



# Corporate Governance

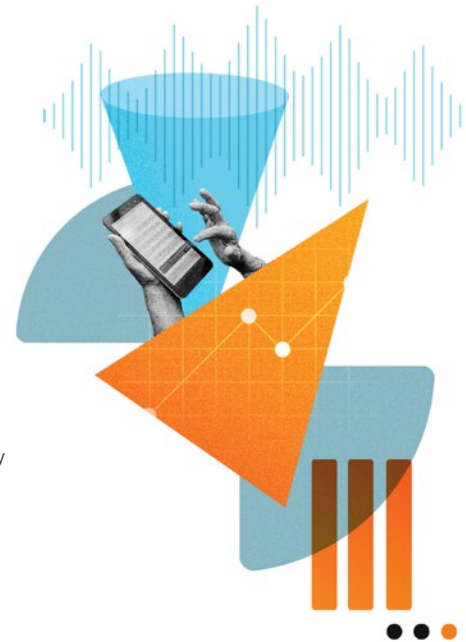
# Directors Governance Report

We take our role as a responsible corporate citizen very seriously. Our commitment to conducting our business in an ethical, sustainable and accountable manner are at the heart of the long-term performance and sustainability of our Company. We promote a responsible culture in our business through structured governance policies and procedures which are used to set our strategy and objectives, monitor our performance and manage risks our business faces.

Throughout the financial year that ended 31 December 2019 we continued to adhere to the principles and guidelines set by the Maldives Code of Corporate Governance, issued by Capital Market Development Authority (CMDA). Every effort was expended to ensure that we have complied with the compulsory provisions of the

CMDA's CG Code. In the event of any variations, explanations are provided. Additionally, our internal Corporate Governance Code lays the foundation for our sound corporate governance principles and can be downloaded from [www.dhiraagu.com.mv/investor\\_relations](http://www.dhiraagu.com.mv/investor_relations).

In addition to our focus on strong corporate governance, since becoming a signatory to the United Nations Global Compact (UNGC) in 2012, we have made yearly assessments of our environmental and social performance and published separate Corporate Social Responsibility Reports to present the Communication on Progress (COP) to the UNGC. This year, we have included the Communication on Progress within the Sustainable Tomorrow section of this report.



## The Role of the Board, Chairperson & Chief Executive Officer & Managing Director

### Board

The Board is responsible for establishing our policies and strategy and overseeing matters ranging from implementation of our strategy, performance against our corporate plan, the status of our material business risks and matters requiring Board approval, to matters relating to our people, culture and governance framework. The Board's role and responsibilities are detailed in the Board Charter which was amended in 2017.

### Chairperson

The Chairperson's overarching responsibility is to provide leadership and effective guidance to the Board and Dhiraagu to ensure our Company fulfils its obligations. The Chairperson's role is to take an active lead in promoting mutual trusts, open discussion, constructive dissent and support for decisions after they have been made by the Board. The position of Chairperson and the Chief Executive Officer & Managing Director cannot be exercised by the same individual.

### CEO & MD

The Chief Executive Officer & Managing Director, together with the senior management team, is responsible to the Board for the development and implementation of our strategy and overall day-to-day management of the Company. There is a formal delegation of authority structure in place in our 'Authority Matrix' which is approved by the Board and sets out the powers delegated to the Chief Executive Officer & Managing Director (this is further complemented by formal delegations from the Chief Executive Officer & Managing Director to our employees) and those specifically retained by the Board.

## Responsibilities of the Board of Directors

- As part of its overall responsibilities to serve the long-term interests of the shareholder, the Board:
  - reviews and approves, our strategic plans, management structure and responsibilities, systems and controls framework;
  - adopts the strategic guidelines for as proposed by Management or, where appropriate, on its own initiative;
  - reviews and discuss reports of our performance, our plans, and products; and
  - assess major risks facing the business by reviewing and approving strategies for addressing such risks.
- The Board also ensures that processes are in place for maintaining our integrity and reputation including:
  - the integrity of the financial statements;
  - compliance with applicable legislation accounting and auditing principles, and internal policies governing our business
  - the integrity of our relationship with our shareholders; and
  - overseeing the process of disclosure and ensuring that the communications are fair, transparent, comprehensive and timely.

## Board Composition & Membership

The Board of Directors consists of 9 members, to ensure that our Board has representation from all our shareholders; 5 Directors are appointed by our major shareholder Batelco, 3 Directors are appointed by the Government of Maldives and one Director is appointed by the public shareholders at the Annual General Meeting.

At the date of the approval of this report, there are 7 sitting Directors and details of their qualifications and experience, together with details of the year of initial appointment and re-election (where applicable), can be found in the Board of Directors section of this Annual Report.

Appointments from Batelco Group and Government of Maldives are received in writing from the respective shareholder, and they hold office until a written notice of their removal is provided. The Public Director is elected by the public shareholders at the AGM. He/she holds office for a term of two years from the meeting he/she is elected to the second AGM following the election unless he/she resigns or is removed from office during the intervening period.

All Directors, except the Chief Executive Officer & Managing Director, are non-executive and independent directors as defined by CMDA's Corporate Governance Code. Whether independent or not, all Directors are required to act in the best interests of Dhiraagu and to exercise unfettered and independent judgment.

## Board Meetings

The Board meets at least once every quarter. On specific matters that require the Board's urgent attention special meetings are held in between regular sessions. A total of 5 Board meetings were held in 2019.

At Board meetings, Directors engage in robust discussions with Management on strategic direction of the business to ensure that investment is directed towards the things that will lead to the best outcomes for the Company and its shareholders. Agendas for the meetings are set in advance after consulting with the Chairperson and Batelco Group. Board papers are shared prior to the meeting, providing opportunity for Directors to review and prepare for the meetings. All Board meeting agendas have a permanent provision for any other business where Directors can voice matters of pressing concern to the shareholders they represent.

### Mr. Ismail Waheed

**Position:** Chairperson

**Representation:** Government of Maldives

**Attendance:** 5/5



### Mrs. Khulood AlQattan

**Position:** Deputy Chairperson

**Representation:** Batelco Group

**Attendance:** 5/5



### Mr. Ismail Rasheed

**Position:** Chief Executive Officer & Managing Director

**Representation:** Batelco Group

**Attendance:** 5/5



### Mr. Ihab Hinnawi

**Position:** Non-Executive Director

**Representation:** Batelco Group

**Attendance:** 5/5



### Mr. Imran Ali

**Position:** Non-Executive Director

**Representation:** Public Shareholders

**Attendance:** 5/5



### Mr. Oliver McFall

**Position:** Non-Executive Director

**Representation:** Batelco Group

**Attendance:** 5/5



### Mr. Khalid Hussain Taqi

**Position:** Non-Executive Director

**Representation:** Batelco Group

**Attendance:** 4/4\*



*\*Mr. Khalid Hussain Taqi was appointed to the Board on 4 March 2019 and there were only 4 Board Meetings in 2019 following his appointment.*

## Key Decisions in 2019

- Approval of Audited Financial Statements for the year ended 31 December 2018.
- Proposed full-year dividend of MVR 11.91 per ordinary share (total MVR 905.16m) to be declared as Full Year Dividend for 2018, comprising of MVR 5.96 per ordinary share for Interim Dividend and MVR 5.95 per ordinary share as Final Dividend for 2018.
- Appointment of Ms. Hazrath Rasheed Hussain to the combined role of General Counsel and Company Secretary.
- Proposed the re-appointment of KPMG as the External Auditor for 2019.
- Approval of 2018 Performance Bonus Payout.
- Approval of Bonus KPIs and Performance Bonus Payout Plan for 2019.
- Approval of the Annual Report for the year ended 31 December 2018.
- Appointment of Mrs. Khulood AlQattan as Deputy Chairperson to the Board and appointment of Mr. Khalid Hussain Taqi as Member to RNG Committee.
- Approval of the disposal and write-off of fixed assets with GBV MVR 289.1m (NBV MVR 0.01m).
- Approval of Revised Budget for 2019.
- Approval of recommending Standing Resolution to declare Interim Dividend in 2019.
- Review and revision of internal Banking and Treasury Policy.
- Review and revision of the Whistleblowing Policy.
- Review and revision of the Anti-Corruption and Anti-Bribery Policy.
- Approval of the Fraud Risk Management Policy.
- Approval of the Confidentiality of Business Information Policy.
- Review and revision of the Acceptable Suppliers Conduct Policy.
- Approval of the Disclosure of Conflicts of Interest Policy.
- Approval of the Gift and Hospitality Policy.
- Declared MVR 4.14 per ordinary share (total MVR 314.6m) as an Interim Dividend for the year 2019.
- Review and revision of the Credit Control Policy.
- Review and revision of the Authority Matrix.
- Review and revision of the Code of Ethics.
- Approval of the Prevention of Harassment and Bullying at the Workplace Policy.
- Approval of the proposed write-off and disposal of MVR 17.6 m of obsolete and damaged inventory.
- Approval to the disposal and write off of Bad Debt amounting to MVR 25.8m.
- Approval of the Strategy and Business Plan for 2020.

## Board Committees

The Board has two standing committees; the Audit Committee and the Remuneration Nomination and Governance Committee, which operate in accordance with approved terms of references. The Board appoints members and the chairperson of each committee. Following each committee meeting, the Board receives a memorandum of the key deliberations, conclusions and recommendations. An overview of the roles and responsibilities, composition, and membership as at 31 December 2019, are provided in the respective committee reports.

## Director's Shareholding

Details of Directors shareholdings as at 31 December 2019 are disclosed below.

Director	Number of Shares Held
Imran Ali	15,000
Ismail Rasheed	13,994
Ismail Waheed	1,510

## Going Concern

Considering our strong financial standing and position in the market, Dhiraagu is well placed to manage its business risks in the current economic conditions. Having reviewed our strategy and business plan for 2020, and the audited financial statements for 2019, the Board affirms that the Dhiraagu's ability to continue as a going concern, and that we have adequate resources to continue in operation for the foreseeable future. We will continue to disclose, as applicable, matters related to going concern and use the going concern basis of accounting.

## Conflicts of Interest

Directors are required to take all necessary steps to avoid actual, potential or perceived conflicts of interest and to be sensitive to situations in which these may arise. In accordance with the Company's Act (Law no 10/96) and our Articles of Association, Directors must declare any conflict of interest they may have, and follow the procedures set out in our Board Charter including, in certain circumstances, to abstain from participating in any discussion or voting on matters in which they have a material personal interest. As a practice, all Board and Committee meeting agendas have a permanent provision for declaring a conflict of interest of any agenda item to be discussed at that meeting. In all instances where a conflict of interest arose or had the potential to arise, the respective Director excused himself/herself from the meeting of the Board and/or its subcommittee.

All material related to transactions of the majority shareholders and Directors are reviewed during the quarterly Board meetings. There were no substantial or material third party transactions made by the Directors or the Management during the year.

## Internal Control, Risk Oversight & Risk Management

Our risk management approach centers on continued assessment, monitoring and reporting of risks which may impact the progress of delivering our strategic priorities. Risks together with their controls and treatment are regularly reported to the Audit Committee which assists the Board in its oversight function.

- *A risk and compliance function was established in 2016 and a full time Risk and Compliance Officer oversees all matters related to compliance and risk.*
- *The 'Authority Matrix' approved by the Board is in place and delegates approval limits for all business transactions and expenditures.*
- *'Risks Register' is maintained and reviewed by the Audit Committee every quarter.*
- *The Internal Audit function carries out annual audits, based on an Internal Audit Plan that is approved and reviewed closely by the Audit Committee.*

We remain committed to continuous improvement in our approach to managing risks and ensure that we maintain a strong, integrated risk and compliance culture.

## Governance Policy Framework

The Board regularly reviews our governance practice to reflect the developments in our business, market practice and expectations, as well as regulatory changes. We place great emphasis to conduct our business in a fair and responsible manner by adopting the highest standards of professionalism, honesty, integrity and ethical behaviour. In order to meet all the legal and regulatory obligations and compliance and to ensure that strong good governance is implemented, we have adopted various internal policies, procedure and guidelines to promote ethical and responsible conduct and provide guidance to our Directors, and our people.

Our Code of Ethics was revised in July 2019, it contains our code of conduct and recognises that our success depends on the ability to establish and maintain positive relationships, both internally within employees and externally with all stakeholders.

Our Disciplinary Policy and Procedure adopted in October 2014 establishes a transparent, fair and consistent mechanism to deal with the consequence of failing to meet the required standards of behaviour and job performance.

We also have a separate Committee to Prevent Sexual Harassment at the Workplace set up in 2014 in accordance with the Anti-Sexual Harassment Act (Law No. 16/2014) and our Prevention of Harassment and Bullying at the Workplace Policy was introduced in October 2019 in order to safeguard our people and provide a safe working environment free from harassment and bullying, ensuring everyone is treated with dignity and respect.

Our Grievance Policy and Procedure has been established since January 2015, with the objective of documenting and formalising a mechanism for employees to raise grievances regarding any work-related matters, so that such matters can be resolved timely and amicably. The policy further enhances the transparency and consistency in dealing with grievances across our Company.

Our 'Authority Matrix' was last reviewed and amended in July 2019, it sets approval limits for all business transactions and expenditures within our Company. Due to the nature of our business and the environment within which we operate, we may be exposed to risks. Thus risks that we may face are monitored, reported and addressed regularly throughout the year. A 'Risks Register' is also maintained and reviewed by the Audit Committee every quarter.

From 2013 onwards, our suppliers and vendors sign on to our Supplier Code of Conduct when contracting with us and are expected to meet the standards detailed in it. Our Acceptable Suppliers Conduct Policy was revised in April 2019 and is modelled to set out our minimum standards

in the areas of labour and human rights, health and safety, environment and ethical dealings.

Our Gifts and Hospitality Policy adopted in April 2019, ensures that highest standards of integrity and conduct are maintained and ensure that Gifts and Hospitality are provided in an open and transparent manner. We refrain from making any political contributions either directly or indirectly to political parties, causes or individuals. Furthermore, our Donations and Sponsorships Framework has been in place since 2012 and establishes clear and transparent guidelines for all our donations and sponsorships.

We have zero tolerance for corruption and bribery. Our Anti-Corruption and Anti-Bribery Policy adopted in September 2011 and recently revised in April 2019 is designed to educate our people on the many forms bribes can take and how to avoid inappropriate circumstances, including where acceptance may be perceived to compromise independence or be construed as a bribe. Our Confidentiality of Business Information Policy and Disclosure of Conflicts of Interest Policy which were both adopted in April 2019 also contribute to addressing our commitment to comply with applicable laws and regulations concerning bribery, corruption, fraud and any other prohibited business practices.

In addition to this, the revisions to the Whistleblowing Policy coupled with a Fraud Risk Management Policy adopted in April 2019, provide a confidential process with appropriate protections for our people to report their concerns. It has also strengthened our

governance structures, raising confidence of our colleagues and other stakeholders in our systems and processes.

We adopted a Policy on Insider Trading in 2018, to comply with CMDA's Policy on Prohibition of Insider Trading. The policy imposes and provides guidelines, instructions and the codes of conduct in trading our shares. It applies to our Directors, our people and certain third-party agents and advisers. The policy is cohesive guide to ensure that we are in compliance with the Maldives Securities Act (Law No: 2/2006) and its related regulations.

## Legal & Regulatory Compliance

Dhiraagu has a separate Legal Department to fulfil our legal and regulatory obligation with a dedicated team of internal and external lawyers appointed to ensure that we continue to comply with relevant laws and regulations. Dhiraagu has not been given notice of, or prosecuted for, or convicted of, any significant breaches of any relevant laws or regulation during the financial year.

We have conducted our business in compliance with the legal and regulatory obligations under the Maldives Company's Act (Law No. 10/96), the Maldives Telecommunications Law (Law No. 43/2015), the Securities Act (Law No. 2/2006), obligations under our operational licenses, the Maldives Stock Exchange Listing Rules

and the CMDA's CG Code. With appropriate controls and governance procedures in place, the company continues to comply with relevant laws, regulations and industry codes.

## Auditors

A tendering process was conducted in 2016 to recommend an External Auditor. The tender covers three years, and is subject to shareholder approval at the Annual General Meetings. The Board ensures that regulatory requirements on audit partner rotation are strictly adhered to and the Audit Partner was rotated in 2018 in order to comply with the CMDA Corporate Governance Code.

Our KPMG Partner attends our AGM and will be available to answer any shareholder questions about the conduct of our audit and the content of the auditor's report for the year ending 31 December 2019.

In accordance with the Audit Committee's recommendation, the Board is proposing to recommend the re-appointment of KPMG to carry out the statutory audit for the financial year 2020. The proposed remuneration is a maximum fee of US\$ 45,000 excluding out of pocket expenses and 6% GST.

## 31<sup>st</sup> Annual General Meeting

Dhiraagu will hold its 31<sup>st</sup> AGM during April 2020. The Notice and Agenda of the AGM will be communicated and published no later than Sunday, 29<sup>th</sup> March 2020.

## Dividends

The Board recommends a full-year dividend of MVR 12.00 per share, amounting to MVR 912,000,000 (nine hundred and twelve million) for the year 2019, to be declared as full-year dividend for 2019. The full year dividend comprises of:

- MVR 4.14 per share (total MVR 314,640,000) was paid as interim dividend in 2019, and
- MVR 7.86 per share (total MVR 597,360,000) as the final dividend for 2019 which will be proposed for shareholder approval at the 31 AGM.

The final dividend for 2019 will be payable to all shareholders listed on the Company's Shareholder register as at 4pm on Thursday, 13 February 2020 (book closure date).

## Declaration of Interest

In compliance with the requirements of the Securities (Continuing Disclosure Obligations of Issuers) Regulation 2019, the Board of Directors of Dhiraagu affirms that:

- This Annual Report 2019 has been prepared in compliance with all the reporting requirements, and in accordance with the relevant laws and regulations;
- The Board of Directors of Dhiraagu and/or any of their associates did not have any significant interest in the equity or debt securities of the company, or had any right to subscribe for equity or debt security of the company; and
- There were no contract(s) of significant substance during or at the end of the accounting period in which a Board Director of the company has a direct or indirect interest. Details of material contracts for the provision of services entered into between Dhiraagu and Batelco Group and Government of Maldives are provided in Note 26 "Related Parties Transactions" of the Audited Financial Statements as at 31 December 2019.



**Ismail Waheed**  
Chairperson



**Ismail Rasheed**  
Chief Executive Officer  
& Managing Director



# Audit Committee Report

## Composition & Membership

As at 31 December 2019, the following members served the Audit Committee. The Committee members were all non-executive and independent directors and possessed sufficient accounting and financial knowledge which allowed them to discharge their duties, ensuring compliance with CMDA Corporate Governance Code and Dhiraagu Corporate Governance Code.

### Mrs. Khulood AlQattan

**Position:** Chairperson of the Audit Committee

**Tenure:** Jul 17 to date

**Attendance:** 4/4



### Mr. Imran Ali

**Position:** Member

**Tenure:** Jul 14 to date

**Attendance:** 4/4



## Terms of Reference

The Audit Committee is scheduled to meet once every quarter and provides a forum for communication between the Board, Management and both the internal and external auditors.

The Committee is responsible for monitoring and advising the Board on matters relating to financial reporting, risk management, compliance, external audit, internal control, internal audit and matters that may significantly impact the financial condition or affairs of our business.

## Meetings

The Audit Committee met 4 times during the financial year ending 31 December 2019. Other members of the Board may attend Audit Committee meetings and the Committee may invite Management, the external auditor and others to attend meetings as it considers necessary or appropriate. All meetings during the financial year ending 31 December 2019, were attended by the Chief Executive Officer & Managing Director, the Chief Financial Officer and the Internal Auditor. The meetings were also attended by the Group Chief Internal Auditor, International Investment. The Secretary of the Board acted as the Secretary of all the meetings.

## Key Decisions

- Review and recommendation of Audited Financial Statements for the year ended 31 December 2019.
- Review and recommendation of quarterly financial reports for the financial year 2019.
- Review and recommendation of revisions to the Internal Banking and Treasury Policy.
- Review and recommendation of revisions to the Anti-Corruption Anti-Bribery Policy.
- Review and recommendation of the Fraud Risk Management Policy.
- Review and recommendation of revisions to the Credit Control Policy.
- Review and recommendation of revisions to the Authority Matrix.
- Review and recommendation for approval of Bad Debt write off and disposal and write-off of fixed assets and obsolete and damaged inventory.
- Review and monitoring of all Internal Audit activities ever quarter.
- Review and approval of the Terms of Reference of the Audit Committee

All action points from the Committee's meetings were completed on a timely basis.

## External Audit

KPMG was appointed by the shareholders as our External Auditor for 2019 and our Partner was rotated in 2018 to ensure that we comply with the CMDA Corporate Governance Code.

The Audit Committee reviewed the non-audit services provided by KPMG and the explanation of how the provision of those non-audit services was compatible with auditor independence. The Committee is satisfied that appropriate measures are put in place by both KPMG and Dhiraagu to ensure the independence and objectivity of the External Auditor. The External Auditor has confirmed their compliance with the practice note of CMDA's CG Code.

All the Audited Committee meetings held during the year were attended by the External Auditor to provide independent assurance and present their opinion on the financial reports. The Audit Committee also met the External Auditor in a private session without the Management to get an independent view of their audit experience and opinion.

## Internal Audit

During the year the Audit Committee reviewed the effectiveness of internal audit controls undertaken by our Internal Audit Department. The Internal Auditor directly reports to the Audit Committee with a parallel administrative reporting line to the Chief Executive Officer & Managing Director for day to day matters. This is to ensure that the Board is provided with independent and objective assurance on the effectiveness of our governance, risk management, and internal control processes.

A total of 14 Internal Audits were carried out and presented during the year and the Audit Committee reviewed the effectiveness of the Company's internal controls including financial, operational, technical, IT and compliance controls and procedures for identifying and managing risks. The outcomes and follow up actions of these audits were regularly reviewed at the Audit Committee meetings, and the Committee is satisfied with the progress and implementation of the action points.

Furthermore, the Audit Committee is satisfied with the progress of the Internal Audit function during the year 2019 and the adequacy of the internal control measures in place.

## Risk Management

Our 'Risk Register' is prepared by a full-time Risk and Compliance Officer who maintains processes identifying new and emerging risks to our business. Identified risks together with their controls and treatment were closely monitored by the Audit Committee every quarter and reported to the Board during the year. The Risk Register was considered when finalising the Internal Audit Plan. The requirement for disclosures and provisions on any material claims and litigations against the Company was monitored closely with support from both external lawyers and external auditors when required.

The Audit Committee is satisfied with the progress of the Internal Audit function during the year ending 31 December 2019 and the adequacy of the internal control measures in place for risk management.



**Khulood Rashid AlQattan**  
Chairperson, Audit Committee

# Remuneration, Nomination and Governance Committee Report

## Composition & Membership

The Board's Remuneration, Nomination and Governance (RNG) Committee was represented by the following non-executive and independent Directors during year ending 31 December 2019.

### Mr. Ismail Waheed

**Position:** Chairperson of RNG Committee

**Tenure:** Government of Maldives

**Attendance:** 5/5



### Mr. Imran Ali

**Position:** Member

**Tenure:** Jul 14 to date

**Attendance:** 5/5



### Mr. Khalid Hussain Taqi

**Position:** Member

**Tenure:** March 2019

**Attendance:** 2/2\*



*\*Mr. Khalid Hussain Taqi was appointed to the RNG Committee on 25 April 2019 and there were only 2 RNG Committee Meetings following his appointment.*

## Roles & Responsibilities

The RNG Committee was reconstituted in August 2013 to combine the three functions of remuneration, nomination and governance. The objective of the consolidation was to facilitate effective and efficient discharge of the duties as most members were in both the Remuneration, Nominations Committee and the Governance Committee. The RNG Committee assists the Board in formulating remuneration policies, framework for nominating the Public Director, and monitoring the performance of our corporate governance framework and compliance with relevant regulations.

## Meetings

The RNG Committee met 5 times during the financial year ending 31 December 2019. Other members of the Board may attend the RNG Committee meetings and the Committee may invite management, and others to attend meetings as it considers necessary or appropriate. The Chief Executive Officer & Managing Director attended all the meetings and other members from the management team were invited as and when required. The Secretary of the Board acted as the Secretary of all the meetings.

## Remuneration Package Of Directors & Executives

Board Directors are rewarded as per the Board Director's Remuneration Policy, which ensures Director remuneration is competitive and compensates for the responsibilities assigned to each Director.

The RNG Committee reviews and makes recommendations to the Board on Dhiraagu's overall remuneration strategy, policies and practices, and monitors the effectiveness of Dhiraagu's overall remuneration framework. The remuneration for key executives are determined in consultation with Batelco, and are based on individual scope of work, performance against agreed measures, market rates for comparable roles and other relevant factors. The Company's remuneration packages include fixed components and performance linked incentives which are designed to be competitive with the market, encourage sustainable performance and provide a retention element to retain key and critical talent. No stock options are included in the remuneration package of Board Directors or key executives.

Disclosure of remuneration of Directors and key executives as required by CMDA, which includes details on level and mix of remuneration package, and individual remunerations paid to Board Directors and key executive, are withheld due to the competitive environment that Dhiraagu operates in. Total remuneration (including short term benefits) paid to Directors and key executives in 2019 are MVR 1.08m and 19.57m respectively. Payments for service contracts, notice period, severance fees and stock options did not form any part of the remuneration paid to Directors or key executives in 2019.

## Board Appointments

According to our Articles of Association, the Board of Directors shall be composed of:

- Five Directors appointed by Batelco;
- Three Directors appointed by the Government of Maldives; and
- One Director elected by the public shareholders.

Our Articles of Association provide that the nomination process of the Director elected by the public shareholders be managed by the Board, through the RNG Committee. Mr. Imran was re-elected at the 29th AGM held on 14 May 2018 for a term of two years (from the 29th AGM to the 31st AGM).

Board Directors representing the major shareholders are appointed through a letter of appointment. The Curriculum Vitae of Directors appointed by the

majority shareholders are reviewed by the committee, and the committee confirms that all Directors possess the required expertise to discharge their responsibilities effectively.

Induction programmes are organised by the Company for all the new Directors accompanied by a meeting with Senior Management and tour of the Company.

*During 2019, the following changes were brought to Dhiraagu Board:*

- *In January 2019, we bid farewell to Mr. Abdul Rahman Fahkro who had served as a non-executive director of the Board since March 2014.*
- *In March 2019 we welcomed the appointment of Mr. Khalid Hussain Taqi as a non-executive director by Batelco.*



## Key Decisions

- Review and recommendation of 2019 Performance Bonus Plan and 2018 Performance Bonus Payout.
- Review and approval of the Terms of Reference of the RNG Committee.
- Review and recommendation of candidates for the role of Company Secretary.
- Review and recommendation of revisions to the Whistleblowing Policy.
- Review and recommendation of revisions to the Anti-Corruption Anti-Bribery Policy.
- Review and recommendation of the Fraud Risk Management Policy.
- Review and recommendation of the Confidentiality of Business Information Policy.
- Review and recommendation of revision to the Acceptable Suppliers Conduct Policy.
- Review and recommendation of the Disclosure of Conflicts of Interest Policy.
- Review and recommendation of the Gift and Hospitality Policy.
- Review and recommendation of revision to the Code of Ethics.
- Review and recommendation of the Prevention of Harassment and Bullying at the Workplace Policy.

## Board Diversity

Our Board represents a highly qualified and diverse set of experts with members from different professional and academic backgrounds.

Dhiraagu is committed to promoting gender diversity at the Boardroom and encourages female representation on the Board in accordance with the Corporate Governance Code issued by CMDA. At the time of issuing this report, there is one female representative on the Board of Dhiraagu.

## Effectiveness

Our Board Directors Performance Evaluation Policy requires Directors to carry out a self-evaluation of Board and the Committees performance. A Board evaluation was carried out in January 2020. The results of the evaluation were reviewed by the RNG Committee in February 2020.

The RNG Committee confirms that Dhiraagu Board and its committees discharged their responsibilities satisfactorily during 2019.



**Ismail Waheed**

Chairperson, Remuneration, Nomination  
and Governance Committee