



Al Alamiya for Cooperative Insurance Company

Board of Directors' Report 2020G

The Board of Directors of Al Alamiya For Cooperative Insurance Company (hereinafter referred to as the "Company" or "Al Alamiya") have great pleasure in presenting to our Shareholders the Annual Report for the year ended 31-12-2020 G.

The year 2020 witnessed continued challenging circumstances in the market as well as the operating environment with the COVID 19 Pandemic also adversely impacting the overall economy and the insurance industry. The challenging environment also have adversely impacted the Company leading to a decline in the gross written premium by SR 28.77 Million from SR 219.94 Million in 2019 to SR 191.17 Million in 2020 and to incur a Comprehensive Loss after Zakat and Tax of SR 4.03 Million compared to a Comprehensive Income after Zakat and Tax of SR 19.05 Million in 2019.

Recognizing the potential implications of the reduction in the gross written premium over the past 2 years, Al Alamiya has introduced new revenue streams through the digital channel to rebuild its revenues in a sustainable manner and by balancing the twin objectives of growth and profitability. A focus on quality of revenue will remain important as the Company seeks to review its business segments, distribution channels and products and refine them as needed. AL Alamiya is also in the process of implementing a new target operating model to ensure that an optimal and cost-effective operating platform is in place to support its strategic objectives.

Key regulators such as the Central Bank (SAMA) and the Capital Markets Authority (CMA) also continued to further strengthen the regulatory environment and the corporate governance standards. Al Alamiya in keeping with its culture of ensuring compliance with regulatory requirements, views these changes as positive developments that will help the insurance sector as a whole by enabling a level playing field, improving transparency, and protecting the consumers. One area where Al Alamiya has made significant changes is in Cyber Security. Al Alamiya has appointed a Cyber Security officer and a Committee on Cyber Security to oversee the actions that are required in respect of the capability maturity that is targeted by the key regulators.

Another area of focus for Al Alamiya in 2020 and going forward is IFRS 17. The introduction of the new accounting standard IFRS 17 is expected to significantly change the manner in which Insurance Companies measure their incomes from insurance contracts and the assets and liabilities arising therefrom as well as the manner in which these are presented and disclosed in the financial statements. SAMA has taken an active role in guiding the insurance sector in KSA in its implementation of this new accounting standard which is due to be effective from 1st Jan 2023. Al Alamiya is well positioned in its journey of preparedness for this event given through its internal effort supported through by its association with the Royal & Sun Alliance Insurance "RSA Group" and the technical expertise and support that is available from the Royal & Sun Alliance Insurance "RSA Group" in this regard.

A. BUSINESS PERFORMANCE AND PLANS FOR THE FUTURE

(i) Principal Activities

The Company is licensed by SAMA to transact insurance and reinsurance business in the Kingdom of Saudi Arabia in the classes of General Insurance, Medical Insurance, and Protection and Savings Insurance. The split of the activities between the lines of business and the major business segments is as follows:

Turnover and contribution to trading results by lines of business

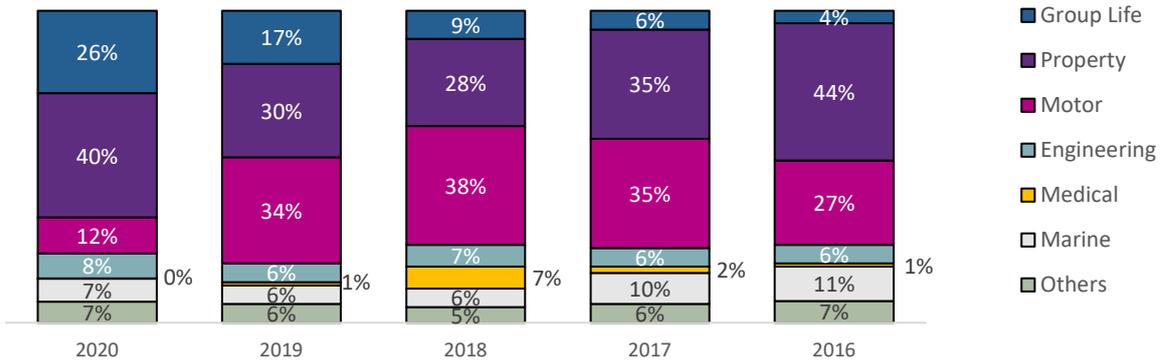
SR Million

| Description | Year | Property | Motor | Engineering | Medical | Marine | Group Life | Others | Total | |
|---|-------|----------|--------|-------------|---------|--------|------------|--------|--------|---------|
| Gross Premiums Written | 2020G | 76.18 | 22.16 | 15.16 | 0.16 | 14.09 | 50.46 | 12.96 | 191.17 | |
| | 2019G | 65.91 | 74.69 | 13.45 | 2.88 | 11.95 | 38.26 | 12.79 | 219.94 | |
| | 2018G | 81.88 | 110.37 | 20.47 | 20.62 | 19.07 | 27.20 | 13.92 | 293.53 | |
| | 2017G | 91.65 | 91.65 | 17.02 | 4.99 | 26.00 | 16.87 | 15.19 | 263.37 | |
| | 2016G | 136.19 | 84.35 | 18.73 | 2.36 | 34.61 | 13.17 | 21.34 | 310.75 | |
| Net Premiums Written | 2020G | 7.11 | 20.92 | 2.07 | 0.16 | 1.86 | 15.68 | 5.79 | 53.59 | |
| | 2019G | 1.58 | 72.93 | 1.76 | 1.26 | 2.91 | 15.43 | 6.54 | 102.41 | |
| | 2018G | 16.39 | 108.58 | 3.30 | 3.62 | 7.28 | 10.57 | 7.68 | 157.42 | |
| | 2017G | 27.89 | 89.95 | 0.70 | 2.34 | 10.47 | 5.76 | 9.24 | 146.37 | |
| | 2016G | 38.26 | 83.12 | 2.57 | 0.88 | 15.81 | 4.81 | 15.15 | 160.60 | |
| Net Premiums Earned | 2020G | 4.88 | 37.28 | 2.01 | 0.45 | 1.75 | 15.65 | 5.48 | 67.50 | |
| | 2019G | 9.60 | 84.10 | 2.11 | 4.14 | 3.96 | 15.51 | 6.32 | 125.74 | |
| | 2018G | 26.31 | 94.42 | 3.54 | 1.69 | 8.44 | 10.26 | 7.79 | 152.45 | |
| | 2017G | 32.35 | 86.00 | 0.92 | 1.71 | 11.41 | 6.28 | 11.64 | 150.31 | |
| | 2016G | 41.88 | 122.70 | 2.66 | 0.92 | 16.86 | 7.19 | 15.09 | 207.30 | |
| Net Underwriting Result* | 2020G | 9.82 | 22.50 | 3.77 | -0.32 | 5.12 | 1.99 | 4.28 | 47.16 | |
| | 2019G | 10.30 | 25.47 | 4.35 | 1.80 | 6.29 | 4.58 | 5.31 | 58.11 | |
| | 2018G | 34.76 | 23.40 | 5.94 | 0.23 | 10.11 | 2.55 | 8.99 | 85.98 | |
| | 2017G | 37.65 | 31.68 | 8.34 | 0.42 | 17.13 | (5.42) | 10.76 | 100.56 | |
| | 2016G | 34.86 | 28.93 | 4.90 | (0.38) | 15.00 | 7.06 | 11.33 | 101.70 | |
| Un-allocated Operating (Expenses)/Income | 2020G | | | | | | | | | (51.28) |
| | 2019G | | | | | | | | | (40.83) |
| | 2018G | | | | | | | | | (57.37) |
| | 2017G | | | | | | | | | (55.53) |
| | 2016G | | | | | | | | | (55.27) |
| Insurance operations' Total income for the year | 2020G | | | | | | | | | (4.12) |
| | 2019G | | | | | | | | | 17.28 |
| | 2018G | | | | | | | | | 28.62 |
| | 2017G | | | | | | | | | 45.03 |
| | 2016G | | | | | | | | | 46.43 |

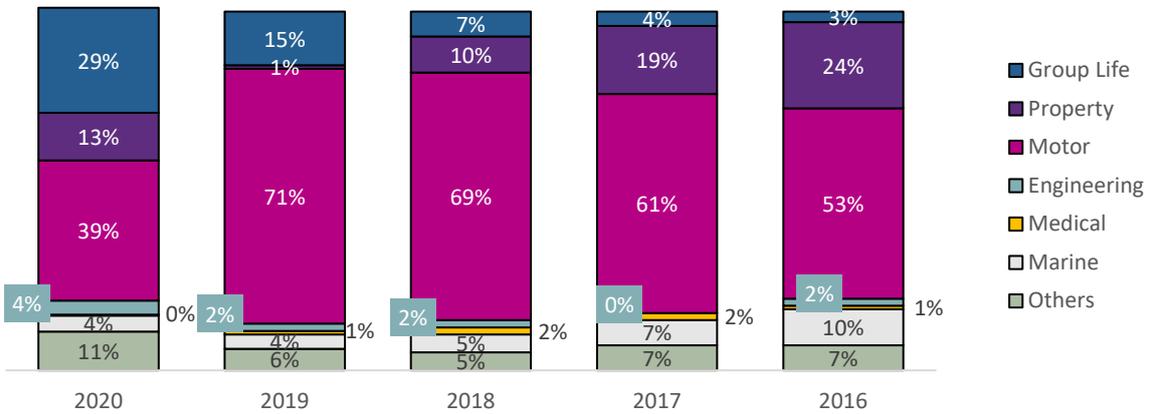
*Net Underwriting Result excludes the unallocated Other Underwriting Expenses.

Lines of Business

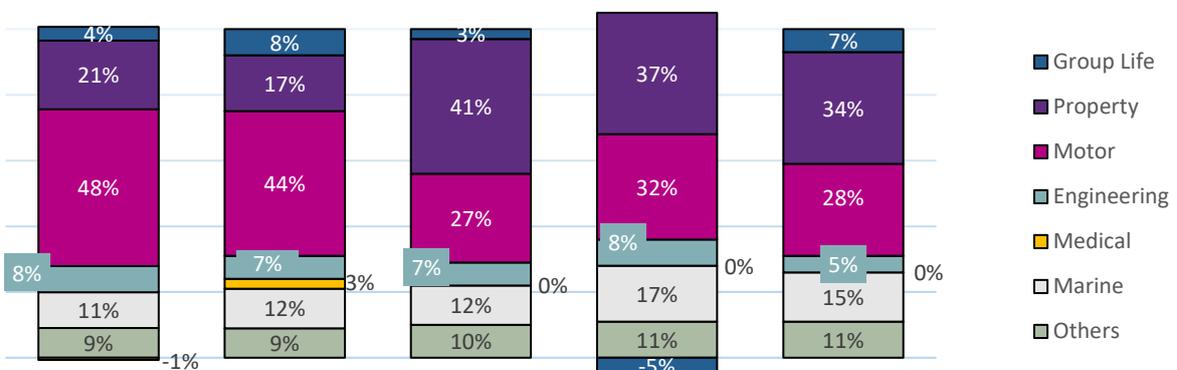
Gross Written Premiums



Net Written Premiums



Net Underwriting Result*



*Net Underwriting Result excludes the unallocated Other Underwriting Expenses.

(ii) Plans for the future

While the economy continues to remain resilient and strong, economic growth in the Kingdom of Saudi Arabia has slowed down due to the COVID-19 pandemics following the drop in oil prices. The Government has made significant efforts to diversify the economy and reduce dependence on oil which is expected to bring in significant investments in the non-oil sector as well as infrastructure development, which in turn are expected to be key drivers of future growth in the general insurance business in the Kingdom of Saudi Arabia.

The demand for insurance in Saudi Arabia is still primarily driven by government legislation where medical and motor insurance dominate the insurance market in term of Growth Premium Written. Recently, the digital platforms through which products and services are provided are on the rise and customers are increasingly preferring to interact digitally with their insurance company, hence digitally advanced insurers will have greater advantage.

To take advantage of this significant potential, the Company is gearing itself to address the insurance needs of the customer by focusing on Personal Lines and Small and Micro Business through the digital channel while the Company will continue to partner with brokers, affinity partners, and customers to create a platform from which Al Alamiya can consistently deliver sustainable and profitable growth. This strategy will allow Al Alamiya to gain market share.

The company has undertaken significant strategic change and will focus on 3 key priority areas to achieve profitable growth:

- Grow in Personal Line the digital channel
- Expansion into SME
- Progress affinity with affinity partners

The Company will also continue to maintain its efforts to effectively service and retain its key accounts. It will also continually develop the skill sets of its people and invest in technology and build a lean and efficient operating environment without compromising on any of the strong internal controls in the business operations.

iii) Summary Statements of Financial Position, Comprehensive Income, and Changes in Shareholders' Equity

The Company's Statement of Financial Position as at 31-12-2020G, the Statement of Comprehensive Income for the financial year ended 31-12-2020G, and the Statement of Changes in Shareholders' Equity are shown in the tables below:

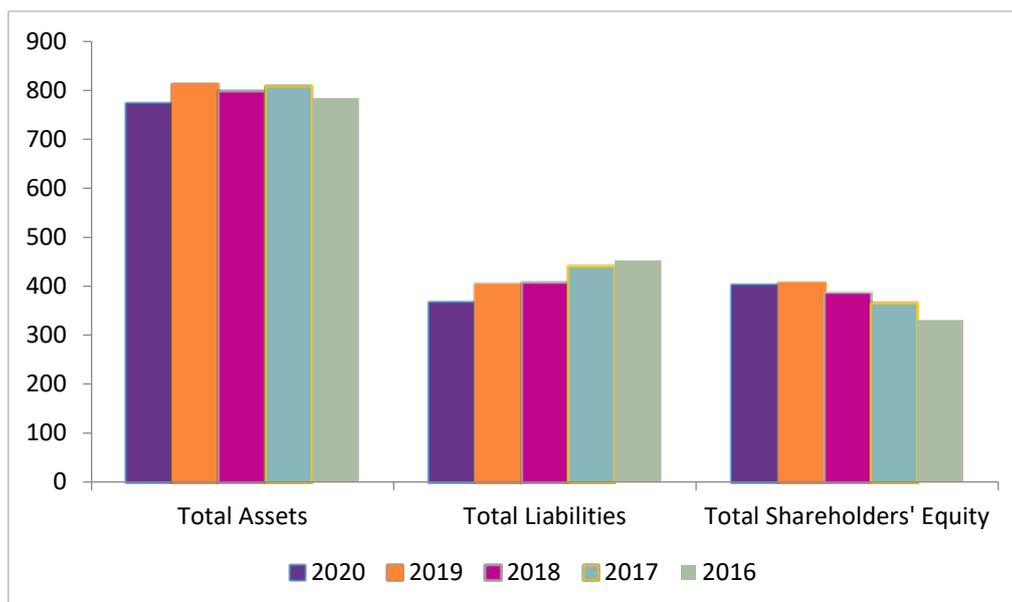
Summary Statement of Financial Position as at 31-12-2020G

| Summary Statement | SR Million | | | | |
|----------------------------------|---------------|---------------|---------------------|---------------|---------------|
| | 2020G | 2019G | 2018G (Restated) | 2017G | 2016G |
| Insurance Operations' Assets | 374.88 | 422.39 | 416.11 | 403.14 | 411.34 |
| Shareholders' Operations' Assets | 398.20 | 390.01 | 382.37 | 404.13 | 372.62 |
| | | | | | |
| Total Assets | 773.08 | 812.40 | 798.48 | 807.27 | 783.96 |

| Summary Statement | SR Million | | | | |
|---------------------------------------|---------------|---------------|---------------------|---------------|---------------|
| | 2020G | 2019G | 2018G (Restated) | 2017G | 2016G |
| Insurance Operations' Liabilities | 308.24 | 351.18 | 363.89 | 403.14 | 411.34 |
| Shareholders' Operations' Liabilities | 61.16 | 53.52 | 45.93 | 37.27 | 41.66 |
| | | | | | |
| Total Liabilities | 369.40 | 404.69 | 409.82 | 440.41 | 453.01 |
| | | | | | |
| Total Shareholders' Equity | 403.68 | 407.71 | 388.66 | 366.86 | 330.96 |

Statement of Financial Position Key Indicators

SR Million



Summary Statement of Comprehensive Income - Insurance Operations for the Year Ended 31-12-2020G

SR Million

| Comprehensive Income - Insurance Operations | 2020G | 2019G | 2018G (Restated) | 2017G | 2016G |
|--|---------------|--------------|---------------------|--------------|---------------|
| Gross Premiums Written | 191.17 | 219.94 | 293.53 | 263.37 | 310.75 |
| Net Premiums Written | 53.59 | 102.41 | 157.42 | 146.37 | 160.6 |
| Net Premiums Earned | 67.50 | 125.74 | 152.45 | 150.31 | 207.3 |
| Net Claims Incurred | (22.58) | (62.25) | (59.99) | (46.62) | (101.70) |
| Net Underwriting Income | 45.78 | 56.99 | 85.98 | 99.18 | 100.12 |
| General & Administrative Expenses | (61.16) | (50.35) | (59.95) | (57.10) | (57.18) |
| Insurance Operations' Total Income for the Year | (4.12) | 17.28 | 28.62 | 45.03 | 46.43 |
| Total Income for the Year Attributed to the Insurance Operations | - | 1.73 | 2.86 | 4.50 | 4.64 |

Summary Statement of Comprehensive Income - Shareholders' Operations for the Year Ended 31-12-2020G

SR Million

| Comprehensive Income - Shareholders' Operations | 2020G | 2019G | 2018G (Restated) | 2017G | 2016G |
|--|--------|--------|---------------------|--------|--------|
| Shareholders' appropriation from insurance operations' Surplus/(Deficit) | (9.77) | 7.45 | 25.75 | 40.53 | 41.78 |
| Investment income | 7.02 | 9.60 | 7.32 | 5.76 | 6.30 |
| General & Administrative Expenses | (1.46) | (1.49) | (1.81) | (1.81) | (1.73) |
| Total Income before Zakat and Income Tax for the Year Attributable to Shareholders | 1.45 | 23.66 | 31.26 | 44.49 | 46.35 |
| Total Comprehensive Income/(Loss) before Zakat | 3.05 | 27.50 | 30.45 | 44.31 | 46.94 |
| Total Comprehensive Income/(Loss) after Zakat | (4.03) | 19.05 | 20.73 | 35.90 | 38.49 |
| Basic and Diluted Earnings/(Loss) per share (Saudi Riyals) | (0.15) | 0.38 | 0.54 | 1.11 | 1.16 |

Summary Statement of Changes in Shareholders' Equity

SR Million

| Changes in Shareholders' Equity | 2020G | 2019G | 2018G (Restated) | 2017G | 2016G |
|---|---------------|---------------|---------------------|---------------|---------------|
| Share Capital | 400.00 | 400.00 | 400.00 | 400.00 | 400.00 |
| Retained earnings/ (Accumulated losses) | (0.34) | 5.80 | (9.22) | (32.27) | (68.36) |
| Fair value reserve for available for sale investments | 3.77 | 2.17 | (1.67) | (0.86) | (0.68) |
| Actuarial reserve for employee benefits | 0.26 | (0.26) | (0.46) | - | - |
| Total | 403.68 | 407.71 | 388.66 | 366.87 | 330.96 |

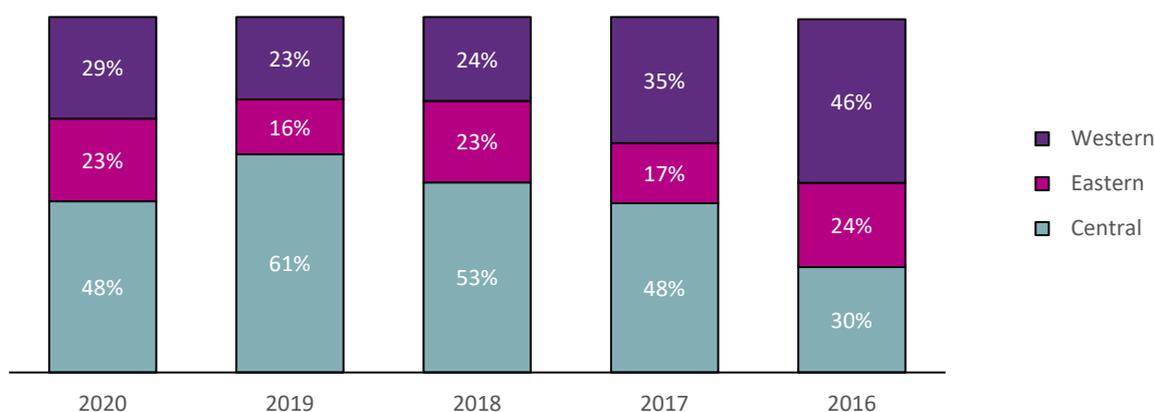
(iv) Geographical Analysis and Material Variations from Previous Year

a) Geographical Analysis

The Company operates solely within the Kingdom of Saudi Arabia. Geographical details of Gross Written Premiums for the various financial reporting periods for the last 5 years up to 2020G are given below:

SR Million

| Gross Written Premiums by Region | 2020G | 2019G | 2018G | 2017G | 2016G |
|----------------------------------|---------------|---------------|---------------|---------------|---------------|
| Central | 92.17 | 134.97 | 156.99 | 125.43 | 92.05 |
| Eastern | 44.50 | 34.14 | 67.30 | 44.59 | 73.94 |
| Western | 54.50 | 50.83 | 69.25 | 93.35 | 144.76 |
| Total KSA | 191.17 | 219.94 | 293.53 | 263.37 | 310.75 |



The Company does not have any subsidiaries in any jurisdiction.

b) Highlights of Variances in Operating Results

The information presented in the above tables cover the most recent five reporting annual periods. The analysis below explains the differences in the operating results of the year ended 31-12-2020G and the prior year (i.e. year ended 31-12-2019G). As there has been no forecast published by the company relating to the period from 01-01-2020G to 31-12-2020G, no comparison is made between actual results and forecast.

The Company's Gross Premiums Written are SR 191.17 Million in 2020G compared to SR 219.94 Million in 2019G reflecting a decline of 13.1%. The decline is mainly driven by Motor which is 70.3% lower in 2020G while other major portfolios have higher premium compared to 2019G. The overall decline in Gross Premiums Written has resulted in lower Net Premiums Written and lower Net Premium Earned which decreased by 47.7% and 46.3% respectively compared to 2019G.

Net Claims Incurred decreased by 63.7% from SR 62.2 Million in 2019G to SR 22.6 Million in 2020G mainly due to lower claims costs in Property, Motor, Medical and Other portfolios partially offset by higher claims costs in the Group Life portfolio.

The Net Underwriting Income decreased by 19.7% from SR 56.99 Million in 2019 to SR 45.78 Million in 2020G mainly due to lower Premium Earned partially offset by lower Total Underwriting Costs and Expenses.

Policyholders' investment income of SR 3.58 Million in 2020G decreased by 45.6% from SR 6.58 Million in 2019G primarily due to decreased average investment yield on term deposit placed with local banks.

General and Administrative Expenses under Insurance Operations increased by 4.4% from SR 57.18 Million in 2019 to SR 59.71 Million in 2020. Furthermore, a decrease in collections partially impacted by COVID 19 and the slowdown resulting from the pandemic led to the adverse impact on doubtful debts by SR 1.1 Million in 2020G compared to a reversal of SR 6.8 Million in 2019G.

Total Loss for the Year under Insurance Operations for 2020G is SR 4.12 Million compared to Total Income of SR 17.28 Million in 2019G. The decrease in the income for the period compared with the same period of the previous year is primarily due to lower Earned Premiums, lower investment income and higher expenses partially offset by lower claims cost and an increase in Other Income.

Shareholders' Investment Income decreased from SR 9.60 Million in 2019G to SR 7.02 Million in 2020G mainly due to lower investment returns on term deposit partial offset by an increase in investments in Saudi Arabia Government Sukuks which carries a higher average investment yield compared to term deposits.

The Total Comprehensive Loss for 2020G is SR (4.03) Million compared to the Total Comprehensive Income of SR 20.78 Million in 2019G.

The Loss per Share in 2020G was SR (0.15) versus Earning per share of SR 0.38 in 2019G.

(v) Basis of Reporting

The financial statements for the year ended December 31, 2020G have been prepared in accordance with:

- International Financial Reporting Standard (IFRS) as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are issued by Saudi Organization of Certified Public Accountants (SOCPA) (collectively referred to as "IFRS as endorsed in KSA").
- The requirements of the Regulations for Companies and Company's By-laws and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

As required by Saudi Arabian Insurance Regulations, the Company maintains separate book of accounts for Insurance Operations and Shareholders' Operations. The physical custody of all assets related to the Insurance Operations and Shareholders' Operations are held by the Company. Revenues and expenses clearly attributable to either activity are recorded in the respective accounts. The basis of allocation of other revenue and expenses from joint operations is determined by the management and Board of Directors.

The statement of financial position, statement of income and statement of comprehensive income and cash flows of the insurance operations and shareholders operations which are presented in note 25 of the financial statement have been provided as supplementary financial information and to comply with the requirements of the guidelines issued by SAMA implementing regulations. SAMA implementing regulations requires the clear segregation of the assets, liabilities, income and expenses of the Insurance Operations and the Shareholders Operations. Accordingly, the statements of financial position, statements of income, comprehensive income and cash flows prepared for the insurance operations and shareholders operations as referred below in note 25 reflect only the assets, liabilities, income, expenses and comprehensive gains or losses of the respective operations.

In preparing the Company-level financial information in compliance with IFRS, the balances and transactions of the insurance operations are amalgamated and combined with those of the shareholders' operations. Interoperation balances, transactions and unrealized gains or losses, if any, are eliminated in full during amalgamation. The accounting policies adopted for the Insurance Operations and Shareholders Operations are uniform for like transactions and events in similar circumstances. Surplus from insurance operations' and actuarial reserves from employee benefits are shown separately as Accumulated Surplus in the statement of financial position and as Actuarial reserve for employee benefits in the statement of equity.

The Company is required to distribute 10% of the net surplus from insurance operations to policyholders and the remaining 90% is to be allocated to the shareholders of the Company in accordance with the Insurance Law and Implementation Regulations issued by SAMA. Any deficit arising on insurance operations is transferred to the shareholders' operations in full.

The Company's statement of financial position is not presented using a current/non-current classification. However, the following balances would generally be classified as current: cash and cash equivalents, term deposits, premiums and reinsurers' receivable, net, reinsurance share of unearned premiums, reinsurance share of outstanding claims, deferred policy acquisition costs, prepaid expenses and other assets and investments with the exception of available for sale

investments in insurance operations. The following balances would generally be classified as non-current property and equipment and intangible assets, statutory deposit, accrued commission income on statutory deposit and available for sale investments in insurance operations.

The basis of presentation of the financial statements and the significant accounting policies are explained in greater detail under Notes 2 and 3 of the Notes to the Financial Statements for the year ended December 31, 2020G.

(vi) Dividend Policy

The Company intends to pay annual dividends on the Shares based on the level of required capital to support the Company's operations. However, the Company gives no assurance that any dividend will actually be paid thereafter, nor does it give any assurance as to the amount which will be paid in any given year.

In accordance with Article 44 of the By-Laws of the Company, 10% of the net surplus from Policyholders' operations shall be distributed to the Policyholders, and the balance of 90% shall be carried forward to the Shareholders' Income Statement.

From time to time, dividends will be paid to the Shareholders from the net profits subject to the following limitations contained in Article 45 of the By-Laws and Article 70 of the SAMA Implementing Regulation for the Law on Supervision of Cooperative Insurance Companies:

1. The decreed Zakat and income tax shall be set aside;
2. 20 percent of the net profits shall be allocated to form the statutory reserve. The ordinary General Assembly may discontinue this allocation when the said reserve reaches one hundred percent of the Company's paid-up capital;
3. The ordinary General Assembly may, at the recommendation of the Board, set aside a specific percentage of the annual net profits to build up additional reserves allocated for a specific purpose or purposes as determined by the General Assembly;
4. The balance shall be distributed as a first payment in the amount of at least five percent of paid-up capital to the Shareholders;
5. The remaining balance shall be distributed to the Shareholders as a share in the profits or to be transferred to the retained profits account; and
6. The Board may issue a decision to distribute periodical profits to be deducted from annual profits specified in paragraph 4 above in accordance with the rules and regulations issued by the competent authorities.

Any declaration of dividends will be dependent upon the Company's earnings, its financial condition, the condition of the markets, the general economic climate and other factors, including the Company's analysis of investment opportunities and reinvestment needs, cash and capital requirements, business prospects, as well as other legal and regulatory considerations.

The Company shall immediately inform the public and the Capital Market Authority (the "CMA") of any resolutions or recommendations for distribution of profit. Any profits so proposed for distribution shall be paid to the Shareholders at the place and time specified by the Board pursuant to the instructions issued by the Ministry of Commerce & Industry and subject to SAMA written approval.

(vii) Risks Facing the Company

The Company has established a risk management framework to effectively manage the various risks facing the Company. For this purpose, the company has adopted the concept of three lines of defense involving all levels in the organization in the management of the risks as follows:

- 1st line of defense: this involves all the business units who are directly responsible for the management of the risks the company faces. They are required to implement the necessary controls and the 1st line assurance processes (which include reporting and reviews);
- 2nd line of defense: this includes the control functions which are Risk Management and Compliance. Risk Management is responsible to ensure that the controls and assurances processes around all types of risks are being effectively implemented by the 1st line of defense. This is done through specific reporting on the various types of risks. Compliance function is responsible for the management and oversight of the regulatory risk through the development of a dedicated annual strategy and program for the purpose. The compliance function is fully independent from the management and reports to the Audit Committee of the company.
- 3rd line of defense: this line is managed by the Internal Audit Department which provides independent assurance over the effectiveness of the control system to the Audit Committee of the company.

The company has also set up a Risk Committee reporting to the Board of Directors and chaired by a non-executive Board Member. The Committee is responsible for the oversight of all the risk management arrangements of the company. All risks faced by the company are discussed within this forum and actions are defined and agreed on how to mitigate those.

The 2nd line and 3rd line of defense present their reports to the Audit Committee on a quarterly basis.

The company has also developed:

- 1- A Risk Appetite approved by the Board of Directors which sets risk indicators and limits against all the risks and compliance with this is reported on a quarterly basis to the Risk and Audit Committees.
- 2- A set of policies that have been implemented across the business and meant to manage the risks throughout the organization.
- 3- A delegated authorities framework which aims to clearly define the financial, operational and technical approval processes and limits.

The risks faced by the Company can be categorized as follows:

A) Financial risk:

The Company's principal financial instruments are receivables arising from insurance and reinsurance contracts, cash and cash equivalents, deposits with banks and investments in bonds and Sukuks. The Company does not enter into derivative transactions.

1. Credit risk: The Company seeks to limit credit risk with respective counter parties (i.e. customers, intermediaries and reinsurers) through a structured credit policy which defines the parameters for setting counter party credit limits as well as for the selection of reinsurance counter parties.
2. Liquidity risk: Liquidity requirements are monitored on a regular basis and action taken to ensure that sufficient liquid funds are available to meet current and future commitments as and when they arise.
3. Market price risk: The Company limits market price risk through a conservative investment policy.
4. Investment rate risk: The Company limits investment rate risk by monitoring changes in investment rates in which its cash and investments are denominated.
5. Foreign currency risk: The Company does not have any significant foreign currency risk due to the limited transactions in foreign currencies.

B) Strategic risk:

Strategic risk is actively managed through a structured process of setting and reviewing the strategic direction of the Company, based on a careful study of the macroeconomic environment, developments in the insurance market, competitor analysis and the Company's own evaluation of its risk appetite. The Company also benefits from inputs on global perspectives that it receives from RSA Group.

C) Operational risk:

Significant resources are devoted to maintaining an efficient and effective operating environment through deployment of modern technology and a policy framework that addresses areas such as corporate responsibility, business ethics, and code of conduct. The Company's Executive Team actively oversees aggregate operational risk exposure and presents reports to the Risk & Audit Committee and the Board.

D) Regulatory risk:

The Company has appointed a Compliance Officer with an appropriate level of independence, reporting into the Audit Committee. A comprehensive framework has been put in place to manage regulatory risks and to ensure compliance with applicable regulatory requirements and to track and monitor regulatory changes and enable the Company to remain compliant with regulatory changes as well as the necessary transparency in the related reporting to the Board of Directors.

E) Insurance risk:

The Company's portfolio of business is 'short tail' in nature. The Company adopts a policy of pricing its risks based on technical factors and also coordinates with the RSA Group on technical aspects as and when it deems required. It also undertakes a periodic review of all of its key portfolios under the different lines of business to assess their performance and take corrective action where required. The Company also has a clearly stated risk appetite and closely monitors its aggregate risk exposures. It has put in place appropriate reinsurance arrangements to manage the potential impact of large claims and catastrophe.

F) Reputational risk:

The company has put in place measures to proactively manage the reputational risk with key focus on serving customers and brokers well.

B. SHARES, CONTRACTUALLY BASED SECURITIES, SUBSCRIPTION RIGHTS, DEBT INSTRUMENTS

i) Interest in a class of voting Shares held by persons (other than Issuer's Directors, Senior Executives and their spouses and minor children)

There is no individual person who has more than 5% interest in a class of voting Shares of the Company. The significant (non-individual) shareholders and their ownership in the Company are as follows:

| | |
|---|---------------|
| Royal & Sun Alliance Insurance (Middle East) BSC (c) | 50.07% |
| Riyad Bank | 19.92% |

ii) Interest, contractually based securities and subscription rights of the Company's Directors, Senior Executives and their spouses and minor children in the shares or debt instruments of the Company or any of its Subsidiaries.

None of the spouses or minor children of the Members of the Board of Directors have any interest in the shares of the company. Also, none of the Senior Executives, their spouses or minor children have any interest in the Shares of the Company.

The Company does not have any debt instruments or contractually based securities that it has issued, nor does the Company have any subsidiaries operating inside or outside the Kingdom of Saudi Arabia.

iii) Borrowings, Issue/ Redemption of Securities

The Company has neither borrowed any funds, nor has it issued any convertible or redeemable debt instruments, contractually based securities, warrants or any other rights of a similar nature. It has also not made any repayment of any loan or redeemed or converted any redeemable or convertible debt instruments during the period and does not have any outstanding loans or redeemable or convertible debt instruments or contractually based securities or warrants or any other rights of a similar nature as at the end of the period.

C. RELATED PARTY TRANSACTIONS

Transactions with the RSA Group

- Intellectual Property Agreement

The intellectual property agreement has been signed with RSA Group and been renewed on 11/03/2014G. The duration of the agreement is not defined and is dependent on the shareholding of RSA Group in Al Alamiya through Royal & Sun Alliance Middle East. During the period from 01-01-2020G to 31-12-2020G the Company had incurred a total charge of SR 30,100 in its Statement of Shareholders' Comprehensive Income towards branding fees payable to RSA Insurance Group plc.

- Reinsurance Agreements

The Company made reinsurance arrangements on market terms with RSA Insurance Group PLC., by entering into reinsurance treaties which started on 01-01-2020G and ending 31-12-2020G. Based on these reinsurance contracts, the company has ceded SR 42.75 Million representing Reinsurance premiums and earned Reinsurance commission income of SR 16.95 Million.

- Technical Services Agreement

The Company has entered into a Technical Services Agreement with the RSA Insurance Group PLC which has been approved by SAMA and renewed on 21/09/2014G. Through this agreement, RSA Insurance Group PLC provides technical services to the Company. During the period from 01-01-2020G to 31-12-2020G, the company incurred a charge of SR 6.92m in its Statement of Insurance Operations for technical services received in various areas of the business under the above-mentioned Technical Services Agreement.

RSA Insurance Group PLC is a related party to Al Alamiya through one of its major shareholders, Royal & Sun Alliance Insurance (Middle East) B.S.C (c) and the following members on the Board represent Royal & Sun Alliance Insurance (Middle East) B.S.C (c) on the Board of Directors of the company:

- Christopher Philip Dooley
- Khalid Jaafar Mostafa Allagany
- Martin Rueegg
- Jonathan Cope

Transactions with Riyadh Bank and its Subsidiaries

Transactions with Riyadh Bank

- Insurance contracts

During the period 01-01-2020G to 31-12-2020G the Company entered into annual Insurance Contracts on market terms with one of its shareholders, Riyadh Bank, covering insurance of the Bankers Blanket Bond insurance with a total amount of SR 5.14 Million representing Gross Written Premiums, details of which are as follows:

| Description of Contract | Line of Business | Date of Contract | Gross Written Premiums |
|-------------------------|--|--|------------------------|
| Insurance | General Accident (Bankers Blanket Bond) | Annual Policy renewed on 07-07-2020G for a period of one year. | 5,144,512 |
| Total | | | 5,144,512 |

Transactions with the subsidiaries of Riyadh Bank

- Insurance contracts through Riyadh Company for Insurance Agency

The Company has entered into an agency agreement with Riyadh Company for Insurance Agency (a subsidiary of Riyadh Bank) on 29/07/2013G to market and sell the company's insurance products. A total gross written premium of SR 55.68 Million has been realized through this channel during the period 01-01-2020G to 31-12-2020G and SR 4.83 Million of commissions has been earned by the Agency, as follows:

| Description of Contract | Line of Business | Date of Contract | Customer | Gross Written Premiums | Commission Earned by Agency |
|-------------------------|----------------------------------|---|---|------------------------|-----------------------------|
| Insurance | General Accident (Group Life) | A number of insurance policies issued from 01-01-2020G to 31-12-2020G as per insurance policy renewed on 01/05/2020G for a period of one year and expires on 30-04-2021G. | Riyad Bank mortgage scheme | 47,981,488 | 4,167,821 |
| Insurance | Property | A number of insurance policies issued from 01-01-2020 to 31-12-2020G as per insurance policy renewed on 01/05/2020G for a period of one year and expires on 30-04-2021G. | Riyad Bank mortgage scheme | 5,709,848 | 491,321 |
| Insurance | Marine | The agency contract has been signed on 29-07-2013G. A number of insurance policies issued from 01-01-2020G to 31-12-2020G | Customers of Riyad Company for Insurance Agency | 1,992,782 | 172,892 |
| Total | | | | 55,684,118 | 4,832,034 |

Riyad Bank is one of the main shareholders in the Company holding 19.92% of the shares in the Company. The following members on the Board represent Riyad bank:

- Khalid Mohammed Ali Hariry
- Mohammed Ali Al Shakwan (Resigned on 05-03-2020G)
- Abdulaziz Yousef Bin Yousef (Appointed on 05-05-2020G)

Transactions with Board Members and Top Executives

- Insurance contracts

During the reporting period the Company entered into Insurance Contracts at arm's length and on market terms directly or with business establishments having direct interest of the Company's Board of Directors, the CEO and CFO, the details of which are below:

| Name | Position | Name of Establishment | Line of Business | Period From / To | Gross Written Premiums for the period |
|---------------------------------------|---------------------------|-----------------------|------------------|--------------------------------|---------------------------------------|
| Khalid Jaafar Mostafa Allagany | Managing Director and CEO | N/A | Motor | 10- May-2020G to 09-May-2021G | 2,500 |
| Fadi Aboul Hosn | Chief Financial Officer | N/A | Motor | 09- May-2020G to 08-July-2021G | 1,500 |

Besides the above there were no transactions or contracts entered into by the Company pertaining to its operations and activities related thereto, in which Directors or the Chief Executive Officer, Chief Financial Officer or any associate had a material interest.

D. OUTSTANDING STATUTORY DUES AND PAYMENTS MADE TO GOVERNMENT AUTHORITIES

i) The Company does not have any outstanding statutory dues as on 31-12-2020G, except for the following:

SR

| Description | 31-12-2020G | 31-12-2019G |
|--|------------------|------------------|
| GOSI for the month of December 2020* | 198,673 | 210,772 |
| SAMA Supervision Fees payable for Q4 2020 ** | 268,605 | 257,908 |
| Department of Zakat & Income Tax – Withholding Tax *** | 682,505 | 397,404 |
| Department of Zakat & Income Tax – VAT *** | 666,176 | 180,322 |
| Zakat & Income Tax (Provision)**** | 7,593,797 | 8,639,795 |
| Total | 9,409,756 | 9,686,201 |

* GOSI payable is part of the other accrued expenses in Note 13 to the financial statements

** SAMA supervision fees are part of Accrued supervision fees in Note 13 of the financial statements.

***Withholding tax and VAT payable is included in the Accrued Withholding Tax amount and value added tax payable in Note 13 to the financial statements. In addition to this balance there are other withholding tax provisions which are not yet due for payment and have been accrued in the financial statements.

**** Zakat & Income Tax provision is shown above for the years 2020 and 2019 standalone liability recorded in the financial statements of the Company (Please refer to note 15) to the financial statements). The total provision in respect of Zakat and Income tax is for a total amount of SR 50,916 thousand at the end of 2020 and SR 44,267 thousand at the end of 2019 (Please refer to note 15 to the financial statements)

ii) Statement of Payments made to Government Authorities during the period from 01-01-2020G to 31-12-2020G

SR

| Description | 2020G | 2019G |
|--|-------------------|-------------------|
| Department of Zakat & Income Tax (zakat and corporate tax) | 953,796 | 1,968,765 |
| Department of Zakat & Income Tax (VAT and withholding tax) | 18,750,212 | 9,874,982 |
| GOSI | 2,757,133 | 3,129,358 |
| Ministry of Interior, Labor Office, Chamber of Commerce, Municipality, SAGIA | 359,826 | 350,910 |
| SAMA Supervision Fees quarterly payments | 920,482 | 1,235,827 |
| CMA payments – Fines | 0 | 20,000 |
| CCHI License Renewal payments | 150,000 | 50,000 |
| CCHI Supervision Fees payments | 0 | 214,189 |
| Total | 23,891,449 | 16,844,031 |

E. EMPLOYEE BENEFITS

The Company did not make any investments or set up any reserves for the benefit of the employees other than those required for payment of performance bonus and end of service benefits in the normal course of business

F. STATEMENTS

- i) The Company has maintained proper books of accounts.
- ii) The system of internal control is sound in design and has been effectively implemented.
- iii) There are no significant doubts concerning the ability of the Company to continue as a going concern.

G. EXTERNAL AUDITORS' REPORT

The external auditors have issued an unqualified opinion and their report did not contain any reservation on the financial statements. In their audit report they stated that, in their opinion, the financial statements taken as a whole:

- Present fairly, in all material respects, the financial position of the Company as at 31 December 2020G, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS") that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Certified Public Accountants (SOCPA) (collectively referred to as "IFRS as endorsed in KSA").
- The auditors' have their audit in accordance with the International Standards on Auditing (ISAs) that are endorsed in the Kingdom of Saudi Arabia. Their responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of the report.
- They are independent of the Company in accordance with the professional code of conduct and ethics that are endorsed in the Kingdom of Saudi Arabia that are relevant to our audit of the Company's financial statements, and they have fulfilled their other ethical responsibilities in accordance with these requirements. Auditors' believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.
- The key Audit Matter which was of most significance to their audit of the financial statements was The Valuation of Ultimate Claim Liability Arising from Insurance Contract due to significance of the amount involved and the exercise of significant judgment by management in the process for determination of outstanding claims.

Refer to the "Independent Auditors' Report" section reflected in the Financial Statements and Independent Auditors' Report for the Year Ended on 31-12-2020G for more details.

H. CONTINUATION OF EXTERNAL AUDITORS

The Board has accepted the recommendations of the Audit Committee relating to the appointment, and determination of the remuneration of the external auditors.

The Board of Directors has not recommended that the external auditors should be changed before their current term elapses.

The Board through the Board Audit Committee shall consider the appointment of external auditors for 2021 and make recommendations to the Shareholders for consideration at the Annual General Assembly Meeting.

I. CORPORATE GOVERNANCE

i) Compliance with Rules and Regulations

a. Compliance with the Corporate Governance Regulations Issued by the CMA

The Company complies with the CMA's Corporate Governance Regulations with the exception of the provisions listed below:

| Article | Sub-Article | Paragraph | Reason for not compliant |
|---------|-------------|---|--------------------------|
| 39 | - | Training and preparation of the Board members and the Executive Management | Guiding Article |
| 41 | - | The Board shall develop, based on the proposal of the nomination committee, the necessary mechanisms to annually assess the performance of the Board, its members and committees and the Executive Management | Guiding Article |
| 85 | - | Employee Incentives | Guiding Article |
| 87 | - | Social Responsibility | Guiding Article |
| 88 | - | Social Initiatives | Guiding Article |
| 89 | 3 | The Company's website shall include all information required to be disclosed and any details or other information that may be published through other disclosure methods; | Guiding Paragraph |

Numbers of company's requests of shareholders records, dates and reasons thereof:

| Number | Date | Reason |
|--------|------------|-------------------|
| 1 | 12/02/2020 | For Company usage |
| 2 | 19/05/2020 | General Assembly |
| 3 | 17/11/2020 | For Company usage |

ii) Board of Directors

Composition of the Board of Directors

The Company's By-Laws provide that the Company shall be managed by a Board of Directors consisting of nine (9) members appointed by the ordinary General Assembly for a term not exceeding three years. The current three-year term of the board expires on 09 October 2021G.

During the year the following changes took place in the Board of Directors.

- Mohammed Ali AL- Shakwan resigned from his position on the Board and the Board Risk Committee on 05-03-2020G and Abdulaziz Yousef Bin Yousef was appointed to fill this vacancy with effect from 05-05-2020G.

All the above changes have been notified to the regulators as required under regulation and has been presented to the Shareholders for ratification at the General Assembly Meeting held on 08-06-2020G.

The position of membership of the Board, following the above change is as follows:

| | Name of Director | Position | Classification |
|----|----------------------------------|-------------------|---|
| 1. | Abdulaziz Abdulmohsin Bin Hasan | Chairman | Independent Director |
| 2. | Tariq Zaid Abdullah Alkhayyal | Vice Chairman | Independent Director |
| 3. | Dr. Saleh Hamad Saleh Al Shinifi | Director | Independent Director |
| 4. | Khalid Mohammed Ali Hariry | Director | Non-Executive Director, Riyadh Bank Nominee |
| 5. | Abdulaziz Yousef Bin Yousef | Director | Non-Executive Director, Riyadh Bank Nominee |
| 6. | Jonathan Cope | Director | Non-Executive Director, RSA Nominee ** |
| 7. | Christopher Philip Dooley | Director | Non-Executive Director, RSA Nominee ** |
| 8. | Martin Rueegg | Director | Non-Executive Director, RSA Nominee ** |
| 9. | Khalid Jaafar Mostafa Allagany | Managing Director | Executive Director, RSA Nominee ** |

** RSA means Royal & Sun Alliance Insurance (Middle East) B.S.C (c)

Name(s) of Joint Stock Company(s) in which Members of the Company's Board of Directors act as a Member of the Board of Directors.

| Name of Director | Board or other positions held in other Company(s) inside or outside KSA | Position | Entity Type / Domicile |
|----------------------------------|---|--|--|
| Abdulaziz Abdulmohsin Bin Hasan | Al Faisaliah Group | Member of the Board of Directors | Conglomerate |
| | Saudi France Capital | Member of the Board of Directors | Capital Markets |
| | Arab National Bank | Member of the Audit Committee | Banking |
| Tariq Zaid Abdullah Alkhayyal | Diyar Alkhayyal Real Estate Development Co | Board Member and MD | Realestate development |
| Dr. Saleh Hamad Saleh Al Shinifi | SAFAH Foundation | Secretary General & Member Board of Director | Welfare Foundation |
| | Altayar group | Member, Audit Committee | Listed Company |
| | Al Darah Medical | Member Board of Directors, Chairman of Audit Committee | Saudi Listed Joint Stock Company, KSA |
| Abdulaziz Yousef Bin Yousef | Riyad Bank | Senior Vice President – Head of Retail Assets | Saudi Listed Joint Stock Company, KSA |
| | Riyad Insurance Agency company | Board member | Limited Liability |
| | Fay United Real-estate Co. | Chairman | Limited Liability |
| Khalid Mohammed Ali Hariry | Riyad Company for Insurance Agency | Board member | Limited Liability Company owned by Riyad Bank |
| | Riyad Bank | Senior Vice President Mgr., Enterprise PMO Dept | Saudi Listed Joint Stock Company, KSA |
| Martin Rueegg | Royal & Sun Alliance Insurance (Middle East) BSC (c) | Managing Director and member of Nomination & Remuneration Committee | Closed Joint Stock Company, Bahrain |
| | AL Ahlia Insurance Co SAOG, Oman | Board Member and member of Audit & Risk Committee and Nomination Remuneration & Investment Committee | Public Listed Company in Sultanate of Oman |
| Christopher Philip Dooley | Royal & Sun Alliance Insurance (Middle East) BSC (c) | Non Executive Director and member of Nomination & Remuneration Committee | Closed Joint Stock Company, Bahrain |
| | Al Ahlia Insurance CO, SAOG | Non Executive member of the Board and Chair of the Nomination, Remuneration & Investment Committee. | Listed Joint Stock Company, Oman |
| | Execme Ltd | Founding Director & Executive Coach | Private Limited Co, UK |
| Jonathan Cope | RSA Insurance Group, UK | Head of Legal, UK & International | Plc Company, UK |
| | Al Ahlia Insurance CO, SAOG | Deputy Chairman of the Board and member of Nomination Remuneration & Investment Committee | Listed Joint Stock Company, Oman |
| | Royal & Sun Alliance Property Services Limited | Director | UK Private Limited Company. (Part of RFSA Group) |
| | Royal Insurance (UK) Limited | Director | UK Private Limited Company. (Part of RFSA Group) |
| | RSA Accident Repairs Limited | Director | UK Private Limited Company. (Part of RFSA Group) |
| Khalid Jaafar Mostafa Allagany | Al Alamiya For Cooperative Insurance co | Chief Executive Officer | Saudi Listed Joint Stock Company, KSA |

Functions

The Board is responsible for the direction and oversight of the Company on behalf of the Shareholders and is accountable to them for all aspects of the Company's business. It is the Board's responsibility to adopt strategic plans, monitor operational performance, ensure that an effective risk management strategy is in place and all applicable legislation and regulation is complied with. The Board operates the following Board Committees to assist in discharging its duties:

- The Executive Committee;
- The Investment Committee;
- The Disclosure Committee;
- The Audit Committee;
- The Risk Committee and
- The Nomination & Remuneration Committee.

The Company is committed to implementing a sound corporate governance framework through which the objectives of the Company are set and the means of attaining these objectives and monitoring performance is determined. To achieve this, the Company operates within a set of corporate governance principles which, together with the roles and responsibilities of the Board are set out in the form of a Board Governance Manual.

Chairman and Managing Director

The division of responsibilities between the Chairman and the Managing Director are clearly defined by the Board and are in compliance with applicable laws and regulations in the Kingdom of Saudi Arabia. The Chairman is not involved in the day-to-day management of the Company or its business, whereas the Managing Director has direct responsibility for the management of the Company.

Meetings

During the financial year 2020 the Board of Directors held 6 meetings. Given the circumstances and travel restrictions triggered by the pandemic, attendance at these meetings was enabled through electronic video conference. The attendance at these meetings has been as follows:

| | Date of Meeting | | | | | | Remarks |
|----------------------------------|-----------------|-------------|-------------|-------------|-------------|-------------|--|
| | 04-03-2020G | 08-06-2020G | 28-07-2020G | 29-09-2020G | 29-10-2020G | 08-12-2020G | |
| Abdulaziz Abdulmohsin Bin Hasan | Y | Y | Y | Y | Y | Y | |
| Tariq Zaid Abdullah Alkhayyal | Y | N | Y | Y | Y | Y | |
| Dr. Saleh Hamad Saleh Al Shinifi | Y | Y | Y | Y | Y | Y | |
| Abdulaziz Yousef Bin Yousef* | NA | Y | Y | Y | Y | Y | Appointed on 05-05-2020G |
| Khalid Mohammed Ali Hariry | Y | Y | Y | N | Y | N | Represented by Mohammed Al Shakwan at the meeting on 04-03-2020G |
| Christopher Philip Dooley | Y | Y | Y | Y | Y | Y | |
| Jonathan Cope | Y | Y | N | Y | Y | Y | |
| Martin Rueegg | Y | Y | Y | Y | Y | Y | |
| Khalid Jaafar Mostafa Allagany | Y | Y | Y | Y | Y | Y | |
| Mohammed Ali Al Shakwan * | Y | NA | NA | NA | NA | NA | Resigned from the board on 05-03-2020G |

Y – Attended in person or by proxy.

N – Did not attend

NA – Had either resigned or was not appointed at that time.

** Appointed during the period*

Resigned during the period

Board & Committee's Performance Assessment

The Board in conjunction with the Nomination & Remuneration Committee has put in place a two-stage process for the review of the performance of the performance of the board. In stage-1, the board secretary circulates a questionnaire to the members inviting them to provide their responses to a range of parameters covering the board's constitution, structure, activities and performance. These responses are summarized by the board secretary and presented to the Nomination & Remuneration Committee. The Chairman of the Committee then provides an update to the board on the self-assessment responses of the board members highlighting key observations as applicable. Stage-2 provides an avenue for the Chairman to have confidential one to one discussions with other members of the board as requested by a member or as considered necessary by him, which provides a two-way platform for providing feed back to the respective members on their performance and contributions and receiving suggestions and feedback from them.

The board Committees at the end of each year carry out a discussion based self-assessment, facilitated by the secretary, against their respective duties as set out in the Committee's terms of reference. The conclusions are captured in the form of a memo from the Committee Chairman and shared with the Nomination & Remuneration Committee and the board.

iii) Shareholder Meetings

During the financial year 2020G the Company held one (1) shareholder general assembly meetings as below.

At these meeting, the Company took all the necessary steps to provide the Shareholders the opportunity to exercise their rights, raise questions or clarifications and provide suggestions or remarks to the board members. Following these meetings, the Company uploaded the minutes of the meetings as required on Tadawul and the Chairman shared with other board members any suggestions or remarks received from or made by the shareholders.

The date and attendance by board members at the meeting were as follows

| Date | Type of Meeting | Attendance by Board Members |
|-------------|---|---|
| 08-06-2020G | Annual General Assembly & Ordinary General Assembly | <ul style="list-style-type: none">• Khalid Jaafar Mostafa Allagany• Abdulaziz Abdulmohsin Bin Hassan• Tariq Zaid Abdullah Alkhayyal• Chris Philip Dooley• Khalid Mohammed Ali Hariry• Dr. Saleh Hamad Saleh Al Shinifi• Christopher Philip Dooley• Martin Rueegg• Abdulaziz Yousef Bin Yousef |

iii) Board Committees:

Executive Committee:

A. Composition

The Executive Committee shall comprise of a minimum of three and a maximum of five members. The current composition of the committee is as follows:

| Name | Designation | Role in Committee |
|--------------------------------|---|-------------------------|
| Khalid Jaafar Mostafa Allagany | Managing Director and Chief Executive Officer | Chairman |
| Fadi Aboul Hosn | Chief Financial Officer | Member |
| Russell Tong # | Technical Director | Resigned on 30-11-2020G |

Resigned during the period

B. Functions

The purpose of the committee is to assist the Chief Executive Officer in the performance of his duties, including:

- The development and implementation of strategy, operational plans, policies, procedures and budgets;
- The monitoring of operating and financial performance;
- The assessment and control of risk;
- The prioritization and allocation of resources; and
- Monitoring competitive forces in each area of operation.

C. Meetings

The Committee held six meetings during the period from 01-01-2020G up to 31-12-2020G. The dates of the meetings and the attendance were as follows

| | Date of Meeting | | | | | | Remarks |
|--------------------------------|-----------------|-------------|-------------|-------------|-------------|-------------|-------------------------|
| | 10-02-2020G | 20-04-2020G | 15-07-2020G | 19-08-2020G | 14-10-2020G | 20-12-2020G | |
| Khalid Jaafar Mostafa Allagany | Y | Y | Y | Y | Y | Y | |
| Fadi Aboul Hosn | Y | Y | Y | Y | Y | Y | |
| Russell Tong # | Y | N | Y | Y | Y | NA | Resigned on 30-11-2020G |

Y – Attended in person

N – Did not attend

NA – Had either resigned or was not appointed at that time

Resigned during the period

Investment Committee:

A. Composition

The Investment Committee shall comprise of a minimum of three and a maximum of five members. The current composition of the committee is as follows:

| Name Designation | Designation | Role in Committee |
|----------------------------------|---|-------------------|
| Abdulaziz Abdulmohsin Bin Hassan | Chairman of the Board | Chairman |
| Tariq Zaid Abdullah Alkhayyal | Deputy Chairman of the Board | Member |
| Khalid Mohammed Ali Hariry | Non-Executive Director, Riyad Bank Representative | Member |

B. Functions

The purpose of the committee is to manage all aspects of the investment assets held by the Company subject to adherence to the terms of the Investment Directives and the Committee Dealing Limits and in line with the applicable laws of the Kingdom of Saudi Arabia.

C. Meetings

The Committee held four meetings during the period from 01-01-2020G up to 31-12-2020G. The dates of the meetings and the attendance were as follows

| | Date of Meeting | | | | Remarks |
|----------------------------------|-----------------|-------------|-------------|-------------|---------|
| | 03-03-2020G | 04-06-2020G | 22-09-2020G | 07-12-2020G | |
| Abdulaziz Abdulmohsin Bin Hassan | Y | Y | Y | Y | |
| Tariq Zaid Abdullah Alkhayyal | Y | N | Y | Y | |
| Khalid Mohammed Ali Hariry | N | Y | Y | Y | |

Y – Attended in person

N – Did not attend

Disclosure Committee:

A. Composition

The Disclosure Committee shall comprise of a minimum of three and a maximum of five members. The current composition of the committee is as follows:

| Name Designation | Designation | Role in Committee |
|--------------------------------|---|-------------------|
| Khalid Jaafar Mostafa Allagany | Managing Director and Chief Executive Officer | Chairman |
| Christopher Philip Dooley | Non-Executive Director, RSA Representative* | Member |
| Fadi Aboul Hosn | Chief Financial Officer | Member |

* RSA means Royal & Sun Alliance Insurance (Middle East) B.S.C (c).

B. Functions

The purpose of the committee is to ensure the Company's compliance with all legal and regulatory requirements relating to announcements, notifications, submissions, filings and approvals arising from its listing on the Tadawul. In line with its Terms of Reference, the committee can hold meetings through electronic means.

C. Meetings

The committee held meetings through electronic means to review and approve the company's announcements on Tadawul website. The committee held Fifteen of these meetings during the period from 01-01-2020G up to 31-12-2020G. All Committee members participated in all these meetings through electronic means in line with its terms of reference.

Audit Committee:

A. Composition

The Audit Committee shall comprise of a minimum of three and a maximum of five members. The current composition of the committee is as follows:

| Name Designation | Designation | Role in Committee |
|----------------------------------|-------------------------------------|-------------------|
| Dr. Saleh Hamad Saleh Al Shinifi | Independent Board Member | Chairman |
| Ayman Saleh Al Ghamdi | Independent Member on the Committee | Member |
| Dr. Ahmed Mohammed Al Salman | Independent Member on the Committee | Member |

B. Functions

The purpose of the Committee is to review the compliance function and assess the Company's processes relating to its risk, compliance and internal control systems. Furthermore, the Committee will review the Company's financial statements and the effectiveness of the external audit process and internal audit functions.

C. Meetings

The Committee held a total of six meetings during the period from 01-01-2020G up to 31-12-2020G. The dates of the meetings and the attendance were as follows;

Physical (Face to Face) Meetings

| | Date of Meeting | | Remarks |
|----------------------------------|-----------------|--|---------|
| | 03-03-2020G | | |
| Dr. Saleh Hamad Saleh Al Shinifi | Y | | |
| Ayman Saleh Al Ghamdi | Y | | |
| Dr. Ahmed Mohammed Al Salman | Y | | |

Y – Attended in person

Telephone Meetings

Due to pandemic situation after March 2020 meeting, all subsequent five meetings were held over the phone. The Audit Committee has also put in place a process of holding specific meetings, for management to present to the Committee members the interim and annual financial statements, in accordance with the regulatory timelines. The Audit Committee reviews the interim financial statements during these meetings and makes recommendations on the same to the Board of Directors. The Company's external and internal auditors also participate in these meetings providing responses to any queries that the members may raise.

| | Date of Meeting | | | | | Remarks |
|----------------------------------|-----------------|-------------|-------------|-------------|-------------|---------|
| | 04-06-2020G | 27-07-2020G | 28-09-2020G | 28-10-2020G | 07-12-2020G | |
| Dr. Saleh Hamad Saleh Al Shinifi | Y | Y | Y | Y | Y | |
| Ayman Saleh Al Ghamdi | Y | Y | Y | Y | Y | |
| Dr. Ahmed Mohammed Al Salman | Y | Y | Y | Y | Y | |

Y – Attended

Risk Committee:

A. Composition

The Risk Committee shall comprise of at least three (3) members and not more than five (5) members headed by a non-executive member. The current members are as follows:

| Name Designation | Designation | Role in Committee |
|-----------------------------|--|-----------------------|
| Christopher Philip Dooley | Non-Executive Director, RSA Representative | Chairman |
| Khalid Allagany | Managing Director and Chief Executive Officer | Member |
| Fadi Aboul Hosn | Chief Financial Officer | Member |
| Jonathan Cope | Non-Executive Director, RSA Representative | Member |
| Mohammed Al Shakwan # | Non-Executive Director, Riyadh Bank Representative | Resigned 05-03-2020G |
| Abdulaziz Yousef Bin Yousef | Non-Executive Director, Riyadh Bank Representative | Appointed 05-05-2020G |

*RSA means Royal & Sun Alliance Insurance (Middle East) B.S.C (c)

Resigned during the period

B. Function

The Committee has the responsibility to oversee the Company's risk management arrangements ensuring the risk appetite is appropriate and adhered to and that key risks are identified and managed.

C. Meetings

The Committee held four meetings during the period from 01-01-2020G up to 31-12-2020G. The dates of the meetings and the attendance were as follows:

| | Date of Meeting | | | | Remarks |
|--------------------------------|-----------------|-------------|-------------|-------------|--------------------------|
| | 04-03-2020G | 08-06-2020G | 29-09-2020G | 08-12-2020G | |
| Chris Dooley | Y | Y | Y | Y | |
| Khalid Jaafar Mostafa Allagany | Y | Y | Y | Y | |
| Fadi Aboul Hosn | Y | Y | Y | Y | |
| Abdulaziz Yousef Bin Yousef | NA | Y | Y | Y | Appointed on 05-05-2020G |
| Jonathan Cope | Y | Y | Y | Y | |
| Mohammed Ali Al Shakwan # | Y | NA | NA | NA | Resigned on 05-03-2020G |

Y – Attended

N – Did not attend

NA – Had either resigned or was not appointed at that time

Resigned during the period

Nomination and Remuneration Committee:

A. Composition

The Nomination and Remuneration Committee shall comprise of a minimum of three and a maximum of five members. The current composition of the Committee is as follows:

| Name Designation | Designation | Role in Committee |
|----------------------------------|--|-------------------|
| Tariq Zaid Abdullah Alkhayyal | Independent Director | Chairman |
| Abdulaziz Abdulmohsin Bin Hassan | Independent Director | Member |
| Khalid Mohammed Ali Hariry | Non-Executive Director, Riyadh Bank Representative | Member |
| Martin Rueegg | Non-Executive Director, RSA Representative * | Member |

*RSA means Royal & Sun Alliance Insurance (Middle East) B.S.C (c)

B. Functions

The purpose of the committee is to ensure transparency in the procedures for the selection, appointment and removal of Directors. All appointments and removals are to be ratified by the General Assembly. The committee will also be responsible for establishing policies regarding the indemnity and remuneration of Directors and Senior Managers.

C. Meetings

The committee held four meetings during the period from 01-01-2020G up to 31-12-2020G. The dates of the meetings and the attendance were as follows:

| | Date of Meeting | | | | Remarks |
|----------------------------------|-----------------|-------------|-------------|------------|---------|
| | 04-03-2020G | 08-06-2020G | 29-09-2020G | 08-12-2020 | |
| Tariq Zaid Abdullah Alkhayyal | Y | N | Y | Y | |
| Abdulaziz Abdulmohsin Bin Hassan | Y | Y | Y | Y | |
| Khalid Mohammed Ali Hariry | N | Y | N | Y | |
| Martin Rueegg | Y | Y | Y | Y | |

Y – Attended

N – Did not attend

NA – Had either resigned or was not appointed at that time

iv) Compensation paid to Board members, Board Committee Members and Senior Executives

A. Board Members

The remuneration payable to the Chairman and the Directors of the Company, including the fees for attendance at Board and Committee meetings, is in line with the By-Laws of the Company. Accruals have been made in the Financial Statements in accordance with these provisions, after considering the waiver by the non-independent members of the Board of their rights to remuneration as explained below.

The details of remuneration payable to the Chairman and the Independent Directors for the period from 01-01-2020G up to 31-12-2020G for which provisions has been made in the financial statements are as follows:

Board Remuneration

SR

| | Fixed remunerations | | | | | | | Variable remunerations | | | | | | | End-of-service award | Aggregate Amount | Expenses Allowance |
|--|---------------------|-------------------------------|--|------------------|---|--|----------------|---------------------------|-----------------------|----------------------------|---------------------------|-----------------------------------|----------|----------|----------------------|------------------|--------------------|
| | Specific amount | Allowance for attending Board | Total Allowance for attending committee meetings committee | In-kind benefits | Remuneration of the technical, management and consultative work | Remuneration of the chairman, Management Directors or Secretary, if a member | Total | Percentage of the profits | Periodic remuneration | Short-term incentive plans | Long-term incentive plans | Granted shares (insert the value) | Total | | | | |
| First: Independent Directors | | | | | | | | | | | | | | | | | |
| Abdulaziz Abdulmohsin Bin Hassan | 180,000 | 3,000 | 12,000 | 0 | 0 | 0 | 210,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Tariq Zaid Abdullah Alkhayyal | 120,000 | 3,000 | 9,000 | 0 | 0 | 0 | 144,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Dr. Saleh Hamad Saleh Al Shinifi | 120,000 | 3,000 | 0 | 0 | 0 | 0 | 138,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Total | 420,000 | 9,000 | 21,000 | 0 | 0 | 0 | 492,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Second: Non-Executive Directors | | | | | | | | | | | | | | | | | |
| Mohammed Ali Al Shakwan* | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |

| | | | | | | | | | | | | | | | | |
|------------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Khalid Mohammed Ali Hariry* | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Christopher Philip Dooley* | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Abdulaziz Yousef Bin Yousef* | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Jonathan Cope* | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Tariq Abdullah Al Ghaziri* | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Martin Rueegg* | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 0 |

*The Non-Independent Directors on the Board (i.e. the nominees of Riyad Bank and Royal & Sun Alliance Insurance (Middle East) B.S.C(c) have waived their rights to remuneration and fees for the attendance of Board and Committee meetings.

Committee Members

Independent members on the Company's are paid an annual remuneration of Saudi Riyals SR 120,000 per annum and attendance fees of SR 1,500 per meeting. In the event that they are required to attend any of the Board meetings they are eligible to the Board Meeting attendance fees of Saudi Riyals 3,000 per meeting, for such attendance.

| | Fixed Remuneration (Except for the allowance for attending Board meetings) | Allowance for attending Board meetings | Total |
|--|--|--|----------------|
| Audit Committee Members | | | |
| Dr. Saleh Hamad Saleh Al Shinifi | 120,000 | 9,000 | 129,000 |
| Ayman Saleh Al Ghamdi | 120,000 | 9,000 | 129,000 |
| Dr. Ahmed Mohammed Salman | 120,000 | 9,000 | 129,000 |
| Total | 360,000 | 27,000 | 387,000 |
| Remuneration & Nomination Committee Members | | | |
| Tariq Zaid Abdullah Alkhayyal | 0 | 4,500 | 4,500 |
| Abdulaziz Abdulmohsin Bin Hassan* | 0 | 6,000 | 6,000 |
| Khalid Mohammed Ali Hariry* | 0 | 0 | 0 |
| Martin Rueegg* | 0 | 0 | 0 |
| Total | 0 | 10,500 | 10,500 |
| Risk Committee Members | | | |
| Christopher Philip Dooley* | 0 | 0 | 0 |
| Khalid Jaafar Mostafa Allagany* | 0 | 0 | 0 |
| Jonathan Cope* | 0 | 0 | 0 |
| Fadi Aboul Hosn* | 0 | 0 | 0 |
| Abdulaziz Yousef Bin Yousef* | 0 | 0 | 0 |
| Total | 0 | 0 | 0 |
| Executive Committee | | | |
| Khalid Jaafar Mostafa Allagany* | 0 | 0 | 0 |
| Fadi Aboul Hosn* | 0 | 0 | 0 |
| Russell Tong* | 0 | 0 | 0 |
| Total | 0 | 0 | 0 |

| Investment Committee: | | | |
|----------------------------------|----------|---------------|---------------|
| Abdulaziz Abdulmohsin Bin Hassan | 0 | 6,000 | 6,000 |
| Tariq Zaid Abdullah Alkhayyal | 0 | 4,500 | 4,500 |
| Khalid Mohammed Ali Hariry* | 0 | 0 | 0 |
| Total | 0 | 10,500 | 10,500 |

The Non-Independent Directors on the Board (i.e. the nominees of Riyad Bank and Royal & Sun Alliance Insurance (Middle East) B.S.C(c) have waived their rights to remuneration and fees for the attendance of Board and Committee meetings.

B. Senior Executives

Compensation and remuneration paid to the top five executives (including the Chief Executive Officer and the Chief Financial Officer who are within the top five) during the period was SR **7,359,135** as follows:

| Particulars Of Compensation | | Amount (SR) | |
|------------------------------------|--|--------------------|------------------|
| | | 2020G | 2019G |
| i) | Salaries and Compensation | 4,499,585 | 4,452,053 |
| ii) | Allowances | 1,265,622 | 1,249,813 |
| iii) | Periodical and annual bonuses | 920,721 | 1,289,891 |
| iv) | Other compensation or benefits paid on a monthly or annual basis | 673,207 | 759,383 |
| | Total | 7,359,135 | 7,751,140 |

v) Confirmation

During the period of the report, the Company paid a penalty of SR 10,000 to the SAMA for non-compliance with COVID-19 procedure.

vi) Results of the Annual Review of the Internal Control Systems of the Company

The Board of Directors have formed an Audit Committee to support the Board in the discharge of its responsibilities in respect of supervising the Company's financial reporting processes, evaluating the adequacy and effectiveness of the Company's audit arrangements, and overseeing the Company's overall control environment.

The Audit Committee has conducted an overall review of the internal and external auditors' assessment of the Company's system of internal controls during 2020G and no significant issues were identified.

The internal and external auditors and the Company's Compliance function have conducted several reviews during 2020, which provide a reasonable degree of assurance on the Company's ability to meet its strategic objectives. The results of these reviews have been considered by the Audit Committee in reviewing the effectiveness of the internal control systems of the company. The Committee has also gained a reasonable degree of satisfaction with respect to the actions taken by the management to address the observations and recommendations arising from the reviews. Based on the above, the Audit Committee believes that there were no material control weaknesses which might result in unforeseen outcomes or contingencies that have had, could have had, or may in the future have, a material impact on the Company's financial performance or conditions.

All the issues arising from the review have been reported to the Board of Directors with recommendations on actions to be implemented by the management of the Company.

During the period from 01-01-2020G to 31-12-2020G the Audit Committee held six meetings. During these meetings the Committee amongst other activities:

- Reviewed the internal and external audit arrangements and, assessed their independence.
- Reviewed and approved the internal audit plans as well as the adequacy of internal audit resources to execute the plans.
- Assessed the effectiveness of the internal audit function and reviewed the findings reported within the audit reports and the management actions to address them
- Ensured that the external auditors had access to all information and explanations required by them for carrying out their audit and expressing their audit opinion
- Reviewed the interim and final financial statements prior to their approval by the Board and publication
- Reviewed the activities of the compliance department in developing and implementing mitigating actions and managing the regulatory risks identified.
- Reviewed the arrangements in place to achieve compliance with applicable regulations.

vii) Profiles of Board Members and Audit Committee Members

Abdulaziz Abdulmohsin Bin Hassan, Chairman

Qualifications

- Bachelor of Arts in Law, King Saud University, Riyadh – 1991G.
- Strategic Alignment Program, Oxford University Saïd Business School – 2020G

Professional Experience:

A banking professional with over 26 years of experience in various positions in leading banks and financial institutions in the Kingdom of Saudi Arabia

- Mar 2019G till date – Independent Board member and Member of Investment Committee Al Faisaliah Group
- August 2010G to Feb 2019G - Chief Executive Officer and Managing Director of Credit Suisse, Riyadh, KSA
- March 2010G to August 2010G - Chief Executive Officer and Managing Director of Rana Investments, Riyadh, KSA
- March 2008G to May 2009G - Chief Executive Officer, Arabian Capital, Riyadh, KSA
- June 2006G to March 2008G - Vice President, Head of Treasury & Investment, Bank Muscat, Riyadh, KSA
- 1994G to June 2006G in various positions as below with SAMBA Financial group, Riyadh, KSA
 - o Alternative Investments Division Manager (2004G-2006G)
 - o Portfolio Manager, Treasury (1998G-2001G)
 - o Money Market Manager (1997G-1998G)
 - o Treasury Marketing Unit (1994G-1997G)
- 1992G to 1994G - Corporate Dealer, Riyad Bank, Riyadh, KSA

Other Positions:

- Board Member and Member of the Investment Committee Al Faisaliah Group
- Board Member and Chairman of the Audit Committee and Chairman of the compliance Committee Saudi Fransi Capital
- Member of The Audit Committee Arab National Bank

Tariq Zaid Abdullah Al Khayyal, Deputy Chairman

Qualifications

- Bachelor of Arts from Tufts University, Boston, MA.
- Majored in International Relations, History and Theology.

Professional Experience:

An entrepreneur with interests in real estate development and thirteen years' experience in banking

- 2008G to present, Founder and MD of Diyar Alkhayyal Real Estate Development Co.
- 1995G to 2008G, Various position with The National Commercial Bank as below
- Country Head, Corporate Service Centers (CSC), Operations Group (2007G)
- Area Manger/Senior International Banker, International Division (2003G-2006G)
- Manager, Payment services, Alternative Distribution (2000G-2003G)
- Customer Relations Manager, Consumer Banking Sector Head (1999G-2000G)
- Payroll Product Manager, Retail Marketing Unit (1998G-1999G)
- Relationship Manager, Private Banking (1997G-1998G)

Dr. Saleh Hamad Saleh Al Shinifi, Independent Non-Executive Director, Chairman Audit Committee

Qualifications

- Ph.D. in Business Administration / Major Financial Accounting and Auditing, Florida Atlantic University, USA
- Master of Business Administration (MBA), Major Accounting, Saint Louis University, USA
- Bachelor of Economics and Business (Accounting), King Saud University (KSU), The Kingdom of Saudi Arabia

Professional Experience:

- 2003G-present Associate Professor of Accounting, King Saud University, Riyadh
- 2008G- present Secretary General of SAAFAH Foundation & Member Board of Director, Riyadh, The Kingdom of Saudi Arabia

Khalid Mohammed Ali Hariy, Non-Executive Director

Qualifications

- BCs business administration, King Faisal University

Professional Experience:

- Riyadh Bank, KSA
 - o Senior Vice President, Manager Enterprise PMO department- October 2016G till date
 - o Senior Vice President, Manager Business Performance Management Department, May 2018G to September 2019G
 - o Senior Vice President, Head of Customers and Products Management, June 2016G – April 2018G
 - o Senior Vice President, Head of Product and Services, July 2014G – May 2016G
- MasterCard, KSA
 - o Area Manager, Saudi Arabia, Bahrain And Yemen – MasterCard, May 2012G – May 2014G
- Banque Saudi Fransi, KSA
 - o Deputy of Retail Banking Head - Head of Retail Operations and Consumer Assets Division, August 2008 – February 2012
 - o Head of Regional Retail Banking Division, July 2005 – August 2008
 - o Head of Retail Network and Retail Activity Divisions, October 2000 – July 2005
 - o Head of Card Services and Operations Department, June 1996 – October 2000
 - o Head of Merchant Services and Card Issuance, March 1993 – June 1996
 - o Branch Front Office Staff (teller And Customer Services), July 1991 – March 1993

Khalid Jaafar Mostafa Allagany, Managing Director

Qualification:

- Bachelor of Business Administration in Risk Management from Almeda University, U.S.A, in 2002

Professional Experience:

- Managing Director and CEO Al Alamiya for Cooperative Insurance Company, KSA, from 2012 to present (after a brief term a Deputy CEO in 2012)
- Managing Director of Qeema Investments, KSA, from 2011 to 2012
- Chief Executive Officer of Al-Ahli Takaful Company, from 2007 to 2011
- Insurance Business Group Head of the National Commercial Bank, from 2004 to 2007
- Head of Insurance & Bancassurance of Saudi Hollandi Bank, from 2001 to 2004
- Head of Insurance of Banque Saudi Fransi, from 1995 to 2001
- Underwriting Officer of The National Company for Cooperative Insurance, from 1993 to 1995

Christopher Phillip Dooley, Non-Executive Director

Qualification:

- Chartered Insurer - Chartered Insurance Institute, UK.
- Bachelor of Arts (Honors) Degree - (University of Wolverhampton) 1982
- Diploma in Direct Marketing (Institute of Direct Marketing UK) 1999
- Professional Certificate in Coaching - Henley 2020

Professional Experience:

- CEO of the UAE and Bahrain Operations of Royal & Sun Alliance Insurance (Middle East), from 2011 up to 30th June 2019 retirement.
- CEO of RSA Insurance Hong Kong, from 2010 to 2011
- Director and Chief Executive Officer Insurance Australia Group (Thailand), from 2005 to 2010
- Director & Chief Executive Officer, Royal & Sun Alliance Insurance (Thailand), from 2003 to 2005
- Director Corporate Partners, Customers & People, Asia, Royal & Sun Alliance Insurance Asia Regional Team, Singapore, from 1999 to 2002
- Regional Manager, Asia (Brokers & Customers), Royal & Sun Alliance Insurance Global Risks Asia, from 1997 to 1999
- Development Manager, Asia, Royal Insurance International Hong Kong, from 1995 to 1997

Other Positions:

- Board Member of Royal & Sun Alliance Insurance (Middle East), a closed joint stock company in Bahrain operating in the insurance sector, since 2011 and Managing Director 2012-2019
- Chairman of Al Ahlia Insurance Company SAOG, a public listed joint stock company in Oman operating in the insurance sector, from October 2017 up to May 202. Since then continues to be Non Executive Director on the Board of Al Ahlia Insurance Co SAOG.
- Founder and Director - Execme Ltd (Executive Coaching & Consulting) 2019 - 2020.

Jonathan Cope, Non-Executive Director

Qualifications

- Master's degree (MA) from Edinburgh University
- Post-graduate qualifications in Law (PGD, LPC) from BPP Law School in London.
- ICSA – Qualified Company Secretary with the Institute of Chartered Secretaries and Administrators

Professional Experience:

- Has sixteen years of experience in various capacities with law firms in the UK. Having joined the RSA Group in the UK in 2013 he is now Head of Legal, UK & International
- Head of Legal, UK & International, RSA Group from 2017 till date
- Managing Counsel, RSA Group UK, from March 2016 to Feb 2017
- Legal Counsel, RSA Group UK from June 2013 to March 2016
- Other board positions held

Other Positions:

- Deputy Chairman and member of Nomination, Remuneration & Investment Committee of Al Ahlia Insurance Co SAOG Oman.
- Director, Royal & Sun Alliance Property Services Limited
- Director, RSA Accident Repairs Limited
- Director, Royal Insurance (UK) Limited

Martin Rueegg, Non-Executive Director

Qualification:

- Academic Baccalaureate, Insurance Business Administration, Winterthur Business School- 1994 to 1997
- Chartered Public Accountant, Winterthur Business School – 1998- 2001

Professional Experience:

- Martin has more than 20 years of experience in the general insurance industry, of which 10 years were in Senior Leadership level positions in Europe and Emerging Markets in Asia.
- CEO of the UAE and Bahrain Operations of Royal & Sun Alliance Insurance (Middle East), from September 2019 till date.
- Chief Executive Officer of AXA Corporate Solutions, Hong Kong from 2018 up to August 2019
- Managing Director AXA General Insurance Hong Kong Limited from 2018 up to August 2019
- Chief Executive Officer, AXA Insurance Thailand from 2013 to 2017
- Chief Business Officer, AXA Insurance Singapore from 2012 to 2013
- Chief Operating Officer, AXA Insurance Singapore from 2010 to 2012
- Chief Executive Officer, AXA Corporate Solutions, Hong Kong from 2007 to 2010
- Chief Executive officer, Swiss Pool for Aviation Insurance, Zurich from 2005 to 2007
- Managing Director, Customer Economical Organization, Winterthur from 2001 to 2004

Other Positions:

- Managing Director on the board of Royal & Sun Alliance Insurance (Middle East), a closed joint stock company in Bahrain operating in the insurance sector.
- Member of Board Investment Committee of Royal & Sun Alliance Insurance (Middle East),

Ayman Saleh Al Ghamdi, Member Audit Committee

Qualifications

- Master's Degree (Science of Accounting) King Saud University, Riyadh Saudi Arabia
- Bachelor of Accounting, King Saud University, Riyadh, Saudi Arabia

Professional Experience:

- Chief Internal Audit, Saudi Ceramics Company, 2018 – present.
- Chief Financial Officer (CFO), Real Estate Development Fund, (Transformation Project) Riyadh, Saudi Arabia. April 2017 – Dec 2017
- Chief Financial Officer (CFO), National Water Company, Riyadh, Saudi Arabia. 2014 – April 2017
- Financial Audit Senior Manager, Internal Audit, National Water Company, Riyadh, Saudi Arabia. 2009 – 2014
- Acting Director, Financial Services, King Faisal Specialist Hospital and Research Centre, Riyadh, Saudi Arabia, 2007 – 2009
- Manager, Accounting Policies & Financial Regulations Division, Saudi Telecom Company, Riyadh, Saudi Arabia, 2006 – 2007
- Director of Finance, Medical Supervision Department, Embassy of Saudi Arabia, Berlin, Germany, 2004 – 2006
- Accounting Manager, Finance Department, Sultan Bin Abdulaziz Humanitarian City, Riyadh, Saudi Arabia, 2002 – 2004
- Supervisor, Accounts Payable, Financial Affairs, King Faisal Specialist Hospital & Research Center. Riyadh, Saudi Arabia, 1994-2002

Dr. Ahmed Mohammed Al Salman, Member Audit Committee

Qualifications

- Ph.D. Accounting, Florida Atlantic university, USA, 2003
- Master of Business Administration (Accounting concentration), St. Louis University, USA, 1994
- Bachelor of Accounting, Kind Saud University, Qassim Branch, 1989.

Professional Experience (Teaching):

- Assistant Professor at the Accounting Department - College of Business and Economics - Qassim University (2003-Current)
- Adjunct faculty at the school of Accounting, college of Business, Florida Atlantic University USA 2001-2002
- Lecturer, Department of Accounting college of Business and Economics, King Saud University - Qassim Branch (1997)
- Teacher assistant, Department of Accounting- College of Business and Economics, King Sa University - Qassim Branch (1990 & 1991)

Professional Experience:

- Member of the Audit Committee of the National Poultry Company (from 1439H till now)
- Chairman of the Organizing Committee for the conference of Forensic accounting and financial fraud that will be held in 1440 at the College of Business and Economics, Qassim University
- Member of the Organizing Committee for the International Financial Reporting Standards Conference (IFRS): Opportunities and Challenges, College of Business and Economics, Qassim University
- Chairman of the Committee for the Preparation Forum for Accounting Profession - College of Business and Economics, Qassim University
- Member of the Council of the College of Business and Economics 1433H - until now
- Member of the Board of Accounting Department, College of Business and Economics 1424H - till now
- Chairman of the committee of lecturers and lecturers at the College of Business and Economics 1437H until now
- Chairman of the Higher Methodologies Committee, College of Business and Economics, 1437H till now
- Chairman of the Committee for the Evaluation of Educational Objectives and Emphasis of Learning in the College of Business and Economics, Qassim University -from 1437 AH and now
- Chairman of the appointments committee at the College of Business and Economics, Qassim University -from 1437 to now
- Member of the Board of Directors of Al-Wafa Oasis Association for the Elderly -from 1439 till now
- Member of the Committee of business and economics Specialties in the Ministry of Education to evaluate the private colleges and universities
- Member of the establishment of the program of Accounting Doctor at the University of Al-Faisal
- Member of the Journal of Accounting Research - Editorial Board
- Member of a committee of measurement at the National Center for Measurement and Evaluation of the arbitration of accounting programs in the Kingdom and the development of tests
- Member of several academic committees within the department.
- Member of the Board of Directors of Al Qarawi Car Maintenance Company -1434H-1436H
- Sport Supervisor, College of Business and Economics -1427H-1431H.
- Member of the establishment of investment and finance - College of Business and Economics, Qassim University -1431 H.
- Member of the Standing Committee for the Ethics of Scientific Research in the Deanship of Scientific Research - Qassim University (1431 H - 1433).
- Member of the Standing Committee for Development in the Deanship of Community Service, Qassim University -1427H – 1429H
- Vice Dean of the College of Business and Economics, Qassim University -from 1437H to now.
- Head of Accounting Department, College of Business and Economics, Qassim University -from 1433H till now.
- Director of the Center for Research and Development of Human Resources - College of Business and Economics, Qassim University - 1428 H – 1433H.

Abdulaziz Yousef Bin Yousef, Non-Executive Director

Qualifications

- Bachelor's in business administration specialized in information Systems, 2012, Arab Open University, Riyadh, KSA.

Professional Experience:

- Riyadh Bank - Senior Vice President, Head of Retail assets March 2019 till date
- Bidaya Home Finance
 - o Whole Sales Director, March 2018 – Feb 2019
 - o Head of Products, March 2016 – March 2018
- Fay United Real estate company - CEO, April 2014 – March 2016
- Bank Al-Bilad - Real Estate finance Business Head, May 2012- March 2014
- Emirates NBD, KSA - Product manager – March 2010 – May 2012
- Arab Experts Capital - Riyadh Branch manager – Oct 2008 – Feb 2010
- Emirates NBD, KSA
 - o Assistant Product Manager – Jan 2007 – Sep 2008
 - o Marketing Officer, Jan 2006-Dec 2006
 - o Trainee, March 2005 – Jan 2006
- Dar Al-Yousefia Group - Admin assistant, March 2002 – Feb 2005

viii) Profiles of Management Team

Khalid Jaafar Mostafa Allagany

Date of birth: 20/02/1967G

Nationality: Saudi

Position: Managing Director and Chief Executive Officer (CEO)

Qualification:

- Bachelor of Business Administration in Risk Management from University of ALMEDA, USA, 2002.

Professional Experience:

- Managing Director and CEO of Al Alamiya, since 2012 to present
- Deputy CEO of Al Alamiya for Cooperative Insurance Company, a public joint stock company in the KSA operating in the insurance sector, from 2012 to end of 2012
- Managing Director of Qeema Investments, KSA, a limited liability company in the UAE operating in the investment sector, from 2011 to 2012
- Chief Executive Officer of Al-Ahli Takaful Company, a public joint stock company in the KSA operating in the insurance sector, from 2007 to 2011
- Insurance Business Group Head of the National Commercial Bank, a closed joint stock company in the KSA operating in the banking sector, from 2004 to 2007
- Head of Insurance & Bancassurance of Saudi Hollandi Bank, a public joint stock company in the KSA operating in the banking sector, from 2001 to 2004
- Head of Insurance of Banque Saudi Fransi, a public joint stock company in the KSA operating in the banking sector, from 1995 to 2001
- Underwriting Officer of The National Company for Cooperative Insurance, a public joint stock company in the KSA operating in the insurance sector, from 1993 to 1995)

Fadi Aboul Hosn

Date of birth: 23/11/1970G

Nationality: Canadian

Position: Chief Financial Officer (CFO)

Qualifications:

- Master of Business Administration (MBA) with concentration in Finance and strategic management from the Strathclyde Graduate School of Business, the University of Strathclyde, UK, 2003.
- Bachelor of Science in Business Administration with an option in Accounting, California State University, USA, 1994.
- Award in Financial Planning from the Chartered Insurance Institute (CII), UK, 2009.

Professional Experience:

- Chief Financial Officer of Al Alamiya, A publicly listed insurance company in the Kingdom of Saudi Arabia, 2013 to present.
- Member of the Finance sub-committee of the Saudi Arabia Insurance Industry Executive Committee (IEC), 2013 to present.
- Director of Finance and Administration at Wehbe Insurance Services, An Insurance broker operating in the United Arab Emirates, 2004 to 2012.
- Group Financial Controller at GET Group\Global Information Technology, a limited liability company operating in the IT and the Secured Documents sector operating in the USA and UAE, 1999 to 2004.
- Business and IT Consultant at High Tech Computer Associates, a partnership operating in the IT Service sector in the USA, 1996 to 1999.
- Accounting and Finance Manager at Royal Fortune Inc., a public partnership operating in the trading sector in the USA, 1990 to 1996.

Abdulmalik Ali AlHojairi*

Date of birth: 09/03/1977G

Nationality: Saudi

Position: Claims Director

Qualification:

- High Diploma of English Language

Professional Experience:

- Sales and Marketing Officer at Generation Skills Company.
- Corporate Sales Officer at Al Fardan Jewelry Company.
- Claims Management Service - Group Leader at Tawuniya Insurance Company.
- Support Unit Manager at Malath Insurance and reinsurance Company.
- Head of Claims Department at Allianz Saudi Fransi Cooperative Insurance Company.
- Senior Manager - Motor Claims at Malath Insurance and reinsurance Company.
- Senior Manager - Quality and Development at Medgulf Insurance Company.

* Resigned on 30-11-2020G

Bader Attaalah Alenazi

Date of birth: 27/05/1979G

Nationality: Saudi

Position: Head of Regulatory Compliance

Qualification:

- High School 1997

Professional Experience:

- Head of Regulatory Compliance at Al Alamiya for Cooperative Insurance from to 09/2017 to present
- Head of Customer Care Department at Al Alamiya for Cooperative Insurance from 03/2017 to 09/2017
- Compliance Analyst & Complaints Manager at Al Alamiya for Cooperative Insurance from 01/2014 to 03/2017
- Claims Initiatives Manager - Motor & Casualty at Al Alamiya for Cooperative Insurance from 09/2011 to 12/2013
- Motor Claims Handler - Motor & Casualty at AXA for Cooperative Insurance from 04/2005 to 08/2011
- Customer Account Executive at ALJ- Abdul Latif Jameel Co. Ltd. from 01/1999 to 03/2005

Russell Tong*

Date of birth: 15/05/1959G

Nationality: Trinidad and Tobago

Position: Technical Director

Qualification:

- Fellow of the Chartered Insurance Institute.
- Associate in Risk Management Diploma of the Insurance Institute of America (IIA).
- Associate in Claims Diploma of the IIA.

Professional Experience:

- Senior Energy Underwriter at Elseco Limited, Dubai.
- Senior Vice President - Operations at Q-Re LLC, Doha.
- Senior Vice President - Energy Unit at Qatar Insurance Company.
- Senior Technical Manager at Al Khazna Insurance Company, Abu Dhabi.
- Property Underwriter at The National Company for Cooperative Insurance, Riyadh.
- Risk and Insurance Administrator at The Trinidad and Tobago Electricity Commission.
- Manager, Property Insurance and training Officer at The National Company for Cooperative Insurance, Riyadh.

* Resigned on 30-11-2020G

Akhtar Abdulghafour Abbas

Date of birth: 16/12/1979G

Nationality: Pakistani

Position: Head of Audit

Qualification:

- Bachelor of Commerce degree from University of the Punjab, Pakistan, in 1999
- Associate of the Institute of Chartered Accountants of Pakistan since 2006
- Certified Financial Services Auditor - 2013

Professional Experience:

- Head of Audit of Al Alamiya, from 2012 to present
- Financial Controller of Service Sales Corporation (Private) Limited, a limited liability company operating in the retail sector in Pakistan, from 2010 to 2012
- Group Head – Internal Audit of IGI Financial Services, a group of public joint stock companies operating in the financial services sector in Pakistan, from 2006 to 2010.
- Trainee member with Price Waterhouse Coopers (PwC), a limited liability firm operating in the field of assurance, advisory and consultancy in Pakistan, from 2002 to 2006

Waleed Najeeb Almasri *

Date of birth: 22/11/1968G

Nationality: Saudi

Position: HR Director

Qualification:

- Bachelor's Degree in Applied Mechanical Engineering from KFUPM Dhahran KSA, obtained in 1995

Professional Experience:

- HR Director for Al Alamiya from September 2016 to present.
- Group HR and Admin Manager for Alraha Group for Technical Services (RGTS) from May 2014 to May 2016 in Riyadh.
- General Director Human Resources at SAMA from July 2013 May 2014, in Riyadh.
- VP Human Resources at JPMorgan Chase Bank N A Riyadh Branch, from June 2010 to May 2013.

- Senior Manager Human Resources at Emaar Economic City, Jeddah, from October 2008 to June 2010.
- Group HR Manager for Rubaiyat, Jeddah, from January 2008 to September 2008.
- Saudi Arabian Airlines Catering (Riyadh and Jeddah) from November 1996 to December 2007 in three positions (Assistant Manager HRD, Technical Manager Riyadh Catering Unit, Outsourcing Manager).

* Resigned on 30-11-2020G

Riyadh Abbas Aldakheel

Date of birth: 07/09/1982G

Nationality: Saudi

Position: IT and Operations Director

Qualification:

- bachelor's Degree on Computer Engineering from KFUPM, Dhahran, in 2007.

Professional Experience:

- IT and Ops Director at Al Alamiya from November 2016 to present.
- IT Manager at Saudi Indian Coop Insurance Co. (Wafa), Riyadh, from October 2013 to November 2016.
- Assistant IT Manager at Alrajhi Takaful, Riyadh, from December 2010 to October 2013.
- IT Application Analyst at AXA Insurance Saudi Arabia, Riyadh, from February 2007 to December 2010.

Laila Mohammed Alaitan

Date of birth: 12/09/1986G

Nationality: Saudi

Position: Head of Customer Care

Qualification:

- High Diploma in Computer Sciences
- High Diploma in General Nursing

Professional Experience:

- Head of Customer Care in Al Alamiya 2017
- Quality Assurance Supervisor in Al Alamiya 2017
- Customer Service Supervisor in Alissa Group 2014
- Customer Service Agent and Commander in NAJM 2011
- Admin Secretary in Almoosa General Hospital 200

Nasser Salman Alsuhaim*

Date of birth: 09/06/1982G

Nationality: Saudi

Position: Sales and Marketing Director

Qualification:

- High School, Riyadh, Saudi Arabia 1419H

Professional Experience:

- Sales and Marketing Director Al Alamiya for Cooperative Insurance Company June 2020 to November 2021
- Chief Commercial Officer MEDGULF From August 2018 to June 2020
- Brokers Relationship Country Manager MEDGULF From July 2016 to August 2018
- Sr. Manager (Acting Head), B2G Relationship, Corporate Sales Bupa Arabia From August 2015 to July 2016
- Sr. Manager, Business Development, Corporate Sales Bupa Arabia From Mar 2015 to August 2015
- Broker Channel Manager Tawuniya From Sep 2011 to Mar 2015
- Statistic, Billing & Distribution Manager Tawuniya From May 2010 to Sep 2011
- Group Leader for Operations & Quality Tawuniya From Jan 2010 to May 2010
- Customers Relation Executive Tawuniya From Nov 2006 to Jan,2010

* Resigned on 02-11-2020G

Mohammed Mahmoud Ali

Date of birth: 21/02/1982G

Nationality: Saudi

Position: Head of Risk for KSA and ME

Qualification:

- Master of Risk Management Glasgow Caledonian University, UK 2011
- Bachelor Industrial Engineering & Management Arab Academy for Science, Technology and Maritime Transport, Egypt 2006

Professional Certification:

- Chartered Insurance Institute (CII) Advanced Diploma Q4, 2020
- Insurance Foundation Certificate Exam (IFCE) 2019

Professional Experience:

- Head of Risk for KSA and ME Al Alamiya for Cooperative Insurance Company from June 2020 till date
- CHIEF RISK OFFICER (CRO) Gulf General Cooperative Insurance Company (GGI) from May 2019 to June 2020.
- COUNTRY RISK MANAGER Ghassan Ahmed Al Sulaiman Furniture Trading Co. Ltd (IKEA KSA) from March 2015 to April 2019
- RISK MANAGER Saudi Enaya Cooperative Insurance Company from July 2014 to February 2015
- SENIOR RISK OFFICER (RETAIL BANKING GROUP) The National Commercial Bank (NCB) from September 2012 to June 2014
- RISK CONTROL OFFICER (CONSUMER FINANCE) The National Commercial Bank (NCB) from October 2008 to November 2009
- TECHNICAL SERVICES ENGINEER Rabigh Arabian Water Electricity Company (RAWEC) from April 2007 to September 2008

Khurram Amin

Date of birth: 10/07/1974G

Nationality: Pakistani

Position: Appointed Actuary - Head of Actuarial Function

Qualification:

- Fellow of Society of Actuaries, USA 2006G

Professional Certification:

- Fellowship in Actuarial Science 2005G

Professional Experience:

- Appointed Actuary and Head of Actuarial Function, Al Alamiya Cooperative Insurance from March 2015G till date.
- VP and Actuary at Oman Insurance Company, UAE from June 2012G to March 2015G
- Regional Valuation Actuary, ACE Life, UAE from October 2010G to June 2012G
- General Manager, Group Benefit Department, EFU Life Assurance Ltd., Pakistan from June 2005G to September 2010G
- Manager, Actuarial, State Life Insurance Corporation of Pakistan, Pakistan from February 1994G to June 2005G

For and on behalf of the Board of Directors

Abdulaziz Abdulmohsin Bin Hassan
Chairman of the Board of Directors

Khalid Jaafar Mostafa Allagany
CEO and Managing Director