

**SCHEDULE (11) TO THE CORPORATE GOVERNANCE POLICY****EMAAR MALLS PJSC****BOARD REMUNERATION POLICY****DEFINED TERMS**

The terms set out below have the following meanings assigned to them:

| <b>Term</b>                 | <b>Meaning</b>  |
|-----------------------------|---|
| <b>Allowance</b>            | The type of remuneration consisting of additional fees, allowances or monthly salary against such additional work, as provided for under section 5 of this Policy.                                      |
| <b>Board</b>                | The Board of Directors of the Company.  |
| <b>Board Committee</b>      | A committee of the Board.   |
| <b>Bonus</b>                | The type of remuneration provided for under section 3 of this Policy.   |
| <b>Chairman</b>             | The Member appointed by the Board as the chairman of the Board.   |
| <b>Code of Governance</b>   | Resolution of Chairman of SCA's Board of Directors No. (3/RM) of 2020 on the adoption of the Corporate Governance Guide for Public Joint Stock Companies, as amended from time to time.                 |
| <b>Company</b>              | Emaar Malls PJSC.   |
| <b>Companies Law</b>        | Federal Law No. (2) of 2015 On Commercial Companies, as amended from time to time.  |
| <b>DED</b>                  | The Dubai Department of Economic Development.   |
| <b>Executive Member</b>     | The member of the Board who is an executive director in the Company.  |
| <b>Expense</b>              | The type of compensation by the Company to a Member to cover the reasonable fees and expenses properly incurred by the Member on behalf of the Company, as provided for under section 6 of this Policy. |
| <b>General Assembly</b>     | The annual meeting of the general assembly of the Company's shareholders as provided for under the Companies Law.   |
| <b>Member</b>               | An Executive Member or Non-Executive Member of the Board.   |
| <b>Non-Executive Member</b> | A member of the Board who is a non-executive director in the Company.   |
| <b>NRC</b>                  | The Nomination and Remuneration Committee of the Board.   |
| <b>Policy</b>               | This Board Remuneration Policy, as amended from time to time.   |
| <b>Salary</b>               | The compensation provided for under section 4 of this Policy  |
| <b>SCA</b>                  | The Securities and Commodities Authority.   |
| <b>Sitting Fee</b>          | The type of Allowance paid for attending a Board Committee, as provided for under section 5 of this Policy.   |

**1. INTRODUCTION**

- 1.1 This Policy has been prepared by the NRC pursuant to the Code of Governance and approved by the Board and the General Assembly.
- 1.2 The purpose of this Policy is to outline the method of remuneration of Members and the Chairman for their roles, contributions and participation in the Board and Board Committees by specifying: (a) the types of payments and remuneration which can be paid to Members; and (b) the limitations on such payments and remuneration.

**2. PRINCIPLES**

- 2.1 This Policy is reviewed annually by the NRC to ensure that it is implemented effectively and as intended, and that it complies with the relevant requirements as provided for in the Code of Governance and the Companies Law, as amended from time to time.
- 2.2 Any material amendments proposed by the NRC to this Policy shall be reviewed by the Board and approved by the General Assembly.
- 2.3 The NRC and the Board will ensure that the level and composition of remuneration for Members and the Chairman is sufficient and justifiable to attract and maintain talented individuals who can properly fulfil the duties expected of such roles and at all times shall be reasonable and proportionate to the Company's performance.
- 2.4 Members' remuneration is linked to the Company's performance in the medium and long term which requires an assessment of such financial performance and the manner in which it is achieved. In preparation of the annual review, the NRC may also consider data from comparable companies or from other relevant sectors, bearing in mind the size of the Company's business, its complexity and its geographic footprint.
- 2.5 Members' remuneration shall consist only in the types of remuneration set out in this Policy and Members would not be entitled to any other form of remuneration by the Company.

**3. BONUS**

- 3.1 Members may be paid a Bonus annually in accordance with and subject to the Companies Law and the Code of Governance.
- 3.2 The aggregate amount of all Bonuses shall not exceed 10% of the net profits of the preceding financial year (after deducting all depreciation and reserves), whichever is lower.
- 3.3 The Board, having taken into account the proposals by the NRC for the payment of Bonus, shall propose the amount of the Bonus for each preceding financial year to the shareholders at the General Assembly relating to such financial year and the amount of Bonuses shall be subject to approval by the Company's shareholders at the General Assembly pursuant to the Companies Law.
- 3.4 Subject always to the aggregate limit set out in paragraph 3.2 above and as determined annually by the NRC and approved by the Board, a Bonus may take the form of:

- (a) a percentage of the net profits of the Company of the preceding financial year;
  - (b) a percentage of the net profits that are distributable; or
  - (c) a fixed amount which is reasonable and commensurate with the performance of the Company.
- 3.5 Fines which may have been levied against the Company by the SCA or the DED due to violations by the Board of the Companies Law or the articles of association of the Company during the preceding financial year shall be deducted from the aggregate Bonus amount. The General Assembly may decide not to deduct such fines or part thereof if it considers that such fines were not the result of any default or error on the part of the Board.
- 3.6 Upon determination and approval of the amount of the Bonus at the General Assembly, the Company shall pay each Board member his/her respective Bonus within 15 days after the General Assembly.

#### **4. SALARIES**

In addition to Bonuses:

- 4.1 Executive Members may be paid an annual or monthly Salary against their executive duties. The salary of Executive Members shall be proposed by the NRC and approved by the Board and shall be determined with consideration to:
- (a) the skills and experience of the Executive Member;
  - (b) the level of his/her contribution to the Company's business; and
  - (c) being reasonable and proportionate to the Company's performance in the short and long term.
- 4.2 Non-Executive Members shall under no circumstances be entitled to a monthly or annual Salary.

#### **5. ALLOWANCES AND SITTING FEES**

- 5.1 In accordance with the Code of Governance, Members who participate in Board Committees or exert special efforts for the Company, may receive Allowances against such additional work. All such Allowances shall be paid as proposed by the NRC and approved by the Board. For the avoidance of doubt, simply attending a Board meeting shall not be considered as a special effort or additional work.
- 5.2 Members, including Non-Executive Members, are entitled to a Sitting Fee for attending the meetings of Board Committees. Such Sitting Fee shall not exceed AED 12,000 per member per meeting, to be paid on monthly basis or as decided by the Board. The amount of any Sitting Fees shall be proposed by the NRC and approved by the General Assembly, and will depend on the number of Board Committees, the attendance of Board Committees meetings, and the position/role of the Member on such Board Committees (i.e. whether she/he is the chair or simply a member of the Board Committee).
- 5.3 For the avoidance of doubt, the Board shall not under any circumstances grant a Sitting Fee to the Members for attending Board meetings, in accordance with the Code of Governance.

## 5.4 Members who:

- (a) sit on the board of directors of a company that is part of the same group of companies as the Company; or
- (b) provide a special effort or additional work to the Company;

may, subject to applicable law or accounting requirements, be paid such additional Allowances as proposed by the NRC and approved by the Board, directly by the Company or from the group company, at the discretion of the Board.

**6. EXPENSES**

Members are permitted to claim on an actual basis all Expenses (including, but not limited to, travel expenses) subject to the approval of the Chairman.

**7. VALUE ADDED TAX**

All type of remuneration paid to Members pursuant to this Policy will be net of value added tax.

**8. GIFTS TO BOARD MEMBERS**

Members may not accept gifts or any other courtesies from persons or entities that may result in an apparent or actual conflict of interest arising from the potential influence (intended or otherwise) on the Board member in performing his/her duties. This does not prevent the acceptance of items of symbolic or low value of an amount of AED 500 or less, or entertainment of symbolic or low value that is not related to any specific transaction involving the Company or any of its subsidiaries' activities.

**9. DISCLOSURE OF DETAILS IN CORPORATE GOVERNANCE REPORT**

The Board will ensure that the annual corporate governance report of the Company shall list the details of, and reasons for, all payments made by the Company and its subsidiaries to each Member and the Chairman and its committees in relation Bonuses, Salaries and Allowances in the relevant financial year.

| Version | Date           | Summary of changes |
|---------|----------------|--------------------|
| 1.0     | February, 2021 | Initial policy.    |
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