

CORPORATE

GOVERNANCE REPORT



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1. Procedures to adopt and implement corporate governance in 2021

The corporate governance guidelines applied by Al Ramz Corporation Investment and Development PJSC and its subsidiaries (the “Company” or the “Corporation”) provide a basis for promoting and maintaining the highest standards of corporate governance at the Company, through creating and protecting shareholder value as well as other stakeholders. The Board of Directors (the “BOD”) strive to provide the right leadership, strategic oversight and control environment to produce and sustain the delivery of value to all the Company’s shareholders.

The Company’s corporate governance framework, represented in the BOD’s charter, consists of the following:

Internal Controls

The Company’s Internal Controls system consists of several frameworks, policies and procedures established by the Board of Directors to enhance the Company’s objectives and performance. The Company has adopted the “three lines of defense” principle in relation to corporate governance and risk management as follows:



The role of the BOD is to govern the Company and is directly committed to comply with all corporate governance guidelines and rules issued by the Securities and Commodities Authority. Its role includes overseeing and directing executive management as well as implementing the Company’s strategies and objectives.

Board Committees

The BOD shall delegate oversight of key areas of responsibility to specific committees who will report to the BOD with their analysis and recommendations. Such committees shall be formed in accordance with the Chairman of the Securities and Commodities Authority’s Board of Directors’ Resolution No. (3 R.M) of 2020 concerning approval of joint stock companies’ governance guide; and shall consist of the audit committee, nomination and remuneration committee and the risk and investment committee.

1. Procedures to adopt and implement corporate governance in 2021

Audit Committee

The Audit Committee is committed to review the Company's financial statements, internal controls and risk management processes as well as represent the Company with the external auditor. Its duties include the obligations set out in of SCA Resolution (3 R.M) of 2020 concerning approval of joint stock companies' governance guide.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee primarily oversees the Company's organization structure, the development of the succession plan, evaluating the recruitment process and remuneration policies as well as the independence of the Board's independent directors in accordance with its obligations set out in SCA Resolution (3 R.M) of 2020 concerning approval of joint stock companies' governance guide.

Investment and Risk Committee

The Investment and Risk Committee has overall responsibility for the review of the Company's risk evaluation and mitigation initiatives as well as investment initiatives. Its duties include the guidance set out in SCA Resolution (3 R.M) of 2020 concerning approval of joint stock companies' governance guide.

2. Board of Directors, their spouses, and their children's transactions in the Corporations' financial instruments in 2021

Name:	Sameer Kamal Ibrahim Al Ansari
Position:	Board Member
Category:	Independent non-executive
Total shares owned on 31 December 2021:	2,299,886
Total Sale Transactions	404
Total Purchase Transactions	2,300,290
Share capital of the Corporation:	549,915,858
Ownership percentage the Corporation's total share capital:	0.4182%

Name:	Abeer Mohd Khalil Al Siksik
Position:	Board Member relative
Category:	Spouse
Total shares owned on 31 December 2021:	1,023,347
Total Sale Transactions	-
Total Purchase Transactions	1,023,347
Share capital of the Corporation:	549,915,858
Ownership percentage the Corporation's total share capital:	0.1861%

Name:	FAA Capital Investment
Position:	Board Member company
Category:	Sole proprietorship company
Total shares owned on 31 December 2021:	13,367,949
Total Sale Transactions	-
Total Purchase Transactions	5,911,060
Share capital of the Corporation:	549,915,858
Ownership percentage the Corporation's total share capital:	2.4309%

3. Board of Directors Composition

A. Statement of the current Board formation

The Board of Directors was formed on 11 April 2021 by the Corporation's Annual General Meeting. The Board consists of Seven (7) members whose term is until 11 April 2024.

Board Members				
Name	Category	Experience	Credentials	Starting from
Mr. Dhafer Al-Ahbab	Independent non-executive	Investments	Bachelor's in Economics	11/04/2021
HE Hamad Rashid Al Nuaimi	Non-executive	Investments	Bachelor's in Accounting	11/04/2021
Dr. Ali Saeed Bin Harmel Al Dhaheri	Independent non-executive	Investments	PhD in Business Administration	11/04/2021
Mr. Abdullah Saeed Al Ghafli	Independent non-executive	Risk management	Master's in Business Administration	11/04/2021
Mr. Ahmed Ali Khalfan Al Dhaheri	Independent non-executive	Investments	Bachelor's in Accounting and CPA certificate	11/04/2021
Mr. Mohammad Al Mortada Al Dandashi	Executive	Investments	Bachelor's in Economics	11/04/2021
Dr. Sameer Kamal Ibrahim Al Ansari	Independent non-executive	Investments	Bachelor's in Accounting & Finance and CA	11/04/2021

Membership and positions at any other joint-stock companies

Name	Membership and position
Mr. Dhafer Al-Ahbab	Board member – Amanat Holding PJSC
HE Hamad Rashid Al Nuaimi	Board member – Amanat Holding PJSC Board member – Reem Investments PJSC
Dr. Ali Saeed Bin Harmel Al Dhaheri	Chairman – National Takaful PSC Board member – Amanat Holding PJSC
Mr. Ahmed Ali Khalfan Al Dhaheri	Chairman – Foodco Holding PJSC Vice Chairman – Al Waha Capital PJSC Board Member – Al Wathba Insurance Company PJSC Board Member – Abu Dhabi Aviation Company PJSC Chairman – Foodco Food Product PrJSC
Mr. Abdullah Saeed Al Ghafli	Board Member – Emirates Building PrJSC

Positions in any other important regulatory, government or commercial entities

Name	Role in other supervisory, governmental, or commercial entities
HE Hamad Rashid Al Nuaimi	Financial affairs deputy - Ministry of Presidential Affairs
Dr. Sameer Kamal Ibrahim Al Ansari	CEO - RAK ICC

B. Female representation in the Board of Directors in 2021

There was no female representation in the Board of Directors in 2021.

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

No female representatives were nominated for Board membership.

D. Statement of the followings:

1. Total Board of Directors Remuneration in 2020

The Company's general assembly, held on April 11, 2021, approved the disbursement of an amount of AED two hundred and fifty thousand (250,000) on a pro-rata basis for each member of the Board of Directors due to the exceptional efforts made by them during the year 2020.

2. Proposed Board of Directors Remunerations in 2021

The Board of Directors shall propose for approval in the next General Assembly Meeting, total remuneration of an amount of AED four million (4,000,000) for the year. It is important to note that the remuneration is based on their effective leadership of the Corporation and its profits and financial position and not on their attendance of the Board meetings. This is in line with the resolution No. (3 R.M) of 2020 concerning approval of joint stock companies' governance guide.

3. Board Committees attendance allowances in 2021

The following attendance allowances were paid to the Board members:

Name	Position in the committee	Fees (AED)	No. of meetings	Total (AED)
Audit Committee				
Mr. Ahmed Ali Al Dhaheri	Audit Committee Chairman	8,000	7	56,000
Mr. Abdullah Saeed Al Ghafli	Audit Committee member	8,000	7	56,000
Dr. Sameer Kamal Ibrahim Al Ansari	Audit Committee member	8,000	7	56,000
Nomination and Remuneration Committee				
Dr. Ali Saeed Bin Harmel Al Dhaheri	Nomination and Remuneration Committee Chairman	8,000	3	24,000
Mr. Abdullah Saeed Al Ghafli	Nomination and Remuneration Committee member	8,000	3	24,000
Mr. Ahmed Ali Al Dhaheri	Nomination and Remuneration Committee member	8,000	3	24,000
Risk and Investment Committee				
Mr. Dhafer Al-Ahbabi	Risk and Investment Committee Chairman	8,000	3	24,000
HE Hamad Rashid Nuhail Al Nuaimi	Risk and Investment Committee member	8,000	4	32,000
Mr. Mohammad Al Mortada Al Dandashi	Risk and Investment Committee member	8,000	4	32,000

4. Board Committees attendance allowances in 2021

The board members did not receive any additional allowances, salaries, or fees during 2021.

E. Number of Board of Directors meetings held in 2021

The Board of Directors held five (5) meetings in 2021 as detailed below. The Board of Directors accepted the absences shown.

Board Member	22 February	10 May	9 August	8 November	7 December
Mr. Dhafer Al Ahbabi	Attended	Attended	By proxy	Attended	Attended
HE Hamad Rashid Al Nuaimi	Attended	Attended	Attended	Attended	Attended
Dr. Ali Saeed Bin Harmel Al Dhaheri	Attended	Attended	Attended	Attended	Absent
Mr. Ahmed Ali Khalfan Al Dhaheri	Attended	Attended	Attended	Attended	Attended
Mr. Abdullah Saeed Al Ghafli	Attended	Attended	Attended	Attended	Attended

Mr. Mohammad Al Mortada Al Dandashi	Attended	Attended	Attended	Attended	Attended
Dr. Sameer Kamal Ibrahim Al Ansari	Attended	Attended	Attended	Attended	Attended

F. Number of Board resolution passed during the 2021 fiscal year

The Board of Directors passed one resolution by circulation during 2021.

G. Statement by the Board: duties and power exercised by Board members or the executive management members during 2021 based on the authorization from the Board

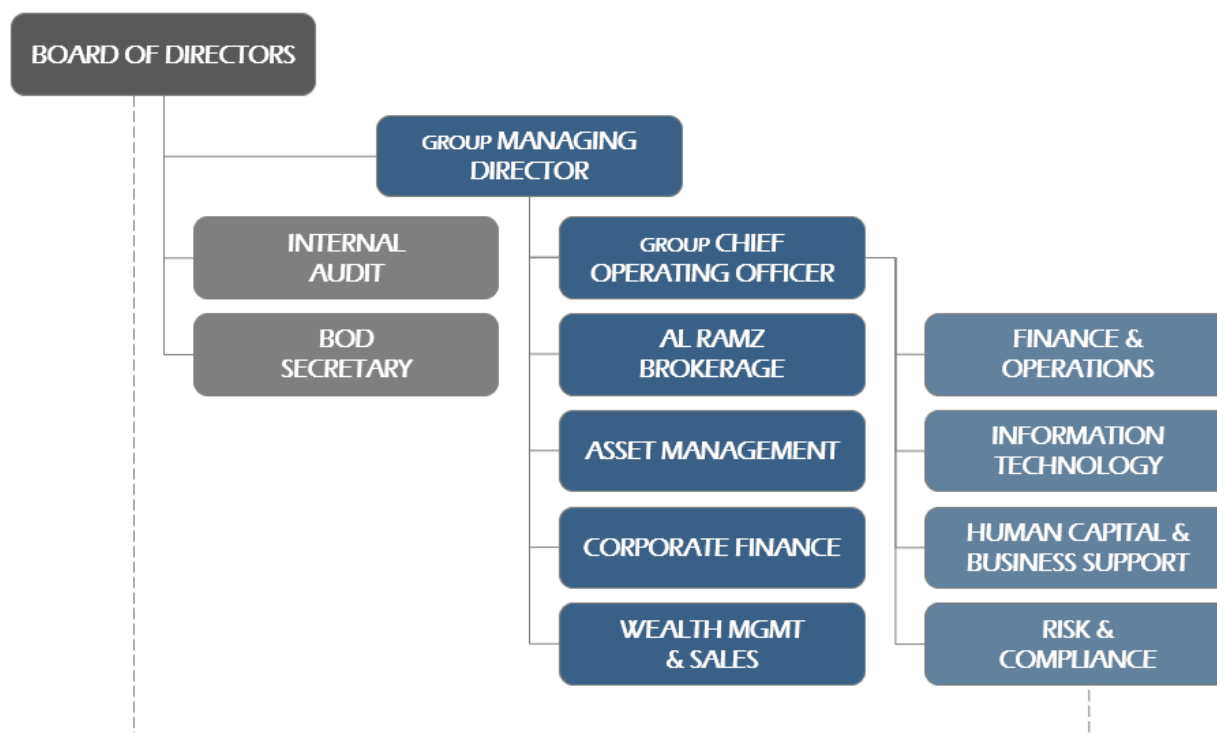
Ser.	Name of the authorized person	Power of authorization	Duration of authorization
1	Mr. Mohammad Al Mortada Al Dandashi	POA	3 years

H. Transactions with related parties

The Corporation adopts the related parties' transactions regulations as stated in the resolution No. (3 R.M) of 2020 concerning approval of joint stock companies' governance guide in relation to the Executive Management, the key shareholders and any associated persons and entities. Following are the related parties' transactions related to the Corporation's income during 2021:

Ser.	Statement of related parties	Clarifying the nature of relationship	Type of transaction	Value of transaction
1	Saood Al Hajiri	Major shareholder	Interest Expense	676,000
2	HE Hamad Rashid Al Nuaimi	Directors and key management personnel	Brokerage fees	593,906
3	Ahmed Ali Khalfan Al Dhaheri	Directors and key management personnel	Brokerage fees & income from margin	530,473
4	Foodco Holding	Subsidiary company for one of the directors	Brokerage fees & income from margin	481,316
5	Al Wathba National Insurance Company	Major shareholder	Brokerage fees	241,764
6	Mohammad Ahmad Saeed Alqassimi	Major shareholder	Brokerage fees	155,381
7	Mohammad Al Mortada Al Dandashi	Directors and Major shareholder	Brokerage fees & income from margin	49,771

I. The Corporation’s organizational structure



3. Board of Directors Composition

J. Key executives’ details

The table below states the names, positions, dates of joining and total salaries and bonuses for 2021:

Name	Position	Date of Joining	Total salaries	Total bonuses
Mr. Mohammad Al Mortada Al Dandashi	Managing Director	15/11/2016	2,744,400	5,219,200
Mr. Haisam Odeimeh	Chief Operating Officer	12/10/2017	1,386,000	1,039,500

4. External Auditor

A. Brief on the external auditor

Ernst & Young is a global organization that employs more than 231,000 professionals in over 150 countries. The MENA practice of EY has been operating in the region since 1923. For over 93 years, EY has evolved to meet the legal and commercial developments of the region. Across MENA, EY has over 6,500 people united across 20 offices and 15 Arab countries, sharing the same values and an unwavering commitment to quality. The Abu Dhabi office of EY was opened in 1966 and has scaled remarkable heights since then. There are approximately over 480 people, in the Firm's offices in Abu Dhabi. In Abu Dhabi, EY has a strong base of over 190 Assurance professionals qualified from Saudi Arabia, the United Kingdom, Pakistan, India, United States of America and hold relevant degrees from leading universities.

External auditor fees for 2021

Audit firm name	Ernst & Young
Number of years as auditor of Al Ramz	Two (2)
Total audit fees for 2021	AED 375,000
Fees for non-audit services in 2021	-
Details of non-audit services in 2021	None
Details of any professional services provided by other audit firms	None

B. Statement clarifying the reservations that the company auditor included in the interim and annual financial statements for 2021 and in case of any reservations

No qualifications have been stated in the interim and annual financial statements for 2021.

5. Audit Committee

A. Audit Committee Chairman acknowledgement of his responsibilities

Mr. Ahmed Ali Khalfan Al Dhaheri, Audit Committee Chairman, acknowledges reviewing the committee's duties and ensuring its effectiveness and fulfillment of its obligations.

B. Audit Committee members, roles and responsibilities

Name	Category in BOD	Position in the committee
Mr. Ahmed Ali Khalfan Al Dhaheri	Independent non-executive	Chairman
Mr. Abdullah Saeed Al Ghafli	Independent non-executive	Member
Dr. Sameer Kamal Ibrahim Al Ansari	Independent non-executive	Member

The audit committee performs a number of duties including supervising the propriety of the financial statements, related reports and accounting processes, audits on the financial, internal control and risk management processes as well as compliance with the Corporation's Code of Ethics. The audit committee also develops and implements the policy dealing with appointing, contracting, supervising the independence, performance and scope of the external auditor.

C. Audit Committee meeting held in 2021

The audit committee held seven (7) meetings in 2021 summarized as follows:

Meeting	Date
First	15 February 2021
Second	3 May 2021
Third	2 August 2021
Fourth	17 August 2021
Fifth	3 November 2021
Sixth	8 December 2021
Seventh	16 December 2021

Below are the attendance details of the audit committee members:

Name	Attendance
Mr. Ahmed Ali Khalfan Al Dhaheri	100%
Mr. Abdullah Saeed Al Ghafli	100%
Dr. Sameer Kamal Ibrahim Al Ansari	100%

6. Nomination and Remuneration Committee

A. Nomination and Remuneration Committee Chairman acknowledgement of his responsibilities

Dr. Ali Saeed Bin Harmel Al Dhaheri, Nomination and Remuneration Committee Chairman, acknowledges reviewing the committee's duties and ensuring its effectiveness and fulfillment of its obligations.

B. Nomination and Remuneration Committee members, roles, and responsibilities

Name	Category in BOD	Position in the committee
Dr. Ali Saeed Bin Harmel Al Dhaheri	Independent non-executive	Chairman
Mr. Abdullah Saeed Al Ghafli	Independent non-executive	Member
Mr. Ahmed Ali Khalfan Al Dhaheri	Independent non-executive	Member

The Nomination and Remuneration committee primarily oversees the independence of the Board's independent directors, the development of the remuneration policies for the Board, management and

employees, the Corporation’s recruiting needs, the development of HR policies, in addition to the Board of Directors nomination process.

C. Nomination and Remuneration Committee meetings held in 2021

Three (3) meetings were held by the nomination and remuneration committee in 2021 summarized as follows:

Meeting	Date
First	3 February 2021
Second	17 February 2021
Third	8 September 2021

Below are the attendance details of the nomination and remuneration committee members:

Name	Attendance
Dr. Ali Saeed Bin Harmel Al Dhaheri	100%
Mr. Abdullah Saeed Al Ghafli	100%
Mr. Ahmed Ali Khalfan Al Dhaheri	100%

7. Insider Supervisory Committee

A. Insider Committee Chairman acknowledgement of his responsibilities

Mr. Rizwan Qureshi acknowledges reviewing the committee’s duties and ensuring its effectiveness and fulfillment of its obligations.

B. Insider Committee members, roles, and responsibilities

Name	Position in the committee
Mr. Rizwan Qureshi	Chairman
Mr. Haitham Hariri	Vice Chairman
Ms. Shamma Biny Sied	Member and Committee Secretary

C. Insider Committee meetings held in 2021

Four (4) meetings were held by the Insider committee in 2021 summarized as follows:

Meeting	Date
First	20 January 2021
Second	12 April 2021
Third	8 July 2021
Fourth	7 October 2021

D. Summary of Insider Committee work report during 2021

- Making recommendations to the Board of Directors in regards the implementation of the Corporation policies and procedures for the Board members and employees' transactions in the Corporation's shares.
- Prepare a special and comprehensive register for all insiders.
- Manage, monitor and supervise the transactions of insiders as well as reviewing the disclosures and transactions request.
- Ensure to comply with the disclosures and transparency regulations.
- Reporting to the financial markets of the insiders list and their trades.

8. Investment and Risk Committee

A. Investment and Risk Committee Chairman acknowledgement of his responsibilities

Mr. Dhafer Al-Ahbabi acknowledges his responsibility for reviewing the committee's duties and ensuring its effectiveness and fulfillment of its obligations.

B. Investment and Risk Committee members, roles, and responsibilities

Name	Category in BOD	Position in the committee
Mr. Dhafer Al-Ahbabi	Independent non-executive	Chairman
HE Hamad Rashid Al Nuaimi	Independent non-executive	Member
Mr. Mohammad Al Mortada Al Dandashi	Executive	Member

The investment and risk committee oversee the investment initiatives and related risks, the Corporation's investment portfolio management, the investment strategy and performance, in addition to compliance to investment related laws and regulations.

C. Investment and Risk Committee meetings held in 2021

Four (4) meetings were held by the investment and risk committee in 2021 summarized as follows:

Meeting	Date
First	22 February 2021
Second	10 May 2021
Third	9 August 2021
Fourth	8 November 2021

Below are the attendance details of the investment and risk committee members:

Name	Attendance
Mr. Dhafer Al Ahababi	75%
HE Hamad Rashid Al Nuaimi	100%
Mr. Mohammad Al Mortada Al Dandashi	100%

9. Internal Control Framework

A. Board of Directors acknowledgement of his responsibilities

Board of Directors bears the responsibility of the internal control framework and oversees its implementation and effectiveness through the audit committee.

B. Head of Internal Control - Risk and Compliance brief

Mr. Rizwan Qureshi joined the Company in March 2021 as Head of Risk and Compliance and holds the following qualifications:

- Bachelor's degree in electrical and electronic engineering from King's College, London
- Master's degree in satellite communications from University College, London
- CA certification from the Institute of Chartered Accountants in England and Wales
- CISI certifications from the Chartered Institute for Securities & Investment.

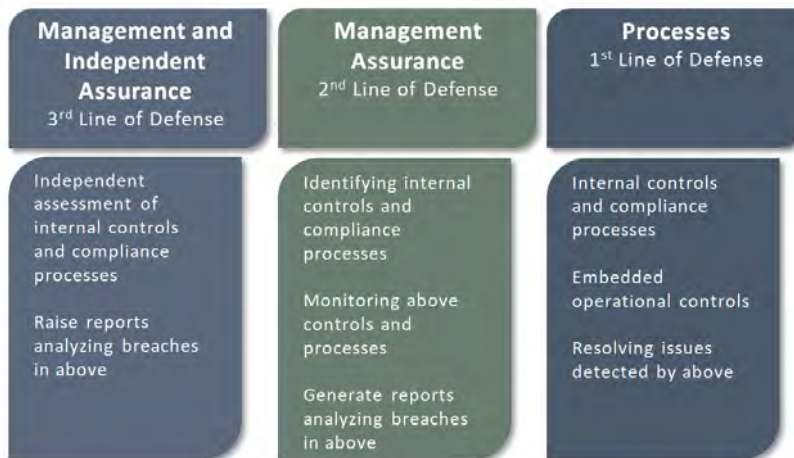
C. Head of Internal Audit brief

Mr. Haitham El Hariri joined the Company in January 2021 as Head of Internal Audit and holds the following qualifications:

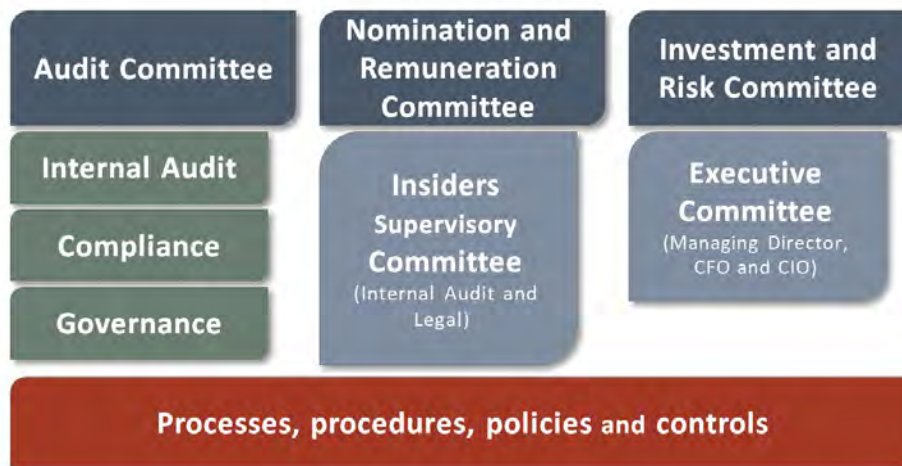
- Bachelor's degree in accounting from the Cairo University
- CPA certification from the American Institute of Public Accountants
- CIA certification from the Institute of Internal Auditors
- CISI certifications from the Chartered Institute for Securities & Investment.

D. How Internal Control Department dealt with major problems

The Corporation has adopted the “three lines of defense” principle in relation to corporate governance and risk management:



The below diagram illustrates how the above was implemented in the Corporation:



The Audit Committee oversees the audit process, the internal control system and the compliance with laws and regulations through technical supervision of the internal audit department, and reviewing the results of the internal audit reports, evaluating the adequacy of the internal control systems applied within the company and ensuring the company's compliance with laws, policies, regulations and instructions.

E. Number of reports issued by the Internal Control Department

The Internal Control Department submitted twelve reports during 2021.

10. Violations committed during 2021

A subsidiary of Al Ramz Corporation Investment and Development PJSC was fined during 2021 for a matter that occurred in 2014. There were no fines imposed during the year pertaining to 2021.

11. Corporate Social Responsibility and Environmental Protection

Upon return to the office, we have focused our efforts on preserving paper. This was done by implementing a central printer that requires employee ID for access. The amount of paper printed is also tracked per session. As for corporate social responsibility, we have not yet begun this process.

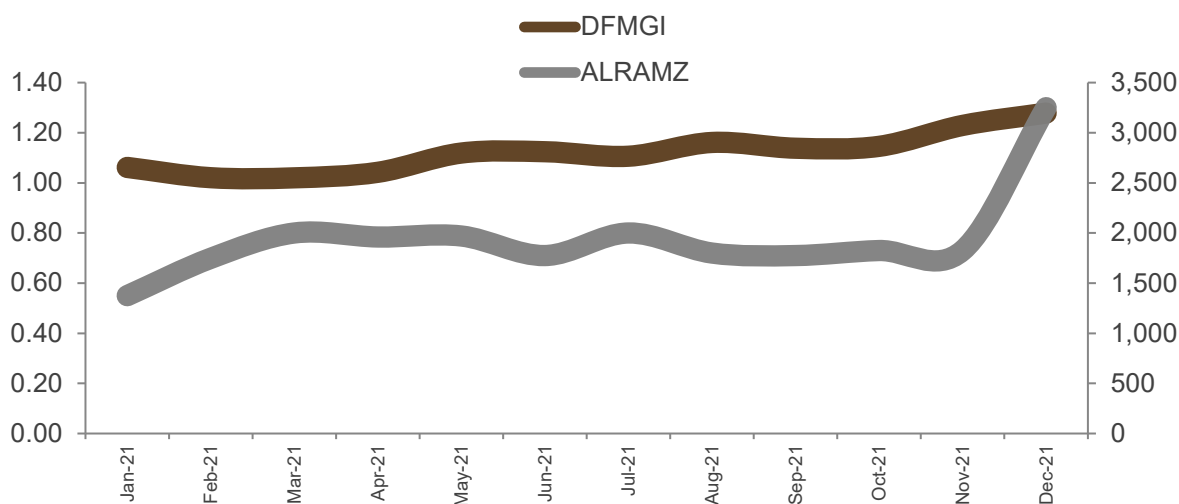
12. General Information

A. The Corporation shares' end of month prices in 2021

Period	Lowest price	Highest price	Closing price	Traded volume (No. of shares)	Percentage change
Jan 2021	0.550	0.570	0.550	20,148,589	-
Feb 2021	0.523	0.699	0.699	4,712,070	27.09
Mar 2021	0.699	0.800	0.800	2,596,485	14.45
Apr 2021	0.731	0.800	0.784	246,245	(2.00)
May 2021	0.700	0.788	0.788	555,860	0.51
Jun 2021	0.710	0.710	0.710	102,000	(9.90)
Jul 2021	0.643	0.800	0.800	1,757,755	12.68
Aug 2021	0.720	0.800	0.720	14,513,485	(10.00)
Sep 2021	0.710	0.798	0.710	17,824,701	(1.40)
Oct 2021	0.730	0.740	0.730	792,860	2.82
Nov 2021	0.730	0.788	0.730	37,164,877	0.00
Dec 2021	0.730	1.300	1.300	11,583,444	78.08
Average				9,333,198	

This data is courtesy of Thomson Reuters EIKON

B. The Corporation shares' performance against the market index in 2021



This data is courtesy of Thomson Reuters EIKON

C. Shareholders dividends as of 31 December 2021

Shareholder category	Individual	Corporate	Bank	Government	Total
Local	37.4356 %	44.7754%	14.7392%	-	96.9502%
GCC	0.0029 %	0.0673 %	-	-	0.0702%
Arab world	2.1702%	-	-	-	2.1702%
Rest of the world	0.8094%	-	-	-	0.8094%
Total	40.4181%	44.8427%	14.7392%	-	100%

D. Shareholders owning 5% or more of the Corporation shares as of 31 December 2021

Name	Shares owned	Percentage of shares owned to the total share capital
H.H. Sheikh Nahyan Bin Zayed Al Nahyan	96,492,949	17.5469%
Emirates Investment Bank	81,053,204	14.7392%
Al Ramz Corporation Investment and Development	51,821,279	9.4235%
Finivesco Financial Investment	48,270,275	8.7778%
Al Wathba National Insurance Company	42,529,685	7.7339%
Mohammad Bin Ahmad Bin Saeed Alqassimi	36,459,161	6.6300%

E. Shareholders according to shares owned as of 31 December 2021

Ownership (Share)	No of shareholders	Shares owned	Percentage of shares owned to the total share capital
Less than 50,000	118	1,424,863	0.2591%
From 50,000 to 500,000	38	6,322,330	1.1497%
From 500,000 to 5 million	18	33,989,420	6.1808%
More than 5 million	19	508,179,245	92.4103%
	193	549,915,858	100%

F. Process related to the investors relations

Mr. Anas Salameh has been appointed as the Investor Relations Officer on 12 December 2021 and can be contacted via the following methods. The Investor Relations Website is currently under development and shall be announced upon completion.

- Email: IR@ALRAMZ.AE
- Landline: 02-6118855
- Fax: 02-6262444

G. Special resolutions submitted to the 2021 General Meeting

- Approval of the decision to establish an Islamic instrument program, with a total value of AED 500 million, that can issue medium-term debt, including Sukuk shares.
- Approval of the decision to amend several articles of the company's statutes.
- Approval of the policy of extra fees, fees and bonuses or monthly salary for members who work on committees, those who make special efforts or who do additional work to serve the company.
- Approval of the reappointment of Ernst & Young as auditors for the company for the year 2021.
- Approval of the appointment of Dr. Samir Kamal Ibrahim Ansari as an independent non-executive board member.
- The election of the members of the board of directors of the company for a new term.

H. Board Secretary

Name	Appointment Date	Qualifications
Dr. Fady Kayyal	21 January 2019	<ul style="list-style-type: none"> - Bachelor's degree in law. - Master's in finance. - PhD in business administration



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