

Corporate Governance Report

2023

Governance, Risk & Compliance Team
AGTHIA GROUP

Board Chairman's message



Khalifa Sultan Al Suwaidi

Dear Shareholders, Stakeholders, and Members of the Agthia Community,

I am pleased to present the statement on corporate governance for the fiscal year ending December 2023. At Agthia, we firmly believe that a robust corporate governance framework is essential for building trust, fostering sustainable growth, and creating long-term value for all stakeholders.

We remain unwavering in our commitment to upholding the highest standards of ethical conduct. Our Board of Directors and leadership team are dedicated to maintaining a culture of integrity, honesty, and accountability throughout the organization.

The composition of our Board is designed to ensure a diverse and independent perspective. Our Board comprises experienced individuals with a mix of skills, expertise, and backgrounds, fostering constructive debate and effective decision-making.

Agthia continues to enhance its risk management processes and internal controls to mitigate potential threats and capitalize on opportunities. Our rigorous risk assessment practices and robust internal control systems are regularly reviewed and updated to adapt to the evolving business landscape.

We value the input of our shareholders and actively seek opportunities for engagement. Regular communication through shareholder meetings, forums, and updates ensures that we understand and address your concerns, ultimately working towards aligning the company's strategy with the expectations of our shareholders.

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We are committed to making a positive impact on society and the environment. Our CSR initiatives are integrated into our business strategy, emphasizing sustainability, community development, and environmental stewardship. By incorporating responsible business practices, we aim to contribute to the well-being of the communities in which we operate.

Our remuneration policies are designed to attract and retain top talent while aligning with the long-term interests of our shareholders. The remuneration committee regularly reviews executive compensation to ensure it reflects both individual and company performance.

In conclusion, Agthia remains steadfast in its commitment to upholding the principles of good corporate governance. We believe that transparent, ethical, and accountable business practices are integral to our success and the trust placed in us by our stakeholders.

Finally, I want to take this opportunity to thank all my colleagues on the Board and Agthia's Executive Management team, Corporate Governance, Risk and Compliance team, and the employees for their commitment to creating an ethos of responsibility, transparency, and accountability that promotes good governance at all levels of Agthia.

Thank you for your continued support and trust in Agthia.

Sincerely,

Khalifa Sultan Al Suwaidi (Chairman of the Board Agthia)

Overview

At Agthia, we believe that our company's ability to compete successfully and reach its full value potential is greatly influenced by a strong foundation of sound corporate governance and business ethics. For our business, this entails the development of sustainable value via business principles, corporate social responsibility, and environmental stewardship; leadership by a management team of unwavering integrity overseen by our Board of Directors; and a dedication to shareholder and stakeholder engagement. The Chairman of Authority's Board of Directors' Resolution No. 3/RM of 2020 concerning the approval of joint-stock firms' Governance Guide (Resolution 3) is complied with by Agthia Group PJSC (the Group).

This report, which has been released on the websites of the Group and the Abu Dhabi Exchange (ADX), provides a summary of the corporate governance policies and practices of the Group as of December 31, 2023. It has been filed with the Securities and Commodities Authority (SCA). The Board is totally dedicated to upholding strict corporate governance guidelines to continuously safeguard the interests of all shareholders.

Implementation of Corporate Governance Principles

Corporate governance principles that are properly implemented serve as the cornerstone of ethical company practices and bolster management's dedication to provide shareholders with long-term, profitable returns on investment. The Group upholds a high standard of accountability and transparency, which includes establishing and keeping an eye on suitable corporate goals, plans, and practices that align with its moral and legal obligations.

Group Governance Structure



The Board has adopted the Group's Corporate Governance Manual, which reflects the requirements of Resolution 3 and outlines the procedures and structures that the Group uses to exercise board-level control as well as the guiding principles of governance that the Group adheres to.

The General Assembly of Shareholders, the Board of Directors, including the Chairman of the Board and Board Committees, the Chief Executive Officer, the Executive Management, pertinent Management Committees, Risk, Compliance, Internal Audit, External Audit, Company Secretary, and other stakeholders are among the parties whose roles and responsibilities are made clear in the manual when it comes to governance processes.

Several Group policies and guidelines have been developed and adopted by the Board to achieve strong corporate governance standards. The relevant policies in this regard are as follows:

A **Code of Business Ethics and Conduct**

that directs the behaviour of directors and workers and guards against any interference with their objectivity and independence when it comes to issues like gifts, secrecy, and conflicts of interest.

An **Anti-Bribery and Anti-Corruption policy**

that instructs staff members on moral behaviour and prohibited behaviour pertaining to gifts, hospitality, entertainment, and bribes.

Appropriate **Delegation of Authority**

that strikes a balance between control and empowerment to enable effective and efficient decision-making.

An **Investors Relations Policy**

that explains to stakeholders and shareholders how the Group plans to update them on significant changes and offers a set of procedures that Agthia can use to carry out its Investors Relations Program.

An Insider Trading Policy

to prevent directors and employees from improperly using price-sensitive information that they have access to because of their Group positions.

The Group's stance on the allocation of profit and the declaration and distribution of dividends is outlined in the **Dividend Distribution Policy**.

A Risk Management Policy

to support appropriate and uniform risk management procedures and a methodical approach to recognizing, evaluating, ranking, controlling, and disclosing material risks to the Group.

Business Continuity Management Policy:

To increase the group's overall business resilience, a business continuity management system that complies with local and international standards will be implemented.

An Information Security Policy

that emphasizes Agthia's support for and dedication to the administration of information security at Agthia.

Dealing in Company Securities

None of the Board Members have traded in the Company's shares during 2023.

Board Member Name	Position	Owned shares as on 31/12/2023	Total Sale	Total Purchase
Khalifa Sultan Al Suwaidi	Board Chairman	Nil	Nil	Nil
Salmeen Obaid Alameri	Board Vice-Chairman	Nil	Nil	Nil
Khamis Mohamed Buharoon Al Shamsi	Board Member	Nil	Nil	Nil
Caitlin Nguyen	Board Member	Nil	Nil	Nil
Gil Adotevi	Board Member	Nil	Nil	Nil
Svet Varadzhakov	Board Member	Nil	Nil	Nil
Sharmila Murat	Board Member	Nil	Nil	Nil
Mariam Ahmed AlRemeithi	Board Member	Nil	Nil	Nil
Maurizio Patarnello	Board Member	Nil	Nil	Nil

Additionally, none of the Board Members' direct family members have traded in the Company's shares during 2023.

The Board of Directors

The responsibility of the Board of Directors is to create and deliver long-term value through efficient company governance on behalf of the shareholders. It is the Board's responsibility to ensure that effective management is in place to implement the Group's strategy.

The Board is the principal decision-making authority for all matters that are material to the Group. The Board has a rolling agenda to ensure that the key areas remain in focus throughout the year.

Board Structure and Composition

The current Board of Directors was chosen for a three-year term at the Annual General Meeting on April 17, 2023. Eight independent non-executive directors and an independent non-executive chairman make up the board's current membership of nine. The Group feels that diversity improves the caliber and efficacy of governance and encourages women to enter and remain in the corporate world. The Group accepted nominations for the most recent Board election from both male and female candidates. Agthia was successful in electing two additional female board members in April 2023, in addition to the one already in place. The board continuously makes sure that Directors have the abilities, know-how, and experience needed to carry out their responsibilities.

Agthia Board of Directors

Director since: April 2020

Experience:

Khalifa Al Suwaidi is a managing partner at Lunate and brings over 23 years of experience to the firm. In his position as managing partner, he oversees Lunate's Fund Investments, Partnership and Strategy.

Prior to co-founding Lunate, Mr Suwaidi served as the Chief Executive Officer of Abu Dhabi Growth Fund, managing \$35 billion in assets primarily across private market strategies. Previously he held the position of Group Investment Officer at ADQ. Mr Al Suwaidi has also held several senior managerial positions at Mubadala Investment Company and Abu Dhabi National Chemical Company.

Mr Suwaidi holds a bachelor's degree in business administration from California State University in the United States. He also has an executive master's degree in business administration with Distinction from Zayed University.

Other Board memberships:

Vice Chairman, Abu Dhabi Ports

Vice Chairman, TAQA



Khalifa Sultan Al Suwaidi
Chairman
Non-Executive,
Independent

Director since: April 2020

Experience:

Salmeen Alameri holds the position of Chief Executive Officer at Silal since January 2022 and has more than 20 years of commercial and operational management expertise, notably in the feed and food sector. In his current role at Silal, Alameri is responsible for driving the strategic growth of the company and achieving its operational target objectives.

Other Board memberships:

Board Member, Abu Dhabi Sewerage Services Company (ADSSC)



Salmeen Obaid Alameri
Vice Chairman
Non-Executive, Independent



**Khamis Mohamed Buharoon
Al Shamsi**
Board Member, Non-Executive,
Independent

Director since: April 2014

Experience:

Khamis Mohammed Buharoon Al Shamsi is a prominent figure in the banking and finance sector, with more than 30 years of experience.

He currently holds the position of Vice Chairman at Abu Dhabi Islamic Bank (ADIB), where he plays a pivotal role in driving the bank's growth and strategic initiatives.

Other Board memberships:

Chairman, Abu Dhabi National Takaful Co. PSC

Chairman, ADIB Securities

Board Member, Etihad Capital

Board Member, Naeem Holding Company, Egypt

Managing Director of Royal Capital



**Khamis Mohamed Buharoon
Al Shamsi**
Board Member, Non-Executive,
Independent

Director since: April 2020

Experience:

Gil Adotevi is Chief Executive Officer, Food & Agriculture at ADQ. He oversees the development and growth of all portfolio companies within the cluster while identifying and driving new investment opportunities.

Prior to joining ADQ, Gil was Senior Vice President at Mubadala Investment Company where he was responsible for the performance, growth and key acquisitions of the company's investments in Food and Agribusiness, Metals & Mining, and Utilities units

Gil holds a bachelor's degree in finance from McGill University in Montreal, Canada, and is a graduate of the London Business School's MBA program.

Other Board memberships:

Chairman, Unifrutti

Board Member, Lulu

Board Member, Louis Dreyfus Company

Board Member, Al Dahra Holding



Caitlin Nguyen
Member
Non-Executive, Independent

Director since: April 2023

Experience:

Caitlin is Head of Digital and Customer Engagement, Abbott Laboratories. Ms. Caitlin Nguyen is an expert in growth marketing with over 25 years of experience in APAC, Europe, and the United States.

She specializes in digital business transformation in developed and emerging markets. In regional and global management positions, she has focused on Asia-Pacific and META markets for the past ten years.

Other Board memberships:

NA



Sharmila Jennifer Murat
Member
Non-Executive, Independent

Director since: January 2022

Experience:

Sharmila Murat currently serves as Chief Commercial Officer of Bluebell Group, where she spearheads global expansion and investment efforts within the consumer goods retail sector. She has done Master of Business Administration (MBA), from the Wharton School at the University of Pennsylvania. She also holds Bachelor of Science in Electrical Engineering (BSEE), degree from the Grainger College of Engineering at the University of Illinois at Urbana-Champaign.



Svetoslav Todorov Varadzhakov
Member
Non-Executive, Independent

Director since: April 2023

Experience:

Svet Todorov Varadzhakov is a portfolio management professional with extensive experience in agribusiness investments. He currently leads portfolio management, growth, and value creation initiatives for ADQ's investments in Louis Dreyfus & Company, Agthia, and Lulu, focusing on developing new global investment platforms in Poultry, Aquaculture, and Alternative Proteins. Svet was also instrumental in establishing Agthia Ventures, the first CVC of its kind in the Middle East, which concentrates on emerging food technologies, novel ingredients, alternative proteins, healthy drinks, and snacks. Currently he is a Director, Portfolio Management, ADQ.

Other Board memberships:

Board Member, Agthia Ventures



Maurizio Patarnello
Member
Non-Executive, Independent

Director since: April 2023

Experience:

Maurizio Patarnello is a seasoned CPG Chairman and CEO with a track record of managing large and complex organizations. He is a dynamic, results-driven leader with extensive experience in developing, premiumization, and innovating local and global brands such as Perrier and S. Pellegrino.

He could unlock the growth potential in developed (West Europe and North America) and developing (East Europe, the Middle East, and Asia) nations.

Other Board memberships:

Board Member, HWB LLC



Mariam Ahmed Al Remeithi
Member
Non-Executive, Independent

Director since: April 2023

Experience:

Mariam Ahmed Al Remeithi brings robust experience in the investment industry to her role as a Senior Equities associate in the Equities Department at Abu Dhabi Investment Authority (ADIA). With a focus on the Consumer and Healthcare sectors in the GCC/MENA region, she adeptly manages the portfolio, offering comprehensive coverage, strategic insights, and driving informed investment decisions. Mariam is recognized for her active engagement and in-depth analysis of publicly listed consumer companies, particularly in the dairy, juice, snacks, bakery, frozen foods, and poultry markets.

Directors' Fees and Remuneration

Remuneration of the Group's Board of Directors is determined in accordance with the provisions of the Group's Articles of Association. The Directors' fees are a fixed fee and are not linked to Board meeting attendance. Directors' fees of AED 2.45 million relating to 2022, was approved in the General Assembly held in 2023, and thereafter paid in 2023.

Total Director's fees of AED 5.83 million relating to 2023, towards Board of Directors', Audit, and Nomination & Remuneration Committee Members' fees, are to be paid in 2023, subject to shareholder approval. No additional allowances, salaries, or fees were received by the Board members for the year 2023 (January-December). The below attendance includes proxy attendance also.

Board /Committee Member	Board Committee Membership	No of Days	Board Director's fees in AED	Number of board meetings attended	Committee Member's fees in AED	Number of Committee meetings attended
Khalifa Sultan Al Suwaidi- Chairman	Board	365	1,250,000	7	-	-
Salmeen Obaid Alameri - Vice-Chairman	NRC & SIIC	365	750,000	7	40,000	4
Gil Adotevi	SIIC	365	500,000	7	70,000	7
Khamis Mohamed Buharoon Al Shamsi	ARC	365	500,000	7	60,000	6
Gianluca Fabbri	ARC	108	147,945	1	10,000	1
Khalaf Al Hammadi	ARC	108	147,945	1	10,000	1
Sharmila Jennifer Murat	NRC & SIIC	365	500,000	7	100,000	10
Mariam AlRemeithi	SIIC	257	352,055	6	70,000	7
Maurizio Patarnello	SIIC	257	352,055	6	70,000	7
Caitlin Nguyen	SIIC	257	352,055	6	70,000	7
Svet Varadzhakov	ARC & NRC	257	352,055	6	80,000	8
Susan Daniel	ARC		NA	NA	50,000	5

- NRC- Nomination and Remuneration Committee
- ARC-Audit and Risk Committee
- SIIC-Strategy, Investment, and Innovation Committee
- Svetoslav Todorov Varadzhakov attended SIIC meeting as a special invitee.

Board Meetings

During 2023, seven Board of Directors meetings were held.

Board Member	07-Mar	18-Apr	09-May	13-Jun	02-Aug	10-Oct	07-Nov
Khalifa Sultan Al Suwaidi – Chairman	P	P	P	P	P	P	P
Salmeen Obaid Alameri – Vice Chairman	P	P	P	P	P	P	P
Gil Adotevi	P	P	P	P	P	P (Pro xy to HE Khali fa)	P
Khamis Mohamed Buharoon Al Shamsi	P	P	P	P	P	P	P
Caitlin Nguyen	NA	P	P	P	P	P	P
Mariam AlRemeithi	NA	P	P	P	P	P	P
Maurizio Patarnello	NA	P	P	P	P	P	P
Sharmila Murat	P	P	P	P	P	P	P
Svet Varadzhakov	NA	P	P	P	P	P	P
Khalaf Alhammadi	P	Term ended					
Gianluca Fabri	P						

P: Present, NA: were not board member at that time, A: Apologies sent/leave of absence was granted to members not attending the meeting(s),

Circular Resolutions passed by the Company.

One Circular Resolution was passed in the year 2023 in the month of February.

Board Effectiveness Evaluation

Every year, the Board, its members and committees, and the Group's performance are evaluated to increase the Board's overall efficacy as well as the performance of the Committees and individual directors. Every essential element of good governance, including but not limited to knowledge, instruction, responsibility, efficient communication, high-calibre dialogues, and succession planning, was outlined in our board performance evaluation. The Board thinks it is operating efficiently to fulfil its obligations to the shareholders based on the individual assessments completed by each member.

Board Induction and Development

The Chairman is responsible to ensure the new director induction and continuing director's development, with assistance from the Company Secretary. Upon joining the Board, each board member is given a customized induction that covers their roles and responsibilities. A thorough briefing on all significant facets of the Group's operations is also provided to the directors.

Company Secretary

In addition to serving as the main point of contact for senior management and the board of directors, the company secretary is crucial to the management of significant corporate governance issues. The Board nominated **Mr. Yasser Abdelkhalek Omar** as our company secretary on May 3, 2021, and he reports to the Board on secretarial duties. The principal duties of the company secretary are as follows:

- To organize director's meetings in accordance with procedures to be agreed upon from time to time by the Board Chair and the Board.
- Prepare notices, agendas of meetings, and supporting reports and documentation in a timely manner.
- To attend Board meetings and undertake secretarial responsibilities, including organizing minute-taking responsibilities at each meeting.
- In conjunction with the CEO and other senior management, carry out instructions of the Board and give practical effect to the Board's decisions.
- To report to the Board with respect to all corporate secretarial responsibilities.
- Arrange/organize shareholders' meetings

External Auditors

The Board nominates the Group's external auditors based on the recommendation of the Audit Committee. The appointment and remuneration of the external auditors are approved by the General Assembly of Shareholders.

At the Annual General Meeting held on 17th April 2023, the shareholders appointed Deloitte, one of the leading international audit firms, as the external auditors for the year 2023. Deloitte is a multinational professional services firm. It is one of the Big Four audit firms.

Deloitte & Touche (M.E.) had been the only external auditor of the Company for five years, since their appointment at the General Assembly Meeting held on April 26, 2018. Mr. Badr El Hassan is the Deloitte partner assigned as Engagement Partner effective Q2 2021.

Audit and non-audit related fees and costs of the services provided by the external auditors during 2023 were AED 2,585,400

Deloitte Charges for 2023	AED
Total audit fees for 2023	2,258,400
Other non-audit services (Subsidy quarterly review, Special purpose financials, and ICFR)	327,000
Total	2,585,400

No other services of the external auditors were utilized during 2023.

There have been no qualified opinions reported by our external auditors on Agthia Group's interim and annual consolidated financial statements as of 31 December 2023. Please refer to the Independent Auditors' Report in the Financial Statements for further details.

Board Committees

To help the Board carry out its duties, the Board formed three Board Committees. The Committees function in accordance with the respective charters that the Board has adopted. Their tasks, responsibilities, authority, composition, and reporting procedures to the Board are outlined in their charters.

Audit and Risk Committee Chairman's Message



Khamis Mohamed Buharoon Al Shamsi

Dear Shareholders, Colleagues, and Stakeholders,

I am honored to present the Chairman's message on behalf of the Audit, Risk, and Compliance Committee as part of our commitment to transparency and effective corporate governance.

The Audit, Risk, and Compliance Committee plays a vital role in providing independent oversight and assurance regarding the integrity of Agthia's financial reporting, risk management processes, and compliance with applicable laws and regulations. Over the past fiscal year, we have diligently fulfilled our responsibilities to safeguard the interests of shareholders and stakeholders alike.

Our committee has worked closely with the management team and external auditors to ensure the accuracy, transparency, and reliability of our financial reporting. The rigorous audit processes undertaken have assured shareholders that our financial statements are a true reflection of the company's performance.

Effective risk management is a cornerstone of our corporate governance philosophy. The Committee has actively engaged with the risk team to identify, assess, and mitigate key business risks that could impact Agthia's objectives. Our ongoing commitment to a robust risk management framework is essential for navigating the dynamic business environment and safeguarding the interests of all stakeholders.

Maintaining the highest standards of compliance and ethical conduct is non-negotiable for Agthia. Our committee has closely monitored compliance with laws, regulations, and internal policies. We are pleased to report that the company continues to uphold a culture of ethics, integrity, and responsible business practices.

The Audit, Risk, and Compliance Committee operates independently to ensure objectivity and effectiveness. Our members bring diverse expertise, and our interactions with management and external auditors are characterized by open dialogue and a commitment to continuous improvement.

As we look ahead, our committee remains dedicated to staying abreast of emerging risks and industry best practices. We will continue working closely with management to enhance our risk management processes, strengthen internal controls, and ensure the company's compliance with evolving regulatory requirements.

I would like to express my gratitude to the members of the Committee for their diligence, expertise, and commitment to excellence. Additionally, we appreciate the cooperation and transparency demonstrated by the management team and the Board of Directors.

The Audit, Risk, and Compliance Committee is fully committed to fostering a culture of accountability, transparency, and risk-aware decision-making. We remain focused on ensuring Agthia's resilience and long-term success.

Thank you for your trust in Agthia.

Sincerely,
Khamis Mohamed Buharoon Al Shamsi
Chairman, Audit, Risk, and Compliance Committee Agthia

Audit and Risk Committee

The Board of Directors appointed the three members of the Audit Committee. There were three non-executive members that were independent.

The Audit and Risk Committee's Chairman, HE Khamis Mohamed Buharoon Al Shamsi, accepts accountability for carrying out the committee's mandate throughout the Group, which includes evaluating the committee's work process and making sure it operates effectively in accordance with the Audit Committee's approved charter. Six meetings of the Audit Committee were convened in 2023:

Present Audit & Risk Committee Members	06-Mar	08-May	01-Aug	10-Oct	06-Nov	7-Dec
Khamis Mohamed Buharoon Al Shamsi – Chairman	P	P	P	P	P	P
Svetoslav Todorov Varadzhakov	NA	P	P	P	P	P
Susan Daniel (Independent Committee Member)	NA	P	P	P	P	P
Khalaf Abdulla Rahma Al Hammadi	P	Term ended				
Gianluca Fabbri	P	Term ended				

P: Present, A: Apologies sent/leave of absence was granted to members not attending the meeting(s).
Total fee for the year 2023 is AED 0.18 million (2022: AED 0.18 million).

Nomination and Remuneration Committee

The Nomination and Remuneration Committee is responsible for the review of the Group's HR framework and compensation programs. The Committee makes recommendations to the Board on the remuneration, allowances, and terms of service of the Group's senior executives to ensure they are fairly rewarded for their individual contribution to the Group. All three Committee members are Independent Non-Executive Directors of the Board.

NRC Chairman's statement.



Sharmila Murat

Dear Shareholders, Colleagues, and Stakeholders,

I am honored to present the Chairman's message on behalf of the Nomination and Remuneration Committee, reflecting our commitment to fostering a culture of talent excellence and ensuring effective governance in the compensation framework.

The Nomination and Remuneration Committee has diligently fulfilled its responsibilities over the past fiscal year, playing a pivotal role in shaping the strategic leadership of Agthia. We have been focused on identifying and appointing individuals who bring diverse skills, experiences, and perspectives to the Board and executive leadership team.

Our committee has worked closely with the Board and executive management to develop and implement robust nomination and succession planning processes. We believe that a dynamic and diverse leadership team is critical for navigating the challenges of our industry and capitalizing on emerging opportunities.

We remain committed to promoting diversity at all levels of Agthia, recognizing the value it brings to decision-making and overall corporate governance. The committee has actively sought to enhance diversity in our Board and senior leadership positions, ensuring a broad range of backgrounds and expertise.

The Nomination and Remuneration Committee recognizes the importance of aligning executive remuneration with the company's performance and long-term objectives. Our remuneration policies are designed to attract and retain top talent, while also emphasizing accountability and sustained value creation for our shareholders.

We understand the importance of transparent communication regarding our remuneration practices. In this report, you will find detailed information on our executive compensation structure, ensuring that shareholders and stakeholders alike have a clear understanding of how our remuneration policies align with our corporate strategy and performance metrics.

The Committee values the input of shareholders and stakeholders in shaping our remuneration policies. We have actively sought feedback and engaged in constructive dialogue to ensure that our practices align with the expectations of our diverse set of stakeholders.

As we move forward, the Nomination and Remuneration Committee is committed to continuous improvement in our processes and practices. We will remain vigilant in monitoring market trends, regulatory developments, and best practices to ensure that Agthia remains at the forefront of effective corporate governance.

I would like to express my gratitude to the members of the Committee for their dedication and insightful contributions. Additionally, we appreciate the collaborative spirit demonstrated by the Board, executive management, and all stakeholders.

In conclusion, the Nomination and Remuneration Committee remains committed to upholding the highest standards of corporate governance and contributing to the sustained success of Agthia.

Thank you for your trust in Agthia.

Sincerely,
Sharmila Murat
Chairman, Nomination and Remuneration Committee, Agthia

The Chairman of the Nomination and Remuneration Committee, Ms Sharmila Murat, acknowledges responsibility for discharging the Nomination and Remuneration Committee's mandate across the Group, review of its work mechanism and ensuring its effectiveness in line with the approved charter of the Nomination and Remuneration Committee.

During the year, three Nomination and Remuneration Committee meetings were held:

Present Nomination and Remuneration Committee Member	23 May	11 Sep	5 Nov
Sharmila Murat- Chairman	P	P	P
Salmeen Obaid Alameri	P	P	P
Svetoslav Todorov Varadzhakov	P	P	P

P: Present, A: Apologies sent/leave of absence was granted to members not attending the meeting(s).
Total fee for the year 2023 is AED 0.09 million (2022: AED 0.15 million)

Strategy, Investment, and Innovation Committee

Strategy, Investment and Innovation, Committee (SIIC) is formed to assist the Board by reviewing and endorsing:

- The Group's strategy.
- Business development activities, including merger & acquisition and greenfield and brownfield development, and disposal of assets and businesses.
- Proposals for capital expenditure or abandonment expenditure by a member of the Group, whether such proposals are for projects that are part of the approved annual budget or the approved capital program, which are not within the approval authority of the Group Chief Executive Officer according to the Delegation of Authority.
- Receive quarterly treasury report and financing activity as defined in DOA.
- Annual budget and business plans, as well as overruns defined in DOA.

This Committee also oversees the implementation of the strategies and investments, or disposals approved by the Board.

SIIC Chairman's statement



Gil Adotevi

Dear Shareholders, Colleagues, and Stakeholders,

I am honored to present the Chairman's message on behalf of the SIIC, reflecting our commitment to prudent and strategic capital allocation for the benefit of Agthia and its stakeholders.

The SIIC has played a crucial role in steering Agthia's investment strategies over the past fiscal year. Our focus remains on aligning investment decisions with the company's overall strategic goals and creating sustainable value for our shareholders.

In the face of a dynamic and often unpredictable market environment, our committee has been dedicated to assessing opportunities and risks rigorously. We prioritize investment decisions that offer not only potential returns but also consider the future proofing our businesses through innovation and technology. This approach is fundamental to safeguarding the financial health and resilience of Agthia in a fast-evolving world.

Currently, innovation stands as the key principle guiding our investment strategy. By continuously

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reviewing and refreshing our product portfolio, our approach to market, and how we interact with our consumers, whilst integrating new technologies, we aim to mitigate risks and capitalize on yet undiscovered opportunities.

Recognizing the importance of sustainability and responsible investing, the SIIC has integrated Environmental, Social, and Governance (ESG) considerations into our decision-making process. We believe that investments aligned with ethical and sustainable practices contribute not only to our financial success but also to our broader social and environmental responsibilities.

Our investment decisions are guided by a commitment to creating long-term value for our shareholders. By carefully evaluating opportunities and aligning them with the company's strategic objectives, we aim to deliver sustainable returns and contribute to the overall success of Agthia.

Transparency is a cornerstone of our governance principles Committee. We believe that transparent communication is vital for building trust and confidence among our shareholders and stakeholders.

I extend my gratitude to the members of the SIIC for their expertise, diligence, and commitment to sound investment practices. Additionally, we appreciate the collaboration with the Board, executive management, and all stakeholders.

As we look ahead, the SIIC remains dedicated to navigating the complexities of the investment landscape with prudence and foresight, ensuring the sustained success of Agthia.

Thank you for your trust in Agthia.

Sincerely,
Gil Adotevi
Chairman, Strategy, Investment, and Innovation Committee

During the year 2023, eight meetings were conducted.

Present Strategy, Investment, and Innovation Committee	3 Mar	26 Apr	15Ma y	15 Jun	13 Jul	14 Sep	16 Nov	14 Dec
Gil Adotevi- Chairman	P	P	P	P	P	A	P	P
Sharmila Jennifer Murat	P	P	P	P	P	P	P	A
Caitlin Nguyen	NA	P	P	P	P	P	P	P
Mariam AlRemeithi	NA	P	P	P	P	P	P	P
Maurizio Patarnello	NA	P	P	P	P	P	P	P
Salmeen Obaid Alameri	P	NA	NA	NA	NA	NA	NA	NA

P: Present, A: Apologies sent/leave of absence was granted to members not attending the meeting(s).

- Total fee for the year 2023 is AED 0.360 million (2022: AED 0.12 million)
- Svetoslav Todorov Varadzhakov attended SIIC meeting as a special invitee.

Conduct and Values Committee

The Conduct and Values Committee is appointed as a sub-committee of the Audit Committee by the Board of Directors to assist the Audit Committee to review arrangements by which staff of the Group may, in confidence, raise concerns about possible improprieties including fraud, and to ensure that a process is in place for the independent investigation of such matters and for appropriate follow-up action. The Committee is entrusted by the Audit Committee with responsibilities for receiving, reviewing, assessing the credibility of allegations, and investigating allegations. The Committee through its established mechanism has reviewed all such cases or allegations reported in 2023 and reported the conclusion of the proceedings to the Audit Committee. The Committee convened four times in 2023 to discuss on all matters relating to employee conduct and the status of the allegations reported on the Whistle-blower hotline.

The Committee members are:

- Head of Internal Audit (Chairman)
- Head of Human Capital
- Group General Counsel
- Senior Director Governance, Risk and Compliance

Delegation of Authority

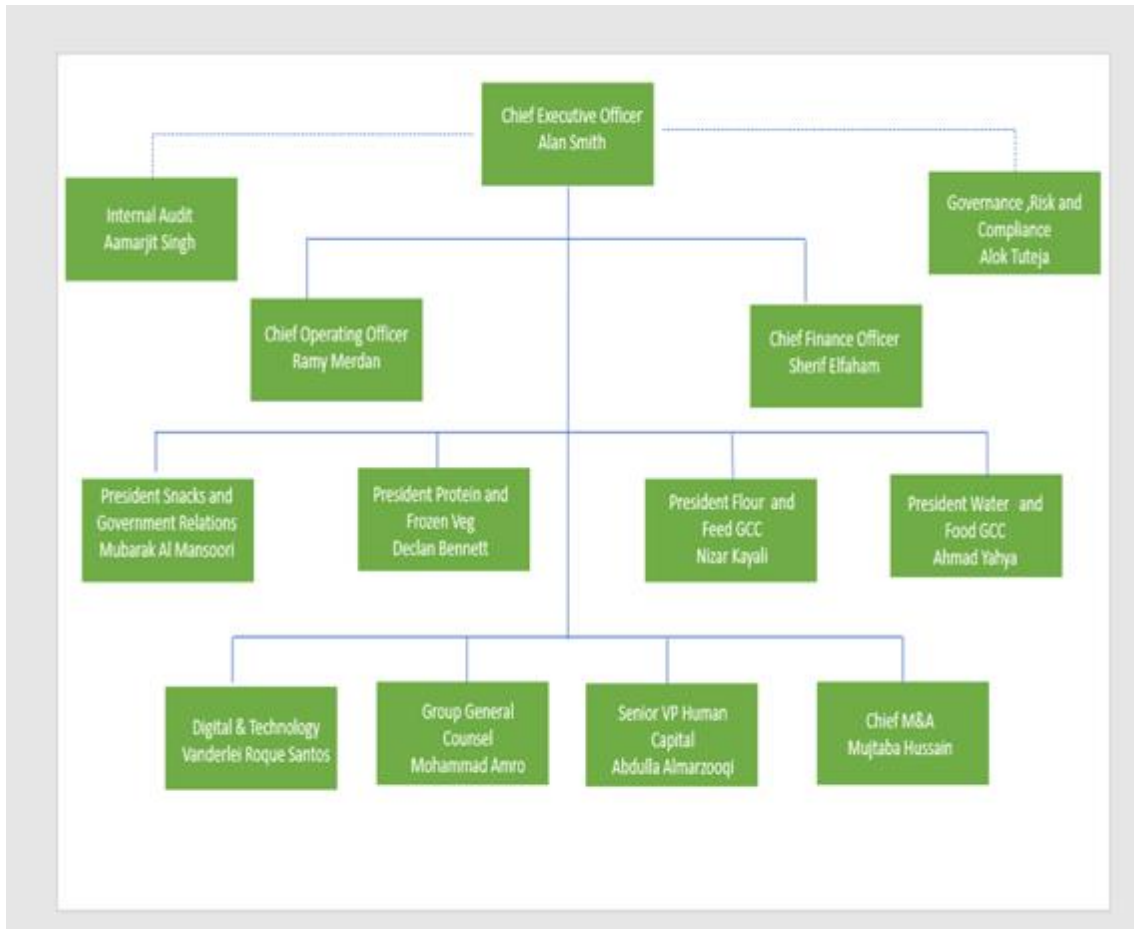
The Board is and shall remain responsible for the overall governance of the Group and for those matters that are reserved for the Board. The Board through a resolution provided the Chairman, powers, and authorities on behalf of the Board with the right of delegation. The Chairman, under Special Power of Attorney, delegated key authorities to the CEO – Alan Smith, CFO – Sherif El Faham, SVP Human Capital – Abdulla Almarzooqi and the President Snacks and Government relations – Mubarak Al Mansoori to be exercised jointly, which is valid for three years.

Some of the key authorities delegated by the Board are as follows:

- To jointly manage the Company and its subsidiaries' operations.
- To represent and jointly manage the Company and its subsidiaries in all transactions and documents before the Government.
- To sign jointly all contracts and agreements on behalf of the Company inside and outside of the United Arab Emirates.
- To represent the Company jointly in any manufacturing and/or distribution deals.
- To represent the Company jointly before the banks for opening and closing accounts, applying for loans and financial facilities, and signing LCs, bank guarantees, and other bank documents.
- To incorporate companies and branches in the United Arab Emirates or abroad and sign their articles of association jointly.

In pursuance of the special powers and authorities delegated to the Company management as stated above (CEO, CFO, SVP Human Capital and President Snacks and Government Relations), the Board has delegated some of their decision-making and approval authorities to the management as specified in the Authority Matrix approved by Board. The Delegation of Authority framework and policy is established to define the limits of authority designated to specified positions of responsibility within the Group. The Authority Matrix ensures efficient and effective decision making which balances empowerment against controls.

Organization Structure



Leadership Team

The Leadership Team is composed of senior executives of the Group responsible for the management of the business and meets on a regular basis. The committee members report to the CEO. The prime role of the Leadership Team is to review business performance, and organizational and operational matters; set strategies/initiatives and monitor their successful execution; and review key business KPIs, progress on key projects, etc.

Chief Executive Officer

The Chief Executive Officer (CEO) is appointed by the Board. The CEO is responsible to delivering sustained growth and must direct the Group towards the achievement of its business objectives, as defined by the Board. The primary role of the CEO is to define and execute the business vision, mission, and strategy of the Group and to ensure that all operations are managed efficiently in terms of allocating resources appropriately and profitably.

Alan Smith was appointed as CEO of the Group on July 5, 2020. Prior to his appointment, Alan was the Managing Director – the Middle East and Pakistan for Mondelez International, where he spent more than 19 years across multiple roles, overseeing sales, logistics, and operations for the GCC. He has strong cross-functional experience having led strategic initiatives, business turnarounds, manufacturing buildouts, and led multi-country operations as a business leader.

Alan Smith

Chief Executive Officer

Date of joining: July 5, 2020

Qualifications:

Bachelor of Engineering in Mechanical Engineering (UK)

Executive Master of Business Administration (INSEAD)

Chief Executive Officer's Message



Alan Smith

Chief Executive Officer

I am pleased to address you in this year's Corporate Governance Report, a testament to our unwavering dedication to transparency, accountability, and ethical business practices.

In a dynamic business landscape, our commitment to sound corporate governance remains paramount. We believe that a strong governance framework is the foundation of sustainable growth and long-term value creation for our shareholders and stakeholders alike.

Throughout the year, we have continued to uphold the highest standards of integrity in all our business dealings. Our Board of Directors has played a pivotal role in guiding the company toward strategic goals while ensuring that our actions align with the best interests of shareholders and the broader community.

Transparency is at the core of our operations. In the spirit of openness, we have enhanced our disclosure mechanisms, providing you with comprehensive insights into our decision-making processes, risk management strategies, and financial performance. We understand the importance of keeping our stakeholders well-informed, and this report is a testament to our commitment to that principle. We have implemented a new platform for whistleblower mechanisms. We have created a strong awareness of our compliance requirements.

Our governance practices extend beyond compliance, reflecting our proactive approach to addressing emerging challenges and opportunities. The Board's diverse composition ensures a wealth of perspectives, fostering robust discussions that shape our strategic direction and risk management policies.

This year has presented its share of challenges, and we have navigated through them with resilience and adaptability. Our governance framework proved its effectiveness in times of uncertainty, enabling us to make informed decisions that safeguarded the interests of our shareholders and stakeholders.

Looking ahead, we remain focused on continuous improvement. We will actively seek feedback from our shareholders, listen to their concerns, and integrate valuable insights into our governance practices. By doing so, we aim to further strengthen the trust you place in us as custodians of your investment.

In closing, I want to express my gratitude to our shareholders, employees, governance risk management and compliance team, and partners for their continued support. Together, we will continue to build a company that not only delivers financial success but also exemplifies the highest standards of corporate governance.

Sincerely,

Alan Smith

Chief Executive Officer Agthia

Total Reward Philosophy

Agthia Group provides compensation & benefits packages to attract, retain and motivate highly talented employees capable of providing diverse and responsibly produced brands, driven by innovative, passionate people.

Our compensation & benefits packages are designed to reflect relevant & measurable rewards linked to best practices and are reviewed regularly based on corporate and individual performance. Reviews are based on the results of a robust performance review and approvals process.

Our framework has an appropriate focus on short- and long-term incentives that align the interests of employees & shareholders.

Parameters	Definition	Components & Governance	2023 Compensation in AED '000
Fixed Compensation	Fixed compensation is aligned to the market practice for each job level and is reviewed regularly to ensure competitiveness.	Basic Salary and fixed allowances Job specific allowances Benefits based on grade, such as: - Medical Insurance - Annual leave - Airfare - Life Insurance - Savings Plan - Education allowance - Club membership. - Utilities Fixed compensation reviews depend on whether the employee achieved expected	Leadership Team members - 11 Total Fixed Compensation 19,642 Of which, cash based. – 15,454 <i>[basic salary, housing allowance, transportation allowance, and any other guaranteed job specific allowance, as applicable]</i> Of which other benefits - 4,188 <i>[Schooling, medical insurance, life insurance,</i>

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		goals and delivered a prescribed performance level and based on market trends in line with the established performance management process.	<i>leave airfare, company savings plan, club membership, UAE Nationals pension, gratuity, etc.]</i>
Short Term Incentives (Annual Performance Bonus)	Variable pay (Annual Performance Bonus) is designed to promote the culture of pay-for-performance. Agthia uses a scorecard approach to measure performance based on relative KPIs	<p>Annual Performance Bonus amounts are dependent on the following:</p> <ul style="list-style-type: none"> - Overall Group Performance. - Business Unit performance, and - Individual performance. <p>The Nomination & Remuneration Committee of the Board of Directors oversees the design, governance and effectiveness of the framework and allocation of awards, including overall amounts, and actual awards to Leadership Team.</p>	<p>Leadership Team members - 11</p> <p>Annual Bonus Payout 7,898</p> <p><i>Agthia uses a scorecard approach to measure business performance based on financial KPIs such as</i></p> <ul style="list-style-type: none"> • Revenue, Net Profit and Free Cash Flow on Equity. <p><i>For individuals, performance is measured based on KPIs that are linked to Agthia strategic pillars, i.e.</i></p> <ul style="list-style-type: none"> • Growth, • Efficiency, • Capability and • Any other function specific KPIs.
Long Term Incentives	Agthia Long Term Incentive (LTI) framework is designed to drive achievement of long-term goals leading to shareholder value, and retention of high potential leaders.	<p>Long Term Incentive awards are based on:</p> <ul style="list-style-type: none"> • Performance; and • Potential. <p>Such awards are used to purchase Agthia shares in line with the SCA rules and vested every three years based on tenure and Earnings per Share growth.</p> <p>The Nomination & Remuneration Committee of the Board of Directors oversees the design, governance and effectiveness of the framework and allocation of awards, including overall amounts, and actual awards to Leadership Team.</p>	<p>Leadership Team members- 10</p> <p>Total Award Value 6,072</p> <p>LTIs are vested as following:</p> <ul style="list-style-type: none"> • Restricted shares as per tenure • Performance shares as per Earnings per Share growth.

Remuneration Type	Details	Total number of employees in 2023	Amount in AED'000
Total Fixed Compensation	15,454	11	15,454
	4,188		4,188
	19,642		19,642
Variable Pay	7,928	11	7,898
	6,072	10	6,072
Total			33,612

Insider Trading Management Committee

The Insider Trading Management Committee is appointed by the Board as a Management Committee to oversee and follow up on insiders' trading and their holdings. The Committee is entrusted by the Board with the following responsibilities:

- Ensuring that the reputation of the Group is not adversely impacted by perceptions of trading in the Group's securities at inappropriate times or in an inappropriate manner by employees of the company.
- Evaluating where the employee or third party (such as the Group's auditors, bankers, lawyers, or other professional advisors) may be classified as an insider who has direct or indirect access to "inside information" which may affect the Group's share price and/ or trading of Group's shares.
- Prepare and maintain a special and comprehensive register of all insiders, including Directors, Executive Management, and persons who could be considered as insiders on a temporary basis.
- Developing, reviewing, and continuously improving the Trading in Group Shares Policy including guidelines and procedures, ensuring compliance with the policy, and assessing any indicative non-compliance to the policy.
- Annual review of movement in insider shareholdings and report to the Board on compliance with the policy and regulatory requirements, highlighting any exception cases noted.
- Effective communication with ADX and SCA regarding blackout days, temporary suspension of trading and insider trading

The above activities were adequately discharged in 2023 by the Committee members and no exceptions were noted.

The Chairman of the Insider Trading Management Committee, Mr. Neeraj Jain – Vice President Group Controller, acknowledges responsibility for the follow-up and supervision system on transactions of the insiders in the Company through discharging the Insider Trading Management Committee's mandate across the Group, review of its work mechanism and ensuring its effectiveness in line with the approved charter.

The Committee members are:

Position	Name
Vice President Group Controller (Chairman)	Neeraj Jain
Group General Counsel	Mohammad Amro
Senior Director Governance, Risk and Compliance	Alok Tuteja
Senior HR Director, Centre of Excellence	Aby Varghese

Governance, Risk Management and Compliance (GRC) Statement



Alok Tuteja

Governance

I am pleased to present the Governance Risk and Compliance Message for Agthia's Corporate Governance Report for the fiscal year 2023. As the Governance Head, it is my privilege to share insights into our commitment to upholding the highest standards of corporate governance.

Over the past year, we have navigated through a dynamic business environment, facing challenges and seizing opportunities. Our governance framework has been a pillar of strength, guiding our decisions and actions with integrity and transparency. We firmly believe that effective governance is not only a regulatory requirement but also a cornerstone for sustainable business success.

Our governance provides the base for our actions leading to sustainable value creation. We continue to balance the pursuit of top-line and bottom-line growth with good governance mechanisms. We use our scale, resources, and expertise to create shared value for all our stakeholders.

Key Highlights of our Governance Practices:

Our Board continues to embody diversity, expertise, and independence, ensuring robust decision-making and effective oversight. We have strengthened the Board through nine independent directors with diverse experience and expertise directly relevant to Agthia's business. We continue to engage with our shareholders.

We remain dedicated to fostering a culture of ethical behaviour. Our employees are encouraged to uphold our values, and our whistle-blowing mechanisms ensure a safe avenue for reporting any concerns.

Our Nomination & Remuneration Committee, chaired by our Independent Director, evaluates Board composition, performance, structure, and succession planning. It assesses candidates for nomination to the Board and ensures alignment of our remuneration systems with our values, strategies, and performance in 2023.

Our Audit & Risk Committee comprises all independent directors and oversees internal and external audits, financial reporting, internal controls, compliance, risk management, sustainability, and other second-line functions. It reviews reports of internal audits, external audits, compliance, fraud, and enterprise risk management.

Our Strategy, Investment & Innovation Committee comprises all independent directors and oversees the strategic creation, long and short-term investment management, and creation of innovative products and solutions.

Looking Forward: As we move forward, we are committed to continuous improvement. We will focus on specific goals or areas of improvement, reinforcing our governance framework to adapt to emerging challenges and capitalize on new opportunities.

In an ever-evolving business landscape, we have enhanced our risk management processes to identify, assess, and mitigate risks proactively.

Our commitment to open and constructive dialogue with our stakeholders persists. We value the input of our shareholders, customers, employees, and the communities in which we operate. We recognize that for our company to be successful over time and create sustainable value for shareholders, we must also create value for society. Our governance helps us strike the right balance in our pursuit of long-term, sustainable value creation.

Risk Management

It is my pleasure to share our dedication to fostering a risk-aware culture and ensuring the resilience of our organization.

The past year has presented us with unprecedented challenges, and our ability to navigate uncertainties has been a testament to our robust risk management practices. We understand that an effective risk management framework is crucial not only for compliance but also for safeguarding the long-term interests of our stakeholders.

We continue to enhance our processes for identifying potential risks, both internal and external. Our proactive approach allows us to anticipate challenges and develop mitigation strategies ahead of time.

Rigorous risk assessments remain a cornerstone of our strategy. We evaluate the potential impact and likelihood of risks, enabling us to prioritize and address the most critical issues facing our organization.

Our commitment to proactive risk management extends to the implementation of robust mitigation strategies. We strive to turn risks into opportunities, leveraging our expertise to navigate challenges and capitalize on emerging trends.

As we reflect on the past year, we recognize the need for continuous improvement. Our team is dedicated to refining our risk management processes, embracing technological advancements, and staying abreast of industry best practices to ensure the effectiveness of our risk mitigation efforts.

I extend my appreciation to the Risk Management team for their diligence and commitment. Additionally, I want to thank our Board, management team, employees, and stakeholders for their collaborative efforts in strengthening our risk management framework.

Agthia adopts a risk profile aligned with our purpose and business strategy. We aim to create long-term value through a balance of sustainable growth and resource efficiency.

The Agthia Group Enterprise Risk Management (ERM) framework is designed to assess and mitigate risks to minimize their potential impact and support the achievement of Agthia's long-term objectives and business strategy. A top-down assessment is performed at the group level once a year called Key Business Risk (KBR). A bottom-up assessment occurs in parallel, resulting in aggregation of the individual risk assessments. This creates a good understanding of the company's key risks to allocating ownership to drive specific actions around them and take any relevant steps to address them.

Additionally, Agthia engages with stakeholders to better understand the issues that are of most concern to them. The risk appetite rates the degree of the Board's concern and potential business impact. This helps to ensure that wider sustainability issues are incorporated into the risks and opportunities under consideration across the company. Risk assessments and any mitigating actions are the responsibility of the individual line management. If Group-level intervention is required, responsibility for mitigating actions will generally be determined by the leadership team.

Compliance

Business ethics and compliance are the foundations of how we do business and the conditions for creating shared value. Our commitments to ethics, integrity, fairness, and authenticity are enshrined in our Purpose and Values, the Corporate Business Principles, and the Agthia Code of Business Conduct. Our Compliance Management System (CMS) helps our employees do the right thing for the right reason while protecting and strengthening our reputation. Our Board of Directors and compliance team oversee and promote good practices throughout the company. Our dedicated Corporate Compliance function provides guidance and functional leadership and is engaged in our risk- and principles-based Compliance program. Our Audit & Risk Committee supported by Risk and Compliance Management Committee ensures a continuous evolution of our Compliance Framework. Head of Governance, Risk, and Compliance, and relevant Committees ensure a consistent approach across the Group and help identify local compliance priorities. In 2023, a significant increase in the number of mandatory trainings on topics such as the Code of Business Ethics and Conduct, Conflict of Interest, Fraud Awareness, and Sanctions was conducted. We monitor compliance through our corporate functions, our internal audit function, and our external auditors. We launched our new single reporting channel for non-compliance concerns and questions, using Ethix360 platform, which replaces the traditional reporting system. All complaints are investigated, and remedial actions are taken as needed. Our Compliance culture helps create sustainable value for all our stakeholders and makes Agthia a force for good.

Looking ahead, we remain steadfast in our commitment to maintaining a proactive and adaptive governance, risk and compliance management culture. We will focus on creating awareness and deep-rooted governance and compliance culture promotion, ensuring that our organization is well-positioned to thrive in an ever-evolving business landscape.

In closing, I would like to express my gratitude to our Board, Audit & Risk Committee, CEO Alan Smith, management team, employees, and all stakeholders for their unwavering support. Together, we will continue to build a resilient and responsible organization.

Mr Alok Tuteja is the Senior Director of Governance, Risk and Compliance function.

Qualifications:

Bachelor of Commerce

Master of Business Administration

Certified Internal Auditor (CIA)

Certified Information System Auditor (CISA)

Certified in Risk and Information Systems Control (CRISC)

Certified in the Governance of Enterprise IT (CGEIT)

Certified Data Privacy Solutions Engineer (CDPSE)

Certified Information Systems Security Professional (CISSP)

Internal Audit



Amarjit Singh

Vice President Internal Audit

The Group's system of internal control audit aims to ensure that the Board and management can fulfil the Group's business objectives. An effective internal control framework contributes to safeguarding the shareholders' investment and the Group's assets.

The objective of the Group's internal control audit framework is to ensure that internal controls are established; those policies and procedures are properly documented, maintained, and adhered to, and are incorporated by the Group within its normal management and governance processes.

In accordance with the requirements set out in Abu Dhabi Accountability Authority (ADAA) Resolution No (1) of 2017. Management performs an ongoing process of identifying, evaluating, and managing the risks faced

by the Group and establishes and maintains effective controls for the risks identified including those over financial reporting.

The Group carries out the review of its internal controls over financial reporting on an annual basis with respect to all material financial balances whereby the Management assesses the adequacy of design and operating effectiveness of such internal controls over financial reporting. This management assessment is reviewed by the Group's independent auditors.

Management has adopted the Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), 2013 to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements.

Management has assessed the adequacy of design and the operating effectiveness of the Company's internal controls over financial reporting as of 31 December 2023. Based on the assessment, management has concluded that the internal controls over financial reporting are adequately designed and operating effectively with no material weaknesses being identified.

The Group's operating policies and procedures are adequate and effective while recognizing that such a system is designed to mitigate rather than eliminate the risk of failure to achieve business objectives and can provide reasonable but not absolute assurance against material misstatement or loss. The Board of Directors acknowledges its responsibility for the Group's internal control framework. The Board has delegated responsibility for oversight of the Internal Audit Department to the Internal Audit. and Risk. The Head of Internal Audit is appointed by the Audit and Risk Committee. The Audit and Risk Committee reviews the effectiveness of the Internal Audit function.

The objective of the Internal Audit function is to provide independent assurance and consulting services using a disciplined systematic approach to improve the effectiveness of risk management, internal control, compliance and governance process, and the integrity of the Group's operations. The function is also responsible for monitoring the compliance of the Group and its employees with the law, regulations, and resolutions, as well as internal policies and procedures. A Charter sets out the purpose, authority, and responsibility of the function.

28 reports prepared by Internal Audit are submitted to the Audit and Risk Committee and copied to the senior management of the Group for action. The overall internal controls environment remains robust across the Group. During the year, there were certain process level internal control enhancements that were identified and accepted for implementation towards continuous improvement of internal controls across the Group. On an ongoing basis, the Audit and Risk Committee monitors the progress that management has made with respect to remedial actions taken on issues and findings raised by Internal Audit.

On 14 May 2017, Amarjit Singh was appointed as the Head of Internal Audit.

Qualifications:

Master of Business Administration (Manchester Business School),

Fellow Member, Association of Chartered Certified Accountants, UK

IBM Cybersecurity Professional (Analyst)

IBM Data Privacy for Information Architecture

Violations

During the year 2023, the Group was not subject to any material fines or penalties imposed by SCA or any statutory authority on any matter related to capital markets. Additionally, there have been no cases of material non-compliance with any applicable rules and regulations.

Corporate Social Responsibility (CSR)

The Group's approach to Corporate Social Responsibility focuses on the idea of creating shared value for all its stakeholders through economic, environmental, and social actions. Accordingly, the Group's CSR program has four pillars: Community, Workplace, Nutrition & Well-being, and Environment & Sustainability. The Group believes that in the heart of the shared value concept rests the ability of a company to create private value and to transform this into public value for society.

"For the Better" initiative launched in 2 phases during the year 2023. The first phase was launched at Agthia Group's annual Townhall on Thursday, December 15, 2022, and 2nd was announced for Abu auf employees after the full acquisition in June 2023, based on our ongoing commitment to prioritizing corporate social responsibility and in ideal alignment with our core values of cooperation and active participation.

This initiative demonstrated our unwavering commitment to support and prioritize the well-being of our employees, who represent the true essence of our core business and serve as its engine. The allocation of AED 361,870 was a tangible demonstration of our support and recognition of our employees as our most valuable assets, ensuring their well-being and fostering a productive work environment.

113 employees (Grade 1-5) benefited from this initiative across 7 regions in its 2 phases (initiative duration: from December 2022 till December 2023):

- Phase1- (Dec'22 - May '23)-Targeted (8,235) employees, Evaluated (1,810) requests. Selected (70) cases. Amount (AED 220,270)
- Phase2- (June '23 - Dec '23)- Targeted (2,100 Auf employees +Phase1 cases). Evaluated (1,317) requests. Selected (43) cases. Amount (AED 141,600)

Major other CSR activities were also undertaken by its business entities across geographies.

The Group is also a stout believer in national talent development. Of over 63 different nationalities in Agthia across all geographies, UAE nationals constitute the third largest and the top one in senior management.

Percentage as of December 31, 2023, is 21% (grades 5 and above) in the United Arab Emirates

Emiratisation % for December 2019: 19.2%

Emiratisation % for December 2020: 19.2%,

Emiratisation % for December 2021: 23.4%

Percentage as of December 31, 2022, is 21%

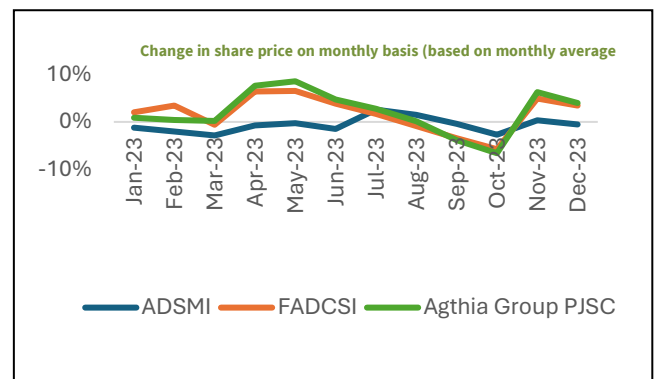
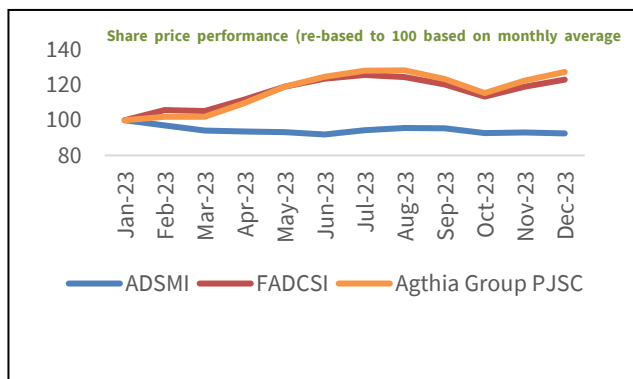
Related Party Transactions

Note 13 of Financial Statements provides details of related party transactions. There were no related party transactions equal to or more than 5% of equity. below is a summary of related party transactions.

Particulars	As of 31 Dec 2022 AED '000	Sales AED'000	Collection AED'000	Expenses AED'000	Opening Balance AED'000	Others AED'000	As of 31 Dec 2023 AED '000
Due from related parties							
Emirates Iron and Steel Company	427	658	(674)				411
General Holding Corporation							
ADQ	723		(500)	-			223
Kouttouf & Hala	13,380	83,469	(83,041)	665			14,473
Dubai Cable Company	164	143	(272)				35

2023 share price performance

Agthia's share price performance continues to outperform the FTSE ADX General Index (ADSMI) as well as the FTSE ADX Consumer Staples Index (FADCSI).



Monthly share price (AED/share)

Month	Closing price (Beginning of month)	Monthly high	Monthly low	Closing price (End of month)
Dec-23	5.26	5.29	4.88	4.88
Nov-23	4.62	5.20	4.55	5.20
Oct-23	4.73	4.73	4.39	4.45
Sep-23	5.04	5.04	4.69	4.69
Aug-23	5.28	5.28	5.01	5.09
Jul-23	5.02	5.30	5.00	5.30
Jun-23	4.92	5.07	4.86	4.96
May-23	4.80	4.93	4.47	4.88
Apr-23	4.16	4.62	4.16	4.62
Mar-23	4.16	4.16	3.94	4.12
Feb-23	4.10	4.16	3.98	4.10
Jan-23	3.99	4.22	3.90	4.07

Shareholder category

As of December 31, 2023

Category	Government	Institutional	Individuals	Total	Percentage
UAE	527,584,090	33,889,249	104,594,895	666,068,234	84.14%
GCC (excluding UAE)	57,000	44,992,563	676,761	45,726,324	5.78%
Arabs (excluding GCC)	-	42,590	1,503,397	1,545,987	0.20%
Foreign	-	72,518,920	5,717,625	78,236,545	9.88%
Total	527,641,090	151,443,322	112,492,678	791,577,090	
Percentage	66.66%	19.13%	14.21%		

Shareholders owning 3% or more.

As of December 31, 2023

Shareholders	No. of shares	Percentage
General Holding Company SENAAT	497,577,090	62.86%
Abu Dhabi Pension Fund	30,000,000	4.10%
NORGES BANK	29,796,669	3.79%
SEVEN (PIF)	27,292,243	3.45%

Distribution of shareholders according to the size of ownership

As of December 31, 2023

Share ownership	No. of shareholders	No. of shares owned	Percentage
Less than 50,000	65,246	91,571,150	11.57%
From 50,000 to less than 500,000	184	26,368,124	3.33%
From 500,000 to less than 5,000,000	57	73,700,484	9.31%
5,000,000 and more	6	599,937,332	75.79%
Total	65,493	791,577,090	100%

Investor Relations

The Board is committed to effective communication between the Group and its shareholders. The Group regularly announces its results to SCA, ADX, and shareholders by way of interim management statements, quarterly results, and the annual report and annual financial statements. Significant matters relating to share trading or business development are disclosed to SCA, ADX, and the general public by way of market disclosures and announcements in accordance with the related provisions of applicable laws and regulations, in addition to press releases and postings on the Group's website. The annual investor relations program of the Group includes:

- Quarterly conference calls on financial results with investment community.
 - Responding to inquiries from shareholders through the Group's investor relations function.
 - Meetings between investors, analysts, and senior management.
 - Regular investor roadshows and conferences organized by the investment community; and
 - A section dedicated to investors on the Group's website, which comprises annual reports, quarterly results, corporate governance reports, analyst coverage, investor presentations, share price and dividend information (<https://www.agthia.com/investors/>)
 - Our mobile application "Agthia IR" is available for download on the Apple App Store and Google Play Store
- Shareholders and investors can utilise the following channels to reach Agthia's investors' relations team:

Phone: +971 2 596 0672

Email: ir@agthia.com

Resolutions passed in General Assembly

Two General Assembly Meetings were held in 2023.

The following resolutions were passed, following which all the resolutions were implemented.

Annual General Assembly held on 17 April 2023:

- Approval for the Board's Report about the Company's activities and financial position for the financial year ending on 31/12/2022.
- Approval of Board of Director's report
- Approval of auditor's report
- Approval of Company's management discussion and analysis and Corporate Governance Report for the financial year ended on 31/12/2023.
- Approval of the Board of Directors' proposal for a cash dividend of 8.25% of the share capital of the company, equivalent to AED 0.825 per share, in line with the Group's semi-annual dividend policy. Total dividends distributed for the year amounted to AED 65.305 million, a 9.9% increase relative to the AED 118.8 million distributed in 2020.
- Discharged the directors from the liability for the year ended 31/12/2022.
- Appointed "Deloitte" as the auditors for the financial year ended 31/12/2023 with a remuneration of AED 2,408,400

- Approved the issuance of Special Resolution regarding the increase in the number of the board members from 7 to 9 and amend item (18-1) of the articles of the association of the company to increase the members of the board.
- Appointment of new board members

General Assembly Meeting held on 12th September 2023:

The general assembly passed the following resolutions:

- Approval for the distribution of interim dividends of AED 0.0825 per share-with a total amount of AED 65.305 million.

Agthia in News:

Agthia Group Advances Sustainability Commitment with Two Solar Energy Projects



Agthia Group PJSC, one of the region's leading food and beverage companies, announced on 27th November 2023, a significant step towards reducing its carbon footprint. The Group's solar energy initiative will involve the establishment of solar power plants at the production facilities of Al Ain Water and Al Foah, two of its key subsidiaries. The formalization of this green alliance with Yellow Door Energy, a renowned solar developer headquartered in the UAE, occurs through the execution of Letter of Award and subsequent signing of a solar lease agreement, which evidences Agthia's dedication to sustainability. The initiative is expected to offset almost 20% of the energy consumptions for the factories each year, contributing to both sustainability gains and cost efficiencies. Over the next 25 years, the project will reduce CO2 emissions by 124,000 tonnes through guaranteed generation of 287,000 MWh of clean energy. This has an environmental impact of recycling 5.4 million single-use plastic bags, planting 2.1 million trees over a decade, and eliminating the use of 53 million Liters of gasoline. The two solar PV power plants, established through the agreement, have capacities of around 5MWp at the two factories. Agthia is set to integrate renewable energy into its manufacturing processes through a long-term lease arrangement with Yellow Door Energy.



Agthia and Brazilian Ministerial Delegation Discuss Bilateral Collaborations

Brazil's Minister of Agriculture, Livestock and Food Supply, H.E. Carlos Fávaro, who is on a state visit to the UAE, visited the Abu Dhabi headquarters of Agthia, the parent company of Al Foah – the world's largest exporter of dates, accompanied by H.E. Ambassador Eliana Zugaib, Chargé d'affaires at The Embassy of Brazil in Abu Dhabi.

During the meeting with Agthia and Al Foah's leadership, the delegation interacted with Mubarak Al Mansoori, President – Snacking & Government Relations, and discussed ways to expand collaboration, commercial ties, and trade, as well as Al Foah's pivotal role in promoting dates and their ingredients as a superfood in the region. The populous nation is the world's fifth-largest country and home to more than 200 million people. It is also a key market in Al Foah's new market entry strategy,



Agthia Group Launches USD 54 Million Corporate Venture Capital Fund




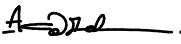
Agthia Group PJSC, a diversified food and beverage company, today announced the launch of Agthia Ventures, a corporate venture capital fund ("CVC") designed to expand Agthia's innovation capabilities and create mutual value with startups as the company continues to drive profitable growth in both new and existing markets. Funded by Agthia and its parent company ADQ, an Abu Dhabi-based investment and holding company, Agthia Ventures will be managed together with Touchdown Ventures, a global leader in establishing and operating bespoke CVC programs for blue-chip corporates, with over 100 completed venture investments to date. Agthia Ventures will build on Agthia's four decades of experience, creating a program to help the best and brightest entrepreneurs in food and related industries scale their operations and accelerate their product development and market adoption, through access to Agthia's extensive industry knowledge, diverse distribution networks, technological infrastructure, research, development and marketing capabilities, and established customer relationships. Utilizing Touchdown's extensive network of startups, venture capital relationships, incubators, and accelerators, Agthia Ventures is well-placed to identify attractive early-stage, seed, and growth investment opportunities, within relevant and target geographies.



Al Ain Water Launches UAE's First Locally Produced 100% rPET Bottle

Al Ain Water, the UAE's leading water brand announced today, at Gulfood, the launch of its new water bottle, which is made of recycled polyethylene terephthalate (rPET). This new 100% rPET bottle is the first to be locally produced by a UAE brand.

PET is a highly recyclable plastic material, and when recycled it becomes rPET, a strong, durable and infinitely recyclable material that is commonly used for packaged foods and drinks. Once reprocessed, rPET can be used to make new plastic bottles or other items. It supports the recycling industry, saves energy, resources, and diverts these plastics from landfills. According to Global Standards, rPET generates 75% less of CO2 emissions and requires less energy compared to virgin material production and has a better overall ecological balance than glass and single-use aluminium cans.

SI No	Name	Designation	Date	Signature
1	Khalifa Sultan Al Suwaidi	Board Chairman	March 18, 2024	
2	Khamis Mohamed Buharoon Al Shamsi	Audit Committee Chairman	March 18, 2024	
3	Sharmila Murat	Nomination and Remuneration Committee Chairman	March 18, 2024	
4	Gil Adotevi	Strategy, Investment and Innovation Committee Chairman	March 18, 2024	
5	Alok Tuteja	Senior Director- Governance, Risk and Compliance	March 18, 2024	