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# CORPORATE GOVERNANCE REPORT 2020



**Corporate Governance Report**  
**SALAMA - Islamic Arab Insurance Company**  
**For the fiscal year ended on 31/12/2020**

**1- Statement of procedures taken to complete the corporate governance system, during 2020, 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 to achieve 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 ensures that Chairman of Authority's Board of Directors' Decision no. (3/Chairman) of 2020 concerning approval of Joint Stock Companies Governance Guide is aligned with the Company's governance policies, procedures, and practices.

**2- Statement of ownership and transactions of Board of Directors (Board) members and their spouses, their children in the company securities during 2020, according to the following schedule:**

S. No.	Name	Position / Kinship	Owned shares as on 31/12/2020	Total sale	Total purchase
1.	<b>Mr. Jassim Mohamedrafi Alseddiqi Alansaari</b>	<b>Chairman</b> Election Date: 10/06/2019	No shares registered under his name, or the name of his wife or children	4,000,000	Not Applicable
2.	<b>Mr. Saeed Mubarak Rashed Saeed Al-hajeri</b>	<b>Vice Chairman</b> Election Date: 10/06/2019	No shares registered under his name, or the name of his wife or children	Not Applicable	Not Applicable
3.	<b>Mr. Mustafa Ghazi Kheriba</b>	<b>Member</b> Election Date: 23/12/2018	No shares registered under his name, or the name of his wife or children	Not Applicable	Not Applicable
4.	<b>Mr. Fraih Saeed Al Qubaisi</b>	<b>Member</b> Election Date: 23/12/2018	No shares registered under his name, or the name of his wife or children	Not Applicable	Not Applicable
5.	<b>Mr. Mohamad Husain Mohamed Shareef Alkhoori</b>	<b>Member</b> Election Date: 23/04/2019	No shares registered under his name, or the name of his wife or children	Not Applicable	Not Applicable
6.	<b>Mr. Saeed Bin Mohammad alqassimi</b>	<b>Member</b> Election Date: 02/09/2019	7,346,335	Not Applicable	7,346,335
7.	<b>Mr. Ahmad Mohammad al Sadah</b>	<b>Member</b> Election Date: 02/09/2019	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.	<b>Mr. Jassim Mohamedrafi Alseddiqi Alansaari</b>	Non-executive Member and Non-independent	- Lecturer at Abu Dhabi-based Petroleum Institute, and 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 leading and fastest growing investment management companies in the MENA region.	- BSc in Electrical Engineering from the University of Wisconsin-Madison - MSc in Electrical Engineering from Connell University, USA	1 year and 7 Months: since 10/06/2019	- Chairman of Eshraq Investments PJSC. - Chairman of Gulf Finance Corporation. - Chief Executive Officer of Shuaa Capital PJSC. - Chairman of GFH Financial Group BSC. - Chairman of Khaleeji Commercial Bank BJC. - Board Member at First Abu Dhabi Bank PJSC (UAE)	Not Applicable

			Mr. Alseddiqi is known for his dynamic and innovative approach, have pioneered investment strategies in the region.			<ul style="list-style-type: none"> <li>- Board Member at ADNOC Distribution PJSC (UAE)</li> <li>- Board Member at Dana Gas PJSC (UAE).</li> <li>- Chairman of The Entertainer</li> <li>- Board Member at Abu Dhabi Capital Group.</li> </ul>	
2.	<b>Mr. Saeed Mubarak Rashed Saeed Alhajeri</b>	Non-executive Member and independent	- International finance	<ul style="list-style-type: none"> <li>- Bachelor of Business Administration from Lewis &amp; Clark College, USA</li> <li>- Certified Financial Analyst (CFA).</li> <li>- Attended the Executive Education Program at Harvard Business college</li> <li>- He was elected by The World Economic Forum in 2007 as one of the top 250 global leaders for its</li> </ul>	1 year and 7 Months: since 10/06/2019	<ul style="list-style-type: none"> <li>- Vice Chairman of The Abu Dhabi National Energy Company.</li> <li>- Member of the Executive Advisory Board of the University Barra MSCI INSEAD Abu Dhabi</li> </ul>	Executive Director Abu Dhabi Investment Authority (ADIA)

				contribution to the public and financial sectors in the United States and the United Arab Emirates			
3.	<b>Mr. Mohamad Husain Mohamed Shareef Alkhoori</b>	Non-executive Member and independent	<ul style="list-style-type: none"> <li>- Deputy Director of the Department of Transportation Security</li> <li>- Head of Strategic Planning</li> <li>- Director of the Administrative and Legal Affairs Branch, General Directorate of Police Operations</li> <li>- Director of the Branch of Fraud and Fraud Crimes (Officer of investigation, follow-up, and Execution of the city's police center)</li> <li>- Directorate of The Capital Police</li> </ul>	<ul style="list-style-type: none"> <li>- Bachelor of Legal Science and Police College of the UAE Graduating Year 1999</li> <li>- Master of Strategic Planning, University of Hartford shire, UK Graduation Year 2010</li> </ul>	1 year and 8 months: since 23/4/2019	<ul style="list-style-type: none"> <li>- Board member of Bani Yass Sports Club</li> <li>- Secretary-General of Al-Faraj Fund Management</li> <li>- Vice Chairman of the Board of Directors Friends of the Environment</li> </ul>	- Deputy Director of the Metropolitan Police Directorate (May 2019 - Current)



			<ul style="list-style-type: none"> <li>- General Directorate of Police Operations</li> <li>- Chairman of the Sports Committee in the criminal security sector from 2009 to the present</li> <li>- Honorary member of Al Ain Sports Club</li> <li>- Member of the Sports Talent Support Fund of the General Sports Authority.</li> <li>- Member of the Local Organizing Committee for the Asian Cup 2019</li> <li>- Chairman of the Care and Marketing Committee for the Activities of the General Headquarters of Abu Dhabi Police.</li> </ul>				
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4.	<b>Mr. Mustafa Ghazi Kheriba</b>	Non-executive Member and Non-independent	<ul style="list-style-type: none"> <li>- COO of Abu Dhabi Financial Group (ADFG) and the Executive Director of Abu Dhabi Capital Management (ADCM), in charge of managing the investments of the Group. Mr. 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</li> </ul>	<ul style="list-style-type: none"> <li>- BA in Business Administration from Toronto University.</li> <li>- Master's in business administration from Ohio Dominican University with honors.</li> </ul>	2 year: Since 23/12/2018	<ul style="list-style-type: none"> <li>- Vice Chairman of Gulf Finance Corporation PJSC - UAE</li> <li>- Board member at Reem Finance PJSC - UAE</li> <li>- Board member at Khaleeji Commercial Bank BSC - Bahrain</li> <li>- Board member at GFH Financial Group BSC - Bahrain</li> <li>- Chairman of TARIIC HOLDING CO. B.S.C. - Bahrain</li> <li>- Board member at Gulf Finance Corporation PJSC - KSA</li> <li>- Chairman of SALAMA ASSURANCE ALGERIA – Algeria</li> <li>- Chairman of Egyptian Saudi Insurance House (ESIH) Egypt</li> </ul>	Not Applicable
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			Executive Director of Integrated Alternative Finance, Spadille Ltd, Northcare, Reem Finance, and Integrated Securities. All in addition to his position as Non-Executive Director in Qannas Investment (QIL). He is also a Board Member and Managing Director of Gulf Finance in the UAE and KSA.			- Chairman of MISR EMIRATES TAKAFUL LIFE INSURANCE CO. (METLICO) Egypt	
5.	<b>Mr. Fraih Saeed Al Qubaisi</b>	Non-executive Member and independent	- Mr. Al Qubaisi has professional achievements which contributed to the service of the nation throughout his career in the government sector for over 20 years.	- BA in Police Sciences and Law from the Police College in Abu Dhabi.	2 years: Since 23/12/2018	- Member of the Board of Directors of Eshraq Investments PJSC (UAE) - Member of the Board of Gulf Finance Corporation PJSC.	Not Applicable

			<ul style="list-style-type: none"> <li>- Mr. Al Qubaisi has distinguished administrative 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. Mr. Al Qubaisi assumed many positions and duties in the private business sector, on top of which:</li> <li>- Mr. Al Qubaisi 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</li> </ul>			<ul style="list-style-type: none"> <li>- Managing Director of City Engineering,</li> </ul>	
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			qualifying many national figures in a calculated manner so that they become one of the richest sources of economy for the country.				
6.	<b>Mr. Saeed Bin Mohammad Alqassimi</b>		<ul style="list-style-type: none"> <li>- Vice president, MBS investments</li> <li>- Chairman, GHAF investments.</li> <li>- Easy lease motorcycle rental co-founder</li> <li>- GHAF investments Chairman &amp; CEO</li> <li>- Uplift delivery services co-founder</li> <li>- Society motors co-founder.</li> <li>- Board member, UAE Shooting Federation.</li> <li>- BLG Motors, partner</li> <li>- Public Motors, partner.</li> </ul>	<ul style="list-style-type: none"> <li>- Bachelor of Science and Administration with minor Philosophy, Suffolk University, Boston, Massachusetts, USA.</li> <li>- Master of Science Administrative Studies Multinational Commerce, Boston University, Boston, Massachusetts, USA</li> </ul>	4 months Since 02/09/2020	- Not Applicable	Not Applicable
7.	<b>Mr. Ahmad Mohammad al Sadah</b>		- Managing Director Al Sadah Properties	- Bachelor of Multimedia Studies &	4 months Since 02/09/2020	Not Applicable	Not Applicable

			<ul style="list-style-type: none"> <li>- Co-Founder and CEO: Easy Lease Motorcycle rental</li> <li>- Co-Founder and CEO: Uplift Delivery services</li> <li>- Co-Founder: Society Motors</li> <li>- Co-Found-: Plug Motors</li> <li>- Co-Founder: Public Motors</li> </ul>	Diploma in Business from Central Queensland University			
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**B. Statement of the percentage of female representation in the Board for 2020:**

No representation of women on the Board of Directors for 2020.

**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 2019:**

- AED: 3,000,000.

**2. The total remunerations of the Board members, which are proposed for 2020, and will be presented in the annual general assembly meeting for approval:**

AED 14.2 M as a proposal to be submitted to the Annual General Assembly.

**3. Details of the allowances for attending sessions of the committees emanating from the Board, which were received by the Board members for 2020 fiscal year:**

Nil

**E. Number of the Board meetings held during 2020 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.	Date of meeting	Number of attendees	Number of attendees by proxy	Names of absent members
1.	10-02-2020	5	None	None
2.	25-03-2020	4	1	None
3.	21-05-2020	5	None	None
4.	10-08-2020	5	None	None
5.	02-09-2020	7	None	None
6.	12-11-2020	7	None	None

**F. Number of the Board resolutions held 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.	First meeting	19/07/2020
2.	The second meeting	06/08/2020
3.	The third meeting	Dated: 27/08/2020 regarding a commercial transaction which does not affect the shares' price of the Company.
4.	Fourth meeting	17/12/2020

**G. Statement of Board duties and powers exercised by Board members or the executive management members during 2020 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.	<b>Mr. Mustafa Ghazi Kheriba – Member of the Board of Directors</b>	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.	<b>3 Years</b>
2.	<b>Mr. Parvaiz Siddiq – CEO</b>	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	<b>3 Years</b>

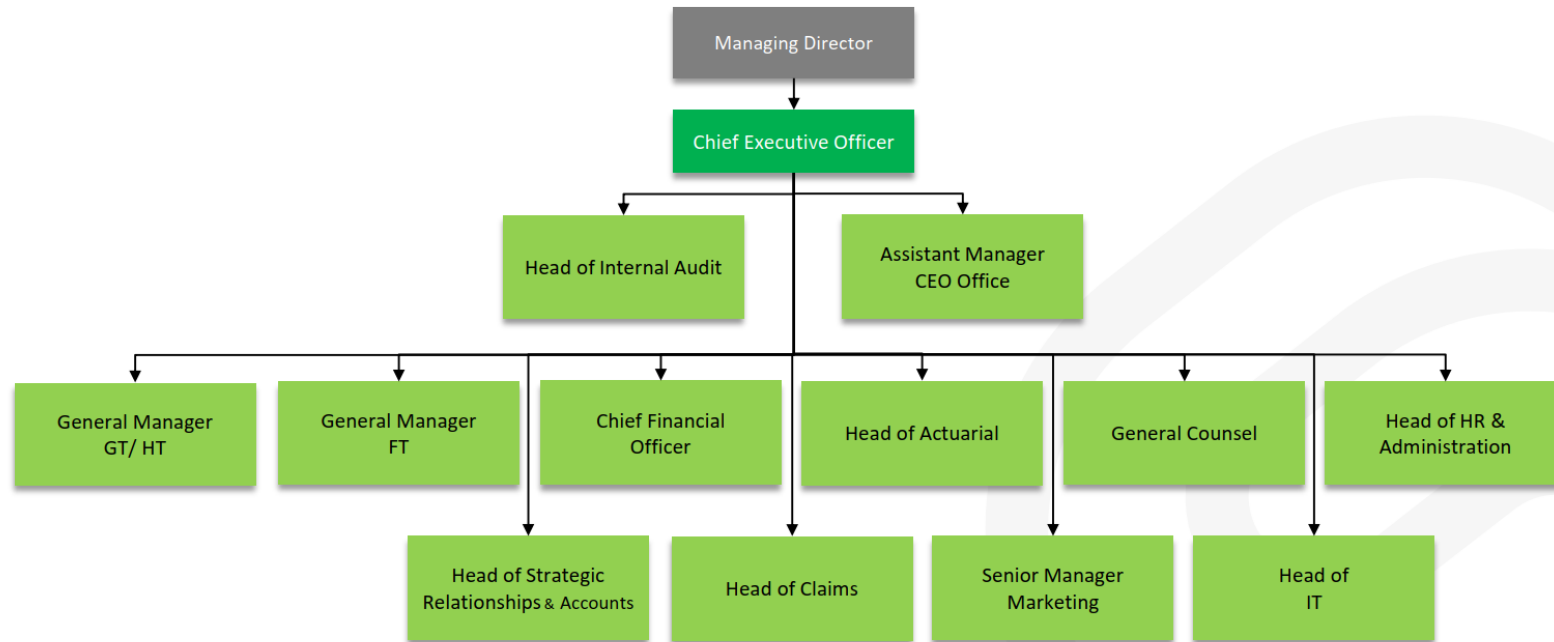
**H. Statement of the details of transactions made with the related parties (Stakeholders) during 2020, provided that it shall include Statement of related parties, clarifying the nature of relationship, Type of transaction, Value of transaction the year for each of those parties:**

S. No.	Particulars	Amount AED '000	Remarks	Nature of Relationship
1.	Contribution	2,006	Contribution of Shuaa Group Companies	Common Director
2.	Claims Paid	8,156	Claims paid of Shuaa Group Companies	Common Director
3.	Cash and Bank	555	Cash with Shuaa for Investment	Common Director
4.	Investment	54,094	Wakala Investment Certificate with Shuaa.	Common Director
5.	Investment Unit linked contracts	309,417	Participant Investment in funds managed by Shuaa	Common Director

- 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.

## Direct Reports - CEO

As at 31<sup>st</sup> December 2020





**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**

S. No.	Position	Date of Appointment	Total of the Salaries and Allowances paid for 2020 (in AED)	Total of Bonuses paid for 2020 (in AED)	Any other bonuses in cash/in-kind for 2020 or due in the future
1.	Chief Executive Officer	01-Feb-2016	1,299,003.00	Not decided	Not decided
2.	GM (GT & HT)	08-May-2016	847,186.00	Not decided	Not decided
3.	General Manager - Family Takaful	23-Nov-2011	869,622.00	Not decided	Not decided
4.	General Counsel	19-Jul-2020	498,220.00	Not decided	Not decided
5.	Chief Financial Officer	26-Apr-2020	500,789.00	Not decided	Not decided
6.	Senior Manager Marketing	13-Jan-2013	345,171.00	Not decided	Not decided
7.	Head of Internal Audit	18-Sep-2016	571,285.00	Not decided	Not decided
8.	Head of Claims - GT & FT	22-Mar-2016	389,810.00	Not decided	Not decided
9.	Head of Strategic Relationship & Accounts	26-Apr-2016	370,065.00	Not decided	Not decided
10.	Head of Human Resources & Administration	01-Feb-2017	427,560.00	Not decided	Not decided
11.	Head of Actuarial	15-Apr-2019	662,449.00	Not decided	Not decided
12.	Head of IT	18-May-2020	289,905.00	Not decided	Not decided

**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 from year 2019, This is their second year.
Total audit fees for 2020 in (AED)	AED 685,000
Fees and costs of other private services other than auditing the financial statements for 2020 (AED), if any, and in case of absence of any other fees, this shall be expressly stated.	<b>AED 331,171</b>
Details and nature of the other services (if any). If there are no other services, this matter shall be stated expressly.	<ol style="list-style-type: none"> <li>1. Supervision fee audit of Individual life on collected contribution by Deloitte AED 120,000</li> <li>2. Expert fees for Goodwill impairment assessment AED 132,153</li> <li>3. Expert fees of IFRS-16 Assessment AED 11,000.</li> <li>4. Anti-Money Laundering (AML) agreed upon procedure AED 42,000.</li> <li>5. Agreed upon procedure for shares buy back AED 10,000.</li> <li>6. Procedure for unclaimed dividend payable AED 5,000.</li> <li>7. Adequacy of the technical reserves due to COVID-19 AED 11,018.</li> </ol>
Statement of other services that an external auditor other than the company accounts auditor provided during 2020 (if any). In the	The name of the auditor: (1) KPMG & (2) Grant Thornton Details of the services provided: :(1) VAT Health Check &

absence of another external auditor, this matter is explicitly stated.	(2) Bank Statements transaction verification and for goodwill impairment valuation of subsidiaries
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- c. **Statement clarifying the reservations that the company auditor included in the interim and annual financial statements for 2020 and in case of the absence of any reservations, this matter must be mentioned explicitly.**

These qualifications pertain to the lack of confirmation of investments and receivables from the counter parties involved.

#### **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 02/09/2020):**

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

#### **Current Audit Committee Members (After 02/09/2020):**

No	Name of the Member	Designation
1	Mr. Ahmad al Sadah	Chairman
2	Mr. Fraih Al Qubaisi	Member
3	Mr. Mohamad Alkhoori	Member

- The Committee is responsible for tasks and duties as per terms of reference of audit committee that is formulated based on articles 60, 61 and 62 of Chairman of Authority's Board of Directors' Decision no. (3/Chairman) of 2020 concerning Approval of Joint Stock Companies Governance Guide.

- a. Number of meetings held by the Audit Committee during 2020 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 March 25, 2020	Second Meeting April 20,2020	Third Meeting May 20, 2020	Fourth Meeting August 10,2020	Fifth Meeting September 10,2020	Sixth Meeting November 11,2020
1.	Mr. Fraih Al Qubaisi	Present	Present	Present	Present	Present	Present
2.	Mr. Arif Abdul Aziz	Present	Present	Present	Present	Not Applicable	Not Applicable
3.	Mr. Joachim Mueller	Present	Present	Present	Present	Not Applicable	Not Applicable
4.	Mr. Ahmad al Sadah	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Present	Present
5.	Mr. Mohamad Alkhoori	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Present	Present

#### **6. 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. Mohammed Hussain AlKhoori, 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 02/09/2020):**

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

**Current Nominations and Remuneration Committee Members (After 02/09/2020):**

S. No.	Name of the Member	Designation
1.	Mr. Mohammed Hussain AlKhoori	Chairman
2.	Mr. Mustafa Kheriba	Member
3.	Mr. Saeed Bin Mohammad alqassimi	Member

- The Committee is responsible for tasks and duties as per terms of reference of Nominations and Remuneration Committee that is formulated based on article 59 of Chairman of Authority's Board of Directors' Decision no. (3/Chairman) of 2020 concerning Approval of Joint Stock Companies Governance Guide.
- c. **Statement of number of meetings held by the Committee during 2020 and their dates, and statement of all Committee members' personal attendance of times.**
- The Nominations and Remuneration Committee held one meeting on 24/11/2020 which was attended by all the members. The Committee discussed and approved the bonuses given to the employees for the performance throughout 2020.

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

Its duties were included under the powers of the audit committee according to a decision taken by the Board of Directors during its meeting No. 03/2020 held on: 05/21/2020.

**8. The Investment Committee:**

- a. 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."
- b. Names of members of the Investment Committee and clarifying their competences and tasks assigned to them.

**Previous Investment Committee Members (before 02/092020):**

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

**Current Nominations and Remuneration Committee Members (After 02/09/2020):**

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

- d. **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 22/06/2020	The Second Meeting 16/09/2020	The third Meeting 22/12/2020
1.	Mr. Jassim Alansaari	Attend	Not applicable	Not applicable
2.	Mr. Saeed Alhajeri	Attend	Attend	Attend
3.	Mr. Mustafa Kheriba	Attend	Attend	Absent
4.	Mr. Saeed Bin Mohammad Al Qasimi	Not applicable	Attend	Attend

## **9. 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: Motaz Waleed Kraishan

Designation: General Counsel

Date of appointment with SALAMA: Aug 2019 to Feb 17, 2020.

Qualification: BA degree in Law.

2. Name: Sami Zouagui

Designation: Secretary of the Board of Directors

Date of appointment with SALAMA: 19/07/2020

Qualification: Master's 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 didn't face any problems.



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

Nil

10. Details of the violations committed during the fiscal year 2020, their reasons and how they are treated and avoided in the future:

There are no significant violations.

11. The contributions in-cash and in-kind made by the Company during 2020 to the development of the local community and the preservation of the environment. (if none, please mention that the Company made no contribution):

Nil

12. 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 2020:

The Month	The Highest	The Lowest	The Closing
Jan 2020	0.597	0.522	0.543
Feb 2020	0.615	0.519	0.528
Mar 2020	0.550	0.300	0.390
Apr 2020	0.570	0.380	0.557
May 2020	0.585	0.468	0.471
Jun 2020	0.538	0.467	0.500
Jul 2020	0.628	0.491	0.601
Aug 2020	0.714	0.590	0.698
Sep 2020	0.880	0.679	0.875
Oct 2020	0.883	0.703	0.750
Nov 2020	0.864	0.720	0.830
Dec 2020	0.920	0.828	0.846

**b. B. Statement of the Company comparative performance with the general market index and sector index to which the Company belongs during 2020:**

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

Month	Jan 2020	Feb 2020	Mar 2020	Apr 2020	May 2020	Jun 2020	Jul 2020	Aug 2020	Sep 2020	Oct 2020	Nov 2020	Dec 2020
SALAMA	0.543	0.528	0.39	0.557	0.471	0.5	0.601	0.698	0.875	0.75	0.83	0.846
DFMGI	2790.42	2590	1771.31	2026.61	1945.09	2065.28	2050.77	2245.29	2273.48	2187.86	2419.6	2491.97

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

Month	Jan 2020	Feb 2020	Mar 2020	Apr 2020	May 2020	Jun 2020	Jul 2020	Aug 2020	Sep 2020	Oct 2020	Nov 2020	Dec 2020
SALAMA	0.543	0.528	0.39	0.557	0.471	0.5	0.601	0.698	0.875	0.75	0.83	0.846
INSURANCE	1644.27	1662.52	1400.06	1598.79	1503.3	1518.9	1695.58	1850.08	2148.47	1965.45	2074.03	2086.42

**c. Statement of the shareholders ownership distribution as on 31/12/2020 (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	50.5593%	38.1585 %	0.0545%	88.7723%
2.	GCC countries	1.5490%	1.1231 %	-	2.6721 %
3.	Arab	3.9674%	0.1790 %	-	4.1464 %
4.	Foreign	2.0313 %	2.3778 %	-	4.4091 %
5.	Total	58.1070 %	41.8384 %	0.0545%	99.9999 %

**d. Statement of shareholders owning 5% or more of the Company's capital as on 31/12/2020 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	159,525,517	13.1839%

**e. Statement of how shareholders are distributed according to the volume of property as on 31/12/2020 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	5,943	48,209,975	3.984%
2.	From 50,000 to less than 500,000	834	120,651,176	9.971%
3.	From 500,000 to less than 5,000,000	180	214,751,124	17.748%
4.	Over 5,000,000	26	826,387,725	68.297%
	<b>Total</b>	<b>6,983</b>	<b>1,210,000,000</b>	<b>100%</b>

**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](mailto:parvaiz.siddiq@salama.ae)

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

**g. Statement of the special decisions presented in the General assembly held during 2020 and the procedures taken in their regard:**

- Approval of the board of directors 'proposal to increase the percentage of foreign ownership in the company's share capital from 25% to 49% and amend Article 7 of the company's articles of association accordingly.
- Approved amending Paragraph (a) of Article (19) of the Company's Articles of Association so that the company is managed by a Board of Directors composed by seven (7) members elected by the General Assembly through secret ballot instead of five (5) members.
- Approved amending the Company's Articles of Association to be in line with SCA Chairman decision no. 3 of 2020 concerning approval of joint stock companies' governance guide, and Board of Directors' Decision No. (15) of 2019 on the instructions concerning the rules of ownership ratios in the capital of insurance companies .
- Approve amending Article (58) of the Company's Articles of association by adding the possibility to distribute the dividends to the shareholders half-yearly by virtue of a General Assembly meeting resolution.

#### **h. Rapporteur of the Board meetings**

**Previous: 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.

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

**Current: Name of the rapporteur of the Board meetings:** Sami Zouagui

**The date of appointment:** 10/07/2020.

**His qualifications and experience:** Sami Zouagui, DFM Certified Board Secretary, holds a Master Degree in Business Law from the Faculty of Judicial, Political and Social Science of Tunis and is registered with the Tunisian Bar Association since 2001 .Sami has an extensive legal experience of more than 20 years in banking and insurance.

**Statement of his duties during the year:** handles board secretarial work

#### **i. Detailed statement of major events and important disclosures that the Company encountered during 2020:**

- Launched a new Corporate logo.
- A case filed by "RUSD Investment Bank".

- Reduce the accumulated losses as it has decreased to AED 284.82 million for the period ending 30 September 2020 after it was equivalent to AED376.82 million at the end of the period ending 31 December 2019.

**j. A statement of the transactions carried out by the company during the year 2020 that are equal to 5% or more of the company's capital**





The Company of four (4) million shares owned in the capital of SALAMA Cooperative Insurance Co. KSA.

**k. Statement of Emiratization percentage in the Company at the end of 2020:**

Year	Emiratization Target Points by IA	Achieved By SALAMA
2018	46	53
2019	53	60
2020	60	63

**l. Statement of innovative projects and initiatives carried out by the company or being developed during 2020.**

Nil

			
Signature of the Board Chairman Mr Jassim Alseddiqi Alansaari	Signature of Audit Committee Chairman Mr. Ahmad Mohammad al Sadah	Signature of Nomination and Remuneration Committee Chairman Mr. Mohamad Shareef Alkhoori	Signature of Internal Control Department Director Mr. Mostafa Abouzed
Date: ...21...../.....03...../ 2021	Date: .....21...../.....03...../ 2021	Date: .....21...../.....03...../ 2021	Date: .....21...../.....03...../ 2021

Company Official Seal





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