

# ORIENT INSURANCE PJSC

## Corporate GOVERNANCE REPORT 2021



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An Al-Futtaim group company إحدى شركات مجموعة الفطيم

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### **Approval and signature of the report**

Board declaration of liability for the company y's internal control system is attached

## 1- The procedures taken to complete the Corporate Governance System during 2021.

Orient Insurance Company (PJSC) took all steps required for application of the governance procedures from the date of implementation , It has also been committed to continuously following up on all necessary steps to develop and update governance procedures in line with the latest decisions issued by regulators as well as a commitment to local and global best practices, in particular, the decision of the Board of Directors of the Securities and Commodities Authority No. (03/R.M.) for 2020 on the adoption of the Guide to Governance of Public Joint Stock Companies, the company has taken the following steps during 2021:

- a- The company Governance Manual has amended to comply with the requirements of Resolution No. 03(R.M) of 2020 on the adoption of the Public Joint Stock Companies Governance Manual.
- b- Continuing compliance with effectuation of internal control systems by verifying the data issued thereby with the external auditing data and availing opportunity to the control committee members to follow up their control rule easily and effectively.
- c- Review and updated the governance polices in accordance with governance manual and the action plan for effectiveness of those polices.
- d- The executive authorities of the company met with the internal control members and investment committee under follow up of the board committees to discuss the risk management policy adopted by the company. Effectiveness of this policy was verified because of the high technical profits of the company and increasing equities by implementing cautious and strong subscription policy, wise management of claims, balanced level of expenses and confirmation of continuous reliance on the same policy.
- e- the company organized internal training courses during 2021 to its employees to explain the rules and controls of corporate governance and the organizing administrative decisions.
- f- The board election of 2021 result to re- elect the Women member , hence the company committed to Governance`s decision , it with approved by BOD to amend Article of association to include SCA new clause of the minimum representation of the women in the board.
- g- the company's board followed up during 2021 the nominations and remunerations committees and the auditing committee in line with the governance rules and controls.
- h- The board, represented in the chairman, received internal control department departments during the year in accordance with the objectives, requirements and controls that govern the work of internal control department in accordance with the decision No 3/R.M of 2020 made by the Securities and Commodities Authority Board on the standards of institutional control and corporate governance.
- i- The company followed up the investors relations officer's performance of his duties in accordance with law.
- j- The board followed up the follow up committee and inspected the customer transactions in performance of its duties and receiving the reports issued by the committee, in accordance with the rules on transactions of directors, employees and other persons in the securities issued by the company, parent company, affiliate or associate companies.

- k- The company was keen on exercising its works with the required transparency in relation to the times and methods of disclosure of financial statements and compliance with the rules and decisions of the Securities and Commodities Authority.
- l- Compliance with completion of the governance report, annual report and all financial statements and referring them to the general assembly members sufficient time before holding thereof to enable the general assembly to review them and take its decisions.
- m- The company has formed a compliance committee to develop and monitor the performance of the compliance officer and the AML compliance officer, consisting of the Group President ,CEO, Head of Legal , CFO , Head of Internal Audit , the Money Laundering Compliance Officer and the Compliance Officer

## 2- The transactions of the members of Board Directors and spouse and children thereof in the company's securities during 2021

No	Name	Title/ relation	Own shares as on 31/12/2021	Total sales	Total purchases
1	Abdullah Hamad Al Futtaim	Chairman	None	----	----
2	Omar Abdullah Al Futtaim	Vice Chairman	None	----	----
3	H.E .Sultan Saeed Al Mansoori	Director	None	----	----
4	H.E .Hameed Mohamed AL Qatami	Director	None	----	----
5	Mira Omar Al Futtaim	Director	None	----	----
6	Ahmed Zaki Haroun	Director	None	----	----
7	Khaled Abdullah Al Futtaim	Director	None	----	----

The board formation has been changed to include new 2 directors have elected in H.E Sultan Saeed Al Mansoori & H.E Hameed Mohamed AL Qatami , for a new period started from date of election on 18/3/2021 , instead of pervious members Khalid Abdulla Al Futtaim and Ahmed Zaki Haroun

Outgoing members referred to in a different color

**No trading of the company's shares was undertaken during 2021 except by the board members, and spouse and children thereof**

### 3- Board of Directors Composition

#### a- Board of Directors Composition as below table

No	Name	(1) Category	(2) Experiences / Qualifications		(3) Period served as a BOD members of the company since his first election	
					Period	Date of first election
1	Abdullah Hamad Al Futtaim	Non-executive Non-independent	Chairman/ Founder of Al Futtaim Group		40 years	1982
2	Omar Abdullah Al Futtaim	Executive Non-independent	Finance ,Investment, banking, Insurance , Real-estate development , Hotels and hospitality ,contracting , EIC	• Master of Business Administration	21 years	2001
3	Ahmed Zaki Haroun	Non-executive Non-independent	Finance , business administration , insurance	• Master of Business Administration	12 years	2009
4	Khaled Abdullah Al Futtaim	Non-executive Non-independent	Finance , business administration , insurance	Diploma	11 years	2010
5	Mira Omar Al Futtaim	Non-executive	Finance , business administration ,	Diploma	5 year	2017



		Independent				
6	<b>H.E Sultan Saeed Mohamed Nasir Al Mansoori</b>	Non executive – independent	H.E Sultan Saeed Mohamed Nasir Al Mansoori Previously held the following positions: - Minister of Economy - Chairman of the Board of Directors of the Securities and Commodities Authority - Chairman of the Board of Directors of the Insurance Authority for the period 2008-2020. - Minister of Communications from 2004 to 2006 - Minister of Government Sector Development from 2006 to 2008. - Chairman of Aman Insurance Board of Directors for the period 2002-2008 - Vice President, Dubai Islamic Bank from 1999-2008	Bachelor's degree in Industrial Engineering & Management Systems from Arizona State University, USA, and Diploma in Computer System Analysis from the Institute of Computer Technology, Los Angeles.		2021
7	<b>HE Hameed Mohamed Al Qatami</b>	Non executive – independent	H.E Hameed Mohamed Al Qatami Previously held the following positions ▪ Director General of DHA until 2020 ▪ Minister of Education for the period 2009-2014 ▪ Minister of Health from 2006-2009 Director General of the Emirates Institute of Financial Banking Studies from 1996-2006 ▪ Rapporteur and Secretary-General of the Human Resources Committee in the Banking Sector from 1996-2006 ▪ Chairman of the Board of Directors of the Federal Human Resources Authority for the period 1997-2006	Master degree in administration from Western Michigan university in US		2021

	(4) Membership of other joint-stock companies	(5) Positions in important control, governmental or trade positions
Abdullah Hamad Al Futtaim	None	The Chairman of Al Futtaim Group

Omar Abdullah Al Futtaim	1- Chairman of Emirates Investment Bank	<ul style="list-style-type: none"> <li>Vice chairman and chief executive officer of Al Futtaim Group</li> <li>Director of Dubai Chamber of Commerce</li> </ul>
Ahmed Zaki Haroun	None	None
Khaled Abdullah Al Futtaim	1- Director of Arab Heavy Industries Company	None
Mira Omar Al Futtaim	None	None
H.E Sultan Saeed Mohamed Nasir Al Mansoori	None	None
HE Hameed Mohamed Al Qatami	Chairman of Commercial Bank of Dubai	<ul style="list-style-type: none"> <li>-Member of the Executive Council of the Emirate of Dubai</li> <li>Chairman of the Board of Trustees of Mohammed Bin Rashid College of Government Administration</li> <li>Chairman of Dubai Ambulance Services Corporation Member of the Board of Trustees of the Sheikh Hamdan Bin Rashid Al Maktoum Medical Sciences Award</li> </ul>

## b- Percentage of representation of women in the board in 2021

The percentage of women representation in the board is 20% of the total five directors.

## c- Statement of the reasons for non-nomination of women to directorship

Director/ Mira Omar Al Futtain represents the women component in the board with percentage of 20% of directors.

## d- Directors remunerations and sitting fees

### 1- The remunerations paid to the members of Board of Directors for the 2020:

Concerning the year of 2020, all directors dispensed their remunerations and no remunerations were released.

### 2- Total remunerations proposed to be paid to the members of the Board of Directors for the year 2021, which shall be presented in the annual General Assembly for approval

All directors dispensed their remunerations for the year 2021, so there are no suggestions on distribution of benefits that can be presented in the annual General Assembly

### 3- A Statement of the details of attendance allowances for attending the sessions of and committees derived from the BO, which were paid to the BOD members for the fiscal year 2021

All directors, including the members of board **derived** committees, dispensed all allowances of attendance of board meeting or board committees meeting , and no allowances were released to them.

No		Allowances of attending the board committees		
		Committee	Allowance	Number of meetings
1	Mira Omar Al Futtain	Audit committee	None	4
		Nominations & Remunerations committee	None	1
2	H.E Sultan Saeed Mohamed Nasir Al Mansoori	Nominations & Remunerations committee	None	-
3	HE Hameed Mohamed Al Qatami	Nominations remunerations committee	None	-
4	Ahmed Zaki Haroun	Nominations remunerations committee	None	1
		Audit committee		4



5	Raid Ahmed Al Khadr	Audit committee	None	4
6	Khalid Abdulla Al Futtaim	Nominations remunerations committee	None	1
		Audit committee	None	1

The table includes the pervious and current committee members during the preparation of the reporting period, based on election of the new board and committee's members ( non-continuous members are mentioned in red)

**e- The numbers and dates of BOD meeting held during the FY 2021 as well as the attendant frequency by all the members, in person and by proxy**

Board of Orient Insurance Company (PJSC) held (7) meetings during the year 2021 according to the following details:

	Date of meeting	Number of attendance	Attendance with proxy	Absent
1 <sup>st</sup>	14/02/2021	5	None	None
2	29/03/2021	3	None	HE Sultan AL Mansoori HE Hameed Al Qatami
3	12/04/2021	5	None	None
4	10/05/2021	3	None	HE Sultan AL Mansoori HE Hameed Al Qatami
5	04/08/2021	5	None	None
6	29/09/2021	3	None	HE Sultan AL Mansoori HE Hameed Al Qatami
7	07/11/2021	5	None	None

**Number of times of personal attendance of board members:**

Abdullah Hamad Al Futtaim	4
Omar Abdullah Al Futtaim	7
Ahmed Zaki Haroun	1
Khaled Abdullah Al Futtaim	1
Mira Omar Al Futtaim	7
HE Sultan AL Mansoori	3
HE Hameed Al Qatami	3

The vice chairman attend with proxy from Chairman for 3 meeting in the year 2021

All directors attend the board meetings discussed in finical results , and absent in some meeting with acceptable apology

**F- Number of BOD decision by circulation during 2021**

The BOD did not issue any resolution by circulation during 2021

**G - A statement of the BOD` tasks and functions which were performed by the Executive Management pursuant to an authorization by the BOD to the management, stating the period and validity of the delegation as following**

The Company's board assigned the company's executive management to assume the following duties and competences:

Name of authorized person	Delegation Authorities	Duration of delegation
<b>Omer Hassan Elamin Executive President</b>	<p>1- All capacities required for assuming the burdens of management and the practical and technical requirements of the company, including, without limitation:</p> <ul style="list-style-type: none"> <li>- Daily management of the company</li> <li>- Arrangement of annual balance sheet</li> <li>- Creating the required insurance of the company</li> <li>- Appointment and dismissal of employees, consultants and contractors and defining their duties and remunerations inside and outside the state.</li> <li>- Representation of the company before all natural and corporate persons, ministries, commissions, authorities, boards, civil references and departments, private companies and entities, and signature of all contracts, correspondences and documents related to the company's works and provision and follow up of any or all requirements with any appropriate authority.</li> </ul> <p>2- Follow up of construction, preparation and operation of new branches and headquarters and taking the measures of incorporation thereof.</p> <p>3- In general, representing the company in all works required for exercise of its business and works in connection with, or relation to, exercise thereof in the United Arab Emirates and the other countries, the authorities may delegate partially or totally to executive team</p>	The executive management of the company is carrying out the functions and authority according to Power of attorney from the BOD, subject to continuous review by BOD, the functions shall remain in force form unlimited period unless it canceled or reduced by the Board of Directors.

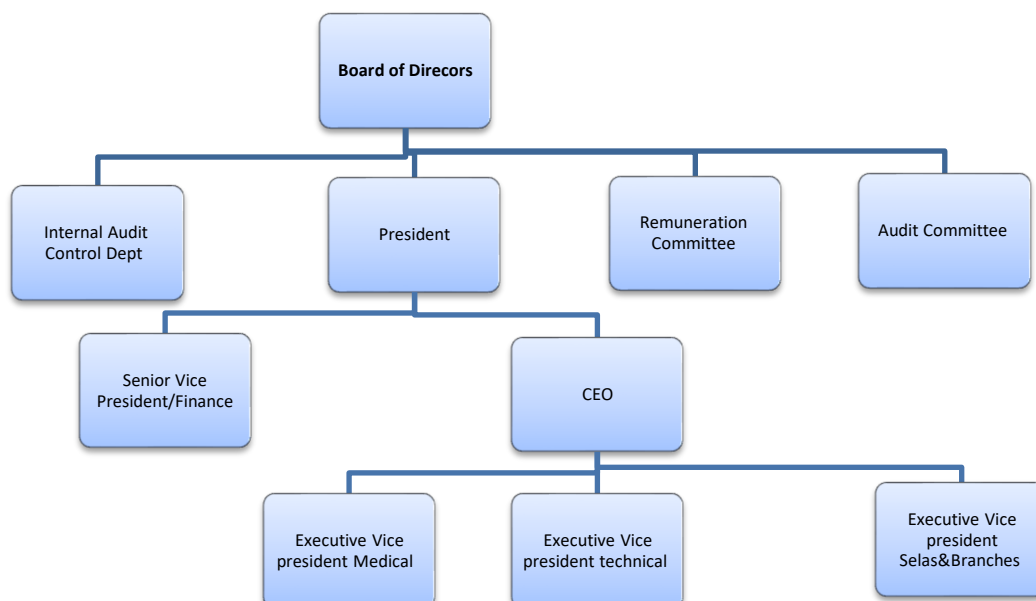
**g- Statement of the details of transactions made with related parties (stakeholders) during 2021 as indicated in the consolidated statements of income provided in the financial auditing report were as follows:**

Total Earned installments	191,011
Administrative expenses	38,178

Cost of repair of vehicles related to claims	39,064
Interest income	16,025
Dividends	49,546
Deposits with banks	513,874
Amounts due from related parties	141,681
Amounts due to related parties	41,243

Ser.	Statement of related parties	Clarifying the nature of relationship	Type of transaction	Value of transaction
1	Al Futtaim Motors	Sister Company	Insurance Policy Premium	191,011
2	Al Futtaim Group	Mother Company	Administrative expenses	38,178
3	Al Futtaim Group	Sister company	Cost of repair of vehicles related to claims	39,064
4	Emirates Investment Bank	Sister Company	Interest of this amount AED 16,025 Million	513,874
5	Dubai Commercial Bank	Affiliate Company:	Profit Dividends	49,546

#### g- Organizational structure of executives



**i- A detailed statement of the senior executives as the company's organizational structure and their positions and appointment dates and the total salaries and benefits paid thereto according to the following table:**

	Name	Title	Date of appointment	Total salaries and allowances paid in 2021 (AED)	Total bonuses paid in 2021 (AED)
1	Omer Hassan Elamin	President	18/10/1982	1,837,386.10	Not paid yet
2	Xavier Arputharaj	CEO	16/10/2011	1,092,577.51	Not paid yet
3	Wissam Khalifaeh	EVP /Medical	19/08/2008	1,147,456.58	Not paid yet
4	Sundararajan B	SVP/Finance	31/10/2013	616,693.84	Not paid yet
5	Gilbert Espiritu	SVP/HR	08/03/2008	515,164.30	Not Paid Yet
	Total			5,209,278.33	

**No Bonuses were paid in 2021, and the expected time of release of the Bonuses is 30/04/2022.**

#### **4- External auditor**

**a- A brief about auditor of the company's to the shareholders**

KPMG assumes the external auditing works of the company. It is one of the international auditing companies that has branches in most countries of the world, and is trusted by many leading international companies. It is auditing company approved in the state and assumes auditing of the company's account since 2021. According to the follow up of auditing works of the company during those years, the external auditor performed his works honestly, independently and neutrally, and appointment was made in accordance with the company's general meeting dated

**b- Statement of the fees and costs of auditing or services provided by the external auditor**

During 2021, the company paid AED 886,000 as external auditor fees and they received this amount for the quarterly auditing of the company's accounts and annual final auditing as well as verification of the financial statements of the company and attendance of annual AGM to express their opinion on the company's budget and assure validity of the measures applied in invitation to the meeting and whether there is violation of the provisions of the company's articles of association, companies' law , SCA's resolutions or company's general meeting decisions that may have occurred during the year, the company paid AED404,000 /- as fees of tax invoices review and regulation issues.

Name of Auditing Company Partner	KPMG Richard Ackland (Reg No. 1015)	
Number of years spent as external auditor of the company	4	
Number of years of the partner	1	
Total auditing fees of financial statements for 2021 (AED)	886,000	
The fees and costs of special services other than auditing of financial statement in 2021	404,000	Regulatory Returns, Tax related works & Others
Details and nature of other services provided	Regulatory Returns, Tax related works & Others	
Statement of the other special services submitted by another external auditor than the company's auditor during 2021	None	

**c- A statement of external auditors' reservations**

As per quarter, half and annual report , we could not recognize any reservation from external authors .

## 5- Auditing Committee

**A-** Acknowledgment of Mira Omar AL Futtaim The **Auditing** Committee Chairman's of her responsibility for the Committee system at the Company, review of its work mechanism and ensuring its effectiveness

**B- Names of auditing committee members and its competences and duties**

The audit committee consists of the following directors:

Ms. Mira Omar Al Futtaim	Head of Committee	Independent/ Non-executive
Mr. Riad Ahmed Alkhdar	Director	Not board director
Mr. Ahmed Zaki Haroun	Director	Not board director

### Functions and duties of audit committee:

- a- To set and implement the policy of entering into contract with the external auditor and refer the board report that defines the matters it finds necessary to take measure in their respect and to present recommendations of the steps to be taken.
- b- To follow up and control the independence and objectivity of external auditor, and to discuss him about the nature, scope and effectiveness of auditing in accordance with the approved auditing standards.
- c- To control the safety of the company's (Annual, semi-annual and quarterly) financial statements and reports and to audit them as part of its normal work during the year, after closure of accounts in any quarter, and shall in particular focus on the following:

- (1) Any changes to the accounting policies and practices.
- (2) Highlighting the sides which are subject to the management's assessment
- (3) Material amendments that result from auditing.
- (4) Assuming continuity of the company's work.
- (5) Compliance with the accounting standards to be decided by the Authority.
- (6) Comply with the rules of listing, disclosure and other legal requirements related to preparation of financial reports.
- d- Coordinating with the company's board, executive department, financial manager or manager in charge of the same duties in the company for performance of its duties. The committee shall meet with the company's auditors at least once per year.
- e- Consider any important and extraordinary items that are contained or may be contained in those reports and accounts, and draw the due attention to any matters to be raised by the company's financial manager or the manager who assumes the same duties, compliance officer or auditors.
- f- Review the financial control and internal control systems and risk management of the company.
- g- Discuss the internal control system with management and assure its performance of the duty of creating effective internal control system.
- h- Consider the key results of investigation of the internal control matters to be assigned by the board or initiated by the committee and management's approval.
- i- Assure coordination between the company's auditors and external auditor and assure availability of the necessary resources to the internal auditing staff and review and control the effectiveness of this staff.
- j- Review the financial and accounting policies and procedures of the company.
- k- Review the external auditor's letter and work plan and any essential inquiries to be raised by the auditor to the executive department in connection with the accounting records, financial accounts or control systems and recuse and approve them.
- l- Assure the board's timely response to the inquiries and essential matters raised in the external auditor's letter.
- m- Set the controls that enable the company's employees to report any potential violations in the financial reports, internal control or other matters confidentially and the steps that guarantee independent and fair investigations of those violations.
- n- Control the company's compliance with the rules of professional conduct.

- o- Guarantee application of the rules of work of its duties and the capacities assigned thereto by the board.
- p- Present report to the board on the matters contained in this item.
- q- Consider any other topics to be defined by the board.

### **C- Meetings of the auditing committee**

The auditing committee held (4) meetings during 2021 on the following dates:

No	Date of meeting	Agenda
First meeting	14/02/2021	Review of the internal control department report- review of the annual fiscal year of 2020- appointment of auditor for 2021- review the risk management policy , review IT policy , review evolution plan , review Oman branch activities , review Bahrain branch activities.
Second meeting	10/05/2021	Review the company's financial evaluation- review the financial statements for the first quarter of 2021, review internal audit policy for Oman branch.
Third meeting	02/08/2021	Review the financial statements for the second quarter of 2021, review internal audit report
Fourth meeting	07/11/2021	Review the internal audit report , review internal audit plan for 2022, review the financial statements for the third quarter of 2021

All members of the auditing committee attended all meetings that were held during 2021.

### **6- Nominations and Remunerations committee**

**A- Acknowledgment of Mira Omar Al Futtaim , the Nominations and Remunerations Committee Chairman of her responsibility for the Committee system at the Company, review of its work mechanism and ensuring its effectiveness**

**B- Name of nominations and remunerations committee and the competences and its duties**

The nominations and remunerations committee consists of the following board members:

Mr. Mira Omar Al Futtaim	Head of Committee	Independent/ Non-executive
H.E Sultan Saeed Al Msnsoori	Member	Independent/ Non-executive
H.E HE Hameed Mohamed Al Qatami	Member	Independent/ Non-executive

### **Functions and duties of the nominations and remunerations committee and its duties**

- 1- To assure independence of the independent directors on continuous basis. If the committee found that a director missed the conditions of independence, the company shall refer the matter to the company's board.



- 2- Prepare the policy of remunerations, benefits, incentives and salaries of the company's board and annually reviewing it. The committee shall assure that the remunerations and benefits granted to the senior executive department of the company is reasonable and suitable to the company's performance.
- 3- Define the company's needs of competences on the level of senior executive department and employees and basis of choice of them.
- 4- Prepare the human resources and training policy of the company and control application and review of it on annual basis.
- 5- Organize and follow up the procedures of nomination to the board membership in accordance with the applicable laws and regulations and the provisions of the Securities and Commodities Authority Board Resolution No 3/R.M of 2020.

### **C- Meetings of nominations and remunerations committee**

One meeting of the nominations and remunerations committee was held during 2021.

Meeting date	14/02/2021
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The meeting was attended by all members of the committee and the agenda was discussed as follows:

- Review of remunerations and salaries granted to the company's staff as compared to the local market.
- Assure independence of independent directors.
- Review of training and development plans and approve the plans.
- Review and declare the remunerations granted to the employees in accordance with performance in 2020.

### **7- Insiders` Trading Follow Up and Supervision of the Committee.**

A- Acknowledgment of Mira Omar Al Futtaim , the chairman of the Supervision and Follow-up Committee of insiders' transactions. of her responsibility for the Committee system at the Company, review of its work mechanism and ensuring its effectiveness

B- Insiders` Trading Follow Up and Supervision of the Committee was composed as BOD decision on. The committee consists of the following members:

- 1- Ms. Mira Omar Al Futtaim- Board Member
- 2- Mr. Salah Mabrouk Abdelazim- Legal Advisor of the Company
- 3- Mr. Mono Gorge Mathew - Head of Internal Control Department- Compliance Officer

Function and duties of Insiders` Trading Follow Up and Supervision of the Committee

#### **First: Competences and duties of Insiders` Trading Follow Up and Supervision of the Committee**

- 1- Review and control of the customer trading policies, including the periodic changes to be made thereto.
- 2- Receive and review the reports of trading operations done by customers.



- 3- Study and grant prior approval of the requests of trading of shares, bonds and securities (possession/ purchase/ and other authorized activities).

**Second: Duties of Insiders` Trading Follow Up and Supervision of the Committee** shall undertake the following duties:

- 1- Meet at least twice per year to follow up and supervise the customer transactions.
- 2- Review and control the trading policy of customers on annual basis in accordance with the rules of transactions and transparency and carry out the periodic changes, if necessary, to be in line with the changes of governing laws and decisions.
- 3- Receive and review the trading reports prepared by customers (by the end of each quarter) and carry out periodic control of the customer transactions in Dubai Financial Market to guarantee customer compliance with the trading policy of the company and assure validity of the declarations submitted by customers.
- 4- Receive the previous requests of securities trading and evaluate them in terms of compliance with the governing legislation and procedures, and to grant approval and advise the specific decision whereby trading is allowed to customers, and notify the official authorities with those requests.
- 5- Report to Dubai Financial Market and Securities and Commodities Authority the violations of trading policy requirements for customers to take the necessary decision and take the disciplinary measures against violators.
- 6- Draft the declarations of customers and supervise the contracts with external and temporary customers.

### **C- Summary of the report of committee works in 2021**

There was no trading of the company's shares during 2021 so brief report was issued to the committee because there was no trading.

## **8- Investment Committee**

- A- Acknowledgment of Omar Abdulla Al Futtaim, the chairman of Investment Committee of his responsibility for the Committee system at the Company, review of its work mechanism and ensuring its effectiveness
- B- Name of Investment Committee

Mr Omar Abdulla Al futtaim	Head of Committee
Miss. Mira Omar Al Futtaim Futtaim	Member
Mr. Omer Hassan Elamin	Member

## Functions and duties of the Investment Committee and its duties

### C- Meeting of Investment Committee

No	Date of meeting	Agenda
First meeting	14/02/2021	Review of Investment Policy Investment Schedule Fixed-Deposited -placement/Renewal in Quarter 4/2020
Second meeting	10/05/2021	Investment Schedule review for the period from Jan till 31/03/2021. Review the available investment opportunities
Third meeting	02/08/2021	Investment Schedule review for the period from April till 30/06/2021
Fourth meeting	07/11/2021	Investment Schedule review for the period from July till 30/09/2021

## **9- Internal control system:**

### **A- The BOD`s acknowledgment of its Responsibility for the Internal control System in the company and review of functioning mechanism of internal control and ensuring its effectiveness**

The internal control department of the company exercises its works in accordance with the provisions of article (8) of the Securities and Commodities Authority board resolution No 3/R.M of 2020 to be sufficiently independent to assume its duties and track the board directly, and he shall be responsible for the internal control system and its follow up, revision and effectiveness as provided in the attached declaration issued by the company's board.

### **Work mechanism of the company's internal control department**

The company adopted application of the international standards for achievement of internal control to achieve the required purposes at the utmost efficiency and least economic cost. The company's internal control work mechanism includes the following:

- 1) Reasonableness and consistency of information and data.
- 2) Compliance of the policies, plans and procedures with the regulations, laws and instructions.
- 3) Protection of the company's assets.
- 4) Compliance of activities, operations and programs with the specific strategic objectives and purposes, and assurance of the supervisory authorities compliance with the plans and objectives.

5) Assurance of preventive control to prevent occurrence of any undesired occurrences and correct the improper acts and adoption of desired practices and encourage repetition of performance of them.

6) Assure the safety and efficiency of internal control items represented in:

- 1- Control authority
- 2- Assessment of risks
- 3- Internal control activities
- 4- Information and communications
- 5- Control and inspection

7) Represented in the head of internal control department, the internal control department assumes the following:

- Preparation of annual control plan in coordination with the auditing committee and heads of appropriate departments and heads of other departments of the company.
- Implementation of the internal control plan which is set and approve in addition to implementation of any other duties or projects required by the board.

8) The internal control manager shall refer detailed reports to the board on evaluation of the internal control system and shall highlight the notes and raise suggestions to bridge any gap that may arise in the internal control system on regular periodic basis when necessary and at any time he decides in accordance with the requirements of the control best practices.

#### **B- Head of internal control department and his qualifications:**

Mr. Mono Gorge Mathew shall assume the duty of the internal control department of the company.

#### **Academic Qualifications:**

- Fellow Member of the Institute of Chartered Accountants of India (1999)
- Diploma in Information Systems Audit
- B.C Commerce

#### **Experiences:**

- Rajasekharan & Mathew (Chartered Accountants), 1999-2006
- KPMG, Doha Qatar -2006-2009
- Al Jsir Takaful -2009-2010
- Orient insurance 2010- present

#### **C- compliance Committee**

The company has formed a compliance committee to monitor the work of the compliance officer , review and develop policies related to the compliance in the company consisting of

- 1- Group President
- 2- Operations Manager
- 3- Head of internal Audit
- 4- CFO
- 5- Head of Legal Department
- 6- AML manager -Money Laundering

7- Compliance Officer

#### **D- Compliance officer and his qualifications**

**Mr. Sony Saji Abraham** shall assume the duty of compliance Officer

##### **Academic Qualifications**

- B.Com
- DIFA
- MBA

##### **Experiences:**

- AJMS GLOBAL CONSULTING 2017-2021
- DEUTSCHE BANK – 2013-2016
- ROYAL BANK OF SCOTLAND 2012-2013

#### **E- Approach of internal control department's management of any big problems in the company or those disclosed in the annual reports and accounts**

The internal control department works in accordance with specific mechanism, which is direct affiliation to the board. In case of serious problem in the company, it shall be referred to the board to take the necessary steps for avoidance of aggravation of the problem. Concerning 2021 and the previous years, the internal control department didn't encounter any problems in the company because the company deals in accordance with the generally acceptable bases and practices in accordance with the provisions of law.

#### **F- Number of reports issued by the Internal Control Department to the Company's Board of Directors.**

A copy of all periodic reports issued to the Company Board and a statement of other reports issued by the Department, along with summary of the content of those reports.

#### **10 - Details of the violations committed during the year 2021**

Through the data that was submitted and continuous follow up by the board committees and internal control department, and the external auditor, it was found that there are no financial or administrative violations of 2021.

#### **11- Contribution of the company during 2021 in development of local community and conservation of environment**

Orient Insurance Company (PJSC) adopts environmental and social policy that stems from its focus on conservation of local environment safety by reducing the use of the tools that

emit pollution and reducing the quantities of wastes by recycling, reuse and optimal use of resources.

In addition to the foregoing, Orient Insurance (PJSC) effectively exercises its social roles by engagement with number of governmental and nongovernmental organizations that enhance the elements of external communication and compatibility with the general plans of development in the State.

Concerning contribution of the company in development of local community during 2021, the company is affiliate to Al Futtaim group that managed to be part of the economic scene in the region, because of its power, size and effect on society, by creating diverse job opportunities and presenting local community development programs, and through the social responsibility programs. Because of the large number of companies, all contributions were notarized in the name of Al Futtaim Group, as the group assumes this duty on behalf of the sole proprietorships.

## 12- General information

### **A- Statement of company's share price in the market by the end of every month during the fiscal year 2021**

No transactions on the company's shares were done during 2021, and the stock price is fixed from 01/01/2021 to 31/12/2021 for AED 66.30.

Table that indicates the stock price during the fiscal year 2021 that indicates the maximum and minimum price by the end of each month.

Month	Highest price		Lowest price	
January	AED	66:30	AED	66:30
February	AED	66:30	AED	66:30
March	AED	66:30	AED	66:30
April	AED	66:30	AED	66:30
May	AED	66:30	AED	66:30
June	AED	66:30	AED	66:30

Month	Highest price		Lowest price	
July	AED	66:30	AED	66:30
August	AED	66:30	AED	66:30
September	AED	66:30	AED	66:30
October	AED	66:30	AED	66:30
November	AED	66:30	AED	66:30
December	AED	66:30	AED	66:30

### **B- A Statement of comparative performance of the company's share with the market Index and sector index to which the company belongs during 2021**

No transactions were done to the shares of the company during 2021, so the share price didn't interact with the general market indicator or the sector indicator.

### An illustration of shareholders holding 5% or more of the company's shares

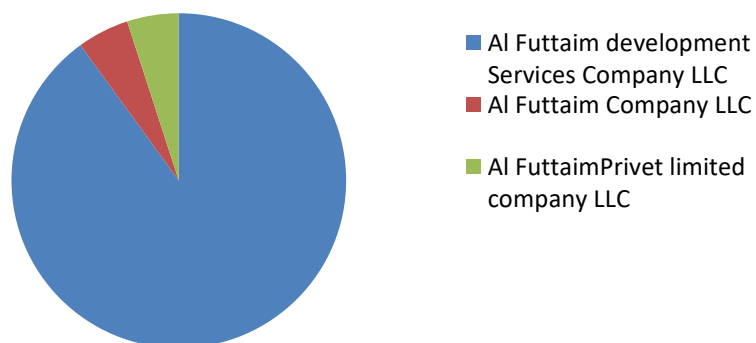


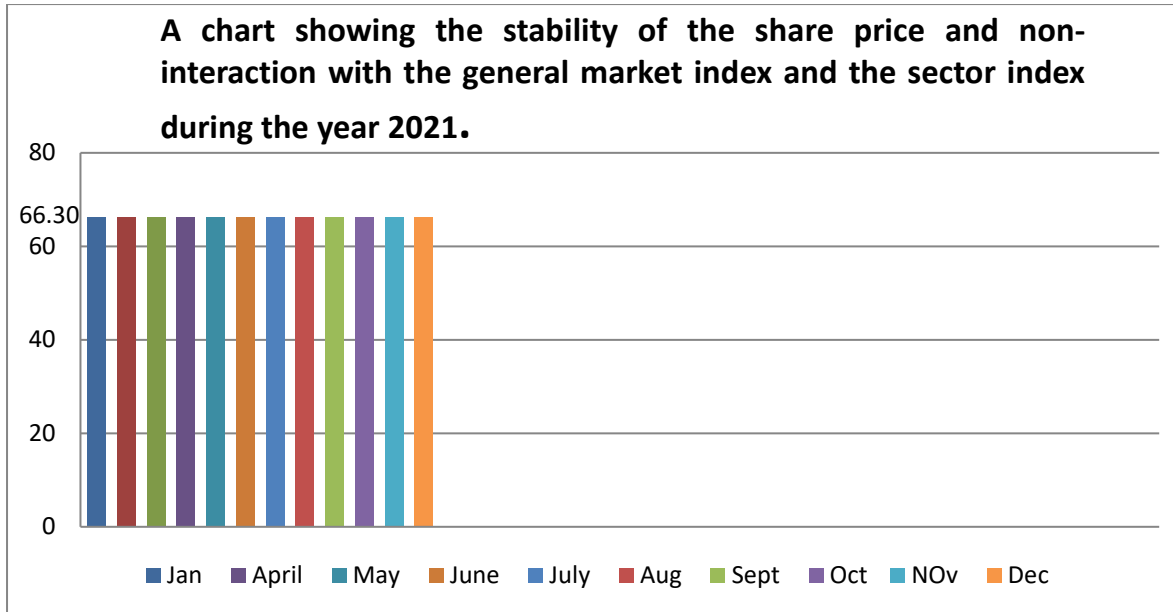
Diagram that indicates stability of stock price and its non-interaction with the general market index and sector index during 2021

#### C- A Statement of shareholders distribution as of 31/12/2021

No	Shareholder's classification	Percentage of own shares			
		Individuals	Companies	Government	Total
	Local	_____	100%	_____	100%
	Arab	_____	_____	_____	_____
	Foreign	_____	_____	_____	_____
	Total	_____	100%	_____	_____

#### D- A Statement of shareholders who hold 5% or more of the company's capital as of 31/12/2021

No	Name	Number of own shares	Percentage of own capital shares
1	Al Futtaim Development Services (LLC)	4,500,000	90%
2	Al Futtaim Company (LLC)	250,000	05%
3	Al Futtaim Private Company (LLC)	250,000	05%



**Diagram of shareholders who own 5% or more of the company's shares**

**E- A Statement of shareholders distribution by the size equity as of 31/12/2021**

No	Shareholding (share)	Number of shareholders	Number of own shares	Percentage of own capital shares
1	Less than 50,000	-----	-----	-----
2	50,000 to less than 500,000	2	500,000	10%
3	500,000 to less than 5,000,000	1	4,500,000	90%
4	Over 5,000,000	----	-----	-----

**F- A Statement of procedures taken with respect to controls of investors' relations**

In compliance by the company with the decisions made in this respect, head of Legal Department (Legal Advisor of the Company) was appointed investors' relations office because he satisfies the required conditions, including understanding the laws and regulations and ability of communication with investors.

**- Name of investors' relations officer and his contact details**

Mr. Salah Mabrouk Abdelazim

Tel: 04-253160 Mobile: 056/2261910 Fax: 04/2531500

Email: [salah.mabrouk@alfuttaim.ae](mailto:salah.mabrouk@alfuttaim.ae)

**- Link of the investors relations web page**

<http://www.insuranceuae.com/ABOUTUS/InvestorRelations/tabid/128/Default.aspx>

**G- A Statement of a special resolution parented to the General Assembly held in 2021 and the procedures taken in respect thereof**

- There are no particular decisions that were referred to the general meeting during 2021.

**h- The name of the Board secretary and the date of his appointment**

The name of Board secretary is Mr. Salah Mabrouk Abdelazim

- His appointment Date.  
22/12/2017
- His qualifications and experiences.
  - Bachelor degree in law
  - Legal experience for 24 year
  - Company Legal Advisor since 2007
  - Board Secretary certified from Hwkama / DFM
  -

**Statement of his duties during the year**

- Organizing board meetings
- Informing board members of the meeting
- Documenting board meetings and keeping reports
- Providing members with the required information and records
- Verification of compliance - for board members
- Monitoring the disclosures of board members
- View drafts of the minutes.
- Preparing the communications & official letters to the authorities related to the council's invitation or after the meeting
- Coordination between the chairman and members of the Board and providing advice

**i- Statement of the essential incidents that the company encountered during 2021**

None

**j- Statement of the percentage of Emiratization by the end of 2021**

Percentage of Emiratization by the end of 2021 was 17 %, and the company works on increase of this percentage.

Percentage of Emiratization for 2020 17%



Percentage of Emiratization for 2019 16%

**k- Statement of creative projects and initiatives done by the company or those under development during 2021**

The company did not submit any creative projects during 2021

Signature of the  
Board Vice  
Chairman



Signature of Audit  
Committee  
Chairman



Signature of  
Nomination and  
Remuneration  
Committee Chairman



Signature of Internal  
Control Department  
Director

