

بنك دبي التجاري  
Commercial Bank of Dubai



# BOARD REMUNERATION POLICY

VERSION 1



## Document Control Sheet

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1	Date of AGM	Development of Board Remuneration Policy	To be approved by General Assembly

## 1. Purpose

The purpose of this document is to set out CBD's policy in relation to the determination of Remuneration for Board Members in line with the regulatory requirements, consistent with the Bank's long-term strategy and objectives.

## 2. Scope

This policy applies to all board members of the Bank and shall be strictly adhered to.

## 3. Definition

Term	Description
<b>Board</b>	Board of Directors
<b>CBD or Bank</b>	Commercial Bank of Dubai
<b>CBUAE</b>	Central Bank of UAE
<b>Companies Law</b>	Federal Law No. 32 of 2021 concerning Commercial Companies (and its amendments from time to time).
<b>SCA</b>	Securities and Commodities Authority
<b>Regulations</b>	Regulations are regulatory requirements issued by a legal authority to control and govern the Bank's operations, such as CBUAE, Securities and Commodities Authority, and Federal Law.

## 4. General Provisions

- 4.1 In line with the CBUAE's Corporate Governance regulation, members of the Board shall be compensated only with fixed compensation comprising the payment of an annual fixed amount and the reimbursement of directly related costs to the discharge of their responsibilities.
- 4.2 Bonus or any incentive-based mechanisms based on the performance of the Bank shall be excluded.
- 4.3 In line with SCA and Companies Law, the remuneration of the members of the Board of Directors shall not exceed (10%) of the net profits.
- 4.4 The Commercial Bank of Dubai seeks to ensure transparency to shareholders and other stakeholders about its remuneration paid to the directors. Therefore, it includes in the notes to the annual accounts of the Bank and in the Annual Report a detailed description of remuneration received by the directors.
- 4.5 The Bank promotes Board Members' participation in Board and Committee meetings through an established internal mechanism.

## 5. Committee's Fees

- 5.1 CBD pays the nominal amount, as revised from time to time by the Board on the recommendation of the Remuneration, Nomination and Governance Committee, as a sitting fee per meeting for attendance of the Board Committees' meetings as part of the reimbursement of costs directly related to the discharge of their responsibilities. Following is the breakdown of sitting fee for attendance of the Board Committees' meetings:

Description	Breakdown
Time Value for Attendance	50%
Meeting Preparation	40%



Transportation & Others	10%
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- 5.2 Sitting fees for Board Committees are paid quarterly based on the number of meetings a director has attended in a quarter.

## 6. Board Annual Remuneration

- 6.1 The Board of Directors, based on a recommendation from the Remuneration, Nomination and Governance Committee, submits the directors' remuneration for approval by the shareholders at the General Assembly meeting in compliance with the relevant regulatory requirements.
- 6.2 The remuneration payable to the directors shall in compliance with the applicable laws and regulations, and take into account the dedication and responsibility assumed, as well as the achievement of objectives, all with a view to making remuneration commensurate with the long-term return to the shareholders.
- 6.3 Remuneration for the Board shall be paid to the Directors annually following the approval from the shareholders.

## 7. Reduction in Compensation

- 7.1 The Directors shall be liable towards the Bank, the shareholders and third parties for all acts of fraud, misuse of power, concealing material information, inaccurate disclosure and violation of the provisions of the Companies Law, applicable regulatory requirements and Bank's Articles of Association. In such cases, the amount as determined by legal, regulator or court, shall be deducted from the director's annual remuneration. However, the General Assembly may decide not to deduct such fines or some of them if it deems that such fines were not the result of default or error of the Board.
- 7.2 Negative financial performance or net loss reported by the Bank in a financial year may generally lead to a contraction of the Board's total compensation. The Central Bank may impose additional reductions to the Board's total compensation where the negative financial was due to non-compliance with regulations, omission or error by the Board.