



Corporate Governance Report
SALAMA - Islamic Arab Insurance Company
For the fiscal year ended on 31/12/2019

1. Statement of procedures taken to complete the corporate governance system, during 2019, and method of implementing thereof.

The Board of Directors of Islamic Arab Insurance (P.S.C) – SALAMA believes that the proper application of corporate governance helps to achieve institutional discipline in the management of the Company in accordance with the international standards. It establishes the responsibilities and duties of the Board of Directors and the Executive Management of the Company, while protecting the rights of shareholders and other stakeholders, this contributes in achieving high and sustainable growth rates. The Board has the responsibility to implement the corporate governance framework on the organization level. These principles include the provision of an effective control environment, development of an effective internal control system with active participation by the non-executive members, formation of an Audit Committee, granting the Internal Control Department full independence and powers, abstention from transactions which are flawed by conflict of interest, and introduction of the code of professional conduct.

The Board endeavors to ensure regulatory compliance with the instructions and regulations issued by the various regulatory authorities and ensuring adherence to the standards of disclosure and transparency. SALAMA has implemented Securities and Commodities authority resolution no. (M.R/7) of 2016.

2. Statement of ownership and transactions of Board of Directors (Board) members and their spouses, their children in the company securities during 2019, according to the following schedule:

S. No.	Name	Position / Kinship	Owned shares as on 31/12/2019	Total sale	Total purchase
1.	Mr. Jassim Mohamedrafi Alseddiqi Alansaari	Chairman Election Date: 10/06/2019	4,000,000	Not Applicable	Not Applicable
2.	Mr. Saeed Mubarak Rashed Saeed Alhajeri	Vice Chairman Election Date: 10/06/2019	No shares registered under his name, or the name of his wife or children	Not Applicable	Not Applicable
3.	Mr. Mustafa Ghazi Kheriba	Member Election Date: 23/12/2018	No shares registered under his name, or the name of his wife or children	Not Applicable	Not Applicable
4.	Mr. Fraih Saeed Al Qubaisi	Member Election Date: 23/12/2018	No shares registered under his name, or the name of his wife or children	Not Applicable	Not Applicable
5.	Mr. Mohamad Husain Mohamed Shareef Alkhoori	Member Election Date: 23/04/2019	No shares registered under his name, or the name of his wife or children	Not Applicable	Not Applicable

3. Board Formation:

A. Statement of the current Board formation (along with the names of both the resigned and appointed Board members) according to the following schedule:

S. No.	Name	Category (executive/ non-executive and independent)	Expertise	Qualifications	The period he spent as a Board member from the date of his first election	Their membership and positions at any other joint- stock companies	Their positions in any other important regulatory, government or commercial positions.
1.	Mr. Jassim Mohamedrafi Alseddiqi Alansaari	Non-executive Member and independent	- Served as a noted lecturer at Abu Dhabi-based Petroleum Institute, and he is the Chief Executive Officer of Abu Dhabi Financial Group (ADFG), He has been at the helm of the company since its establishment in 2011, transforming it into one of the	- BSc in Electrical Engineering from the University of Wisconsin-Madison - MSc in Electrical Engineering from Connell University, USA	6 Months: since 10/06/2019	- Board Member at First Abu Dhabi Bank PJSC (UAE) - Chairman of Eshraq Investments PJSC (UAE) - Chairman of Gulf Finance Corporation (KSA). - Board Member at Shuaa Capital Saudi Arabia cjsc (KSA).	- Board Member at Abu Dhabi Capital Group . - Chairman of The Entertainer.

			<p>leading and fastest growing investment management companies in the MENA region. He is known for his dynamic and innovative approach, have pioneered investment strategies in the region.</p> <ul style="list-style-type: none"> - Currently is the Chief Executive Officer of SHUAA Capital Investment PSC and the Entertainer, He also serves on the board of First Abu Dhabi Bank (FAB), Abu Dhabi Capital Group and ADNOC Distribution and Dana Gas 			<ul style="list-style-type: none"> - Chairman of GFH Financial Group BSC (Bahrain). - Chairman of Khaleeji Commercial Bank BJC (Bahrain). - Board Member at ADNOC Distribution PJSC (UAE) - Board Member at Dana Gas PJSC (UAE) 	
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2.	Mr. Saeed Mubarak Rashed Saeed Alhajeri	Non-executive Member and independent	- International finance	<ul style="list-style-type: none"> - Bachelor of Business Administration From Lewis & Clark College, USA - Certified Financial Analyst (CFA). - Attended the Executive Education Program at Harvard Business college - He was elected by The World Economic Forum in 2007 as one of the top 250 global leaders for its contribution to the public and financial sectors in the United States and the United Arab Emirates 	6 Months: since 10/06/2019	<ul style="list-style-type: none"> - Executive Director - Abu Dhabi Investment Authority (ADIA) - Chairman of The Abu Dhabi National Energy Company. - Member of the Executive Advisory Board of the University Barra MSCI INSEAD Abu Dhabi 	Not Applicable
3.	Mr. Mohamad Husain Mohamed Shareef Alkhoori	Non-executive Member and independent	- Deputy Director of the Department of	- Bachelor of Legal Science and Police	8 months: since 23/4/2019	<ul style="list-style-type: none"> - Board member of Bani Yass Sports Club 	- Deputy Director of the Metropolitan

			<p>Transportation Security</p> <ul style="list-style-type: none"> - Head of Strategic Planning - Director of the Administrative and Legal Affairs Branch, General Directorate of Police Operations - Director of the Branch of Fraud and Fraud Crimes (Officer of investigation, follow-up and Execution of the city's police center - Directorate of The Capital Police - General Directorate of Police Operations - Chairman of the Sports Committee in the criminal security 	<p>College of the UAE Graduating Year 1999</p> <ul style="list-style-type: none"> - Master of Strategic Planning, University of Hartford shire, UK Graduation Year 2010 		<ul style="list-style-type: none"> - Secretary-General of Al-Faraj Fund Management - Vice Chairman of the Board of Directors Friends of the Environment 	<p>Police Directorate (May 2019- Current)</p>
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			<p>sector from 2009 to the present</p> <ul style="list-style-type: none"> - Honorary member of Al Ain Sports Club - Member of the Sports Talent Support Fund of the General Sports Authority. - Member of the Local Organizing Committee for the Asian Cup 2019 - Chairman of the Care and Marketing Committee for the Activities of the General Headquarters of Abu Dhabi Police. 				
4.	Mr. Mustafa Ghazi Kheriba	Non-executive Member and independent	<ul style="list-style-type: none"> - Mustafa Kheriba is the COO in Abu Dhabi Financial Group (ADFG) and the Executive Director of Abu Dhabi Capital 	<ul style="list-style-type: none"> - BA in Business Administration from Toronto University. - Master's in business administration from Ohio 	One year: Since 23/12/2018	<ul style="list-style-type: none"> - Vice Chairman of Gulf Finance Corporation PJSC - UAE - Board member at Reem Finance PJSC - UAE 	Not Applicable

			<p>Management (ADCM), in charge of managing the investments of the Group.</p> <p>- Kheriba is in charge of managing the daily operations and the business development and monitoring in ADFG and its affiliates. He supervises the conclusion of deals and finance activities. He directly manages the key investments of the Group. In addition to the aforementioned duties, he holds the position of Executive Director of Integrated Alternative Finance; Spadille</p>	<p>Dominican University with honors.</p>		<ul style="list-style-type: none"> - Board member at Khaleeji Commercial Bank BSC - Bahrain - Board member at GFH Financial Group BSC - Bahrain - Chairman of TARIIC HOLDING CO. B.S.C. - Bahrain - Board member at Gulf Finance Corporation PJSC - KSA - Chairman of SALAMA ASSURANCE ALGERIA – Algeria - Chairman of Egyptian Saudi Insurance House (ESIH) Egypt - Chairman of MISR EMIRATES TAKAFUL LIFE INSURANCE 	
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			Ltd; Northacre; Reem Finance; and Integrated Securities. All in addition to his position as Non-Executive Director in Qannas Investment (QIL). He is also a member of the Board and Managing Director of Gulf Finance in UAE and KSA.			CO. (METLICO) Egypt	
5.	Mr. Fraih Saeed Al Qubaisi	Non-executive Member and independent	<ul style="list-style-type: none"> - Al Qubaisi has professional achievements which contributed to the service of the nation throughout his career in the government sector for over 20 years. - He has distinguished administrative 	<ul style="list-style-type: none"> - BA in Police Sciences and Law from the Police College in Abu Dhabi. 	One year: Since 23/12/2018	<ul style="list-style-type: none"> - Member of the Board of Directors of Eshraq Investments PJSC (UAE) - Member of the Board of Gulf Finance Corporation PJSC. - Managing Director of City Engineering, 	Not Applicable

			<p>expertise in the field of corporate management in several sectors, including the real estate development sector, the finance and business sector and the technological sector. Al Qubaisi assumed many positions and duties in the private business sector, on top of which:</p> <ul style="list-style-type: none"> - he is always eager to support the youth who desire and hope to realize their dreams to enter the field of trading and gathering expertise by adopting, training and qualifying many 				
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			national figures in a calculated manner so that they become one of the richest sources of economy for the country.				
6.	Sheikh Khalid bin Zayed bin Saqr Al Nehyan – the Chairman of the Board of Directors	Non-executive Member	<ul style="list-style-type: none"> - The Chairman of the Board of Directors and Founder of Bin Zayed Group which works in the local and international markets in the fields of real estate, contracting, trading, technical development and investment. - The Chairman of the Board of Directors of Al Firdous Holdings. - Member of the Board of Directors of Majed Al 	<ul style="list-style-type: none"> - BA in Business Administration from Boston University - PhD in Financial Affairs from Michigan State University 	17 years: From 08/04/2002 to 25/04/2019	Not Applicable	Not Applicable

			<p>Futtaim Holding LLC.</p> <ul style="list-style-type: none"> - The Chairman of the Board of Directors of Rochester Institute of Technology NY in Dubai. - Member of the Trustees Board of the international organization Junior Achievement - The Chairman of the Board of Directors of Injaz Al Arab-UAE and Head of the Middle East and Africa Zone. - The Vice Chairman of the Board of Directors of Human Appeal International. - The President of UAE Sailing and 				
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			Rowing Federation				
7.	Dr. Saleh Jameel Malaikah – Vice Chairman of the Board and Managing Director	Executive Member	<ul style="list-style-type: none"> - The Chairman of the Board of Directors of RUSD International Holding Group in the KSA. - The Chairman of the Board of SALAMA KSA, Taajeer, and Al-Awwal (all are Saudi companies). - Egyptian Saudi Insurance House (Egypt) 	<ul style="list-style-type: none"> - PhD in Business Administration (Investment – Finance) from Michigan University in 1990. - MA in Business Administration from King Fahd University in 1984. - BA in Civil Engineering from the University of Petroleum and Minerals in 1981. 	17 years: From 08/04/2002 to 25/04/2019	Not Applicable	Not Applicable
8	Mr. Marwan Al Ghurair – Member of the Board of Directors	Non-executive Member	<ul style="list-style-type: none"> - The Chairman of the Board of Directors of Dubai National School. - The Board of Samkan Investment. - The Board of Fenan Investment. 	<ul style="list-style-type: none"> - BA in Business Administration 	17 years: From 08/04/2002 to 25/04/2019	Not Applicable	Not Applicable

			- Member of the Board of Directors of Venture Capital Bank for Investment				
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B. Statement of the percentage of female representation in the Board for 2019:

No representation of women on the Board of Directors for 2019.

C. Statement of the reasons for the absence of any female candidate for the Board membership:

No women have applied for this position when the nomination for the Board of Directors was opened.

D. Statement of the following:

1. The total remunerations paid to the Board members for 2018:

- No payment was made in 2018.

2. The total remunerations of the Board members, which are proposed for 2019, and will be presented in the annual general assembly meeting for approval:

- AED Three (3) Millions

3. Details of the allowances for attending sessions of the committees emanating from the Board, which were received by the Board members for 2019 fiscal year:

- All allowances were included in fees mentioned in item no. D.2. above.

4. Details of the additional allowances, salaries or fees received by a Board member other than the allowances for attending the committees and their reasons:

- All allowances were included in fees mentioned in item no. D.2. above.

E. Number of the Board meetings held during 2019 fiscal year along with their convention dates, personal attendance times of all members, and members attending by proxy (The Board members names must match what is stated in the above- mentioned Clause (3A)):

S. No	Name of the Member	Meeting (1) 07/03/2019	Meeting (2) 27/03/2019	Meeting (3) 15/05/2019
1.	Chairman (Previous BOD): Sheikh Khalid bin Zayed bin Saqr Al Nehyan Till: 10/06/2019	In person	In person	In person
2.	Vice Chairman (Previous BOD): Dr. Saleh Jameel Malaikah Till: 25/04/2019	In person	In person	he was removed from BOD effective from 25/04/2019.
3.	Member (Previous BOD): Mr. Marwan Ahmed Al Ghurair Till: 25/04/2019	In person	He resigned from his position of the Board member on 25/04/2019	He resigned from his position of the Board member on 25/04/2019
4.	Member (Current BOD): Mr. Mustafa Ghazi Kheriba From: 23/12/2018	In person	In person	In person
5.	Member (Current BOD): Mr. Fraih Saeed Al Qubaisi From: 23/12/2018	In person	In person	In person
6.	Member (Current BOD): Mr. Mohamad Husain Mohamed Shareef Alkhoori From: 23/04/2019	Not yet appointed	Not yet appointed	In person

S. No	Name of the Member	Meeting (4) 16/06/2019	Meeting (5) 26/06/2019	Meeting (6) 07/08/2019	Meeting (7) 10/10/2019	Meeting (8) 10/11/2019	Meeting (9) 22/12/2019	Meeting (10) 31/12/2019
1.	Chairman (Previous BOD): Sheikh Khalid bin Zayed bin Saqr Al Nehyan Till: 10/06/2019	He resigned from his position of the Board member on 10/06/2019	resigned	resigned	resigned	resigned	resigned	resigned
2.	Chairman (Current BOD): Mr Jassim Mohamedrafi Alseddiqi Alansaari From: 10/06/2019	In person	In person	In person	In person	In person	In person	In person
3.	Vice Chairman (Current BOD): Mr Saeed Mubarak Rashed Saeed Alhajeri From: 10/06/2019	Not yet appointed	In person	by proxy	In person	In person	In person	In person
4.	Member (Current BOD): Mr. Mustafa Ghazi Kheriba From: 23/12/2018	Over the phone	In person	In person	In person	In person	In person	In person
5.	Member (Current BOD): Mr. Fraih Saeed Al Qubaisi From: 23/12/2018	In person	In person	In person	In person	In person	In person	In person
6.	Member (Current BOD): Mr. Mohamad Husain Mohamed Shareef Alkhoori From: 23/04/2019	In person	Absent	In person	In person	Absent	Absent	In person

F. Number of the Board resolutions passed during the 2019 fiscal year, along with its meeting convention dates:

S. No	The number of board decisions issued by circulation	Date of the session
1.	One decision	15/05/2019

G. Statement of Board duties and powers exercised by Board members or the executive management members during 2019 based on an authorization from the Board, specifying the duration and validity of the authorization according to the following schedule:

S. No	The name of the authorized person	Power of authorization	Duration of authorization
1.	Mr. Mustafa Ghazi Kheriba – Member of the Board of Directors	General Power of Attorney by the Board of Directors which enable him to manage the Company, to be an actual and legal representative of the Company in the country, and to act on behalf of the Company and under its name take all actions required to conduct the daily businesses of the Company. He also has the right to authorize others to practice some or all of the given powers.	3 Years
2.	Mr. Parvaiz Siddiq - CEO	Power of Attorney by the Board, which enable him to sign documents relating to the businesses of the Company; to conclude contracts of all types; to take all legal actions on behalf of the Company, including litigation, filing reports and receipts; arbitration procedures and settlement, the authorization of legal experts, attorneys and advisors; and the right to authorize others to practice some or all of the given powers	3 Years

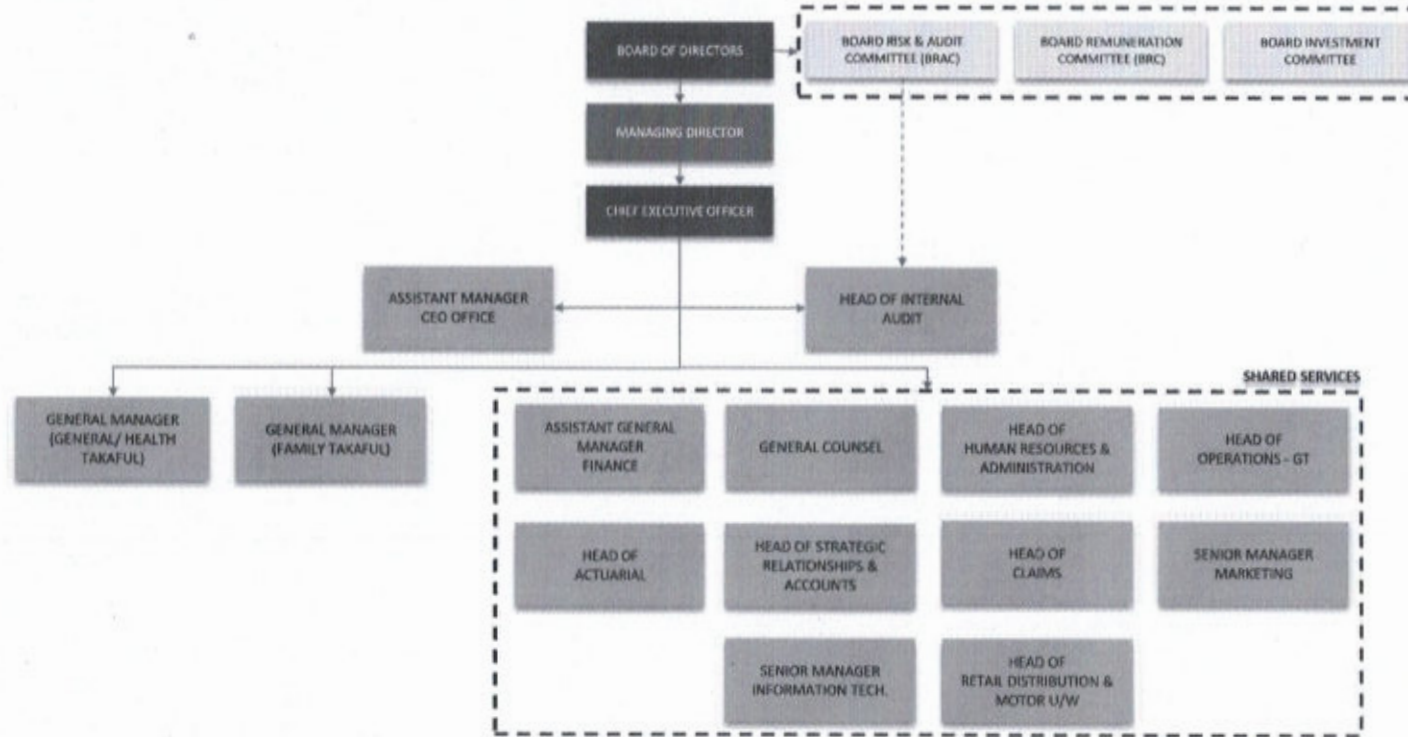


H. Statement of the details of transactions made with the related parties (Stakeholders) during 2019, provided that it shall include the following:

The company declares that there were no transactions that took place during the year 2019 with the related parties according to the definition of the related parties mentioned in Federal Law No. 2 of 2015 regarding commercial companies and the Authority's Board Chairman's Resolution No. 7 of 2016

I. The complete organizational structure of the company, which shall clarify managing director, the general manager and / or CEO, the deputy general manager and the managers working in the company such as the financial manager.

SALAMA – Islamic Arab Insurance Company
ORGANIZATION STRUCTURE



J. A detailed statement of the senior executives in the first and second grade according to the company organizational structure (according to 3-I), their jobs and dates of their appointment, along with a statement of the total salaries and bonuses paid to them, according to the following schedule

No.	Position	Date of Appointment	Total of the Salaries and Allowances paid for 2019 (in AED)	Total of Bonuses paid for 2019 (in AED)	Any other bonuses in cash/in-kind for 2019 or due in the future
1.	Chief Executive Officer	01-Feb-2016	1,328,448	Not decided	Not decided
2.	General Manager General Takaful & Health Takaful	08-May-2016	854,808	Not decided	Not decided
3.	General Manager Family Takaful	23-Nov-2011	878,052	Not decided	Not decided
4.	Head of Internal Audit	18-Sep-2016	578,124	Not decided	Not decided
5.	Assistant General Manager Finance & Accounts	07-Mar-2004	622,884	Not decided	Not decided
6.	Head of Actuarial	15-Apr-2019	477,414	Not decided	Not decided
7.	General Counsel	28-Apr-2019	656,505	Not decided	Not decided
8.	Head of Operation General & Health Takaful	18-Apr-2016	458,892	Not decided	Not decided
9.	Senior Manager IT	25-Sep-2007	360,504	Not decided	Not decided
10.	Head of Human Resources & Administration	01-Feb-2017	386,232	Not decided	Not decided
11.	Head of Claims General & Family Takaful	22-Mar-2016	392,304	Not decided	Not decided
12.	Head of Retail Distribution & Motor Underwriting	23-Oct-2019	83,771	Not decided	Not decided
13.	Head of Strategic Relationship & Accounts	26-Apr-2016	376,128	Not decided	Not decided

14.	Senior Manager Marketing	13-Jan-2013	353,004	Not decided	Not decided
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4. The External Auditor:

- a. A summary on the Company's Accounts Auditor for the shareholders:

Deloitte is the world's largest professional services firm with more than 300,000 employees. they have served as trusted advisors for clients in the Middle East for the past 92 years.

Deloitte provides audit, consulting, financial advisory, risk advisory, tax and related services to public and private clients spanning multiple industries. With a globally connected network of member firms in more than 150 countries, Deloitte brings world-class capabilities and high-quality service to clients, delivering the insights they need to address their most complex business challenges.

- b. Statement of fees and costs for the audit or services provided by the external auditor, according to the following schedule:

Name of the Auditing Office and the name of the partner auditor	Deloitte Mr. Sunder Nurani
Number of years he served as the company external auditor	Deloitte was appointed as external auditor for year 2019, being their first year.
Total audit fees for 2019 in (AED)	AED 685,000
Fees and costs of other private services other than auditing the financial statements for 2019 (AED), if any, and in case of absence of any other fees, this shall be expressly stated.	AED 705,917
Details and nature of the other services (if any). If there are no other services, this matter shall be stated expressly.	1. Seminar / workshop on IFRS – AED 1,653 2. Forensic audit fee to Deloitte – AED 704,264
Statement of other services that an external auditor other than the company accounts auditor provided during 2019 (if any). In the absence of another external auditor, this matter is explicitly stated.	The name of the auditor: Not Applicable Details of the services provided: Not Applicable

- c. Statement clarifying the reservations that the company auditor included in the interim and annual financial statements for 2019 and in case of the absence of any reservations, this matter must be mentioned explicitly.

No reservations were made by the external auditors in their review reports for first three quarters of 2019. However, for the year-end 2019 report, the external auditors issued qualified opinions as follows:

1. The Group's investment property, which is carried at AED 144 million in the consolidated statement of financial position, includes investment property with a carrying amount of AED 85 million. We were unable to obtain sufficient appropriate audit evidence about the carrying amount of the aforementioned investment property because we were unable to verify the judgements applied and estimates made in the determination of the fair value of the investment property and we were unable to determine if the Group owned the investment property. Consequently, we were unable to determine whether any adjustments to this amount were necessary.
2. The Group's investments, which are carried at AED 450 million in the consolidated statement of financial position, include Islamic placement investments of AED 46 million, available-for-sale investments of AED 58 million and held to maturity investments of AED 66 million. We were unable to obtain sufficient appropriate audit evidence about the carrying amount of the aforementioned investments because we were unable to verify the judgements applied and estimates made in the determination of the fair value of the investments and we were unable to determine if the Group owned the investments. Consequently, we were unable to determine whether any adjustments to these amounts were necessary.
3. The Group's other assets and receivables, which are carried at AED 429 million in the consolidated statement of financial position, includes other receivables with carrying amount of AED 34 million. We were unable to obtain sufficient appropriate audit evidence about the carrying amount of the aforementioned other receivables because we were unable to confirm, or inspect supporting documentation relating to, this amount. Consequently, we were unable to determine whether any adjustments to this amount were necessary.

5. The Audit committee:

- a. The Audit Committee Chairman's acknowledgment of his responsibility for the Committee system at the Company, review of its work mechanism and ensuring its effectiveness.
- Mr. Fraih Al Qubaisi, Audit Committee Chairman, acknowledges his responsibility for the committee system in the Company, review of its work mechanism and ensuring its effectiveness.

b. Names of the Audit Committee members and clarifying their competences and tasks assigned to them:

Previous Audit Committee Members (before 25/04/2019):

No	Name of the Member	Designation
1	Mr. Marwan Al Ghurair	Chairman
2	Mr. Suhail Al Dhareri	Member
3	Mr. Hussain Bayari	Member
4	Mr. Arif Abdul Aziz	External Independent Member

Current Audit Committee Members (After 25/04/2019):

No	Name of the Member	Designation
1	Mr. Fraih Al Qubaisi	Chairman
2	Mr. Arif Abdul Aziz	External Independent Member
3	Mr. Joachim Mueller	Member

- The Committee is responsible for tasks and duties as per charter of audit committee that is formulated based on SCA regulation no (M.R/7) of 2016
- a. Number of meetings held by the Audit Committee during 2019 and their dates to discuss the matters related to financial statements and any other matters and demonstrating the members' personal attendance times in the held meetings.:

S. No.	Name of the Member	First Meeting 27/03/2019	Second Meeting 15/05/2019	Third Meeting 10/07/2019	Fourth Meeting 07/08/2019	Fifth Meeting 10/11/2019
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1.	Mr. Fraih Al Qubaisi	Attended in person	Attended in person	Attended in person	Attended in person	Attended in person
2.	Mr. Arif Abdul Aziz	Attended in person	Attended in person	Attended in person	Attended in person	Attended in person
3.	Mr. Joachim Mueller	Vacant	Vacant	Attended in person	Attended in person	Attended in person
4.	Mr. Marwan Al Ghurair - Chairman of the Audit Committee until 25/04/2019	Absent	Resigned	Resigned	Resigned	Resigned

c. The Nominations and Remuneration Committee:

- a. The Nomination and Remuneration Committee Chairman's acknowledgment of his responsibility for the Committee system at the Company, his review of its work mechanism and ensuring its effectiveness.

Mr. Saeed Mubarak Al-Hajri, Nomination and Remuneration Committee Chairman, acknowledges his responsibility for the committee system in the Company, his review of its work mechanism and ensuring its effectiveness.

- b. Names of the Nomination and Remuneration Committee members and clarifying their competences and tasks assigned to them:

Previous Nominations and Remuneration Committee Members (before 25/04/2019):

S. No.	Name of the Member	Designation
1.	Mr. Marwan Al Ghurair	Chairman
2.	Mr. Suhail Al Dhareri	Member
3.	Mr. Hussain Bayari	Member

Current Nominations and Remuneration Committee Members (After 25/04/2019):

S. No.	Name of the Member	Designation
1.	Mr. Saeed Mubarak Al-Hajri	Chairman

2.	Mr. Mustafa Kheriba	Member
3.	Mr. Mohammed Hussain AlKhoori	Member

- The Committee is responsible tasks and duties as per charter of the Nominations and Remuneration Committee which formulate based on SCA regulation no (M.R/7) of 2016.

c. Statement of number of meetings held by the Committee during 2019 and their dates, and statement of all Committee members' personal attendance of times.

- The Nominations and Remuneration Committee held one meeting on 15/07/2019 which was attended by all the members. The Committee discussed and approved the bonuses given to the employees for the performance throughout 2018.

d. The Supervision and Follow-up Committee of insiders' transactions:

- The company is working on forming a committee whose task is to insiders trading's follow up and supervision, and given that the members of the aforementioned committee will be chosen from among the members of the board of directors, and the new board of directors was elected during 2019, therefore the formation of this committee has been postponed to the year 2020. Note that the company previously disclosed the names of the insiders on: 09/10/2019.

e. The Investment Committee:

- Acknowledgment by the Chairman of the committee or the person authorized to be responsible for the committee's system in the company and for reviewing its work mechanism and ensuring its effectiveness.
"Mr. Saeed Mubarak Al-Hajeri, Chairman of the Investment Committee, acknowledges his responsibility for the committee's system in the company and for his review of its work mechanism and ensuring its effectiveness."
- The Investment Committee.
- Names of members of the Investment Committee and clarifying their competences and tasks assigned to them.

Previous Investment Committee Members (before 16/06/2019):

S. No.	Name of the Member	Designation
1.	Sh. Khaled Bin Zayed Al Nehyan	Chairman
2.	Dr. Saleh Malaikah	Member
3.	Mr. Naseer Khan	Member

Current Investment Committee Members (After 16/06/2019):

S. No.	Name of the Member	Designation
1	Mr. Saeed Mubarak Al-Hajeri	Chairman
2	Mr. Jassim Alseddqi	Member
3	Mr. Mustafa Kheriba	Member

- f. The number of meetings and dates of the meetings held by the Investment Committee throughout the year to discuss matters related to the financial statements and any other matters, and the number of attendances in person by the members in the meetings held:

S. No.	Name of the Member	The First Meeting (1) 24/07/2019	The Second Meeting (2) 13/10/2019
1.	Mr. Jassim Alansaari	Attend over phone	Attend over phone
2.	Mr. Saeed Alhajeri	Attend over phone	Attend over phone
3.	Mr. Mustafa Kheriba	Attend over phone	Attend over phone

g. The Internal Control System:

- a. An acknowledgement by the Board of its responsibility for the internal control system of the Company, reviewing its mechanism and ensuring its effectiveness:**

The Board of Directors acknowledges responsibility for the implementation, review and effectiveness of the internal control systems.

- b. Name of the department director, his qualifications and date of appointment:**

Name: Mohammed Ashraf

Designation: Head of Internal Audit

Date of appointment with SALAMA: 18/09/2016

Qualification: BA degree in Commerce (major in Accounting and Auditing).

- c. Name of compliance officer, his qualifications and date of appointment:**

1. Name: Ali Hussein Ismail
Designation: Head of Legal & Compliance
Date of appointment with SALAMA: Feb 2019 – Aug 2019
Qualification: BA degree in Banking and Financial Studies
2. Name: Motaz Waleed Kraishan
Designation: General Counsel
Date of appointment with SALAMA: Aug 2019
Qualification: BA degree in Law

- d. How the Internal Control Department dealt with any major problems at the Company or those that were disclosed in the annual reports and accounts (in case of the absence of major problems, it must be mentioned that the Company did not face any problems):

The Company did not encounter any problems during 2019. If there are any problems, the Internal Audit Dept. immediately informs the Audit committee and Board of Directors to study the problem and advise the executive management of the best solution

- e. Number of reports issued by the Internal Control Department to the Company's Board of Directors.

The Internal Control Department issued 14 reports which were reviewed and discussed with Audit Committee.

- h. Details of the violations committed during the fiscal year 2019, their reasons and how they are treated and avoided in the future:

Not applicable

- i. The contributions in-cash and in-kind made by the Company during 2019 to the development of the local community and the preservation of the environment. (if none, please mention that the Company made no contribution):

Emirates Red Crescent – AED 47,350

- j. General Information:

- a. Statement of the company share price in the market (closing price, highest price, and lowest price) at the end of each month during the fiscal year 2019:

The Month	The Highest	The Lowest	The Closing
January	0.523	0.436	0.501

February	0.512	0.430	0.470
March	0.477	0.440	0.457
April	0.614	0.450	0.535
May	0.640	0.431	0.527
June	0.630	0.540	0.586
July	0.710	0.591	0.695
August	0.706	0.625	0.677
September	0.699	0.610	0.643
October	0.660	0.565	0.582
November	0.607	0.490	0.541
December	0.610	0.520	0.600

b. B. Statement of the Company comparative performance with the general market index and sector index to which the Company belongs during 2019:

First: the performance of the Share compared to the DFM Index:

Month	Jan 2019	Feb 2019	Mar 2019	Apr 2019	May 2019	Jun 2019	Jul 2019	Aug 2019	Sep 2019	Oct 2019	Nov 2019	Dec 2019
SALAMA	0.501	0.47	0.457	0.535	0.527	0.586	0.695	0.677	0.643	0.582	0.541	0.6
DFMGI	2567.59	2635.78	2634.86	2767.1	2620.33	2658.63	2918.38	2758.6	2781.07	2746.93	2678.7	2764.86

Second: the performance of the Share compared to the Insurance Sector:

Month	Jan 2019	Feb 2019	Mar 2019	Apr 2019	May 2019	Jun 2019	Jul 2019	Aug 2019	Sep 2019	Oct 2019	Nov 2019	Dec 2019
SALAMA	0.501	0.47	0.457	0.535	0.527	0.586	0.695	0.677	0.643	0.582	0.541	0.6
INSURANCE	1470.84	1412.58	1396.15	1505.94	1505.48	1607.55	1793.46	1862.43	1825.65	1730.78	1654.69	1720.55

c. Statement of the shareholders ownership distribution as on 31/12/2019 (individuals, companies, governments) classified as follows: local, Gulf, Arab and foreign:

S. No.	The Category of the Shareholder	The shares owned			
		Individuals	Companies	Governments	Total
1.	Local	38.2019%	43.8552%	%0.0545	%82.1777
2.	GCC countries	1.7368%	0.4689%	-	2.2057%
3.	Arab	5.5220%	0.2806%	-	5.8026%
4.	Foreign	1.8826%	7.9313%	-	9.81397%
5.	Total	47.34%	52.54%	0.0545 %	100.00%

d. Statement of shareholders owning 5% or more of the Company's capital as on 31/12/2019 according to the following schedule:

S. No.	Name	Number of the shares owned	Percentage of the shares owned in the Company's capital
1.	Goldilocks Investment Company Limited	160,750,000	13.2851%
2.	Ajman Bank PJSC	151,250,000	12.500%

3.	Mohammed bin Ahmed bin Saeed Al Qasimi	83839288	%6.9289
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e. Statement of how shareholders are distributed according to the volume of property as on 31/12/2019 according to the following schedule:

No.	Shareholding (the share)	The number of shareholders	The number of shares owned	Percentage of the shares owned in the Company's capital
1.	Less than 50,000	5,935	48,088,201	3.974%
2.	From 50,000 to less than 500,000	900	129,722,969	10.721%
3.	From 500,000 to less than 5,000,000	210	281,790,367	23.289%
4.	Over 5,000,000	30	750,398,463	62.016%

f. Statement of measures taken regarding the controls of investor relationships and an indication of the following:

Mr. Parvaiz Siddiq
Tel: +971 4 404 0111
Fax: +971 4 357 6996
Mobile: +971 50 55 22 914
Email: parvaiz.siddiq@salama.ae

- The link to the investors relations page on the Company's website: <http://www.salama.ae/investorforum/asp>

g. Statement of the special decisions presented in the General assembly held during 2019 and the procedures taken in their regard:

- o All ordinary resolutions were made and implemented. No special resolutions were discussed in the meeting.

h. Rapporteur of the Board meetings

Previous: Name of the rapporteur of the Board meetings: Ali Ismail

The date of appointment: 10/02/2019

His qualifications and experience: BA in Banking and Financial Studies

Statement of his duties during the year: In addition to being the Head of Legal & Compliance of the Company, Ali was handling board secretarial work

Current: Name of the rapporteur of the Board meetings: Motaz Kraishan

The date of appointment: 07/08/2019

His qualifications and experience: B.A. Law from the University of Jordan 1994. Qualified Lawyer, admitted to the Jordanian Bar Association since 1996. Worked in Jordan for six years before moving to the UAE in 2002. Since then he has worked in private practice for international law firms and as in-house lawyer in both public and private sectors.

Statement of his duties during the year: In addition to being the General Counsel of the Company, Motaz handles board secretarial work

i. Detailed statement of major events and important disclosures that the Company encountered during 2019:

- The significant event which would affect the shareholders of the Company is the acquisition by ADFG and Goldilocks Fund of 30% of the Company's shares through the purchase of 371 million shares to the amount of 42 Fils per share.


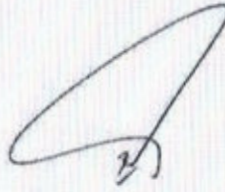
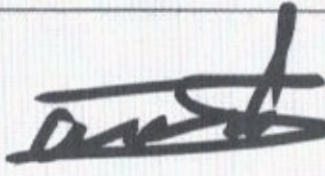
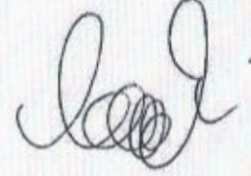
j. Statement of Emiratisation percentage in the Company at the end of 2017, 2018, 2019 (workers are excluded for companies working in the field of contracting).

Year	Emiratization Target Points by IA	Achieved By SALAMA
2017	104	125
2018	46	113
2019	53	66



k. Statement of innovative projects and initiatives carried out by the company or being developed during 2019.

o Not Applicable

			
Signature of the Board Chairman Mr Jassim Alseddiqi Alansaari	Signature of Audit Committee Chairman Mr. Fraih Saeed Al Qubaisi	Signature of Nomination and Remuneration Committee Chairman Mr. Saeed Alhajerl	Signature of Internal Control Department Director Mr. Mohammed Ashraf
Date: 09 04 / 2020	Date: 14 04 / 2020	Date: 14 04 / 2020	Date: 09 04 / 2020

Company official stamp

