

Our Corporate Governance overview²⁶

Code of Conduct

Our Code of Conduct demonstrates ADNOC Distribution’s commitment to compliance and ethical behavior in all that it does. Our Code of Conduct: (i) sets out the minimum standard of conduct that we expect from anyone working for or on behalf of ADNOC Distribution; and (ii) provides a set of basic rules and standards that are designed to ensure that our business is conducted in an ethical and compliant manner and in accordance with our core values.

Corporate Governance Policy

Our Corporate Governance Policy provides clear guidance on: (i) the Company’s corporate governance structure and the interface between the Company and its stakeholders; (ii) the authorities and decision-making mechanisms within the Company and between its stakeholders; and (iii) the role and responsibilities of the Company’s corporate governance function.

Dividend Policy

Our Dividend Policy sets out clear and transparent criteria for the distribution of our profits such that it serves the interests of both ADNOC Distribution and its shareholders.

The payment of dividends is subject to consideration of: (i) the cash management requirements of the Company for operating expenses, interest expense, and anticipated capital expenditures; (ii) market conditions; (iii) the then current operating environment in our markets; and (iv) the outlook for the business of the Company.

Related Party Transactions Policy

Our Related Party Transactions Policy is designed to ensure that: (i) transactions with related parties are conducted on arm’s length terms; (ii) the Board of Directors and senior management are aware of the steps required to approve transactions with related parties; and (iii) a legitimate business case is present that supports the relevant related party transaction, including its arm’s length nature.

In accordance with this policy, we may not enter into a related party transaction unless it has been approved by: (i) our Board of Directors, where the transaction’s value does not exceed 5% of the value of our share capital; or (ii) our shareholders at a General Assembly, where the transaction’s value exceeds 5% of our share capital. The foregoing requirements do not apply to transactions with ADNOC and with other ADNOC Subcommittee.

However, for so long as ADNOC owns more than 50% of our shares, we may not enter into transactions with ADNOC or other ADNOC Subcommittee unless such transactions have been approved by our Board of Directors, including a majority of the independent members of the Board of Directors, subject to applicable exemptions and certain thresholds under our Delegation of Authority Matrix.

WE ARE

- Responsible
- Efficient
- Respectful
- Progressive
- Collaborative



²⁶ADX ESG Guide: G5 Ethics and prevention of corruption

Insider Dealing Policy

The requirement to have fair and transparent dealings in our securities is of paramount importance to us and we take a zero-tolerance approach to any activities which would prevent this requirement from being properly implemented.

Accordingly, we have implemented an Insider Dealing Policy to ensure that the obligations and responsibilities of our employees, officers and directors with respect to dealings in our securities are clearly defined. In accordance with the Insider Dealing Policy, we have an Insider Dealing Committee to oversee the ongoing implementation of this policy.

Anti-bribery and Corruption Policy

We are committed to doing business lawfully, ethically and with integrity, and we expect all of our employees and representatives to act accordingly. Consistent with this commitment, we take a zero-tolerance approach to fraud, bribery and all other forms of corruption. Our Anti-Bribery and Corruption Policy sets forth our requirements to ensure that none of our employees or representatives engage in any of these activities.

Compliance Investigations Policy

Our commitment to operating with integrity includes investigating, where necessary, allegations of ethical misconduct. Our Compliance Investigations Policy and supporting procedures set forth our approach to investigations relating to alleged violation of: (i) ethical business practices; (ii) integrity in our interactions and arrangements with third parties; and (iii) applicable laws, regulations, and policies and procedures relating to ethical business practices and integrity. This policy requires all of our personnel to cooperate fully and truthfully with all investigations and to avoid engaging in certain activities that may hinder or interfere with an investigation.

Conflicts of Interest Policy

We understand that our employees, officers and directors will engage in legitimate social, financial and business activities outside the scope of their work for us. Our Conflicts of Interest Policy sets forth our requirements for the avoidance and management of conflicts of interest that may arise as a result of these other activities, including the avoidance of situations that have the appearance of a conflict of interest. Under this policy, conflicts of interest must be promptly disclosed so that the appropriate course of action can be taken in order to protect ADNOC Distribution's interests.

Whistleblowing Policy

Having an open, honest and transparent culture supports our commitment to integrity. Our Whistleblowing Policy encourages our employees to report concerns about unethical behavior in connection with our business by assuring confidentiality and by protecting good faith whistleblowers from retaliation, even if they are mistaken.

Gender Diversity Policy

We are committed to advancing gender diversity and equality across the organization and are constantly working to recruit more women in all areas of our business. We are also working on a number of initiatives to advance women's career growth across the Company. To this end, our Gender Diversity Policy has been designed to include both Board-level appointments and the company-wide approach to gender diversity. In addition, the Company will continue to ensure that its female employees obtain access to all necessary training and development in order to achieve their full potential in line with the standards of high performance we expect from all our employees – both men and women alike.

