



الشركة العربية الإسكندنافية للتأمين (ش.م.ع) - تكافل - اسكانا للتأمين
ARABIAN SCANDINAVIAN INSURANCE COMPANY (PLC) • TAKAFUL - ASCANA INSURANCE

Incorporated with limited liability by Amiri decree
A company subject to federal law no. (6) of year 2007 of Insurance
Authority and registered in the insurance companies register under No. (6)
on 13/12/1984 Paid Up Capital Dirhams One Hundred Fifty Four Million

تأسست بموجب مرسوم أميري بضممان محدود
شركة خاضعة لأحكام القانون الاتحادي رقم (٦) لسنة ٢٠٠٧ في شأن هيئة
التأمين وتنظيم أعماله. ومقيدة في سجل شركات التأمين تحت رقم (٦)
بتاريخ ١٣/١٢/١٩٨٤ م رأس المال المدفوع مائة وأربعة وخمسون مليون درهم

**ARABIAN SCANDINAVIAN INSURANCE COMPANY PLC- TAKAFUL -
ASCANA INSURANCE**

CORPORATE GOVERNANCE REPORT 2020



1. The procedures taken to complete the corporate governance system during 2020 and how they are applied?	4
2. Statement of ownership and transactions of Board of Directors	4
3. Board Formation	5
A. Statement of the current Board of Directors (BOD) composition (including resigned members)	4
B. Statement of the percentage of woman representation in the Board of Directors in 2020	4
C. Statement of reasons why no women was nominated for the membership of the Board of Directors	7
D. Statement of the following:	7
1. Remuneration and allowance of the Board of Directors in 2020	7
2. The total Remuneration paid to the Board of Directors in 2020	7
3. The total remuneration of the Board of Directors which are proposed for 2020, and will be presented in the annual general assembly meeting for approval	8
4. Details of allowances, salaries or fees paid by the board member other than the attendance allowances and reason for the committees	8
5. Number of the Board resolutions held during the 2020 fiscal year, along with its meeting convention dates	8
6. Number of the Board resolutions held during the 2020 fiscal year by circulation	8
E. Statement of the BOD's tasks and functions which were performed by the Executive Management pursuant to an authorization by the Management, stating the period and validity of the delegation	9
F. Statement of the details of transactions made with the related parties during 2020	9
G. The complete organizational structure of the company	10
H. Detailed statement of the senior executives in the first and second level according to the Company organizational structure.	11
4. Company's External Audit	12
A. Overview of the company's auditor	12
B. Statement of fees and costs for the audit or services provided by the external auditor	12
C. Statement clarifying the reservations that the company's auditor included in the interim and annual financial statements for 2020	13
5. Audit Committee	13
A. Chairman acknowledges his responsibility in the committee	14
B. Name the member in Audit Committee and their duties and tasks assigned	14
C. Number of meetings held by the Audit Committee during 2020	14
6. Remuneration and Nomination Committee	16
A. The chairman of the Nomination and Remuneration Committee's acknowledgement of his responsibility	16
B. Name of Remuneration and Nomination Committee members and their duties and tasks assigned	16
C. Number of meetings held by the Nomination and Remuneration Committee during 2020	16



7. The Supervision and Follow up Committee of Insider Transaction	17
A. The chairman of the supervision and follow up committee's acknowledgement of responsibility	17
B. Name of supervision and follow up committee of insiders' transaction members and their duties and tasks assigned	17
C. Summary of Committee work during 2020	17
8. Committees approved by the Board	18
A. The chairman of the Risk Management Committee's acknowledgement of responsibility for the committee system in the company	18
B. Name of Risk Management committee transaction members and their duties and tasks assigned	18
C. Statement of number of meetings held by the Risk Committee during 2020	18
9. Internal Control System	19
A. The board of Directors acknowledges its responsibility for the company	19
B. Name of the department managers, qualifications and date of appointment	19
C. Name of the compliance officer, qualifications and date of appointment	20
D. How the internal control system dealt with any major problems in the company	20
E. Number of reports issued by internal control system to the company's Board of Directors	20
10. Details of violations Committed during 2020	20
11. Contribution made by the company during 2020 in developing the local community and preserving the environment	21
12. General Information:	21
A. Statement of the company's share price in the market (closing price, highest price, and lowest price) at the end of each month during the fiscal year 2020	21
B. Statement of the company's comparative performance with the general market index and sector index to which the company belongs during the year 2020	21
C. Statement of the shareholders ownership distribution as on 31/12/2020 (individuals, companies, government) classified based on region as follows: Local, Gulf and Foreign	22
D. Statement of the shareholders owning 5% or more of the company's capital as on 31/12/2020	22
E. Statement of how shareholders are distributed according to the volume of property as on 31/12/2020	22
F. Statement of measures taken regarding the controls of investors relationship	23
G. Statement of the important disclosures that were presented at the AGM held during 2020 and the measures taken in their regards	23
H. The name of the reporter for the board meetings and the date of his appointment	24
I. Detailed statement of major and important disclosures that the company encountered during 2020	24
J. Statement of Emiratization percentage in the company at the end of 2018, 2019, 2020	25
K. Statement of innovative projects and initiatives carried out by the company or being developed during 2020	25



1. THE PROCEDURES TAKEN TO COMPLETE CORPORATE GOVERNANCE SYSTEM DURING 2020 AND HOW THEY ARE APPLIED

Arabian Scandinavian Insurance Company PLC- Takaful – Ascana Insurance, has adopted this targeted and effective system, leading to the development of institutional work, upgrading disclosure and transparency requirements, establishing integrity in dealings, strengthening supervision and preserving shareholders' rights, improving performance, preserving the rights of the Insured, reducing potential risks and separating ownership and management, providing good management and skilled expertise and developing the best practices starting from the implementation of the decision No. 7/R.M. for 2016 and its amendments No. 3/R.M. for 2019 on standards of corporate discipline and corporate governance and the decision of the Chairman of the Authority Board of Directors No. (03 /R.I.) for the year 2020 concerning approval of joint-stock companies Governance Guide which was replaced with resolution No. 518 for 2009 and other decisions on governance controls and standards of institutional discipline.

The company's achievements in 2020 can be summarized as follows:

1. Ensuring compliance with internal control systems by matching provided data with data received from external auditors and allowing members of the Audit Committee to conduct their supervisory role more effectively.
2. Also, the company has committed to the arrangement with the Institute of Governance, where it has registered the Board Secretary in the governance program and the Board Secretary has been awarded a certified certificate (Certified Board Secretary) in this regard.
3. On the other hand, the Board of Directors has completed the special session designed for the members of the Board of Directors, and the BOD's was granted for the second time a certificate approved by the competent authorities stating that they have completed the specialized course of governance work and in accordance with administrative decision No. 17 for 2017 issued by the Dubai Financial Market.
4. The company's executives as well as internal control members followed up and discussed the company's risk management policy in accordance with the approved regulations by implementing a cautious and effective underwriting policy and prudent management of claims.
5. The company also provided a comprehensive explanation to its employees for the controls of corporate governance, the statement of how they are applied, and the administrative decisions governing it.
6. The Board of Directors has also followed up with the audit committee and the nominations and remuneration committee in accordance with governance provisions and regulations. They also received reports from the Internal Audit Committee and reviewed them. They met and discussed these reports with the Internal Audit Committee.
7. Company was keen to carry out its work with transparency required in respect of the commitment to the dates and methods of disclosure of financial statements, in accordance with all provisions and decisions of the Securities and Commodities Authority and Dubai Financial Market (DFM).
8. Improve the performance of the IT department by introducing and modifying new innovative systems.
9. This report is made available to all shareholders of the company in accordance with resolution No. (03/R.M.) for 2020.
10. The Annual Report and all Financial Statements are presented to the shareholders before sufficient time from the AGM meeting to enable them review it and take their decisions.



2. Statement of ownership and transactions of Board of Directors

Member Name	Position /Relation	Owned shares as on 31/12/2020	Total Sale	Total Purchase
H.H.Sheikh Butti Bin Maktoum Bin Jumaa Al Maktoum	Chairman	28,644,000	--	--
Ahmad Mohd Amin Al Kazim	Vice Chairman	19,550,000	--	Resign on 23/06/2020
Majid AlKazim	Member	39,019,711	--	--
Faisal Aqil Al Bastaki	Member	77,000	--	--
Mahmoud Hadi Hassan	Member	1,456,143	--	--
Khalid Al Redha	Member	2,434,326	400,000	--
Dr .Mohammad Salim Al Olama	Member	8,140	--	--

3. Board Formation

A. Statement of the current Board of Directors (BOD) composition

No	Name	Category (Executive, Non - Executive, and Independent)	Experience	Qualifications	Period served as a BOD member of the Company since his first election date	Their memberships and positions in any other joint-stock companies	Their positions in any other important supervisory, governmental or business entities
1	His Highness Sheikh Butti Bin Maktoum Bin Jumaa Al Maktoum Independent / executive	Executive	He served as deputy commander in Central Military Area	N/A	1998	N/A	Ruling Family
2	Ahmad Mohammad Amin Al Kazim Managing Director / Executive	Executive Resign on 23/06/2020	25 years of insurance	Bachelor's in business administration	1991	N/A	N/A



3	Khalid Habib Al Redha Independent / non-executive	Non-Executive	businessman		2004	N/A	N/A
4	Faisal Aqil Bastaki Independent / non-executive	Non-Executive/ Independent	CEO of the Emirates Development Bank Emirates Islamic Bank	*Bachelor's in computer science and Statistics	2006	N/A	*CEO of the Emirates Development Bank
5	Mahmoud Mohammed Hadi	Independent / non-executive	Commercial Bank of Dubai	Master of Management	2006	N/A	* Currently retired and Director of Delta Company for Supply Workers on Demand
6	Majid Mohammad Amin Al Kazim	Executive	businessman	Bachelor of Management	2000	N/A	*Chief Executive Officer of Al Kazim Group of Companies.
7	Dr. Mohammad Salim Al Ulama	Independent non-executive	*Undersecretary of Ministry of Health & Prevention *CEO -Hospital Services Sector &Acting CEO *Director of the Executive Affairs Department (DOHMS)	*Bachelor of Medicine and Surgery *Master of Business Administration MBA *Master in science *Sheikh Mohammed Bin Rashid Governmental leadership program	2012	N/A	Undersecretary of Ministry of Health & Prevention

B. Statement of the percentage of woman representation in the Board of Directors in 2020:

Unfortunately, there is no women in the BOD's currently, but the company hopes to have woman representation in the BOD's in the coming years.

C. Statement of reasons why no women were nominated for the membership of the Board of Directors:

Although the company is carrying out the procedures stipulated by law regarding nomination for membership of the Board of Directors, whether it is announced in newspapers, by registered mail, through the financial market or through the company's website, but currently there is no women nominated for the membership of the BOD's. However, 25% of Company's Shareholders are woman.

D. Statement of the following:



1. Remuneration and allowance of the Board of Directors in 2020

The remuneration of the Chairman and members of the BOD shall be based on the provisions of Article No. (21) of Resolution No. (7 / R of 2016) on the rules of governance and Article (169) of the Commercial Companies Law No. (2) for the year 2015, (Article 60 / c) so that the remuneration of members of the BOD shall consist of a percentage of the net profit provided that it shall not exceed 10% of the net profit for the fiscal year after deducting both the depreciation and the reserves.

The Company may also pay additional expenses, fees, bonus or monthly salary determined by the BOD for any of its members if such member works on any committee or makes special efforts or performs additional duties to serve the Company in addition to his normal duties as a member of the BOD of the Company. No attendance allowance may be paid to a Chairman or a member of the BOD for Board meetings.

2. The total Remuneration paid to the Board of Directors in 2019:

No remunerations have been paid to the Board of Directors for 2019

3. The total remuneration of the Board of Directors which are proposed for 2020, and will be presented in the annual general assembly meeting for approval:

(AED 1,200,000) is the total remuneration for members of the Board of Directors proposed for the year 2020, which will be presented at the Annual General Meeting for approval

4. Details of allowances, salaries or fees received by the board member other than the attendance allowances of committees and the reasons thereof.

No fees or additional salaries were paid

Member Name	Audit Committee	Remuneration & Nomination Committee	No of Attendance	Amount Paid
Faisal Aqil Al Bastaki	5	6	13	NIL
Mahmoud Hadi Hassan	5	6	14	NIL
Khalid Al Redha	5	6	11	NIL
Dr. Mohammad Salim Al Olama	5	5	10	NIL
Total	20	23	53	NIL



5. Number of the Board resolutions passed during the 2020 fiscal year, along with its meeting convention dates

Date of Meeting	No. of Attendees	No. of Attendees by Proxy	Names of Absentness
11/03/2020	6	NIL	H.H.Sheikh Butti Bin Maktoum Bin Jumaa Al Maktoum
23/06/2020	6	1	Dr .Mohammad Salim Al Olama
5/08/2020	6	NIL	NIL
2/11/2020	5	NIL	Faisal Aqil Al Bastaki

6. Number of the Board resolutions held during the 2020 fiscal year by circulation.

No resolutions held by circulation during 2020

E. Statement of the BOD's tasks and functions which were performed by the Executive Management pursuant to an authorization by the Management, stating the period and validity of the delegation

The BOD of the Company has a distinct delegation system. Articles 24 and 25 of the Articles of Association stipulate the powers and mechanism of delegation. The BOD has therefore granted all authorities in the management of the Company, conduct all acts and actions on behalf of the Company as authorized by the Company. None of these authorities and powers shall not be retained by the Companies Law or by the Articles of Association of the General Assembly. The BOD shall establish regulations concerning administrative, financial and employment matters and their financial dues. The Board of Directors shall also establish a regulation for the organization of its work and meetings and the distribution of competencies and responsibilities. Moreover, the board taking into account the provisions of the Companies Law and the implementing decisions issued by the Authority, authorizes the BOD to extend loans over a period of 3 years, sell the properties of the company or the store, mortgage the movable and immovable property of the company, discharge the Company owes its obligations or conciliation and agreement on arbitration.

The right to sign on behalf of the Company shall also have the exclusive right of the Chairman of the BOD or any other member authorized by the Board within the limits of the BOD `s decisions. The chairman of the Board of Directors may be the legal representative of the company in front of the judiciary and in relation to third parties. The chairman of the board may delegate other members of the board of directors in some of his powers, provided that the board of directors is not authorized to delegate the president of the council in all his powers in absolute terms. As the Council has the right to appoint Chief Executive Officer or General Manager of the company or several Managers or authorized agents and determine their terms of service and salaries and remuneration.



F. Statement of the BOD's tasks and Functions Which Were Performed by the Executive Management pursuant to an authorization by the Management, stating the period and validity of the delegation

Name of Authorized Person

Power of Authorization

Khalid Ahmad Mohd Amin Al Kazim

All the necessary powers to carry out the duties of the administrative, financial, and technical requirements of the company for example:

- Daily management of the company
- Budget arrangement
- Decide the required insurance for the company
- Appointing and dismissing employees, consultants and contractors, determining their duties, bonuses, promotions and disciplinary rules.
- Representing the company in all natural and legal entities, ministries, committees, boards, references, civil departments, companies, and private entities and signing all contracts, transactions, correspondence, and documents related to the company's business.
- Follow-up the establishment, processing, and operation of the branches and the taking of procedures in their establishment, and in general the representation of the company in all the activities required for the *conduct of its business and activities or related thereto and related to its practices. In the conduct of the company's business, defending its rights, representing third parties, appointing lawyers and signing on behalf of the company all administrative, technical and legal works

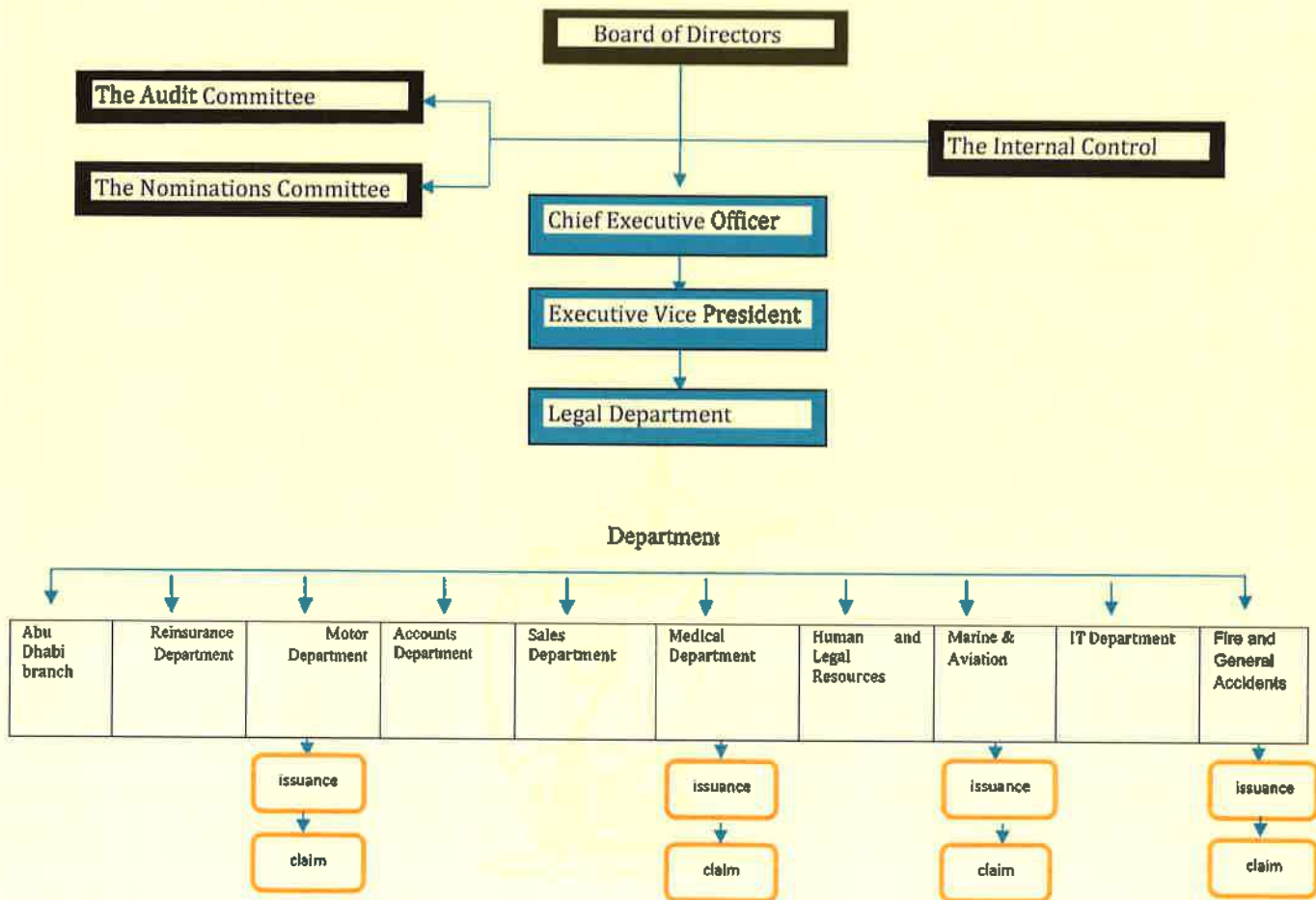
G. Statement of the details of transactions made with the related parties during 2020

Related party transactions are transactions in which any party in our company has the ability to control or exercise any material influence on the other party in making financial and operational decisions. The related party transactions create potential or actual conflicts of interest for the company and can give the impression that the work decisions are based on considerations contrary to the interests of the company and the shareholders. However, there is a certain time in which the transactions of the related parties can be in the interest of the company and its shareholders. Accordingly, related parties' transactions are subjected to the approval of our Board of Directors and the Management of the Company shall determine the terms and Conditions of such transactions. Related parties represent the major shareholders. the Board of Directors. the key management and the companies that exercise significant influence over the Company.

Details of transactions with related parties: There is no transaction with related parties



H. The complete organizational structure of the company





I. Detailed statement of the senior executives in the first and second grade levels according to the Company organizational:

Sr. No.	Position	Appointment Date	Total Salaries and Allowances paid for 2020	Total Bonus Paid for 2020	Any Other Bonus / Allowances for 2020
1.	CEO	2020	AED 930,221.60	-	-
2.	Legal & Admin. Manager	1995	AED 472,223.60	-	-
3.	Fire Dept. Manager	2018	AED 218,750.60	-	-
4.	Marine Dept. Manager	1989	AED 208,363.60	-	-
5.	Medical Dept. Manager	2016	AED 377,593.60	-	-
6.	Finance Dept. Manager	2003	AED 380,893.60	-	-
7.	Sales Dept. Manager	2013	AED 309,079.60	-	-
8.	Reinsurance Dept. Manager	2012	AED 320,036.60	-	-
9.	Motor Dept. Manager	2001	AED 333,236.60	-	-
10.	IT Dept. Manager	2002	AED 237,593.60	-	-
11.	Technical Manager	1995	AED 373,507.60	-	-
12.	Abu Dhabi Branch Manager	2015	AED 202,659.60	-	-
13.	Motor Underwriting Manager	1998	AED 141,392.60	-	-
14.	Human Resource Manager	2019	AED 294,064.60	-	-
15.	Corporate Services Manager	2020	AED 229,193.60	-	-



4. COMPANY'S EXTERNAL AUDITOR

A. Overview of the Company Auditor

Grant Thornton undertakes the external audit of the company, which is one of the international companies accredited in the country and they have been auditing the company's since 2018, when they were selected by the shareholders in General Assembly held on 10/04/2018

Grant Thornton is an audit firm and their independence from the company and its board of directors has been ascertained, and they perform audit work in accordance with applicable international standards. Their primary tasks are to ensure the correctness of the financial statements and monitor the company's accounts for the financial year. In order to perform their mission, they have the right to access at all times the company's records, and its books, documents, request data, clarifications, verification of the company's assets and its obligations, and it must be ascertained when preparing their report of the validity of the accounting records kept by the company, and the extent of agreement of the company's accounts with the accounting records, and they have the right to request whatever they deem necessary to perform their mission. Reviewing the balance sheet, profit and loss account, reviews the company's deals with related parties, observes the implementation of the provisions of the Companies Law and the Articles of Association, and submits the report with the results of their examination to the General Assembly and sends a copy of it to the competent authorities. They also have the right to attend the General Assembly meetings, and to ensure that the procedures that have been taken for the invitation to these meetings are correct, and the recitation of their audit report to the shareholders, notes on the company's accounts, its financial position, or any violations thereof, and that the report is independent and impartial, explaining any obstacles or interference from the board of directors that they encountered while performing their work.

B. Statement of fees and costs for the audit or services provided by the external auditor:

Number of years auditor served as the company external auditor	Grant Thornton
Number of years auditor served as the company external auditor	3 Years
Total Auditor fees of 2020 (AED)	AED 175,000
Fees and costs of other private services other than auditing the financial statements for 2020(AED), if any , and in case of absence of any other fees, this shall be expressly stated	No other services
Details and nature of the other services (if any), if there are no other services, this matter shall be stated expressly	No other services
Statement of the other that an external auditor other than the company accounts auditor provided during 2020(if any), in the absence of another external auditor, this matter is explicitly stated.	No other services



C. Statement clarifying the reservations that the company auditor included in the interim and annual financial statements for 2020:

Audit Committee

A. The chairman of the Audit Committee hereby acknowledges his responsibility for the committee system in the company, review of its work mechanism and ensuring its effectiveness

B. Name of Audit Committee member and their duties and tasks assigned:

Mr. Faisal Aqil Bastaki	Chairman of the Committee
Mr. Mahmoud Mohamed Hadi	Member
Dr. Mohammed Al Ulama	Member
Mr. Khaled Habib Al Redha	Member

It is a subcommittee formed through a decision issued by the Board of Directors based on its structure and functions of Articles 60, 61 and 62 of Decision No. 03 / R.M / 2020 and its amendments. All members must have knowledge in financial and accounting matters, and one of them must have the minimum work experience in the field of accounting or financial matters, or the holder of an academic qualification or a professional certificate in accounting, finance, or other related fields.

The Audit Committee shall perform the following tasks and duties:

1. Review the company's financial and accounting policies and procedures.
2. Monitor and review the integrity of the Company's financial statements and reports (annual, semi-annual and quarterly) and its control regulation as part of its normal operation during the year. It shall concentrate in particular on the following:
 - a. Any changes in accounting policies and practices.
 - b. Highlighting the aspects subject to the management discretion.
 - c. Ensure that the company annually updates its policies, procedures and control systems.
 - d. Substantive amendments resulting from the audit.
 - e. Assumption of business continuity.
 - f. Compliance with the accounting standards established by the Authority.
 - g. Compliance with listing and disclosure rules and other legal requirements related to financial reporting.
3. Coordinate with the company Board, senior executive administration, the financial manager or the manager delegated with the same duties in the company, in order to perform its duties.
4. Consider any significant and unusual terms contained in such reports and accounts and shall give due consideration to any matters raised either by the Company's Chief Financial Officer, the manager delegated with the same duties, the compliance officer or the auditor.
5. Raise recommendations to the Board regarding the selection, resignation or dismissal of the auditor. In case the Board does not approve the Audit Committee recommendations in this regard, the Board shall attach to the governance report a statement explaining the Audit Committee recommendations and the reasons why the Board has not followed them.



6. Develop and implement the policy of contracting with the auditor, and submit a report to the Board, outlining the issues that it deems necessary to be taken, along with providing recommendations for steps to be taken.
7. Ensure that the auditor meets the conditions stated in the applicable laws, regulations and decisions and in the company articles of association, along with following up and monitoring its independence.
8. Meet the auditor of the company without presence of any of the senior executive management personnel or its representatives and discuss the same with regard to the nature and scope of the audit process and its effectiveness in accordance with the audited standards.
9. Approve any additional works made by an external auditor for the company and the fees received in consideration of that work.
10. Examine all matters related to the auditor's work, their work plan, correspondence with the company, their observations, suggestions and reservations, and any substantial queries raised by the auditor to the senior executive management regarding the accounting records, financial accounts or control systems, in addition to following up the response of the company management and provision of the necessary facilities to do his work.
11. Ensure that the Board responds promptly to the clarifications and substantive issues raised in the auditor letter.
12. Review and evaluate the company's internal auditing and risk management systems.
13. Discuss the internal auditing system with the Board, and make sure it performs its duty with regard to establishing an effective internal control system.
14. Consider the results of the main investigations regarding the internal auditing matters assigned to it by the Board or at the initiative of the Committee and the approval of the Board.
15. Review the auditor evaluation of the internal control procedures and ensure that there is coordination between the internal and external auditors.
16. Ensure the availability of necessary resources for the internal auditing department, review and monitor the effectiveness of such department.
17. Examine internal auditing reports and follow up implementation of corrective actions of the observations contained therein.
18. Establish controls that enable the Company's employees to report confidentially on any potential violations in the financial reports, internal auditing or other matters, and the steps to ensure making an independent and fair investigation of such violations.
19. Monitor the company compliance with the rules of professional conduct.



20. Review related party transactions with the Company, ensure that there are no conflicts of interest and raise recommendations about them to the Board before concluding them.
21. Ensure the application of the business rules and its functions and the powers entrusted to it by the Board.
22. Submit reports and recommendations to the Board on the above matters mentioned in this Article.
23. Consider any other matters determined by the Board.

C. Number of meetings held by the Audit Committee during 2020

Audit Committee	Date of Meeting		
Member Name	28/10/20	5/08/20	23/06/20
Faisal Aqil Bastaki	Ⓟ	Ⓟ	Ⓟ
Mahmoud Mohamed Hadi	Ⓟ	Ⓟ	Ⓟ
Mohammed Al Ulama	Ⓟ	Ⓟ	A
Khaled Habib Al Redha	Ⓟ	A	Ⓟ

6. Nomination and Remuneration Committee

A. The chairman of the Nomination and Remuneration Committee hereby acknowledges his responsibility for the committee system in the company, review of its work mechanism and ensuring its effectiveness.

B. Name of Audit Committee member and their duties and tasks assigned

Mr. Mahmoud Mohamed Hadi	Chairperson
Mr. Faisal Aqil Bastaki	Member
Mr. Khalid Habib Al Redha	Member
Dr. Mohammed Al Ulama	Member

As per Article (59) of Chairman of Authority's Board of Directors' Decision no. (3/Chairman) of 2020 concerning Approval of Joint Stock Companies Governance Guide: a committee formed by the Board of Directors and hold its meetings once a year or whenever necessary, its functions include:

1. Developing the policy that is required for applying to the Board and Executive administration's membership, and aiming to include gender diversity, and providing the Authority with a copy of the policy with any amendments.



2. Establishing and following up with the procedures that are to be followed when applying for a membership to the Board, according to the applicable laws and regulations.
3. Ensuring annually the availability of the continuity of the membership conditions of the Board members.
4. Examining the Board's structure and making recommendations wherever required.
5. Continuously ensuring the independence of the independent Board members. If the Committee determines that a member lacks independence, the matter will be notified to the Board, and action will be taken accordingly.
6. Subject to the provisions of Article (145) of the Companies Law, if the decision of the Board regarding lack of reasons or justifications for the member independence affects the minimum percentage of its independent members, the Board shall appoint an independent member to replace this member if he has submitted his resignation due to lack of independency. In case the member refuses to resign, the Board shall present the matter to the general assembly for a decision to approve the appointment of another member or to open the door for candidacy for electing a new member.
7. Preparing and reviewing the policy for granting rewards, benefits, incentives, and salaries to the Board members and the employees of the Company, annually. The committee must ensure that the rewards and benefits provided to the senior executive management is reasonable and is proportionate to the performance of ASCANA – TAKAFUL.
8. Identifying the needs of the Company with regard to the competency level of senior executive management and employees, as well as the basis of their selection.
9. Preparing the policy related to the HR and training of employees and monitor its implementation along with reviewing it on an annual basis.

C. Number of meetings held by the Nomination and Remuneration Committee during 2020

Nomination and Remuneration Committee	Date of Meeting			
	9/12/2020	28/10/20	5/08/2020	23/06/20
Member Name				
Mahmoud Mohamed Hadi	Ⓟ	Ⓟ	Ⓟ	Ⓟ
Faisal Aqil Bastaki	Ⓟ	Ⓟ	Ⓟ	Ⓟ
Mohammed Al Ulama	Ⓟ	Ⓟ	Ⓟ	Ⓟ
Khalid Al Redha	A	Ⓟ	Ⓟ	Ⓟ



7. The supervision and follow up committee of insiders' transaction

A. The chairman of the supervision and follow up committee of insiders' transaction hereby acknowledges his responsibility for the committee system in the company, review of its work mechanism and ensuring its effectiveness

B. Name of supervision and follow up committee of insiders' transaction member and their duties and tasks assigned:

- 1- Mr. Faisal Aqil
- 2- Mr. Mahmoud Hadi
- 3- Mr. Sunil Kumar

The company established an independent committee to manage monitor and oversee the transactions of insiders, their properties, maintain a register and submit the periodic report to the market in accordance with The Securities & Commodities Authority's Board of Directors' Chairman Resolution No. (7/R) of 2016 Concerning the Standards of Institutional Discipline and Governance of Public Shareholding Companies Insiders Trading Follow-Up.

1. Prepare special and comprehensive list of insiders, including interim on a temporary basis and their disclosures.
2. Hold periodic quarterly meetings to discuss changes in Insiders transaction.
3. Notify the Authority and Market with an updated list of Insiders at the beginning of each fiscal year, as well as any changes that occur during the fiscal year.
4. Submit an updated copy of the Insiders list to the Authority upon their request. Comply with all requirements determined by the Authority.

C. Summary of Committee work during 2020:

- Increasing awareness to Importance of Insider Trading Follow-Up and Overseas Committee role.
- Preparing and submitting statements on a quarterly basis to Executive Management as in Article 59 of the Chairman's Decision No. 3 / R .M for the year 2020.

The supervision and follow up committee Trading Follow	Date of Meeting	
Member Name	23/06/20	10/09/2019
Faisal Aqil Bastaki	Ⓢ	Ⓢ
Mahmoud Mohamed Hadi	Ⓢ	Ⓢ
Sunil Kumar	Ⓢ	Ⓢ



8. Committees approved by the Board

A- The chairman of the Risk Management Committee hereby acknowledges his responsibility for the committee system in the company, review of its work mechanism and ensuring its effectiveness.

B- Name of Risk Management committee transaction member and their duties and tasks assigned:

1. **Abdel Halim Barqawi**
2. **Khalid Ahmad Al Kazim**
3. **Walid Shalab**
4. **Rusiru Thalinka**
5. **Motasem Oklah**
6. **Alaa Al Qassas**

The responsibilities of ASCANA – TAKAFUL’s Risk Committee are as follows:

- Developing a detailed risk management strategy as well as policies that are consistent with the nature and size of the Company’s operations, monitoring its implementation, reviewing, and updating it whenever necessary.
- Recognizing and preserving an acceptable risk level that the Company may face and ensuring that the level is not exceeded.
- Overseeing the risk management framework and evaluating its efficacy and reviewing the mechanism in place for detecting and monitoring the risks that threaten the Company, in order to find any areas of incompetence.
- Presenting the Company’s management with guidance in order to assist them in improving risk management practices or mitigating certain risks.
- Acquiring assurance from the executive management and the internal audit that the risk processes and systems operate effectively.
- Preparing comprehensive reports on the level of exposure to risks and recommending procedures for controlling risks and submitting them to the Board.
- Evaluating the selection, performance, and replacement of the Risk Officer and monitoring the management of risk.
- Assessing matters that are raised by the Audit Committee that can affect the Company’s management of risk.

C. Statement of number of meetings held by the Risk Committee during 2020

Risk Management Committee	Date of Meeting	
Member Name	23/06/20	10/09/2019
Abdel Halim Barqawi	Ⓟ	Ⓟ
Walid Shalab	Ⓟ	Ⓟ
Rusiru Thalinka	Ⓟ	Ⓟ
Motasem Oklah	Ⓟ	Ⓟ
Alaa Al Qassas	Ⓟ	Ⓟ



9. Internal Control System

A-The board of Directors acknowledges their responsibilities for the company's internal control system and for their review of the work mechanism for ensuring its effectiveness.

Accordingly, in compliance with corporate governance and corporate governance standards, the Board of Directors acknowledges its responsibility for the Company's internal control system, It also acknowledges its review of its working mechanism and effectiveness.* The Internal Control Department of the Company carries out its duties in accordance with the provisions of Article (67,68) of Resolution No. 3 / R of 2020 which replaced the Ministerial Resolution No. 7/RM of 2016 so that it shall have enough independence to carry out its duties and directly follow the Board of Directors. The internal control system is designed to establish an evaluation of the company's risk management tools and procedures to apply its governance rules properly, and to verify the compliance of the company and its employees with the provisions of the laws regulations and decisions in force internal policies and procedures and review of the financial statements presented to the Company's senior management, which are used in the preparation of financial statements.

1. The internal control system shall be issued by the Board of Directors after consultation with the senior executive management. The system is managed by an internal control department.
2. The Board shall also define the objectives, functions, and powers of the competent internal control department with enough independence to perform its functions and directly follow the Board of Directors,
3. The Director shall also be appointed directly by the Board.
4. The Board shall conduct an annual review to ensure the effectiveness of the Company's internal control system and to disclose its findings to shareholders in its annual report on corporate governance.
5. The annual audit includes especially the details as given below:

- Key control elements including financial control operations and risk management.
- Changes since the last annual review and extent of the main risks and the Company's ability to respond to changes in its business and the external environment.
- The scope and quality of the Board's continuous control over risks the internal control system and the work of the internal auditor.
- The number of times the Board of Directors or its committees have been informed of the results of the audit work to enable it to assess the internal control position of the Company and the effectiveness of risk management.
- Cases of failure or weakness in the detected control system or unexpected contingencies that have affected or may have a material impact on the performance or financial position of the Company.
- The effectiveness of the Company's financial reporting and compliance with inclusion and disclosure rules.
- Verifying all transactions in terms of whether they are carried out with a related party if they involved a conflict of interests or by verifying compliance with the procedures governing such transactions.

The company adopts the application of international standards of internal control in order to achieve the required objectives efficiently in accordance with the purpose for which it was found and aimed at achieving an integrated control system and in accordance with the set of controls, standards, and procedures.



****** The Internal Control Department is transparent in its reports on the extent of the company's transactions and employees in accordance with the procedures required to be followed by the company and its employees.

B. Name of the department manager, qualifications and date of appointment:

Composed of six Members of university graduates, qualified and experienced and headed by Mr. Mohammed Belbeissi, in his capacity as Compliance Officer. He holds a bachelor's degree in Law and has worked in the insurance business as a consultant for 39 years and has several courses in Insurance and Takaful Insurance from 2010.

C. Name of the compliance officer, qualifications and date of appointment:

The Manager of the Internal Control Department also take instruction from the Board of Directors to act as Compliance Officer to verify the compliance of the Company and its employees with the laws, regulations and decisions issued to implement them, as well as their compliance with the Articles of Association of the Company and the resolutions issued by the General Assembly and the Board of Directors.

D. How the internal control system dealt with any major problems at the company:

The administration has dealt with transparency and professionalism all the tasks entrusted to it by the Board of Directors and what is required by law to this matter, and to inform the Board of Directors with all the details required.

In 2020, the company didn't face any issues that require the intervention of the internal control Department , which in case of occurrence, the Internal Control Department will deal with them in accordance with the nature of the problem and report to the Board of the facts and solutions.

E. Number of reports issued by the internal control system to the company's Board of Directors:

The internal control Department has specifically reported to the Audit Committee the progress on updating the internal controls policies and procedures carried out during the year.

Internal Control Committee	Date of Meeting
Meetings	23/12/2020 23/07/2020 22/12/2019

***Internal Controller Auditor:**
 Name of the internal Auditor : AJMS GLOBAL CONSULTING
 Date of appointment of the company's Internal Auditors 01/01/2021

10. Details of the violations committed during 2020



The company committed no violation during the year 2020.

11. Contribution made by the company during 2020 in developing the local community and preserving the environment:

The company follows an environmental and social policy which stems from its interest in preserving the safety of the local environment by reducing the use of pollution-reducing tools, reducing the amount of waste, recycling, and reuse, as well as the optimal use of resources. The company has also implemented a special system to conserve energy and reduce energy consumption Offices.

In addition to the above, the company has several social, charitable, sports and environmental contributions. In 2020, the company supported and sponsored several activities for governmental, social, educational and environmental agencies, translating it into the concept of community service.

At the local and sports level, the company is considered one of the main sponsors of equestrian racing events in Dubai under a cash contribution as one of the sponsors and in the form of awarding prizes to the winners.

At the social level Takaful, the company has provided the Zakat legitimacy of charitable organizations (the UAE Red Crescent and Beit Al Khair).

The company also through the inspection department in the Motor Department has issued its instructions to conduct the optional examination and free inspection of its customers on vehicles to be insured as an additional service to ensure that it is free from defects harmful to public health or the environment.

12. General Information:

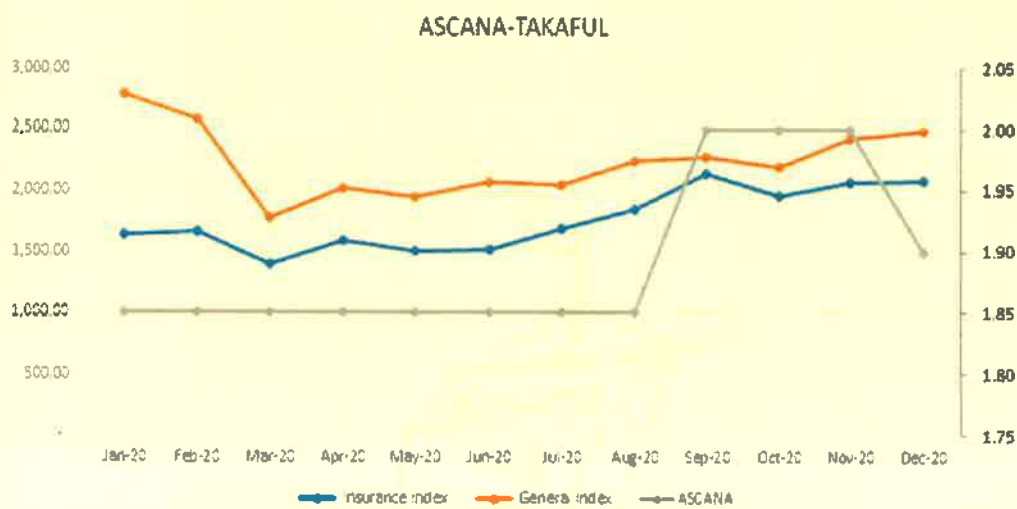
A. Statement of the company share price in the market (closing price, highest price, and lowest price) at the end of each month during the fiscal year 2020

ASCANA		
Month	Opening	Closing
Jan-20	1.85	1.85
Feb-20	1.85	1.85
Mar-20	1.85	1.85
Apr-20	1.85	1.85
May-20	1.85	1.85
Jun-20	1.85	1.85
Jul-20	1.85	1.85
Aug-20	1.85	1.85
Sep-20	1.85	2.00
Oct-20	2.00	2.00
Nov-20	2.00	2.00
Dec-20	2.00	1.90

B. Statement of the company comparative performance with the general market index and sector index to which the company belongs during 2020



Month	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
Insurance Index	1,644	1,663	1,400	1,599	1,503	1,519	1,696	1,850	2,148	1,965	2,074	2,086
General Index	2,790	2,590	1,771	2,027	1,945	2,065	2,051	2,245	2,273	2,188	2,420	2,492
ASCANA	1.85	1.85	1.85	1.85	1.85	1.85	1.85	1.85	2.00	2.00	2.00	1.90



C. Statement of the shareholders ownership distribution as on 31/12/2020 (individuals, companies, government) classified as follows: Local, Gulf and Foreign

Local	No Of shares	Shareholding Ratio %
Company	545,351	0.36%
Individual	153,454,649	99.64%
Grand Total	154,000,000	100.00%



D. Statement of the shareholders owning 5% or more of the company's capital as on 31/12/2020 according to the following schedule:

Serial No.	Names of the shareholders	Number of shares Held	%of Shares Held of the Company's capital
1	H. H Sheikh Butti Bin Maktoum Bin Juma Al Maktoum	28,644,000	18.60%
2	Ahmad Mohammed Amin Al Kazim	19,650,000	12.11%
3	Majed Mohammed Amin Al Kazim	39,019,711	25.34%
4	Fawzia Abdul Razzaq Al Kazim	7,937,702	5.15%
5	Rehab Mohammed Amin Al Kadhim	16,435,094	10.67%
6	Rawia Mohammed Amin Al Kazim	16,435,094	10.67%

E. Statement of how shareholders as distributed according to the volume of property as on 31/12/2020

Share(s) Owned	No of Shareholders	No. of Share	% of the shares held of the capital
1-Less than 50,000	19	199,799	0.13%
2-50,000 - 500,000	7	1,586,034	1.03%
3-500,000-5,000,000	11	25,092,566	16.29%
4-Above 5Million	6	127,121,601	82.55%
Grand Total	43	154,000,000	100.00%

F. Statement of measures taken regarding the controls of investor relationship and an indication of the following:

ASCANA-Takaful has updated and modernized its investor relations sections on our website in order to upload any disclosed information and any other information related to the shareholders rights, such as corporate governance reports, Financials Shareholders Structure, Contact details of the investor relations office in accordance with the requirement and regulation of securities and commodities authority.



Investor relations contact details:

Ms. Rabiaa Hannachi, Investor relations

Email: Rabiaa@ascana.net

Contact Number: 04 2824403 EXT-165

G. Statement of the important disclosures that were presented at the AGM held during 2020 and the measures taken in their regards

A special decision was made related to selling the property of the company known as Alkarama Building, in accordance with the financial instructions of the Takaful Insurance Companies for solvency requirements. All procedures related to this decision have been taken by the Board and presented to Securities and Commodities Authority for their approval.

A special decision was made and agreed to participate on donations for community services.

H. The name of the reporter for the board meetings and the date of his appointment

Board of Directors Secretary:

- **Name of the Board Secretary and the date of her appointment**
Ms. Rabiaa Hannachi, appointed on 11/07/2017
- **Qualification and experience:**
Certified Board of Directors Secretary from Hawkamah Institute (2018)
Board of Director secretary 2018
BA in Economy 2001
- **Statement of duties during the year**
Implementing resolution made by Board of Director.
Ensure effective governance management in the company.
Coordinate the work agenda proposed among members and with their attendance and dates.

I. Detailed statement of major and important disclosures that the company encountered during 2020

- The CEO resignation as of the end of December 31, 2019
- Approval of the appointment of Mr. Khalid Al Kazim as Chief executive from 1/01/2020.
- Resignation of the Vice Chairman of the Board of Directors as of June 23, 2020



J. Statement of Emiratization percentage in the company at the end of 2018,2019,2020

Year	Emiratization Ratio
2018	5.4%
2019	5%
2020	6.2%

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

The company has submitted an innovation project related to the creation of a department called the Department of Happiness, the purpose of which is to consider customer dealings, respond to their requests and provide appropriate services to them, as well as for the company's employees. A complaints department has also been established, which is a unit specialized in receiving complaints related to the performance of the company and any department affiliated with it. To enhance the joint relationship to contribute to improving administrative performance in the public interest.

Also, the company took the initiative to participate in volunteer services that meet the needs of the community, such as voluntary service for the Covid 19 pandemic, and the company was among the first to participate. Provide zakat to charities. The company is also sponsoring horse racing at Jebel Ali Racecourse.

Chairman

Chairman Audit Committee

Chairman Nomination & Remuneration Committee

Internal Control Manager

Date 10/3/2021

Date 11/3/2021

Date 11/3/2021

Date 11/3/2021

