



AL DHAFRA INSURANCE COMPANY P.S.C.

National Company with a Paid - Up Capital of AED. 100,000,000 (AED. One Hundred Million) Established by Law No. 8 of 1979 and subject to Federal Commercial Companies Law No. 8 of 1984 and The U.A.E. Insurance Law (Federal Law No. 6 of 2007)
TAX REG. No: 100014650400003



AL DHAFRA INSURANCE COMPANY P.S.C.

Annual Corporate Governance Report 2024

Abu Dhabi (Head Office)

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Company's Corporate Governance:

Al Dhafra Insurance Co. commenced in 2010 a pro-active review of its corporate governance framework and has adopted extensive corporate governance guidelines in line with the New Corporate Governance Regulation and Standards for Insurance Companies set by the Central Bank of UAE under circular no CBUAE/BSD/2022/463 and In the Ministerial Resolution "Based on the decision of the Chairman of Authority's Board of Directors' Decision no. (3/Chairman) of 2020 concerning Approval of Joint Stock Companies Governance Guide.

The company is committed to the highest level of corporate governance, and has derived its values from a system which integrates ethics, corporate integrity and leading compliant practices. Transparency, fairness, disclosure and accountability have been central to the working of the company, its management and Board of Directors (hereafter referred to as 'the Board'). Indeed, the company's commitment to good Corporate Governance practices predates the laws and mandates of the Central Bank of UAE and Securities and Commodities Authority (SCA).

This report reflects the Company's Corporate Governance system followed during year 2024. The Company's Annual Corporate Governance Report 2024 shall be made available to the shareholders along with the Company's Annual Report. The report will also be published in Company's Website and will be filed with Security Commission Authority (SCA) and Abu Dhabi Exchange (ADX).

Company Conflict of Interest and Disclosure Policy:

- The company has adopted the following Conflict of interest and disclosure policy, in compliance with Decision no (3/R) of 2000 concerning the regulations as to Disclosure and Transparency and the amendments thereto dated 31st July 2012.
- In practicing their duties, the Board and the employees should be fully aware of, and clearly understand all applicable laws, rules, and regulations in order that they can comply with them at all circumstances. Any advantages that may be presented to the employees' opportunities for monetary and non-monetary benefits in addition to the normal compensation arrangement paid by the Company should be in line with the conflict-of-interest policy. Therefore, the employees should accomplish their tasks with the principles of integrity, fairness, and in conformity with professional standards.
- **Benefits or Gifts:** Employees and Directors are not allowed to receive from third parties, benefits or gifts in addition to those conferred by the Company. This is to prevent any influences on the employees' independence and objectivity.



- Directors are to immediately notify the Company Secretary if a material personal interest relating to the affairs of the Company arises. In this context, a material personal interest would refer to a financial transaction with a related party of the Company exceeding AED 5 million or 5% of the company's capital whichever is less.
- Directors are to absent themselves from attendance at a meeting of directors where a matter in which they have a material personal interest is being discussed, unless the other directors vote otherwise.
- Concerned parties as defined in ministerial resolution 518 of 2009 are required to disclose to the board within 3 days of transaction that has caused, any conflict of interest or benefit, direct or indirect with Company (including its affiliate or allied companies).
- If one of the major shareholders or Board members has a conflict of interest in an issue which can affect the price or volume of trading of the Company's securities, the Board should conduct a meeting and issue a decision in attendance of all its members, excluding the concerned shareholders/ director. In extraordinary cases, such issues can be resolved through a special committee formed for that purpose.
- Each director shall upon commencement of his term disclose to the Company the nature of the positions the same occupies in the companies and the public establishments and other important commitments and specify the time allocated thereto, and any changes on the abovementioned upon occurrence.
- Additionally, each director shall disclose on an annual basis the nature of positions the same occupies in the company's securities, the parent company, and subsidiary or affiliate companies. Based on these disclosures.
- Directors are to monitor compliance with the disclosure policy and to take remedial action where necessary.
- Board members of the company, its manager and staff are not allowed to sell and buy company's shares within a period of 15 days prior to the end of the quarterly, half-yearly and annual financial period and until the disclosure of the financial reports to Financial Market, whereas their trading will be allowed to resume thereafter, provided such transactions followed approval process as required by the prevailing law.



- The company is committed to providing Financial Market with interim (quarterly) reports within 45 days from the end of each fiscal quarter. The reports must be approved as per the International Financial Reporting Standards (IFRS) and reviewed by the external auditor and approved by the company's executive management.

Compliance with the Conflict-of-Interest Policy during the Last Year:

The Board hereby declares that each member of the Board has complied with the disclosure requirements as per the laws and regulations issued by the Ministry of Economy, the Securities and Commodities Authority and the Central Bank of UAE. There is no indication of non-compliance by any of the members of the Board of Directors.

Directors and Employees Dealing in Company's Shares:

The board is responsible for reviewing share dealings by the Board Members, their spouses and children annually, and to decide whether any proposed dealings in the Company's shares at any time by director or their family member or employee requires the prior consent of the Chairman or Security Market.

During the year 2024, share transactions were conducted in either their personal capacity or representing a company by the Board of Directors including their first class relative.

S/N	Names	Position/Relationship	Shares held at 31/12/2024	Total Sale	Total Purchase
1.	H.E Sheikh Mohamed Bin Sultan Al Dhahiry	Chairman Board of Directors	4,587,098	-	-
2.	H.E. Yousef Bin Mohamad Ali Al Nowais	Deputy Chairman	71,099	118,700	-
3.	H.E. Sh. Ahmed Moh'd Sultan Al Dhahiri	Board of Director	3,219,869	-	-
4.	H.E Sh. Sultan Saeed Sultan Al Dhahiri	Board of Director	1,451,939	-	-
5.	H.E. Saif Bin Mubarak Al Riyami	Board of Director	2,988,505	-	-
6.	Ms. Rauda Abdullah Al Dhaheri	Board of Director	-	-	-
7.	Mr. Muhammad Saeed Omran Al Mazrouei	Board of Director	60,727	-	-
8.	Mr. Rashid Saeed Ahmad Ghobash	Board of Director	-	-	-
9.	Mr. Mohamed Hussain Jasim Al Nowais.	Board of Director	2,681,759	-	-



Board of Directors

Board Composition:

Company's Board of Directors comprises of 9 non-executive members from which 4 are independent directors and there is no change in the formation of Board of directors for 2024 Following table is listing down the board members along with their representation on different Board Committees.

Sr. No.	Name	Non-Independent & Non-executive	Experience and Qualifications	The period he spent as a member of the Board of Director's from the date of his Firs Election	Memberships and Positions in any other Joint Stock Companies	Positions in any important Regulatory, Governmental or Commercial Positions
1.	H.E Sheikh Mohamed Bin Sultan Al Dhaheri	Non-Independent & Non-executive	Bachelor's degree in politics, economy & law Master Degree in Business Administration	Since 1993	Chairman Board of Directors Al Dhaheri Group, Bin Suroor Holding , Abu Dhabi Refreshment Co & Al Dhafra Insurance Co.	-
2.	H.E. Yousef Bin Mohamad Ali Al Nowais	Non-Independent & Non-executive	Bachelor of Science Business Administration	Since 2007	Deputy Chairman Al Dhafra Insurance Co. Co-Chairman of Al Nowais Investment LLC, Pharmatrade LLC, Danway Electrical and Mechanical Engineering LLC, Archirodon & National Petroleum Services Board Member in Al Ain Sport Club & Al Ain Club Investment Company	-
3.	H.E. Sh. Ahmed Moh'd Sultan Al Dhahiri	Non-Independent & Non-executive	Bachelor of Science in Civil Engineering	Since 2016	Vice Chairman Abu Dhabi National Hotels, Abu Dhabi Aviation & DNH Catering Board member Al Dhafra Insurance Co, First Abu Dhabi	-



					Bank & Emirates Telecommunication	
4.	Mr. Rashid Saeed Ahmad Ghobash	Non-Independent & non-executive	Bachelor's degree in financial studies	Since 2019	Board member Al Dhafra Insurance Co.	-
5.	H.E Sh. Sultan Saeed Sultan Al Dhahiri	Independent & Non-executive	General Business Administration & Management	Since 2016	Board member Al Dhaheri Group, Bin Suroor Holding, Abu Dhabi Refreshment Co & Al Dhafra Insurance Co.	-
6.	H.E. Saif Bin Mubarak Al Riyami	Non-Independent & Non-executive	Master's degree in military science -the National Defence College	Since 1984	Chairman in Ain Cooperative Society, Al Khor Contraction & Baraem Al Ain School, Al Ain Technical Metal Industries Board Member Al Dhafra Insurance	-
7.	Ms. Rauda Abdullah Al Dhaheri	Independent & non-executive	Bachelor's degree in architectural engineering	Since 2022	Board Member in Al Dhafra Insurance Co & Abu Dhabi National Hotels.	-
8.	Mr. Muhammad Saeed Omran Al Mazrouei	Independent & Non-executive	Bachelor's Degree of Business Administration in Finance & master's degree in finance & Banking	Since 2013	Board Member in Al Dhafra Insurance Co.	-
9.	Mr. Mohamed Hussain Jasim Al Nowais.	Independent & Non-executive	Bachelor's degree in economics and business finance	Since 2019	Board Member in Al Dhafra Insurance Co., Waha Capital & Abu Dhabi National Industrial Projects.	-

Short Curriculum Vitae of the Board Members:

- *H.E Sheikh Mohamed Bin Sultan Al-Dhaheri:*

Leading the Board of Directors since 1993, holds a bachelor's degree in politics, economy & law from University of Buckingham - UK and master's degree in business administration from Brunel University - UK, currently heads Al Dhahiry group. Held several important positions in the country, including Chairman of Al Dhahiry Group, Bin Suroor Holding, Abu Dhabi Refreshment Company and Chairman of Al Dhafra Insurance Company.



- *HE Yousif Bin Mohammed Ali Al Nowais:*
Businessman, Board Member since 2007. Holds a university degree from the University of Arizona in 1979. He is the Chairman of the Board of Directors and Managing Director of Arab Development Company, and also the Co-Chairman of Al-Nowais Investment Company LLC. He is also Chairman, Vice Chairman or member of several private institutions including, Emircom, Pharmatrade LLC, Danway Electrical and Mechanical Engineering LLC, Archirodon, National Petroleum Services, and Al Ain sports club. He has previously held several positions in the ADNOC group including Finance Director and Managing Director of ADNOC's subsidiary FERTIL.
- *H.E.Sh. Ahmed Moh'd Sultan Al Dhaheri:*
Businessman. He is currently Vice Chairman and Managing Director of Abu Dhabi National Hotels. He is currently a board member of First Abu Dhabi Bank, Etisalat, Al Dhaheri Group, and Abu Dhabi Refreshment Co. LTD. He also serves as chairman of Alfa Gulf Real Estate Management LLC. He was the Vice Chairman of Abu Dhabi Aviation. He hold a bachelor's degree in civil engineering from Al Ain University.
- *Mr. Rashid Saeed Ahmad Ghobash:*
He holds a bachelor's degree of Financial Studies from American University of Sharjah. Currently, he is Executive Director of Bayan Investment, and Chief Analyst in the Public Debt Office and responsible for the Investor Relations Department of Finance, Abu Dhabi. He is the Managing Director of Ghobash Group.
- *H.E.Sh. Sultan Saeed Sultan Al Dhahiri:*
Businessman. He is currently Board member of Al Dhaheri Group, Bin Suroor Holding and Abu Dhabi Refreshment LTD. He holds a bachelor's degree in business administration from Abu Dhabi University.
- *H.E. Saif Bin Mubarak Al Riami:*
Businessman. Brigade retired, a board member since 1984, he served as a board member of Abu Dhabi Commercial Bank, Union Coop, the Municipal Council, Chairman of the Board of Directors in Al-Ain Cooperative Society, Al Khor Contracting Company, baraem Al Ain school, Al Ain technical Metal Industries, Al Dhaheri Colas group (Oman). He holds a master's degree in military science-the National Defense College (India).
- *Ms. Rauda Abdullah Al Dhaheri:*
She holds a bachelor's degree in architectural engineering from UAE university, Al Ain. Currently she is a Manager in ALFA Gulf real estate management, Bin Suroor Engineering and development Company and member of BOD's in Abu Dhabi National Hotels.



- [Mr. Mohamed Saeed Omran Al Mazrouei:](#)

A young finance professional. Member since 2013, holds a bachelor's degree of Business Administration in Finance and Management from American University of Sharjah and a master's degree in business law and Banking and Finance from Paris-Sorbonne University Abu Dhabi. Have experience in handling investment portfolios, coupled with experience of managing Al Omran Real Estate and Electro Technical Line (Maintenance Company).

- [Mr. Mohammad Hussain Jasim Al Nowais:](#)

He holds a bachelor's degree in economics and business finance from the Brunel University in London, UK. Currently is the Managing Director of AMEA Power, Director in Al Nowais Investments Company, Board member positions in Abu Dhabi National Industrial projects and holds Chairman and Managing director at Waha Capital PJSC. Previously he was an Investment Associate at Abu Dhabi Investment Authority (ADIA) and worked with J.P. Morgan in USA and completed multiple internships with international financial institutions including HSBC in Abu Dhabi and Citi Bank in London, UK.

Women Members in the Board of Directors:

The nomination process for the Board of Directors is open and available to all qualified shareholders. The shareholders choose a member of the Board of Directors of the women according to the nomination process. It should be noted that to date, one woman is member of the Board of Directors since 2022.

Directors Remuneration:

Remuneration to the board members is determined in pursuant to Article (118) of the Law of Commercial Companies No. (8) Of 1984. I.e. Up to 10% of the profit for the year, after deducting depreciation and reserve, and distributing a minimum of 5% as revenues from the shareholders' capital. Remuneration AED 4,000,000 was paid to the Board for year 2023.

Proposed remuneration for Board of Directors for 2024, which will be submitted to the Annual General Assembly meeting is AED 4,000,000.

No allowances were paid for the Board of Directors for attending the sessions of the Board subcommittees for the Financial Year 2024.

**Audit Committee:**

Name	Number of meetings	Total
H.E. Yousef Bin Mohamed Al Nowais		-
H.E. Saif Bin Mubarak Al Riyami	4	-
Mr. Rashid Saeed Ahmad Ghobash		-

Nomination and Remuneration Committee:

Name	Number of meetings	Total
H.E. Sheikh Ahmed Mohammed Sultan Al Dhaheri		-
Mr. Mohamed Hussain Jasim Al Nowais	1	-
Ms. Rauda Abdullah Al Dhaheri		-

Investment Committee:

Name	Number of meetings	Total
Mr. Mohamed Hussain Jasim Al Nowais		-
H.E. Sheikh Sultan Saeed Sultan Suroor Al Dhaheri	2	-
Mr. Mohamed Said Omran Al Mazrouei		-

Risk Management Committee:

Name	Number of meetings	Total
H.E. Sh. Sultan Saeed Sultan Al Dhahiri.		-
Mr. Mohamed Hussain Jasim Al Nowais	1	-
Ms. Rauda Abdullah Al Dhaheri		-



Board Meetings:

There were 6 Board meetings held during the year 2024. The following table clarifies the dates of the meetings and the attendance of the members:

Name of Directors	Dates of Meetings					
	(06/2024) 13/11/2024 (in our company head office and virtually via Webex Application)	(05/2024) 05/09/2024 Circular	(04/2024) 13/08/2024 (Via Video Conferencing – Webex)	(03/2024) 14/05/2024 (Via Video Conferencing – Webex)	(02/2024) 13/03/2024 Circular	(01/2024) 13/02/2024 (in our company head office and virtually via Webex Application)
H.E. Sheikh Mohamed Bin Sultan Al Dhahiry	✓	✓	✓	✓	✓	✓
H.E. Yousef Bin Mohamed Al Nowais	✓	✓	✓	✓	✓	✓
H.E.Sh. Ahmad Moh'd Sultan Al Dhahiri	✓	✓	✓	✓	✓	✓
H.E.Sh. Sultan Saeed Sultan Al Dhahiri.	x	✓	✓	✓	✓	✓
H.E. Saif Bin Mubarak Al Riamey	✓	✓	✓	✓	✓	✓
Mr. Mohamed Saeed Omarn Al Mazrouei	Proxy	✓	✓	✓	✓	✓
Mr. Rashid Saeed Ahmed Saeed Ghobash	✓	✓	✓	✓	✓	Proxy
Mr. Mohamed Hussain Jasim Naser Al Nowais.	✓	✓	✓	✓	✓	Proxy
Ms. Rauda Abdullah Al Dhaheri	✓	✓	✓	✓	✓	✓

“✓”= Attended

“✓ Proxy”= Proxy

“x” = Apologized

“N/A” = Were not member as of date

“E” = Term Expired



Board Tasks and Responsibilities:

The Boards' role is to represent the shareholders and is accountable to them for creating and delivering value through the effective governance of the business.

The Board will annually publish an Annual Governance Report, which is a statement of the practices and processes the Board has adopted to discharge its responsibilities.

Once appointed, every director shall disclose to the Company the nature of relations he has with other listed companies, including positions, investments and other significant obligations through signing a Declaration of Independence Form.

Additionally, the Board shall have the following Roles and Responsibilities:

- Set and review the strategic direction and approves the Annual Operating Budget and Business Plan.
- Make decisions concerning the Company's capital structure and dividend policy.
- Review, approve and monitor major investments and strategic commitments.
- Review and approve the annual and interim Financial Statements.
- Ensure compliance with applicable laws, regulations and all appropriate accounting standards.
- Ensure that an adequate risk management framework is in place to identify, assess and mitigate risks.
- Ensure appropriate policies and delegations are in place to effectively govern the Company.
- Adopt a Governance Structure that is aligned with the Company's values and strategies, and ensures the following:
 - Enhancing the Company's reputation.
 - Maintaining high standards of behavior.
 - Promoting ethical and responsible decision making.
 - Communicate clear expectations and Delegation of Authority; and
 - Complying with the applicable Governance Regulation (i.e. The Central Bank of UAE & Securities Commodities Authority (SCA) regulations).
- Appointment of the Senior Management and evaluation of his on-going performance and remuneration through the Nomination and Remuneration Committee.
- Ensure that an appropriate succession plan for Senior Management is in place.
- Recognize the legitimate interests of all stakeholders, being the shareholders, customers, staff and the communities in which the Company operates.



- Set written rules for the dealings of the staff in the securities issued by the Company and its associated companies (where applicable).
- Ensure the integrity of external reporting including:
 - Review and monitor controls, processes and procedures in place to maintain the integrity of the Company's financial and accounting records and statements, with the guidance of the Audit Committee upon its formation.
 - Ensure accurate, objective and comprehensive information is conveyed to the shareholders to ensure that they are fully informed of material developments; and
 - Review the reports of the Audit Committee in relation to risk, internal controls and internal and external audit reports.
- Exceptionally issue some of its decisions by passing on a draft thereof for signature in emergency situations, provided the following are taken into considerations:
 - That the cases of issuing decisions by passing on the draft decision for signature may not exceed four (4) cases a year.
 - The agreement of the majority of the members of the Board that the concerned case is a case of emergency.
 - Handing the decision to the members of the Board in writing for the purpose of their consent, provided that the documents and evidence necessary to study the same are accompanied therewith; and
 - The written consent of the majority shall be attained on any decisions of the Board that is issued through passing on written draft for signature, and provided that the same is presented to the subsequent meeting of the Board so as to include the same in the minutes of the meeting.
- Tasks of the Non-Executive Directors shall include without limitation:
 - To participate in meetings of the Board and to provide independent opinions on strategic matters, policy, performance, accountability, resources, appointments and activity criteria.
 - To ensure that priority shall be given to the Company's and Shareholders' interests in case of conflict of interests.
 - To participate in the Company's Audit Committees.
 - To control the Company's performance in realizing its agreed objectives and goals and to monitor its performance reports.
 - To develop procedural rules for the Company's Governance and supervise and monitor their implementation in compliance therewith; and
 - To avail the Board and its different Committees of their skills, experience, diversified specialties and qualifications through regular presence and efficient participation in the General Meetings.

Responsibilities Delegated to Executive Management:

The Executive management, comprising General Manager, as well as Department Heads who are responsible to implement the company strategy and manages the day-to-day affairs of the company according to the business plans and activities approved by the Board, protecting the shareholder interests and adopting best and successful practices. Executive management delegates functions to senior management team subject to board policies and legal requirements.



The power to authorize the signature of the Executive Management for a period of three years from 13/6/2022.

SR	Authorized Person	Authorization power	Authorization period
1	Kamal Sartawi	Management of all the company's affairs	3 Years

Transactions with Related Parties:

Major stakeholders identified are directors including major shareholders of the company and those entities in which they have the ability to control or exercise significant influence in financial and operational decisions, and key management personnel. These transactions are made within the normal course of business. These transactions are based on the insurance services provided to Director's associated companies for the year 2024. If the transaction amount with related party exceeds 5% of share capital of ADIC, Board approval is required for such transactions. Details of the transactions and relationship are as follows for 2024:

Related party Name & Nature of Relationship	Sum of Premiums	Sum of Claims
Chairman's Group	283,351	460,675
Chairman's Group	40,797	4,522
Chairman's Group	886,435	1,260
Chairman's Group	139,893	-
Chairman's Group	26,049	-
Chairman's Group	118,073	-
Chairman's Group	30,492	-
Director	84,570	128,676
Director	15,855	191,925
Director	39,709	-
Director	42,525	-
Director	75,820	-
Total	1,783,569	787,058

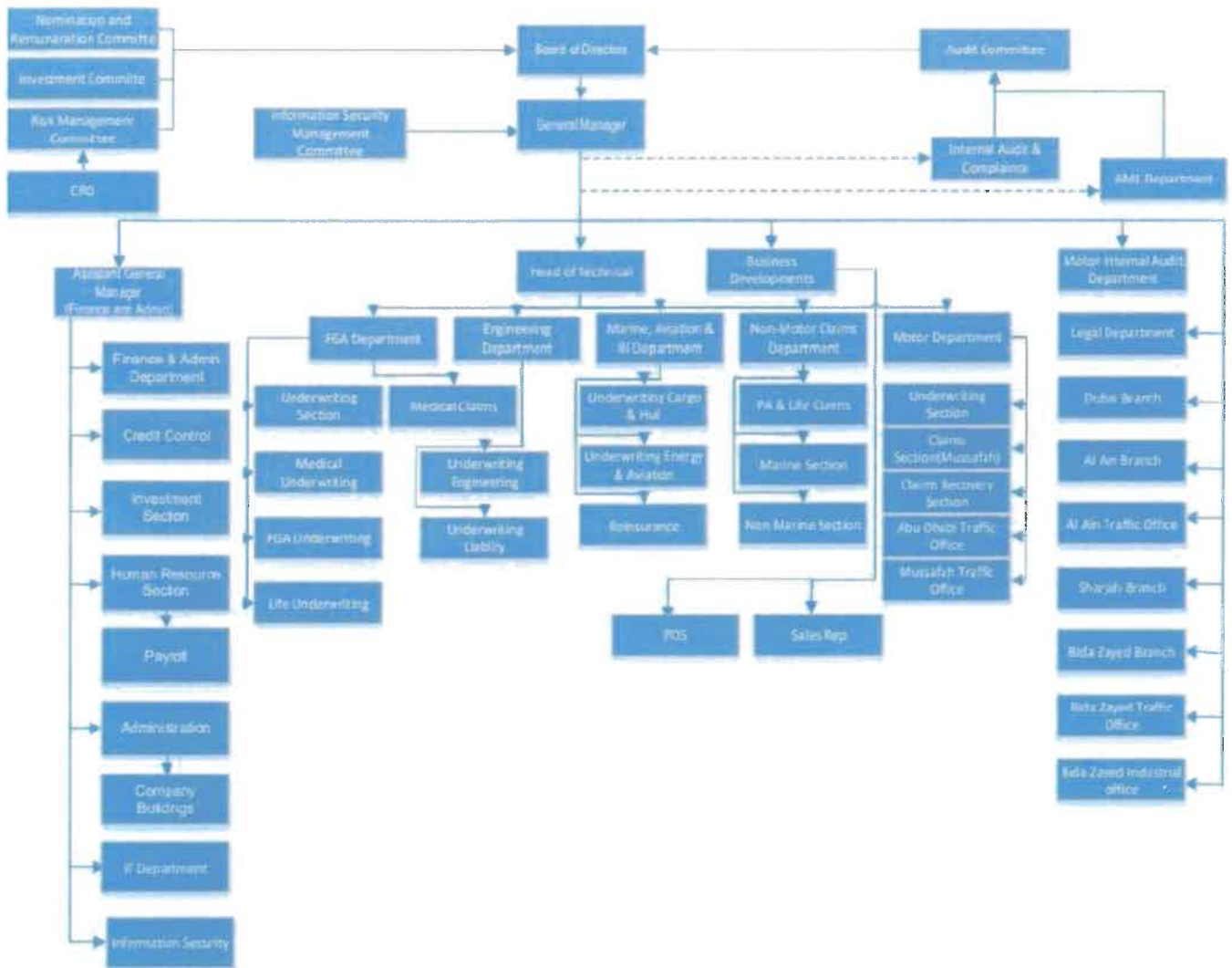
There was no board member whose transactions exceeded 5% of the paid-up capital.

Assessment of the Board of Directors:

In 2024, an independent entity with no affiliation or relationship with Al Dhafra Insurance Company, its board members, or executive management conducted an evaluation of the company's board of directors, its members, and committees. The assessment revealed a high level of satisfaction and concluded that the company's governance practices are effective and in line with corporate governance guidelines.



Company's Organizational Structure:





Company's Executive management:

Total remuneration given in 2024 to General Manager, Assistant General Manager and Head of Technical as per table below:

Sr.	Position	Date of appointment	Total salaries and allowances paid for 2024 (AED)	Total proposed bonuses for 2024	Any other cash/real bonuses of 2023 (or to become payable thereafter)
1	General Manager	Since 1984	1,657,603	Not yet determined	xx
2	Assistant General Manager	Since 1994	649,460	Not yet determined	xx
3	Head of Technical	Since 2013	557,730	Not yet determined	xx

Supervision Committee of Insiders' Transactions

Mr. Ajith Kumar, Chairman of the Supervision Committee acknowledges his responsibility for the follow-up and supervision system on transactions of the insiders in the Company, review of its work mechanism and ensuring its effectiveness.

1. A committee was set up to monitor and supervise insider transactions on 24/11/2020 from the following:

Name	Member of Supervision Committee
Mr. Ajith Kumar	Chairman of the Committee
Mr. Mohammed Al-Najoumi	Member
Mr. Mahmoud Ezzat	Member

2. The committee is responsible for managing the policy of dealing with the shares of the company and monitoring the circulation of members of the Board of Directors and employees in the shares of the company regularly.
3. The Committee held its meeting on 03/01/2025 and reviewed the updated list of insiders' records. It also reviewed the total trading on the company's shares as at 31/12/2024 and did not notice any irregularities related to insider transactions during that period.



External Auditors:

The External Auditor of Al Dhafra Insurance Company is Crowe Mak, and their address is P.O. Box: 109460 -Abu Dhabi- UAE. The said Auditor is an External Auditing Company and independent from the Company's Board of Directors and its Executive Management.

The Board of Directors recommends to the General Assembly the appointment of the External Auditor, subject to the approval from the Central bank of UAE and upon the recommendation of the Audit Committee which considers the efficiency, reputation and experience. The determination of the External Auditor fees is decided by the General Assembly of the Company. The External Auditor Attends the Company's General Assembly Meeting and presents its report to the shareholders, such report shall be neutral and independent. Also, the External Auditor replies to the enquiries related to its report.

There are no reservations of the company's auditor on the interim and annual financial statements for the year 2024.

The Audit Committee reviews the quality and efficiency of the audit operations performed by the External Auditor and presents the necessary recommendations to the Board of Directors as to the re-appointment or replacement of the External Auditor. The External Auditor has been auditing the Company's accounts from 2024.

The company has not utilized any form of services from appointed external auditor while preparing its annual Financial Statements.

Name of Auditing Firm	Crowe Mak
Audit Engagement Partner	Umesh Narayanappa
Number of years the auditor spent as an external auditor of the Company	Since 2024 (1 year)
Total auditing fees in relation to the financial statements of 2024 (AED)	AED 88,000
The cost of other services rendered by the external auditor for filing of XBRL to Security and Commodities Authority (SCA), E-Form certification and AML report for Central Bank of UAE.	AED 117,000
A statement of other services provided by another external auditor (other than the Company's auditor) during 2024 (if any). If there was no another external auditor, this should be mentioned expressly.	Not Applicable



Board Committee's:

Audit Committee:

Mr. Yousef Bin Mohamed Al Nowais, Audit Committee Chairman, acknowledges his responsibility for the committee system in the Company, review of its work mechanism and ensuring its effectiveness.

Roles and Responsibilities (Term of Reference):

- Oversight of the preparation of the Financial Statements.
- Review of the annual and quarterly Financial Statements.
- Review any insider, affiliated or related party transactions and ensure that rules for the conduct and approval of these are complied with.
- Reviewing the Company's Internal Control Systems for effectiveness. This may be undertaken by seeking assistance from external consulting firms.
- Ensure Risk Management policies are developed and undertake regular examination of cases of non-compliance with the same.

Composition of the Audit Committee:

S No	Name	Designation
1	H.E. Yousef Bin Mohamed Al Nowais	Chairman
2	H.E. Saif Bin Mubarak Al Riyami	Member
3	Mr. Rashid Saeed Ahmed Ghobash	Member

- Mr. Yousef Bin Mohamed Al Nowais has expertise in finance and accounting. All three members are non-executives.

The following table clarifies the dates of the meetings and the attendance of the members:

Name	Meeting Dates			
	(04/2024) 13/11/2024 (in our company head office and virtually via Webex Application)	(03/2024) 13/08/202 4 (Via Video Conferenci ng – Webex)	(02/2024) 14/05/2024 (Via Video Conferencin g – Webex)	(01/2024) 13/02/2024 (in our company head office and virtually via Webex Application)
Mr. Mohamed Saeed Omran Al Mazrouei	E	E	E	✓
H.E. Yousef Bin Mohamed Al Nowais	✓	✓	✓	N/A
H.E. Saif Bin Mubarak Al Riyami	✓	✓	✓	✓
Mr. Rashid Saeed Ahmed Ghobash	✓	✓	✓	Proxy

“✓”= Attended

“✓Proxy”= Proxy

“x” = Apologized

“N/A” = Were not member as of date

“E” = Term Expired



Annual Audit Committee Report:

- The Statutory auditor must be approved by the Central Bank to ensure adherence to stringent standards of independence, competence, and integrity.
- The annual appointment, re-appointment or dismissal process involves the audit committee evaluating potential auditors based on their qualifications, performance, and compliance with regulatory standards. The selected auditor is then recommended to the Board of Directors for approval and subsequently confirmed by shareholders at the Annual General Meeting (AGM).
- This rigorous selection and approval process, mandated annually, to ensure that the financial statements are audited by qualified professionals who meet the Central Bank's approval criteria, thereby upholding the accuracy, transparency, and reliability of the company's financial reporting.
- The committee shall assess the auditor's ability to provide objective assessments of the Company's financial statements and internal controls.
- Throughout the appointment process, the committee shall maintain a focus on selecting auditors who can effectively fulfill their responsibilities and contribute to accurate financial reporting.
- The committee holds a responsibility for establishing and overseeing the tendering of audit engagements, ensuring it encompasses stringent requirements for knowledge, competence, objectivity, independence, professional skepticism, and quality control.
- Scrutinize and approve any non-audit services provided by the External Auditor to avoid conflicts of interest and ensure these services do not impair their independence.
- The internal audit reports shared with audit committee on quarterly basis for review and recommendations. The internal audit department develops an internal audit program for the Company to ensure that the internal control and procedures of the Company are in place by undertaking periodical and concurrent review of the business transactions carried out at different departments and offices of the Company. And reporting findings to Audit Committee detailing its observations and suggestions (wherever necessary) to improve systems and procedures of the Company.

Nomination and Remuneration Committee:

Sh. Ahmed Moh'd Sultan Al Dhahiri, Nomination and Remuneration Committee Chairman, acknowledges his responsibility for the committee system in the Company, his review of its work mechanism and ensuring its effectiveness.

Roles and Responsibilities (Term of Reference):

Verification of on-going independence of independent board members. If the committee discovers that any of the members do not meet the independence criteria, it shall present this matter to the company's board and the board shall notify the member by a letter to be sent by registered mail to the members' registered address recorded in the company's files and shall address the reasons for the



lack of independence; such member shall provide clarification to the board within fifteen days from the date of the notification.

The board in its earliest meeting after the member's response or after the expiry of the period preferred to above, shall issue a decision confirming whether the member is considered independent or not.

Even when such board member is no longer meeting the independence criteria and such situation does not result a breach to the minimum requirement for the number of independent board members, the same must be taken into account when establishing board committees.

Notwithstanding provisions of Article (102) of the Commercial Companies Law, if the board decision holding that the member is no longer independent is to impact the minimum requirements for the independent board members, the board shall appoint a new member as a replacement and such appointment shall be reviewed at the earliest general assembly of the company in order to give effect to the decision of the board.

Formulation and annual review of the policy on granting remunerations, benefits, incentives and salaries to the Board members and senior executives of the Company and the committee will verify that remunerations and benefits granted to the senior executive management of the Company are reasonable and in line with the Company's performance.

Composition of the Nomination & Remuneration Committee:

The Board has delegated authority to the committee as per the approved term of reference. The role of the Committee is to assist in discharging the board's responsibilities relating to compensation of company's staff and nomination to the membership of the board in line with applicable laws and regulations. The Board decides the need and frequency of the committee to discuss and advise related matter accordingly, the members nominated by the board for committee are as follows:

S No	Name	Designation	Attendance
1	Sh. Ahmed Moh'd Sultan Al Dhahiri	Chairman	✓
2	Mr. Mohamed Hussain Jasim Al Nowais.	Member	✓
3	Ms. Rauda Abdullah Al Dhaheri	Member	✓

The following table clarifies the dates of the meetings and the attendance of the members:

Name	Meeting Dates
	(01/2024) 12/02/2024 (Via Video Conferencing – Webex)
H.E. Sh. Ahmed Moh'd Sultan Al Dhahiri.	✓
H.E. Saif Bin Mubarak Al Riyami	✓
Ms. Rauda Abdullah Al Dhaheri	✓
Mr. Mohamed Hussain Jasim Al Nowais.	N/A

"✓"= Attended

"✓ Proxy"= Proxy



“x” = Apologized

“N/A” = Were not member as of date

“E” = Term Expired

Investment Committee:

Mr. Mohamed Hussain Jasim Al Nowais., Chairman of the Investment Committee acknowledges his responsibility for the committee system in the company and for his review of its work mechanism and ensuring its effectiveness.

Roles and Responsibilities (Term of Reference):

- Setting the investment guidelines.
- Reviewing / monitoring investments.
- Review the compliance of investment portfolio with the applicable laws.
- Review and monitor the performance of the investment made through outsourcing.
- In conjunction with the Audit Committee, determining the scope of the rigorous audit procedures that include full coverage of the investment activities to ensure timely identification of internal control weaknesses and operating system deficiencies.
- Assisting the Board of Directors in its evaluation of the adequacy and efficiency of the investment policies, procedures, practices and controls applied in the day-to-day management. of its business through an audit report that is to be submitted to the Audit Committee.
- Review and approve the valuation methods used to value the investments.

Composition of the Investment Committee:

S No	Name	Designation
1	Mr. Mohamed Hussain Jasim Al Nowais.	Chairman
2	H.E. Sheikh Sultan Saeed Sultan Suroor Al Dhaheri	Member
3	Mr. Mohamed Saeed Omran Al Mazrouei	Member

The following table clarifies the dates of the meetings and the attendance of the members:

Name	Meeting Dates	
	(02/2024) 07/08/2024 (Via Video Conferencing – Webex)	(01/2024) 07/02/2024 (Via Video Conferencing – Webex)
Mr. Mohamed Hussain Jasim Al Nowais.	✓	Proxy
H.E. Sheikh Sultan Saeed Sultan Suroor Al Dhaheri	x	✓
Mr. Mohamed Saeed Omran Al Mazrouei	✓	✓

“✓”= Attended

“✓ Proxy”= Proxy



“x” = Apologized

“N/A” = Were not member as of date

“E” = Term Expired

Risk Management Committee:

H.E. Shiek Sultan Saeed Sultan Suroor Al Dhaheri., Chairman of the Risk Committee acknowledges his responsibility for the committee system in the company and for his review of its work mechanism and ensuring its effectiveness.

Roles and Responsibilities (Term of Reference):

- Identify key risks (financial, operational, strategic, compliance, environmental, etc.) faced by the organization.
- Assess the potential impact and likelihood of identified risks.
- Develop, approve, and periodically review the organization's risk management framework, policies, and procedures.
- Ensure alignment between risk management practices and the organization's strategic goals.
- Monitor the organization's risk exposure and risk tolerance levels.
- Review and assess regular risk reports, including emerging risks and risk trends.
- Ensure timely and accurate reporting of significant risks to the Board of Directors or relevant stakeholders.
- Ensure the organization adheres to applicable laws, regulations, and standards related to risk management.
- Monitor compliance with internal controls and policies.
- Review and approve stress testing and other regulatory reports.

Composition of the Risk Committee:

S.No	Name	Designation
1	H.E. Sheikh Sultan Saeed Sultan Suroor Al Dhaheri	Chairman
2	Mr. Mohamed Hussain Jasim Al Nowais.	Member
3	Ms. Rauda Abdullah Al Dhaheri	Member



The following table clarifies the dates of the meetings and the attendance of the members:

Name	Meeting Dates
	(01/2024) 23/10/2024 (Circular)
H.E. Sheikh Sultan Saeed Sultan Suroor Al Dhaheri	✓
Mr. Mohamed Hussain Jasim Al Nowais.	✓
Ms. Rauda Abdullah Al Dhaheri	✓

“✓”= Attended

“✓ Proxy”= Proxy

“x” = Apologized

“N/A” = Were not member as of date

“E” = Term Expired

Internal Controls

The Board accepts its responsibility for the application, review and efficiency of the Company's Internal Control Systems. The board conducts an annual review of the following:

- Review of the mechanism of operation of the Company's internal control department.
- Review procedure that the Company has adopted to determine, assess and manage considerable risks.
- Evaluate the procedure that the Company has adopted to handle material internal control aspects of any serious problems that have been disclosed in the annual accounts and reports.

Internal control system in the Company is evaluated by various procedures including:

- Financial functioning is adequately governed through internal control procedures adopted in the Company. Financial manual of the Company details the rules and procedures to be followed in each financial transaction including various levels of financial authorities are defined and exercised by the concerned authorized employees of the Company, either individually or jointly.
- The Company has an Internal Control Department headed by duly qualified and experienced internal audit professional, develops an internal audit program for the Company to ensure that the internal control and procedures of the Company are in place by undertaking periodical and concurrent review of the business transactions carried out at different departments and offices of the Company. And reporting findings to Audit Committee detailing its observations and suggestions (wherever necessary) to improve systems and procedures of the Company.

The Company's Internal Control Department structure has following roles:



- Mr. Hassan Saleem has been appointed as Head of Internal Audit since 2016. (Associate Chartered Certified Accountant-UK, Bachelor of Science (hons) in Applied Accounting from Oxford Brookes University-UK, Certified Accounting Technician-UK, Advanced Diploma in Business and Accounting-UK). A competent professional with more than 12 years of experience in Auditing operations, Risk Management and in Compliance.

Pursuant to Article (51) of the Chairman of Securities and Commodities Authority's Resolution No. (7/R.M) of 2016 concerning the Standards of Corporate Discipline and Governance of Public Shareholding Companies, the Company appointed the head of the internal control department, Mr. Hassan, as an independent compliance officer to verify the Company and its employees compliance with the laws and the regulations in force in the Country. He has the qualifications and experience mentioned in the item above.

- In the event of an emergency, a major problem or such a major problem is mentioned within the reports and annual accounts, the Internal Control Department shall identify such a problem or an emergency or assess its impact on the Company and call the Audit Committee for an urgent meeting to discuss this problem and its causes, methods of treatment, how to mitigate its effects and the measures to prevent the aggravation and recurrence of the problem in the future and make recommendations to the Board of Directors for appropriate decision.
- In this regard "Six" Internal Audit reports are issued to Audit Committee and relevant presentations are given to board members. The Company has not experienced any major problem during 2024.
- Codes of Conduct are in place for staff members and the Board of Directors of the Company to ensure that the level of service the company expects to deliver to its customers and shareholders is achieved and to maintain the highest standards of work culture. And all staff members of the Company are fully aware of all administrative rules within the Company.
- Detailed operating manuals and policies of all underwriting, claims and other functional departments of the Company are followed by every department.
- All activities of the Company are computerized with special focus to update and improve computer system in use as to satisfy Company needs and serve its clients efficiently.

Details of Non-Compliance by the Company/Violations:

Al Dhafra Insurance has not violated nor breached any regulatory rules and regulations for the year 2024.



Corporate Social Responsibility and Environment Sustainability:

1) Ethical Conduct

We strive to conduct business with honesty, integrity and respect for all our clients.

2) Environment Protection

For 2024, the company continuously adheres to protecting the environment by promoting an awareness “greener” business like encouraging staff to restrict printing if it can be kept on screen “Think GREEN before printing this email 🌿”

3) Employee Care

We seek to maintain a healthy work environment by ensuring the safety and wellbeing of our employees and providing fulfilling & rewarding careers for all.

We also strongly support nationalization through secession planning, training and career development.

In recent years, we have continued to refine our employee offering and implement initiatives that meet business needs in the most efficient and effective manner. This includes a new portfolio of globally accredited training courses and an impressive array of employee benefits.

4) Training for UAE Nationals

ADIC believes that ‘On the Job Training’ for Emiratis will make them more competent than outside classroom training and in On Job Training Emirati employees will be directly inducted by Dept. heads having intense experience and knowledge in their respective area of work. Under direct supervisor of Dept. heads employees will get more confidence in their work as well as the trainer being able to guide them towards results with proper feedback. We are also encouraging our Emirati staff to attend Ethraa and other training Programs, workshops conducted by the Central Bank and Emirates Institute for Banking and Financial Studies.

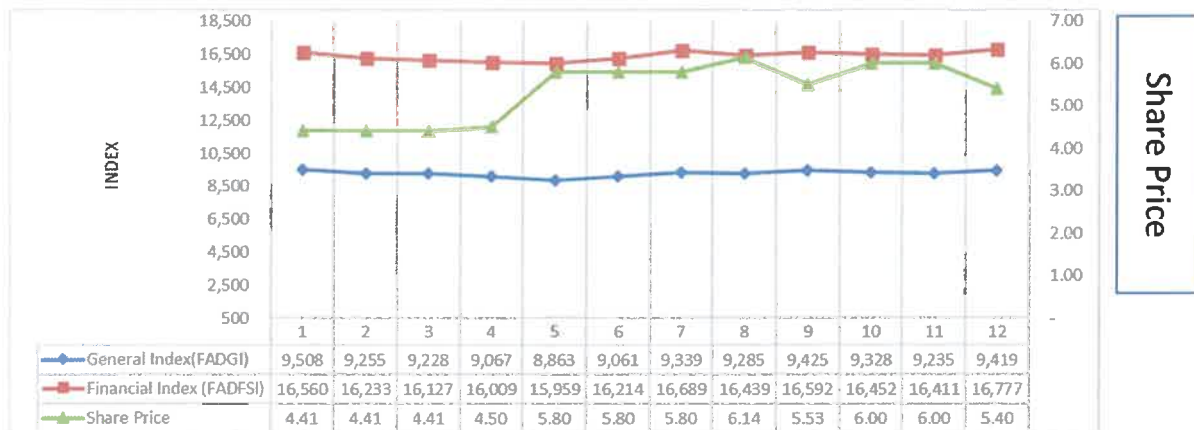


General Information:

- Share price at the market (high/low) at the end of each month of the year 2024:

Month	High	Low	Closing
January	AED 4.41	AED 4.41	AED 4.41
February	AED 4.41	AED 4.41	AED 4.41
March	AED 4.41	AED 4.41	AED 4.41
April	AED 4.50	AED 4.50	AED 4.50
May	AED 5.80	AED 5.80	AED 5.80
June	AED 5.80	AED 5.80	AED 5.80
July	AED 5.80	AED 5.80	AED 5.80
August	AED 6.14	AED 6.14	AED 6.14
September	AED 5.53	AED 5.53	AED 5.53
October	AED 6.00	AED 6.00	AED 6.00
November	AED 6.00	AED 6.00	AED 6.00
December	AED 5.40	AED 5.40	AED 5.40

Comparison of the share volume performance with the general index and financial index:



*(Source ADX Website)

39.55% of shares are being held by 11 corporate shareholders and 60.45% of shares held by individual shareholders as at 31st December 2024; Major shareholders are either UAE Nationals or companies established in UAE.As shown in table (1):

**Table No. (1) :**

S.No	Shareholder Classification	Shareholding (%)			
		Individuals	Corporations	Governments	Total
1	Local	60.28	39.55	-	99.83
2	GCC	0.16	-	-	0.16
3	Foreign	0.01	-	-	0.01
	Total	60.45	39.55	-	100

Al Dhafra shares are held by UAE nationals and companies. Shareholding Pattern (Individuals, Companies, Government) & Major Shareholders who hold more than 5% of Capital.As shown in table No. (2).

Table No. (2):

Name of the Company /Individual	Shareholder type	% Holding
Ghobash Trading	Company	21.85%
H.H Aisha Saeed Muhammad Al Dhahiri	Individual	13.17%
Mr. Saeed Ahmed Omran Al Mazroui	Individual	7.20%
Ataya Masharea (LLC)	Company	6.59%
Masaa Company	Company	5.83%

39.55% of shares are being held by 11 corporate shareholders and 60.45% of shares held by individual shareholders as at 31st December 2024; Major shareholders are either UAE Nationals or companies established in UAE. The chart structure to contribute to the company as in Table (3):

Table No. (3):

Share Holding	No. of Shareholder	No. Shares Held	Holding Percentage
Shares Less than 50,000	91	1,195,818	1.20%
Shares from 50,000 but less than 500,000	36	8,234,102	8.23%
Shares From 500,000 but Less than 5,000,000	22	37,124,988	37.12%
Shares from 5,000,000 and above	5	53,445,092	53.45%
Grand Total	154	100,000,000	100%



Investor Relation Officer:

The company designated an employee as Investor Relation officer and his name and contact details are updated on the company website. The company has opened a page in Arabic format on the company website dealing with matters of interest to investors and updating the information regularly.

Name	Designation	Mobile No.	E-mail	Contact
Mohamed Ahmed El Noujomi	Investor Relation Officer	055 561 61 69	investorsrelation@aldhafrainsurance.ae	Ph.: 02-6949-409 Fax: 02-6729-833

<http://www.aldhafrainsurance.ae/investors-relation/contact-us/>

Board Secretary:

She is responsible for relevant administrative tasks in addition to attending and recording Board Meetings.

Name	Designation	Date of Appointment	Qualification
Ms. Eiman Ahmed Obaid Al-Yammahi	Board Secretary & Committees	13 th November 2024	Bachelor's in law

Responsibilities of the Board Secretary:

- Prepare for Board Meetings
- Prepare the minutes of the Board Meetings.
- Prepare the Meeting of the Committees of the Board of Directors.
- Prepare the minutes of the meetings of the committees of the Board of Directors
- Follow – up for Signatures of the Minutes and provide Members with Signed Copies
- Follow – up the Implementation of Decisions Issued by the Board of Directors.

Major Events the company had during the year 2024:

During the year 2024, Company has formed risk management committee to oversee the risk related matters of the company.

Emiratization:

The Al Dhafra Insurance Company is highly committed to the Emiratization drive and has been recruiting UAE Nationals of the highest caliber and supporting them with a successful professional


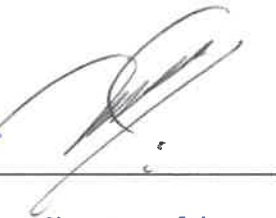




career path plan over the years. The Al Dhafra Insurance Company has a diverse range of career options and training opportunities which identifies local talent, nurtures and rewards them through training, mentorship and professional development to ensure the active promotion of UAE nationals with attractive remuneration packages. The table below shows the number of local staff within our company at the end of 2024.

Emiratization Percentage in 2022	Emiratization Percentage in 2023	Emiratization Percentage in 2024
8.5%	12.6%	17.2%

Statement of innovative projects and initiatives:

The Company will publish the Integrated and ESG Report for the year, 2024

			
Signature of the Chairman of the Board of Directors	Signature of the Chairman of the Audit Committee	Signature of the Chairman of the Nomination and Remuneration Committee	Head of Internal Audit Department
Date: 12/02/2025	Date: 12/02/2025	Date: 12/02/2025	Date: 12/02/2025



Company Official Seal

