



BOARD GOVERNANCE POLICIES

A. Board of Directors- Independence Policy

1. Purpose

The purpose of this policy is to ensure that the RAK Properties PJSC's Board of Directors maintains independence, objectivity, and integrity in its oversight responsibilities. Independence is crucial for protecting the interests of shareholders and stakeholders, promoting transparency, and maintaining trust in the organization's governance.

2. Definition of Independence

A member that has no relationship with the Company, any of its Senior Executive Management persons, or its auditor, parent company, subsidiaries, sister company, or affiliate company in a manner that may lead to financial or moral benefit that may affect its decisions. A member forfeits its independence capacity in the cases stipulated in this Decision.

3. Independence Criteria

Independence of a Board member shall be deemed unavailable in the following situations:

- a. If the Board member or any of his second-degree relatives is working or has worked in the senior executive management of the company, the parent company, or its subsidiary within the last two years preceding the date of his nomination to the Board.
- b. If the Board member or one of his first degree relatives has a direct or indirect interest in the contracts and projects concluded with the company or its subsidiaries during the last two years provided these deals in total exceeded (5%) of the company paid-up capital or the amount of five million dirhams or equivalent of foreign currency whichever is lower unless the relationship is within the nature of the company business and without preferential conditions.
- c. If the Board member is working or has worked for the Company or its subsidiaries during the last two years preceding the date of his appointment to the Board.
- d. Whether it works for or is a partner of a company that performs consultancy works for the company or any of its parent, subsidiary, sister, or associate companies during the last two years.
- e. If it has any personal service contracts with the Company or any of its parent, subsidiary, sister, or associate companies during the last two years.
- f. If it is directly linked to a non-profit entity that receives a huge amount of funding from the company or its subsidiaries.
- g. If the Board member or one of his relatives is a partner to or an employee of the company auditor, or if, during the last two years preceding the date of his board membership, it was a partner to or an employee of the company auditors.
- h. If the ownership of a Board member or his minor children or both reaches 10% or more of the company capital.
- i. If the independent member is re-elected or appointed to the board for more than three consecutive terms.

B. Board of Directors- Diversity Policy

1. Purpose

The purpose of this policy is to set out RAK Properties PJSC's approach to achieving and maintaining diversity on the Board of Directors. The Company recognizes that a diverse Board enhances governance quality, strengthens decision-making, and contributes to sustainable financial and operational performance.

2. Definition of Diversity

For the purposes of this policy, diversity includes, but is not limited to:

- Gender
- Age
- Nationality and cultural background
- Country of origin
- Race or Ethnicity
- Professional and industry experience

This definition reflects the need for both demographic representation and a complementary mix of professional capabilities.

3. Women's Participation

RAK Properties is committed to maintaining female representation on the Board

4. Review

This policy will be reviewed periodically by the Nomination and Remuneration Committee and updated as necessary to reflect evolving best practices in corporate governance and the requirements of UAE regulators and markets.