شـركـة تاكسـي دبي
Dubai Taxi Company

Dubai Taxi Company P.J.S.C (DTC)
Board Remuneration Policy

1. Overview

This policy outlines the remuneration framework for the Board of Directors and Committees at Dubai Taxi Company P.J.S.C (DTC), aligning with Federal Decree Law No. (32) of 2021, the SCA Board Chairman's Decision No. (3/Chairman) of 2020 concerning The Governance Guide for Public Joint-Stock Companies and any amendments thereto, and DTC's Articles of Association (AoA). It is designed to ensure transparency, compliance, and alignment with UAE laws and the strategic objectives of the company.

2. Effective Date and Pro-Rata Compensation

Board members' remuneration commences from their date of appointment, with adjustments made on a pro-rata basis if their tenure concludes prematurely. This approach ensures fairness and reflects their contribution and tenure accurately.

3. Approval and Structure of Board Compensation

Based on the Nomination and Remuneration Committee's recommendations, board compensation requires shareholder approval, enhancing transparency and accountability. The structure includes allowances, bonuses, or salaries for significant contributions or committee service for Non-Executive Members, and compensation according to employment contracts for Executive Members. Annual financial accounts must detail total board compensation, adhering to Corporate Governance Code requirements.

4. Criteria for Determining Remuneration

The Committee evaluates proposed remuneration against company activity alignment, strategic consistency, fairness, attractiveness, and proportionality to the company's sector, size, and board experience.

5. Forms of Remuneration

The remuneration for Board members at DTC may comprise fixed salaries, member's fees, in-kind benefits, or a percentage of net profits. Specifically:

- **Percentage of Profits**: Board members' remuneration includes a share of the net profit, capped at one percent (1%) of the net profits, after accounting for depreciation and reserves. The responsibilities and duties of the Chairperson are considered when determining this remuneration.
- **Compensation for Expenses**: DTC may reimburse any member for expenses incurred in the performance of their duties, ensuring members are not financially disadvantaged.

- **Exceptional Lump Sum Payment**: Under certain conditions and in compliance with authority regulations, a Board member may receive a lump sum not exceeding two hundred thousand dirhams (AED 200,000) at the fiscal year's end. This exception is permitted by DTC's AoA and requires General Assembly approval, applicable only if:

a) DTC does not make a profit.

b) DTC makes a profit, but the board member's share of those profits is less than AED 200,000. Combining regular remuneration with these fees is not allowed in such cases.

6. Suspension of Allowances

Allowances are suspended if DTC's accumulated losses exceed 50% of its capital or if the company records annual losses for three consecutive years.

7. Additional Payments and Deductions

The policy allows for extra compensation for extraordinary services with General Assembly approval. Fines due to board violations are deducted from remuneration unless the General Assembly decides otherwise.

8. Comparison and Mechanism

A mechanism for comparing remuneration with the market ensures competitiveness and fairness.

9. Committee Member Allowances

Board Committees members, serving in the Audit Risk and Compliance Committee (ARCC) and the Nomination and Remuneration Committee (NRC), are entitled to receive AED 15,000 per meeting for their roles. However, to ensure responsible compensation practices and alignment with the company's financial health, a cap of AED 90,000 per annum per Committee member has been established. This cap is designed to maintain fairness and manage the overall expenditure on committee allowances within a sustainable framework.

10. Policy Review and Amendments

This policy is reviewed periodically and amended as necessary to ensure ongoing compliance with legal requirements, alignment with company goals, and shareholder interests.

Conclusion

This policy aims to provide transparent and fair compensation to DTC's Board, reinforcing the company's commitment to good governance and maximizing shareholder value.

Policy Reviews and Approvals

1. Nomination and Remuneration Committee (NRC) Approval

- **Purpose:** The approval by the NRC signifies the committees thorough review, endorsement, and recommendation for Board approval.
- **Approval Date: 23/02/2024**

2. Board of Directors Review

- **Purpose**: The review by the Board of Directors ensures that the policy aligns with DTC's strategic objectives and governance framework.
- **Review Date: 29/02/2024**

3. General Assembly Approval

- **Purpose**: The final approval by the General Assembly marks the conclusion of the policy's approval process, demonstrating collective agreement and support from DTC's shareholders.
- **Approval Date: ……/……/2024**