NMDC ENERGY



2024 CORPORATE GOVERNANCE REPORT

A NEW HORIZON – EMPOWERING RESPONSIBILITY IN THE FUTURE OF ENERGY

2024 CORPORATE GOVERNANCE REPORT

01) PREAMBLE

Corporate governance in the UAE encompasses the frameworks and processes that govern and control corporate entities, ensuring a balance between the interests of shareholders, management, and broader societal stakeholders.

The inaugural Corporate Governance Report of NMDC Energy–P.J.S.C. (the "**Company**") underscores the Company's commitment to robust governance standards, highlighting significant milestones and strategic objectives. In 2024, NMDC Energy successfully completed its listing on the Abu Dhabi Securities Exchange (ADX) following a highly oversubscribed initial public offering (IPO), which reflects strong investor confidence. The report further demonstrates the Company's exceptional financial performance, marked by record profits and substantial revenue growth, alongside a growing project portfolio.

NMDC Energy's governance practices are meticulously designed to uphold transparency, accountability, and the creation of sustainable long-term value for its stakeholders. The Company adheres to the highest corporate governance standards, with a focus on Board oversight and structure, unwavering commitment to transparency, the protection of shareholder rights, and the implementation of comprehensive risk management frameworks. NMDC Energy fosters a culture of integrity and compliance with legal and regulatory requirements while ensuring the integration of environmental, social, and governance (ESG) factors into its strategic direction.

Through the application of these stringent corporate governance practices, NMDC Energy remains firmly committed to operating in the best interests of its stakeholders, positioning itself for enduring growth. Looking ahead, the Company is focused on strategic geographic expansion into regions such as Africa, Southeast Asia, and India, while diversifying its portfolio into offshore wind, energy transition initiatives, module fabrication, and decommissioning. This strategic diversification aligns with the Company's long-term sustainability objectives and global energy transition goals.

Mr. Mohamed Hamad Almehairi
Chairman of the Board of Directors

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Mr. Talal Shaffique Al Dhiyebi
Audit Committee Chairman

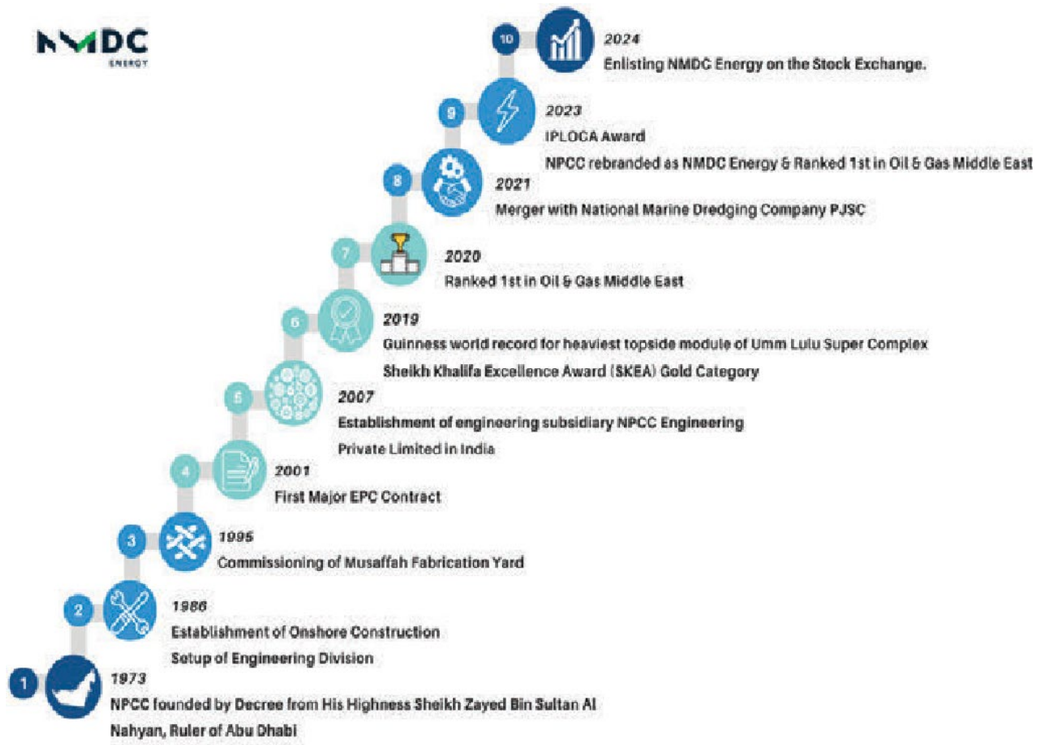
Mr. Nasser Mohamed Almheiri
Nomination & Remuneration Committee Chairman

Mr. Akshay Bhat
Senior Internal Audit Manager

COMPANY BRIEF

NMDC Energy – P.J.S.C. a public joint stock company holds Industrial License No. IN-1001041, having its registered office located at P.O. Box 2058, Mussafah, Abu Dhabi, UAE, a strategic area known for its industrial and commercial significance. NMDC Energy P.J.S.C. has a substantial share capital amounting to AED 2,500,000,000, equivalent to two billion and five hundred million Dirhams, reflecting the Company's robust financial foundation. The Company has issued a total of 5,000,000,000 ordinary shares, which translates to five billion shares available to investors. NMDC Energy is established for a lengthy period of ninety nine (99) years, and thereafter this term shall be renewed automatically for similar and successive periods, allowing for long-term strategic planning and investment stability. The financial operations of the Company are conducted within a calendar year, running from January 1 to December 31, aligning with standard business practices.

JOURNEY OF SUCCESS



The licensed activities of the Company are:

- Onshore and Offshore Oil and Gas Fields and Facilities Services;
- Prefabricated Structural Components Manufacturing;
- Construction Metal Framework and Skeletons and Parts thereof manufacturing;
- Metal Reservoirs, Tanks, and Similar Containers Installed as Fixtures Manufacturing;
- Non-metallic Coating of Metals;
- Oil and Gas fields Equipment Manufacturing;
- Building of Commercial Vessels;
- Construction of Drilling Platforms, Floating or Submersible;
- Import and Export.

NMDC Energy in Numbers

More than
1,200
projects executed

15,000+
team members

13.6%
Emiratization rate among office workers

4 construction yards in the GCC

One of the highest National In-Country Value (ICV) scores among peers

Guinness World Record holder for the heaviest platform

Winner of #1 EPC Contractor for three years (2020, 2022, 2023)

Recognized as Industry 4.0 Digital Leader by Ministry of Industry and Advanced Technology (MoIAT)

02) CORPORATE GOVERNANCE PRACTICES

2.1 Governance Brief

NMDC Energy acknowledges its responsibility as a corporate entity and is fully committed to adhering to best practices and the highest standards of corporate governance. This commitment is demonstrated through transparent business ethics and a strong sense of accountability to all stakeholders. All operations are executed and will be in strict compliance with established corporate governance frameworks, with a continuous focus on enhancing these practices. The Company recognizes that robust governance structures enable management to efficiently oversee and direct the organization's affairs, thereby ensuring the achievement of its objective to optimize value for its stakeholders.

The Company remains steadfast in its commitment to identifying and pursuing avenues for sustainable growth and expansion. Through strategic investments in emerging sectors, the Company aims to diversify its revenue streams, mitigate exposure to market volatility, align with global sustainability trends, and ensure compliance with evolving environmental regulations.

The Company is committed to achieving its vision by leveraging its resources and adhering to core values of transparency, integrity, honesty, and accountability. A strong foundation in corporate governance and ethical business practices will enable the Company to compete effectively and maximize its potential. The Leadership is guided by integrity, with oversight from the Board of Directors. The Company also prioritizes shareholder and stakeholder engagement, creating long-term value through responsible business practices, corporate social responsibility, and a focus on health, safety, and environmental stewardship.

2.1.1 Corporate Governance Rules

NMDC Energy P.J.S.C. Board of Directors (the "Board") is committed to the implementation of corporate governance that involves the establishment of policies, structures, and practices that ensure transparency, accountability, and ethical conduct throughout the organization. It includes defining roles and responsibilities at all levels of the Company, ensuring compliance with applicable laws and regulations, and fostering a culture of integrity and responsibility.

The corporate culture of NMDC Energy P.J.S.C is driven by

- An informed and effective Board of Directors responsible for guiding the Company's direction and establishing its strategic objectives.
- Clearly defined roles and responsibilities for the Board of Directors, its members, Committees, and key officers and executives within the Company.
- Formulation and execution of strategic initiatives, alongside proactive risk management.
- Appropriate delegation and diligent oversight of responsibilities to Management, ensuring accountability.
- Transparent and timely disclosures to meet the needs and interests of stakeholders.
- Full adherence to regulatory compliance requirements.
- Effective management and control of the Company's performance and financial reporting through a robust internal control system.
- Active and constructive engagement with the community.
- Upholding the highest ethical standards and practices across the Company, its officers, and employees.

The Board of Directors is responsible for the Company's overall performance, ensuring that Management effectively balances achieving short-term goals and fostering long-term growth.

To achieve these objectives and ensure compliance with the specific requirements outlined in the Corporate Governance Guide issued by the SCA, the Company's corporate governance practices are based on the following subjects:

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

2.2 Corporate Governance Procedures

In the context of commitment to the Corporate Governance system for PJSC companies, the Company has taken the following steps as part of the Corporate Governance plan for 2024.

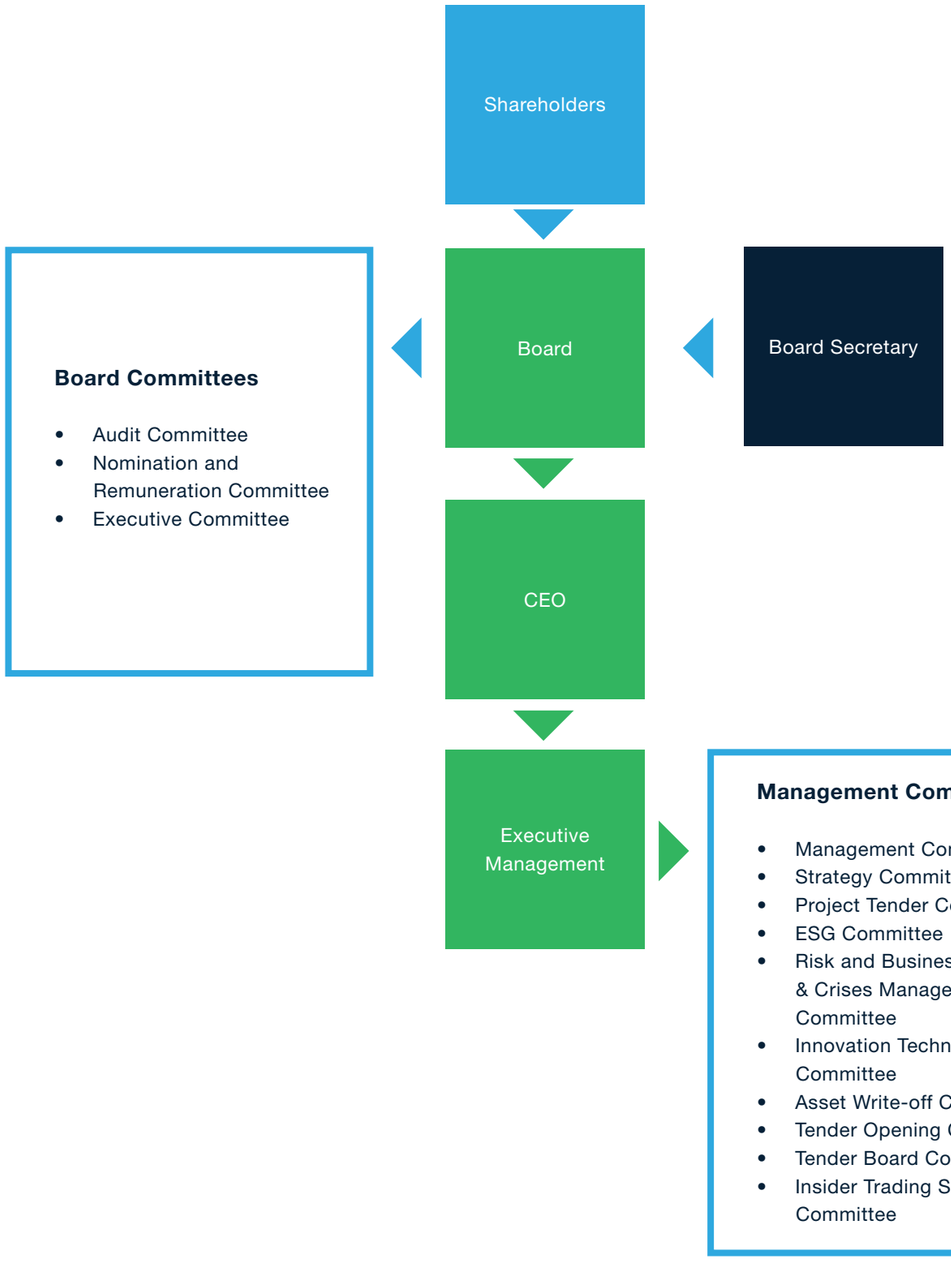
1. The Company has elected the Board of Directors.
2. The Board Committees have been formed.
3. The Management and executive Committees have been formed.
4. Development of the Corporate Governance manual.
5. Evaluation and assessment of the Board of Directors.

2.3 Governance Legalization

On behalf of the Board of Directors of NMDC Energy P.J.S.C, we are pleased to present the 2024 Corporate Governance Report (the "**Report**"). This Report has been prepared in compliance with the requirement of our market regulator, the United Arab Emirates ("**UAE**") Securities and Commodities Authority ("**SCA**"), as set out in its Chairman's Decesion No. (03/R.M) of 2020 on the Joint Stock Companies Governance Guide (the "**Governance Guide**"). In addition to the above the new amendments to the Chairman Decision No. (02/R.M) of 2024 from SCA have also been taken into consideration for the preparation of this report.

2.4 Governance framework

An overview of the governance structure of the Company is set out below:



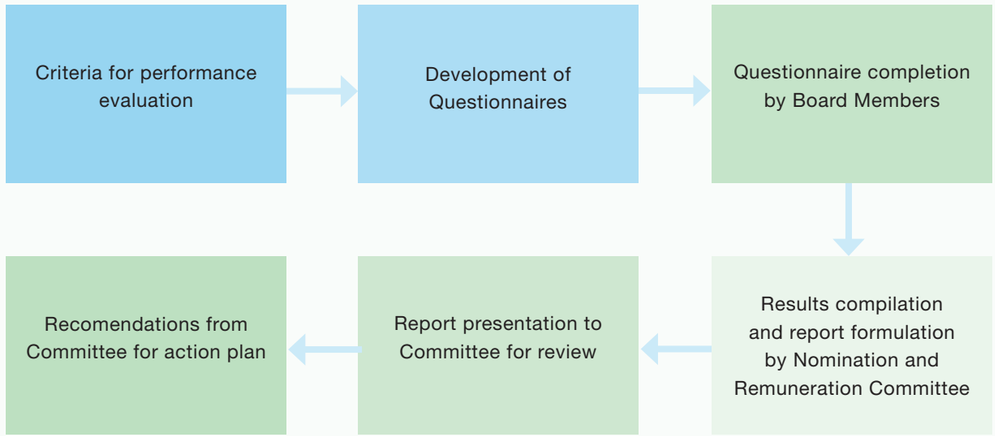
In conjunction with the Articles of Association and relevant regulations, the Board of Directors of NMDC Energy has formally approved a broad array of codes, policies, and meticulously defined organizational structures and processes. These frameworks serve to document decisions, delegations, and effectively govern the operations and oversight activities of the Company and its subsidiaries. Additionally, the Board has articulated a set of overarching principles of conduct and behavior, to which all directors and employees are held accountable, both individually and collectively.

2.5 Evaluation of the Board

To ensure robust performance measurement, accountability, and continual enhancement of governance practices, the Nomination and Remuneration Committee has considered a comprehensive assessment and evaluation procedure for the Board of Directors, its Committees, and the executive management. This procedure delineates explicit performance expectations and provides a systematic framework for evaluating the Board's effectiveness in discharging its duties and responsibilities.

The evaluation will examine critical performance indicators, including the effectiveness of individual board members in fulfilling their roles, their diligence, responsiveness to the Board's strategic directives, and alignment with the organization's long-term objectives, all in strict adherence to the regulatory requirements established by SCA.

Overall work mechanism of Board of Directors Evaluation



The outcomes of this evaluation, including any action plans for improvement, will be submitted to the Board for review. The implementation of these action plans will be actively monitored to ensure their timely and effective execution, thereby driving enhanced performance and governance standards across the Board and committees.

The detailed plan for executing this performance evaluation is currently being finalized. Considering that the Company is newly listed and has just completed a full quarter of operations, the Board has determined that it is prudent to defer the evaluation of Board performance until the conclusion of its first year. This approach aims to enhance objectivity and allow the board adequate time to effectively implement its strategic initiatives. Therefore, the board's evaluation will be conducted for the years 2024 and 2025 at the end of 2025.

2.6 Disclosure Practices

The Company is fully committed to meeting all disclosure obligations, including those to the SCA and ADX, and its shareholders, ensuring transparency and informed market trading. In 2024, the Company proactively provided regular disclosures to the SCA and ADX, covering Board meetings and decisions, the Annual Financial Report, and other key financial and operational updates. All disclosures were promptly made available and consistently updated on the Company's website.

2.7 Delegation of Authority

The Board of Directors holds ultimate responsibility for the Company's operations. Following the Articles of Association, UAE Companies Law, and approved Corporate Policies and Procedures, the Board has the authority to delegate its powers to Committees and senior management. The key measures and the procedures to delegate the authority have been taken and the Board has approved the Delegation of Authority, which defines the authority limits delegated to the Board, Board Committees, Executive Management, and employees to manage the Company's operations both in the UAE and internationally.

2.8 Business Code of Conduct

The Business Code of Conduct (the "Code") sets forth the ethical standards and principles that govern the Company's operations and the behavior of its employees, management, and business partners. It is designed to ensure that all actions and decisions are made with integrity, fairness, and compliance with applicable laws and regulations. The Code covers key areas such as anti-bribery, anti-corruption, conflicts of interest, confidentiality, fair treatment, and corporate social responsibility. It serves as a framework to promote transparency, accountability, and responsible business practices, reinforcing the Company's commitment to upholding the highest ethical standards in all its interactions and operations. All individuals associated with NMDC Energy P.J.S.C. are expected to adhere to these guidelines, fostering trust and maintaining the Company's reputation for excellence.

2.9 Board of Director's Induction Policy

The Company's Director Induction Policy mandates that all newly appointed Board members participate in an induction program aimed at providing a comprehensive understanding of the Company's strategic objectives, organizational framework, operational structure, and key personnel. The program includes detailed briefings from senior leadership, encompassing Corporate Governance principles, compliance protocols, risk management strategies, and ethical standards. The primary objective is to ensure that new directors are thoroughly equipped to discharge their fiduciary duties, make informed judgments, and actively contribute to the Company's long-term success while adhering to legal obligations and governance standards.

2.10 Share Dealing Policy

The objective of the Company's Share Dealing Policy is to ensure that the Board of Directors, employees, and their connected persons do not engage in trading or transactions involving the Company's securities, or those of its subsidiaries or affiliate companies, based on non-public, material information or in circumstances that may lead to a conflict of interest.

In accordance with this policy, no Board member or employee of the Company (or any subsidiary or controlled entity) is permitted to trade in the Company's securities while possessing information that could have a material impact on the security's price, and which has not been disclosed to ADX.

This policy does not exempt individuals from obtaining approval from ADX Board of Directors prior to trading in the Company's securities and prohibits any trading during Blackout Periods. Additionally, this policy operates in conjunction with, and does not supersede, the legal requirement to adhere to all applicable laws and regulations. Board members and employees remain personally accountable for any failure to comply with relevant legal obligations.

2.11 Insiders' Trading Supervision Committee

The purpose of the Committee is to register insiders, monitor and review their transactions, and report to ADX regularly on all such matters. Additionally, it ensures timely access to any relevant changes and full compliance with requirements. As required, the Committee shall report significant matters and irregularities to NMDC Energy CEO/NMDC Energy Executive Committee.

2.11.1 Committee Members and Roles

No.	Name	Designation	Role
1	Mr. Rahul Agarwal	Finance Director	Chairperson
2	Mr. Islam Saeed	General Counsel	Vice Chairperson
3	Mr. Akshay Bhat	Senior Internal Audit Manager	Member
4	Ms. Shaima Ali	Investor Relation Manager	Secretary

2.11.2 Committee Functions and Duties

The roles & responsibilities of the Committee are as follows:

a. Monitoring: Monitor, follow up and supervise the transactions of the insiders and maintain their register.
b. Register: Prepare and retain a comprehensive register for all insiders, including persons who may be considered as temporary insiders with access to the Company internal information prior to publication, and record insiders dealings and ownership in the register.
c. Communication: Notify SCA and the Market of an updated list of Insiders at the beginning of each fiscal year and any amendments during the fiscal year. Additionally, provide a copy of the Insiders Register to the Authority upon request.
d. Compliance: The Insiders' Trading Supervision Committee shall establish a comprehensive method to stay informed about any updates to ADX relevant requirements and ensure full compliance with these regulations.

e. Reporting: The Committee shall report significant matters and irregularities to NMDC Energy CEO/NMDC Energy Executive Committee.

The Committee Chairperson acknowledges his responsibility for the follow-up & supervision system on transactions of the insiders in the Company, review of its work mechanism and ensuring its effectiveness. The Committee in 2024 regularly reviewed and updated the register of insiders. Further, in line with ADX regulations, notifications were communicated to insiders for blackout periods. During the year 2024, there was no trading conducted by insiders.

2.12 Transaction in Company's Securities by the Board Members

The Board of Directors and Company Management acknowledge their responsibilities regarding disclosure obligations in relation to their transactions involving NMDC Energy P.J.S.C. Securities and ensure full compliance with the applicable regulations established by the SCA and ADX.

The table below provides a detailed breakdown of transactions in NMDC Energy securities and the corresponding balances as of 31 December 2024, pertaining to the current Board members and their immediate family members, including spouses, sons, and daughters.

No.	Name	Position/Relationship	Shares held as at 31/12/2024	Total Sales Transaction	Total Purchase Transactions
1	Eng. Yasser Zaghloul	Board Vice Chairman	21,000,000.00	0	1

- No shares in the Company were held by the Board or senior management prior to the IPO.

03) BOARD OF DIRECTORS

3.1 Formation of the Board

NMDC Energy P.J.S.C. Board comprises of five Directors who collectively bring a diverse range of perspectives and expertise. Out of them four members are independent and hold non-executive positions, underscoring the Board's commitment to independent oversight. Notably, majority of the Directors meet the criteria for independence as outlined in the Corporate Governance Guide, ensuring that their decisions are free from any conflicts of interest.

Each member on our Board has been selected for their unique qualifications and extensive experience, equipping them to contribute significantly to the Board's functions. This collective knowledge and skill set enable the Board to engage in comprehensive discussions, make informed decisions, and implement effective strategies that align with the organization's goals and governance standards. Through this structure, we strive to maintain high standards of accountability, transparency, and overall effectiveness in our leadership. All our Directors are serving the Board since September 2024.

Pursuant to NMDC Energy P.J.S.C. Articles of Association, each Director serves for a term of three years and may be re-elected to serve for new period(s).



3.1.1 Board of Directors Qualification, Experience and other board Memberships



MR. MOHAMED HAMAD ALMEHAIRI
Chairman
Non Executive Independent Member since September 2024

Qualification

Mr Mohamed Almehairi holds a Bachelor in Science and Business Administration degree from Suffolk University in Boston – USA.

Experience

Mr. Mohamed Almehairi is a seasoned executive with over 25 years of experience in investment and business sectors. Throughout his distinguished career, he has demonstrated a strong track record of success, rising to leadership positions at prominent organizations in the UAE. His career trajectory showcases a remarkable progression, starting with a foundation in market analysis and sales at ADNOC.

He steadily climbed the ranks, demonstrating exceptional leadership and strategic thinking. His expertise lies in investment management, having held Director and CEO positions at prominent organizations like IPIC, Aabar Investments, and Mubadala. He has a proven track record of managing and growing investment portfolios across various industries.

Currently, he serves as the Chief Executive Officer of the Emirates Investment Authority (EIA), leveraging his extensive experience to lead the management and investment of the UAE's strategic assets. Prior to his current role, Mr. Mohamed Almehairi was the Executive Director of Strategic Assets at EIA. In addition, he has previously held leadership positions such as CEO at Aabar Investments, Executive Director of financial Institutions at Mubadala, and Director of Investments at IPIC.

Other Board Memberships

Mr. Mohamed Almehairi has served as a Board member of Emarat Petroleum, Borealis, Nova Chemicals, Al Hilal Bank, Cosmo Oil and Etihad Airways.



ENG. YASSER ZAGHLOUL
Vice Chairman
Non-Executive Member
Member since September 2024

Qualification

Currently pursuing his PhD, Eng. Yasser Zaghloul holds two master's degrees in management, including a specialized degree in Strategic Management from Cambridge College Global, and an MBA from Swiss Business School. He also holds a bachelor's degree in engineering at the University of Helwan in Egypt.

Experience

Eng. Yasser Zaghloul is the Group CEO of NMDC Group, leading the Company to significant achievements in the marine and energy sectors globally, particularly in the Middle East and North Africa region and South Asia. His strategic leadership has propelled NMDC's expansion and success, with the vision to further expand NMDC's global influence while promoting sustainable practices.

Prior to his CEO role, he was the head of operations at NMDC, enhancing operational efficiencies from 2006 to 2009. His career at NMDC started in 1998 in various managerial roles. Before joining NMDC, Eng. Yasser Zaghloul worked at the Suez Canal Authority in Egypt and began his professional journey at the Higher Institute of Technology in Egypt, focusing on engineering research and development. Eng. Yasser Zaghloul was recognized among the Top 100 CEOs in the Middle East by Forbes Middle East in 2022, 2023 and 2024, and as Best CEO in 2021 by ME Magazine. Additionally, he was named "Personality of the Year" at the 19th ShipTek International Awards 2024, further highlighting his influential presence in the maritime sector.

Other Board Memberships

He also serves as the Chairman of The Challenge – the Egyptian Emirates Marine Dredging Company, further demonstrating his significant role in the industry. Eng. Yasser Zaghloul recently concluded his tenure as a board member of the Abu Dhabi Chamber of Commerce and Industry (ADCCI), a prestigious role assigned by His Highness UAE President Sheikh Mohammed bin Zayed Al Nahyan.



MR. TALAL SHAFFIQUE AL DHIYEBI
Board Member
Non Executive Independent
Member since September 2024

Qualification

Mr. Talal Al Dhiyebi is a graduate of Electrical Engineering from the University of Melbourne in Australia.

Experience

Mr. Talal Al Dhiyebi is the Group Chief Executive Officer at Aldar Properties, the UAE's leading real estate developer, investor, and manager. Under his leadership, Aldar has expanded its geographic footprint outside of Abu Dhabi to the neighboring emirates of Dubai and Ras Al Khaimah, and internationally to Egypt and Europe.

The company currently holds a diversified recurring income portfolio worth over USD 10 billion, an ongoing development backlog of over USD 20 billion between owned and managed projects, in addition to a 69 million sqm strategic land bank. Aldar is a regional leader when it comes to sustainability, having launched its comprehensive Net Zero Action Plan by committing to becoming net zero in Scope 1, 2, and 3 emissions by 2050. The company has set high standards across various ESG metrics, including Governance, Diversity & Inclusion, Women Empowerment, Youth Development, Emiratization, and Worker Welfare & CSR.

Other Board Memberships

Mr. Talal Al Dhiyebi chairs the Boards of a number of Aldar businesses, including Aldar Estates, SODIC, and London Square, and is Vice-Chairman of Aldar Education. Mr. Talal Al Dhiyebi also serves on the Boards of numerous companies, including Abu Dhabi Transport Company, Ethara, Miral Asset Management, National Projects Office, Sandooq Al Watan, the UAE's national fund focused on social contribution, Edamah, the real estate arm of Bahrain Mumtalakat Holding Company, Abu Dhabi Hospitality Academy – Les Roches and is a member of the executive Committee of Sorbonne University Abu Dhabi.



MR. NASSER MOHAMED ALMHEIRI
Board Member
Non Executive Independent
Member since September 2024

Qualification

Mr. Nasser Almheiri holds a bachelor's degree in Chemical Engineering from the American University of Sharjah and a Master's degree in Business Administration from Higher Colleges of Technology.

Experience

Mr. Nasser Almheiri currently serves as the Senior Vice President, Business Transformation, Excellence and Performance at ADNOC. He has over 15 years of experience in strategy and transformation. Prior to his role as Senior Vice President, he held various leadership positions across the organization overseeing the company's long-term growth strategy.

Other Board Memberships

Mr. Nasser Almheiri has also several leadership roles with a number of ADNOC Group entities including ADNOC Distribution, ADNOC Gas, ADNOC Global Trading and Ta'ziz joint venture with ADQ.



MS. MARWA AHMED ALMARZOOQI
Board Member
Non Executive Independent
Member since September 2024

Qualification

Ms. Marwa Almarzooqi holds a Bachelor of Science degree in Electrical Engineering from Khalifa University, Abu Dhabi.

Experience

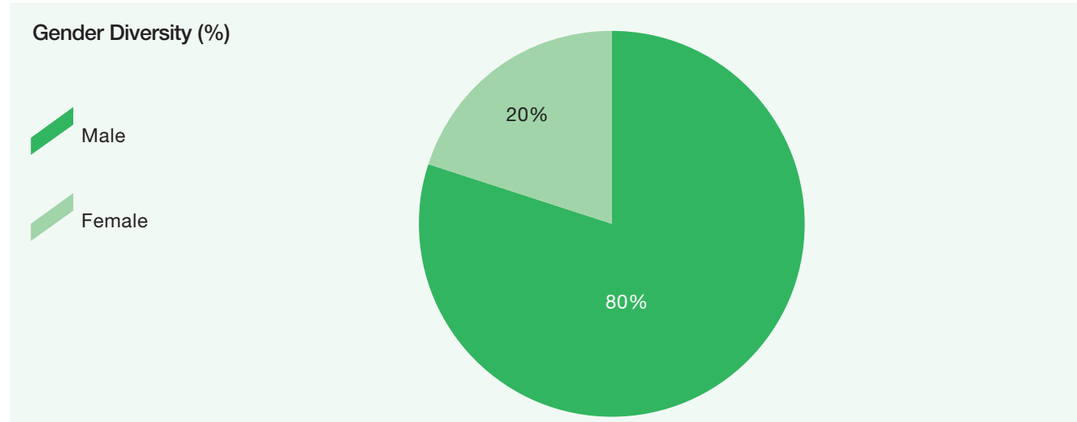
Ms. Marwa Almarzooqi currently serves as the Sr. Director, Special Projects at the Abu Dhabi Executive Office (ADEO) previously she served as the Vice President, Special Projects at the Executive Office of ADNOC. She has over 10 years of experience in strategic planning and transformation. Prior to her role as VP Special projects, Ms. Marwa Almarzooqi held various leadership positions across the organization overseeing the Company's long-term strategy and growth.

Other Board Memberships

She does not hold any other board membership. She previously held the following positions:
- Business Development Advisor – ADNOC (2021-2023)
- Acting Planning Manager– ADNOC Sour Gas (2021)
- Senior Corporate Planning Analyst– ADNOC Sour Gas (2019-2021)
- Contracts Engineer – ADNOC Sour Gas (2014-2018)

3.1.2 Gender Diversity

The Company believes in gender diversity and inclusion, and female representation on the board is 20% of the total. This ensures the requirements of the SCA as well as remain relevant from a pragmatic perspective.



3.2 Directors Remunerations

The annual remuneration for the Board of Directors is determined by the Company's General Assembly, in accordance with the guidelines specified in the Company's Articles of Association and Corporate Governance Guide. The Board's compensation is limited to 10% of the Company's net profits, after accounting for depreciation and statutory reserves.

The Nomination and Remuneration Committee is responsible for conducting an annual review of the proposed remuneration for the Board in their roles as Directors or Committee members, and has made recommendations to the Board as necessary.

In 2024, no additional payments or allowances were provided to Board members for attending Board meetings or serving on Board-established Committees, other than the compensation stated below.

In 2024, as at 31 December 2024, the Company is carrying a provision of AED 71.4 million towards Board of Directors remuneration and employee bonuses. The exact amount will be decided in the Annual General Meeting.

3.3 Board of Directors Meetings

The Board of Directors held three (3) meetings during the year 2024 on the following dates:

No.	Name	09 Sep, 2024	23 Oct, 2024	18 Dec, 2024
1	Mr. Mohamed Hamad Almehairi	P	P	P
2	Eng. Yasser Zaghloul	P	P	P
3	Mr. Talal Shaffique Al Dhiyebi	P	P	P
4	Mr. Nasser Mohamed Almheiri	P	P	A
5	Ms. Marwa Ahmed Almarzooqi	P	P	A

*P refers to present *A refers to absent

There had been no major decisions passed during the fiscal year 2024.

3.4 Board Secretary

The position of Board of Directors Secretary is held by Mr. Islam Saeed and he was appointed on 23/10/2024. Mr. Islam is responsible for the following duties during the year:

- Preparing and sending invitations for Board of Directors meetings;
- Distributing Board of Directors Meeting Agenda;
- Taking minutes of meeting during Board of Directors meetings;
- Board evaluation and assessment support.

3.5 Board of Directors Tasks and Functions performed by the Executive Management

The Board of Directors has nominated, appointed and authorized, through a Power of Attorney, the Chairman and Vice Chairman of the Board of Directors jointly, or any one of them jointly with any other member of the Board of Directors, to perform certain of the duties of the Board of Directors. The duration of the Power of Attorney shall be valid for three years from the date of notarization.

Some (but not all) of the duties so delegated are listed below:

- To manage and address all matters pertaining to the Company and its subsidiaries, representing and acting on behalf of the Company in dealings with governmental and regulatory bodies.
- To open, manage, and close accounts on behalf of the Company or its subsidiaries with banks, financial institutions, trusts, or funds, both domestically and internationally.
- To represent the Company and its subsidiaries within the UAE or internationally, executing and signing all necessary documents concerning amendments, waivers, or modifications to the Company's or its subsidiaries' legal status, capital structure, management, employees, or other corporate matters, and to receive relevant certificates or documents pertaining to such changes.
- To exercise full authority to negotiate, finalize, and execute agreements related to the acquisition or ownership of other entities, both within the UAE and globally.
- To safeguard and defend the interests of the Company or its subsidiaries in all legal proceedings, whether initiated by or against the Company or its subsidiaries.

Furthermore, the Board of Directors has nominated, appointed, and authorized the Company's Chief Executive Officer, Eng. Ahmed Al Dhaheri, to oversee the day-to-day management operations and serve as the representative of NMDC Energy P.J.S.C. This delegation of authority is effective for a term of three years.

3.6 Related Party Transactions

The Company has conducted transactions with entities that meet the definition of related parties, as outlined in the Corporate Governance Guide and in accordance with International Accounting Standard 24: Related Party Disclosures. The nature of such transactions relates to Company's normal course of business. Comprehensive details regarding these transactions are provided in Note 29 of the Company's audited annual financial statements for 2024.

3.7 Board Decisions by circulation

No.	Date	Description
1	09 Sep 24	1. Approval of the Articles of Association 2. Appointment of the first Board of Directors 3. Appointment of Deloitte & Touche (M.E.) as external auditors
2	23 Oct 24	Approval of the Company's draft financial statements for the Q3 of year 2024

04) BOARD OF DIRECTORS COMMITTEES

The Board of Directors has constituted Committees through official resolutions, consisting of non-executive and independent Board members. These Committees are fully compliant with the stipulations of the Corporate Governance Guide.

The relationship between the Board of Directors and its Committees is governed by the principles as outlined by SCA for corporate governance for listed companies.

4.1 Reporting

Each Committee is obligated to provide periodic reports to the Board of Directors on its activities and the exercise of its delegated powers. These reports will include updates on all decisions and resolutions passed by the Committees since the preceding Board meeting, ensuring the Board is fully informed of the Committees' actions and outcomes.

4.2 Annual Evaluation

Each Committee will evaluate its workings on an annual basis, with similar procedure as mentioned in part 2.5 of this report, with a view of improving workings of the relevant Committee or its relationship with the Board of Directors.

4.3 Board Follow up

The Board of Directors will closely monitor the operations of the Committees to ensure their activities remain in compliance with the regulations and align with the Company's governance framework.

05) AUDIT COMMITTEE

5.1 Acknowledgment

Mr. Talal Shaffique Abdullah Al Dhiyebi, Audit Committee Chairman, acknowledges responsibility for discharging the Committee's mandate in the Company including, review of its work mechanism and ensuring its effectiveness in line with approved charter of the Audit Committee.

5.2 Audit Committee Formation



MR. TALAL SHAFFIQUE AL DHIYEBI
CHAIRMAN



MR. NASSER MOHAMED AL MHEIRI
MEMBER



MS. MARWA AHMED AL MARZOOQI
MEMBER

5.3 Functions and Duties

The duties and responsibilities of the Audit Committee are in line with the Corporate Governance Guide. In particular, the Audit Committee has following key duties and responsibilities:

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

5.4 Audit Committee Meetings

The Audit Committee held two (2) meetings during the year 2024 to discharge the duties as entrusted to them by the Board of Directors and the Corporate Governance Guide. Following are the details of meetings held during 2024:

No.	Name	Meeting No.1 23/10/2024	Meeting No. 2 17/12/2024
1	Mr. Talal Shaffique Abdullah Al Dhiyebi (Chairman)	P	P
2	Mr. Nasser Mohamed Omeir Yousef Al Mheiri	P	P
3	Ms. Marwa Ahmed Ali Abdulla Al Marzooqi	P	P

*P refers to present *A refers to absent

5.5 Audit Committee Report

The Committee has effectively carried out all its responsibilities and duties in accordance with its functions and duties. A detailed overview of these tasks is provided in the Audit Committee Report for 2024. This report is an integral part of the Corporate Governance Report and is presented at the end of this report.

06) NOMINATION AND REMUNERATION COMMITTEE

6.1 Acknowledgment

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

6.2 Nomination and Remuneration Committee Formation



MR. NASSER MOHAMED AL MHEIRI
CHAIRMAN



MR. TALAL SHAFFIQUE AL DHIYEBI
MEMBER



MS. MARWA AHMED AL MARZOOQI
MEMBER

6.3 Functions and Duties

The Committee is responsible for developing policies and regulations related to the nomination process for the Board of Directors and executive management. It also determines the criteria for awarding bonuses, privileges, incentives, and salaries to Board members and employees, along with overseeing other relevant human resources policies.

The duties and responsibilities of the Nomination & Remuneration Committee are outlined in the Corporate Governance Guide. In particular, the Committee is entrusted with the following key duties and responsibilities:

- Organizing and managing the Board of Directors' nomination process, ensuring adherence to relevant laws, regulations, and the SCA Corporate Governance Guide. It also identifies the Company's needs for qualified Senior Management and defines the criteria for their selection.
- Ensuring the ongoing independence of independent Board members.
- Reviewing and approving, in consultation with the Chairman of the Board and/or the Company Chief Executive Officer, the terms and conditions of service contracts for Executive Directors and Senior Management.
- Conducting an annual review of employee remuneration, including basic salary, allowances, and performance-related components, for both the Senior Management team and the Board of Directors.
- Developing a succession plan for the Board of Directors, its Committees, the Chief Executive, and key Management personnel.

6.4 Nomination and Remuneration Committee Meetings

The Nomination & Remuneration Committee held one (1) meeting during the year 2024 to discharge the duties as entrusted to them by the Board of Directors and the Corporate Governance Guide.

Following are the details of meetings held during 2024:

No.	Name	Meeting No.1 20/11/2024
1	Mr. Nasser Almheiri (Chairman)	P
2	Mr. Talal Al Dhiyebi	P
3	Ms. Marwa Almarzooqi	P

*P refers to present *A refers to absent

07) EXECUTIVE COMMITTEE

7.1 Acknowledgment

Eng. Yasser Zaghloul, the Committee Chairman acknowledges responsibility for fulfilling the Committee's mandate, including reviewing its work mechanisms and ensuring effectiveness in accordance with the approved charter.

7.2 Executive Committee Members Formation

No.	Name	Designation	Role
1	Eng. Yasser Zaghloul	Vice Chairman NMDC Energy	(Chairman)
2	Eng. Ahmed Al Dhaheri	CEO NMDC Energy	Member
3	Mr. Sreemont Barua	Group CFO	Member
4	Mr. Amjad Abdul Shukoor	Senior Director Project Control & Risk	Member
5	Mr. Loay Elsin	Transformation Director	Secretary

7.3 Functions and duties

The main functions and responsibilities of the Committee include but are not limited to:

- Oversee performance of NMDC Energy P.J.S.C including but not limited to the NDA between related companies, Bank Mandate, related party transactions, DOA development, and the Power of Attorney from the Board to the CEO, and any other matter as deemed necessary.
- Strategic Oversight - Provide direction and guidance on NMDC Energy P.J.S.C ‘s overall strategy to ensure alignment with long-term goals and industry standards with timely follow up through a dedicated action tracker.
- Continued Shared Services: Ensure that the continued shared services established to date are adhered to at all times and ensuring smooth execution.
- Oversight of Projects and Tenders Monthly Forecast, Financial & Targets Review - Evaluate and review monthly forecasts to assess performance and make adjustments as necessary to meet corporate objectives and conduct financial reviews to monitor performance, manage risks, and ensure the Company’s financial health.
- Key Decision-Making – Endorse key decisions before raising to the Board of Directors and make decisions in accordance with the Delegation of Authority (DOA) guidelines to drive strategic initiatives, procurement, tenders and operations.
- Oversee Risk & Opportunity Management - Review risks related to projects, operations, and market conditions to safeguard the Company’s interests and also ensuring the opportunities are exploited to maximum for the benefit of NMDC Energy P.J.S.C.
- Innovation and Sustainability – Review opportunities relating to innovation and sustainability initiatives to enhance NMDC Energy P.J.S.C ‘s competitive edge and long-term viability.
- Maximization of value to shareholders- Oversee implementation of strategies and make decisions that focus on increasing shareholder value and improving the Company’s market position.
- Capital Expenditures – Screen, Review and endorse CAPEX as per the approved DOA.
- Follow up on Board of Directors decisions and oversee completion of Board of Directors actions accordingly with an action tracker.

The Executive Committee held three (3) meetings during the year 2024 to discharge the duties as entrusted to them by the Board of Directors and the Corporate Governance Guide.

7.4 Executive Committee Meetings

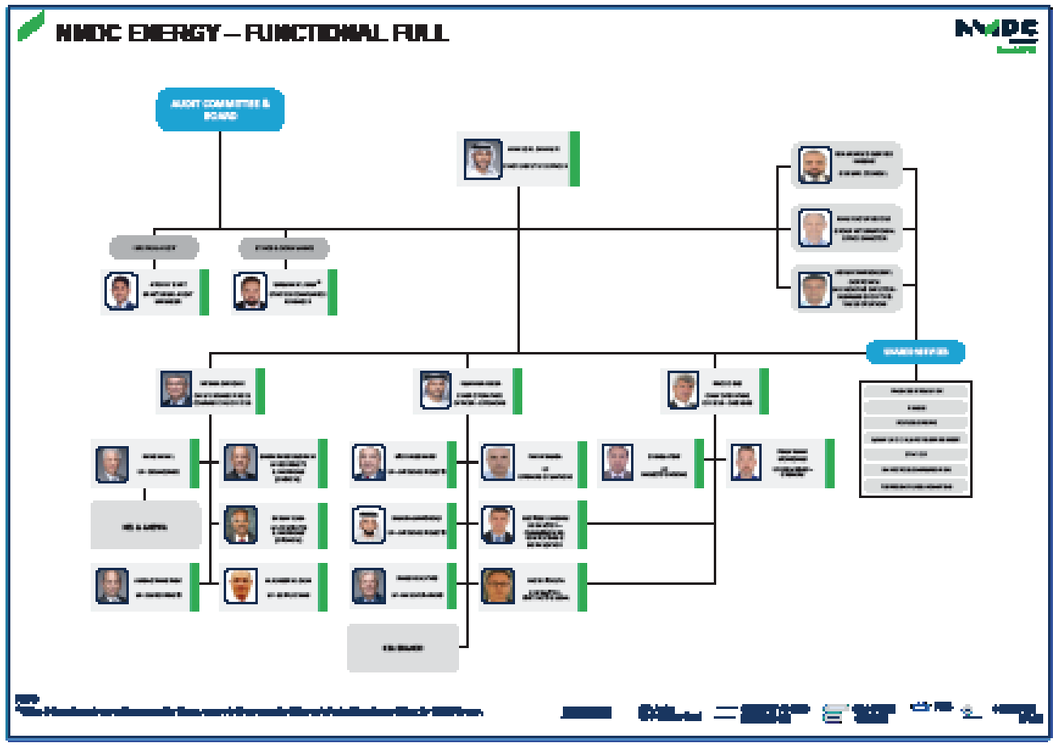
Following are the details of meetings held during 2024:

No.	Name	Meeting No.1 8-Oct-24	Meeting No. 2 11-Nov-24	Meeting No. 3 9-Dec-24
1	Eng. Yasser Zaghloul	P	P	P
2	Eng. Ahmed Al Dhaheri	P	P	P
3	Mr. Sreemont Barua	P	P	P
4	Mr. Amjad Abdul Shukoor	P	P	P
5	Mr. Loay Elsin	P	P	P

*P refers to present *A refers to absent

08) ORGANIZATIONAL STRUCTURE AND EXECUTIVE MANAGEMENT

8.1 Organization Structure



8.2 Executive Management



Chief Executive Officer: Eng. Ahmed Al Dhaheri

Eng. Ahmed Al Dhaheri is the Chief Executive Officer of NMDC Energy P.J.S.C, a position he has held since 2018. His journey started with the Company from 2009 as a board member.

He leads the current business and transformation of the Company and oversees the growth strategy, focusing on new markets and capabilities while driving operational excellence across all levels. Eng. Ahmed Al Dhaheri has over 22 years of in-depth experience in the industrial sector.

ENG. AHMED AL DHAHERI CHIEF EXECUTIVE OFFICER

In addition to his role at NMDC Energy P.J.S.C, Eng. Ahmed Al Dhaheri serves as Chairman of NTS Group and as Vice Chairman of Enersol, a joint venture between Alpha Dhabi Holding and ADNOC Drilling. Eng. Ahmed Al Dhaheri also sits on the boards of Abu Dhabi Aviation and other companies.

Prior to joining NMDC Energy P.J.S.C, he was the Chief Commercial Officer of Emirates Steel, where he played a leading role in the delivery of the company's expansion strategy. In addition, he was spearheading all the projects related to the expansion of the business, in his role as Projects Director and subsequently as Vice President, Projects at Emirates Steel. This unique experience with Emirates Steel has been instrumental to his role within NMDC Energy P.J.S.C, given the projects based activities of the Company.

Eng. Ahmed Al Dhaheri holds a Bachelor of Science in Industrial Engineering from the University of Miami and a Masters Certificate in Project Management from the George Washington University, as well as an Executive MBA with honors from UAE University.



Chief Operating Officer – Offshore: Eng. Hesham Awda

Eng. Hesham Awda is the current Chief Operation Officer – Offshore at NMDC Energy P.J.S.C, a position he has held since 2021. He is also serving as General Manager of NPCC KSA, and a board member of Safeen, NEL and ANEWA.

Eng. Hesham Awda has over 25 years of experience in project management, engineering, and technical support in the oil and gas industry. His extensive industrial experience includes managing engineering, construction and execution of major green and brown field projects, with a current portfolio of over AED 25 billion (twenty-five billion Dirhams) worth of projects in the Middle East region and other geographies.

ENG. HESHAM AWDA CHIEF OPERATING OFFICER – OFFSHORE

Eng. Hesham Awda manages the business performance of offshore operations, through managing and directing overall project execution and delivery, fabrication yard operations, and offshore operations.

Eng. Hesham Awda holds a Bachelor's Degree in Mechanical Engineering from the UAE University, and a Postgraduate Certificate in Engineering Systems and Management from the American University of Sharjah.



Chief Engineering & Commercial Officer: Eng. Hanna Dahdah

Eng. Hanna Dahdah is the Chief Engineering & Commercial Officer (CECO) of NMDC Energy P.J.S.C, a position he has held since 2021. Eng. Hanna Dahdah has been with NMDC Energy P.J.S.C for over four decades, dedicating his career to the growth and success of the organization.

An expert in the oil & gas industry, his impressive journey combines project engineering experience, supply chain management, business acumen and strategic development expertise. In his current role, he leads the commercial functions of business development, contracts and proposals, and supply chain for NMDC Energy.

ENG. HANNA DAHDAH CHIEF ENGINEERING & COMMERCIAL OFFICER

He also drives the commercial and engineering strategy within the organization. In addition, he serves in the Board of Directors for NEL and ANEWA in India. Eng. Hanna Dahdah has over 30 years of in-depth experience in the industrial sector.

He holds a Bachelor of Science Degree from the University of Manchester in the United Kingdom.



Chief Operating Officer – Onshore: Eng. Paolo Bigi

Mr. Paolo Bigi, who has recently joined NMDC Energy, has over 35 years' experience in the onshore Energy EPC Industry having started his career in Tecnimont where he covered various Operating and Business Development roles over a period of 22 years.

He has subsequently joined Techint E&C as CEO and Petrofac as Managing Director and spent the last few years in Saudi Arabia, ultimately as Group CEO of Arkad.

ENG.PAOLO BIGI CHIEF OPERATING OFFICER - ONSHORE

Mr. Paolo Bigi has graduated with honors in Mechanical Engineering at the University of Milan and holds a master in Management from INSEAD.

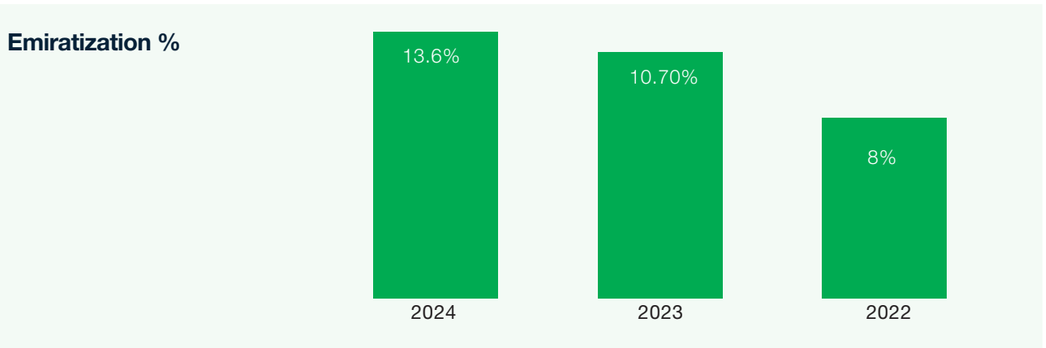
8.3 Executive Management Remuneration

The table below provides an overview of the current Executive Management team at NMDC Energy, including their appointment dates, as well as the salaries, allowances, and bonuses paid to them for the financial year 2024.

No.	Position	Appointment date	Total salaries and allowances paid in 2024 (AED)	Total bonuses paid for 2023 (AED)	Any other cash/in-kind bonuses for 2023
1	Chief Executive Officer	2018			
2	Chief Operating Officer – Offshore	2021			
3	Chief Engineering & Commercial Officer	2021			
4	Chief Operating Officer – Onshore	2024			

8.4 Emiratization

Emiratization has been a key performance indicator in alignment with NMDC Group's vision and mission, both in previous years and for 2024. The table below illustrates the Emiratization percentage over the past three years.



09) MANAGEMENT COMMITTEES

NMDC Energy has established a number of Management Committees to review and oversee the development and execution of related strategies, plans and processes. A list of Management Committees along with their respective duties is provided next:

9.1 Management Committee

The purpose of the Management Committee (the “MC”) is to ensure robust oversight and operational governance, driving the organization towards its strategic and operational goals while mitigating project portfolio high risks. The Committee is dedicated to high-level decision-making, maintaining financial stability, and closely monitoring performance metrics. Through these efforts, the MC aims to foster continuous improvement and promote sustainable growth, ensuring the long-term success and resilience of the organization.

9.2 Strategy Committee

The Strategy Committee (the “SC”) aims to drive sustainable growth, enhance competitive advantage, and achieve long-term organizational goals and corporate objectives. It does so through strategic alignment with the NMDC Energy vision and mission, meeting shareholder requirements, engaging stakeholders, and conducting environmental scanning and performance assessments. The Committee also ensures the effective alignment and implementation of strategic initiatives, including acquisitions, mergers, capability building, geographic expansion, and diversification strategies.

9.3 Projects Tender Committee

The Project Tender Committee (the “PTC”) is tasked with overseeing and finalizing the tender submission process for clients. This Committee ensures all tender documents in the Tender Resume meet both the client’s requirements and NMDC Energy standards. Their responsibilities include reviewing and approving estimates detailed in the Tender Resume, which cover uplifts and contingencies. The Tender Resume encompasses the scope of work, quantities, durations, costs, supplies, subcontracting, and project cash flow, forming the basis for pricing the commercial tender proposal. Additionally, the Committee shall examine the prospects for bidding, put forth by the Business Development team in the prescribed Bid/NO Bid Form and decide on bidding strategy.

9.4 Environment, Social and Governance Committee

The Environment, Social and Governance Committee (the “ESGC”) is established to oversee and guide NMDC Energy’s commitment to Environmental, Social, and Governance (ESG) principles and relevant risks. The Committee oversees and enhances the effectiveness of ESG framework and initiatives, ensuring alignment with the Company’s strategic goals and regulatory requirements, including those set by Security & Commodities Authority (SCA), and ADX. This ultimately elevates how NMDC Energy P.J.S.C operates and is perceived by all stakeholders, safeguard its operations and uphold the highest standards of integrity, responsibility, and social impact.

9.5 Risk and Business Continuity & Crisis Management Committee

The Risk and Business Continuity & Crisis Management Committee (the “R&BCCMC”) is established to oversee and guide NMDC Energy’s Risk Management framework. It ensures the organization systematically and comprehensively identifies, assesses, and mitigates a wide range of risks as part of its Enterprise Risk Management (ERM) framework. The Committee also oversees business continuity risk plans to eliminate disturbances, maintain critical operations during disruptions, and select strategies that address continuity before, during, and after disruptions. Additionally, it ensures these plans are resilient and compliant with relevant ADX requirements and other mandates from UAE government authorities. By embedding risk management, including the Business Continuity risks, into the organization’s structure, processes, and culture, the Committee aims to safeguard and create value, support financial stability, achieve business objectives, maintain resilience, and protect the Company’s reputation.

9.6 Innovation & Technology Committee

The Innovation & Technology Committee (the “I&TC”) is established to steer NMDC Energy P.J.S.C towards excellence by leveraging Innovation, Digital Transformation, Artificial Intelligence, and Knowledge Management. The Committee will ensure the organization remains at the forefront of technological advancements and best practices related to these themes. By driving continuous improvement, strategic alignment with future foresight, cost efficiency, and operational effectiveness, I&TC aims to create a sustainable and competitive edge for NMDC Energy.

9.7 Asset Write-Off Committee

The Asset Write-Off Committee (the “AWOC”) is established to review and ensure proper disposal or preparation for storage and reuse of all scrap, valuable waste, salvage materials, and equipment associated with construction, fabrication, or maintenance. This must comply with all applicable regulations and the Company policies. In line with the Delegation of Authority, the Committee will endorse asset write-off proposals.

9.8 Tender Opening Committee

The Tender Opening Committee's (the "TOC") primary objective is to uphold the principles of fairness, transparency, integrity, and efficiency throughout the tender opening process. By maintaining these core values, the TOC ensures that all procedures are conducted with the highest standards, promoting trust and accountability within the organization. This includes establishing a central corporate independent authority responsible for independently receiving, opening, and registering all technical and commercial bids solicited for the supply of materials, subcontracting, and services with an estimated value exceeding AED 1,000,000 (including late technical & Commercial bids), This authority will operate in accordance with the Delegation of Authority, superseding this Terms of Reference (ToR). Furthermore, the TOC will follow up on resolutions and actions regarding non-conforming rejected bids and observations made during the opening session to maintain the integrity and fairness of the process.

9.9 Tender Board Committee

The Tender Board Committee (the "TBC")'s primary objective is to uphold the principles of fairness, transparency, and integrity. This includes reviewing recommendations raised by end users and the commercial department for financial commitments meet or exceed the threshold of three (3) million AED. The TBC is dedicated to promoting NMDC Energy's interests by ensuring that supplier or subcontractor selections are made based on the right price, quality, and timeframe. This process ensures that the award recommendation and the awarding process of subcontracts or Purchase Orders strictly adhere to NMDC Energy policies and procedures, including Delegation of Authority policy.

9.10 Supplier Prequalification Committee

The Supplier Pre-Qualification Committee (the "SPQC") is established to control and monitor the Supplier Registration and Pre-qualification process in accordance with the respective NMDC Energy policies and procedures.

The ultimate objectives of SPQC are:

a. **Ensure a robust and up-to-date prequalified supplier list** covering all NMDC Energy materials and services procured locally or from overseas.
b. **Ensure all qualified suppliers added to the supplier master** have been subjected to technical and commercial review and approval.
c. **Ensure registered qualified suppliers meet NMDC Energy's client approval** for related projects.

9.11 Insiders' Trading Supervision Committee

The details of this committee has been provided in section 2.11

10) EXTERNAL AUDITOR

Deloitte & Touche – M.E. has been NMDC Energy external auditor for 2024.
Deloitte & Touche is one of the world's largest professional services firms. They have served as trusted advisors for clients in the Middle East for the past 95 years. Deloitte offers practices globally related to Audit, Consulting, Tax & Legal, Enterprise Risk Services and Financial Advisory.

The Audit Committee, after consideration and evaluation recommended appointment of Deloitte & Touche as the External Auditors for 2024.

Name of the Audit Office	**Deloitte & Touche (M.E.)**
Name of Audit Partner	**Faiza Sohawon** (this is the first year after NMDC Energy is listed on ADX)
Number of years he spent as the Company external auditor	First year
Number of years the partner auditor spent auditing the Company's accounts	First year
Total value of audit fees for 2024 (AED)	**820,966**

Details of other non-conflicting services provided by the Company auditor	**AED**
ICV Certification	49,500
Grand Total	**49,500**

Details of services provided by other consultants	**Description**	**AED**
Ernst & Young	Taxation services	101,224
Price Waterhouse Coopers	Taxation services	127,674
	M&A-related advisory services	2,189,884
Grand Total		**2,418,782**

10.1 External Auditors' Independence

The Company maintains a strict policy to uphold the independence of its external auditors. In accordance with this policy, the external auditor is prohibited from providing any technical, administrative, or advisory services that could impair their impartiality or objectivity in the performance of their auditing duties. Furthermore, the external auditor is restricted from engaging in any services or activities that, as determined by the Securities and Commodities Authority (SCA), may compromise their independence or conflict with their auditing functions.

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

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

Management evaluates the independence of the appointed external audit firm by conducting direct inquiries regarding the independence of the audit engagement team, specifically assessing any factors that may impair their objectivity. This assessment is reinforced through formal declarations of independence provided by the auditors during their quarterly presentations to the Audit Committee and Board, ensuring ongoing compliance with relevant independence standards and regulatory requirements.

10.2 A statement of external auditors' reservations

The Company's external auditor issued unqualified opinions on both the interim and annual financial statements for 2024, with no qualifications or reservations expressed.



11) INTERNAL CONTROL SYSTEM

11.1 Acknowledgment

The Board of Directors acknowledges its responsibility for the Company's internal control system, overseeing its operational framework, and ensuring its effectiveness in mitigating risks and achieving organizational objectives.

11.2 Work Mechanism

The Company's internal control system is strategically implemented to enable the Board of Directors and Management to achieve business objectives with due diligence, while safeguarding the interests of shareholders and other stakeholders. It is designed to mitigate critical risks, including fraud, unauthorized transactions, financial misstatements, ill-informed risk-taking, and non-compliance with legal and contractual obligations. Furthermore, the system ensures that operations adhere to the highest standards of quality, while maintaining a secure, sustainable, and compliant operating environment.

11.3 Details of Head of Internal Audit Function

Department	Name /Designation	Date of Appointment	Qualification	Experience
Internal Audit – NMDC Energy	Mr. Akshay Anant Bhat (Senior Internal Audit Manager)	23-Oct-2024	- Certified Internal Auditor (IIA) - Certified Fraud Examiner (CFE) - Certified Board Director (Hawkamah) - Bachelor of Engineering (Electronics) - Master of Business Administration	Over 16+ years of professional experience in the fields of Internal Audit, Corporate Governance, Project Management and Business Process reviews.

Management is accountable for the implementation and maintenance of comprehensive internal control frameworks, encompassing both financial and operational aspects, to ensure the effective safeguarding and prudent management of the Company's assets. These controls are designed to optimize operational efficiency while mitigating risks and ensuring compliance with regulatory and organizational standards. NMDC Energy Internal Audit has issued 9 reports during 2024.

11.4 Independent Assessment of Internal Control System

The internal control framework is structured to mitigate, the significant risks faced by the Company. It is acknowledged that while the system offers reasonable assurance, it cannot provide absolute protection against material errors, omissions, misstatements, or losses. This level of assurance is achieved through a systematic approach that integrates robust risk identification, assessment, and monitoring processes, alongside strategic decision-making and oversight forums. Additionally, the effectiveness of the internal control system is reinforced by assurance and control functions, including External Audit, Internal Audit, Ethics & Compliance, Risk Management, and QHSE (Quality, Health, Safety, and Environment), each playing a critical role in enhancing the overall governance framework.

11.5 Internal & External Audit Assurance

Following are the activities of the internal and external assurance in 2024:

External Audit: Deloitte & Touche undertook the annual external audit and interim reviews of the financial statements, alongside evaluating the internal controls related to financial reporting.

External Audit Reporting: The management letter, issued by the external auditor, is thoroughly reviewed by the Audit Committee. This document highlights identified control deficiencies and ensures that management initiates and implements corrective actions in a timely manner.

Internal Audit: Internal Audit conducted comprehensive reviews of both core and support functions in alignment with a risk-based audit plan. A total of nine (9) reports detailing findings were submitted to the Board for consideration.

Internal Audit Reporting: Internal Audit communicates its findings and recommendations to the Audit Committee, including significant control breaches, material incidents, and suggestions for strengthening internal controls.

Management Responsibility: Management holds accountability for the design, implementation, and ongoing monitoring of internal financial controls. This includes ensuring the deployment of qualified personnel, the proper segregation of duties, and the establishment of independent review mechanisms to safeguard control effectiveness.

Corrective Actions: Identified control deficiencies are promptly addressed in consultation with Management and the Audit Committee, with corrective actions proposed and tracked periodically to ensure resolution and enhancement of control processes.

11.6 Ethics and Compliance Function

The Ethics and Compliance function works closely with the Internal Audit and, with the core mandate of ensuring that the Company complies with all relevant legal, regulatory, and industry-specific requirements.

In alignment with this responsibility, the Company has instituted a robust Ethics and Compliance Program, which encompasses a range of policies including the Code of Business Conduct, Anti-Bribery & Corruption, Whistleblowing, Conflict of Interest, Fraud Control, Investigations, and other key compliance-related protocols. These policies are meticulously designed to provide employees with a secure, transparent platform to report, in good faith, any perceived unethical or improper conduct within the organization, thereby reinforcing the Company's commitment to maintaining the highest standards of corporate governance, integrity, and accountability.

11.7 Details of Head of Ethics and Compliance Function

Department	Name/Designation	Date of Appointment	Qualification	Experience
Ethics and Compliance	Mr. Wassim Khalid Al Naji (Acting Ethics and Compliance Manager)	24-Oct-2024	- Certified Compliance & Ethics Professional – International (CCEP-I) - Certified Fraud Examiner (CFE) - Certified Board of Directors Secretary (Hawkamah) - Certified Compliance Professional (CCP)	Over 14+ years of professional experience in the fields of Ethics & Compliance, Corporate Governance, Risk Assurance and Fraud Investigations.

11.8 Risk Management

Amidst escalating global risks, including geopolitical tensions and evolving technological threats, the Company's Risk Management framework is designed to reinforce business continuity and sustainability. The framework provides the infrastructure to proactively identify, manage, and mitigate risks while capitalizing on emerging opportunities.

Enterprise Risk Management (ERM) is a fundamental component of the Company's operational strategy, integral to the achievement of objectives, the maintenance of business sustainability, and the protection of stakeholder interests. The ERM practice is implemented at multiple levels across the organization, including the strategic, corporate, and project levels, ensuring a robust, organization-wide approach to risk management.

The Company continuously defines and reviews Key Risk Indicators (KRIs) and its risk profile to ensure risk exposure remains within set tolerances. Mitigation strategies and management plans are presented to the Management Committee for review and, upon approval, escalated to the Audit Committee and Board of Directors for final decisions. This process integrates risk management into governance and aligns it with strategic objective. Further details on Risk management activities have been presented in the Audit Committee report 2024 presented at the end of this report.

11.9 Quality, Health Safety and Environment

The year 2024 marked a pivotal year for the QHSE department, characterized by substantial progress and the strategic alignment of QHSE practices across all business units (BUs). This integration facilitated the standardization and optimization of QHSE processes, procedures, and organizational culture across the group, thereby establishing a robust foundation for the continuous advancement of our QHSE standards toward industry-leading performance.

Key strategic objectives and initiatives were defined and successfully executed, ensuring alignment with the Company's overarching goals and reinforcing our commitment to meeting the evolving expectations of both internal and external stakeholders. These efforts have not only enhanced our operational efficiencies but also contributed to optimizing NMDC Energy's financial performance, thereby supporting sustained business growth and value creation.

11.10 Details of Head of HSE Function

Department	Name/Designation	Date of Appointment in this Designation	Qualification	Experience
HSE	Mr. Fabio Prandini HSE Director	March 2023	Diploma In Mechanical Engineering, BSC International Certificate-Level 4, NEBOSH IGC, Lead Investigator Taproot Certification, Lead Auditor Certification-ISO 14001, 45001 & 9001, PMP, Asbestos Mgmt, Occupational Health Course, Leading In Safety (BST).	30 YEARS



11.10.1 Key Achievements 2024:

Awards & Recognitions:

Oil&Gas Best modernized yard of the year in the Middle East

Oil&Gas Recognized as the leading EPC contractor among 25 companies by Oil & Gas Middle East 2024 for the third consecutive year

BRITISH SAFETY COUNCIL NMDC Energy has been awarded International Safety Award with distinction from British Safety Council for its commitment towards health & safety during the year 2024.

ROSPA Health & Safety Awards NMDC Energy has achieved ROSPA Gold Medal (consecutively 11 times) for its excellent HSE performance during the year 2024.

MAKE IT IN THE EMIRATES NMDC Energy won the prestigious MAKE IT IN THE EMIRATES (MIITE)-QUALITY STANDARDS AWARD 2024 where HSE performance was a key part of award criteria and assessment.

Officially recognized and certified as an Industry 4.0 Digital Leader by the MoIAT

ISO Certifications: NMDC Energy successfully completed re-certification audits for ISO 14001 and ISO 45001 with zero Non-Conformances (NCRs) and also obtained certification for the KSA yard.

11.10.2 Leadership Engagement:

Senior Management of NMDC Energy are involved in various programs and mechanisms to ensure continuous effectiveness of its HSEMS arrangements such as “High Profile Tour(HPT)” which mandates the involvement of top management including CEO and Vice Presidents of NMDC Energy demonstrate leadership and commitment through “Walk the talk/ lead by example” by personally walking around the facilities/operational areas weekly to evaluate HSE performance, recognize positive HSE behaviors and to provide recommendations for improvement. The number of HPT’s conducted by senior management showed an increasing trend by achieving 242 high-profile HSE tours and site visits throughout the year, reinforcing NMDC Energy’s commitment to safety and compliance.

NMDC Energy carried out 5,536 Behavioral Safety Audits across all projects and operations, further strengthening the safety culture and emphasizing safety as a core value.

HSE Campaigns: HSE Campaigns are initiated and sponsored by senior management which in turn developed and enhanced a positive culture within the organization that supports the health and safety management system and arrangements.

NMDC Energy successfully implemented several HSE Campaigns along with practical demonstrations across NMDC Energy operations, conducted 13 campaigns covering all projects, yard operations, and offshore and onshore activities.

Contractor HSE Forum: Two Contractor HSE Forum were successfully carried out at NMDC Energy bringing together our partners to communicate NMDC Energy HSE expectations to enhance Contractor's understanding on key Health, Safety, and Environmental (HSE) requirements. Around 40 Contractors working in various domains of our operations attended the insightful forum covering HSE protocols, Offshore and Onshore Operations, and Fabrication Yard practices.

NMDC Energy was invited for delivering "HSE Innovations & Technology Advancements Forum" organized by ADNOC Gas and received certificate of appreciation among the lead EPC contractors in the region.

HSE Day Celebrations:

HSE Day was celebrated on 1st of March 2024 at NMDC Energy with regards to the HSE performance where 10,000 employees were gathered and became one of the biggest and massive HSE event held in the region.

Senior management of NMDC Energy, Client and subcontractor representatives and several other several stakeholders were presented during the event where the whole objective emphasizes the significance to recognize and appreciate employees' outstanding HSE performance and contributions.

As part of HSE Day celebrations, several categories of reward and recognition were presented such as;

Best Project HSE Award (Onshore & offshore)- Outstanding Projects has been awarded for their excellent HSE performance during project execution. Several trophies were presented to the Project (65 Trophies) team members in recognition of their exceptional HSE performance during different stages of the project.

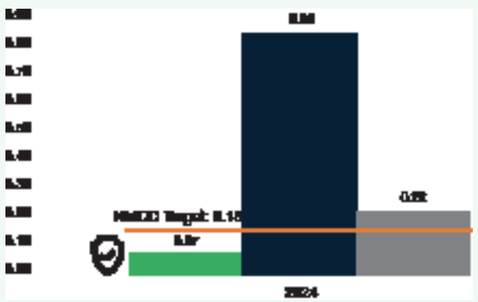
- Best Subcontractor HSE Award- Subcontractors with exceptional HSE Performance has been awarded.
- HSE Man of the year & HSE Champions - Total 63 employees (Certificate and Cash Voucher of AED 1000.00 each) from different section were awarded.
- Mega Raffle Draw was conducted with main price money of AED 10,000.00 (1 winner) and AED 5,000.00 (2 winners) and more than 50 mini raffle draws were conducted which further helped to engage and motivate attendees and making the event more colorful.

HSE Day celebration held at NMDC energy enhanced NMDC Energy culture of awareness and recognition regarding HSE practices, thereby reinforcing their significance and encouraging continued commitment among employees.

Safety Performance:

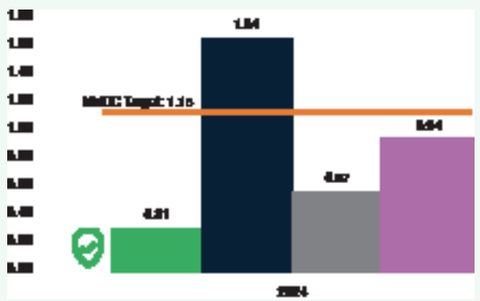
NMDC Energy recorded a commendable 0.07 Lost Time Injury Frequency Rate (LTIFR) and 0.31 Total Recordable Injury Frequency Rate (TRIR), falls much lower than the industrial benchmarks as well as the set corporate HSE objectives & targets.

LTIFR NMDC ENERGY, IPLOCA & IOGP



NMDC Energy LTIFR (Achieved)
IPLOCA LTIFR
IOGP Company LTIFR
IOGP Contractor LTIFR
LTIFR NMDC Target

TRIFR NMDC ENERGY, IPLOCA & IOGP



NMDC Energy TRIFR (Achieved)
IPLOCA TRIFR
IOGP Company TRIFR
IOGP Contractor TRIFR
TRIFR NMDC Target

LTI Free Projects

Zero LTI recorded for the mega projects of NMDC Energy, as an outcome of effective implementation of our HSE management system & programs.

Some of our Projects which achieved this remarkable milestone are;

Project Name	Achievements
Al Yasat - EPC For Belbazam development project	25 Million Manhours without LTI
S. Aramco - CRPO # 82&83 - LTA -EPC For Zulf AH Oil Facilities	20 Million Manhours without LTI
ADNOC Offshore - US LTDP Phase-1	10 Million Manhours without LTI
ADNOC Off. - EPC for Dalma Gas Development Project - Pkg. A	10 Million Manhours without LTI
ADNOC Offshore – EPC for LZ Long Term Dev. Ph .1 -NMGL project	5 Million Manhours without LTI

HSE Training:

As part of our continuous effort to enhance the HSE competency of our employees, HSE Training manhours of NMDC Energy has been significantly increased by achieving 292,722 training man hours to enhance workforce competency.

Emergency Management:

NMDC Energy in cooperation with civil defense successfully conducted massive Emergency Drill to evaluate the effectiveness of emergency response programs.

Numerous Emergency Drills covering Onshore, Yards, Offshore and Projects were carried out at NMDC Energy for different scenarios where corrective actions are effectively implemented and lessons learned were communicated to different stakeholders.

HSE Innovations and Advancements

AI Cameras

AI Cameras installed at NMDC Energy Yard capturing real time identification of unsafe acts and conditions, processing & analyzing collected data, report findings using digital tools, sending real time notification to the respective Area in Charge.

Connected Worker Solution - RTLS

Employees are provided with real-time location wearables in which the device share location, alerts immobility, & falls and at the same time alert HSE for immediate action.

Proximity Warning Sensors for Mobile Equipment

Proximity warning Sensors installed on our mobile equipment such as forklifts which send alerts when they are operating in proximity with workers to avoid collision and accidents.

Audits:

All our projects, operational areas and departments are covered through HSE Audits programs; **33** internal audits and **51** external audits are conducted annually throughout different cross sections of the organization which significantly contributed to the reduction of the number of incidents at NMDC Energy.

12) COMPANY CONTRIBUTION

NMDC Energy's strategy is built on the pillars of maximizing value, stakeholder engagement, internal processes, and capabilities, supported by key enablers and strategic initiatives. These initiatives are designed to realize synergies, strengthen partnerships, diversify capabilities, and drive environmental sustainability.

By integrating environmental sustainability into its strategy, NMDC Energy is not only ensuring compliance with global regulations but also creating long-term value, strengthening stakeholder relationships, and driving innovation in the energy sector. These initiatives position NMDC Energy as a leader in the transition towards a cleaner and more sustainable future.

12.1 Community Initiatives

Over the past five years, NMDC Energy has invested AED 39.3 million in Corporate Social Responsibility (CSR) initiatives, reinforcing its commitment to sustainable development and community welfare. Below is an overview of the key CSR initiatives undertaken by the Company:



Beach Cleaning



Blood Donation



Sports Program



Umrah



Ramadan Food Distribution



Visit to Children Cancer Ward



Flu Vaccine Drive

12.2 Environmental Contribution Services

Green Local Procurement: Prioritizing local sourcing to boost the UAE economy and promote ethical business practices.

Turtle Nesting and Rescue Program: Identifying and protecting turtle nesting areas by pausing industrial activities during nesting seasons.



Dust Emission Reduction: Utilizing advanced blasting chambers and filter systems to minimize air pollution.

Replacing Combustion Engines: Transitioning from fuel-powered to electric-powered cranes, compressors, and transport equipment.

EV Charging Stations: NMDC Energy installed EV charging station to promote sustainability and demonstrate our commitment to environmental responsibility.





Beach Cleanups: Conducting 34 beach cleanups in 2024 to reduce plastic pollution.

Mangrove and Tree Plantation: Planting 50,000 mangroves and 2,000 native trees over two years.

Reverse Vending Machines: NMDC Energy introduced a Reverse Vending Machine (RVM) as a pilot project to promote sustainability by encouraging recycling, reducing plastic pollution, and supporting a circular economy.

NMDC Energy provide the following Environmental services in projects, offshore and onshore site:

EIA/CEMP Compliance: Conducting over 50 Environmental Impact Assessments with zero environmental damage in five years.

Waste Management: Monitoring and reducing waste through segregation, tracking, and recycling.

Noise, Air, and Water Quality Monitoring: Implementing advanced monitoring systems to reduce environmental impact.

Spill Response: Maintaining a dedicated team for quick and effective spill containment.

Habitat Conservation: Protecting and restoring terrestrial ecosystems to support biodiversity.

Marine Ecology Protection: Ensuring minimal impact on marine life with trained Marine Mammal Response Observers.



12.3 Sustainability Initiatives

MEGA Sustainability Project: Expanding into renewable energy, securing its first offshore wind project in Taiwan (Yunlin Wind Farm).

IPLOCA Award for Blue Carbon Initiative: Recognized for planting 20,001 mangrove trees, capturing 246 tonnes of CO_2 annually.



Carbon Capture and Storage (CCS): Partnering on the Kasawari CCS project, capturing 3.7 million tons of CO_2 annually.

NT Energies JV: Collaborating with Technip Energies to develop hydrogen and decarbonization projects.

Project Crystal: Developing a 100MW green hydrogen facility in the UAE, set to be operational by 2026.

Greener NMDC Energy: Implementing energy-saving initiatives, including solar panels, LED lighting, and water conservation efforts.

Project Crystal: Developing a 100MW green hydrogen facility in the UAE, set to be operational by 2026.



12.4 Employee Engagement

World Environment Day Initiatives: Distributing 13,000 reusable steel flasks to reduce plastic waste and planting 100 Ghaf trees.

Environmental Training Programs: Educating employees on topics such as spill response, waste management, and marine ecology.

Overall, NMDC Energy integrates sustainability into its business strategy, prioritizing environmental responsibility, carbon footprint reduction, and green energy solutions to support a cleaner future.



13) GENERAL INFORMATION

13.1 Monthly Share price

Statement of comparative performance of the Company's share with the Market Index and sector index to which the Company belongs at the end of each month during 2024 was as follows:

NMDC Energy - Security Trading Summary					
Year	**Month**	**Open (AED)**	**Close (AED)**	**High (AED)**	**Change (%)**
2024	September	3.350	3.020	3.400	0.000
	October	3.030	2.980	3.030	(1.325)
	November	2.980	2.970	3.130	(0.336)
	December	2.960	2.820	3.000	(5.051)

13.2 Company share with General Index and Sector Index



13.3 Shareholder's Distribution as of 31/12/2024

No.	Shareholder classification	Percentage of shares owned			
		Individuals	companies	Government	Total (%)
1	Local	6.79	83.37	0.38	90.5
2	Arab	0.8	0.02	0	0.82
3	Foreign	0	7.7	0.86	8.56
4	Total	7.59	91.087	1.24	100

13.4 Shareholders who hold 5% or more of the Company's capital as of 31/12/2024

No.	Name	Number of owned shares	Percentage of shares owned in the Company's capital
1	NMDC Group	3,850,000,000	77.00%

13.5 Shareholder's Distribution by the Size Equity as of 31/12/2024

No.	Ownership of the share/s	Number of shareholders	Number of owned shares	Percentage of shares owned from the capital
1	Less than 50,000	16524	34,070,897.00	0.68
2	From 50,000 to less than 500,000	396	64,171,406.00	1.28
3	From 500,000 to less than 5,000,000	178	254,433,126.00	5.09
4	More than 5,000,000	28	4,647,324,571.00	92.95
	Total	**17,126**	**5,000,000,000.00**	**100.00**

13.6 Investors' Relations Officer

Mr. Mohsen Moharam is the Company's Investor Relations Officer.

Furthermore, the Company website i.e. https://www.nmdc-energy.com/en/investor-relations/fact-sheet, NMDC Energy has a dedicated page for investors, which includes information related to Investor Relations, Board of Directors Reports, Financial Statements, Annual Reports, Corporate Governance Reports, and Annual General Meeting.

Contact information of Investor Relations Officer:

Email: mohsen.moharam@nmdc-group.com Mobile No.: +971 056 500 4276

13.7 Statement of the Significant Events

1.In September, NMDC Group approved the listing of NMDC Energy on the Abu Dhabi Securities Exchange and the sale of a portion of the Company's shares in NMDC Energy through public subscription. On approval NMDC energy is now a listed company.

2.NMDC Energy announced a strategic partnership with UAE's state-owned telecommunications company e& during the 40th edition of the Abu Dhabi International Petroleum Exhibition & Conference (ADIPEC) on 7 November 2024. In addition to the partnership, NMDC Energy P.J.S.C emphasized its contribution to the UAE's economic growth by reinjecting AED 17 billion back into the economy.

13.8 Innovative projects and initiatives

1. Digital Leadership: Certified as Industry 4.0 Digital Leader.
2. Sustainability: Winner of 2024 IPLOCA Environmental Award, planting 20,001 mangrove seedlings.
3. Expansion: Focus on renewable energy with wind projects, decommissioning, Southeast Asia, and African markets.

13.9 Violations

No violations have been committed by NMDC Energy P.J.S.C during the year 2024.

14) AUDIT COMMITTEE REPORT

The Audit Committee is pleased to provide the annual report on the activities of the Audit Committee for the year 2024. The Audit Committee conducted two (2) meetings in 2024 with full attendance from all members to effectively discharge its responsibilities in accordance with the regulatory obligations and played a crucial role in ensuring financial reporting integrity, overseeing internal controls, and strengthening governance in 2024.

The Board of Directors for NMDC Energy established the Board Committees including an independent Audit Committee during the Initial Public Offering (IPO) in September 2024. As part of its primary obligations, the Committee reviewed the Company's Financial Results along with the External Audit Reports for the Third (3rd) Quarter of 2024 and for the year ended 2024.

Prior to NMDC Energy's listing, Deloitte & Touche (M.E.) provided external audit services as part of NMDC Group's overall audit engagement overseen by the Group Audit Committee. Following the Company's listing on the Abu Dhabi Securities Exchange, Deloitte & Touche (M.E.) was formally appointed as the external auditor at the Constitutive General Assembly Meeting held on September 9, 2024. The Audit Committee ensured the independence of the External Auditor by receiving quarterly confirmations and monitored the effectiveness of the audit process. The Committee reviewed audit approaches, accounting matters, audit adjustments and related party transactions to ensure compliance with IFRS. The revenue recognition of the Company was highlighted by the external auditor as the key audit matter, i.e. the matter of most significance in audit of consolidated financial statements of the auditing period (FY 2024). Procedures performed by the external auditor in addressing the key audit matter were reviewed by the Audit Committee. Furthermore, the non-audit services provided by the external auditors were reviewed to ensure that they were non-conflicting. The Audit Committee also had the opportunity and independent access to the external auditors.

Internal controls were a key focus, with the Committee reviewing risk management frameworks, audit findings, compliance measures, and fraud prevention mechanisms. Internal Audit and Compliance functions operated under an independent reporting model, with Akshay Bhat leading Internal Audit for NMDC Energy and serving as the secretary to the Audit Committee. The Internal Audit Department's independence was reinforced through annual declarations, and the Committee approved the adoption of updated Group-wide Internal Audit Manual, Internal Audit Charter and Internal Audit strategic plan. The 2024 audit plan's progress was monitored, and the 2025-2027 Internal Audit plan and KPIs was approved based on risk assessments, organizational changes, and management concerns. Furthermore, an external quality assessment was recently concluded for the Internal Audit activity, which awarded a 'Generally Conforms' rating, the highest possible under the IIA's (The Institute of Internal Auditors) rating system. This achievement reflects Internal Audit's commitment to excellence, professionalism, and value delivery to the organization.

In 2024, nine internal audits were conducted, identifying 139 observations (38 high, 85 medium, and 16 low-risk findings). The Audit Committee reviewed the Internal Audit function's comprehensive evaluation of the organization's operations and control systems based on significance ranking, control ranking and mapping of the recommendation to the Company's strategic pillars. The Committee closely monitored follow-up actions, supported by an escalation procedure and a Power BI dashboard for tracking implementation.

Ethics and compliance oversight included approving the 2025 Ethics & Compliance Plan, monitoring whistleblowing cases, and ensuring anti-fraud frameworks were in place. Risk management was strengthened through reviews of the ERM framework, risk appetite, and significant business risks, with risk assessments aligning with audit priorities. The Committee also reviewed key oversight matters, including whistleblowing investigations, and updates to the Delegation of Authority.

2025 Priorities

The Audit Committee schedule in 2025 will include a minimum of four (4) meetings focused on, amongst other things, the integrity of NMDC Energy's financial statements, IFRS 9 governance practices, emerging risks, assessment and oversight of the activities and performance of Internal Audit and Compliance functions as well as the performance of NMDC Energy"s External Auditor. The Committee is committed to maintaining transparency, accountability, and compliance while adapting to emerging risks and business priorities.





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