred and forty four thousand Dirhams). This was tabled and approved by the General Assembly during its meeting held on 24th February 2020.

3. Statement of details of allowances for attending sessions of Committees derived from the BOD, which were paid to the BOD Members for the fiscal year 2019 using the table below:

Nomination, Compensation & HR (NC&HR) Committee Meetings/Attendance: Jan-Dec 2019								
Meet -No	Date	Sheikh Ahmed AIDhahiri	Mr Khalaf AIDhaheri	Mr Mohamed Al Otaiba	Mr Darwish Ahmed	Mr Ahmed AlMehairi	Mr Khaled Al Khoori	Mr AbdulRahman Al Meraikhi
1	15 th January	10,000		10,000			10,000	10,000
2	12 th February	10,000		10,000			10,000	10,000
3	19 th February	10,000		10,000			10,000	10,000
4	25 th February	10,000		10,000			10,000	10,000
5	19 th March	10,000	10,000	10,000	10,000		10,000	
6	1 st May	5,000	5,000	5,000	5,000	5,000		
7	18 th June	5,000	10,000	5,000	5,000	5,000		-
8	9 th October	5,000	10,000	5,000	5,000	5,000		
9	17 th November	5,000	10,000	5,000	5,000	5,000		
Total		70,000	45,000	70,000	30,000	20,000	50,000	40,000



Audit Compliance & Corporate Governance Committee Meetings/Attendance – Jan to Dec 2019						
Meet No	Date	Mr Abdulla Al Mutawa	Mr Darwish Ahmed	Mr Ala'a Eraiqat	Mr Khaled Al Khoori	Mr Hamad Rubaya
1	5 th February	-	10,000	10,000	-	10,000
2	5 th May	5,000	-	5,000	-	
3	4 th August	10,000	-	-	5,000	
4	3 rd November	10,000	-	5,000	5,000	
Total		25,000	10,000	20,000	10,000	10,000

Supervision and Follow Up Committee Meeting/Attendance - January to December 2019				
Meet No	Date	Mr Abdulla Al Mutawa	Mr Ala'a Eraiqat	Mr Khaled H Al Khoori
1	4 th August 2019	There are no allowances paid to the Supervision and Follow-Up Committee.		

Board Executive Committee (BEC) Meetings/Attendance: January to December 2019								
Meet- No	Date	Sheikh Ahmed AlDhahiri	Mr. Khalaf Al Dhaheeri	Mr. Mohamed Al Otaiba	Mr. Darwish Ahmed	Mr Ahmed Al Mehairi	Mr. Khalid Al Khoori	Mr.AbdulRahman Al Meraikhi
1	8 th Jan	15,000		15,000	15,000		15,000	
2	15 th Jan	15,000		15,000	15,000		15,000	15,000
3	23 rd Jan	15,000		15,000	15,000		15,000	15,000
4	12 th Feb	15,000		15,000	15,000		15,000	15,000
5	19 th Feb	15,000		15,000	15,000		15,000	15,000
6	12 th Mar	15,000	15,000	15,000	15,000		15,000	
7	19 th Mar	15,000	15,000	15,000	15,000		15,000	
8	22 nd Mar	5,000	5,000	5,000	5,000			
9	5 th May	10,000	5,000	5,000	5,000			
10	18 th Jun	10,000	5,000	5,000	5,000			
11	9 th Jul	10,000	5,000		5,000	5,000		
12	9 th Sep	10,000	5,000	5,000	5,000	5,000		

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13	9 th Oct	10,000	5,000	5,000	5,000	5,000		
14	5 th Nov	10,000	5,000	5,000	5,000	5,000		
15	17 th Nov	10,000	5,000	5,000	5,000	5,000		
16	16 th Dec	10,000	5,000	5,000	5,000	5,000		
TOTAL		190,000	75,000	145,000	150,000	30,000	105,000	60,000

4. Details of additional allowances, salaries or fees received by a Board Member other than allowances for attending Committee meetings and their reasons.

No additional allowances, salaries or fees have been paid to any member of the Company's Board of Directors other than the attendance allowances of the Board Committees.

E. Number and dates of BOD meetings held during 2019 as well as attendance frequency by all the Members; in person and by proxy.

	Meeting No.	Date of meeting	Number of Attendees	Number of attendees by proxy	Names of absent members
BOD Meeting	1.	5 th February 2019	Sheikh Saif Bin Mohammed Bin Butti Hamed Alhamed Sheikh Ahmed Bin Mohammed Bin Sultan Bin Suroor Al Dhahiri Mr. Hareb Mubarak Abdulla Mohammed Almuhairi Mr. Abdulrahman Hadher Mohamed Jasim Almeraikhi Mr. Alaa Mohamed Atta Khalil Eraiqat Mr. Khaled Haji Abdulla Hussain Alkhoori Mr. Hamad Mohamed Abdulaziz Rubayea Almheiri Mr. Mohamed Khalaf Ahmed Khalaf Alotaiba Mr. Darwish Ahmed Darwish Ahmed Al Ketbi	Nil	Nil

The Following Board Memberships expired on 3rd March 2019

1.	Mr. Hareb Mubarak Abdulla Mohammed Almuhairi	Board Member	
2.	Mr. Abdulrahman Hadher Mohamed Jasim Almeraikhi	Board Member	
3.	Mr. Hamad Mohamed Abdulaziz Rubayea Almheiri	Board Member	



(New) Board Members' Meetings Attendance/Frequency - Effective 3rd March 2019

	Meeting No.	Date of meeting	Number of Attendees	Number of attendance by proxy	Names of Excused Members
BOD Meetings	2.	5 th May 2019	Sheikh Saif Bin Mohammed Bin Butti Hamed Alhamed Sheikh Ahmed Bin Mohammed Bin Sultan Bin Suroor Al Dhahiri Mr. Mohamed Khalaf Ahmed Khalaf Alotaiba Mr. Darwish Ahmed Darwish Ahmed Al Ketbi Mr Abdulla Khalil Mohamed Samea Almutawa Mr. Khalaf Sultan Rashed Saeed Al Dhaheri Mr Ahmed Khalifa Mohamed Obeid Al Mehairi	Nil	1.Mr. Alaa Mohamed Atta Khalil Eraiqat 2. Mr. Khaled Haji Abdulla Hussain Alkhoori
	3.	3 rd November 2019	Sheikh Saif Bin Mohammed Bin Butti Hamed Alhamed Sheikh Ahmed Bin Mohammed Bin Sultan Bin Suroor Al Dhahiri Mr. Mohamed Khalaf Ahmed Khalaf Alotaiba Mr. Darwish Ahmed Darwish Ahmed Al Ketbi Mr. Khaled Haji Abdulla Hussain Alkhoori Mr Abdulla Khalil Mohamed Samea Almutawa Mr. Khalaf Sultan Rashed Saeed Al Dhaheri Mr Ahmed Khalifa Mohamed Obeid Al Mehairi	Nil	1.Mr. Alaa Mohamed Atta Khalil Eraiqat
	4.	22 nd December 2019	Sheikh Saif Bin Mohammed Bin Butti Hamed Alhamed Sheikh Ahmed Bin Mohammed Bin Sultan Bin Suroor Al Dhahiri Mr. Darwish Ahmed Darwish Ahmed Al Ketbi Mr. Khaled Haji Abdulla Hussain Alkhoori Mr Abdulla Khalil Mohamed Samea Almutawa Mr. Khalaf Sultan Rashed Saeed Al Dhaheri		1.Mr. Alaa Mohamed Atta Khalil Eraiqat 2. Mr. Mohamed Khalaf Ahmed Khalaf Alotaiba 3. Mr Ahmed Khalifa Mohamed Obeid Al Mehairi

F. Number of Circular Board Resolutions passed during 2019 fiscal year, along with its meeting dates

There were no meetings held by Circular during 2019.

G. Statement of BOD duties and powers exercised by Board Members or the Executive Management pursuant to an authorization by the BOD to the Management, specifying the duration and validity of the authorization:

Issues related to the Company's strategies, policies and business plans require the BOD's prior approval and directives to the Management. Consequently, the Executive Management Team has been authorized to conduct the Company's daily management tasks as follows:



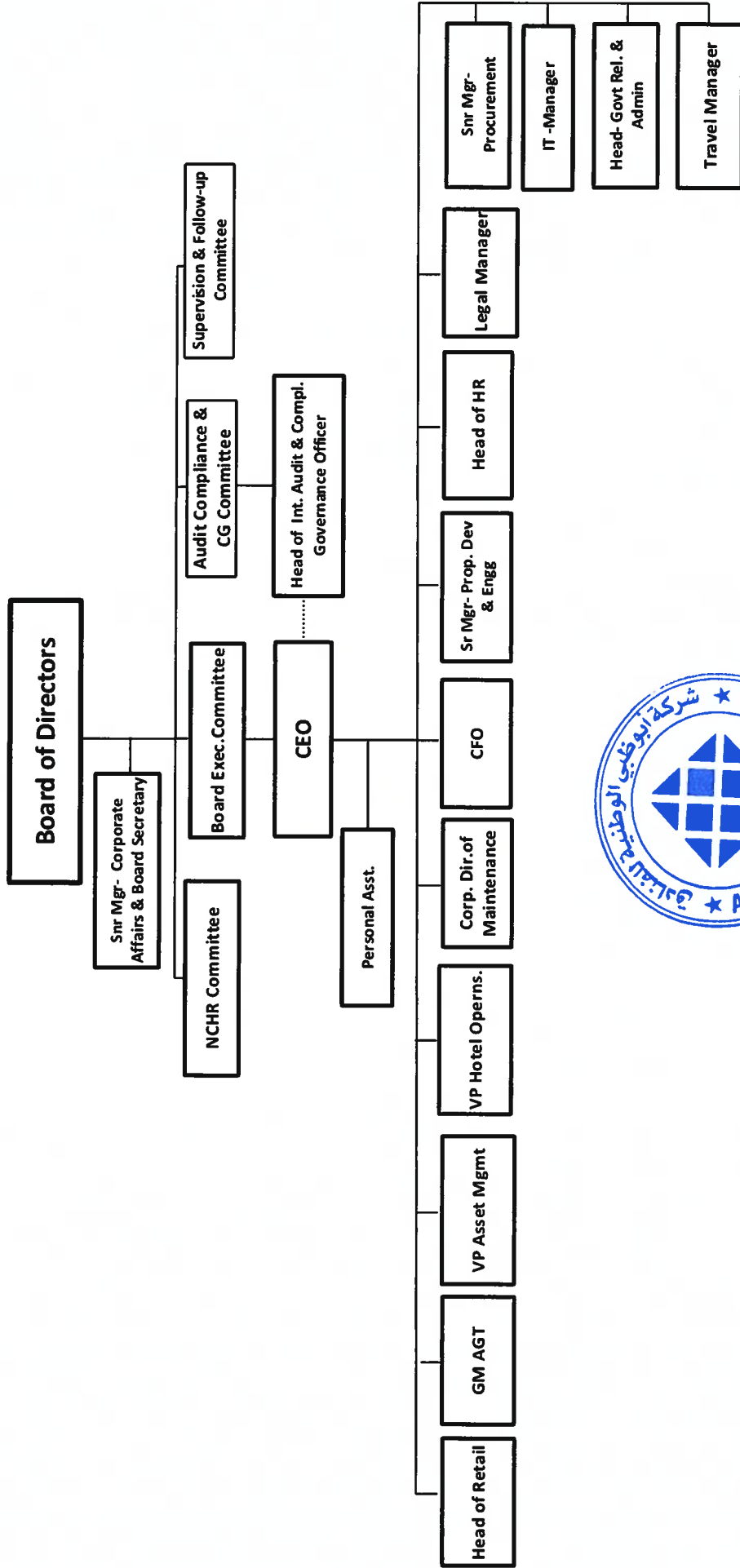
Name of the Authorized person	Delegation of Authority	Duration of Authorisation
CEO	Appointing workers and employees, negotiating with them, determining their salaries and dismissing them, as may be necessary,	Up to 15 th May 2020
	Recording financial accounts and transactions and issuing regular financial and analytical reports to be submitted to the Company's BOD.	
	Managing the normal day-to-day business of the Company	
	Entering into and signing purchase agreements with suppliers and sale contracts with customers	
	Implementing the strategic plans of the Company as approved by the BOD.	

H. Statement of details of transactions made with related parties (stakeholders), indicating the nature of relationship and transaction type:

No transactions have been made with related parties (stakeholders) to be disclosed.



ADNH CORPORATE STRUCTURE





J. Detailed statement of senior executive staff in the first and second levels according to the Company's organizational structure (as set out in item (3h) above), their positions and appointment dates, and total salaries and benefits paid thereto, using the table below:

S/N	Position	Appointment Date	Total Salaries and Allowances paid for 2019 (AED)	Total Bonuses paid for 2018 (AED)	Any other Cash/in-kind bonuses for 2019 or due in the future
1.	Chief Executive Officer	20 November 2016	1,800,000	360,000	720,000
2.	Chief Financial Officer	26 November 2018	960,000	---	300,000
3.	Head of HR	03 July 2019	327,438	---	43,500
4.	Head of Internal Audit & Compliance Gov. Officer	01 December 2009	840,000	176,000	220,000
5.	Snr Manager Prop. Dev. & Engineering	19 February 2017	780,000	135,720	117,000
6.	General Manager of Al Ghazal Transport	01 July 2018	600,000	52,000	---
7.	Head of Retail	02 September 2018	780,000	---	---
8.	VP Hotel Operations	04 December 2018	840,000	---	---
9.	Head Govt. Relations & Administration	27 February 2011	503,400	46,740	70,110
10.	Legal Manager	11 October 2016	696,000	32,000	96,000
11.	Snr. Manager Procurement	01 June 2017	480,000	18,000	54,000
12.	IT Manager	20 December 2017	360,000	14,000	42,000
13.	Manager, Travel & Tourism	22 September 2019	66,000	---	---
14.	Corp. Director of Maintenance	27 November 2019	56,666	---	---

K. External Auditor:

a. Brief about the external auditor of the Company to the shareholders:

The Company's transactions with the related parties were disclosed according to IAS 24 in Note No. 11 of the Company's audited financial statements enclosed herewith in Appendix 1.

In 2019, Ernst & Young was appointed as external auditors of the Company. The basic task of Ernst & Young was to make a quarter and an annual audit of the Company's accounts according to the International Standards on Auditing (ISA). The Company did not appoint any external auditor other than Ernst & Young to provide auditing services for 2019.



The external auditor verifies the consolidated closing accounts of the Company and its subsidiaries; makes sure that all financial transactions are organized, recorded and prepared appropriately and correctly in line with the accounting standards and ensure compliance with the accounting postulates in addressing all the business of the Company and its subsidiaries.

The AC&CG Committee meets with the external auditors to review and discuss the scope, quality and effectiveness of their findings. The external auditors present their conclusions of quarterly and annual reviews and audits of the accounts to the AC&CG Committee and attend the General Assembly Meeting to answer all the questions and inquiries that may be asked and explain, with all transparency, credibility and neutrality, whether there were any obstacles or interventions from the Company's BOD during their work.

In the General Assembly meeting held on 3rd March 2019, a decision was made to appoint M/s. Ernst & Young to audit the Company's accounts for 2019. Ernst & Young fees were determined at AED 764,000 (Seven hundred sixty four thousand Dirham) per year.

Ernst & Young office has operated in the UAE since 1966 and it is one of the major professional service providers in the UAE. Abu Dhabi office has 468 employees including 84 Partners. It offers services to several public and private sectors including financial services, insurance, energy, building and contracting, real estate, utilities, consumer's products and sale, communications and entertainment all over the world.

b. Statement of fees or costs of auditing or services provided by the external auditor, using the table below:

Name of Auditing Firm	Ernst & Young
Number of years served as an external auditor for the Company	Three (3) Years
Total fees for auditing the financial statements of 2019 (in AED)	AED 764,000
The fees and costs of the special services other than the auditing of the financial statements in 2019 (in AED), if any, and in case there are no other fees, this shall be expressly stated	AED 25,200
The details and nature of other services provided (if any), and in case there are no other services, this shall be expressly stated	Consultancy Services, Professional Compliance Services in relation to agreements and conducting studies about hotels in the local markets
A statement of the other services performed by an external auditor other than the Company's auditor in 2019 (if any), and in case there is no another auditor, this shall be expressly stated	ICV certification for the Head office provided by KPMG Lower Gulf Limited at a cost of AED21,000

c. Statement of qualified opinions made by the company's external auditor in the interim and annual financial statements for 2019. In the absence of any qualified opinions, this shall be stated clearly.

Nil



5. Audit Committee:

A. The Audit Committee Chairman's acknowledgement of his responsibility for the Committee system at the Company, review of its work mechanism and ensuring its effectiveness.

"Abdulla Khalil Mohamed Samea Almutawa, Audit Committee Chairman, acknowledges his responsibility for the Committee system in the Company, review of its work mechanism and ensuring its effectiveness".

B. AC&CG Committee consisted of the following Members until 3rd March 2019

Audit Compliance & Corporate Governance Committee	Name	Independent /non-executive	Position
	Mr. Ala'a Mohamed Atta Khalil Eraiqat	Independent/non-executive	Chairman
	Mr. Hamad Mohamed Abdulaziz Rubayea Almheiri	Independent/non-executive	Member
	Mr. Darwish Ahmed Darwish Ahmed Al Ketbi	Independent/non-executive	Member
	Ms. Naseem Hussein Ahmed Al Hamed		Committee Secretary

Amendments of Members of the AC&CG Committee

Audit Compliance & Corporate Governance Committee	Name	Independent /non-executive	Position
	Mr Abdulla Khalil Mohamed Samea Almutawa	Independent /non-executive	Chairman
	Mr. Ala'a Mohamed Atta Khalil Eraiqat	Independent /non-executive	Member
	Mr. Khaled Haji Abdulla Hussain Alkhoori	Independent /non-executive	Member
	Ms. Naseem Hussein Ahmed Al Hamed		Committee Secretary

Statement of AC&CG Committee functions and the duties assigned thereto:

1. Developing and applying contractual policy with the external auditor; submitting a report to the BOD defining the issues that should be decided and providing its recommendations on the steps to be taken;
2. Following up and monitoring independence and objectiveness of the external auditor and discussing the nature, scope and effectiveness of audit with the external auditor according to the approved auditing standards;
3. Controlling the safety of and reviewing the financial statements and (annual, biannual and quarterly) reports as a part of its normal business within the year and particularly focusing on:
 - Any changes in accounting policies and practices;
 - Highlighting the areas subject to the BOD discretion;
 - Essential modifications resulting from the audit;
 - Business continuity assumption;
 - Compliance with such accounting standards as may be prescribed by the SCA;
 - Compliance with the listing and disclosure rules and other legal requirements in relation to preparation of the financial reports



4. Coordinating with the BOD, Executive Management, Chief Financial Officer and equivalent manager inside the Company to facilitate performance of the Committee tasks and the Committee shall meet with the external auditor of the Company once a year at least;
5. Considering any other significant and extraordinary items that may or should be included in such reports and accounts and giving the necessary importance to any issues raised by the CFO, the equivalent manager, the Compliance Officer or the External Auditor;
6. Reviewing the financial control, internal control and risk management systems of the Company.
7. Discussing the internal control system with the management and ensuring that it has established an effective internal control system;
8. Considering the findings of the main investigations into the internal control issues assigned to the BOD or made by the Committee after approval of the BOD;
9. Ensuring that there is coordination between the head of internal control department and the external auditor; making sure that the resources needed by the internal control body are available and monitoring the effectiveness of such body;
10. Reviewing the financial and accounting policies and procedures in the Company;
11. Reviewing the external auditor's letter, action plan and any essential questions asked by the auditor to the BOD concerning the accounting records, the financial accounts or the control systems and answering and approving the same;
12. Ensuring that the BOD has timely answered the essential questions asked in the external auditor's letter;
13. Developing controls that would enable the Company's employees to report any potential violations in the financial reports or internal control or any other issues with confidentiality and defining the steps that ensure independent and fair investigations into such violations;
14. Monitoring extent of the Company's compliance with the professional behavior;
15. Ensuring that the rules related to the tasks and authorities assigned to the Committee by the BOD are applied;
16. Filing a report to the BOD including, with full transparency, all the Committee's actions, findings, recommendations and implemented tasks and responsibilities; and
17. Considering any other subjects as may be determined by the BOD.



C. Number and dates of meetings held by the Audit Committee during the year 2019 to discuss issues related to the financial statements and any other issues, and a statement of the attendance frequency in person by the Committee's Members:

Audit Compliance & Corporate Governance Committee	Meeting No.	Date of the meeting	Number of Attendees	Names of absent members
	1.	5 February 2019	Mr. Alaa Mohamed Atta Khalil Eraiqat Mr. Hamad Mohamed Abdulaziz Rubayea Almheiri Mr. Darwish Ahmed Darwish Ahmed Al Ketbi	NIL
	2.	5 May 2019	Mr Abdulla Khalil Mohamed Samea Almutawa Mr. Ala'a Mohamed Atta Khalil Eraiqat	Mr. Khaled Haji Abdulla Hussain Alkhoori
	3.	4 August 2019	Mr Abdulla Khalil Mohamed Samea Almutawa Mr. Khaled Haji Abdulla Hussain Alkhoori	Mr. Ala'a Mohamed Atta Khalil Eraiqat
	4.	3 November 2019	Mr Abdulla Khalil Mohamed Samea Almutawa Mr. Ala'a Mohamed Atta Khalil Eraiqat Mr. Khaled Haji Abdulla Hussain Alkhoori	Nil

6. Nomination and Remuneration Committee:

A. The Nomination and Remuneration Committee Chairman's acknowledgement of his responsibility for the Committee system at the Company, review of its work mechanism and ensuring its effectiveness.

"Khalaf Sultan Rashed Saeed Al Dhaheri, Nomination and Remuneration Committee Chairman acknowledges his responsibility for the Committee system in the Company, review of its work mechanism and ensuring its effectiveness".

B. NC&HR Committee consisted of the following Members until 3rd March 2019

NC & HR Committee	Name	Independent /non-executive	Position
	Mr. Abdulrahman Hadher Mohamed Jasim Almeraikhi	Independent /non-executive	Chairman
	Sheikh Ahmed Bin Mohammed Bin Sultan Bin Suroor Al Dhahiri	Independent /non-executive	Member
	Mr. Khaled Haji Abdulla Hussain Alkhoori	Independent /non-executive	Member
	Mr. Mohamed Khalaf Ahmed Khalaf Alotaiba	Independent /non-executive	Member
	Ms. Naseem Hussein Ahmed Al Hamed		Committee Secretary

Amendments of Members of the NC&HR Committee Until 21st March 2019

NC & HR Committee	Name	Independent /non-executive	Position
	Mr. Khaled Haji Abdulla Hussain Alkhoori	Independent /non-executive	Chairman
	Sheikh Ahmed Bin Mohammed Bin Sultan Bin Suroor Al Dhahiri	Independent /non-executive	Member
	Mr Khalaf Sultan Rashed Saeed Al Dhaheri	Independent /non-executive	Member
	Mr. Mohamed Khalaf Ahmed Khalaf Alotaiba	Independent /non-executive	Member
	Ms. Naseem Hussein Ahmed Al Hamed		Committee Secretary



Amendments of Members of the NC&HR Committee From 21st March 2019

NC & HR Committee	Name	Independent /non-executive	Position
	Mr Khalaf Sultan Rashed Saeed Al Dhaheri	Independent /non-executive	Chairman
	Sheikh Ahmed Bin Mohammed Bin Sultan Bin Suroor Al Dhahiri	Independent /non-executive	Member
	Mr Darwish Ahmed Darwish Al Ketbi	Independent /non-executive	Member
	Mr. Mohamed Khalaf Ahmed Khalaf Alotaiba	Independent /non-executive	Member
	Mr. Ahmed Khalifa Mohamed Obeid Al Mehairi	Independent /non-executive	Member
	Ms. Naseem Hussein Ahmed Al Hamed		Committee Secretary

Statement of NC&HR Committee functions and the duties assigned thereto:

1. Ensuring independence of the independent members on regular basis;
2. Preparing the remuneration, benefit, incentives and salary policies for the BOD members and the Company's employees and reviewing the same on annual basis; consistently verifying that the remuneration and benefits given to the senior executive management are reasonable and consistent with the Company's performance.
3. Defining the Company's needs of talents at the level of the senior executive management and employees and the criteria for selecting them.
4. Preparing, controlling the implementation of and, on annual basis, reviewing the Company's HR and Training policy;
5. Organizing and following up the process of nominations for BOD membership according to the applicable laws and regulations of the corporate governance.
6. Developing a policy for nominations of the BOD membership that aims to ensure gender diversity and encourage women to run for the BOD membership.

C. Statement of number of meetings held by the Committee during the year 2019 and their dates and statement of all Committee Members' attendance.

Nomination, Compensation & HR Committee (NC&HR) Meetings	Meeting No.	Date of the meeting	Number of Attendees	Names of absent members
	1.	15 January 2019	Mr. Abdulrahman Hadher Mohamed Jasim Almeraikhi Sheikh Ahmed Bin Mohammed Bin Sultan Bin Suroor Al Dhahiri Mr. Khaled Haji Abdulla Hussain Alkhoori Mr. Mohamed Khalaf Ahmed Khalaf Alotaiba	Nil
	2.	12 February 2019	Mr. Abdulrahman Hadher Mohamed Jasim Almeraikhi Sheikh Ahmed Bin Mohammed Bin Sultan Bin Suroor Al Dhahiri Mr. Mohamed Khalaf Ahmed Khalaf Alotaiba Mr. Khaled Haji Abdulla Hussain Alkhoori	NIL



3.	19 February 2019	Mr. Abdulrahman Hadher Mohamed Jasim Almeraikhi Sheikh Ahmed Bin Mohammed Bin Sultan Bin Suroor Al Dhahiri Mr. Mohamed Khalaf Ahmed Khalaf Alotaiba Mr. Khaled Haji Abdulla Hussain Alkhoori	Nil
4.	25 February 2019	Mr. Abdulrahman Hadher Mohamed Jasim Almeraikhi Sheikh Ahmed Bin Mohammed Bin Sultan Bin Suroor Al Dhahiri Mr. Khaled Haji Abdulla Hussain Alkhoori Mr. Mohamed Khalaf Ahmed Khalaf Alotaiba	Nil
5.	19 March 2019	Mr. Khaled Haji Abdulla Hussain Alkhoori Sheikh Ahmed Bin Mohammed Bin Sultan Bin Suroor Al Dhahiri Mr. Mohamed Khalaf Ahmed Khalaf Alotaiba Mr. Khalaf Sultan Rashed Saeed Al Dhaheri Mr. Darwish Ahmed Darwish Ahmed Al Ketbi	Nil
6.	01 May 2019	Mr. Khalaf Sultan Rashed Saeed Al Dhaheri Sheikh Ahmed Bin Mohammed Bin Sultan Bin Suroor Al Dhahiri Mr. Mohamed Khalaf Ahmed Khalaf Alotaiba Mr. Darwish Ahmed Darwish Ahmed Al Ketbi Mr Ahmed Khalifa Mohamed Obeid Al Mehairi	Nil
7.	18 June 2019	Mr. Khalaf Sultan Rashed Saeed Al Dhaheri Sheikh Ahmed Bin Mohammed Bin Sultan Bin Suroor Al Dhahiri Mr. Mohamed Khalaf Ahmed Khalaf Alotaiba Mr. Darwish Ahmed Darwish Ahmed Al Ketbi Mr Ahmed Khalifa Mohamed Obeid Al Mehairi	Nil
8.	09 October 2019	Mr. Khalaf Sultan Rashed Saeed Al Dhaheri Sheikh Ahmed Bin Mohammed Bin Sultan Bin Suroor Al Dhahiri Mr. Mohamed Khalaf Ahmed Khalaf Alotaiba Mr. Darwish Ahmed Darwish Ahmed Al Ketbi Mr Ahmed Khalifa Mohamed Obeid Al Mehairi	Nil
9.	17 November 2019	Mr. Khalaf Sultan Rashed Saeed Al Dhaheri Sheikh Ahmed Bin Mohammed Bin Sultan Bin Suroor Al Dhahiri Mr. Mohamed Khalaf Ahmed Khalaf Alotaiba Mr. Darwish Ahmed Darwish Ahmed Al Ketbi Mr Ahmed Khalifa Mohamed Obeid Al Mehairi	Nil

7. The Supervision and Follow-up Committee of insiders' transactions.

A. Chairman's acknowledgement of his responsibility for the Committee system at the Company, review of its work mechanism and ensuring its effectiveness.

"Abdulla Khalil Mohamed Samea Almutawa, Supervision and Follow-up Committee Chairman, acknowledges his responsibility for the Committee system in the Company, review of its work mechanism and ensuring its effectiveness".



B. Supervision and Follow-up Committee of insiders' transactions consisted of the following Members until 3rd March 2019

Supervision and Follow Up Committee	Name	Independent /non-executive	Position
	Mr. Ala'a Mohamed Atta Khalil Eraiqat	Independent /non-executive	Chairman
	Mr. Hamad Mohamed Abdulaziz Rubayea Almheiri	Independent /non-executive	Member
	Mr. Darwish Ahmed Darwish Ahmed Al Ketbi	Independent /non-executive	Member
	Ms. Naseem Hussein Ahmed Al Hamed		Committee Secretary

Amendments of Members of the Supervision and Follow-up Committee of insiders' transactions

Supervision and Follow Up Committee	Name	Independent /non-executive	Position
	Mr Abdulla Khalil Mohamed Samea Almutawa	Independent /non-executive	Chairman
	Mr. Ala'a Mohamed Atta Khalil Eraiqat	Independent /non-executive	Member
	Mr. Khaled Haji Abdulla Hussain Alkhoodri	Independent /non-executive	Member
	Ms. Naseem Hussein Ahmed Al Hamed		Committee Secretary

A statement of the Insiders' Trading Supervision and Follow-Up Committee functions and the duties assigned thereto:

The Insiders' Trading Supervision and Follow Up Committee is responsible for managing, following up and supervising transactions and ownerships of the insiders as well as keeping their register, referring regular statements and reports to ADX.

C. A summary of the Committee's activities in 2019.

Insiders' names were uploaded on ADX website.

The Committee followed up with the BOD's Secretary on notifying the insiders of the transaction prohibition periods and made sure that the Chairman, BOD members and all the employees were informed of the prohibition imposed on trading in the Company's securities until the disclosure of the financial statements.

8. Any Committee or other Committees approved by the Board of Directors: Board Executive Committee

A. Chairman's acknowledgement of his responsibility for the Committee system at the Company, review of its work mechanism and ensuring its effectiveness.

"Sheikh Ahmed Bin Mohammed Bin Sultan Bin Suroor Al Dhahiri, Chairman of the Board Executive Committee acknowledges his responsibility for the Committee system in the Company, review of its work mechanism and ensuring its effectiveness".

B. Name of Committee: Board Executive Committee (BEC)



C. Names of members of Board Executive Committee, and a statement of its functions and the duties assigned thereto.

The Board Executive Committee consisted of the following Members until 3rd March 2019

Name	Non-Executive/Independent	Capacity
Sheikh Ahmed Bin Mohammed Bin Sultan Bin Suroor Al Dhahiri	Non-executive / Independent	Chairman
Mr. Abdulrahman Hadher Mohamed Jasim Almeraikhi	Non-executive / Independent	Member
Mr. Khaled Haji Abdulla Hussain Alkhoodi	Non-executive / Independent	Member
Mr. Mohamed Khalaf Ahmed Khalaf Alotaiba	Non-executive / Independent	Member
Mr. Darwish Ahmed Darwish Ahmed Al Ketbi	Non-executive / Independent	Member
Ms. Naseem Hussein Ahmed Al Hamed		Committee Secretary

Amendments to the Formation of the Board Executive Committee

Name	Non-executive/Independent	Capacity
Sheikh Ahmed Bin Mohammed Bin Sultan Bin Suroor Al Dhahiri	Non-executive / Independent	Chairman
Mr. Khalaf Sultan Rashed Saeed Al Dhaheri	Non-executive / Independent	Member
Mr. Ahmed Khalifa Mohamed Obeid Al Mehairi	Non-executive / Independent	Member
Mr. Mohamed Khalaf Ahmed Khalaf Alotaiba	Non-executive / Independent	Member
Mr. Darwish Ahmed Darwish Ahmed Al Ketbi	Non-executive / Independent	Member
Ms. Naseem Hussein Ahmed Al Hamed		Committee Secretary

The Board Executive Committee meets regularly to follow up on the directives issued by the Board of Directors and to guide the Executive Management of the company in line with the strategic objectives and policies established by the Board of Directors, the provisions of the law and legislation related to the company's work and activities.

Responsibilities of the Committee include, but are not limited to the following:

- Recommending the Group's Strategic Plans and Long Term Business Objectives for Board's approval;
- Reviewing the annual financial plan/budget and monitor its performance at least on a quarterly basis.
- Recommending to the Board the establishment by the Company of new legal entities and recommending to the Board the liquidation, sale and any other action with regard to disposing of any legal entities/businesses owned by the Group.
- Approving contractual commitments in line with the Company's Delegation of Authority (DoA)
- Approving capital expenditures in line with the Company's DoA.
- Approving business transactions as per the DoA of the Company.
- Monitoring implementation of strategic projects and significant transformation initiatives.
- Overseeing financial and operational performances of the Company and referring/submitted reports to the Board in such regard.
- Overseeing the operations of the Company's business and providing directions and guidance to the Executive Management.
- Carrying out any other works assigned to the Committee by the Company's Board.
- Addressing areas or topics specifically referred to the Committee by the Board from time to time.



- The Committee may seek advice and assistance from any of the Company's departments (finance department, legal department, engineering/projects department, etc.) and external advisors in order to perform its duties.
- The Committee may recommend to the Board referring certain matters for investigation by the Audit, Compliance & Corporate Governance Committee.
- The Committee may appoint sub-committees and delegate certain authorities to the said sub-committees as it deems appropriate and necessary.
- The Committee recommends to the Board the annual KPIs to be met by the Chief Executive Officer of the Company subject to Board's approval to the same.

D. Statement of number of meetings held by the Committee during 2019, stating the frequency of attendance in person by all the members of the Committee:

BOARD EXECUTIVE COMMITTEE	Meeting No.	Date of the meeting	Number of Attendees	Names of absent members
	1.	8 January 2019	Sheikh Ahmed Bin Mohammed Bin Sultan Bin Suroor Al Dhahiri Mr. Khaled Haji Abdulla Hussain Alkhoori Mr. Mohamed Khalaf Ahmed Khalaf Alotaiba Mr. Darwish Ahmed Darwish Ahmed Al Ketbi	Mr. Abdulrahman Hadher Mohamed Jasim Almeraikhi
	2.	15 January 2019	Sheikh Ahmed Bin Mohammed Bin Sultan Bin Suroor Al Dhahiri Mr. Abdulrahman Hadher Mohamed Jasim Almeraikhi Mr. Khaled Haji Abdulla Hussain Alkhoori Mr. Mohamed Khalaf Ahmed Khalaf Alotaiba Mr. Darwish Ahmed Darwish Ahmed Al Ketbi	NIL
	3.	23 January 2019	Sheikh Ahmed Bin Mohammed Bin Sultan Bin Suroor Al Dhahiri Mr. Abdulrahman Hadher Mohamed Jasim Almeraikhi Mr. Khaled Haji Abdulla Hussain Alkhoori Mr. Mohamed Khalaf Ahmed Khalaf Alotaiba Mr. Darwish Ahmed Darwish Ahmed Al Ketbi	NIL
	4.	12 February 2019	Sheikh Ahmed Bin Mohammed Bin Sultan Bin Suroor Al Dhahiri Mr. Abdulrahman Hadher Mohamed Jasim Almeraikhi Mr. Khaled Haji Abdulla Hussain Alkhoori Mr. Mohamed Khalaf Ahmed Khalaf Alotaiba Mr. Darwish Ahmed Darwish Ahmed Al Ketbi	Nil
	5.	19 February 2019	Sheikh Ahmed Bin Mohammed Bin Sultan Bin Suroor Al Dhahiri Mr. Abdulrahman Hadher Mohamed Jasim Almeraikhi Mr. Khaled Haji Abdulla Hussain Alkhoori Mr. Mohamed Khalaf Ahmed Khalaf Alotaiba Mr. Darwish Ahmed Darwish Ahmed Al Ketbi	Nil
	6.	12 March 2019	Sheikh Ahmed Bin Mohammed Bin Sultan Bin Suroor Al Dhahiri Mr. Khalaf Sultan Rashed Saeed Al Dhaheri Mr. Khaled Haji Abdulla Hussain Alkhoori Mr. Mohamed Khalaf Ahmed Khalaf Alotaiba Mr. Darwish Ahmed Darwish Ahmed Al Ketbi	Nil
	7.	19 March 2019	Sheikh Ahmed Bin Mohammed Bin Sultan Bin Suroor Al Dhahiri Mr. Khalaf Sultan Rashed Saeed Al Dhaheri Mr. Khaled Haji Abdulla Hussain Alkhoori	Nil

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			Mr. Mohamed Khalaf Ahmed Khalaf Alotaiba Mr. Darwish Ahmed Darwish Ahmed Al Ketbi	
8.	22 April 2019		Sheikh Ahmed Bin Mohammed Bin Sultan Bin Suroor Al Dhahiri Mr. Khalaf Sultan Rashed Saeed Al Dhaheri Mr. Ahmed Khalifa Mohamed Obeid Al Mehairi Mr. Mohamed Khalaf Ahmed Khalaf Alotaiba Mr. Darwish Ahmed Darwish Ahmed Al Ketbi	Nil
9.	5 May 2019		Sheikh Ahmed Bin Mohammed Bin Sultan Bin Suroor Al Dhahiri Mr. Khalaf Sultan Rashed Saeed Al Dhaheri Mr. Ahmed Khalifa Mohamed Obeid Al Mehairi Mr. Mohamed Khalaf Ahmed Khalaf Alotaiba Mr. Darwish Ahmed Darwish Ahmed Al Ketbi	Nil
10.	18 June 2019		Sheikh Ahmed Bin Mohammed Bin Sultan Bin Suroor Al Dhahiri Mr. Khalaf Sultan Rashed Saeed Al Dhaheri Mr. Ahmed Khalifa Mohamed Obeid Al Mehairi Mr. Mohamed Khalaf Ahmed Khalaf Alotaiba Mr. Darwish Ahmed Darwish Ahmed Al Ketbi	Nil
11.	09 July 2019		Sheikh Ahmed Bin Mohammed Bin Sultan Bin Suroor Al Dhahiri Mr. Khalaf Sultan Rashed Saeed Al Dhaheri Mr. Ahmed Khalifa Mohamed Obeid Al Mehairi Mr. Darwish Ahmed Darwish Ahmed Al Ketbi	Mr. Mohamed Khalaf Ahmed Khalaf Alotaiba
12.	9 September 2019		Sheikh Ahmed Bin Mohammed Bin Sultan Bin Suroor Al Dhahiri Mr. Khalaf Sultan Rashed Saeed Al Dhaheri Mr. Ahmed Khalifa Mohamed Obeid Al Mehairi Mr. Mohamed Khalaf Ahmed Khalaf Alotaiba Mr. Darwish Ahmed Darwish Ahmed Al Ketbi	NIL
13.	09 October 2019		Sheikh Ahmed Bin Mohammed Bin Sultan Bin Suroor Al Dhahiri Mr. Khalaf Sultan Rashed Saeed Al Dhaheri Mr. Ahmed Khalifa Mohamed Obeid Al Mehairi Mr. Mohamed Khalaf Ahmed Khalaf Alotaiba Mr. Darwish Ahmed Darwish Ahmed Al Ketbi	NIL
14.	05 November 2019		Sheikh Ahmed Bin Mohammed Bin Sultan Bin Suroor Al Dhahiri Mr. Khalaf Sultan Rashed Saeed Al Dhaheri Mr. Ahmed Khalifa Mohamed Obeid Al Mehairi Mr. Mohamed Khalaf Ahmed Khalaf Alotaiba Mr. Darwish Ahmed Darwish Ahmed Al Ketbi	Nil
15.	17 November 2019		Sheikh Ahmed Bin Mohammed Bin Sultan Bin Suroor Al Dhahiri Mr. Khalaf Sultan Rashed Saeed Al Dhaheri Mr. Ahmed Khalifa Mohamed Obeid Al Mehairi Mr. Mohamed Khalaf Ahmed Khalaf Alotaiba Mr. Darwish Ahmed Darwish Ahmed Al Ketbi	Nil
16.	16 December 2019		Sheikh Ahmed Bin Mohammed Bin Sultan Bin Suroor Al Dhahiri Mr. Khalaf Sultan Rashed Saeed Al Dhaheri Mr. Ahmed Khalifa Mohamed Obeid Al Mehairi Mr. Mohamed Khalaf Ahmed Khalaf Alotaiba Mr. Darwish Ahmed Darwish Ahmed Al Ketbi	Nil



9. Internal Control System:

The BOD's acknowledgement of its responsibility for the Internal Control System in the Company and its review of the functioning mechanism of internal control and ensuring its effectiveness:

The BOD acknowledges its responsibility for the Company's internal control system as well as its review and effectiveness and the BOD has established an internal audit department that is directly reporting to it. Moreover, the Audit Compliance & Corporate Governance Committee (AC&CGC) of the BOD is responsible for application of the internal control system and it has set objectives, functions and powers of the Internal Audit Department.

A report is prepared at the end of each task performed by the Internal Audit Department. This report is issued to the audited entity and is circulated to the Chairman, Executive Management and all members of the AC&CGC. The AC&CGC regularly receives a summary of the issues addressed by reports circulated during the year by the Internal Audit Department and the steps taken on those matters by the responsible body.

B. Name of Department Director, his qualifications and date of appointment:

Head of Internal Audit Department is Mr. Mehmood Ahmed who is a Fellow, Chartered Accountant and Certified Internal Auditor who has been working in the internal audit profession for over 20 years. He joined the Company on 1st December 2009.

C. Name of Compliance Officer, his qualifications and date of appointment:

Mr. Mehmood Ahmed is also appointed as Compliance Officer, in order to ensure that an appropriate degree of independence is maintained in performance of the functions of the Internal Audit Department.

The Head of Internal Audit Department has unrestricted access to the BOD as he reports to it. He was appointed by the Company on December 1st, 2009.

D. How the Internal Control Department handles any significant issues in the company, or issues disclosed in the annual reports and accounts (in case there are no significant issues, it should state that the Company did not have any significant issues):

The Internal Audit Department deals with any major problems in the Company by presenting them to the AC&CGC which takes the necessary decisions to address such problems and ensure that they are not repeated in the future. It is worth mentioning that the Company did not encounter any major problems during 2019.

E. Number of Reports issued by the Internal Control Department to the Company's Board of Directors.

The number of Internal Audit activity reports submitted by the Internal Control Department are 4 (four).

The preparation of reports is based on information and control methods adopted and reported by the various parties involved in internal control mechanism within the organization as well as the Internal Audit function. It carried out internal audits during the year in accordance with approved Internal Audit Plan 2019, which was primarily based on Risk Assessments and in-line with management priorities. Internal audit activities covered review of internal controls more specifically compliance with Laws and Regulations, adherence to policies and procedures, functioning of key internal processes in particular those involving the security of its assets and the reliability of the information/report.



Management was generally found cognizant of its responsibilities towards design and implementation of effective internal controls throughout the organization. In light of audit observations, the management contemplated actions in many areas.

10. Details of violations committed during 2019, explaining their causes, how to address them and avoid their recurrence in the future:

The Company did not commit any violations during the fiscal year ended on 31 December 2019, with respect to regulatory requirements for corporate governance rules.

11. Statement of cash and in-kind contributions made by the Company during the year 2019 toward the local community development and environmental conservation. (In case there are no contributions, it should be stated that the Company did not make any contributions):

The company has maintained its commitment to provide a safe working environment for its employees and all its labor. To ensure compliance with the highest standards, the Company's Executive Management and its subordinates conduct an active internal audit and inspection program to ensure that there are no violations. The Executive Management is also keen to work with all stakeholders and competent authorities to protect and preserve the environment. The company did not make any contributions during 2019.

12. General Information:

A. Statement of the Company share price in the Market (closing price, highest price and lowest price) at the end of each month during the fiscal year 2019:

ADNH Share price - 2019			
Date	Closing price	Highest	Lowest
31 January	2.66	3	2.65
28 February	3.22	3.57	2.6
31 March	2.8	3	2.8
30 April	3.06	3.45	2.6
31 May	3.42	3.51	3.1
30 June	3.3	3.79	3.3
31 July	3.36	3.6	3.1
31 August	-	-	-
30 September	3.2	3.3	3.1
31 October	2.79	3.29	2.7
30 November	3.2	3.2	2.9
31 December	3.68	3.68	3.68



B. Statement of the Company's comparative performance with the general market index and sector index to which the company belongs during 2019:

Comparison with General and Sector Index			
Date	Closing price	General Index	Sector Index
31 January	2.66	5,044.85	2,352.87
28 February	3.22	5,137.81	2,427.89
31 March	2.8	5,074.65	2,232.31
30 April	3.06	5,258.04	2,348.99
31 May	3.42	5,003.58	2,466.07
30 June	3.3	4,979.95	2,397.51
31 July	3.36	5,317.89	2,435.38
31 August	0	5,165.57	2,422.69
30 September	3.2	5,057.31	2,428.61
31 October	2.79	5,107.76	2,301.13
30 November	3.2	5,030.75	2,454.11
31 December	3.68	5,075.77	2,634.78

C. Statement of shareholders ownership distribution as of 31/12/2019 (individuals, companies, governments) classified as follows: local, GCC, Arab, foreign:

S/N	Shareholder Category	Percentage of Shares Held				%
		Individual	Companies	Government	Total	
1.	Local	487,214,352	501,945,489	1,453,616	990,613,457	99.1%
2.	GCC	388,406	3,003,450		3,391,856	0.3%
3.	Arab	1,562,564	67,354		1,629,918	0.2%
4.	Foreign	112,588	4,252,181		4,364,769	0.4%
	Total	489,277,910	509,268,474	1,453,616	1,000,000,000	100%

D. Statement of shareholders who hold 5% or more of the Company's capital as of 31/12/2019:

S/N	Name	Number of Shares Held	% of the Shares Held of the Company's Capital
1.	Abu Dhabi Investment Council	174,999,154	17.4999%
2.	Emirates International Investment Company LLC (EIIC)	107,778,742	10.7779%
3.	Al Masa' Limited Liability Company	60,377,917	6.0378%



E. Statement of shareholders distribution by the size of equity as of 31/12/2019:

S/N	Share(s) Owned	Number of Shareholders	Number of Share Held	% of the Shares Held of the Capital
1.	Less than 50,000	353	4,337,132	0.43%
2.	From 50,000 to less than 500,000	154	26,447,002	2.65%
3.	From 500,000 to less than 5,000,000	97	200,724,703	20.07%
4.	More than 5,000,000	27	768,491,163	76.85%
	Total	631	1,000,000,000	100%

F. Statement of measures taken regarding controls of investor relationships and an indication of the following:

- An Investor Application form is made available on the Company's website to facilitate the process of submitting applications from shareholders for transactions related to their shares.
- Communication between the competent departments of the company (Legal and Finance departments) is activated regarding facilitating and accelerating the transactions and requests of shareholders and considering any complaints received from them.

The name and contact information of the Investors' Relations Manager

Name	Contact Details
Mr. Nadim Elias El-Haj	- Office Tel: +971 2 4445210 - Mob.: +971 56 9904983 - Email: nadim.elhaj@adnh.com - P.O.Box: 46806

A new page relating to Investor Relations was set up. This includes:

- The Company's Annual Financial Statement
- Management Discussion Reports
- Corporate Governance Report
- Minutes of the Annual General Assembly Meetings
- Contact Details of the Investor Relations Section
- Daily share price

The link of the Investor Relations webpage on the website of the Company.

<https://www.adnh.com/contents/page/investor-relations/20656>



G. Statement of special Resolutions presented to the General Assembly held in 2019 and the procedures taken with respect thereto:

The Company's General Assembly was held on 3rd March 2019 to discuss the items of the meeting's agenda duly notified, and after discussion, the following decisions were taken with respect thereto:

First: Approval of the BOD's report on the Company's activities for the fiscal year ended on 31 December 2018;

Second: Approval of the external auditor's report on the company's final accounts for the fiscal year ended on 31 December 2018;

Third: Approval of the Company's budget and profit and loss account for the fiscal year ended on 31 December 2019;

Fourth: Approval of the BOD's proposal to distribute cash dividends of AED130 million (one hundred and thirty million Dirhams representing 13% of the share capital for the year ended 31 December 2018);

Fifth: Approval of the Board's proposal for a share buyback to the extent of 10% of the subscribed capital and to authorize the Board of Directors to acquire the approval from SCA in accordance with the Rules and guidelines.

Sixth: Approval of the remuneration of the BOD members at a total amount of AED 8,688,000 (Eight million six hundred and eighty-eight thousand Dirhams);

Seventh: Absolve the BOD members of liability from their activities for the fiscal year ended on 31 December 2018;

Eighth: Absolve the external auditors (Ernst & Young) of liability from their activities for the fiscal year ended on 31 December 2018;

Ninth: Appointment of Ernst & Young as the Company's auditors for the fiscal year ending 31 December 2019 against a fee of AED 764,000 (Seven hundred and sixty-four thousand dirhams).

Tenth: Election of 8 Board Members as follows:

1. Sheikh Saif Bin Mohammed Bin Butti Bin Hamed Alhamed
2. Sheikh Ahmed Mohammed Sultan Suroor Aldhahiri
3. Mr. Abdulla Khalil Mohamed Samea AlMutawa
4. Mr. Alaa Mohamed Atta Khalil Eraiqat
5. Mr. Mohamed Khalaf Ahmed Khalaf Alotaiba
6. Mr. Khaled Haji Abdulla Hussain Alkhoori
7. Mr. Khalaf Sultan Rashed Saeed Al Dhaheri
8. Mr. Darwish Ahmed Darwish Ahmed Alketbi

A ninth Board Member, **Mr Ahmed Khalifa Mohamed Obeid Al Mehairi** was appointed as Representative for Abu Dhabi Investment Council Company pjsc.



H. Name of Rapporteur of the Board Meetings.

The Rapporteur is M/s Naseem Al Hamed and was formally appointed as Acting Board Secretary in December 2014. This appointment was confirmed in March 2015.

The Board Secretary has 30 years' experience in a similar position in other UAE-based blue chip companies such as Abu Dhabi Investment Authority, Abu Dhabi Fund for Development and subsequently Abu Dhabi National Hotels. As a result of this M/s Al Hamed today enjoys a thorough understanding of ADNH business and the hospitality industry having worked with ADNH since 1995. In addition, she has at all times demonstrated excellent communication skills with all pertinent stakeholders. Similarly M/s Al Hamed has attended several relevant workshops and seminars.

As far as duties and responsibilities performed during the year are concerned M/s Al Hamed performed the following:

- Managing all aspects of Board of Directors' and Board Committee meetings including from development of the agenda, arranging meeting logistics, recording Minutes, disseminating relevant information to Directors and other stakeholders.
- Ensuring compliance of relevant Laws with particular reference to the Regulatory Authorities including but not limited to SCA and ADX.
- Managing all aspects of the Annual General Assembly (AGM) including facilitating the preparation of the Corporate Governance Report, communication with SCA, ADX, External Auditors, arranging meeting logistics (Venue, translators,) and ensuring the presence of appropriate stakeholders such as shareholders registry custodians and timely and accurate disclosures of AGM results to SCA and ADX.

I. Statement of significant events that took place in the Company in 2019.

The company acquired five hotels in Dubai in line with its strategy of enhancing and growing its portfolio of world class properties. These include:

- The Address Boulevard Hotel – Dubai;
- The Address Dubai Mall Hotel – Dubai;
- The Address Dubai Marina Hotel – Dubai;
- Manzil Downtown Hotel – Dubai; and
- Vida Downtown Hotel – Dubai





J. A statement of the Emiratisation percentage in the Company in 2017, 2018 and 2019

2017	2018	2019
8%	10%	12%



K. A statement of the innovative projects and initiatives implemented by the Company or which were under development during 2019:

The company carried out significant renovations to its hotels and resorts, including guest rooms and public areas in hotels.

Signature of Chairman - Board of Directors	Signature of Chairman - Audit Compliance & Corporate Governance Committee	Signature of Chairman - Nomination & Remuneration Committee	Signature of Director - Internal Control Department
			
Date: 2/2/2020	Date: 4/02/2020	Date: 4/2/2020	Date: 04/02/20



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