

**Proposed changes to Abu Dhabi Commercial Bank's Articles of Association to be presented at the forthcoming General Assembly Meeting scheduled to be held on 20 March 2023**

**Appendix 1 – Proposed changes (English)**

<i>Proposed Changes</i>						
<b>Original Article No.</b>	<b>Original Article</b>	<b>New Article No.</b>	<b>Amended Article, with changes highlighted in Green</b>	<b>Reasons for the change</b>	<b>Compliance with law and applicable regulations, guidelines of CBUAE (Please provide Article &amp; Law details)</b>	<b>CB Comments</b>
6	<p>The share capital of the Bank has been set at AED 6,957,379,354 divided into 6,957,379,354 shares with a nominal value of AED 1 (one United Arab Emirates Dirham) per share all of which are fully paid up cash shares.</p> <p>The authorized share capital of the Bank is AED 10,000,000,000 (ten billion United Arab Emirates Dirhams).</p> <p>The issued share capital of the Bank may be increased, sub-divided,</p>	6	<p>The issued share capital of the Bank has been set at AED 7,319,947,010 divided into 7,319,947,010 shares with a nominal value of AED 1 (one United Arab Emirates Dirham) per share all of which are fully paid up cash shares.</p> <p>The issued share capital of the Bank may be increased, sub-divided, consolidated, and reduced subject to the provisions of the applicable laws and these Articles. Where the share capital has increased as a result of conversion of</p>	Consistency with Federal Decree Law No. 32/2021 on Commercial Companies.	NA	

<i>Proposed Changes</i>						
Original Article No.	Original Article	New Article No.	Amended Article, with changes highlighted in Green	Reasons for the change	Compliance with law and applicable regulations, guidelines of CBUAE (Please provide Article & Law details)	CB Comments
	consolidated, and reduced subject to the provisions of the applicable laws and these Articles. Where the issued share capital has increased as a result of conversion of bonds or sukuk (whose issuance was previously approved by the SCA and the Central Bank), the Bank shall issue a notification to the SCA and the Central Bank of the UAE.		bonds (whose issuance was previously approved by the SCA and the Central Bank of the UAE), the Bank shall issue a notification to the SCA and the Central Bank of the UAE.			
	An increase in the authorised share capital of the Bank requires a Special Resolution and the approval of the SCA and the Central Bank of the UAE. The Board of		An increase in the issued share capital of the Bank requires a Special Resolution and the approval of the SCA and the Central Bank of the UAE. The Board of Directors shall implement this decision within			

<i>Proposed Changes</i>						
<b>Original Article No.</b>	<b>Original Article</b>	<b>New Article No.</b>	<b>Amended Article, with changes highlighted in Green</b>	<b>Reasons for the change</b>	<b>Compliance with law and applicable regulations, guidelines of CBUAE (Please provide Article &amp; Law details)</b>	<b>CB Comments</b>
15 (1)	Directors shall implement this decision within three (3) years from the date of its issuance, otherwise, the decision shall be considered as if it was not in relation to the amount of the increase that was not implemented during the mentioned period.	15(1)	three (3) years from the date of its issuance, otherwise, the decision shall be considered as if it was not in relation to the amount of the increase that was not implemented during the mentioned period.	Consistency with Federal Decree Law No. 32/2021 on Commercial Companies.	NA	
15(2)	The Board may, in cases other than those listed in paragraph 6 of this Article, increase the issued share capital of the Bank to the extent of the authorised share capital previously approved by the General Assembly. An increase in the issued share capital	NA	NA	Article has been deleted in order to be consistent with Federal Decree Law No. 32/2021 On Commercial Companies.	NA	

<i>Proposed Changes</i>						
<b>Original Article No.</b>	<b>Original Article</b>	<b>New Article No.</b>	<b>Amended Article, with changes highlighted in Green</b>	<b>Reasons for the change</b>	<b>Compliance with law and applicable regulations, guidelines of CBUAE (Please provide Article &amp; Law details)</b>	<b>CB Comments</b>
	shall specify the size of the increase and the issue price of the new shares.					
15 (3-c)	<p>An increase in the issued share capital of the Bank shall be effected by one of the following methods:</p> <p>(a) issuance of new shares;</p> <p>(b) the absorption of all or part of the reserve into the share capital and issuance of bonus shares; or</p>	15 (3-c)	<p>An increase in the issued share capital of the Bank shall be effected by one of the following methods:</p> <p>(a) issuance of new shares;</p> <p>(b) the absorption of all or part of the reserve into the share capital and issuance of bonus shares; or</p>	Article has been amended to be consistent with the Central Bank Law no. 14 of 2018	To comply with the Central Bank Law no. 14 of 2018	

Proposed Changes						
Original Article No.	Original Article	New Article No.	Amended Article, with changes highlighted in Green	Reasons for the change	Compliance with law and applicable regulations, guidelines of CBUAE (Please provide Article & Law details)	CB Comments
	(c) the conversion of bonds or Sukuk issued by the Bank into newly issued shares.		(c) the conversion of bonds issued by the Bank into newly issued shares.			
15 (6-b)	<p>The Bank may increase its issued share capital, without applying the pre-emption rights of the existing shareholders, to achieve any of the following purposes:</p> <p>(a) to set-up and operate Staff share incentive schemes</p> <p>(b) to convert the Bank's debts, sukuk or bonds into newly issued shares; and/or</p> <p>(c) to permit a strategic partner to</p>	15 (6-b)	<p>The Bank may increase its issued share capital, without applying the pre-emption rights of the existing shareholders, to achieve any of the following purposes:</p> <p>(a) to set-up and operate Staff share incentive schemes</p> <p>(b) to convert the Bank's debts or bonds into newly issued shares; and/or</p> <p>(c) to permit a strategic partner to become a shareholder in the Bank</p>	Article has been amended to be consistent with the Central Bank Law no. 14 of 2018	To comply with the Central Bank Law no. 14 of 2018	

<i>Proposed Changes</i>						
Original Article No.	Original Article	New Article No.	Amended Article, with changes highlighted in Green	Reasons for the change	Compliance with law and applicable regulations, guidelines of CBUAE (Please provide Article & Law details)	CB Comments
	become a shareholder in the Bank					
16	Subject to the provisions of the Companies Law and regulations issued by the Central Bank, the General Assembly of the Bank may by Special Resolution resolve to issue debentures, bonds or sukuk of any kind, whereupon the value of the debentures, bonds or sukuk, conditions of their issue, and the extent of their conversion into shares shall be stated. The General Assembly may resolve to delegate to the Board of Directors	16	Subject to the provisions of the Companies Law and regulations issued by the Central Bank, the General Assembly of the Bank may by Special Resolution resolve to issue debentures, bonds or sukuk of any kind, whereupon the value of the debentures, bonds or sukuk, conditions of their issue, and the extent of their conversion of debentures or bonds into shares shall be stated. The General Assembly may resolve to delegate to the Board of Directors the power to determine the date of any issue.	Article has been amended to be consistent with the Central Bank Law no. 14 of 2018	To comply with the Central Bank Law no. 14 of 2018	

<i>Proposed Changes</i>						
<b>Original Article No.</b>	<b>Original Article</b>	<b>New Article No.</b>	<b>Amended Article, with changes highlighted in Green</b>	<b>Reasons for the change</b>	<b>Compliance with law and applicable regulations, guidelines of CBUAE (Please provide Article &amp; Law details)</b>	<b>CB Comments</b>
	the power to determine the date of any issue.					
31	Notice to the shareholders to attend meetings of the General Assembly shall be published in two daily newspapers published in the United Arab Emirates, at least one of which must be in the Arabic language, and shall be sent by registered mail, email, through short message service or any other method specified in resolutions issued by the SCA for this purpose, at least 21(Twenty one) days prior to the date of the meeting of the General Assembly. The	31	Notice to the shareholders to attend meetings of the General Assembly shall be published in two daily newspapers published in the United Arab Emirates, at least one of which must be in the Arabic language, and shall be sent by registered mail, email, through short message service or any other method specified in resolutions issued by the SCA for this purpose, at least 21(Twenty one) days prior to the date of the meeting of the General Assembly. The notice shall include the agenda for such General Assembly. Copies of the invitation documents must be sent to the SCA, the	To comply with the Central Bank law no. 14 of 2018 (Article 44)	To comply with the Central Bank law no. 14 of 2018 (Article 44)	

<i>Proposed Changes</i>						
Original Article No.	Original Article	New Article No.	Amended Article, with changes highlighted in Green	Reasons for the change	Compliance with law and applicable regulations, guidelines of CBUAE (Please provide Article & Law details)	CB Comments
	<p>notice shall include the agenda for such General Assembly. Copies of the invitation documents must be sent to the SCA, the Central Bank and the Competent authority.</p> <p>If the invitation to hold the meeting of the general assembly is announced prior to the date of the meeting within a period less than 21 (Twenty one) days, the invitation to convene the General Assembly shall be valid with the consent of shareholders representing (95%) of the capital of the Company.</p>		<p>Central Bank and the Competent Authority.</p> <p>If the invitation to hold the meeting of the general assembly is announced prior to the date of the meeting within a period less than 21 (Twenty one) days, the invitation to convene the General Assembly shall be valid with the consent of shareholders representing (95%) of the capital of the Company.</p> <p>The Central Bank shall be entitled to request for:</p> <p>-A General Assembly meeting to discuss any matters that the Central Bank deems of importance;</p>			



<i>Proposed Changes</i>						
Original Article No.	Original Article	New Article No.	Amended Article, with changes highlighted in Green	Reasons for the change	Compliance with law and applicable regulations, guidelines of CBUAE (Please provide Article & Law details)	CB Comments
			<p>-The addition of any agenda item in the General Assembly; and</p> <p>-Hold the enforcement of any resolution issued by the General Assembly in the event of breach of any laws or regulations.</p>			
32	The Board of Directors shall set the agenda of the General Assembly. In cases where it is permissible to convene a General Assembly at the request of the shareholders, external auditors or the SCA, the agenda shall be set by the party requesting the convening of the General Assembly.	32	The Board of Directors shall set the agenda of the General Assembly. In cases where it is permissible to convene a General Assembly at the request of the shareholders, external auditors, the SCA or the Central Bank, the agenda shall be set by the party requesting the convening of the General Assembly.	To comply with the Central Bank law no. 14 of 2018 (Article 44)	To comply with the Central Bank law no. 14 of 2018 (Article 44)	

<i>Proposed Changes</i>						
<b>Original Article No.</b>	<b>Original Article</b>	<b>New Article No.</b>	<b>Amended Article, with changes highlighted in Green</b>	<b>Reasons for the change</b>	<b>Compliance with law and applicable regulations, guidelines of CBUAE (Please provide Article &amp; Law details)</b>	<b>CB Comments</b>
38	<p>The Board of Directors must invite the General Assembly to convene whenever requested by the external auditor or one or more shareholders as provided in the Companies Law and its implementing regulations in this regard.</p> <p>The Board shall invite the General Assembly to convene at the request of one or more shareholders holding at least (10%) of the Bank's shares, provided that the invitation is addressed within (5) five days from the date of the request. The General</p>	38	<p>The Board of Directors must invite the General Assembly to convene whenever requested by the external auditor or one or more shareholders as provided in the Companies Law and its implementing regulations in this regard.</p> <p>The Board shall invite the General Assembly to convene at the request of one or more shareholders holding at least (10%) of the Bank's shares, provided that the invitation is addressed within (5) five days from the date of the request. The General Assembly shall be convened within a period not exceeding (30) thirty days from the date of the invitation.</p> <p>The Board shall invite the General Assembly to convene</p>	To comply with the Central Bank law no. 14 of 2018 (Article 44)	To comply with the Central Bank law no. 14 of 2018 (Article 44)	

<i>Proposed Changes</i>						
Original Article No.	Original Article	New Article No.	Amended Article, with changes highlighted in Green	Reasons for the change	Compliance with law and applicable regulations, guidelines of CBUAE (Please provide Article & Law details)	CB Comments
	<p>Assembly shall be convened within a period not exceeding (30) thirty days from the date of the invitation.</p> <p>The Board shall invite the General Assembly to convene at the request of the external auditor. If the Board fails to send the invitation within (5) five days from the date of the request, the external auditor shall send the invitation. The General Assembly shall be convened within a period not less than (15) fifteen days and not exceeding (30) thirty days from the date of invitation to the meeting.</p>		<p>at the request of the external auditor. If the Board fails to send the invitation within (5) five days from the date of the request, the external auditor shall send the invitation. The General Assembly shall be convened within a period not less than (15) fifteen days and not exceeding (30) thirty days from the date of invitation to the meeting.</p> <p>In addition, the Central Bank shall be permitted to request for a General Assembly meeting as provided under Article 31 above.</p>			

<i>Proposed Changes</i>						
Original Article No.	Original Article	New Article No.	Amended Article, with changes highlighted in Green	Reasons for the change	Compliance with law and applicable regulations, guidelines of CBUAE (Please provide Article & Law details)	CB Comments
41.2	New Article	41.2	<p>In relation to the Islamic banking activities, the General Meeting shall, upon nomination by the Board of Directors and after the approval of the Higher Shari'ah Authority at the Central Bank, appoint an Internal Shari'ah Supervisory Committee, to supervise the activities in compliance with Shariah principles.</p> <p>The resolutions of the committee shall be binding.</p>	To comply with the Central Bank Law no. 14 of 2018 (Article 79).	To comply with Central Bank Law no. 14 of 2018 (Article 79).	