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Mr. Hamad Abdulla Al Ali
Acting Head of Listed Companies Affairs Department
Abu Dhabi Securities Exchange
PO Box 54500
Abu Dhabi, UAE

السيد/ حمد عبد الله العلي
رئيس إدارة شؤون الشركات المدرجة بالإنابة
سوق أبوظبي للأوراق المالية
صندوق بريد ٥٤٥٠٠
أبوظبي، الإمارات العربية المتحدة

Greetings,

تحية طيبة وبعد،

Further to the Annual General Assembly invitation and agenda of Abu Dhabi National Oil Company for Distribution PJSC ('the Company'), published on 23 February 2021, which included a proposal of a special resolution to amend Articles 1, 16, 17, 19, 20, 22, 25, 26, 31, 37, 38, 39, 41, 45, 46, 47, 49, 50, 55 and 62 of the Company's Articles of Association, we hereby attach the table of proposed amendments which has been endorsed by the Securities and Commodities Authority.

لاحقاً لدعوة وجدول أعمال الجمعية العمومية السنوية لشركة بترول أبوظبي الوطنية للتوزيع ش.م.ع ('الشركة') التي تم نشرها بتاريخ ٢٣ فبراير ٢٠٢١، حيث تضمنت مقترحاً لقرار خاص لتعديل المواد ١ و ١٦ و ١٧ و ١٩ و ٢٠ و ٢٢ و ٢٥ و ٢٦ و ٣١ و ٣٧ و ٣٨ و ٣٩ و ٤١ و ٤٥ و ٤٦ و ٤٧ و ٤٩ و ٥٠ و ٥٥ و ٦٢ من النظام الأساسي للشركة. نرفق لكم جدول بالتعديلات المقترحة بعد المصادقة عليه من قبل هيئة الأوراق المالية والسلع.

These amendments will be presented to the Company's shareholders at the Annual General Assembly meeting on 16 March 2021, for consideration and approval.

وسوف يتم عرض التعديلات المقترحة على مساهمي الشركة للنظر فيها والموافقة خلال الجمعية العمومية المقبلة في ١٦ مارس ٢٠٢١.

Best regards,

مع فائق الاحترام والتقدير،

بن هينيسي
المستشار القانوني وسكرتير مجلس الإدارة
Ben Hennessy
General Counsel & Corporate Secretary

Proposed Amendments to the Articles of Association of Abu Dhabi National Oil Company for Distribution PJSC

Article	Before amendment	After amendment
Definition of “Related Parties” in Article 1	Related Parties: the Chairperson and the Board of Directors of the Company, members of the Management, employees of the Company, and the companies in which any of such persons holds 30% or more of its capital, as well as subsidiaries or sister companies or affiliate companies.	Related Parties: Subject to Article 33.3 of these Articles, entities and persons classified as such pursuant to the resolutions or regulations issued by the Authority.
Paragraph 4 of Article (16)	Subject to the provisions of the Law and obtaining the approval of the Authority and the Competent Authority, the share capital of the Company may be increased by issuing new shares of the same nominal value as the original shares or of the same nominal value plus a premium. The share capital of the Company may also be reduced after obtaining the approval of the Authority and the Competent Authority.	Subject to the provisions of the Law and obtaining the approval of the Authority, the share capital of the Company may be increased by issuing new shares of the same nominal value as the original shares or of the same nominal value plus a premium. The share capital of the Company may also be reduced after obtaining the approval of the Authority.
Paragraph 5 of Article (16)	In accordance with articles (223, 224 and 225) of the Law, the Company may increase its capital: (a) for the purpose of the entry of a strategic partner; (b) for the purpose of capitalizing the Company’s debts, or (c) for the purpose of converting bonds or sukuk issued by the Company into shares, provided that the Company obtains all the required approvals from the	In accordance with articles (223, 224, 225 and 292) of the Law, the Company may increase its capital: (a) for the purpose of the entry of a strategic partner; (b) for the purpose of capitalizing the Company’s debts, (c) for the purpose of converting bonds or sukuk issued by the Company into shares and/or (d) acquiring an existing company and issuing new shares in the Company to the

	Authority and the Competent Authority and approves the relevant increase in capital by way of Special Resolution	partners or Shareholders of that acquired company, provided that the Company obtains all the required approvals from the Authority and approves the relevant increase in capital by way of Special Resolution.
Paragraph 6 of Article (16)	The Company may also, by Special Resolution, increase its share capital without triggering the pre-emption rights of existing Shareholders noted above, in order to implement a share incentive scheme for its employees (“ Employees Share Option Plan ”) in light of the resolutions issued by the Authority and the Competent Authority in this respect.	The Company may by Special Resolution increase its share capital without triggering the pre-emption rights of existing Shareholders noted above, in order to implement a share incentive scheme for its employees (“ Employees Share Option Plan ”) in light of the resolutions issued by the Authority in this respect.
Paragraph 1 of Article (17)	Subject to the provisions of the Law, the General Assembly may resolve by a Special Resolution, and after obtaining the approval of the Authority, to issue tradable or non-tradable bonds or sukuk of any nature of equal value per issue whether they are convertible to shares or otherwise. The Special Resolution shall determine the value of the bonds or sukuk, the terms of issuance and their convertibility into shares. The General Assembly may also resolve to delegate to the Board of Directors the power to determine the date of issuance of such bonds or sukuku, provided that such date is not later than one year from the date of the resolution approving the delegation.	Subject to the provisions of the Law, the General Assembly may resolve by a Special Resolution, and after obtaining the approval of the Authority, to issue tradable or non-tradable bonds or sukuk of any nature of equal value per issue whether they are convertible to shares or otherwise. The Special Resolution shall determine the value of the bonds or sukuk, the terms of issuance and their convertibility into shares. The General Assembly may also resolve to delegate to the Board of Directors the power to determine the date of issuance of such bonds or sukuku, pursuant to the terms and regulations issued by the Authority.

<p>Article (19)</p>	<p>In accordance with Article 144(2) of the Law, the General Assembly may appoint any number of experienced persons as Board Directors who do not hold shares in the Company.</p>	<p>The Board Directors may be experienced persons who are not shareholders.</p>
<p>Article (20)</p>	<p>The Company shall abide by the Corporate Governance Rules with respect to nomination for Board membership. Any candidate for Board membership shall provide the Company with the following:</p> <ul style="list-style-type: none"> (i) the approval of the Supreme Petroleum Council for his/her nomination to the Board of Directors; (ii) a curriculum vitae stating their professional experience and academic qualifications and determining the position he/she is nominated to (executive/non-executive/independent); (iii) an undertaking to abide by the Law and these Articles and to exercise his/her duties as a prudent person. (iv) a list of the companies and entities for which he/she works or in which he/she is a member of the board, in addition to any other competing activity he/she carries out, whether directly or indirectly. (v) for representatives of corporate bodies, an official letter from the corporate body listing the names of its candidates for the Board of Directors' membership; and (vi) a list of the commercial companies in which he/she is a partner or a shareholder, in addition to the number of shares or stocks he/she owns. 	<p>The Company shall abide by the Corporate Governance Rules with respect to nomination for Board membership. Any candidate for Board membership shall provide the Company with the following:</p> <ul style="list-style-type: none"> (i) a curriculum vitae stating their professional experience and academic qualifications and determining the position he/she is nominated to (executive/non-executive/independent); (ii) an undertaking to abide by the Law and these Articles and to exercise his/her duties as a prudent person. (iii) a list of the companies and entities for which he/she works or in which he/she is a member of the board, in addition to any other competing activity he/she carries out, whether directly or indirectly. (iv) for representatives of corporate bodies, an official letter from the corporate body listing the names of its candidates for the Board of Directors' membership; and (v) a list of the commercial companies in which he/she is a partner or a shareholder, in addition to the number of shares or stocks he/she owns.



<p>Paragraph 1 of Article (22)</p>	<p>The Board of Directors shall elect, from amongst its members, a Chairperson and a vice- Chairperson. The Chairperson shall represent the Company before the courts and execute resolutions adopted by the Board of Directors¹. The vice- Chairperson shall act on behalf of the Chairperson in his/her absence or if the latter is otherwise incapacitated</p>	<p>The Board of Directors shall elect by secret ballot, from amongst its members, a Chairperson and a vice- Chairperson. The Chairperson shall represent the Company before the courts and execute resolutions adopted by the Board of Directors. The vice- Chairperson shall act on behalf of the Chairperson in his/her absence or if the latter is otherwise incapacitated. It shall not be permissible for the same individual to contemporaneously hold the position of Chairperson and managing director or any other executive function in the Company. The Company must also have a secretary to the Board of Directors who may not be one of the Board Directors, who shall satisfy the requirements of the Corporate Governance Rules issued by the Authority and report directly to the Board of Directors. The Secretary may only be dismissed by resolution of the Board of Directors.</p>
<p>Article (25)</p>	<p>The Board of Directors shall hold a minimum of four (4) meetings each year and shall hold its meetings at the head office of the Company, or at any other place inside the UAE as the Board Directors calling for the meeting shall agree upon. The meetings of the Board of Directors can be held through audio or video conferencing facilities.</p>	<p>The Board of Directors shall hold a minimum of four (4) meetings each year and shall hold its meetings at the head office of the Company, or at any other place inside the UAE as the Board Directors calling for the meeting shall agree upon. The meetings of the Board of Directors can be held through video conferencing facilities pursuant to the regulations issued by the Authority. The invitation shall be sent one week before the meeting and shall be</p>

		sent together with the agenda. Each Board Director may add urgent items to the agenda.
Paragraph 1 of Article (26)	Meetings of the Board of Directors shall not be quorate unless attended by a majority of the Board Directors. A Board Director may appoint another Board Director to vote on his/her behalf. In such a case, such Board Director shall have two (2) votes. A Board Director may not act on behalf of more than one (1) Board Director and no Board Director shall vote by way of correspondence.	A meeting of the Board of Directors shall not be valid unless a notice is given to each Board Director and attended by a majority of the Board Directors in person. Attendance in person shall be satisfied if a Board Director is physically present or is present through video-conferencing or any other method as may be permitted by the Authority. A Board Director may appoint another Board Director in writing to attend and vote on his/her behalf. In such a case, such Board Director shall have two (2) votes. A Board Director may not act on behalf of more than one (1) Board Director and no Board Director shall vote by way of correspondence.
Article (31)	The Chairperson and the Board Directors shall be held liable towards the Company, the Shareholders and third parties for all acts of fraud, abuse of their delegated powers, and for any breach of the Law or these Articles. Any provision to the contrary shall be invalid	1- The Board Directors and the Management shall be held liable towards the Company, the Shareholders and third parties for all acts of fraud, abuse of their delegated powers, and for any breach of the Law or these Articles. Any provision to the contrary shall be invalid. Board Directors shall not be personally liable in connection with the undertakings of the Company by reason of their having carried out their duties as Board Directors to the extent they do not exceed the scope of their authorities.

Article (31)

Liability of the Directors referred to in the previous paragraph of this Article shall be joint if the mismanagement resulted from a unanimous resolution of the Directors. However, where the relevant resolution was adopted by a majority vote, the dissenting Directors shall not be liable provided that they have recorded their objection in the minutes of the meeting. A Director who was absent from the meeting in which the resolution was adopted shall not be relieved from liability unless it can be proven that he had no knowledge of the resolution or that he knew about the resolution but had not been able to object to it

2- The liability of the Board Directors referred to in the previous paragraph of this Article shall be joint if the mismanagement resulted from a unanimous resolution of the Board Directors. However, where the relevant resolution was adopted by a majority vote, the dissenting Board Directors shall not be liable provided that they have recorded their objection in the minutes of the meeting. A Board Director who was absent from the meeting in which the resolution was adopted shall not be relieved from liability unless it can be proven that he or she had no knowledge of the resolution or that he or she knew about the resolution but had not been able to object to it. The Management shall bear the liability specified in this Article if the error resulted from a decision issued by it.

3- The Company shall (to the extent of its assets) indemnify each Board Director and manager in the Company against any liability (with the exception of criminal liability) incurred by them arising from or in relation to or in connection with the performance of their duties to the Company provided that such person was acting in good faith, and in a manner they reasonably believed to be in the best interests of the Company, and provided further that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged by a competent court to be liable to the Company.

<p>Paragraph 1, 2, 3 and 4 of Article (37)</p>	<p>Each Shareholder shall have the right to attend the General Assembly and shall have a number of votes equal to the number of his/her shares.</p> <p>A Shareholder may appoint a proxy who must not be a Board Director to attend the General Assembly on his behalf by virtue of a written special power of attorney. Such proxy shall not, in such capacity, represent more than five percent (5%) of the share capital of the Company.</p> <p>Shareholders lacking legal capacity shall be represented by their legal representatives.</p> <p>Individuals representing juristic entities are exempt from the foregoing percentile limitation.</p>	<ol style="list-style-type: none"> 1. Each Shareholder shall have the right to attend a General Assembly, and such Shareholder shall have a number of votes equivalent to the number of his or her shares. A Shareholder may authorise another person to attend the General Assembly on his or her behalf provided that such person is not a Board Director, employee in the Company or a brokerage company or any of its employees. Such authorisation shall be considered valid if it is confirmed by a special written proxy according to those conditions set out by the Board of Directors. The number of shares held by the representative as a proxy for several Shareholders may not exceed 5% of the Company's share capital. Incapacitated Shareholders shall be represented by their legal representatives. 2. A corporate person may delegate to a representative or those in charge of its management or any of its employees pursuant to a resolution of its board of directors or its equivalent the power to represent such corporate person in the General Assembly of the Company. The delegated person shall have the powers as determined in the delegating resolution.
<p>Article (38)</p>	<p>Invitations to the Shareholders to attend the General Assembly shall be by announcement in two (2) daily local newspapers issued in Arabic and English, and by registered mail, email or sms at least fifteen (15) days before the date set for the meeting after obtaining the</p>	<ol style="list-style-type: none"> 1. Invitations to the Shareholders to attend the General Assembly shall be by announcement in two (2) daily local newspapers issued in Arabic and English, and by mail, email and sms (if available) or registered mail at least twenty one (21) days before the date set

	<p>approval from the Authority. The invitation should contain the agenda of the General Assembly meeting. A copy of the invitation shall be sent to the Authority and the Competent Authority.</p>	<p>for the meeting after obtaining the approval from the Authority. The invitation should contain the agenda of the General Assembly meeting. A copy of the invitation shall be sent to the Authority and the Competent Authority.</p> <p>2. General Assembly meetings and Shareholders' participation and voting within such meeting may be conducted using electronic means that allow for remote participation, in accordance with the requirements set by the Authority.</p>
<p>Paragraph 2 of Article (39)</p>	<p>The Board of Directors, whenever it deems fit, or upon a request of the auditor or if one or more Shareholders holding not less than twenty percent (20%) of the share capital request a meeting, then the Board of Directors shall call for a General Assembly within five (5) days from the date of submitting the request.</p>	<p>The Board of Directors, whenever it deems fit, or upon a request of the auditor or if one or more Shareholders holding not less than ten percent (10%) of the share capital request a meeting, then the Board of Directors shall call for a General Assembly within five (5) days from the date of submitting the request. In such case, the meeting shall be held within a period not more than 30 days from the date of the invitation.</p>
<p>Paragraph 4 of Article (39)</p>	<p>(4) The Authority, after five days from its request to the Board of Directors, may call for the General Assembly of the Company in the following events: (a) the lapse of thirty (30) days after the fixed date for the meeting to be held (i.e. four months after the</p>	<p>(4) The Authority, after five days from its request to the Board of Directors, may call for the General Assembly of the Company in the following events: (a) the lapse of thirty (30) days after the fixed date for the meeting to be held (i.e. four months after the end of</p>

	<p>end of the financial year) without the Board of Directors sending an invitation;</p> <p>(b) if the number of Board Directors is less than the minimum required for its quorum;</p> <p>(c) discovery of any violation of the Law, these Articles or any defect in the management of the Company;</p> <p>(d) if the Board of Directors fails to call for a meeting of the General Assembly despite the call from one or more Shareholders representing twenty percent (20%) of the share capital of the Company.</p>	<p>the financial year) without the Board of Directors sending an invitation;</p> <p>(b) if the number of Board Directors is less than the minimum required for its quorum;</p> <p>(c) discovery of any violation of the Law, these Articles or any defect in the management of the Company;</p> <p>(d) if the Board of Directors fails to call for a meeting of the General Assembly despite the call from one or more Shareholders representing ten percent (10%) of the share capital of the Company.</p>
Paragraph 2 of Article (41)	<p>Registration shall close at the time when the chairperson of the meeting announces whether or not the quorum for such meeting has been met. No registration of any Shareholder or proxy shall be accepted thereafter and votes of those late Shareholders or proxies would not count and their views would not be taken into account in that meeting.</p>	<p>Registration shall close at the time when the chairperson of the meeting announces whether or not the quorum for such meeting has been met. No registration of any Shareholder or proxy shall be accepted thereafter and votes of those late Shareholders or proxies would not count and their views would not be taken into account in that meeting. If any of the attending Shareholders, or their representatives, withdraws from a quorate General Assembly meeting, such withdrawal shall not affect the validity of such meeting, provided that the majority required pursuant to the Law for adopting resolutions shall be calculated on the basis of the remaining shares represented at the meeting.</p>
Article (45)	<p>Voting at a General Assembly shall be in such manner as specified by the chairperson of the meeting, unless the General Assembly decides on a different manner of voting. Voting must be by secret Cumulative</p>	<p>Voting at a General Assembly shall be in such manner as specified by the chairperson of the General Assembly, unless the General Assembly decides on a different manner of voting. Voting must be by secret ballot if it</p>

	Voting if it relates to the election, dismissal or impeachment of Board Directors.	relates to the dismissal or impeachment of Board Directors.
Paragraph 1 of Article (46)	Board Directors may not participate in the vote the resolutions of the General Assembly meeting relating to exonerating them from liability for management or conferring a private benefit upon them or which relate to a conflict of interest or dispute between them and the Company. Where a Board Director is a representative of a body corporate, the shares of such person shall be excluded.	Board Directors may not participate in the vote at the General Assembly meeting relating to exonerating them from liability for mis-management or conferring a private benefit upon them or which relates to a conflict of interest or dispute between them and the Company.
Paragraph 6 of Article 47	Upon the expiry of two fiscal years, make charitable contributions not exceeding two percent (2%) of the average net profits of the Company during two fiscal years preceding the year of contribution	Upon the expiry of two fiscal years from the date of its incorporation and after making profits, the Company may make contributions for the purpose of community services provided that such contribution may not exceed 2% of the average net profit during the two fiscal years preceding the year of contribution.
Paragraph 2 of Article (49)	2. Notwithstanding the provisions of the above paragraph, the General Assembly shall be permitted to discuss important matters revealed during the meeting, or matters requested by the Authority to be discussed or if Shareholders representing 10% of the share capital of the Company ask, at the start of the General Assembly, to have a specific matter included in the agenda,	2. Notwithstanding the provisions of the above paragraph, the General Assembly shall be permitted to discuss important matters revealed during the meeting, or matters requested by the Authority to be discussed or if a Shareholder(s) representing at least five percent 5% of the share capital of the Company ask, at the start of the General Assembly, to have a specific matter included in the agenda. In such

	<p>the directors shall comply with the request otherwise the General Assembly shall have the right to resolve to discuss such matter. The Authority may issue a resolution determining the applicable conditions to list a new issue on the agenda of the General Assembly.</p>	<p>circumstances, the chairperson of the meeting shall comply with the request, pursuant to terms determined by the Authority.</p>
<p>Paragraph 3 of Article (50)</p>	<p>The appointment of the Auditor shall not exceed three (3) years starting from the date of publication of these Articles.</p>	<p>The appointment of the Auditor shall not exceed the term specified in the Law and the resolutions issued by the Authority.</p>
<p>Article (55)</p>	<p>The Board of Directors must prepare an audited balance sheet and profit and loss account for each financial year at least one month before the Annual General Assembly. The Board of Directors must also prepare a report on the Company's activities during the financial year, its financial position at the end of the same year and the recommendations on distribution of the net profits. A copy of the balance sheet, profit and loss account, the report of the auditor and report of the Board of Directors shall be sent to the Authority within seven (7) days from the date of convening the Annual General Assembly. The annual balance sheet and the profit and loss account shall be published in two daily local newspapers, one of them is issued in Arabic, within fifteen (15) days from the date of approval thereof by the annual General Assembly. A copy of the balance</p>	<p>1. The balance sheet for the financial year must have been audited at least one month before the annual General Assembly meeting, and the Board of Directors must prepare a report on the Company's activities and its financial position at the end of the financial year and the recommendations on distribution of the net profits, and send a copy of the annual financial statements and the profit and loss account with a copy from the report of the auditor, the Board of Directors report, and the governance report to the Authority, along with a draft of the annual General Assembly invitation to the shareholders of the Company to approve the publication of the invitation in the daily local newspapers twenty-one (21) days before the date set for the General Assembly meeting.</p> <p>The annual financial statements of the Company are published pursuant to the regulations issued by the</p>

	sheet and the profit and loss account shall be provided to the Authority and the Competent Authority.	Authority, and a copy of such reports shall be provided to the Authority and the Competent Authority.
Article (62)	In the event the Company's losses reach 50% of the issued share capital of the Company, the Board of Directors must, within 30 (thirty) days of the date of disclosure of the Company's interim or annual financial statements to the Authority, invite the General Assembly to convene to adopt a Special Resolution to dissolve the Company before the expiry of its term or to allow it to continue its business activities.	In the event the Company's accumulated losses reach 50% of the issued share capital of the Company, the Board of Directors must, within 30 (thirty) days of the date of disclosure of the Company's interim or annual financial statements to the Authority, invite the General Assembly to convene to adopt a Special Resolution to dissolve the Company before the expiry of its term or to allow it to continue its business activities.