



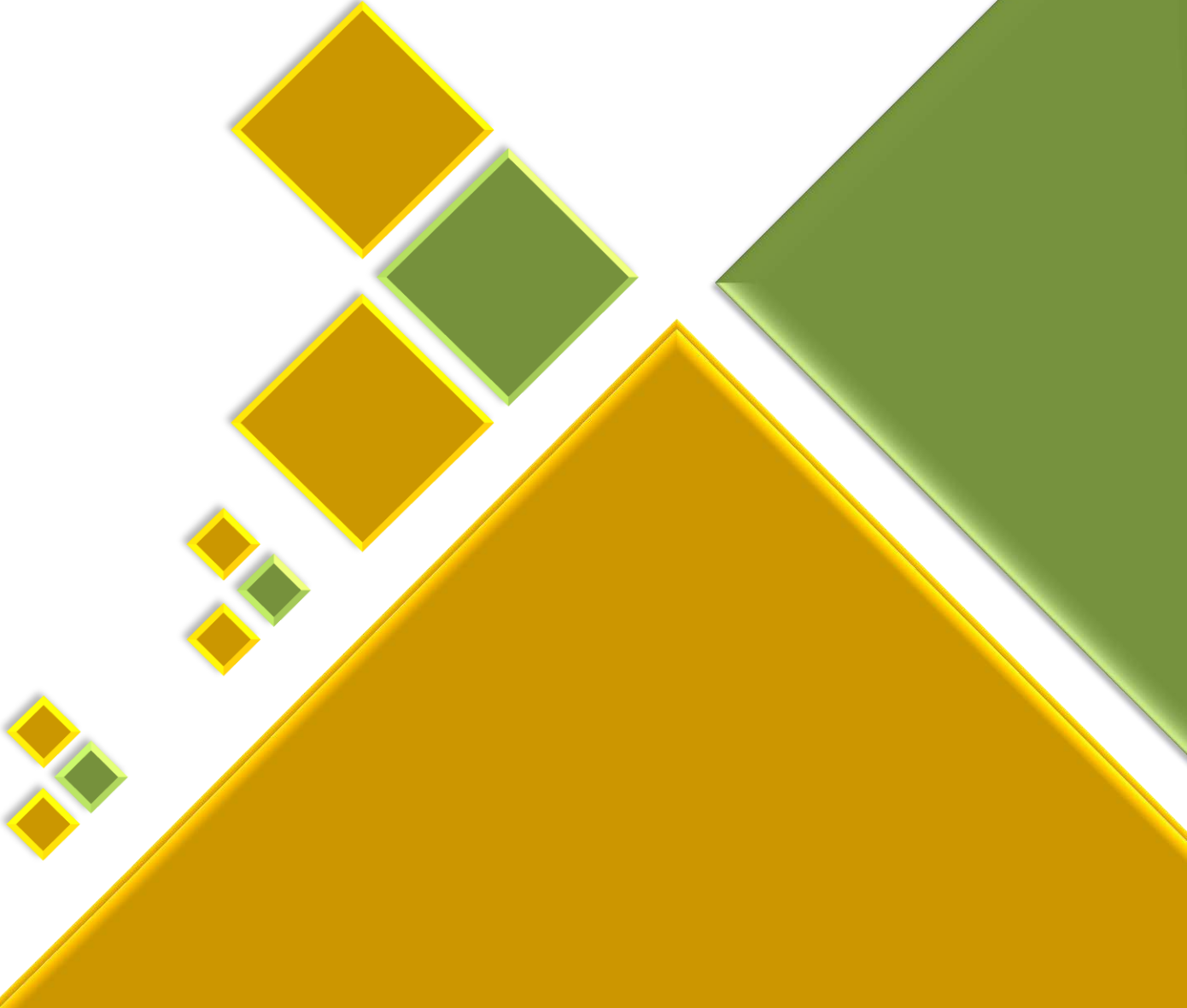
إتحاد الخليج الأهلية للتأمين التعاوني
GULF UNION AL AHLIA COOPERATIVE INSURANCE

Extraordinary General Assembly Meeting

Gulf Union Al Ahlia Cooperative Insurance

Thursday 29/05/2025 - 02/12/1446 H

07:00 PM - Through Modern Technology



Gulf Union Al Ahlia Cooperative Insurance Co. Board invites shareholders to attend the extraordinary general assembly meeting (first meeting) Through Modern Technology

<p>The board of directors of Gulf Union Al Ahlia Cooperative Insurance Co. (“GUAI” or the “Company”) is pleased to invite its esteemed shareholders to attend and vote at its extraordinary general assembly meeting (the “EGM”) scheduled at (07:00 PM) on Thursday 02/12/1446H (corresponding to 29/05/2025G) (first meeting), remotely by means of contemporary technology using the Tadawulaty platform.</p>	<p>Introduction</p>
<p>Through modern technology from the Company’s headquarters in Dammam (using the Tadawulaty).</p>	<p>City and Location of the Extraordinary General Assembly's Meeting</p>
<p>www.tadawulaty.com.sa</p>	<p>Hyperlink of the Meeting Location</p>
<p>02/12/1446H (corresponding to 29/05/2025G)</p>	<p>Date of the General Assembly's Meeting</p>
<p>07:00 PM</p>	<p>Time of the General Assembly's Meeting</p>
<p>Via modern technology means.</p>	<p>Methodology of Convening the General Assembly's Meeting</p>
<p>As per the rules and regulations, any shareholder registered in the Company’s shareholders register at the Securities Depository Center Company (Edaa) as of the end of trading session preceding the EGM has the right to attend the EGM.</p> <p>The right to register to attend the EGM ends at the time of convening the EGM. The attendees’ right to vote on the agenda items of the EGM ends upon the end of the vote tallying by the votes collection committee.</p>	<p>Attendance Eligibility, Registration Eligibility, and Voting End</p>
<p>Pursuant to Article 31 of the Company’s bylaws, the EGM will be quorate if attended by shareholders representing at least half of the voting shares. In case this quorum is not met, a second meeting will be held within one hour of the scheduled time for the first meeting, and this second meeting will be valid if attended by shareholders representing at least one quarter of voting shares.</p>	<p>Quorum for Convening the General Assembly's Meeting</p>
<p>Attached</p>	<p>Meeting Agenda</p>

Attached	Proxy Form
<p>Shareholders have the right to discuss the items listed on the agenda of the EGM and to pose questions during the EGM meeting.</p> <p>shareholders can vote remotely on the agenda items of the Extraordinary General Assembly meeting through the (electronic voting) service by registering on the Tadawulaty website, noting that registration and voting on Tadawulaty services platform are available and provided free of charge for all shareholders using the following link: www.tadawulaty.com.sa</p>	The shareholder right in discussing the assembly agenda topics, asking questions, and exercising the voting right
<p>Shareholders registered in Tadawulaty can vote remotely on the EGM's agenda items starting from [01:00 AM] of Sunday 27/11/1446H (corresponding to 25/05/2025G) and until the end of the General assembly meeting.</p> <p>Registering and voting through Tadawulaty services is available free of charge to all shareholders through this link www.tadawulaty.com.sa.</p>	Details of the electronic voting on the Assembly's agenda
<p>For any further inquiries regarding any of the EGM's agenda items, please contact the Investors Relations Department and Board Secretary during working hours on the phone number: 8003040077. or 0138358400.or through email on: BOD@gulfunion-saudi.com.</p>	Method of Communication in Case of Any Enquiries
Documents	Attached Documents

Agenda – Extraordinary General Assembly Meeting for Gulf Union Al Ahlia Cooperative Insurance

2025/05/29 - 07:00 PM – Through Modern Technology Means

1. Voting on the amendment of company Bylaws to change the name of the "Saudi Central Bank" to the "Insurance Authority" wherever it appears in the bylaws (attached).
2. Viewing and discussing the Board of Directors' Report for the fiscal year ending on 31 /12/ 2024 G.
3. Voting on the Auditors Report on the company's accounts for the fiscal year ending on 31 /12/ 2024 G.
4. Viewing and discussing the Financial Statements for the fiscal year ending on 31 /12/ 2024 G.
5. Voting on the discharging the Board members from any liabilities for the fiscal year ending on 31 /12/ 2024 G.
6. Voting on appointing the Auditors for the Company from among the candidates based on the Audit Committee's recommendation. The appointed auditors shall examine, review and audit the second and third quarter and annual financial statements, of the fiscal year 2025 G, and the first quarter of the fiscal year 2026 G, and the determination of the auditors' fees.
7. Voting on amending the Company's Corporate Governance regulation (Attached).
8. Voting on amending the Remuneration Policy for Board of Directors & Board Committees Members and Executive Management (Attached).
9. Voting on amending the Policies, Criteria and procedures for membership in the Board of Directors (Attached)
10. Voting on payment of total SAR (1,950,000) as remuneration to the members of the Board of Directors for the fiscal year ended on 31 /12/2024 G.
11. Voting on the business and contracts that were entered into between the company and Rawabi Holding Group, in which the Chairman of the Board of Directors - Mr. Abdulaziz Ali Al-Turki has a direct interest in (where he holds the position of Chairman of the Board of Directors), noting that the transactions that took place during the fiscal year 2024 are (insurance policies for one year with a value of 33,562,062 Saudi riyals), there are no preferential terms in these deals and contracts.
12. Voting on the business and contracts that were entered into between the company and Al Muhaidib Group, in which a member of the Board of Directors - Mr. Majid Shatti Al Dhafiri has an indirect interest in (where he holds an executive position), noting that the transactions that took place during the fiscal year 2024 are (insurance policies for one year with a value of 5,054,026 Saudi Riyals), and there are no preferential terms in these deals and contracts.
13. Voting on the business and contracts that were entered into between the company and Al Muhaidib Group, in which a member of the Board of Directors - Mr. Majid Shatti Al Dhafiri has an indirect interest in (where he holds an executive position), noting that the transactions that took place during the fiscal year 2024 are (Rent Contracts for the Company's offices for one year with a value of 1,035,760 Saudi Riyals), and there are no preferential terms in these deals and contracts.

Proxy Form

نموذج التوكيل

Dear Shareholders

The Proxy form is not available, as the Extraordinary General Assembly will only be conducted through modern technology means.

The company urges the shareholders to register on Tadawulaty service, knowing that voting is provided free of charge for all shareholders through the following link:

www.tadawulaty.com.sa

Gulf Union Al Ahlia Cooperative Insurance Company

السادة المساهمين الكرام

نموذج التوكيل غير متاح حيث سيتم الاكتفاء بعقد الجمعية العامة غير العادية عبر وسائل التقنية الحديثة.

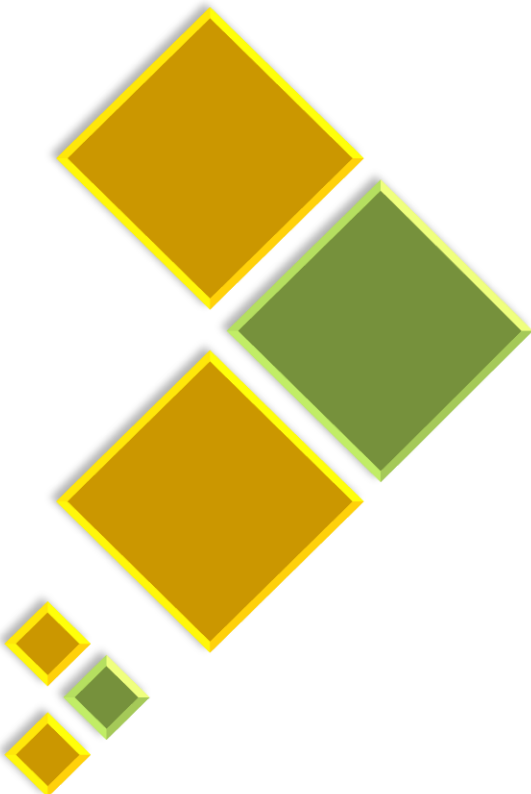
وتحث الشركة مساهميها بالتسجيل في موقع تداولاتي علماً بأن التسجيل والتصويت متاحاً ومجاناً لجميع المساهمين باستخدام الرابط التالي:

www.tadawulaty.com.sa

شركة إتحاد الخليج الأهلية للتأمين التعاوني



Audit Committee Report to the General Assembly for the year 2024.



Audit Committee

Audit Committee Report to the General Assembly of Gulf Union Al Ahlia Cooperative Insurance Co. for Fiscal Year 2024



Esteemed Shareholders of Gulf Union Al Ahlia Cooperative Insurance Company

Greetings,

Introduction

Oversight is a very important function, as its objectives are represented in the evaluation and follow-up process, improving performance, detecting deviations, identifying opportunities and managing obstacles to achieving the company's goals. Internal control systems provide the company with the power of direction, integration and motivation, and therefore companies that enjoy good management are those companies that have effective Internal control systems, which would enhance their ability to implement their strategy.

The Audit Committee prepares this annual report, which aims to inform shareholders of the adequacy and effectiveness of the internal controls system, and to clarify the duties and responsibilities of the audit committee that it carried out during the year.

First: Meetings of the Audit Committee

During the year 2024, the Audit Committee held nine (8) meetings, during which the committee discussed many topics that fall within the scope of the committee's work.

- Audit committee meetings Dates and Attendance record 2024

No.	Name	Membership	1st Meeting 2024/02/26	2nd Meeting 2024/03/18	3rd Meeting 2024/05/07	4th Meeting 2024/05/22	5th Meeting 2024/07/25	6th Meeting 2024/08/28	7th Meeting 2024/10/29	8th Meeting 2024/11/28	Total # of Meetings attended
1	Ahmed Al Muzaini	Chairman	✓	✓	✓	✓	✓	✓	✓	✓	8
2	Ibrahim Al-Muqhem	Member	✓	✓	✓	✓	✓	✓	✓	✓	8
3	Abdullah Al Hajri	Member	✓	✓	✓	✓	✓	✓	✓	✓	8

The average of audit committee meetings attendance during 2024 is 100%

Second: The Scope of The Committee's Work For The Fiscal Year Ending December 31, 2024:

The scope of work, Tasks and Responsibilities carried out by the Audit Committee during the year 2024 included the following: -

- 1- Reviewing and approving the annual internal audit plan
- 2- Reviewing and approving the annual plan for compliance Department
- 3- Review anti-fraud policies & procedures and anti-fraud strategy and recommend them to the board of directors for approval
- 4- Review the company's policy for supervisory visits and regulatory requirements and recommend them to the board of directors for approval
- 5- Review the anti-money laundering policy and procedures and recommend them to the Board of Directors for approval
- 6- Review the whistle blowing policy (reporting violative practices) and recommend it to the Board of Directors for approval
- 7- Review the outsourcing policy and recommend it to the board of directors for approval
- 8- Review the money laundering risk assessment record and recommend it to the board of directors for approval
- 9- Review the compliance manual for the year 2024



- 10- Reviewing the charter and the manual of the Internal Audit Department for the year 2024
- 11- Review the reports of the Internal Audit Department issued during the year 2024 AD and follow up on the implementation of corrective measures for the observations contained therein
- 12- Reviewing the Compliance Department reports issued during the year 2024
- 13- Reviewing the policy of controls for advertising insurance products and services and recommending it to the board of directors.
- 14- Reviewing the anti-fraud policy in medical insurance and recommending it to the board of directors.
- 15- Appointment the Head of Compliance Department.
- 16- Review actuary reports and make recommendations to the board of directors.
- 17- Discussing the annual financial statements for the year 2023 and the preliminary financial statements for the 1st quarter, the 2nd quarter, and the 3rd quarter of the year 2024 AD with the external auditors, and making recommendations regarding them to the Board of Directors.
- 18- Discussing the observations of the external auditors
- 19- Studying and discussing the offers submitted by the external auditors, and recommending the appointment of external auditors to review and audit the financial statements of the second & third quarter and annual statements for the year 2024 and first quarter of 2025
- 20- Discussing the internal control system, ensuring the effectiveness of its procedures, and issuing relevant recommendations



Third: The Committee's Opinion on The Adequacy of The Internal Controls System:

Based on the audit and review executed during the year 2024, the Audit Committee does not have any fundamental reservation on the internal control system, which may negatively affect the announced Company's results, within the scope of the Committee's work stipulated by the supervisory authorities.

The results of the annual audit showed the following:

- The audit committee was convinced of the effectiveness of the company's internal control system, as there wasn't any clear fundamental weakness in the company's internal control system.
- In addition, the internal control systems work effectively and allow to build a general perception of the risks that the company may face, and there was no fundamental breach of it during the fiscal year 2024 that requires disclosure.
- The necessary measures have been taken to evaluate and correct the procedures in the correct manner, that are related to the observations and recommendations of the Internal Control Departments, which were submitted to the Audit Committee after discussion.

Yours Sincerely

Ahmed Sulaiman Al Muzaini	Audit Committee Chairman	
Ibrahim Abdulaziz Al Mukhem	Audit Committee Member	
Abdullah Ali Al Hajri	Audit Committee Member	

Agenda Item # 1



- 1- Voting on the amendment of company Bylaws to change the name of the "Saudi Central Bank" to the "Insurance Authority" wherever it appears in the bylaws (attached).

Item #01 - Attachements

Change the name of the "Saudi Central Bank" to the
"Insurance Authority" wherever it appears in the bylaws

Article No.	Before Amendments	After Amendments
wherever it appears in the bylaws	Saudi Central Bank	Insurance Authority

BY-LAW List of Amendments - Gulf Union Al Ahlia Cooperative Insurance

- Attached are the proposed amendments to the company's By-Law as follow: -
 - Change the name of the "Saudi Central Bank" to the "Insurance Authority" wherever it appears in the bylaws
- New amendments of the By-Law articles are highlighted in **yellow**

Article No.	The Article – Current By-Law Before Amendments	The Article – New Proposed By-Law After Amendments	The Article – New Proposed By-Law After Amendments
Article (1) : Incorporation	It shall be incorporated in accordance with the provisions of cooperative insurance companies control low, the Companies Law, the Capital Market Law and its Implementing Regulations and the Articles of Association of the company, its shall be a Saudi Joint Stock company among the holders of shares, the provisions of which are stipulated below.	It shall be incorporated in accordance with the provisions of cooperative insurance companies control low, the Companies Law, the Capital Market Law and its Implementing Regulations and the Articles of Association of the company, its shall be a Saudi Joint Stock company among the holders of shares, the provisions of which are stipulated below.	No Amendments
Article (2) : Name of the Company	Gulf Union Al Ahlia Cooperative Insurance Co, a Saudi Joint Stock Company.	Gulf Union Al Ahlia Cooperative Insurance Co, a Saudi Joint Stock Company.	No Amendments
Article (3) : Purpose of the Company	To conduct the works of cooperative insurance in the class of general insurance, health insurance and protection and savings insurance. The Company may conduct all business activities necessary to achieve its objectives and shall transact such activities in conformity with the cooperative insurance companies control low, its Implementing Regulations and the rules issued by the Saudi Central Bank “SAMA” and the laws	To conduct the works of cooperative insurance in the class of general insurance, health insurance and protection and savings insurance. The Company may conduct all business activities necessary to achieve its objectives and shall transact such activities in conformity with the cooperative insurance companies control low, its Implementing Regulations and the rules issued by the Saudi Central Bank “SAMA” Insurance	“Insurance Authority” Name

	and regulations applicable in the Kingdom of Saudi Arabia after obtaining all necessary licenses from the competent authorities, if any.	Authority and the laws and regulations applicable in the Kingdom of Saudi Arabia after obtaining all necessary licenses from the competent authorities, if any.	
Article (4) : Participation with other Companies	The Company may establish limited liability companies or shareholding from one person. It may also own shares or stock in other existing companies or merge with such companies and may work with third parties on establishing joint stock or limited liability companies – provided that the companies established by the Company or participate in or merging with transacts business activities similar to its business or financial business or that helps in achieving its purpose – having complied with the requirements of applicable laws and instructions in this regard; and after obtaining the approval of the Saudi Central Bank.	The Company may establish limited liability companies or shareholding from one person. It may also own shares or stock in other existing companies or merge with such companies and may work with third parties on establishing joint stock or limited liability companies – provided that the companies established by the Company or participate in or merging with transacts business activities similar to its business or financial business or that helps in achieving its purpose – having complied with the requirements of applicable laws and instructions in this regard; and after obtaining the approval of the Insurance Authority Saudi Central Bank .	“Insurance Authority” Name
Article (5) : Head Office of the Company	The Head Office of the Company shall be in Dammam city, and may be transferred, by decision of the Extraordinary General Assembly, to another city in the Kingdom of Saudi Arabia upon approval of the Saudi Central Bank. The Company may also set branches, offices or agencies inside or outside the Kingdom of Saudi Arabia after the approval of the Saudi Central Bank.	The Head Office of the Company shall be in Dammam city, and may be transferred, by decision of the Extraordinary General Assembly, to another city in the Kingdom of Saudi Arabia upon approval of the Insurance Authority Saudi Central Bank . The Company may also set branches, offices or agencies inside or outside the Kingdom of Saudi Arabia after the approval of the Insurance Authority Saudi Central Bank .	“Insurance Authority” Name
Article (6) : Duration of the Company	The duration of the Company shall be ninety-nine (99) Gregorian years as from the date of its registration in the Commercial Register. The duration of the Company may be extended by resolution of the Extraordinary General Assembly taken, at least, one year prior to the expiration of the ninety-nine year period.	The duration of the Company shall be ninety-nine (99) Gregorian years as from the date of its registration in the Commercial Register. The duration of the Company may be extended by resolution of the Extraordinary General Assembly taken, at least, one year prior to the expiration of the ninety-nine year period.	
Article (7) : The Company Investments	The Company shall invest the insureds and shareholders' funds collected in the Company in accordance with the rules set by	The Company shall invest the insureds and shareholders' funds collected in the Company in accordance with the rules set by	“Insurance Authority” Name

	the Board of Directors and in a manner that does not conflict with the Law on the Supervision of Cooperative Insurance Companies, its Implementing Regulations and in conformity with the regulations and rules issued by the Saudi Central Bank or any other related party.	the Board of Directors and in a manner that does not conflict with the Law on the Supervision of Cooperative Insurance Companies, its Implementing Regulations and in conformity with the regulations and rules issued by the Insurance Authority Saudi Central Bank or any other related party.	
Article (8) : Share Capital	The capital of the Company is set at SR 458,949,280 (Four hundred Fifty Eight million and Nine hundred forty nine and Two hundred Eighty Saudi Riyals) divided into 45,894,928 (Forty Five million and Eight hundred Ninety Four thousand and Nine hundred Twenty Eight) shares having an equal nominal value of SR 10 (ten Saudi Riyals) each, all being ordinary cash shares.	The capital of the Company is set at SR 458,949,280 (Four hundred Fifty Eight million and Nine hundred forty nine and Two hundred Eighty Saudi Riyals) divided into 45,894,928 (Forty Five million and Eight hundred Ninety Four thousand and Nine hundred Twenty Eight) shares having an equal nominal value of SR 10 (ten Saudi Riyals) each, all being ordinary cash shares.	No Amendments
Article (9) : Subscription to Shares	The shareholders have subscribed for all shares of the Company and fully paid their nominal value.	The shareholders have subscribed for all shares of the Company and fully paid their nominal value.	No Amendments
Article (10) : Shareholders Register	Shares of the company shall be traded in accordance with the rules of the Capital Market Law and its Implementing Regulations.	Shares of the company shall be traded in accordance with the rules of the Capital Market Law and its Implementing Regulations.	No Amendments
Article (11) : Issuance of Shares	Shares of the company shall be nominal and may not be issued in an amount less than their nominal value, but may be issued with a value higher than this value. In this latter case the value difference is added in an independent item within the shareholders' rights and may not be distributed among shareholders as profits. The shares is indivisible before the company, so if the share is owned by a number of people, they have to select one of them to represent them in using the rights related to such share and these persons shall be jointly responsible for the obligations resulting from the share ownership.	Shares of the company shall be nominal and may not be issued in an amount less than their nominal value, but may be issued with a value higher than this value. In this latter case the value difference is added in an independent item within the shareholders' rights and may not be distributed among shareholders as profits. The shares is indivisible before the company, so if the share is owned by a number of people, they have to select one of them to represent them in using the rights related to such share and these persons shall be jointly responsible for the obligations resulting from the share ownership.	No Amendments

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I Toll Free: 8003040077

	5- A shareholder shall have the right to sell the priority right or assign same during the period from the time of issuance of the decision of the general assembly of the approval of the capital to the last day of subscription to the new shares associated with such rights in accordance with the controls put in place by Capital Market Authority.	5- A shareholder shall have the right to sell the priority right or assign same during the period from the time of issuance of the decision of the general assembly of the approval of the capital to the last day of subscription to the new shares associated with such rights in accordance with the controls put in place by Capital Market Authority.	
Article (14)- Capital Reduction	<p>1- The extraordinary general assembly may issue a resolution to reduce the capital of the company if it is in excess of its needs or if the company sustains losses after the approval of the Saudi central bank and Capital Market Authority provided the capital paid to the insurance company after capital reduction is not less than (300) Three Hundred million riyals. The decision to decrease the capital shall not be issued until a statement prepared by the board of directors stating the grounds for such decrease, the company's liabilities, and the effect of the decrease on satisfying such liabilities is presented at the general assembly. Said statement shall include the report of the company's auditor, and may be presented to shareholders in cases where the general assembly decision is passed by circulation.</p> <p>2- If the capital reduction is due to that it is in excess of the company's needs, creditors shall be invited to express their objections at least 45 days prior to the date set for the extraordinary general assembly meeting to decide on the decrease. The invitation shall include a statement indicating the amount of capital prior to and after the decrease, the date of the meeting, and the date the decrease becomes effective. If a creditor objects and submitted its</p>	<p>1- The extraordinary general assembly may issue a resolution to reduce the capital of the company if it is in excess of its needs or if the company sustains losses after the approval of the Insurance Authority Saudi central bank and Capital Market Authority provided the capital paid to the insurance company after capital reduction is not less than (300) Three Hundred million riyals. The decision to decrease the capital shall not be issued until a statement prepared by the board of directors stating the grounds for such decrease, the company's liabilities, and the effect of the decrease on satisfying such liabilities is presented at the general assembly. Said statement shall include the report of the company's auditor, and may be presented to shareholders in cases where the general assembly decision is passed by circulation.</p> <p>2- If the capital reduction is due to that it is in excess of the company's needs, creditors shall be invited to express their objections at least 45 days prior to the date set for the extraordinary general assembly meeting to decide on the decrease. The invitation shall include a statement indicating the amount of capital prior to and after the decrease, the date of the meeting, and the date the decrease becomes effective. If a creditor objects and submitted its</p>	"Insurance Authority" Name

	documents within the time limit, the company should pay its debt if it is due or provide it with a sufficient guarantee if it is deferred. 3- Equality among holders of shares of the same type and class shall be observed upon the decrease of capital.	documents within the time limit, the company should pay its debt if it is due or provide it with a sufficient guarantee if it is deferred. 3- Equality among holders of shares of the same type and class shall be observed upon the decrease of capital.	
Article (15)- Company Management	The company shall be managed by a board of directors composed of seven (7) members to be elected by the ordinary general assemble for a period of not more than four years. In all cases, board members must be natural persons. The composition of the board of directors shall reflect an appropriate representation of independent members. In all cases, the number of independent members of the board may not be less than two members or one third of the board members, whichever is greater.	The company shall be managed by a board of directors composed of seven (7) members to be elected by the ordinary general assemble for a period of not more than four years. In all cases, board members must be natural persons. The composition of the board of directors shall reflect an appropriate representation of independent members. In all cases, the number of independent members of the board may not be less than two members or one third of the board members, whichever is greater.	No Amendments
Article (16)- Expiration of the Board Membership	1- The membership of the board of directors shall expire with the expiration of the term of the board resignation, death, if the board of directors finds evidence that the member breaches its duties in a way that would harm the interest of the company on the condition that this would include the approval of the ordinary general assembly, with the expiration of its membership in accordance with any regulation or instructions in force in kingdom of Saudi Arabia, if ruled that its bankruptcy or insolvency be declared, if it applies for settlement with its creditors or stops payment of its debts, if it develops mental illness or physical disability that may lead to the inability the member to play its role fully, If it is established that it commits an act involving a breach of trust and morality or convicted of forgery under a final judgment	1- The membership of the board of directors shall expire with the expiration of the term of the board resignation, death, if the board of directors finds evidence that the member breaches its duties in a way that would harm the interest of the company on the condition that this would include the approval of the ordinary general assembly, with the expiration of its membership in accordance with any regulation or instructions in force in kingdom of Saudi Arabia, if ruled that its bankruptcy or insolvency be declared, if it applies for settlement with its creditors or stops payment of its debts, if it develops mental illness or physical disability that may lead to the inability the member to play its role fully, If it is established that it commits an act involving a breach of trust and morality or convicted of forgery under a final judgment	"Insurance Authority" Name

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I Toll Free: 8003040077

<p>members, or the membership vacancy</p>	<p>carry out their duties until a board of directors is elected for a new term, provided that the period of such continuation of the lapsed Board does not exceed (90) days from the end date of the Board's term. And the Board shall undertake all necessary procedures to elect a new replacement Board before the expiry of the period specified</p> <p>2- If the chairman and members of the board of directors resign, they shall call for an ordinary general assembly meeting to elect a new board. The resignation shall not take effect until a new board is elected, provided that the period of such continuation of the resigned Board does not exceed (120) days from the date of such resignation. And the Board shall undertake all necessary procedures to elect a new replacement Board before the expiry of the period specified</p> <p>3- A board member may resign pursuant to a written notice submitted to the chairman of the board of directors. If the chairman of the board resigns, the notice shall be submitted to the board members and the board's secretary. In both cases, the resignation shall take effect from the date specified in the notice.</p> <p>4- if the position of a board member of a joint-stock company becomes vacant due to his death or resignation, and if the minimum number of members required for the validity of board meetings as stipulated in this Law or the company's articles of association is not affected by such vacancy, the board may appoint a qualified person with relevant expertise to provisionally fill the vacancy. The appointment shall be reported to the Commercial</p>	<p>shall continue to carry out their duties until a board of directors is elected for a new term, provided that the period of such continuation of the lapsed Board does not exceed (90) days from the end date of the Board's term. And the Board shall undertake all necessary procedures to elect a new replacement Board before the expiry of the period specified</p> <p>2- If the chairman and members of the board of directors resign, they shall call for an ordinary general assembly meeting to elect a new board. The resignation shall not take effect until a new board is elected, provided that the period of such continuation of the resigned Board does not exceed (120) days from the date of such resignation. And the Board shall undertake all necessary procedures to elect a new replacement Board before the expiry of the period specified</p> <p>3- A board member may resign pursuant to a written notice submitted to the chairman of the board of directors. If the chairman of the board resigns, the notice shall be submitted to the board members and the board's secretary. In both cases, the resignation shall take effect from the date specified in the notice.</p> <p>4- if the position of a board member of a joint-stock company becomes vacant due to his death or resignation, and if the minimum number of members required for the validity of board meetings as stipulated in this Law or the company's articles of association is not affected by such vacancy, the board may appoint a qualified person with relevant expertise to provisionally fill the vacancy. The</p>	
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	<p>Register, and to the CMA if the company is listed in the capital market, within 15 days from the date of such appointment, and it shall be submitted to the ordinary general assembly in its first meeting. The appointed member shall complete the term of his predecessor.</p> <p>5- If the number of board members falls below the minimum number required for the validity of board meetings as stipulated in this Law or the company's articles of association, the remaining members shall call for an ordinary general assembly meeting within 60 days to elect the required number of members.</p>	<p>appointment shall be reported to the Commercial Register, and to the CMA if the company is listed in the capital market, within 15 days from the date of such appointment, and it shall be submitted to the ordinary general assembly in its first meeting. The appointed member shall complete the term of his predecessor.</p> <p>5- If the number of board members falls below the minimum number required for the validity of board meetings as stipulated in this Law or the company's articles of association, the remaining members shall call for an ordinary general assembly meeting within 60 days to elect the required number of members.</p>	
<p>Article (18)- Powers of the Board</p>	<p>Subject to terms of reference of the General Assembly, the Board of directors shall have the widest powers to manage the Company in a manner achieving its objectives except for the actions and acts within the competence of the general assembly that are covered under a special provision of the Companies law or these articles.</p> <p>The board may also, within the limits of its competence, delegate one or more of its members or of third parties to conduct certain work or works in a manner consistent with the relevant laws and regulations.</p> <p>The Chairman of the Board of Directors may, for example, but not be limited to, represent the company in its relations with third parties, governmental and private firms, courts, the Board of Grievances, labor and workers offices, the higher and primary committees for settling labor disputes, the Commercial notes Committee, all other judicial committees, arbitration</p>	<p>Subject to terms of reference of the General Assembly, the Board of directors shall have the widest powers to manage the Company in a manner achieving its objectives except for the actions and acts within the competence of the general assembly that are covered under a special provision of the Companies law or these articles.</p> <p>The board may also, within the limits of its competence, delegate one or more of its members or of third parties to conduct certain work or works in a manner consistent with the relevant laws and regulations.</p> <p>The Chairman of the Board of Directors may, for example, but not be limited to, represent the company in its relations with third parties, governmental and private firms, courts, the Board of Grievances, labor and workers offices, the higher and primary committees for settling labor disputes, the Commercial notes Committee, all other judicial committees, arbitration</p>	<p>"Insurance Authority" Name</p>

	<p>bodies, civil rights, police departments, and chambers of commerce and industry. And all companies, institutions, banks, commercial banks, fiscal houses, all government finance funds and institutions with their various names and competences, and other lenders.</p> <p>The Chairman of the Board of Directors has the right to acknowledge, demand, defend, plead, litigate, waive, conciliate, accept and deny judgments, arbitration, request execution of judgments and oppose them, collect what resulting from execution, enter into tenders, sell, buy and mortgage real estate.</p> <p>The Chairman of the Board of Directors also has the right to contract and sign on behalf of the company and on its behalf all types of contracts, documents, including without limitation the contracts of incorporation of companies in which the company participates with all its amendments, appendices, amendment decisions and signing agreements and Sukuks before the notary public and official bodies, as well as loan agreements, safeguards, guarantees and Sukuks for buying and selling real estate, issuing legal powers of attorney on behalf of the company, selling, buying, emptying, accepting, receiving, delivering, renting, leasing, receiving and paying, opening accounts and credits, withdrawing and depositing with banks, issuing guarantees to banks, funds and government financing institutions, signing all papers, promissory notes, cheques, all commercial papers and documents, and all banking transactions.</p>	<p>bodies, civil rights, police departments, and chambers of commerce and industry. And all companies, institutions, banks, commercial banks, fiscal houses, all government finance funds and institutions with their various names and competences, and other lenders.</p> <p>The Chairman of the Board of Directors has the right to acknowledge, demand, defend, plead, litigate, waive, conciliate, accept and deny judgments, arbitration, request execution of judgments and oppose them, collect what resulting from execution, enter into tenders, sell, buy and mortgage real estate.</p> <p>The Chairman of the Board of Directors also has the right to contract and sign on behalf of the company and on its behalf all types of contracts, documents, including without limitation the contracts of incorporation of companies in which the company participates with all its amendments, appendices, amendment decisions and signing agreements and Sukuks before the notary public and official bodies, as well as loan agreements, safeguards, guarantees and Sukuks for buying and selling real estate, issuing legal powers of attorney on behalf of the company, selling, buying, emptying, accepting, receiving, delivering, renting, leasing, receiving and paying, opening accounts and credits, withdrawing and depositing with banks, issuing guarantees to banks, funds and government financing institutions, signing all papers, promissory notes, cheques, all commercial papers and documents, and all banking transactions.</p>	
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The board of directors may also conclude contracts of loans regardless of their duration, sell or mortgage the assets of the company, sell or mortgage the commercial shop of the company or release the debtors of the company from their obligations unless these articles include anything or the ordinary general assembly issues anything restrict the powers of the board of directors in that.

The deputy chairman of the board of directors to assist the chairman of the board in matters and issues related to the board of directors of the company, and he also replaces the chairman of the board in the absence of the chairman, calling the board to convene in the absence of the chairman, presiding over the meetings of the board in the absence of the chairman, managing and leading the process of evaluating the performance of the chairman of the board In coordination with other members of the Board, carry out any other responsibilities stipulated in the company's by law.

The Chief Executive Officer has the right to execute the executive management activities of the Company and follow the daily activities, and has the following powers, for example, but not limited to:

Managing the daily operations of the Company, and has all the powers necessary to carry out the Company's objects, represent the company in all governmental, official, supervisory and private agencies inside and outside the kingdom of Saudi Arabia, and signing contracts in the name of the Company, entering into tenders and auctions and do all actions necessary with all parties, appoint managers and employees of the

The board of directors may also conclude contracts of loans regardless of their duration, sell or mortgage the assets of the company, sell or mortgage the commercial shop of the company or release the debtors of the company from their obligations unless these articles include anything or the ordinary general assembly issues anything restrict the powers of the board of directors in that.

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	<p>company or to dismiss them. Appointing and dismissing Company representatives, legal consultants.</p> <p>Represent the Company at the Ministry of Commerce and Investment, Chambers of Commerce and Saudi Arabian General Investment Authority, for issuing commercial registrations, licenses, renewal and cancellation, add and delete activities, open branches and appoint its managers, obtain electronic services, receiving symbols and passcodes, registering brand names and trademarks, filing objections on the registration of trademarks.</p> <p>The Chief Executive Officer – based on the decision of the majority of the members of the Board of Directors – has the power to establish subsidiaries, amend their founding contracts, review the Ministry of Justice, the Ministry of Commerce, the General Authority for Investment, the Chamber of Commerce, the General Authority for Zakat and Income, the notary public and all the competent authorities to complete the procedures for establishing subsidiaries and sign the necessary and the right to appoint employees in the companies affiliated, contracting with them, and isolating them.</p> <p>Represent the Company at the Saudi Central Bank, Council of Health Insurance and the General Organization for Social Insurance, conduct the subscriptions and sign all dealings and requests and apply for the electronic services and receipt of the passcodes, request all data and certificates required, apply for employment injury benefits.</p> <p>Represent the Company at the Ministry of Finance and the General Authority of Zakat and Tax, and sign all documents,</p>	<p>company or to dismiss them. Appointing and dismissing Company representatives, legal consultants.</p> <p>Represent the Company at the Ministry of Commerce and Investment, Chambers of Commerce and Saudi Arabian General Investment Authority, for issuing commercial registrations, licenses, renewal and cancellation, add and delete activities, open branches and appoint its managers, obtain electronic services, receiving symbols and passcodes, registering brand names and trademarks, filing objections on the registration of trademarks.</p> <p>The Chief Executive Officer – based on the decision of the majority of the members of the Board of Directors – has the power to establish subsidiaries, amend their founding contracts, review the Ministry of Justice, the Ministry of Commerce, the General Authority for Investment, the Chamber of Commerce, the General Authority for Zakat and Income, the notary public and all the competent authorities to complete the procedures for establishing subsidiaries and sign the necessary and the right to appoint employees in the companies affiliated, contracting with them, and isolating them.</p> <p>Represent the Company at the Insurance Authority Saudi Central Bank, Council of Health Insurance and the General Organization for Social Insurance, conduct the subscriptions and sign all dealings and requests and apply for the electronic services and receipt of the passcodes, request all data and certificates required, apply for employment injury benefits.</p> <p>Represent the Company at the Ministry of Finance and the General Authority of Zakat and Tax, and sign all documents,</p>	
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	<p>and request final or temporary Zakat certificates, and delivery of interim and final financial statements.</p> <p>Represent the Company at civil defense and municipality to apply for and receive permits, renewal, modification and cancellation.</p> <p>Represent the Company at the Ministry of Labor and Social Development, Human Resources Development and Recruitment Offices, the Ministry of Foreign Affairs, to open files and issue the visas and receive compensation for visas and recover the amounts of the visas, and to adjust the professions and the nationalities, the guarantees and the transfer data updates, and to report breaches of sponsorship requirements, and to cancel breaches of sponsorship requirements, and issue licenses and renewal activities, and to add personnel and cancel them, and receive certificates of Saudization, apply for business visit visas through Saudi diplomatic missions and embassies and consulates abroad, visa extensions and signing contracts with recruitment offices and request electronic services and receipt of symbols and numbers. Signing agreements to support programs and receive subsidies and settlements.</p> <p>The right to operate with the relevant government authorities, including the passport office, in matters relating to; passports, obtaining residence permits, renewal of residence permits, getting replacement for loss or damaged residence permits, making exit re-entry, making of final exit, transfer of sponsorships, transfer of the sponsorship of workers to the Company, transfer of data, updating data, changing vocations, settlement, assignment of workers, and to report breaches of sponsorship requirements, and to cancel breaches of</p>	<p>and request final or temporary Zakat certificates, and delivery of interim and final financial statements.</p> <p>Represent the Company at civil defense and municipality to apply for and receive permits, renewal, modification and cancellation.</p> <p>Represent the Company at the Ministry of Labor and Social Development, Human Resources Development and Recruitment Offices, the Ministry of Foreign Affairs, to open files and issue the visas and receive compensation for visas and recover the amounts of the visas, and to adjust the professions and the nationalities, the guarantees and the transfer data updates, and to report breaches of sponsorship requirements, and to cancel breaches of sponsorship requirements, and issue licenses and renewal activities, and to add personnel and cancel them, and receive certificates of Saudization, apply for business visit visas through Saudi diplomatic missions and embassies and consulates abroad, visa extensions and signing contracts with recruitment offices and request electronic services and receipt of symbols and numbers. Signing agreements to support programs and receive subsidies and settlements.</p> <p>The right to operate with the relevant government authorities, including the passport office, in matters relating to; passports, obtaining residence permits, renewal of residence permits, getting replacement for loss or damaged residence permits, making exit re-entry, making of final exit, transfer of sponsorships, transfer of the sponsorship of workers to the Company, transfer of data, updating data, changing vocations, settlement, assignment of workers, and to report breaches of sponsorship requirements, and to cancel breaches of</p>	
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	<p>sponsorship requirements, prevention from travel, cancelling prevention from travel orders, cancelling visas of exit re-entry, cancelling visas of final exits, obtaining replacement travel visas in the event of loss or damage, obtaining the extension of visit visas, finishing the procedures for deceased workers, obtaining statements of workers data (print), dropping workers, review of directorate of transfer and foreigners, directorate of ports affairs. Represent the Company in all governmental, official and security ministries, bodies, authorities as well as emirates of regions, provinces and police departments and centers with all their business or their relations to others.</p> <p>Represent the Company with all service provider companies such as telecommunications, fixed line, mobile and internet services, Saudi Electricity Company and National Water Company, to subscribe in its services or waiver or cancel services.</p> <p>Also, have the right on behalf of the Company to sign for all the above authorities, issuing power of attorneys or authorization letters for one or more persons, for some or all the above authorities, and giving delegates the right to authorize others.</p>	<p>sponsorship requirements, prevention from travel, cancelling prevention from travel orders, cancelling visas of exit re-entry, cancelling visas of final exits, obtaining replacement travel visas in the event of loss or damage, obtaining the extension of visit visas, finishing the procedures for deceased workers, obtaining statements of workers data (print), dropping workers, review of directorate of transfer and foreigners, directorate of ports affairs. Represent the Company in all governmental, official and security ministries, bodies, authorities as well as emirates of regions, provinces and police departments and centers with all their business or their relations to others.</p> <p>Represent the Company with all service provider companies such as telecommunications, fixed line, mobile and internet services, Saudi Electricity Company and National Water Company, to subscribe in its services or waiver or cancel services.</p> <p>Also, have the right on behalf of the Company to sign for all the above authorities, issuing power of attorneys or authorization letters for one or more persons, for some or all the above authorities, and giving delegates the right to authorize others.</p>	
<p>Article (19)– Remunerations of the Board Members, Remunerations of Chairman of the Board of Directors and the Managing Director</p>	<p>1- the ordinary general assembly shall determine the remuneration of board members, based on the recommendation of the Nomination and Remuneration Committee, the Remuneration must be fair and proportionate to the Board member's activities carried out and responsibilities borne by the Board members</p> <p>2- The remuneration of members of the board of directors a specific amount or attendance allowance for the meetings,</p>	<p>1- the ordinary general assembly shall determine the remuneration of board members, based on the recommendation of the Nomination and Remuneration Committee, the Remuneration must be fair and proportionate to the Board member's activities carried out and responsibilities borne by the Board members</p> <p>2- The remuneration of members of the board of directors a specific amount or attendance allowance for the meetings,</p>	No Amendments

	<p>in kind benefits or a certain percentage of net profits. Two or more of such benefits may be combined.</p> <p>3- If the remuneration is a certain percentage of the company profit, such percentage may not exceed (10%) of the net profits after deducting the reserves decided by the general assembly in implementation of the provisions of cooperative insurance companies control law, companies law and theses articles and after distribution of a profit to shareholders that is not less than (5%) of the company paid capital and the eligibility for such remuneration shall be proportional to the number of meetings attended by the member</p> <p>4- The report of the board of directors to the annual ordinary general assembly shall include a comprehensive statement of all remunerations, allowances for expenses, meeting allowances and other benefits obtained or were entitled to receive by each member of the members of the board of directors during the financial year. It shall also include a statement of what is received by the members of the board as workers or administrators or what they receive against technical or administrative works or consultation. It shall also include a statement of the number of the board meetings and the number of meetings attended by each member</p>	<p>in kind benefits or a certain percentage of net profits. Two or more of such benefits may be combined.</p> <p>3- If the remuneration is a certain percentage of the company profit, such percentage may not exceed (10%) of the net profits after deducting the reserves decided by the general assembly in implementation of the provisions of cooperative insurance companies control law, companies law and theses articles and after distribution of a profit to shareholders that is not less than (5%) of the company paid capital and the eligibility for such remuneration shall be proportional to the number of meetings attended by the member</p> <p>4- The report of the board of directors to the annual ordinary general assembly shall include a comprehensive statement of all remunerations, allowances for expenses, meeting allowances and other benefits obtained or were entitled to receive by each member of the members of the board of directors during the financial year. It shall also include a statement of what is received by the members of the board as workers or administrators or what they receive against technical or administrative works or consultation. It shall also include a statement of the number of the board meetings and the number of meetings attended by each member</p>	
Article (20)– Powers of Chairman of the Board of Directors and his Membership term, and the Membership of a	The board of directors shall appoint from among its members a chairman, deputy chairman and shall appoint Chief Executive Officer. It may appoint a managing director. It is not permissible to combine. The chairman of the board of directors shall have the right to sign on behalf of the company and	The board of directors shall appoint from among its members a chairman, deputy chairman and shall appoint Chief Executive Officer. It may appoint a managing director. It is not permissible to combine. The chairman of the board of directors shall have the right to sign on behalf of the company and	No Amendments

Deputy, Managing Director and Secretary	implement the decisions of the board. The chairman of the board of directors shall be concerned with representing the company before courts, arbitration bodies and third parties. By a written decision, the chairman of the board of directors may delegate some of its powers to other members of the board or third parties to conduct certain work or works. The board of directors shall determine salaries, allowances and remuneration for the both the board chairman and the managing director as stated in article (19) of these articles. The board of directors shall appoint a secretary of the board. The board may appoint one or more advisers therefor in the different affairs of the company and the board shall determine their remunerations. The term of the board chairman, its deputy, managing director and secretary shall not exceed the membership term of each one of them of the board. They may be re-elected. The board may, at any time, remove them or any them	implement the decisions of the board. The chairman of the board of directors shall be concerned with representing the company before courts, arbitration bodies and third parties. By a written decision, the chairman of the board of directors may delegate some of its powers to other members of the board or third parties to conduct certain work or works. The board of directors shall determine salaries, allowances and remuneration for the both the board chairman and the managing director as stated in article (19) of these articles. The board of directors shall appoint a secretary of the board. The board may appoint one or more advisers therefor in the different affairs of the company and the board shall determine their remunerations. The term of the board chairman, its deputy, managing director and secretary shall not exceed the membership term of each one of them of the board. They may be re-elected. The board may, at any time, remove them or any them	
Article (21)– Meeting of the Board	<p>1- The Board shall meet at the invitation of its chairman. The chairman of the board shall convene the meeting whenever requested in writing by a board member to discuss one or more matters. The invitation shall be documented in the manner seen by the board. The meetings of the board shall be held periodically and as needed provided the number of the board annual meetings shall not be less than (4) meetings where shall be at least one meeting each three months.</p> <p>2- The board of directors shall determine the location of its meetings, and may hold its meetings through means of technology.</p>	<p>1- The Board shall meet at the invitation of its chairman. The chairman of the board shall convene the meeting whenever requested in writing by a board member to discuss one or more matters. The invitation shall be documented in the manner seen by the board. The meetings of the board shall be held periodically and as needed provided the number of the board annual meetings shall not be less than (4) meetings where shall be at least one meeting each three months.</p> <p>2- The board of directors shall determine the location of its meetings, and may hold its meetings through means of technology.</p>	No Amendments
Article (22)– Quorum of the Board Meeting	1- The board meeting shall be valid only if attended by at least half of the members (whether in person or by proxy) on the	1- The board meeting shall be valid only if attended by at least half of the members (whether in person or by proxy) on the	No Amendments

	<p>condition that the number of the attendees shall not be less than at least three (3) members.</p> <p>2- If the conditions required for holding the meeting of the board of directors are not met because the number of its members is below the minimum limit provided for in these articles, the remaining members shall convene the ordinary general assembly within sixty days to elect the required number of members.</p> <p>3- A member of the board of directors may not appoint a representative to attend the meeting. Exception to that, the member of the board of directors may delegate another member.</p> <p>4- The decision of the board shall be issued by a majority vote of attending members present or represented therein. In case of a tie, the chairman shall provide the casting vote.</p> <p>5- The board of directors may issue decisions in urgent matters by circulation by presentation them to all members separately unless a member requests in writing the meeting of the board to deliberate thereon. The decisions shall be passed by the majority vote of members, Such decisions shall be presented to the board at its first following meeting.</p> <p>6- A board decision shall become effective on the date of its issuance, unless the decision provides for a specific date or condition for its effectiveness.</p>	<p>condition that the number of the attendees shall not be less than at least three (3) members.</p> <p>2- If the conditions required for holding the meeting of the board of directors are not met because the number of its members is below the minimum limit provided for in these articles, the remaining members shall convene the ordinary general assembly within sixty days to elect the required number of members.</p> <p>3- A member of the board of directors may not appoint a representative to attend the meeting. Exception to that, the member of the board of directors may delegate another member.</p> <p>4- The decision of the board shall be issued by a majority vote of attending members present or represented therein. In case of a tie, the chairman shall provide the casting vote.</p> <p>5- The board of directors may issue decisions in urgent matters by circulation by presentation them to all members separately unless a member requests in writing the meeting of the board to deliberate thereon. The decisions shall be passed by the majority vote of members, Such decisions shall be presented to the board at its first following meeting.</p> <p>6- A board decision shall become effective on the date of its issuance, unless the decision provides for a specific date or condition for its effectiveness.</p>	
<p>Article (23)– Deliberations of the Board</p>	<p>The deliberations and decisions of the board shall be recorded in minutes signed by the meeting chairman, members of the board of directors present and secretary. Such minutes shall be recorded in special register signed by the chairman of the board of directors and the secretary.</p>	<p>The deliberations and decisions of the board shall be recorded in minutes signed by the meeting chairman, members of the board of directors present and secretary. Such minutes shall be recorded in special register signed by the chairman of the board of directors and the secretary.</p>	<p>No Amendments</p>

	Means of technology may be used to obtain signatures, record deliberations and decisions, and prepare meeting minutes.	Means of technology may be used to obtain signatures, record deliberations and decisions, and prepare meeting minutes.	
Article (24)– Agreements and Contracts Conflict of interest and company competition	<p>1- After obtaining non – objection y Saudi central bank, the company shall be entitled to conclude an agreement to manage technical services with one or more companies qualified in the insurance filed.</p> <p>2- A member of the board of directors may not have any direct or indirect interest in works and contracts made for the account of the company unless by a license from the ordinary general assembly (or from the Board of Directors Based on a Delegation from the General Assembly in accordance with the relevant provisions). The member of the board of directors shall notify the board of its direct or indirect interest in the works and contracts made for the account of the company. Such notification shall be recorded in the meeting minutes.</p> <p>3- Such member may not participation in voting on the decision issued in this regard in the board of directors and assemblies of shareholders.</p> <p>4- The chairman of the board of directors shall notify the ordinary general assembly upon its holding of the works and contracts in which a member of the board has direct or indirect interest therein. The notification shall be accompanied by a special report form the external auditor of the company.</p> <p>5- If the member of the board of directors fails to disclose its interest, the company or any interested party may request before the competent judicial body avoidance of the</p>	<p>1- After obtaining non – objection by Insurance Authority Saudi central bank, the company shall be entitled to conclude an agreement to manage technical services with one or more companies qualified in the insurance filed.</p> <p>2- A member of the board of directors may not have any direct or indirect interest in works and contracts made for the account of the company unless by a license from the ordinary general assembly (or from the Board of Directors Based on a Delegation from the General Assembly in accordance with the relevant provisions). The member of the board of directors shall notify the board of its direct or indirect interest in the works and contracts made for the account of the company. Such notification shall be recorded in the meeting minutes.</p> <p>3- Such member may not participation in voting on the decision issued in this regard in the board of directors and assemblies of shareholders.</p> <p>4- The chairman of the board of directors shall notify the ordinary general assembly upon its holding of the works and contracts in which a member of the board has direct or indirect interest therein. The notification shall be accompanied by a special report form the external auditor of the company.</p> <p>5- If the member of the board of directors fails to disclose its interest, the company or any interested party may request</p>	“Insurance Authority” Name

	<p>contract or abrogating the member to pay any profit or interest realized by it from that.</p> <p>6- The responsibility for the damages resulting from the works and contracts referred to in paragraph (1) of this article shall lie with the member who is the stakeholder in the work or the contract as well as the members of the board of directors if such works and contracts made in violation of the provisions of such paragraph or if it is established that they are not fair or involve conflict on interest or result in damage to shareholders.</p> <p>7- Members of the board of directors objecting to the decision shall be relieved from responsibility whenever the expressly record their objection in the meeting minutes. Absence from attending the meeting at which the decision is issued shall not be a reason for relieving from responsibility unless it is established that the absent member did not know the decision or was unable to object there to after knowing it.</p> <p>8- Members of the board of directors may not participate in any work that would compete with the company or compete with the company in one of the branches of the activity it exercises, otherwise the company may claim from it before the competent judicial bodies the appropriates compensation unless it has a prior license from the ordinary general assembly- renewed each year- allowing it to do so.</p>	<p>before the competent judicial body avoidance of the contract or abrogating the member to pay any profit or interest realized by it from that.</p> <p>6- The responsibility for the damages resulting from the works and contracts referred to in paragraph (1) of this article shall lie with the member who is the stakeholder in the work or the contract as well as the members of the board of directors if such works and contracts made in violation of the provisions of such paragraph or if it is established that they are not fair or involve conflict on interest or result in damage to shareholders.</p> <p>7- Members of the board of directors objecting to the decision shall be relieved from responsibility whenever the expressly record their objection in the meeting minutes. Absence from attending the meeting at which the decision is issued shall not be a reason for relieving from responsibility unless it is established that the absent member did not know the decision or was unable to object there to after knowing it.</p> <p>8- Members of the board of directors may not participate in any work that would compete with the company or compete with the company in one of the branches of the activity it exercises, otherwise the company may claim from it before the competent judicial bodies the appropriates compensation unless it has a prior license from the ordinary general assembly- renewed each year- allowing it to do so.</p>	
Article (25)- Attendance of Assemblies	<p>1- The general assembly, which is correctly formed, shall represent all shareholders</p>	<p>1- The general assembly, which is correctly formed, shall represent all shareholders</p>	No Amendments

	2- Each shareholder, regardless of the number of its shares, shall have the right to attend general assemblies of shareholders and for that may delegate a person other than the members of the board of directors or the Company staff to attend the general assembly. The meeting of the Shareholders General Assemblies may be held, and a shareholder may participate in the deliberations therefore and vote on the resolutions made therein through modern technology means as per the controls developed by the Capital Market Authority.	2- Each shareholder, regardless of the number of its shares, shall have the right to attend general assemblies of shareholders and for that may delegate a person other than the members of the board of directors or the Company staff to attend the general assembly. The meeting of the Shareholders General Assemblies may be held, and a shareholder may participate in the deliberations therefore and vote on the resolutions made therein through modern technology means as per the controls developed by the Capital Market Authority.	
Article (26)- Ordinary General Assembly Terms of Reference	With the exception of the matters designated for the extraordinary general assembly, the ordinary general assembly shall be concerned with all matters relating to the company. The ordinary general assembly shall be held at least once a year during the six months following the end of the company's fiscal year. Other ordinary assemblies may be called for as needed.	With the exception of the matters designated for the extraordinary general assembly, the ordinary general assembly shall be concerned with all matters relating to the company. The ordinary general assembly shall be held at least once a year during the six months following the end of the company's fiscal year. Other ordinary assemblies may be called for as needed.	
Article (27)- Extraordinary General Assembly Terms of Reference	The extraordinary general assembly shall be concerned with the amendment of the company's statute except for provisions prohibited to be amended by regulation. The extraordinary general assembly may issue resolutions regarding matters within the competence of the ordinary general assembly under the same terms and conditions prescribed for the ordinary general assembly.	The extraordinary general assembly shall be concerned with the amendment of the company's statute except for provisions prohibited to be amended by regulation. The extraordinary general assembly may issue resolutions regarding matters within the competence of the ordinary general assembly under the same terms and conditions prescribed for the ordinary general assembly.	No Amendments
Article (28)- Call for Assemblies	1- General or special assemblies of shareholders shall be held at an invitation of the board of directors. The board of directors shall convene the ordinary general assembly within 30 days if so requested by the auditor, Audit committee or a shareholder or a number of shareholders representing at least (10%) of the company's voting	1- General or special assemblies of shareholders shall be held at an invitation of the board of directors. The board of directors shall convene the ordinary general assembly within 30 days if so requested by the auditor, Audit committee or a shareholder or a number of shareholders representing at least (10%) of the company's voting shares.	No Amendments

	<p>shares. The auditor may convene the Ordinary General Assembly in case the Board fails to convene the assembly within thirty (30) days from the date of the auditor's request.</p> <p>2- By a decision of the Capital Market Authority, the ordinary general assembly may be convened in the following cases:</p> <ul style="list-style-type: none"> a- If the period specified for holding expires (during the six months following the expiration of the fiscal year of the company) without holding thereof. b- In case the number of members of the board of directors is below the minimum limit for valid holding. c- If violations of the provisions of the regulation or the company by-law or an anomaly in company management are identified. d- In the event the board fails to convene the general assembly within Thirty days from the request date of the auditor, Audit committee or a number of shareholders representing at least (10%) of the company's voting shares. <p>3- Such call shall be published at least twenty one (21) days prior to the time specified for holding, The invitation shall be published on the market's website and the company's website. A copy of the call and the agenda shall be sent to the Commercial Register and also a copy shall be sent to Capital Market Authority. However, extending the invitation on the said date to all shareholders through registered letters to the addresses registered in the</p>	<p>The auditor may convene the Ordinary General Assembly in case the Board fails to convene the assembly within thirty (30) days from the date of the auditor's request.</p> <p>2- By a decision of the Capital Market Authority, the ordinary general assembly may be convened in the following cases:</p> <ul style="list-style-type: none"> a- If the period specified for holding expires (during the six months following the expiration of the fiscal year of the company) without holding thereof. b- In case the number of members of the board of directors is below the minimum limit for valid holding. c- If violations of the provisions of the regulation or the company by-law or an anomaly in company management are identified. d- In the event the board fails to convene the general assembly within Thirty days from the request date of the auditor, Audit committee or a number of shareholders representing at least (10%) of the company's voting shares. <p>3- Such call shall be published at least twenty one (21) days prior to the time specified for holding, The invitation shall be published on the market's website and the company's website. A copy of the call and the agenda shall be sent to the Commercial Register and also a copy shall be sent to Capital Market Authority. However, extending the invitation on the said date to all shareholders through registered letters to the addresses registered in the shareholders' register, or by an announcement using</p>	
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	shareholders' register, or by an announcement using means of technology may suffice. A copy of the invitation and the agenda shall be sent to Capital Market Authority within the period specified for publication.	means of technology may suffice. A copy of the invitation and the agenda shall be sent to Capital Market Authority within the period specified for publication.	
Article (29)– Register of Attendance of Assemblies	Shareholders wishing to attend the general or special assembly shall register their names at the company's headquarters prior to the time specified for holding the assembly or through the means specified by the company in the invitation or on its website. The general assembly of the company may be held in any city within the Kingdom or through modern technology.	Shareholders wishing to attend the general or special assembly shall register their names at the company's headquarters prior to the time specified for holding the assembly or through the means specified by the company in the invitation or on its website. The general assembly of the company may be held in any city within the Kingdom or through modern technology.	No Amendments
Article (30)– The Quorum of Ordinary General Assembly	<p>1- An ordinary general assembly meeting shall not be valid unless attended by shareholders representing at least (a quarter) of the company's voting shares.</p> <p>2- If the quorum required for holding the meeting of the ordinary general assembly is not available according to paragraph (1) of this article, a call is made for a second meeting to be held within the thirty days following the date set for the previous meeting. Such call shall be published in the manner provided for in article (30) of these articles. However, the second meeting may be held after an hour from the expiration of the period specified for holding the first meeting provided that the call for holding the first meeting shall state announcement of the possibility of holding such meeting. In all cases, the second meeting shall be valid regardless of the shares represented thereat.</p>	<p>1- An ordinary general assembly meeting shall not be valid unless attended by shareholders representing at least (a quarter) of the company's voting shares.</p> <p>2- If the quorum required for holding the meeting of the ordinary general assembly is not available according to paragraph (1) of this article, a call is made for a second meeting to be held within the thirty days following the date set for the previous meeting. Such call shall be published in the manner provided for in article (30) of these articles. However, the second meeting may be held after an hour from the expiration of the period specified for holding the first meeting provided that the call for holding the first meeting shall state announcement of the possibility of holding such meeting. In all cases, the second meeting shall be valid regardless of the shares represented thereat.</p>	No Amendments
Article (31)– Quorum of Extraordinary General Assembly	<p>1- Holding of an extraordinary general assembly shall not be valid unless attended by shareholders representing at least half the company's voting shares.</p>	<p>1- Holding of an extraordinary general assembly shall not be valid unless attended by shareholders representing at least half the company's voting shares.</p>	No Amendments

	<p>2- If the quorum required for holding the meeting of the extraordinary general assembly is not available according to paragraph (1) of this article, a call is made for a second meeting under the same conditions provided for in article (30) of these articles, The second meeting may be held after an hour from the expiration of the period specified for holding the first meeting provided that the call for holding the first meeting shall state announcement of the possibility of holding such meeting. In all cases, the second meeting shall be valid if attended by a number of shareholders representing at least (a quarter) of the company's voting shares.</p> <p>3- If the required quorum is not available in the second meeting, a call shall be made for a third meeting to be held under the same conditions provided for in article (30) of these articles. The third meeting shall be valid regardless of the number of voting shares represented thereat after the approval of Capital Market Authority.</p>	<p>2- If the quorum required for holding the meeting of the extraordinary general assembly is not available according to paragraph (1) of this article, a call is made for a second meeting under the same conditions provided for in article (30) of these articles, The second meeting may be held after an hour from the expiration of the period specified for holding the first meeting provided that the call for holding the first meeting shall state announcement of the possibility of holding such meeting. In all cases, the second meeting shall be valid if attended by a number of shareholders representing at least (a quarter) of the company's voting shares.</p> <p>3- If the required quorum is not available in the second meeting, a call shall be made for a third meeting to be held under the same conditions provided for in article (30) of these articles. The third meeting shall be valid regardless of the number of voting shares represented thereat after the approval of Capital Market Authority.</p>	
Article (32)– Voting in Assemblies	Votes in the ordinary and extraordinary assemblies shall be calculated on the basis of a vote per share. The cumulative voting shall be used in electing the Board of Directors where the share right voting may not be used more than once. Members of the board of directors may not participate in voting on the decisions of the assembly regarding business and contracts in which they have a direct or indirect interest or that involve a conflict of interests.	Votes in the ordinary and extraordinary assemblies shall be calculated on the basis of a vote per share. The cumulative voting shall be used in electing the Board of Directors where the share right voting may not be used more than once. Members of the board of directors may not participate in voting on the decisions of the assembly regarding business and contracts in which they have a direct or indirect interest or that involve a conflict of interests.	No Amendments
Article (33)– Resolutions of Assemblies	Resolutions of the ordinary general assembly shall be passed by passed by the majority vote of voting rights represented in the meeting. Resolutions of the extraordinary general assembly	Resolutions of the ordinary general assembly shall be passed by passed by the majority vote of voting rights represented in the meeting. Resolutions of the extraordinary general assembly	No Amendments

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	present or represented, number of shares in their possession in person or by proxy, number of their votes, the decisions taken, number of dissenting or concurring votes and thorough summary of the discussion that took place in the meeting. Following each meeting, the minutes shall regularly be recorded in a special register signed by the chairman of the assembly, secretary and collector of votes.	present or represented, number of shares in their possession in person or by proxy, number of their votes, the decisions taken, number of dissenting or concurring votes and thorough summary of the discussion that took place in the meeting. Following each meeting, the minutes shall regularly be recorded in a special register signed by the chairman of the assembly, secretary and collector of votes.	
Article (36)- Committees of the Board of Directors	Committees of the board of directors shall be formed in accordance with relevant laws and regulations.	Committees of the board of directors shall be formed in accordance with relevant laws and regulations.	No Amendments
Article (37)- Appointment of the Auditor	<p>1- The general assembly shall appoint one (or more) auditors from among the auditors licensed to practice in the Kingdom determine their remunerations and the period and scope of their work. It may re- appoint them provided that the total period of their appointment shall not exceed The specified period in accordance with the provisions prescribed by law</p> <p>2- General assembly may remove the auditor, without prejudice to his right to compensation for any damage he incurs, if justified. The manager or the chairman of the board of directors shall notify the Competent Authority of the removal decision and the grounds therefor within a period not exceeding five days from the decision date.</p> <p>3- The auditor may resign pursuant to a written notice submitted to the company. His assignment shall terminate from the date of submitting the resignation notice or at a later date as specified therein, without prejudice to the company's right to compensation for any damage it incurs, if justified. The resigning auditor shall,</p>	<p>1- The general assembly shall appoint one (or more) auditors from among the auditors licensed to practice in the Kingdom determine their remunerations and the period and scope of their work. It may re- appoint them provided that the total period of their appointment shall not exceed The specified period in accordance with the provisions prescribed by law</p> <p>2- General assembly may remove the auditor, without prejudice to his right to compensation for any damage he incurs, if justified. The manager or the chairman of the board of directors shall notify the Competent Authority of the removal decision and the grounds therefor within a period not exceeding five days from the decision date.</p> <p>3- The auditor may resign pursuant to a written notice submitted to the company. His assignment shall terminate from the date of submitting the resignation notice or at a later date as specified therein, without prejudice to the company's right to compensation for any damage it incurs, if justified. The resigning auditor shall,</p>	No Amendments

	upon submission of the notice, provide the company and the Competent Authority with the reasons for his resignation. The company's manager or board of directors shall call the partners or shareholders to meet or the general assembly to be held, as the case may be, to review said reasons and appoint another auditor.	upon submission of the notice, provide the company and the Competent Authority with the reasons for his resignation. The company's manager or board of directors shall call the partners or shareholders to meet or the general assembly to be held, as the case may be, to review said reasons and appoint another auditor.	
Article (38)– Powers of the Auditor	The auditor may, at any time, access the books and registrations of the company and other documents. It may request the statements and clarifications it considers necessary to be obtained. It may also verify the assets and liabilities of the company and other matters falling within the purview of its work. The board of directors shall enable it to perform its duty. If the auditor faces a difficulty in this regard, it shall record same in a report to be presented to the board of directors. In case the board fails to facilitate the work of the auditor, it shall request the board of directors to convene the general assembly to consider the matter. If the board of directors fails to call for a meeting within 30 days from the date of the auditor's request, the auditor himself may call for a meeting.	The auditor may, at any time, access the books and registrations of the company and other documents. It may request the statements and clarifications it considers necessary to be obtained. It may also verify the assets and liabilities of the company and other matters falling within the purview of its work. The board of directors shall enable it to perform its duty. If the auditor faces a difficulty in this regard, it shall record same in a report to be presented to the board of directors. In case the board fails to facilitate the work of the auditor, it shall request the board of directors to convene the general assembly to consider the matter. If the board of directors fails to call for a meeting within 30 days from the date of the auditor's request, the auditor himself may call for a meeting.	No Amendments
Article (39)– Obligations of the Auditor	The auditor shall submit to the annual general assembly a report on the company's financial statements prepared according to auditing standards approved in the Kingdom and including the position of the company management as to enabling it to obtain the statements and clarifications requested by it, the violations that might be detected by it of the provisions of the companies law, cooperative companies control law and its implementing regulations and other relevant laws, regulations and instructions and the company's by-law and its view on the fairness of the	The auditor shall submit to the annual general assembly a report on the company's financial statements prepared according to auditing standards approved in the Kingdom and including the position of the company management as to enabling it to obtain the statements and clarifications requested by it, the violations that might be detected by it of the provisions of the companies law, cooperative companies control law and its implementing regulations and other relevant laws, regulations and instructions and the company's by-law and its view on the fairness of the	No Amendments

	financial statements of the company. The auditor shall read out its report or a summary in the annual general assembly.	financial statements of the company. The auditor shall read out its report or a summary in the annual general assembly.	
Article (40)– Fiscal Year	The company fiscal year shall commence from the first of the month of January, and expire by the end of December of each Gregorian year.	The company fiscal year shall commence from the first of the month of January, and expire by the end of December of each Gregorian year.	No Amendments
Article (41)– Financial Documents	<p>1- At the end of each fiscal year, the board of director shall prepare the financial statements (the financial statements consist of: statement of financial position for insurance operations and shareholders, statement of surplus(deficit) of insurance operations, statement of income of shareholders, statement of shareholders' rights, statement of cash flows for insurance operations, statements of cash flows for shareholders) a report on the activity and financial position of the company for the expired fiscal year. Such report shall include the method it proposes to distribute profits. The board shall place such documents at the disposal of the auditor at least (45) days before the time specified for holding the general assembly.</p> <p>2- The chairman of the board of directors of the company, its chief executive officer, its chief financial officer shall sign the documents mentioned in paragraph (1). Copies thereof shall be deposited at the head office of the company at the disposal of shareholders at least (21) days before the time specified for holding the general assembly.</p> <p>3- The chairman of the board of directors shall provide the shareholders with the financial statements of the company, report of the board of directors after signing the same, report of the auditor unless published using any means of technology, at least 21 days prior to the date set for the</p>	<p>1- At the end of each fiscal year, the board of director shall prepare the financial statements (the financial statements consist of: statement of financial position for insurance operations and shareholders, statement of surplus(deficit) of insurance operations, statement of income of shareholders, statement of shareholders' rights, statement of cash flows for insurance operations, statements of cash flows for shareholders) a report on the activity and financial position of the company for the expired fiscal year. Such report shall include the method it proposes to distribute profits. The board shall place such documents at the disposal of the auditor at least (45) days before the time specified for holding the general assembly.</p> <p>2- The chairman of the board of directors of the company, its chief executive officer, its chief financial officer shall sign the documents mentioned in paragraph (1). Copies thereof shall be deposited at the head office of the company at the disposal of shareholders at least (21) days before the time specified for holding the general assembly.</p> <p>3- The chairman of the board of directors shall provide the shareholders with the financial statements of the company, report of the board of directors after signing the same, report of the auditor unless published using any means of technology, at least 21 days prior to the date set for the</p>	No Amendments

	general assembly meeting. The chairman of the board shall also deposit such documents in accordance with the Regulations.	general assembly meeting. The chairman of the board shall also deposit such documents in accordance with the Regulations.	
Articles (42)– Accounts of Insurance Operations	<p>Accounts of an insurance operation shall be independent from the statement of income of shareholders as follows:</p> <p>First: Accounts of insurance operations:</p> <ol style="list-style-type: none"> 1- An account shall be allocated to earned premiums, and reinsurance and other commissions. 2- An account shall be allocated to reimbursements incurred by the company. 3- At the end of each year, the total surplus representing the difference between the total premiums and reimbursements less marketing, administrative and operational charges and the required technical provisions according to the instructions regulating same shall be determined. 4- The determination of the net surplus shall be as follows: The return on investment relating to those insured shall be added to the total surplus set forth in paragraph (3) above or deducted therefrom after calculating the returns due to them and deducting the realized charges due from them. 5- Distribution of net surplus: It shall be made either by distributing (10%) ten percent to those insured directly or by decreasing their premiums for the following year. (90%) ninety percent shall be carried forward to the income account of shareholders. <p>Second: Shareholders' income statement:</p>	<p>Accounts of an insurance operation shall be independent from the statement of income of shareholders as follows:</p> <p>First: Accounts of insurance operations:</p> <ol style="list-style-type: none"> 1- An account shall be allocated to earned premiums, and reinsurance and other commissions. 2- An account shall be allocated to reimbursements incurred by the company. 3- At the end of each year, the total surplus representing the difference between the total premiums and reimbursements less marketing, administrative and operational charges and the required technical provisions according to the instructions regulating same shall be determined. 4- The determination of the net surplus shall be as follows: The return on investment relating to those insured shall be added to the total surplus set forth in paragraph (3) above or deducted therefrom after calculating the returns due to them and deducting the realized charges due from them. 5- Distribution of net surplus: It shall be made either by distributing (10%) ten percent to those insured directly or by decreasing their premiums for the following year. (90%) ninety percent shall be carried forward to the income account of shareholders. <p>Second: Shareholders' income statement:</p>	No Amendments

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	payment thereof in the following year or years and the general assembly may not decide to distribute a ratio of profits that is in excess of what has been proposed by the board of directors.	ratio, shareholders may not request payment thereof in the following year or years and the general assembly may not decide to distribute a ratio of profits that is in excess of what has been proposed by the board of directors.	
Article (44)– Entitlement of Profits	A shareholder shall be entitled to its share of the profits in accordance with the resolution of the general assembly issued in this regard. The resolution shall indicate the entitlement date and distribution date. The entitlement to profits shall be for the shareholders registered in the registers of shareholders at the end of the day specified for entitlement. The company shall notify Capital Market Authority without delay of any decisions for the distribution of profits or recommending same. The profits to be distributed among shareholders shall be paid in the place and on the date determined by the board of directors in accordance with the instructions issued by the competent authority subject to the prior written approval of Saudi central bank.	A shareholder shall be entitled to its share of the profits in accordance with the resolution of the general assembly issued in this regard. The resolution shall indicate the entitlement date and distribution date. The entitlement to profits shall be for the shareholders registered in the registers of shareholders at the end of the day specified for entitlement. The company shall notify Capital Market Authority without delay of any decisions for the distribution of profits or recommending same. The profits to be distributed among shareholders shall be paid in the place and on the date determined by the board of directors in accordance with the instructions issued by the competent authority subject to the prior written approval of Insurance Authority Saudi central bank.	“Insurance Authority” Name
Article (45)– Losses of the Company	If the losses of a joint-stock company amount to half of the issued capital, the board of directors shall, within 60 days from the date of its knowledge thereof, announce the losses and the recommendations relating thereto, and shall, within 180 days from said date, call for an extraordinary general assembly meeting to consider the continuation of the company by taking measures necessary to resolve such losses or the dissolution of the company.	If the losses of a joint-stock company amount to half of the issued capital, the board of directors shall, within 60 days from the date of its knowledge thereof, announce the losses and the recommendations relating thereto, and shall, within 180 days from said date, call for an extraordinary general assembly meeting to consider the continuation of the company by taking measures necessary to resolve such losses or the dissolution of the company.	No Amendments
Article (46)– Responsibility of the Company	The company shall observe all actions and acts of the board of directors even if they are within not its terms of reference unless the stakeholder is ill-intentioned or knows that such acts are not within the terms of reference of the board.	The company shall observe all actions and acts of the board of directors even if they are within not its terms of reference unless the stakeholder is ill-intentioned or knows that such acts are not within the terms of reference of the board.	No Amendments

<p>Article (47)– Responsibility of Members of the Board of Directors</p>	<p>1– Members of the board of directors shall be jointly responsible for compensating the company, shareholders or third parties for the damage arising out from a wrongful act, negligence, or omission in the performance of their duties or their violation of the provisions of cooperative companies control law and its implementing regulations and other relevant regulations and instructions and the companies law and the company’s by law. Each condition requires otherwise shall be void. The responsibility shall lie with all members of the board of directors if the error occurs due to a decision taken by them unanimously. The decisions issued by a majority of opinions, the objecting members shall not be responsible for whenever they record their objection in the meeting minutes. Absence from the meeting at which the decision is issued shall not be a reason for relieving from responsibility unless it is established that the member is not aware of the decision or able to object thereto after being aware thereof.</p> <p>2– The company may initiate a derivative action against the board members for any damage incurred by the company resulting from the violation of the companies Law or the company’s articles of incorporation or articles of association or from a wrongful act, negligence, or omission in the performance of their duties. The decision to initiate the action and to designate a representative on behalf of the company to pursue such action shall be made by the general assembly. If the company is under liquidation, the liquidator shall initiate the action. If any liquidation proceedings are initiated</p>	<p>1– Members of the board of directors shall be jointly responsible for compensating the company, shareholders or third parties for the damage arising out from a wrongful act, negligence, or omission in the performance of their duties or their violation of the provisions of cooperative companies control law and its implementing regulations and other relevant regulations and instructions and the companies law and the company’s by law. Each condition requires otherwise shall be void. The responsibility shall lie with all members of the board of directors if the error occurs due to a decision taken by them unanimously. The decisions issued by a majority of opinions, the objecting members shall not be responsible for whenever they record their objection in the meeting minutes. Absence from the meeting at which the decision is issued shall not be a reason for relieving from responsibility unless it is established that the member is not aware of the decision or able to object thereto after being aware thereof.</p> <p>2– The company may initiate a derivative action against the board members for any damage incurred by the company resulting from the violation of the companies Law or the company’s articles of incorporation or articles of association or from a wrongful act, negligence, or omission in the performance of their duties. The decision to initiate the action and to designate a representative on behalf of the company to pursue such action shall be made by the general assembly. If the company is under liquidation, the liquidator shall initiate the action. If any liquidation proceedings are initiated</p>	<p>No Amendments</p>
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	<p>against the company under the Bankruptcy Law, the action shall be initiated by its legal representative.</p> <p>3- The approval of the ordinary general assembly to release the members of the board of directors shall not prevent filing the responsibility case.</p> <p>4- A single partner or shareholder, or more, representing 5% of the company's capital, may initiate a derivative action on behalf of the company if such action is not initiated by the company, provided the action serves the interests of the company and is based on valid grounds, and the plaintiff is acting in good faith and is a partner or shareholder in the company at the time of initiating the action.</p> <p>5- To initiate the action referred to in item (4) of this Article, the company's board members, as the case may be, shall be notified of the intent to initiate the action at least 14 days prior to the initiation date.</p> <p>6- A shareholder may initiate a private right of action against the board members if the wrongful act attributed thereto results in a damage personally affecting him</p> <p>7- The competent judicial authority may, at the request of a shareholder, order the company to pay the expenses he incurred in the initiation of a derivative action, regardless of its outcome, if he initiates the action in good faith and such action is in the interest of the company.</p> <p>8- Except for the cases of fraud and forgery the responsibility case shall not be heard after lapse of five (5) years from the expiration date of the fiscal year in which the wrongful act</p>	<p>against the company under the Bankruptcy Law, the action shall be initiated by its legal representative.</p> <p>3- The approval of the ordinary general assembly to release the members of the board of directors shall not prevent filing the responsibility case.</p> <p>4- A single partner or shareholder, or more, representing 5% of the company's capital, may initiate a derivative action on behalf of the company if such action is not initiated by the company, provided the action serves the interests of the company and is based on valid grounds, and the plaintiff is acting in good faith and is a partner or shareholder in the company at the time of initiating the action.</p> <p>5- To initiate the action referred to in item (4) of this Article, the company's board members, as the case may be, shall be notified of the intent to initiate the action at least 14 days prior to the initiation date.</p> <p>6- A shareholder may initiate a private right of action against the board members if the wrongful act attributed thereto results in a damage personally affecting him</p> <p>7- The competent judicial authority may, at the request of a shareholder, order the company to pay the expenses he incurred in the initiation of a derivative action, regardless of its outcome, if he initiates the action in good faith and such action is in the interest of the company.</p> <p>8- Except for the cases of fraud and forgery the responsibility case shall not be heard after lapse of five (5) years from the expiration date of the fiscal year in which the wrongful act</p>	
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	<p>occurs or three (3) years from the membership expiration of the member of the board of directors concerned, whichever is later.</p> <p>9- The company's manager or a board member shall be deemed to have fulfilled his duty in a decision he made or voted on in good faith if he:</p> <p>a) has no personal interest in the subject matter of the decision;</p> <p>b) understands and is familiar with the subject matter of the decision to an extent he deems reasonable according to the circumstances of the decision; and</p> <p>c) believes firmly and rationally that the decision serves the company's interests.</p> <p>The burden of proving otherwise shall rest with the plaintiff.</p> <p>For the purposes of this Article, a decision shall refer to an action or omission relating to the company's business.</p>	<p>occurs or three (3) years from the membership expiration of the member of the board of directors concerned, whichever is later.</p> <p>9- The company's manager or a board member shall be deemed to have fulfilled his duty in a decision he made or voted on in good faith if he:</p> <p>a) has no personal interest in the subject matter of the decision;</p> <p>b) understands and is familiar with the subject matter of the decision to an extent he deems reasonable according to the circumstances of the decision; and</p> <p>c) believes firmly and rationally that the decision serves the company's interests.</p> <p>The burden of proving otherwise shall rest with the plaintiff.</p> <p>For the purposes of this Article, a decision shall refer to an action or omission relating to the company's business.</p>	
<p>Article (48)– Expiration of the Company</p>	<p>1- Once it expires, the company shall enter into liquidation. It shall retain the legal personality to the extent necessary for liquidation.</p> <p>2- The decision of the voluntary liquidation shall be issued by the Extraordinary general assembly.</p> <p>3- The liquidation decision shall include the appointment of the liquidator, determination of its authorities, fees, the restrictions imposed on its authorities and the time limit required for liquidation. The period of the voluntary liquidation shall not exceed three (3) years and may be extended only by a judicial order.</p> <p>4- The authority of the board of directors of the company shall expire by its dissolution. However, it shall manage the</p>	<p>1- Once it expires, the company shall enter into liquidation. It shall retain the legal personality to the extent necessary for liquidation.</p> <p>2- The decision of the voluntary liquidation shall be issued by the Extraordinary general assembly.</p> <p>3- The liquidation decision shall include the appointment of the liquidator, determination of its authorities, fees, the restrictions imposed on its authorities and the time limit required for liquidation. The period of the voluntary liquidation shall not exceed three (3) years and may be extended only by a judicial order.</p> <p>4- The authority of the board of directors of the company shall expire by its dissolution. However, it shall manage the</p>	No Amendments

	company and be deemed by third parties as liquidators until the liquidator is appointed. During the period of liquidation, the terms of reference of the company assemblies that are consistent with the terms of reference of the liquidator shall remain.	company and be deemed by third parties as liquidators until the liquidator is appointed. During the period of liquidation, the terms of reference of the company assemblies that are consistent with the terms of reference of the liquidator shall remain.	
Article (49)– Company Law	The provisions of the cooperative companies control law and its implementing regulations, the Companies Law and its regulations, and other relevant laws, regulations and instructions shall apply to matters not provided for in these articles.	The provisions of the cooperative companies control law and its implementing regulations, the Companies Law and its regulations, and other relevant laws, regulations and instructions shall apply to matters not provided for in these articles.	No Amendments
Article (50)– Publication	These articles shall be deposited and published in accordance with the Companies Law and its regulations	These articles shall be deposited and published in accordance with the Companies Law and its regulations	No Amendments



Agenda Item # 2

2- Viewing and discussing the Board of Directors' Report for the fiscal year ending on 31 /12/ 2024 G.



إتحاد الخليج الأهلية للتأمين التعاوني
GULF UNION AL AHLIA COOPERATIVE INSURANCE



Board of Directors Annual Report

31 December 2024

Speech of Mr. Abdulaziz Ali Al-Turki
Chairman of the Board of Directors



Gentlemen / shareholders of Gulf Union Al Ahlia Cooperative Insurance Company

We at Gulf Union Al Ahlia are proud to have achieved a unique performance in 2024 in all of the company's sectors, which resulted in achieving profits before zakat of 51.5 million riyals,

During the year 2024, the company also achieved a growth in Gross written premiums amounting to 41.2%, as it achieved Gross written premiums amounting to (975.5 million riyals).

In achieving its strategy during the past year 2024 AD, Gulf Union Al Ahlia Cooperative Insurance Company relied on a group of elements that characterize the company, which is the long experience, the diversity of insurance solutions that it provides to its customers of individuals or companies, its geographical spread in the various regions of the Kingdom, the experienced and high efficiency human resources, in addition to the automation and digital transformation.

We have relied on developing many internal procedures, automating and digitizing many processes in the company departments, During 2024, we are proud to launch the technical system for Motor insurance and launch a number of electronic services that facilitate the customer's journey.

The Board of Directors assures the shareholders that the board of directors always works with all effort and sincerity for the interest of the company and the interests of the shareholders, and the board of directors will always work to achieve positive results that satisfy the ambition of the company's shareholders.

On my own behalf and on behalf of the Board of Directors of Gulf Union Al Ahlia Cooperative Insurance Company, I present to your Excellency the report of the Board of Directors for the year ending on 12/31/2024 AD, including a brief explanation of the company's activity, the nature of its business, its level of performance, and the audited financial statements for the fiscal year ending on 31 Dec 2024 AD that audited by the company external auditors PricewaterhouseCoopers Certified Public accountants PwC and Al-Kharashi & Co. Certified Accountants and Auditors (Mazars), a summary of the most prominent strategic decisions during the year 2024 AD, and the company's compliance with the corporate governance regulation, in addition to the information of the company's board of directors and the committees emanating from the board, the disclosures of the members of the board of directors, as well as an account a summary of the most important developments and achievements, financial results as well as the company's prospects and future plans, risks related to the company and how to manage it, operating systems in accordance with the relevant regulations, and other information covering all the necessary aspects that need to be mentioned through this report.

We extend our thanks to the shareholders for their precious trust, we also thank the members of the Board of Directors, the members of the board of directors' committees, the Executive management team and all the company's employees for their dedication to work, and we thank all the company's customers and promise them to provide more insurance solutions that meet their insurance requirements.

Speech of Mr. Mesheal Ibrahim Al Shayea Chief Executive Officer

Gentlemen / shareholders

"In 2024, underscoring the company's excellence and its ability to achieve even greater milestones that we take immense pride in, Gulf Union Al Ahlia Cooperative Insurance reported a pre-zakat profit of 51.5 million riyals, driven by exceptional performance. Furthermore, the total written premiums reached 975.5 million riyals, reflecting a growth of 41.2%. Our ambitions remain limitless as we continue to pursue further achievements.

This growth in the company's insurance portfolio is the result of substantial efforts across all fronts, aligning with the execution of the company's strategic plans and objectives. Through these efforts, we remain committed to sustaining profitability and reinforcing Gulf Union Al Ahlia Cooperative Insurance's position among the leading insurance companies in the Kingdom, in addition to achieving excellence in customer service."

"In 2024, insurance revenues increased to 804.8 million riyals, compared to 624.5 million riyals in the previous year, reflecting a growth of 29%. This increase is attributed to higher sales during the current year, which amounted to 975.5 million riyals, compared to 690.9 million riyals in the previous year, a rise of 41%. This growth is a result of strong performance across the company's key sectors. Health insurance sales reached 446.8 million riyals in 2024, compared to 261.2 million riyals in the previous year, marking an increase of 71%. Motor insurance sales reached 370.8 million riyals in 2024, compared to 302 million riyals in the previous year, a rise of 23%. General insurance sales amounted to 157.9 million riyals in 2024, compared to 127.6 million riyals in the previous year, reflecting an increase of 24%.

The increase in written premiums is the result of continuous monitoring and precise analysis of the insurance portfolio's performance throughout the year, along with corrective actions taken to address any deviations from the set targets.

The company's investment portfolio also performed excellently in 2024, achieving an investment return of 31.6 million riyals.

At Gulf Union Al Ahlia Cooperative Insurance, as part of the company's strategy, we remain committed to advancing comprehensive digital transformation initiatives. These initiatives will significantly support the company's various operations and positively impact the customer experience. In 2024, we launched a dedicated system for car insurance and introduced a number of electronic services that directly serve our customers.

We have faced many challenges and will continue to do so in 2025, but we are confident in our ability to overcome any obstacles, relying on the exceptional team within the company and the unlimited support from the Board of Directors.

Our team will continue to achieve the company's strategic goals and maintain our journey toward excellence, enhancing the services provided to our clients.

Finally, I extend my sincere thanks to our employees for their extraordinary efforts during 2024. I also express my gratitude to our valued clients and shareholders for their trust, and we look forward to achieving even more milestones in 2025 and the years to come."



"Our aspirations know no bounds.

Through exceptional performance, Gulf Union Al Ahlia Cooperative Insurance has achieved a pre-zakat profit of 51.5 million riyals... and the best is yet to come."



Our Values

About the company

Gulf Union Al Ahlia Cooperative Insurance Company is proud of its position and reputation in the Saudi market since its incorporation as a public joint stock company until today. The company has been able to establish itself and provide its services to many segments of Saudi society, and today it is one of the leading national companies in the Kingdom of Saudi Arabia.

Our vision

To be the market leading insurance Company with a value proposition and reliability that is beyond excellence

Our Mission

Establish Gulf Union Al Ahlia as a new age Digital Insurer with a Focus on Customer Experience, Cost Efficiency and Market leadership

Our values and principles

Customer care, professionalism, integrity, teamwork, innovation, commitment to digital excellence

Merger a Vision..... a Future

The company's Board of Directors and Executive Management always strive towards achieving the best for the company, its shareholders and its customers, and the company seeks to expand and spread, inflate the volume of business, improve the level of solvency, productivity and increase the percentage of its participation in the insurance sector in the Kingdom, The merger is considered one of the factors that the company relies on in achieving its strategy and expansion through forming a strong entity capable of meeting market requirements and satisfying the customers' desires and aspirations. Through the merger, the company seeks to achieve the following objectives, for example, but not limited to: -

- Growth in market share.
- Wider geographic coverage.
- Enhancing Customer Service.
- Diversified portfolio of insurance products and client base.
- Increase in Gross Written Premiums.
- Economies of scale

The current merger project between the company and Gulf General Cooperative Insurance is one of the steps toward expansion and growth, aimed at achieving several of the company's goals and strategy. To get the latest updates, we hope you review the company's announcements in this regard..

Any developments that occur will be announced promptly to ensure that shareholders are kept informed of the latest updates regarding the ongoing merger project.

Paragraph (1)

A description of the important plans and decisions of the company during the year 2024 and future expectations of the company's business:

● The most prominent decisions and events during the year 2024

- Approval of the annual financial statements for the year 2023.
- Approval of the annual report of the Board of Directors for the year 2023.
- Approval of the preliminary financial statements for the first, second, and third quarters of 2024.
- Recommendation to the General Assembly to appoint the company's external auditors: PricewaterhouseCoopers (PwC) and Suleiman Abdullah Al-Kharashi (Al-Kharashi & Partners Certified Accountants and Auditors, (Mazars)) to review the company's financial business for the second and third quarters and annual financial statements of the year 2024 and the first quarter of the year. 2025 AD.
- Approval of transactions and contracts between the company and members of the Board of Directors, ensuring no preferential treatment, with the Board's approval to present them to the General Assembly at its upcoming meeting.
- Approval of the evaluation of the Board and committees for the year 2023.
- Approval of the company's strategy and business plan for 2024-2026.
- Approval of the annual plans for the committees emanating from the Board of Directors.
- Approval of the Board Charter for 2024.
- Approval of the estimated schedule for the Board of Directors meetings in 2024.
- Approval of the CEO's reports presented to the Board of Directors during 2024.
- Approval of the reports from the committees emanating from the Board of Directors for the year 2023.
- Approval of certain social participation initiatives for the company in 2024.
- Approval of the following regulations and documents, with recommendations for the General Assembly to approve and issue them, in accordance with the applicable legal procedures:
 - Corporate Governance Regulations
 - Charter and Work Regulations of the Audit Committee
 - Charter and Work Regulations of the Executive Committee
 - Charter and Work Regulations of the Investment Committee
 - Charter and Work Regulations of the Risk Management Committee
 - Charter and Work Regulations of the Nomination and Remuneration Committee
- Approval of the appointment of Mr. Zaid Abdullah Al-Yayish as a member of the Investment Committee.
- Approval of the Reinsurance Strategy for 2024.
- Approval of the Financial Impact Analysis Report for Reinsurance Agreements for 2024/2025.
- Approval of the Reinsurance Agreements Renewal Report for 2024.
- Approval of the Reinsurance Manual for 2024.
- Approval of the Actuarial Reports for Health Insurance and Motor Insurance Products.
- Approval of the appointment of the company's actuary.
- Approval of the company's credit rating issued by Fitch Ratings.
- Approval of the following risk management policies and procedures:
 - Risk Management Policies and Procedures
 - Risk Appetite Framework
 - Risk Management Strategy
 - Risk Register
- The Board of Directors' confirmation of the importance of the merger for achieving the company's vision and strategy.
- Approval of several company-specific policies and procedures.
- Approval of the updated company organizational structure.
- Approval of the Internal Audit Charter and Work Manual.

- Acceptance of the resignation of the Board Secretary and approval of the appointment of a new Board Secretary.
- Acceptance of the resignation of Investment Committee member, Mr. Ayham Al-Yousef, for his personal reasons.
- Approval to have four members on the Investment Committee.
- Approval to increase the company's share in the Inherent Defects Insurance (IDI) product.
- Approval of the agenda and date for the General Assembly meeting held in 2024.
- Approval of the Board Charter for 2025.
- Approval of the Business Continuity Policies.
- Approval of the evaluation report, exchange ratios, and binding merger agreement with Gulf General Cooperative Insurance, and the issuance of related decisions.
- Approval of the estimated schedule for the Board of Directors meetings in 2025.
- Approval of the company's strategy and business plan for 2025-2027

Main developments in operational activities:

- The company achieved net profits of 125 million riyals
- Increase in the company's net assets
- Improvement in the company's overall financial results for the year 2024
- Enhancing solvency margin percentage/level
- Renewing the Insurance activity License from the Insurance Authority for 3 years
- Renewing of the Company Qualification with the Council of Health Insurance (CHI) for a period of 1 years, starting on 02-16-2024 AD
- Launching the technical system for Motor insurance
- Launching a number of electronic services that facilitate the customer journey
- Continuation of Developing the information technology dept. and related systems in line with business requirements and digital transformation.
- Taking the necessary measures to implement cybersecurity requirements.
- Renewing reinsurance agreements with a number of the best reinsurance companies.
- Contracting with SHMA Actuarial Services Company as the company's Appointed Actuary
- Increasing the Participation percentage in the Inherent Defects Insurance.
- The company obtained final approval from the Insurance Authority for two of its products, which are offered to individual customers
 - comprehensive insurance for leased vehicles
 - Craftsmen liability insurance.
- Restructuring some departments within the company in line with the company's work requirements, and approving the new organizational structure
- Restructuring some of the company's points of sales to achieve the maximum possible benefit from those points of sales in order to support the company's sales
- Emphasis on the application and adherence to the company's credit policy.
- Organizing the various works of all the company's departments to achieve stability and organization of the operational procedures in order to achieve the company's goals.
- Signing of a binding merger agreement between the company and Gulf General Cooperative Insurance.
- The company received a BBB+ insurance financial strength rating and an AA- (sau) national insurance financial strength rating, with a stable outlook for both ratings from Fitch Ratings.

The company's strategy and future expectations

The company is constantly striving to achieve the best for all related parties, including shareholders and customers of the company, our responsibility towards achieving our ambitions is reflected in the company's future plans, the most important of which are listed below:

- Developing the electronic systems and digital transformation, which supports the company's strategy to achieve its goals.
- Upgrading the company's services to better levels to reach a high rating within the insurance companies.
- Continuous upgrading and development of the Customer Care Department
- Increase Customer Satisfaction percentages
- Launching new products in order to fulfill the customer's insurance needs.
- Developing the company's information technology systems in a way that helps develop the business and serves all company departments.
- Increase the market share of the company
- Increasing the premiums from the online sales
- Continuous work to keep the level of the solvency margin in a good position.
- Achieving a good financial Profits that enables the company to distribute profits to shareholders.
- Developing the portfolios of some insurance products that characterize the company to achieve the highest possible profitability while preserving the diversification of the company's insurance portfolio.
- Maintaining the growth rates in the investment portfolios by applying the investment policy in terms of distributing these investments to achieve the highest possible return while maintaining the reduction of risks to the lowest level.
- Continuous upgrading and development of POS to be able to market all products and achieve the desired goals.
- Continuing with the plan to develop and train the employees internally and externally.
- Raise the Saudization rate according to the requirements of the regulatory authorities by employing a number of distinguished national cadres.

Saudization:

- The company sought during the year 2024 to increase the rate of Saudization by attracting Saudi professional competencies, qualifying and developing Saudi youth and preparing them for the insurance market
It is committed to implementing the list of "requirements for appointment to leadership positions" issued in the month of 7/2013 by SAMA, which was updated in September 2019.
- The Saudization percentage in 2024 was 82%, and the number of company employees reached 374 employees as of 12/31/2024, Work is underway to raise this percentage in line with the requirements of the regulatory authorities and as per the expected plans

Training:

The company believes that training is an investment of guaranteed return, because the qualified human element is the basic capital for progress and success. Therefore, the company has put training at its top priority for all levels of its employees, Training includes on-the-job training programs in addition to continuous development by obtaining scientific qualifications from external bodies, for example but not limited to:

- **Corporate Governance:** Training of Board members and some of executive management members on governance and the latest updates in corporate governance
- **Fundamentals of insurance:** Learn about the concept of risk and the main principles that govern the relationship between risk and insurance, learn about insurance contracts, learn about practical insurance procedures and the most important insurance products for the protection of individuals and companies.
- **Insurance risk management:** risk management, risk culture and responsibilities related to risks, risk monitoring, risk culture, risk management manual (strategies and objectives).
- **Cooperative Training:** The company trained some of Saudi university students within the joint cooperative program with universities in the field of health informatics, finance and accounting.
- **Training through Tamheer Program:** Within the training programs, Saudi university graduates have been trained and prepared for the labor market in cooperation with the Human Resources Fund.
- **Combating money laundering and terrorist financing - combating insurance fraud:** The training program, which most of the company's employees joined, and the program includes an overview of the subject of money laundering and terrorist financing, the difference between

money laundering and terrorist financing, the local regulatory environment and experiences International and best practices, the most important points of money laundering related to insurance, KYC procedures, penalties, suspicious activity detection and reporting. Insurance fraud, detection methods and reporting policy.

- Training plans for employees whose names are listed in the succession plan in order to prepare them to assume administrative positions in the future.
- **Specialized insurance programs:** some training programs in insurance underwriting, institutional risk management, excellence in customer service.
- **In addition to:** Programs that help develop skills in data analysis and report management.
- **Awareness programs:** The company has presented awareness programs in the field of cybersecurity and compliance principles.

Paragraph (2)

Description of the main types of activity of the company and its subsidiaries:

The main activity of the company in the Kingdom is practicing insurance business against risks in general and everything related to it in accordance with the provisions of the Cooperative Insurance Companies Control Law, the implementing regulations and their amendments, and all relevant regulations, and it covers the following types:

- Medical insurance (Group / visitor visas / tourist visas / special residence)
- Motor insurance (comprehensive vehicle insurance / third-party liability motor insurance, i.e. compulsory third-party insurance and cross-port vehicle insurance).
- Group Life protection.
- Travel insurance.
- Other branches of insurance or general insurance, which are:
 - Transport insurance (includes air, sea and land transport insurance).
 - Marine insurance
 - property insurance / personal accident insurance / employers liability insurance / professional liability insurance / general or product liability insurance / theft insurance / dishonesty insurance / money insurance / fire insurance / engineering insurance /

Also, there are no subsidiaries companies of the company inside or outside the Kingdom.

The company conducts its activities in the Kingdom of Saudi Arabia through the following branches licensed by the relevant authorities:

- Headquarter - Dammam
- The regional office of the Eastern Region - Dammam
- The regional office for the Western Region - Jeddah
- The regional office for the central region - Riyadh
- In addition to (20) points of sale distributed in most of regions of the Kingdom.

Paragraph (3) – Analysis of the company's performance during 2024 (thousand Saudi Riyal):

	Medical Insurance	Motor Insurance	Other Insurance	Total
Gross Written Premium	446,782	370,837	157,930	975,549
Insurance revenue	330,055	332,422	142,275	804,752
Insurance service expenses	318,993	306,867	91,537	717,397
Insurance service result	1,928	15,263	13,409	30,600

Below is the performance of the operational Segments during the past five years 2020 – 2024 (thousand Saudi Riyal)

Segment	2024	2023	2022	2021	2020
Medical	446,782	261,273	230,345	260,260	391,351
Motor	370,837	302,032	224,157	229,690	99,231
Others	157,930	127,616	93,929	82,573	66,541
Total	975,549	690,921	548,431	572,523	557,123

Below are the operational segments and their contributions in the company's results year 2024 (thousand Saudi Riyal):

Segment	Gross Written Premiums	Percentage
Medical	446,782	%46
Motor	370,837	%38
Others	157,930	%16
Total	975,549	100%

Paragraph (4)

Summary of company assets, liabilities and financial results for the past five years:

01 - Comparison of Assets and liabilities for the years 2024 - 2023 – 2022 (thousand Saudi Riyal)

As per the International Financial standard 17 (IFRS17)

Item	2024	2023	2022
Insurance Operations assets			
Cash and cash equivalents	53,370	14,500	28,586
Term deposits	0	0	-
Investments:	132,498	209,180	133,974
Reinsurance contract assets	61,691	50,363	74,727
Other assets	100,595	89,524	84,556
Total Operations Assets	348,154	363,567	321,843
Liabilities and accumulated surplus of insurance operations			
Insurance contract liabilities	499,820	437,356	427,798
Other liabilities	47,315	49,221	53,600
Total Operations LIABILITIES	547,135	486,577	481,398
Shareholders' operations assets			
Cash and equivalents	604	40,614	71,733
Term deposits	400,168	342,773	160,086
Investments:	304,142	169,035	228,360
Other assets	142,909	151,237	153,518

Total Shareholders' assets	847,824	703,659	613,697
Shareholders' operations liabilities	20,650	31,380	37,780
Shareholders' equity	628,192	549,269	416,362
Total liabilities and shareholders' equity	648,843	580,649	454,142
Total Assets	1,195,978	1,067,226	935,540
TOTAL LIABILITIES	1,195,978	1,067,226	935,540

02 - Comparison of Assets and liabilities for the years 2018 – 2022 (thousand Saudi Riyal)

As per the International Financial standard 4 (IFRS4)

Item	2022	2021	2020	2019	2018
Insurance Operations assets					
Cash and equivalents	28,586	40,667	67,852	64,394	20,601
Premiums and debit insurance balances	183,530	166,749	214,880	192,173	130,076
Other assets	456,560	570,691	560,024	297,813	310,712
	668,676	778,107	842,756	554,381	461,389
Liabilities and accumulated surplus of insurance operations					
Accounts payable	92,417	130,976	87,488	51,005	52,917
Technical reserves	509,424	587,186	662,524	440,372	360,618
Other payable	79,482	59,944	92,744	63,004	47,854
	668,676	778,106	842,756	554,381	461,389
Shareholders' operations assets					
Cash and equivalents	71,736	74,315	111,656	2,468	1,524
Other assets	461,308	291,591	350,829	149,520	177,699
	533,044	365,906	462,485	151,989	179,223
Shareholders' operations liabilities	185,805	234,917	193,825	6,723	9,123
Shareholders' equity	347,239	130,990	268,660	145,265	170,099
Total liabilities and shareholders' equity	533,044	365,907	462,485	151,989	179,223

Summary of company results for the year 2024, with comparison to the past five years 2018 – 2022 (thousand Saudi Riyal)

■ company results 2024 - 2023 – 2022 (IFRS17)

	2024	2023	2022
Insurance revenue	804,752	624,483	506,772
Insurance service expenses	717,397	(510,820)	-499,470
Net expense from reinsurance contracts	(56,755)	(44,992)	-22,347

Insurance service result from Company's directly written business	30,600	68,671	-15,045
Share of surplus from insurance pool	8,291	35,730	14,961
Net investment income	31,667	37,876	9,893
Net insurance and investment result	115,403	146,561	15,502
Other operating expenses	(19,418)	(19,523)	-32,512
Total profit (loss) for the year before zakat and income tax	51,552	127,038	-16,606
Total profit (loss) for the year after zakat and income tax	43,646	125,038	-18,606

- company results 2018 – 2022 (IFRS4)

	2022	2021	2020	2019	2018
Gross written premium	548,431	572,523	557,123	558,796	328,002
Net earned premiums	413,931	569,833	434,884	326,855	167,996
Total revenues	434,828	594,397	459,429	353,815	196,846
Net claims and other benefits paid	390,086	546,230	(345,468)	(232,739)	(105,371)
Net claims and other benefits incurred	313,877	564,308	(370,147)	(293,649)	(99,660)
Total underwriting costs and expenses, net	358,825	642,148	(410,407)	(316,818)	(128,961)
Net Underwriting Income	76,002	(47,751)	49,022	36,997	67,885
Total other operating expenses, net	71,172	(90,366)	(88,386)	(67,735)	(61,553)
Surplus attributed to the insurance operations	2,757	-	-	-	5,821
Total loss for the year attributable to the shareholders	2,524	(140,117)	(45,577)	(29,143)	5,750

Paragraph (5)

Geographical distribution of Written Premiums of the company and its subsidiaries:

Below table shows insurance operations Gross Written Premium generated within the kingdom for the company during the year ended 31 December 2024 which amounted to SR 975.5 M.

- The company does not have any subsidiaries:

Regions results (Thousand Saudi riyals)

Year	Total Gross Written Premium			Retail Business	Total
	Eastern Region	Central Region	Western Region		
2024	295,654	241,161	44,666	464,854	975,549

Paragraph (6)

Whether external auditor report contains any Reservations on the financial statements and the reason behind them and any relevant information:

The company confirms that there has been no Reservations on its 2024 financial statements by external auditors (PricewaterhouseCoopers Certified Public accountants PwC and Sulaiman Abdullah Al-Kharashi (Al-Kharashi & Partners, Certified Accountants and Auditors (Mazars)

Paragraph (7)

Summary of major differences in the operations results of the company as compared to last year or any forecast published (thousand Saudi Riyal):

	2024	2023	Change in amount	Change %
Insurance Revenue	804,752	624,483	180,269	29%
Insurance service expenses	717,397	510,820	206,577	40%
Net insurance Results	38,891	68,992	-65,511	-63%
Net Profit (loss) of policyholders Capital Investment	1,317	4,836	-5,401	-80%
Profit (Loss) Insurance Operations Minus Policy Holders Investments Revenues (Operations Results)	19,885	72,955	-77,450	-80%
Net Profit (loss) of Shareholders Capital Investment	30,350	33,040	-808	-3%
Net Profit (Loss) before Zakat	51,552	127,345	-75,485	-59%
Total Comprehensive Income	78,707	132,863	-53,848	-41%
Total Share Holders Equity (after Deducting Minority Equity)	626,699	547,993	78,707	14%
Profit (Loss) per Share	0.95	2.73	-1.77	-65%

Paragraph (8)

Clarifying whether there are deviations from accounting standards endorsed by Saudi Organization for Certified Public Accountants

The financial statements have been prepared in accordance with International Financial Reporting Standards approved in the Kingdom of Saudi Arabia. There is no difference from the accounting standards approved by the Saudi Organization for Certified Public Accountants (SOCPA).

Paragraph (9)

Company policy for dividend distribution:

The company's policy of dividend distribution is based on what is stipulated in Chapter 8 of the Company's By-Law, as follows:

- **Dividend distribution:**

Dividend shall be distributed after deducting all overheads and other costs and forming the reserves required to face doubtful debts, losses of investments and contingent liabilities the board of directors deems necessary in accordance with the provisions of the cooperative insurance companies control law, provisions issued by Insurance Authority in accordance with the following controls:

1. Set aside Zakat and income tax established by regulation.
2. Set aside (20%) of the net profits to form a statutory reserve. The ordinary general assembly may discontinue such setting aside when the total reserves amount to (100%) of the paid capital.
3. Upon determination net profits per share, the ordinary general assembly may decide to form other reserves to the extent achieving the interest of the company or ensuring the distribution of fixed profits as possible among shareholders
4. Distribute the company annual net profits determined by it after deducting all overheads and other costs and forming the reserves required to face doubtful debts, losses of investments and contingent liabilities the board of directors deems necessary in accordance with the provisions of the cooperative insurance companies control law, provisions issued by Insurance Authority. From the remaining profits after deduction the reserves established under relevant regulations and Zakat a ratio of not less than 5% of the paid capital for distribution among shareholders as proposed by the board of directors and decided by the general assembly. If the remaining ratio of profits due to shareholders is not sufficient to pay such ratio, shareholders may not request payment thereof in the following year or years and the general assembly may not decide to distribute a ratio of profits that is in excess of what has been proposed by the board of directors.

- **Entitlement of profit:**

A shareholder shall be entitled to its share of the profits in accordance with the resolution of the general assembly issued in this regard. The resolution shall indicate the entitlement date and distribution date. The entitlement to profits shall be for the shareholders registered in the registers of shareholders at the end of the day specified for entitlement. The company shall notify Capital Market Authority without delay of any decisions for the distribution of profits or recommending same. The profits to be distributed among shareholders shall be paid in the place and on the date determined by the board of directors in accordance with the instructions issued by the competent authority subject to the prior written approval of Insurance Authority.

- **Distribution of the surplus to policyholders:**

The company has adopted the policy issued by the Insurance Authority to distribute the surplus to the policyholders, and the company is obligated to inform its policyholders of everything related to distributing the surplus as necessary after obtaining the necessary approvals from the regulatory authorities.

As per the company's By-Law, Accounts of an insurance operation shall be independent from the statement of income of shareholders as follows:

First: Accounts of insurance operations:

- 1- An account shall be allocated to earned premiums, and reinsurance and other commissions.
- 2- An account shall be allocated to reimbursements incurred by the company.
- 3- At the end of each year, the total surplus representing the difference between the total premiums and reimbursements less marketing, administrative and operational charges and the required technical provisions according to the instructions regulating same shall be determined.
- 4- The determination of the net surplus shall be as follows: The return on investment relating to those insured shall be added to the total surplus set forth in paragraph (3) above or deducted therefrom after calculating the returns due to them and deducting the realized charges due from them.
- 5- Distribution of net surplus: It shall be made either by distributing (10%) ten percent to those insured directly or by decreasing their premiums for the following year. (90%) ninety percent shall be carried forward to the income account of shareholders.

Second: Shareholders' income statement:

- 1- The shareholders' profits from the return on the investment of the shareholders' funds shall be according to the rules developed by the board of directors.
- 2- The shareholders' shares of the net surplus shall be as set forth in paragraph (5) of the item first of this article,

- **Profit ratios that were distributed to shareholders during the different periods of the fiscal year 2024 in addition to the ratio of profits proposed to be distributed at the end of the fiscal year, and the total of these profits:**

- No dividends were distributed to shareholders during the year 2024, The company aims to increase the amount of retained earnings.

Paragraph (10)

Board of Directors

The role of the Board of Directors is to set the plans, policies, strategies, and main objectives of the company, supervise their implementation and review them periodically, ensure the availability of the human and financial resources necessary to achieve them, establish systems and controls for internal control and general supervision over them, and prepare and approve the report of the Board of Directors before publication.

Without prejudice to the powers established for the General Assembly, the Board of Directors has been given in the articles of association of the company the broadest powers to manage the company in a way that achieves its objectives, and it also has the power, within the limits of its competence, to delegate one or more of its members or others to carry out a specific work or business - in a manner that does not conflict With the relevant laws and regulations.

10-1 Board of Directors duties and responsibilities

Here we explain the most important duties and responsibilities of the Board of Directors, which include, but are not limited to, the following:

- **Election of Chairman and Deputy Chairman, Appointment and Supervision of Executive Management**
 - The Board have the power to appoint the Executive Management; determine their compensation; prescribe their duties; dismiss any appointee and generally to exercise supervision over the management of the Company.
 - The Board elect the Chairman, Deputy Chairman, and appoint a Secretary (upon the No-Objection of Insurance Authority).
 - The Board fix compensation for the Executive Management of the Company, upon the recommendation of the Nomination and Remuneration Committee.
 - The Board shall also determine the appropriate level of remunerations of the board members (As per the Remuneration policy approved by the board and the general assembly).
- **Identification and Management of Risks**
 - The Board will identify and review with Executive management the main risks faces the Company.
 - The Board will ensure the implementation of appropriate systems and take the necessary measures to manage these risks.
 - The Board may delegate one or more committees to receive Management's assessment and responses to these risks and make recommendations and reports to the Board.
- **Adoption of a Strategic Planning Process**
 - Each fiscal year the Board will meet with the Executive Management regarding the strategic planning for the Company in which future trends, opportunities and risks are jointly identified.
 - The Board will provide suggestions to develop the strategy of the Company. The Board will review and approve the overall business strategy for the Company, which is developed by the Executive Management.
- **Evaluation and Approval of Financial Decisions**
 - The Board will review the financial and operational results of the Company. The Board will review, evaluate and approve major resource allocations and capital investments. The Board will review, evaluate and approve the Company's budget and forecasts.
- **Development of Corporate Governance Guidelines**
 - The Board will develop the Company's overall approach to corporate governance and review periodically the Company's corporate objectives and policies relating to social responsibility.
- **Executive Management Evaluation and Succession**
 - The Board shall monitor the performance of the Executive Management and the extent to which it has achieved the objectives and purposes of the Company.
 - The Board will conduct an annual review of the CEO's performance in order to ensure that the CEO is providing the best leadership for the Company in the long- and short-term.

- **Oversight over the Executive Management**

- The Board shall form the Executive Management of the Company, regulate its operating procedures, monitor and oversee it and ensure that it performs the duties assigned to it, and to achieve this, the Board shall:
- Develop the necessary administrative and financial policies.
- Ensure that the Executive Management operates in accordance with the policies approved by the Board.
- Select and appoint the Chief Executive Officer of the Company, and oversee his/her work.
- Appoint the manager of the internal audit unit or department, or the internal auditor and dismiss him and determine his remuneration, if any.
- Convene periodic meetings with the Executive Management to explore the work progress and any obstacles and problems in connection therewith, and review and discuss the important information in respect of the Company's business.
- Develop standards for the performance of the Executive Management consistent with the objectives and strategy of the Company.
- Review and evaluate the performance of the Executive Management; and
- Develop succession plans for the management of the Company.

10-2 Composition of the board of directors and classification of its members

- The Board of Directors consists of seven (7) members elected by the General assembly that was held on 30/11/2022 for three years started on 17/12/2022 and ending on 16/12/2025.

The table below shows the names of the board members, membership classification, their membership in the committees, as well as the membership of the committees from outside the board for the current term started on 17/12/2022:

Current / New term Started on 17/12/2022

Board Members			
No.	Name	Membership (Executive / Non-Executive / Independent)	Committee membership
1	Abdulaziz Ali Al-Turki	• Chairman of the Board of Directors - Non-Executive	• Chairman of the Executive Committee
2	Zaid Abdullah Al Yaesh *	• Vice Chairman – independent	• Member of the Executive Committee • Member of the Investment Committee
3	Munir Hashem Al-Borno	• Board Member - Executive	• Member of the Executive Committee • Member of the Investment Committee
4	Ahmed Sulaiman Al Mazaini	• Board Member - independent	• Chairman of the Audit Committee • Chairman of the Nomination and Remuneration Committee
5	Majid Shatti Al Dhafiri	• Board Member - non-executive	• Member of the Risk Management Committee • Member of the Nomination and Remuneration Committee
6	Abdullah Abdulwahab	• Board Member - independent	• Chairman of the Risk Management Committee • Member of the Nomination and Remuneration Committee
7	Mohammed Al Katheer	• Board Member - independent	• Member of the Risk Management Committee
Committees Members from outside the Board and their membership classification			
No.	Name	Membership (Executive / Non-Executive / Independent)	Committee membership
1	Abdulaziz Al-Naim	Committee members from outside the board (independent)	• Chairman of the Investment Committee
2	Abdullah Al Hajri	Committee members from outside the board (independent)	• Member of the Audit Committee
3	Ibrahim Abdulaziz Al-Muqhem	Committee members from outside the board (independent)	• Member of the Audit Committee
4	Mesheal Ibrahim Al Shayea	Committee members from outside the board (Executive)	• Member of the Investment Committee
5	Ayham Mohammed Al Youssef **	Committee members from outside the board (independent)	• Member of the Investment Committee

*Mr. Zaid Al-Yayesh has been appointed as a member of the Investment Committee, effective from January 30, 2024.

**Mr. Ayham Al-Youssef submitted his resignation from the Investment Committee, and the resignation was accepted, effective from November 4, 2024.

10-3 Board meetings held during the year 2024, their dates and attendance records for each meeting

NO	Name	Attendance Record					Total # of Meetings During 2024	The number of meetings attended by the member from the date of the last general assembly meeting held on 04/06/2024
		1 st Meeting 20/03/2024	2 nd Meeting 03/06/2024	3 rd Meeting 27/06/2024	4 th Meeting 04/11/2024	5 th Meeting 08/12/2024		
1	Abdulaziz Ali Al-Turki	✓ Attend	✓ Attend	✓ Attend	✓ Attend	✓ Attend	5	3
2	Zaid Abdullah Al Yaesh	✓ Attend	✓ Attend	✓ Attend	✓ Attend	✓ Attend	5	3
3	Munir Hashem Al-Borno	✓ Attend	✓ Attend	✓ Attend	✓ Attend	✓ Attend	5	3
4	Ahmed Sulaiman Al Mazaini	✗ Absent	✓ Attend	✓ Attend	✓ Attend	✓ Attend	4	3
5	Majid Shatti Al Dhafiri	✓ Attend	✓ Attend	✓ Attend	✓ Attend	✓ Attend	5	3
6	Abdullah Abdulwahab	✓ Attend	✓ Attend	✓ Attend	✓ Attend	✓ Attend	5	3
7	Mohammed Al Katheer	✓ Attend	✓ Attend	✓ Attend	✓ Attend	✓ Attend	5	3

10-4 Board members list of Names, committees' members, and executive management, and their current and previous positions, qualifications and experiences

a. Board of Directors - Current term Started on 17/12/2022

No	Name	Membership in Gulf Union Al Ahlia	Current jobs	previous jobs	Qualifications	Experiences
1	Abdulaziz Ali Al-Turki	<ul style="list-style-type: none"> Chairman of the Board of Directors Chairman of the Executive Committee 	<ul style="list-style-type: none"> Board of Directors Chairman for Gulf Union Holding Company Board of Directors Chairman for RAWABI Holding Company. Board of Directors Chairman for NESMA & Partners Contracting Company Ltd. 	<ul style="list-style-type: none"> Member of the Board of Trustees of the Lebanese American University Executive Committee Member for Gulf Union Cooperative Insurance Company Member of the Board of Directors of Nama Shipping Services Ltd. Board of Directors Chairman of Nama Shipping Services Ltd. 	<ul style="list-style-type: none"> Honorary Doctorate in Humanitarian Literature - Lebanese American University in Lebanon Master of Business Administration from George Washington University - USA Bachelor Degree in Business Administration from George Washington University - USA 	51 years
2	Zaid Abdullah Al Yaesh	<ul style="list-style-type: none"> Deputy Chairman Executive Committee Member Member of the Investment Committee 	<ul style="list-style-type: none"> CEO of AlTayseer Arabian Company Chairman of the Finance Committee-Asharqia Chamber Certified arbitrator from the commercial center- Arab Gulf Cooperation Council 	<ul style="list-style-type: none"> CEO of AlJabr Finance Company CEO of Samnan holding Company CEO of ALAhsa Development Company Chairman of the Audit Committee- AL SAGR Insurance Company Member of the Board of Directors and Chairman of the Nomination and Remuneration Committee- Arbaah capital Member of the Board of Directors and Chairman of the Audit Committee – Global beverage Company Chairman of the General Committee of Finance Companies the Saudi Central Bank Chairman of the Executive Committee of Finance Companies of the Saudi Central Bank Member of the Board of Director Tamweel Aloula Member of the Board of Directors- AlJeri Holding Company 	<ul style="list-style-type: none"> Bachelor of Accounting- King Faisal University Saudi Arabia Master of Islamic Finance- 	35 years
3	Munir Hashem Al-Borno	<ul style="list-style-type: none"> Member of the Board of Directors Member of the Executive Committee Member of the Investment Committee 	<ul style="list-style-type: none"> Board Advisor at Gulf Union Al Ahlia Cooperative Insurance Board Member at Gulf Union Al Ahlia Cooperative Insurance Chairman of the Board of Directors of Gulf House Consulting 	<ul style="list-style-type: none"> CEO and Managing Director at Gulf Union Al Ahlia Cooperative Insurance Partner and Director of Arthur Andersen - Bahrain and the Eastern Province. Member of the Board of Directors and Chairman of the Audit Committee and Chairman of the Nomination and Remuneration Committee of Abdullah Al-Khudary Sons Company 	<ul style="list-style-type: none"> Bachelor of Commerce from Al-Azhar University - Egypt Postgraduate AMP studies from Harford University - America Member of the Arab Society of Certified Accountants Fellow of the Arab Society of Certified Accountants 	53 years

			<ul style="list-style-type: none"> Vice-Chairman and Investment Committee Member at Gulf Union insurance and reinsurance Co. (Bahrain) 	<ul style="list-style-type: none"> Audit Committee Member at Gulf Union insurance and reinsurance Co. (Bahrain) Member of the Risk Committee of GU 		
4	Ahmed Sulaiman Al Mazaini	<ul style="list-style-type: none"> Member of the Board of Directors Chairman of the Audit Committee Chairman of the Nomination and Remuneration Committee 	<ul style="list-style-type: none"> CEO of RSEEM Investment Company Founder & Senior Consultant - Quality & Time Management Consulting Executive Consultant for the Chairman – MADR investment Company Director of Masaha Development for Information Technology Company. Independent Board member and Chairman of Audit Committee -Banan Real Estate Company Board member Chairman of the Audit committee-IT Belt Company Audit committee Chairman - Saudi Ceramic Company Audit committee Chairman - Abdullah bin Abdulaziz Al-Rajhi and Sons Holding Company Board Chairman - Al Qassim Investment Holding Co Independent Board member – Tunisian Saudi Bank 	<ul style="list-style-type: none"> CEO - MADR Investment Company Board member & Managing Director- Saudi Fisheries Company CEO - Mulkia Investment Company Executive Vice President- Manafa Holding Company Executive Vice President- Saudi Automotive Services and Equipment Company Board member- Thakher Development Company Board member and Chairman of Audit Committee- Harkat Production Company Board member and Chairman of Audit Committee- ADD group of companies to set up and organize exhibitions Board member and Chairman of Audit- Al-Jasriah Finance Company Board member- Al-Ahlia Cooperative Insurance Company 	<ul style="list-style-type: none"> Bachelor's degree in Business Administration and Economics - King Saud University Master's degree in Business Administration- AL Faisal University CIA, CGAP CMA CME1, CME2, CME3 	24 years
5	Majid Shatti Al Dhafiri	<ul style="list-style-type: none"> Member of the Board of Directors Member of the Risk Management Committee Member of the Nomination & Remuneration Committee 	<ul style="list-style-type: none"> Insurance Manager in Al Muhaidib Group Board member at Gulf Union Holding (Bahrain) Board Member at Gulf Union insurance and reinsurance Co. (Bahrain) 	<ul style="list-style-type: none"> Head of document issuance at Tawuniya Insurance Company Business Development Manager at SABB Bank Regional Director for the Eastern Province, Wafa Insurance Company Regional Director of Corporate Insurance at the Arab Bank 	<ul style="list-style-type: none"> Insurance Diploma from the Institute of Public Administration in Riyadh 	23 years
6	Abdullah Abdulrahman Abdulwahab	<ul style="list-style-type: none"> Member of the Board of Directors Chairman of the Risk Management Committee Member of the Nomination and Remuneration Committee 	<ul style="list-style-type: none"> GM and Board Member of MK Cable Management GM and Board Member of Innovative Insulators Company 	<ul style="list-style-type: none"> Production Manager - MK Cable Management Production Manager - Astra Polymers Management consultancy – KPMG Project Manager - DHL Supply Chain Business Development Manager at Rezayat Group 	<ul style="list-style-type: none"> Bachelor science Industrial Engineering - Wichita State University 	20 years
7	Mohammed Abdulrahman Al Katheer	<ul style="list-style-type: none"> Member of the Board of Directors Member of the Risk Management Committee 	<ul style="list-style-type: none"> Chief Financial officer - Tamweel Aloula Member of the Board of Directors-ALAhsa Amusement & Tourism Co. 	<ul style="list-style-type: none"> Supervisor – Deloitte Member of the Board of Directors- ALAhsa Amusement & Tourism Co. Chief governance officer - AlKifah Holding Member of the of the Audit Committee – Tamweel Aloula 	<ul style="list-style-type: none"> Bachelor of Accounting - King Faisal University 	14 years

b. Committees' Members from outside the Board - Current term Started on 17/12/2022

No.	Name	Membership in GUA	Current jobs	previous jobs	Qualifications	Experiences
1	Abdulaziz Al-Naim	<ul style="list-style-type: none"> Chairman of the Investment Committee 	<ul style="list-style-type: none"> Managing Director of Mayar Capital Member of the Board of Directors in both: <ul style="list-style-type: none"> Mayar Capital D3 Capital GIB Capital Basic Chemical Industries Company Vinella Investments Ltd. Caldera International Holdings Ltd. 	<ul style="list-style-type: none"> Executive Director of Yarim Company Ltd. Member of the Investment Committee of the Gulf Union Cooperative Insurance Company Board Member at Abdul Rahman Al-Turki Group ATCO Board Member at o Fund of Funds Company 	<ul style="list-style-type: none"> Bachelor's degree in Administrative Sciences with a major in Finance with an accompanying major in Economics from MIT University, USA. Certified Financial Analyst Certificate "CFA" in 2006. 	22 years
2	Ibrahim Abdulaziz Al-Muqhem	<ul style="list-style-type: none"> Audit Committee Member 	<ul style="list-style-type: none"> Member of the Audit Committee of the Agaseem Chemical Products Company Member of the Audit Committee of the Circlys Company The National Housing Company - the investment sector 	<ul style="list-style-type: none"> Member of the review committee of CARE International Senior Relationship Manager at the Saudi Stock Exchange (Tadawul) - Financial Markets (Listing) Accountant at the Saudi Basic Industries Corporation (SABIC) Member of the Board of Directors of Hayam Company Ltd. 	<ul style="list-style-type: none"> Master of Financial Management from the University of Scranton in the USA Bachelor's degree in Financial Management from King Saud University 	18 years
3	Mesheal Ibrahim Al Shaye	<ul style="list-style-type: none"> Investment Committee Member 	<ul style="list-style-type: none"> CEO at Gulf Union Al Ahlia Cooperative Insurance Co. 	<ul style="list-style-type: none"> Deputy CEO at Gulf Union Al Ahlia Cooperative Insurance CEO at Al Ahlia Cooperative Insurance Board Member – Executive committee member – Investment committee member at Al Ahlia Cooperative Insurance CEO at SALAMA cooperative Insurance Chief Distribution Officer at Al Rajhi Cooperative Insurance Vice President for Sales and Marketing at Al Ahlia Cooperative Insurance Central Region Manager at Malath Cooperative Insurance Key Accounts Manager – Tawuniya Cooperative Insurance 	<ul style="list-style-type: none"> Bachelor Degree in Economy - Imam Mohammed Bin Saud University Saudi Arabia Insurance Foundation Certificate – Chartered Insurance Institute London 	25 years
4	Abdullah Ali Hammad Al Hajri	<ul style="list-style-type: none"> Audit Committee Member 	<ul style="list-style-type: none"> Chief Financial Officer- AlTayseer Arabian Company 	<ul style="list-style-type: none"> Chief Financial Officer- Chemanol Accounts Head- Marafiq Zakat & Tax Consultant- EY Assistant Financial Auditor Financial Auditor assistant -SIDF 	<ul style="list-style-type: none"> Certified Public Accounting- SOCPA Mini Diploma Fixed Assets Accounting & Management- Meric Training & Consulting, UAE Master of Financial- Southern New Hampshire University, USA Bachelor's degree in Accounting- King Faisal University, KSA Various training sessions & workshop (Accounting, Finance, Economics Management & Safety)- Various centers in & out of Kingdom 	16 years
5	Ayham Muhammad Al-Youssef	<ul style="list-style-type: none"> Member of the Board of Directors Member of the Risk Management Committee Member of the Nomination and Remuneration Committee 	<ul style="list-style-type: none"> Member of the Board of Directors of the Saudi Marketing Company (Farm Markets) Member of the Board of Directors of the Saudi Home Finance Company. Board Member at AYYAN Investment Co. 	<ul style="list-style-type: none"> General Supervisor of the Real Estate Development Fund CEO of Al-Bilad Company CEO of Ruya Capital General Manager at HSBC Fund 	<ul style="list-style-type: none"> Bachelor's degree in Industrial Management from King Fahd University of Petroleum and Minerals 	30 years

c. Executive management / Senior Management

- List of Executive Management/ Senior Management Members as at end of 2024

No.	Name	Current jobs	previous jobs	Qualifications	Experiences
1	Mesheal Ibrahim Al-Shayea	<ul style="list-style-type: none"> CEO at Gulf Union Al Ahlia Cooperative Insurance Investment Committee Member at Gulf Union Al Ahlia Cooperative Insurance 	<ul style="list-style-type: none"> Deputy CEO at Gulf Union Al Ahlia Cooperative Insurance CEO at Al Ahlia Cooperative Insurance Board Member – Executive committee member – Investment committee member at Al Ahlia Cooperative Insurance CEO at SALAMA cooperative Insurance Chief Distribution Officer at Al Rajhi Cooperative Insurance Vice President for Sales and Marketing at Al Ahlia Cooperative Insurance Central Region Manager at Malath Cooperative Insurance Key Accounts Manager – Tawuniya Cooperative Insurance 	<ul style="list-style-type: none"> Bachelor Degree in Economy - Imam Mohammed Bin Saud University Saudi Arabia Insurance Foundation Certificate – Chartered Insurance Institute London 	25 years
2	Abdullah Saeed Al Al-Harith	<ul style="list-style-type: none"> General Manager at Gulf Union Al Ahlia Cooperative Insurance Co. 	<ul style="list-style-type: none"> Regional Director for the Central and Eastern Region - Gulf Union Cooperative Insurance Company. Central Director of Claims - Gulf Union Cooperative Insurance Company Director of claims operations for all regions - Malath Insurance Company Motor Claims Manager - Malath Insurance Company Regional Director of Motor Claims - Malath Insurance Company Surveyors Supervisor - Tawuniya Insurance 	<ul style="list-style-type: none"> ACII - Chartered Institute BA in Business Administration - King Faisal University Life insurance diploma - LUMA Diploma in Health Insurance - LUMA Diploma in Cars – Technology Collage Jeddah 	20 years
3	Faris Salman Al Habbad	<ul style="list-style-type: none"> Chief Financial Officer at Gulf Union Al Ahlia Cooperative Insurance Co. 	<ul style="list-style-type: none"> Finance Operations Manager- Salama Cooperative Insurance Co. "SALAMA" Credit Control Manager - Salama Cooperative Insurance Co. "SALAMA" Assistant Accounting Manager - Salama Cooperative Insurance Co. "SALAMA" Senior Accounting Supervisor - Salama Cooperative Insurance Co. "SALAMA" Accounting Supervisor - Salama Cooperative Insurance Co. "SALAMA" 	<ul style="list-style-type: none"> Bachelor of science in Accounting - king Abdulaziz university Associate membership Certificate SOCPA No: 84368 ZAMALA Program Certificate from SOCPA No:03880 Training course Certificate SOCPA - IFRS/ IAS 	16 years
4	Abdul Moneim Abdullah Al-Bu Ali	<ul style="list-style-type: none"> Head of Technical at Gulf Union Al Ahlia Cooperative Insurance Co. 	<ul style="list-style-type: none"> Underwriting manager for health and life insurance - MetLife Medical Manager - Gulf Union Medical Director - Walaa Cooperative Insurance Underwriting Supervisor – Medgulf Medical Underwriter - Medgulf 	<ul style="list-style-type: none"> Bachelor's degree in Computer Engineering from King Fahd University of Petroleum and Minerals - 2005 	20 years
5	Hassan Al Dandan	<ul style="list-style-type: none"> Head of Risk at Gulf Union Al Ahlia Cooperative Insurance Co. 	<ul style="list-style-type: none"> Senior finance credit analyst An internal auditor of the GU Risk Management Supervisor, GU Risk Management Officer, GU 	<ul style="list-style-type: none"> Master's in Risk management and Insurance. From University of Limerick in Ireland. Diploma in Risk Management, Internal Audit and Compliance from Institute of Chartered Accountants Bachelor of Business Administration, Major: Finance; from University of Portland, Portland 	11 years
6	Ali Abdullah Burhan	<ul style="list-style-type: none"> Head of Internal Audit 	<ul style="list-style-type: none"> Head of Internal Audit, Saudi Brokers Insurance Regional Audit Manager, Saudi France Bank Senior Audit Manager, Saudi France Bank Senior Risk and Compliance Manager, Riyadh Bank 	<ul style="list-style-type: none"> Bachelor of Business Administration / Business Management Middle Tennessee State University, USA. 	22 Years
7	Hawraa Mahdi Al Baharnah	<ul style="list-style-type: none"> Compliance Manager at Gulf Union Al Ahlia Cooperative Insurance Co. 	<ul style="list-style-type: none"> Compliance & Governance Manager and Board secretary at Saudi Nextcare for insurance claims management Compliance Manager and Audit committee secretary at AlTayseer Arabian Company Senior External Auditor at PwC 	<ul style="list-style-type: none"> Academic Qualification: Bachelor degree in Finance Professional Qualification: CCO CCOIC GRCP/GRCA IFCE 	13 Years

8	Ghadeer Khaled Al Zamil	<ul style="list-style-type: none"> Legal Affairs Manager at Gulf Union Al Ahlia Cooperative Insurance Co. - Acting 	<ul style="list-style-type: none"> Trainee lawyer at Gulf Union Al Ahlia Legal Officer at Gulf Union Al Ahlia 	<ul style="list-style-type: none"> Bachelor of Law - (Princess Nourah Bint Abdul Rahman University) 	4 years
9	Zahra Shaker Al Warsh	<ul style="list-style-type: none"> Cyber Security Manager-Acting at Gulf Union Al Ahlia Cooperative Insurance Co. 	<ul style="list-style-type: none"> Cyber Security Officer – Al Ahlia Insurance Co Systems Analysis – Al Manea Hospital 	<ul style="list-style-type: none"> Bachelor of Business Management System – Minor Information System And Technology – MISSOURI - USA Certified information security manager CISM-ISACA 	9 Years
10	Yasmin Mohammed Al Zahrani	<ul style="list-style-type: none"> Customer Care Manager at Gulf Union Al Ahlia Cooperative Insurance Co. 	<ul style="list-style-type: none"> Customer care manager – alsagr insurance Customer care senior – alsagr insurance Data entry – Mada company 	<ul style="list-style-type: none"> Bachelor's degree –English Award in General insurance Insurance claims handling Insurance foundation (IFCE) 	13 Years
11	Saeed Saad Al Subaie	<ul style="list-style-type: none"> Motor Claims Manager at Gulf Union Al Ahlia Cooperative Insurance Co. 	<ul style="list-style-type: none"> Motor Claims Manager – Tokyo Marin Insurance Co. Regional Claims Manager – Al Ahlia Insurance Co. Motor Manager – ACE Broker Regional Surveyors Supervisor – Tawuniya Insurance Co. 	<ul style="list-style-type: none"> Mechanical Engineering Technology from King Fahd University of Petroleum and Minerals Professional Certificate in Insurance from the Bahrain Institute of Banking and Financial Studies Leadership Development Program from Cranfield University, UK, in cooperation with Hadaf Many technical and office training and development courses 	20 Years
12	Memona Ali	<ul style="list-style-type: none"> Head of Actuary at Gulf Union Al Ahlia Cooperative Insurance Co. 	<ul style="list-style-type: none"> Assistant Vice President – Finance and Actuarial Services - Union Insurance Company P.S.C, Dubai, UAE IFRS 17 Reporting Actuary - Aegon, Scotland, UK Principal Auditing Actuary, Finance and Data Analytics Internal Audit - Prudential Ltd, Scotland, UK Senior Actuary, Pricing and Reinsurance - Scottish Friendly Assurance Limited, Glasgow, UK Assistant Actuary, Solvency II and Reinsurance - Canada Life Limited, Potters Bar, UK Senior Assistant Actuary - Canada Life Limited, Potters Bar, UK 	<ul style="list-style-type: none"> Fellowship - Institute and Faculty of Actuaries, UK First Class BSc in Mathematics - Heriot-Watt University, Edinburgh, UK 	16 Years
13	Abdul Aziz Al Muhanna	<ul style="list-style-type: none"> IT Manager at Gulf Union Al Ahlia Cooperative Insurance Co. 	<ul style="list-style-type: none"> Senior Manager - Information Cyber Security (CISO), Malath Insurance Company Manager - Systems Operations, Malath Insurance Company Manager - Network & Communication, Malath Insurance and Reinsurance Company 	<ul style="list-style-type: none"> Bachelor of Science in Technology Minors: Computer Science and Virtual Simulation 	22 Years

d- Names of companies inside or outside the Kingdom of which a member of the company's board of directors is a member of its current and previous boards of directors or of its managers

– First – Current Companies

Legal Entity	Inside / Outside	Membership (BOD Member – Manager)	Names of companies for which a member of the board of directors is a member of their current boards of directors or of their managers	Name
Listed joint stock	Inside The Kingdom	Chairman of the Board	Gulf Union Al Ahlia Cooperative Insurance Co	Abdulaziz Ali Al-Turki
closed joint stock	Outside The Kingdom	Chairman of the Board	Gulf Union Holding Company (Bahrain)	
closed joint stock	Inside The Kingdom	Chairman of the Board	.Rawabi Holding Company	
closed joint stock	Outside The Kingdom	Chairman of the Board	Gulf Union Insurance and Reinsurance Co. (Bahrain)	
closed joint stock	Inside The Kingdom	Chairman of the Board	Nesma & Partners Contracting Company Ltd	
Listed joint stock	Inside The Kingdom	Vice Chairman	Gulf Union Al Ahlia Cooperative Insurance Co	Zaid Abdullah Al Yaeesh
Limited liability	Inside The Kingdom	Board Member	Al Wasseel for Information Technology Co.	
closed joint stock	Inside The Kingdom	Board Member	The Saudi Company for Leasing Contract Registration.	
Listed joint stock	Inside The Kingdom	Board Member	Gulf Union Al Ahlia Cooperative Insurance Co	Munir Hashem Al-Borno
Private	Outside The Kingdom	Chairman of the Board	Gulf House Consulting Co. (Bahrain)	
closed joint stock	Outside The Kingdom	Vice Chairman	Gulf Union Insurance and Reinsurance Co. (Bahrain)	

Listed joint stock	Inside The Kingdom	Board Member	Gulf Union Al Ahlia Cooperative Insurance Co	Abdullah Abdulwahab
Limited liability	Inside The Kingdom	Board Member	MK – Cable Management	
Limited liability	Inside The Kingdom	Board Member	Innovative Insulators company	
Listed joint stock	Inside The Kingdom	Board Member	Gulf Union Al Ahlia Cooperative Insurance Co	Ahmed Sulaiman Al Mazaini
Listed joint stock	Inside The Kingdom	Board Member	Banan Real Estate Company	
closed joint stock	Inside The Kingdom	Board Member	IT Belt Company	
Limited liability	Inside The Kingdom	CEO	RSEEM Investment Company	
Listed joint stock	Inside The Kingdom	Board Member	Al Qassim Investment Holding Co	
Limited liability	Inside The Kingdom	Founder & Cheif Consultant	Quality & Time Management Consulting	
closed joint stock	Outside The Kingdom	Board Member	Tunisian Saudi Bank	
Limited liability	Inside The Kingdom	Manager	Development Leaders For Information Technology and security systems	
Listed joint stock	Inside The Kingdom	Board Member	Gulf Union Al Ahlia Cooperative Insurance Co	Majid Shatti Al Dhafiri
closed joint stock	Outside The Kingdom	Board Member	Gulf Union Insurance and Reinsurance Co. (Bahrain)	
closed joint stock	Outside The Kingdom	Board Member	Gulf Union Holding Company (Bahrain)	
Listed joint stock	Inside The Kingdom	Board Member	Gulf Union Al Ahlia Cooperative Insurance Co	Mohammed Al Katheer
closed joint stock	Inside The Kingdom	Board Member	Al Ihsaa Amusement & Tourism Co	

- **Second – Previous Companies**

Legal Entity	Inside / Outside	Membership (BOD Member – Manager)	Names of companies for which a member of the board of directors is a member of their Previous boards of directors or of their managers	Name
Private	Inside The Kingdom	Board Member	Nama Shipping Services Ltd	Abdulaziz Ali Al-Turki
Private	Inside The Kingdom	Chairman of the Board	Nama Shipping Services Ltd	
Limited liability	Inside The Kingdom	Insurance Committee Chairman	Al Jomaih holding Company	Zaid Abdullah Al Yaesh
Not Listed - joint stock	Inside The Kingdom	Board Member	Arbah capital Company	
Limited liability	Inside The Kingdom	Board Member	Global beverage Company	
Limited liability	Inside The Kingdom	Board Member	Al Jarie holding Co.	
Limited liability	Inside The Kingdom	Board Member	Tamweel Aloula	
Listed joint stock	Inside The Kingdom	Manager (CEO-Managing Director)	Gulf Union Al Ahlia Cooperative Insurance Co	Munir Hashem Al-Borno
Listed joint stock	Inside The Kingdom	Board Member	Abdullah Al-Khudary Sons Company	
Limited liability	Outside	Partner and Director	Arthur Andersen - Bahrain and the Eastern Province	
N/A	N/A	N/A	N/A	Abdullah Abdulwahab
Listed joint stock	Inside The Kingdom	Board Member	Saudi Ceramic Company	Ahmed Sulaiman Al Mazaini
Listed joint stock	Inside The Kingdom	Board Member	Saudi Fisheries Company	
closed joint stock	Inside The Kingdom	Board Member	Thakher Development Company	
Limited liability	Inside The Kingdom	Board Member	Harkat Production Company	
Limited liability	Inside The Kingdom	Board Member	ADD group to set up and organize exhibitions	
closed joint stock	Inside The Kingdom	Board Member	Al-Jasrah Finance Company	
closed joint stock	Inside The Kingdom	Board Member	Al Azizia Commercial Investment Company	
Listed joint stock	Inside The Kingdom	Board Member	Al Ahlia Cooperative Insurance Co.	
-	-	-	N/A	Majid Shatti Al Dhafiri
-	-	-	N/A	Mohammed Al Katheer

Paragraph (11)

Board Committees:

There are five committees emanated from the BOD, and the following is a brief description of the functions, tasks, meetings of each committee:

11-1 Audit Committee:

- Audit Committee Members

Audit Committee (three Members) - from the start of the current term on 17/12/2022			
No.	Name	Membership	Classification
1	Ahmed Al Muzaini	Chairman	Independent –BOD Member
2	Ibrahim Al-Muqhem	Member	Independent (from outside the Board)
3	Abdullah Al Hajri	Member	Independent (from outside the Board)

- A brief description for Rules and Responsibilities:

Audit Committee is doing the following responsibilities (For Example but not limited to the following)

Audit Committee assists the Board of Directors in its supervisory role with regard to the external accounting and auditing systems (the external auditor) and the internal (the internal audit and compliance departments) and the financial reporting systems in general, in addition to ensuring compliance with the laws and regulations applicable to the Gulf Union Cooperative Insurance Company and adherence to the internal systems and regulations. The committee Ensuring the effectiveness of the company's internal control procedures, studying the annual and quarterly financial statements, discussing the external auditors and the company's senior management before issuing recommendations to the Board of Directors regarding them, reviewing the reports submitted by the Internal Audit and Compliance Department and discussing them therein, and making recommendations in this regard to the Board of Directors and recommending the Board of Directors to approve the Appointment or reassignment of external auditors.

- Committee meetings during 2024:

The committee held (8) meetings during 2024

(✓ Attend the meeting) (✗ Absent)

No.	Name	Membership	1st Meeting 2024/02/26	2nd Meeting 2024/03/18	3rd Meeting 2024/05/07	4th Meeting 2024/05/22	5th Meeting 2024/07/25	6th Meeting 2024/08/28	7th Meeting 2024/10/29	8th Meeting 2024/11/28	Total # of Meetings attended
1	Ahmed Al Muzaini	Chairman	✓	✓	✓	✓	✓	✓	✓	✓	8
2	Ibrahim Al-Muqhem	Member	✓	✓	✓	✓	✓	✓	✓	✓	8
3	Abdullah Al Hajri	Member	✓	✓	✓	✓	✓	✓	✓	✓	8

- There are no recommendations issued by the audit committee which conflicted with the decisions of the board of directors, and there are no recommendations issued by the audit committee, which the Board of Directors refused to take into account during the year ending 12/31/2024.

11-2 Executive Committee

- Executive Committee Members

Executive Committee (three Members) - from the start of the current term on 17/12/2022			
No.	Name	Membership	Classification
1	Abdulaziz Al Turki	Chairman	Non-Executive –BOD Member
2	Zaid Abdullah Al Yaesh	Member	Independent –BOD Member
3	Munir Al Borno	Member	Executive –BOD Member

- A brief description for Rules and Responsibilities:

The main purpose of the Executive Committee is to assist the Board of Directors in implementing the strategic plans, policies and decisions of the Board in line with the company's vision, mission and guidelines. It is responsible for implementing the will of the board, with an appropriate level of input from the board before decisions are made. The committee also studies and discusses the CEO's report, the action plan submitted by the CEO, any proposals proposed by the CEO, Also Approving the financial and underwriting Authority Matrix and any amendments thereto, Study the actuary's report and makes recommendations in these regards to the Board of Directors. And provide suggestions and solutions to any problems that the company may face

- Committee meetings during 2024:**

The committee held (6) meetings during 2024

(✓ Attend the meeting) (✗ Absent)

No.	Name	Membership	1 st Meeting 2024/02/20	2 nd Meeting 2024/03/20	3 rd Meeting 2024/06/03	4 th Meeting 2024/09/17	5 th Meeting 2024/11/04	6 th Meeting 2024/12/01	Total # of Meetings attended
1	Abdulaziz Al Turki	Chairman	✓	✓	✓	✓	✓	✓	6
2	Fawaz Talal Al Tamimi	Member	✓	✓	✓	✓	✓	✓	6
4	Munir Al Borno	Member	✓	✓	✓	✓	✓	✓	6

11-3 Nomination and Remuneration Committee

- Nomination & Remuneration Committee Members**

NRC (three Members) - from the start of the current term on 17/12/2022			
No.	Name	Membership	Classification
1	Ahmed Sulaiman Al Muzaini	Chairman	Independent –BOD Member
2	Abdullah Abdulrahman Abdulwahab	Member	independent –BOD Member
3	Majed Shatti Al Dhafiri	Member	Non-Executive –BOD Member

- A brief description for Rules and Responsibilities:**

The Nomination and Remuneration Committee assists the Board of Directors in its supervisory role in identifying qualified individuals to become Board members and submits its recommendations to the Board on nominations by stakeholders, in addition to its recommendations to the Board of Directors for the candidates of each Board Committee (In case the committee is formed). The committee also supervises all matters related to the remuneration of every board member and executive. The committee will also have a role in improving the governance framework of the Gulf Union Cooperative Insurance Company, reviewing the organizational structure, annual verification of the independence of board members, approving job descriptions for them, and proposing compensation policies and board membership.

- Committee meetings during 2024:**

The committee held (2) meetings during 2024

(✓ Attend the meeting) (✗ Absent)

No.	Name	Membership	1 st Meeting 2024/02/15	2 nd Meeting 2024/12/26	Total # of Meetings attended
1	Ahmed Al Muzaini	Chairman	✓	✓	2
2	Abdullah Abdulwahab	Member	✓	✓	2
3	Majed Al Dhafiri	Member	✓	✓	2

11-4 Risk Management Committee

- Risk Management Committee Members**

Risk Management Committee (three Members) - from the start of the current term on 17/12/2022			
No.	Name	Membership	Classification
1	Abdullah Abdulwahab	Chairman	Independent –BOD Member
2	Majid Al Dhafiri	Member	Non-Executive –BOD Member
3	Mohammed Al Katheer	Member	Independent –BOD Member

- A brief description for Rules and Responsibilities:**

The main objective of the Risk Management Committee is to assist the Board of Directors in identifying risks that may expose the company to risk, maintaining acceptable risk data for the company, supervising the risk management system, evaluating its effectiveness, defining a comprehensive strategy for managing the company's risks, and reviewing risk management policies.

- Committee meetings during 2024:**

The committee held (2) meetings during 2024

(✓ Attend the meeting) (✗ Absent)

No.	Name	Membership	1 st Meeting 2024/05/30	2 nd Meeting 2024/12/04	Total # of Meetings attended
1	Abdullah Abdulwahab	Chairman	✓	✓	2
2	Majid Al Dhafiri	Member	✓	✓	2
3	Mohammed Al Katheer	Member	✓	✓	2

11-5 Investment Committee

Investment Committee Members

Investment Committee (Four Members) - from the start of the current term on 17/12/2022			
No.	Name	Membership	Classification
1	Abdulaziz Al-Naim	Chairman	Independent (from outside the Board)
2	Munir Al Borno	Member	Executive – BOD Member
3	Mesheal Al Shayea	Member	Non-Executive (from outside the Board)
4	Zaid Abdullah Al Yaeesh *	Member	Independent – BOD Member
5	Ayham Al Yousef **	Member	Independent (from outside the Board)

*Mr. Zaid Al-Yayesh has been appointed as a member of the Investment Committee, effective from January 30, 2024.

**Mr. Ayham Al-Yousef submitted his resignation from the Investment Committee, and the resignation was accepted, effective from November 4, 2024.

A brief description for Rules and Responsibilities:

The main purpose of the Investment Committee is to assist the Board of Directors in formulating the investment and reviewing its implementation on a quarterly basis, reviewing the performance of each asset class, monitoring the overall risks of the investment policy and submitting a performance review report to the Board of Directors. In addition, the Investment Committee assists the Board of Directors in ensuring Compliance of the overall investment activities with the requirements of the "Investment Regulations" issued by Insurance Authority and any other applicable laws and regulations.

Committee meetings during 2024:

The committee held (4) meetings during 2024

(✓ Attend the meeting) (* Absent)

No.	Name	Membership	1 st Meeting 29/02/2024	2 nd Meeting 06/06/2024	3 rd Meeting 04/09/2024	4 th Meeting 18/12/2024	Total # of Meetings attended
1	Abdulaziz Al-Naim	Chairman	✓	✓	✓	✓	4
2	Munir Al Borno	Member	✓	✓	✓	✓	4
3	Mesheal Al Shayea	Member	✓	✓	✓	✓	4
4	Zaid Abdullah Al Yaeesh	Member	✓	✓	✓	✓	4
5	Ayham Al Yousef	Member	✓	✓	*	N/A	2

Paragraph (12)

Where applicable, the means adopted by the Board of Directors in evaluating its performance and the performance of its committees and members, and the external body that carried out the evaluation and its relationship to the company, if any:

On December 26, 2024, the Nominations and Remuneration Committee recommended to the Board of Directors to approve the appointment of "Protiviti" company to conduct the annual evaluation of the chairman and members of the Board of Directors and members of the committees emanating from the Board for the year 2024 AD. On January 02, 2025 BOD decided to approve the appointment of Protiviti Company to conduct the evaluation for the year 2024 AD for the Chairman and members of the Board of Directors and members of the committees emanating from the Board, depending on the recommendation issued by the Nominations & Remuneration Committee.

Protiviti is an external party independent of the company, and Protiviti working to conduct the annual evaluation, after issuing the final evaluation report will be discussed and approved by the Nomination and Remuneration committee then to be presented to the BOD, and to issue the required recommendations to the BOD, in order to be recommended to the company's general assembly to take its decision during its meeting in 2025.

There are several items that are taken into consideration when conducting the assessment, including, but not limited to:

- Attending board and committee meetings.
- Allocate sufficient time to review the documents attached and supporting the agenda items.
- Active participation in the discussion of the meeting agenda items.
- Accuracy in requesting information and asking inquiries.
- Impartiality in decision-making.
- Avoiding and/or avoiding conflicts of interest.
- Ensure the highest interest of the company.
- Compliance with the rules of governance and related laws.

Paragraph (13)

Remuneration Policy for Board Members, Committees and Executive Management:

In determining the remunerations of members of the Board, Committees and Executive management, the Board of Directors depends on the company's policy of Remunerations for members of the Board, committees and executive management, which was approved by the General Assembly of Shareholders on 28/06/2022. This policy includes the following rules and criteria for remuneration:

Remuneration policy

Article four of the policy: rules and criteria for awarding rewards

A- General rules and standards:

Without prejudice to the provisions of the Companies Law, the Financial Market Law and their implementing regulations, and the Company's By-Law, the following rules and standards are taken into consideration when determining the remuneration of members of the Board of Directors, committees and executive management:

1. That the remuneration be based on the recommendation of the Nomination and Remuneration Committee.
2. That the remuneration be fair and commensurate with the terms of reference of the board member, committee member, or executive, and the works and responsibilities that he performs and bears, in addition to the goals set by the board of directors to be achieved during the fiscal year, in a manner that achieves consistency with the company's strategy and goals.
3. Linking the variable portion of remuneration to long-term performance in order to motivate members of the board of directors, committees and executive management to make the company successful in the long run.
4. Remuneration is determined based on the level of the position, the duties and responsibilities of the occupant, academic qualifications, work experience, skills and level of performance.
5. Harmony with the size and nature of risks with the company.
6. If it appears that the remuneration has been decided based on inaccurate information provided by a member of the board of directors or any of the committees or executive management, then its disbursement will be suspended or legal measures taken towards its recovery if it is disbursed.
7. That the remuneration is consistent with the activity of the company and the skill required to manage it.
8. Take into consideration the sector in which the company operates, its size, and the experience of the members of the board of directors.
9. The remuneration is reasonably sufficient to attract, motivate and retain board members, committees, and executives with appropriate experience and competence.
10. Remuneration is determined in coordination with the Nomination and Remuneration Committee upon new appointments.
11. Take into account the practices of other companies in determining rewards.

B- Remuneration of members of the Board of Directors and Committees:

1. The company's By-Law determine the remuneration of the chairman and members of the board of directors, whereby the board of directors proposes the remuneration of the members based on the recommendation of the nomination and remuneration committee, and then the remuneration is approved after approval by the general assembly.
2. Board members' remuneration consists of a certain amount, attendance allowance for sessions, financial or in-kind benefits, or a certain percentage of net profits, and it is permissible to combine two or more of these benefits.
3. The minimum annual remuneration for the Chairman and members of the Board of Directors shall be (150,000) one hundred fifty thousand Saudi riyals, and the maximum limit for the total remuneration and financial or in-kind benefits the member receives is (500,000 riyals) five hundred thousand Saudi riyals annually for his membership in the Board of Directors, including additional bonuses. In the event that the member participates in any of the committees emanating from the Board of Directors (this excludes the members of the Audit committee), in accordance with the controls set by the competent authorities.
4. The remuneration of the Chairman of the Board of Directors exceeds the remuneration of the member by an amount not less than (100,000) one hundred thousand Saudi riyals.
5. In addition, if the company achieve profit, Board Members shall be entitled to gain a certain percentage of the company profit, such percentage may not exceed (10%) of the net profits after deducting the reserves decided by the general assembly in implementation of the provisions of cooperative insurance companies control law, companies law and theses articles and after distribution of a profit to shareholders that is not less than (5%) of the company paid capital and the eligibility for such remuneration shall be proportional to the number of meetings attended by the member and any estimation contrary to that shall be void.
6. The remuneration of the independent members of the board of directors should not be a percentage of the profits achieved by the company or be based directly or indirectly on the profitability of the company.

7. All Committees members are granted an annual remuneration as follows:

Position	Bonus amount
Chairman of Committee	An annual bonus amount of (75,000) seventy five thousand Saudi riyaIs.
Committee member	Annual reward amount of (75,000) seventy five thousand Saudi riyaIs

8. Allowances for attending the meetings of the Board of Directors and the subsidiary committees are determined as follows:

Category	Allowance
Allowance for attending the Board of Directors meeting	3000 SAR
Allowance for attending committees (for board members)	3000 SAR
Allowance for attending committees (non-members of the Board)	3000 SAR

9. Each member of the board and the emanating committees (from the board members or from outside), including the council chairman, shall be paid the value of the actual expenditures they incur in order to attend the meetings of the board or the committees emanating from the board of directors, including travel, accommodation and subsistence expenses.
10. Remuneration may be granted to members of the board of directors and committees in the form of shares, after fulfilling all the legal controls established in this regard, and in this case, the entered value of the shares shall be the market value at the maturity date.
11. The remuneration of members of the board of directors and committees may be of varying amounts to reflect the member's experience, competencies, tasks assigned to him, his independence, and the number of sessions attended and by other considerations.
12. If the General Assembly decides to terminate the membership of a member of the Board of Directors who is absent from attending three consecutive meetings of the Board without a legitimate excuse, this member is not entitled to any remuneration for the period following the last meeting he attended, and he must return all the remuneration that was paid to him for that period.
13. If the audit committee or the Capital Market Authority finds that the remuneration paid to any of the members of the board of directors is based on incorrect or misleading information that was presented to the general assembly or included in the annual report of the board of directors, he must return them to the company, and the company has the right to ask him to return them.

C- Rewards for senior executives:

1. The Board of Directors - based on the recommendation of the Nomination and Remuneration Committee - determines the types of remuneration granted to the company's senior executives, such as fixed bonuses or performance-related bonuses.
2. Senior executives are awarded annual bonuses based on performance evaluation, in addition to compensation and fixed bonuses according to their employment contracts.
3. Remuneration may be granted to senior executives in the form of shares, after fulfilling all the statutory controls established in this regard, and in this case the entered value of the shares shall be the market value at the maturity date.
4. The performance evaluation of the senior executives is based mainly on their professional performance during the year and the extent of their professional interaction in achieving the company's strategic goals.

Paragraph (14)

Relationship between Remunerations Awarded and Remuneration Policy:

The remunerations granted to members of the board of directors, committees and executive management during the year 2024 were in line with the remuneration policy approved by the company's general assembly, and there is no fundamental deviation from this policy.

Paragraph (15)

Statement of necessary details regarding remunerations and compensations paid – Remunerations and benefits for Board and Committees Members and for five Senior Executives / High Management: -

a - Board members 'remuneration on 2024: (Thousand Saudi riyals)

Name	Fixed remunerations							Variable remunerations						End Of Service Rewards	Grand Total	Expenses allowances
	Specific amount	attendance Allowance of board meetings	attendance Allowance of Committees meetings	In Kind Benefits	A statement of the Board members remuneration as workers or managers or payments received for technical, administrative and	Remuneration of Chairman, Managing Director or Board Secretary, if he is a member	Total	Profit Share	*** Periodic Remunerations	Short-term incentive plans	Long-term incentive plans	Equity	Total			
First: Non-Executive members																
Abdulaziz Ali Al-Turki	-	15	18	-	-	-	33	-	475	-	-	-	475	-	508	-
Majed Al Dhafiri	-	15	12	-	-	-	27	-	400	-	-	-	400	-	427	-
Total	-	30	30	-	-	-	60	-	875	-	-	-	875	-	935	-
Second: Independent members																
Zaid Al Yaeesh		15	30	-	-	-	45	-	375	-	-	-	375	-	420	-
Ahmed Al Muzaini		15	30	-	-	-	45	-	400	-	-	-	400	-	445	-
Abdullah Abdulwahab		15	12	-	-	-	27	-	400	-	-	-	400	-	430	-
Mohammed Al Katheer		15	6	-	-	-	21	-	325	-	-	-	325	-	346	-
Total	-	60	78	-	-	-	138	-	1,500	-	-	-	1,500	-	1,638	-
Third: Executive members																
Munir Al Borno	-	15	30	-	(**) 292	-	337	-	400	-	-	-	400	-	737	-
Total	-	15	30	-	292	-	337	-	400	-	-	-	400	-	737	-

(**) The total amounts paid for him is including salaries and allowances as a BOD advisor during the year 2024.

(***) Periodic remunerations, including the remuneration for membership of the BOD for the year 2023 AD and the remuneration for their membership in committees for the year 2023 AD

b - Compensation and Remunerations for five Senior Executives for the fiscal year 2024: (Thousand Saudi riyals)

Name	Fixed remunerations					Variable remunerations						End of Service Rewards	Total remuneration for executives in the board, if any	Grand Total
	Salaries	Allowances	In Kind Benefits	Total	Periodic Remunerations	Performance Remunerations	profits	Short-term incentive plans	Long-term incentive plans	Equity grants	Total			
Compensation and Remunerations for five Senior Executives / Top Management	5,080	1,669	-	6,749	770	5,033	-	-	-	-	5,803	-	-	12,552
Total	5,080	1,669	-	6,749	770	5,033	-	-	-	-	5,803	-	-	12,552

- The company committed to disclose total remuneration of the senior executive management in accordance with the requirements of Article 90 (4-b) of the Corporate Governance Rules. In order to protect the interests of the Company, its shareholders and its employees, and to avoid any damage that may result from the disclosure in details as per job titles and positions, hence description of remuneration is not presented pursuant to Appendix (1) Remuneration Schedule of Corporate Governance Rules related to Senior Executives.

c - Remuneration for committees' members for Fiscal Year 2024: (Thousand Saudi riyals)

First: Current Committees' Members

Description/Members	(*) Fixed Paid Remuneration	Allowance for Attending meetings	Total
Audit committee members			
Ahmed Al Mazini - Chairman	75	27	99
Abdullah Al Hajri	75	27	99
Ibrahim Al-Muqhem	75	27	99
Total	225	72	297
Executive committee members			
Abdulaziz Al-Turki - Chairman	75	18	93
Zaid Abdullah Al Yaeesh	75	18	93
Munir Hashem Al-Borno	75	18	93
Total	225	54	279
Nomination and Remuneration Committee members			
Ahmed Al Mazini - Chairman	75	6	81
Majed Al Dhafiri	75	6	81
Abdullah Abdulwahab	75	6	81
Total	225	18	243
Risk Management committee members			
Abdullah Abdulwahab - Chairman	75	6	81
Majed Al Dhafiri	75	6	81
Mohammed Al Katheer	75	6	81
Total	225	18	243
Investment committee members			
Abdulaziz Al-Naim - Chairman	75	12	87
Munir Hashem Al-Borno	75	12	87
Mesheal Al Shayea	75	12	87
Zaid Al Yaeesh	-	12	12
Ayham Al Yousef	75	6	81
Total	300	54	354

* This fixed remuneration related to 2023 and paid during 2024 for their membership in the BOD committees

d - The Annual Membership Remuneration for each member of the board of directors and committees for the year 2024:

It was mentioned previously that as at 31/12/2024, an independent external company "Protiviti Company" is now working to conduct the annual evaluation of the chairman and members of the Board of Directors and members of the committees emanating from the Board of Directors for the year 2024. After issuing the evaluation report, it will be presented to the Nominations and Remunerations Committee for its approval and submission to the Board of Directors and to issue the necessary recommendations regarding the annual remuneration for members in return for their membership in the Board of Directors and the committees of the Board of Directors according to the evaluation report issued. Depending on the committee recommendation to the BOD, a recommendation regarding the remuneration of members of the Board of Directors for the year 2024 will be issued for the company's general assembly to take its decision in this regard during its meeting in 2025.

BOD and committees' remunerations for 2024 that paid in 2025, will be disclosed in 2025 BOD report.

Paragraph (16)

Procedures taken by the Board of Directors to inform its members - especially non-executives – about shareholders' proposals and comments about the company and its performance:

- There are no comments or suggestions received from the shareholders regarding the company and its performance, and in the event of receiving any suggestions or comments from the shareholders, the Board of Directors informs its members, especially the non-executives, by putting these suggestions or comments on the agenda of the first coming meeting of the Board to be discussed and to take the necessary recommendations or decisions towards it.
- The company do the necessary actions to provide all information that enables shareholders to exercise their rights to the fullest, without discrimination among them, these information should be completed and accurate, and these information to be updated in a regular manner on specified dates. The company is obligated to answer all the shareholders' questions and queries without discrimination among them, to the extent that it does not jeopardize the interest of the company and the shareholders

Paragraph (17)

General Assemblies of Shareholders held during the fiscal year 2024:

The following table includes a statement of the dates of the general assemblies of shareholders that took place during the fiscal year 2024, During 2024, the General Assembly meeting was convened 1 time, as follows:

- One (1) Ordinary General Assembly Meetings

And the attendees as follow:

NO.	BOD Member Name	Kind of the General Assembly (Ordinary / Extra Ordinary) + Dates	
		Ordinary General Assembly Meeting on 04/06/2024	# of Meetings
01	Abdulaziz Ali Al-Turki - Chairman	✓ Attend	1
02	Zaid Abdullah Al Yaeesh - Vice Chairman	✓ Attend	1
03	Munir Hashem Al-Borno - Member	✓ Attend	1
04	Ahmed Soliman Al Muzaini - Member	✓ Attend	1
05	Majid Shatti Al Dhafiri - Member	✓ Attend	1
06	Abdullah Abdulrahman Abdulwahab - Member	✓ Attend	1
07	Mohammed Abdelrahman Al Katheer - Member	✓ Attend	1

Paragraph (18)

A description of any deal between the company and a related party, or any business or contracts in which the company is a party, or in which there was an interest for one of the members of the board of directors, the CEO, the CFO, the senior executives, or any person related to any of them, including the names of those involved in the business Or contracts, the nature of these works or contracts and their terms, duration and amount, and if there are no such works or contracts, the company must submit a declaration of that:

18-1 The process for approving transactions with related parties

The member of the board of directors shall inform the chairman of the board of directors of his personal interest in any business or contracts related to the company. Then, these dealings with related parties shall be sent to the Board of Directors for approval for a duration of one-year. The member to whom the transaction is related is not entitled to vote on the decision of the Board of Directors. Then the transactions are presented before the general assembly for approval and authorization for a calendar year. The board shall inform the general assembly, when it convenes, about the members' personal interests in any business or contracts related to the company, and the member is not entitled to vote on this item in the general assembly.

18-2 Related parties' business and contracts during the year 2024 were as follows:

- The business and contracts that were entered into between the company and **Rawabi Holding Group**, in which the Chairman of the Board of Directors - **Mr. Abdulaziz Ali Al-Turki** has a direct interest in (where he holds the position of Chairman of the Board of Directors), noting that the transactions that took place during the fiscal year 2024 are (insurance policies for one year with a value of **33,562,062** Saudi riyals), there are no preferential terms in these deals and contracts.
- The business and contracts that were entered into between the company and **Al Muhaidib Group**, in which a member of the Board of Directors - **Mr. Majid Shatti Al Dhafiri** has an indirect interest in (where he holds an executive position), noting that the transactions that took place during the fiscal year 2024 are (insurance policies for one year with a value of **5,054,026** Saudi Riyals), and there are no preferential terms in these deals and contracts.
- The business and contracts that were entered into between the company and **Al Muhaidib Group**, in which a member of the Board of Directors - **Mr. Majid Shatti Al Dhafiri** has an indirect interest in (where he holds an executive position), noting that the transactions that took place during the fiscal year 2024 are (Rent Contracts for the Company's offices for one year with a value of **1,035,760** Saudi Riyals), and there are no preferential terms in these deals and contracts.

18-3 Notes:

- There are no preferential terms in these deals and contracts.
- No insurance policies for any Executive Management Member in the company during the year 2024
- There is also a liability insurance policy for members of the Board of Directors and Executives, amounting to **247,308** Saudi riyals.
- Except the above mentioned Insurance policies and rent contract, there is no deals between the company and related parties.

Client Name	Owner/Member has Direct interest	Member has Indirect interest	Position	Description - Deal Conditions	Duration	Premiums	Claims
Rawabi Holding Group	Abdulaziz Ali Al-Turki	-	Chairman	Motor & Property and General Accident in line with the approved policy within the company and IA	One Year	33,562,062	1,337,371
Al Muhaidib Group	-	Majid Shatti Al Dhafiri	Member	Motor & Property and General Accident in line with the approved policy within the company and IA		5,054,026	2,389,665
Client Name	Owner/ Member has Direct interest	Member has Indirect interest	Position	Contract Type		Rental Contract amount	
Al Muhaidib Group	-	Majid Shatti Al Dhafiri	Member	Annual Rent Contracts for the Company's offices		1,035,760	

18-4 Any potential conflict of interest cases and the mechanism for dealing with it:

There are no possible cases of conflict of interest raised during the year ending on December 31, 2024

18-5 Any cases where there might be competing businesses for the company or any of the branches of activity that it practices and which any member of the Board of Directors is practicing or was practicing.

- The company acknowledges that there are no cases that would suggest the existence of competing businesses for the company during the year ending on 12/31/2024 AD.

Paragraph (19)

A description of any interest, contractual financial papers and subscription rights of the members of the company's board of directors, senior executives and their relatives in the shares or debt instruments of the company or any of its subsidiaries and any change in that interest or those rights during the fiscal year 2024

Related party	Type of ownership	Beginning of Year		End of Year		Net Change	Change %
		# of shares	Debt instruments	# of shares	Debt instruments		
Members of Board of Directors							
Abdulaziz Ali Al-Turki	Direct	454,908	0	454,908	0	0	0%
Interest on Rawabi Holding Co.	Indirect	4,717,998	0	4,717,998	0	0	0%
Interest on Gulf Union Holding Co	Indirect	2,475,000	0	2,475,000	0	0	0%
Zaid Abdullah Al Yaeesh	Direct	100,000	0	0	0	0	-100%
Munir Hashim Al Borno	Direct	1,362	0	1,362	0	0	0%
Abdullah Abdulwahab	N/A	0	0	0	0	0	0%
Ahmed Sulaiman Al Mazini	N/A	0	0	0	0	0	0%
Majid Shatti Al Dhafiri	N/A	0	0	0	0	0	0%
Mohammed Al Katheer	N/A	0	0	0	0	0	0%
Senior Executives							
N/A	-	-	-	-	-	-	-

Paragraph (20)

Major shareholders and the percentage of ownership of each of them

As at 31/12/2024 there are Two major shareholders each one of them owning more than 5% of company's Capital. Public owns the rest of the shares. Major Shareholders as at 31/12/2024 as follow: -

#	Name	Interest	Shares Amounted	Ownership Percentage %
1	Rawabi Holding Co.	Direct Ownership	4,717,998 Shares	% 10.2799
2	Gulf Union Holding Co.	Direct Ownership	2,475,000 Shares	% 5.3927

Paragraph (21)

Regulatory payments

We explain the statutory payments due and paid related to zakat, taxes, fees or any other dues incurred by the company, and the following are their details:

Regulatory Payments Due: The company has due payments that have not been paid until the end of the financial year 2024, amounted to (24,149 Thousand Saudi riyals)

Paid Regulatory Payments: Regulatory Payments during the year 2023 ended on 31/12/2024 amounted to (143,625 Thousand Saudi riyals)

(Thousand Saudi riyals)

Description	Year 2024		Reason for payment
	Paid	Due but not paid	
Zakat and income tax	16,125	12,482	As Per the regulation of Zakat, Tax and Customs Authority
Value added tax	113,202	8,481	As Per the regulation of Zakat, Tax and Customs Authority
Social insurance	6,700	656	As Per the regulation of General Organization of Social Insurance
Withholding tax	181	9	As Per the regulation of Zakat, Tax and Customs Authority
Governmental payments	742	-	Labor and Passport Office fees + Ministry of Commerce according to the regulations of the Ministry of the Interior and the Ministry of Labor
Supervision fees of Insurance Authority	3,427	1,301	Supervision fees of Insurance Authority
Supervision fees of Council of Health Insurance	3,248	1,220	Supervision fees of Council of Health Insurance
Total	143,625	24,149	

Paragraph (22)

Any penalty, sanction, precautionary measure or precautionary restriction imposed on the company by CMA or any regulators, or judicial authority, with an explanation of the causes of the violation, the signatory to it, and the means of remedying and avoiding it in the future:

1- Insurance Authority Enforcement Resolutions:

Subject Penalties	Previous Fiscal Year 2023		Current Fiscal Year 2024	
	Number of executive decisions	Total amount of penalties in SAR	Number of executive decisions	Total amount of penalties in SAR
Violation of the regulatory and supervisory instructions of Insurance Authority	-	-	4	485,000
Violation of Insurance Authority's instructions on Customers' protection	-	-	-	-
Violation of the Insurance Authority's instructions on due diligence in Combating Money Laundering and Terrorism Financing	1	-	-	-

2- Sanctions / penalties on the company

Penalty/Sanction	Reason of violation	Regulators	Ways to remedy the violation and avoid its occurrence in the future
2023			
Warning	Violation of the Insurance Authority's instructions on due diligence in Combating Money Laundering and Terrorism Financing	IA	The necessary measures have been taken by the company to prevent the recurrence of this violation.
Warning	A Warning for the company for non-compliance with responding to the pre-approval requests for more than 60 minutes through NPHIES Portal.	CHI	The necessary measures have been taken by the company to prevent the recurrence of this violation.
Warning	A warning for non-compliance with Article Eleven of the Beneficiaries Regulation.	CHI	The necessary measures have been taken by the company to prevent the recurrence of this violation.
Warning	A warning for non-compliance with processing pending claims for the year 2022 through NPHIES Portal.	CHI	The necessary measures have been taken by the company to prevent the recurrence of this violation.
Warning	An initial warning for non-compliance to respond to complaints within the regular period (3 working days)	CHI	The necessary measures have been taken by the company to prevent the recurrence of this violation.
Warning	Warning - Grouping Pharmacies Testing	CHI	The necessary measures have been taken by the company to prevent the recurrence of this violation.
Warning	A warning of non-compliance in processing and paying all outstanding insurance claims for the year of 2022 through NPHIES Portal.	CHI	The necessary measures have been taken by the company to prevent the recurrence of this violation.
Warning	A warning for non-compliance with Article Eleven of the Beneficiaries Regulation.	CHI	The necessary measures have been taken by the company to prevent the recurrence of this violation.
Warning	A warning of non-compliance in processing and paying all outstanding insurance claims for Q1 of 2023 through NPHIES Portal.	CHI	The necessary measures have been taken by the company to prevent the recurrence of this violation.
Warning	A warning for non-compliance with processing the pending claims for Q2 of 2022.	CHI	The necessary measures have been taken by the company to prevent the recurrence of this violation.

Warning	Warning - Advance Preauthorization Utilization	CHI	The necessary measures have been taken by the company to prevent the recurrence of this violation.
Warning	Warning - Advance Preauthorization Utilization - Payment Notification	CHI	The necessary measures have been taken by the company to prevent the recurrence of this violation.
Warning	A Warning for the company for non-compliance with responding to the pre-approval requests for more than 60 minutes through NPHIES Portal., and non-compliance to adhere to the documentary cycle of payment the accepted claims within 30 days through NPHIES Portal.	CHI	The necessary measures have been taken by the company to prevent the recurrence of this violation.
2024			
80,000 SR	Violation of the Regulatory and Supervisory instructions	IA	The necessary measures have been taken by the company to prevent the recurrence of this violation.
60,000 SR	Violation of the Regulatory and Supervisory instructions	IA	The necessary measures have been taken by the company to prevent the recurrence of this violation.
60,000 SR	Violation of the Regulatory and Supervisory instructions	IA	The necessary measures have been taken by the company to prevent the recurrence of this violation.
285,000 SR	Violation of the Regulatory and Supervisory instructions	IA	The necessary measures have been taken by the company to prevent the recurrence of this violation.
Warning	Warning for non- Compliance to complete the payment process (Payment Notification).	CHI	The necessary measures have been taken by the company to prevent the recurrence of this violation.
Warning	Warning for Non-Compliance with processing the pending claims for the year of 2023.	CHI	The necessary measures have been taken by the company to prevent the recurrence of this violation.
Warning	Warning - Non-Compliance to respond to approval requests within 60 minutes through NPHIES Portal.	CHI	The necessary measures have been taken by the company to prevent the recurrence of this violation.
Warning	Warning for Non-Compliance with Article Eleven of the Beneficiaries Regulation – Q3 2023.	CHI	The necessary measures have been taken by the company to prevent the recurrence of this violation.
Warning	Warning for Non-Compliance with Article Eleven of the Beneficiaries Regulation – Q4 2023.	CHI	The necessary measures have been taken by the company to prevent the recurrence of this violation.
Warning	Warning - Non-Compliance to respond to approval requests within 60 minutes through NPHIES Portal.	CHI	The necessary measures have been taken by the company to prevent the recurrence of this violation.

Paragraph (23)

The Company's requests for the shareholders' register, the dates of those requests and the reasons for them during the year 2024:

The company requested a register of its shareholders nine (9) times during the year 2024, and the table shows the number of requests, their dates and their reasons according to the following: -

No	Date of Request	Reason
1	2024/01/28	Company Procedures
2	2024/02/14	Company Procedures
3	2024/02/15	Company Procedures
4	2024/04/29	Company Procedures
5	2024/05/27	Company Procedures
6	2024/06/04	General Assembly
7	2024/07/15	Company Procedures
8	2024/09/12	Company Procedures
9	2024/12/01	Company Procedures

Paragraph (24)

Social Responsibility:

The company realizes the importance of its commitment to its role towards society, considering it an integral part of it, and the company also realizes the importance of its social role in a manner that achieves solidarity among members of society in implementation of principles derived from the tolerant Islamic Sharia that urged righteousness, piety and cooperation among all members of society, and work is underway to develop a policy Related to this.

The company has undertaken some initiatives that focus on social responsibility, as follows:

#	Subject of social initiative	Related Party for the Social Responsibility	City	Period
1	Blood Donation The annual participation of company employees in the annual blood donation campaign	King Fahad Specialized Hospital	Dammam	April 2024
2	Money Donation - Contribute with an amount of (10,000 SR) to support EFAA Association for the Care of People with Disabilities	EFAA Association for the Care of People with Disabilities	Dammam	August 2024
3	Money Donation - Contribute with an amount of (5,000 SR) to support The Charitable Association for Orphan Care in the Eastern Province – BINAA	Charitable Association for Orphan Care in the Eastern Province – BINAA	Dammam	August 2024
4	Money Donation - Contribute to the children's drawings program with an amount of 5,000 riyals in support of the medical and educational services provided by the association	Children with Disabilities Association	Dammam	May 2024
5	Money Donation - A financial contribution of 5,000 SAR to support Al-Wedad Association for Orphans Care.	Al-Wedad Association for Orphans Care.	Jeddah	October 2024
6	Money Donation - A financial contribution of 6,710 SAR to support Al-Rahma Medical Association.	Al-Rahma Medical Association.	Dammam	October 2024
7	Medical Insurance Policy for Ekhaa charity of orphans care	Ekhaa charity of orphans care	Riyadh	January 2024
8	Medical Insurance Policy for Prince Naif Rehabilitation Center	Prince Naif Rehabilitation Center	Dammam	April 2024
9	16 trainee in TAMHEER program	Human resources fund	Dammam – Riyadh - Jeddah	During the year 2024
10	6 Trainee in Cooperative training	Saudi Universities	Dammam - Riyadh	During the year 2024

Paragraph (25)

Internal Control and Risk Management:

- ❖ Risk Governance
- ❖ Strategic Risks
- ❖ Financial Risks
- ❖ Operational Risks
- ❖ Capital Management Risks

Below is a brief of the Company's risk governance and various risk being faced by the Company and how these are being mitigated for perusal of Risk Management Committee and Board of Directors.

First: Risk Governance

The Company's risk governance is manifested in a set of established policies, procedures and controls which uses the existing organizational structure to meet strategic targets. The Company's philosophy revolves on willing and knowledgeable risk acceptance commensurate with the risk appetite and strategic plan approved by the Board of Directors of the Company. The Company is exposed to insurance, reinsurance, regulatory framework, credit, liquidity, foreign currency, commission rate, and market risks.

Risk management structure

A cohesive organizational structure is established within the Company in order to identify, assess, monitor, and control risks.

Board of Directors

The apex of risk governance is the centralized oversight of Board of Directors providing direction and the necessary approvals of strategies and policies in order to achieve defined corporate goals.

Senior management

Senior management is responsible for the day-to-day operations towards achieving the strategic goals within the Company's pre-defined risk appetite.

Risk Management Committee and Risk Management Department

Risk Management Department is an independent internal control function that supplements the overall governance by keeping a watch on the external and internal factors and continuously coordinates with departments within the Company to create a culture of risk awareness, supporting and monitoring the implementation of approved risk mitigation policies and procedures to achieve an acceptable risk profile for the Company.

Audit Committee and Internal Audit Department

Risk management processes throughout the Company are audited annually by the Internal Audit Department in line with Risk Based Internal Audit Plan that examines both the adequacy of the procedures and the Company's compliance with such procedures. The Internal Audit Department discusses the results of all assessments with senior management, and reports its findings and recommendations directly to the Audit Committee.

The primary objective of the Company's risk and financial management framework is to protect the Company from events that hinder the sustainable achievement of financial performance objectives, including failing to exploit opportunities.

The risks faced by the Company and the manner in which these risks are mitigated by the Company are summarized below:

Second: Strategic Risks

Strategic risk is the risk to earnings or capital arising from adverse business decisions or improper implementation of those decisions. This risk is a function of the compatibility between an organization's strategic goals, the business strategies developed to achieve those goals, the resources deployed against these goals and the quality of implementation. The Company defines mission and vision statements and periodically deliberates the strategic business plan to convert the strategic objectives into operational goals ensuring the appropriate resources availability. Periodic review is conducted to evaluate and monitor the performance against the predefined goals.

Third: Financial Risk

- **Commission / interest rate risk**

Risk arises from the possibility that changes in commission rates will affect future profitability or the fair values of financial instruments. The Company invests in securities and has deposits that are subject to commission rate risk. The Company limits commission rate risk by monitoring changes in commission rates and by investing in floating rate instruments. The Company does not have any interest bearing liabilities. Commission and non-commission bearing investments of the Company and their maturities as of the end of the financial year of 2024.

- **Credit Risk**

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The total of the Company's exposure to credit risk on its financial assets on Dec 31, 2024, is SAR 1.03 billion. The amount of receivable balances outstanding is around SAR 323 million, and the statutory provision is around SAR 68.8 million.

● **Liquidity Risk**

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet obligations and commitments associated with financial liabilities. The Company has a proper cash management system, where daily cash collections and payments are strictly monitored and reconciled on regular basis.

The Company manages liquidity risk by maintaining maturities of financial assets and financial liabilities and investing in liquid financial assets.

Further, the Company manages liquidity risk as follows:

- The Company's liquidity risk policy which sets out the assessment and determination of what constitutes liquidity risk for the Company. Compliance with the policy is monitored and exposures and breaches are reported to the Company risk committee. The policy is regularly reviewed for pertinence and for changes in the risk environment.
- Guidelines are set for asset allocations, portfolio limit structures and maturity profiles of assets, in order to ensure sufficient funding available to meet insurance and investment contracts obligations.
- Contingency funding plans are in place, which specify minimum proportions of funds to meet emergency calls as well as specifying events that would trigger such plans.
- The Company's catastrophe excess-of-loss reinsurance contracts contain clauses permitting the immediate draw down of funds to meet claim payments should claim events exceed a certain size.
- The maturity of assets of the company in less than one year amounts to SAR 477 million and more than one year amounts to SAR 177 million.
- Most of the financial liabilities of the Company are due within one year of the date of the statement of financial position. The company does not have any commission-bearing liabilities.

● **Currency Risk**

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

The Company's exposure to foreign currency risk is limited to United States Dollars which is pegged against Saudi Riyals. Management believes that there is minimal risk of significant losses due to exchange rate fluctuations and consequently the Company does not hedge its foreign currency exposure.

● **Market Price Risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: foreign exchange rates (currency risk), market interest rates (interest rate risk) and market prices (price risk).

- The Company's market risk policy sets out the assessment and determination of what constitutes market risk for the Company. Compliance with the policy is monitored and exposures and breaches are reported to the Company risk committee. The policy is reviewed regularly for pertinence and for changes in the risk environment.
- Guidelines are set for asset allocation and portfolio limit structure, to ensure that assets back specific policyholders' liabilities and that assets are held to deliver income and gains for policyholders which are in line with their expectations.

The Board of Directors of the Company ensure that the overall market risk exposure is maintained at prudent levels and is consistent with the available capital. While the Board of Directors gives a strategic direction and goals, risk management function related to market risk is mainly the responsibility of Investment Committee team. The team prepares forecasts showing the effects of various possible changes in market conditions related to risk exposures. This risk is being mitigated through the proper selection of securities. Company maintains diversified portfolio and performs regular monitoring of developments in related markets. In addition, the key factors that affect stock and sukuk market movements are monitored, including analysis of the operational and financial performance of investees.

● **Price Risk:**

Price risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market prices, whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instrument traded in the market.

The impact of a hypothetical change of a ($\pm 5\%$) in the market prices of investments on comprehensive income would be as follows: Impact on profit before zakat and income tax by (+5%) amounts to 13 million, Impact on profit before zakat and income tax by (-5%) amounts to SAR (-13) million.

The sensitivity analysis is based upon the portfolio position as at 31 December 2024 and 2023. Accordingly, the sensitivity analysis prepared is not necessarily indicative of the effect on the Company's assets of future movements in the value of investments held by the Company.

- **Reinsurance Risk:**

In order to minimize financial exposure arising from large claims, the company in the normal course of business, enters into agreements with other parties for reinsurance purposes.

To minimize its exposure to significant losses from reinsurer insolvencies, the company evaluates the financial condition of its reinsurers and monitors concentration of credit risk arising from similar geographic regions, activities or economic characteristics of the reinsurers.

As at 31 December 2024, 40% of reinsurance receivables balance was due from one party (31 December 2023: 27% due from one party).

Forth: Operational Risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the processes, technology and infrastructure supporting the Company's operations either internally within the Company or externally at the Company's service providers, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of investment management behavior.

The operations of the Company are subject to regulatory requirements in Kingdom of Saudi Arabia. Such regulations not only prescribe approval and monitoring of activities but also impose certain restrictive provisions e.g. capital adequacy to minimize the risk of default and insolvency on the part of the insurance companies and to enable them to meet unforeseen liabilities as these arise.

The Company's objective is to manage operational risk so as to balance limiting of financial losses and damage to its reputation with achieving its investment objective of generating returns for investors. The primary responsibility for the development and implementation of controls over operational risk rests with the Board of Directors. This responsibility encompasses the controls in the following areas:

Requirements for appropriate segregation of duties between various functions, roles and responsibilities;

Requirements for the reconciliation and monitoring of transactions;

Compliance with regulatory and other legal requirements;

Documentation of controls and procedures;

Requirements for the yearly assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified;

Ethical and business standards; and

Risk mitigation policies and procedures.

Senior management ensures that the Company's staff has adequate training and experience and fosters effective communication related to operational risk management.

- **Insurance Risk:**

The principal risk the Company faces under insurance contracts is that the actual claims and benefit payments or the timing thereof, differ from expectations. This is influenced by the frequency of claims, severity of claims, actual benefits paid and subsequent development of long-term claims. Therefore, the objective of the Company is to ensure that sufficient reserves are available to cover these liabilities.

The Company purchases reinsurance as part of its risks mitigation program. Reinsurance ceded is placed on both a proportional and non-proportional basis. The majority of proportional reinsurance is quota-share reinsurance which is taken out to reduce the overall exposure of the Company to certain classes of business. Non-proportional reinsurance is primarily excess-of-loss reinsurance designed to mitigate the Company's net exposure to catastrophe losses. Retention limits for the excess-of-loss reinsurance vary by product line and territory. As of December 31, 2024, the Company's gross liabilities for incurred claims totaled approximately 296 million, with net liabilities standing at 235 million, reflecting a decrease from the previous year (2023: 247 million). This reduction is attributed to increased amounts recoverable from reinsurers. The Company conducts sensitivity analyses to assess the impact of changes in key assumptions, such as claims costs and risk adjustments, which helps in guiding risk management decisions. Through continuous monitoring and strategic reinsurance, the Company aims to control its exposure to insurance risk and ensure financial stability.

fifth: Capital Management Risks

Objectives are set by the Company to maintain healthy capital ratios in order to support its business objectives and maximize shareholders' value. The Company manages its capital requirements by assessing shortfalls between reported and required capital levels on a regular basis. Adjustments to current capital levels are made in light of changes in market conditions and risk characteristics of the Company's activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders or issue shares.

The Company manages its capital to ensure that it is able to continue as going concern and comply with the regulators' capital requirements of the markets in which the Company operates while maximizing the return to stakeholders through the optimization of the debt and equity balance. The capital structure of the Company consists of equity attributable to equity holders comprising paid share capital, reserves and retained earnings. As per guidelines laid out by SAMA in Article 66 of the Implementing Insurance Regulations detailing the solvency margin required to be maintained, the Company shall maintain solvency margin equivalent to the highest of the following three methods as per SAMA Implementing Regulations:

- Minimum Capital Requirement of Saudi Riyals 100 million
- Premium Solvency Margin
- Claims Solvency Margin

As of 31 December 2024, the Company is in compliance with the minimum solvency margin as required by the Implementing Regulations of the Cooperative Insurance Companies Control Law.

• Claims handling and reserving

Claim handling risk is the risk associated with paying claims to policyholders based on the policy coverage. The Company mitigates the risk by closely reviewing the decisions and through implementation of an authority matrix to deal with various type and amount of claims. The claims related policies and procedures are subject to review on periodic basis. Reinsurers are also involved to seek their concurrence for the claims of sizeable amounts. To mitigate high frequency, severity and concentration risk the Company carefully underwrites the risks and acquires appropriate level of reinsurance coverage.

The frequency and severity of claims can be affected by several factors like natural disasters, flood, environmental and economical, atmospheric disturbances, concentration of risks, civil riots etc. The company has limited its risk by imposing maximum claim amounts on certain contracts as well as the use of reinsurance arrangements in order to limit exposure to catastrophic events (e.g., hurricanes, earthquakes and flood damage). The purpose of these underwriting and reinsurance strategies is to limit exposure to catastrophes based on the Company's risk appetite as decided by management. The Company has policies and procedures for catering to mitigate the risk of inadequate level of claims reserving, quantitative assessments are made in the light of qualitative judgments to determine the estimated ultimate claims liability for claims reported as well as for 'incurred but not reported'. The key source of estimation uncertainty at the reporting date relates to valuation of outstanding claims, whether reported or not, and includes expected claims settlement costs. The principal assumption underlying the liability estimates is that the Company's future claims development will follow a similar pattern to past claims development experience. This includes assumptions in respect of average claim costs, claim handling costs, claim inflation factors and claim numbers for each accident year. Additional qualitative judgements are used to assess the extent to which past trends may not apply in the future, for example: one-off occurrence; changes in market factors such as public attitude to claiming, economic conditions, as well as internal factors such as portfolio mix, policy conditions and claims handling procedures. Judgement is further used to assess the extent to which external factors such as judicial decisions and government legislation affect the estimates.

The process used to determine the assumptions for calculating the outstanding claim reserve is intended to result in neutral reasonable estimates of the most likely or expected outcome. The nature of the business makes it very difficult to predict with certainty the likely outcome of any particular claim and the ultimate cost of notified claims. Each notified claim is assessed on a separate, case by case basis with due regard to claim circumstances, information available from surveyors and historical evidence of the size of similar claims. Case estimates are reviewed regularly and are updated as and when new information is available. The estimation of IBNR is generally subject to a greater degree of uncertainty than the estimation of the cost of settling claims already notified to the Company, in which case information about the claim event is available. The estimation process takes into account the past claims reporting pattern and details of reinsurance programs. The main assumption underlying these techniques is that a company's past claims development experience can be used to project future claims development and hence ultimate claims costs. Further, independent external actuary also evaluates the adequacy of the Company's technical reserves and the Company adjust the level of reserve per Actuary recommendations. The Company also carried out the stress testing on level of reserve and monitors the claims development patterns particularly for the line of business with pattern of relatively low frequency and relatively high value.

- **People Risk**

People are the critical component of any system and hence the operations. Saudization is the vital components being pursued by the regulators and accordingly the Management has a plan to improve the level of Saudization across the Company. HR department is regularly monitoring and reporting Saudization level to the senior management.

The Saudization rate until the end of the financial year 2024 increased to 82%, compared to the rate of Saudization for the previous year 2023 when it recorded 70.77%.

- **Information Technology Risk**

The Company's business depends heavily on the ability of IT systems to handle a large number of operations at a specific time without interruption, especially when transactions processing becomes more complicated due to the size of the Company's portfolio and significant increasing rate of operations. There is risk that systems may face failures, deficiencies, complete outage, system viruses, penetration, or any type of electronic crimes that would affect the security of Company's information, data and communications, or occurrence of any defect in the systems of Company's branches or other associated entities. In case of occurrence of any these risks, the Company's business would be adversely and materially affected, and its reputation might be harmed.

The Company mitigates the risk by devising the administrative policies and procedures, building efficient and effective system, network and communication infrastructure, maintaining appropriate level of securities to avoid such attacks. The Company also implemented the backup and disaster recovery techniques to ensure the availability and recoverability of data, had the preventive actions fail.

- **Regulatory risk**

The company received several observations and fines from the Insurance Authority, primarily concerning operational activities. These have all been thoroughly addressed through corrective actions, ensuring the prevention of further non-compliance and safeguarding against their recurrence in the future.

Paragraph (26)

Results of the annual review of the effectiveness of the company's internal control procedures and the audit committee's opinion on the adequacy of internal control in the company:

The results of the annual review and Audit Committee confirmed the effectiveness of the company's internal control procedures, and that they are based on sound foundations and are implemented in an efficient and organized manner, that serves the interest of the shareholders and is in line with the applicable rules, laws and regulations in the Kingdom of Saudi Arabia.

Paragraph (27)

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

The company has an independent internal audit department, and its director, Mr. Ali Burhan, was appointed based on a decision from the Board of Directors and with the approval of the relevant regulatory authorities. Throughout the year 2024, no recommendations were issued by the Audit Committee regarding the appointment of another internal auditor.

Paragraph (28)

Recommendations of the Audit Committee that there are no contradictions between and the decisions of the Board of Directors or the Board refuses to take it regarding the appointment of the company auditor, its dismissal, the determination of his fees, the evaluation of his performance, the appointment of the internal auditor, the rationale for those recommendations and the reasons for not taking them.:

None

Paragraph (29)

External Auditors

- The Ordinary General Assembly of the company, which was held on 04/06/2024 AD, based on the recommendation of the company's board of directors based on the audit committee's recommendation, approved the appointment of PricewaterhouseCoopers Certified Public accountants PwC and Al-Kharashi & Co. Certified Accountants and Auditors (Mazars) for financial auditing The company's accounts for examining, reviewing and auditing the financial statements for the second, third and annual quarters of the fiscal year 2024 AD and the first quarter of the year 2025
- **The company's auditors' report does not include any reservations on the annual financial statements for the fiscal year ending on 12/31/2024**
- **There was no recommendation from the Board of Directors to replace the auditors during the year 2024, before the end of the period for which he is appointed.**

Paragraph (30)

What has been applied of the provisions of the Corporate Governance Regulations and what has not been implemented, and the reasons for that:

The company has implemented all the mandatory provisions contained in the Corporate Governance Regulations in the Kingdom of Saudi Arabia issued by the Board of the Capital Market Authority. With the exception of some of the following guiding provisions that were not applied during the year 2024:

Subject	Text of the article	Reasons for not applying
82	Motivating employees: The company sets up programs to develop and stimulate the participation and performance of the company's employees.	Guidance article
84	Social Responsibility: The Ordinary General Assembly - based on a proposal from the Board of Directors - shall set a policy that ensures a balance between its objectives that society aspires to achieve with the aim of developing the socio-economic conditions of the society..	Guidance article
85	Social Work Initiative: The Board of Directors establishes the programs and identifies the means to implement the company's initiatives in the field of social work..	Guidance article
92	Formation of the Corporate Governance Committee: In the event that the Board of Directors establishes a committee specialized in corporate governance, then it must delegate to it the competencies established under Article 94 of these regulations, and this committee must follow up on any issues related to governance applications, and provide the Board of Directors, at least annually, with the reports and recommendations it arrives at.	Guidance article

The company gives top priority and great interest in implementing all the requirements imposed by governance and related systems, and the Board of Directors has the primary and pivotal role in this. The company also emphasizes its great interest in the continuous review of the practices and activities implemented in the company to ensure the implementation of all the standards, procedures, prevailing laws and legal requirements imposed by the law. Particularly related to governance.

- The company has been keen to comply with what is included in the Corporate Governance regulation issued by the Insurance Authority, as well as the company's internal governance regulation. The company confirms its commitment to implementing the regulations.
- The company do the necessary actions to provide all information that enables shareholders to exercise their rights to the fullest, without discrimination among them, these information should be completed and accurate, and these information to be updated in a regular manner on specified dates.
- The company is obligated to answer all the shareholders' questions and queries without discrimination among them, to the extent that it does not jeopardize the interest of the company and the shareholders

Paragraph (31)

the name of the subsidiary company, its capital, the percentage of ownership of the company in it and its activity, the head, the state, the main location of its operations, and the country of its incorporation and Details of shares and debt instruments issued for each subsidiary:

None – Gulf Union Al Ahlia has no Subsidiaries

Paragraph (32)

An interest in the category of shares eligible to vote belongs to persons (other than members of the board of directors and senior executives and their relatives) who informed the company of those rights under Article 45 of the registration and listing rules, and any change in those rights during the last fiscal year:

None

Paragraph (33)

Information related to the approval of the position of the company (whether due to be paid upon request or otherwise), and the disclosure of the total debt of the company and its subsidiary companies and the payment of the company to repay the loans during the year 2024, the original amount of the loan, the shares of the donor to it, its duration, and the remaining amount

Gulf Union Al Ahlia Cooperative Insurance Company acknowledges that there are no loans on the company during the year 2024, whether they are due upon request or otherwise.

Paragraph (34)

A description of the categories and numbers of any convertible debt instruments, any contractual securities, subscription right notes or similar rights issued or granted by the company during the 2024 fiscal year, with an explanation of any details that the company has connected to in return.

Gulf Union Al Ahlia Cooperative Insurance Company acknowledges that there are no convertible debt instruments, contractual securities, subscription right notes, or similar rights issued or granted by the company during the fiscal year 2024, and there is no compensation obtained by the company for that.

Paragraph (35)

A description of any transfer or subscription rights under convertible debt instruments, contractual securities, subscription notes, or similar rights issued or granted by the company during the fiscal year 2024.

Gulf Union Al Ahlia Cooperative Insurance Company acknowledges that there are no transfer or subscription rights under convertible debt instruments, contractual securities, subscription right notes, or similar rights issued or prohibited by the company during the fiscal year ending on December 31, 2024.

Paragraph (36)

A description of any redemption, purchase or cancellation on the part of the company for any recoverable debt instruments, and the value of the remaining securities, with a distinction between the listed securities purchased by the company and those purchased by its subsidiaries:

Gulf Union Ahlia Company acknowledges that there is no refund, purchase or cancellation by the company for any redeemable debt instruments during the fiscal year ending on December 31, 2024 .

Paragraph (37)

A statement of any arrangements or assignment agreements according to which a member of the company's board of directors or one of the chief executives of any remuneration:

Gulf Union Al Ahlia Cooperative Insurance Company acknowledges that there are no arrangements or agreements whereby a member of the company's board of directors or a senior executive waived any remuneration.

Paragraph (38)

A statement of any arrangements or agreements under which one of the shareholders of the company will assign any rights to dividends:

Gulf Union Al Ahlia Cooperative Insurance Company acknowledges that there is no statement, arrangement or agreement whereby one of the shareholders of the company waived any rights to profits.

Paragraph (39)

Statement of the value of any investments or reserves established for the benefit of the company's employees:

There are no investments or reserves established for the benefit of the company's employees.

While there is a provision for end of service benefits for company employees amounting to 19.9 million riyals.

Paragraph (40)

Disclosure of details of treasury shares held by the company and details of the uses of these shares:

Not Applicable.

Paragraph (41)

Declarations:

From the responsibility of the Board of Directors and its cares on the continuity and preservation of the company for the purpose for which it was established, and in light of the information provided to him by the company's management, he confirms the following:

#	Kind of acknowledge	Company & BOD confirmation
1	Accounts records	The account records have been properly prepared.
2	Internal Control system	The internal control system prepared on a sound basis and was implemented effectively
3	Sustainability	There is no doubt about the company's ability to continue its activity.
4	Information regarding any loans on the company	There are no loans on the company during the year 2024

Conclusion:

In conclusion, the Board of Directors, after success from God, thanks the Custodian of the Two Holy Mosques and his Crown Prince - May God preserve them – and thanks the supervisory authorities, praising the support and care that the company receives in its quest to develop its performance and improve its services. also extends its thanks and appreciation to the company's valued customers and shareholders for their trust and support, Also extends its thanks The company's employees for their dedication and sincerity at work, and the Board of Directors confirms the company's continuous endeavor to develop its business in a way that meets the needs of customers, achieves the aspirations of shareholders, serves the community, and confirms the company's leadership in the insurance sector.

Best Regards.



Property Insurance



Medical Insurance



Motor Insurance



Medical Malpractice



Protection and Saving Insurance



General Accidents



Engineering



Marine Insurance



إتحاد الخليج الأهلية للتأمين التعاوني
GULF UNION AL AHLIA COOPERATIVE INSURANCE

@gulfunionksa

Gulf Union Al Ahlia

Our Website and Social media Accounts



<https://gulfunion.com.sa>



@gulfunionsa



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@gulfunionsa



Gulf Union Al Ahlia



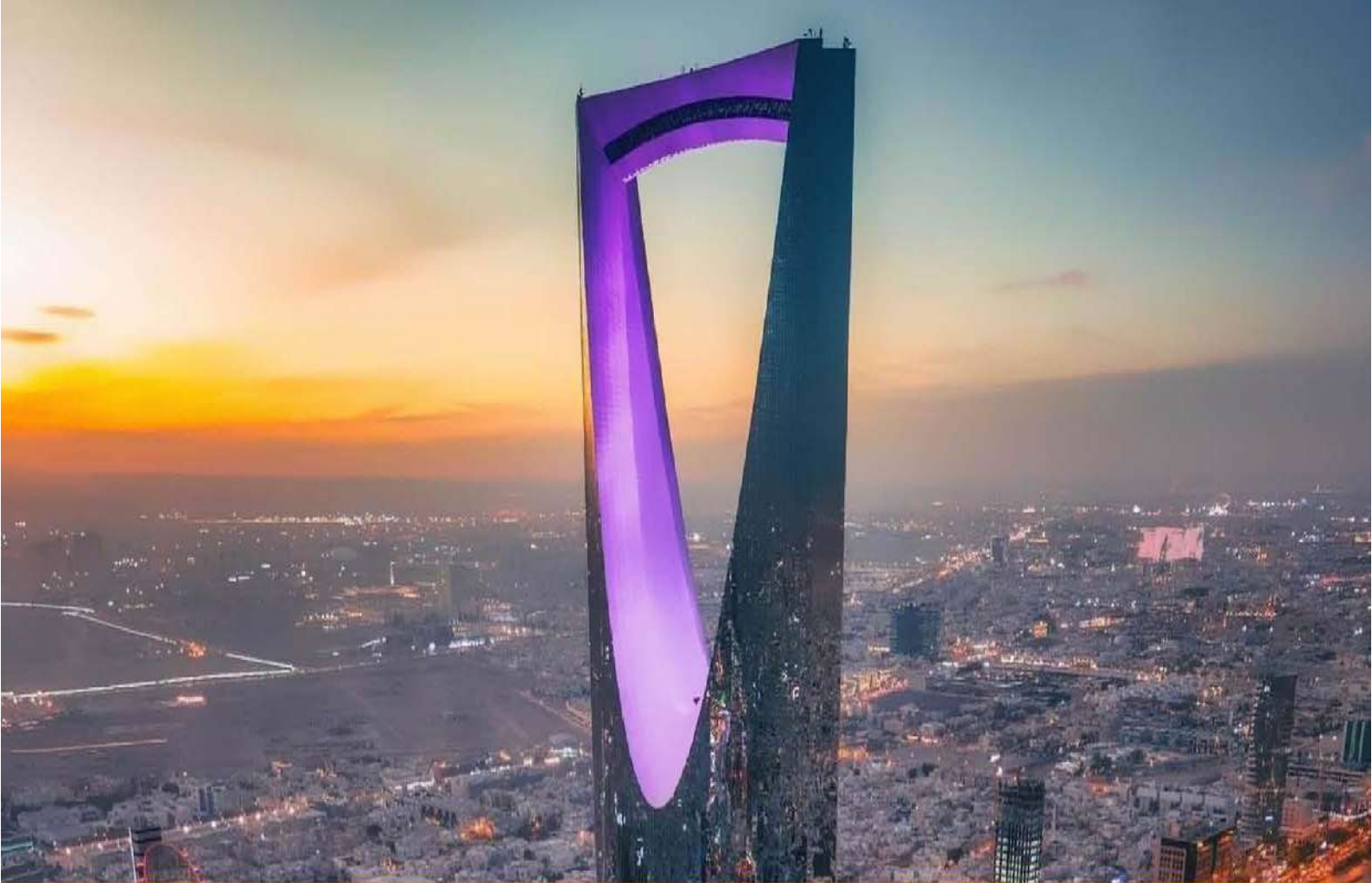
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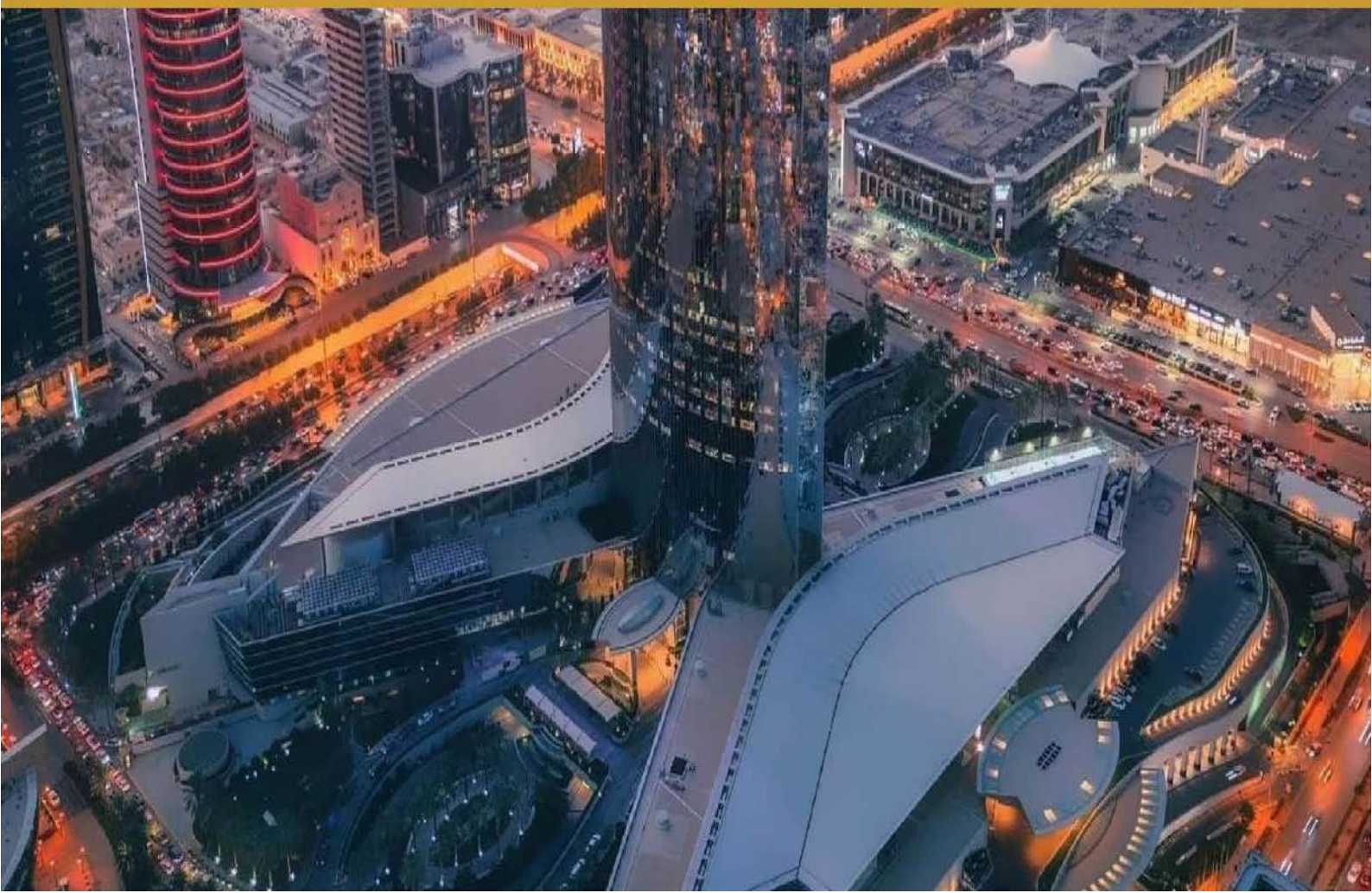
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THANK YOU





Agenda Item # 3

3- Voting on the Auditors Report on the company's accounts for the fiscal year ending on 31 /12/ 2024 G.

Independent auditors' report to the shareholders of Gulf Union Alahlia Cooperative Insurance Company

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Gulf Union Alahlia Cooperative Insurance Company (the "Company"), which comprise the statement of financial position as at 31 December 2024, the statements of income, comprehensive income, changes in equity, and cash flows for the year then ended, and notes to the financial statements, comprising material accounting policy information and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2024 and its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standards, that are endorsed in the Kingdom of Saudi Arabia, and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants ("SOCPA").

Basis for opinion

We conducted our audit in accordance with the International Standards on Auditing, that are 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 International Code of Ethics for Professional Accountants (including International Independence Standards), endorsed in the Kingdom of Saudi Arabia (the "Code"), that is relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with the Code's requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Independent auditors' report to the shareholders of Gulf Union Alahlia Cooperative Insurance Company (continued)

Key audit matters (continued)

Key audit matter	How our audit addressed the key audit matter
<p style="color: #C85A3D;"><i>Valuation of liability for incurred claims and loss component</i></p> <p>The estimation of the liability for incurred claims and loss component involves a significant degree of judgment. This entails estimating the present value of future cash flows and risk adjustment for non-financial risk (forming part of liability for incurred claims) and loss component (forming part of liability for remaining coverage). The risk adjustment for non-financial risk is applied to the present value of the estimated future cash flows and reflects the compensation that the Company requires for bearing the uncertainty about the amount and timing of the cash flows from non-financial risk as the Company fulfils its obligations under insurance contracts. The present value of future cash flows is based on the best estimate of the ultimate cost of all claims incurred but not settled at the reporting date, whether reported or not. The loss component is recognised if at any time during the coverage period, facts and circumstances indicate that a group of contracts is onerous. Such loss component is remeasured at each reporting date as the difference between the amounts of the fulfilments cash flows determined under the general measurement model relating to the future service and the carrying amount of the liability for remaining coverage without the loss component.</p> <p>The Company uses an external actuary ("Appointed Actuary") to provide them with the estimate of such liabilities. A range of methods were used to determine these liabilities which were based on a number of explicit or implicit assumptions relating to the expected settlement amount and settlement patterns of claims.</p> <p>As at 31 December 2024, the estimates of present value of future cash flows, risk adjustment for non-financial risk and loss component amount to Saudi Riyals 289.0 million, Saudi Riyals 7.5 million and Saudi Riyals 7.4 million, respectively, as disclosed in Note 10 to the financial statements.</p>	<p>We performed the following procedures:</p> <ul style="list-style-type: none"> • Understood and, on a sample basis, evaluated and tested key controls around the claims handling and provision setting processes; • Evaluated the competence, capabilities and objectivity of the Appointed Actuary based on their professional qualifications and experience and assessed their independence; • Performed substantive procedures, on a sample basis, on the amounts recorded for claims notified and paid, including comparing the outstanding claims amount to appropriate source documentation to evaluate the valuation of outstanding claims; • Checked the completeness of the underlying data used as inputs into the actuarial valuations, and tested on sample basis, the accuracy of underlying claims data used by the Appointed Actuary in estimating the present value of the future cash flows, risk adjustment for non-financial risk and loss component by comparing it to the accounting and other records; • Involved our actuarial specialists to evaluate the Company's actuarial practices, adequacy of the provisions maintained and to obtain comfort over the actuarial report issued by the Appointed Actuary. Our actuarial specialists also performed the following: <ul style="list-style-type: none"> (i) Evaluated whether the Company's actuarial methodologies were consistent with the generally accepted actuarial practices; (ii) Assessed the appropriateness of the calculation methods and approach along with the key actuarial assumptions used and sensitivity analysis performed; and

Independent auditors' report to the shareholders of Gulf Union Alahlia Cooperative Insurance Company (continued)

Key audit matters (continued)

Key audit matter	How our audit addressed the key audit matter
<p style="color: #C85A32;"><i>Valuation of liability for incurred claims and loss component (continued)</i></p> <p>We have considered this as a key audit matter due to the inherent estimation uncertainty, and complexity and subjectivity involved in the valuation of the estimates of present value of future cashflows, risk adjustment for non-financial risk and loss component arising from insurance contracts.</p> <p>Refer to Notes 3 and 4 for the material accounting policies and significant accounting judgements, estimates and assumptions related to insurance contract liabilities.</p>	<p>(iii) Performed independent projections on present value of future cash flows, risk adjustment for non-financial risk and loss component for significant product lines to compare them with the amounts recorded by management; and</p> <ul style="list-style-type: none"> Assessed the adequacy and appropriateness of the related disclosures in the financial statements.

Other information

The Board of Directors of the Company (the "Directors") are responsible for the other information. The other information comprises information included in the Company's 2024 annual report, but does not include the financial statements and our auditors' report thereon, which is expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Company's 2024 annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of those charged with governance for the financial statements

The Directors are responsible for the preparation and fair presentation of the financial statements in accordance with the International Financial Reporting Standards, that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by SOCPA, and the applicable requirements of the Regulations for Companies and the Company's By-laws, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance, i.e. the Directors, are responsible for overseeing the Company's financial reporting process.

Independent auditors' report to the shareholders of Gulf Union Alahlia Cooperative Insurance Company (continued)

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the International Standards on Auditing, that are endorsed in the Kingdom of Saudi Arabia, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the International Standards on Auditing, that are endorsed in the Kingdom of Saudi Arabia, we exercise professional judgment and maintain professional scepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Independent auditors' report to the shareholders of Gulf Union Alahlia Cooperative Insurance Company (continued)

Auditors' responsibilities for the audit of the financial statements (continued)

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

PricewaterhouseCoopers

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Al Kharashi & Co. Certified Accountants and Auditors.

P.O. Box 8306
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Kingdom of Saudi Arabia



Abdullah AlMsned
License Number 456



26 March 2025
26 Ramadan 1446 H



إتحاد الخليج الأهلية للتأمين التعاوني
GULF UNION AL AHLIA COOPERATIVE INSURANCE

Thank You

Gulf Union Al Ahlia Cooperative Insurance

