



**Extraordinary  
General Assembly  
Meeting**

**Tuesday  
27-05-2025**

# EGM Agenda

- 1 Review and discuss the Board of Directors' report for the fiscal year ending on 31/12/2024
- 2 Review and discuss the Financial Statements for the fiscal year ending on 31/12/2024.
- 3 Voting on the company's External auditors report for the fiscal year ending on 31/12/2024 after discussing it.
- 4 Voting on the Board's recommendations to distribute cash dividends amounting to (SAR 225,000,000) to the shareholders for financial period of (31/12/2024 G), (at (SR 1.5) per share representing (15%) of the share par value), provided that the eligibility is for the shareholders who own shares at the end of trading on the day of the General Assembly convening and who are registered in the company's shareholder register with the Securities Depository Center Company (Depository Center) at the end of the second trading day following the maturity date. The dividend distribution will start on Monday 26/12/1446 AH, corresponding to June 22, 2025.
- 5 Voting on approving Corporate Social Responsibility Policy. (Attached)
- 6 Voting on amending Audit Committee Charter. (Attached)
- 7 Voting on amending Nomination and Remuneration Committee Charter. (Attached)
- 8 Voting on amending Nomination Policy for Membership of the Board of Directors. (Attached)
- 9 Voting on amending the remuneration policy for Members of the Board of Directors and Board committees (Attached)
- 10 Voting on the payment of (SAR 8,765,000) as remuneration to the Board members for the fiscal year ending on 31/12/2024 (subject to approving item number (9)).
- 11 Voting on discharging the Members of the Board members from any liabilities for the fiscal year 2024.
- 12 Voting on the appointment of the External Auditors for the Company's from the nominees, and determine their fees based on the Audit Committee (AC) recommendation to the Board of Directors in this regards, to review and audit the Company's interim Financial Statements for the second, third quarter and annual financial statements of the fiscal year 2025, and the first quarter of the fiscal year 2026. (Attached AC Recommendation)
- 13 Voting on the Tawuniya's purchase of its own shares, with maximum of (199,862) shares, to be allocated to the company's employees within the employee shares program. The purchase of these shares to be financed through the company's fund. Further to authorizes the Board (or whomever it delegates) to complete the purchase within (18 months) from the date of the extraordinary general assembly's approval, The company will keep the purchased shares for a period not exceeding (10) years from the date of approval of the Extraordinary General Assembly as a maximum until they are allocated to the eligible employees Once the said period lapses, the Company will follow the rules and procedures stipulated in the relevant laws and regulations. (Attached)
- 14 Voting on the business relationship between the Company and United Insurance Company which Board Chairman Mr. Abdulaziz Alnwaiser, Board member Mr. Abdulaziz Alkhamis & Mobility Sector CEO Mr. Mansour Abuthnein & General Sector CEO Mr. Sultan Alkhomashi & Chief Technology & Digital Officer Mr. Abdullah Alshargi have an indirect interest. The business related to insurance policies. Note that transactions up to the end of the fourth quarter of 2024 amounted to 101,473,602 SAR without any preferential treatment. (Attached)
- 15 Voting on the business relationship between the Company and United Insurance Company which Board Chairman Mr. Abdulaziz Alnwaiser, Board member Mr. Abdulaziz Alkhamis & Mobility Sector CEO Mr. Mansour Abuthnein & General Sector CEO Mr. Sultan Alkhomashi & Chief Technology & Digital Officer Mr. Abdullah Alshargi have an indirect interest. The business related to other services fees (non-insurance). Note that transactions up to the end of the fourth quarter of 2024 amounted to 21,845,664.21 SAR without any preferential treatment. (Attached)
- 16 Voting on the business relationship between the Company and Emaar which Board Chairman Mr. Abdulaziz Alnwaiser has an indirect interest. The business related to insurance policies. Note that transactions up to the end of the fourth quarter of 2024 amounted to 160,745.65 SAR without any preferential treatment. (Attached)
- 17 Voting on the business relationship between the Company and Saudi Investment Bank which Board member Mr. Abdulaziz Alkhamis has an indirect interest. The business related to insurance policies. Note that transactions up to the end of the fourth quarter of 2024 amounted to 42,114,733.19 SAR without any preferential treatment. (Attached)



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- 18 Voting on the business relationship between the Company and Almajd Alarabiah Trading Company Ltd which Board member Mr. Salman AlFares has an indirect interest. The business related to insurance policies. Note that transactions up to the end of the fourth quarter of 2024 amounted to 449,375.05 SAR without any preferential treatment. (Attached)
- 19 Voting on the business relationship between the Company and Smart Link which Board member Mr. Salman AlFares has an indirect interest. The business related to insurance policies. Note that transactions up to the end of the fourth quarter of 2024 amounted to 16,750,448.36 SAR without any preferential treatment. (Attached)
- 20 Voting on the business relationship between the Company and General Organization for Social Insurance which Board members Mr. Salman Al Fares, Ms. Hessa Al Sheikh and Dr. Paul Sweeting have an indirect interest. The business related to insurance policies. Note that transactions up to the end of the fourth quarter of 2024 amounted to 22,972,133 SAR without any preferential treatment. (Attached)
- 21 Voting on the business relationship between the Company and Hassana Investment Company which Board members Mr. Salman Al Fares, Ms. Hessa Al Sheikh and Dr. Paul Sweeting have an indirect interest. The business related to insurance policies. Note that transactions up to the end of the fourth quarter of 2024 amounted to 8,863,504.28 SAR without any preferential treatment. (Attached)
- 22 Voting on the business relationship between the Company and Health Holding Company which Board member Mr. Nasser AlHagbani has an indirect interest. The business related to insurance policies. Note that transactions up to the end of the fourth quarter of 2024 amounted to 2,404,046.59 SAR without any preferential treatment. (Attached)
- 23 Voting on the business relationship between the Company and Elm Company which Board member Dr. Khalid AlGhunaim has an indirect interest. The business related to insurance policies. Note that transactions up to the end of the fourth quarter of 2024 amounted to 87,270,155.49 SAR without any preferential treatment. (Attached)
- 24 Voting on the business relationship between the Company and Elm Company which Board member Dr. Khalid AlGhunaim has an indirect interest. The business related to other services fees (non-insurance). Note that transactions up to the end of the fourth quarter of 2024 amounted to 15,190,227.84 SAR without any preferential treatment. (Attached)
- 25 Voting on the business relationship between the Company and Mobily which Board the Board member Dr. Khalid AlGhunaim have an indirect interest. The business related to insurance policies. Note that transactions up to the end of the fourth quarter of 2024 amounted to 71,052,716.92 SAR without any preferential treatment. (Attached)
- 26 Voting on the business relationship between the Company and Obeikan company which Board member Dr. Khalid AlGhunaim has an indirect interest. The business related to insurance policies. Note that transactions up to the end of the fourth quarter of 2024 amounted to 3,808,118.51 SAR without any preferential treatment. (Attached)
- 27 Voting on the business relationship between the Company and Vision Bank which CEO Mr. Othman Alkassabi has an indirect interest. The business related to insurance policies. Note that transactions up to the end of the fourth quarter of 2024 amounted to 4,867,087.60 SAR without any preferential treatment. (Attached)
- 28 Voting on the business relationship between the Company and Waseel Company which CEO Mr. Othman Al Kassabi, CFO Mr. Mater Alenazi and Chief Technology & Digital Officer Mr. Abdullah Alshargi have an indirect interest. The business related to other services fees (non-insurance). Note that transactions up to the end of the fourth quarter of 2024 amounted to 5,279,533 SAR without any preferential treatment. (Attached)
- 29 Voting on the business relationship between the Company and Tree which Chief Executive Officer Mr. Othman Alkassabi and CFO Mr. Mater Alenazi have an indirect interest. The business related to insurance policies. Note that transactions up to the end of the fourth quarter of 2024 amounted to 1,151,228.16 SAR without any preferential treatment. (Attached)
- 30 Voting on the business relationship between the Company and Tree which Chief Executive Officer Mr. Othman Alkassabi and CFO Mr. Mater Alenazi have an indirect interest. The business related to other services fees (non-insurance). Note that transactions up to the end of the fourth quarter of 2024 amounted to 30,618,249 SAR without any preferential treatment. (Attached)
- 31 Voting on the business relationship between the Company and Meena which CEO Mr. Othman Alkassabi, CFO Mr. Mater Alenazi and Health Sector CEO Mr. Mohammad Alsaed have an indirect interest. The business related to insurance policies. Note that transactions up to the end of the fourth quarter of 2024 amounted to 4,705,892.83 SAR without any preferential treatment. (Attached)



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- 32** Voting on the business relationship between the Company and Meena which CEO Mr. Othman Alkassabi, CFO Mr. Mater Alenazi and Health Sector CEO Mr. Mohammad Alsaeed have an indirect interest. The business related to other services fees (non-insurance). Note that transactions up to the end of the fourth quarter of 2024 amounted to 68,958,248 SAR without any preferential treatment. (Attached)
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- 33** Voting on the business relationship between the Company and Chemanol which General Sector CEO Mr. Sultan Alkhomashi has an indirect interest. The business related to insurance policies. Note that transactions up to the end of the fourth quarter of 2024 amounted to 1,151,260.04 SAR without any preferential treatment. (Attached)
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- 34** Voting on the business relationship between the Company and TPA which Chief Technology & Digital Officer Mr. Abdullah Alshargi, Health Sector CEO Mr. Mohammad Alsaeed, and Chief Strategy Officer Mr. Feher Alshareef have an indirect interest. The business related to insurance policies. Note that transactions up to the end of the fourth quarter of 2024 amounted to 21,878.75 SAR without any preferential treatment. (Attached)
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- 35** Voting on the business relationship between the Company and Najm which Mobility Sector CEO Mr. Mansour Abuthnein has an indirect interest. The business related to insurance policies. Note that transactions up to the end of the fourth quarter of 2024 amounted to 11,913,783 SAR without any preferential treatment. (attached)
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- 36** Voting on the business relationship between the Company and Najm which Mobility Sector CEO Mr. Mansour Abuthnein has an indirect interest. The business related to other services fees (non-insurance). Note that transactions up to the end of the fourth quarter of 2024 amounted to 123,725,769.26 SAR without any preferential treatment. (attached)
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- 37** Voting on the business relationship between the Company and Osimah which Chief Technology & Digital Officer Mr. Abdullah Alshargi has an indirect interest. The business related to insurance policies. Note that transactions up to the end of the fourth quarter of 2024 amounted to 5,800.60 SAR without any preferential treatment. (Attached)
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- 38** Voting on the business relationship between the Company and Al Moammar Information Systems Which Chief Investment Officer Mr. Fahad Bin Moammar has an indirect interest. The business related to insurance policies. Note that transactions up to the end of the fourth quarter of 2024 amounted to 9,058,649.59 SAR without any preferential treatment. (Attached)
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- 39** Voting on the business relationship between the Company and Al Moammar Information Systems Which Chief Investment Officer Mr. Fahad Bin Moammar has an indirect interest. The business related to other services fees (non-insurance). Note that transactions up to the end of the fourth quarter of 2024 amounted to 9,548,751.06 SAR without any preferential treatment. (attached)
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- 40** Voting on the business relationship between the Company and Zahra Association which CEO Mr. Othman Alkassabi has indirect interest. The business is related to other services fees (non-insurance). Note that transactions up to the end of the fourth quarter of 2024 amounted to 250,000 SAR without any preferential treatment. (Attached)
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- 41** Voting on delegating to the Board of Directors the authorization powers of the General Assembly stipulated in paragraph (1) of Article 27 of the Companies Law, for a period of one year starting from the date of the approval by the General Assembly or until the end of the delegated Board of Directors' term, whichever is earlier, in accordance with the conditions set forth in the Implementing Regulation of the Companies Law for Listed Joint Stock Companies.
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# 01

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**Review and discuss the Board of Directors' report for the fiscal year ending on 31/12/2024.**

**(Audit Committee Report for 2024)**

The Audit Committee of the Company for Cooperative Insurance (Tawuniya) is pleased to present to the honorable shareholders of the Company its annual report for the fiscal year ending on December 31, 2024. This report presents the Committee opinion on the adequacy of the internal control systems. This opinion is based on the Committee' work within its mandate, conducted in accordance with Article (88) of the Corporate Governance Regulations issued by the Capital Market Authority (CMA) on January 18, 2023.

In 2024, the Audit Committee held 11 meetings, whether through the meeting in person or via video communication, as the attendance rate of its members reached (100%), as indicated in the attendance records contained in the Board of Directors Annual Report.

The Audit Committee (hereinafter referred to as "the Committee") accomplished its tasks and activities in accordance with its charter relevant regulations, which included the following:

### **Financial Reports**

The Committee thoroughly reviewed the preliminary annual and quarterly financial statements with the external auditors and made recommendations to the Board of Directors. In addition, the Committee reviewed the external auditors' reports, including "management letter", and made recommendations to the Board of Directors. The Committee also discussed with the executive management and the external auditors the management's plans to address the deficiencies in the control aspects, if any.

The Committee evaluated the professional expertise, performance and independence of the external auditors. Subsequently, the Committee reviewed the offers submitted by the auditors to review the annual financial statements for year 2024 and recommended contracting with KPMG and PKF to audit the Company's annual financial statements for the year 2024, as well as for the second and third quarters of year 2024 and the first quarter of year 2025.

Finally, the Committee reviewed the procurement maturity assessment, surplus distribution status, accounts receivable, collections performance, the adequacy of doubtful debts provisions, and the appointment of External Actuary for the year 2025.

### **Internal Audit**

The Committee oversaw the performance of the Internal Audit Division (IAD) throughout the year, ensuring the efficiency and objectivity of its work. This included reviewing and approving IAD's 2024 work plan and budget, monitoring its implementation and any necessary modifications, and reviewing IAD reports. The Committee analyzed key observations from these reports, brought them to Board of Directors attention, and monitored their implementation by the executive management.

The Committee also confirmed the IAD's independence, verifying that its work face no restrictions and that no factors negatively impacted its function.

### **Regulatory Compliance**

During the fiscal year, the Committee reviewed, approved and monitored the implementation of Compliance Division work plan. Furthermore, The Committee also reviewed the Compliance Division reports and made recommendations based on them. Furthermore, the Committee monitored the Division's progress on automation projects related to regulatory compliance, anti-money laundering and combating the financing of terrorism, reporting violations, transactions with related parties and



distribution of surplus to ensure perfect reporting and full compliance in line with the regulatory requirements and the Company's digital transformation strategy.

### The Internal Control System

Recognizing that management is responsible for establishing a comprehensive and effective control system tailored to the Company's business and related risks, the Committee received updates about the improvements made by the executive management in the internal control system, the results of the internal audit activity and the systems of risk management. The Committee also:

- Reviewed quarterly performance reports on customer complaints.
- Was informed of all major lawsuits filed by or against the Company.
- Reviewed reports from Internal Audit Division and the external auditors on the effectiveness of the internal controls related to the financial reporting system, as the Committee concluded that none of these reports identified material weaknesses in the financial reporting system.

Therefore, the Committee found no fundamental weakness in the Company's internal control systems. However, the Committee believes further improvements are necessary to support the Company's growth and strategic directions, and will monitor these improvements.

# 05

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**Voting on approving Corporate Social Responsibility Policy.**



# سياسة المسؤولية الاجتماعية للشركة

## Corporate Social Responsibility Policy

<b>1. Authority Reference:</b> The General Assembly of Shareholders	<b>1. مرجع الصلاحية:</b> الجمعية العامة للمساهمين
<b>2. The Topic:</b> Corporate Social Responsibility Policy	<b>2. الموضوع:</b> سياسة المسؤولية الاجتماعية للشركة
<b>3. Purpose:</b> The purpose of this document is to set out Tawuniya's (also referred to as "Company") Policy on Corporate Social Responsibility ("CSR") recognizing its position at the heart of the economic system and a significant contributor to society overall. It supports Tawuniya's commitment to act in a manner that supports social goals and adapts to changes, developments and challenges faced by the business as a participant in society generally. Corporate Social Responsibility is a broad concept at Tawuniya extending beyond the way it conducts business in an ethical manner, its commitment to fair and equal treatment of employees to encompass direct contributions through philanthropy and engagement in our society generally.	<b>3. الغرض:</b> تهدف السياسة إلى صياغة إطار المسؤولية الاجتماعية لشركة التعاونية (المشار إليها أيضا بـ "الشركة") ، وذلك انطلاقا من دورها المحوري في المنظومة الاقتصادية ومساهمتها البارزة في المجتمع ككل. كما تدعم هذه السياسة التزام التعاونية بالعمل بطريقة تعزز الأهداف الاجتماعية وتواكب التغيرات والتطورات والتحديات التي تواجه الأعمال التجارية بصفتها جزءا من المجتمع.  تعد المسؤولية الاجتماعية في التعاونية مفهوماً واسعاً يتجاوز الممارسات الأخلاقية في العمل والالتزام بالمساواة العادلة بين الموظفين، ليشمل أيضا المساهمة المباشرة من خلال الأنشطة الخيرية والانخراط الفعّال في المجتمع.
<b>4. Scope:</b> This policy applies to CSR activities that serve society at large and other stakeholders like employees, customers, local community, environment, governmental and other legal entities.	<b>4. النطاق:</b> تنطبق هذه السياسة على الأنشطة الاجتماعية التي تخدم المجتمع بشكل عام وجميع أصحاب المصلحة، مثل الموظفين والعملاء والمجتمع المحلي والبيئة والجهات الحكومية والكيانات القانونية الأخرى.
<b>5. References:</b> All relevant laws, regulations and regulatory requirement in the Kingdom of Saudi Arabia. the Company for Cooperative Insurance (Tawuniya) shall apply on this Policy, including, but not limited to:	<b>5. المراجع:</b> جميع الأنظمة واللوائح والمتطلبات التنظيمية ذات الصلة في المملكة العربية السعودية التي تطبق على شركة التعاونية للتأمين، بما في ذلك، على سبيل المثال لا الحصر:
5-1 Companies Law Issued by Royal Decree No. (M/132) dated 01/12/1443H and its Implementing Regulations.	1-5 نظام الشركات الصادر بالمرسوم الملكي رقم (م/132) بتاريخ 1443/12/01هـ ولائحته التنفيذية.
5-2 Insurance Corporate Governance Regulation Issued by the Insurance Authority.	2-5 لائحة حوكمة شركات التأمين الصادرة عن هيئة التأمين.
5-3 Corporate Governance Regulations Issued by the Capital Market Authority.	3-5 لائحة حوكمة الشركات الصادرة عن هيئة السوق المالية.
<b>6. Definitions:</b>	<b>6. تعريفات:</b>
6-1 General Assembly: The general assembly of shareholders of the Company for Cooperative Insurance.	1-6 الجمعية العامة: الجمعية العامة للمساهمين في شركة التعاونية للتأمين.
6-2 IA: Insurance Authority	2-6 هيئة التأمين: الجهة التنظيمية المسؤولة عن تنظيم قطاع التأمين في المملكة.
6-3 The Board: The Board of Directors of the Cooperative Insurance Company (Tawuniya).	3-6 مجلس الإدارة: مجلس إدارة شركة التعاونية للتأمين.

6-4 CMA: Capital Market Authority.	4-6 هيئة السوق المالية: الجهة التنظيمية لأسواق المال في المملكة.
6-5 CSR: Corporate Social Responsibility	5-6 CSR: المسؤولية الاجتماعية للشركات.
6-6 Company: The Company for Cooperative Insurance (Tawuniya).	6-6 الشركة: شركة التعاونية للتأمين.
<b>7. Mission:</b>	<b>7. الرسالة:</b>
7-1 Our social responsibility mission centers on the Company's commitment to the communities it operates in, guided by several foundational principles:	1-7 تتمحور رسالة المسؤولية الاجتماعية للشركة حول التزامها بالمجتمعات التي تعمل فيها، استناداً إلى المبادئ التالية:
7-1-1 Establishing mutually beneficial partnerships with local communities.	1-1-7 إقامة شراكات متبادلة المنفعة مع المجتمعات المحلية.
7-1-2 Recognizing and respecting the diverse cultural, social, and ethical values within these societies.	2-1-7 احترام القيم الثقافية والاجتماعية والأخلاقية المتنوعة داخل هذه المجتمعات.
7-1-3 Implementing social responsibility initiatives that contribute to both economic and social progress for our Company, our employees and the communities we serve.	3-1-7 تنفيذ مبادرات المسؤولية الاجتماعية التي تسهم في التقدم الاقتصادي والاجتماعي للشركة وموظفيها والمجتمعات التي تخدمها.
7-1-4 Incorporate local and international CSR and Sustainability standards and best practices, including but not limited to the Sustainable Development Goals (SDGs) outlined in Saudi Vision 2030 and the United Nations Sustainable Development Goals (SDGs).	4-1-7 تبني المعايير وأفضل الممارسات المحلية والدولية في المسؤولية الاجتماعية والاستدامة، بما في ذلك أهداف التنمية المستدامة لرؤية السعودية 2030 وأهداف الأمم المتحدة للتنمية المستدامة.
7-1-5 Monitoring and evaluating the effectiveness of Tawuniya CSR programs, with a commitment to continuous improvement in areas identified for development.	5-1-7 متابعة وتقييم فعالية برامج المسؤولية الاجتماعية للشركة والالتزام بالتحسين المستمر.
7-1-6 Transparently communicating Tawuniya performance and the impact of Tawuniya activities on the communities we engage with.	6-1-7 التواصل بشفافية حول أداء الشركة وأثر أنشطتها على المجتمع.
<b>8. Governance of Social Responsibility:</b>	<b>8. حوكمة المسؤولية الاجتماعية:</b>
8-1 The Marketing team shall establish programs and determine the necessary methods for proposing social initiatives by the Company approved by the BoD which include:	1-8 يتولى فريق التسويق المختص بالمسؤولية الاجتماعية بالشركة وضع البرامج وتحديد آليات اقتراح المبادرات الاجتماعية المعتمدة من مجلس الإدارة، والتي تشمل:
8-1-1 Establishing indicators that link the Company's performance (in relation to social responsibility) with its social initiatives and comparing it with other Companies engaged in similar businesses.	1-1-8 تحديد مؤشرات أداء تربط بين أداء الشركة في مجال المسؤولية الاجتماعية ومبادراتها الاجتماعية، مع مقارنتها بالشركات الأخرى في القطاع.
8-1-2 Disclosing the objectives of Tawuniya's social responsibility to its employees and raising their awareness and knowledge of social responsibility.	2-1-8 توعية الموظفين والإفصاح عن أهداف المسؤولية الاجتماعية للشركة وتعزيز معرفتهم بها.
8-1-3 Disclosing plans for achieving social responsibility in the periodical reports on the activities of the Company.	3-1-8 الإفصاح عن خطط تحقيق المسؤولية الاجتماعية في التقارير الدورية لأنشطة الشركة.



8-1-4 Establish awareness programs to the community to familiarize them with the Company's social responsibilities.	4-1-8 تنظيم برامج توعوية للمجتمع لتعريفه بمسؤوليات الشركة الاجتماعية.
<b>9. Social Responsibility:</b>	<b>9. المسؤولية الاجتماعية:</b>
9-1 Social Responsibility towards all the Stakeholders	1-9 المسؤولية الاجتماعية تجاه أصحاب المصلحة:
9-1-1 Providing clear, accurate, and timely information to all relevant parties, in accordance with professional standards and regulations.	1-1-9 توفير معلومات واضحة ودقيقة وفي الوقت المناسب لجميع الأطراف ذات الصلة وفقا للمعايير المهنية والتنظيمية.
9-1-2 Upholding integrity and transparency in governance practices, documented through comprehensive reports.	2-1-9 الالتزام بالنزاهة والشفافية في ممارسات الحوكمة وتوثيقها في تقارير شاملة.
9-1-3 Engaging stakeholders comprehensively, including investors, employees, customers, and community members, in decision-making processes, business initiatives, and studies.	3-1-9 إشراك جميع أصحاب المصلحة، بما في ذلك المستثمرين والموظفين والعملاء وأفراد المجتمع، في عمليات اتخاذ القرار والمبادرات والدراسات.
9-1-4 Establishing clear supervisory systems and procedures to govern stakeholder relationships, ensuring consistency and adherence.	4-1-9 وضع أنظمة وإجراءات إشرافية واضحة لتنظيم العلاقة مع أصحاب المصلحة وضمان الالتزام بها.
9-1-5 Operating with full transparency, fulfilling obligations, policies, and regulations, and disclosing essential information to shareholders and stakeholders as per the company's disclosure policy and regulatory guidelines.	5-1-9 الالتزام بالشفافية الكاملة والوفاء بجميع الالتزامات والسياسات والأنظمة والإفصاح عن المعلومات الأساسية للمساهمين وأصحاب المصلحة وفقا لسياسة الإفصاح الخاصة بالشركة والتعليمات التنظيمية.
9-1-6 Disclose plans for achieving social responsibility in the board annual reports on the activities of the Company and providing details of the Company's social contributions, if any, as per the articles (84-4), (87-13) of the CMA Corporate Governance Regulation	6-1-9 الإفصاح عن خطط تحقيق المسؤولية الاجتماعية في تقارير مجلس الإدارة السنوية حول أنشطة الشركة وتقديم تفاصيل حول مساهمات الشركة الاجتماعية، إن وجدت، وفقا للمواد (4-84)، (87-13) من لائحة حوكمة الشركات الصادرة عن هيئة السوق المالية.
9-2 Social Responsibility towards Employees:	2-9 المسؤولية الاجتماعية تجاه الموظفين:
9-2-1 Emphasize the health, equality, inclusion, diversity and professional development of the Company's employees.	1-2-9 تعزيز الصحة للموظفين، والمساواة، والاندماج، والتنوع، والتطوير المهني لموظفي الشركة.
9-2-2 Encourage employee engagement and communication across all levels of the Company, by facilitating multiple avenues for employees to share their opinions and thoughts, including an open-door policy that empowers the employees to freely share and concern or constructive feedback with their managers or senior leadership.	2-2-9 تشجيع مشاركة الموظفين والتواصل عبر جميع مستويات الشركة، من خلال توفير عدة قنوات للموظفين للتعبير عن آرائهم وأفكارهم، بما في ذلك سياسة الباب المفتوح التي تمكن الموظفين من مشاركة أي مخاوف أو ملاحظات بناءة بحرية مع مديريهم أو القيادة العليا.
9-2-3 Provide employees with market and performance-driven remuneration and allowances to strengthen their employee value proposition.	3-2-9 تقديم مزايا وتعويزات تنافسية قائمة على الأداء والسوق لتعزيز القيمة المقدمة للموظفين.

9-2-4 Build a fair, diverse, inclusive and equitable workplace in which people of all ages, genders, cultural backgrounds and abilities feel safe, nurtured and respected, and adopt a zero-tolerance policy regarding discrimination, bullying, and harassment.	4-2-9 بناء بيئة عمل عادلة ومتنوعة وشاملة ومتكافئة حيث يشعر الأشخاص من جميع الأعمار والأجناس والخلفيات الثقافية والقدرات بالأمان والرعاية والاحترام، وتبنى سياسة عدم التسامح مطلقاً مع التمييز والتنمر والتحرش.
9-2-5 Balancing the ratio of female to male employees and ensuring a fair representation of females employed in the management positions by holding each division accountable for achieving gender equity. Both women and men should be evaluated on the basis of their skills and accomplishments, without consideration of gender or background.	5-2-9 تحقيق التوازن في نسبة الموظفين من الذكور والإناث، وضمان تمثيل عادل للإناث في المناصب الإدارية من خلال إناطة كل إدارة مسؤولية تحقيق المساواة بين الجنسين. يجب تقييم كل من النساء والرجال بناءً على مهاراتهم وإنجازاتهم، دون النظر إلى جنسهم أو خلفيتهم.
9-2-6 Hiring employees with varying levels of disabilities, to develop their skills and talent, contributing to the Vision 2030 goal of providing them with job opportunities that will ensure their independence and integration as effective members of the expanding and progressing Saudi society.	6-2-9 توظيف موظفين ذوي مستويات مختلفة من الإعاقة، لتطوير مهاراتهم ومواردهم، مما يساهم في هدف رؤية 2030 بتوفير فرص عمل لهم تضمن استقلالهم واندماجهم كأعضاء فاعلين في المجتمع السعودي المزدهر.
9-2-7 Conducting regular assessments and inspections to monitor workplace safety, providing specialized training programs, encouraging continuous monitoring and reporting of safety concerns, taking prompt action to address reported hazards, evaluating safety performance, and ensuring compliance with all relevant regulations and standards to maintain a safe and secure work environment for all employees.	7-2-9 إجراء تقييمات وفحوصات منتظمة لمراقبة سلامة مكان العمل، وتوفير برامج تدريبية متخصصة، وتشجيع المراقبة المستمرة والإبلاغ عن المخاوف المتعلقة بالسلامة، واتخاذ إجراءات سريعة لمعالجة المخاطر المبلغ عنها، وتقييم أداء السلامة، وضمان الامتثال لجميع اللوائح والمعايير ذات العلاقة للحفاظ على بيئة عمل آمنة لجميع الموظفين.
9-2-8 Promoting equal access to training and development opportunities for all employees, enhancing their professional and personal skills.	8-2-9 تعزيز الوصول المتساوي لفرص التدريب والتطوير لجميع الموظفين، مما يعزز مهاراتهم المهنية والشخصية.
9-2-9 Demonstrating strict adherence to all applicable rules, regulations, and laws in the Kingdom of Saudi Arabia.	9-2-9 إظهار الالتزام الصارم بجميع القوانين واللوائح والأنظمة المعمول بها في المملكة العربية السعودية.
9-2-10 Disclosing the objectives of the Company's social responsibility to its employees and raising their awareness and knowledge of social responsibility.	10-2-9 إفصاح أهداف المسؤولية الاجتماعية للشركة لموظفيها وزيادة وعيهم ومعرفتهم بالمسؤولية الاجتماعية.
9-3 Social Responsibility towards Customers:	9-3 المسؤولية الاجتماعية تجاه العملاء:
9-3-1 Provide high-quality products and services at fair prices, coupled with transparent and honest communication in our advertising, and prioritize the safety and well-being of our customers by offering policies that are clear and easily understandable, and strive to enhance our offerings through product development and innovation.	9-3-1 توفير منتجات وخدمات عالية الجودة بأسعار عادلة، مصحوبة بتواصل شفاف وصادق في إعلاناتنا، مع إعطاء الأولوية لسلامة ورفاهية عملائنا من خلال تقديم سياسات واضحة وسهلة الفهم، والسعي لتعزيز عروضنا من خلال تطوير المنتجات والابتكار.

9-3-2 Build strong and trusting relationships with the customers, ensuring mutual benefit for both parties, by maintaining open channels of communication and actively seeking feedback through surveys and other means to improve the services	2-3-9 بناء علاقات قوية وموثوقة مع العملاء، وضمان المنفعة المتبادلة للطرفين، من خلال الحفاظ على قنوات اتصال مفتوحة والسعي الفعال للحصول على تعليقاتهم عبر الاستبيانات ووسائل أخرى لتحسين الخدمات.
9-3-3 Empower the customers by providing them with the knowledge and resources they need to make informed decisions about their insurance coverage, by offering educational materials and support services to help our customers navigate the complexities of insurance and ensure they have the coverage that best meets their needs.	3-3-9 تمكين العملاء من خلال تزويدهم بالمعرفة والموارد التي يحتاجونها لاتخاذ قرارات مستنيرة بشأن تغطيتهم التأمينية، من خلال تقديم مواد توعوية وخدمات دعم لمساعدة عملائنا في التفاعل مع تعقيدات التأمين وضمان حصولهم على التغطية التي تناسب مع احتياجاتهم.
9-4 Social Responsibility towards Community:	4-9 المسؤولية الاجتماعية تجاه المجتمع:
9-4-1 Educate the public about issues, developments, and topics related to Tawuniya's service offerings and establish awareness programs to the community to familiarize them with the Company's social responsibility.	1-4-9 تثقيف المجتمع حول القضايا والتطورات والمواضيع المتعلقة بعروض خدمات التعاونية، وإنشاء برامج توعية للمجتمع لتعريفهم بالمسؤولية الاجتماعية للشركة.
9-4-2 Contribute to supporting job opportunities for community members through the training programs and courses provided by the Company for the local community members.	2-4-9 المساهمة في دعم فرص العمل لأفراد المجتمع من خلال برامج التدريب والدورات التي تقدمها الشركة لأعضاء المجتمع المحلي.
9-4-3 Support charitable organizations through donations and other support. Charitable donations will only be made according to the Company's guidelines and to charities/non-profit organizations approved/regulated by the Saudi Ministry of Human Resources and Social Development or National Center for Non-Profit Sector or any other government regulatory entity	3-4-9 دعم المنظمات الخيرية من خلال التبرعات بأي شكل من أشكال الدعم والتي تتم وفقاً لسياسات الشركة وللمنظمات الخيرية/غير الربحية المعتمدة من قبل وزارة الموارد البشرية والتنمية الاجتماعية السعودية أو المركز الوطني للقطاع غير الربحي أو أي جهة تنظيمية حكومية أخرى.
9-4-4 Contribute to community welfare through philanthropic initiatives and strategic community investments.	4-4-9 المساهمة في رفاهية المجتمع من خلال المبادرات الخيرية والاستثمارات المجتمعية الاستراتيجية.
9-5 Social Responsibility towards Environment:	5-9 المسؤولية الاجتماعية تجاه البيئة:
9-5-1 Take steps to improve resource consumption, and regularly monitor, track and evaluate energy and water consumption.	1-5-9 اتخاذ خطوات لتحسين استهلاك الموارد، ومراقبة وتقييم استهلاك الطاقة والمياه بشكل دوري.
9-5-2 Implement measures to digitize the company's processes with the aim of minimizing paper waste.	2-5-9 تنفيذ تدابير لتحويل عمليات الشركة إلى الرقمية بهدف تقليل نفايات الورق.
9-5-3 Contribute to the Kingdom's net zero journey, in line with Vision 2030's Green Riyadh Initiative that promotes urban greening, and Saudi Green Initiative, which is working towards the rehabilitation of 40 million hectares of degraded land.	3-5-9 المساهمة في رحلة المملكة نحو الحياد الكربوني، تماشيًا مع مبادرة الرياض الخضراء في رؤية 2030 التي تعزز التشجير الحضري، ومبادرة السعودية الخضراء التي تعمل على تأهيل 40 مليون هكتار من الأراضي لإستصلاحها لمكافحة التصحر.



9-5-4 Strive to achieve long-term goals that deliver continuous positive environmental and social outcomes. These outcomes should align with internationally recognized environmental standards. Document and report on these achievements regularly, including them in both the Social Responsibility reports (if applicable) and, at least, the annual company report.	4-5-9 السعى لتحقيق الأهداف طويلة الأجل التي تحقق نتائج بيئية واجتماعية إيجابية مستمرة. يجب أن تتماشى هذه النتائج مع المعايير البيئية المعترف بها دوليًا. توثيق هذه الإنجازات والإعلان عنها بانتظام، بما في ذلك تضمينها في تقارير المسؤولية الاجتماعية (إن وجدت) وفي الحد الأدنى في التقرير السنوي للشركة.
9-6 Social Responsibility towards Shareholders:	6-9 المسؤولية الاجتماعية تجاه المساهمين:
9-6-1 Ensure responsible stewardship of company assets, timely disclosure of financial and non-financial information, and fair treatment for all shareholders.	1-6-9 ضمان الإدارة المسؤولة لأصول الشركة، والإفصاح في الوقت المناسب عن المعلومات المالية وغير المالية، والمعاملة العادلة لجميع المساهمين.
9-6-2 Prioritize long-term value creation through investment in sustainable business practices. As Environment, Social, and Governance (ESG), considerations can contribute to long-term profitability and shareholder value.	2-6-9 إعطاء الأولوية للقيم طويلة الأجل من خلال الاستثمار في ممارسات الأعمال المستدامة، حيث يمكن أن تساهم اعتبارات البيئة والمجتمع والحوكمة (ESG) في تحقيق الربحية المستدامة وزيادة قيمة المساهمين.
9-6-3 Implement effective complaint resolution mechanisms and proactive engagement with the shareholders through regular reports and meetings.	3-6-9 تنفيذ آليات فعالة لحل الشكاوى والتفاعل الاستباقي مع المساهمين من خلال التقارير المنتظمة والاجتماعات.
<b>10. Effective date:</b>	<b>10. تاريخ النفاذ:</b>
This Policy shall be effective from the date of its final approval by the General Assembly. This policy will fall due for review after three years/36 months from the date of final approval, if there is no interim revision due to the policy changes or the relevant regulatory requirements	تكون هذه السياسة سارية اعتبارًا من تاريخ الموافقة النهائية من الجمعية العامة، وسيتم مراجعة هذه السياسة بعد ثلاث سنوات/36 شهرًا من تاريخ الموافقة النهائية، ما لم يكن هناك تعديل طارئ بسبب تغييرات في السياسات أو المتطلبات التنظيمية ذات العلاقة.

# 06

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**Voting on amending Audit Committee Charter.**

## Statement of Amendments to the: Audit Committee Charter

Existing.	Updated.	Rationale behind the change
<b><u>1. Authority Reference:</u></b>	<b><u>1. Authority Reference:</u></b>	
General Assembly	The General Assembly of Shareholders	Addition for the purpose of enhancing clarity and transparency.
<b><u>3. Purpose:</u></b>	<b><u>3. Purpose:</u></b>	
The Audit Committee Charter defines regulations and requirements for the formation and organization of the Audit Committee's work. It also specifies the responsibility of the General Assembly in determining the duties, responsibilities and the Audit Committee powers.	The Audit Committee Charter defines regulations and requirements for forming and organizing the audit committee's work. It also specifies the responsibilities of the General Assembly in determining the duties, responsibilities and powers of the Audit Committee.	Amendment for the purpose of enhancing clarity and transparency.
<b><u>4. Scope:</u></b>	<b><u>4. Scope:</u></b>	
The provisions of the Audit Committee Charter shall apply to the Company in all matters pertaining to the enforcement of the provisions of this Charter.	The provisions of this Charter shall apply to the Company in all matters related to its enforcement.	Amendment for the purpose of enhancing clarity and transparency.
<b><u>5. Definitions</u></b>	<b><u>5. Definitions</u></b>	

Legends:

Addition

Amendment

Delete



Audit Committee: An independent committee formed by the Board of Directors and directly linked to the Board. It is responsible for monitoring the performance and implementation of the internal control systems in the Company, ensuring the efficiency and effectiveness of the System and Procedures, verifying the implementation of the internal control decisions, and ensuring compliance with the application of the Law on the Supervision of the Cooperative Insurance Companies, its Executive Regulations and other relevant regulations, rules and instructions, in addition to the duties set forth herein.	Audit Committee: An independent committee formed by the Board of Directors and directly linked to the Board. It is responsible for monitoring internal control systems, ensuring efficiency and compliance, and implementing regulatory requirements	<p>Amendment – Addition</p> <p>The amendment was made due to the transfer of authority and regulatory powers over the insurance sector to the Insurance Authority, the addition of relevant definitions sources,</p>
Compliance Department: An independent department linked to the Audit Committee and reports administratively to the CEO. The department is responsible for ensuring the company compliance with the Law on the supervision of the cooperation of the Insurance Companies, its executive regulations and other relevant regulations. It submits its reports to the Audit Committee on any violations to the regulations and instructions in force in the Company.	Compliance Department: An independent department reporting to the Audit Committee and administratively to the CEO. It ensures the company complies with relevant law and submits reports on violations.	
	General Assembly: The general assembly of shareholders of the Company for Cooperative Insurance.	
	Executive Board Member (as per IA): A member of the Board of Directors who is also a member of the executive management of the company and participates in the daily affairs of the company and earns a monthly salary in return thereof	

**Legends:**

Addition

Amendment

Delete

	Executive Management (as per CMA): Persons entrusted with managing the Company's daily operations and proposing and implementing the various strategic decisions, such as the Chief Executive Officer (CEO), his deputies and the Chief Financial Officer (CFO).	
	Insurance Authority (IA): The Insurance Authority (IA), the insurance regulator of the Kingdom of Saudi Arabia.	
Internal Audit Department: An independent department linked to the Audit Committee and administratively to the CEO. It is responsible for developing the audit plan of the Company, monitoring the performance of the Company through auditing and examining the operations and transactions of the Company to verify non existence of any financial and non-financial irregularities or violations to the Company's internal regulations It is also responsible for the effectiveness of these systems and the verification of the proper implementation of internal control decisions, and it submits its reports to the Audit Committee.	Internal Audit Department: An independent department linked to the Audit Committee and administratively to the CEO. It develops audit plans, monitors company performance and ensures compliance with internal controls.	

**Legends:**

Addition

Amendment

Delete

	<p>Independent Board Member: A member of the Board who enjoys complete independence. This means that the member is fully independent from management and the company. Independence is the ability to judge things after taking into account all relevant information without undue influence from management or from other external entities.</p> <p>Independence cannot be attained by a Board member in the situations specified by regulators (independence issues), including but not limited to:</p> <ul style="list-style-type: none"> <li>Being a Significant Shareholder in the Company, or in a Related Company, working for or representing a Significant Shareholder;</li> <li>Being a member of the Board in a Related Company or one of its subsidiaries, or having been one during the past two years;</li> <li>Being a member of the Board of the Company for more than nine years;</li> <li>Holding a Senior Management position in the Company, or in a Related Company, or having held one during the past two years;</li> <li>Being an employee with the Company, with a Related Company, or with a company that provides services to the Company (e.g., external auditors, consulting firms, etc.) or having worked with any one of the above during the past two (2) years;</li> <li>Being a Related Person of a member of the Board or Senior Management of the Company or of a Related Company;</li> </ul>	
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**Legends:**

Addition

Amendment

Delete



	<p>Having a contractual or business relationship with the Company (either directly or through an entity in which he or she is a Significant Shareholder, a Board member, or a manager) which resulted in paying to, or receiving from, the Company the equivalent of two hundred and fifty thousand (250,000) Saudi riyal or more (other than his or her remuneration as a director of the Board and amounts related to insurance contracts) during the past two (2) years;</p> <p>Being under any financial obligation towards the Company or any members of its Board or Senior Management that might limit the exercise of independence in judgment and decision making.</p>	
	Non-Executive Board Member: A member of the Board who provides opinions and technical advice and is not involved in any way in the management of the company and does not receive a monthly or an annual salary.	
<b><u>7. Responsibility of the Board towards the Committee:</u></b>	<b><u>7. Responsibility of the Board towards the Committee:</u></b>	
The Board assumes responsibility for the work of the Audit Committee in accordance with the various regulations and instructions under which the Company transacts its business.	The Board is responsible for ensuring the effectiveness of the Audit Committee in accordance with applicable regulations.	<p>Amendment</p> <p>Amended for the purpose of enhancing clarity and transparency.</p>
The Board assumes the responsibility for ensuring the efficiency and effectiveness of financial systems and reports and for safeguarding the assets of the Company.	It ensures the efficiency of financial systems and safeguarding of company assets.	

Legends:

Addition

Amendment

Delete

The Board shall ensure that the Audit Committee members are qualified to fulfill their responsibilities. At least two members of the Committee, including its Chairman, must have recent and relevant experience in accounting and financial management.	The Board must ensure Audit Committee members are qualified, with at least two members, including the Chairman, having recent and relevant experience in accounting and finance.	
<b><u>13-3 Remuneration of Committee Chairman, Members and Secretary:</u></b>	<b><u>13-3 Remuneration of Committee Chairman, Members and Secretary:</u></b>	
The Chairman and members of the Audit Committee shall be entitled to attendance remuneration of SR 5,000 for each meeting up to a maximum of SR60,000 per year, applicable as of the inception of the Committee team. The Secretary of the committee shall be entitled to remuneration for the performance of his functions for each of its meetings. The remuneration amount shall be determined by a decision issued by the board.	The Chairman and members of the Audit Committee shall be entitled to attendance remuneration for each meeting applicable as of the inception of the Committee team. The Secretary of the Committee shall be entitled to remuneration for the performance of his functions for each of its meetings. Their remunerations are subject to the Remuneration Policy of Board Members and Committees.	Amendment Amended following the inclusion of the Audit Committee Chairman's and members' remunerations in the Remuneration & Compensation Policy
<b><u>13-4-4 Regarding the Compliance Management:</u></b>	<b><u>13-4-4 Regarding the Compliance Management:</u></b>	
Examine the reports of the Compliance Department or Chief Compliance Officer and make recommendations thereon to the Board.	Examine the reports including reports on whistleblowing and AML from the Compliance Department or Chief Compliance Officer and make recommendations thereon to the Board.	Amendment for the purpose of enhancing clarity and transparency.
<b><u>13-4-5 Others:</u></b>	<b><u>13-4-5 Others:</u></b>	
	Monitor and have oversight on Company's Control Environment	Addition for the purpose of enhancing clarity and transparency.
<b><u>14. Effective Date</u></b>	<b><u>14. Effective Date</u></b>	

Legends:

Addition

Amendment

Delete

	This Charter for the AC Committee shall be effective from the date of its final approval by the General Assembly. unless a review is required due to policy changes or relevant regulatory requirements.	
<b><u>SAMA – Saudi Central Bank</u></b>	<b><u>IA- Insurance Authority</u></b>	
"SAMA" Across the whole document	"IA" Across the document	<p><b>Amendment</b></p> <p>The amendment was made due to the transfer of authority and regulatory powers over the insurance sector to the Insurance Authority</p>

Legends:

Addition

Amendment

Delete

# 07

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**Voting on amending Nomination and Remuneration  
Committee Charter.**



## Statement of Amendments to the: NRC Committee Charter

Existing.	Updated.	Rational Behind the change
<b><u>5. References:</u></b>	<b><u>5. References:</u></b>	
	<p>5-2 Companies Law Issued by the Royal Decree No. (M/132) dated 01/12/1443H and its Implementing Regulations.</p> <p>5-4 Bylaws of the Company for Cooperative Insurance (Tawuniya).</p> <p>5-5 Remuneration Policy for Members of the Board and Committees.</p>	<p><b>Amendment - Addition</b> The change was made due to the transfer of authority and regulatory powers over the insurance sector to the Insurance Authority, and for the Inclusion of reliable reference sources.</p>
5-1 Insurance Corporate Governance Regulation Issued by SAMA.	5-3 Insurance Corporate Governance Regulation Issued by the Insurance Authority	
<b><u>6. Definitions:</u></b>	<b><u>6. Definitions:</u></b>	
6-1 Institution: Saudi Arabian Monetary Agency.	6-5 Insurance Authority (IA): The Insurance Authority (IA), the insurance regulator of the Kingdom of Saudi Arabia.	<p><b>Amendment - Addition</b> The change was made due to the transfer of authority and regulatory powers over the insurance sector to the Insurance Authority, and for the Inclusion of reliable definitions.</p>
6-7 Committee: The Nominations and Remuneration Committee (NRC) of the Cooperative Insurance Company (Tawuniya), which is one of the Board committees whose members are appointed by the board. The committee is responsible for implementing provisions of this charter.	6-4 Committee: The Nominations and Remuneration Committee (NRC) of the Cooperative Insurance Company (Tawuniya), which is one of the Board committees whose members are appointed by the board .The committee is responsible for implementing provisions of this charter and practicing all authorities set out in this charter as well as recommending amendments.	

### Legends:

Addition

Amendment

Delete

	<p>6-6 General Assembly: The general assembly of shareholders of the Company for Cooperative Insurance.</p> <p>6-8 Executive Board Member (as per IA): A member of the Board of Directors who is also a member of the executive management of the company and participates in the daily affairs of the company and earns a monthly salary in return thereof.</p> <p>6-11 Independent Board Member: A member of the Board who enjoys complete independence. This means that the member is fully independent from management and the company. Independence is the ability to judge things after taking into account all relevant information without undue influence from management or from other external entities.</p> <p>Independence cannot be attained by a Board member in the situations specified by regulators (independence issues), including but not limited to:</p> <p>a. Being a Significant Shareholder in the Company, or in a Related Company, working for or representing a Significant Shareholder.</p> <p>b. Being a member of the Board in a Related Company or one of its subsidiaries or having been one during the past two years.</p> <p>c. Being a member of the Board of the Company for more than nine years.</p>	
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**Legends:**

Addition

Amendment

Delete

	<p>d. Holding a Senior Management position in the Company, or in a Related Company, or having held one during the past two years.</p> <p>e. Being an employee with the Company, with a Related Company, or with a company that provides services to the Company (e.g., external auditors, consulting firms, etc.) or having worked with any one of the above during the past two (2) years.</p> <p>f. Being a Related Person of a member of the Board or Senior Management of the Company or of a Related Company.</p> <p>g. Having a contractual or business relationship with the Company (either directly or through an entity in which he or she is a Significant Shareholder, a Board member, or a manager) which resulted in paying to, or receiving from, the Company the equivalent of two hundred and fifty thousand (250,000) Saudi riyal or more (other than his or her remuneration as a director of the Board and amounts related to insurance contracts) during the past two (2) years.</p> <p>h. Being under any financial obligation towards the Company or any member of its Board or Senior Management that might limit the exercise of independence in judgment and decision making.</p>	
	<p>6-12 Non-Executive Board Member: A member of the Board who provides opinions and technical advice and is not involved in any way in the management of the company and does not receive a monthly or an annual salary.</p>	

**Legends:**

Addition

Amendment

Delete

<b>7. Formation of the committee &amp; Conditions:</b>	<b>7. Formation of the committee &amp; Conditions:</b>	
7-1 The Nominations and Remuneration Committee is formed by the Board of Directors.	7-1 The Nominations and Remuneration Committee is formed by the Board of Directors (after satisfying related regulatory requirements), as follows:	Amendment - Addition - Delete For clarification purposes.
7-1-5 The term of membership of the committee members is linked to the term of the Board of Directors		
	7-1-3 The committee members shall not be Executive Board Members	
	7-1-6 The committee chairman shall be an independent board member appointed by the Board.	
<b>8. Duties and Responsibilities of the Committee:</b>	<b>8. Duties and Responsibilities of the Committee:</b>	
8-2 Recommending to the Board of Directors to nominate candidates for the board/Committee's membership and to re-nominate them in accordance with the regulatory requirements approved.	8-2 Recommending to the Board of Directors to nominate candidates for the board/Committee's membership and to re-nominate them in accordance with the regulatory requirements, approved related policies and standards, taking into account that nomination shall not include any person convicted of a crime involving moral turpitude or dishonesty	Addition For clarification purposes.
8-13 Approval regarding the appointment and dismissal of members of senior management - with the exception of the CEO - after obtaining a non-objection from SAMA.	8-13 Approval regarding the appointment and dismissal of members of senior management - with the exception of the CEO - after obtaining a non-objection from the Insurance Authority.	Amendment For clarification purposes.
<b>9. Remuneration for committee members:</b>	<b>9. Remuneration for committee members:</b>	

Legends:

Addition

Amendment

Delete



9-2 Each member of the committee is entitled to a cash sum as a meeting attendance allowance for each meeting held by the committee, in accordance with the remuneration policy for members of the Board of Directors and its committees. Without prejudice to the requirements of relevant rules, regulations, and instructions, the maximum attendance allowance for the Board and its committees shall not exceed the maximum limit specified in the Articles of Association, which amounts to 5,000 Saudi Riyals.		<b>Deleted</b> The NRC committee members' remuneration section was removed as it has been included in the Remuneration & Compensation Policy for Board of Directors and Its Committees
<b><u>10. Committee meetings:</u></b>	<b><u>10. Committee meetings:</u></b>	
	10-6 The committee may seek assistance from any experts or specialists, whether internal or external, within the scope of its authorities. This shall be included in the minutes of the committee meeting; the minutes states the name of the expert and his relation to the Company or its Executive Management.	<b>Addition</b> For more clarity.
<b><u>11. Effective date:</u></b>	<b><u>11. Effective date:</u></b>	
This Charter for the NRC Committee shall be effective from the date of its final approval by the General Assembly	This Charter for the NRC Committee shall be effective from the date of its final approval by the General Assembly. unless a review is required due to policy changes or relevant regulatory requirements.	<b>Addition</b> For clarification purposes.

Legends:

Addition

Amendment

Delete

# 08

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**Voting on amending Nomination Policy for  
Membership of the Board of Directors.**

Statement of Amendments to the: Nomination Policy for Membership of the Board of Directors

Existing.	Updated.	Rationale behind the change
<b><u>3. Purpose:</u></b>	<b><u>3. Purpose:</u></b>	
<p>This policy aims to define clear criteria and procedures for candidacy for <b>membership of the</b> Board of Directors of the Cooperative Insurance Company ("the Company"). This is to ensure fairness and transparency for all candidates and to ensure the opportunity to benefit from the best and largest possible number of qualified Saudi talents to participate in the company's board of directors.</p> <p>This policy has been prepared in accordance with the applicable laws and regulations issued by the relevant regulatory authorities in the Kingdom of Saudi Arabia, and the company's bylaw.</p>	<p>This policy aims to define clear criteria and procedures for candidacy for <b>membership in the</b> Board of Directors of the Cooperative Insurance Company ("the Company"). This is to ensure fairness and transparency for all candidates and to ensure the opportunity to benefit from the best and largest possible number of qualified Saudi talents to participate in the company's board of directors.</p> <p>This policy has been prepared in accordance with the applicable laws and regulations issued by the relevant regulatory authorities in the Kingdom of Saudi Arabia, and the company's bylaw. <b>In the event of a conflict between anything in the company bylaw and any provision or requirement of this policy, the Bylaw shall prevail</b></p>	<p><b>Amendment – Addition</b> To clarify the text and ensure compliance with what is mentioned in the Bylaws</p>
<b><u>5. Reference</u></b>	<b><u>5. Reference</u></b>	
	<p>All relevant laws and regulations approved in the Kingdom of Saudi Arabia and the Company for Cooperative Insurance (Tawuniya) shall apply on this Policy, including, but not limited to:</p>	<p><b>Amendment – Addition</b> Inclusion of reliable reference sources.</p>

Legends:

Addition

Amendment

Delete

<ul style="list-style-type: none"> <li>Law of Companies Issued by the Ministry of commerce and investment.</li> </ul>	<ul style="list-style-type: none"> <li>Law of Companies Issued by the Royal Decree No. (M/132) dated 01/12/1443H and its Implementing Regulations.</li> </ul>	
	<ul style="list-style-type: none"> <li>Cooperative Insurance Companies Control Law.</li> </ul>	
	<ul style="list-style-type: none"> <li>Implementing Regulations of the Cooperative Insurance Companies Control Law.</li> </ul>	
<ul style="list-style-type: none"> <li>Insurance Corporate Governance Regulation Issued by the Saudi Arabian Monetary Authority.</li> </ul>	<ul style="list-style-type: none"> <li>Insurance Corporate Governance Regulation Issued by the Insurance Authority.</li> </ul>	
	<ul style="list-style-type: none"> <li>Regulatory rules and procedures issued pursuant to the Companies Law relating to Listed. Joint. Stock Companies from the Capital Market Authority</li> </ul>	
<b>6. Definitions:</b>	<b>6. Definitions:</b>	
6-3 Committee: The Nominations and Remunerations Committee (NRC) in the cooperative insurance company, which is one of the committees emanating from the Board of Directors, whose members are appointed by the Board of Directors and responsible for the implementation of this policy.	6-3 Committee: The Nominations and Remunerations Committee (NRC) which is one of the committees emanating from the Board of Directors, whose members are appointed by the Board of Directors and responsible for preparing this policy and ensuring compliance with it	<p style="text-align: center;"><b>Amendment</b></p> <p>The change was made due to the transfer of authority and regulatory powers over the insurance sector to the Insurance Authority, and to provide further clarity to the text.</p>
6-5 The Authority: Saudi Arabian Monetary Authority (SAMA ).	6-5 Insurance Authority: The governing body responsible for regulating the insurance sector (IA)	
6-8 Any terms or abbreviations used in this policy are interpreted in accordance with the definitions mentioned above, and if they are not mentioned, reference is made to the list of definitions specified in the company's internal governance regulations and/or the relevant regulations issued by the Capital Market Authority and the Saudi Arabian Monetary Authority	6-8 Any terms or abbreviations used in this policy are interpreted in accordance with the definitions mentioned above, and if they are not mentioned, reference is made to the list of definitions specified in the company's internal governance regulations and/or the relevant regulations issued by the Capital Market Authority and the Insurance Authority	
<b>7. Procedures and criteria for nomination and membership of the Board of Directors:</b>	<b>7. Procedures and criteria for nomination and membership in the Board of Directors:</b>	

Legends:

Addition

Amendment

Delete



7-1 The Nominations and Remuneration Committee ("the Committee") in the Cooperative Insurance Company shall be announced on the website of the Saudi Stock Exchange Company ("Tadawul") and on the company's website and in any other means determined by the Authority, in order to invite persons wishing to nominate for membership in the Board of Directors who are fit for the Membership conditions for the new <b>three-year</b> session, in accordance with the conditions and controls contained in the regulations and circulars of the Ministry of Commerce and investment, the Saudi Arabian Monetary Authority Governance Regulations, and the Corporate Governance Regulations issued by the Capital Market Authority, taking into account the following	7-1 The Nominations and Remuneration Committee ("the Committee") in the Cooperative Insurance Company shall be announced on the website of the Saudi Stock Exchange Company ("Tadawul") and on the company's website and in any other means determined by the Authority, in order to invite persons wishing to nominate for membership in the Board of Directors who are fit for the Membership conditions for the new <b>four-year</b> session, in accordance with the conditions and controls contained in the regulations and circulars of the Ministry of Commerce, the Insurance Authority Governance Regulations, and the Corporate Governance Regulations issued by the Capital Market Authority, taking into account the following	<b>Amendment</b> The change was made due to the transfer of authority and regulatory powers over the insurance sector to the Insurance Authority, and to extend the Board of Directors' membership term to four years and ensure compliance with what is mentioned in the Bylaws.
7-1-2 The candidate must not be a member of the Board of Directors or any of its subcommittees, nor hold any executive position in another Saudi insurance and/or reinsurance company.	7-1-2 The candidate must not be a member of the Board of Directors or any of its subcommittees, nor an employee of any insurance and/or reinsurance company in Saudi Arabia	<b>Amendment</b> For clarification purposes.
7-1-3 Obtaining approval from the Saudi Arabian Monetary Authority for the candidate's membership.	7-1-3 Obtaining non-objection from the Insurance Authority's non-objection for the candidate's membership.	<b>Amendment</b> The change was made due to the transfer of authority and regulatory powers over the insurance sector to the Insurance Authority
7-1-9 The candidate has educational and practical experience.	7-1-9 The candidate has suitable educational and practical experience.	<b>Amendment</b> For clarification purposes.

Legends:

Addition

Amendment

Delete

	Added to the above, the Board is required to be professionally capable and have the required experience, knowledge, skill and independence, which enables the member to perform the duties efficiently. The candidate for Board membership shall have the following qualifications in particular:	<p>Addition</p> <p>The addition was made to ensure compliance with the relevant regulations</p>
	<p>1-Ability to lead: Must enjoy leadership skills which enable the member to delegate powers in order to enhance performance and apply best practices in effective management and compliance with professional ethics and values.</p> <p>2-Competency: Must have the academic qualifications and proper professional and personal skills as well as an appropriate level of training and practical experience related to the current and future businesses of the Company and the knowledge of management, economics, accounting, law or governance, as well as the desire to learn and receive training.</p> <p>3-Ability to guide: Must have the technical, leadership, and administrative competencies as well as the ability to take prompt decisions, and understand technical requirements and developments related to the job. He must also be able to provide strategic guidance and long-term planning and have a clear future vision.</p> <p>4-Financial knowledge: Must have the ability to read and understand financial statements and reports.</p> <p>5-Physical fitness: Must not suffer from any health issue that may hinder the member from performing its duties and responsibilities.</p>	<p>Addition</p> <p>The addition was made to ensure compliance with the relevant regulations</p>

Legends:

Addition

Amendment

Delete

	The General Assembly shall take into account, when electing members to the Board, the recommendations of the nomination committee and the availability of the personal and professional capabilities required to perform their duties effectively pursuant to this Article.	<b>Addition</b> The addition was made to ensure compliance with the relevant regulations
7-3 The candidate whoever wishes to nominate himself for membership in the company's Board of Directors is required to notify the company's management on the date specified in the announcement issued by the company, provided that this notification includes an introduction to the candidate in terms of his biography information, including information about his profession, the primary job he currently holds, his qualifications, and his experience in the company's field of business.	7-3 The candidate whoever wishes to nominate himself for membership in the company's Board of Directors is required to notify the company's management on the date specified in the announcement issued by the company, provided that this notification includes an introduction to the candidate in terms of his biography information, including information about his profession, the primary job he currently holds, his qualifications, and his experience in the company's field of business as per the forms affixed with the announcement	<b>Addition</b> For clarification purposes.
7-6 Fill out the Fit & Proper Form questionnaire issued by the Saudi Arabian Monetary Authority, which can be obtained from the company's head office or on the Saudi Arabian Monetary Authority's website.	7-6 Fill out the Fit & Proper Form questionnaire issued by the Insurance Authority, which can be obtained from the company's head office or on the Insurance Authority's website.	<b>Amendment</b> The change was made due to the transfer of authority and regulatory powers over the insurance sector to the Insurance Authority.
7-11 In the event that the candidate does not meet the necessary requirements as stated in this policy, including the inability to provide the required information within the required time frame stated in the announcement, the committee has the right to reject the nomination request and save the application provided, and ensure to provide the Saudi Arabian Monetary Authority with a statement about the reasons for the rejection.	7-11 In the event that the candidate does not meet the necessary requirements as stated in this policy, including the inability to provide the required information or missing items within the required time frame stated in the announcement, the committee has the right to reject the nomination request and save the application provided, and ensure to provide the Insurance Authority with a statement about the reasons for the rejection.	<b>Amendment - Addition</b> The change was made due to the transfer of authority and regulatory powers over the insurance sector to the Insurance Authority and for clarification purposes.

**Legends:**

**Addition**

**Amendment**

**Delete**

7-12 The committee informs the Company's Regulatory Compliance Department of its recommendation to obtain the non-objection from the <b>Saudi Arabian Monetary Authority</b> before informing the Board of the recommendation.	7-12 The committee informs the Company's Regulatory Compliance Department of its recommendation to obtain the non-objection from the <b>Insurance Authority</b> before informing the Board of the recommendation.	<b>Amendment - Addition</b> The change was made due to the transfer of authority and regulatory powers over the insurance sector to the Insurance Authority.
7-13 The committee shall submit its recommendations on the candidates along with the <b>Saudi Arabian Monetary Authority's</b> non-objection letter to the Board of Directors for approval, and submission to the General Assembly, taking into account the necessity that the number of candidates for the Board of Directors whose names are presented to the General Assembly exceeds the number of available seats, so that the General Assembly has the opportunity to choose between the candidates. It is also taken into consideration that there are enough independent candidates. In the event that there is insufficient number of candidates, the Board may seek the services of an independent external specialized third party to identify additional candidates for Board of Directors membership	7-13 The committee shall submit its recommendations on the candidates along with the <b>Insurance Authority's</b> non-objection letter to the Board of Directors for approval, and submission to the General Assembly, taking into account the necessity that the number of candidates for the Board of Directors whose names are presented to the General Assembly exceeds the number of available seats, so that the General Assembly has the opportunity to choose between the candidates. It is also taken into consideration that there are enough independent candidates. In the event that there is insufficient number of candidates, the Board may seek the services of an independent external specialized third party to identify additional candidates for Board of Directors membership	<b>Amendment - Addition</b> The change was made due to the transfer of authority and regulatory powers over the insurance sector to the Insurance Authority.
7-14 If the candidate fulfills the necessary requirements and obtains the approval of the relevant regulatory authorities, the company will announce on the Tadawul website the information about the candidates for membership in the Board of Directors at least <b>(10) days</b> before the date of the General Assembly	7-14 If the candidate fulfills the necessary requirements and obtains the approval of the relevant regulatory authorities, the company will announce on the Tadawul website the information about the candidates for membership in the Board of Directors at least <b>(21) days</b> before the date of the General Assembly	<b>Amendment</b> The amendment was made to ensure compliance with the relevant regulations

**Legends:**

**Addition**

**Amendment**

**Delete**



7-15 The company's management must submit the nomination notice and its attachments at the company's head office for shareholders' review at least fifteen (15) days prior to the scheduled date for electing the Board of Directors, and send copies thereof on the same date to the General Department of Companies, along with a list of the nominees' names.		<b>Delete</b> The text was removed, relying instead on what is stated in section 7-14 and to ensure compliance with the relevant regulations
7-17 After electing board members for the new session, the company shall notify both the <b>Saudi Arabian Monetary Authority</b> and the Capital Market Authority of the names of the elected board members within five working days from the date of their election, and any changes that occur to their membership within five working days from the date of the change. This is done according to official letters, in addition to completing the relevant disclosure forms (Authority Forms <b>No. 3 and 7</b> and the <b>Saudi Arabian Monetary Authority</b> form for suitability standards, if necessary).	7-17 After electing board members for the new session, the company shall notify both the <b>Insurance Authority</b> and the Capital Market Authority of the names of the elected board members within five working days from the date of their election, and any changes that occur to their membership within five working days from the date of the change. This is done according to official letters, in addition to completing the relevant disclosure forms (Authority Forms <b>No. 3</b> and the <b>Insurance Authority</b> form for suitability standards, if necessary).	<b>Amendment</b> The amendment was made to ensure compliance with the relevant regulations and for clarification purposes.
	7-18 Termination of Board memberships, and appointment of replacement Directors in case of vacancies on the Board, shall be governed by the Applicable Law, the Bylaws, the Manual and applicable policies.	<b>Addition</b> The addition was made to clarify the process of terminating membership and appointing replacements.
	7-19 The members of Board Committees shall be nominated and appointed in accordance with the charters of the relevant Committee.	

Legends:

Addition

Amendment

Delete

# 09

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**Voting on amending the remuneration policy  
for Members of the Board of Directors and  
Board committees.**

Statement of Amendments to the Remuneration and Compensation Policy  
for Board Members and Board Committees

Existing.	Updated.	Reason
<b>4. Scope:</b>	<b>4. Scope:</b>	
<p>4-1 This regulation applies to the members of the Board of Directors of the Cooperative Insurance Company ("the Company") as well as the members of the committees affiliated with the Board of Directors of the Company during their membership period. The following are the names of the affiliated committees to whose members this policy applies:</p> <p>4-1-1 Executive Committee. 4-1-2 Risk Committee. 4-1-3 Nominations and Remuneration Committee. 4-1-4 Investment Committee. 4-1-5 Any other subsidiary committee established by the company's board of directors according to the nature of the work, provided that at least one member of the board of directors is among the members of that committee, after obtaining regulatory approvals for its formation.</p>	<p>4-1 These regulations apply to the members of the Board of Directors of the Cooperative Insurance Company ("the Company") as well as the members of the committees emanating from the Company's Board of Directors during their membership period. The following are the names of the Board's committees to whose members this policy applies:</p> <p>4-1-1 Executive Committee. 4-1-2 Risk Committee. 4-1-3 Nominations and Remuneration Committee. 4-1-4 Investment Committee. <a href="#">4-1-5 Technology Project Committee</a> <a href="#">4-1-6 Audit Committee</a> 4-1-7 Any other committee established by the company's Board of Directors in accordance with the nature of the work, provided that at least one Board of Directors member is among the members of that committee, after obtaining regulatory approvals for its formation.</p>	<p>Addition All Board Committees have been included.</p>

4-2 The Audit Committee, whose formation is approved by a decision of the General Assembly of Shareholders of the Company and whose remuneration, attendance allowances and expenses are specified in its work regulations, is exempt from this policy.		<b>Delete</b> This statement is removed following the inclusion of the Audit Committee members' remuneration.
<b>5. References:</b>	<b>5. References:</b>	
<p>5-1 Companies system issued by the Ministry of Commerce and Investment.</p> <p>5-2 Corporate Governance Regulations issued by the Capital Market Authority.</p> <p>5-3 Insurance Companies Governance Regulations issued by the Saudi Arabian Monetary Agency.</p> <p>5-4 Bylaws of the Company for Cooperative Insurance.</p> <p>5-5 Regulatory controls and procedures issued in implementation of the Companies Law for listed joint stock companies, issued by the Capital Market Authority.</p> <p>5-6 The guidance manual for the regulatory controls and procedures issued in implementation of the Companies Law for listed joint stock companies, issued by the Capital Market Authority.</p> <p>5-7 Saudi Arabian Monetary Agency Circular No. 166/201809 "Remuneration of Board Chairmen of Insurance and Reinsurance Companies"</p>	<p>5-1 Law of Companies Issued by The Royal Decree No. (M/132) dated 01/12/1443H and its Implementing Regulations.</p> <p>5-2 Corporate Governance Regulations issued by the Capital Market Authority</p> <p>5-3 Insurance Corporate Governance Regulation Issued by the Insurance Authority.</p> <p>5-4 Bylaws of the Company for Cooperative Insurance.</p>	<p><b>Amendment – Delete</b></p> <p>The amendment was made due to the transfer of authority and regulatory powers over the insurance sector to the Insurance Authority, the addition of relevant reference sources, and the removal of references that are no longer applicable.</p>

**Legends:**

Addition

Amendment

Delete



<b>6. Definition:</b>	<b>6. Definition:</b>	
	6-8 Board Committees: Members of the Board committees to whom this policy applies as mentioned in section 4 above	<b>Amendment – Addition</b> The amendment was made due to the transfer of authority and regulatory powers over the insurance sector to the Insurance Authority, the addition of relevant definitions sources,
Institution: Saudi Arabian Monetary Agency.	6-9 Insurance Authority (IA): The governing body responsible for regulating the insurance sector	
<b>7. Criteria for determining rewards:</b>	<b>7. Criteria for determining rewards:</b>	
	7-10 It shall take into consideration situations where remunerations should be suspended or reclaimed if it is determined that such remunerations were set based on inaccurate information provided by a member of the Board or the executive management, in order to prevent abuse of power to obtain unmerited remunerations.	<b>Addition:</b> for the purpose of enhancing clarity and transparency.
<b>8. General conditions for bonuses:</b>	<b>8. General conditions for bonuses:</b>	
Members of the Board of Directors may not vote on the Board of Directors' remuneration item at the General Assembly meeting. This prohibition includes a member of the Board of Directors, whether he votes at the General Assembly meeting on his own behalf or as a proxy for another.	8-1 Members of the Board of Directors are not permitted to vote on the Board of Directors' remuneration item at the General Assembly meeting.	<b>Amendment</b> Amended for the purpose of enhancing clarity and transparency.

Legends:

Addition

Amendment

Delete

<p>A member of the Board of Directors may receive a reward for his membership in the Audit Committee formed by the General Assembly, or for any additional executive, technical, administrative or advisory work or positions - under a professional license - assigned to him in the company, in addition to the reward he may receive in his capacity as a member of the Board of Directors and in the committees formed by the Board of Directors, and such rewards do not fall within the scope of the maximum reward stipulated in the Companies Law and the Company's Articles of Association.</p>	<p>8-2 A Board member may receive a Remuneration for any additional executive, technical, managerial or consultative – pursuant to a professional license- duties or positions carried out by the Board member, and such Remuneration should be in addition to the Remuneration he/she may receive in his/her capacity as a member in the Board and in the committees formed by the Board, pursuant to the Companies Law and its implementing regulations and the Company's bylaws.</p>	
<p>If the bonus is a certain percentage of the company's profits, this percentage may not exceed (10%) of the net profits, after deducting the reserves decided by the General Assembly in application of the provisions of the Cooperative Insurance Companies Control System, the Companies System and the Articles of Association, and after distributing a profit to shareholders of no less than (5%) of the company's paid-up capital, provided that the entitlement to this bonus is proportional to the number of sessions attended by the member, and any assessment to the contrary shall be void.</p>		<p style="text-align: center;"><b>Delete</b> Deleted to align with what was stated in the new Bylaws</p>

**Legends:**

Addition

Amendment

Delete

8.3 - If the General Assembly decides to terminate the membership of a member of the Board of Directors who is absent due to his failure to attend three consecutive Board meetings without a legitimate excuse, this member shall not be entitled to any bonuses for the period following the last meeting he attended, and he must return all bonuses paid to him for that period.	8-3 If the General Assembly decides to terminate the membership of any Board member who fails to attend three consecutive Board meetings or five non-consecutive Board meetings during his membership tenure without a legitimate excuse accepted by the Board, then such Board member shall not be entitled to any Remuneration for the period starting from the last Board meeting he/she attended, and he/she shall pay back any Remuneration he/she received for that period.	<p>Amendment</p> <p>Amended for the purpose of enhancing clarity and transparency.</p>
8.4 If the Audit Committee, the Board of Directors, the authority, or the institution discovers that the remuneration paid to any member of the Board of Directors is based on incorrect or misleading information presented to the General Assembly or included in the Board of Directors' annual report, the member must return the remuneration to the company. The company has the right to demand its return. This does not relieve the member of the Board of Directors of any liability for any damages incurred by the company, its shareholders, or any other related persons as a result.	8-4 If it is evidenced to the audit committee or the Authority that the remuneration paid to any board member was based on false or misleading information presented to the General Assembly or included in the annual Board Report, the board member shall return such remuneration to the Company, and the company may request such board member to return such remuneration. This does not relieve the board of director member from any responsibilities for any damages incurred by the company, its shareholders, or any other related persons as a result.	

Legends:

Addition

Amendment

Delete

8.5 - The Board of Directors' report to the Ordinary General Assembly must include a comprehensive statement of all bonuses, expense allowances and other benefits received by the Board of Directors during the fiscal year. It must also include a statement of what the Board members received in their capacity as employees or administrators or what they received in return for technical, administrative or consulting work. It must also include a statement of the number of Board meetings and the number of meetings attended by each member from the date of the last meeting of the General Assembly.	8-5 The Board of Directors must disclose in its annual report about the details of this Policy and the mechanisms of determining the remunerations of the Board and its Committees' members, and, and the amounts and the financial benefits and the benefits in kind paid for every member of Board of Directors' members for any activities or Executive positions or technical or managerial or advisory, and the disclosure shall be mandatory and detailed in the Board of Directors' reports that shall be issued for the fiscal periods as per the stipulated rules.	
<b><u>9.Remuneration for members of the Board of Directors and sub-committees:</u></b>	<b><u>9.Remuneration for members of the Board of Directors and sub-committees:</u></b>	
9-1 The Board of Directors shall propose the remuneration of the Board members based on the recommendation of the Nominations and Remuneration Committee and in accordance with the relevant regulations, rules and instructions and with any conditions approved by the General Assembly. None of the proposed remunerations and compensations for the Chairman and members of the Board shall be approved except after the approval of the General Assembly.	9-1 The Board of Directors shall propose the remuneration for Board & its Committees' members upon a recommendation of NRC in accordance with the relevant laws, regulations, instructions and bylaw. Remunerations and compensations for Board & its committees' members shall be given after General Assembly's approval.	<p style="text-align: center;"><b>Amendment</b></p> <p>The changes were made to enhance clarity and transparency, revise the remuneration structure, and include all board committees' remunerations within this document.</p>

Legends:

Addition

Amendment

Delete

<p>9-3 The remuneration of the members of the Board of Directors shall be a certain amount, an attendance allowance for meetings, in-kind benefits, or a certain percentage of net profits. It is permissible to combine two or more of these benefits.</p>	<p>9-3 The remuneration for members of the Board of Directors shall be a specific amount, an attendance allowance for sessions, in-kind benefits, or a specific percentage of net profits. It is permissible to combine two or more of the above. The Ordinary General Assembly shall determine the amount of these remunerations, provided that these remunerations are fair, motivating, and commensurate with the members and the company's performance.</p>	
<p>9-4 In all cases, the total financial or in-kind rewards and benefits received by a Board member shall not exceed five hundred thousand riyals annually ( with the exception of members of the Audit Committee), in accordance with the controls set by the Capital Market Authority. The Board of Directors shall also determine the special reward for the Chairman of the Board in return for his work and responsibilities undertaken in this capacity, in addition to the reward set for Board members. The special reward for the Chairman of the Board of Directors shall not be subject to the maximum limit of the annual reward for Board members. If it exceeds the maximum limit, the institution's no-objection must be obtained before recommending it to the General Assembly of Shareholders for approval.</p>		

Legends:

Addition

Amendment

Delete



9-5 The Board of Directors shall determine the special remuneration for the Chairman of the Board in return for his work and responsibilities. He shall undertake this task in this capacity, in addition to the remuneration stipulated for the members of the Council referred to in paragraph (9-1) above.		
	9-4 Each Member of the Board of Directors is entitled to a base remuneration of Three Hundred Thousand Riyals (SAR 450,000) annually, in lieu of their membership in the Board of Directors.	
	9-5 The Chairman of the Board of Directors is entitled to an additional special remuneration amounting to One Million and five hundred Riyals (SAR 1,500,000)	
	9-6 Each member of the Board of Directors is entitled to a sum of Five Thousand Riyal (SAR 5,000) For each board meeting they attend as a sitting fees.	
	9-7 Each member of the Board of directors is entitled for single paying committee for his/her membership or chairmanship (except for the Audit Committee) amounting to Two Hundred and Twenty-Five Thousand Riyals (SAR 225,000) annually for committee membership or Two Hundred and Seventy-Five Thousand Riyals (SAR 275,000) for committee chairmanship..	
	9-8 Each committee member, who is not a Board member, is entitled to an annual remuneration of Two Hundred and Twenty-Five Thousand Riyals (SAR 225,000) in lieu of Board Committee membership or Two Hundred and Seventy-Five Thousand Riyals (SAR 275,000) for committee chairmanship.	

**Legends:**

Addition

Amendment

Delete

	9-9 Each member of the Board committees is entitled to a sum of Five Thousand Riyal (SAR 5,000) per meeting in exchange for attendance at the meeting session. However, the meeting attendance allowance for each committee member is subject to a maximum of Sixty Thousand Riyals (SAR 60,000) annually.	
9.7 - The Company shall compensate the member of the Board of Directors and/or its affiliated committees for any taxes or government fees such as value added tax arising from his membership in the Company's Board of Directors, and this compensation shall not be included in the bonuses and compensations that fall within the maximum limit mentioned in Paragraph (9-4).	9.11 in case board & its committees' remuneration are subject to VAT or else, the company shall compensate the member of the Board of Directors and/or committees for any taxes or government fees such as value-added tax arising from his membership in the company's Board of Directors.	
	9.12 The Board Secretary and other Board Committees' Secretaries are entitled to a sum of Two Thousand Five Hundred Riyal (SAR 2,500) for administrating each session.	
<b><u>10.Travel and attendance expenses for members of the Council and its committees:</u></b>	<b><u>10.Travel and attendance expenses for members of the Council and its committees:</u></b>	
10 - Travel and attendance expenses for members of the Council and its committees: A Board member or a member of the subordinate committee attending a meeting is entitled to a cash amount for travel expenses, provided that the meeting is held outside the city of permanent residence of that member. The total travel expenses allowance is not included in the maximum limit set for each member's remuneration, as this allowance is compensation for the actual expenses incurred by the member to attend the meeting, including travel, accommodation and subsistence expenses.	10. Travel and attendance expenses for members of the Council and its committees: The company bears all travel expenses and necessary arrangements (transportation, accommodation, and subsistence) for holding Board or committee meetings. If a member incurs additional expenses related to attending the meeting from their own funds, they will be reimbursed for the actual expenses incurred after attending the meeting. The total travel expenses are not counted within the maximum remuneration cap allocated for each member.	Amendment Amended for the purpose of enhancing clarity and transparency.

Legends:

Addition

Amendment

Delete

11. Payment of Remuneration:	11. Payment of Remuneration:	
	<p>All remuneration for board membership and its committees, as well as attendance fees, will be paid on a quarterly basis, and will be disbursed in the month following each quarter, as follows:</p> <p>First quarter: 25% of the annual remuneration amount – to be paid in April.</p> <p>Second quarter: 25% of the annual remuneration amount – to be paid in July.</p> <p>Third quarter: 25% of the annual remuneration amount – to be paid in October.</p> <p>Fourth quarter: 25% of the annual remuneration amount – to be paid in January.</p> <p>Remuneration will be paid in Saudi Riyals via direct deposit into the bank account specified by the concerned party.</p>	<p style="text-align: center;"><b>Addition</b></p> <p>The addition was made to indicate the frequency of payment, which was not explicitly mentioned in the previous policy.</p>

Legends:

Addition

Amendment

Delete

# 12

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**Voting on the appointment of the External Auditors for the Company's from the nominees, and determine their fees based on the Audit Committee (AC) recommendation to the Board of Directors in this regards, to review and audit the Company's interim Financial Statements for the second, third quarter and annual financial statements of the fiscal year 2025, and the first quarter of the fiscal year 2026.**

## Internal Memo

مذكرة داخلية

Date 08/03/2025

التاريخ

To The Chairman and Members of the Board of Directors

إلى

From Chairman of Audit Committee

من

CC Audit Committee Members, CEO, CFO, E.D IA & Secretary of Board

نسخة إلى

Subject Recommendation to appoint external auditors for the Company's Financial Statements for Year 2025 and the First Quarter of Year 2026

الموضوع

Dear Board Chairman & Members,

Please be advised that the Audit Committee has requested the Internal Audit Division to seek offers from the licensed audit firms to audit and review the Company's consolidated financial statements for the year ending on December 31, 2025, in addition to reviewing the interim condensed and consolidated financial statements for the second and third quarters of the fiscal year 2025 as well as the first quarter of the year 2026, emphasis and focus was to invite the well-known firms having wide experience and competence.

Accordingly, the Internal Audit Division has initially considered ten auditing firms with insurance experience in the Saudi market.

One firm (BDO) was excluded due to regulatory requirements of reappointment pursuant to the Corporate Governance Regulations issued by the Capital Market Authority. Three firm (PWC, Deloitte and EY) are excluded because of potential conflict of interest as these firms are providing consulting services to Tawuniya. Remaining six auditing firms were considered and respective analysis was conducted. Two firms (RSM and MOORE) did not submit the proposal. Four firms (KPMG, PKF, CROWE & MAZARS) submitted their commercial and technical proposals for consideration.

Finally following two firms are considered for submitted proposals along with the quoted fees (exclusive of VAT) that are summarized below:

S.No	Firm Name	Quoted Fees (SAR)
1	KPMG	3,425,000
2	PKF - Al-Bassam and Partners	1,035,000

The Audit Committee has analyzed and studied received quotations, taking into consideration of application of International Financial Reporting Standards 9 and 17, as accordingly, it requires the presence of firms having wide experience in such standards. Including, availing the wide experience of previous companies dealing with Tawuniya, the Committee considered KPMG and Al-Bassam and Partners "PKF" for the following reasons:



**Reasons for choosing KPMG:**

Their wide experience in auditing corporate accounts, especially insurance companies, in addition to their previous experience in auditing Tawuniya Financial statements from 2010 to 2014 and from 2020 - 2024.

The firms keenness to offer their expertise and services as KPMG is also providing external audit services to some other insurance companies in the region and their readiness with a working team specialized in insurance business.

Their quoted fees is SAR 3,425,000 for the audit of financial year 2025 including reviewing the interim condensed and consolidated financial statements for the second and third quarters of the fiscal year 2025 as well as the first quarter of year 2026.

**Reasons for choosing Al-Bassam and Partners "PKF":**

Their wide experience in auditing corporate accounts, especially insurance companies alongwith having an experienced and qualified team. Furthermore, PKF has experience in auditing Tawuniya's Financial Statements for the year 2024.

Their quoted fees is SAR 1,035,000 for the audit of financial year 2025 including reviewing the interim condensed and consolidated financial statements for the second and third quarters of the fiscal year 2025 as well as the first quarter of year 2026.

The Committee considers the nomination of KPMG and PKF and accordingly the final fees for the audit of financial year 2025 including reviewing the interim condensed and consolidated financial statements for the second and third quarters of the fiscal year 2025 as well as the first quarter of year 2026 audit will be SAR 4,460,000.

In conclusion, the Audit Committee recommends to esteemed Board to approve the selected firms, and recommend to the General Assembly to appoint KPMG and PKF to audit the Company's consolidated financial statements for the year 2025 and for the first quarter of year 2026, taking into consideration business continuity and related experience in insurance sector.

**Chairman of Audit Committee**  
**Abdulaziz Mohammed AlSedeas**

