

[TRANSLATION FROM ARABIC]

**Emaar Development PJSC**

**Corporate Governance Report for 2019**

This report is issued annually by Emaar Development PJSC (the "**Company**") pursuant to the provisions of Article 52 of Resolution No. (7/R.M.) of 2016 issued by the Chairman of the Board of Directors of the Securities and Commodities Authority regarding the Standards of Institutional Discipline and Corporate Governance of Public Joint Stock Companies ("**Governance Resolution**").

**1- A clarification of the procedures adopted by the Company to satisfy the requirements of the Governance Resolution in 2019, and how they were implemented:**

Regarding the procedures adopted by the Company to satisfy the requirements of the Governance Resolution in 2019, we would like to confirm that the corporate governance framework adopted by the Company in 2018 complied with all main requirements, and provisions, of the Governance Resolution and, therefore, there has been no significant additional procedures applied during the year 2019 in this regard.

As for the Company's approach in applying the provisions of the Governance Resolution, the Company implemented the various policies adopted by the board of directors of the Company ("**Board of Directors**" or "**Board**") in relation to governance, taking into account the interests of the Company, the shareholders and all other stakeholders, as follows:

**A. Board of Directors:**

The composition of the Board of Directors and its terms of reference comply with the requirements of the Commercial Companies Law, the Governance Resolution and the articles of association of the Company ("**AOA**"), as well as with other relevant laws and resolutions. Best practices and standards related to the functioning of the Board are also applied to the extent possible to increase its effectiveness.

The Company adheres to the terms of reference set out by the Board of Directors in relation to its composition, operating procedures and responsibilities as follows:

1. The Board of Directors has generally complied with the main requirements of its terms of reference with regard to various matters including, but not limited to, the number of Board members and the balance required among its members according to the specified standards, the terms of membership and the responsibilities of the chairman of the Board ("**Chairman**"), and the number of meetings to be held, the quorum required for meetings, and the majority needed to make decisions, the conditions for decision-making and the technical skills required for membership of the Board.
2. The independent Board members confirmed that their independent status remained unchanged during the year 2019 and the Company verified that the legal requirements regarding the minimum number of independent Board members are satisfied.

3. The Board of Directors recommended the payment of an annual bonus of six hundred fifty thousand UAE Dirhams (AED 650,000) for each non-executive director for the year 2019 and one million UAE Dirhams (AED 1,000,000) for the Chairman, subject to approval by the Company's annual general meeting in accordance with the relevant laws, regulations and the AOA.
4. The Board acknowledged the responsibilities, duties, powers and other requirements necessary for its functioning through the terms of reference of the Board of Directors.
5. The duties and responsibilities of the Chairman of the Board of Directors include the duties enumerated in the Governance Resolution and have been specified in the terms of reference of the Board of Directors.
6. The terms of reference of the Board of Directors outline the duties of the Company's management toward the Board of Directors. These duties include, but are not limited to, organizing an induction program for new Board members and providing the Board with regular information to enable the Board to carry out its duties efficiently in accordance with the relevant laws, regulations and the Company's policies.
7. Some of the powers of the Board of Directors are delegated by way of a clearly defined authority matrix approved by the Board. This authority matrix is periodically reviewed and communicated to the relevant members of the management to comply with it.
8. Board members are subject to special disclosure obligations, including, but not limited to, disclosure of any positions they hold in other joint stock companies, any change to their independent status, dealings in Company's securities and any changes to the information they are required to submit annually as soon as such changes occur. Moreover, a Board member is required to provide full disclosures in respect of any matter being reviewed by the Board or any of its committees in which he has a conflict of interests.

#### **B. Committees of the Board of Directors:**

The Board of Directors established three committees, as follows:

- (1) Audit Committee
- (2) Nomination and Remuneration Committee
- (3) Investment Committee

Other committees may be established as may be decided by the Board. Each Board committee acts in accordance with its own terms of reference.

All terms of reference of the committees are approved either by the Board of Directors or by the concerned committee and these terms of reference are all consistent with the requirements of the Governance Resolution. The terms of reference of the Board committees include, but are not limited to, the role of the committee, the requirements for its constitution, the duration of its membership, the duties and powers of its members and its operating procedures.

The requirements relating to independent and non-executive members in the composition of the Audit Committee and the Nomination and Remuneration Committee as provided in the terms of reference of these committees have been complied with.

### **C. Internal Control**

The Board of Directors has established an internal control system in the form of an internal control policy. This system aims to assess the methods and procedures of risk management, ensure proper application of the Governance Resolution, comply with applicable laws and regulations and internal policies, and review the financial information used in the preparation of the Company's financial statements. The Audit Committee assists the Board in overseeing the application of the internal control system, and the Internal Control Department coordinates the day-to-day operations related to this system.

The internal control policy requires that the Board of Directors periodically review the Company's internal control system.

### **D. External Audit**

The external auditor is selected in accordance with the requirements of the Governance Resolution, the AOA and the applicable laws and regulations.

Once the general meeting approves the appointment of auditors, the Audit Committee informs the external auditors of the conditions and restrictions related to their tasks, considering the requirements of the Governance Resolution.

### **E. Code of Professional Conduct**

The Company adopted a code of professional conduct outlining the ethical standards of the Company, its duties toward different stakeholders, its due diligence obligations and its commitment towards compliance with all relevant laws and regulations.

Members of the Board of Directors, employees and internal auditors abide by these rules in the performance of their duties.

### **F. Policy for dealing in securities issued by the Company**

The Board of Directors established a policy governing all dealings in securities issued by the Company by Board members and employees to ensure compliance with applicable laws and regulations.

This policy requires Board members and employees to comply with the restrictions on dealing in securities, outlines the disclosure requirements related to permitted transactions and clarifies the prohibited acts in accordance with the provisions of such policy.

### **G. Policy Outlining Shareholders' Rights**

The Board of Directors established a policy clarifying the shareholders' rights including those certain rights provided by applicable laws and regulations and the rights stated in the AOA.

The purpose of this policy is to enable and encourage the shareholders to exercise their rights effectively.

## H. Disclosure Committee

A Disclosure Committee has been established by the Company comprising senior members of the management team. The objectives of the Disclosure Committee are to develop systems to ensure compliance with applicable laws and regulations related to disclosure, upholding the Company's image, providing transparency to the Company's current and future shareholders and other stakeholders and preventing exploitation of the stock market.

## 2- Statement of ownership and transactions of Board of Directors (Board) members and their spouses, their children in the company securities during 2019:

There are neither ownership nor transactions for the Board members or their spouses or children in the Company's securities during the year of 2019.

## 3- Composition of the Board of Directors:

### a. The Board of Directors of the Company consists of seven members (7) as follows:

Name/Designation	Category (Executive/Non-Executive, Independent/Non-Independent)	Memberships and Positions in Other Joint Stock Companies (in UAE) and Government Entities	Date of Appointment
<b>Mr. Mohammed Alabbar</b> Chairman	Executive, Non-Independent	1. Emaar Properties PJSC – Chairman 2. Emaar Malls PJSC – Board member	<i>Date of Appointment:</i> <u>20 November 2017</u>  <i>Duration of his term as a board member:</i> <u>2 years</u>
<b>Mr. Jamal Bin Theniyah</b> Vice Chairman	Non-Executive, Non-Independent	1. Emaar Properties PJSC – Vice-chairman 2. DP World – Vice-chairman	<i>Date of Appointment:</i> <u>20 November 2017</u>  <i>Duration of his term as a board member:</i> <u>2 years</u>
<b>Mr. Ahmed Jawa</b> Board member	Non-Executive, Non-Independent	1. Emaar Properties PJSC – Board member	<i>Date of Appointment:</i> <u>20 November 2017</u>  <i>Duration of his term as a board member:</i> <u>2 years</u>

<b>Mr. Arif Al Dehail</b> Board member	Non-Executive, Non-Independent	1. Emaar Properties PJSC – Board member	<i>Date of Appointment:</i> <u>20 November 2017</u>
		2. Etihad Rail DB (Abu Dhabi) – Board member	<i>Duration of his term as a board member:</i> <u>2 years</u>
		3. Etihad Rail (Abu Dubai) – Board member	
		4. Emirates General Transport and Services Corporation (Emirates Transport) – Board member	
		5. Dubai Port Authority – CEO	
<b>Mr. Adnan Kazim</b> Board member	Non-Executive, Independent	1. Emirates - Chief Commercial Officer	<i>Date of Appointment:</i> <u>20 November 2017</u>
			<i>Duration of his term as a board member:</i> <u>2 years</u>
<b>H.E. Dr. Aisha Bint Butti Bin Bishr</b> Board member	Non-Executive, Independent	1. Smart Dubai Office – Director General	<i>Date of Appointment:</i> <u>20 November 2017</u>
		2. UAE Artificial Intelligence Strategy – Member	<i>Duration of his term as a board member:</i> <u>2 years</u>
		3. The Computer System Advisory Board – Member	
		4. Higher Colleges of Technology Board of Trustees - Member	
		5. Team for Smart Services and Digital Infrastructure - Member	
		6. Dubai Council Under Government	

## Development Track - Member

<b>Mr. Abdulla Al Awar</b>	Non-Executive, Independent	<ol style="list-style-type: none"> <li>1. Emirates International Accreditation Centre (EIAC) – Board member</li> <li>2. Emirates NBD Real Estate Investment Trust – Oversight Committee member</li> <li>3. Dubai Islamic Economy Development Centre (DIEDC) – CEO</li> </ol>	<i>Date of Appointment:</i> <u>20 November 2017</u>
Board member			<i>Duration of his term as a board member:</i> <u>2 years</u>

### Experience and Qualifications of Board of Directors:

The Members of Board of Directors have the below experience and qualifications:

#### H.E. Mohammed Alabbar, Chairman:

Founder & Chairman of Alabbar Enterprises <https://www.alabbarenterprises.com/>

and Emaar Properties <https://www.emaar.com/>

Founder & Director of Noon.com <https://www.noon.com/>

Chairman of Eagle Hills <https://www.eaglehills.com/>

and Americana Group <https://americana-group.com/>

Mr. Mohamed Ali Rashed Alabbar is a global entrepreneur with active interests in real estate, retail, hospitality, e-commerce, technology, logistics, F&B and venture capital.

Since 1997, he has been at the forefront of global real estate, leading marquee real-estate development companies such as Emaar Properties (developer of world's tallest building) and Eagle Hills (leading emerging markets real estate developer). He has spearheaded the growth of Emaar Properties attaining unmatched track record of successfully developing iconic futuristic residential, retail, entertainment, hospitality & leisure assets transforming the lifestyles of people globally. Over the years he has developed world-class mixed used projects across 20+ markets of Middle East, North & Sub Saharan Africa, Central & Eastern Europe and South & South East Asia and US.

In addition, he has driven the growth of several regional players into world-renown sector champions including Americana Group (a multibillion-dollar food business, the largest integrated food company in the Middle East), noon.com (the leading e-commerce platform in the region) and Namshi (a pure-player fashion e-commerce firm).

More recently, he has expanded holdings in China with leading mobile transportation platform Didi Chuxing.

Championing emerging technology, he is also spearheading the first mobile only referral and loyalty program utilising blockchain technology it is set to disrupt the current value exchange customers have with the brand.

He has been a trusted partner to strategic investors including sovereign wealth funds, family offices, funds as well as public investors with a strong long-term value creation track record and has nurtured distinctive relationships with housing authorities, regional ministries, global and regional banks and tech companies.

Recognised for his contribution to the industry he has won several accolades including the ‘Arabian Business Achievement Award’ in 2017 and 2014’s ‘Lifetime Achievement Award’, presented to Alabbar by Gulf Business as well as being ranked fifth worldwide as one of ‘Construction Week’s most influential industry leaders’ in 2019

A graduate in Finance and Business Administration from the Seattle University in the US, also holds an Honorary Doctorate from Seattle University, an Honorary Doctorate from London School of Economics and Political Science and an Honorary Doctorate from Sun Moon University in South Korea.

## **Mr. Jamal Bin Theniyah, Vice Chairman:**

Mr. Jamal Bin Thaniah, a 58 years Emirati citizen, holds a bachelor’s degree in public management.

Mr. Bin Thaniah joined Port Rashid in October 1981 and have progressed through the management up until May 1991 when Dubai government merged port Rashid with Jebel Ali port under Dubai Ports Authority (DPA) and he has been appointed as Assistant Managing Director.

In the year 1999, one of the first initiatives of Mr. Thaniah along with DPA chairman in the international port operation market encompassing, Beirut, Djibouti and Jeddah led to the creation of Dubai Ports International (DPI).

In 2001 he has been appointed as a Managing Director to master plan the development of Jebel Ali as one of the biggest terminals in the world increasing its capacity from 20 million TEUs at that time to 50 million TEUs.



In 2004, Bin Thaniah played a major role in the acquisition of Sealand world terminals to give DPI a real international footprint.

Jamal Majid Bin Thaniah is the Co- Founder of DP World, the 4th largest port operator in the world with a capacity of 100 Million TEUs as in the year 2006, DPI conclude the acquisition of P&O Ports to become the 3rd largest port operator in the world and DPW was created to become a real international port operator company worth USD 22 billion.

In 2006 Bin Thaniah has been appointed a Vice Chairman and GCEO of Ports & Freezone world, which include DP World, Freezone world and P&O Ferries until his retirement in January 2017.

In 2008, following the global crisis Bin Thaniah led the restructuring of Dubai World, a conglomerate in the real estate (Nakheel), private equity (Istithmar) and Dry dock world.

Since 2012, Mr. Bin Thaniah sits as an independent member on the board of Directors of Emaar Dubai and having previously served as a board member in different entities.

In Sep 2017, Mr. Bin Thaniah has been elected as a non-executive board member of Emaar the Economic City.

Mr. Bin Thaniah is a common speaker in the international ports and maritime conferences and is amongst few who won 3 international prestigious awards:

In 2006 he won Lloyds list personality of the year,

In 2007 he won the personality off the year by Sea trade,

In 2010 he won the highest lifetime award by sea trade “the lifetime achievement award”.

He is known and well respected by the major international ports’ operators and the shipping lines and has the knowledge of developing large scale port operation and logistic zone including the business knowledge process in the shipping line routs and rotations.

## **Mr. Ahmed Jamal Hassan Jawa, Board member:**

A self-made Saudi Arabian entrepreneur with deep expertise on strategic international investments and corporate governance, Mr. Ahmed Jawa has extensive business interests in oil and gas, healthcare, hospitality, home entertainment and real estate development, in the Middle East, Europe, USA, North Africa and South Asia.

Mr. Jawa is a trusted strategic advisor for major listed companies in the Middle East and internationally and lends insightful guidance on investments that create long-term value.

With a keen eye for next-generation business propositions, he is regarded as a pioneering investor from the Arab world in strategic sectors such as oil and gas, biotechnology and hospitality & real estate ventures.



Mr. Jawa is the Chairman, President & Chief Executive Officer of Starling Holding Limited, an international investment group with diversified investments, including direct deals with *Euro Disney*, as one of its largest shareholders; *Emaar Properties*, the developer of global icons including Burj Khalifa and The Dubai Mall; *RAK Petroleum*, one of the largest oil and gas companies in the Middle East; and *Samumed*, a US-based bio-tech leader in medical research and development for tissue-level regeneration.

He established Starling Holding fresh from college, at a time when the concept of private equity was practically non-existent in the region. His illustrious business career is defined by his strong acumen to identify high-value growth opportunities, and his commitment to the highest standards of corporate governance and transparency.

Mr. Jawa serves on the Board of Emaar Properties and is the Chairman of its Investment Committee and is a member of its Risk Committee, offering strategic support for the company's aggressive global expansion. He is the Chairman of Emaar Turkey and also serves on the board of Emaar Misr in Egypt and is the Chairman of its Audit Committee and is a member in its Investment Committee.

Mr. Jawa also serves on the Board of Emaar, The Economic City, the developer of the largest of its kind masterplanned community in the region, the King Abdullah Economic City, in Saudi Arabia and is a member of its Nomination & Remuneration Committee Emaar, The Economic City, listed on the Saudi Tadawul exchange.

He is also on the Board of RAK Petroleum, an Oslo Børs-listed oil and gas investment company and serves as the Chairman of its Audit Committee.

Mr. Jawa is also a Board Member of the newly spun off Emaar Development publicly traded on Dubai Financial Market and he is also a member of the Investment and Nomination Committees.

Mr. Jawa has an extensive breadth of corporate leadership expertise, having served as Chairman of Disney Jawa Enterprises, which introduced a range of Walt Disney licensed products to the Middle East region. He was the Chairman & CEO of Stallions Home Video, which redefined home entertainment in the region, and Coflexip, a joint venture with France's Elf Aquitaine, to lay underwater pipes for crude oil distribution.

His visionary thinking, expertise, professionalism and contribution to international business was underscored at the World Economic Forum in Davos, Switzerland, where he was honoured as one of the 'Global Leaders of Tomorrow.'

Mr. Jawa holds a Master's in Business Administration (MBA) and a Bachelor of Science in Business Administration, both from the University of San Francisco. He is fluent in Arabic, English and French.

**Mr. Arif Obaid Al Dehail, Board member:**

Mr. Arif Obaid Al Dehail currently serves as Chief Executive Officer of Dubai Port Authority - Ports, Customs and Free Zone Corporation since January 2017.

Mr. Al Dehail has extensive experience in international ports and terminal operations and management through his vast knowledge and leadership during his 28 years in port and maritime industry.

He has held several leading positions in ports and maritime sector such as Chairman and CEO of P&O Ports between year 2014 & 2016, also in regulatory arm of Ports, Customs & Free zone Corporation as CEO of the Department of Planning & Development between year 2012 & 2016. Also in DP World as Assistant Managing Director of DP World - UAE Region, and prior to that, Senior Vice President - DP World, Global Operations & Engineering and Acting Senior Vice President & Managing Director for Africa region. He also served on several key roles in DP World and Dubai Ports Authority as Chief Operating Officer of DP World - UAE Region.

Al Dehail has worked on several key projects in the UAE and internationally within the portfolio of DP World. He was actively involved in the master plan development of Jebel Ali port and future terminal phases planning for port expansion. He was a board member at DP World in Sukhna - Egypt in 2008. He was recognized as a valued contributor in the successful integration of DPA, DPI & CSXWT as well as P&O company merger in 2007.

Additionally, Mr. Al Dehail is a board member of various companies such as a board member of Etihad Rail – UAE, Etihad Rail DB (Rail Operator of stage 1), Emirates Transport and DP World UAE region.

Al Dehail holds a Bachelor's degree in Geo-Economics from UAE University -1989, and holds Diplomas in Ports and shipping Management from Singapore Port Authority and University of Delaware - USA; and a Diploma in International Program in Port Planning and Management jointly organized by University of New Orleans – Louisiana USA, and Port of New Orleans, Louisiana, and he has a Diploma- SEPME (Senior Executive Program) from Harvard Business School, Boston USA -2004 , and successfully completed Government of Dubai leadership program – Sheikh Mohammed Bin Rashid Leadership Program – Dubai School of Government.

**Mr. Adnan Kazim, Board member:**

Adnan Kazim is currently the airline's Chief Commercial Officer reporting to the President Emirates Airline.

He leads Emirates' Commercial Operations across the airline's vast network of nearly 160 destinations in 86 countries including major departments in Dubai such as e-Commerce, Retail & Contact Centres, the Emirates Skywards loyalty programme and Emirates SkyCargo.

He also heads the airline's Strategic Planning and Revenue Optimisation teams, which are critical functions and his teams play an integral role that support the airline's commercial success.

Adnan joined Emirates in 1992. His career graph rose quickly, and he went on to successfully lead the airline's commercial regions being appointed in senior management roles that included Senior Vice President Gulf, M.E. & Iran and Senior Vice President Africa.

His vast experience helped him transition into a leadership role to shape the airline's strategy of growth in the areas of fleet planning, market expansion and governmental relations. He most recently held the role of Divisional Senior Vice President, Strategic Planning, Revenue Optimisation & Aeropolitical Affairs.

Adnan graduated at the Al Ain University, UAE.

Adnan is on the Board of Emirates Airline Foundation, a non-profit charity organisation which aims to improve the quality of life for children and the dignity of children caught in extreme poverty worldwide.

**H.E. Dr. Aisha Bint Butti Bin Bishr, Board member:**

Dr. Aisha Bint Butti Bin Bishr is the Director General of the Smart Dubai Department, the government entity entrusted with Dubai's city-wide smart transformation by His Highness Sheikh Mohammed Bin Rashid Al Maktoum, Vice President and Prime Minister of the UAE, Ruler of Dubai.

In addition to her responsibilities at the Smart Dubai Department, Her Excellency is a member of the Dubai Council under the Government Development Track and was named Chairperson of the Dubai Council for the Future of Digital Transactions. Part of the Dubai Future Councils initiative, the Council is a futuristic platform launched by His Highness Sheikh Hamdan Bin Mohammed Bin Rashid Al Maktoum, Crown Prince of Dubai and Chairman of the Dubai Executive Council, to assess and develop the future of key industry sectors in Dubai over the next 50 years. Dr. Aisha also heads The Council of Happy Cities (part of the World Happiness Council), is the Chairperson

of the SDG 11 Global Council, and is the only woman from the Middle East to be a member of the Gartner Global CIO Research Board.

Additionally, Her Excellency serves as a member of the World Economic Forum's Global Future Councils and The Fourth Industrial Revolution's Smart Cities Readiness Index Team – an initiative also led by WEF. Her Excellency is also a Board Member at the Higher Colleges of Technology, UAE, and a member of the Board and the Audit Committee of Emaar Development P.J.S.C.

The Smart Dubai Director General is also member of the board at the UAE AI Council, the Computer System Advisory Board, the Leadership Team for Smart Services and Digital Infrastructure, the Advisory Board of the College of Computing and Informatics at the University of Sharjah, the University of Wollongong, and the World Happiness Council.

Dr. Aisha leads the creation of 'The Smart City Index' – the first-ever benchmark for smart city implementation across the globe, in cooperation with the International Telecommunication Union and the United Nations. As an acclaimed digital transformation and smart cities thought leader globally, Dr. Aisha represents Smart Dubai in the City Protocol Society, Smart City Expo World Congress, and GSMA Mobile World Congress.

Prior to her current role, Dr. Aisha served as Assistant Director General of The Executive Office and Assistant Undersecretary of the UAE Ministry of Labour during her illustrious career. Throughout her 25-year experience in ICT development, Dr. Aisha committed herself to humanising digital transformation, from developing technologies to transforming human experiences. With the distinction of being the first female executive to lead the transformation of a smart city globally, she has laid a robust foundation for upcoming talent and inspires youth towards nation building.

## Education

Dr. Aisha holds a PhD in Management, Science, Technology and Innovation and an MPhil in Policy and Research on Engineering, Science and Technology from The Manchester Business School. She is also a graduate of the 'Young Leaders' programme organised by the Sheikh Mohammed Bin Rashid Centre for Leadership Development.

## Awards

The incredible work of Dr. Aisha is recognised globally. She has received numerous accolades which include, 'Excellence in Strategic Leadership Award 2017' by Entrepreneur Middle East's Enterprise Agility Awards; Leadership in Digital Transformation by .GOV, 'Outstanding Alumni Award 2017' from The University of Manchester ME Centre; 'Woman In Government' Award at the Arab Women Awards 2016, 'Woman in Public Sector Award' from Global Women in

Leadership Economic Forum 2015; ‘Community Service Medal 2013’ by Lt. General HH Sheikh Saif Bin Zayed Al Nahyan, Deputy Prime Minister and Minister of Interior ; and the ‘Middle East Woman Leader in Corporate Management Excellence 2012’ by Middle East Women Leaders Excellence Awards.

In addition, she has been honoured by the Swedish Embassy, Trade Council, and Ericsson, in recognition of her role in implementing the Smart City Vision of Dubai’s leadership. In February 2020, Dr. Aisha was recognised as one of the Middle East’s Top 10 most powerful businesswomen by Forbes Middle East.

## **Mr. Abdulla Mohammed Al Awar, Board member:**

Abdulla Mohammed Al Awar is the CEO of Dubai Islamic Economy Development Centre (DIEDC). In this capacity, he oversees the Centre's work and collaborates closely with DIEDC’s multiple stakeholders to implement the ‘Dubai: Capital of Islamic Economy’ strategy through enabling private and public sector organisations to innovate and promote sharia-compliant economic products and services ranging from Islamic finance to halal food and lifestyle, among others.

Prior to his current role, Al Awar was the CEO of Dubai International Financial Centre (DIFC) from 2009 to 2012. During his eight-year tenure with DIFC that saw him hold various executive positions, he leveraged his exceptional skills in strategic planning, operational management and financial control to help develop DIFC into a global financial hub.

Under his strategic leadership, DIFC was ranked as the leading financial centre in the region for the years 2009-2012, demonstrating an average 13% client growth year-on-year, as well as improved efficiency and performance.

Al Awar has served as member of several committees and boards in Dubai including the Economic Committee of the Executive Council of Dubai, Dubai Free Zones Council, Bourse Dubai and the Investment Committee of the Emirates NBD Real Estate Fund.

He is also currently a member of the Board of Directors of Emaar Development PJSC and a member of Oversight Committee at the Emirates NBD Real Estate Investment Trust (ENBD REIT) since 2017. In 2016, he became a member of the Board of Directors of the Emirates International Center for Accreditation (EIAC).

He holds a Bachelor of Science degree in Business Administration from the University of Colorado at Boulder, US. He is also a graduate of the Mohammed Bin Rashid Program for Leadership

Development, an executive education program conducted in affiliation with Cranfield University, UK, IMD and INSEAD.

**b. A clarification on women's representation in the Board of Directors in 2019:**

H.E. Dr. Aisha Bint Butti Bin Bishr represents women in the Board of Directors for the year 2019 and was appointed by the constitutive general meeting of the Company on 20 November 2017.

The Company further confirms its continuous support and commitment to provide equal opportunities to women. The Company has always believed in the capabilities, skills and expertise of women and this was demonstrated through the appointment of women in the highest positions within the management of the Company.

**c. Remuneration and allowances for attending committee meetings:**

**1- Total remuneration paid to members of the Board of Directors for the year 2018:**

The total remunerations paid to non-executive members of the Board of Directors for the year 2018 are six hundred fifty thousand UAE Dirhams (AED 650,000) for each non-executive member (including the Vice Chairman), in addition to one million UAE Dirhams (AED 1,000,000) to the Chairman, as approved by the annual general meeting of the Company.

**2- Total remuneration proposed to be paid to members of the Board of Directors for the year 2019:**

The Board of Directors propose six hundred fifty thousand UAE Dirhams (AED 650,000) for each non-executive member of the Board of Directors and one million UAE Dirhams (AED 1,000,000) for the Chairman as the remuneration to be paid to them for the year 2019, subject to approval by the annual general meeting of the Company. If the annual general meeting of the Company approves the payment of the proposed remuneration, fifty percent (50%) of the remuneration will be paid at the time of the approval while the remaining fifty percent (50%) will be paid before the end of December 2020.

**3- Allowances paid to Board members during the year 2019 for attending meetings of Board committees:**

It was decided to pay an amount of two hundred fifty eight thousand UAE Dirhams (AED 258,000) as allowances for attending meetings of the Board committees for the year 2019 as shown in Annex B-1, at the rate of twelve thousand UAE Dirhams (AED 12,000) per meeting for chairmen of committees and ten thousand UAE Dirhams (AED 10,000) per meeting for members of the committees. No allowances will be paid to any executive Board member for attending meetings of committees. Allowances were distributed as shown in Annex B-1.

- 4- Details of the additional allowances, salaries or fees received by a Board member other than the allowances for attending the committees and their reasons:

There are no additional allowances, salaries or fees received by a Board member other than the allowances for attending the committees.

**d. Number of Board Meetings held during the year of 2019:**

The Board of Directors held five (5) meetings during the fiscal year of 2019 on the following dates to discuss matters that do not require disclosure as per the relevant disclosure and transparency regulation issued by the Securities and Commodities Authority, other than the board meeting held on 20 March 2019 held to discuss the financial results of 2018 and to invite the annual general assembly to convene:

- 20 March 2019
- 23 April 2019
- 17 July 2019
- 17 October 2019
- 10 December 2019

The personal attendance of Board members is indicated in Annex (B-2) attached to this report.

**e. Number of the Board resolutions passed by circulation during the 2019 fiscal year, along with convening dates:**

The Board of Directors issued four (4) resolutions by circulation during the Fiscal Year 2019, which were held on the following dates regarding matters that do not require disclosure as per the relevant disclosure and transparency regulation issued by the Securities and Commodities Authority:

- 23 May 2019
- 30 July 2019
- 19 August 2019
- 10 December 2019

**f. Delegation of Authority:**

The Board of Directors delegated to the executive management powers relating to various matters such as the powers to approve construction contracts, consultancy services, operating expenses and banking transactions within certain financial limits. This delegation of powers is reviewed each year.



**g. Related Party Transactions:**

The Company has not entered into any transaction with related parties in accordance with the definitions provided for these terms in the Governance Resolution. Annex (K) attached to this report provides the key related party transactions as such term is defined in the International Financial Reporting Standards (IFRS) and which are already reflected in the consolidated financial statements for the year 2019, and carried out during the year in the normal course of business on the terms agreed between the parties.

**h. Organizational structure of the Company:**

Please refer to Annex C attached to this report which includes the Company's organizational structure as of 31 December 2019.

**i. Senior Executive Employees:**

Please refer to Annex D attached to this report which includes a list of the Company's senior executive employees, date of appointment, total salaries and allowances paid in 2019.

**4- External Auditor:**

**a) Brief Background on the External Auditor:**

KPMG is a global network of independent member firms offering audit, tax and advisory services. KPMG member firms operate in 147 countries, collectively employing more than 219,000 people. KPMG Lower Gulf Limited is a provider of audit, tax and advisory services to a broad range of domestic and international clients across all sectors of business and the economy. KPMG Lower Gulf Limited has been operating in the UAE for more than 40 years through its offices in Abu Dhabi, Dubai and Sharjah, which together comprise more than 100 partners and directors and over 1,300 employees.

In addition to its presence in the UAE and Oman, KPMG is widely represented in the Middle East for more than 50 years and has offices in the UAE, Bahrain, Egypt, Jordan, Kuwait, Lebanon, Oman, Palestine, Qatar, and Saudi Arabia, with more than 8,000 employees in the Middle East.

KPMG was the first major firm of its kind to organize itself along industry lines – a structure which enabled them to develop in-depth knowledge of their clients' businesses and to provide them with an informed perspective. Over the years, KPMG has developed specialist industry and discipline groups to meet client requirements for professional advisors who understand and are experienced in a wide variety of business fields. KPMG have significant experience across key geographic areas and are engaged with leading industry players on a range of issues critical to the future of their industries. In addition to having many of the Middle East's leading

organizations and government-related entities as its clients, KPMG in the Lower Gulf has been party to numerous milestone engagements in the region.

**b) Audit Fees:**

A table is attached to this report (Annex A) showing the total fees and costs related to the audit and other services provided by external auditors, including the details and nature of the services provided, and a statement of the other services provided by external auditors other than the Company's auditor in 2019, in addition to the number of years served as an external auditor of the Company.

**c) A clarification of any qualified opinion provided by the Company's external auditor:**

The auditor's report did not provide any qualified opinion regarding the interim or annual financial statements for the year 2019.

**5- Audit Committee:**

- a) Mr. **Abdulla Al Awar**, as the Chairman of the Audit Committee, acknowledges his responsibility for the committee's system in the Company, for reviewing its working mechanism and for ensuring its effectiveness.

**b) Composition and Functions:**

The composition of the Company's Audit Committee during the year 2019 was as follows:

- 1- Mr. **Abdulla Al Awar** (chairman).
- 2- H.E. Dr. **Aisha Bint Butti** (member)
- 3- Mr. **Jamal Bin Theniyah** (member)

The committee has many functions, including developing and implementing the policy for appointment of external auditor and following up and monitoring its independence, as well as discussing the nature and scope of the audit process and its effectiveness in accordance with the applicable auditing standards. It also monitors the integrity of the Company's financial statements and reports, considers any significant and/or unusual items that are or must be included in these reports, and reviews the financial controls, internal controls and risk management systems, as well as the Company's financial and accounting policies and procedures.

The Audit Committee oversees the Company's compliance with the code of professional conduct, ensures the proper discharge of its duties as set out in its terms of reference in accordance with the powers entrusted to it by the Board. The Audit Committee established practical tools to enable the employees to report any potential violations related to financial reports, internal controls or other violations and takes the necessary actions in this regard; it also reviews and approves related party transactions in accordance with the policies adopted by the Board in this regard.

**c) Meetings and Attendance:**

The committee held its meetings during 2019 to discuss matters relating to financial statements and other matters as follows:

- 12 February 2019
- 5 March 2019
- 29 April 2019
- 30 July 2019
- 27 October 2019

The personal attendance of the members of the committee is shown in Annex (B-1) attached to this report.

**6- Nomination and Remuneration Committee:**

- a) H.E. Dr. **Aisha Bint Butti**, as the Chairman of the Nomination and Remuneration Committee, acknowledges her responsibility for the committee's system in the Company, for reviewing its working mechanism and for ensuring its effectiveness.

**b) Composition and Functions:**

The composition of the Company's Nomination and Remuneration Committee during the year 2019 was as follows:

- 1- H.E. Dr. **Aisha Bint Butti** (chairman)
- 2- Mr. **Ahmed Jawa** (member)
- 3- Mr. **Adnan Kazim** (member)

The committee's principal role consists of reviewing several issues, including, but not limited to, monitoring the independent status of independent board members on a continuing basis, setting out the policy for granting bonuses, benefits, incentives and salaries to Board members and employees, determining the Company's requirements for various skills and competencies, preparing the Company's policies on human resources and regulating and organizing and monitoring the procedures for nomination of Board members.

**c) Meetings and Attendance:**

The committee held its meeting during 2019 as follows:

- 17 March 2019

The personal attendance of the members of the committee is shown in Annex (B-1) attached to this report.

## 7- Investment Committee:

- a) Mr. **Mohamed Ali Alabbar**, as the Chairman of the Investment Committee, acknowledges his responsibility for the committee's system in the Company, for reviewing its working mechanism and for ensuring its effectiveness.

### b) Composition and Functions:

The composition of the Company's Investment Committee during the year 2019 was as follows:

- 1- Mr. **Mohamed Ali Alabbar** (chairman)
- 2- Mr. **Ahmed Jawa** (member)
- 3- Mr. **Adnan Kazim** (member)
- 4- Mr. **Arif Al Dehail** (member)

On 10 December 2019, Mr. **Jamal Bin Theniyah** was added as a member of the Investment Committee.

The committee's principal role consists of reviewing several issues, including, but not limited to, the company's new investments, feasibility studies and related financing transactions.

### c) Meetings and Attendance:

The committee held its meetings during 2019 as follows:

- 20 March 2019
- 23 April 2019
- 23 May 2019

The personal attendance of the members of the committee is shown in Annex (B-1) attached to this report.

## 8- Committee for Monitoring Insiders Trading:

- a) Mr. **Jamal Bin Theniyah**, as the Chairman of the Committee for Monitoring Insiders Trading, acknowledges his responsibility for the committee's system in the Company, for reviewing its working mechanism and for ensuring its effectiveness.

### b) Names of members of the Committee for Monitoring Insiders Trading, its scope of work and responsibilities

The members of the committee are Mr. **Jamal Bin Theniyah** (Vice Chairman) and Mr. **Bader Hareb** (Chief Executive Officer). The committee is responsible for managing, monitoring and supervising trading and ownership of securities of the Company by insiders, maintaining a register of their names and submitting periodic statements and reports to the stock market.

**c) Summary of the Committee's activities report for 2019**

The committee prepared and updated the register of insiders and informed the individuals named in the register about the requirements to comply with the insiders trading policy and requested them to ensure compliance with these requirements and to notify the committee when they trade in the Company's shares.

**9- Internal Control System:**

The Internal Control Department performs the internal control function under the supervision of the Audit Committee and the directions of the Board of Directors. The Department follows the rules governing the Company's internal control activities. The Board of Directors acknowledges its responsibility for the Company's internal control systems, for reviewing its methods of operation and confirms its effectiveness.

The goal of the Internal Control Department is to provide independent and objective assurances to deliver an added value and to improve the company's operations and internal controls. Mr. **Irfan Sadiq** has been the Director of the Internal Control Department since his appointment on 1 August 2014, and he is also the compliance officer of the Company and holds the following qualifications:

- 1- Chartered Certified Accountant (FCCA), United Kingdom.
- 2- Certified Public Accountant (CPA), United States of America.
- 3- Chartered Professional Accountant (CPA), Canada.
- 4- Certified Internal Auditor (CIA), United States of America.
- 5- Certified Fraud Examiner (CFE), United States of America.

The Internal Control Department assists the Company in achieving its objectives by following a systematic and disciplined approach to assess and improve the efficiency of risk management and control and governance processes.

In the event of material violations falling within the scope of the Internal Control Department or identification of issues that must be disclosed in the annual reports, a report will be prepared regarding the matter and submitted to the Audit Committee which will take the necessary measures to deal with each of these cases, including requesting the management to provide the necessary clarifications or to take the necessary measures to deal with these cases.

During 2019, the Audit Committee received reports and memorandums from Internal Control Department on operational effectiveness, financial reporting and compliance with the Company policies including applicable laws and regulations. The Audit Committee is assisting the Board of Directors in overseeing the application of internal control systems and presented the Internal Control Department's reports and memorandums for the records of the Board. The number of audit reports and memorandums issued to the Audit Committee are 26 reports.

## 10- Violations:

The Company did not commit significant violations of the Governance Resolution during 2019.

## 11- Local community development and environmental conservation:

The Company contributed to number of initiatives related to the development of the local community, such as:

- In cooperation with Dubai Health Authority, a blood donation campaign was organized for two days at "Emaar Square".
- Emaar participated in "Dubai Fitness Challenge" initiative launched by His Highness Sheikh Hamdan Bin Rashid Al Maktoum. Emaar launched a competition to motivate employees to participate in the challenge and to download the Dubai Fitness app. The employee ranks first on our leaderboard after the 30-day challenge wins a night of free stay at Armani Hotel Dubai. And those who are part of the Top 20 Ranking receives fun giveaways from #FitEmaar team. As for all employees who participated in the challenge and have 30 calendar stamps on their Fitness profile, they qualify to enter a raffle draw to win a night of free stay in one of the Address hotels.
- The Company organized "A Pack to Give Back" campaign worth AED 199,950.74, including 10,000 packs containing essential items distributed to our laborers.
- During Ramadan, the Company distributed 500 Iftar meals to our laborers.
- Participating in the "Earth Hour" initiative in cooperation with Dubai Electricity and Water Authority (DEWA), by reducing the use of electricity for one hour to save energy.

## 12- General Information:

- a. Please refer to Annex E of this report for information on the Company's share price in the financial market at the end of each month during year 2019.
- b. Please refer to Annex F regarding the comparative performance of the Company's shares as opposed to the market index and the sector index to which the company belongs, during year 2019.
- c. Please refer to Annex G for categories of shareholders as of 31 December 2019.
- d. There are no shareholders holding 5% or more of the company's capital, except for **Emaar Properties PJSC**, which owns 79% of the share capital of the Company as of 31 December 2019 by way of owning 3,160,000,000 shares.
- e. Please refer to Annex H for categories of shareholders by reference to the size of their percentage shareholding as of 31 December 2019.
- f. Please refer to Annex I for the significant events that took place in the Company in 2019.

- g. Emiratization percentage in the Company at the end of 2017, 2018, 2019 is as follows:
- 2017: **N/A**
  - 2018: **5.02%**
  - 2019: **7.52%**
- h. Please refer to Appendix J for the list of innovative projects and initiatives implemented by the Company or which were under development during 2019.
- i. Investor Relations Guidelines:
- The name and contact information of the Investors' Relations Manager:
- Mr. Faisal Falaknaz**
- Contact Information:
- o Tel No.: 04 367 3487
  - o Email: investor-relations@emaar.ae
- The Investor Relations webpage link on the Company's website:
- o Link: <https://www.emaar.com/en/investor-relations>
- j. Special Resolutions presented to the Annual General Meeting held in 2019 and the procedures taken in relation to the same:**
- No special resolutions were presented to the Annual General Meeting held in 2019.
- k. The name of the Board Secretary and the date of his appointment:**
- Mr. **Ayman Hamdy** and Ms. **Rana Matar** were appointed on 20 November 2017 as Board Secretary and Assistant Board Secretary respectively.
- Mr. Ayman Hamdy**
- Group Chief Legal Officer of the Group.
- Mr. Ayman Hamdy joined Emaar in 2006.
- He is responsible for establishing the Emaar Group's legal strategy, overseeing its legal and governance functions, securing legal protection for the company's assets, structuring major transactions and supervising the implementation of the company's bylaws, policies and regulations.
- Mr. Hamdy started his career with one of the largest law firms in Egypt, working on international business transactions and foreign investment matters. He served as a public prosecutor for three years before joining Unilever in Dubai as their Regional Head of Legal.
- Mr. Hamdy studied law in Egypt, France and the United States. He holds an LL.M. in US Law from the law school of Washington University in St. Louis.



**Mrs. Rana Mattar**

Director Legal and Assistant Company Secretary - Emaar Properties PJSC

Rana joined the corporate legal department of Emaar in March 2008 and is assisting on company secretary matters for the Group. Rana started her career in 2000 with Abousleiman & Partners one of the leading law firms in Lebanon. She joined the inhouse legal department of BankMed in Lebanon in 2005 before relocating to Dubai. Rana studied law in Lebanon, France and the United States. She holds an LL.M. in Business Law from USJ – Panthéon-Assas Paris II and will graduate in March 2020 with an LL.M. in US Law from Washington University in St. Louis, USA. Rana is a member of the Lebanese Bar Association and a certified company secretary from Hawkamah.

<hr/> <b>Mohamed Ali Alabbar Chairman</b>	<hr/> <b>Abdulla Al Awar Audit Committee Chairman</b>	<hr/> <b>H.E. Dr. Aisha Bint Butti Nomination and Remuneration Committee Chairman</b>	<hr/> <b>Irfan Sadiq Internal Audit Department Director</b>
<b>Date: .../.../ 2020</b>	<b>Date: .../.../ 2020</b>	<b>Date: .../.../ 2020</b>	<b>Date: .../.../ 2020</b>

**Annex (A)**

**Audit fees Table Report**

<b>Name of the audit firm and partner auditor</b>	Emilio Pera - KPMG
<b>Number of years served as external auditor of the Company</b>	1 year
<b>Total audit fees for 2019 (in AED)</b>	AED 250,000
<b>Fees and costs of other special services other than auditing the financial statements for 2019 (in AED)</b>	AED 174,000
<b>Details and nature of other services provided</b>	Professional fees incurred in relation to review of financial statements for the period ended 30 June 2019 and 30 September 2019.
<b>Statement of other services that an external auditor other than the company accounts auditor provided during 2019</b>	<p><b>Auditor name: Ernst &amp; Young</b> Details of provided services: Professional fees incurred for reviewing the financial statements for the period ended 31 March 2019: <b>AED 104,450.</b></p> <p><b>Auditor name: PWC</b> Details of provided services: Represents audit fees for 2019 of Dubai Hills Estate LLC: <b>AED 111,659.</b></p>

## Annex (B-1)

### Board members' attendance to the committee meetings and the allowances<sup>1</sup> paid to the Board members for the year 2019

Name	Nomination & Remuneration		Audit Committee		Investment Committee	
	Attendance	Allowance	Attendance	Allowance	Attendance	Allowance
1 H.E. Mohamed Alabbar	-	-	-	-	-	-
2 Mr. Jamal Bin Theniyah	-	-	5	50,000	-	-
3 Mr. Ahmed Jawa	1	10,000	-	-	3	36,000
4 Mr. Abdulla Al Awar	-	-	5	60,000	-	-
5 H.E. Dr. Aisha Bint Butti Bin Bishr	1	12,000	2	20,000	-	-
6 Mr. Arif Al Dehail	-	-	-	-	3	30,000
7 Mr. Adnan Kazim	1	10,000	-	-	3	30,000

- All meetings were attended in person and there was no attendance by proxy.

<sup>1</sup> Allowances amount in AED

**Annex (B-2)**

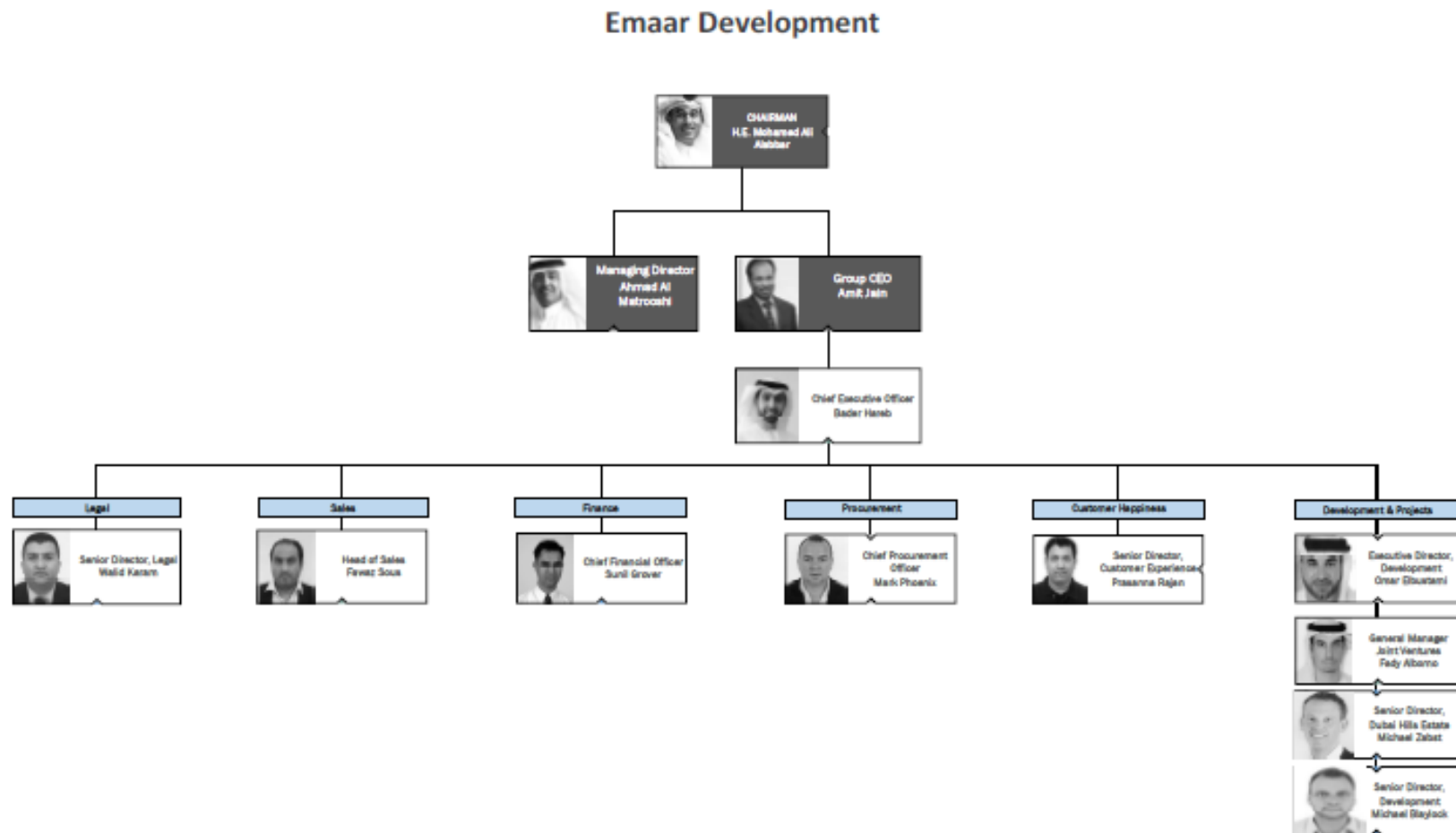
**Attendance of Board Meetings**

Name	Attendance
<b>H.E. Mohamed Alabbar</b>	4
<b>Mr. Jamal Bin Theniyah</b>	4
<b>Mr. Ahmed Jawa</b>	5
<b>Mr. Abdulla Al Awar</b>	5
<b>H.E. Dr. Aisha Bint Butti Bin Bishr</b>	4
<b>Mr. Adnan Kazim</b>	5
<b>Mr. Arif Al Dehail</b>	5

- All meetings were attended in person and there was no attendance by proxy.

## Annex C

### Organizational Structure of the Company as of 31 December 2019



## Annex D

### Senior Executive Employees

SN	Position	Date of Appointment	Total Salaries and Allowances paid in 2019 (AED)	Total Bonuses paid in 2019 (AED)	Any other Cash/in-kind benefits for 2019 or payable in the future
1	Chief Executive Officer	20 August 2017	2,922,289	1,344,168	945,314
2	Chief Financial Officer	26 March 2000	1,471,040	470,236	304,277
3	General Manager Joint Ventures	5 September 2004	1,501,870	498,588	238,919
4	Senior Director, Legal	8 April 2007	1,262,899	347,076	173,538
5	Executive Director, Development	23 July 2017	1,447,421	511,830	146,412
6	Senior Director, Customer Experience	20 March 2018	1,242,819	289,485	198,824
7	Head of Sales	24 June 2018	5,229,759	None	None
8	Chief Procurement Officer	04 November 2018	1,827,227	None	204,819
9	Senior Director, Dubai Hills Estate	17 February 2019	1,194,681	None	79,750
10	Senior Director, Development	31/Mar/2019	1,416,000	None	None



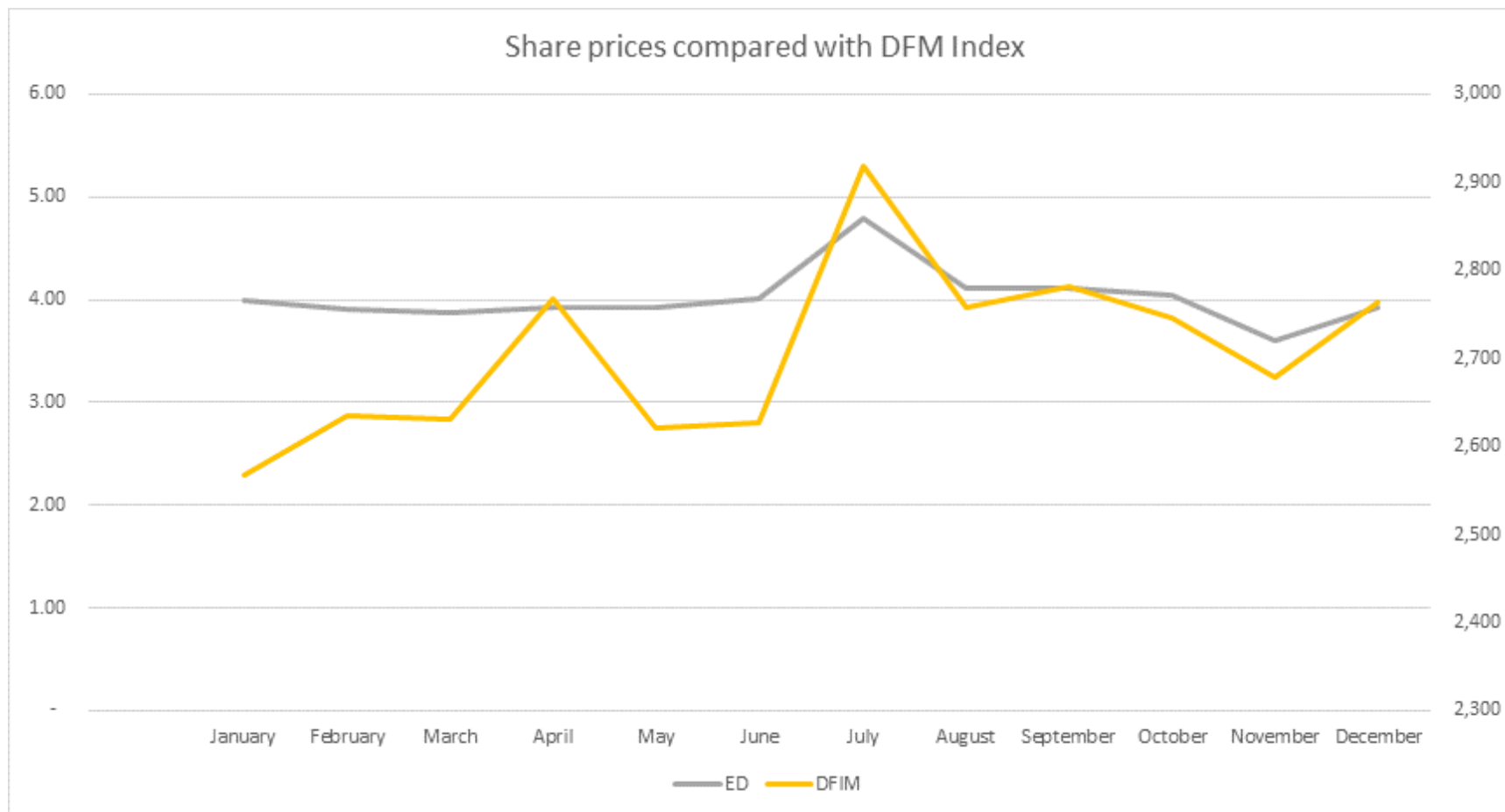
**Annex E**

**Company Share Price in the Market (Closing Price, Highest Price, Lowest Price) at the end of each month during the year 2019.**

<b>2019</b>	<b>Highest price</b>	<b>Lowest price</b>	<b>Closing price</b>
<b>January</b>	4.47	3.70	4.00
<b>February</b>	4.29	3.26	3.90
<b>March</b>	4.05	3.26	3.88
<b>April</b>	3.96	3.74	3.92
<b>May</b>	3.95	3.47	3.92
<b>June</b>	4.18	3.84	4.01
<b>July</b>	4.91	3.91	4.80
<b>August</b>	4.80	4.09	4.11
<b>September</b>	4.23	4.08	4.12
<b>October</b>	4.16	3.96	4.05
<b>November</b>	4.05	3.48	3.60
<b>December</b>	3.95	3.50	3.92

## Annex F

**Comparative performance of the Company's shares with the market index and the sector index to which the Company belongs during 2019**



## Annex G

**Categories of Shareholders as of 31 December 2019 (Individuals, Companies and Governments) classified as follows: UAE, GCC, Arab, foreign**

Shareholder Category	Percentage of Shares Owned			Total
	Individual	Companies	Government	
<b>UAE</b>	2.7715%	88.3216%	0.3688%	91.4619%
<b>GCC</b>	0.0894%	1.4904%	None	1.5798%
<b>Arab</b>	0.2144%	0.012%	None	0.2264%
<b>Foreign</b>	0.1251%	6.24%	0.3670%	6.7321%
<b>Total</b>	<b>3.2004%</b>	<b>96.064%</b>	<b>0.7358%</b>	<b>100%</b>

**Annex H**

**Categories of Shareholders According to the Size of their Percentage Shareholding as of 31 December 2019**

<b>Share(s) Owned</b>	<b>Number of Shareholders</b>	<b>Number of Share Held</b>	<b>% of Shares Held of the Capital</b>
<b>Less than 50,000</b>	1,788	16,053,448	0.401%
<b>From 50,000 to less than 500,000</b>	327	55,803,920	1.395%
<b>From 500,000 to less than 5,000,000</b>	130	219,150,377	5.479%
<b>More than 5,000,000</b>	34	3,708,992,255	92.725%
<b>Total</b>	<b>2,279</b>	<b>4,000,000,000</b>	<b>100%</b>

## Annex I

### Significant Events of the Company during 2019

#### January

- Dubai Hills Estate Partners with DMCC To Offer ‘A Home Office with A Business Licence’ At the New Executive Residences.
- Dubai Creek Harbour Launches ‘Palace Residences’ by Address Hotels + Resorts for Boutique Waterfront Living, With Spectacular Views.
- Following Strong Demand, Emaar Launches Phase II of Expo Golf Villas Near Expo 2020 Site.

#### February

- Emaar Unveils Phase 3 Of Expo Golf Villas, Dubai’s Most Sought-After Community Next-Door to Expo 2020 Site.
- Emaar Unveils Arabian Ranches III, A New Townhouse Community with A Lazy River and Wide Choice of Outdoor Sports Facilities.

#### March

- Following Strong Response to Sun at Arabian Ranches III, Emaar Launches Joy Townhouse Community.

#### April

- Emaar And Elie Saab Announce World Collaboration on Designing Haute Interiors for A Landmark Property in Emaar Beachfront.
- Own Emaar’s Much-In-Demand Expo Golf Villas Located Next-Door to Expo 2020 Site.
- New ‘Creek Edge’ Residences with Waterfront Views, Assuring Strong Returns Unveiled in Dubai Creek Harbour’s Creek Island.
- The 1<sup>st</sup> Annual General Meeting (AGM) of Emaar Development PJSC approves the distribution of one billion forty million UAE Dirhams (AED 1,040,000,000) as dividend to the shareholders, representing 26% of the share capital being 26 fils per share.

#### May

- Emaar and P&O Marinas Launch AED 25 Billion Riviera Style Coastal Destination in The Heart of Dubai.
- Emaar Breaks Ground on Arabian Ranches III, Dubai’s Happiest Family Destination.
- Emaar Development records 51% Growth in sales to AED 5.902 billion (US\$ 1.607 billion) in Q1 2019; sales to international investors up by 123%.

## **July**

- Live by Dubai's Longest Canal Pool at The Luxury Waterfront 'Seashore (Sirdhana By Emaar)' Homes In 'Mina Rashid', The Riviera-Style Coastal Destination.

## **August**

- Emaar Development records 50% growth in sales to AED 9.350 billion (US\$ 2.546 billion) in H1 2019.

## **November**

- Emaar Development Reports Sales of AED 12.525 Billion (US\$ 3.410 Billion) In the First Nine Months Of 2019 Reflecting A Growth Of 25% From the Same Period In 2018.
- Emaar Announces Winners Of 'The Landmark' Design Competition.

## **December**

- Experience Exceptional Waterfront Living at Vida Residences Creek Beach in Dubai Creek Harbour.
- Emaar Reveals the Valley, A New Masterplan Fostering Balanced Community Living.

## Annex J

### Innovative Projects and Initiatives implemented by the Company during 2019

- **Smart Homes**
  - First 3-D printed smart home in the Middle East.
- **Sustainable Energy**
  - Feasibility study of using solar energy and batteries to power Emaar South site operations. Generated cases study to spread awareness across Emaar.
- **Emaar One Application**
  - Home service quote breakdown: Display detailed price breakdown of Home Service quotes so that customers clearly know what they are paying for.
  - Home service geo tracking: Display the live location of the service contractor as they travel to the customer, so that it is clear when they will arrive.
  - Add forms in an App to capture information required from the customer to move into their property. This will stop customers from having to use the Emaar Community Management web portal.
- **HR Artificially Intelligent “Robot”**
  - The Company launches a new robot called “AMBER”; which is in-house exclusive HR Bot with customizable functionality.
    - This robot responds to common questions and transactional service requests
    - Decision making ability to drill down query and provide specific answer to enhance the user experience.
  - The Company launches robot for employees’ sentiment analysis
    - This robot will connect with the employees regularly and help the Talent & Culture team to proactively address issues for employees who may be un happy or disengaged.
    - This robot collects honest feedback from employees, drawing conclusions and reports from what they say and battling unexpected attrition, to help Talent & Culture team to identify employees who intend to leave the company, blueprint detailed behaviors, therefore, help proactively deploy measures to improve retention among employees.
- **Internal Social Pages**
  - **YAMMER:** Internal Social Media channel with over 3,000 subscribers. A big hit with the employees as content creation and sharing of information is much easier with this Social Tool.



## Annex K

### Statement of the Related Parties Transactions in accordance with the International Financial Reporting Standards (IFRS) as listed in the Consolidated Financial Statements of the Company for the year 2019

	<i>2019</i>	<i>2018</i>
	<i>AED'000</i>	<i>AED'000</i>
<b><i>Parent:</i></b>		
Revenue (refer (ii) below)	<b>228,957</b>	243,794
Selling, general and administrative expenses (refer (i) below)	<b>413,489</b>	491,617
Finance cost (refer (iii) below)	<b>78,778</b>	3,427
Net funding movement (refer (iii) below)	<b>2,401,347</b>	353,403
Transfer of development properties	<b>70,028</b>	-
	<b>=====</b>	<b>=====</b>

	<i>2019</i>	<i>2018</i>
	<i>AED'000</i>	<i>AED'000</i>
<b><i>Affiliated entities:</i></b>		
Selling, general and administrative expenses	<b>21,328</b>	10,924
Property development expenses	<b>41,816</b>	136,631
	<b>=====</b>	<b>=====</b>

#### ***Directors, Key management personnel and their related parties:***

Selling, general and administrative expenses	<b>1,114</b>	2,608
	<b>=====</b>	<b>=====</b>

#### **Related party balances**

Significant related party balances (and the consolidated statement of financial position captions within which these are included) are as follows:

	<i>2019</i>	<i>2018</i>
	<i>AED'000</i>	<i>AED'000</i>
<b><i>Parent:</i></b>		
Other assets, receivables, deposits and prepayments (refer (ii) below)	<b>2,419,866</b>	2,230,240
Trade and other payables (refer (i) and (iii) below)	<b>4,139,296</b>	1,999,442
	<b>=====</b>	<b>=====</b>

***Affiliated entities:***

Other assets, receivables, deposits and prepayments	<b>26,441</b>	26,167
Trade and other payables	<b>1,741</b>	9,379
	<hr/> <hr/>	<hr/> <hr/>

***(i) Allocation of corporate expenses***

The Parent Company has provided certain corporate functions to the Group and costs associated with these functions were allocated to the Group. These functions included human resources, treasury, investor relations, finance and accounting, compliance, information technology, corporate and legal compliance, business development and marketing. As per Relationship Agreement, corporate expenses are allocated by the Parent on the basis of 3% of revenue of the Group.

***(ii) Recoverable from the Parent:***

This mainly represents balances recoverable from the Parent with respect to the development costs incurred for the Build-to-sell (BTS) developments in Dubai Creek Harbour project. As agreed in the Master Transfer Agreement (MTA), the Parent has transferred the development services relating to the BTS development in Dubai Creek Harbour project to the Company, for which the development costs including infrastructure costs are incurred by the Company. These balances will be recovered as per the agreed terms in the MTA.

***(iii) Payable to the Parent Company:***

Amount due to the Parent Company is unsecured and is repayable on demand. This includes AED 2,754,750 thousand (2018: AED 353,403 thousand) which carries interest rate at LIBOR plus 1.4% per annum.