

Emaar Properties PJSC Governance Report for the Year 2009

This governance report is issued by Emaar Properties PJSC (the “Company”) upon request by the Securities and Commodities Authority in implementation of Article 14 of the Resolution of the Ministry of Economy No. 518 for 2009 regarding corporate governance rules (“Code of Governance”).

1. Governance Practices

Although the effective date of mandatory application of the Code of Governance is 1 May 2010, the Company has implemented for a number of years a series of governance initiatives on a voluntary basis based on best international corporate practices, as indicated on the Company’s website www.emaar.com. These initiatives include without limitation the following measures:

- Balancing the composition of the Board of Directors in terms of executive and non-executive as well as independent and non-independent Board members.
- Convening a minimum number of Board meetings per year.
- Establishing four standing committees of the Board of Directors, namely the Executive Committee, the Audit Committee, the Remuneration Committee, and the Nomination Committee, and establishing detailed written terms of reference regulating the activities of the Board and each of its committees.
- Establishing written rules regulating dealings by members of the Board of Directors and employees in the Company’s shares.
- Establishing a code of conduct.

In the meantime, the Company is working on achieving full compliance with the requirements of the Code of Governance prior to the date of its mandatory application date on 1 May 2010.

2. Dealings by Members of the Board in the Company’s Shares

The Company established detailed rules regarding dealing by members of the Board of Directors and employees in its shares. These rules clarify the restrictions related to trading, as well as the disclosure requirements that should be followed in case of permitted trades. Board members submitted forms indicating their shareholding in the Company for the year 2009.

3. Composition of the Board of Directors

The Board of Directors consists of 8 members as follows:

Name	Position	Executive/ Non- executive	Independent/Non- Independent	Duration of Membership	Other Membership in Stock Companies or Government Entities
Mr. Mohamed Al Abbar	Chairman	Executive	Non - independent	12 years	Member of the Board of Directors of Noor Islamic Bank PJSC.
Mr. Hussain Al Qemzi	Vice Chairman	Non executive	Independent	3 years	<ul style="list-style-type: none"> • Managing Director of Noor Islamic Bank PJSC. • Member of the Board of Directors of Noor Takaful PJSC.
Mr. Ahmad Al Matrooshi	Managing Director	Executive	Non - independent	4 years	
Dr. Lowai Belhoul	Board member	Non executive	Independent	3 years	Director General of the Legal Affairs Department of the Government of Dubai.
Mr. Majid Al Ghurair	Board member	Non executive	Independent	3 years	<ul style="list-style-type: none"> • Chairman of Shuaa Capital PSC • Chairman of Gulf Finance Corporation PJSC • Member of the Board of Directors for National Bank of Ras Al Khaimah PJSC. • Member of the Board of Directors for National Cement Company PSC.
Mr. Ahmed Jawa	Board member	Non-executive	Independent	3 years	
Mr. Khalifa Al Daboos	Board member	Non-executive	Non - Independent	1 st year	<ul style="list-style-type: none"> • Deputy Chairman of the Board of Directors of Jeema Mineral Water Company PJSC. • Deputy Chairman of the Board of Directors of National Sukuk

						Company PJSC. • Member of the Board of Directors for Emirates Investment and Development PSC. • Deputy Chairman of the Board of Directors of Emirates Rawabi PSC.
Mr. Saeed Al Tayer	Board member	Non-executive	Independent		1 st year	

For a brief resume for the Board directors, you may refer to the Company's website.

Method of Determining Remuneration for Members of the Board of Directors

Remuneration of members of the Board of Directors is determined in general on the basis of several factors including for example; their contribution to the activities of the Board, the number of meetings attended by the Board member, as well as attendance of committee meetings, and the general performance of the Company and its results, in accordance with applicable laws.

Number of Board Meetings

The Board of Directors held 6 meetings during the financial year 2009.

Delegation of Authorities

The Board of Directors has established an authority matrix determining the scope of delegation of authorities to the executive management in relation to various matters such as approving construction contracts, consultancy contracts, operating expenditure, and banking transactions.

4. External Auditor

The Company has retained Ernst & Young to audit the financial statements of the Company for the year ending December 2009. The fees for these services were AED 395,000. The same Firm has also reviewed interim financial statements of the Company and the fees for these services were AED 115,000 per quarter.

5. Audit Committee

The Company has formed an Audit Committee composed of Mr. Majid Al Ghurair, and Dr. Lowai Belhoul.

The Committee's primary role is to oversee several matters including without limitation internal audit, internal control, and risk management. The Company established detailed written terms of reference regulating the activities of this Committee.


6. Internal Control

The internal control function is carried out by the Internal Audit Department under the supervision of the Audit Committee and guidance from the Board of Directors. The Company has established detailed written rules regulating the internal control function of the Company.

The Company is currently making amendments to the role of the internal control function in light of the requirements of the Code of Governance. This will be reflected in the governance report for the year 2010.

7. General

The Company is currently working on achieving full compliance with the requirements of the Code of Governance before its effective date on 1 May 2010.



Mohamed Alabbar
Chairman

Date: 5 April 2010