



**CORPORATE GOVERNANCE
REPORT 2023**

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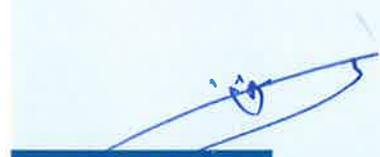
INTRODUCTION

We at National Marine Dredging Company (hereafter referred to as "NMDC Group" or the "Company" or the "Group") are proud of how far our growth strategy has taken us, which has resulted in ongoing national and international operating expansion in an ever-changing global environment.

We acknowledge that the environment in which we operate provides challenges from a governance and regulatory perspective; however, we are confident that our commitment to adopting and complying with good corporate governance practices, and our culture and values will continue, as ever, to provide the Company with a strong foundation that will enable the Board of Directors and the Company to meet their obligations towards the shareholders and stakeholders.

The purpose of this document is to report on the corporate governance framework at NMDC Group, in accordance with Resolution No. 3 of 2020 concerning Approval of Joint Stock Companies Governance Guide (hereafter referred as "Corporate Governance Guide") issued by the Securities and Commodities Authority (hereafter referred as "SCA") and as amended from time to time.

This report provides an overview of NMDC Group corporate governance systems and procedures for the period commencing from 1st January 2023 to 31st December 2023 and has been published on Abu Dhabi Exchange (ADX) website as well as the Company's website.



H.E. Mohamed Thani Murshed Al Rumaithi
Chairman of the Board of Directors



Mr. Ahmed Amer Omar Saleh Omar
Audit Committee Chairman



Mr. Mohamed Ibrahim Al Hammadi
Nomination & Remuneration Committee Chairman



Mr. Kashif Nawaz Shaikh
Internal Audit & Compliance Director

1 CORPORATE GOVERNANCE PRACTICES

1.1 Corporate Governance Rules

The Board of Directors of NMDC Group is committed to implementing strong corporate governance practices to a standard derived from amalgam of UAE guidelines and international best practices. Underpinning these legislative, regulatory and best practice requirements are NMDC Group values and philosophies, which provide the framework against which we measure behavior and practices to assess the characteristics of good governance. Our values require that directors and employees act with integrity and conduct themselves to promote and maintain trust.

Sound corporate governance is therefore implicit in our values, culture, processes, functions and organizational structure. Structures are designed to ensure that our values remain embedded in all businesses and processes. We continually refine these structures and a written statement of values serves as our code of ethics. NMDC Group undertakes a frequent review of its strategic and operational environment, including communication with its stakeholders, in order to determine an appropriate balance, scope and sophistication of the corporate governance framework which is proportionate to NMDC Group's nature, size and complexity.

The corporate governance culture of NMDC Group is driven by:

- A well informed and effective Board of Directors to direct the Company's affairs and set its objectives;
- Clearly defined roles and responsibilities of the Board of Directors, its members, its committees, and key Company officers and executives;
- Selection of productive strategies and management of risks;
- Appropriate delegation and monitoring of responsibility and accountability to Management;
- Satisfying the interests of stakeholders through relevant and material disclosures;
- Ensuring compliance with all regulatory obligations;
- Ensuring that the Company's performance and financial reporting are properly directed and controlled through an effective internal control system;
- Engaging with the community; and
- Adopting high ethical standards and practices by the Company, its officers, and employees.

To achieve these aims, and to ensure compliance with the specific requirements of the Corporate Governance Guide issued by SCA, the Company has developed and

implemented its Corporate Governance Manual, which contains guidelines on the following subjects:

- Board and Director Matters;
- Board Committees and their Charters;
- Delegation of Authority;
- Relationship with Shareholders;
- Company's Disclosure Obligations;
- Internal Control System;
- Engagement of Auditors;
- Code of Business Conduct; and
- Share Dealing Policy.

The Board of Directors has reviewed Resolution No.3 of 2020 in relation to Corporate Governance and its related amendments and Federal Law No. 32 of 2021 concerning commercial Companies and will update the Corporate Governance Manual to align with these requirements.

The Board of Directors are responsible to the Company's shareholders for creating and delivering sustainable value through the management of the Company's businesses. Although day-to-day management of these businesses is delegated to the Management, the Board of Directors are responsible for providing strategic direction, management supervision and adequate controls with the ultimate objective of promoting the success and long-term value of the Company. The Board of Directors retains responsibility for the overall performance of the Company, and ensures that Management strikes an appropriate balance between promoting long-term growth and delivering short-term objectives.

1.2 Corporate Governance Structure

Corporate Governance is the system by which the business of the Company is directed and controlled. The implemented corporate governance structure specifies the distribution of rights and responsibilities among different stakeholders within the Company, such as, the Board Chairman, Group Chief Executive Officer, Chief Officers, Managers and shareholders; and establishes the rules and procedures for making decisions on corporate affairs. The primary goal of the Company's corporate governance policy is to create and sustain value within the Company.

The Company believes that it is important that these principles of governance are made transparent to all the stakeholders and to safeguard their rights and promote their participation in the Company's corporate governance process.

The Board of Directors plays a central role in the Company's corporate governance framework. It is ultimately responsible for ensuring that the Company complies with its legal and regulatory obligations, the Company's Memorandum and Articles of Association, and its duties to shareholders. The Board of Directors were assisted in this process by various Board Committees (particularly Audit Committee, Nomination and Remuneration Committee, and Strategy Committee), external and internal auditors, and company officers and employees (including the Group Chief Executive Officer, Group Chief Financial Officer, Internal Audit and Compliance Director and other members of Management).

In addition to the Articles of Association and regulating laws, the NMDC Group Board of Directors has approved a wide range of charters, codes, policies and carefully defined business structures and processes in order to record their decisions and delegations, and regulate the operations and overview activities of the Company and its subsidiaries. The Board of Directors has also issued general principles of behavior and personal conduct for which all directors and staff are accountable as individuals and as a collective entity.

1.3 Disclosure Practices

The Company is committed to comply with all of its disclosure obligations, including SCA, Abu Dhabi Stock Exchange (hereafter referred as "ADX") and to shareholders, so that trading in its shares can take place in an informed market. In 2023, the Company made regular disclosures to SCA and ADX including upcoming Board meetings and decisions, publication of Annual Report, Corporate Governance Report, Sustainability Report and other announcements on key financial and/or operational matters/transactions, copies of which are generally available or updated on the Company's website.

1.4 Delegation of Authority

The Board of Directors bears ultimate responsibility for the operations of the Company, and within the provisions of the Articles of Association, UAE Companies Law and approved Corporate Policies and Procedures, the Board of Directors has the authority to delegate its powers to the committees and senior management.

The Board of Directors approved the latest version of NMDC Group Delegation of Authority in 2023. The Delegation of Authority outlines authority limits delegated to the Board of Directors, Board Committees, Executive Management Committees, Management and Employees in order to run the Company's affairs and operations within the United Arab Emirates and overseas locations.

1.5 Code of Business Conduct

The Company recognizes the importance of establishing and maintaining a set of core values and approaches to the process of doing business. NMDC Group demands, and will maintain, the highest ethical standards in its business activities through a detailed Code of Business Conduct.

1.6 Board of Director's Induction Policy

The Company's policy on director induction requires all new Board of Directors to participate in the Company's induction program. This program includes presentations by Management to familiarize new Board of Directors with the Company's objective and strategic plans, business operations and activities, business units and departments, and principal officers and employees.

The program aims at providing the information required to ensure that a new Board of Director understands his/her duties and responsibilities under the applicable laws and regulations, the Company's corporate governance framework, and understands the Company's policies in its field of operations.

1.7 Share Dealing Policy

The purpose of the Company's share dealing policy is to ensure that the Company's Board of Directors and employees (and their Connected Persons) do not deal or trade in securities issued by the Company or its subsidiary or sister companies based on undisclosed confidential information or in circumstances of conflict.

The Company's share dealing policy is that no Board of Directors or employee of the Company (or any subsidiary or other company controlled by the Company) may deal in the Securities of the Company whilst they are in possession of any information which could affect the price of the Securities of the Company, where such information has not been disclosed to the ADX. Board of Directors who are not in such possession may only deal in the securities of the Company with the prior written consent of the Chairman (or, in his absence, of the Vice-Chairman), whilst employees who are not in such possession may only do so with the prior written consent of the Group Chief Executive Officer (or, in his absence, the Company Secretary).

This policy does not avoid the need to obtain the consent of the ADX Board of Directors before trading in the Company's Securities, and does not permit any Director or employee to deal in the Securities of the Company during any Blackout Period, as defined Company's Corporate Governance Manual. This policy is also in addition to, and does not avoid the legal requirement to comply with, any applicable laws or regulations. Board of Directors and employees remain personally liable for their non-compliance with any applicable laws and regulations.

1.8 Insiders Follow-up & Supervision Committee

The Insiders Follow-up & Supervision Committee has responsibility for register of insiders including monitoring, follow up, supervising and managing the dealings of all insiders, registering their dealings and ownership in the register and to communicate and report to ADX regularly on all such matters.

The Insiders Follow-up & Supervision Committee comprises of the following members:

NAME	POSITION	DESIGNATION
Mr. Kashif Nawaz Shaikh	Internal Audit and Compliance Director	Committee Head
Mr. Mohammed Al Falahi	Procurement & Stores Director	Committee Member
Mr. Khaled Al Shalati	Investor Relation Officer	Committee Member

Mr. Kashif Nawaz Shaikh acknowledges his responsibility for the follow-up & supervision system on transactions of the insiders in the Company, review of its work mechanism and ensuring its effectiveness.

The Committee in 2023 regularly reviewed and updated the Register of Insiders. Further, in line with ADX regulations and NMDC Group Corporate Governance Manual, notifications were communicated to Insiders for blackout periods. During the year 2023 there was no trading conducted by insiders.

1.9 Transactions in Company's Securities by the members of the Board of Directors

The Board of Directors, as well as Company Management understand their obligations with respect to disclosure requirements, in connection with their dealings in NMDC Group securities and are compliant with all requirements set by SCA and ADX.

The table below provides details of dealing in NMDC Group securities and balances as at 31 December 2023, by current Board of Director Members and their wives, sons and daughters.

NAME	POSITION/ RELATIONSHIP	SHARES HELD AS AT 31/12/2023	TOTAL SALE TRANSACTIONS	TOTAL PURCHASE TRANSACTIONS
Mr. Abdul Ghafar Abdul Khaleq Al Khouri	Member	5,999,999	-	-
	Son	3,199	-	-
	Son	3,199	-	-
	Son	3,199	-	-
	Son	3,199	-	-
Mr. Mohamed Ahmed Bandouq Al Qamzi	Daughter	3,199	-	-
	Wife	53,999	-	-

2 BOARD OF DIRECTORS

2.1 Role of the Board of Directors

The Board of Directors are responsible to the Company's shareholders for creating and delivering sustainable value through oversight of the Company's business. In particular, the Board of Directors are responsible for providing strategic direction, management supervision and adequate controls, with the objective of promoting success and long-term value of the Company, and is accountable for performance and affairs of NMDC Group.

The Board of Directors also plays a central role in the Company's corporate governance framework. The Board of Directors has adopted a Corporate Governance Manual, which provides a framework of how the Board of Directors operates as well as the type of decisions to be taken by the Board of Directors and which decisions should be delegated to Management. The Board of Directors are ultimately responsible for ensuring that the Company complies with its legal and regulatory obligations, the Company's Memorandum and Articles of Association, and its duties to shareholders.

2.2 Representation of Female Members in the Board of Directors

NMDC Group supports the inclusion and participation of women in business and believes that diversity contributes to the quality and effectiveness of governance. For the last election of the Board, the Company invited nominations from both male and female candidates; however, no nominations of female representatives were received. Hence, we do not have any female representation in our current Board.

2.3 Board of Directors Composition, Qualification and Experience

The current NMDC Group Board of Directors' composition, qualifications and experience are as follows:



H.E. MOHAMED THANI MURSHED AL RUMAITHI
CHAIRMAN, NON-EXECUTIVE BOARD MEMBER,
first nominated as Chairman of the Board in 2007

H.E. Mohamed Thani Mushed Al Rumathi is a businessman who has been serving as the Chairman of the Board of Directors of NMDC Group since 2007. He also serves as the Chairman of Alpha Dhabi Holding and Thani Murshed Uniliver, and Board Member of First Abu Dhabi Bank. Previously, H.E. Al Rumathi served as a Chairman of Abu Dhabi Chambers of Commerce and Industry.

H.E. Al Rumathi holds a Bachelor Degree in Business Administration.



MR. HAMAD SALEM MOHAMMED AL AMERI
VICE CHAIRMAN, NON-EXECUTIVE,
INDEPENDENT BOARD MEMBER
first nominated as Vice Chairman in 2021

Mr. Hamad Salem Mohamed Al Ameri serves as a Managing Director and Chief Executive Officer of Alpha Dhabi. He serves as Vice Chairman in Pure Health Holding and also serves as a Board Member in ALDAR, ADC Acquisition Corporation and Mawarid Holding Investment.

Mr. Al Ameri holds a Master Degree in Business Management and Bachelor Degree in Civil Engineering.



MR. MOHAMED IBRAHIM AL HAMMADI
NON-EXECUTIVE, INDEPENDENT BOARD MEMBER
first appointment as Board member in 2021

Mr. Mohamed Ibrahim Al Hammadi serves as Managing Director and Chief Executive Officer of Emirates Nuclear Energy Corporation. He also serves as a Board Member of Barakah One Company, Nawah Company and Abu Dhabi Ports.

Mr. Al Hammadi holds a Master Degree in Engineering Management, Bachelor Degree in Electrical Engineering and Honorary Doctorate.



MR. YASER SAEED AL MAZROUEI
NON-EXECUTIVE, INDEPENDENT BOARD MEMBER
first appointment as Board Member in 2021

Mr. Yaser Saeed Al Mazrouei serves as the Chief Executive Officer of the Exploration, Development and Production Department – ADNOC. He is also a Board Member of ADNOC Drilling.

Mr. Al Mazrouei holds a Master Degree of Petroleum Engineering.



MR. MOHAMED AHMED BANDOUC AL QAMZI
NON-EXECUTIVE BOARD MEMBER
first appointment as Board Member in 2013

Mr. Mohamed Ahmed Bandouq Al Qamzi serves as an advisor of His Highness Managing Director Office at Abu Dhabi Investment Authority. He also serves as Chairman of Khalidiya Cooperative Society, Chief Executive Officer of Khalifa University Enterprise Company, and member of National Consultative Council.

Mr. Al Qamzi holds an Executive Master of Business Administration, Bachelor Degree of Science in Management, and completed Program for Leadership Development.



MR. ABDUL GHAFFAR ABDUL KHALEQ AL KHOURI
NON-EXECUTIVE BOARD MEMBER
first appointment as Board member in 2021

Mr. Abdul Ghafar Abdul Khaleq Al Khouri is a self-made businessman who serves as a Chief Executive Officer of Abdul Khaleq Abdulla Khouri and Sons, and Managing Director of Milipol International.

He previously acted as a Council Member of Abu Dhabi Municipality and Board Member of Al Khazna Insurance Company.



MR. AHMED AMER OMAR SALEH OMAR
NON-EXECUTIVE, INDEPENDENT BOARD MEMBER
first appointment as Board Member in 2021

Mr. Ahmed Amer Omar Saleh Omar serves as a Board of Director and founder of Al Amry Group, Managing Director of Apex Holdings, Chairman of Ras Al Khaimah Cement Company and Chairman of Eltizam.

Mr. Omar holds a Bachelor Degree of Business Management.

2.4 Board of Directors Remuneration

The Company's General Assembly determines remuneration of the Board of Directors on an annual basis. According to the Company's Articles of Association and the Corporate Governance Guide, the Board of Director's remuneration cannot exceed 10% of net profits of the Company, after deducting depreciations and statutory reserve.

The Nomination and Remuneration Committee is also required to review, at least annually, the remuneration proposed to be paid to the Board of Directors, whether in their capacity as members of the Board of Directors or of the Board of Directors Committees, and make recommendations to the Board of Directors as considered appropriate.

In 2023, the Board of Directors were paid remuneration of AED 9.9 million in respect to financial year 2022. As at 31 December 2023, the Company is carrying provision of AED 135 million towards Board of Directors remuneration and employee bonuses.

Apart from the above remuneration, no other remuneration or allowances have been paid to the member of Board of Directors for attending the meetings of the Board or membership remuneration in the committees formed by the Board of Directors for year 2023.

2.5 Board of Directors Meeting

The Board of Directors held four (4) meetings during 2023 on the following dates:

NAME	MEETING NO. 1 01/02/2023	MEETING NO. 2 19/10/2023	MEETING NO. 3 17/11/2023	MEETING NO. 4 14/12/2023
H.E. Mohamed Thani Murshed Al Rumaithi (Chairman)	✓	✓	X	✓
Mr. Hamad Salem Mohammed Al Ameri (Vice Chairman)	✓	✓	✓	✓
Mr. Abdul Ghaffar Abdul Khaleq Al Khouri	✓	✓	✓	✓
Mr. Mohamed Ahmed Bandouq Al Qamzi	✓	✓	✓	✓
Mr. Mohamed Ibrahim Al Hammadi	✓	✓	✓	✓
Mr. Yaser Saeed Al Mazrouei	✓	✓	✓	✓
Mr. Ahmed Amer Omar Saleh Omar	Note 1	✓	✓	✓

✓ refers to attendance X refers to absence

Note 1: This Board of Director member did not attend the Board of Directors meeting but had signed a proxy to Chairman of the Board of Directors.

2.6 Board Secretary

The position of Board of Directors Secretary is held by an external consultant, Allen and Overy, an international law firm which was appointed in 2012. Allen & Overy has 38 years of experience in the region and over 5600 employees, 90 lawyers, 23 partners and over 40 offices in different countries.

Statement of their duties during the year were the following:

- Preparing and sending invitations for Board of Directors meetings;
- Distributing Board of Directors Meeting Agenda;
- Taking minutes of meeting during Board of Directors meeting; and
- Providing legal advisory to the Board of Directors when needed.

2.7 Duties and Competencies of the Board of Directors performed by Board Members or Executive Management

The Board of Directors has nominated, appointed and authorized, through a Power of Attorney, the Chairman and Vice Chairman of the Board of Directors jointly, or any one of them jointly with any other member of the Board of Directors, to perform certain of the duties of the Board of Directors. The duration of the Power of Attorney is from 30 November 2021 to 29 November 2024. Some (but not all) of the duties so delegated are listed below.

- Attend to all matters affecting the Company, and its subsidiaries and their business, and to represent, act for and sign on behalf of the Company before Governmental and Local Departments.
- Open, withdraw, administer and close in the name of the Company or any of its subsidiaries accounts with any bank, financial institutions, trust or fund inside and outside the United Arab Emirates.
- Represent the Company and any of its subsidiaries in the United Arab Emirates or elsewhere and execute and sign all relevant and required documents in relation to any amendment, waiver or change (of any nature) to the Company's status or its subsidiaries status, its capital, management, employees or any other constitutional and corporate issue, and to receive on behalf of the Company any certificate or document regarding such amendments or changes.
- To have full authority to negotiate, conclude, sign and deliver all contracts or agreements relating to acquisitions and ownership of other companies or associations whether inside or outside the United Arab Emirates.
- Enforce, protect and defend the interest of the Company or any of its subsidiaries in all law suits or other legal proceedings, whether brought by the Company or any of its subsidiaries or against it.

Further, the Board of Directors has also nominated, appointed and authorized the Group Chief Executive Officer – Eng. Yasser Nassr Zaghoul to conduct the daily management activities and represent NMDC Group, the duration of the delegation is from 9 March 2022 to 8 March 2025.

2.8 Related Party Transactions

The Company has entered into transactions with companies and entities that fall within the definition of a related party under the Corporate Governance Guide or the International Accounting Standards 24: Related Party Disclosures. The nature of such transactions relates to Company's normal course of business and details of such transactions are disclosed in note 29 of the Company's 2023 audited annual financial statements.

2.9 Board Resolution by Circulation

NO.	DATE	DESCRIPTION
1.	1 Mar 2023	Subscription to the Initial Public Offering of ADNOC Gas PLC
2.	4 Apr 2023	Acquisition of asset for Golden Falcon Marine Construction
3.	28 Apr 2023	Approval of Q1 Draft Financial Statements for the year 2023
4.	18 May 2023	Subscription to the Initial Public Offering of ADNOC Logistics and Services
5.	25 Jul 2023	Approval of Q2 Draft Financial Statements for the year 2023

3 BOARD OF DIRECTORS COMMITTEES

The Board of Directors committees have been established by a resolution of the Board of Directors, and comprise of non-executive/ independent members of the Board of Directors:

The Company has adopted formal Charters for each of these Board of Directors committees, which details the composition, duties, and responsibilities of each committee, amongst other things. These Charters are also compliant with requirements of the Corporate Governance Guide.

The following conditions govern relationship between the Board of Directors and its committees as per the Company's Corporate Governance Manual:

- **Reporting to the Board:** Each committee will report regularly to the Board of Directors about their activities and the exercise of their powers. This includes updating the Board of Directors at each Board meeting of all decisions and resolutions passed by the committees since the last Board of Directors meeting;
- **Annual Evaluation:** Each committee will evaluate its workings under its relevant Charters on an annual basis, with a view of improving workings of the relevant committee or its relationship with the Board of Directors; and
- **Board Follow-up:** The Board of Directors will follow up the operations of the committees to ensure that they are adhering to their Charters.

3.1 Audit Committee



MR. AHMED AMER OMAR SALEH OMAR
AUDIT COMMITTEE CHAIRMAN



MR. MOHAMED IBRAHIM AL HAMMADI
AUDIT COMMITTEE MEMBER



MR. MOHAMED AHMED BANDOUC AL QAMZI
AUDIT COMMITTEE MEMBER



MR. ABDUL GHAFFAR ABDUL KHALEQ AL KHOURI
AUDIT COMMITTEE MEMBER

Mr. Ahmed Amer Omar Saleh Omar, Audit Committee Chairman, acknowledges responsibility for discharging the Committee's mandate in the Company including, review of its work mechanism and ensuring its effectiveness in line with approved charter of the Audit Committee.

The role of the Audit Committee is to review the Company's financial and accounting policies and procedures, monitor integrity of the Company's reports and financial information, implement policy for selection of Company auditor and provide recommendation to the Board of Directors, review and assess internal control and risk management systems, set up rules to enable confidentially reporting of violations, and ensure implementation of Code of Business Conduct. The duties and responsibilities of the Audit Committee are in line with the Corporate Governance Guide and are specified in the approved Audit Committee Charter. In particular, the Audit Committee has following key duties and responsibilities:

- Overseeing integrity of and reviewing the Company's financial statements including quarterly and annual reports;
- Developing and applying the policy for selection of external auditors, and following up and overseeing qualifications, independence and performance of the external auditor;
- Overseeing qualifications, independence and performance of the Company's internal audit staff, and approving the annual audit plan prepared by internal auditors;
- Reviewing the external and internal auditors' management letters, reports and recommendations, and management responses, and overseeing implementation of action plans recommended;
- Reviewing the Company's financial control, internal control and risk management systems;
- Overseeing scope of the Company's compliance with its Code of Business Conduct and its various legal and regulatory obligations; and
- Review or investigate any allegations of fraud or theft, which are brought to the Audit Committee's attention, which are made by or against employees or directors, and make appropriate recommendations to the Board of Directors.

The Audit Committee held seven (7) meetings during the year 2023 to discharge the duties as entrusted to them by the Board of Directors and the Corporate Governance Guide. Following are the details of meetings held during 2023:

NAME	MEETING NO. 1 31/01/2023	MEETING NO. 2 26/4/2023	MEETING NO. 3 22/6/2023	MEETING NO. 4 24/7/2023	MEETING NO. 5 14/8/2023	MEETING NO. 6 19/10/2023	MEETING NO. 7 13/12/2023
Mr. Ahmed Amer Omar Saleh Omar (Chairman)	✓	✓	✓	✓	✓	✓	✓
Mr. Mohamed Ahmed Bandouq Al Qamzi	✓	✓	✓	✓	✓	✓	✓
Mr. Abdul Ghaffar Abdul Khaleq Al Khouri	✓	✓	✓	✓	✓	✓	✓
Mr. Mohamed Ibrahim Al Hammadi	✓	✓	✓	✓	✓	✓	X

✓ refers to attendance X refers to absence

The Audit Committee submits its Annual Report to the Board, on the activities that were carried out by them during the year to discharge the responsibilities entrusted to the Audit Committee.

3.2 Nomination & Remuneration Committee



MR. MOHAMED IBRAHIM AL HAMMADI
NOMINATION & REMUNERATION COMMITTEE CHAIRMAN



MR. AHMED AMER OMAR SALEH OMAR
NOMINATION & REMUNERATION COMMITTEE MEMBER



MR. YASER SAEED AHMED AL MAZROUEI
NOMINATION & REMUNERATION COMMITTEE MEMBER

Mr. Mohamed Ibrahim Al Hammadi, Nomination & Remuneration Committee Chairman, acknowledges responsibility for discharging the Committee's mandate Company including review of its work mechanism and ensuring its effectiveness in line with the approved charter of the Committee.

The role of the Committee is to set up policy and its regulation regarding nomination for the Board of Directors and executive management membership, the basis on which bonuses, privileges, incentives, and salaries shall be granted to the Board members and employees, and other related human resources policy.

The duties and responsibilities of the Nomination & Remuneration Committee are in line with the Corporate Governance Guide and are specified in the approved Nomination & Remuneration Committee Charter. In particular, the Nomination and Remuneration Committee has the following key duties and responsibilities:

- Organizing and following up the Board of Directors nomination procedures in line with requirements of applicable laws and regulations and the SCA Corporate Governance Guide, in addition to determining the Company's needs for qualified staff at the level of Senior Management and the basis for their selection;
- Verifying the continued independence of independent Board of Director members;
- Reviewing and approving, in consultation with the Chairman of the Board of Directors and/or the Group Chief Executive Officer, the terms and conditions of the service contracts of Executive Directors and Senior Management employees;
- Reviewing at least annually, remuneration (comprising of basic salary, other allowances, and any performance-related element of salary or bonus) of the Company's employees, including the Senior Management team, and remuneration proposed to be paid to the Board Directors; and
- Preparing a succession plan for the Board of Directors and its committees, the Chief Executives, and key members of Management.

The Nomination and Remuneration Committee meets as often as required. In year 2023, the Nomination and Remuneration Committee held two (2) meetings, as detailed below:

NAME	MEETING NO. 1 12/01/2023	MEETING NO. 2 28/04/2023
Mr. Mohamed Ibrahim Al Hammadi (Chairman)	✓	✓
Mr. Ahmed Amer Omar Saleh Omar	✓	✓
Mr. Yaser Saeed Ahmed Al Mazrouei	✓	✓

✓ refers to attendance X refers to absence

3.3 Strategy Committee



MR. HAMAD SALEM
MOHAMED AL AMERI
STRATEGY COMMITTEE
CHAIRMAN



MR. AHMED AMER OMAR
SALEH OMAR
STRATEGY COMMITTEE
MEMBER



MR. YASER SAEED AHMED
AL MAZROUEI
STRATEGY COMMITTEE
MEMBER



MR. MOHAMED AHMED
BANDOUQ AL QAMZI
STRATEGY COMMITTEE
MEMBER

Mr. Hamad Salem Mohamed Al Ameri, Strategy Committee Chairman, acknowledges his responsibility for discharging the Committee mandate in the Company including review of its work mechanism and ensuring its effectiveness in line with Committee's charter.

The Strategy Committee has met during the year as often as the business requires. The duties and responsibilities of the Strategy Committee are specified in its approved Charter. In particular, the Strategy Committee has the following key duties and responsibilities:

- Review and evaluate the recommendations submitted by the executive management with regard to business strategy, budgets and annual plan.
- Work with the executive management to make recommendations to the Board of Directors on the business strategy and long term strategic objectives of the Company, including all subsidiaries and associates.
- Review and evaluate large scale capital investments and operational expenditure.
- Review and evaluate the Company's operational plans in support of the Company's strategic plan and refer them to the Board of Directors for final approval, including:
 - Expansion Strategy, including opening of new subsidiaries, branches and joint ventures;
 - Acquisition Strategy; and
 - Opportunities for potential acquisitions.
- Review and evaluate major unbudgeted expenditure, including those relating to contractual arrangements with consultants and advisors.
- Review and assess responses to external developments and factors, such as changes in the economy, industry trends, competition and technology, which may impact the Company's strategic plan.



4 EXECUTIVE MANAGEMENT

4.1 Key Executive Management



ENG. YASSER NASSR ZAGHLOUL
NMDC GROUP CHIEF EXECUTIVE OFFICER

Eng. Yasser Nassr Zaghloul is the Group Chief Executive Officer of NMDC Group, Chairman of The Challenge - the Egyptian Emirates Marine Dredging Company, and a member of the Abu Dhabi Chamber of Commerce and Industry Board of Directors, appointed by His Highness UAE President Sheikh Mohammed bin Zayed Al Nahyan.

In 2009, Eng. Yasser took over as Chief Executive Officer of NMDC, with the goal of expanding the company and entering new markets. Under his leadership, NMDC merged to form NMDC Group, which includes subsidiaries such as NMDC Energy (formerly known as NPCC), NMDC Construction (formerly known as Emarat Europe), and NMDC Engineering.

Several other leadership and advisory positions are held by Eng. Yasser including members of the World Organization of Marine Construction and Dredging, situated in Brussels, the General Board of Control of Water UAE, and the World Conference of CEDA in Brussels and Abu Dhabi, which encompasses over 60 countries globally, are among his affiliations.

Eng. Yasser graduated from the University of Helwan with a Bachelor's Degree in Engineering and a Master's Degree in Strategic Management from Cambridge College Global. Forbes Middle East named him one of the Top 100 CEOs in the Middle East for the years 2022 and 2023.



ENG. AHMED SALEM AL DHAHERI
NMDC ENERGY CHIEF EXECUTIVE OFFICER

Eng. Ahmed Al Dhaheri serves as Chief Executive Officer of NMDC Energy (formerly known as NPCC) in the year 2018. He brings over 22 years of experience in industrial field. Prior to joining NPCC, he worked for Emirates Steels as Chief Commercial Officer.

He also holds the positions of Chairman of NTS Group Middle East, Vice Chairman of GAL and AMMROC UAE, Chairman of NPCC Engineering Limited (NEL) and ANEWA, and Board Member of Gordon Technologies and PRINCIPIA France.

Engr. Ahmed Al Dhaheri holds an Executive MBA with honors from UAE University, a Master's Certificate in Project Management from George Washington University, and a Bachelor's Degree in Industrial Engineering from the University of Miami.



ENG. NIELS DE BRUIJN
NMDC DREDGING & MARINE CHIEF EXECUTIVE OFFICER

Eng. Niels de Bruijn serves as Chief Executive Officer of NMDC Dredging & Marine in November 2023. He has over 35 years of experience in Dredging & Marine Industry, and distinguished himself through various leadership roles, including Chief Commercial Officer and Dredging Director. Prior to joining NMDC D&M, he was Executive Board member of Van Oord Dredging and Marine Contractors. He was also a Supervisory Board member of several international organizations such as European International Contractors (EIC), and International Association of Dredging Companies (IADC).

Mr. de Bruijn holds a Master of Science in Civil Engineering from the Technical University of Delft in The Netherlands and attended several Executive Leadership programs at the IMD Business School in Switzerland.

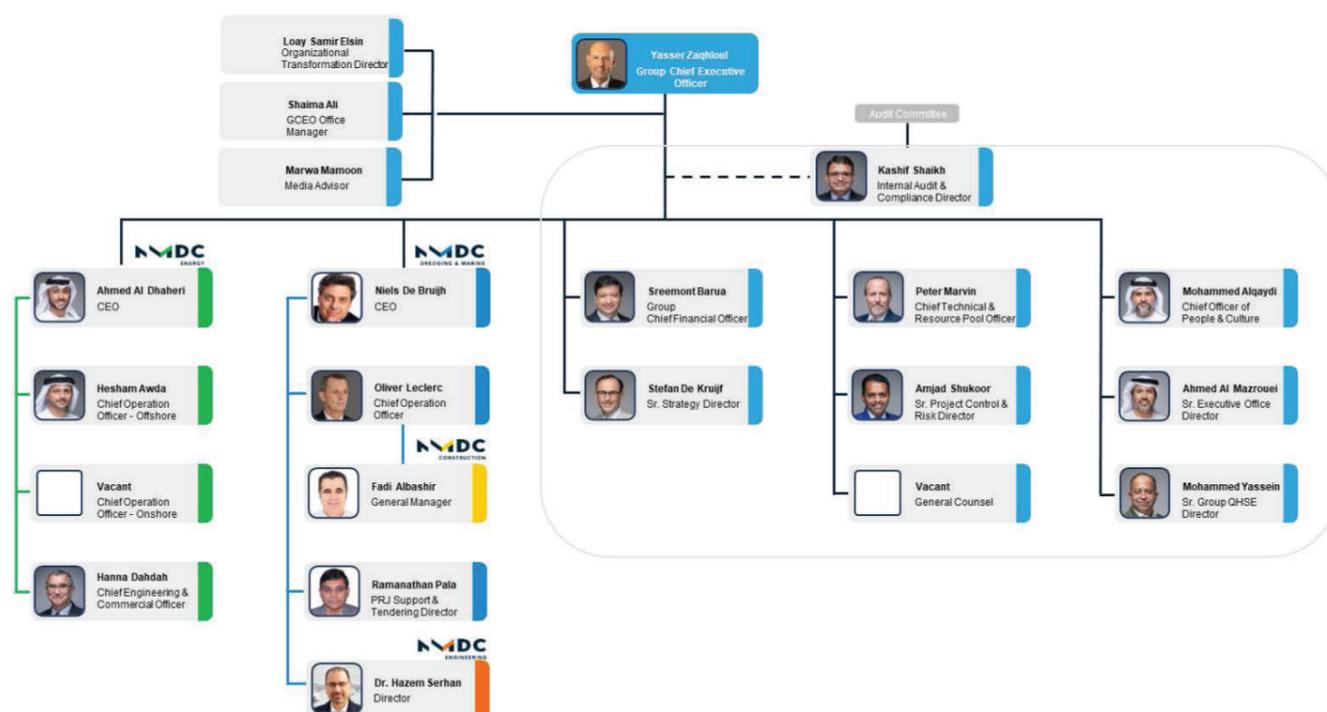
4.2 Management Committees

NMDC has established a number of management committees to review and oversee the development and execution of related strategies, plans and processes. The function of key management committees is listed below:

- **Strategy & Sustainability Committee:** This committee reviews, approves, and synchronizes the short- and long-term strategies, including sustainability matters, business plans, and special projects, including investments, merger & acquisitions, and divestiture opportunities.
- **Business Continuity & Risk Management Committee:** This committee drives and enforces the implementation of the Business Continuity Management Program across the Group and oversees its related policies, procedures, and strategic initiatives. The committee is also responsible for overseeing the Enterprise Risk Management policies and processes to ensure effectiveness and compliance.
- **People & Culture Committee:** This committee is responsible for employee recognition, including promotions/ career development/ yearly bonuses, and Emiratization target.
- **Technology Transformation Committee:** As part of NMDC Group's strategic initiative to further embed digitalization and technology in its operational processes and growth plan, this committee oversees the implementation of all strategic IT plans.
- **CSR Committee:** The CSR committee oversees the implementation of NMDC Group's CSR framework, while also shaping the company's CSR activities and approving budgets accordingly.
- **Ethics and Compliance Committee:** This committee is responsible for overseeing all matters pertaining to the prevention and detection of fraud as well as ensuring the necessary response measures are in place.

4.3 NMDC Group Organization Chart

The Group Chief Executive Officer, supported by the Management team, is responsible for the day-to-day management of the Company's businesses. The following illustrates Organization Structure of the Company.



4.4 Executive Management Remuneration

The table below details the current Executive Management team at NMDC Group, along with their date of appointment, salaries, allowances and bonuses paid to them for the financial year 2023:

CURRENT POSITION	INITIAL DATE OF APPOINTMENT	TOTAL SALARIES AND ALLOWANCES PAID IN 2023 (AED)	TOTAL BONUSES FOR 2022 (AED)*	ANY OTHER CASH/IN-KIND BENEFITS FOR 2022
Group Chief Executive Officer	05-Feb-1998	6,062,898	5,000,000	-
Chief Executive Office – NMDC Dredging & Marine	28-Nov-2023	238,700	-	-
Chief Executive Officer – NMDC Energy	04-Sep-2016	4,056,185	1,769,325	-
Group Chief Financial Officer	18-Jun-2018	1,545,898	300,000	-
Chief Technical and Resource Pool Officer	16-Dec-2018	1,694,929	200,000	-
Chief Human Resources Officer	15-Feb-2009	1,639,484	300,000	-
Senior Executive Office Director	21-Nov-2021	1,041,606	100,000	-
Senior Group QHSE Director	15-Jun-2010	931,417	75,000	-
Senior Strategy Director	06-Dec-2022	1,466,939	50,000	-
Senior Project Control & Risk Director	17-Jan-2022	1,046,123	120,000	-

* Bonuses for 2023 that are payable in 2024 are yet to be determined or awarded, however as at 31 December 2023, the Company is carrying provision of AED 135 million towards Board of Director remuneration and employee bonuses.

4.5 Emiratization in 2023

Emiratization is a key performance indicator of NMDC Group vision and mission for the past years and for year 2023. The table below represents the Emiratization percentage over the past three years.

YEAR	EMIRATIZATION PERCENTAGE
2023	9.6%
2022	7%
2021	10%

5 EXTERNAL AUDITORS

5.1 Appointment of External Auditors

Deloitte & Touche – M.E. has been NMDC Group external auditor for 2023.

Deloitte & Touche is one of the world's largest professional services firms. They have served as trusted advisors for clients in the Middle East for the past 95 years. Deloitte offers practices globally related to Audit, Consulting, Tax & Legal, Enterprise Risk Services and Financial Advisory.

The Audit Committee, after consideration and evaluation recommended appointment of Deloitte & Touche as the External Auditors for 2023. They were initially appointed as the Company's Auditor for the financial year 2022 and were reappointed in 2023 by a shareholders' resolution at the Company's Annual General Meeting held on 28 April 2023.

EXTERNAL AUDITOR DETAILS FOR 2023

Name of Auditing Firm	Deloitte & Touche – M.E.
Name of Audit Partner	Mr. Mohammad Khamees Al Tah
Number of years served as an external auditor for the Company	2 Year
Total fees for Audit and related services for Group	AED 1,608,663

OTHER SERVICES PROVIDED BY THE EXTERNAL AUDITOR FOR 2023

Professional fees for submission of ICV certificate and related services AED 200,813

Professional fees for NMDC unclaimed dividends AED 84,840

5.2 External Auditors Independence

The Company adopts a policy on external auditors' independence by which the external auditor may not, while assuming the auditing of the Company's financial statements, perform any technical, administrative or consultation services or works in connection with its assumed duties that may affect its decisions and independence or any services or works that, in the discretion of SCA, may not be rendered by the external auditor.

The Company's policy includes measures to ensure the external auditors' independence, including the following:

- The Board of Directors nominates the external auditor, generally upon the recommendation of the Audit Committee;
- The appointment of the external auditor is made by a resolution of the Company's Annual General Meeting, for a period of one year renewable;
- The external auditor should be independent from the Company and its Board of Directors and may not be a partner, agent or a relative, even of the fourth degree, of any founder or director of the Company; and
- Review and approval by the Audit Committee for any proposed additional services from the external auditors.

Management obtains comfort on independence of the appointed external audit firm through direct inquiry to the firm on independence of the external audit engagement team. Such independence is also reiterated by the appointed auditors during their quarterly presentation to the Audit Committee/ Board.

5.3 Services received from other External Audit Firms

Services received from other external audit firms in 2023 include:

SERVICE PROVIDER	NATURE OF SERVICE	VALUE OF SERVICE (AED)
Price Water House Coopers	Due diligence and related services	5,250,986
	Professional fee towards tax services	139,245
KPMG Lower Gulf Limited	Financial & tax due diligence	173,526
	Consultancy services for a project	421,112
Ernst & Young Tax Consultants	Professional fees for tax services	5,437

5.4 External Auditor's opinion on the Financial Statements

The Company's external auditor did not have any qualification in the opinions issued by the on the interim and annual financial statements of 2023.

6 INTERNAL CONTROL SYSTEM

6.1 System of Internal Control at NMDC Group

The Board of Directors acknowledges its responsibility for the Company internal control system, review of its work mechanism and ensuring effectiveness.

The Company's internal control system is established to ensure that the Board of Directors and Management are able to achieve their business objectives in a prudent manner, safeguarding interests of the Company's shareholders and other stakeholders, whilst at the same time minimizing key risks such as fraud, unauthorized business activity, misleading financial statements, un-informed risk-taking, or breach of legal or contractual obligations, and also ensuring highest quality achieved in a safe and sustainable environment.

As per the approved Corporate Governance Manual, the Board of Directors are responsible for ensuring that the Company applies a precise internal control system that covers the following key functions being managed by respective heads as detailed hereunder:

DEPARTMENT	HEAD OF DEPARTMENT & DESIGNATION	DATE OF APPOINTMENT IN THIS DESIGNATION	QUALIFICATION	EXPERIENCE
Internal Audit & Compliance	Mr. Kashif Nawaz Shaikh (Internal Audit and Compliance Director)	12-Oct-2021	<ul style="list-style-type: none"> - Chartered Certified Accountant - Certified Internal Auditor - Cost and Management Accountant 	Over 19 years of professional experience in the fields of Internal Audit, Statutory Audit, Risk Management, Corporate Governance and Business Process reviews.
Project Control & Risk Management	Mr. Amjad Abdul Shukoor (Sr. Project Control & Risk Director)	02-Jun-2023	<ul style="list-style-type: none"> - Certified Portfolio Management Professional - Certified Risk Management Professional - Certified Project Management Professional - BE. Civil Engineering - Certified Practicing Engineer Dept. of Municipalities & Transport - UAE for Managing an Engineering Facility 	Over 25 Years of professional experience in the fields of Corporate Project Controls, Planning, Cost Control, Enterprise & Portfolio Risk management functions.
Quality, Health Safety and Environment	Mr. Mohamed Yassein Mohamed (Snr. Group QHSE Director)	30-Nov-2022	<ul style="list-style-type: none"> - BS. Civil Engineering - Construction Management Diploma - MBA - ISO 9001:2015 Certified Lead Auditor - Nebosh International Certificate 	Over 30 years of experience in Quality, HSE and Constructions.

Management is responsible for ensuring that adequate internal controls (both financial and operational) are in place and applied to safeguard and manage the assets of the Company, in an effective and efficient manner.



6.2 Independent Assessment of Internal Control System

Internal control is designed to mitigate, not eliminate, significant risks faced. It is recognized that such a system provides reasonable, but not absolute, assurance against material error, omission, misstatement or loss. This is achieved within the Company through a combination of risk identification, evaluation and monitoring processes, appropriate decision and oversight forums, assurance and control functions such as External Audit, Internal Audit, Ethics & Compliance, Risk Management, and QHSE (Quality, Health, Safety and Environment).

6.3 Internal & External Audit Assurance

Following are the salient highlights of the Internal and External Assurance activities in 2023:

External Audit: Deloitte & Touche performed annual external audit and interim reviews of financial statements and assessed internal controls over financial reporting during the same.

External Audit Reporting: Discusses management letter with the Audit Committee, highlighting control deficiencies and ensuring timely corrective action.

Internal Audit: Conducted process reviews of core and support functions based on a risk-based plan, issuing 24 reports to the Board.

Internal Audit Reporting: Reports to the Audit Committee on control recommendations, material incidents, and significant control breaches.

Management Responsibility: Responsible for implementing and monitoring internal financial controls, ensuring qualified personnel, proper segregation of duties, and independent review.

Corrective Actions: All identified control weaknesses were discussed with Management and the Audit Committee, with proposed corrective actions on a periodic basis.

6.4 Ethics and Compliance

Ethics and Compliance Function is part of Internal Audit and Compliance Department. The role of the Ethics & Compliance function is to ensure compliance by the Group with the applicable legal and regulatory requirements.

The Group has developed and implemented a Compliance Program including policies on Code of Business Conduct, Anti-Bribery & Corruption, Whistleblowing, Conflict of Interest, Fraud Control, investigation and others. These policies have been formulated to provide employees an opportunity to report in good faith in case they observe any unethical or improper practices in the Group.

6.5 Risk Management

While global risks are intensifying with geopolitical tensions combined with technology driving the new security risks, NMDC Group Risk Management Practice aims to enforce business sustainability and continuity by providing the means and mechanisms to proactively manage and control threats and opportunities.

Enterprise Risk Management practice is a crucial pillar for achieving NMDC Group desired business objectives, maintaining sustainability and protecting all stakeholders interests efficiently and effectively, and therefore Risk Management practice is applied at the strategic level, corporate level and project levels across the Group.

The NMDC Group ERM framework and associated ERM policy was updated in 2023 along with the formation of a Group Project Control & Risk Management Department at the Corporate level. The framework and policy were approved subsequently by the executive management.

The NMDC Group ERM framework is split into 2 major sections Enterprise Risk Management at the Corporate/Business Unit portfolio and Project Risk Management. The Group's dedicated department ensures that a consistent and systematic approach is used for risk management starting from risks identification, analysis, evaluation, mitigation/treatment, monitoring and reporting across the Group.

The Project Control & Risk Management Department establishes groups risk profile & Key Risk Indicators (KRI) along with Key management plans in place and required to maintain risks within acceptable levels of the NMDC Group and these outcomes are presented to the Group Executive committee for review ahead of being presented to Audit Committee and the Board of Directors.

6.6 Quality, Health, Safety and Environment

The year 2023 proved to be noteworthy for the QHSE department, marked by significant achievements and the establishment of synergy through the integration and fusion of the department across the business units (BU). This effort facilitated the harmonization of QHSE practices, processes, and culture throughout the entire group, laying a robust foundation for elevating our QHSE practices and culture to an exemplary level.

Strategic targets and initiatives were established and successfully met, aligning with our commitment to enhance our capacity to meet the expectations of both internal and external stakeholders. These efforts aim to support business improvement initiatives and contribute to the positive impact on NMDC Group's overall financial performance.

Key achievements:

- All business units within NMDC Group have successfully passed the surveillance audit for ISO 14001, ISO 45001, and ISO 9001, along with OSHAD-SF, recording ZERO Non-Conformances (NCRs).
- NMDC Group recorded an impressive 0.05 for Lost Time Injury Frequency Rate (LTIFR) and 0.39 for Total Recordable Injury Frequency Rate (TRIR), surpassing our established benchmark.
- NMDC Group has completed the surveillance audit for accreditation certification by ANAB (ANSI National Accreditation Board) for 10 HSE-related Training Programs, with an additional 5 courses currently in progress. NMDC Group is also accredited by OPITO, confirming our ability to provide recognized H2S OPITO training for employees involved in offshore tasks. Furthermore, inclusion of IOSH accreditation for Managing Safely is part of our training plan for new key personnel joining NMDC Group.
- NMDC Energy maintained weld repair rate lower than last year and significantly below the industry standard of 5%.
- NMDC Group achieved a remarkable milestone of over 29 million working man-hours without Lost Time Injury (LTI) in both Dredging & Marine as well as Oil & Gas projects.
- Maintained an outstanding Project Quality Index above 93% (ARAMCO stretched target).

To elevate QHSE culture in the Group, the below were also performed:

- The QHSE Department successfully conducted over 715K QHSE training hours and executed 7 major HSE campaigns led by the corporate team.
- Conducted +100 Internal QHSE Audits across all departments, projects, and marine units as part of our Quality Assurance Program to ensure high-quality services.
- Management made 373 high-profile QHSE tours and site visits during 2023.
- The QHSE team conducted 13,823 Behavioural Safety Audits across all projects within NMDC Group to reinforce our safety culture and emphasize Safety as our top priority.

7 COMPANY'S CONTRIBUTION

7.1 Corporate Social Responsibility Initiatives

NMDC Group recognizes that its activities could, without careful management, have a potential impact on the marine environment. This fact directed NMDC Group to develop a Corporate Social Responsibility (hereafter referred as "CSR") strategy to address environment and social challenges and meet its stakeholders' expectations. The CSR strategy aligns with NMDC Group Values (Knowledge, Accountability, Morality, Alliance and Leadership) and emphasizes its strategic objective of performing activities directed for the good of the community. NMDC Group CSR strategy is adapted regularly to suit the changes to its business environment and its stakeholder expectations. In addition, the QHSE policy also pursues commitment to protect people and property, prevent pollution, protect the environment, conserve power and focus on reducing adverse environmental impacts of our activities and operations. Emphasis is also given to comply with specific customer requirements, applicable laws, regulations, standards and relevant best practices.

NMDC identifies and selects CSR initiatives that link to its CSR policies and strategies, and add value to four quadrants as follows:

- Donations: NMDC Group encourages initiatives that enhance its participation in community life.
- Internal NMDC Group Customers: NMDC Group encourages initiatives that provide good and safe working conditions, enhance work-life balance, and increase employees' involvement.
- Business partners and authorities: NMDC Group contributes with business partners and authorities in delivering Abu Dhabi Urban Planning and Economic Vision 2030, encourages the long-term partnership strategy with vendors and sharing its lessons learned and knowledge with CEDA and IMCA members.
- HSE and Marine: NMDC Group encourages initiatives that results in minimizing adverse environmental impacts and achieving high environmental performance.

7.2 Contribution to Local Community Development

NMDC Group conducts society surveys to evaluate CSR performance and determine the actions required to improve its management of CSR policies, strategies and initiatives.

During 2023, the main activities / sponsors that were undertaken were as follows:

- Cancer Awareness campaign;
- Community outreach program including health assistance for employees' family members (people of determination);
- Health Campaigns – blood donation, health checkup, breast cancer awareness and COVID information and vaccination campaigns;
- Ramadan Campaign;
- Umrah and Hajj for laborers/worker;
- Eid donation campaign;
- Sponsorship of Al Jazira Football Club;
- Sport activities for employees; and
- Dunes International School - Marine Sustainability Fair - NMDC Dredging & Marine have been part of the Dunes International School's Marine Sustainability Fair, reaffirming our commitment to environmental responsibility.

7.3 Contribution to Environment Protection

Environmental Initiatives:

- NMDC Energy planted a total of 20,001 mangrove seedlings on West Mubarraz for ADOCs 18" Pipeline Remedial Project. A Mangrove Planting Management Plan (MPMP) was developed and approved by Environment Agency – Abu Dhabi (EAD), outlining activities such as site selection, site preparation, seedling selection, and planting. Planting activities began on December 21, 2022, and concluded on January 2, 2023. The planted mangroves are currently maintained on site by the planting subcontractor for three months, with bi-annual inspections by the Environmental Consultant to assess mangrove health.
- NMDC Group initiated 34 beach clean-up campaigns across various project sites, collecting approximately 14 tonnes of waste, demonstrating a continuous commitment to a sustainable and clean environment.
- In February and March 2023, the Shamal Project Team coordinated with the National Aquarium Abu Dhabi for the safe rescue and rehabilitation of hawksbill turtles.

Environmental Services:

- In collaboration with EAD, the Hail & Gasha project developed a marine data catalogue providing environmental information. Completed in June 2023, 2,000 catalogues were produced, with 250 distributed to ADNOC Schools, ADNOC HQ, and EAD.

Training Programs:

- Over 522 Environmental Awareness sessions were conducted across different NMDC Group project sites, covering topics such as Waste Management, Chemical Handling, Marine Mammal and Reptile Observation Awareness, and Air Quality Awareness.

World Environment Day:

- NMDC Group celebrated World Environment Day on June 5, 2023, with the theme "Beat Plastic Pollution." Awareness campaigns and the distribution of 5,000 reusable bags encouraged waste reduction. Approximately 250,000 plastic bags per year will not go to landfills due to this initiative.

Sustainability Awards:

- NMDC Group Chief Executive Officer received a recognition award during the Forbes Middle East Sustainability Leaders' Summit 2023. The award is presented by Chair of the Sustainability Summit, H.E. Dr Thani bin Ahmed Al Zeyoudi, UAE Minister of State for Foreign Trade during a ceremony.

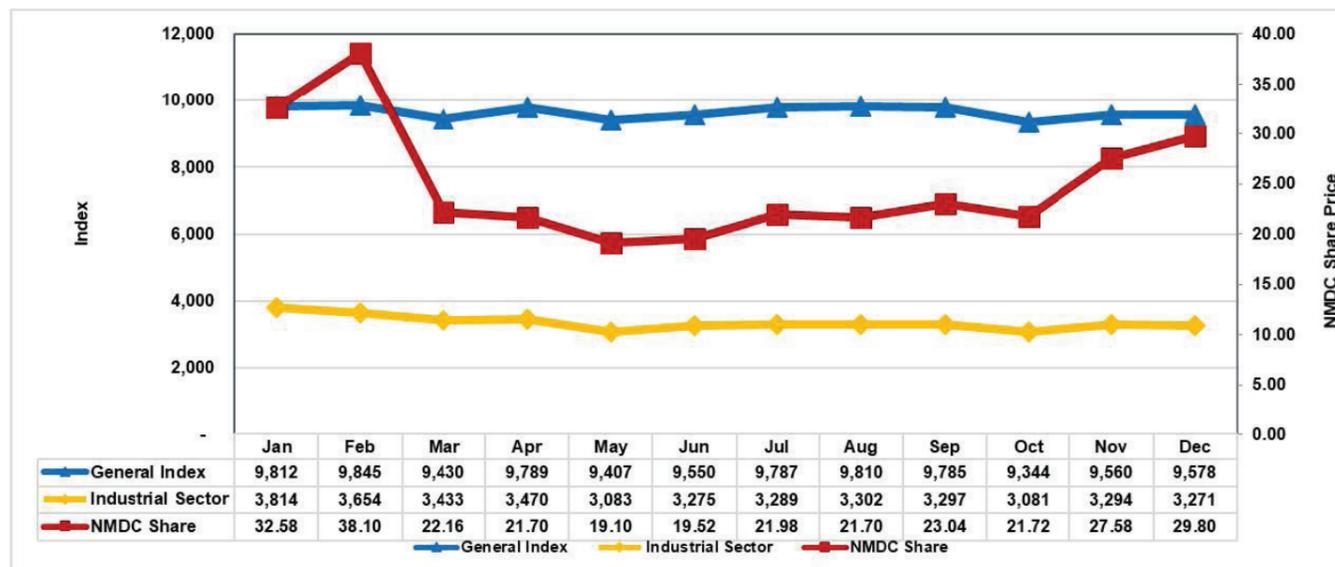
8 GENERAL INFORMATION

8.1 Monthly Price of the Company's share as compared to General and Sector Index

Statement of company's share price in the market (closing price, highest price and lowest price), General Market Index and Sector Index at the end of each month during 2023 were as follows:

MONTH	HIGHEST PRICE	LOWEST PRICE	CLOSING PRICE	INDUSTRIAL SECTOR INDEX	GENERAL INDEX
January	33.98	23.9	32.58	3,814.31	9,811.56
February	41.9	30	38.1	3,654.36	9,844.81
March	40	21.9	22.16	3,433.45	9,430.25
April	25.28	19.04	21.7	3,470.46	9,789.17
May	22.4	18.2	19.1	3,083.41	9,406.57
June	20.3	17.92	19.52	3,275.27	9,550.40
July	22.98	19.36	21.98	3,289.43	9,787.13
August	22.4	20.5	21.7	3,302.17	9,810.21
September	25.6	21.42	23.04	3,296.55	9,785.32
October	26.3	19.1	21.72	3,080.56	9,343.88
November	28.2	21.7	27.58	3,294.04	9,559.57
December	34.3	27	29.8	3,271.41	9,577.85

8.2 Chart of the comparative performance of the Company share with General Index and Company's Sector Index



8.3 Breakdown of Ownership of Company Shares by Nationality and by Category as at 31 December 2023

SHAREHOLDER CATEGORY	INDIVIDUAL SHARES	COMPANIES SHARES	GOVERNMENT	TOTAL SHARES
Locals	54,830,042	755,046,474	-	809,876,516
GCC	27,039	344,471	-	371,510
Arabs (Other than GCC)	331,844	-	-	331,844
Foreigners	921,361	13,498,769	-	14,420,130
Total	56,110,286	768,889,714	-	825,000,000
Percentage	6.80%	93.20%	-	100%

8.4 Statement of the Company's Shareholders who own 5% or more of the Company's Capital as at 31 December 2023

SHAREHOLDER	NUMBER OF SHARES	PERCENTAGE (%)
Sogno Commercial Investment – Sole Proprietorship L.L.C	364,649,990	44.20%
WAS TWO Commercial Investment – Sole Proprietorship L.L.C	172,500,000	20.91%
Abu Dhabi Ports	82,500,000	10%

8.5 Breakdown of Ownership of Company Shareholders as at 31 December 2023

SR. NO	SHARE(S) OWNED	NUMBER OF SHAREHOLDERS	NUMBER OF SHARES OWNED	THE PERCENTAGE (%) OF SHARES OWNED
1	Less than 50,000	3,752	13,966,245	1.69%
2	50,000 to less than 500,000	163	24,763,109	3%
3	500,000 to less than 5,000,000	26	32,543,958	3.94%
4	More than 5,000,000	10	753,726,688	91.36%
Total		3,951	825,000,000	100%

8.6 Special Resolutions Presented to the Annual General Assembly

On 28 April 2023, NMDC Group held its Annual General Assembly Meeting wherein three matters which require special resolutions were presented and approved by the shareholders. The details of the special resolutions are the following:

- The approval of the issuance by the Company of mandatory convertible bonds with a nominal value of AED 1 each in an aggregate principal amount of AED 624,800,000 to Golden Falcon Marine Construction (or its designee) as the acquisition price to be paid by the Company to acquire certain assets (which consist of 10 marine dredgers, 12 other vessels and related equipment and machinery) (the Acquisition) at a price of AED 32.24 per bond. Such mandatory convertible bonds shall be converted into 19,379,653 new shares with a nominal value of AED 1 each in the Company and the issued share capital of the Company shall be increased to AED 844,379,653 on conversion of such mandatory convertible bond. Each share in the Company issued on conversion shall be treated as fully paid. The shareholding of Golden Falcon Marine Construction post shareholder's approval will become 2.3% of the Company's share capital. In this regard, the Board of Directors of the Company reviewed in detail, among other things, the valuation report of the relevant assets prepared by an independent valuer approved by the Securities and Commodities Authority, and the Board of Directors approved the valuation and the exchange ratio.

2. Approval of the following resolutions and the consequential amendments to the Company's Articles of Association upon completion of the Acquisition:
- The increase of the issued share capital of the Company from AED 825,000,000 to AED 844,379,653, subject to the terms and conditions of the Transaction and with effect from the Transaction becoming effective
 - The amendment of Article 6 of the Company's Articles of Association to reflect the increase of share capital of the Company described in (a) above, Article 6 shall read as follows:
 "The issued share capital of the Company is 844,379,653 United Arab Emirates Dirhams (AED) divided into 844,379,653 shares with a nominal value of One United Arab Emirates Dirham (AED 1) for each share, paid up in full."
3. The authorization of the Chairman of the Board of Directors of the Company and its Chief Executive Officer jointly or individually, or any person so authorized by either of them, to adopt any resolution or take any action as may be necessary to implement any of the above resolutions including, without limitation, to: (a) approve the increase in share capital of the Company, resulting from the conversion of the bonds to shares, in connection with the Transaction and the Acquisition; (b) apply for the listing of new ordinary shares of the Company on the Abu Dhabi Securities Exchange; (c) correspond and negotiate with any person, entity (official or otherwise) within and outside the United Arab Emirates, adopt such resolutions and take any such action as may be necessary to obtain the necessary approvals to effect the Acquisition; and (d) agreeing any change to the above amendment to the Articles of the Company which the Securities and Commodities Authority or other regulatory authorities may request or which may be required to prepare and certify a full set of the Articles incorporating all the amendments including the introductory part of the Articles of Association and reference to the resolutions of the general assemblies of the Company amending the Articles.

8.7 Statement of significant events encountered by the Company

The Group added a new chapter to the Group's history, the Group announced a new brand identity and architecture, unifying the visual essence across its subsidiaries with the unveiling of a new corporate image during a special event held on October 30, 2023, at the Rixos Marina Ballroom in Abu Dhabi. Inspired by a redefined brand proposition and mission, the new NMDC Group identity underscores the company's commitment to deliver turnkey solutions that are environmentally conscious, safe and cost effective, leverage the talent and expertise of its people and create value and resilience for customers while generating exceptional returns for shareholders. This new image is a testament to the Group's dedication to innovation, unwavering commitment to excellence, and its relentless pursuit of boundless growth in a rapidly evolving world.

The new 'NMDC Group' brand will be applied to the all of the Group's subsidiaries, which include NMDC Dredging & Marine, NMDC Energy (formerly NPCC), NMDC Construction (formerly Emarat Europe) and NMDC Engineering.

Further, the Group has encountered the below significant events:

- NMDC Energy (formerly known as NPCC), a subsidiary of NMDC Group, has been named the EPC Contractor of the Year 2023 for the second year in a row, topping Oil & Gas Middle East magazine's EPC Contractor List 2023. The award recognizes NMDC Energy's market leadership position as well as its many achievements over the past period.
- At the annual ADIPEC 2023 conference, the world's most influential gathering for the energy ecosystem, the Group has signed a new project with ADNOC (Hail & Ghasha) with a value of AED 30 billion.
- The Group has signed a Memorandum of Understanding (MOU) with MODON for all future projects.
- The Group actively participated in the Egypt Petroleum Show to strengthen its presence in the Egypt market.

8.8 Investor Relations Officer

Mr. Khaled Al Shalati is the Company's Investor Relations Officer. Furthermore, the Company website i.e.

<https://www.nmdc-group.com/en/investor-relations/fact-sheet/>, has a dedicated page for investors, which includes information related to Investor Relations, Board of Directors Reports, Financial Statements, Annual Reports, Corporate Governance Reports, and Annual General Meeting.

Contact Information of Investor Relations Officer

Email: ir@nmdc-group.com

Office No.: +9712 - 5023175

Mobile No.: +97150 - 4111846

8.9 Innovative Projects and Initiatives

Through an appointed Innovation Committee, NMDC Group built a comprehensive program to actively encourage within its employees a culture of innovation and promote creative problem solving.

The Company utilized an Innovation cloud portal that was conveniently accessible to everyone within the organization, which helped to promote, inspire and spur Company employees to proactively participate in the many programs (termed as 'Innovation Schemes').

NMDC Group launched the transformation program called "The Falcon Program" in February 2023 that aims to enhance the business in many ways. The program focuses on improving how NMDC Group operates, delivers value, and achieves its goals. It involves various initiatives across different aspects of the organization: people, processes, technology, contracts and assets.

During March, NMDC Group also launched "Let's Grow Together", a supplier engagement initiative that aims to communicate the Group's supply chain needs and qualification criteria for future projects to suppliers throughout Abu Dhabi. The opening event, which took place at the Abu Dhabi Chamber of Commerce and Industry, welcomed more than 500 suppliers and business partners from various industries.

In July 2023, NMDC Energy hosted a supplier forum to share information about current and prospective projects, discuss safety requirements, and explore opportunities for collaboration. The Forum was attended by 150 representatives from over 60 companies.

8.10 Details of Violations

NMDC Group did not commit any violations during the year 2023.

1 CORPORATE GOVERNANCE PRACTICES

1.1 Corporate Governance Rules

The Board of Directors of NMDC Group is committed to implementing strong corporate governance practices to a standard derived from amalgam of UAE guidelines and international best practices. Underpinning these legislative, regulatory and best practice requirements are NMDC Group values and philosophies, which provide the framework against which we measure behavior and practices to assess the characteristics of good governance. Our values require that directors and employees act with integrity and conduct themselves to promote and maintain trust.

Sound corporate governance is therefore implicit in our values, culture, processes, functions and organizational structure. Structures are designed to ensure that our values remain embedded in all businesses and processes. We continually refine these structures and a written statement of values serves as our code of ethics. NMDC Group undertakes a frequent review of its strategic and operational environment, including communication with its stakeholders, in order to determine an appropriate balance, scope and sophistication of the corporate governance framework which is proportionate to NMDC Group's nature, size and complexity.

The corporate governance culture of NMDC Group is driven by:

- A well informed and effective Board of Directors to direct the Company's affairs and set its objectives;
- Clearly defined roles and responsibilities of the Board of Directors, its members, its committees, and key Company officers and executives;
- Selection of productive strategies and management of risks;
- Appropriate delegation and monitoring of responsibility and accountability to Management;
- Satisfying the interests of stakeholders through relevant and material disclosures;
- Ensuring compliance with all regulatory obligations;
- Ensuring that the Company's performance and financial reporting are properly directed and controlled through an effective internal control system;
- Engaging with the community; and
- Adopting high ethical standards and practices by the Company, its officers, and employees.

To achieve these aims, and to ensure compliance with the specific requirements of the Corporate Governance Guide issued by SCA, the Company has developed and

implemented its Corporate Governance Manual, which contains guidelines on the following subjects:

- Board and Director Matters;
- Board Committees and their Charters;
- Delegation of Authority;
- Relationship with Shareholders;
- Company's Disclosure Obligations;
- Internal Control System;
- Engagement of Auditors;
- Code of Business Conduct; and
- Share Dealing Policy.

The Board of Directors has reviewed Resolution No.3 of 2020 in relation to Corporate Governance and its related amendments and Federal Law No. 32 of 2021 concerning commercial Companies and will update the Corporate Governance Manual to align with these requirements.

The Board of Directors are responsible to the Company's shareholders for creating and delivering sustainable value through the management of the Company's businesses. Although day-to-day management of these businesses is delegated to the Management, the Board of Directors are responsible for providing strategic direction, management supervision and adequate controls with the ultimate objective of promoting the success and long-term value of the Company. The Board of Directors retains responsibility for the overall performance of the Company, and ensures that Management strikes an appropriate balance between promoting long-term growth and delivering short-term objectives.

1.2 Corporate Governance Structure

Corporate Governance is the system by which the business of the Company is directed and controlled. The implemented corporate governance structure specifies the distribution of rights and responsibilities among different stakeholders within the Company, such as, the Board Chairman, Group Chief Executive Officer, Chief Officers, Managers and shareholders; and establishes the rules and procedures for making decisions on corporate affairs. The primary goal of the Company's corporate governance policy is to create and sustain value within the Company.

The Company believes that it is important that these principles of governance are made transparent to all the stakeholders and to safeguard their rights and promote their participation in the Company's corporate governance process.

The Board of Directors plays a central role in the Company's corporate governance framework. It is ultimately responsible for ensuring that the Company complies with its legal and regulatory obligations, the Company's Memorandum and Articles of Association, and its duties to shareholders. The Board of Directors were assisted in this process by various Board Committees (particularly Audit Committee, Nomination and Remuneration Committee, and Strategy Committee), external and internal auditors, and company officers and employees (including the Group Chief Executive Officer, Group Chief Financial Officer, Internal Audit and Compliance Director and other members of Management).

In addition to the Articles of Association and regulating laws, the NMDC Group Board of Directors has approved a wide range of charters, codes, policies and carefully defined business structures and processes in order to record their decisions and delegations, and regulate the operations and overview activities of the Company and its subsidiaries. The Board of Directors has also issued general principles of behavior and personal conduct for which all directors and staff are accountable as individuals and as a collective entity.

1.3 Disclosure Practices

The Company is committed to comply with all of its disclosure obligations, including SCA, Abu Dhabi Stock Exchange (hereafter referred as "ADX") and to shareholders, so that trading in its shares can take place in an informed market. In 2023, the Company made regular disclosures to SCA and ADX including upcoming Board meetings and decisions, publication of Annual Report, Corporate Governance Report, Sustainability Report and other announcements on key financial and/or operational matters/transactions, copies of which are generally available or updated on the Company's website.

1.4 Delegation of Authority

The Board of Directors bears ultimate responsibility for the operations of the Company, and within the provisions of the Articles of Association, UAE Companies Law and approved Corporate Policies and Procedures, the Board of Directors has the authority to delegate its powers to the committees and senior management.

The Board of Directors approved the latest version of NMDC Group Delegation of Authority in 2023. The Delegation of Authority outlines authority limits delegated to the Board of Directors, Board Committees, Executive Management Committees, Management and Employees in order to run the Company's affairs and operations within the United Arab Emirates and overseas locations.

1.5 Code of Business Conduct

The Company recognizes the importance of establishing and maintaining a set of core values and approaches to the process of doing business. NMDC Group demands, and will maintain, the highest ethical standards in its business activities through a detailed Code of Business Conduct.

1.6 Board of Director's Induction Policy

The Company's policy on director induction requires all new Board of Directors to participate in the Company's induction program. This program includes presentations by Management to familiarize new Board of Directors with the Company's objective and strategic plans, business operations and activities, business units and departments, and principal officers and employees.

The program aims at providing the information required to ensure that a new Board of Director understands his/her duties and responsibilities under the applicable laws and regulations, the Company's corporate governance framework, and understands the Company's policies in its field of operations.

1.7 Share Dealing Policy

The purpose of the Company's share dealing policy is to ensure that the Company's Board of Directors and employees (and their Connected Persons) do not deal or trade in securities issued by the Company or its subsidiary or sister companies based on undisclosed confidential information or in circumstances of conflict.

The Company's share dealing policy is that no Board of Directors or employee of the Company (or any subsidiary or other company controlled by the Company) may deal in the Securities of the Company whilst they are in possession of any information which could affect the price of the Securities of the Company, where such information has not been disclosed to the ADX. Board of Directors who are not in such possession may only deal in the securities of the Company with the prior written consent of the Chairman (or, in his absence, of the Vice-Chairman), whilst employees who are not in such possession may only do so with the prior written consent of the Group Chief Executive Officer (or, in his absence, the Company Secretary).

This policy does not avoid the need to obtain the consent of the ADX Board of Directors before trading in the Company's Securities, and does not permit any Director or employee to deal in the Securities of the Company during any Blackout Period, as defined Company's Corporate Governance Manual. This policy is also in addition to, and does not avoid the legal requirement to comply with, any applicable laws or regulations. Board of Directors and employees remain personally liable for their non-compliance with any applicable laws and regulations.

1.8 Insiders Follow-up & Supervision Committee

The Insiders Follow-up & Supervision Committee has responsibility for register of insiders including monitoring, follow up, supervising and managing the dealings of all insiders, registering their dealings and ownership in the register and to communicate and report to ADX regularly on all such matters.

The Insiders Follow-up & Supervision Committee comprises of the following members:

NAME	POSITION	DESIGNATION
Mr. Kashif Nawaz Shaikh	Internal Audit and Compliance Director	Committee Head
Mr. Mohammed Al Falahi	Procurement & Stores Director	Committee Member
Mr. Khaled Al Shalati	Investor Relation Officer	Committee Member

Mr. Kashif Nawaz Shaikh acknowledges his responsibility for the follow-up & supervision system on transactions of the insiders in the Company, review of its work mechanism and ensuring its effectiveness.

The Committee in 2023 regularly reviewed and updated the Register of Insiders. Further, in line with ADX regulations and NMDC Group Corporate Governance Manual, notifications were communicated to Insiders for blackout periods. During the year 2023 there was no trading conducted by insiders.

1.9 Transactions in Company's Securities by the members of the Board of Directors

The Board of Directors, as well as Company Management understand their obligations with respect to disclosure requirements, in connection with their dealings in NMDC Group securities and are compliant with all requirements set by SCA and ADX.

The table below provides details of dealing in NMDC Group securities and balances as at 31 December 2023, by current Board of Director Members and their wives, sons and daughters.

NAME	POSITION/ RELATIONSHIP	SHARES HELD AS AT 31/12/2023	TOTAL SALE TRANSACTIONS	TOTAL PURCHASE TRANSACTIONS
Mr. Abdul Ghafar Abdul Khaleq Al Khouri	Member	5,999,999	-	-
	Son	3,199	-	-
	Son	3,199	-	-
	Son	3,199	-	-
	Son	3,199	-	-
Mr. Mohamed Ahmed Bandouq Al Qamzi	Daughter	3,199	-	-
	Wife	53,999	-	-

2 BOARD OF DIRECTORS

2.1 Role of the Board of Directors

The Board of Directors are responsible to the Company's shareholders for creating and delivering sustainable value through oversight of the Company's business. In particular, the Board of Directors are responsible for providing strategic direction, management supervision and adequate controls, with the objective of promoting success and long-term value of the Company, and is accountable for performance and affairs of NMDC Group.

The Board of Directors also plays a central role in the Company's corporate governance framework. The Board of Directors has adopted a Corporate Governance Manual, which provides a framework of how the Board of Directors operates as well as the type of decisions to be taken by the Board of Directors and which decisions should be delegated to Management. The Board of Directors are ultimately responsible for ensuring that the Company complies with its legal and regulatory obligations, the Company's Memorandum and Articles of Association, and its duties to shareholders.

2.2 Representation of Female Members in the Board of Directors

NMDC Group supports the inclusion and participation of women in business and believes that diversity contributes to the quality and effectiveness of governance. For the last election of the Board, the Company invited nominations from both male and female candidates; however, no nominations of female representatives were received. Hence, we do not have any female representation in our current Board.

2.3 Board of Directors Composition, Qualification and Experience

The current NMDC Group Board of Directors' composition, qualifications and experience are as follows:



H.E. MOHAMED THANI MURSHED AL RUMAITHI
CHAIRMAN, NON-EXECUTIVE BOARD MEMBER,
first nominated as Chairman of the Board in 2007

H.E. Mohamed Thani Mushed Al Rumathi is a businessman who has been serving as the Chairman of the Board of Directors of NMDC Group since 2007. He also serves as the Chairman of Alpha Dhabi Holding and Thani Murshed Uniliver, and Board Member of First Abu Dhabi Bank. Previously, H.E. Al Rumathi served as a Chairman of Abu Dhabi Chambers of Commerce and Industry.

H.E. Al Rumathi holds a Bachelor Degree in Business Administration.



MR. HAMAD SALEM MOHAMMED AL AMERI
VICE CHAIRMAN, NON-EXECUTIVE,
INDEPENDENT BOARD MEMBER
first nominated as Vice Chairman in 2021

Mr. Hamad Salem Mohamed Al Ameri serves as a Managing Director and Chief Executive Officer of Alpha Dhabi. He serves as Vice Chairman in Pure Health Holding and also serves as a Board Member in ALDAR, ADC Acquisition Corporation and Mawarid Holding Investment.

Mr. Al Ameri holds a Master Degree in Business Management and Bachelor Degree in Civil Engineering.



MR. MOHAMED IBRAHIM AL HAMMADI
NON-EXECUTIVE, INDEPENDENT BOARD MEMBER
first appointment as Board member in 2021

Mr. Mohamed Ibrahim Al Hammadi serves as Managing Director and Chief Executive Officer of Emirates Nuclear Energy Corporation. He also serves as a Board Member of Barakah One Company, Nawah Company and Abu Dhabi Ports.

Mr. Al Hammadi holds a Master Degree in Engineering Management, Bachelor Degree in Electrical Engineering and Honorary Doctorate.



MR. YASER SAEED AL MAZROUEI
NON-EXECUTIVE, INDEPENDENT BOARD MEMBER
first appointment as Board Member in 2021

Mr. Yaser Saeed Al Mazrouei serves as the Chief Executive Officer of the Exploration, Development and Production Department – ADNOC. He is also a Board Member of ADNOC Drilling.

Mr. Al Mazrouei holds a Master Degree of Petroleum Engineering.



MR. MOHAMED AHMED BANDOUC AL QAMZI
NON-EXECUTIVE BOARD MEMBER
first appointment as Board Member in 2013

Mr. Mohamed Ahmed Bandouq Al Qamzi serves as an advisor of His Highness Managing Director Office at Abu Dhabi Investment Authority. He also serves as Chairman of Khalidiya Cooperative Society, Chief Executive Officer of Khalifa University Enterprise Company, and member of National Consultative Council.

Mr. Al Qamzi holds an Executive Master of Business Administration, Bachelor Degree of Science in Management, and completed Program for Leadership Development.



MR. ABDUL GHAFFAR ABDUL KHALEQ AL KHOURI
NON-EXECUTIVE BOARD MEMBER
first appointment as Board member in 2021

Mr. Abdul Ghafar Abdul Khaleq Al Khouri is a self-made businessman who serves as a Chief Executive Officer of Abdul Khaleq Abdulla Khouri and Sons, and Managing Director of Milipol International.

He previously acted as a Council Member of Abu Dhabi Municipality and Board Member of Al Khazna Insurance Company.



MR. AHMED AMER OMAR SALEH OMAR
NON-EXECUTIVE, INDEPENDENT BOARD MEMBER
first appointment as Board Member in 2021

Mr. Ahmed Amer Omar Saleh Omar serves as a Board of Director and founder of Al Amry Group, Managing Director of Apex Holdings, Chairman of Ras Al Khaimah Cement Company and Chairman of Eltizam.

Mr. Omar holds a Bachelor Degree of Business Management.

2.4 Board of Directors Remuneration

The Company's General Assembly determines remuneration of the Board of Directors on an annual basis. According to the Company's Articles of Association and the Corporate Governance Guide, the Board of Director's remuneration cannot exceed 10% of net profits of the Company, after deducting depreciations and statutory reserve.

The Nomination and Remuneration Committee is also required to review, at least annually, the remuneration proposed to be paid to the Board of Directors, whether in their capacity as members of the Board of Directors or of the Board of Directors Committees, and make recommendations to the Board of Directors as considered appropriate.

In 2023, the Board of Directors were paid remuneration of AED 9.9 million in respect to financial year 2022. As at 31 December 2023, the Company is carrying provision of AED 135 million towards Board of Directors remuneration and employee bonuses.

Apart from the above remuneration, no other remuneration or allowances have been paid to the member of Board of Directors for attending the meetings of the Board or membership remuneration in the committees formed by the Board of Directors for year 2023.

2.5 Board of Directors Meeting

The Board of Directors held four (4) meetings during 2023 on the following dates:

NAME	MEETING NO. 1 01/02/2023	MEETING NO. 2 19/10/2023	MEETING NO. 3 17/11/2023	MEETING NO. 4 14/12/2023
H.E. Mohamed Thani Murshed Al Rumaithi (Chairman)	✓	✓	X	✓
Mr. Hamad Salem Mohammed Al Ameri (Vice Chairman)	✓	✓	✓	✓
Mr. Abdul Ghaffar Abdul Khaleq Al Khouri	✓	✓	✓	✓
Mr. Mohamed Ahmed Bandouq Al Qamzi	✓	✓	✓	✓
Mr. Mohamed Ibrahim Al Hammadi	✓	✓	✓	✓
Mr. Yaser Saeed Al Mazrouei	✓	✓	✓	✓
Mr. Ahmed Amer Omar Saleh Omar	Note 1	✓	✓	✓

✓ refers to attendance X refers to absence

Note 1: This Board of Director member did not attend the Board of Directors meeting but had signed a proxy to Chairman of the Board of Directors.

2.6 Board Secretary

The position of Board of Directors Secretary is held by an external consultant, Allen and Overy, an international law firm which was appointed in 2012. Allen & Overy has 38 years of experience in the region and over 5600 employees, 90 lawyers, 23 partners and over 40 offices in different countries.

Statement of their duties during the year were the following:

- Preparing and sending invitations for Board of Directors meetings;
- Distributing Board of Directors Meeting Agenda;
- Taking minutes of meeting during Board of Directors meeting; and
- Providing legal advisory to the Board of Directors when needed.

2.7 Duties and Competencies of the Board of Directors performed by Board Members or Executive Management

The Board of Directors has nominated, appointed and authorized, through a Power of Attorney, the Chairman and Vice Chairman of the Board of Directors jointly, or any one of them jointly with any other member of the Board of Directors, to perform certain of the duties of the Board of Directors. The duration of the Power of Attorney is from 30 November 2021 to 29 November 2024. Some (but not all) of the duties so delegated are listed below.

- Attend to all matters affecting the Company, and its subsidiaries and their business, and to represent, act for and sign on behalf of the Company before Governmental and Local Departments.
- Open, withdraw, administer and close in the name of the Company or any of its subsidiaries accounts with any bank, financial institutions, trust or fund inside and outside the United Arab Emirates.
- Represent the Company and any of its subsidiaries in the United Arab Emirates or elsewhere and execute and sign all relevant and required documents in relation to any amendment, waiver or change (of any nature) to the Company's status or its subsidiaries status, its capital, management, employees or any other constitutional and corporate issue, and to receive on behalf of the Company any certificate or document regarding such amendments or changes.
- To have full authority to negotiate, conclude, sign and deliver all contracts or agreements relating to acquisitions and ownership of other companies or associations whether inside or outside the United Arab Emirates.
- Enforce, protect and defend the interest of the Company or any of its subsidiaries in all law suits or other legal proceedings, whether brought by the Company or any of its subsidiaries or against it.

Further, the Board of Directors has also nominated, appointed and authorized the Group Chief Executive Officer – Eng. Yasser Nassr Zaghoul to conduct the daily management activities and represent NMDC Group, the duration of the delegation is from 9 March 2022 to 8 March 2025.

2.8 Related Party Transactions

The Company has entered into transactions with companies and entities that fall within the definition of a related party under the Corporate Governance Guide or the International Accounting Standards 24: Related Party Disclosures. The nature of such transactions relates to Company's normal course of business and details of such transactions are disclosed in note 29 of the Company's 2023 audited annual financial statements.

2.9 Board Resolution by Circulation

NO.	DATE	DESCRIPTION
1.	1 Mar 2023	Subscription to the Initial Public Offering of ADNOC Gas PLC
2.	4 Apr 2023	Acquisition of asset for Golden Falcon Marine Construction
3.	28 Apr 2023	Approval of Q1 Draft Financial Statements for the year 2023
4.	18 May 2023	Subscription to the Initial Public Offering of ADNOC Logistics and Services
5.	25 Jul 2023	Approval of Q2 Draft Financial Statements for the year 2023

3 BOARD OF DIRECTORS COMMITTEES

The Board of Directors committees have been established by a resolution of the Board of Directors, and comprise of non-executive/ independent members of the Board of Directors:

The Company has adopted formal Charters for each of these Board of Directors committees, which details the composition, duties, and responsibilities of each committee, amongst other things. These Charters are also compliant with requirements of the Corporate Governance Guide.

The following conditions govern relationship between the Board of Directors and its committees as per the Company's Corporate Governance Manual:

- **Reporting to the Board:** Each committee will report regularly to the Board of Directors about their activities and the exercise of their powers. This includes updating the Board of Directors at each Board meeting of all decisions and resolutions passed by the committees since the last Board of Directors meeting;
- **Annual Evaluation:** Each committee will evaluate its workings under its relevant Charters on an annual basis, with a view of improving workings of the relevant committee or its relationship with the Board of Directors; and
- **Board Follow-up:** The Board of Directors will follow up the operations of the committees to ensure that they are adhering to their Charters.

3.1 Audit Committee



MR. AHMED AMER OMAR SALEH OMAR
AUDIT COMMITTEE CHAIRMAN



MR. MOHAMED IBRAHIM AL HAMMADI
AUDIT COMMITTEE MEMBER



MR. MOHAMED AHMED BANDOUC AL QAMZI
AUDIT COMMITTEE MEMBER



MR. ABDUL GHAFFAR ABDUL KHALEQ AL KHOURI
AUDIT COMMITTEE MEMBER

Mr. Ahmed Amer Omar Saleh Omar, Audit Committee Chairman, acknowledges responsibility for discharging the Committee's mandate in the Company including, review of its work mechanism and ensuring its effectiveness in line with approved charter of the Audit Committee.

The role of the Audit Committee is to review the Company's financial and accounting policies and procedures, monitor integrity of the Company's reports and financial information, implement policy for selection of Company auditor and provide recommendation to the Board of Directors, review and assess internal control and risk management systems, set up rules to enable confidentially reporting of violations, and ensure implementation of Code of Business Conduct. The duties and responsibilities of the Audit Committee are in line with the Corporate Governance Guide and are specified in the approved Audit Committee Charter. In particular, the Audit Committee has following key duties and responsibilities:

- Overseeing integrity of and reviewing the Company's financial statements including quarterly and annual reports;
- Developing and applying the policy for selection of external auditors, and following up and overseeing qualifications, independence and performance of the external auditor;
- Overseeing qualifications, independence and performance of the Company's internal audit staff, and approving the annual audit plan prepared by internal auditors;
- Reviewing the external and internal auditors' management letters, reports and recommendations, and management responses, and overseeing implementation of action plans recommended;
- Reviewing the Company's financial control, internal control and risk management systems;
- Overseeing scope of the Company's compliance with its Code of Business Conduct and its various legal and regulatory obligations; and
- Review or investigate any allegations of fraud or theft, which are brought to the Audit Committee's attention, which are made by or against employees or directors, and make appropriate recommendations to the Board of Directors.

The Audit Committee held seven (7) meetings during the year 2023 to discharge the duties as entrusted to them by the Board of Directors and the Corporate Governance Guide. Following are the details of meetings held during 2023:

NAME	MEETING NO. 1 31/01/2023	MEETING NO. 2 26/4/2023	MEETING NO. 3 22/6/2023	MEETING NO. 4 24/7/2023	MEETING NO. 5 14/8/2023	MEETING NO. 6 19/10/2023	MEETING NO. 7 13/12/2023
Mr. Ahmed Amer Omar Saleh Omar (Chairman)	✓	✓	✓	✓	✓	✓	✓
Mr. Mohamed Ahmed Bandouq Al Qamzi	✓	✓	✓	✓	✓	✓	✓
Mr. Abdul Ghaffar Abdul Khaleq Al Khouri	✓	✓	✓	✓	✓	✓	✓
Mr. Mohamed Ibrahim Al Hammadi	✓	✓	✓	✓	✓	✓	X

✓ refers to attendance X refers to absence

The Audit Committee submits its Annual Report to the Board, on the activities that were carried out by them during the year to discharge the responsibilities entrusted to the Audit Committee.

3.2 Nomination & Remuneration Committee



MR. MOHAMED IBRAHIM AL HAMMADI
NOMINATION & REMUNERATION COMMITTEE CHAIRMAN



MR. AHMED AMER OMAR SALEH OMAR
NOMINATION & REMUNERATION COMMITTEE MEMBER



MR. YASER SAEED AHMED AL MAZROUEI
NOMINATION & REMUNERATION COMMITTEE MEMBER

Mr. Mohamed Ibrahim Al Hammadi, Nomination & Remuneration Committee Chairman, acknowledges responsibility for discharging the Committee's mandate Company including review of its work mechanism and ensuring its effectiveness in line with the approved charter of the Committee.

The role of the Committee is to set up policy and its regulation regarding nomination for the Board of Directors and executive management membership, the basis on which bonuses, privileges, incentives, and salaries shall be granted to the Board members and employees, and other related human resources policy.

The duties and responsibilities of the Nomination & Remuneration Committee are in line with the Corporate Governance Guide and are specified in the approved Nomination & Remuneration Committee Charter. In particular, the Nomination and Remuneration Committee has the following key duties and responsibilities:

- Organizing and following up the Board of Directors nomination procedures in line with requirements of applicable laws and regulations and the SCA Corporate Governance Guide, in addition to determining the Company's needs for qualified staff at the level of Senior Management and the basis for their selection;
- Verifying the continued independence of independent Board of Director members;
- Reviewing and approving, in consultation with the Chairman of the Board of Directors and/or the Group Chief Executive Officer, the terms and conditions of the service contracts of Executive Directors and Senior Management employees;
- Reviewing at least annually, remuneration (comprising of basic salary, other allowances, and any performance-related element of salary or bonus) of the Company's employees, including the Senior Management team, and remuneration proposed to be paid to the Board Directors; and
- Preparing a succession plan for the Board of Directors and its committees, the Chief Executives, and key members of Management.

The Nomination and Remuneration Committee meets as often as required. In year 2023, the Nomination and Remuneration Committee held two (2) meetings, as detailed below:

NAME	MEETING NO. 1 12/01/2023	MEETING NO. 2 28/04/2023
Mr. Mohamed Ibrahim Al Hammadi (Chairman)	✓	✓
Mr. Ahmed Amer Omar Saleh Omar	✓	✓
Mr. Yaser Saeed Ahmed Al Mazrouei	✓	✓

✓ refers to attendance X refers to absence

3.3 Strategy Committee



MR. HAMAD SALEM
MOHAMED AL AMERI
STRATEGY COMMITTEE
CHAIRMAN



MR. AHMED AMER OMAR
SALEH OMAR
STRATEGY COMMITTEE
MEMBER



MR. YASER SAEED AHMED
AL MAZROUEI
STRATEGY COMMITTEE
MEMBER



MR. MOHAMED AHMED
BANDOUQ AL QAMZI
STRATEGY COMMITTEE
MEMBER

Mr. Hamad Salem Mohamed Al Ameri, Strategy Committee Chairman, acknowledges his responsibility for discharging the Committee mandate in the Company including review of its work mechanism and ensuring its effectiveness in line with Committee's charter.

The Strategy Committee has met during the year as often as the business requires. The duties and responsibilities of the Strategy Committee are specified in its approved Charter. In particular, the Strategy Committee has the following key duties and responsibilities:

- Review and evaluate the recommendations submitted by the executive management with regard to business strategy, budgets and annual plan.
- Work with the executive management to make recommendations to the Board of Directors on the business strategy and long term strategic objectives of the Company, including all subsidiaries and associates.
- Review and evaluate large scale capital investments and operational expenditure.
- Review and evaluate the Company's operational plans in support of the Company's strategic plan and refer them to the Board of Directors for final approval, including:
 - Expansion Strategy, including opening of new subsidiaries, branches and joint ventures;
 - Acquisition Strategy; and
 - Opportunities for potential acquisitions.
- Review and evaluate major unbudgeted expenditure, including those relating to contractual arrangements with consultants and advisors.
- Review and assess responses to external developments and factors, such as changes in the economy, industry trends, competition and technology, which may impact the Company's strategic plan.



4 EXECUTIVE MANAGEMENT

4.1 Key Executive Management



ENG. YASSER NASSR ZAGHLOUL
NMDC GROUP CHIEF EXECUTIVE OFFICER

Eng. Yasser Nassr Zaghloul is the Group Chief Executive Officer of NMDC Group, Chairman of The Challenge - the Egyptian Emirates Marine Dredging Company, and a member of the Abu Dhabi Chamber of Commerce and Industry Board of Directors, appointed by His Highness UAE President Sheikh Mohammed bin Zayed Al Nahyan.

In 2009, Eng. Yasser took over as Chief Executive Officer of NMDC, with the goal of expanding the company and entering new markets. Under his leadership, NMDC merged to form NMDC Group, which includes subsidiaries such as NMDC Energy (formerly known as NPCC), NMDC Construction (formerly known as Emarat Europe), and NMDC Engineering.

Several other leadership and advisory positions are held by Eng. Yasser including members of the World Organization of Marine Construction and Dredging, situated in Brussels, the General Board of Control of Water UAE, and the World Conference of CEDA in Brussels and Abu Dhabi, which encompasses over 60 countries globally, are among his affiliations.

Eng. Yasser graduated from the University of Helwan with a Bachelor's Degree in Engineering and a Master's Degree in Strategic Management from Cambridge College Global. Forbes Middle East named him one of the Top 100 CEOs in the Middle East for the years 2022 and 2023.



ENG. AHMED SALEM AL DHAHERI
NMDC ENERGY CHIEF EXECUTIVE OFFICER

Eng. Ahmed Al Dhaheeri serves as Chief Executive Officer of NMDC Energy (formerly known as NPCC) in the year 2018. He brings over 22 years of experience in industrial field. Prior to joining NPCC, he worked for Emirates Steels as Chief Commercial Officer.

He also holds the positions of Chairman of NTS Group Middle East, Vice Chairman of GAL and AMMROC UAE, Chairman of NPCC Engineering Limited (NEL) and ANEWA, and Board Member of Gordon Technologies and PRINCIPIA France.

Engr. Ahmed Al Dhaheeri holds an Executive MBA with honors from UAE University, a Master's Certificate in Project Management from George Washington University, and a Bachelor's Degree in Industrial Engineering from the University of Miami.



ENG. NIELS DE BRUIJN
NMDC DREDGING & MARINE CHIEF EXECUTIVE OFFICER

Eng. Niels de Bruijn serves as Chief Executive Officer of NMDC Dredging & Marine in November 2023. He has over 35 years of experience in Dredging & Marine Industry, and distinguished himself through various leadership roles, including Chief Commercial Officer and Dredging Director. Prior to joining NMDC D&M, he was Executive Board member of Van Oord Dredging and Marine Contractors. He was also a Supervisory Board member of several international organizations such as European International Contractors (EIC), and International Association of Dredging Companies (IADC).

Mr. de Bruijn holds a Master of Science in Civil Engineering from the Technical University of Delft in The Netherlands and attended several Executive Leadership programs at the IMD Business School in Switzerland.

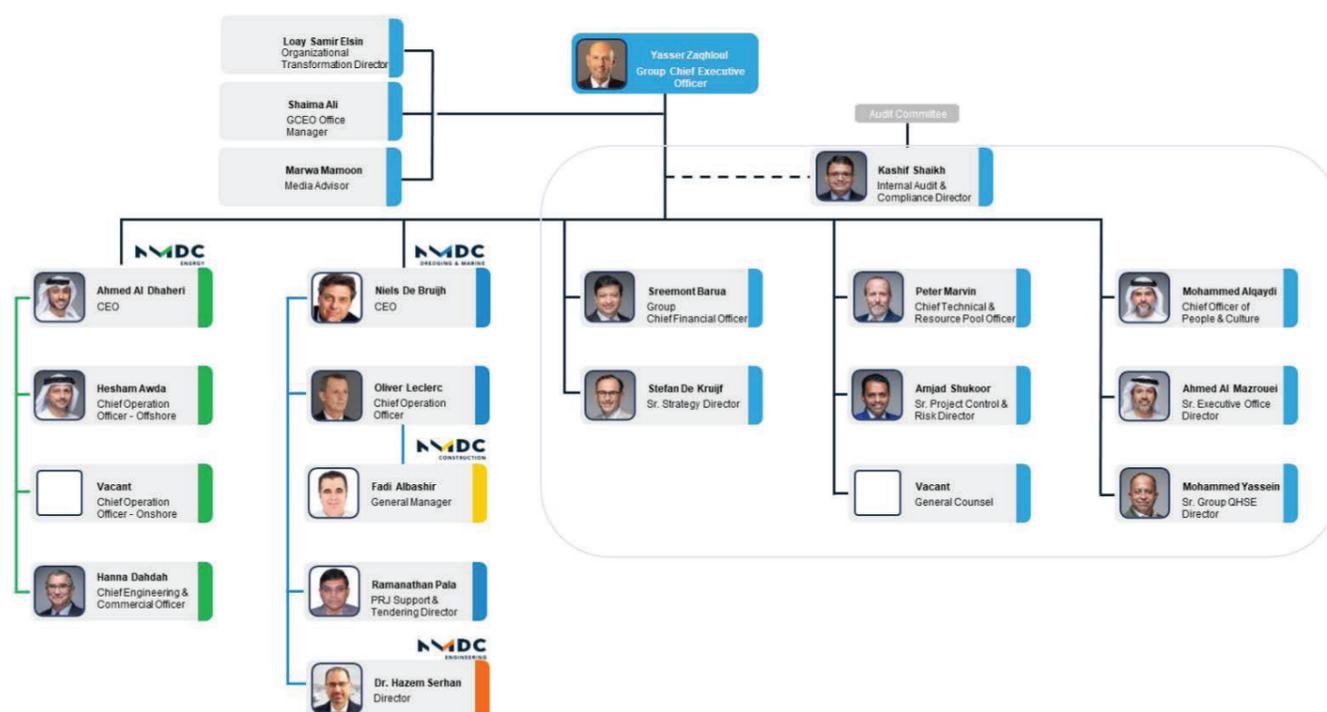
4.2 Management Committees

NMDC has established a number of management committees to review and oversee the development and execution of related strategies, plans and processes. The function of key management committees is listed below:

- **Strategy & Sustainability Committee:** This committee reviews, approves, and synchronizes the short- and long-term strategies, including sustainability matters, business plans, and special projects, including investments, merger & acquisitions, and divestiture opportunities.
- **Business Continuity & Risk Management Committee:** This committee drives and enforces the implementation of the Business Continuity Management Program across the Group and oversees its related policies, procedures, and strategic initiatives. The committee is also responsible for overseeing the Enterprise Risk Management policies and processes to ensure effectiveness and compliance.
- **People & Culture Committee:** This committee is responsible for employee recognition, including promotions/ career development/ yearly bonuses, and Emiratization target.
- **Technology Transformation Committee:** As part of NMDC Group's strategic initiative to further embed digitalization and technology in its operational processes and growth plan, this committee oversees the implementation of all strategic IT plans.
- **CSR Committee:** The CSR committee oversees the implementation of NMDC Group's CSR framework, while also shaping the company's CSR activities and approving budgets accordingly.
- **Ethics and Compliance Committee:** This committee is responsible for overseeing all matters pertaining to the prevention and detection of fraud as well as ensuring the necessary response measures are in place.

4.3 NMDC Group Organization Chart

The Group Chief Executive Officer, supported by the Management team, is responsible for the day-to-day management of the Company's businesses. The following illustrates Organization Structure of the Company.



4.4 Executive Management Remuneration

The table below details the current Executive Management team at NMDC Group, along with their date of appointment, salaries, allowances and bonuses paid to them for the financial year 2023:

CURRENT POSITION	INITIAL DATE OF APPOINTMENT	TOTAL SALARIES AND ALLOWANCES PAID IN 2023 (AED)	TOTAL BONUSES FOR 2022 (AED)*	ANY OTHER CASH/IN-KIND BENEFITS FOR 2022
Group Chief Executive Officer	05-Feb-1998	6,062,898	5,000,000	-
Chief Executive Office – NMDC Dredging & Marine	28-Nov-2023	238,700	-	-
Chief Executive Officer – NMDC Energy	04-Sep-2016	4,056,185	1,769,325	-
Group Chief Financial Officer	18-Jun-2018	1,545,898	300,000	-
Chief Technical and Resource Pool Officer	16-Dec-2018	1,694,929	200,000	-
Chief Human Resources Officer	15-Feb-2009	1,639,484	300,000	-
Senior Executive Office Director	21-Nov-2021	1,041,606	100,000	-
Senior Group QHSE Director	15-Jun-2010	931,417	75,000	-
Senior Strategy Director	06-Dec-2022	1,466,939	50,000	-
Senior Project Control & Risk Director	17-Jan-2022	1,046,123	120,000	-

* Bonuses for 2023 that are payable in 2024 are yet to be determined or awarded, however as at 31 December 2023, the Company is carrying provision of AED 135 million towards Board of Director remuneration and employee bonuses.

4.5 Emiratization in 2023

Emiratization is a key performance indicator of NMDC Group vision and mission for the past years and for year 2023. The table below represents the Emiratization percentage over the past three years.

YEAR	EMIRATIZATION PERCENTAGE
2023	9.6%
2022	7%
2021	10%

5 EXTERNAL AUDITORS

5.1 Appointment of External Auditors

Deloitte & Touche – M.E. has been NMDC Group external auditor for 2023.

Deloitte & Touche is one of the world's largest professional services firms. They have served as trusted advisors for clients in the Middle East for the past 95 years. Deloitte offers practices globally related to Audit, Consulting, Tax & Legal, Enterprise Risk Services and Financial Advisory.

The Audit Committee, after consideration and evaluation recommended appointment of Deloitte & Touche as the External Auditors for 2023. They were initially appointed as the Company's Auditor for the financial year 2022 and were reappointed in 2023 by a shareholders' resolution at the Company's Annual General Meeting held on 28 April 2023.

EXTERNAL AUDITOR DETAILS FOR 2023

Name of Auditing Firm	Deloitte & Touche – M.E.
Name of Audit Partner	Mr. Mohammad Khamees Al Tah
Number of years served as an external auditor for the Company	2 Year
Total fees for Audit and related services for Group	AED 1,608,663

OTHER SERVICES PROVIDED BY THE EXTERNAL AUDITOR FOR 2023

Professional fees for submission of ICV certificate and related services AED 200,813

Professional fees for NMDC unclaimed dividends AED 84,840

5.2 External Auditors Independence

The Company adopts a policy on external auditors' independence by which the external auditor may not, while assuming the auditing of the Company's financial statements, perform any technical, administrative or consultation services or works in connection with its assumed duties that may affect its decisions and independence or any services or works that, in the discretion of SCA, may not be rendered by the external auditor.

The Company's policy includes measures to ensure the external auditors' independence, including the following:

- The Board of Directors nominates the external auditor, generally upon the recommendation of the Audit Committee;
- The appointment of the external auditor is made by a resolution of the Company's Annual General Meeting, for a period of one year renewable;
- The external auditor should be independent from the Company and its Board of Directors and may not be a partner, agent or a relative, even of the fourth degree, of any founder or director of the Company; and
- Review and approval by the Audit Committee for any proposed additional services from the external auditors.

Management obtains comfort on independence of the appointed external audit firm through direct inquiry to the firm on independence of the external audit engagement team. Such independence is also reiterated by the appointed auditors during their quarterly presentation to the Audit Committee/ Board.

5.3 Services received from other External Audit Firms

Services received from other external audit firms in 2023 include:

SERVICE PROVIDER	NATURE OF SERVICE	VALUE OF SERVICE (AED)
Price Water House Coopers	Due diligence and related services	5,250,986
	Professional fee towards tax services	139,245
KPMG Lower Gulf Limited	Financial & tax due diligence	173,526
	Consultancy services for a project	421,112
Ernst & Young Tax Consultants	Professional fees for tax services	5,437

5.4 External Auditor's opinion on the Financial Statements

The Company's external auditor did not had any qualification in the opinions issued by the on the interim and annual financial statements of 2023.

6 INTERNAL CONTROL SYSTEM

6.1 System of Internal Control at NMDC Group

The Board of Directors acknowledges its responsibility for the Company internal control system, review of its work mechanism and ensuring effectiveness.

The Company's internal control system is established to ensure that the Board of Directors and Management are able to achieve their business objectives in a prudent manner, safeguarding interests of the Company's shareholders and other stakeholders, whilst at the same time minimizing key risks such as fraud, unauthorized business activity, misleading financial statements, un-informed risk-taking, or breach of legal or contractual obligations, and also ensuring highest quality achieved in a safe and sustainable environment.

As per the approved Corporate Governance Manual, the Board of Directors are responsible for ensuring that the Company applies a precise internal control system that covers the following key functions being managed by respective heads as detailed hereunder:

DEPARTMENT	HEAD OF DEPARTMENT & DESIGNATION	DATE OF APPOINTMENT IN THIS DESIGNATION	QUALIFICATION	EXPERIENCE
Internal Audit & Compliance	Mr. Kashif Nawaz Shaikh (Internal Audit and Compliance Director)	12-Oct-2021	<ul style="list-style-type: none"> - Chartered Certified Accountant - Certified Internal Auditor - Cost and Management Accountant 	Over 19 years of professional experience in the fields of Internal Audit, Statutory Audit, Risk Management, Corporate Governance and Business Process reviews.
Project Control & Risk Management	Mr. Amjad Abdul Shukoor (Sr. Project Control & Risk Director)	02-Jun-2023	<ul style="list-style-type: none"> - Certified Portfolio Management Professional - Certified Risk Management Professional - Certified Project Management Professional - BE. Civil Engineering - Certified Practicing Engineer Dept. of Municipalities & Transport - UAE for Managing an Engineering Facility 	Over 25 Years of professional experience in the fields of Corporate Project Controls, Planning, Cost Control, Enterprise & Portfolio Risk management functions.
Quality, Health Safety and Environment	Mr. Mohamed Yassein Mohamed (Snr. Group QHSE Director)	30-Nov-2022	<ul style="list-style-type: none"> - BS. Civil Engineering - Construction Management Diploma - MBA - ISO 9001:2015 Certified Lead Auditor - Nebosh International Certificate 	Over 30 years of experience in Quality, HSE and Constructions.

Management is responsible for ensuring that adequate internal controls (both financial and operational) are in place and applied to safeguard and manage the assets of the Company, in an effective and efficient manner.



6.2 Independent Assessment of Internal Control System

Internal control is designed to mitigate, not eliminate, significant risks faced. It is recognized that such a system provides reasonable, but not absolute, assurance against material error, omission, misstatement or loss. This is achieved within the Company through a combination of risk identification, evaluation and monitoring processes, appropriate decision and oversight forums, assurance and control functions such as External Audit, Internal Audit, Ethics & Compliance, Risk Management, and QHSE (Quality, Health, Safety and Environment).

6.3 Internal & External Audit Assurance

Following are the salient highlights of the Internal and External Assurance activities in 2023:

External Audit: Deloitte & Touche performed annual external audit and interim reviews of financial statements and assessed internal controls over financial reporting during the same.

External Audit Reporting: Discusses management letter with the Audit Committee, highlighting control deficiencies and ensuring timely corrective action.

Internal Audit: Conducted process reviews of core and support functions based on a risk-based plan, issuing 24 reports to the Board.

Internal Audit Reporting: Reports to the Audit Committee on control recommendations, material incidents, and significant control breaches.

Management Responsibility: Responsible for implementing and monitoring internal financial controls, ensuring qualified personnel, proper segregation of duties, and independent review.

Corrective Actions: All identified control weaknesses were discussed with Management and the Audit Committee, with proposed corrective actions on a periodic basis.

6.4 Ethics and Compliance

Ethics and Compliance Function is part of Internal Audit and Compliance Department. The role of the Ethics & Compliance function is to ensure compliance by the Group with the applicable legal and regulatory requirements.

The Group has developed and implemented a Compliance Program including policies on Code of Business Conduct, Anti-Bribery & Corruption, Whistleblowing, Conflict of Interest, Fraud Control, investigation and others. These policies have been formulated to provide employees an opportunity to report in good faith in case they observe any unethical or improper practices in the Group.

6.5 Risk Management

While global risks are intensifying with geopolitical tensions combined with technology driving the new security risks, NMDC Group Risk Management Practice aims to enforce business sustainability and continuity by providing the means and mechanisms to proactively manage and control threats and opportunities.

Enterprise Risk Management practice is a crucial pillar for achieving NMDC Group desired business objectives, maintaining sustainability and protecting all stakeholders interests efficiently and effectively, and therefore Risk Management practice is applied at the strategic level, corporate level and project levels across the Group.

The NMDC Group ERM framework and associated ERM policy was updated in 2023 along with the formation of a Group Project Control & Risk Management Department at the Corporate level. The framework and policy were approved subsequently by the executive management.

The NMDC Group ERM framework is split into 2 major sections Enterprise Risk Management at the Corporate/Business Unit portfolio and Project Risk Management. The Group's dedicated department ensures that a consistent and systematic approach is used for risk management starting from risks identification, analysis, evaluation, mitigation/treatment, monitoring and reporting across the Group.

The Project Control & Risk Management Department establishes groups risk profile & Key Risk Indicators (KRI) along with Key management plans in place and required to maintain risks within acceptable levels of the NMDC Group and these outcomes are presented to the Group Executive committee for review ahead of being presented to Audit Committee and the Board of Directors.

6.6 Quality, Health, Safety and Environment

The year 2023 proved to be noteworthy for the QHSE department, marked by significant achievements and the establishment of synergy through the integration and fusion of the department across the business units (BU). This effort facilitated the harmonization of QHSE practices, processes, and culture throughout the entire group, laying a robust foundation for elevating our QHSE practices and culture to an exemplary level.

Strategic targets and initiatives were established and successfully met, aligning with our commitment to enhance our capacity to meet the expectations of both internal and external stakeholders. These efforts aim to support business improvement initiatives and contribute to the positive impact on NMDC Group's overall financial performance.

Key achievements:

- All business units within NMDC Group have successfully passed the surveillance audit for ISO 14001, ISO 45001, and ISO 9001, along with OSHAD-SF, recording ZERO Non-Conformances (NCRs).
- NMDC Group recorded an impressive 0.05 for Lost Time Injury Frequency Rate (LTIFR) and 0.39 for Total Recordable Injury Frequency Rate (TRIR), surpassing our established benchmark.
- NMDC Group has completed the surveillance audit for accreditation certification by ANAB (ANSI National Accreditation Board) for 10 HSE-related Training Programs, with an additional 5 courses currently in progress. NMDC Group is also accredited by OPITO, confirming our ability to provide recognized H2S OPITO training for employees involved in offshore tasks. Furthermore, inclusion of IOSH accreditation for Managing Safely is part of our training plan for new key personnel joining NMDC Group.
- NMDC Energy maintained weld repair rate lower than last year and significantly below the industry standard of 5%.
- NMDC Group achieved a remarkable milestone of over 29 million working man-hours without Lost Time Injury (LTI) in both Dredging & Marine as well as Oil & Gas projects.
- Maintained an outstanding Project Quality Index above 93% (ARAMCO stretched target).

To elevate QHSE culture in the Group, the below were also performed:

- The QHSE Department successfully conducted over 715K QHSE training hours and executed 7 major HSE campaigns led by the corporate team.
- Conducted +100 Internal QHSE Audits across all departments, projects, and marine units as part of our Quality Assurance Program to ensure high-quality services.
- Management made 373 high-profile QHSE tours and site visits during 2023.
- The QHSE team conducted 13,823 Behavioural Safety Audits across all projects within NMDC Group to reinforce our safety culture and emphasize Safety as our top priority.

7 COMPANY'S CONTRIBUTION

7.1 Corporate Social Responsibility Initiatives

NMDC Group recognizes that its activities could, without careful management, have a potential impact on the marine environment. This fact directed NMDC Group to develop a Corporate Social Responsibility (hereafter referred as "CSR") strategy to address environment and social challenges and meet its stakeholders' expectations. The CSR strategy aligns with NMDC Group Values (Knowledge, Accountability, Morality, Alliance and Leadership) and emphasizes its strategic objective of performing activities directed for the good of the community. NMDC Group CSR strategy is adapted regularly to suit the changes to its business environment and its stakeholder expectations. In addition, the QHSE policy also pursues commitment to protect people and property, prevent pollution, protect the environment, conserve power and focus on reducing adverse environmental impacts of our activities and operations. Emphasis is also given to comply with specific customer requirements, applicable laws, regulations, standards and relevant best practices.

NMDC identifies and selects CSR initiatives that link to its CSR policies and strategies, and add value to four quadrants as follows:

- Donations: NMDC Group encourages initiatives that enhance its participation in community life.
- Internal NMDC Group Customers: NMDC Group encourages initiatives that provide good and safe working conditions, enhance work-life balance, and increase employees' involvement.
- Business partners and authorities: NMDC Group contributes with business partners and authorities in delivering Abu Dhabi Urban Planning and Economic Vision 2030, encourages the long-term partnership strategy with vendors and sharing its lessons learned and knowledge with CEDA and IMCA members.
- HSE and Marine: NMDC Group encourages initiatives that results in minimizing adverse environmental impacts and achieving high environmental performance.

7.2 Contribution to Local Community Development

NMDC Group conducts society surveys to evaluate CSR performance and determine the actions required to improve its management of CSR policies, strategies and initiatives.

During 2023, the main activities / sponsors that were undertaken were as follows:

- Cancer Awareness campaign;
- Community outreach program including health assistance for employees' family members (people of determination);
- Health Campaigns – blood donation, health checkup, breast cancer awareness and COVID information and vaccination campaigns;
- Ramadan Campaign;
- Umrah and Hajj for laborers/worker;
- Eid donation campaign;
- Sponsorship of Al Jazira Football Club;
- Sport activities for employees; and
- Dunes International School - Marine Sustainability Fair - NMDC Dredging & Marine have been part of the Dunes International School's Marine Sustainability Fair, reaffirming our commitment to environmental responsibility.

7.3 Contribution to Environment Protection

Environmental Initiatives:

- NMDC Energy planted a total of 20,001 mangrove seedlings on West Mubarraz for ADOCs 18" Pipeline Remedial Project. A Mangrove Planting Management Plan (MPMP) was developed and approved by Environment Agency – Abu Dhabi (EAD), outlining activities such as site selection, site preparation, seedling selection, and planting. Planting activities began on December 21, 2022, and concluded on January 2, 2023. The planted mangroves are currently maintained on site by the planting subcontractor for three months, with bi-annual inspections by the Environmental Consultant to assess mangrove health.
- NMDC Group initiated 34 beach clean-up campaigns across various project sites, collecting approximately 14 tonnes of waste, demonstrating a continuous commitment to a sustainable and clean environment.
- In February and March 2023, the Shamal Project Team coordinated with the National Aquarium Abu Dhabi for the safe rescue and rehabilitation of hawksbill turtles.

Environmental Services:

- In collaboration with EAD, the Hail & Gasha project developed a marine data catalogue providing environmental information. Completed in June 2023, 2,000 catalogues were produced, with 250 distributed to ADNOC Schools, ADNOC HQ, and EAD.

Training Programs:

- Over 522 Environmental Awareness sessions were conducted across different NMDC Group project sites, covering topics such as Waste Management, Chemical Handling, Marine Mammal and Reptile Observation Awareness, and Air Quality Awareness.

World Environment Day:

- NMDC Group celebrated World Environment Day on June 5, 2023, with the theme "Beat Plastic Pollution." Awareness campaigns and the distribution of 5,000 reusable bags encouraged waste reduction. Approximately 250,000 plastic bags per year will not go to landfills due to this initiative.

Sustainability Awards:

- NMDC Group Chief Executive Officer received a recognition award during the Forbes Middle East Sustainability Leaders' Summit 2023. The award is presented by Chair of the Sustainability Summit, H.E. Dr Thani bin Ahmed Al Zeyoudi, UAE Minister of State for Foreign Trade during a ceremony.

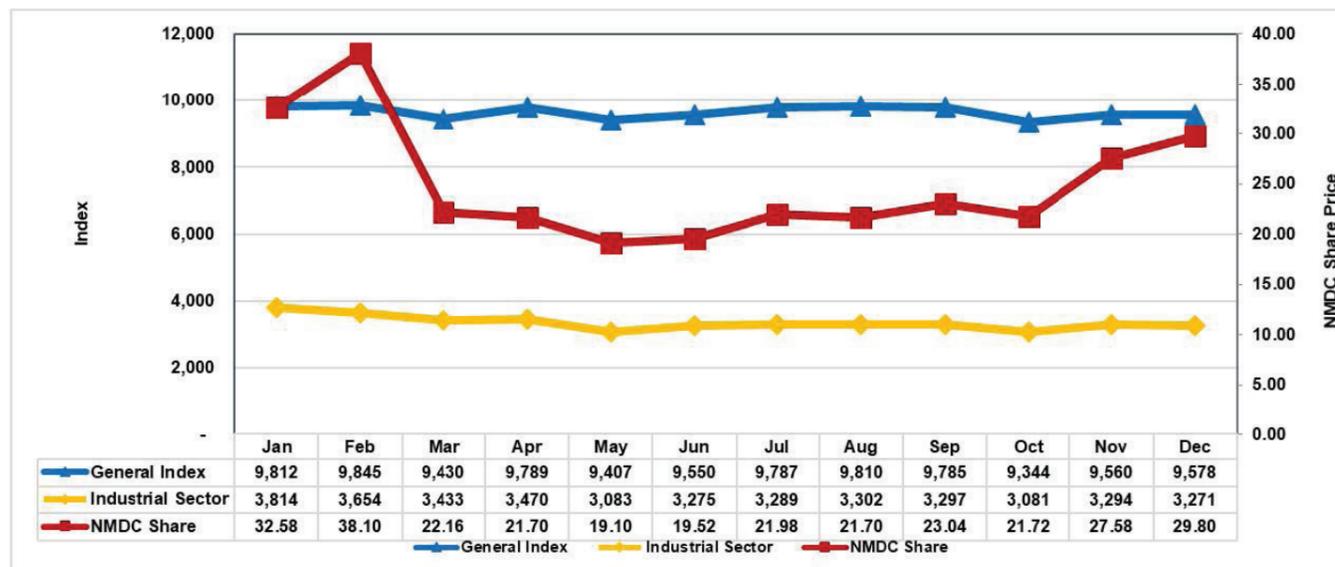
8 GENERAL INFORMATION

8.1 Monthly Price of the Company's share as compared to General and Sector Index

Statement of company's share price in the market (closing price, highest price and lowest price), General Market Index and Sector Index at the end of each month during 2023 were as follows:

MONTH	HIGHEST PRICE	LOWEST PRICE	CLOSING PRICE	INDUSTRIAL SECTOR INDEX	GENERAL INDEX
January	33.98	23.9	32.58	3,814.31	9,811.56
February	41.9	30	38.1	3,654.36	9,844.81
March	40	21.9	22.16	3,433.45	9,430.25
April	25.28	19.04	21.7	3,470.46	9,789.17
May	22.4	18.2	19.1	3,083.41	9,406.57
June	20.3	17.92	19.52	3,275.27	9,550.40
July	22.98	19.36	21.98	3,289.43	9,787.13
August	22.4	20.5	21.7	3,302.17	9,810.21
September	25.6	21.42	23.04	3,296.55	9,785.32
October	26.3	19.1	21.72	3,080.56	9,343.88
November	28.2	21.7	27.58	3,294.04	9,559.57
December	34.3	27	29.8	3,271.41	9,577.85

8.2 Chart of the comparative performance of the Company share with General Index and Company's Sector Index



8.3 Breakdown of Ownership of Company Shares by Nationality and by Category as at 31 December 2023

SHAREHOLDER CATEGORY	INDIVIDUAL SHARES	COMPANIES SHARES	GOVERNMENT	TOTAL SHARES
Locals	54,830,042	755,046,474	-	809,876,516
GCC	27,039	344,471	-	371,510
Arabs (Other than GCC)	331,844	-	-	331,844
Foreigners	921,361	13,498,769	-	14,420,130
Total	56,110,286	768,889,714	-	825,000,000
Percentage	6.80%	93.20%	-	100%

8.4 Statement of the Company's Shareholders who own 5% or more of the Company's Capital as at 31 December 2023

SHAREHOLDER	NUMBER OF SHARES	PERCENTAGE (%)
Sogno Commercial Investment – Sole Proprietorship L.L.C	364,649,990	44.20%
WAS TWO Commercial Investment – Sole Proprietorship L.L.C	172,500,000	20.91%
Abu Dhabi Ports	82,500,000	10%

8.5 Breakdown of Ownership of Company Shareholders as at 31 December 2023

SR. NO	SHARE(S) OWNED	NUMBER OF SHAREHOLDERS	NUMBER OF SHARES OWNED	THE PERCENTAGE (%) OF SHARES OWNED
1	Less than 50,000	3,752	13,966,245	1.69%
2	50,000 to less than 500,000	163	24,763,109	3%
3	500,000 to less than 5,000,000	26	32,543,958	3.94%
4	More than 5,000,000	10	753,726,688	91.36%
Total		3,951	825,000,000	100%

8.6 Special Resolutions Presented to the Annual General Assembly

On 28 April 2023, NMDC Group held its Annual General Assembly Meeting wherein three matters which require special resolutions were presented and approved by the shareholders. The details of the special resolutions are the following:

- The approval of the issuance by the Company of mandatory convertible bonds with a nominal value of AED 1 each in an aggregate principal amount of AED 624,800,000 to Golden Falcon Marine Construction (or its designee) as the acquisition price to be paid by the Company to acquire certain assets (which consist of 10 marine dredgers, 12 other vessels and related equipment and machinery) (the Acquisition) at a price of AED 32.24 per bond. Such mandatory convertible bonds shall be converted into 19,379,653 new shares with a nominal value of AED 1 each in the Company and the issued share capital of the Company shall be increased to AED 844,379,653 on conversion of such mandatory convertible bond. Each share in the Company issued on conversion shall be treated as fully paid. The shareholding of Golden Falcon Marine Construction post shareholder's approval will become 2.3% of the Company's share capital. In this regard, the Board of Directors of the Company reviewed in detail, among other things, the valuation report of the relevant assets prepared by an independent valuer approved by the Securities and Commodities Authority, and the Board of Directors approved the valuation and the exchange ratio.

2. Approval of the following resolutions and the consequential amendments to the Company's Articles of Association upon completion of the Acquisition:
- The increase of the issued share capital of the Company from AED 825,000,000 to AED 844,379,653, subject to the terms and conditions of the Transaction and with effect from the Transaction becoming effective
 - The amendment of Article 6 of the Company's Articles of Association to reflect the increase of share capital of the Company described in (a) above, Article 6 shall read as follows:
 "The issued share capital of the Company is 844,379,653 United Arab Emirates Dirhams (AED) divided into 844,379,653 shares with a nominal value of One United Arab Emirates Dirham (AED 1) for each share, paid up in full."
3. The authorization of the Chairman of the Board of Directors of the Company and its Chief Executive Officer jointly or individually, or any person so authorized by either of them, to adopt any resolution or take any action as may be necessary to implement any of the above resolutions including, without limitation, to: (a) approve the increase in share capital of the Company, resulting from the conversion of the bonds to shares, in connection with the Transaction and the Acquisition; (b) apply for the listing of new ordinary shares of the Company on the Abu Dhabi Securities Exchange; (c) correspond and negotiate with any person, entity (official or otherwise) within and outside the United Arab Emirates, adopt such resolutions and take any such action as may be necessary to obtain the necessary approvals to effect the Acquisition; and (d) agreeing any change to the above amendment to the Articles of the Company which the Securities and Commodities Authority or other regulatory authorities may request or which may be required to prepare and certify a full set of the Articles incorporating all the amendments including the introductory part of the Articles of Association and reference to the resolutions of the general assemblies of the Company amending the Articles.

8.7 Statement of significant events encountered by the Company

The Group added a new chapter to the Group's history, the Group announced a new brand identity and architecture, unifying the visual essence across its subsidiaries with the unveiling of a new corporate image during a special event held on October 30, 2023, at the Rixos Marina Ballroom in Abu Dhabi. Inspired by a redefined brand proposition and mission, the new NMDC Group identity underscores the company's commitment to deliver turnkey solutions that are environmentally conscious, safe and cost effective, leverage the talent and expertise of its people and create value and resilience for customers while generating exceptional returns for shareholders. This new image is a testament to the Group's dedication to innovation, unwavering commitment to excellence, and its relentless pursuit of boundless growth in a rapidly evolving world.

The new 'NMDC Group' brand will be applied to the all of the Group's subsidiaries, which include NMDC Dredging & Marine, NMDC Energy (formerly NPCC), NMDC Construction (formerly Emarat Europe) and NMDC Engineering.

Further, the Group has encountered the below significant events:

- NMDC Energy (formerly known as NPCC), a subsidiary of NMDC Group, has been named the EPC Contractor of the Year 2023 for the second year in a row, topping Oil & Gas Middle East magazine's EPC Contractor List 2023. The award recognizes NMDC Energy's market leadership position as well as its many achievements over the past period.
- At the annual ADIPEC 2023 conference, the world's most influential gathering for the energy ecosystem, the Group has signed a new project with ADNOC (Hail & Ghasha) with a value of AED 30 billion.
- The Group has signed a Memorandum of Understanding (MOU) with MODON for all future projects.
- The Group actively participated in the Egypt Petroleum Show to strengthen its presence in the Egypt market.

8.8 Investor Relations Officer

Mr. Khaled Al Shalati is the Company's Investor Relations Officer. Furthermore, the Company website i.e.

<https://www.nmdc-group.com/en/investor-relations/fact-sheet/>, has a dedicated page for investors, which includes information related to Investor Relations, Board of Directors Reports, Financial Statements, Annual Reports, Corporate Governance Reports, and Annual General Meeting.

Contact Information of Investor Relations Officer

Email: ir@nmdc-group.com

Office No.: +9712 - 5023175

Mobile No.: +97150 - 4111846

8.9 Innovative Projects and Initiatives

Through an appointed Innovation Committee, NMDC Group built a comprehensive program to actively encourage within its employees a culture of innovation and promote creative problem solving.

The Company utilized an Innovation cloud portal that was conveniently accessible to everyone within the organization, which helped to promote, inspire and spur Company employees to proactively participate in the many programs (termed as 'Innovation Schemes').

NMDC Group launched the transformation program called "The Falcon Program" in February 2023 that aims to enhance the business in many ways. The program focuses on improving how NMDC Group operates, delivers value, and achieves its goals. It involves various initiatives across different aspects of the organization: people, processes, technology, contracts and assets.

During March, NMDC Group also launched "Let's Grow Together", a supplier engagement initiative that aims to communicate the Group's supply chain needs and qualification criteria for future projects to suppliers throughout Abu Dhabi. The opening event, which took place at the Abu Dhabi Chamber of Commerce and Industry, welcomed more than 500 suppliers and business partners from various industries.

In July 2023, NMDC Energy hosted a supplier forum to share information about current and prospective projects, discuss safety requirements, and explore opportunities for collaboration. The Forum was attended by 150 representatives from over 60 companies.

8.10 Details of Violations

NMDC Group did not commit any violations during the year 2023.