



الشركة العربية الإسكندنافية للتأمين (ش.م.ع) - تكافل - أسكانا للتأمين

ARABIAN SCANDINAVIAN INSURANCE COMPANY (P.L.C.) – TAKAFUL – ASCANA INSURANCE

Incorporated with limited liability by Amiri decree
A company subject to Federal law no. (8) of year 2007 of insurance
Authority and registered in the insurance companies register under
No. (6) on 15/12/1984 Paid Up Capital Dirhams One Hundred Fifty Four Million.

أسست بموجب مرسوم أميري بضممان محدود
شركة خاضعة لأحكام قانون الاتحاد رقم (6) للعام 2007 في شأن هيئة التأمين
ولتظيم أعماله ومقيدة في سجل شركات التأمين تحت رقم (6) بتاريخ 15/12/1984 م
رأس المال المدفوع مائة وأربعة وخمسون مليون درهم

ARABIAN SCANDINAVIAN INSURANCE COMPANY PLC- TAKAFUL – ASCANA INSURANCE

CORPORATE GOVERNANCE REPORT 2021

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1. The procedures taken to complete the corporate governance system during 2021 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 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.

The company's achievements in 2021 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. 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. 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 to review it and take their decisions.



2. Board of directors' transactions and their direct relatives in the company shares during 2021

Member Name	Position /Relation	Owned shares as on 31/12/2021	Total Sale	Total Purchase
H.H.Sheikh Butti Bin Maktoum Bin Jumaa Al Maktoum	Chairman	28,644,000	--	--
Majid Mohd Amin Al Kazim	Vice Chairman	39,019,711	--	--
Faisal Aqil Al Bastaki	Member	77,000	--	--
Mahmoud Hadi Hassan	Member	1,456,143	--	--
Khalid Al Redha	Member	2,434,325	--	--
H.E.Dr .Mohammad Salim Al Olama	Member	8,140	--	--
H.E. Abdulla Abdulrahman Al Shaibani	Member	--	--	--

3. Board Formation

The Board of Directors consists of technically and professionally qualified members (as on date of preparation of the governance report) with high level of experience and skills as described hereunder:

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
His Highness Sheikh Butti Bin Maktoum Bin Jumaa Al Maktoum	Executive	He served as deputy commander in Central Military Area	1998	N/A	Ruling Family
Majid Mohammad Amin Al Kazim	Executive	Businessman Bachelor's in business administration	2000	N/A	Chief Executive Officer of Al Kazim Group of Companies.
Khalid Habib Al Redha	Independent/ Non-Executive	Businessman College of Media	2004	N/A	N/A
Faisal Aqil Al Bastaki	Independent/ Non-Executive	Ex CEO of emirates development bank and EIB CEO of the Emirates Islamic Bank *Bachelor's in computer science and Statistics	2006	N/A	Businessman Board Member Ajman Bank Board Member Al Baraka Bank - Syria
Mahmoud Mohammed Hadi	Independent/ Non-Executive	Ex GM chief operating officer- CBD Master of Management	2005	N/A	Director of Delta Company for Supply Workers on Demand



Dr. Mohammad Salim Al Ulama	Independent non-executive	Sheikh Mohammed Bin Rashid Governmental leadership program Bachelor of Medicine and Surgery Master of Business Administration MBA Master in science	2012	N/A	Undersecretary of Ministry of Health & Prevention CEO -Hospital Services Sector Director of the Executive Affairs Department (DOHMS) Undersecretary of Ministry of Health & Prevention
Abdulla Abdulrahman AlShaibani	Independent/ Non-Executive	Chairman - Galadari Brothers Group Secretary General - Dubai Executive Council Assistant General Director for Technical Services Dubai Municipality Director of Contract & Purchasing Department Dubai Municipality Director of General Projects & Maintenance Department - Dubai Municipality Executive master's in business administration Bachelor of Science in Civil Engineering	2021	N/A	Chairman - Mohammed Bin Rashid Housing Establishment Board Director – ALEC

- Percentage of woman representation in the Board of Directors in 2021**

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.

- 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. However, the main reasons for the female component for not nominating their names to be members of the BOD may be due to their own personal reasons. Nevertheless, 25% of Company's Shareholders are woman and the company is proud of Emirati women wherever they are.

- Remuneration and allowance of the Board of Directors**

The remuneration of the Chairman and members of the BOD shall be based on the provisions of Article No. (29) of Resolution No. (3/ RM of 2020) 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.



a. The total remuneration paid to the Board of Directors for the year 2020

The remuneration of the Board has been paid for 2020 in the amount of AED 200,000 for each member, total of (AED 1,200,000).

b. The total remuneration of the Board of Directors which are proposed for 2021, and will be presented in the annual general assembly meeting for approval:

The BOD proposed AED 90,000 for each member as a remuneration for the year 2021. The same will be presented at the Annual General Meeting for approval.

c. Details of allowances, salaries or fees paid to the board members and the committees for their attendance for the year 2021

No fees or additional salaries were paid

- **Number of the Board resolutions held during the 2021 fiscal year with their dates and number of physical attendance per member including attendance by proxy**

Date of Meeting	No. of Attendees	No. of Attendees by Proxy	Names of Absence
02/03/2021	6	NIL	Abdulla Abdulrahman AISHaibani
07/04/2021	6	NIL	Abdulla Abdulrahman AISHaibani
09/05/2021	7	NIL	NIL
10/08/2021	7	NIL	NIL
02/11/2021	7	NIL	NIL

- **Number of the Board resolutions held during the 2021 fiscal year by circulation**
No resolutions held by circulation during 2021.
- **Statement of the Board of Directors tasks and functions which were performed by the Executive Management based on authorization from the BOD**

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 sets regulations related to administrative, financial and employment matters and their financial dues. In addition, they establish the regulation for the organization of its work and meetings and the distribution of competencies and responsibilities. Moreover, the board considers the provisions of the Companies Law and implementing decisions issued by the Authority, authorizes the BOD to extend loans over a period of 3 years, sell the properties of the company, mortgage the movable and immovable property of the company, discharge of the Company's debtors from their 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 BOD may delegate other members of the board some of his authorities. However, the BOD is not authorized to delegate the chairman in all his authorities. The board 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.

The BOD's authorized the executive management the following tasks and duties:

Name of Authorized Person	Power of Authorization
<p>Khalid Ahmad Mohd Amin Al Kazim</p>	<p>All the necessary powers to carry out the duties of the administrative, financial, and technical requirements of the company for example:</p> <ul style="list-style-type: none"> - 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

• **Statement of the details of transactions made with the related parties during 2021**

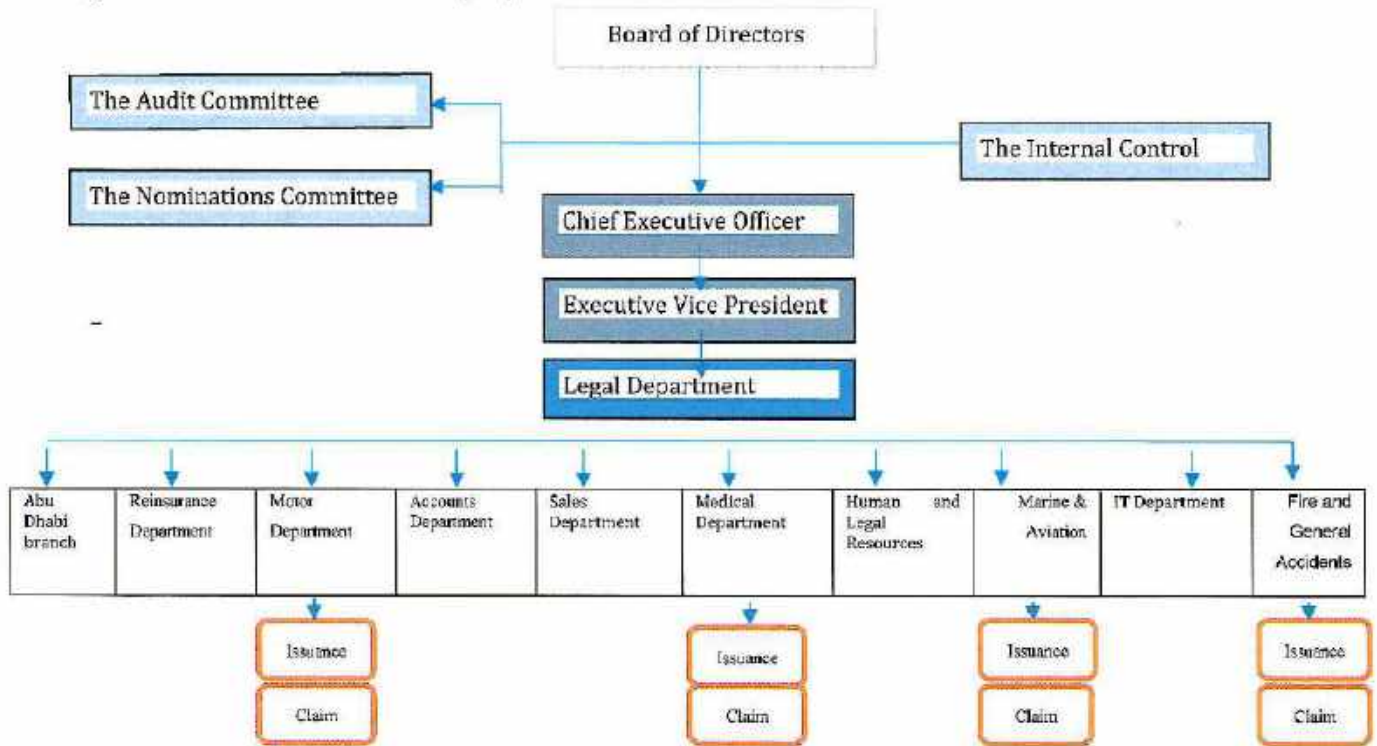
Related party transactions are transactions in which any party in our company has the ability to control or exercise any material influence on the other party in making financial and operational decisions. The related party transactions create potential or actual conflicts of interest for the company 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

- **Organizational structure of the company**



- **Detailed statement of the senior executives of the company in the first and second level and their designations, date of joining including total salaries and bonuses paid.**

Sr. No.	Position	Appointment Date	Total Salaries and Allowances paid for 2021	Total Bonus Paid for 2021	Any Other Bonus / Allowances for 2021
1.	CEO	2020	AED 1,080,000	AED 200,000	-
2.	Legal & Admin. Manager	1995	AED 460,000	AED38,000	-
3.	Fire Dept. Manager	2018	AED 212,000	AED17,000	-
4.	Marine Dept. Manager	1989	AED 205,900	AED 17,000	-
5.	Medical Dept. Manager	2016	AED 193,000	AED11,600	-
6.	Finance Dept. Manager	2003	AED 371,200	AED30,300	-
7.	Sales Dept. Manager	2013	AED 290,178	AED 48,000	-
8.	Reinsurance Dept. Manager	2012	AED 305,500	AED 24,800	-
9.	Motor Dept. Manager	2001	AED 318,800	AED 25,900	-
10.	IT Dept. Manager	2002	AED 235,500	AED 18,000	-
11.	Technical Manager	1995	AED 367,600	AED 15,250	-
12.	Abu Dhabi Branch Manager	2015	AED 193,900	AED800	-
13.	Motor Underwriting Manager	1998	AED 137,550	AED11,400	-
14.	Human Resource Manager	2019	AED 291,000	19,200	-
15.	Corporate Services Manager	2020	AED 204,000	00	-



4. External Auditor

a. Overview of the company's auditor

Grant Thornton performs the external audit work of the company, which is one of the international companies accredited in the country and they have been auditing the company 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 duties, 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 duties. 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 comments to the General Assembly with a copy 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, clarifying any issues or interference from the board of directors that they encountered while performing their work.

b. Statement of audit fees and expenses and services provided by the external auditor

Name of the external auditor Partner name	Grant Thornton Aref Al Sayed Mohammad Al Sayed Al Hashimi
Number of years auditor served as the company external auditor	4 Years
Total Auditor fees of 2021 (AED)	AED 235,000
Fees and costs of other private services other than auditing the financial statements for 2021(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 services provided (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's auditor highlighted in the interim and annual financial statements for 2021

No reservations

5. Audit Committee

- a. Acknowledgement of audit committee's chairman for his responsibility of committee procedures in the company and his review for its performance and effectiveness

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

- b. Names of Audit Committee members and the committee duties and tasks assigned

Name	Position
Mr. Faisal Aqil Bastaki	Chairperson
Mr. Mahmoud Mohamed Hadi	Member
Dr. Mohammed Al Ulama	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.

Review the company's financial and accounting policies and procedures.

1. 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.
2. 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.
3. 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 manger delegated with the same duties, the compliance officer or the auditor.
4. 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.



5. 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.
6. 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.
7. 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.
8. Approve any additional works made by an external auditor for the company and the fees received in consideration of that work.
9. 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.
10. Ensure that the Board responds promptly to the clarifications and substantive issues raised in the auditor letter.
11. Review and evaluate the company's internal auditing and risk management systems.
12. Discuss the internal auditing system with the Board, and make sure it performs its duty with regard to establishing an effective internal control system.
13. 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.
14. Review the auditor evaluation of the internal control procedures and ensure that there is coordination between the internal and external auditors.
15. Ensure the availability of necessary resources for the internal auditing department, review and monitor the effectiveness of such department.
16. Examine internal auditing reports and follow up implementation of corrective actions of the observations contained therein.
17. 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.
18. Monitor the company compliance with the rules of professional conduct.
19. 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.
20. Ensure the application of the business rules and its functions and the powers entrusted to it by the Board.



21. Submit reports and recommendations to the Board on the above matters mentioned in this Article.

22. Consider any other matters determined by the Board.

c. Meetings held by the Audit Committee during 2021 including its dates and number of physical attendance per member

Audit Committee	Date of Meeting			
	01/03/2021	05/05/2021	3/08/2021	27/10/2021
Member Name				
Faisal Aqil Bastaki	Ⓟ	Ⓟ	Ⓟ	Ⓟ
Mahmoud Mohamed Hadi	Ⓟ	Ⓟ	Ⓟ	Ⓟ
Mohammed Al Ulama	Ⓟ	Ⓟ	Ⓟ	Ⓟ

6. Nominations and Remuneration Committee

a. Acknowledgement of nominations and remuneration committee's chairman for his responsibility of committee procedures in the company and his review for its performance and effectiveness
The chairman of the nominations and remuneration committee hereby acknowledges his responsibility for the committee procedures in the company, review of its work mechanism and ensuring its effectiveness

b. Names of nominations and remuneration Committee members and the committee duties and tasks assigned

Name	Position
Mr. Mahmoud Mohamed Hadi	Chairperson
Mr. Khalid Habib Al Redha	Member
Dr. Mohammed Al Ulama	Member
Abdulla Abdulrahman AIShaibani	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 encourage women participation through training programs and incentives.
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. Reviewing the BOD 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. Meetings held by the Committee during 2021 including its dates and number of physical attendance per member

Nomination and Remuneration Committee	Date of Meeting	
	01/03/2021	05/05/2021
Member Name		
Mahmoud Mohamed Hadi	Ⓟ	Ⓟ
Abdulla Abdulrahman AISHaibani	Ⓟ	Ⓟ
Mohammed Al Ulama	Ⓟ	Ⓟ
Khalid Al Redha	Ⓟ	Ⓟ

7. The Supervision and Follow up Committee of Insider Transactions

- a. Acknowledgement of the committee's chairman for his responsibility of committee procedures in the company and his review for its performance and effectiveness

The chairman of the committee hereby acknowledges his responsibility for the committee procedures in the company, review of its work mechanism and ensuring its effectiveness

- b. Names of the Committee members and the committee duties and tasks assigned

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

- c. Summary of Committee report during 2021

- Increasing awareness to Importance of Insider Trading Follow-Up and Oversees 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
	27/10/2021
Faisal Aqil Bastaki	Ⓟ
Mahmoud Mohamed Hadi	Ⓟ
Sunil Kumar	Ⓟ



8. Committees approved by the Board

a. Investment Committee

Acknowledgement of the committee's chairman for his responsibility of committee procedures in the company and his review for its performance and effectiveness

The chairman of the committee hereby acknowledges his responsibility for the committee procedures in the company, review of its work mechanism and ensuring its effectiveness

The committee responsibilities and tasks:

1. Establishing a policy for investment and risk management in line with the level of risk appetite determined by the company's board of directors, and reviewing it annually, including the oversight mechanism for it.
2. Ensuring that the company's assets are diversified and sufficiently distributed and allow the company to respond efficiently to the changes in the economic conditions, including developments in the financial markets, and to assess the volatile market conditions on its assets.
3. Verify the efficiency of risk management systems related to investment activities, which may affect the coverage of insurance obligations and the adequacy of capital.
4. Reviewing the assessment of the solvency of the related parties with whom the company is exposed to major transactions.

• Names of the Committee members and the committee duties and tasks assigned

Name	Position
Mr Majed Alkazim	Chairperson
Mr Faisal Aqil	Member
Mr Khalid Alkazim	Member

b. Risk Committee

- Acknowledgement of committee's chairman for his responsibility of committee procedures in the company and his review for its performance and effectiveness
- Name of committee members and their duties and tasks assigned

Name	Position
Walid Shalab	Chairperson
Abdulhalim Barqawi	Member
Rusiru Thalinka	Member
Motasem Oklah	Member
Alaa Al Qassas	Member
Sunil Kumar	Member
Nidal Alkloub	Member

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.



- 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. Meetings held by the risk committee during 2021 including its dates and number of physical attendances per member

Risk Management Committee	Date of Meeting			
	22/02/2021	31/03/2021	04/08/2021	12/10/2021
Member Name				
Walid Shalab	Ⓟ	Ⓟ	Ⓟ	Ⓟ
Rusiru Thalinka	Ⓟ	Ⓟ	Ⓟ	Ⓟ
Motasem Oklah	Ⓟ	Ⓟ	Ⓟ	Ⓟ
Alaa Al Qassas	Ⓟ	Ⓟ	Ⓟ	Ⓟ
Nidal Alkloub	Ⓟ	Ⓟ	Ⓟ	Ⓟ

9. Internal Control System

a. Acknowledgement of BOD's for his responsibility of internal audit system in the company and his review for its performance and 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 BOD appoint the internal auditor.
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:
 - Main control elements including financial supervision, 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. AJMS Global Consulting has been appointed for internal auditing purposes

Name of the internal Auditor : AJMS GLOBAL CONSULTING

Date of appointment of the company's Internal Auditors 01/01/2021

AJMS Global Consulting is a company specialized in internal audit work and has a good experience in this field. It performs internal audit work for several companies in the country, as well as audits of money laundering, taxes and risks, consultancy in developing strategies, and training in complaints management. Their appointment was approved on 1/3/2021, and their representative is Mr. Muhammad Fares Farooqi, he holds BA in Accounting and has more than ten years of experience. He also holds an ACCA (Association of Chartered Certified Accountants) from Britain and the CIA, IIA from America (as a certified internal auditor).

c. The procedures taken by internal auditor in handling any major issues or the ones which are already disclosed in their reports

The internal auditor 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 2021, 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.

d. Number of reports issued by the internal auditor to the company's Board of Directors

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

The internal control department completed and issued the following reports during 2021:



1	Report issued on 5/05/2021
2	Report issued on 03/08/2021
3	Report issued on 27/10/2021

e. Compliance Officer

The Board of Directors also assigned Mr. Mohamed Belbeissi as a compliance officer to insure the compliance of the company and its employees with the laws, regulations and decisions issued and its implementation, and compliance with the provisions of the company's articles of association and the decisions issued by the General Assembly and the Board of Directors.

Mr. Mohammad Belbeissi holds a law degree, a license in law, and several courses in the Takaful insurance sector and other insurance business in general, and he has 42 years of experience in the insurance sector.

10. Details of violations Committed during the fiscal year, their reasons and procedures to handle it and avoid it in the future

Ascana didn't commit any violations during 2021 .

11. Statement of contributions made by the company during 2021 in developing the local community and preserving the environment

The company follows an environmental and social policy which comes 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 2021, the company supported and sponsored several activities for governmental, social, educational and environmental events, 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.

The company also through the survey 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:

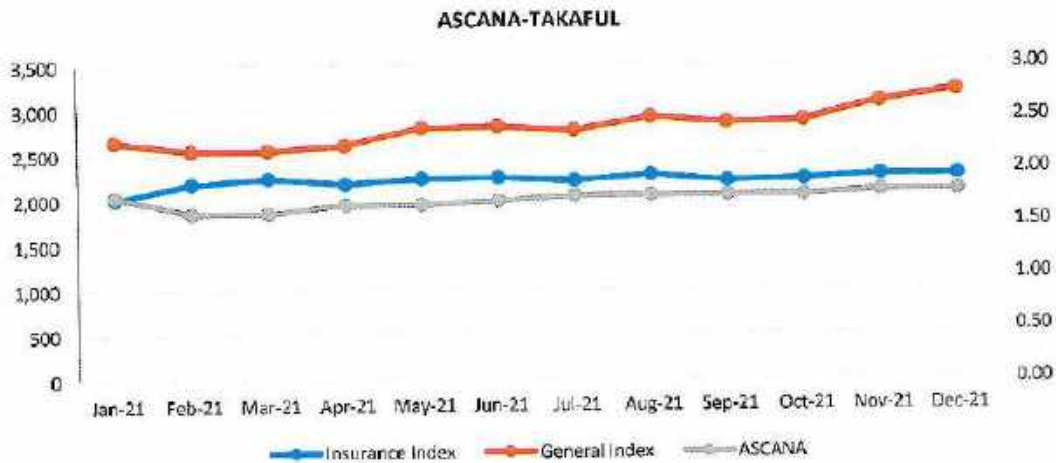
- a. Statement of the company's share price in the market (closing price, highest price, and lowest price) at the end of each month during the fiscal year 2021

Month	Open	Close
January	1.90	1.75
February	1.75	1.59
March	1.59	1.59
April	1.59	1.67
May	1.67	1.67
June	1.67	1.70
July	1.70	1.75
August	1.75	1.75
September	1.75	1.75
October	1.75	1.75
November	1.75	1.79
December	1.79	1.79



b. Statement of the company's comparative performance with the general market index and sector index to which the company belongs

Month	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
Insurance Index	2,017	2,189	2,246	2,183	2,240	2,247	2,214	2,267	2,202	2,221	2,266	2,263
General Index	2,654	2,552	2,550	2,605	2,798	2,811	2,766	2,903	2,845	2,864	3,073	3,196
ASCANA	1.75	1.59	1.59	1.67	1.67	1.70	1.75	1.75	1.75	1.75	1.79	1.79



c. Statement of the shareholders ownership distribution as on 31/12/2021

Local	No of Shares	Shareholding Ratio %
Company	28,384	0.02%
Individual	153,971,616	99.98%
Grand Total	154,000,000	100.00%

d. Statement of the shareholders owning 5% or more of the company's capital as on 31/12/2021

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	14,800,530	9.61%
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 measures taken regarding the controls of investors relations

Share(s) Owned	No of Shareholders	No. of Share	% of the shares held of the capital
1-Less than 50,000	21	199,799	0.13%
2-50,000 - 500,000	4	733,000	0.47%
3-500,000-5,000,000	10	29,795,070	19.35%
4-Above 5Million	6	123,272,131	80.05%
Grand Total	41	154,000,000	100.00%

f. Statement of how shareholders are distributed according to the volume of property as on 31/12/2021
 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 Bent Allala :Investor relations

Email: Rabiaa@ascana.net

Contact Number: 04 2824403 EXT-165

g.Statement of the important disclosures that were presented in the AGM held during 2021 and the measures taken in their regards

A special decision was taken to amend the article of association to comply with Federal Law No. (26) of 2020 amending some provisions of Federal Law No. (2) of 2015. All procedures related to this decision have been taken for approval by the respected Securities and Commodities Authority. All procedures related to this decision and the Board of Directors have been taken by the Securities and Commodities Authority.

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.

h.Detailed statement of major and important disclosures that the company encountered during 2021

- Article of Association amended
- Board of directors' election



J. Statement of Emiratization percentage in the company at the end of 2021

Year	Emiratization Ratio
2019	6%
2020	6%
2021	7%

k. Statement of innovative projects and initiatives carried out by the company or being developed during 2021

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.

Chairman

Date 16/03/2022

Chairperson of the Audit Committee

Date 16/03/2022

Chairperson of the Nominations & Remuneration Committee

Date 16/03/2022

Internal Auditor

Date 16/03/2022