

REMUNERATION POLICY FOR DIRECTORS

1. Introduction

- 1.1 Following the adoption in the Listing Rules of the new EU Shareholders' Rights Directive¹ in July 2019, the remuneration policy (the "**Policy**") of Grand Harbour Marina p.l.c. (C 26891) (the "**Company**") is hereby being revised to satisfy the requirements set out in the relevant listing rules.
- 1.2 The shareholders of the Company shall be granted the right to vote on the Policy at the forthcoming annual general meeting in 2020, which vote shall be binding.
- 1.3 If when put to the approval of shareholders, this policy is not approved, the directors shall continue to pay remuneration in accordance with current practices, subject to revising the remuneration policy and submitting it for shareholders' approval at a later date.

2. Scope

- 2.1 This policy determines the basis for remuneration of all members of the board of directors, the Chief Executive Officer ("**CEO**") of the Company and, where there are other members of the board who are also considered as executive directors pursuant to the articles of association, those executive directors. Accordingly, for the purposes of the Policy, the term "director" means any member of the Board of Directors including both Executive Directors and Non-Executive Directors of the Company.
- 2.2 The Policy defines the principles and guidelines that apply to both fixed and variable remuneration, including all bonuses and benefits, which can be awarded to directors and, in the case of variable remuneration, indicate the relative proportion between fixed and variable components.

3. Board Remuneration - General

- 3.1 The Board makes all efforts to ensure that the remuneration of directors takes into consideration the Board members' required competencies, skills, effort and scope of the Board's role including the number of meetings and the preparation required by directors to attend and usefully contribute during meetings. Due consideration is also given to market demands, the size of the Company and the complexity of its business as well as to the directors' responsibilities.

¹ Directive (EU) 2017/828 of the European Parliament and of the Council of 17 May 2017, amending directive 2007/36/EC regarding the encouragement of long-term shareholder engagement.

- 3.2 The aggregate yearly emoluments of all directors are determined by the shareholders of the Company in general meeting, and any notice convening a general meeting during which an increase in the maximum limit of such aggregate emoluments shall be proposed, shall contain a reference to such fact. This policy is intended to determine the principles upon which those aggregate emoluments are distributed amongst the Directors.
- 3.3 Any remuneration paid to any Director by virtue of his holding a permanent salaried office with the Company shall not be deemed to form part of such Director's emoluments and shall be disclosed separately in the financial statements.
- 3.4 Members of the Board of Directors receive a fixed cash amount (basic remuneration) as stated in the annual report.
- 3.5 None of the Directors receive any share based, variable or performance related remuneration.
- 3.6 The Directors may also be re-imbursed all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Directors or any committee of Directors or other committee, or general meetings of the Company or in connection with the business of the Company.
- 3.7 If any Director, being willing, shall be called upon to sit on any committee or working group of the Company or to perform other services related to the operations of the Company but which fall outside the scope of the ordinary duties of a Director, the Company may remunerate, as determined by the Directors, such Director, in addition to or in substitution of his remuneration as Director, PROVIDED that any such payment falls within the limit of aggregate emoluments of Directors established by the general meeting. The basis upon which such remuneration is paid shall take into account the skills, experience, technical knowledge that members of such committees require and the responsibility which such Directors are to take in the context of the committees on which they sit.
- 3.8 No director has a contract with the company that contains provisions for termination payments and other payments linked to early termination.
- 3.9 All Directors are awarded their remuneration from one financial year to the next during their term of office. The term of office of a Director is from one annual general meeting to the next and is eligible for re-appointment by shareholders.
- 3.10 The Company has not set up a Remuneration Committee. The functions that would otherwise be carried out by such committee are carried out by the Board.