

**Al Azem, Al Sudairy, Al Shaikh & Partners**  
For Professional Consulting – Member Crowe Global

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**SALAMA COOPERATIVE INSURANCE COMPANY  
(A SAUDI JOINT STOCK COMPANY)  
LIMITED ASSURANCE REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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## **Independent Limited Assurance Report to the Shareholders of Salama Cooperative Insurance Company (A Saudi Joint Stock Company)**

### **Introduction**

We have carried out a limited assurance engagement in order to state whether anything has come to our attention that causes us to believe that the subject matter detailed below (“Subject Matter”), has not been reported, in all material respects, in accordance with the applicable criteria (“Criteria”) set below.

### **Purpose of the Limited Assurance Report**

This report was submitted at the request of the Chairman of the Board of Directors of Salama Cooperative Insurance Company to be presented to the shareholders in the General Assembly of the Company in compliance with the requirements of Article (71) of the Companies Law issued by the Ministry of Commerce and Investment (the "Ministry") (1437H - 2015G).

### **Subject and related matters**

The Subject Matter of our limited assurance engagement is related to the declaration enclosed in the attached Appendix 1 (the “Declaration”) prepared by the Management and presented by the Chairman of the Board of the Directors of Salama Cooperative Insurance Company (“the Company”) in respect of transactions between any member of the Board of Directors and the Company occurred during the year ended 31 December 2022 to be presented to the Company’s general assembly.

### **Management Responsibility**

The Management and the Chairman of the Company are responsible for the preparation of the Declaration in accordance with the applicable Criteria, and are responsible for the selection of methods used for identification of transactions under the applicable Criteria. Further, the management and the Chairman of the Company are responsible for establishing and maintaining internal controls relevant to the preparation and presentation of the Declaration that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate criteria; maintaining adequate records and making estimates that are reasonable in the circumstances.

### **Our Responsibility**

Our responsibility is to express a limited assurance conclusion on the Subject Matter based on our limited assurance engagement conducted in accordance with the International Standard on Assurance Engagements Other Than Audits or Reviews of Historical Financial Information (‘ISAE 3000’) as endorsed in the Kingdom of Saudi Arabia and the terms of reference for this engagement as agreed with the Company.

Our procedures were designed to obtain a limited level of assurance on which to base our conclusion, and, as such, do not provide all of the evidence that would be required to provide a reasonable level of assurance. The procedures performed depend on the assurance practitioner’s judgement including the risk of material misstatement of the Subject Matter, whether due to fraud or error. While we considered the effectiveness of management’s internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls.

**Independent Limited Assurance Report to the Shareholders of Salama Cooperative Insurance Company  
(A Saudi Joint Stock Company) (continued)**

**Independence and quality management**

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (“IESBA”) as endorsed in Kingdom of Saudi Arabia, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior, and we are also independent of the Company’s in accordance with professional code of conduct and ethics as endorsed in the Kingdom of Saudi Arabia that are relevant.

Our firm applies International Standard on Quality Control (1) and, accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

**Summary of Procedures**

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our procedures included:

- Obtaining the BOD Chairman’s list that includes all kind of business and contracts performed by any of the BOD members either directly or indirectly in the favor of the Company during the year;
- Checking the BOD minutes of the meeting that indicate member’s notification to the BOD on the business and contracts performed by the BOD member; and
- Obtaining the required approvals on the transactions included in the Declaration.

Further, we have not performed any audit or review procedures for the transactions carried out by the Company during the year ended 31 December 2022 in which any of the members of the Board of Directors had a direct or indirect personal interest, and for the underlying records or other sources from which the Declaration was extracted. Accordingly, we do not express such an opinion.

**Limited Assurance Conclusion**

Based on our limited assurance procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the accompanying Declaration of **Salama Cooperative Insurance Company** for the year ended 31 December 2022 is not prepared in accordance with Article 71 of the Regulations for Companies issued by the MOCI (1437H - 2015).

**Independent Limited Assurance Report to the Shareholders of Salama Cooperative Insurance Company  
(A Saudi Joint Stock Company) (continued)**

**Restriction of Use of Our Report**

Our report is prepared upon the request of the Company's management to be presented to the shareholders in their General Assembly Meeting in accordance with the requirements of Article (71) of the Companies Law and should not be used for any other purpose.



**AlAzem, AlSudairy, AlShaikh & Partners  
For Professional Consulting**



**Abdullah M. AlAzem  
License No. 335**

5 Ramadan 1444H (Corresponding March 27, 2023)  
Jeddah – Kingdom of Saudi Arabia

SALAMA COOPERATIVE INSURANCE COMPANY  
(A SAUDI JOINT STOCK COMPANY)  


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YEAR ENDED 31 DECEMBER 2022

APPENDIX I

**List of transactions and contracts in which directors have direct or indirect interest**

<b><u>Entities controlled, jointly controlled or significantly influenced by member of board of directors</u></b>	<b><u>Nature of transactions</u></b>	<b><u>Amount of transactions For the year ended 31 December 2022 SR'000</u></b>
Al Mamoon Insurance Brokers**	Commissions incurred	771
Ittihad Insurance Brokers**	Commissions incurred	8

\*\* These transactions are from the date of appointment of related directors i.e. 11 September 2022.

**Related Parties Balances**

<b>Receivable to the related parties</b>	
Al Mamoon Insurance Brokers	884
Ittihad Insurance Brokers	36
	<u>920</u>