



Corporate Governance Report Form for 2020

Since its establishment in 1959 by an Emiri decree issued by late His Highness Sheikh Rashid bin Saeed Al Maktoum (then ruler of Dubai), Dubai Refreshment (P.J.S.C) has performed its business under complete system of values, ethics, professional and institutional integrity adapting best practices, enabling it to expand and prosper to be the leading Company in the UAE in the field of bottling and distributing carbonated and non-carbonated beverages and drinking water. The Company has also committed to the highest standards of governance, where transparency, fairness, disclosure and accountability are essential to the work of the Company, management and the Board of Directors, and in fact, the commitment of Dubai Refreshment to exercise sound governance is consistent with the laws, regulations and decisions issued by Securities and Commodities Authority ("the Authority") so that:

1. Statement of procedures taken to complete the corporate governance system, during 2020, and method of implementing thereof.

By implementing the Chairman of Authority's Board of Directors' Decision no. (3/RM) of 2020 concerning Approval of Joint Stock Companies Governance Guide, Dubai Refreshment has taken the following procedures:

- Amending the Company's articles of association to comply with the rules of governance and the companies law 2/2015.
- Appointing independent members to the Board of Directors so that at least one third of the members became independent members and the majority of the members are non-executive.
- Appointing an Audit Committee by the Board of Directors.
- Appointing the Nomination and Bonuses Committee by the Board of Directors.
- Appointing an internal control Company and compliance officer by the Board of Directors, in addition to working to update the Company's internal control system and working on the appointment a new director of Internal Control Department.
- Appointing the investor relations officer.
- Working to establish a Committee supervising the insiders' transactions, along with its terms of reference and mission.
- Periodically updating the electronic databases on the Company's website in order to provide the utmost transparency required to provide a safe environment for investors and shareholders to follow developments in the Company.
- Periodically Disclosing the financial statements of the Company, meetings of the Board of Directors and the General Assembly, in addition to adhering to all the rules regulating in this field.
- In addition, the Company continues to review its internal systems in order to introduce the procedures required by the aforementioned resolution for full and continuous compliance with the circulars issued by the Securities and Commodities Authority in terms of corporate governance rules.

2. Statement of ownership and transactions of Board of Directors members and their spouses, their children in the Company securities during 2020:

#	Name	Position / relationship	shares owned as at 31/12/2020	Total Sales process	Total purchases transactions
	Mr. Ahmad bin Eisa Al Serkal	Chairman of Board of Directors	None	None	None
	Mr. Ali Bin Humaid Al Owais	Vice Chairman of the Board	157,136	None	157,136





Mr. Ibrahim Abdulrazzak Ustadi	Board member	None	None	None
Mr. Mohamed Hadi Ahmed Abdulla Al Hussaini	Board member	None	None	None
Mr. Mohamed Abdulaziz Al Owais	Board member	13,704	None	None
Mr. Ayoub Mohamed Amin Kazim	Board member	None	None	None
Mr. Buti Obaid Buti Almulla	Board member	None	None	None
Mr. Abdulla Mohamed Rashid Al-Huraiz	Board member	None	None	None
Mrs. Hana Obaid Butti Al-Mulla	The wife of a Board member Mr. Abdulla Muhammad Rashid Al Huraiz	283,050	None	None

3. Board of Directors Formation

A. Formation of the Current Board of Directors according to the categories of its members, their data, experiences and their qualifications they enjoy, and the duration of their membership in the Board of Directors:

The Board of Directors of Dubai Refreshment consists of seven members who have experience in the field of the Company's activity as well as experience in accounting, financial matters, banking operations and business administration. They further have the necessary experience to make prudent decisions. The Board of Directors consists of non-executive members and independent members, whereby the formation of the Board of Directors takes into account the appropriate balance between members, so that at least one third of the members are independent members.

Name	Position	Type of membership	Experience	Qualifications	Period served as a Board Member as of the first date of election
Mr. Ahmad bin Eisa Al Serkal	Chairman of Board of Directors	Non-executive / independent	General Trading Real estate	Bachelor of Management Science Business Administration	19
Mr. Ali Bin Humaid Al Owais	Vice Chairman of the Board	Non-executive / independent	General maintenance Real estate management	Bachelor Business Administration	13
Mr. Ibrahim Abdulrazzak Ustadi	Board member	Non-executive / independent	Business Administration	Diploma of Accounting	17





Name	Position	Category	Experience	Education	Age
Mr. Mohamed Hadi Ahmed Abdulla Al Hussaini	Board member	Non-executive / independent	Financial Controller Banking business administration	Master of International Business Administration	11
Mr. Mohamed Abdulaziz Al Owais	Board member	Non-executive / independent	financial analysis Business Administration	Bachelor of Communications Engineering Financial Analyst	10
Mr. Ayoub Mohamed Amin Kazim*	Board member	Non-executive / independent	Business Administration Energy sector	Ph.D in Mechanical Engineering	6
Mr. Abdulla Mohamed Rashid Al-Huraiz	Board member	Non-executive / independent	Accounting Business Administration	Bachelor of Accounting	7
Mr. Buti Obaid Buti Almulla**	Board member	Non-independent/non-executive	Business Administration	Diploma of Business Administration	0.5

*: Mr. Ayoub Kazim remained as Board member until the elections date during AGM 2020 on 23 March 2020

** : Mr. Buti Almulla was elected as Board member during AGM 2020 on 23 March 2020

Name	Membership in any other joint stock Company	Their positions in any other important regulatory, government or commercial positions
Mr. Ahmad bin Eisa Al Serkal	<ul style="list-style-type: none"> Dubai Insurance Company (P.S.C.) - Board member 	None
Mr. Ali Bin Humaid Al Owais	<ul style="list-style-type: none"> United Foods Company (P.S.C.) - Chairman of Board of Directors Emirates NBD - Board member Emirates Islamic Bank - Board member 	None
Mr. Ibrahim Abdulrazzak Ustadi	None	None
Mr. Mohamed Hadi Ahmed Abdulla Al Hussaini	<ul style="list-style-type: none"> Emirates Integrated Telecommunications Company - Chairman of Board of Directors Emaar Malls Group - Chairman of Board of Directors Emirates NBD - Board member Emirates Islamic Bank - Board member 	<ul style="list-style-type: none"> Board member of Dubai Real Estate Corporation Board member of Emirates Investment Authority Board member of Investment Corporation of Dubai
Mr. Mohamed Abdulaziz Al Owais	<ul style="list-style-type: none"> United Foods Company (P.S.C.) - Board member 	None
Mr. Abdulla Mohamed Rashid Al-Huraiz	<ul style="list-style-type: none"> Dubai Insurance Company (P.S.C.) - Board member United Foods Company (P.S.C.) - Board member 	<ul style="list-style-type: none"> Deputy General Manager - Financial Audit Authority - Dubai Government
Mr. Buti Obaid Buti Almulla	<ul style="list-style-type: none"> Dubai Insurance PJSC - Chairman of Board of Directors 	None





	<ul style="list-style-type: none"> • Emirates Islamic Bank - Board member • Emirates Investment Bank – Vice Chairman of the Board of Directors • Emirates NBD - Board member 	
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- B. The current board of directors was elected during the annual general assembly for the year 2020, and there were no female representatives among the candidates, and therefore the board of directors did not include any female representation.
- C. The Company's policy and in-laws do not allow any discrimination between men and women, and there are no restrictions that prevent women from nominating and holding any administrative, professional, leadership or membership positions by women of the Board of Directors, in line with international and national rules and regulations. In addition to the aforementioned, and since the applicable laws and the internal organizational Company's rules do not stipulate any a specific women's quota or the like, the Company and the Board of Directors do not interfere in the nomination or election of members of the Board of Directors in any way, which is exclusively for the shareholders.

D. Remuneration Statement:

1. Total remuneration of members of Board of Directors paid for the year 2019: AED 4,200,000
2. The total remunerations of the members of Board of Directors, which are proposed for 2020, and will be presented in the Annual General Assembly meeting for approval: AED 4,200,000
3. There are no additional fees, allowances or salaries that any member of the Board of Directors has received other than the attendance allowances of the committees.
4. Details of the allowances for attending sessions of the committees emanating from the Board of Directors, which were received by the members of Board of Directors for 2020 fiscal year, according to the following schedule:

Name	Allowances for attending sessions of the committees emanating from the Board of Directors		
	Name of the Committee	Allowance value	Number of meetings
Mr. Ibrahim Abdulrazzak Ustadi	Nomination and Bonuses Committee	20,000	2
Mr. Ayoub Mohamed Amin Kazim	Nomination and Bonuses Committee	20,000	2
Mr. Mohamed Hadi Ahmed Abdulla Al Hussaini	Nomination and Bonuses Committee	20,000	2
Mr. Mohamed Hadi Ahmed Abdulla Al Hussaini	Audit Committee	40,000	4
Mr. Mohamed Abdulaziz Al Owais	Audit Committee	30,000	3
Mr. Abdulla Mohamed Rashid Al-Huraiz	Audit Committee	40,000	4





E. Meetings of Board of Directors for the year 2020

The Board of Directors of Dubai Refreshment has held five meetings in 2020 with the following dates:

Date of the meeting	Number of present members	Number of members with POA	Name of absent member
23 February 2020	7	0	0
23 March 2020	7	0	0
12 May 2020	7	0	0
14 September 2020	6	0	Mr. Ali Bin Humaid Al Owais
10 December 2020	7	0	

F. Tasks and powers authorized by the Board of Directors to any Board member or to the executive management:

The Board of Directors exercised its powers to manage the Company directly through periodic monitoring of the Company's activities in the meetings of Board of Directors, and the Board of Directors did not delegate any of its powers to any of its members or to the executive management during the year 2020.

G. A statement of the details of transactions made with the related parties (Stakeholders) during 2020

#	Statement of the related party	Explanation of the relationship nature	Transaction type	Transaction value
	Oman Refreshment Company (Sultanate of Oman)	Commercial operations within the normal scope of the transaction	The operations of supplying the Company's products from Oman Refreshment Company	AED 2,898,000
	Oman Refreshment Company (Sultanate of Oman)	Commercial operations within the normal scope of the transaction	The operations of selling the Company's products in favor of Oman Refreshment Company	AED 1,717,000

Noting that the abovementioned commercial transactions were performed in line with the market rates without any preferential conditions of whatsoever form.

H. The Complete Organizational Structure of the Company:

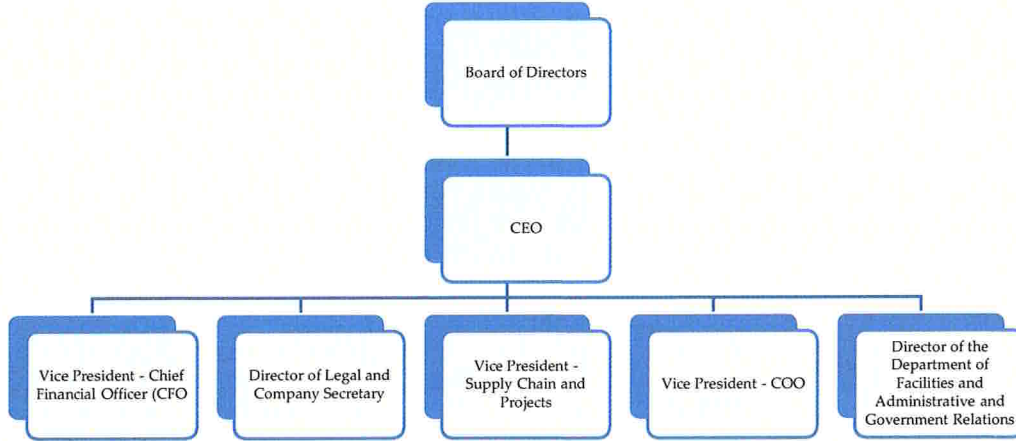
The Company is managed at the administrative and operational levels by the CEO, according to the instructions and objectives set by the Board of Directors, and a distinguished professional team of directors - deputy president and managers of departments, who practice their works as instructed by the CEO and the Board of



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Directors in this framework, assist him in his tasks according to the attached administrative structure. (A full copy of the Company's organizational structure is attached to this report).



I. A detailed statement of the senior executives in the first and second grade, their jobs, and dates of their appointment, along with a statement of the total salaries and bonuses paid to them, according to the following schedule:

Position	Appointment date	Total salaries and allowances paid for 2020 (AED)	Total bonuses paid for 2020 (AED)*	Any other cash / in-kind bonuses for 2020 or due in the future
CEO	01/08/2008	1,705,572	1,102,000	None
Vice President - CFO	03/01/2016	1,229,100	165,927	None
Vice President - Supply Chain and Projects	01/11/2001	934,550	121,153	None
Vice President - COO	01/07/2012	1,174,422	280,934	None
Director of the Department of Facilities and Administrative and Government Relations	10/12/2012	713,001	56,796	None
Director of Legal and Company Secretary	08/10/2013	502,856	50,222	None

4. External Auditor:

A. Overview of the Company auditor:

By doing its works in the Middle East region, today, Deloitte in the UAE has five training offices in Dubai, Abu Dhabi, Fujairah, Ras Al Khaimah and Sharjah with 20 partners, 25 managers and more than 400 auditing experts.





Deloitte is a full service Company in the United Arab Emirates, and it has developed practices that serve the leading companies and institutions in banking and financial services, real estate, entertainment and hospitality, construction, public sector activities, trade, manufacturing, communications, aviation, retail trade, and energy sources.

"We understand the rich cultural diversity of the region, its languages and customs. As a result, we are the Company recognized by many major governments and institutions. Industrial concerns turn to unbiased professional advice. Our clients include many of the UAE's largest entities and clients in energy and resources, financial services institutions, real estate, construction, aviation, trade and manufacturing in public places and government sectors as well as references with established practices. Dubai also hosts our regional leadership for international tax services, risk consulting and practice consulting to fund companies serving clients throughout the Middle East."

B. Statement of fees and costs for the audit or services provided by the external auditor, according to the following schedule:

Name of the audit office and name of partner auditor	Deloitte & Touche (Middle East) - Partner auditor: Julia Kassab
Number of years he served as the Company external auditor	2
Number of years he served as the Company partner auditor	2
Total audit fees for 2020 in (AED)	285,000
Fees and costs of other private services other than auditing the financial statements for 2020 (AED), if any, and in case of absence of any other fees, this shall be expressly stated.	0
Details and nature of the other services (if any). If there are no other services, this matter shall be stated expressly.	None
Statement of other services that an external auditor other than the Company's account auditor provided during 2020 (if any). In the absence of another external auditor, this matter is explicitly stated.	None

C. Statement of the qualified opinion of the company's external auditor: the external auditor did not have any reservation in their qualified opinions in any of the interim or the annual financial statements in 2020

5. Audit Committee

A. The Audit Committee Chairman's acknowledgment of his responsibility for the Committee system at the Company, review of its work mechanism and ensuring its effectiveness.

"Mr. Abdulla Al Huraiz, Audit Committee Chairman, acknowledges his responsibility for the committee's policies, reviewing them and ensuring committee's effectiveness."

B. Names of the Audit Committee members, Committee's work and missions assigned to it:

Name	Position	Quality of Membership
Mr. Abdulla Mohamed Rashid Al-Huraiz	Audit Committee Chairman	Non-executive / Independent
Mr. Mohamed Hadi Ahmed Abdulla Al Hussaini	Member	Non-executive / Independent
Mr. Mohamed Abdulaziz Al Owais	Member	Non-executive / Independent





The main task of the Audit Committee is to review the financial control of the Company and the risk management system; to develop and implement a contracting policy with the external auditor; to submit the necessary reports to the Board of Directors in which it determines the issues it considers necessary to take action on; to follow up and monitor the independence of the external auditor and the extent of his objectivity; to monitor the integrity of the financial statements of the Company and its interim and annual reports.

Furthermore, the Audit Committee's mission includes ensuring compliance with disclosure requirements of Dubai Financial Market and the Securities and Commodities Authority, as well as discussing internal control systems with management and ensuring that it performs its duties in establishing an effective internal control system. The Committee also provides support and assistance to the Board of Directors to complete its oversight responsibilities in order to ensure the independence of the financial results and the independence and qualifications of the independent external auditor.

The Committee also has the power to review the Company's departments, its records in order to ensure they abide by their responsibilities, in addition to all the authority and powers according to the decision of the Chairman of the Board of Directors of the Securities and Commodities Authority (03/R.M) of 2020.

C. Number and dates of meetings of the Audit Committee in 2020

Name	17/02/2020	12/05/2020	23/07/2020	09/11/2020
Mr. Abdulla Mohamed Rashid Al-Huraiz	✓	✓	✓	✓
Mr. Mohamed Hadi Ahmed Abdulla Al Hussaini	✓	✓	✓	✓
Mr. Mohamed Abdulaziz Al Owais		✓	✓	✓

6. Nomination and Bonuses Committee:

A. Acknowledgment by the Chairman of the Nomination and Bonuses Committee of his responsibility for the committee system in the Company and for his review of its work mechanism and ensuring its effectiveness. "Mr. Ibrahim Abdulrazzak Ustadi, Chairman of the Nomination and Bonuses Committee, acknowledges his responsibility for the committee's policies, reviewing them and ensuring committee's effectiveness."

B. Names of members of the Nomination and Bonuses Committee, Committee's work and missions assigned to it

Name	Position	Quality of membership
Mr. Ibrahim Abdulrazzak Ustadi	Chairman of the Committee	Non-executive / independent
Mr. Mohamed Hadi Ahmed Abdulla Al Hussaini	Member	Non-executive / independent
Mr. Ayoub Mohamed Amin Kazim*	Member	Non-executive / independent
Mr. Abdulla Mohamed Rashid Al-Huraiz**	Member	Non-executive / independent

*: Mr. Ayoub Kazim remained as Board member until the elections date during AGM 2020 on 23 March 2020

**:. Mr. Abdullah Al Huraiz was appointed in the nomination Committee as of 23 March 2020





The missions of the Nomination and Bonuses Committee are:

- Ensuring the independence of the independent members on an ongoing basis. Preparing the policy for granting remuneration, benefits, incentives, and salaries to the members of the Company's Board of Directors and employees and reviewing them annually.
- Verifying that the remuneration and benefits granted to the senior executive management of the Company are reasonable and proportionate to the performance of the Company,
- Determining the Company's needs for competencies at the level of senior executive management and employees and the basis for their selection,
- Preparing the policy related to human resources and training in the Company, monitoring its application, reviewing it annually, organizing and following the procedures for nominating for membership in the Board of Directors in accordance with the applicable laws and regulations.

C. A statement of the number of meetings held by the Committee during the year 2020 and their dates, with an indication of the number of personal attendance times for all Committee members.

Name	17/02/2020	10/03/2020
Mr. Ibrahim Abdulrazzak Ustadi	✓	✓
Mr. Mohamed Hadi Ahmed Abdulla Al Hussaini	✓	✓
Mr. Ayoub Mohamed Amin Kazim	✓	✓

7. Committee to follow up and supervision on the insiders' transactions

The Company shall form a committee to follow up and supervise the insiders' transactions according to the rules imposed on the basis of the decision of the Chairman of the Board of Directors of the Securities and Commodities Authority (03 / R.M.) of year 2020 and the Authority will be informed of this upon completion.

The Company is working on completing the formation of the committee in addition to formulating its terms of reference and presenting it to the Board of Directors in preparation for approval and implementation of its contents. Notwithstanding this, the Company, through the decision of the Board of Directors, periodically discloses the financial market on the insiders list of the Company, based on the form prepared for that by the financial market.

8. No other Board of Directors committees were appointed during the year 2020

9. Internal control system:

- A. The Board of Directors of Dubai Refreshment (P.J.S.C) acknowledges its responsibility for the Company's internal control system, its review, and its effectiveness. The work of the Company's internal control department mainly consists in managing the risks in the Company and applying the governance rules therein in a manner that ensures compliance with laws and rules, as well as compatibility with the requirements of the Dubai Financial Market and the requirements of the Securities and Commodities Authority.
- B. The Company has appointed PricewaterhouseCoopers (PwC) to undertake internal audit tasks.
- C. Also, Mr. Karem Mahmoud was appointed as a compliance officer by the Board of Directors since October 8, 2013, and he is a specialized lawyer affiliated with the Bar Association in Beirut, Lebanon, and in the Company, he holds the position of Director of Legal Affairs.
- D. PricewaterhouseCoopers (PwC) issued five periodic reports to the Audit Committee during the year 2020, which included a summary of its work in the audit in the various departments of the Company and did not find any problems or irregularities.

A summary of the points mentioned in the internal audit reports revolves around the Company updating its business policies and procedures, in addition to some technical points that have been addressed.





The daily work and administrative and operational measures taken by the Company are compatible with all applicable laws and regulations that govern its work leading to an absence of major problems.

10. Details of the violations committed during the year 2020 and explain their causes, how to address them and avoid their recurrence in the future.

No major violations were committed during the 2020 fiscal year, as the Company complied with all applicable laws and regulations.

11. A statement of the cash and in-kind contributions made by the Company during the year 2020 in developing the local community and preserving the environment.

During the year 2020, as in all previous years, the Company performed its social duties towards the local communities in the Emirate of Dubai and the Northern Emirates, where it contributed to many human, social and environmental activities, due to its belief in the value of the human being and the necessity of contributing to improving his life and the quality of his life. Below are some of the activities organized or contributed to by the Company throughout the year 2020:

Activity	The Nature of the Contribution (Cash or in Kind)
Sponsoring the activity of the Specialized Center for the Care of Children with Disabilities (wheelchairs)	AED 4,000
Sponsoring the activity of UNION COOP activity in Ramadan 2020	AED 5,000
Sponsoring the activity "make their summer fresher" برّد صيفهم for labors during Summer - 1	416 water cases
Sponsoring the activity "make their summer fresher" برّد صيفهم for labors during Summer - 2	416 water cases
Sponsoring the activity "make their summer fresher" برّد صيفهم for labors during Summer - 3	832 water cases
Sponsoring Latifa Hospital activity in blood donation campaign	40 juice cases
Sponsoring the activity of Dubai Educational Zone	20 juice cases
Organizing an annual honoring day for the Company's employees and distributing annual awards	Distributing in-kind awards to outstanding employees
Organizing a blood donation campaign in the company premises for the company's employees in collaboration with DHA	Employees Blood donation campaign
charity event "Together for Lebanon" organized by Food People & Hilton Event	AED 1,000
"Employee of the year" awards (11 nominees)	AED 55,000
"Employee of the Month" awards	AED 5,500
"Sales team of the year" award (2 nominees)	AED 30,000

12. General Information:

A. A statement of the Company's share price on the market (closing price, highest price, and lowest price) at the end of each month during the fiscal year of 2020.

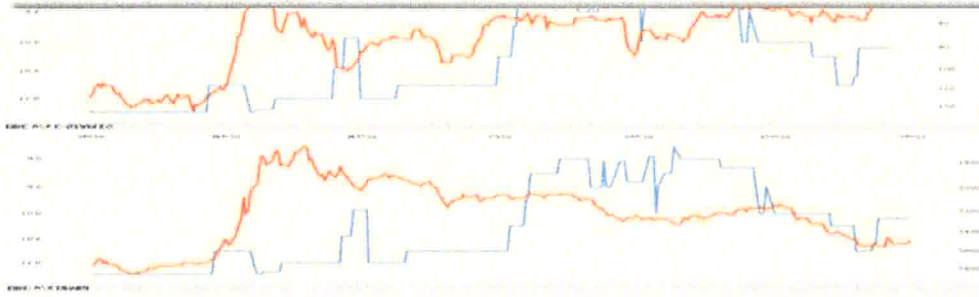
Month	Month High	Month Low	Month Close
Jan 2020	11.250	11.250	11.250
Feb 2020	11.250	10.750	10.750





Mar 2020	11.250	11.000	11.000
Apr 2020	10.450	9.930	9.930
May 2020	11.000	10.750	10.750
Jun 2020	No Trading	No Trading	10.750
Jul 2020	10.250	9.000	9.000
Aug 2020	9.500	9.000	9.400
Sep 2020	10.000	8.790	9.000
Oct 2020	10.000	9.150	9.500
Nov 2020	10.250	10.000	10.250
Dec 2020	10.750	10.100	10.100

B. A statement of the Company's comparative performance with the general market index and the sector index to which the Company belongs during 2020.



C. A statement of the shares distribution as of 31/12/2020 (individuals, companies, governments) classified as follows: local, GCC and foreign.

Classification of Shareholder	Percentage of Shares Owned			
	Individuals	Companies	Government	Total
Local	68.8803	29.0260	0	97.9423
GCC	2.0532	0.0019	0	2.0551
Foreign	0.0025	0	0	0.0025
Total	70.6949	29.3052	0	100

D. A statement indicating the shareholders who own 5% or more of the Company's capital as on 31/12/2020 according to the following table:

Name	Number of Shares Owned on DECEMBER 31, 2020	Percentage of Shares Owned from the Company's Capital
Sheikh Ahmed bin Rashid Al Maktoum	17,999,550	19.9995
Mohamed & Obaid Almulla L.L.C.	9,163,550	10.1817



Ghobash Trading & Investment Co LTD	6,080,076	6.7556
Jomaa Al-Majed Abdullah Muhairi	4,785,500	5.3172

- E. A statement of shares distribution pursuant volume as on 31/12/2020 according to the following table (Source: Dubai Financial Market):

Category	Number of Shareholders	The Owned Amount of the Shares	The Percentage of Equity from the Capital
Less than 50,000	67	882,889	0.981
Between 50,000 and 500,000	80	13,139,703	14.600
Between 500,000 and 5,000,000	23	42,734,232	47.483
More than 5,000,000	3	33,243,176	36.937
Total	173	90,000,000	100.000

- F. The Company has complied with the requirements of the Authority in this relation of investor relations in general, an email has been allocated for investors to communicate through it with the Company in this regard. The Director of Legal and Company Secretary of the Board of Directors Mr. Karem Mahmoud has been assigned to carry out the tasks of the Investor Relations Officer, where he can be contacted at karem.mahmoud@pepsidrc.ae or at investor@pepsidrc.ae or by calling the number: +97148025000 and the number: +971501356949 and fax: +97148025098. As for the electronic link of the investor relations page, the Company is currently updating the page as part of a complete update of the Company's website, and the link for the investor relations page is: <http://www.pepsidrc.com/investors/index.htm>

- G. The annual general assembly for the year 2020 was held on 23/03/2020 at the Company's head office in Dubai Investment Park 2 in Dubai, where the following decisions were issued:

- Hearing and approving the report of Board of Directors Report on the activity of the Company and its financial position for the fiscal year ending 31/12/2019.
- Hearing and approving the auditor's report for the fiscal year ending 31/12/2019
- Discussing and approving the Company budget and profit and loss account for the fiscal year ending on 31/12/2019.
- Approving of the Board of Directors proposal to distribute 70% cash dividends of the capital value, at a value of AED 63 million.
- Approving of the Board of Directors' remuneration for the year 2019, amounting to AED 4,200,000.
- Discharging the members of the Board of Directors for the fiscal year ending on 31/12/2019.
- Discharging the auditors for the fiscal year ending on 31/12/2019.
- Appointing auditors for 2020 and determine their fees their fees.
- Electing the following as new members of the Board of Directors;
 - Mr. Ahmad bin Eisa Al Serkal
 - Mr. Ali Bin Humaid Al Owais
 - Mr. Ibrahim Abdulrazzak Ustadi
 - Mr. Mohamed Hadi Ahmed Abdulla Al Hussaini
 - Mr. Mohamed Abdulaziz Al Owais
 - Mr. Abdulla Mohamed Rashid Al-Huraiz
 - Mr. Buti Obaid Buti Almulla





The Company has performed all the necessary tasks in an accurate way and consistent with the applicable laws and specifically the distribution of profits at the General Assembly meeting through the Dubai Financial Market, as well as the distribution of the remuneration of the members of the Board of Directors.

H. **Board Secretary**

Mr. Karem Mahmoud is appointed as Secretary of the Board of Directors of the Company, as he was appointed on 03/10/2013 in this position, in addition to the position of Director of Legal Affairs and the compliance officer in the Company. The Board Secretary has experience in the field of legal and regulatory affairs and compliance, and he is a graduate of the Faculty of Law at Beirut Arab University in Lebanon, and a lawyer affiliated with the Beirut Bar Association in Lebanon.

The Board Secretary responsibilities in year 2020 were administering the arrangement, organizing meetings and minutes of meetings of the Board of Directors, and the committees emanating from the Board, And finalizing the necessary disclosures for the Board meetings, quarterly and annual financial statements.

In addition, The Board Secretary prepared the Corporate Governance Report for the year 2020 in coordination with the internal departments of the Company and obtained the approval of the Authority and publish the report duly, in addition to preparing, arranging and following up the annual General Assembly for the year 2020 in terms of logistical, administrative, organizational and procedural aspects, and the completing of the necessary disclosures and coordination with The Company's departments in order to distribute the dividends within the legal timelines.

Furthermore, the Board of Directors will take the necessary measures to ensure compliance with the requirements of the Authority's Board Chairman Decision No. (03 / R.M.) of 2020 regarding the independence of the position of the Board's Reporter.

I. **A detailed statement of the fundamental events and important disclosures that the Company encountered during the year 2020:**

The COVID-19 pandemic situation and the accompanying developments have affected the markets and businesses overall and the Company faced its impact on our business as federal and local authorities imposed restraining measures to confront the pandemic and to protect society. Curfews and movement restrictions have affected the markets overall and our business especially in the tourism and hospitality channels as well as airlines and travel sectors, where hotels and restaurants were closed or operating at minimum capacity for several months during 2020.

In July 2020, the Federal Court of First Instance in Abu Dhabi issued its ruling in the tax case between the Dubai Refreshment Company and the Federal Tax Authority. In its ruling, the court ordered the FTA to return penalties the company had paid in relation to the tax assessment and rejected all other claims referred by the parties. Both parties appealed the judgment and the Court of Appeal issued its ruling dismissing all appeals and upholding the appealed judgment. The case is brought before the Supreme Court in Abu Dhabi and the company will disclose to the markets about any new event in this regard.

J. The company has concluded the necessary deals in order to supply the raw materials and services necessary for its business, and all of them fall within the framework of normal commercial deals at market prices without any preferential conditions of any kind.

K. **Percentage of Emiratization in the Company at the end of 2020**

Since its incorporation, the Company has adhered to the policy of developing the local community of Dubai and the Emirates in which the Company operates, either in terms of commitment to the social responsibility of the Company or in terms of developing the local human capabilities through its continuous commitment to the UAE labor law and the applicable laws, decisions, and circulars issued by the competent authorities. Hence, The Company adopted a positive policy in the employment of competent national youth capable of bearing the burdens of responsibilities and the Company continues to promote this policy permanently. Noting that the Company's personnel includes many jobs that fall under the category of unskilled labor, the percentage of Emiratization within the administrative jobs (excluding the category of unskilled labors) reached 2.45% at the end of 2020.





In order to highlight the Company's efforts to employ skilled local people in the Company, the percentage of local employees in the category of senior employees reached 5.7% at the end of 2020 and the Company is giving priority for local skilled candidates for vacancies in available positions.

L. Statement of the projects and innovative initiatives undertaken by the Company or being developed during the year 2020.

During the year 2020, the Company carried out many innovative projects in addition to the many initiatives as part of the Company policy to promote innovation and the Company's awareness of its social, environmental and cultural obligations.

On the raw material side, the Company has reduced the amount of plastics in our 1.5 LPET package which resulted in saving of 60 Tons approximately & reducing carbon footprint by around 130 Tons. On the energy front, the Company managed to reduce electricity bill by 800 MWh through optimizing solar plant generation & energy recovery. This has resulted in reducing CO2 emission by approx. 400 Tons. the Company managed to save around 7000 m3 of water through effective reuse of industrial water waste.

**Signature of the Chairman of the Board of Directors
Mr. Ahmad Bin Eisa Al Serkal**

Date: 01/03/2021



**Signature of Audit Committee Chairman
Mr. Abdulla Mohamed Rashid Al-Huraiz**

Date: 01/03/2021

**Signature of Nomination and Remuneration Committee Chairman
Mr. Ibrahim Abdulrazzak Ustadi**

Date: 01/03/2021

Signature of the internal auditor

Date: 10/03/2021

