



Union Properties Public Joint Stock Company

Corporate Governance Report
2015

الإتحاد العقارية
Union Properties



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Union Properties

Union Properties (P.J.S.C.)
and its Subsidiaries

Corporate Governance Report

For The Year 2015

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1. Corporate Governance Practices

Pursuant to the responsibility of the Board of Directors towards shareholders and their duty to protect and promote the value of the shareholders' equity, the management of Union Properties PJSC ('UP' or 'the Company') has endeavored to apply the rules and principles of corporate governance set forth in the Ministerial Resolution No. 518 of 2009 in an effective and transparent manner.

The Board of Directors ('the Board') believes that the driving principles of transparency, fairness, disclosure and accountability to stakeholders have been pivotal to the performance of the Company, its Board, its Senior Management, employees and other stakeholders.

UP has taken many governance initiatives, and on-going governance practices which are as follows:

- Prepared and issued Corporate Governance Manual of the company;
- Prepared and disseminated Corporate Social Responsibility (CSR) policy and created the culture within the organization to 'give back to the Society';
- Prepared and disseminated the 'Whistleblower' policy that creates awareness among the employees that they are important and responsible to report any wrong doings in the company;
- Established Risk Management function and framework within the organization. Promoted Risk Culture within the organization through training and workshops for employees;
- Adoption of the Rules and Procedures governing the transactions by the Board of Directors and employees;
- Adoption of the Code of Business Conduct and Ethics Charter;
- Effective operations of Audit Committee and Nomination and Remuneration Committee according to their approved charters;
- UP has complied in 2015 with the disclosure of the quarterly and annual financial statements within the legal timeline;
- Board members have complied with the annual disclosure of their independence during 2015, and the disclosure of any change affecting their independence, including their membership on other boards.

2. Corporate Trading In Securities and Disclosure Policy

2.1 Trading in the Company's Shares by Board Members, their spouses and children during 2015

The members of the Board of Directors comply with the provisions of Article 17 of the Cabinet Decision No (12) of 2000 concerning the regulations of listing of securities and commodities, and the applicable policy concerning their trading in the Company's shares as contained in the Company's Control Procedures and Corporate Governance Manual. The Board members also undertake annually to disclose their trading and the trading of their spouses and children.

All Board members acknowledged that neither they nor their spouses and children traded in the Company's shares during 2015.

In addition to the approved policy pertaining to the Board members' dealings, the Company adopts a policy for its employees' trading in the Company's shares.

All Union Properties employees are regarded as insiders and are required to comply with specific requirements stated in its Corporate Governance Manual. The company strictly specified in its policy and requires BoD and employees to adhere to period of ban as per SCA regulations.

The period of ban on trading was specified under Article 14 of the SCA Regulations pertaining to Trading, Clearing, Settlement, Transfer of Ownership and Custody of Securities as follows:

- Ten (10) working days prior to disclosing any important information which affects the share price, unless the information was a result of urgent and unexpected events.
- Fifteen (15) days prior to the end of the quarterly, half-yearly or annual financial period and until the financial statements are disclosed.

2.2 Company's Policy of Disclosure & Conflict of Interest during 2015

The Board of directors acknowledged that each Director of the Board was committed to the requirements of Company's policy for Disclosure and Conflict of Interest and other laws and regulations issued by The Ministry of Economy and Securities and Commodities Authority. There is no indication of any non-compliance by any Director of the Board.

Main highlights of UP's policy of disclosure & conflict of interests, are as follows:

- A Board of Director shall not attend any board meeting at which any matter of personal interest related to him will be discussed during the meeting, unless the other Board of Directors vote otherwise.
- Should there be any conflict of interest for any major shareholders or any Director of the Board with regard to any matter that may affect the price or investment volume in company's securities, Board of Directors shall call for a meeting and issue a resolution in this regard in presence of all the Directors, except for the concerned Shareholder/ Director member. In unusual cases, these matters may be solved by special committee formed for this purpose.
- Each Director at the start of his tenure shall disclose to the company the nature of positions held by him within the public companies and organizations as well as other major obligations.
- Director shall annually disclose the nature of positions and functions held by him at the company, or the holding company, any other subsidiary or affiliate.

3. The Board of Directors' Structure

3.1 Board of Directors composition

On 10th April, 2014 the Board of Directors were elected by the Annual General Assembly for three years tenure. The Board consists, as of December 31st 2015 of six non-executive members. The Board is currently chaired by Mr. Khalid Bin Kalban. The Board members are categorized into 'non-executive /non-independent' or 'non-executive/independent' as per definition of these categories by Securities and Commodities Authority and in accordance with the directors' acknowledgment with regard to independency. During the year 2015, 1/3rd of the Board members held the capacity of non-executive/independent category.

Profiles of Board of Directors:



Mr. Khalid Bin Kalban
Chairman of the Board

Position held : Since 2008

Category: Non-executive/independent

Re – elected Date: Re-elected to the Board on 10th April 2014

The chairman holds Degree in business management from Arapahoe, Community College- USA. Also got Bachelor of Science from Metropolitan State College - USA. Expertise in various fields such as, industrial, financial, investment and real-estate sectors. He contributes through his ambitious vision and far-sighted skill in incorporating of many entities in United Arab Emirates and currently holds many important positions among which:

- National General Insurance- Dubai – UAE – Board Member
- Arab Insurance Group (ARIG) – Bahrain – Chairman
- Islamic Bank of Asia – Singapore - Board Member
- Arcapita Group – Bahrain – Board Member
- Dubai Investment (PJSC) – Managing Director & CEO

In the year 2011 he got (Creative Chief Executive Officer Award of the Year) during fourth turn of Middle East and Northern Africa Chief Financial Officer awards distribution celebration.



**Mr. Saeed Mohammed
Rashed Al Sharid**
Vice Chairman of the Board

Position held : Since 1999

Category: Non-executive/independent

Re – elected Date: Re-elected to the Board on 10th April 2014

Mr. Al Sharid holds a Bachelor degree in Accounting and Business Administration from UAE University in 1981. He has participated in several multi training courses, workshops and conferences which includes management skills, strategy, leadership, quality, governance, government sector management, private sector management, KPI's, and human resource.

He is Certified Auditor & Accounting Expert and holding Chief Advisory position in Emirates General Transport & Service Corporation.

He is also Board Member of DEWA and Audit and Risk Committee Member of Dubai Islamic Bank.



Mr. Abdulaziz Yaqoob Al Serkal

Director of the Board

Position held : Since 1999

Category: Non-executive/independent

Re – elected Date: Re-elected to the Board on 10th April 2014

Mr. Abdul Aziz AlSerkal has got education from University of Southern California, US, where he majored in Industrial and System Engineering.

He has vast experience in industrial dealings and business management. He has evaluated the potential performance and resource requirements of hundreds of projects across diverse industrial sectors. The experience enabled him gain comprehensive understanding of different industries – from planning, implementation, trouble shooting and monitoring to ensuring successful operation.

He holds the position of director in Dubai Investments Industries, Dubai Investment Park, Masharie, Thuraya Telecommunications, and Thermo LLC. He also serves as the Chairman of the Board for Emirates District Cooling, Edible Oil Company, International Rubber Company.



H.E. Hamad Mubarak Buamim

Director of the Board

Position held : Since 2008

Category: Non-executive/independent

Re – elected Date: Re-elected to the Board on 10th April 2014

His Excellency holds an MBA with Honor in Banking and Finance from University of Missouri, Kansas, USA. His Excellency also graduated in Electrical Engineering from Southern California University, Los Angeles, USA.

His Excellency currently occupied a number of significant positions such as:

- President & CEO of Dubai Chamber of Commerce & Industry;
- Managing Director and Board Member of Dubai World;
- Board Member of UAE Central Bank;
- Chairman of National General Insurance (NGI) PJSC;
- Board Member of Dubai Islamic Bank.



Mr. Ali Fardan Ali Al Fardan Director of the Board

Position held : Since 2008

Category: Non-executive/independent

Re – elected Date: Re-elected to the Board on 10th April 2014

Mr. Al Fardan holds a Bachelor of Science Degree in Information Systems from Metropolitan State College - USA. He has been involved with various sectors including Real Estate Management and Property Investment, Capital Investment Management and Hospitality Management. Mr. Al Fardan currently holds the following positions:

- Director at the Board of Commercial Bank of Dubai PJSC
- Director at the Board of Dubai Investment Company PJSC



Mr. Saeed Humaid Bin Draï Director of the Board

Position held : Since 2010

Category: Non-executive/independent

Re – elected Date: Re-elected to the Board on 10th April 2014

Mr. Bin Draï graduated in Politics and International Relations from University of Kent at Canterbury - UK.

In September 1999, he joined his family business of ship handling, foodstuff, steel trading, road marking and real estate development among others. Currently, Mr. Bin Draï holds the following positions:

- CEO – Bin Draï Enterprises, UAE
- Director - Gulf Shipchandlers LLC

At its meeting no. 172 held on 24 June 2015, the Board accepted the resignation of Mr. Mana Mohammed Saeed Al Mulla from his membership in the Board.

The Company does not have any Female member of the Board. This is because, no female applicant applied for the position of member of the Board, when the nominations for the Board were advertised, and even subsequently.

The next election of the Board will be due in 2017, in accordance with the company's Article of Association.

3.2 The Board Meetings

The Board of Directors is committed to the shareholders to deliver growth and performance of the Company and consequently had convened Eight (8) meetings during 2015. Personal attendance record of the Directors for the meeting is recorded below:

S.No	The Board Meeting Time Line	Personal Attendance						
		1	2	3	4	5	6	7
1	22 January 2015	✓	✓	✓	✗	✓	✗	✗
2	22 February 2015	✓	✓	✓	✓	✓	✓	✗
3	09 March 2015	✓	✓	✓	✓	✓	✓	✗
4	30 April 2015	✓	✓	✓	✓	✓	✓	✗
5	24 June 2015	✓	✗	✓	✓	✓	✓	✓
6	11 October 2015	✓	✓	✓	✓	✗	✓	
7	06 December 2015	✓	✓	✓	✗	✗	✓	
8	10 December 2015	✗	✓	✗	✓	✗	✓	

1. Mr. Khalid Bin Kalban

2. Mr. Saeed Mohammed Alsharid

3. Mr. Abdul Aziz AlSerkal

4. H.E. Hamad Mubarak Buamim

5. Mr. Ali Fardan Ali Al Fardan

6. Mr. Saeed Humaid Bin Draï

7. Mr. Mana Mohammed Saeed Al Mulla*

✓ Attended

✗ Apologized

* Left during the year on 24th June, 2015

3.3 Remuneration of Board of Directors

The remunerations of Board members shall be a percentage of net profit. The Company may pay ancillary fees or a month salary, determined through a Board resolution, to any member if such a member works in any committee, exerts special efforts or undertakes additional duties for the Company beyond his/her normal duties as a member of the board of Directors of the company. In all cases, the remunerations of Board members may not exceed ten percent (10%) of net profits, having deducted depreciation, reserve and distribution of a dividend of at least five percent (5%) of capital to shareholders. In implementation of the above, the Directors remuneration is determined by a suggestion or a recommendation by the Board of Directors raised to the Annual General Meeting. In all cases, Directors' remuneration shall not exceed ten percent (10%) of net profits as per the previously mentioned controls.

The suggested remuneration for the Board of the Directors for the financial year 2015 is AED 5,000,000. The total amount paid to the Directors inclusive of remuneration and attendance allowances for the financial year 2014 was AED 6,367,000. The attendance allowance of the Board's sessions and the Sub - Committees paid to Directors of the Board for the financial year 2015 is as follows;

S.N.	Name	Allowance for attending the sessions of board of directors	Allowance for attending the sub-committees of the board
1	Mr. Khalid Bin Kalban	310,000	-
2	Mr. Saeed Mohammed Al Sharid	158,000	59,000
3	Mr. Abdul Aziz AlSerkal	155,000	52,000
4	H.E. Hamad Mubarak Buamim	148,000	35,000
5	Mr. Ali Fardan Ali Al Fardan	135,000	21,000
6	Mr. Saeed Humaid Bin Draï	158,000	21,000
7	Mr. Mana Mohammed Saeed Al Mulla	57,000	-

3.4 Responsibilities Assigned to the Executive Management

The Executive Management of the Company has been assigned by the BOD with the following responsibilities:

- The Board empowered the Executive Management to carry out the day to day business as prescribed in the company's Articles of Association.
- Represent the company before ministries, governmental departments and organizations and official bodies in the United Arab Emirates, whether federal or local.
- Appoint employees, fix their salaries, specified their job description, and to evaluate their performance on behalf of the company.
- Issue periodical reports to be presented to the Board of Directors.
- Sign on behalf of the company as per authorization by the Chairman on all official transactions related to the activities of the company, as well to sign contracts.
- Executive Management shall refer to the Board when taking decisions related to strategic policies of the company.

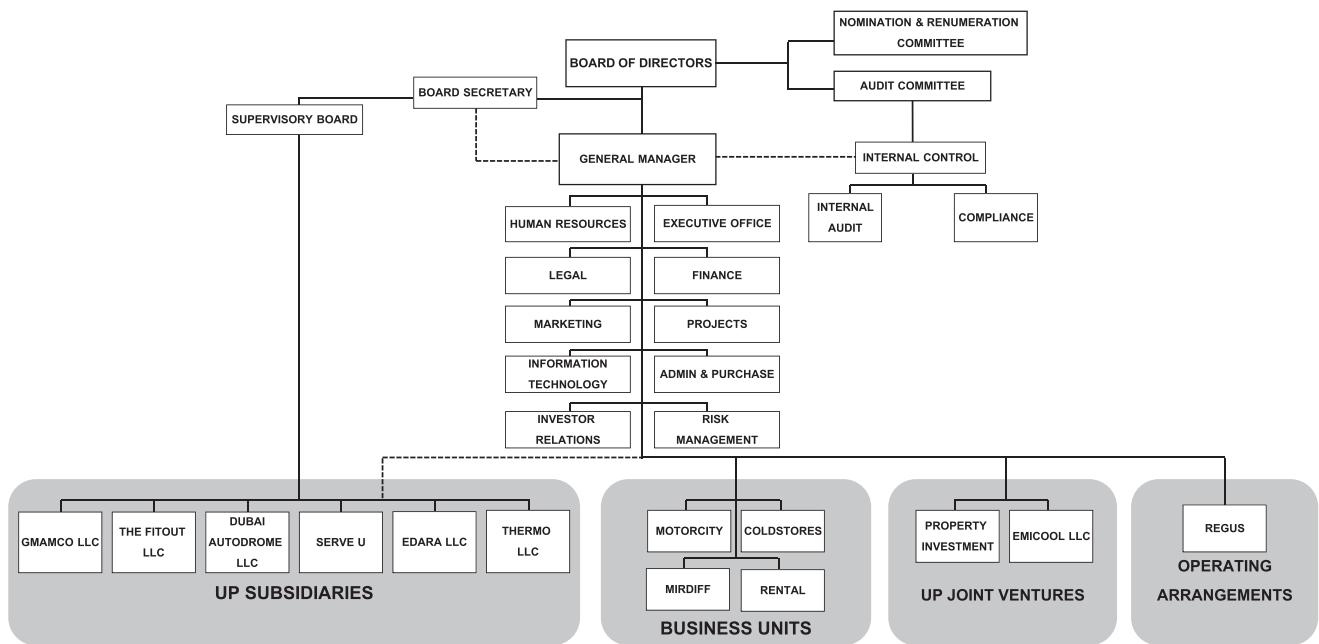
3.5 Transactions with Related Parties

Related parties comprise companies under common ownership or management, key management, businesses controlled by shareholders and directors as well as businesses over which they exercise significant influence. During the year, the Group entered into transactions with related parties in the ordinary course of business. These transactions were carried out at mutually agreed terms and conditions. The transactions with related parties and balances arising from these transactions are as follows:

Transactions during the year	2015	Relationship
	AED '000'	
Project Management Revenues and Contracts Revenues	768	Joint venture
Interest earned from deposit	103	100% Owned Subsidiary
Interest paid on bank overdraft	524	100% Owned Subsidiary
Interest on term loans	39,519	100% Owned Subsidiary
Compensation to key management personnel are as follows:		
Salaries and other short term employee benefits	7,478	Employees
Provision towards employees terminal benefits	384	Employees
	=====	

3.6 Organization Chart

The organizational chart of the company is as follows;



3.7 Executive Management

The following chart showing senior executives in the company, their designations, appointment dates and total salaries, allowances & bonuses paid to them:

Name	Designation	Date of joining	Total Annual Remuneration (AED)*	Total Annual Bonus Paid (AED)
Mr. Ahmed Al Marri	General Manager	December 2009	1,370,030	506,000
Mr. Murtaza Chevel	Chief Financial Officer	February 2010	1,073,400	296,700
Ms. Shahnaz Hasan	Acting GM – Mirdiff	February 2012	664,000	132,000
Mr. Ghalib Bin Kharbash	GM – Motorcity	April 2014	892,850	189,600
Mr. Isam Ababneh	Chief Construction Officer	October 2013	861,136	181,800

*Includes allowances of furniture, car, education, tickets and general pension.

4. External Audit

KPMG in the UAE is a member firm of KPMG International. It was established in 1973 and now consists of more than 700 staff members, including more than 30 partners, across 6 offices in the UAE. KPMG International is a global network of professional member firms providing Audit, tax and Advisory services, which operates in 156 countries.

KPMG was re-appointed as the Company's external accounts auditors by the Shareholders at their Annual General Meeting for the year 2015. KPMG is the company's external auditor for the period of 21 years.

The professional fee which was calculated amounted to AED 120,000 against auditing of annual financial statements and amount of AED 120,000 against reviewing of quarterly accounts. Additionally, KPMG has been appointed as external accounts auditors by the company's subsidiaries for which fee have been agreed individually. KPMG has not provided any non-audit services in the year 2015.

Other than the foresaid, the company did not appoint any other external auditors to render other services during the year 2015.

5. Audit Committee

5.1 Audit Committee Composition

The Audit Committee is composed of the following Board members as of December 31st, 2015:

S.No	Name	Role	Capacity
1	Mr. Abdulaziz Yaqoob Alserkal	Chairman	Non-executive/independent
2	Mr. Saeed Mohammed Alsharid*	Member	Non-executive/independent
3	H.E. Hamad Mubarak Buamim	Member	Non-executive/independent

* Mr. Saeed Mohammed Alsharid named as financial and accounting expert in the committee appointed in December 2013.

5.2 Audit Committee Meetings

Audit committee meetings held for Eight (8) times during the year 2015, minutes of the meetings are being recorded and approved, and copy of the same is being distributed to the Board members. Recorded below are the dates and attendance records of the Audit Committee Members:

S.No	The Committee Meeting Time Line	Personal Attendance			
		1	2	3	4
1	08 January 2015	✗	✓	✓	✗
2	02 February 2015	✓	✓	✗	✗
3	09 March 2015	✓	✓	✓	✗
4	14 April 2015	✓	✓	✓	✗
5	07 May 2015	✓	✓	✗	✗
6	13 July 2015	✓	✓	✓	
7	27 August 2015	✓	✓	✓	
8	08 November 2015	✓	✓	✗	

1. Mr. Abdulaziz Yaqoob AlSerkal
 2. Mr. Saeed Mohammed Alsharid
 3. H.E. Hamad Mubarak Buamim
 4. Mr. Mana Mohamed Saeed Al Mulla*
- *Left during the year on 24th June 2015.

5.3 Roles & Responsibilities

In order to accomplish its purpose, the Audit Committee is charged with the following responsibilities:

- Oversight of the preparation of the financial statements;
- Review of the annual and quarterly financial statements prior to them being made public;
- Review the process of Business Continuity and Going concern aspects;
- Abiding by the accounting standards and DFM Exchange Listing Rules and disclosure, and other legal requirements pertaining to the preparation of financial reports;
- Submit reports to the Board of Directors based on the Reporting and Communication protocol within UP;
- Review any insider, affiliated or related party transactions and ensure that rules for the conduct and approval are complied;
- Communicate with the Company's Board of Directors, the External and the Internal Auditors;
- Review reports from Management with respect to the Company's compliance with applicable legal and regulatory requirements as well as the Company Code of Ethics;
- Discuss with Management and the External Auditor any correspondence with regulators or governmental agencies and any published reports which raise material issues regarding the Company's financial statements or accounting policies;

- On an annual basis, Audit Committee should identify the matters that could have a significant impact on the organization's financial statements, the Company's compliance with applicable laws and regulations and inquiries received from regulators or governmental agencies:
 - review with CFO and External Auditors the Financials of the Company;
 - review with the Company's counsel any legal matters;
 - review with the Head of Internal Control Department on matters pertaining to compliance with the Regulatory rules and regulations.
- Examine any instances of misconduct where fictitious or fraudulent or misleading figures appear in the financial statements, and lay down strict control procedures to ensure the application of accounting policies and principles that show a true and fair financial position of the Company;
- Review all reports concerning any significant fraud or regulatory non-compliance that occurs at the Company. This review should include consideration of the internal controls that should be strengthened to reduce the risk of a similar event in the future;
- The Audit Committee should ensure that Risk Management policies are developed and undertake regular examination of cases of noncompliance with the same;
- Perform any other activities consistent with Audit Committee Charter, the Company's by-laws and governing law, as the Committee or the Board deems necessary or appropriate.

6.

Nomination and Remuneration Committee (NRC)

6.1 Nomination and Remuneration Committee (NRC) Composition

Nomination and Remuneration Committee is composed of the following Board members as of December 31st, 2015:

S.No	Name	Role	Capacity
1	Mr. Saeed Humaid Bin Draï	Chairman	Non-executive/independent
2	Mr. Ali Fardan Al Fardan	Member	Non-executive/independent

6.2 Roles and Responsibilities

The Nomination and Remuneration Committee is charged with the following responsibilities:

- Verification of ongoing independence of independent board members. If the committee discovers that any of the members do not meet the independency criteria, it shall present this matter to the company's board

of directors and the board shall notify the member by a letter to be sent by registered mail to the members' registered address recorded in the company's files and shall address the reasons for the lack of independency; such member shall provide clarification to the board within fifteen days from the date of the notification.

- Formulation and annual review of the policy on granting remunerations, benefits, incentives and salaries to board members and employees of the Company and the committee shall verify that remunerations and benefits granted to the senior executive management of the Company are reasonable and in line with the Company's performance.
- Determination of the Company's needs for qualified staff at the level of the senior executive management and the basis of their selection;
- Formulation, supervision of application and annual review of the Company's human resources and training policy; and
- Organization and follow-up of procedures of nomination to the membership of the board of directors in line with applicable laws and regulations.

6.2 Nomination and Remuneration Committee Meetings

There were three (3) NRC meetings held during 2015. Minutes of meetings are being recorded and approved copy of the same is being distributed to Board Members, shown below is committee attendance records:

S.No	The Committee Meeting Time Line	Personal Attendance		
		1	2	3
1	05 February 2015	✓	✓	✗
2	09 March 2015	✓	✓	✗
3	23 July 2015	✓	✓	

- | | | |
|-------------------------------------|---|------------|
| 1- Mr. Saeed Humaid Bin Draï | ✓ | Attended |
| 2- Mr. Ali Fardan Ali Al Fardan | ✗ | Apologized |
| 3- Mr. Mana Mohamed Saeed Al Mulla* | | |

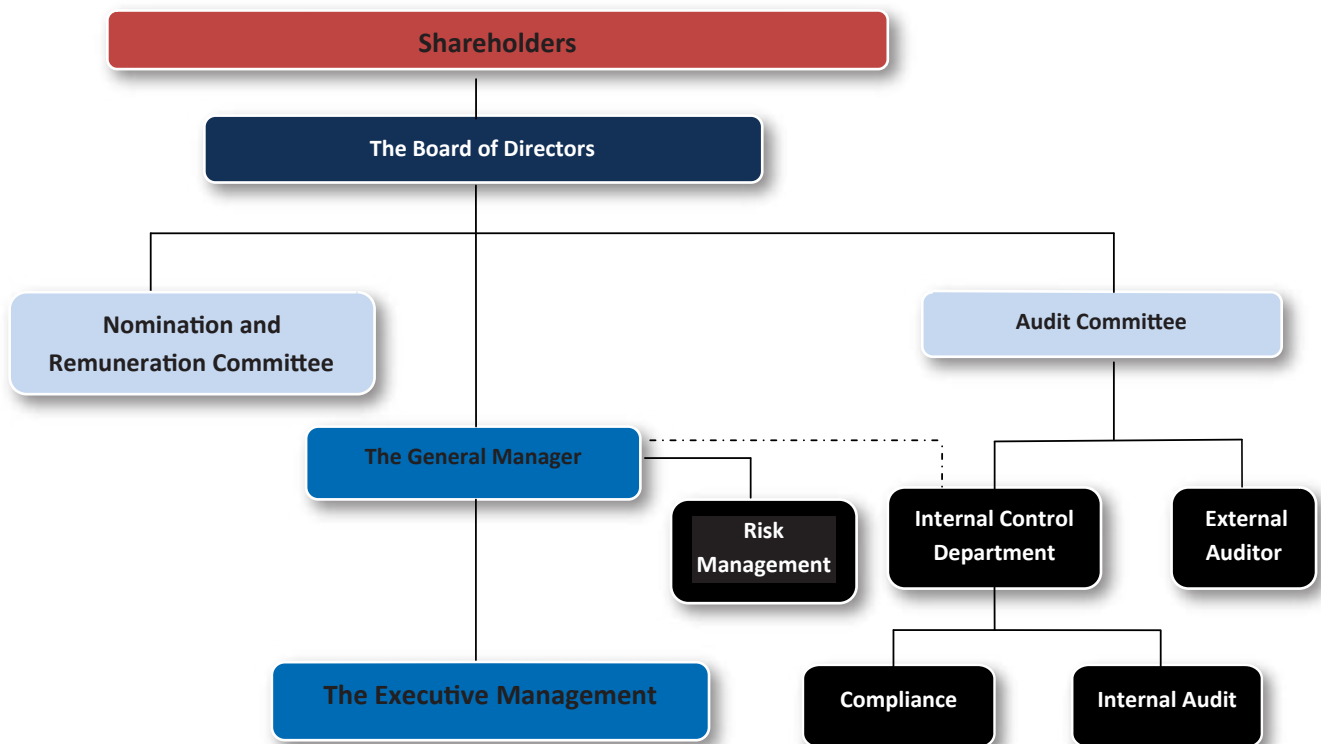
*Left during the year on 24th June, 2015.

7. Internal Control System

7.1 The Board of Directors' acknowledgement of its responsibility for the Internal Control System

The Board of Directors acknowledges its responsibility for the internal control system in the Company and for reviewing it and ensuring its effectiveness through the Internal Control Department (ICD).

The Audit Committee is responsible for monitoring the Internal Control System and updating the Board on a quarterly basis at the Board meetings on the resourcing, testing and effectiveness of internal controls in the Company. The Internal Control System's structure established within Union Properties is depicted as follows:



7.2 Work Mechanism of the Internal Control Department

The Internal Control Department reports to the Senior Management of the Company and to the Board of Directors through the Audit Committee in such a manner to ensure its independence. In performing its duties, the ICD applies the latest international standards issued by the IIA of USA as well as the international best practices in the following areas:

- Performing the required updates for the procedures manual and charter to be consistent with the latest international standards as approved by the Audit Committee;
- Developing an audit plan based on the risks related to every sector / department / section in order to prioritize the sections with high risks. The plan is discussed with the GM and approved by the Audit Committee;
- At the end of each audit, preparing an audit report for every audited department whereby the objectives scope, methodology and findings of the audit are presented. The reports also evaluate the notes in terms of the risk levels, in addition to an extensive assessment of the audited sector or department according to the assessment matrix. The Audit Committee is provided with a copy of the reports and the findings after the discussion with the concerned departments in order to help the Committee to evaluate the internal control within their respective area of responsibility;
- The ICD prepared quality reports on assurances during the year to ensure the efficiency of the completed audit assignments and the availability of permanent and temporary files for each assignment in line with international best practices;
- The ICD followed up on the implementation of corrective actions according to the reports issued by the internal and external auditors;
- Offering consulting services with the aim of developing and improving work procedures in a manner which does not compromise the independence of the auditors, and in accordance with the stipulations of the work charter of the ICD;
- Monitoring the communication channels used for confidential reporting;
- Preparing the Corporate Governance Report in light of the provisions of the Ministerial Resolution No. 518 circulated by the SCA.

7.3 Internal Control Department In-charge's Profile:

Arafat Umer Naviwala is the Head of Internal Control Department of UP. He is Chartered Accountant (UAECA) and also a fellow member of Chartered Certified Accountant – (FCCA-UK). He is highly accomplished and seasoned professional with strong Governance, Risk & Control (GRC); and Internal Audit and Compliance experience across multiple diversified business environments. He has vast international experience with 2 out of 4 big accountancy practices in South Africa, Saudi Arabia, UAE and Pakistan. The Head of Internal Control Department is responsible for the Group Internal Audit and Compliance function in UP.

7.4 How Internal Control Department handle intractable problems

Internal Control Department is handling the intractable problems, if any, through evaluation and studying such problems to eliminate them and prevent future recurrence. The Department shall provide reports by including remarks and recommendations for solving such problems to the Board of Directors through Audit Committee.

During the year 2015 there were no significant problems faced by the Internal Control Department in the company.

8. Details Regarding Corporate Non-Compliance

To the best of the knowledge of the Board of Directors and the Executive Management, UP has not committed any breaches/violations during 2015.

9. Corporate Social Responsibility (CSR)

The company and its subsidiaries recorded the following achievements in terms of CSR activities in the year 2015:

Participated in United Nations Global Compact

Union Properties participated at the United Nations Global Compact, the world's largest corporate responsibility initiative with over 8,000 business and non-business participants from 135 countries. The UN Global Compact provides a universal language for corporate responsibility and provides a framework to guide all businesses regardless of size, complexity or location. As a participant, Union Properties commits to align strategies and operations with universal principles on human rights, labor and environment, and take actions that advance societal goals. The ten principles of UN Global Compact become part of UP strategy, culture and day-to-day operations including its subsidiaries and the supply chain.

Participated in Entrepreneurs Development Program

Union Properties sponsored the Business Startup Seminar which was held in coordination with Mubaader Service Company in Kuwait to support Entrepreneurs Development Program. Moreover, UP participated as a Strategic partner for the seminar that provides guidelines to have successful business as well as fundamental steps for Small and Medium Businesses.

Train Dubai / Revolutionary Nights

Dubai Autodrome has taken the initiative that they opened their track every Wednesday for residents and general public to cycle, run or walk. This initiative had been taken with partnership of 'Daman'. Full provision of safety and paramedics are in hand enabling a fun, safe and healthy session for all public to attend. Every week, over 500 active participants are benefiting from this facility.

Clean up the World

Union Properties and its subsidiary ServeU participated in 'Clean up the World' campaign launched by Dubai Municipality from 22 to 27 November 2015. The environmental initiative took place in MotorCity. UP have got recognition for CSR program and practices on environmental sustainability, and awarded with the Commendation Award.

Helping the Needy People

UPTOWN Mirdiff was involved in collecting donations for charity work, "the noble goal of helping the needy people throughout the country" with Bait Al Khair Society, Dar Al Ber Society and Dubai Charity association.

Smile Campaign at Greenwood International School

UPTOWN Mirdiff participated in spreading happiness and bringing smiles to people's faces by distributing cupcake, donuts, cookies free of cost through the smile campaign organized by Greenwood International School.

Charity Event Support

Dubai Autodrome gets involved in supporting local charity events – these include providing prizes and giveaways, provision of space for events support, as follows;

Boy Scouts of America - Troup 813, Dubai; Fund raising activity support through prizes;

Berets MC - Autism Awareness Charity Ride – space allocation during event.

Tourism Support

Dubai Autodrome had also contributed with prizes and giveaways to Department of Tourism and Commerce Marketing (DTCM) for development and support of Dubai Tourism across GCC.

Supporting local ladies through Ministry of Social Affairs

UPTOWN Mirdiff provided support to the local ladies without business set-up to sell domestic cooked food & sweets through local food fair organized by Ministry of Social Affairs.

Supporting abandon and stray animals

UPTOWN Mirdiff was involved in raising money for supporting abandon and stray animals through selling of books with charity organizer "Friends for Animals".

Education Support

Dubai Autodrome provided prizes to students through its unit Kartdrome to support local education institutions, as follows:

- Gems Metropole (Summer & Winter Fair)
- Dubai Cares / Super Kids Nursery
- Jebel Ali School

Spreading Islamic education to kids and women

MotorCity unit has contributed towards enhancement of Quran education to kids and women by providing one of its units in Claverton House 1 to Royati Quran Center.

Building up of Masjid

Union Properties is building a Masjid in MotorCity for the community. Full expenses for the building and maintenance of the Masjid are being paid by UP.

Facilitating the charitable institutions

MotorCity division of UP has supported the charity institutions; Dar Al Ber Society and Beit Al Khair Society by providing them spaces to fix their containers of unwanted and unused clothes across the community.

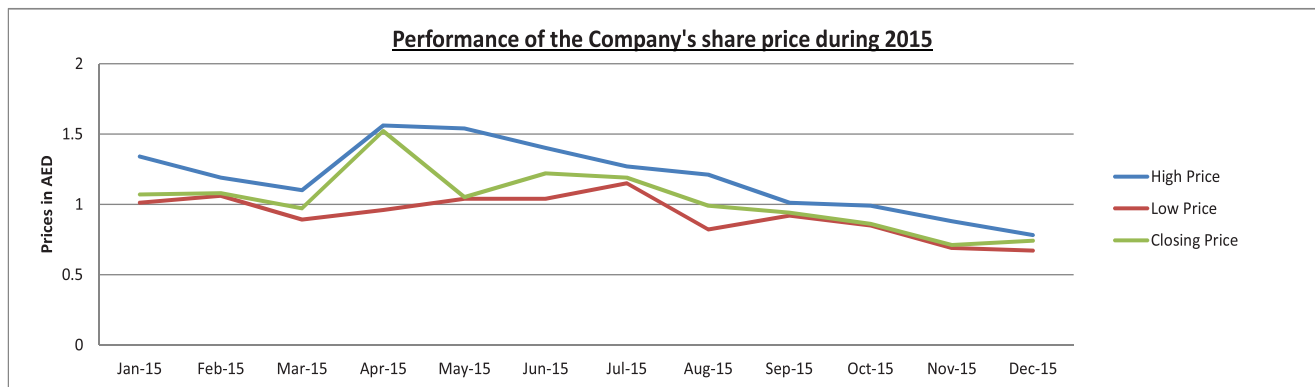
10. General Information

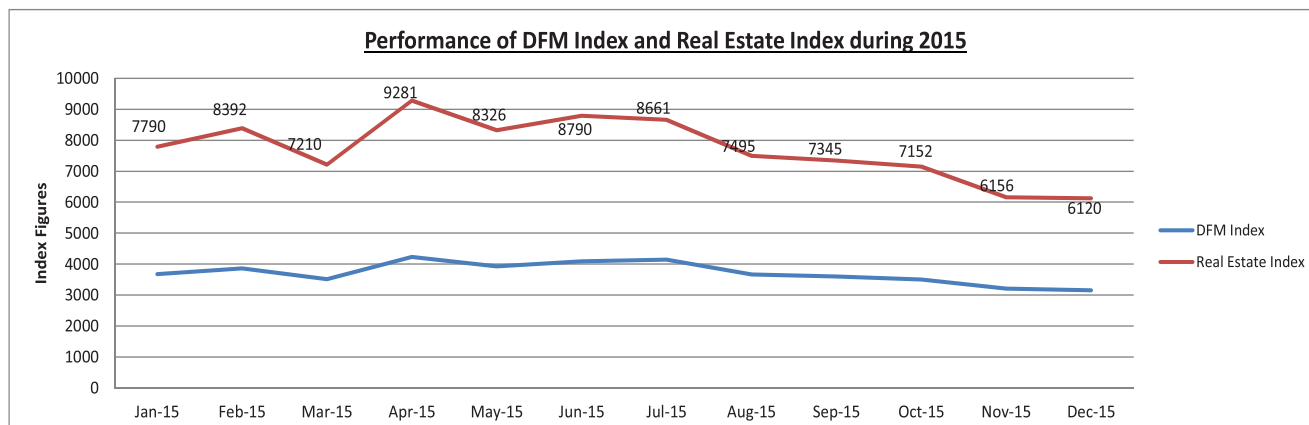
10.1 Significant Events during the Year 2015

- UP participated in Cityscape and International Property Show with upcoming projects.
- UP also participated in Dubai Property Show in London i.e. UK's longest running residential property event.
- UP issued 5% bonus shares and 3% cash dividends to its shareholders.

10.2 Statements by company's share price at Dubai Financial Market during Financial year 2015

Month	High Price	Low Price	Closing Price	DFM Index	Real Estate Index
Jan-15	1.34	1.01	1.07	3674	7790
Feb-15	1.19	1.06	1.08	3864	8392
Mar-15	1.1	0.89	0.97	3514	7210
Apr-15	1.56	0.96	1.52	4229	9281
May-15	1.54	1.04	1.05	3923	8326
Jun-15	1.4	1.04	1.22	4087	8790
Jul-15	1.27	1.15	1.19	4143	8661
Aug-15	1.21	0.82	0.99	3662	7495
Sep-15	1.01	0.92	0.94	3593	7345
Oct-15	0.99	0.85	0.86	3503	7152
Nov-15	0.88	0.69	0.71	3204	6156
Dec-15	0.78	0.67	0.74	3151	6120





10.3 Shareholders' Ownership as per their nationalities

S.No	Description	Nationality	Shares	Ownership %
1	Individual	Local	1,865,070,347	50%
		Others	127,684,828	3%
		GCC	53,688,553	1%
		Arab	329,445,441	9%
2	Company	Local	588,845,975	16%
		Others	86,152,169	2%
		GCC	48,548,353	1%
		Arab	19,152,249	1%
3	Bank	Local	445,141,959	12%
		Others	13,097,387	0%
		GCC	5,233,581	0%
		Arab	2,320,568	0%
4	Institution (Sole Property)	Local	126,438,362	3%
		Arab	-	0%
5	Government	Local	1,139,500	0%

EmiratesNBD PJSC owns 374,165,495 UP shares, accounting for 10.08 % of the Company's shares.

Distribution of shareholders' as per the volume of ownership as on 31st December 2015 is as follows:

Sr. No.	Ownership of Shares	No. of shareholders	No. of shares owned	Percentage of shares owned in the capital
1	Less than 50,000	7,502	111,252,059	3%
2	From 50,000 to Less than 500,000	4,558	668,598,683	18%
3	From 500,000 to less than 5,000,000	746	966,884,428	26%
4	More than 5,000,000	86	1,965,224,102	53%



Mr. Khalid Bin Kalban
Chairman

