

INTRODUCTION

Aldar Properties PJSC (or the Company) is committed to adhering to the decision of the Chairman of the Securities and Commodities Authority No. (03/RM) of 2020 on the standards of the Corporate Governance Manual of Public Joint Stock Companies. The Company annually issues a Corporate Governance Report, which reflects the Company's commitment on the effective efficient application of governance rules, and clearly demonstrates the joint efforts and synergy among the Company's Board of Directors, Executive Management and employees.

The Board of Directors considers that the existence of a strong governance system as one of the cornerstones of the Company's sustainable and long-term growth. The Board is committed to enhance the value of the Company for its shareholders, taking into account the interests of all stakeholders, including employees, suppliers, customers, business partners, as well as the communities in which the company operates.

Shareholders represent the highest levels of governance and the Company's Articles of Association define the framework through which Aldar Properties PJSC shall operate as a public joint stock company. The Company's governance framework takes into consideration the application of the principles and standards set by both the Securities and Commodities Authority and Abu Dhabi Securities Exchange, as well as the Federal Law No. (02) of 2015 on commercial companies, as amended, in order to develop the company's policy, requirements and aspirations.

1. GOVERNANCE APPLICATION IN ALDAR PROPERTIES

The Board of Directors is accountable to the shareholders for ensuring that the Company's objectives are in line with the shareholders' expectations and aspirations. In addition, they are responsible for ensuring the effectiveness of the businesses of the Company's management, with the emphasis that the Company's objectives are consistent with the statutory requirements and the professional codes of conduct defined by both Securities and Commodities Authority and Abu Dhabi Securities Exchange.

The first step in implementing an effective governance system was the preparation and development of the governance framework and ensuring its effective implementation. In the context of constant monitoring efforts to measure the effectiveness of the application of the governance system, the Board of Directors periodically reviews the governance framework and amends its elements (where necessary) to ensure its consistency with the regulatory controls and changing business environment.

The following diagram illustrates the governance framework and the key elements resulting from the application of the Company's governance system:

SECURITIES AND COMMODITIES AUTHORITY AND ABU DHABI SECURITIES EXCHANGE		
Shareholders		
Nomination and Remuneration Committee	Board of Directors	Audit, Risk and Compliance Committee
Executive Committee		Internal Audit Department
		External Auditor
Executive Management		

As indicated above, the application of the governance system involves different levels, including: Board of Directors, Executive Management, and the Internal Control System.

The Board of Directors performs periodic reviews regarding the application of standards and systems of governance in the Company, taking into consideration the legal and regulatory requirements and controls of these systems, and the application of the highest international standards in this field. The following is an overview of the governance elements at the levels of Board of Directors, Executive Management, Internal Control System and Compliance Officer.

1.1 Governance elements related to the Board of Directors

Key elements of the Company's governance at the Board's level include a set of regulations that define the overall framework for the objectives, responsibilities and framework of the Board and its Committees, which elements include the following:

- Charter of the Board of Directors.
- Charter of the Audit, Risk & Compliance Committee.
- Charter of the Nominations & Remuneration Committee.
- Charter of the Executive Committee.
- Code of Business Conduct.
- Delegations of Authority.

1.2 Governance Elements related to the Executive Management

The Executive Management shall implement the Company's strategy and conduct its day-to-day business in accordance with the business plan developed by the Board of Directors. The Executive Management shall have the authority to manage the affairs and business of the Company, taking into consideration the protection of the interests of shareholders, the application of the best international practices and meeting the needs of daily operations practically. In addition to the Delegations of Authority, the key elements of governance at the Executive Management level include a set of regulations that define the overall framework for the objectives, responsibilities and tasks assigned thereto, as follows:

- Charter of the Executive Management Committee.
- Charter of the Tender Committee.
- Charter of the Risks Management Committee.
- Code of Business Conduct.

1.3 Governance elements related to the Internal Control System

The Company's Board of Directors has developed the rules and regulations of the Company's business in such a way that renders all employees fully aware of the importance of the internal control system, contributing to their participation in ensuring the continuity of this system to be highly effective.

The key elements of the internal control system include:

- Development and approval of policies, charters and regulations that regulate the company's activities and works at all department and division levels, in coordination with the company's Centre of Excellence.
- External Auditor and the Internal Audit Department.
- Shareholders of the Company and the General Assembly.
- Company's Social Responsibility.
- Whistleblower Policy.
- Continuous market disclosure.

2. TRANSACTIONS AND TRADINGS OF THE COMPANY'S DIRECTORS AND THEIR FIRST-DEGREE RELATIVES IN THE COMPANY'S SHARES DURING 2021

The Board of Directors (along with all employees and insiders of the Company) firmly believes in the importance and necessity of compliance with the rules and regulations controlling their transactions and tradings in the shares and securities of the Company. In addition to their timely declarations and disclosures based on the adoption of the principles of equal opportunities, they are also prohibited to use any undisclosed internal information for personal interest or to remove a harm that may affect them as a result of any undisclosed material information. This enhances the confidence of investors and shareholders, and encourages them to further consider and study the Company's projects and invest in its shares, assets, current and future projects.

Based on the foregoing, and in the light of the disclosures made by the Board of Directors, the following table shows the shares and securities owned by the Directors and their first-degree relatives (their spouses and children) in the Company's share capital as of December 31, 2021, and the Tradings in the Company's Shares carried out by them during the year 2021:

Name	Position / Relationship	Shares owned as of December 31, 2021 (Share)	Shares owned by first-degree relatives in the capital of the company (Share)	Total Sales Transactions (Share)	Total Purchases Transactions (Share)
H.E. Mohamed Khalifa Al Mubarak	Chairman of the Board of Directors	1,275	-	-	-
Mrs. Mariam Saeed Ahmed Saeed Ghobash	Vice-Chairperson	-	-	-	-
Mr. Waleed Ahmed Salem Almokarrab Al Muhairi	Member	431,466	-	-	-
Mr. Khalifa Abdulla Khamis Al Romaithi	Member	-	-	-	-
Mr. Hamad Salem Mohamed Al Ameri	Member	1,665	-	-	-
Mr. Ali Saeed Abdulla Sulayem Al Falasi	Member	211,580	-	-	-
Mr. Martin Lee Edelman	Member	-	-	-	-

3. BOARD OF DIRECTORS

The role of the Board of Directors is to supervise the Company's business affairs. The Board of Directors is responsible for monitoring the effectiveness of the governance framework, controlling and supervising the management and controls applied in the Company. The Board has delegated some of its authorities to its Committees (Audit, Risk & Compliance Committee, Nomination and Remunerations Committee, Executive Committee), which operate according to the Charters and Regulations.

The Board has also delegated the tasks of the day-to-day management of the Company to the Chief Executive Officer, in accordance with its specific authority in this regard, for a renewable three-year term. These mandates shall be documented in the Delegations of Authority, which in turn is subject to periodic review to ensure balance and suitability between the level of control and the risks management and work requirements within the company with regard to its developments and changes in its activities and operations. A comprehensive and material review was conducted to the Delegations of Authority, which was approved by the Board of Directors at its Meeting No. (05/2018) held on May 14, 2018. In addition, amendments and revisions were conducted to the items on the Delegations of Authority by the Board of Directors and its Executive Committee during the meetings held during 2021 according to the requirements and business interests of the Company.

3.1 Chairman

- H.E. Mohamed Khalifa Al Mubarak undertakes the position of Chairman of the Board of Directors of Aldar Properties PJSC according to the Board of Directors' decision at its Meeting No. (02/2019) held on March 20, 2019, following the process of re-election and formation of the Board of Directors of the Company under the resolution issued by the shareholders in the General Assembly meeting that was held on March 20, 2019. The Chairman of the Board shall be responsible for leading the Board and ensuring that he carries out his responsibilities and duties effectively, and the Chairman of the Board shall be considered a key link between the Board and the Executive Management. He continuously works with the Executive Management of the Company. In particular, the Chairman has the following tasks and responsibilities:
 - Ensure that the Board works effectively, fulfils its responsibilities and discusses all key and proper issues on time.
 - Develop and approve the agendas of all meetings of the Board of Directors, taking into account any issues which the Directors propose to be included in the agenda.

- Encourage all Directors to fully and effectively participate in order to ensure that the Board acts in a manner that guarantees the achievement of the Company's interests, and to ensure that the members of the Board of Directors perform their duties to achieve the interests of the Company.
- Take appropriate actions to ensure effective communication with shareholders and communicate their views to the Board of Directors.
- Hold periodic meetings with non-executive Board Members without the attendance of the Company's Executives.
- Facilitate the effective contribution of the Board's Members (specially the non-executive Directors), and create constructive relationships between the executive and non-executive members, and to create a culture encouraging the constructive criticism.
- Ensure that the directors receive all required information which is clear, accurate and not misleading, so that they can perform their duties.
- Ensure that the Board is subject to an annual assessment.
- Ensure that the performance of the management team and the directors is assessed at least once a year.
- Ensure that the directors participate in an introduction program upon their appointment.
- Ensure that the directors participate in training programs.
- Ensure that the directors take enough time for consultation and decision making.
- Represent the company before third parties according to the provisions of the Commercial Companies Law and the Company's bylaws.
- Take into consideration any matters raised by the directors or the external auditor, consult the directors and the CEO upon preparation of the Board agenda, and ensure to keep meeting minutes.
- Ensure that the Board and its committees are working appropriately according to the applicable laws and regulations.
- Ensure that the directors obtain an approval from the Board for trading in the Company's shares according to the applicable regulations, laws and policies.
- Ensure that the Board elects a vice-chairperson.
- Ensure that each director receives a conflict-of-interest acknowledgement at each meeting to avoid conflict of interests.
- Ensure that the directors disclose information and acts that be disclosed according to the applicable laws of the financial markets
- Notify the General Assembly during the meeting of the business and contracts in which any director has a direct or indirect interest.
- Support and encourage the corporate governance standards and the code of business conduct at both the Board and company levels.
- Ensure effective communication channels between the shareholders and the stakeholders.

3.2 Board Competencies

The Board prepared a list of the matters that are under its control (along with the duties and obligations stated in the company's Memorandum and Articles of Association, the Federal Law-Decree No. (32) of 2021 concerning the Commercial Companies, as amended, and the decision of the Chairman of the Securities and Commodities Authority No. (03/RM) of 2020 on the standards of the Corporate Governance Manual of Public Joint Stock Companies, which are of strategic nature, highly critical and beyond the authority delegated to the Executive Management of the Company.

These matters include:

- Taking the necessary procedures to ensure compliance with the provisions of the applicable laws, regulations and decisions and the requirements of the regulators.
- Adopting and supervising the implementation of the strategic directions and main objects of the Company, including: (1) developing and regularly reviewing the overall strategy of the Company and main business plans, (2) developing and regularly reviewing the risk management policy, (3) identifying the ideal capital structure, strategy and financial objects of the Company, (4) approving the annual budgets. (5) supervising the Company's main capital expenditures, ownership and disposal of assets, (6) developing KPIs and monitoring the implementation and overall performance of the Company, (7) periodically reviewing and approving the organisational and functional structures of the Company.
- Taking the necessary procedures to ensure efficient internal auditing of the workflow in the Company, including setting a clear policy approved by the Board for implementing the internal audit, and setting detailed written policy and procedures for the internal audit, which determines the duties and responsibilities in accordance with the policy approved by the Board and the general requirements and objectives specified in the applicable laws.
- Establishing an internal audit department to follow-up the compliance with the applicable laws, regulations and decisions and the requirements of the regulators, and the internal policy, regulations and procedures set by the Board.
- Setting written procedures to manage and address conflict of interests for directors, senior executive management members and shareholders, and setting the procedures to be taken in case of abuse of the Company's assets and facilities and misconduct resulting from the dealings with the related parties.
- Ensuring the soundness of the administrative, financial and accounting systems, including the policy related to the preparation of financial reports.
- Ensuring the use of appropriate regulatory systems for risk management by identifying and transparently discussing the risk faced by the Company.

3. BOARD OF DIRECTORS continued

3.2 Board Competencies continued

- Setting a clear delegation of authority in the company, which specifies the authorised persons and their authorities.
- Setting a policy regulating the relationship with stakeholders ensuring the Company's fulfilment of their obligations towards them, preserving their rights, providing them with the necessary information and establishing good relationship with them.
- Setting a code of business conduct for the Company's directors, employees and auditors and persons to whom some of the Company's tasks.
- Setting procedures for implementing the rules of corporate governance, and annually review them and assess the compliance therewith.
- Establishing appropriate development programs for all directors in order to develop and update their knowledge and skills and to ensure their effective participation in the Board, and to ensure the implementation of any training or qualifying programs established by the Authority or the Market.
- Familiarising a newly appointed Board members with all departments and divisions of the Company, and provide them with all information necessary to ensure correct understanding of the Company's business and requirements, full awareness of their responsibilities, all that enables them to do their work to the fullest, according to the Company's requirements and applicable regulations.
- Setting procedures to prevent the insiders in the Company from using the confidential information to make tangible or intangible gains.
- Setting a mechanism to receive shareholders' complaints and proposals including their proposals to add certain subjects in the agenda of the general assembly, in a way that ensures the consideration thereof and taking appropriate decision thereon.
- Adopting criteria for granting incentives, bonus and benefits of the directors and senior executive management members, which helps to achieve the Company's interest, goals and strategic objectives.
- Setting a policy for disclosure and transparency, and monitor the implementation thereof according to the requirements of the regulators.
- Setting a clear policy for distribution of Company profits in a manner that serves the interests of both the shareholders and the Company, and to obtain the necessary approvals thereof in accordance with the legal requirements.
- Ensuring the availability of required resources for achieving the Company's goals.
- Ensuring the protection of shareholder's interests and the Company's assets.
- Ensuring establishment of compliance function to monitor the compliance with the applicable laws, regulations and decisions, as well as the requirements of the regulators, the internal policy and regulations and procedures established by the Board.
- Determining the Company-wide risk appetite including specific targets, or the thresholds, or the indicators related to risk appetite.
- Supervising Company human resources policies.
- Ensuring the accuracy and validity of disclosed data and information according to the applicable policies and regulations in relation to disclosure and transparency.
- Determining and recommending potential new Directors to be nominated and authorised by the shareholders.
- Recommending the remuneration policy of the Board for approval by the shareholders.
- Evaluating the overall performance of the Board and its committees and members and their effectiveness, and to take corrective actions as necessary.
- Ensuring that the Board communicates with the stakeholders through the investor relationship department.
- Forming specialised committees under the Board of Directors in accordance with the decisions that set the duration of these committees, their powers, tasks and responsibilities, as well as the method that the Board of Directors follows in monitoring these committees.
- Evaluating the performance and work of the Board's committees and members.

3.3 Formation of the Board of Directors

The Board of Directors of Aldar Properties currently includes seven Members, namely:

SN	Members	Position
1	H.E. Mohamed Khalifa Al Mubarak	Chairman
2	Mrs. Mariam Saeed Ahmed Ghobash	Vice-Chairperson
3	Mr. Waleed Ahmed Salem Almokarrab Al Muhairi	Member
4	Mr. Khalifa Abdulla Khamis Al Romaithi	Member
5	Mr. Hamad Salem Mohamed Al Ameri	Member
6	Mr. Ali Saeed Abdullah Sulayem Al Falasi	Member
7	Mr. Martin Lee Edelman	Member

Notes:

- The current Board of Directors assumed its duties and responsibilities in accordance with the decision issued by the General Assembly meeting of the Company held on March 20, 2019.
- H.E. Mohamed Khalifa Al Mubarak was elected as Chairman by virtue of the Board of Directors' decision at its meeting No. (02/2019) held on March 20, 2019, by secret voting.
- Mrs. Mariam Saeed Ahmed Ghobash was elected as Vice-Chairperson by virtue of the Board of Directors' decision in July 1st, 2020 which has been ratified by the Board at its meeting No. (04/2020) held on August 12, 2020, following the resignation of Mr. Waleed Ahmed Salem Almokarrab Al Muhairi from his position as Vice-Chairperson (he shall continue to hold his position as a member of the Company's Board and related Committees) effective from 01 July 2020.
- Mr. Mansour Mohamed Al Mulla has held position of member of board of directors until February 28, 2021 when he has resigned. Mr. Khalifa Abdulla Khamis Al Romaithi has been as his successor under the resolution adopted by the Board on March 1, 2021 which was approved and ratified by the shareholders' general assembly held on March 24, 2021.

In this regard, it should be noted that the membership of the Board of Directors consisted mostly of the independent members since the establishment of the Company according to the decision of the Chairman of the Securities and Commodities Authority No. (03/RM) of 2020 on the standards of the Corporate Governance Manual of Public Joint Stock Companies, and the Charter of the Board of Directors approved by the Board of Directors.

All Members of the Board are non-executive and independent. The Board has adopted a policy on the independency of Members, under which the independence of each Member is assessed annually, which falls within scope of the responsibilities of the Nominations & Remuneration Committee, according to the decision of the Chairman of the Securities and Commodities Authority No. (03/RM) of 2020 on the standards of the Corporate Governance Manual of Public Joint Stock Companies. Accordingly, the conflict of interests and the emergence of relationships that may arise on independent members, which in turn may lead to a breach of independence, shall be reported and the relevant procedures shall be taken into account if the Board finds any defect or a decline in the capacity of their independence.

The following table shows the classification of the Board's Member (executive / non-executive / independent / non-independent) and the year of appointment for each Member:

Members	Position	Status		Year of Appointment
		Independent	Executive	
H.E. Mohamed Khalifa Al Mubarak	Chairman	Yes	No	2017
Mrs. Mariam Saeed Ahmed Ghobash	Vice-Chairperson	Yes	No	2019
Mr. Waleed Ahmed Salem Almokarrab Al Muhairi	Member	Yes	No	2016
Mr. Khalifa Abdulla Khamis Al Romaithi	Member	Yes	No	2021
Mr. Hamad Salem Mohamed Al Ameri	Member	Yes	No	2015
Mr. Ali Saeed Abdullah Sulayem Al Falasi	Member	Yes	No	2013
Mr. Martin Lee Edelman	Member	Yes	No	2011

Notes:

- H.E. Mohamed Khalifa Al Mubarak was elected as a Chairman by the Board of Directors at its meeting No. (02/2019) held on March 20, 2019.
- Mrs. Mariam Saeed Ahmed Ghobash was elected as Vice-Chairperson by virtue of the Board of Directors' decision on July 1st, 2020 which has been ratified by the Board at its meeting No. (04/2020) held on August 12, 2020, following the resignation of Mr. Waleed Ahmed Salem Al Moqarrab Al Mehairi from his position as Deputy Chairman (he shall continue to hold his position as member of the Company's Board and related Committees) effective from 01 July 2020.

3. BOARD OF DIRECTORS continued

3.4 Membership of the Directors in other Companies and Corporations

The following table shows the membership of the Board's Members in other public bodies and companies, and their current positions in the supervisory, governmental, economic and commercial bodies, as on December 31, 2021:

Member	Company / Body	Position/Job
H.E. Mohamed Khalifa Al Mubarak (Chairman)	Executive Council of Abu Dhabi Emirate	Member of the Executive Council
	Department of Culture & Tourism – Abu Dhabi	Chairman of the Board of Directors
	Miral Properties Management	Chairman of the Board of Directors
	Tourism Development & Investment Company	Chairman of the Board of Directors
	Image Nation Company	Chairman of the Board of Directors
	Al Qattara Investment Company	Member of the Board of Directors
	Media Zone Authority	Member of the Board of Directors
	Al Jazeera Real Estate Investment and Development Co.	Member of the Board of Directors
Mrs. Mariam Saeed Ahmed Ghobash (Vice-Chairperson)	ADNOC Distribution PJSC	Member of the Board of Directors
	Emirates Telecommunications Corporation PSC "Etisalat"	Member of the Board of Directors
	Emirates Development Bank	Member of the Board of Directors
Mr. Waleed Ahmed Salem Almokarrab Al Muhairi (Member)	Zayed University	Member of the Board of Directors
	Mubadala Investment Company PJSC	Deputy Group CEO
	Waha Capital Company PJSC	Chairman of the Board of Directors
	Cleveland Clinic Hospital – Abu Dhabi	Chairman of the Board of Directors
	Cleveland Clinic Hospital – USA	Member of the Board of Trustees
	Global Institute for Disease Elimination: GLIDE	Chairman of the Board of Directors
	Mubadala Healthcare	Chairman of the Board of Directors
	Hub71 Platform	Member of the Board of Directors
	Investcorp Holding	Member of the Board of Directors
	Tamkeen Abu Dhabi Company	Member of the Board of Directors
	Ellipses Pharma Limited	Member of the Board of Directors
	Noon.com Company	Member of the Board of Directors
Mr. Hamad Salem Mohamed Al Ameri (Member)	First Abu Dhabi Bank	Member of the Board of Directors
	Trojan General Contracting L.L.C	Vice-Chairperson and Managing Director
	Alpha Dhabi Holding PJSC	Managing Director & CEO
	Mawarid Holding L.L.C	Member of the Board of Directors
	National Marine Dredging Company PJSC	Vice-Chairperson of the Board of Directors
Mr. Khalifa Abdulla Khamis Al Romaihi (Member)	Arabtec Holding PJSC	Member of the Board of Directors
	Mubadala Investment PJSC	Executive Director – UAE Real Estate
	DEPA Group PLC	Member of the Board of Directors
	Next Decade Company	Member of the Board of Directors
	Abu Dhabi National Takaful Co. PJSC ('Takaful')	Member of the Board of Directors
Mr. Ali Saeed Abdulla Sulayem Al Falasi (Member)	Emirates Driving School Company	Chairman of the Board of Directors
	Gulf Energy Maritime	Member of the Board of Directors
	Resco Company LLC	Member of the Board of Directors
	Hydra Properties L.L.C	Chief Executive Officer
Mr. Martin Lee Edelman (Member)	Emirates Stallions Group (ESG)	Vice-Chairperson of the Board of Directors
	Royal Group	Member of the Audit Committee

Note:
· This information is based on the disclosures made by the Board's Members as on December 31, 2021.

According to the Charter of the Board of Directors, all Members have wide experience in business and management, particularly in the Real Estate Sector. The following table shows the educational qualifications and experiences of the Board's Members:

Members	Educational Qualifications	Experience period in the Field of Business and Management (in years)	Experience Field						
			Real Estate and Constructions	Oil, Energy and Facilities	Banks, Finance and Insurance	Telecommunications	Government and nonprofit, public and other organisations	Healthcare and Pharmaceutical Industries	Media
H.E. Mohamed Khalifa Al Mubarak	• Dual specialisation in Economics and Political Science from North Eastern University, USA.	15+	✓		✓		✓		✓
Mrs. Mariam Saeed Ahmed Ghobash	• Bachelor's degree in Economics from Wharton, from Pennsylvania State University in the United States of America.	14+	✓		✓	✓	✓		
Mr. Waleed Ahmed Salem Almokarrab Al Muhairi	• Master of Public Policy with a specialisation in Business Administration and Government from Harvard University, USA. • Bachelor of Science in International Affairs from Georgetown University, USA.	19+	✓	✓	✓	✓	✓	✓	✓
Mr. Hamad Salem Mohamed Al Ameri	• MBA from the Canadian University. • Bachelor of Civil Engineering from the American University in Dubai (AUD).	17+	✓	✓	✓			✓	
Mr. Khalifa Abdulla Khamis Al Romaihi	• Bachelor in Business Administration with a major in Finance from the University of Portland – USA	19+	✓	✓	✓			✓	
Mr. Ali Saeed Abdulla Sulayem Al Falasi	• MBA from the University of Sharjah. • Bachelor of Science – Production and Operations Management from the California State University. • Bachelor of – Accounting from UAE University	26+	✓		✓			✓	
Mr. Martin Lee Edelman	• PhD in Legal Science from Columbia University, USA. • Bachelor in Political Science from the Princeton University.	48+	✓					✓	

3.5 Women Representation in the Board of Directors during 2021

In its current formation, the Board of Directors includes one woman (one member), which is equivalent to 14.28% of the composition of the Board of Directors represented in the joining of Mrs. Mariam Saeed Ahmed Ghobash to the Company's Board of Directors, through the process and procedures for re-election and formation of the Company's Board of Directors in accordance with the decision issued by the company's shareholders at the General Assembly held on March 20, 2019.

3.6 Orientation Program

The new Directors are subject to an orientation program, during which their rights, duties and responsibilities are defined as Directors. The new Directors joined this orientation program, which aims to obtain comprehensive information from the Management and to conduct field visits to the Company's sites. In addition, the Company has provided all tools and means of communication that would provide the Directors with comprehensive information regarding the Company and its activities, so that the Directors can properly perform their responsibilities, as well as provide them with the latest developments communicated by the Executive Management during the Board's meetings. The Directors also receive periodic information from specialists inside and outside the Company regarding major business, sector developments and core issues associated with their functions as Directors.

3.7 Eligibility to obtain an Independent Consultations

According to the Charter of the Board of Directors, each Director shall be entitled to seek an independent external consultation based on non-conflict of interests after consultation with the Board or its Committees. The cost of such external consultations shall be borne by the Company as determined by the Board or its Committees.

3. BOARD OF DIRECTORS continued

3.8 Remunerations of the Directors and Allowances of Attendance at the Meetings of the Board and its Committees

Article (28) of the Articles of Association of Aldar Properties provides that:

The remunerations of the Directors shall be a percentage of the net profit of the Company, provided that it shall not exceed 10% of such profits for the fiscal year. The Company may pay additional expenses, fees or remunerations or monthly salary determined by the Board of Directors to any of its members if such Member works in any Committee, makes special efforts or performs additional works to serve the Company above his normal duties as a director.

Fines imposed on the Company due to violations by the Board of Directors of the Law or the Company's Articles of Association during the ended fiscal year shall be deducted from the remunerations of the Board. The General Assembly may not deduct such fines if it knew that such fines were not resulting from a default or omission by the Board of Directors."

Article (48) of the Articles of Association defines the distribution method of net profits. The net annual profits of the Company are distributed after deduction of all general expenses and other costs as follows:

- Ten percent (10%) shall be deducted and allocated to the legal reserve. This deduction shall be stopped when the total reserve amounts to 50% of the Company's paid-up capital. If the reserve decreased, the deduction shall be resumed. The legal reserve may not be distributed to the shareholders. If the reserve exceeded 50% of the Company's paid-up capital, such excess may be used to distribute profits to the shareholders in the years when the Company does not achieve net profits enough for distribution.
- The General Assembly shall determine the percentage of the net profit to be distributed to the shareholders after deduction of the legal reserve, provided that if the net profits in a year are not enough for distribution, such profits may not be claimed from profits of subsequent years.
- The Directors shall receive a remuneration to be determined by the General Assembly annually, provided that such remunerations shall not exceed 10% of the net profit of the financial year ended after deducting both depreciation and legal reserve.
- The remainder of the net profit or any part thereof shall be distributed to the shareholders, carried out to the next year or allocated for the establishment of an optional reserve as determined by the Board.
- The Company may distribute annual, semi-annual or quarterly profits to the shareholders in accordance with the policy and/or decisions of profit distributions proposed by the Board of Directors and approved by the General Assembly.

• Total Remunerations of the Members of the Board of Directors for the year 2020

Based on the decision issued by the General Assembly of the company at its meeting held on March 24, 2021, the total remuneration received by the members of the Company's Board of Directors for the fiscal year ending on December 31, 2020 amounted to AED 20,700,000.00 (Twenty Million Seven Hundred Thousand Dirhams). This amount includes the fees for attending the meetings of the committees emanating from the Board of Directors during the year 2020.

Total proposed remunerations of the Directors for 2021

It has not been determined yet and the report shall be updated as soon as such remuneration is determined and approved by the shareholders in the General Assembly to be held in April 2022.

Allowances of Attendance at the Meetings of the Board and its Committees for 2021

No allowances or remunerations have been released to the members of boards against attendance of the Board's Meeting during 2021. With relation to the allowances for attending the Board Committees' meetings, the following table indicates the allowances received by the Members of Board against their attendance of the Board Committees' Meetings during 2021 totalling AED 975,000.00 (AED Nine Hundred and Seventy-Five Thousand):

Name	Committee Name	Allowances of Attendance at the Meetings of the Board Committees for 2021	
		Number of Meetings	Allowance Value
H.E. Mohamed Khalifa Al Mubarak	-	-	0.00
Mrs. Mariam Saeed Ahmed Ghobash	Executive Committee	9	100,000.00
	Nominations & Remuneration Committee	2	50,000.00
Mr. Waleed Ahmed Salem Almokarrab Al Muhairi	Executive Committee	9	200,000.00
Mr. Hamad Salem Mohamed Al Ameri	Executive Committee	8	100,000.00
	Audit, Risk Management & Compliance Committee	6	100,000.00
Mr. Khalifa Abdulla Al Romaithi	Audit, Risk Management & Compliance Committee	4	100,000.00
Mr. Ali Saeed Abdulla Sulayem Al Falasi	Audit, Risk Management & Compliance Committee	7	200,000.00
	Nominations & Remuneration Committee	1	25,000.00
Mr. Martin Lee Edelman	Nominations & Remuneration Committee	2	100,000.00
Total			975,000.00

• Allowances, salaries or additional fees that a member of the Board has received other than the committees' attendance allowances and their reasons during the year 2021

The Directors did not receive any additional allowances or salaries during the year 2021.

3.9 Meetings of the Board of Directors

The Board held five (5) meetings during 2021 to discuss strategic and operational matters related to the Company and to take the necessary decisions thereon. The following table shows the dates of holding these meetings:

Meeting	Date Held
01/2021	14 January 2021
02/2021	12 May 2021
03/2021	11 August 2021
04/2021	03 November 2021
05/2021	15 December 2021

Note:

- In addition to the Board's meetings, the Executive Committee held nine (9) meetings during 2021 to discuss the strategic and operational matters and to submit recommendation thereon to the Board (See clause 6.3 for more information on the Executive Committee). In addition, some decisions were passed by the Board by circulation (see clause 3.10 which explains that).

Attendance of the above-mentioned meetings was as follows:

Director	Meeting 01/2021	Meeting 02/2021	Meeting 03/2021	Meeting 04/2021	Meeting 05/2021	No. of Personal Attendances
H.E. Mohamed Khalifa Al Mubarak	✓	✓	✓	✓	✓	5
Mrs. Mariam Saeed Ahmed Ghobash	✓	✓	✓	✓	✓	5
Mr. Waleed Ahmed Salem Al Moqarrab Al Mehairi	✓	✓	✓	✓	✓	5
Mr. Khalifa Abdulla Khamis Al Romaithi	-	✓	✓	✓	✓	4
Mr. Hamad Salem Mohamed Al Ameri	✓	✓	✓	✓	✓	5
Mr. Ali Saeed Abdulla Al Falasi	✓	✓	✓	✓	✓	5
Mr. Martin Lee Edelman	✓	✓	✓	✓	-	4

Notes:

- Mr. Mansour Mohamed Al Mulla has attended the Board of Directors' meeting No. (01/2021) held on 14 February 2021 wherein he was a director at such time, and then he resigned as a director with effective from 28 February 2021.
- Mr. Khalifa Abdulla Al Romaithi did not attend the Board of Directors' meeting No. (01/2021) held on 14 February 2021 wherein he was not a director at such time.
- The attendance of the Directors at these meetings is represented according to this table by their personal attendance, using the modern means/ visual communication (Microsoft Teams App).

3. BOARD OF DIRECTORS continued

3.10 Resolutions passed by circulation

During 2021, the Board of Directors passed six (6) resolutions by circulation, taking into consideration the relevant controls stipulated in Article (24) of the Company's Articles of Association and the decision of the Chairman of the Securities and Commodities Authority No. (03/RM) of 2020 on the standards of the Corporate Governance Manual of Public Joint Stock Companies, where:

- The majority of the Board of Directors agreed that the cases for which the resolutions were passed are considered emergency.
- The Directors have been given the resolutions in writing, with all necessary documents, for review and approval.
- The resolutions passed by the Board were approved in writing by majority, and were presented at the next meeting of the Board to be included in the minutes of such meeting.
- The passed resolutions by circulation shall not be considered as a meeting of the Board of Directors. Therefore, the minimum number of the Board's meetings specified in the Company's Articles of Associations has been complied with (see clause 3.9 which explains that).

3.11 Business Transactions with related Parties

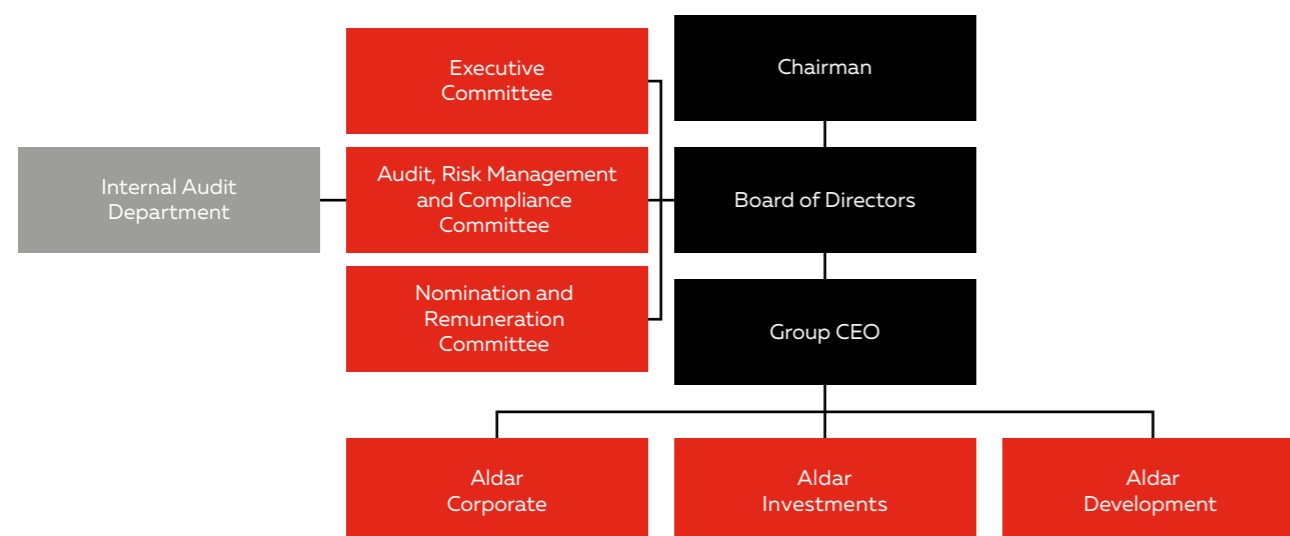
The following table shows the transactions done with related Parties during 2021:

Related Party	Nature (Type) of the Transaction	Transaction Value (in AED Thousand)
Government of Abu Dhabi	Revenue	1,757,829
Government of Abu Dhabi	Other income	10,913
Finance income from project finance	Finance income	8,725
Major shareholder I and its affiliates	Revenue	30,807
Major shareholder I and its affiliates	Other income	9,203
Finance income from joint ventures	Finance income	7,553
Banks controlled by the Government	Finance costs	51,140
Banks controlled by the Government	Finance income	5,206

4. ORGANISATIONAL STRUCTURE AND EXECUTIVE MANAGEMENT

4.1 Organisational Structure of the Company

Since its inception, Aldar Properties has been developing and implementing an efficient and effective organisational structure at all department and division levels in order to ensure a high-level of coordination and management interaction, and to ensure a high-level of disclosure, transparency and interaction with markets, which is reviewed continuously by the relevant Committees. The following diagram represents the Company's Organisational Structure:



4.2 Executive Management Team

The Executive Management Team (which includes the Chief Executive Officer and Executive Officers of its departments and divisions) work according to their authorities specified by the Board of Directors, and within the approved strategic plan. They are responsible for managing the day-to-day operations of the Company and key business issues, in line with the strategic plan framework of the Company. The Chief Executive Officer periodically meets with the Executive Management Team directly. It should be noted that in the absence of the Chief Executive Officer for any reason, the Executive Management Committee shall continue all operations and activities of the Company, as this committee holds its meetings weekly.

The following table shows the Members of the Executive Management Team, their appointment dates, salaries and Remunerations they received during 2021:

Position	Date of Appointment	Total Salaries and Allowances during 2021 (AED)	Annual Bonus during 2021 (AED)	Vesting of previous years RSUs during 2021 (in AED) (B)		Any Other Remunerations in cash for 2021 or will be payable in the future
				Employee Contribution	Company Match	
Group Chief Executive Officer	April 15, 2006 (A)	2,721,364.00	5,842,340.00	2,650,327.00	2,650,327.00	See Note (C)
Group Chief Financial & Sustainability Officer	November 1, 2011	2,225,292.00	1,789,096.00	1,372,112.00	1,372,112.00	See Note (C)
Chief Executive Officer - Aldar Investments	April 17, 2016	2,270,952.00	1,306,896.00	1,178,885.00	1,178,885.00	See Note (C)
Chief Executive Officer - Aldar Development	November 01, 2020	2,490,600.00	1,632,708.00	0.00	0.00	See Note (C)

Notes:

- (A) The Chief Executive Officer occupied his position as from November 12, 2017 according to the Board of Directors' decision at its meeting No. (06/2017) held on November 12, 2017, as he was the Chief Development Officer of the Company until that date.
- (B) The amounts in AED are combined figures based on the 30% individual contribution plus 30% company contribution as per the Long-term incentive plan vesting criteria.
- (C) The eligible Executive Management Team members are part of a Long-term incentive plan, where applicable RSUs will vest over a period of five years as follows and as per the adherence to LTI policy requirements and conditions of vesting:
For the year 2021, the members have been awarded a total amount of AED 9m which will translate into an RSU in the next 90 days as per the following:
Group Chief Executive Officer: AED 2.5m employee contribution plus AED 2.5m company match; Group Chief Financial & Sustainability Officer: AED 0.75m employee contribution plus AED 0.75m company match; Chief Executive Officer - Aldar Investments: AED 0.55m employee contribution plus AED 0.55m company match; Chief Executive Officer - Aldar Development: AED 0.7m employee contribution plus AED 0.7m company match.

4.3 Responsibilities and Authorities of the Executive Management

The Chief Executive Officer has the authority to act within the framework of the operational plan and the budget of operating income and expenses discussed and approved by the Board, according to the authorities granted thereto under the Delegations of Authority. The Chief Executive Officer may delegate some of his duties to the Executive Management Team, according to the current policies of the Board, Delegations of Authority and legal requirements which determine the powers of such delegation. The validity of responsibilities and duties vested in the Chief Executive Officer is three (3) renewable years.

4. ORGANISATIONAL STRUCTURE AND EXECUTIVE MANAGEMENT continued

4.3 Responsibilities and Authorities of the Executive Management continued

Following are the duties and responsibilities assigned by the Board of Directors to the Chief Executive Officer and the Executive Management Members:

A. Leadership, Business Strategy and Management

- Providing integrated management of the Company, including the provision of adequate and comprehensive information about the Company to customers, suppliers, shareholders, financial institutions, employees and media.
- Development of the Company's projects and operations, taking into account the responsibilities of the Company towards its shareholders, customers and employees.
- Putting recommendations to the Board of Directors on the development of performance strategies, operations and day-to-day management.
- Management of the Company in line with the strategies, business plans and policies approved by the Board of Directors.
- Management of operations and daily affairs, taking into consideration the matters on which the Board of Directors reserves the right to decide.
- Ensuring coordination and integration between the Company's divisions and departments, and establishment of institutional culture, Code of Business Conduct, and integrity in the Company, including the matters related to its bids, contracts and other practices.
- Periodic review of the organisational structure of the Company, and making the necessary amendments in this regard.
- Directing the Members of the Executive Management in their daily management tasks, and supervise their performance.
- Consulting the Board of Directors in matters of strategic or sensitive nature, or which are essential matters, to draw the Board's attention to it and take the necessary decisions.

B. Risk Management and Internal Control

- Ensuring compliance by the employees with the Code of Business Conduct.
- Risk management.
- Effective application and management of all essential aspects of risk management, Internal Control and compliance, to support policies adopted by the Board of Directors.
- Compliance with the legislative and legal requirements of the Securities and Commodities Authority, Abu Dhabi Securities Exchange, and Federal Law-Decree No. (32) of 2021 on commercial companies, as amended.

C. Financial Supervision and Assets Management

- Studying the efficiency and cost effectiveness of all operations of the Company.
- Ensuring the integrity of data, records and financial system.
- Protecting funds and assets managed by the Company, and ensuring the efficient utilisation thereof.
- Ensuring the credibility, accuracy and reliability of financial and administrative information related to the Company's activity.
- Development of annual financial statement for approval by the Board of Directors.
- Ensuring that the financial reports of the Company reflect a true and fair financial position of the Company and the results of its businesses and operations.
- Verification of all investments and major expenditure of the Company's capital, and development of appropriate proposals and recommendations thereon and submission thereof to the Audit, Risk & Compliance Committee, the Executive Committee and/or the Board of Directors for approval.

In addition, the Board of Directors instructed to form a number of management committees, which include a number of Members of the Executive Management Team. The Board has delegated to them a set of authorities and powers that will support and enhance the Executive Management functions, which positively reflects on the daily activities and operations of the Company. Each of these committees shall be subject to a special charter specifying their members and the way of their appointment, their powers, responsibilities, function, the mechanism of action, reporting and periodic performance assessment, etc. Such charters are periodically reviewed by the Board of Directors to ensure the efficiency and effectiveness of these committees. The Board of Directors conducted a comprehensive review of all the charters of these committees at its meeting No. (07/2018) held on November 14, 2018. These committees are as follows:

- **Executive Management Committee:** chaired by the Chief Executive Officer, and includes in its membership a number of the Members of Executive Management Team. The meetings of the Committee are held on a weekly basis and when necessary. This committee is specialised in ensuring that the Company's practices, business and operational activities comply with the charters and policies adopted by the Board of Directors, and that they are exercised and carried out in a manner that ensures the interest of the related parties, including customers, shareholders, investors, suppliers, employees, etc. In addition, it reviews and follows-up the performance of various divisions, ensures the achievement of key performance indicators and issues the necessary recommendations to the Board and/or its Committees, where necessary, according to the Delegations of Authority, with regard to the framework of governance, Delegations of Authority, policies and procedures of the Company, work plan, the Company's vision, values, objectives, strategy, initiatives and key performance indicators, business environment plans, as well as the

Company's needs of human resources and benefits, allowances and incentives granted thereto, in addition to the investment control process adopted by the Company and issues, recommendations and opportunities related thereto, acquisitions and available investment opportunities, matters related to the subsidiaries and joint projects, and other competencies delegated to the Committee from time to time as per the business requirements.

- **Tenders Committee:** It is divided into two committees as follows:
 - **Tenders Committee (A):** chaired by the Chief Executive Officer, and includes in its membership a number of the Members of the Executive Management Team. The meetings of the Committee are held on a weekly basis and when necessary.
 - **Tender Committee (B)** is chaired by the Executive Director of Human Resources, Culture and Performance, and it includes in its membership a number of the executive management team, heads of departments and divisions of the company, and the committee holds its meetings on a weekly basis and when necessary.

These committees specialise in following up and considering the activities and practices related to contracts and procurement management and lists of service providers and bidders, making the necessary recommendations regarding the awarding of tenders and commissioning works related to the management of development projects, management of assets and contracts, according to the limits, controls and standards established in the Delegations of Authority, charters and other competencies delegated thereto from time to time as per the business requirements.

- **Investment Committee:** chaired by the Chief Executive Officer, and includes in its membership a number of the Members of the Executive Management Team. The meetings of the Committee are held on a weekly basis and when necessary. This committee specialises in the review, approval and/or recommendation (according to the Delegations of Authority) on issues related to the investment control, opportunities and strategic investments of the Company, liquidity issues, and other competencies delegated to the Committee from time to time as per the business requirements.
- **Risk Management Committee:** chaired by the Chief Executive Officer, and it includes in its membership a number of the Members of the company's Executive Management Team. The meetings of the Committee are held quarterly and when necessary (see clause 9.0 of this Report for more information on the task and competencies of this Committee).

Members of these committees acknowledge responsibility for reviewing their work mechanisms and ensuring their effectiveness.

5. EXTERNAL AUDITOR

Deloitte & Touche was appointed as an external auditor of Aldar Properties for the fiscal year ending on December 31, 2021 under a resolution issued by the Ordinary General Assembly of the Company at its meeting held on March 24, 2021. Deloitte & Touche is considered as one of the leading external audit firms with extensive experience in the field of audit. It is accredited by the Ministry of Economy and operates independently from the Board of Directors and the Executive Management of the Company. Deloitte & Touche has offices in Abu Dhabi, Dubai, Sharjah, Ras Al Khaimah and Fujairah.

The following table shows the services provided by the External Auditor during 2021 and the fees charged for these services:

Name of Audit Firm	Deloitte & Touche
Name of Partner Auditor	George Najem
Number of years spent as an external auditor of the Company	Three Years
Number of years spent by the Partner Auditor in auditing the Company's Accounts	Three Years
Total audit fees for the financial statements for the year ended on December 31, 2021 (AED)	720,000.00

Other services provided by the External Auditor during 2021 and fees charged therefore

Service	Amount (AED)
Accounting & Financial Advisory	277,920
Other Professional Services	143,320
Total	421,240

In addition, during 2021, Aldar Properties received financial and accounting consultation services conducted by an external auditor other than the appointed external auditor, as follows:

Company	Amount (AED)
1 Ernst & Young	991,320
2 Ardent	99,360
3 CBRE	517,500
4 JLL	730,000
5 Meralis	69,286
6 KPMG	2,472,553
7 PWC	1,913,508
8 P3	1,884,500
Total	8,813,028

The Company's auditor did not submit any reservations regarding the interim and/or annual financial statements of the Company during 2021.

6. BOARD OF DIRECTORS COMMITTEES

The Board of Directors has formed three (3) Committees to contribute in the implementation of its functions, and has delegated powers and responsibilities to them to ensure the implementation of its decisions. The following are the Board of Directors' Committees:

- Audit, Risk & Compliance Committee.
- Nominations & Remuneration Committee.
- Executive Committee.

Each committee has a charter defining its objectives, responsibilities, structure, framework and reporting mechanism. The charters of these Committees are periodically reviewed, updated and amended to ensure the efficiency and effectiveness of these Committees. The Board has restructured all Committees to ensure the compatibility and alignment of their functions and responsibilities with the decision of the Chairman of the Securities and Commodities Authority No. (03/RM) of 2020 on the standards of the Corporate Governance Manual of Public Joint Stock Companies. In addition, the Board re-formed these Committees by a resolution passed by circulation on March 17, 2021 which was approved by the Board of Directors at its meeting No. (02/2021) held on May 10, 2021, following resignation of "Mr. Mansour Mohamed Al Mulla" from membership of the Board of Directors and its committees with effective from February 28, 2021 and appointment of "Mr. Khalifa Abdulla Khamis Al Romaithi" as his successor.

6.1 Audit, Risk & Compliance Committee

Mr. Ali Saeed Abdulla Sulayem Al Falasi, Chairman of the Audit, Risk & Compliance Committee, acknowledges his responsibility for the committee's operational effectiveness and efficiency in accordance with its mandate.

The Audit, Risk & Compliance Committee assists the Board of Directors in discharging its responsibilities with respect to risk management, Internal Control Systems, accounting policies, financial reporting and internal and external audits. The Audit, Risk & Compliance Committee ensures that the main objectives of the Company are achieved effectively and efficiently, within a tight framework of internal controls, risk management and governance.

The Audit, Risk & Compliance Committee consists of three non-executive independent members. The charter of the Audit, Risk & Compliance Committee requires that all members of the Committee shall be familiar with financial aspects, and at least one of its members shall have experience in accounting and finance. On the other hand, the Chairman of the Committee shall hold periodic meetings with the Executive Management and the Director of Internal Audit Department to ensure that the members of the Committee are informed of the main issues. The Committee shall also meet with the External Auditor, without the presence of the Members of the Executive Management, as the Committee deems appropriate.

The following are the members of the Audit, Risk & Compliance Committee:

Audit, Risk & Compliance Committee Members	Position
Mr. Ali Saeed Abdulla Sulayem Al Falasi	Chairman of the Committee
Mr. Hamad Salem Mohamed Al Ameri	Member
Mr. Khalifa Abdulla Khamis Al Romaithi	Member

Notes:

- The Audit, Risk & Compliance Committee was reconstituted pursuant to the resolution adopted by circulation by the Board of Directors on March 17, 2021 which was approved by the Board of Directors at its meeting No. (02/2021) held on May 10, 2021.
- Mr. Mansour Mohamed Al Mulla was a member of the Audit, Risk & Compliance Committee until February 28, 2021, when he resigned from membership of the Board of Directors and its committees with effective of the said date.
- Mr. Ali Saeed Abdulla Sulayem Al Falasi has been appointed as Chairman of the Audit, Risk & Compliance Committee based on the resolution adopted by circulation by the Board of Directors on March 17, 2021 which was approved by the Board of Directors at its meeting No. (02/2021) held on May 10, 2021.

6. BOARD OF DIRECTORS COMMITTEES continued

6.1 Audit, Risk & Compliance Committee continued

The Charter of the Audit, Risk & Compliance Committee defines the responsibilities of the Audit, Risk & Compliance Committee, as follows:

A) Financial Reports

- Considering any significant and unusual items that are or should be included in the annual, semi-annual and quarterly financial reports and statements, paying due attention thereto, discussing them with the Executive Management and the External Auditor, and making recommendations thereon to the Board of Directors for approval.
- Ensuring a mechanism of continuous disclosure to the Securities and Commodities Authority and Abu Dhabi Securities Exchange.
- Ensuring the integrity of the Company's financial statements and reports (annual, semi-annual and quarterly), reviewing them as part of their normal work during the year and focusing in particular on:
 - Any changes in accounting policies and practices.
 - Highlighting aspects which are subject to the management's discretion.
 - Significant amendments resulting from the audit.
 - Presumption of business continuity.
 - Compliance with accounting standards established by the Securities and Commodities Authority and Abu Dhabi Securities Exchange.
 - Compliance with rules of listing, disclosure and other legal requirements related to financial reporting.

B) Company's Governance

- Supervising and controlling the internal application of the governance framework and ensuring full compliance with the relevant legal and legislative systems.
- Regular periodic review of the Company's management compliance with the governance framework approved and adopted by the Company's Board of Directors.
- Review of the Corporate Governance Report sent annually to the Securities and Commodities Authority and Abu Dhabi Securities Exchange, and making recommendations to the Board of Directors in this regard.

C) Internal Control System and Risks Management

- Appointment of any external party to perform internal audit functions according to the business requirements, determining their fees, considering their resignation and termination applications.
- Periodic review of the Company's Internal Control Systems, to assess their efficiency and effectiveness.
- Discussing the Internal Control System with the Executive Management, evaluating its effectiveness and efficiency in performing its mission and tasks in a manner that contributes to the development of Internal Control Systems of the Company.
- Discussing and reviewing the policies and procedures of the Company with its Executive Management, to ensure performing its mission effectively, in a manner that contributes to the development of such policies and procedures.
- Monitoring and following up the implementation of risk management framework and Internal Control Systems according to its policy and working strategies, assessment and evaluation of efficiency and effectiveness of such policies and strategies by auditing the records and databases, network security and control systems of the operational and strategic units of such departments.
- Reviewing the results of the key audits on Internal Control issues (including fraud cases within the Company).

D) External Auditor

- Development and application of the external auditor appointment policy, submission of the report and recommendations to the Board of Directors identifying issues on which it considers necessary to take actions and making recommendations on the steps to be taken.
- Coordinating with the Company's Board of Directors, the Executive Management and the Chief Financial & Sustainability Officer in order to perform its duties. The Committee shall meet with the External Auditor at least once every reporting period.
- Discussing the nature, scope and effectiveness of audits, taking into account their compliance with the approved auditing standards.
- Monitoring and ensuring the independence and objectivity of the External Auditor, and discussing the nature and scope of audits and its effectiveness according to the approved auditing standards.
- Discussing with the External Auditor on the appropriateness of the accounting policies applied in the financial statements.
- Reviewing the performance of the External Auditor, and making recommendations to the Board of Directors in this regard.
- Reviewing the External Auditor's objective and work plan and any essential questions raised by the Auditor to the Board of Directors or the Executive Management on the accounting records, financial accounts or control systems, and ensuring that they have been reviewed and discussed, that the necessary actions were taken thereon, and that responses were timely provided thereon.

- Discussing any problems that the External Auditor may face during his audit, including restrictions that may limit the scope of work or obtaining information needed to complete the work.
- Ensuring coordination between internal and external auditors, availability of resources necessary to manage internal control, and review and control of the efficiency of such management.

E) Internal Audit Department

- Reviewing the activities, resources and organisational structure of the Internal, Charter of the Audit Department, reviewing and approving annual audit plan.
- Considering the process of selecting and appointing the Director of Internal Audit Department and the internal audit providers, their resignation or termination.
- Reviewing the reports submitted to the Committee by the Director of the Internal Audit Department and the responses received by the Company's management thereon, ensuring that the findings and recommendations submitted by the Internal Auditor and suggestions and responses issued by the Executive Management have been received and discussed and the necessary actions were taken thereon, and discussing with the Director of the Internal Audit Department on any difficulties encountered in carrying out audit functions such as restrictions on the scope of his work or difficulty in obtaining the information necessary to exercise its responsibilities.
- Evaluating the functioning of Internal Audit Department, particularly with regard to planning, follow-up and reporting, and evaluating the performance of the Director of the Internal Audit Department and providing him with timely advice and guidance.
- Ensuring that the Internal Audit Department has adequate employees and the appropriate authority and position within the Company.
- Meeting with the Director of Internal Audit Department at least once a year to ensure that there are no outstanding issues.
- Reporting to the Board of Directors on all matters considered by the Committee.

F) Compliance

- Reviewing the employees' compliance with the Code of Business Conduct.
- Managing the appointment, resignation or dismissal of the Compliance Officer.
- Reviewing the appropriateness of practices and procedures for compliance with applicable laws, regulations and systems.
- Reviewing and assessing:
 - Effectiveness of the compliance system with inclusion and disclosure requirements and other legal and legislative requirements related to the Company's activities (including internal rules, regulations and laws).
 - Developments and updates in legislative and legal systems, which may substantially affect the Company.
 - Efforts made by the Company's Management to ensure compliance with the Code of Business Conduct.
- Obtaining regular updates from the Executive Management (and the General Counsel or the Compliance Officer when required) on compliance matters, as well as investigating and considering issues that affect the integrity of the Company's Executive Management Team, including cases of conflict of interests or violation of the Code of Business Conduct, according to the policies and regulations of the Company.

G) Other Responsibilities and Competencies

- Creating channels of free and open communication between: Audit, Risk & Compliance Committee, External Auditors, Internal Auditors and Company's Management.
- Consideration of any other matters or subjects as directed by the Board of Directors in this regard.

H) Employees' reports and disclosures

- Development of policies, procedures and controls that enable the employees to report any potential irregularities in the financial reporting, internal control or other matters in secret, identifying the steps to conduct independent and fair investigations on such irregularities, and conducting periodic reviews of such policies and procedures.
- Assessing the procedures of investigations to ensure the independence and impartiality of investigations.
- Reviewing the investigation procedures taken by the Company's Management in dealing with the reported irregularities, and correcting any deviations therein.

The Audit, Risk & Compliance Committee, at its meeting No. (04/2013), has reviewed the Company's policy of reporting irregularities, followed up the development and implementation of the relevant regulations to ensure their effectiveness, and submitted a recommendation to the Board of Directors in this regard, which in turn approved it at its meeting No. (06/2013) held on November 6, 2013. This policy is currently reviewed to ensure the application of best standards and practices in this regard.

6. BOARD OF DIRECTORS COMMITTEES continued

6.1 Audit, Risk & Compliance Committee continued

The Audit, Risk & Compliance Committee held seven (7) meetings during 2021 as follows:

Meeting No.	Date
01/2021	11 February 2021
02/2021	14 February 2021
03/2021	25 February 2021
04/2021	10 May 2021
05/2021	10 August 2021
06/2021	06 October 2021
07/2021	02 November 2021

The above-mentioned meetings' attendees were as follows:

Member	Position	Meeting 01/2021	Meeting 02/2021	Meeting 03/2021	Meeting 04/2021	Meeting 05/2021	Meeting 06/2021	Meeting 07/2021	No. of Attendances
Mr. Ali Saeed Abdullah Sulayem Al Falasi	Chairman of the Committee	✓	✓	✓	✓	✓	✓	✓	7
Mr. Hamad Salem Mohamed Al Ameri	Member	✓	✓	✓	-	✓	✓	✓	6
Mr. Khalifa Abdulla Khamis Al Romaithi	Member	-	-	-	✓	✓	✓	✓	4

Notes:

- Mr. Mansour Mohamed Al Mulla has attended meetings of the Audit, Risk & Compliance Committee No. (01/2021), (02/2021) & (03/2021) held on 11 February 2021, 14 February 2021 and 25 February 2021 respectively, wherein he was a member of such committee at that time, and then he resigned from membership of the Board of Directors and its committees with effective from 28 February 2021.
- Mr. Khalifa Abdulla Khamis Al Romaithi did not attend meetings of the Audit, Risk & Compliance Committee No. (01/2021), (02/2021) & (03/2021) held on 11 February 2021, 14 February 2021 and 25 February 2021 respectively, wherein he was not a member of the Board of Directors or any of its committees at such time.
- All apologies submitted by the committee members for their inability to attend some meetings are considered and taken into account at start of each meeting in accordance with the Company Memorandum and Articles of Association, and in line with the laws and regulations in force in this regard.
- The attendance of the Members at these meetings is represented by their personal attendance, using the modern means/ visual communication (Microsoft Teams App).

6.2 Nominations & Remuneration Committee

Mr. Martin Lee Edelman, Chairman of the Nomination and Remuneration Committee, acknowledges his responsibility for the committee's system in the company, his review of its work mechanism, and verification of its effectiveness.

The Nominations & Remuneration Committee reports to the Board on human resources management, culture, performance and compensation policies that reflect best practices, and makes recommendations on the succession plans of the Board, taking into account the challenges and opportunities facing the Company and the skills and experiences needed in the future.

The Nominations & Remuneration Committee consists of three (3) independent non-executive members. The Chairman of the Committee holds periodic meetings with the Executive Management and the Director of Human Resources Department, to ensure that the members of the Committee are familiar with the substantive matters falling within the competencies of the Committee.

The Nominations & Remuneration Committee includes the following members:

Members of Nominations & Remuneration Committee	Position
Mr. Martin Lee Edelman	Chairman of the Committee
Mrs. Mariam Saeed Ahmed Ghobash	Member
Mr. Ali Saeed Abdulla Sulayem Al Falasi	Member

Notes:

- The Nomination and Remunerations Committee was reconstituted pursuant to the resolution adopted by circulation by the Board of Directors on March 17, 2021 which was approved by the Board of Directors at its meeting No. (02/2021) held on May 10, 2021.
- Mr. Mansour Mohamed Al Mulla was a member of the Nominations & Remuneration Committee until February 28, 2021, when he resigned from membership of the Board of Directors and its committees with effective of the said date.
- Mr. Ali Saeed Abdulla Sulayem Al Falasi has been appointed as member of the Nominations & Remuneration Committee based on the resolution adopted by circulation by the Board of Directors on March 17, 2021 which was approved by the Board of Directors at its meeting No. (02/2021) held on May 10, 2021.

The Charter of the Nominations & Remuneration Committee defines the responsibilities of the Committee as follows:

- Ensuring the independence of the independent members. If the Committee found that a member lost the requirements for independence, it shall present the matter to the Board to take the necessary actions in this regard in accordance with applicable laws and regulations.
- Development of the policy for the granting of remunerations, benefits, incentives and salaries of the Directors and employees, and reviewing it annually. The Committee shall ensure that the remunerations and benefits granted to the Senior Executive Management are reasonable and proportionate to the performance of the Company.
- Identifying the Company's needs of competencies at the level of Senior Executive Management and employees, and the basis of their selection.
- Development, monitor, follow-up and periodically review the human resource and training policy.
- Development and approval of the policy and mechanism of nomination for the Board of Directors, organisation and follow-up of the procedures for nomination for the Board of Directors according to the applicable laws and regulations.
- Reviewing the required skills for the membership of the Board of Directors, and preparation of a description of the capabilities and qualifications required for membership of the Board.
- Reviewing the structure of the Board of Directors and making recommendations regarding changes that may be made to the Board of Directors for approval.
- Any other competencies and functions determined by the Board of Directors from time to time.

Based on the decision of the Board of Directors at its meeting No. (02/2021) held on May 10, 2021, the Board decided that the Nominations & Remuneration Committee shall hold at least one meeting annually to perform its responsibilities and to fulfil its legislative requirements in accordance with the applicable laws and regulations of the Securities and Commodities Authority. Therefore, the Nominations & Remuneration Committee held Two (2) meetings during 2021, as follows:

Meeting No.	Date Held
01/2021	08 February 2021
02/2021	21 March 2021

The above-mentioned meetings' attendees were as follows:

Member	Position	Meeting 01/2021	Meeting 02/2021	No. of Attendances
Mr. Martin Lee Edelman	Chairman of the Committee	✓	✓	2
Mr. Mariam Saeed Ahmed Ghobash	Member	✓	✓	2
Mr. Ali Saeed Abdulla Sulayem Al Falasi	Member	-	✓	1

Notes:

- Mr. Mansour Mohamed Al Mulla has attended meeting of the Nominations & Remuneration Committee No. (01/2021) held on 08 February 2021, wherein he was a member of such committee at that time, and then he resigned from membership of the Board of Directors and its committees with effective from 28 February 2021.
- Mr. Ali Saeed Abdulla Al Falasi did not attend meeting of the Nominations & Remuneration Committee No. (01/2021) held on 08 February 2021, wherein he was not a member of the Board of Directors or any of its committees at such time.
- The attendance of the Members at these meetings is represented by their personal attendance, using the modern means/ visual communication (Microsoft Teams App).

6. BOARD OF DIRECTORS COMMITTEES continued

6.3 Executive Committee

Mr. Waleed Ahmed Salem Almokarrab Al Muhairi, Chairman of the Executive Committee, acknowledges his responsibility for the committee's system in the company, his review of its work mechanism, and verification of its effectiveness.

The Executive Committee plays an advisory role in the Board of Directors. It provides assurance and control of the Company's strategy and sets priorities for projects and performance.

The Executive Committee consists of three (3) independent non-executive members. The Chairman of the Committee holds periodic meetings with the Executive Management to ensure that the members of the Committee are familiar with the substantive matters.

The Executive Committee includes the following members:

Members of the Executive Committee	Position
Mr. Waleed Ahmed Salem Almokarrab Al Muhairi	Chairman of the Committee
Mr. Hamad Salem Mohamed Al Ameri	Member
Mrs. Mariam Saeed Ahmed Ghobash	Member

Notes:

- The Executive Committee was restructured pursuant to the decision issued by the Board of Directors at its meeting No. (02/2019) held on March 20, 2019.
- Mr. Waleed Ahmed Salem Almokarrab Al Muhairi was appointed as Chairman of the Executive Committee under the decision of the Board of Directors at its meeting No. (01/2019) held on April 08, 2019.

The Charter of the Executive Committee defines its responsibilities as follows:

- **In the field of investment strategy and policy adoption:**
 - Supervision of the investment strategy and policies at the Company level.
 - Approval of decisions related to investments and development projects of the Company according to the limits and restrictions prescribed in the Delegations of Authority.
 - Review and approval of the policies and strategies of the development projects and asset management.
 - Approval of the strategy of the Tender and Procurement Department and awarding tenders related to the substantial tenders according to the limits and restrictions prescribed by the Delegations of Authority.
- **In the field of supervision and review:**
 - Review and approval of key performance indicators of the development projects, and following up the level of performance therein.
 - Monitoring the performance of investments and tenders.
 - Review of requirements related to the need to increase the capital, and making appropriate recommendations in this regard.
 - Review of the effects of investments.
 - Review of the main objectives and key financial ratios established by the competent management committees.

The Executive Committee held nine (9) meetings during 2021 as follows:

Meeting	Date
01/2021	04 January 2021
02/2021	10 February 2021
03/2021	01 March 2021
04/2021	26 April 2021
05/2021	08 May 2021
06/2021	20 June 2021
07/2021	18 August 2021
08/2021	24 November 2021
09/2021	08 December 2021

The above-mentioned meetings' attendees were as follows:

Member	Position	Meeting 01/2021	Meeting 02/2021	Meeting 03/2021	Meeting 04/2021	Meeting 05/2021	Meeting 06/2021	Meeting 07/2021	Meeting 08/2021	Meeting 09/2021	No. of attendances
Mr. Waleed Ahmed Salem Almokarrab Al Muhairi	Chairman of the Committee	✓	✓	✓	✓	✓	✓	✓	✓	✓	9
Mr. Hamad Salem Mohamed Al Ameri	Member	✓	✓	✓	-	✓	✓	✓	✓	✓	8
Mrs. Mariam Saeed Ahmed Ghobash	Member	✓	✓	✓	✓	✓	✓	✓	✓	✓	9

Note:

- All apologies submitted by the committee members for their inability to attend some meetings are considered and taken into account at start of each meeting in accordance with the Company Memorandum and Articles of Association, and in line with the laws and regulations in force in this regard.
- The attendance of the Members at these meetings is represented by their personal attendance, using the modern means/ visual communication (Microsoft Teams App).

7. INSIDER AFFAIRS COMMITTEE, AND THE POLICY OF TRADES OF INSIDERS AND MEMBERS OF BOARD OF DIRECTORS IN THE COMPANY'S SHARE

7.1 Trading Policy of Insiders

The Board of Directors has developed a policy of insiders in the Company's shares in accordance with the decision of the Chairman of the Securities and Commodities Authority No. (03/RM) of 2020 on the standards of the Corporate Governance Manual of Public Joint Stock Companies and By-law No. (5/2009) of the Abu Dhabi Securities Exchange. This policy enables the Board of Directors and the employees to fulfil their legal obligations when they have material information that may affect the Company's shares price in the financial market. It includes a breakdown of the controls regulating to the trades of the insiders, and sets limits on the securities issued by Aldar Properties.

This policy prohibits trading if there is a reasonable possibility of exploiting undisclosed or unpublished information related to the business of the Company and if it has an effect on the trading price. This policy applies to the Board of Directors, Executive Management and all employees who have access to material information and data. It is worth mentioning that the Company is fully committed to conduct a periodic review of the list of its insiders and to update it through the Abu Dhabi Securities Exchange website (the latest update was in November 2020) in line with the Company's strategic and operational projects and plans.

Under this policy, trading by insiders in the Company's shares is prohibited during the trading prohibition periods imposed by Securities and Commodities Authority and Abu Dhabi Securities Exchange. The Members of the Board of Directors, Executive Management and employees of the Company and the subsidiaries shall inform the Market Department before submitting their applications to Abu Dhabi Securities Exchange for insider trading, regardless of the value and type of the transaction (sale or purchase).

Aldar Properties reserves the right to prohibit or restrict any trading if it considers that there is a possibility of exploitation of unpublished (undisclosed) information in respect of the Company's business, which may affect the trading price of the shares. In addition, an additional prohibition period may be imposed, during which no trading by insiders is allowed, whether they are Members of the Board of Directors, Executive Management or employees of the Company or its subsidiaries, such as the prohibition period that took place in conjunction with the period spent in the Acquisition by Aldar Properties of a majority stake in Sixth of October Development and Investment Company (SODIC), the prohibition period that took place in conjunction with the period spent in negotiations and discussions of the acquisition of a number of assets of Development and Tourism Investment Company and their prohibition periods that took place in conjunction with the other essential deals and transactions experienced by the company.

The Members of the Board of Directors are aware of their commitments regarding the requirements for disclosure of their trading in the Company's shares, and are committed to all requirements prescribed by Securities and Commodities Authority and Abu Dhabi Securities Exchange.

7.2 Committee of Insider Affairs and Trading in the Company's Share and Securities and its Duties

In implementation of the decision of the Chairman of the Securities and Commodities Authority No. (03/RM) of 2020 on the standards of the Corporate Governance Manual of Public Joint Stock Companies, the Management of the Company formed a committee specialised in the affairs of insiders and their trading in the Company's shares and securities. In addition, the Management of the Company identified the duties and competencies of such committee as follows:

7.2.1 Insider Affairs and Trading Committee

The Insider Affairs and Trading follow Up Committee includes the following members:

- Chief Financial & Sustainability Officer.
- General Counsel.
- Head of Internal Audit Department.

Committee Members acknowledge their responsibility for the follow up and supervision system on the insider's transactions in the company, their review of its work mechanism, and verification of its effectiveness.

7.2.2 Duties and Competencies of the Committee

Insider Affairs and Trading Committee has the following duties and competencies:

- Development of a special and integrated register that includes the insiders' names and details, including persons who may be considered as temporary insiders and those who have access to the Company's internal information prior to publication. The record also includes the prior and subsequent disclosures of the insiders.
- Management, follow-up and supervision of the insiders' transactions and ownerships, and maintaining their record.

- Quarterly review of the records and lists of the insiders for continuous update, and consultation with the Executive Management on any updates required to such records and lists according to the requirements of the business of the Company.
- Submission of periodic reports and statements to the Securities and Commodities Authority and Abu Dhabi Securities Exchange.
- Ensuring continuous update of the list of insiders on the Abu Dhabi Securities Exchange website, and making any updates to such list as soon as it occurs.
- Continuous communication with the insiders, and raising awareness of their trading in the Company's shares and securities, including informing and reminding them of the trading prohibition periods, according to the regulations and rules prescribed by both the Securities and Commodities Authority and Abu Dhabi Securities Exchange, to ensure compliance therewith and avoid any violations.
- Periodic review of the insider trading policy, and raising recommendations on any amendments thereto to the Board for approval on time.
- Any other competencies or tasks delegated to the Committee from time to time by the Management of the Company.

During the year 2021, the Committee reviewed the Charter governing its work and regulating its competencies and responsibilities. In addition, the Committee reviewed the insider trading policy to ensure that it complies with the applicable laws and regulations. The committee plays an important and effective role in managing the insiders affairs and raising awareness among them, by educating them with the controls and procedures that govern them and the internal and organisational policies and charters to which they are subject, and informing them of the trading prohibition periods imposed by the relevant authorities and the need not to directly or indirectly exploit any internal or material information for personal interest by trading in the Company's securities. Furthermore, the Committee continuously works and coordinates with Abu Dhabi Securities Exchange to ensure the continuous update of the Company's insiders list through the services of the Abu Dhabi Securities Exchange, ensuring continuous compliance with the applicable laws and regulations.

7.3 Transactions and trading of the Members of Board of Directors and their First-Degree Relatives in the Company's Shares during 2021

Please refer to clause (2) of this Report.

8. INTERNAL CONTROL SYSTEM

8.1 Board of Directors' Responsibility for the Internal Control System

As explained in clause (3) of this Report, the Board of Directors is responsible for supervision of the Company's Internal Control System and reviewing its adequacy, effectiveness and efficiency. In addition, the Board formed the Audit, Risk & Compliance Committee and the Internal Audit Department to contribute to the performance of governance responsibilities that fall under its responsibility, with regard to the Risk management and the Internal Control Systems. In addition, the Board of Directors authorised and delegated the Audit, Risk & Compliance Committee to be the administrative responsible for the Internal Audit Department under an official authorisation issued by the Board of Directors in this regard. The results of such authorisation shall be presented to the Board according to the regulations and legislation prescribed by the Securities and Commodities Authority, which contributes to increase the effectiveness of this Department, and thus reflected positively on the Board of Directors in exercising its authorities and responsibilities.

8.2 Head of Internal Audit Department

The Internal Audit Department is headed by Mr. Haider Najim pursuant to a decision issued by the Board of Directors at its meeting No. (05/2013) held on August 06, 2013. Mr. Haider Najim conducts internal audits and reviews independently and regularly. In addition, he advises the Executive Management to ensure the adequacy, effectiveness, and efficiency of the Company's internal control and governance processes. Mr. Haider Najim has over 24 years of experience in auditing, operations, compliance and auditing of irregularities. It is worthy noted that Mr. Haider Najim holds a bachelor's degree in commerce from McGill University, Montreal, Canada. In addition, he is a Certified Public Accountant (CPA) licensed by the State of Delaware in USA, and obtained the certificate of "Certified Internal Auditor (CIA)".

8.3 Compliance Officer

The Compliance Officer has been appointed by virtue of a decision issued by the Board of Directors. He is responsible for ensuring compliance by the Company and its employees with the issued laws, regulations and decisions, as well as other internal policies and measures. This step was under the decision of the Chairman of the Securities and Commodities Authority No. (03/RM) of 2020 on the standards of the Corporate Governance Manual of Public Joint Stock Companies.

The Director of Internal Audit Department, Mr. Haidar Najim, undertakes the functions of the Compliance Officer of the company by virtue of a decision issued by the Board of Directors at its meeting No. (04/2020) held on August 12, 2020. (Please refer to paragraph 8.2 hereof to see an overview of Mr. Haider Najim).

8. INTERNAL CONTROL SYSTEM continued

8.4 Company's Dealing with Material Issues or Problems Disclosed in the Annual Accounts and Reports

The Board of Directors has established standards and principles of internal control in the Company, which aim at providing objective, independent and reliable advice, as well as providing an ideal environment for internal control that meets the requirements of the Board of Directors and contributes to enhancing the role of the Board of Directors, the Audit, Risk & Compliance Committee and the Executive Committee, in order to contribute to the proper performance of their duties, functions and responsibilities. It should also be noted that the responsibilities of the Internal Audit Department are governed by the Charter approved by the Audit, Risk & Compliance Committee and the Board of Directors, in accordance with the decision of the Chairman of the Securities and Commodities Authority No. (03/RM) of 2020 on the standards of the Corporate Governance Manual of Public Joint Stock Companies. This charter is the policy through which the Internal Audit Department operates, and contributes to achieving the objectives of the Company and keeping up with its aspirations.

The Internal Audit Department reports to the Audit, Risk Management & Compliance Committee and, as mentioned above, works under its supervision, which enables it to operate independently and objectively, and allows it to distinctively interact with the Chief Executive Officer and the Executive Management Team, making it easier to identify the performance improvement initiatives and business development, as well as providing guarantees that the Company's objectives are effectively achieved. To ensure a high degree of independency in the Internal Audit Department's implementation of its activities and performance of its duties, the Head of Internal Audit Department communicates directly with the Members of the Board of Directors. Functionally, he is accountable to the Audit Committee. Administratively, he is accountable to the Chief Executive Officer.

When the Company faces certain material issues, urgent matters or issues disclosed in the annual financial statements or any other means of disclosure; the role of the Internal Audit Department in this regard is as follows:

- Inclusion of such issues and matters into the audit planning phases.
- Providing advice and advisory services (as necessary) to contribute to the identification and resolution of such issues and matters.
- Ensuring systematic follow-up of steps and actions taken to address such issues and matters.
- Submission of periodic reports to the Board of Directors and the Audit, Risk & Compliance Committee on the development of such issues and matters.

8.5 Reports issued by the Internal Audit Department of the Company's Board of Directors

The Internal Audit Department carries out its activities and tasks entrusted to it – under the direct supervision of the Audit, Risk & Compliance Committee – in an effective and constructive manner, which contributes to creating an ideal work environment characterised by agreement, effectiveness, compliance, discipline, efficiency in performance and productivity, and encourages attracting qualified professional staff with expertise and efficiency. And the Internal Audit Department prepares its reports in accordance with the internal audit standards and in accordance with the applicable laws and regulations, where this department exercises its duties with integrity and impartiality without any interference or influences that may affect the quality and efficiency of its reports. The Internal Audit Department reports to the Audit, Risk & Compliance Committee regularly (and when necessary) to present, discuss and submit a recommendation in this regard to the Board of Directors to take the appropriate decisions in respect thereof. It is worth noting in this regard that the Internal Audit Department prepared and presented 17 reports to the Audit, Risk & Compliance Committee and the Board of Directors during the year 2021, including the auditable business units with the company, and the necessary decisions have been issued in respect thereof.

9. RISKS MANAGEMENT

Aldar considers that effective risk management is a good management practice. The Company is committed to providing a risk management system to protect shareholders' investments, the rights of the stakeholders, the assets of the Company, and the prevention of violations of the applicable laws and regulations. The Board of Directors is responsible for approval of the risk management policy, determining the risk tolerance and reviewing the effectiveness of risk management. The Risk Management Committee applies, in direct coordination with the Executive Management and the Audit, Risk & Compliance Committee, the framework of risk management in the Company, and ensures the continuity of the effective performance thereof. The Committee provides advice to the Board of Directors regarding the efficiency and effectiveness of risk management activities and efforts. In addition, the Audit, Risk & Compliance Committee enhances the role of the Board of Directors in fulfilling its obligations and duties related to risk management, in accordance with a decision issued by the Board of Directors at its meeting No. (04/2013) held on July 1, 2013, under which the Risk Management Committee shall be functionally subordinate of the Audit, Risk & Compliance Committee, as expressly stated in the Charter of the Risk Management Committee, approved and adopted at the above-mentioned meeting.

The Risk Management Committee has established special risk management standards, developed a risk record, and adapted them to conform with the highest standards in this field. Risk management system ensures consistency of methods of assessing, controlling and communicating risks, and ensures that management efforts are consistent with the strategic objectives and business of the Company.

The Risk Management Policy of Aldar Properties is one of the most important components of the risk management system. A Risk Management Committee was established in 2013 to serve as an administrative committee, whose functions are as follows:

- Identification and assessment of risks that may face the Company's business.
- Considering the practices of mitigation of current risks.
- Development of the Company's risk management framework, which includes:
 - Risk identification and assessment.
 - Risk register.
 - Determining risk tolerance.
 - Prioritisation of Risks.
 - Risk Mitigation and Management.
 - Supervision, follow-up and reporting.

This Committee is presided by the Chief Executive Officer, and includes members of the Executive Management. The Committee held three (3) meetings during 2021. The Risk Management Committee also:

- Reviewed and discussed the Charter of the Risk Management Committee.
- Strengthened the Risk Management Framework.
- Developed and updated the Company's risk register, and identified the Company's strategic directions in this regard.

In addition, the company appointed Mrs. Caroline Depirou to undertake the task of the risk management officer. She holds a master's degree in management and has nearly 21 years of experience in both the public and private sectors in France and the GCC countries. Her expertise is focused on risk management programs and projects, compliance and corporate governance. Besides focusing on business continuity and crisis management, Caroline supported several companies to establish their own risk management function while she was working for PricewaterhouseCoopers in Paris. She headed risk and business continuity management at Qatari Diar and Tamkeen, a subsidiary of the Executive Affairs Authority in Abu Dhabi, before joining Aldar Properties in 2019.

10. COMMUNICATION WITH SHAREHOLDERS

The Company applies a market disclosure policy, based on corporate governance standards and related requirements and procedures aimed at providing all shareholders and investors in the market with accurate information in a timely manner. The policy adopted by the Management of the Company shows the actions that the Board directed to implement and is keen to adhere to, to ensure continuous compliance and disclosure according to the requirements of the Securities and Commodities Authority and Abu Dhabi Securities Exchange.

In addition, as the Company is keen to apply the highest degree of disclosure, transparency and credibility in the information disclosed, only the following position holders are authorised to disclose any public statements on behalf of the Company, or any other statements attributable thereto:

- Chairman and Members of the Board of Directors.
- Chief Executive Officer.
- Executive Management Team.
- Company Secretary.

From time to time, the Company holds meetings with analysts and investors to provide them with the necessary information. In such cases, no information shall be disclosed unless it was disclosed to the market previously or at the same time. Aldar Properties does not make any comments about market expectations or rumours, unless they are related to an official question issued by regulatory bodies such as the Securities and Commodities Authority and Abu Dhabi Securities Exchange.

The General Assembly is the primary opportunity for shareholders to meet face-to-face with the Board of Directors and Executive Directors. The shareholders receive notices of the meetings, specifying the time and place of the meeting, in addition to the subjects on the agenda of this meeting. The notice is accompanied by a form of power of attorney and instructions on how to fill it in an envelope sent by the Company to the shareholders by registered mail, in order to encourage as many shareholders as possible to participate in the meeting.

During the meetings, the attendees are given the opportunity to ask questions, and the chairman of the meeting shall discuss as many issues and subjects as possible during the available time. The members are encouraged to be present after the meeting to discuss with shareholders. In addition, the External Auditor shall attend the General Assembly meeting to answer any questions raised.

11. CODE OF BUSINESS CONDUCT

The success of the Company depends on its reputation in implementing projects, integrity in its dealings and professional ability. It adheres to the highest standards of professional and legal conduct, taking into consideration all applicable laws and regulations in conducting its business.

Professional and ethical conduct is a duty and commitment for the Board of Directors and the employees, and an integrated part of their working method. The required conduct is summarised in the Company's Code of Business Conduct applied by the company and approved by the Board of Directors. It should be noted that the Board of Directors, at its meeting No. (06/2013) held on November 6, 2013, has reviewed and approved this Charter. This policy is currently reviewed to ensure the application of best standards and practices in this regard.

12. EMPLOYEES DISCLOSURE MECHANISM

In accordance with the Code of Business Conduct, the Company has developed a disclosure policy for employees, in enhancing its commitment to ensure that the employees are able to disclose their fears and concerns about any inappropriate conduct without being subjected to persecution, harassment or discrimination, as well as to ensure confidentiality of investigations. The Audit, Risk & Compliance Committee at its meeting No. (04/2013) held on November 6, 2013, has reviewed the Whistleblower Policy, as stated in paragraph (H) of clause (6.1) above.

This disclosure mechanism allows the employees to express their concerns in a responsible and confidential manner, without disclosing their personal data (as they wish), without fear of being subjected to discrimination. In addition, the Company takes appropriate measures to independently investigate any matters relating to this mechanism.

13. CONFLICT OF INTERESTS

The Company requires the Directors and Senior Executives to report any conflict of interests that may be involved in their acts and to refrain from participating in discussion of or voting on such matters whenever necessary, in addition to the general guidelines contained in the Company's Articles of Association, Code of Business Conduct and the Charter of the Board of Directors, in accordance with the decisions, laws and regulations issued by the Securities and Commodities Authority and other regulatory and legislative bodies. A series of procedures for compliance with laws with regard to conflict-of-interest management have been developed. The Company urges the Directors to raise any issue that may lead to a conflict of interest before the Chairman and the Directors.

14. VIOLATIONS COMMITTED BY THE COMPANY DURING 2021

The Company did not commit any material violations with respect to the regulations during the year ended on December 31, 2021.

15. COMPANY'S SUSTAINABILITY AND SOCIAL RESPONSIBILITY

Aldar's Sustainability Journey

Our purpose is to shape a better future. That's why sustainability is not only embedded throughout Aldar Development and Aldar Investment but extends beyond our operations. We recognise the importance of integrating sustainability in our corporate culture and business strategy. We aim to encourage responsible business practice, increase positive impact on our communities, and drive change across our value chain, wider society and the economy.

Our focus is to generate long-term stakeholder and shareholder value. We will continue to strengthen our ESG performance, demonstrate leadership and implement best practice throughout our organisation. Our dedicated Group CSR & Sustainability team oversees our sustainability framework, strategy and policies and prioritises high-level sustainability initiatives such as the development of the Carbon Net Zero Action Plan.

Our sustainability strategy is aligned with the United Nations Sustainable Development Goals and the Abu Dhabi Economic Vision 2030.

Key highlights of 2021 include:

- We joined the United Nations Global Compact (UNGC), with the aim of further aligning our sustainability strategy and initiatives with the United Nations Global Agenda.
- Women represent 36.6% of our total workforce and held 25% of senior and middle management positions. We were selected by 'Great Place to Work' as one of the top 10 employers in the UAE for the working environment it has created for women. The survey assessed female employee experiences of trust, innovation, company values, and leadership.
- 35.3% Emiratis. We have pledged to create employment opportunities for 1,000 UAE nationals over the next five years in line with the ambitious Emiratisation goals set out in the UAE's 'Projects of the 50' initiative.
- We scored 58 points on the Dow Jones Sustainability Index, representing a 53% year on year improvement from the 38 points scored in 2020, and now among the top 13% of the 237 global real estate companies invited to respond to the DJSI questionnaire, up from being in the top 31% last year.
- We are ranked 9th in the global ranking of 107 diversified real estate companies analysed and received a score of 16.6 on Sustainalytics' ESG risk assessment scale, indicating a low level of ESG risk. Results are measured on a scale of 0 to 100, with a rating between 10 and 20 classified as "Low Risk".
- We responded to the recommendations of the Taskforce on Climate-related Financial Disclosures (TCFD) for the first time through a comprehensive assessment and review of the risks and opportunities that climate change brings to our business.
- The ICV programme is a key tenet of Aldar's sustainable procurement strategy and the company reinvested over AED 2 Billion locally through contracts awarded to UAE-based partners during the first nine months of 2021. We are among the 5th highest ICV score of over 5,000 local entities and hold the highest ICV score for a developer.
- We launched a portfolio-wide energy management project and have recently completed Investment Grade Energy Audits for 80 properties including hotels, education, commercial, retail and residential buildings, and we expect to reduce our energy emissions by 20% with a total investment of AED 64 Million.
- Aldar Properties ('Aldar') has become the first company in the GCC region to adopt the European Public Real Estate Association's (EPRA) best practice for disclosure, enhancing investor transparency in alignment with international real estate industry standards. EPRA's Best Practice Recommendations (BPR) encourage companies to provide detailed property-specific metrics, which are widely followed by global specialist real estate-focused institutional investors.
- We have launched a unified sustainability data management system across the Aldar Group to help streamline sustainability reporting.
- We introduced a solar hybrid power plant in one of our development projects to reduce dependency on fossil fuels, reduce carbon emissions, ensure energy efficiency, and save costs.
- We invested AED 2,500,000 in clean energy certificates to support efforts to decarbonise Abu Dhabi's energy grid.
- We signed an Agreement with HSBC to Become the First Mena Real Estate Company to Secure Sustainability-Linked Loan. The innovative five-year term sustainability-linked loan includes a mechanism to adjust Aldar's interest margin annually in line with achievement of targets on energy and water intensity, waste recycling and worker welfare. These targets, which are aligned with Aldar's sustainability strategy, were identified to be material to both Aldar and the wider real estate sector.

15. COMPANY'S SUSTAINABILITY AND SOCIAL RESPONSIBILITY continued

Our Corporate Social Responsibility

We are always looking for ways to promote inclusion, sustainable lifestyles and overall quality of life within our communities. In this way, we play a vital role in supporting Government initiatives, including Abu Dhabi's 2030 Vision, the UAE's Vision 2021 and 2030, Ghadan 21, the national Climate Change Plan and the UAE Green Agenda.

The Company's social responsibility policy is implemented by focusing on the following aspects:

- Governance – through the Code of Business Conduct and accountability.
- Employees – by creating an ideal working environment.
- Environment – by the management of the impact of the Company's operations on the environment.
- Suppliers – by working with a group of experienced suppliers and service providers to enhance the Company's social responsibility.
- Customers – by providing them with expertise and added value.
- Community – by supporting and investing in the local communities through which the Company operates.

Through its social responsibility, the Company aims at creating sustainable value for shareholders, employees, suppliers, customers, business partners and the communities in which it operates. We have invested an average amount of AED 25 Million in our CSR programmes.

A Summary of Aldar CSR Activities of the year 2021 is as follows:

Empowering UAE Talent

- Sandooq Al Watan: Aldar Properties contributed AED 15 million to Sandooq Al Watan, the National Fund charged with the responsibility of promoting sustainable development, a decent life and a bright future for all the people of the United Arab Emirates (UAE). The contribution reflects the priority that Aldar attributes to its corporate and social responsibility as a leader in the community.
- Aldar's latest contribution to Sandooq Al Watan brings the total contribution to the fund to AED 150 million.
- One of the world's largest social initiatives, Sandooq Al Watan aims to champion social entrepreneurship and cohesion, in line with the national vision for sustainable development. Through our partnership, we have funded local research projects that focus on solving environmental and social challenges, support local entrepreneurs, and upskill and develop young local talent through customised programmes.
- Some of the main initiatives of the Fund sponsored by Aldar:
 - Supporting the UAE Coder and Mawhibatna Programmes
 - Funding the Centurium Prize and other research programmes to support innovation and local research talent
 - Supporting local entrepreneurs

Supporting People of Determination

- Aldar Properties (Aldar) has signed a Memorandum of Understanding (MoU) with Zayed Higher Organization (ZHO) to enhance opportunities and accessibility for people of determination within Aldar and across the company's retail, hospitality, residential and commercial assets. The agreement comes as part of Aldar's CSR strategy to drive positive impact and improve inclusivity and accessibility in local communities.
- Aldar maintains strategic partnership with UAE Special Olympics. The agreement includes the provision of office space and support services.
- Aldar investment in Ma'an's first social impact bond that supports People of Determination 'ATMAH', enabled the recruitment of more than 20 individuals from the programme into local organisations.

Supporting the Nation's Youth

- We are committed to offer one of our flagship buildings to the Federal Youth Authority – which acts as a co-working space with state-of-the-art facilities – where the youth can work in.

Promoting Health & Wellbeing

- Aldar sponsors the UAE Team Emirates, the UAE's competitive road cycling team. The three-year sponsorship agreement is in line with Aldar's social responsibility efforts by advocating for healthy and sustainable living across its communities.
- Aldar introduces wellbeing programmes to its employees and communities.

16. GENERAL INFORMATION

16.1 Company's Share Performance during 2021

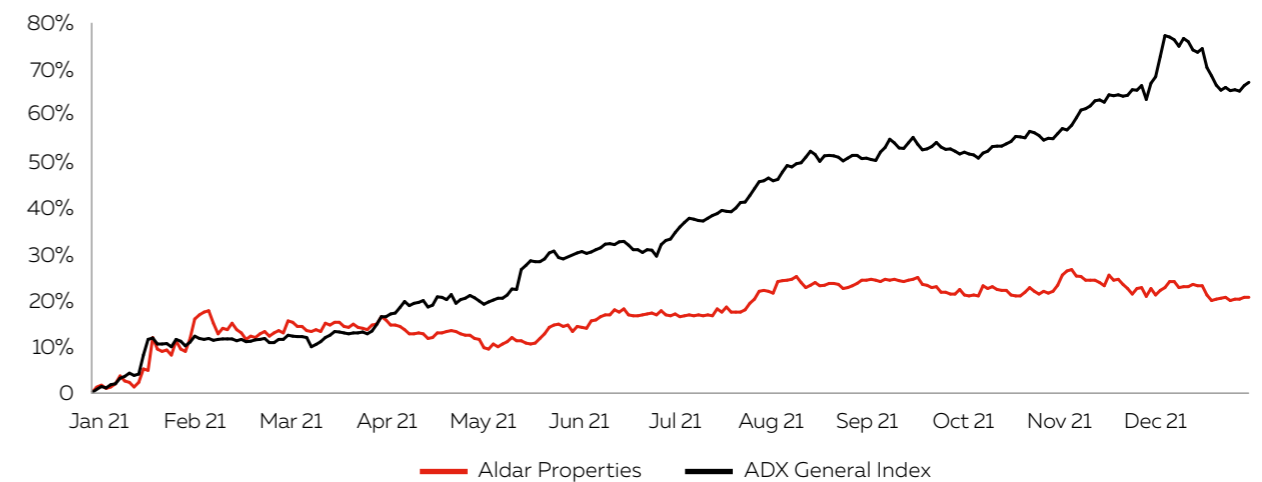
Trading in the Company's shares witnessed strong activity during the year ended on December 31, 2021. The following table provides an overview of the Company's share price at the end of each month of the year ended on December 31, 2021:

Date	Opening (AED)	Highest Price (AED)	Lowest Price (AED)	Closing (AED)	Quantity (Share)	Value (AED)	No. of Transactions	Change	
								AED	%
January 2021	3.18	3.82	3.15	3.48	674,973,329	2,257,439,310.65	12,571	0.33	10.48
February 2021	3.55	3.88	3.53	3.66	1,306,752,638	4,807,178,308.44	14,926	0.18	5.17
March 2021	3.66	3.80	3.62	3.76	1,027,429,290	3,801,200,985.24	9,037	0.10	2.73
April 2021	3.65	3.72	3.49	3.51	1,277,644,167	4,636,520,364.77	6,417	0.25	6.65
May 2021	3.54	3.73	3.49	3.65	1,253,354,769	4,493,705,788.93	8,378	0.14	3.99
June 2021	3.66	3.90	3.63	3.82	1,359,063,664	5,168,623,938.97	9,821	0.17	4.66
July 2021	3.82	3.98	3.73	3.97	1,196,692,878	4,603,007,920.61	8,219	0.15	3.93
August 2021	3.98	4.26	3.98	4.15	1,486,475,783	6,130,535,005.65	10,922	0.18	4.53
September 2021	4.16	4.24	3.96	4.08	1,729,822,010	7,170,587,072.11	12,372	0.07	1.69
October 2021	4.09	4.13	3.98	4.06	1,568,467,146	6,360,526,413.84	11,045	0.02	0.49
November 2021	4.06	4.38	3.98	4.02	1,555,095,680	6,472,250,129.60	17,121	0.040	0.99
December 2021	4.03	4.21	3.92	3.99	1,187,587,686	4,816,833,764.46	12,689	0.030	0.75

Source: Abu Dhabi Securities Exchange

16.2 Comparative Performance of Aldar Properties' share with the General Market Index and Sector Index during 2020

The following diagram shows the comparative performance of the Company's share with the general market index and the real estate sector index during the year ended on 31, December 2021:



Source: Bloomberg

16. GENERAL INFORMATION continued

16.3 Statement of Distribution of Shareholders' Ownership as on December 31, 2021 (Individuals - Companies - Governments), categorised as follows: (Local - Gulf - Arabic - Foreign)

The following table shows the distribution of shareholder's ownership in Aldar Properties (Individuals - Companies - Governments) categorised as follows: (Local - Gulf - Arabic - Foreign) as on December 31, 2021:

Investor / Shareholder	Customer Type	No. of Shareholders	No. of Shares (Share)	Ownership Percentage in the Capital as per the Category	Total Shares
Local	Government	448	2,225,401,033	28%	6,462,364,672
	Companies	111	3,122,490,292	40%	
	Individuals	42,373	1,114,473,347	14%	
Gulf	Government	1	2,124,067	0.03%	128,721,445
	Companies	67	112,230,008	1.43%	
	Individuals	158	14,367,370	0.18%	
Arabic	Government	0	0	0.00%	57,055,488
	Companies	16	6,147,289	0.08%	
	Individuals	958	50,908,199	0.65%	
Foreign	Government	0	0	0.00%	1,214,555,051
	Companies	629	1,181,969,425	15.03%	
	Individuals	785	35,361,434	0.45%	
Total		45,437	7,862,629,603	100%	7,862,629,603 Shares (100%)

Source: Abu Dhabi Securities Exchange

16.4 Overview of Shareholders whose Ownership Percentage exceeds 5% of the Company's Capital as on December 31, 2021

The following table shows the shareholders whose ownership percentage exceeds 5% of the Company's capital as on December 31, 2021:

Shareholder	No. of Shares	Ownership Percentage
Al Mamoura Diversified Global Holding	1,975,408,347	25.12%
Sublime Commercial Investment One Person Company LLC	960,000,000	12.21%
Sogno Two One Person Company LLC	649,086,148	8.26%
Sogno Three One Person Company LLC	625,293,766	7.95%

Source: Abu Dhabi Securities Exchange

16.5 Statement of Distribution of Shareholders according to their Ownership Percentage as on December 31, 2021

The following table shows the distribution of shareholders according to their ownership percentage as on December 31, 2021:

Shares Ownership (Share)	No. of Shareholders	No. of Owned Shares	Owned Shares Percentage of the Capital
Less than 50,000	42,678	116,974,423	1.49%
From 50,000 to less than 500,000	1,969	347,198,785	4.42%
From 500,000 to less than 5,000,000	663	1,012,036,111	12.87%
More than 5,000,000	127	6,386,420,284	81.22%
Total	45,437	7,862,629,603	100%

Source: Abu Dhabi Securities Exchange

16.6 Controls of Investors Relationships with the Listed Companies

According to the decision of the Chairman of the Securities and Commodities Authority No. (7/RM) of 2016 on standards of institutional discipline and governance of Public Joint Stock Companies, and the circular issued by the Authority on the controls of investor relationships with listed companies, and on the basis of Aldar Properties' keenness on the optimal application of the applicable rules and regulations in this regard, the Company, during 2020 and 2021, has stimulated and developed the Investor Relations Department and strengthened its role through the fulfilment of the primary and secondary requirements of the Investor Relations Department, in a manner that contributes to raising the consistency and quality in response to the external inquiries of analysts, investors and shareholders. It also strengthens the Company's investment relations and market linkages, and enhances the knowledge and awareness of the stakeholders and their understanding of the data on the performance of the Company through the application and enforcement of the best ways to communicate with the Company, improvement of the quality of submitted reports, ensuring a high level of disclosure, transparency and interaction with markets through efficient structure at the Senior management level.

From this view point, the Company has developed and updated its Investor Relations Department website to promote efficiency and effectiveness in accordance with the Securities and Commodities Authority's applicable requirements and controls of investor relations management. The shareholders, investors, stakeholders and the public can visit this website through the following link:

<http://www.aldar.com/en/article/investor-relations/investor-relations-overview.html>

In addition, to ensure efficient and effective realisation of the role and objectives of the Investor Relations Department, the Company appointed officials specialised in investor relationships management, who have the required scientific qualifications and experiences in the fields of business, accounting and public relations, and full knowledge of the Company's activities and opportunities, and are familiar with the relevant legal and legislative requirements of the relevant authorities. In addition, they have the skills and ability to interact with the customers and provide them with the technical and financial information of the Company easily and smoothly, in both Arabic and English, through various channels of communication. In 2021, the officials of this Department conducted a series of meetings with current shareholders and potential investors, at the local and international levels, to enhance awareness and knowledge of the Company's projects and financial position, in a manner that enhances the confidence in the Company's performance, projects and portfolio of assets, as well as the Company's future expansion and growth prospects.

The following table shows the details and contact information of the Investor Relations Department officials:

Investor Relations Department officials	Ms. Samar Khan
	Ms. Basma Al Muhairi

Contact Information

Telephone	00971 2 8105555
Fax	00971 2 8105550
P.O. Box	51133 - Abu Dhabi
Email	SKhan@aldar.com
Address	Aldar Square - Yas Island - Abu Dhabi

16.7 Special Decisions taken in the General Assembly Meetings of Shareholders during 2021, and Actions taken in respect thereof

In accordance with the applicable laws and regulations, the special decision is: the decision issued by a majority vote of shareholders who own at least three quarters of the shares represented in the General Assembly meeting of the joint stock company.

The agenda of Aldar Properties' General Assembly meeting held on March 24, 2021, included two clauses requiring a special decision by the shareholders, which have been unanimously approved by the shareholders present at this meeting. These clauses are as follows:

- Approval of provisions of voluntary community contributions by the Company during 2021, and authorising the Board of Directors to determine the entities to whom such amounts will be allocated, provided that such voluntary contributions shall not exceed 2% of the average net profit of the Company achieved during the fiscal years (2019 and 2020), and provided that such voluntary contributions are made for the purposes of community service and subject to the provisions of Federal Law No. (02) of 2015 on commercial companies in this regard.

16. GENERAL INFORMATION continued

16.7 Special Decisions taken in the General Assembly Meetings of Shareholders during 2021, and Actions taken in respect thereof continued

Based on the approval issued by consensus of the shares represented at the General Assembly meeting of the Company, the Board of Directors approved and allocated amounts of money and voluntary contributions to serve the community, within the powers and standards granted to it, and in accordance with the legal requirements in this regard.

- Approval of amending the following articles (15), (17), (31), (33), (35), (36), (38), (39), (40), (42) and (46) of the Articles of Association of Aldar to be consistent with the amendments made to the Federal Law No. (02) of 2015 on commercial companies, provided that, the approval of the competent authority is obtained.

Based on the approval at the General Assembly meeting of the Company, the company has conducted the measures required for meeting the legal procedures and requirements necessary to execute such resolution, amending the Company's Articles of Association and publishing it in the official gazette. The Company also has approached the relevant departments in the Securities and Commodities Authority and Abu Dhabi Securities Exchange until the actual application and execution of the said resolution.

16.8 Company Secretary of the Meetings of the Board of Directors and the Date of Appointment thereof

Aldar Properties, its Board of Directors and Executive Management believe in the role played by the Company Secretary of the Board of Directors' meetings in organising the work of the Board of Directors and its Committees. Further, his role includes coordination of matters and issues relating to the meetings of the Board and its Committees, from scheduling meetings, organising the agenda, organisation and coordination of the Members before and during the meetings, preparing their minutes, arranging for the signature and adoption thereof. Furthermore, and the Company Secretary's role in coordination of communication among the different Departments of the Company in relation to resolutions issued by the Board and its Committees, to ensure the optimal implementation of such resolutions. In addition, he contributed to the continuous communication with the Members of the Board and provision of various information and requirements related thereto, in a manner that ensures that they perform an effective role in their duties as Members of the Board of Directors, according to the applicable laws, regulations and resolutions.

The most prominent tasks undertaken by the Company Secretary are as follows:

- Documenting Board meetings and preparing their minutes.
- Maintaining the reports submitted to the Board of Directors and the reports prepared by the Board.
- Providing the members of the Board of Directors with the agenda of the meeting of the Board of Directors, papers, documents and relevant-information, and any additional information related to the topics covered in the agenda items requested by any Board member.
- Ensuring the compliance of the members to the procedures approved by the Board of Directors.
- Notifying the members of the Board of Directors of the dates of the Board meetings sufficiently before the date set for the meeting.
- Submitting the draft minutes to the Board members to express their opinions thereon before signing it.
- Ensuring that the members of the Board of Directors receive a complete and without delay a copy of the minutes of the Board of Directors' meetings, and the information and documents related to the company.
- Communicating the decisions of the Board of Directors and its committees to the Executive Management of the company and submitting reports on their implementation and application.
- Supporting the Board of Directors' evaluation process.
- Coordination between members of the Board of Directors and the Executive Management Team in the company.
- Organising the disclosure record for the Board of Directors and the Executive Management in accordance with the rules and provisions of the Public Shareholding Company Governance Manual and the active legislation, in addition to providing assistance and advice to them.

Mr. Mohamed Hatem Abdul-Rahman was appointed as a Company Secretary to the company under the resolution issued by the Board of Directors in its meeting No. (04/2020) which was held on August 12, 2020. Mr. Mohamed Hatem Abdul-Rahman has a practical experience in the field of legal affairs and corporation compliance for a period of 14 years. He obtained a bachelor degree from Faculty of Sharia and Law from UAE University. Moreover, he obtained certification from "Governance".

16.9 Material Events Experienced by the Company during 2021

The year 2021 witnessed a significant demand for sales of housing units in all projects developed by Aldar Properties Company, and this was due to the lack of high-quality housing projects that offered in the market during that period, along with the investors and buyers trust in the company's ability, efficiency and quality of its products despite the difficult circumstances of COVID-19. Among the most significant events that Aldar Properties experienced during the year 2021 are the following:

- **Abu Dhabi Executive Council approves capital projects framework between Abu Dhabi Government and Aldar Properties**
On 20 January 2021, Abu Dhabi Executive Council has approved a framework between Abu Dhabi Government and Aldar Properties for the development of capital projects in the emirate. The decision follows the recommendation of the Abu Dhabi Executive Committee to establish a public-private partnership framework for the development of capital projects in the emirate and the subsequent Memorandum of Understanding signed between Abu Dhabi Development Holding (Holding) and Aldar.
- **Aldar Announces New Group Operating Model as it Embarks on the Next Phase of Growth**
On 31 January 2021, Aldar Properties has adopted a new group operating model to drive the next phase of growth, which will focus on enhancing the customer experience, digital transformation, operational efficiency, and sustainability. The new model promotes agility and accountability throughout the organisation, with two core businesses – Aldar Investment and Aldar Development – led by their own Chief Executive Officers, Jassem Saleh Busaibe as CEO of Aldar Investment and Jonathan Emery as CEO of Aldar Development, both reporting to the Group CEO.
- **Aldar Launches the "Aldar Scale Up Programme" for PropTech Startups**
On 2 February 2021, Aldar Properties (Aldar) announced the launch of its corporate innovation programme, Aldar Scale Up, in partnership with startAD, the Abu Dhabi-based global accelerator at NYU Abu Dhabi and powered by its partner Tamkeen. The virtual market access will provide a gateway to tangible growth opportunities, build strong networks, and validate global PropTech start-ups providing the latest cutting-edge real estate technology to enter and grow in the UAE market through pilot projects with Aldar and other leading industry players in the region.
- **Aldar Estates accelerates growth and widens reach through acquisition of Asteco Property Management**
On 11 February 2021, Aldar Estates, a recently established estate management company that consolidated Aldar Properties' retail operations alongside existing residential and commercial real estate operations managed by "Provis Estate Management", has acquired the award-winning full-service real estate services company Asteco Property Management LLC and all its branches across Abu Dhabi and Dubai. Through the acquisition, Aldar Estates will scale up its existing integrated estate management solutions to include building consultancy, valuation and advisory as well as franchising services.
- **AI 85% Of Aldar's Workforce obtain the Vaccination Against Covid-19 So Far**
On 9 February 2021, Aldar Properties has announced that 85% of its workforce has chosen to vaccinate against Covid-19 so far, with over 19,000 people having received a Covid-19 vaccine dose in less than a month. This includes Aldar's executive management, employees working at Headquarters and Aldar Estates and those across the Group's entire portfolio of malls, hotels and schools.
- **Resignation of a Member of the Board of Directors**
On 01 March 2021, Aldar Properties PJSC announced that Mr. Mansour Mohamed Al Mulla has resigned from membership of the company's Board of Directors and its committees with effective from 28 February 2021, and that Mr. Khalifa Abdulla Khamis Al Romaithi has been appointed as his successor. This appointment has been presented to the shareholders in the General Assembly held on 24 March 2021 and it was approved.
- **Aldar Properties consortium submits tender offer for majority stake in EGX-listed Real Estate Company SODIC**
On 14 March 2021, Aldar Properties PJSC has submitted a non-mandatory tender offer for the potential all-cash acquisition of the majority stake in the Egyptian development company "Sixth of October Development and Investment" (known as SODIC) which is a public joint stock company listed in the Egyptian Stock Exchange under code (OCDI.CA). This bid will be implemented by a consortium led by Aldar which owns its majority. The bid includes at least acquisition of 51% of SODIC existing capital, knowing that, completion of this deal shall be subject to completion of all due diligence procedures, obtaining the applicable regulatory approvals and meeting other terms. In case of reaching a satisfied result for the due diligence procedures, the consortium led by Aldar intends to present a binding bid in accordance with the applicable laws and regulations.
- **AED 500 Million Redevelopment Plan Unveiled to Redefine Retail Experience at Yas Mall**
On 29 March 2021, Aldar Investment announced a AED 500 Million redevelopment plan for Yas Mall to reinforce the asset's position as the centrepiece of Yas Island, Abu Dhabi's fast growing residential and leisure destination. The substantial investment will enhance the customer journey by reimagining the mall's spaces and introducing new innovative retail concepts. The redevelopment will further enable Aldar Investment to deliver a unique and diversified offering to tenants and customers by repurposing 40% of its gross leasable area to high impact experiential retail, F&B, and co-working office spaces. Work on key areas of the mall is already underway during this March and will be completed in phases over 12-18 months.
- **Aldar Launches Second Cycle of Its Highly Successful Entrepreneurship Programme "Manassah"**
On 04 April 2021, Aldar Properties has announced launch of the second round of its Manassah programme – a six-month entrepreneurship incubator aimed at encouraging and supporting the entrepreneurs, nurturing entrepreneurial talent and advancing homegrown retail concepts in the GCC.

16. GENERAL INFORMATION continued

16.9 Material Events Experienced by the Company during 2021 continued

• **Aldar Launches “Noya Viva” On Yas Island**

On 04 April 2021, Aldar Properties has announced launch of “Noya Viva” project to be the second stage of “Noya” residential project on Yas Island which has achieved huge success at time of its launch. All residential units in the community are open to buyers from all nationalities on a freehold basis.

• **Aldar’s Yas Island Development “Noya Viva” Sells Out in less than 48 Hours**

On 12 April 2021, Aldar Properties has announced that all units in Noya Viva project have been sold out within 48 hours. This project is the second phase of its highly successful Noya development on Yas Island, which achieved great success and remarkable turnout when it was launched during the Q4 of 2020. This follows on from the four-hour sell-out of all units, demonstrating the continued demand for high-quality, well-located homes in Abu Dhabi.

• **Aldar Boosts Emiratisation Efforts through MoU with Ministry of Human Resources and Emiratisation (MOHRE)**

On 13 April 2021, Aldar Properties signed an agreement with the MOHRE to train and offer opportunities to 10 young UAE nationals during 2021 – a commitment that is in line with the company’s priorities around the development of Emirati talent and supporting the Emiratisation objectives. It is worthy notes, Aldar will be recruiting over 50 UAE nationals throughout the current year.

• **Aldar Partners with Global Venture Capital Firm Fifth Wall to Invest in European PropTech Fund**

On 03 May 2021: Aldar Properties has announced concluding a strategic partnership with Fifth Wall, the world’s largest venture capital firm focused on real estate technology. The investment into Fifth Wall’s European Real Estate Technology Fund makes Aldar the first limited partner from the MENA region to invest in the fund.

• **Aldar Properties has selected three PropTech start-ups to implement pilot projects**

On 05 May 2021, Aldar Properties has selected three PropTech start-ups as part of the inaugural Aldar Scale Up accelerator programme, which aims to provide a gateway for international businesses with the latest cutting-edge real estate technology to enter and set up in the UAE. Selected start-ups will benefit from tangible growth opportunities through pilot projects with Aldar and other leading industry players in the region. The Scale Up accelerator programme was created in partnership with startAD, the Abu Dhabi-based accelerator, powered by Tamkeen and anchored at NYU Abu Dhabi.

• **Aldar Launches “Noya Luma” On Yas Island Following Rapid Sale of First Two Phases**

On 25 May 2021, following the success of the first two phases of its Noya development, Aldar Properties has announced the launch of 189 standalone villas at Noya Luma on Yas Island. Noya Luma sits adjacent to the rest of the Noya community on the north side of the island and is open to buyers from all nationalities on a freehold basis.

• **Aldar’s Noya Luma’ Development on Yas Island Sells Out in Four Hours**

On 30 May 2021, Aldar Properties has announced that Noya Luma, the third phase of its highly successful Noya development on Yas Island, sold out within four hours. This follows the rapid sell-out of the first and second phases of the community, demonstrating the persistent demand for high-quality homes on Yas Island. In total, Noya, Noya Viva and Noya Luma have generated more than AED 2.5 Billion in the past six months.

• **Aldar Launches Saadiyat Reserve “The Dunes”**

On 30 June 2021, Aldar Properties announced the launch of the last phase of Saadiyat Reserve, which is “The Dunes”, the company’s latest residential community in the heart of Saadiyat Island. Located a short distance from key attractions and amenities on the island, including Louvre Abu Dhabi, Manarat Al Saadiyat, Soul Beach, and NYU Abu Dhabi, Saadiyat Reserve The Dunes is made up of 83 high quality villas with access to community retail, a school, a mosque, fitness areas, sports courts, and swimming pools that will be developed within the Saadiyat Reserve masterplan.

• **Aldar became the First Mena Real Estate Company to Secure Sustainability-Linked Loan**

On 04 July 2021, Aldar Properties has signed a credit facility with HSBC that links the interest margin payable under the facility to achievement of sustainability targets. The agreement sees Aldar become the first real estate company in the Middle East and North Africa (MENA) region to enter into this type of financing.

• **Aldar Sells Out Saadiyat Reserve The Dunes**

On 07 July 2021, Aldar Properties announced today the sell-out of all 83 villas at Saadiyat Reserve The Dunes, the company’s latest development on Saadiyat Island. The Cilla project received remarkable demand from customers looking to benefit from stunning modern designs and a prime location in the heart of Saadiyat Island.

• **Aldar Launches Exclusive Land Plots at Al Gurm Waterfront Community**

On 11 July 2021, Aldar Properties has announced the launch of the second phase of its Al Gurm development, a luxurious and secluded waterfront community on the South-West side of Abu Dhabi’s main island. The beach facing land plots at Al Gurm, which sit amongst the natural mangroves and open water, are exclusively available to purchase by UAE nationals.

• **Aldar Sells Out Exclusive Waterfront Land Plots at Al Gurm**

On 02 August 2021, Aldar Properties has announced the sell-out of land plots at the second phase of Al Gurm, the luxurious and secluded beachfront community on the South-West side of Abu Dhabi’s main island. This solid sales performance is the latest indication of the demand for a diverse range of real estate investment opportunities in Abu Dhabi.

• **Aldar Achieves Highest ESG Ranking of Listed Real Estate Companies in the UAE**

On 03 August 2021, Aldar Properties PJSC today published its third sustainability report showcasing the resilience of its business and sustainable growth strategy in 2020. The report highlights the significant progress and steps forward that Aldar has made with regards to its sustainability goals.

Aldar has markedly increased its ESG results, despite the COVID-19 pandemic, scoring higher than all listed real estate companies in the UAE, after implementing a refreshed sustainability strategy last year. Furthermore, Aldar was ranked third among all listed companies on Abu Dhabi Securities Exchange and improved its ESG score well above the industry average for both Dow Jones Sustainability Index and MSCI.

• **Aldar to Launch Magnolias at Yas Acres**

On 22 August 2021, Aldar Properties has announced the launch of Yas Acres the Magnolias. The third phase of the well-established development at the Yas Acres gated community consists of 312 new spacious villas and townhouses that are available for purchase by all nationalities from next 4 September.

• **Aldar Properties consortium submits mandatory tender offer for up to 90% stake in EGX-listed Real Estate Company SODIC**

On 14 September 2021, A consortium comprising Aldar Properties and ADQ has submitted for approval by the Egyptian Financial Regulatory Authority an all-cash mandatory tender offer for up to 90% and a minimum of 51% of the outstanding share capital of The Sixth of October for Development and Investment S.A.E. (“SODIC” or “the Company”) (EGX: OCDI.CA).

• **Aldar Completes the Sale of all Homes at Newly Launched ‘Magnolias’ Yas Acres**

On 07 October 2021, Aldar Properties (‘Aldar’) has announced that Magnolias, the third phase of its flagship Yas Acres development on Yas Island, has been sold out. This follows the strong demand seen in the first three phases of Yas Acres and the rapid sell-out of the three phases of Aldar’s adjacent Noya development.

• **Aldar to Create 1,000 Jobs For UAE Nationals By 2026 in Line With ‘Projects Of The 50’ Nafis Programme**

On 24 October 2021, Aldar Properties announced that it will create employment opportunities for one thousand UAE nationals over the next five years in line with the ambitious Emiratisation goals set out in the UAE’s ‘Projects of the 50’ initiative. The announcement reaffirms the company’s commitment to increase Emiratisation levels in the private sector and develop the next generation of highly skilled local talent in partnership with the UAE government to support its NAFIS programme. A total of 200 roles will be created each year for five years across Aldar’s various subsidiaries and partner companies, with positions available for fresh graduates as well as experienced professionals. To broaden the impact of the commitment, the 1,000 jobs created will include direct roles across Aldar’s entire business, as well as indirect roles with partners and suppliers in line with Aldar’s In Country Value (ICV) programme requirements.

• **The Egyptian Financial Supervisory Authority approves submittal of mandatory tender offer by Aldar-ADQ consortium submits for up to 90% stake in EGX-listed Real Estate Company SODIC**

On 24 November 2021, The Egyptian Financial Supervisory Authority has approved the request of Aldar-ADQ consortium to submit mandatory tender offer an all-cash mandatory tender offer for up to 90% and a minimum of 51% of the outstanding share capital of SODIC (EGX: OCDI.CA). by approval of The Egyptian Financial Supervisory Authority issued on 22 November, the mandatory tender offer period shall be valid for 10 working days as per the applicable administrative time in Egypt with effective from Wednesday, 24 November, during which SODIC shareholders must reply to the offer.

• **Aldar secures Egyptian Real Estate platform alongside strategic partner ADQ as majority shareholders in SODIC**

On 07 December 2021, a consortium comprising Aldar Properties and ADQ will acquire approximately 85.52% of the outstanding share capital of SODIC (EGX: OCDI.CA) following a successful mandatory tender offer (MTO). The Abu Dhabi based consortium, which is controlled 70% by real estate developer and manager Aldar and 30% by ADQ, one of the region’s largest holding companies with a broad portfolio of major enterprises spanning key sectors of Abu Dhabi’s diversified economy, will focus on identifying growth opportunities and guiding the company’s long-term strategy. The consortium’s objective is to advance SODIC’s position as a leading national developer by scale and reputation, growing its portfolio of mixed-use residential communities in Greater Cairo, the North Coast and other major markets.

16. GENERAL INFORMATION continued

16.9 Material Events Experienced by the Company during 2021 continued

Aldar Properties invites the PropTech start-ups to participate in second edition of Aldar Scale Up

On 08 December 2021, Aldar Properties has announced launch of the second edition of Aldar Scale Up Programme to accelerate the business and supporting the start-ups without acquisition of equity. The programme provides a gateway for international businesses with the latest cutting-edge real estate technology to enter and set up in the UAE through pilot projects with “Aldar” and “Majid Al Futtaim” its strategic partner in Dubai. The Scale Up accelerator programme was created in partnership with startAD, the Abu Dhabi-based accelerator, powered by Tamkeen and anchored at NYU Abu Dhabi. The invitations were addressed to the start-ups to submit their applications for participation by 05 February 2022.

In addition to many other material events that were disclosed to the Securities and Commodities Authority, Abu Dhabi Securities Exchange and through various media at the time during 2021.

16.10 Emiratisation Percentage in the Company for the years 2019, 2020 and 2021

Aldar Properties has adopted a policy that contributes to attract national, experienced and qualified personnel who play a fundamental and effective role in supporting the Company’s progress, projects and business, in a way that enhances the Company’s capabilities and resources, and contributes to support the development process witnessed by the Emirate of Abu Dhabi under the approach of our wise leadership. In this regard, it is worth mentioning that the Company succeeded in raising the Emiratisation percentage during the 2021. The following table shows the company’s Emiratisation ratios for the years 2019, 2020 and 2021:

Year	2019	2020	2021
Emiratisation Ratio	27.0%	29.1%	37.1%

16.11 Statement of the transactions conducted by the company during 2021 which is equivalent to 5% or more from the company’s capital

Aldar didn’t conclude any deals that amounted to 5% or more from the company’s capital during 2021.

16.12 Projects and Innovative initiatives performed by the Company during 2021

Aldar Properties firmly believes in the importance of adopting innovative projects and initiatives that meet the needs and requirements of communities, customers, shareholders, investors and employees. The Company is keen to provide a transparent and competitive investment environment to enhance the efficiency of the sectors in which the Company operates, and to enhance and encourage the attractiveness of professional expertise and capital to work and invest in these sectors. During 2021 (in line with what was initiated in 2017), Aldar Properties played an important and substantial role in adopting many initiatives and continuous coordination with customers and partners in Abu Dhabi (individuals, companies and governmental and non-governmental entities) as follows:

Scale Up, Aldar’s equity-free accelerator programme that runs virtually over a six month period, provides a gateway for tech startups from around the world to access the UAE market with tangible opportunities to grow their businesses through real estate pilot projects with Aldar and its partners. In recognition of the accelerated shift towards Web 3.0, the second edition of Scale Up will become one of the UAE’s first programmes to attract international startups with technologies that have the potential to shape the open metaverse. The programme is specifically focused on start-ups with the capabilities and desire to reimagine the future of the real estate industry in more efficient, secure, and experiential ways through blockchain and NFT applications, artificial intelligence-powered data analytics, and customer experience gamechangers like virtual reality.

The Ibtikar Initiative is an internal incubation programme aimed at developing and testing ideas and solutions home grown by Aldar employees. Each employee is given the opportunity to come up with an idea, bring together a team, and pitch the idea to the Company executives in a similar way to how an entrepreneur seeking funding would pitch to a venture capital firm. Winners of the programme receive funding to develop and test a prototype within a controlled environment which can later, if proven successful, be scaled into a full venture. More than 10 successful projects have been launched since the initiation of this program in 2019 with many more being tested annually.

Aldar has entered into strategic partnerships with multiple proptech fund managers predominately overlooking Europe and North America. Through these investments, Aldar will be able to tap into a large network of proptech startups on a global basis to gain access to the latest technologies and trends that are driving the evolution of the real estate sector. This global access will provide Aldar with vital insights to inform its business decisions and identify solutions and potential enhancements to the various businesses that are part of the Group.

• **Corporate CX**

Corporate CX function has been created to ensure a seamless Customer experience across assets by proactively managing and monitoring customer experience. This includes as core strategic functions such as:

- Cascade down CX vision and initiatives to each asset
- Monitor and govern Aldar customer strategy across assets and develop action plan to enhance experience
- Create framework for continuous engagement with our customers across assets

The ultimate goal is to ensure all the assets are leveraged to get the customers’ satisfaction expected through providing excellent customer service that directs our resources, initiatives, and strategy towards fulfilling the customer’s needs and expectations.

Within this mandate, Corporate CX department **is focusing on 4 pillars of Aldar Customer Centric Strategy by providing strategic guidance and governance framework:**

- Engagement & Understanding our customers: to drive deeper insights to our customers preferences and mirror our customer experience through continuous mystery shopping
- Journey enhancement: to continuously monitor and refine our customer journey to ensure alignment and improvement
- Insights & Feedback: to deliver real time Voice of the Customer platform to enable rapid response and enhancement to our experience
- Retainment & Loyalty: to grow and continuously improve Darna loyalty program to increase loyalty and meet our customers’ demand.

Corporate CX has played a key role in driving cultural mindset changes towards more customer centricity, with one initiative, among key others, **being the implementation of Aldar Customers Centricity Committee (CXC), composed of C-suite members.** The CXC role is to review Insights, take strategic decision to enhance CX, escalate urgent issues related to customers feedback and go through new initiatives that come out as a result of discussion.

By ongoing monitoring customers feedback and escalate issues, conducting regular audits, Corporate CX has contributed with the CX assets champions to enhance significantly CX KPIs vs last year.

Signatures		
Chairman of Nominations & Remuneration Committee Mr. Martin Lee Edelman	Chairman of Audit, Risk Management & Compliance Committee Mr. Ali Saeed Abdulla Al Falasi	Director of Internal Audit Department Mr. Haider Najim

Approval of the Board of Directors

Approved by the Board of Directors at its Meeting No. (02/2022) held on March 08, 2022

H.E. Mohamed Khalifa Al Mubarak
Chairman of the Board