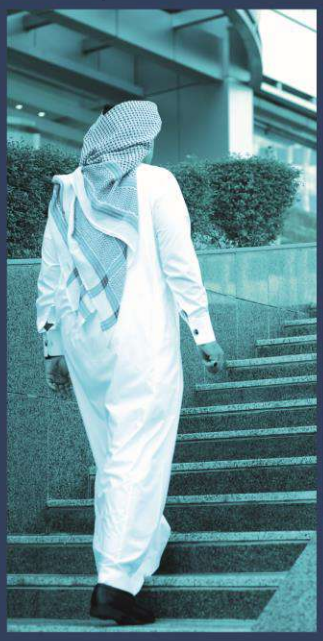
Article One:
Voting on the Board Annual Report for the financial year ended on December 2021.



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MEDGULF

The Mediterranean and Gulf Cooperative Insurance and Reinsurance Company (MEDGULF)

BOD's Report for the financial year ending on 31/12/2021

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Chairman's Message:

On behalf of Medgulf and the members of the company's board of directors, I am pleased to present to you MEDGULF's annual report for the year 2021, which was difficult given the announced numbers and challenges. However, I view it as a year that we can build on and shall be remembered, God willing; in the coming years with the achievement we aim for the company and its strategic positioning.

The Saudi economy continued the recovery phase in 2021 from the effects of the Corona virus, because of the wise management and unlimited support from the leadership. Insurance sectors, especially the medical and auto insurance, witnessed an increase in claims cost due to higher providers' cost and the return to pre COVID use of medical services and cars. Such market environment has led to an increase in the loss ratio and provisions to cover expected and unexpected future claims. Despite these challenges, the company's operations continued to fulfil on its commitments and assures the reliability to its customers.

Dr. Goetz Koras was appointed as a CEO of MEDGULF in March of last year to lead the change and the transformational plan at Medgulf, due to his extensive experience in this field both regional and globally. The board recently, approved the new MEDGULF's strategy for the next three years, which, by God's grace and strength, will lay the robust foundations for a strong entity that is capable of not only to compete but also to create added value for MEDGULF's clients and the Saudi insurance sector in general.

The new strategy is based on an assessment of the current status of services and operation in terms of technology, and the future direction of services and digital transformation, paving the way to the expected new world of insurance industry. This means that we are moving from traditional, integrated insurance models to a more open and transparent operating model. As such, we see these developments as a bold step that will enable us to embrace the changing environment faster and create sustainable advantages in the cost structure and offers not only for our insured customers, but also for our partners and service providers. Thus, 2022 will be a year of investment in people and infrastructure as well as the strategic partnerships.

A number of important initiatives and goals have been achieved and accomplished during the year and they are as follows:

- The company, with the grace of God, and then with the confidence and support of the shareholders, completed the process of raising the capital from 700 million to 1050 million riyals to support the solvency of capital and increase competitiveness with the financial strength and the means to carry on the strategic transformation initiatives.

- Following the capital increase and the accompanying positive changes, the international credit rating agency, Moody's, upgraded the company's insurance financial strength rating by 3 notches from B1 to Ba1 due to the strength of the brand's reputation, asset quality and the improvement in the capital adequacy risk. It also changed the company's outlook from under review to a positive.
- The company entered into a final settlement agreement with it founder the related business affiliates, with an obligation to collect as well the outstanding reinsurance assets and guarantees the brand rights use for MEDGULF Saudi on the next 10 years horizon. This is an important step in MEDGULF's history as it enables it to pursue business opportunities, which it was locked out from over that last years.
- Successfully qualifying to enter the government's Expo program, which enables the company to submit bids on the government opportunities under this program.
- The success of linking with the Nphies platform, with Medgulf being one of the leaders in such important development.
- Attracting and strengthening the executive team that would fit and help in achieving the company's strategic transformation and aspirations.
- The MEDGULF website and the new App has gone through and upgrade that shall enhance the Sales and customer services. The new launch is planned to be during the 2nd quarter of 2022 with the aim of improving the customer experience further.

About the Company

The Mediterranean and Gulf Cooperative Insurance and Reinsurance Company (MEDGULF) is a Saudi joint stock company registered in KSA under Commercial Registry No. 1010231925, established under the Council of Ministers' resolution No. 233 dated 16/9/1427H corresponding to 9/10/2006G, and leading to issuance of the Royal Decree No. 60/M regarding the establishment on 18/9/1427H corresponding to 11/10/2006G.

The company exercises insurance activities under Saudi Central Bank License No. (3/200790/TMN) dated 29/08/1428H in the following types: General Insurance, Health Insurance, and Protection and Savings Insurance.

The company is one of the largest cooperative insurance companies in the Kingdom of Saudi Arabia and region exercising insurance activities with amount of capital SAR (1,050,000,000). Providing business sector and individuals within KSA with the insurance services through (10) point of million customers within Sector.

1.Company›s Main Activities

A) Insurance Activity:

The company provides wide coverage of various insurance products, which are divided into three sectors as follows:

Health Insurance

Motor Insurance

General Insurance

The company exercises its activity in accordance with the Cooperative Insurance Companies Control Law, its Executive Regulation, and other laws and instructions applicable in KSA under the Saudi Central Bank supervision. All the company's products obtained final approval from the Saudi Central Bank (SAMA).

Health Insurance

The health insurance covers health and medical costs and needs in accordance with the Council of Cooperative Health Insurance Laws. The table below shows the health insurance provided by the company as of this report date:

Table.1: Health Insurance

Product Name	Product Details
Group Health Insurance	A wide range of products specially designed to meet the large and medium companies and small enter-prise needs. Such products address the health benefits according to the Council of Cooperative Health In-surance's standard document, as they cove the best hospitals and medical centers across the Kingdom and region. The Group Health Insurance is characterized by the direct and quick settlement of the medical costs and expenditures, insurance card for each individual, the company's system guide of the eligible medical facilities, approval telephone hotline available around-the-clock to serve the medical emergen-cies whether inside or outside the kingdom, service telephone for participators to inquire and be assisted around-the-clock, browsing and managing the participant file via the website, and additional features and benefits that may be added to the policy.

Motor Insurance

The Motor Insurance covers the losses resulted from road traffic accidents such as bodily injuries or death, and it covers physical damage by the way of repairing the damaged vehicles, for example. The company provides several products in relation to motor insurance such as Comprehensive Motor Insurance and Motor Third Party Liability Insurance (MTPL).

The table below shows the motor insurance products provided by the company as of this report date:

Table 2: Company's Motor Insurance Products

Product Name	Product Details
Motor Third Party Liabil-ity Insurance (TPL)	Compulsory insurance covers compensations for third party bodily injuries inside or outside the vehicle, physical damage outside the vehicle, costs of transporting the body of the deceased person, and man-slaughter blood money cost according to the Court's ruling.
Comprehensive Motor Insurance	Voluntary insurance covers compensations for vehicle damage resulting from accident, fire, theft, or delib-erate damage to any depicted vehicle by third party. This type of insurance: Covers the costs of treatment, hospitals, and medicine (first aid) for the driver, passengers, or the injured party due to an accident, providing financial compensation for disablement or death for driver, passengers, or injured party, as well as covers any damage to the third party property.

Other Insurance Products

The company provides other insurance products that include sophisticated risks existing in the engineering, industrial, and aviation sectors, as well as property-related and medical risks.
The table below shows the company's other insurance products as of this report date:

Table 3: Company's Other Insurance Products

Product Name	Product Details
Protection and Sav-ings Insurance.	This Insurance provides protection for employees in large and small companies and enterprises in various sectors, as it provides the insured or his family with a better future through access to several benefits such as compensation in case of a natural death or death due to accident or illness, compensation in case of permanent total or partial disablement resulted from accident or illness according to standard injuries ta-ble, weekly financial compensation, up to 104 weeks, i.e. two years, in case of temporary total disable-ment resulted from accident, and compensation in case of death or disablement resulted from indirect risks of war.

Travel Insurance	This product is tailored to meet the needs of customers willing to obtain an insurance policy to submit it to the embassies. It provides the customer with options to choose the extent of coverage with various prices according to the travel destination and the coverage term (number of days). The insurance covers expenses resulting from medical emergencies across most of the world around-the-clock, and provides the insured with compensation for the damage due to cancellation or delay in the take-off schedule or loss of baggage or other benefits.
Property Insurance	This insurance provides insurance protection for owned or leased property and its contents from risks or damages due to accident, natural disaster, or thefts, and covers the following: (1) Houses and its con-tents; (2) Stores' contents and goods; (3) Building, factories, industrial facilities, and workshops. The property insurance includes fire and theft insurance, and all risks such as (fire, theft, lightning, water leakage, floods, earthquake, and other risks).
Engineering insurance	This insurance provides insurance protection for project equipment, erection all risks, electronic devices, contractors' all risks, and machinery breakdown.
Contractors' all risks (CAR) insurance	This insurance covers construction projects during their implementation until delivery to their owners. This coverage may be extended to include subsequent maintenance work after the termination of the im-plementation period. The projects that may be covered by insurance are for example the construction of all types of residential, administrative and recreational buildings, and other buildings such as hospitals hotels, and factories. The insurance protection covers physical losses resulting from fire, robbery, theft, explosion, incorrect implementation, and earthquake. It as well covers third party liability for all bodily and physical damages to third party due to implementation and construction of building and others.

Machinery Breakdown Insurance	This insurance covers equipment and machinery during their operation, rest periods, dismantling to be cleaned, or close examination, as well as in case of re-installation. These machines such as production equipment and machines in factories (power generators) and cold rooms' machines such as (refrigerators). Insurance protection covers physical losses resulting from faulty material, faulty operation, intentional damage by third party, electrical fault, and others.
Deterioration of stock insurance	The Deterioration of stock insurance policy shall be considered complementary to the Machinery Breakdown policy and may not be issued unless there is a valid Machinery Breakdown policy issued by the same company. The insurance protection covers loss or damage that may affect stored goods in the cold rooms and refrigerators due to refrigeration machines breakdown. These goods are for example fruits, meat, fish, dairy, and dairy products.
Contractors' Equipment Insurance	This insurance covers the contractor's machinery and equipment during their operation, rest periods, or dismantling to be cleaned, or a close examination, as well as in case of re-installation at work sites. This equipment is for example excavators, cement mixers, cranes, and others. Insurance protection covers losses resulting from fire, robbery, coup, earthquakes, and others. Can also be extended to cover the risk of transport and mobility outside the work site.
Erection All Risks (EAR) Insurance	This insurance covers construction projects during their implementation until delivery to their owners. It covers the same scope covered by Contractors' All Risk Insurance. Also this coverage may be extended to include periods of trials, tests and maintenance. Projects that could be covered are for example all types of machinery and equipment erection. The insurance protection covers risks resulting from fire, explosion, floods, storms, electrical hazards, and others. It either covers the third party liability for bodily and physical damages to third party due to erection, construction, and implementation of these projects.

Electronic Device Insurance	This insurance covers electronic devices such as electronic medical devices (radiology, magnetic resonance, and radiation devices), radar, receiver and transmitter devices relating to television stations, satellite stations, and others. Insurance protection covers unexpected losses or damages that affect electronic equipment due to fire, lightning, explosion, and others.
Aviation and Air Transport Insurance	This insurance covers damages regarding aircraft structure during the flight or while parking at the airport, third party liability regarding damages to passengers while on board, the liability regarding air cargo due to an accident during loading, carriage, and unloading from/ to the aircraft, and third party liability and third party liability towards airport operators and others.
Money Insurance	This insurance covers all kinds of money such as banknotes, bank bonds, checks, mail orders, cash bonds or cash payment orders. Insurance coverage includes protection protection of funds from theft or damage, whether in a court safe or while being transferred from one place to another.
Comprehensive Bank Insurance	This insurance targets banks and other financial institutions that provide financial services, including cov-erage of the Bank's property against theft, losses directly resulting from acts involving breach of trust from bank's employee, bank's money during the transfer process, losses or damages to the bank's physical property, including furniture, equipment, safes, automatic teller machines, and others.

Fidelity Insurance	This type of insurance covers financial losses to employer's funds (insured) as a result of incident or embezzlement committed by the employee (insured) while performing his duties or as a result of reasons related to the employees who occupy a position that requires a degree of responsibility and confidence such as (financial managers, money changers, accountants, debt collection agents, sales representatives, warehouseman). The beneficiaries from this policy are entrepreneurs, corporate office owners,and factories owners. The insurance coverage includes any losses of cash or goods in kind incurred by the subscriber due to acts and conduct resulting from theft, embezzlement, forgery, fraudulent waste,manipulation of papers and documents that caused by insured employee or employees while performing their job duties
Personal Accidents Insur-ance	This type of insurance provides compensation in the event of an unexpected accident where the in-sured is compensated in the event of bodily injury resulting from unforeseen emergency and violent external means, compensation to the insured person or his family in the event of death, partial or total disability, weekly compensation and medical expenses as agreed and according to the injury schedule.
Professional Liabil-ity Insurance	This insurance protects all professionals such as physicians, engineers or lawyers , etc. against loss sustained by third party as a consequence of wrongful practices Insurance protection includes the amounts in which the insured becomes legally liable to pay , such as damages affected third party with regard to errors or omission of insured while performing his duties and within the limits of compensation permitted.

Product Liability Insurance	This type of insurance provides compensation to the insured against any sums for which he may be legally liable if the use of a particular product manufactured or marketed by the insured has caused accidental bodily injury (including death, illness, or burdens) to any person due to workmanship defects. The policy can be extended to include (product recovery insurance) which provides compensation for expenses incurred in connection with product recall expenses related to products manufactured or distributed by the insured or his agents as a result of any decision taken by the insured during the insurance peri-od. It may also cause the insured to incur legal liability if the use of any particular product causes accidental bodily injury (including death, illness or fatigue) to any person.
Workers' Compensation and Employer Liability In-surance	This type of insurance provides comprehensive insurance coverage for all the statutory requirements of employers, and the company bears all costs and expenses paid in accordance with the Saudi labor law, and indemnification for death. permanent total or partial disability and temporary disability of workers while they are in service.
Marine Cargo Insurance	This type of insurance provides different kinds of coverages, including trip insurance that covers a ship-ment of goods on a single trip from one place to another . The Land transit insurance covers the losses occurring to the goods during transport by road owing to an accident covered by the insurance, and the open cover policy provides the insured coverage for all cargo within the scope of the contract. Carrier Li-ability Insurance includes protection for the carrier against loss or damage to the goods in his custody and under his responsibility.
Marine Hull Insurance	This Insurance provides insurance coverage and protection against the risks to which the ship may be exposed to while on cruises between ports or during stop at the port and also during the construction or building process in a shipyard. The insurance covers marine risk, which is a risk arising from navigation or linked to the sea. It also covers the dangers of the sea, such as ship sinking, stranding and maritime collision due to bad weather conditions such as fire, explosion, and piracy, etc.

B) Reinsurance Activity

Reinsurance is a process in which a reinsurer agrees to cover a portion of the risks insured or originally accepted by insurance company (the insurer). It is a necessary requirement to stabilize the results of the company's subscribed business and reduce volatility and therefore serve as an effective tool for growth and risk management.

The company works with a number of world's leading reinsurers with a higher credit rating than those recommended by regulators. Through strong relationship with reinsurers, the company can safely undertake its own risks and provide extensive coverage to its customers at any time.

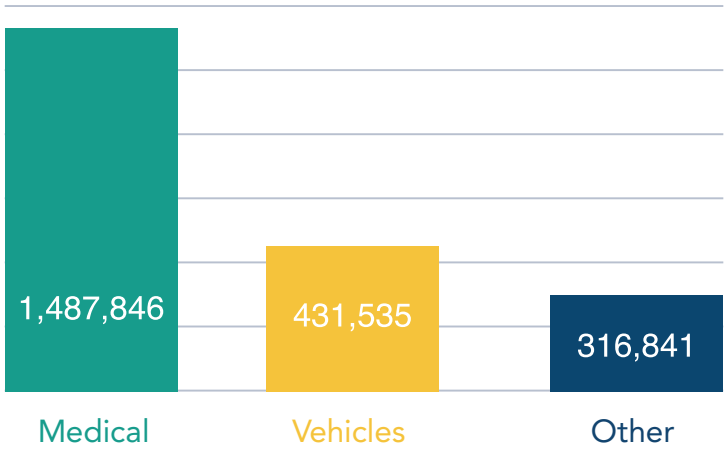
Credit ratings indicate the strength of the reinsurance company's financial position and its efficiency in covering claims, in addition to the quality and strength of its reinsurance programs, as the company works to assign insurance risks during its normal business cycle with several reinsurance companies rated no less than BBB by S&P or rating B + by AM Best, as set forth in the chapter 3 of the reinsurance regulation issued by Saudi Central Bank If the company wishes to deal with non-accredited reinsurers by Saudi Central Bank, it shall obtain written consent from

Saudi Central Bank. It is important to note that assigned reinsurance agreements did not release company from its obligations towards insured.

Table 4: The impact of the main activities on the company's business volume and its contribution to the results as follows:

Activities	Activity Reve-nue	%
Activity (Health Insurance)	1,487,846	67%
Activity (Motor Vehicles)	431,535	19%
Other insurance activities	316,841	14%
Total	2,236,222	100%

Chart 1: Total insurance premiums subscribed during 2021for various insurance activities (SAR '000')



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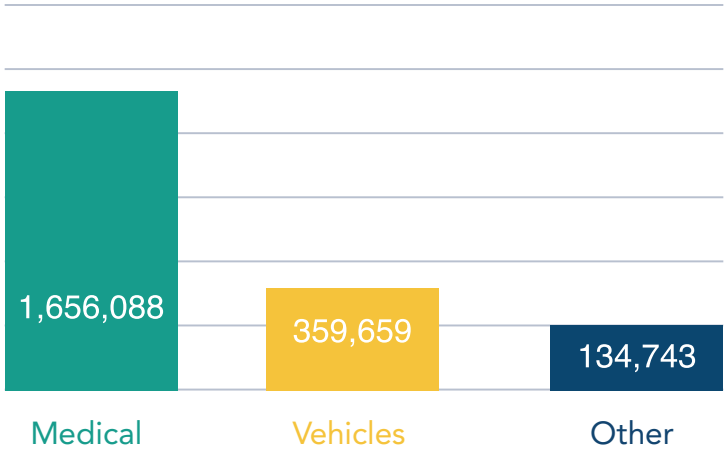
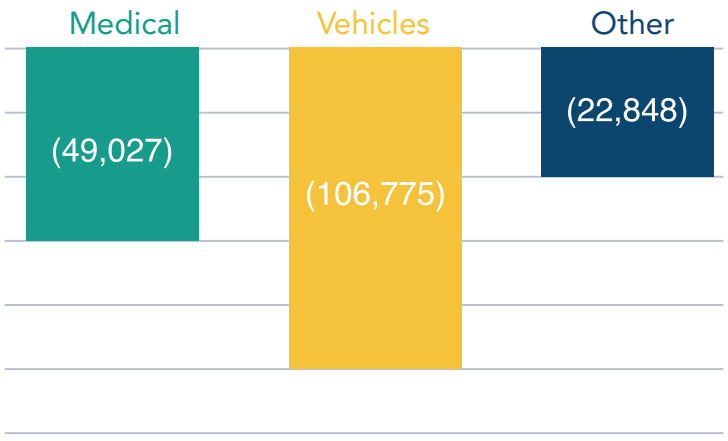


Chart 3: Insurance business surplus during 2021 for various insurance activities (SAR '000')



2. Company's significant decisions and achievements, future expectations of the company's business, and the risks that may be faced

A) Significant Decisions and Developments

Medgulf had a challenging start into 2021 suffering a significant top-line loss from a cyber-attack which had paralyzed sales for several weeks into the start of the important Q1 underwriting season. Within the first two weeks of the new CEO joining, Medgulf defined 8 stabilization measures to address the most immediate issues in sales, pricing & actuarial, finance and governance and instigated a rationalization of its sprawling project portfolio, reducing it from more than 60 initiatives to less than 10 action areas to allow for a concentration of scarce FTE resources and budgets. The finance initiative identified significant dormant assets, worth in access of SAR 250 million, SAR 68 million of which were monetized within 2010 and more than SAR 100 million are now earmarked for 2022.

Most of the stabilization measures showed good impact by end of Q2 and were eventually closed in Q3 or released to line management and institutionalized. At this time, Medgulf had already established the core of its new Transformation Office, which took control over its portfolio of large regulatory driven projects including Nphies and IFRS17 implementation. All of these projects are now back on track, well resourced and governed. Specifically, Medgulf moved from being a laggard in Nphies implementation to being one of the leaders in these important initiatives, after acquiring the source code of its core system and beefing up its inhouse IT resources. Freeing up resources from the Project Portfolio rationalization and the closing stabilization measures, Medgulf then embarked on a first set of 13 strategic initiatives and approved significant investments into IT, technical capability upgrades and its people asset amounting to about SAR 30 million. These strategic projects represented "no-regret moves" which aligned well with our emerging vision of Medgulf's future strategy and included a complete revamp of Medgulf's technical methodologies and tools and first investments into strategic partnerships into the motor and health ecosystems. In parallel, Medgulf achieved a number of milestones that jointly provide a solid basis to build on, including:

- Successful rights issue that increase capital from SAR 700bn to SAR 1050 billion
- 3 notch credit rating upgrades with a positive outlook to obtaining investment grade
- Accreditation as one of 3 insurers for the governments own health insurance program (ExPro)
- Retention of large health insurance clients SEC and SWCC
- Becoming a leader in Nphies implementation and bringing all regulatory projects back on

track

- Monetizing SAR 68 million of dormant assets
- Brokering and closing an out of court settlement with Medgulf's founder and related businesses, worth about SAR 80 million, securing brand rights and support for collecting reinsurance assets
- Investing SAR 30 million in systems, capabilities and people
- Stopping the erosion of sales staff and starting with rebuilding the regional offices
- Winning senior talent to join Medgulf in leading roles in 2022
- Establishing a binding leadership code of conduct and institutionalize upward and peer feedback

In Q3, Medgulf accelerated the work on defining its future strategy which led to a decision to invest in creating scale in insurance infrastructure and moving away from the fully integrated insurance operating model to a more open and value stack oriented operating architecture. The strategy was then fully operationalized and approved by the BoD together with a SAR 70 million investment budget by YE 2021.

B) Future Prospects for Company's Business

In 2022 Medgulf will focus on implementing its new strategy and in further improving its technical and operational capabilities. Implementation of the "new" and improvement of the "legacy" will be managed in a "run the business" and "transform the business" approach which is reflected in a division of resources and budgets and a new business steering and governance process. In 2022 Medgulf will make significant investments in establishing first bridgeheads in the motor and in the health ecosystems which will significantly improve operational cost (creating unit cost driven factories), establish better control over claims cost and enable a much-improved customer journey, specifically a new app-based claims navigator and payment port in its insurance member app. In addition, Medgulf's investment in state-of-the-art technical capabilities will start to bear fruit from Q2 onwards and support pricing decision in the highly competitive health and motor segments. Making use of its new credit rating and supported by an improved reinsurance bench and higher limits, Medgulf also intents to grow it exposures in general insurance, building out our dedicated risk engineering capacity and growing its regional office footprint.

C) The risks that company may face:

I. Human Resources Risks

The insurance market requires qualified personnel familiar with insurance activity that lead to increase the demand for qualified persons and expose the company to risk of movement of its qualified personnel, especially in the light of resettlement requirements. However, the company continues with a policy of training and serious qualification for its current and future employees, which is diverse to suit the different management levels in the company This determination comes despite the possibility of losing some human resources to competing parties, but they remain in the interest of the country in general. Accordingly, the focus and development of Saudi national competencies will continue in all departments and administrative levels of the company.

II. Market and Competition risks

Many insurance companies operate in the insurance industry, leading to a highly competitive environment that may affect the company's activity and future opportunities, which are expected to lead to intense competition in prices. With intense competition from other insurance companies, the company has taken a series of proactive actions based on offering competitive prices, based on statistical and actuary basis, ensuring the safety and success of technical capabilities for underwriting insurance policies, in addition to effective preventive programs that enable them to increase the ability to grow and achieve their objectives.

III. Information Technology Risks

The company relies on its information technology systems, and although the company takes security measures, its information systems may be exposed to unauthorized access, computer viruses ,human errors, natural disasters, fires, loss of energy, communication errors, sabotage or terrorist operations. If there is major breakdown or recurrent failure, the revenues may be adversely affected, and huge costs may also be incurred as a result of those breakdowns or failures which may adversely affect financial results or levels of capital expenditures. In particular, the company faces the technical risks in terms of the obsolescence of used systems and the difficulty of developing them to keep pace with the enormous growth in modern technologies. Therefore, it is currently working on transition to an advanced technical system that serves all company units and works as an integrated system. The company has developed the performance and capabilities of information security within the department of technology and information. The company also saves all data in a backup location on a daily, weekly and monthly basis in addition to developing a plan that enables the company to continue its business from an alternative location, developing

everything related to preparing, recovering and continuing work and disaster recovery and conducting its tests periodically.

IV. Insurance Risks

The insurance risks mean the risks related to the increase of actual claims due to contracting parties - regarding insured events over the book value of insurance liabilities. The company's objectives are ensure the availability of sufficient resources to cover these obligations, mainly focus on the following:

• Health Insurance

The company's health insurance strategy is designed to ensure that risks are well diversified in terms of the type of risk and the level of insured benefits. This may be achieved through the diversity of sectors and geographical areas in order to ensure that the prices take into account the current health conditions, the usual review of the actual claims and the price of the product - according to the pricing schedules of the actuary - as well as the detailed procedures for follow-up of claims. The company also follows a policy based on serious and active follow-up of claims in order to cover unforeseen future risks that may negatively affect the company.

• Motor Insurance

The main risks for motor insurance are claims for death, bodily injury and motor replacement or repair. In order to reduce such risks, the company issued comprehensive insurance policies only to owner or driver who is over 18 years old, and most vehicle insurance contracts relate to individuals, and when issuing these policies the company is committed to the pricing schedule of the actuary.

•Duplication and Amounts of Claims

Duplication and amounts of claims can be affected by many factors, and these operations are considered short-term insurance contracts. Claims payment is usually reported within one year of an insured incident, that would help reduce insurance risk.

• Sensitivity analysis:

The company believes that the amounts of outstanding claims according to the insurance contracts at the end of the year are considered adequate, however these amounts are not considered certain and may differ from the claims amounts presented in the financial statements. The insurance claim amounts are sensitive to several assumptions. It is not possible to determine the sensitivity of some variables, such as legislative changes or uncertainty in the evaluation process, as the insurance

claims provision is affected by the above basic assumptions.

V. Reinsurance Risks

Like other insurance companies, during its normal business cycle, the company reinsures with third parties to reduce the potential financial losses that may arise from huge insurance claims. These arrangements secure wide variety in the business and enables management to control potential losses that may rise out of huge risks, and provide additional growth capabilities to reduce its exposure to the risks of huge losses arising from the bankruptcy of reinsurers. The company is keen to evaluate the financial position of insurance companies and deal with internationally ranked companies. Note that the assigned reinsurance agreements shall not release the company from its obligations towards policyholders, as the company is obligated towards policyholders with its share of outstanding reinsured claims to the extent that the reinsurance company did not fulfill its obligations under the reinsurance agreements.

VI. Risks of investment Returns

The company's financial results depend in part on its investment performance, and the company's returns from investment and therefore its profitability may be adversely affected from time to time as a result of circumstances that affect specific investments and in general as a result of market fluctuations and current economic conditions that are beyond the company's control. The company's activity also depends largely on the economic conditions in Saudi Arabia as well as global economic conditions.

VII. Credit Risks

Credit risk represents the inability of one party to meet its obligations, resulting in the other party incurring a financial loss, for all categories of financial assets acquired by the Company, where the company's maximum credit risk represents the book value disclosed in the financial position list. The company carries out a number of policies and procedures to reduce the credit risk to which the company is exposed, including the following:

- All customers that the company intends to deal with are subject to credit verification and study. In addition, the amounts due under insurance and reinsurance contracts are monitored on an ongoing basis to reduce the company's exposure to bad debt risks.
- The Company shall reduce the risks associated with agents and brokers by setting credit limits for each agent and broker, and monitoring outstanding receivables.
- The company attaches great importance to the adherence to the credit policy and the

collection of thee amounts due to the company.

- The company's investment portfolio is managed by the investment officer in accordance with the investment policy adopted by the Investment Committee.
- The company enters into reinsurance contracts only with internationally recognized and ranked entities.
- With regard to credit risk arising from other financial assets, the company deals only with commercial banks with a strong financial position and good credit reputation.
- The company ensures that there are no concentrations of credit risk with any party

VIII. Regulatory and Legal Risks

Insurance products and operations conducted by the company are subjected to supervision and control by the Saudi Central Bank (SAMA) through the cooperative insurance control law and regulation and the Council of Cooperative Health Insurance (CCHI) executive regulation regarding to health insurance product. Generally, organization and supervision on insurance sector are particularly directed to the insured and investors interest. Future legislation and regulatory changes that may be imposed on the insurance sector may adversely affect the company's business, financial condition and results of operations. Therefore, these risks relate to the extent of the company's commitment to all legislation, regulations and laws issued by the regulatory and official authorities, taking into account the multiplicity of relevant regulatory and supervisory bodies, the speed of development of regulations and legislation and the extent of their applicability in the insurance market that may affect insurance companies in the event of non-compliance with changes in the regulations and laws, and to be applied as required. These regulations not only require approvals and control of activities, but may also impose limitations such as capital adequacy requirements to reduce the risk of deficit and bankruptcy by insurers and to enable them to fulfill their obligations. The company has a specialized department that monitors the company's compliance with the legislations to which it is subjected and puts in place the necessary procedures to comply with all current and future laws and regulations

IX. Liquidity Risks

Liquidity risks represent financial obligations the company can not properly fulfil in a timely manner without negatively affecting the company. The company monitors liquidity requirements periodically. It also ensures there is enough liquidity to fulfil its obligations as they arise. In addition, the company reviews capital requirements in order to maintain the required financial solvency rate required by statutory authorities.

X. Foreign Currency Risks

Currency risks represent risks resulting from the fluctuation of the value of a financial instrument due to changes in foreign exchange rate. The company's main transactions are conducted in Saudi Riyals (SAR); therefore, the management believes there are low risks of major loss as a result of the fluctuation in foreign exchange rate. Hence, the company does not cover foreign currency risks.

XI. Risks of Private Commission Rates

Risks of private commission rates arise out of discrepancies in value or future cash flows of a financial instrument, as a result of changes in private commission rates prevailing in the market. The company faces risks of private commission rates for some of its investments, cash, quasi cash, and term deposits. It reduces such risks by monitoring changes in private commission rates for currencies in which the company's investments are registered.

XII. Capital Management Risks

Saudi Central Bank defines and regulates capital requirements. The company sets other goals to maintain balanced capital ratios, in order to support the company and increase shareholders' interest. The company manages capital requirements by assessing shortage between the announced and required capital levels. All settlements shall be conducted based on the current capital levels, in accordance with the changes in the prevailing conditions in the market and risks characteristics of the company's activities, as well as maintaining or amending capital structure. No amendments were introduced to capital management operations, policies, and goals since the previous year.

XIII. Operational Risks

Operational risks are loss risks resulting from control or system failure, such as human errors or embezzlement. Such risks could lead to financial losses, reputation loss, regulatory and legal consequences. The company manages operations risks by applying suitable controls, segregation of duties, internal monitoring, and risk management. It is also keen on maintaining standard operational criteria, given the expansion of works.

XIV. Work Continuity Risks

The company is keen on sustaining work continuity and avoiding risks that are more likely to disrupt it. The company started developing an emergency plan to all departments, covering procedures and steps to be followed to ensure proper progress of key activities, in accordance with risk management regulation requirements issued by the Saudi Central Bank

XV. Underwriting Risks

Such risks are represented in pricing risks and geographical and qualitative concentration of underwritten risks which the company engages in. Accordingly, it developed precautionary plans that include following an informed actuarial approach in pricing. This approach is reviewed and updated periodically in conformity with rapid change in relevant laws. In addition to setting the company's vision and any other critical effects. The company also began setting an underwriting approach among different departments, reflecting its policy and technical vision to underwriting risks.

XVI. Fraud, Corruption, Financial Crimes Risks

Anti-fraud regulation issued by the Saudi Central Bank identifies fraud as one of the challenges facing financial facilities. It hinders performance, wastes money and rare resources, and causes damage to the facility, its reputation, and competitiveness. Accordingly, the company have shown special interest in this regard; therefore, it reinforced internal control procedures through periodic revision and striving to comply with Anti-fraud regulation issued by the Saudi Central Bank.

XVII. Judicial Risks

In the normal course of business, The company may be subject to cases against others; claims may also be filed against it. This could have a
negative impact in the future on the company's financial position. The company has a department dedicated to dealing with cases and pleading cases before judicial and quasi-judicial authorities which are competent to grant rights to their rightful holders. It is also worth mentioning that on 26/11/2017G, the company filed a lawsuit at Riyadh Commercial Court against a previous CEO and managing director, to demand a refund against some of the company's funds that were unjustly obtained. The company also demanded a compensation against all losses resulting out of their harmful acts towards the company and its shareholders. As a result of that lawsuit, a primary judgment was issued on Thursday, 21/12/1440H in favor of the company, binding the respondent, previous CEO and managing director, to pay the company an amount of (SAR 152,697,441) one hundred fifty two million, six hundred ninety seven thousand, and four hundred forty one Saudi riyals. The respondent filed an appeal that
resulted in issuing a judgment on 04/02/1442H by the Appellate Division in Riyadh commercial court to abolish the court's judgment dating 21/12/1440H due to the court's lack of jurisdiction over this case. Accordingly, the company filed a complaint at the Capital Market Authority. In case the parties did not reach an amicable solution, the lawsuit shall be referred to the Committee for Resolution of Securities Disputes.

3. Financial Results for the fiscal year 2021

The following table compares between the company's assets and liabilities and business results for the last five years:

Table 5: Company's Financial Results for the year 2021.

	Statement of Financial Income (SAR '000')				
	2021	2020	2019	2018	2017
Insurance operations assets					
Investments and Cash in bank	238,503	361,935	359,696	737,246	807,957
Receivables-net	838,577	842,898	572,215	681,078	659,105
Other assets	1,979,291	1,837,093	1,819,637	1,332,950	1,640,255
Total insurance operations assets	3,056,371	3,041,926	2,751,548	2,751,274	3,107,317
Shareholders' assets:					
Investments and Cash in banks	1,231,575	821,327	831,106	598,841	365,740
Other assets	515,929	513,104	525,232	536,317	532,993
Total shareholder assets:	1,747,504	1,334,431	1,356,338	1,135,158	898,733
Total assets	4,803,875	4,376,357	4,107,886	3,886,432	4,006,050

Insurance operations liabilities					
Reinsurers' balance payable	155,259	165,531	107,488	50,410	135,761
Technical reserves	2,266,610	2,414,418	2,269,831	2,269,989	2,561,167
Other liabilities	634,502	461,977	374,229	430,875	410,389
Total insurance operations liabilities	3,056,371	3,041,926	2,751,548	2,751,274	3,107,317
Shareholders' equity and liabilities					
Shareholder liabilities	724,087	569,731	645,205	449,071	387,947
Shareholders' Equity	1,023,417	764,700	711,113	686,087	510,786
Total Shareholder equity and					
liabilities	1,747,504	1,334,431	1,356,338	1,135,158	898,733
Total Liabilities	4,803,875	4,376,357	4,107,886	3,886,432	4,006,050

	Statement of Financial In-come (SAR '000')				
	2021	2020	2019	2018	2017
Statement of insurance operations and surplus results					
Gross premiums written	2,236,222	2,534,501	2,421,277	2,069,473	2,665,838
Net premiums earned	1,566,396	1,477,042	1,996,495	1,790,687	2,322,862
Reinsurance commission	127,333	180,469	98,912	54,027	64,063
Other insurance revenues	0	0	0	0	0
Investment and other revenues	6,201	16,581	37,519	20,053	74,716
Total revenues	1,699,930	1,674,092	2,132,926	1,864,767	2,461,641

Total paid claims	2,150,490	1,752,744	1,989,336	2,060,113	2,542,871
Net incurred claims	1,442,671	1,137,610	1,659,384	1,619,463	2,063,582
Policy acquisition costs	96,525	100,135	117,785	123,776	160,677
Loss surplus insurance expenses	0	0	0	0	0
Other expenses	339,383	403,115	345,802	334,987	627,781
Total costs and expenses	1,878,579	1,640,860	2,122,971	2,078,226	2,852,040
Insurance operations surplus / deficit	-178,649	33,233	9,955	-213,459	-390,399
Net surplus / (deficit) after share-holders' share	0	3,323	995	0	0
Statement of Shareholder's Income					
Shareholders' share of net surplus / (deficit)	-178,649	29,910	8,960	-213,459	-390,399
Investment revenues and man-agement fees	47,779	30,262	17,705	15,039	7,986
Other revenues	0	0	0	0	0
General and administrative expenses	4,718	5,268	7,489	6,107	5,613
Net profit / (loss) before Zakat and Tax	-135,588	54,904	19,176	-204,527	-388,026

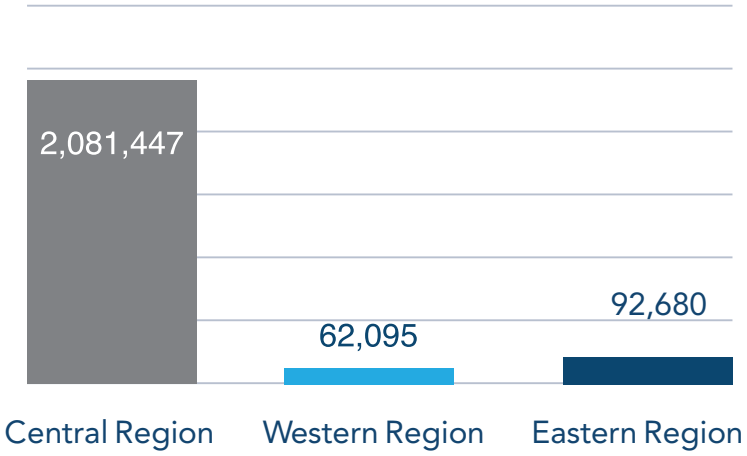
4. Substantial discrepancies in the operating results

- Total underwritten insurance premiums (GWP) during 2021 amounted to SAR 2,536 million against an amount of SAR 2,534 million for the previous year, accounting for an increase by 11.7%.
- Net incurred claims in 2021 reached SAR 1,442 million against SAR 1,137 million for the previous year, accounting for a decrease by 26.8%.

- Net investment profits for policyholders during 2021 accounted for SAR 1.3 million, against an amount of SAR 5 million for the previous year, accounting for a decrease by 74%
- Total profit for 2021 reached 153.5 million, against a net profit of SAR 54.9 million for the previous year.
- Insurance operations surplus in 2021 less policyholders investment revenue (Results of Operations) amounted to 180 million, against an amount of SAR 28.1 million for the deficit for the fiscal year 2020. This is a result of an increase in net underwriting income by 63% due to a decrease in the net incurred claims by 27% and an increase in reinsurance commission income by 60%, in addition to a decrease in premiums deficit reserves as recommended by the actuary.

5. Geographical analyses of the company's total revenues

Chart 4: Geographical analyses of the company's underwritten premiums between the company's head office and its branches: (SAR '000')



6.Shareholders of the Company

Representing shareholders whose ownership percentage in the company's shares is more than (5%) according to the table below.

Table 6: Substantial Shareholders Names:

Name	Ownership
The Saudi Investment Bank (SAIB)	19 %
The Mediterranean and Gulf Cooperative Insurance and Reinsurance Company (MEDGULF)	11.41 %
Abdullah Abunayyan Trading Corpora-tion	9.99 %

7. Accounting standards adopted in financial statements.

The company prepares its financial statements in accordance with the International Financial Reporting Standards (IFRS) adopted in the KSA, along with other standards and permits issued by Saudi Organization for Certified Public Accountants (SOCPA) and companies regulations in the KSA.

8. Company's profit distribution policy

Profit distribution policy identifies the company's policy on distributing profits generated by business processes, in accordance with the company's Bylaw, implementing applicable laws and regulations in the KSA:

1. Set aside the Zakat and income tax.
2. Set aside (20%) of the net profits to form a systematic reserve, Ordinary General Assembly may cease such deduction when the said reserve reaches the total paid-up capital.
3. Shareholders are entitled to receive their share of profits in accordance with the General Assembly resolution on this regard. General Assembly's decision identifies the due date and date of distribution. Only the shareholder listed in the shareholders record can receive profits on the due date.

9. A description of any interest, contractual securities and underwriting rights that shall revert to the Board members, senior executives and their relatives in shares or instruments of debt or any of its subsidiaries and any change in that interest or these rights through the fiscal year 2021:

The following table demonstrates interests owned by Board members, senior executives and their relatives in company's shares, given that the company did not issue nor grant any instruments of debt.

Table 7: Board members ownership in the company's shares for the year 2021.

Name	Posi-tion	Number of shares at the beginning of the year	Ownership percentage at the beginning of the year	Net change in the number of Shares during the year	Change ratio dur-ing the year	Total shares at the end of the year
Mr. Rakan Abdullah Abunayyan	Chairman	3,400	0,425%	2,164,007	63647%	2,167,407
Mr. Mohamed Ben Omar Alo-yaidi	BOD Chairman	0	0.000%	0	0.00%	0
Mr. Suliman Alobaid	BOD Chairman	0	0.000%	0	0.00%	0
Eng. Raad Al Barakati	BOD Chairman	0	0.000%	0	0.00%	0
Mr. Youssef bin Hamad Al Yousefi	BOD Chairman	0	0.000%	0	0.00%	0
Mr. Mohammed bin Saad bin Dawood	BOD Chairman	0	0.000%	0	0.00%	0
Dr. Ahmed bin Ahmed	BOD Chairman	5,000	0.625%	1,562	31%	6,562

10. Board members and senior management ownership in the company

Board member Mr. Rakan Abunayan has an indirect ownership in the company through Abdullah Abunayyan Trading Corporation.

11. A description of any deal between the exporter and a related party, or any contracts or transicitons in which the company is a party with a substantial interest for a related party, such as a major shareholder, a BOD member, CEO, Chief Financial Officer, or any person related to any of them:

Transicitons and contracts during 2021

- Business and Contracts concluded between the company and Waseel ASP Ltd. Co., noting that the transactions made during 2021G are services fees amounting of 5,309 Thousand SAR, which is a subsidiary. Mr. Umar Almahmoud represents the company in WASEEL's boards of directors.
- Business and Contracts concluded between the company and the Saudi Investment Bank, noting that the transactions
- made during 2021G are current accounts with a value of SAR 2,061, and insurance documents for a year of 5,428 Thousand SAR, who is one of the major shareholders in the company and licensing it for a next year, in which the BOD member Mr. Sulaiman Al-Obaid has an indirect interest as he occupied an executive position in the bank, without any preferential conditions.

- Business and contracts concluded between the company and Alistithmar Capital Co., noting that the transactions made during 2021G are current accounts with a value of 2,542 Thousand SAR, who is one of the major shareholders in the company and licensing it for a next year.

- Business and Contracts concluded between the company and Saudi Real Estate Co., noting that the transactions made during 2021G are an insurance policy for one year with a value of 1 Thousand SAR, which is an entity where the BOD member, Mr. Mohammed Saad Abdulaziz bin Dawood, has an indirect interest in which he is a BOD member, without any preferential conditions.

- Business and Contracts concluded between the company and Alissa Group Holding Co., noting that the transactions made during 2021G are an insurance policy for one year with a value of 71,559 Thousand SAR, which is an entity where the BOD member, Mr. Mohammed Saad Abdulaziz bin Dawood, has an indirect interest in which he is a BOD member, without any preferential conditions.

- Business and contracts concluded between the company and the Mohammed Omar Al-Eaidi and Muhammad Al-Salloum Certified Public Accountants and Auditors, noting that the transactions made during 2021G are an insurance policy for one year with a value of 73 thousand SAR, which is an entity where the BOD member, Mr. Mohammed Omar aleaidi, has an indirect interest in which he is a BOD member, without any preferential.

Mechanism for approving transactions of related party:

All transactions of BOD members, related parties and CEO have been reviewed and approved by BOD in accordance with the mandate granted to the Board by the General Assembly in accordance with the relevant controls and procedures, noting that the relevant party has been prohibited from voting on such item.

12. Mechanisms, addressing methods of any conflict of interest cases

In order to secure the best Governance Practices that guarantees the protection of shareholders' equity and the rights of shareholders, the company has developed a mechanism in order to regulate and address the potential conflicts of interest between BOD members and Executive Management officials on one hand and the company on the other hand, in accordance with the applicable legal regulations and guidelines issued by the Capital Market Authority and the Saudi Central Bank, where the company has set many internal organizational policies and regulations, such as Disclosure Policy, the Conflict of Interest Policy, and the company's Corporate Governance Regulation.

13. Due Regular Payments

The following table shows the value of due regular payments as at the end of 2021.

Table 8: Due Regular Payments as at the end of 2021.

Payments Types	Explaining reasons	Due paid payments until the end of 2021	Due unpaid payments until the end of 2021
Social Insurance	Participation fees for employees	15,239,856	1,430,528
Zakat and income tax	According to General Authority of Zakat & Tax Law	2,742,532	-
VAT	According to the Laws and regulations of General Authority of Zakat & Tax	98,538,109	4,331,354
Supervision and Control Costs, Saudi Central Bank	According to Laws and Regulations of Saudi Central Bank	8,499,450	1,750,091
Fees of the Council of Cooperative Health Insurance	According to the Laws and Regulations of the Cooperative Health Insurance	10,978,215	3,900,244

14. shall acknowledge the following

1. Account records were prepared appropriately.
2. The internal control system was well prepared and effectively implemented .
3. There is no doubt about its ability to continue practicing its activity.
4. The Company shall acknowledge that there's no sanctions, penalties, or precautionary attachment imposed by any judicial, supervisory or regulatory authority on the any of BOD members, having a relationship with the company
5. There is no interest in category of eligible shares in voting belonging to persons (except BOD

members, senior executives and their relatives) who informed the company of those rights under Article 68 of the Rules on the Offer of Securities and Continuing Obligations and any change in those rights during the fiscal year 2021.

6. There is no interest belongs to any of the Senior Executives and their relatives in the shares or debt instruments of the company.

7. There are no investments or other reserves created for the interest of company's employees.
8. There are no treasury shares held by the company.
9. There are no Waiver Agreements under which a shareholder waives any rights to profits.
10. There are no Waiver Agreements under which a BOD member of the company or one of its Senior Executives waived any salary or indemnity.
11. That it has not issued or granted any recoverable debt instruments.
12. That it has not issued or granted any transfer or subscription rights under convertible debt instruments, contractual securities, or subscription right requests during the fiscal year 2021.
13. That is it has not issued or granted any convertible debt instruments into shares, or any option rights, subscription right requests, or similar rights during the fiscal year 2021
14. It has not borrowed during 2021 and has not had any loans of any kind
15. That is has no subsidiary companies inside or outside KSA.
16. That it has no subsidiary companies inside or outside KSA, and therefore there are no shares and debt instruments issued by any subsidiary company.

15. Report of the Certified Public Accountant Al-Azem, Al-Sudairy and Al-Kharashi & Co. Certified Accountants and Auditors, reserved opinion:

We have audited the financial statements of The Mediterranean and Gulf Cooperative Insurance and Reinsurance Company, (A Saudi Joint Stock Company) (the "Company"), which comprise of Statement of financial position as at 31 December 2021, statements of income, statements of comprehensive income and the statements of changes in shareholders' equity and cash flows for the year then ended, and the accompanying notes which form an integral part of these financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2021, and the results of its operations and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements

that are issued by Saudi Organization for Chartered and Professional Accountants ("SOCPA").

Basis of Opinion:

We conducted our audit in accordance with International Standards on Auditing ("ISAs") as endorsed in the Kingdom of Saudi Arabia. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the professional code of conduct and ethics, as endorsed in the Kingdom of Saudi Arabia that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

16. Appointment of External Auditors

After the members of the Audit Committee have reviewed the proposals provided by the external auditors to carry out the external audit of the company for the fiscal year 2021G, the Audit Members have recommended to BOD and General Assembly of Shareholders to appoint Crowe Horwath (Al-Azm and Al-Sudairy) and Mazars (Al-Kharashi) as Legal Auditors to do the audit of the company's accounts for the fiscal year 2022G.

17. Actions tacken by the BOD in order to inform its members of shareholders› especially non-executive proposals and feedback about the company and its performance:

- Emphasis all BOD members, especially non-executive members, to attend the General Assembly meetings to directly review the feedbacks and proposals of shareholders.
- Follow up on the communication channels of shareholder relations, to inform the company and BOD members of the feedbacks and proposals of shareholders.
- During the BOD meetings and during the meetings of its committees.

18. Number of requests recorder for shareholders register

Request date	Number of company requests of shareholder register	Request Reasons
13/01/2021	1	Company proce-dures
16/02/2021	1	Company proce-dures
21/04/2021	1	General Assembly
22/04/2021	1	General Assembly
25/05/2021	2	Company proce-dures
30/06/2021	1	General Assembly
02/08/2021	1	Company proce-dures
02/11/2021	1	General Assembly
12/12/2021	1	Company proce-dures
13/12/2021	1	Company proce-dures
Total	11	

19. General Assemblies of Shareholders

During the year 2021G, the company has held three General Assembly, and the attendance register of the BOD members it was in accordance with the table below, "noting that a mark (✓) means his attendance, (x) means his absence, and (-) means the end or non- beginning of his membership":

Name of the Board Member	First Meeting of General Assembly Extraordinary General Assembly Held on 22/04/2021
Eng. Raad Al Barakati	✓
Mr. Mohammed Aloyaidi	✓
Mr. Mohammed bin Dawood	✓
Mr. Youssef Al Yousefi	✓

Mr. Rakan Abunyan	✓
Dr. Ahmed bin Ahmed	✓
Mr. Suliman Alobaid	✓

Name of the Board Member	Second Meeting of General As-sembly Ordinary General Assem-bly Held on 30/06/2021
Eng. Raad Al Barakati	✓
Mr. Mohammed Aloyaidi	✓
Mr. Mohammed bin Dawood	✓
Mr. Youssef Al Yousefi	✓
Mr. Rakan Abunyan	✓
Dr. Ahmed bin Ahmed	✓
Mr. Suliman Alobaid	✓

Name of the Board Member	Third Meeting of General As-sembly Extraordinary General As-sembly Held on 03/11/2021
Eng. Raad Al Barakati	✓
Mr. Mohammed Aloyaidi	✓
Mr. Mohammed bin Dawood	✓
Mr. Youssef Al Yousefi	✓
Mr. Rakan Abunyan	✓
Dr. Ahmed bin Ahmed	✓
Mr. Suliman Alobaid	✓

20. Names of BOD members, Committee members, and Executive Management, and their current and previous positions, qualifications and experiences

A. BOD Members

Mr. Rakan Abunyan

Current Positions

» Chief Investment officer/ Abunyan Holding

Practical Qualifications

» Bachelor's degree in accounting, King Saud University, KSA, 2001

» Master's degree of Financial Management from University of Illinois at Urbana Champaign, 2005

» American Legal Accountancy Fellowship from California Board of Accountancy, 2005

Practical Experiences

» Saudi Central Bank/ Economic Researcher From 2001 to 2003.

» Finance and economy lecturer at King Fahd University of Petroleum and Minerals (2003 to 2007).

» Corporate financing manage at MEFIC Capital (2007 to 2010).

Eng. Raad Al Barakati

Current Positions

» Vice chairman of strategic partnerships and business development- the Saudi Center for International Strategic Partnerships (SCISP)

Practical Qualifications

» Bachelor's degree in industrial system engineering, year of 1997, from King Saud University-Kingdom of Saudi Arabia.

Practical Experiences

- The Banque Saudi Francsi (2005 to 2010).
- Tlol Constructions (2010 to 2015).
- The Saudi Investment Bank-Regional Head of the middle region-corporate banking at SAIB (2015 to December 2018).
- January 2019 to November 2019: General manager assistant-Financial structure department-corporate banking. SAIB.

Mr. Youssef Al Yousefi

Current Positions

- CEO in JOA Financial Co.

Practical Qualifications

- MBA in business administration, year of 2010, from Harvard University-USA.
- Bachelor's degree in electric engineering, year of 2003, from University of Colorado- USA.

Practical Experiences

- Energy sector analyzer at Passport Capital, LLC, a limited liability company located in California-USA, it is specialized in providing investment consultation (2011 to 2012).
- Consultant at King Abdullah Petroleum Studies and Research Center (KAPSARC), non-profit institution (2010 to 2011).
- Joint official at private equity department, Jadwa Investment, a joint stock company located in Riyadh and specialized in financial services (May 2009 to August 2009).
- Consultant at BOOZ & CO, known recently as (&Strategy), a joint stock company located in the USA, working in the field of providing consultation During 2008.
- Petroleum engineer at Schlumberger Limited, a joint stock company located in Texas State, USA, working oil and gas sector and oil exploration and extraction (2004 to 2005).
- Communication engineer at Saudi Aramco that works in the oil and gas sector (2004 to 2005).

Mr. Mohammed bin Dawood

Current Positions

» Mohammed bin Saad bin Dawood office for Financial and Administrative Consultations (August 2018 to date).

Practical Qualifications

» Bachelor's degree in accounting, year of 1966, from King Saud Universuty.

Practical Experiences

» Mohammed bin Saad bin Abdulaziz bin Dawood office for Financial and Administrative Consultations (2018 to date).
» Managing Director of Manafea Investment Company – (March 2018 to July 2018).
» CEO of Mohammed Abdulaziz Al-Rajhi and Sons Investment Company. (August 2014 to March 2018).
» General Manager, Corporate Banking Services – The Saudi British Bank (SABB) (July 2013 August 2014).
» Deputy General Manager, Corporate Banking Services – Arab National Bank (February 2004 to July 2013)
» Director of Commercial Banking Services in the Central Region – The Saudi British Bank (SABB) (2002 to February 2004).
» Senior Corporate Relationship Manager – Arab National Bank (1998 to 2002).
» Corporate Relationship Manager – (The Saudi British Bank) (1996 to 1998).

Mr. Mohammed Aloyaidi

Current Positions

» Aloyaidi Certified Puplic Accountants

Practical Qualifications

» Bachelor's degree in Accounting, year of 2005, from King Saud University.
» MBA in Business Administration from Oklahoma City University - USA.
» Certified Public Accountants by the Saudi Organization for Certified Public Accountants (SOCPA).
» CPA) New Hampshire Board of Accountancy, USA
» Certified economic establishment valuer by the Saudi Authority for accredited Valuers.

Practical Experiences

- Ernst & Young (2005 to 2009)
- World Bank (2009 to 2010)
- Capital Market Authority (2010 to 2015)
- KPMG Al Fozan & Partners (2015 to 2016)
- Imam Muhammad Ibn Saud Islamic University (2016 to 2017)

Mr. Suliman Alobaid

Current Positions

- Chief Operating Officer at Samba Financial Group

Practical Qualifications

- Bachelor'sdegree in computer information system, from King Saud University-Riyadh-Kingdom of Saudi Arabia. In 1997.

Practical Experiences

- General manager, Information Technology and Common Services group at The Saudi Investment Bank from 2011 to 2019.
- General manager at Al Rajhi Bank from 2007 to 2011.
- General Manager of Information Technology and Common Services group at Al Rajhi Bank from 2005 to 2007.
- Manager of information technology at Al Rajhi Bank from 2004 to 2005.
- Senior Director in Al Rajhi Bank from 2000 to 2004, and Financial Analyst from 1997 to 2000.

Dr. Ahmed bin Ahmed

Current Positions

- Board member of Saudi Authority for Professional Doctors (Saudi Commission of Health Specialist).
- Palliative Care Medicine Fellowship Program Manager-King Abdulaziz Medical City.
- Palliative Care Medicine Consultant-King Abdulaziz Medical City

Practical Qualifications

- Palliative care medicine specialized fellowship from the Saudi Commission of Health Specialist in2004.
- Family medicine Arab fellowship from the Arab National Council in 2011.
- Family medicine Saudi fellowship from the Saudi Commission of Health Specialist in 2010.
- Bachelor's degree medicine and surgery from King Saud University in 2004.

Practical Experiences

- Member of professional council for doctors at the Saudi Commission of Health Specialist in 2017.
- Consultant and director of Palliative Care Medicine Fellowship Program at King Abdulaziz Medical City in 2016.
- Joint consultant at King Abdulaziz Medical City in 2014.
- Consultant physician of family medicine at King Abdulaziz Medical City in 2010. .

B. Audit Committee Members

Mr.Mohammed Aloyaidi

Current Positions

- Aloyaidi Certified Puplic Accountants

Practical Qualifications

- Bachelor's degree in Accounting, year of 2005, from King Saud University.
- MBA in Business Administration from Oklahoma City University- USA.
- Certified Public Accountants by the Saudi Organization for Certified Public Accountants (SOCPA).
- CPA) New Hampshire Board of Accountancy, USA
- Certified economic establishment valuer by the Saudi Authority for accredited Valuers.

Practical Experiences

- Ernst & Young (2005 to 2009)
- World Bank (2009 to 2010)
- Capital Market Authority (2010 to 2015)
- KPMG Al Fozan & Partners (2015 to 2016)
- Imam Muhammad Ibn Saud Islamic University (2016 to 2017)

Mr. Abdulaziz Al- Babtain

Current Positions

» Chief Internal Auditor at the NSCSA "Bahari".
» Audit Committee member at the Mediterranean and Gulf
» Cooperative Insurance and Reinsurance Company (MEDGULF)
» Audit Committee Member at NCB Capital
» Audit Committee member at King Faisal Specialist Hospital.
» Audit Committee chairman at Saudi Real Estate Infrastructure Company (BINYAH).
» Audit Committee member at the Saudi Authority for Intellectual Property.
» Audit Committee member at Saudi Customs.

Practical Qualifications

» Bachelor's degree in accounting from King Saud University-kingdom of Saudi Arabia.
» MBA in finance from University of Portsmouth- the UK.

Practical Experiences

» Senior Auditor at KPMG Company (2004 to 2008).
» Internal audit manager at Al-Rajihi in 2011.
» Internal audit manager at the Saudi Hollandi Bank.

Mr. Abdulaziz Al-hashemi

Current Positions

» Retired Saudi Aramco CEO since 2014.
» Practical experience exceeds 34 years at Saudi Aramco, including the following:
- Leadership positions in financial and treasury affairs.
- Leadership position in Human Resources affairs.
- Internal Audit Department General Manager.

» Audit Committee member at the Saudi Aerospace Engineering Industries.
» Audit Committee member at the Saudi Company for Investment for Information Exchange and Electronics Tabadul.
» Audit Committee member at the Saudi Industrial Investment Company.

Practical Qualifications

» MBA in business administration from King Fahd University of Petroleum and Minerals in Dhahran in 1980.

» Bachelor's degree in applied mechanical engineering from King Fahd University of Petroleum and Minerals in Dhahran in 1977.

Practical Experiences

» Audit Committee member at The National Energy Services Company (NESCO) | Tarshid.

C. Nomination and Remuneration Committee Members

Mr. Youssef Al Yousefi

Current Positions

» CEO in JOA Financial Co.

Practical Qualifications

» MBA in business administration, year of 2010, from Harvard University-USA.
» Bachelor's degree in electric engineering, year of 2003, from University of Colorado- USA.

Practical Experiences

» Energy sector analyzer at Passport Capital, LLC, a limited liability company located in California-USA, it is specialized in providing investment consultation (2011 to 2012).
» Consultant at King Abdullah Petroleum Studies and Research Center (KAPSARC), non-profit institution (2010 to 2011).
» Joint official at private equity department, Jadwa Investment, a joint stock company located in Riyadh and specialized in financial services (May 2009 to August 2009).
» Consultant at BOOZ & CO, known recently as (&Strategy), a joint stock company located in the USA, working in the field of providing consultation During 2008.
» Petroleum engineer at Schlumberger Limited, a joint stock company located in Texas State, USA, working oil and gas sector and oil exploration and extraction (2004 to 2005).
» Communication engineer at Saudi Aramco that works in the oil and gas sector (2004 to 2005).

Mr. Rakan Abunayyan

Current Positions

» Chief Investment officer/ Abunyan Holding

Practical Qualifications

» Bachelor's degree in accounting from King Saud University in 2001.
» MBA in financial administration from University of Illinois at Urbana-Champaign in 2005.
» American Certified Public Accounting from California Board of Accountancy in 2005.

Practical Experiences

» Economy Researcher at the Saudi Central Bank. 2001 to 2003.
» Finance and economy lecturer at King Fahd University of Petroleum and Minerals (2003 to 2007).
» Corporate financing manage at MEFIC Capital (2007 to 2010).

Dr. Ahmed bin Ahmed

Current Positions

» Board member of Saudi Authority for Professional Doctors (Saudi Commission of Health Specialist).
» Palliative Care Medicine Fellowship Program Manager- King Abdulaziz Medical City.
» Palliative Care Medicine Consultant-King Abdulaziz Medical City.

Practical Qualifications

» Palliative care medicine specialized fellowship from the Saudi Commission of Health Specialist in2004.
» Family medicine Arab fellowship from the Arab National Council in 2011.
» Family medicine Saudi fellowship from the Saudi Commission of Health Specialist in 2010.
» Bachelor's degree medicine and surgery from King Saud University in 2004.

Practical Experiences

» Member of professional council for doctors at the Saudi Commission of Health Specialist in 2017.
» Consultant and director of Palliative Care Medicine Fellowship Program at King Abdulaziz Medical City in 2016.
» Joint consultant at King Abdulaziz Medical City in 2014.
» Consultant physician of family medicine at King Abdulaziz Medical City in 2010.

D. Executive Committee members

Mr. Rakan Abunayyan

Current Positions

» Chief Investment officer/ Abunyan Holding

Practical Qualifications

» Bachelor's degree in accounting from King Saud University in 2001.
» MBA in financial administration from University of Illinois at Urbana-Champaign in 2005.
» American Certified Public Accounting from California
» Board of Accountancy in 2005.

Practical Experiences

» Economy Researcher at the Saudi Central Bank. From 2001 to 2003.
» Finance and economy lecturer at King Fahd University of Petroleum and Minerals (2003 to 2007).
» Corporate financing manage at MEFIC Capital (2007 to 2010).

Eng. Raad Al Barakati

Current Positions

» Vice chairman of strategic partnerships and business development- the Saudi Center for International Strategic
» Partnerships (SCISP)

Practical Qualifications

» Bachelor's degree in industrial system engineering , year of 1997, from King Saud University-Kingdom of Saudi Arabia.

Practical Experiences

» The Banque Saudi Francsi (2005 to 2010).
» Tlol Constructions (2010 to 2015).
» The Saudi Investment Bank-Regional Head of the middle region-corporate banking at SAIB (2015 to December 2018).
» January 2019 to November 2019: General manager assistant-Financial structure department-corporate banking. SAIB.

Mr.Suliman Alobaid

Current Positions

» Chief Operating Officer at Samba Financial Group

Practical Qualifications

» Bachelor's degree in computer information system, from King Saud University-Riyadh-Kingdom of Saudi Arabia. In 1997.

Practical Experiences

» General manager, Information Technology and Common Services group at The Saudi Investment Bank from 2011 to 2019.
» General manager at Al Rajhi Bank from 2007 to 2011.
» General Manager of Information Technology and Common Services group at Al Rajhi Bank from 2005 to 2007.
» Manager of information technology at Al Rajhi Bank from 2004 to 2005.
» Senior Director in Al Rajhi Bank from 2000 to
» 2004, and Financial Analyst from 1997 to 2000.

E. Investment Committee Members

Mr. Mohammed bin Dawood

Current Positions

» Mohammed bin Saad bin Dawood office for Financial and Administrative Consultations (August 2018 to date).

Practical Qualifications

» Bachelor's degree in accounting, year of 1966, from King Saud Universuty

Practical Experiences

» Mohammed bin Saad bin Abdulaziz bin Dawood office for Financial and Administrative Consultations (2018 to date).
» Managing Director of Manafea Investment Company – (March 2018 to July 2018).
» CEO of Mohammed Abdulaziz Al-Rajhi and Sons Investment Company. (August 2014 to March 2018).
» General Manager, Corporate Banking Services

» – The Saudi British Bank (SABB) (July 2013 August 2014).
» Deputy General Manager, Corporate Banking Services – Arab National Bank (February 2004 to July 2013)
» Director of Commercial Banking Services in the Central Region – The Saudi British Bank (SABB) (2002 to February 2004).
» Senior Corporate Relationship Manager – Arab National Bank (1998 to 2002).
» Corporate Relationship Manager – (The Saudi British Bank) (1996 to 1998).

Mr. Youssef Al Yousefi

Current Positions

» CEO in JOA Financial Co.

Practical Qualifications

» MBA in business administration, year of 2010, from Harvard University-USA.
» Bachelor's degree in electric engineering, year of 2003, from University of Colorado- USA.

Practical Experiences

» Energy sector analyzer at Passport Capital, LLC, a limited liability company located in California-USA, it is specialized in providing investment consultation (2011 to 2012).
» Consultant at King Abdullah Petroleum Studies and Research Center (KAPSARC), non-profit institution (2010 to 2011).
» Joint official at private equity department, Jadwa Investment, a joint stock company located in Riyadh and specialized in financial services (May 2009 to August 2009).
» Consultant at BOOZ & CO, known recently as (&Strategy), a joint stock company located in the USA, working in the field of providing consultation During 2008.
» Petroleum engineer at Schlumberger Limited, a joint stock company located in Texas State, USA, working oil and gas sector and oil exploration and extraction (2004 to 2005).
» Communication engineer at Saudi Aramco that works in the oil and gas sector (2004 to 2005).

Mr. Rakan Abunayyan

Current Positions

» Chief Investment officer/ Abunyan Holding

Practical Qualifications

» Bachelor's degree in accounting from King Saud University in 2001.

- MBA in financial administration from University of Illinois at Urbana-Champaign in 2005.
- American Certified Public Accounting from California Board of Accountancy in 2005.

Practical Experiences

- Economy Researcher at the Saudi Central Bank.
- From 2001 to 2003.
- Finance and economy lecturer at King Fahd University of Petroleum and Minerals (2003 to 2007).
- Corporate financing manage at MEFIC Capital (2007 to 2010).

F. Risk Management Committee Members

Mr. Mohamed Ben Omar Aloyaidi

Current Positions

- Aloyaidi Certified Puplic Accountants

Practical Qualifications

- Bachelor's degree in Accounting, year of 2005, from King Saud University.
- MBA in Business Administration from Oklahoma City University- USA.
- Certified Public Accountants by the Saudi Organization for Certified Public Accountants (SOCPA).
- CPA) New Hampshire Board of Accountancy, USA
- Certified economic establishment valuer by the Saudi Authority for accredited Valuers.

Practical Experiences

- Ernst & Young (2005 to 2009)
- World Bank (2009 to 2010)
- Capital Market Authority (2010 to 2015)
- KPMG Al Fozan & Partners (2015 to 2016)
- Imam Muhammad Ibn Saud Islamic University (2016 to 2017)

Mr. Suliman Alobaid

Current Positions

» Chief Operating Officer at Samba Financial Group

Practical Qualifications

» Bachelor'sdegree in computer information system, from King Saud University-Riyadh-Kingdom of Saudi Arabia. In 1997

Practical Experiences

» General manager, Information Technology and Common Services group at The Saudi Investment Bank from 2011 to 2019.

» General manager at Al Rajhi Bank from 2007 to 2011.

» General Manager of Information Technology and Common Services group at Al Rajhi Bank from 2005 to 2007.

» Manager of information technology at Al Rajhi Bank from 2004 to 2005.

» Senior Director in Al Rajhi Bank from 2000 to 2004, and Financial Analyst from 1997 to 2000.

Mr. Abdulaziz Al Zammam

Current Positions

» Chief Audit Executive at Bank Aljazira

Practical Qualifications

» Bachelor Degree in Computer Science.

» Masters of Science in Information Security.

Practical Experiences

» Banking Inspector at SAMA 2002-2010.

» Audit and Compliance at Ministry of Communication and IT 2010- 2013.

» VP – Audit Division Head at Riyad Bank 2013- 2019.

G.Governance Committee Members:

Mr. Zaid Almufareh

Current Positions

» Chief Executive Officer of Albilad Capital.

Practical Qualifications

» Bachelor of Business Administration and Information Science, Chubu University, Nagoya, Japan in 2003.

» Master of Economics, State University of New York, The United States of America in 2007.

Practical Experiences

» Capital Market Authority/ Manager of investment funds department. From 2007 to 2015.

Mr. Youssef Al Yousefi

Current Positions

» CEO in JOA Financial Co.

Practical Qualifications

» MBA in business administration, year of 2010, from Harvard University-USA.

» Bachelor's degree in electric engineering, year of 2003, from University of Colorado- USA.

Practical Experiences

» Energy sector analyzer at Passport Capital, LLC, a limited liability company located in California-USA, it is specialized in providing investment consultation (2011 to 2012).

» Consultant at King Abdullah Petroleum Studies and Research Center (KAPSARC), non-profit institution (2010 to 2011).

» Joint official at private equity department, Jadwa Investment, a joint stock company located in Riyadh and specialized in financial services (May 2009 to August 2009).

» Consultant at BOOZ & CO, known recently as (&Strategy), a joint stock company located in the USA, working in the field of providing consultation During 2008.

» Petroleum engineer at Schlumberger Limited, a joint stock company located in Texas State, USA, working oil and gas sector and oil exploration and extraction (2004 to 2005).

» Communication engineer at Saudi Aramco that works in the oil and gas sector (2004 to 2005).

Dr. Ahmed bin Ahmed

* appointed as Chairman of the committee in 01/12/2020

Current Positions

- Board member of Saudi Authority for Professional Doctors (Saudi Commission of Health Specialist).
- Palliative Care Medicine Fellowship Program Manager-King Abdulaziz Medical City.
- Palliative Care Medicine Consultant-King Abdulaziz Medical City.

Practical Qualifications

- Palliative care medicine specialized fellowship from the Saudi Commission of Health Specialist in2004.
- Family medicine Arab fellowship from the Arab National Council in 2011.
- Family medicine Saudi fellowship from the Saudi Commission of Health Specialist in 2010.
- Bachelor'sdegree medicine and surgery from King Saud University in 2004.

Practical Experiences

- Member of professional council for doctors at the Saudi Commission of Health Specialist in 2017.
- Consultant and director of Palliative Care Medicine Fellowship Program at King Abdulaziz Medical City in 2016.
- Joint consultant at King Abdulaziz Medical City in 2014.
- Consultant physician of family medicine at King Abdulaziz Medical City in 2010. .

H. Executive Management

Dr. GOETZ F. KURAS

Current Positions

- Chief Executive Officer

Practical Qualifications

- M.Phil., Mathematics, Physics, University of Graz, Austria, 1995.
- MA, Applied Mathematics and Physics, Florida State University, Tallahassee, Florida, US, 1996.
- Ph.D. in Theoretical Physics, University of Cambridge, Cambridge, England, UK, 2001.

Practical Experiences

- OLIVER WYMAN: London, Moscow, and Dubai offices 2006.
- Senior Partner, Head of Insurance MENA, Dubai, UAE 2016 – 2021.

Mr. Umar Abdul Rahman Al Mahmoud

Current Positions

» Deputy CEO & Chief Operation Officer

Practical Qualifications

» Bachelor Degree in information systems from King Fahd University of Petroleum and Minerals.

Practical Experiences

» Head of System Development Tawuniya 2011-2014.
» VP Assistance Medical and Takaful Tawuniya 2014-2016.
» Board Member in Waseel and head of Audit committee 2019.

Mr. Abdulaziz Ibrahim AlRuqi

Current Positions

» Deputy Chief Financial Officer & Acting Chief Financial Officer

Practical Qualifications

» Bachelor Degree in Business Administration from King Fahd University of Petroleum and Minerals.

Practical Experiences

» Credit Consultant, Saudi Industrial Development Fund 2012-2015.
» Credit Team Leader, Saudi Industrial Development Fund 2015-2018.

Mr. Sohail Hayyan

Current Positions

» Chief Investment Officer

Practical Qualifications

» Bachelor's Degree in Finance
» Post graduate diploma in Organizational leadership
» CFA
» CAIA
» CMT

Practical Experiences

- Senior Financial Analyst at SAAD Group 2005-2007.
- Head of Asset Management at Alistithmar Capital 2007 – 2018.
- Head of Asset Management at FALCOM Financial Services 2018 – 2019.

Mrs. Maysa Hamad AlYoussef

Current Positions

- HR Center of Excellence General Manager & Acting CHRAO

Practical Qualifications

- MSc Nottingham Trent University 2011

Practical Experiences

- Regional HR Head – Central & Northern Regions & Ladies Dep't Manager & Feminization Head KSA (2012 - 2018) LANDMARK ARABIA.
- HR Adviser- Director (2018 - 2020) – ARADAR.
- HR Central of Services General Manage 2020 - 2021 (Medgulf).

Mr. Saleh Ali Al- Suqair

Current Positions

- Legal and Governance Affairs General Manager, Board Secretary

Practical Qualifications

- Bachelor's degree in administrative science from King Saud University.
- Master of Banking Law- America
- Master of Insurance Law- America

Practical Experiences

- Head of legal Department and The Board secretary- Samba Capital & Investment Management Company
- Specialist- Capital Market Authority from 2015 to 2018.
- Legal Researcher-Saudi Stock Exchange from 2007 to 2011.

Mr. Ramy Omar Al-Hoshan

Current Positions

- Chief Commercial Officer

Practical Qualifications

» MA - Prince Sultan University, 2009

Practical Experiences

» Tawuniya Insurance 2001 - 2008: General Manager Franchise.
» Sanad Cooperative Insurance and Reinsurance Company 2008-2009: Director of the Central Region.
» Malath Cooperative Insurance Co 2009-2015 : Senior Manager – Central Region Office.

Mr. Saad Abdullah Al-Shahrani

Current Positions

» General Manager of Cyber Security

Practical Qualifications

» Master,s degree in Information Systems, Al Yamamah University

Practical Experiences

» Founder, CTO, Future Face 2018.
» Director of IT Infrastructure and Cyber Security, Al-Khorayef Group 2018-2020.

Mr. Norman Uhde.

Current Positions

» Transformation General Manager

Practical Qualifications

» UNIVERSITY OF COOPERATIVE EDUCATION OF SAXONY Leipzig, Germany Bachelor of Arts (Diplom Betriebswirt FH) 2000 – 2003.

Practical Experiences

» ALLIANZ RUSSIA/ ALLIANZ LIFE : Chief Sales Officer, Member of Board 2009-2017.
» PAO CK ROSGOSSTRAKH : Director and Deputy Head of Regional Sales and Business Development 2018-2019.
» INDUSTRY CONSULTANCY (WHILE UNDERTAKING MBA) 2020.

Mr. Mishal Khaled AlRasheed

Current Positions

» Client General Manager

Practical Qualifications

» LOMA Canada in 2014: Fellow, Life Management Institute (FLMI).
» EC-Montreal in 2013: English- language Diploma.
» Banking Institute in 2011: Insurance Foundation Certificate Exam (IFCE)
» American University in London (2009): Bachelor of Business Administration (BBA).
» University of Technology (2006): Computer Technology (Programming) Diploma.

Practical Experiences

» Takaful Sales Advisor at Al-Rajihi Takaful (2006-2008).
» Financial Planning Officer in SABB Bank (2008-2009).
» Unit Manager at Allianz Saudi Fransi (2011-2009).
» Assistant Branch Manager at Allianz Saudi Fransi (2011).
» Senior Manager at Allianz Saudi Fransi (2011-2012).
» Central Regional Retail Manager at MEDGULF Company (2015).
» 2015-2017: Retail sales operationa Manager at MEDGULF Company
» 2017-2019: The Head of sale points and Agents at MEDGULF Company.

Mr. Nawaf Aloreny

Current Positions

» Risk Management. General Manager

Practical Qualifications

» Bachelor's degree in mechanical Engineering from the King Saud University, Riyadh.

Practical Experiences

» 1997-1999: Operations engineer, Vinnle Arabia, Riyadh.
» 1999-2000: Junior Official (executive development program) at SABB Bank, Riyadh.
» 2000-2004: Corporate Relationship Manager, The Saudi British Bank, Riyadh.
» 2004-2007: Corporate team leader,
» HSBC, Dubai, the United Arab Emirates.
» 2007-2008: Leader of the team affiliated to corporate Banking services manager, Jeddah.

- 2008-2011: Head of Corporate Banking Group, the Saudi Hollandi Bank.
- 2011-2013: Head of regional companies, The Saudi British Bank.
- 2014-2015 Senior Manger Wholesale and Markets Risk, SABB Bank.
- 2015-2019 Head of Credit Review and Risk Identification, SABB Bank.

Mr. Waqar Afzal

Current Positions

- Actuarial Director

Practical Qualifications

- BA Furman Christian College 2002

Practical Experiences

- Arch Insurance International : Sr. Actuarial Analyst, Risk Management 2015-2018.
- Arch Insurance International : Risk & Capital Actuary, Risk Management 2018-2020.
- Arch Insurance International : Head of Capital, Actuarial 2020 – 2021.

21. Board Functions

- Adopt and oversee the implementation of the company's trends, strategic plans, and main objectives, including the development of the company's overall strategy and main business plans, identification of the optimal capital structure and financial objectives of the company, supervision of the company's main capital expenditures, and the periodic review and approval of the company's organizational and functional structures.
- Develop policies and procedures that ensure the Company's respect to laws and regulations, its obligation to disclose material information to shareholders, creditors and stakeholders.
- Develop a company governance law that does not conflict with the regulation provisions issued by the Capital Market Authority and the regulation issued by the Saudi Central Bank, in addition to supervise it, observe its effectiveness and amend it, if required.
- Follow an obvious and transparent policy regarding share dividend distribution in a manner that achieves stakeholders and the company interests meanwhile.
- Develop a written policy that regulates the relationship with Stakeholders to protect them and reserve their rights.
- Develop and oversee laws and controls for internal control, supervising them as well.
- Supervise, approve, review and update all written policies and main procedures at the company regularly.
- Adopt the committee recommendation regarding the appointment of CEOs at the main centers and ensure that the company has a proper policy to replace a suitable alternative person to be qualified to work and have the required skill.
- Supervise the senior management and monitor company performance against the performance goals set by the Board.

22. Board of Directors Formation and Categorization of its Members:

The following table shows the categorization of the Board of Directors members as independent, executive and non-executive members:

Name of the Board Member	Position	Membership categoriza-tion		
		Independent	Executive	Non-executive
Mr. Rakan Abduallah Abunayyan	Chairman			✓
Eng. Raad Ghaith Al Barakati	Board Vice-Chairman	✓		
Mr. Youssef Mohammed Al Yousefi	Member	✓		
Mr. Mohammed Saad bin Dawood	Member	✓		
Mr. Mohammed Omar Aloyaidi	Member	✓		
Mr. Suliman Alobaid	Member			✓
Dr. Ahmed bin Ahmed	Member	✓		

23. Number of Board Meetings and Attendance Record:

The Board has conducted Five meetings during the financial year 2021 and their attendance record was according to the below table, noted that (✓) is marked as attended, (x) as absent and (-) as his membership expiration or it has not started yet:

Name of the Board Member	First meeting 30/3/2021	Second Meeting 26/5/2021	Third Meeting 13/7/2021	Fourth meeting 29/9/2021	Fifth meeting 29/12/2021
Mr. Rakan Abunyan	✓	✓	✓	✓	✓
Eng. Raad Al Barakati	✓	✓	✓	✓	✓
Dr. Ahmed bin Ahmed	✓	✓	✓	✓	✓
Mr. Suliman Alobaid	✓	✓	✓	✓	✓
Mr. Youssef Al Yousefi	✓	✓	✓	✓	✓

Mr. Mohammed Aloyaidi	✓	✓	✓	✓	✓
Mr. Mohammed bin Dawood	✓	✓	✓	✓	✓

24. Names of companies inside or outside KSA for which a BOD member is a member of their current or previous BOD or of their directors:

The following table shows the names of companies inside or outside KSA for which a BOD member is a member of their current or previous BOD or of their directors:

BOD Member Name	Names of companies inside or outside KSA for which a BOD member is a member of their current BOD.	Names of companies inside or outside KSA for which a BOD member is a member of their previous BOD.
Mr. Rakan Abunyan	» BOD member of Abdullah Abunayyan Trading Corporation (ATC) » BOD member of Abunayyan Electric Corporation » Venture Trading Company » BOD member of Industrial Instrumentation & Control Systems Ltd » BOD member of Jubar International Contracting Co » BOD member of Cityscape planning Company » BOD member of Middle East for Agriculture Company » BOD member of Electronic and Electrical Industries Corporation » BOD member of Arabian Qudra Company (AQC) » BOD member of Saudi Meters Company Ltd » Board member of Kima Oil Industrial Company (KIMA) » BOD member of American Express (Saudi)	» BOD member of Saudi Tambin Co. Ltd » BOD member of Ehata Financial Company » Member of Executive Committee of International Vision Investment Company

Mr. Youssef Al Yousefi	» CEO in JOA Financial Co » Founder of S3 Ventures Capital Fund » BOD member of Saudi Post Corporation » BOD member of Postal and Logistics Services Company » BOD member of Saudi Airlines Catering Company » BOD member of Saudi Fransi Capital Co since 2017 to 2021. » BOD member of MEDGULF , and Nomination and Remuneration Committee Chairman » Member of the following committees in MEDGULF : » Governance Committee Member » Investment Committee Member » BOD member of the Automotive Services and Equipment Company » BOD member of Bawami Renewable Energy Company » Founding Managing Partner of Future Generation Investment Company (Marco for Strategic Consulting)	» BOD member of Leejam Sports Company, from 2017 to 2018G and (Chairman) of the Nominations and Remuneration Committee.

Mr. Mohammed bin Dawood	» Investment Committee Chairman of Abdullatif Alissa Group Holding Co. » Investment Committee Member of Real Estate Development Fund, Ministry of Housing. » Executive Committee Member of Dar Al Tamleek Company » Audit Committee Chairman of Mohammed Abdulaziz Al- » Rajhi & Sons Investment Company » BOD Chairman of Manafea Investment Company » BOD Chairman of Alpha Finance Company » Executive Committee Member of Saudi Chemical Company Ltd. » Executive Committee Member of Saudi Real Estate Company (SRECO) » Executive Committee Member of Fiber Glass Oasis Company (FGOC) » BOD Chairman of Aqalat limited » Risk Committee Member of Saudi Ground Services » Governance Committee Member of Thiqah Business Services	» Industrial Committee Member of Riyadh Chamber » BOD Member of Al-Arabi Investment Company » BOD Member of SABB Takaful Company » BOD Member of Saudi Home Loans Company (SHL) » BOD Member of Al-Arabi Heavy Equipment Company » BOD Member of Al Jazirah Home Appliances Co. Ltd » BOD Member of Falcon Plastic Products Company » Audit Committee Member of Al-Rajhi Steel Industries Limited Company (Rajhi Steel)

Mr. Mohammed Aloyaidi	» Audit Committee Member of Saudi Real Estate Refinance Company » Audit Committee Member of Batec Logistics Company (Audit Committee Member) » Imam Muhammad bin Saud Islamic University (Accounting Advisory Department Council Member) » Al-Ahly REIT Fund (Independent BOD Member) » Saudi Organization for Certified Public Accountants in KSA » (Auditing Standards Committee Member)	» Independent BOD Member and Audit Committee Chairman of Jazan Energy and Development Company from 2017 to 2018G » Audit Committee Member of Al Sagr Insurance Company » Saudi Organization for Certified Public Accountants in KSA (Member team of Updating Auditing Standards to International Standards
Eng. Raad Al Barakati	» Vice President for Strategic Partnesrships and Business Development - The Saudi Center for International Strategic Partnerships (SCISP). » Chief Admin Officer – Saudi national bank	» CEO of Tlol Constructions Company, a Saudi limited liability company. » BOD member and Chairman of Credit and Risk Committee and Investment Committee for Financial Investment, a Saudi closed joint stock company.

Mr. Suliman Alobaid	» Chief Admin Officer – Saudi national bank	» BOD member of American Express (Saudi) from 2013 to 2020G. » General Manager of Information Technology and Common Services Group at Saudi Investment Bank from 2011 to 2019G.

25. Means which the Board relied on while evaluating its performance and committees, members and the third party which conducted the evaluation process and its relation with the company, if any:

A. BOD's Performance Evaluating

BOD member and committees shall be evaluated periodically to ensure that they comply with the standards and requirements defined in the specified procedures for membership in the BOD and ensure that they also comply with the requirements of all laws, regulations, and instructions issued by the Saudi Central Bank (SAMA) and the Capital Market Authority.

The Nomination and Remuneration Committee shall evaluate the BOD members and the entire Board periodically at a minimum once a year, and comply with the evaluation's confidentiality. The evaluation process shall be through a periodic evaluation for each BOD member and the emanating committees, whereas the Nomination and Remuneration Committee members evaluate the BOD members and its committees. While the Chairman and other BOD members evaluate the Nomination and Remuneration Committee members who are part of BOD members.

B. Means which the Board relied on while evaluating its performance and committees, members and the third party which conducted the evaluation process and its relation with the company, if any:

The Nomination and Remuneration Committee applied the evaluation policy, as defined the highest standards for evaluating each member separately, and adopted updated forms to evaluate the BOD members and the emanating committees and the Board function as a whole.

26. Remuneration and Compensation paid to BOD members and Company's Senior Executives (including the CEO and CFO)

I Remuneration policy and how to determine the remuneration of BOD members and the Executive Management

The Company's Ordinary General Assembly, held on 25/03/2019G, approved the remuneration and compensation policy for BOD members, emanating committees and executive management, which is consistent with Article 19 of the company's Articles of Association:

A: Board of Directors: Under Article 6 of the company's remuneration policy, the maximum total remuneration shall not exceed (500,000) SAR for the chairman and BOD members for their BOD membership and their participation in its duties, including remuneration in case that the member participates in the emanating committees as follows:

1. BOD Chairman, 260,000 SAR annually.
2. BOD Vice Chairman, 230,000 SAR annually.
3. BOD members, 200,000 SAR annually.
4. BOD's Meetings attendance allowance, 3000 SAR for the meeting, provided that the number of meetings shall not exceed 10 meetings a year and shall not include accommodation and travel costs.
5. As a part of benefits in kind, Provides the BOD member and his family with the health insurance for the occupational risks that they may face.
6. Travel and Accommodation Costs: Remuneration in kind according to the company's travel rules policy.
7. The annual remuneration value shall be divided into four (4) quarters, each quarter represents

three months, and shall be paid to the BOD members on a quarterly basis.

8. Under Article five of the company's remuneration policy, which stipulates that if the remuneration from the company's dividends, it shall not exceed (10%) of the company's net profits after deducting of

reserves and distributing dividends to shareholders by at least 5% of the paid-in capital to the company, provided that this remuneration shall be in consistent with the number of meetings attended by the concerned BOD member.

B: BOD Committee: Under Article 6 of the company's remuneration policy, the maximum total remuneration shall not exceed (500,000) SAR for the chairman and BOD members for their BOD membership and their participation in its duties, including remuneration in case that the member participates in the emanating committees as follows:

1. Committee chairman, 100,000 SAR annually.
2. Committee members. 900,000 SAR annually.
3. Committee Meetings attendance allowance, 2000 SAR provided that the number of meeting shall not exceed 10 meetings a year and shall not include accommodation and travel costs.
4. As a part of benefits in kind, Provides the Committee member and his family with the health insurance for the occupational risks that they may face.
5. Travel and Accommodation Costs: Remuneration in kind according to the company's travel rules policy.
6. The annual remuneration value shall be divided into four quarters, each quarter represent three months, and shall be paid to the Committee members on a quarterly basis.

A. Executive Management:

According to the company's remuneration policy, the company shall pay a basic salary monthly and allowances, as necessary, and in accordance with the company's internal regulations. As well as an annual bonus based on the annual and performance evaluation for the individual at the BOD discretion.

II: Relationship between the paid Remuneration and applicable Remuneration Policy Remuneration Policy xecutive Management:

Applicable Remuneration Policy which approved by General Assembly on 25/03/2019G was applied when they paid remuneration to BOD and Committee members, and there are no substantial irregularities. Whereas the total remuneration paid to each member of BOD and Committee did not exceed the (500,000) SAR annually, as stipulated in Article (19) of the Company's Articles of Association

III: BOD Members Remuneration

	Fixed Remuneration						Variable Remuneration								
	Specific amount	Allowance for attending Board meetings Total Allowance for attending committee	In-kind benefits	Remunerations for technical, managerial	Remunerations of the chairman, Managing Director or Secretary, if a	Total	Percentage of the profits	Periodic remunerations	Short-term incentive plans	Long-term incentive plans	Granted shares (insert the (value	Total	End-of-service award	Aggregate Amount	Expenses Allowance
I Independent members															
Mohammed Al-Ayidi	200,000	15,000			215,000										
Raad Al- Barakati	230,000	15,000			245,000										
Mr. Mohammed bin Dawood	200,000	15,000			215,000										
Youssef Al-* Yousifi	200,000	15,000			215,000										

Ahmed bin Ahmed	200,000	15,000			215,000										
II: Non-Executive members															
Mr. Rakan Abunyan	260,000	15,000	-	-	275,000										
Mr. Suliman	200,000	15,000	-	-	215,000										
Alobaid	-	-	-	-	-										
Total	1,490,000	105,000	-	-	1,595,000										

IV Committee Members Remunerations

	Fixed Remuneration (for the allowance for attending Board meetings)	Allowance for attend-ing Board meetings	Total
Audit Committee Members			
Mr. Abdulaziz Ababtain	90,000	18,000	108,000
Mr. Mohammed Aloyaidi	100,000	18,000	118,000
Mr. Abdulaziz Al-Hashemi	90,000	18,000	108,000
Total	280,000	54,000	334,000
Executive Committee Members			
Raad Al-Barakati	100,000	20,000	120,000
*Rakan Abunyan	90,000	20,000	110,000
Suleiman Al-Obaid	90,000	20,000	110,000
Total	280,000	60,000	340,000
Investment Committee Members			
*Mr. Rakan Abunyan	90,000	8,000	98,000
*Youssef Al-Yousifi	90,000	8,000	98,000

Mohammed bin Dawood	100,000	8,000	108,000
Total	280,000	24,000	304,000
Risk Management Committee Members			
Mohammed Al-Ayidi	90,000	8,000	98,000
Suleiman Al-Obaid	100,000	8,000	108,000
Abdulaziz Al-Zimam	90,000	8,000	98,000
Total	280,000	24,000	304,000
Nomination and Remuneration Committee Mem-bers			
*Rakan Abunyan	90,000	14,000	104,000
Youssef Al-Yousifi	100,000	14,000	114,000
Ahmed bin Ahmed	90,000	14,000	104,000
Total	280,000	42,000	322,000
Governance Committee Members			
Zaid Al-Mufarah	90,000	4,000	94,000
Ahmed bin Ahmed	100,000	4,000	104,000
Youssef Al-Yousifi	90,000	4,000	94,000
Total	280,000	12,000	292,000

Fifth: Remunerations of five Senior Executives

SeniorExecutives	Fixed remuneration				Variable Remuneration						End-of-service award	Total remunerations for Board executiv es, if any	Total
	Salary	Allow-ance	In-kind bene-fits	Total	Periodic remu-nera-tions	Profits	Short-term iin-centive plans	Long-term promo-tional plans	Granted shares (insert the	Total			
Chief Executive Officer (CEO)	187,500	62,501	Vehicle	25,001									2,250,000
Deputy CEO & Chief Opera-tion Officer	84,444	55,556		140,000									1,680,000
Chief Financial Officer(CFO)	48,148	25,550		73,698									884,376
Chief Human Resources and Administration Affairs Officer(CHRO)	51,852	26,846		78,698									944,376
Chief Commercial Officer	80,000	28,000		108,000									684,000
Total	451,944	198,453		650,397									6,406,752

* As stipulated in article (19) of the company's Bylaw , The total Remunerations granted to each member of the Board of Directors and committees members and from it must not exceed SAR 500,000 per year.

27. brief description of the committees› competencies and tasks

The Board of Directors has formed six committees to help it perform its duties effectively, which are the Audit Committee, the Nomination and Remuneration Committee, the Executive Committee, the Investment Committee, the Risk Committee and the Governance Committee. The Board of Directors follows up on the committees 'work periodically to verify that they are carrying out the tasks assigned to them. The committees also inform the Board of Directors periodically and with absolute transparency of what they do or reach from the results or take decisions. However, despite the formation of these committees, the final responsibility for the company remains with the board of directors.

The following paragraphs will provide a brief description of the competencies of the aforementioned board committees, with the names of these committees, their chairmen, members and the number of their meetings mentioned.

1- Audit Committee:

A. The objectives and terms of reference of the Audit Committee

A. The objectives of the audit committee are as follows:

- Assisting the Board of Directors in fulfilling its responsibilities, and in particular assisting in verifying the adequacy of the internal control system and its effective implementation.
- Study the annual and interim financial statements before they are approved by the Board of Directors and published.
- Study the accounting policies adopted by the company before adopting them and any change in these policies.
- Verifying the adequacy of the design of the supervisory activities in the company, the efficiency of the supervisory apparatus and the internal audit.
- Supervising the investigation processes related to fraud, errors or fraud that occur in the company, or any other matters that the committee deems important to investigate.
- Study the reports and notes provided by the company's external auditor and external supervisory bodies such as the Central Bank of Saudi Arabia, the Zakat and Income Authority, the Ministry of Commerce and Investment, the Capital Market Authority, and other relevant authorities, in order to verify that appropriate measures have been taken to address the matters included in these reports and notes.
- Nominating the company's external auditors according to specific selection procedures in the committee's work rules.

Verifying the professionalism and independence of the internal auditors, studying the internal audit work plan in the company, the scope of the examination and the reports issued by it, submitting any proposals that would confirm the independence of the internal auditors, and raising the efficiency of their work at a reasonable cost.

Approving and implementing the company's system of regulatory control, supervising its business, submitting its recommendations to the Board of Directors and other statutory bodies, and ensuring the independence of the Compliance Department.

B. Members of the Audit Committee

Name of the committee member	Position	Membership rating		
		Independent	Executive	Non-executive
Mr / Mohammed Alo-yaidi	Chairman of the Committee	✓		
Mr r / Abdulaziz Ababtain	A member from outside the board			✓
Mr Abdulaziz Al-Hashemi	A member from outside the board	✓		

A. Audit committee meetings and attendance record

The committee maintained direct and continuous contact with the relevant departments of the company, such as the Internal Audit Department, the Compliance Department and other departments. During the fiscal year 2021 AD, the Audit Committee held nine meetings to follow up and implement the tasks assigned to it, and the attendance record was in accordance with the table below, noting that the mark (✓)

Name of the committee member	Mr. Mohammed Aloyaidi	Mr. Abdulaziz Ababtain	Mr. Abdulaziz Al-Hashemi
First meeting 12/1/2021	✓	✓	✓
Second meet-ing 1/3/2021	✓	✓	✓
Third meeting 8/3/2021	✓	✓	✓
Fourth meeting 2/5/2021	✓	✓	✓
Fifth meeting 10/6/2021	✓	✓	✓
Sixth meeting 3/8/2021	✓	✓	✓
Seventh meeting 3/11/2021	✓	✓	✓
Eighth meeting 16/12/2021	✓	✓	✓
Ninth meeting 30/12/2021	✓	✓	✓

2- Nomination and Remuneration Committee:

I. Objectives and terms of reference of the Nomination and Remuneration Committee

A. The objectives of the Nomination and Remuneration Committee are as follows:

- Ensure that the Board of Directors maintains appropriate structure, size and skills to support the strategic goals and values of the company.
- Drawing up the remuneration policy and supervising it for the members of the Board of Directors and the executive management to motivate and keep them within the company.
- Supervising appointment procedures for leadership positions (including electoral processes) and succession plans.
- Periodically reviewing the remuneration policy and evaluating its effectiveness in achieving the desired goals, as well as providing the necessary recommendations regarding remuneration policies and the framework for all company employees.
- Provide the necessary recommendations to the Board of Directors regarding the appointment of members of the Board and its committees in accordance with the regulatory requirements, policies and approved standards.
- Reviewing the appropriate skills requirements for membership of the Board of Directors and its committees, and preparing a comprehensive description of all capabilities and qualifications required for that membership, as well as determining the time that the member should allocate to the work of the Board of Directors and / or the committee, and this is done on an annual basis.
- Periodically assess the structure and composition of the Board and its committees, identify weaknesses, and recommend corrective measures to be taken to address them, as necessary.
- Evaluating the independence of board and committee members and ensuring that there is no conflict of interest, including ensuring on an annual basis the independence of independent board and committee members.
- Establishing clear compensation and remuneration policies for board members, committees, and senior management members and presenting those policies to the board (the committee must make sure that these compensation are related to performance and ensure their application within the company).
- Evaluate the performance of board members and committees on a regular basis.
- Submit the necessary recommendations to the Board regarding the appointment and dismissal of members of higher management.

- Establish succession policies and procedures for the CEO and senior members of senior management and monitor the implementation of succession plans and processes for them.
- Periodically review compensation plans for members of senior management.
- Provide the necessary recommendations to the Board of Directors on matters related to the nominations and remuneration of board members,
- committees and senior executives, in accordance with the approved policies.

B.Members of the Nomination and Remuneration CommitteeCommittee

Name of the committee member	Position	Membership rating		
		Independent	Executive	Non-executive
Mr / Yousef Al-Yousfi	Chairman of the Committee	✓		
Mr / Rakan Abu Nayan	member			✓
Mr / Ahmed bin Ahmed	member	✓		

IV. Nomination and Remuneration Committee meetings and attendance record

During the fiscal year 2021 AD, the Nominations and Remuneration Committee held Seven meetings, and the attendance record was in accordance with the table below, noting that a mark (✓) means his attendance, a mark (x) means his absence, and a (-) sign means the end or non-start of his membership:

Name	Meeting 1 10/1/2021	Meeting2 7/2/2021	Meeting 3 7/3/2021	Meeting 4 25/4/2021	Meeting 5 10/6/2021	Meeting 6 12/8/2021	Meeting7 6/9/2021
Mr / Yousef Al-Yousfi	✓	✓	✓	✓	✓	✓	✓
Mr / Rakan Abu Nayan	✓	✓	✓	✓	✓	✓	✓
Mr / Ahmed bin Ahmed	✓	✓	✓	✓	✓	✓	✓

3- Investment Committee:record

A.The objectives and terms of reference of the Investment Committee

The objectives of the investment committee are as follows:

- Developing strategic plans for the company's investments and ensuring their compliance with the provisions and conditions of the regulations and systems in force, in addition to their conformity with the written policy that has been developed and duly approved by the Board of Directors.
- Supervising the implementation of the investment policy.
- Review the investment policy and guidelines periodically and issue new recommendations in line with market conditions.
- Giving written approval in cases that necessitate non-compliance with some conditions of the investment policy, and raising the issue, if necessary, to the Board of Directors.
- Approval of attracting investments and / or disposing of them.
- Approving the appointment of all asset managers to manage or advise on the company's assets.
- Review the report issued by the risk management department regarding the investment portfolio in order to ensure compliance with the approved policies and guidelines.
- Making final decisions regarding investments based on the recommendations of the Treasury Department.
- Monitor the performance of the company's investments, define the objectives and strategy of the investment, and set the necessary implementation plans for that.

B. Members of the Investment Committee and Classification of its Members:

Name of the committee member	Position	Membership rating		
		Independent	Executive	Non-executive
Mr. / Mohammed bin Dawood	Chairman of the Committee	✓		
Mr / Youssef Al-Yousfi	member	✓		
Mr / Rakan Abu Nayan	member			✓

C. Investment committee meetings and attendance record

During the fiscal year 2021 AD, the Investment Committee held Four meetings, and the attendance record was in accordance with the table below, noting that the sign (✓) means his attendance, the sign (x) means his absence, and the sign (-) means the end or non-beginning of his membership

Name of the committee member	First meeting 21/2/2021	Second meeting 30/5/2021	Third meeting 19/9/2021	Fourth meeting 19/12/2021
Mr / Mohammed bin Dawood	✓	✓	✓	✓
Mr / Youssef Al-Yousfi	✓	✓	✓	✓
Mr / Rakan Abu Nayan	✓	✓	✓	✓

4- The Executive Committee:

Objectives and terms of reference of the Executive Committee

The objectives of the Executive Committee are as follows:

- Periodic review of the Executive Committee's work regulations, assessing its adequacy, and issuing recommendations for its amendment to the Board of Directors.
- Setting the overall strategy and the main objectives of the company and overseeing its implementation (Mission, Vision and Objectives).
- Periodic review and approval of organizational and functional structures in the company (Organizational Chart).
- Reviewing the company's budget and financial plans prepared by the executive management before submitting them to the board of directors and recommending to the board of directors for approval.
- Study all matters referred to the committee regarding executive management and take appropriate recommendations in their regard.
- Conducting regular contacts and meetings with the executive management to follow up on its work.
- Maintain effective working relationships between the Board of Directors and the executive management of the company.

A. Members of the Executive Committee and Classification of its Members:

Name of the committee member	Position	Membership rating		
		Independent	Executive	Non-executive
Engineer / Raad Al-Barakati	President			✓
Mr. / Rakan Abu Nayan	Member			✓
Mr. / Sulaiman Al-Obaid	Member			✓

B. Executive Committee meetings

During the fiscal year 2021 AD, the Executive Committee held eleven meetings and the attendance record was in accordance with the table below, noting that the (✓) sign means his attendance, the (x) sign means his absence, and the (-) sign means the end or non-start of his membership:

أسم عضو اللجنة	Engineer / Raad Al-Barakati	Mr. / Rakan Abu Nayan	Mr. / Sulaiman Al-Obaid
First meeting 20/1/2021	✓	✓	✓
Second meeting 28/2/2021	✓	✓	✓
Third meeting 7/6/2021	✓	✓	✓
Fourth meeting 9/8/2021	✓	✓	✓
Fifth meeting 31/8/2021	✓	✓	✓
Sixth meeting 31/9/2021	✓	✓	✓
Seventh meeting 10/11/2021	✓	✓	✓
Eighth meeting 20/11/2021	✓	✓	✓
Ninth meeting 7/12/2021	✓	✓	✓
Tenth meeting 14/12/2021	✓	✓	✓
Eleventh meeting 18/12/2021	✓	✓	✓

5- Risk Committee:

A. The objectives and terms of reference of the Risk Committee

The objectives and functions of the Risk Committee include the following:

1. Developing comprehensive risk management strategies and policies consistent with the nature and volume of the company's activities.
2. Monitor the implementation of policies and strategies for risk management, audit and update them on the basis of relevant internal and external variables.
3. Ensure that the company is exposed to risk at an acceptable limit and that this limit is not exceeded.
4. Ensuring the continuity of the company's business.
5. Ensure that the top management of the company continuously identifies the risks threatening the existence of the company, and determines its exposure to risk effectively on an annual basis.
6. Supervising the company's risk management system and evaluating the effectiveness of this system and its mechanism in identifying and controlling the risks that threaten the company.
7. Regularly reassess the company's ability to bear these risks.
8. Advising members of the Board of Directors on matters related to risk management.
9. Review any issues faced by the Audit Committee, other committees emanating from the Board of Directors, and the Board itself, which may affect.

B. Members of the Risk Committee and Classification of its Members:

Name of the committee member	Position	Membership rating		
		Independent	Executive	Non-executive
CM. r / Mohammed Aloyaidi	Member	✓	✓	✓
Mr. Abdulaziz Al Zammam	Member	✓	✓	✓
Mr Suleiman Al-Obaid	Chairman of the Committee	✓	✓	✓

G. Risk Committee meetings and attendance record

During the fiscal year 2021 AD, the Risk Committee held four meetings and the attendance record was in accordance with the table below, noting that a sign (✓) means his attendance, a sign (x) means his absence, and a sign (-) means the end or non-start of his membership:

Name of the commit-tee member	First meeting 17/2/2021	Second meeting 5/7/2021	Third meeting 16/9/2021	Fourth meeting 29/11/2021
Mr / Sulaiman Al-Obaid	✓	✓	✓	✓
Mr / Muhammad Al-Aydi	✓	✓	✓	✓
Mr. Abdulaziz Al Zammam	✓	✓	✓	✓

6- Governance Committee

A. Objectives and terms of reference of the Governance Committee:

1. Verify the company's compliance with the corporate governance rules and policies applicable in the Kingdom of Saudi Arabia in accordance with the company's internal regulations approved by the Board of Directors.
2. Reviewing and updating the company's corporate governance rules and policies in accordance with the changes in the statutory requirements and best practices.
3. Reviewing and developing the rules of professional conduct that represent the company's values, and other internal policies and procedures in order to fulfill the company's requirements related to governance in accordance with best practices.
4. Considering the issues referred to the committee by the Board of Directors, and making recommendations regarding them.

B. Governance Committee meetings and attendance record

Name of the committee member	Position	Membership rating		
		Independent	Executive	Non-executive
Dr. Ahmed bin Ahmed * He was appointed as Chairman of the Committeeon 12/01/2020	Chairman of the Commit-tee	✓		
Mr. Zaid Al-Moufarah	Member	✓		
Mr / Youssef Al-Yousfi	member	✓		

C. Governance Committee meetings and attendance record

During the fiscal year 2021 AD, the Governance Committee held two meetings and the attendance record was in accordance with the table below, noting that a mark (✓) means his attendance, a mark (x) means his absence, and a mark (-) means the end or non-start of his membership:

Name of the committee member	First meeting 8/2/2021	Second meet-ing 9/12/2021
Mr. Zaid Al-Moufarah	✓	✓
Mr / Abdulaziz Al-Abd Al-Jabbar	✓	✓
Mr / Youssef Al-Yousfi	✓	✓

28. Penalties, penalties, precautionary measure or precautionary restriction imposed on the company by any supervisory, regulatory or judicial authority

Subject of the violation	Previous fiscal year		Current fiscal year	
	Number of executive decisions	The total amount of fines in Saudi riyals	Number of executive deci-sions	The total amount of fines in Saudi riyals
Violation of the institution's supervisory and control instructions	1	10,000	6	675,000
Violating the institution's instructions for protect-ing clients	0	0	0	0
Violating SAMA's instructions for conducting due diligence in combating money laundering and terrorist financing	1	120,000	0	0

29. The results of the annual review of the effectiveness of the company›s internal control procedures during the year 2020 AD, in addition to the audit committee›s opinion on the adequacy of the company›s internal control system.

A. Opinion of the Internal Audit Department:

- The scope of the Internal Audit Department's activities is a disciplined approach to evaluate and improve the effectiveness and efficiency of risk management, governance and Internal Control processes in the company through the implementation of Internal Audit annual plan, which was developed according to a methodology based on identifying and assessing risks in accordance with International Professional Practices Framework (IPPF) alongwith Internal Audit department governance documents which was approved by Audit Committee and Board of Directors.
- During 2021 , the Internal Audit Department carried out internal audits according to approved annual audit plan by Audit Committee and issued reports after discussing it with process owners and considering appropriate corrective measures to address the deficiencies and weaknesses in the company's risk management, governance and internal control processes. All internal audit reports have been shared and presented to company's executive management and Audit Committee respectively.

B. Audit Committee Opinion:

1. The committee believes that the company still suffers from some deficiencies in the control systems for the IT environment.
2. There are still deficiencies in some aspects of corporate governance due to the absence or deficiency of some internal policies and procedures in the company.
3. Delay in implementing the scope of cybersecurity in the company according to the requirements of the Central Bank

First: Recommendation of the Audit Committee regarding the need to appoint an internal auditor

The committee directed the internal audit department to seek the assistance of an IT technical consultant to carry out the audit work on the IT environment and cybersecurity.

Second: The recommendations of the committee that there is a conflict between it and the decisions of the board of directors or which the board refused to take into account

There is no conflict between the committee's recommendations and the decisions of the Board of Directors regarding the appointment of the auditor.

30. What has been implemented from the Corporate Governance Regulations

Corporate Governance Regulations issued by the Capital Market Authority

In line with what was stipulated in the Corporate Governance Regulations issued by the Capital Market Authority, which requires the company to state what has been implemented of the provisions of the Corporate Governance Regulation and what has not been implemented, along with an explanation of the reasons for non-implementation in the report of its Board of Directors, the company's board of directors is pleased to note that the company applies all the provisions mentioned in the Corporate Governance Regulations issued by the Capital Market Authority, with the exception of the provisions listed below:

Article / Paragraph number	The text of the article / paragraph	Reasons for not applying
43 Paragraph No. (2)	The Board shall develop an explicit and written policy to deal with actual and potential conflicts of interest situations which may affect the performance of Board members, the Executive Management or any other employees of the Company when dealing with the Company or other Stakeholders. This policy shall include the following in particular: 2- providing examples of conflicts of interest situations that are relevant to the nature of the Company's activity.	The policy is widely applied, as an updated conflict of interest policy was approved by the Board of Directors on 01/10/2018, but it did not include iexamples of conflict of interest cases, and it will be ensured that this is added to the company's conflict of interest policy

* The company also wishes to note that the company's corporate governance regulation has been updated to comply with all the requirements contained in both the corporate governance regulation issued by the Capital Market Authority and the insurance corporate governance regulation issued by the Central Bank of Saudi Arabia, which was approved by the Board of Directors on 10/01/2018 and approved. In the General Assembly on 03/25/2019.

31. The company's social contribution:

We intend for MEDGULF to be an active member in the social responsibility approach and support all humanitarian, social and environmental programs as one of its leading roles towards society, the most prominent of which are:

1. Blood donation initiative: In cooperation with King Fahd Medical City, a blood donation campaign was launched for MEDGULF employees (100 donator, 45,000 ml).
2. Social initiatives against COVID-19 pandemic: In accordance with the efforts made by the government of the Custodian of the Two Holy Mosques to combat the outbreak of the new Corona virus and support the initiatives of the Ministry of Health to confront this global crisis. MEDGULF supported the Health Endowment Fund with an amount of 3,000,000 million riyals and this support comes as an extension of MEDGULF'S national role and in fulfillment of its

responsibility towards society.

3. Supporting Ensan Association coinciding with the 90th National Day.
4. Supporting Disabilities Association coinciding with the 90th National Day.
5. Clothing Campaign: An agreement was signed with Al Ber Association to distribute approximately 150 winter clothing boxes to be distributed to needy families as an extension of MEDGULF'S keenness to enhance social responsibility to provide support and assistance through its partnership with charitable societies.
6. Supporting Kelana Association in conjunction with World Kidney Day: MEDGULF supported Kelana Association in conjunction with World Kidney Day in that spirit support for the association's efforts to provide patients' health care to the fullest.
7. Red Sea Cleanup Initiative: In terms of human preservation environmental protection, MEDGULF organized with participation of a professional team of divers an initiative to clean the bottom and shore of the Red Sea to preserve the environment and coral reefs. An area of 300 meters was covered and nearly 1 ton of waste was collected.

Conclusion

Lastly, on behalf of myself and the board of directors and the company, I would like to express our deep thanks and gratitude to the Custodian of the Two Holy Mosques and the Crown Prince for the great governmental support and help to improve the insurance sector in the Kingdom of Saudi Arabia. I also want to extend my thanks to the regulatory and supervisory bodies institutions namely, the Central Bank and the Council of Cooperative Health Insurance, who were the guides that support us in many matters. Thanks are due as well to the company's shareholders and our valued clients for the continued trust in MEDGULF, and we look forward to providing the best in the next fiscal year. I have my deep faith and trust on the company's valuable resources "MEDGULF's employees", with their work and skills, we can inshallah achieve the company's long term objectives.

Thank you