



**HAYAH**

# **2021 Corporate Governance Report**



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## Company introduction:

HAYAH Insurance Company is a public joint-stock company with a paid capital of 200 million dirhams and registered with the Central Bank of the UAE under registration number 83. The Company was established in August 2008 and is listed on Abu Dhabi Securities Market. It is subject to comply with regulations issued by Securities and Commodities Authority.

The Company's headquarter is located in the capital, Abu Dhabi and has a branch in the Emirate of Dubai.

The Company provides insurance and support solutions to individuals and institutions to help them manage unexpected risks by providing insurance products, where it provides a wide range of life and health insurance services.

## 1- Corporate Governance Report

HAYAH Insurance Company is committed to implement the provisions of Resolution No. 518 of 2009, which defines the rules for the application of governance by taking the following steps:

- Establishment of the Audit Committee.
- Establishment of Nomination and Remuneration Committee
- Establishment of the Internal Control Department.

The implementation of corporate governance principles is one of the main aims of HAYAH Insurance Company P.J.S.C (the Company).

The corporate governance system is based on the central role of the board of directors in providing strategic guidance to ensure transparency in operational decisions both within the company and in the market with an efficient internal control system and careful regulation of conflicts of interest and rules of engagement with affiliates.



## 2- A statement of ownership and transactions of the members of the Board of Directors and their spouses and their sons in the company securities during 2021

There are no transactions that have been made by the members of the Board, their spouses, and their children in the Company's securities during 2021 as shown below:

Name	Position / Kinship	Owned shares as on 31/12/2021	Total sale	Total purchase
H.H Sheikh Saeed Bin Hamdan Alnehayan	Chairman of the Board		None	
Mr. Mishal Hamad Kanoo	Vice Chairman of the Board		None	
Mr. Mohamed Abdullatif Kanoo	Board Member		None	
Mr. Omar Mohamed Al Katheeri	Board Member		None	
Dr. Tariq Abdulqader Bin Hendi	Board Member		None	
Mr. Bader Jeiroudi	Board Member		None	
Mr. Paul Adamson	Board Member		None	
Mrs. Laura Gerstein Alvarez	Board Member		None	
Mr. Mohamed Khalil Foulathi	Board Member		None	



### 3- Composition of the current Board of Directors 2021-2023

Name	Category	Year of Appointment	Their memberships and positions in any other joint-stock companies	Their positions in any other important supervisory, governmental or business entities
H.H Sheikh Saeed Bin Hamdan Alnehayan Chairman of the Board	Non-Executive Independent	Since 2008	None	<ul style="list-style-type: none"> <li>General Command of the Armed Forces Command of the United Arab Emirates Navy</li> </ul>
Mr. Mishal Hamad Kanoo Vice Chairman of the Board	Non-Executive Non-Independent	Since 2014	Gulf Capital	<ul style="list-style-type: none"> <li>Chairman of the Kanoo Group</li> </ul>
Mr. Mohamed Abdullatif Kanoo Board Member	Non-Executive Non-Independent	Since 2018	None	<ul style="list-style-type: none"> <li>Deputy Chairman of the Kanoo Group</li> </ul>
Mr. Omar Mohamed Al Katheeri Board Member	Non-Executive Independent	Since 2011	None	<ul style="list-style-type: none"> <li>Owner of Al Sundus Employment Services</li> </ul>
Dr. Tariq Abdulqader Bin Hendi Board Member	Non-Executive Independent	Since 2018	None	<ul style="list-style-type: none"> <li>Director General of Abu Dhabi Investment Office</li> <li>Member of Emirates Post Group Council</li> <li>Board member Nasdaq listed ENBD REIT</li> </ul>
Mr. Bader Jeiroudi Board Member	Non-Executive Independent	Since 2010	None	<ul style="list-style-type: none"> <li>Managing Director of Sultan International Holding LLC</li> </ul>
Mr. Paul Adamson Board Member	Non-Executive Non-Independent	Since 2015	None	<ul style="list-style-type: none"> <li>Former Chief Executive Officer of AXA Gulf</li> </ul>
Mrs. Laura Gerstein Alvarez Board Member	Non-Executive Non-Independent	Since 2018	None	<ul style="list-style-type: none"> <li>Chief Healthcare Officer at AXA Gulf</li> </ul>
Mr. Mohamed Khalil Foulathi*	Non-Executive Independent	Since 2021	None	<ul style="list-style-type: none"> <li>Businessman</li> </ul>

\* Mr. Mohamed Khalil Foulathi has been appointed on 5 April 2021



## **Brief about the Board Members, their experiences, and qualifications:**

### **H.H. Sheikh Saeed Bin Hamdan Al Nehayan Chairman of the Board**

H.H. Sheikh Saeed Bin Hamdan Al Nehyan graduated from the Britannia Royal Naval College, Dartmouth in the United Kingdom. He completed his advanced training at the United States Naval Training Command in San Diego, California. He then completed the Staff Course and most recently the Command Course at the United States Naval War College in Newport, Rhode Island. He is presently a Commander of the UAE Navy.

### **Mr. Mishal Hamad Kanoo Vice Chairman of the Board**

Mishal Kanoo started his professional experience with Arthur Anderson in Dubai as an auditor before taking up his current position in 1997. He is Chairman of the Kanoo Group, one of the largest independent, family owned, group of companies in the Gulf region. He is a columnist in the weekly Gulf Business Magazin for Arabian Business, He is a visiting lecturer at the American University of Sharjah. Mishal Kanoo completed his early education in Dubai Modern International School, and holds both a BA in Economics & Business Administration and an MBA in finance from the University of St Thomas in Texas. He also has an EMBA from the American University of Sharjah.

### **Mr. Mohamed Abdul Latif Kanoo Member of the Board**

Mohamed Abdul Latif Kanoo studied Economics and Political Science at the University of Texas at Austin and Monetary Economics at the American University in Washington D.C. He is based in Abu Dhabi, where he oversees the business operations and the interests of the Kanoo family. In 2016, he took over the role as Deputy Chairman of the Kanoo Group. He holds senior executive positions and directorships in several GCC companies and is also the Chairman of Abdul Rahman Kanoo Co. WLL, a Charity Fund in Bahrain.

### **Mr. Omar Mohamed Al Katheeri Member of the Board**

Mr. Omar Al Katheeri has over 30 years' experience in wide ranging sectors such as Oil and Gas, Banking, and Government. He was fortunate in getting involved in some of the Abu Dhabi's most significant start-ups such as Abu Dhabi Islamic Bank, Dolphin Energy, and the Department of Civil Service. Currently he owns and manages Al Sundus Employment Services. Mr. Omar holds a Master's of Business Administration from University of Oxford, United Kingdom.



**Dr. Tariq Abdulqader Bin Hendi**  
**Member of the Board**

Tariq Bin Hendi is the Director General of the Abu Dhabi Investment Office. Prior to this, he was at Emirates NBD Group as Executive Vice President and Head of Wealth Products & Advisory, acting Chief Investment Officer, and Chairman of Nasdaq Dubai listed ENBD REIT. He has over 18 years of experience, with a primary focus on asset management, private equity and investment banking. In the past, Mr. Tariq held various roles at Commercial Bank of Dubai, Mubadala, Citigroup, Dubai Holding, Delta Airlines and UPS. He holds a PhD in Labor Economics from Imperial College London (UK) as well as degrees from Columbia University (USA), London Business School (UK), and Clayton State (USA).

**Mr. Bader Jeiroudi**  
**Member of the Board**

Mr. Bader Jeiroudi graduated from Long Beach State University, California with a Bachelor of Science in Finance & Financial Management. He attained his Brokerage license in 1988 and has since held a number of senior positions in the US and UAE. Mr. Jeiroudi is currently the Managing Director of Sultan International Holding LLC, during which time he has incorporated and managed several other companies. In addition, he is on the Board of Directors for a number of other UAE and international companies.

**Mr. Paul Adamson**  
**Member of the Board**

In November 2019, Paul Adamson was appointed as the Chief Executive Officer of AXA Gulf. In addition to this responsibility, he is also the Managing Director of AXA Cooperative in Saudi Arabia. As a chartered insurer with over 30 years of experience in the insurance industry, he has spent the last 20 years working in the Middle East Region. In 2010, Mr. Adamson led the IPO and floatation of AXA on the Saudi Stock Exchange, and since joining AXA in 2005 has held various senior positions throughout the region.

**Mrs. Laura Gerstein Alvarez**  
**Member of the Board**

Mrs. Laura Gerstein is the Chief Healthcare Officer for AXA Gulf Insurance healthcare operations and is responsible to develop the AXA Gulf's market share in the Gulf region's health insurance sector for personal and corporate clients. Prior to that, she held the position of Head of Operations for Middle East and Africa at MetLife. With over 20 years of experience, Mrs. Laura began her career in 1993 as a Senior Actuarial Analyst and was instrumental in a number of strategic transformations. Mrs. Laura holds a Master's degree in Business Administration, where she majored in Finance and General Management and also has a Bachelor of Science in Actuarial Science from ITAM University (Mexico City).



**Mr. Mohamed Khalil Foulathi**  
**Member of the Board**

Mr. Mohamed Khalil Foulathi is an Emirati businessman with a Bachelor's degree in Applied Sciences specializing in Business Administration (Real Estate) and a Higher Diploma certificate in Business and Management – Financial Services from the Higher Colleges of Technology in the United Arab Emirates in addition to being an Accredited Financial Analyst (CFA), and previously worked at both the Abu Dhabi Investment Council and the Abu Dhabi Pension Fund.

- **Female representation on the Board of Directors in 2021 is 11%.**
- **The Total Remuneration paid to the members of Board Directors' in 2021:**  
 In accordance with the provision of article (59) of AXA Green Crescent's Articles of Association, remuneration of the members of the Board of Directors shall be a percentage of the net profit, and the Company may pay additional expenses, fees or remuneration or monthly salary as prescribed by the Board of Directors to any member, if such member had worked in any committee or made special efforts.

An amount shall be provided for distribution among the shareholders as the first share of the profits determined by the ordinary general assembly upon a proposal of the General Assembly, provided that such amount shall not be more than (5%) five percent of the value of the paid-up share value. However, if the net profits do not permit distribution of such share, such amount shall not be claimed from the profits of the following years.

A percent, not more than (10%) ten percent shall be provided from the balance for remuneration of members of the board of directors and the general assembly shall determine value thereof each year.

Based on that, the Company did not distribute any bonuses to the members of the Board of Directors for 2020, and there will be no bonuses distributed to the members of the Board of Directors for 2021.





- The following are the details of the attendance allowances of the Board of Directors and the Committees emanating from the Board of Directors for the financial year 2021

Name	Committee name	Allowance Value (AED)	Numbers of meetings
Mr. Mishal Hamad Kanoo	Insiders' Trading Follow-Up and Supervision Committee	3,000	1
Mr. Omar Mohamed Al Katheeri	• Audit Committee • Nomination and Remuneration Committee	18,000	6
Dr. Tariq Abdulqader Bin Hendi	Audit Committee	12,000	4
Mr. Bader Jeiroudi	• Investment Committee • Nomination and Remuneration Committee	21,000	7
Mr. James Burke	Investment Committee	9,000	3
Mr. Mohamed Khalil Foulathi	Investment Committee	6,000	2
Mr. Paul Adamson	• Investment Committee • Nomination and Remuneration Committee	15,000	5
Mrs. Nicola Bell	Investment Committee	9,000	3

- The following are the details of the allowances, salaries, or additional fees that a member of the Board of Directors charged other than the attendance allowances of the committees and their reasons:
  - No additional allowances, salaries, or fees were disbursed to any member of the Board of Directors, other than the attendance fees of the committees.



## Board Meetings

During 2021, the Board of Directors held five meetings at the Company's headquarters in Abu Dhabi and one via circulation in which the financial statements for the six months' period ended, August 4<sup>th</sup> 2021 were approved.

The following are the dates of the Board meetings and the number of personal attendance times for all Board members:

Meeting Number	Date
2021/01	07 March 2021
2021/02	05 May 2021
2021/03	04-Aug 2021 (Via circulation)
2021/04	09 November 2021
2021/05	12 December 2021

Name	Meeting 2021/01	Meeting 2021/02	Meeting 2021/03	Meeting 2021/04	Meeting 2021/05	Number of personal attendances	Number of attendees by proxy
H.H. Sheikh Saeed Bin Hamdan Al Nahyan	N	N		N	N	0	
Mr. Mishal Kanoo	Y	N		Y	Y	3	
Mr. Omar Al Katheeri	Y	Y		Y	Y	4	
Mr. Mohamed Kanoo	Y	Y		Y	Y	4	
Dr. Tariq Abdulqader Bin Hendi	Y	Y		Y	Y	4	
Mr. Bader Jeiroudi	Y	Y	By Circulation	Y	Y	4	None
Mr. Paul Adamson	Y	Y		N	N	2	
Mr. Franck Heimburger	Y	Was not a member on this date		Was not a member on this date		1	
Ms. Laura Gerstein Alvarez	Y	Y		N	N	2	
Mr. Mohamed Khalil Foulathi	Was not a member on this date	Y		Y	Y	3	

Y – Attend N – Did not attend

- Members of the Board of Directors who did not attend the aforementioned meetings provided acceptable excuses to the Board in accordance with the established procedures.



## ■ Executive Management, Tasks and Functions

The shareholders of AXA Green Crescent delegated their authority to the Board of Directors in accordance with the Company's Articles of Association and its founding contract. In turn the Board of Directors delegated some of their authority to the Executive Committee, Audit Committee, Nomination, Remuneration & Compensation Committee, Investment Committee and to the Chief Executive Officer.

According to that, the Board delegated the Chief Executive Officer Mr. Mohamed Seghir the authority and power to manage the day-to-day business affairs of the Company in accordance with the specific delegations and restrictions set by the Board from time to time, for one year from 08 March 2021.

The powers granted are as follows:

- a) Represent the Company and act on its behalf before all federal and local governmental authorities regarding its business and affairs, including to sign on behalf of the Company before Ministry of Labour & Social Affairs, General Directorate of Residency & Foreigners Affairs, Departments of Traffics and any other governmental departments.
- b) Appoint and recruit employees and labours, specify and change their duties and their service conditions, dismiss them from work and specify their salaries, wages, dues and remunerations.
- c) Lease any necessary buildings or villas or flats or offices for the Company business as he has to fulfil this purpose to conclude contracts, perform generally all necessary actions and things to confirm the Company right to lease and/or rent such buildings or villas or flats or offices.
- d) Lease, rent and buy required materials, equipment, goods, for the Company work that comply with its purpose.
- e) Represent the Company before courts, all type and degrees of arbitration panels, and before all governmental and administrative authorities. Appoint legal consultants and advocates in order to work on behalf of the Company.
- f) To deal with banks and other financial institutions on behalf of the Company, including opening and operating any banks accounts required for the Company and any of its subsidiaries but excluding the creation of any encumbrances over the assets of the Company or the borrowing of any money other than with the prior approval of the Board.
- g) To execute any financial investment approved by the Board of the Directors.
- h) To delegate these powers or any of them to such of the Company's employees as the Chief Executive Officer sees fit.
- i) Generally, to do all work, thing and matters either regarding the legal matters or others that considered necessary and appropriate for management, supervision and instruction works of the Company and its business.
- j) To sign all contracts and agreements whatever kind entered into on behalf of the Company as well as to sign all papers and documents related to the Company, contracts of employment and the power to provide premium quotations for insurance contracts with Company, to sign and issue insurance policies, to receive, negotiate and settle claims, to take all necessary steps to ensure the proper and efficient running of the company's offices.

The Company's 'Delegation of Authorities' is intended to be an integral part of the Company's system of internal controls and therefore its implementation is monitored by the internal and statutory auditors, as part of their audit procedures. at appropriate levels and decisions that have financial implications or impacting the interests of the Company.



## ■ Transactions with Related Parties

Related parties are associates, major shareholders, directors and key management personnel of the Company and the companies in which they are key owners. Pricing policies and terms of these transactions are approved by the Company's management.

The following table shows transactions with related parties during 2021:

Transactions with related parties	Transaction Value (AED'000)
<b>Reinsurance contracts with AXA Lebanon</b>	
Ceded premiums on life business	-
<b>Reinsurance contracts with AXA Maxis</b>	
Ceded premiums on life business	6,650
Recovered claims on life business	(3,100)
<b>Expenses charged to the Company by AXA Gulf</b>	
Secondment costs	789
Communication and travelling expenses	163
Other costs	307
<b>Expenses charged to the Company by A.S.C FZ LLC</b>	
Software maintenance costs	187
Other costs	41
<b>Assumed business with AXA Gulf</b>	
Assumed premiums	10,353
Claims paid	(3,472)
<b>Others</b>	
Secondment costs charged to AXA EB Partners by AXA GCIC	-
Expenses charged by AXA EB Partners to the Company	32
Employees' end of service benefits transferred to the Company by AXA Gulf	116
Employees' end of service benefits transferred by the Company to AXA Gulf	-
<b>Compensation of key management personnel</b>	
The remuneration of key management personnel during the period is as follows:	
Short term benefits	1,467
Employees' end of service benefits	43



- The Company did not perform any transactions equal to 5% or more of the capital with the related parties or others during in 2021
- **Organizational Structure:**

Defining tasks of the role of the Chairman of the Board of Directors and Chief Executive Officer helps to ensure their independence, as well as ensures regular communication between them. The role of the Chairman and Chief Executive Officer is complementary to each other.

The Board delegated some of its powers to the Chief Executive Officer and members of the Management Team, which is governed by the delegation of authority. This has been periodically reviewed to take business requirements into account.

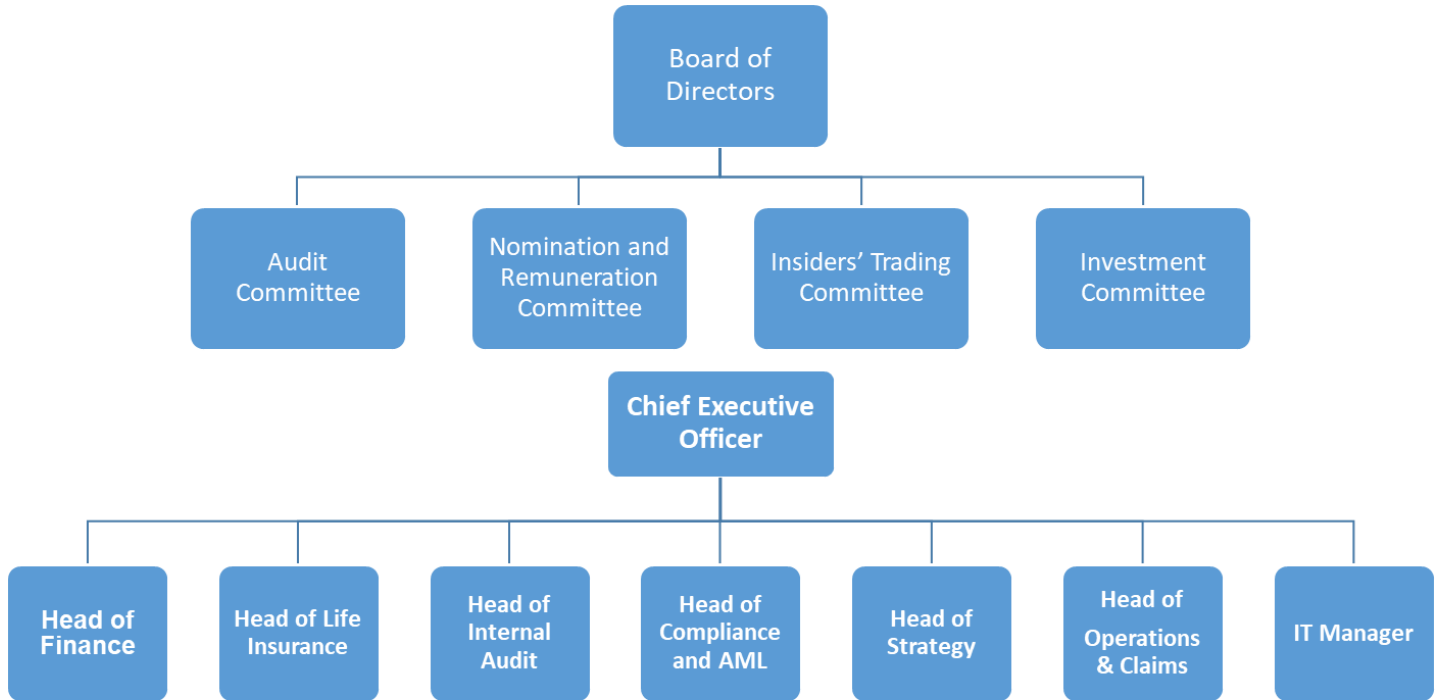
Following are the names of the executive staff, their jobs, and appointment dates with indicating the total salaries and bonuses paid to them:

Name	Date of Appointment	Total salaries and allowances paid in 2021 (AED)	Total bonuses paid for 2021 (AED)	Any other cash / in-kind bonuses for 2021 or due in the future	Date of Appointment
Chief Executive Officer	15-Apr-18	1,228,101	296,909	None	15-Apr-18
Head of Finance	10-Mar-16	390,797	47,660	None	10-Mar-16
Head of Life Insurance	01-Apr-16	757,926	146,267	None	01-Apr-16
Head of Internal Audit Manager	28-May-17	328,889	45,995	None	28-May-17
Head of Compliance and Anti Money Laundering	01-Aug-17	504,000	95,842	None	01-Aug-17
Head of Strategy	13-Oct-19	373,704	62,160	None	13-Oct-19
Head of Operations & Claims	01-Apr-16	362,577	64,786	None	01-Apr-16
IT Manager	01-Jul-17	238,315	33,052	None	01-Jul-17

- Total salaries and allowances for executive officers during the year 2021 is AED 4,184,309.
- The company has not adopted financial rewards that were approved during FY 2021 and there are no other cash / in-kind rewards for the year 2020 or due in the future.



- A statement of company Organizational Structure





#### 4- External Auditor

The External Auditor is appointed to perform quarterly reviews and annual statutory audit of the Company's financial aspects. The auditor is paid on a fixed annual fee basis. The shareholders approve the auditor's fee which is recommended by the Board of Directors at the Meeting of the General Assembly. Should there be additional work required that is not within the scope of the annual review, it will be reviewed and approved by the Audit Committee on a case to case basis. The terms of the Audit Committee include the scope of the External Auditor's work.

In the year 2018, KPMG Lower Gulf Limited has been appointed as an External Auditor of the company, which is one of the leading professional firm in the region and was established in 1973, providing business consultancy, auditing and tax services. KPMG Lower Gulf Limited now consists of more than 950 professional employees, including more than 42 partners and managers.

#### ■ Statement of the fees and costs of the External Auditor

Name of Auditing Firm	KPMG Lower Gulf Limited
Number of years served as an external auditor for AXA GCIC	Four Years
The name of the Audit Partner	Mr. Adil Abid
Number of years served as a partner auditor for AXA GCIC	Four Years
Total audit fees for 2021 in (AED)	412,650.00 , including VAT
Fees and costs for special services other than audit of the financial statements for the year 2021 (AED)	8,400 including VAT
Details and nature of other services provided	Unclaimed Dividend AUP
A statement of the other services performed by an external auditor other than the auditor of the company to provide them during the year 2021.	None

- There are no reservations that have been included in the Company's financial statements by the External Auditor for 2021.



## 5- Audit Committee

The Board of Directors has formed the Audit Committee from the members of the Board of Directors, which aims to support the Board of Directors in carrying out its responsibilities through the oversight of financial reporting process and the integrity of the publicly reported results, adequacy and effectiveness of internal control and risk management systems and supervision of effectiveness, performance, and independence of the internal and external auditors.

The Committee consists of three members, namely, H.E Dr.Tariq Abdulkader Bin Hendi as the Chairman, Mr. Omar Al Katheeri and Mr. Paul Adamson, being the members, have sufficient knowledge, educational qualification and experience in finance, investment, accounting and human resource management.

### The key responsibilities of the Committee are:

- The responsibility for the selection, appointing, remuneration, oversight and termination where appropriate of the external auditor, subject to ratification by the Board and shareholders. The external auditor shall report directly to the Committee.
- Make a determination at least once each year of the external auditor's independence, including;
  - Determining whether its performance of any non-audit services compromised its independence.
  - Obtaining from the external auditor a written report listing any relationships between the external auditor and the Company or with any other person or entity that may compromise the auditor's independence.
- Review and discuss with the external auditor the scope and results of its audit, any difficulties the auditor encountered including any restrictions on its access to requested information and any disagreements or difficulties encountered with management.
- Review and discuss with management and the external auditor each annual and each quarterly financial statements of the Company including judgments made in connection with the financial statements.
- Review and discuss and make recommendations regarding the selection, appointment and termination where appropriate of the Head of Internal Audit and the budget allocated to the internal audit and compliance function and monitor the responsiveness of management to the committee's recommendations and findings.
- Review and discuss the adequacy of the Company's internal auditing personnel and procedures and its internal controls and compliance procedures, any risk management systems, and any changes in those.
- Oversee the Company's risk management procedures.
- Oversee the Company's compliance with legal and regulatory requirements.
- Develop and recommend to the Board corporate governance guidelines and review those guidelines at least once a year.
- Review and discuss possible improprieties in financial reporting or other matters and ensure that arrangements are in place for independent investigation and follow-up regarding such matters.





The Audit Committee is required to meet at least four times every year. During the year, the Audit Committee has held four meetings and the members of the Committee were reappointed in April 2021 for a term of three years coinciding with the term of the Board.

The following are the dates of the Audit Committee meetings and the statement of personal attendance for all members

Meeting Number	Date
2021/01	01 March 2021
2021/02	03 May 2021
2021/03	02 August 2021
2021/04	04 November 2021

Name	Meeting 2021/01	Meeting 2021/02	Meeting 2021/03	Meeting 2021/04	Number of personal attendances
Dr. Tariq Bin Hendi	Y	Y	Y	Y	4
Mr. Omar Al Katheeri	N	Y	Y	Y	3
Mr. Paul Adamson	Y	Y	Y	N	3

Y – Attend N – Did not attend

#### Declaration of the Audit Committee Chairman:

I Mr. Tariq Abdulqader Bin Hendi in the capacity as Audit Committee's Chairman, acknowledge the responsibilities of the Committee, review its work mechanisms and ensure the application of the provisions of Article No. (60) and Article No. (61) of the Authority's Board Chairman's Resolution No. (3 / R.M) of 2020, regarding the Standards of Institutional Discipline and Governance of Public Shareholding Companies. I verify the commitment of the Company and its employees to the provisions of applicable laws, regulations, and decisions that regulate its work, policies and internal procedures.



## 6- Nomination and Remuneration Committee

The Board of Directors has formed the Nomination and Remuneration Committee which aims to support the Board of Directors in performing its oversight responsibilities in the nomination and independence of the Board members and the integrity of the Company strategy related to the rewards, benefits, incentives, and salaries.

The Committee consists of three members, Mr. Omar Al Katheeri as a Chairman, Mr. Bader Jeiroudi and Mr. Paul Adamson r, being the members.

### The key responsibilities of the Committee are:

- Whenever a vacancy arises (including a vacancy resulting from an increase in Board size), the Committee recommend to the Board a person to fill the vacancy either through appointment by the Board or through shareholder election.
- In performing the above responsibilities, the Committee consider any criteria approved by the Board and such other factors as it deems appropriate. These may include judgment, specific skills, experience with other comparable businesses, the relation of a candidate's experience with that of other Board members, and other factors.
- The Committee also consider all candidates for Board membership recommended by the shareholders and any candidates proposed by management.
- The Committee identify suitable personnel qualified to fill the vacancies on any committee of the Board and recommends his/her appointment in the Board or any of its committees, to the Board.
- Assuring that plans are in place for orderly succession of senior management.
- Make recommendations to the Board from in the structure and job descriptions of the officers including the CEO, and prepare terms of reference for each vacancy stating the job responsibilities, qualifications needed and other relevant matters.
- Recommend persons to fill specific officer vacancies including CEO considering criteria such as those referred to above.
- Design a plan for succession and replacement of officers including replacement in the event of an emergency or other unforeseeable vacancy.
- Consider, and make specific recommendations to the Board on, both remuneration policy and individual remuneration packages for the CEO and other senior officers.



The following are the dates of the Nomination and Remuneration Committee meetings and the statement of personal attendance for all members:

Meeting Number	Date
2021/01	04 March 2021
2021/02	19 May 2021
2021/03	12 December 2021

Name	Meeting 2021/01	Meeting 2021/02	Meeting 2021/03	Number of personal attendances
Mr. Omar Mohamed Al Katheeri	✓	✓	✓	3
Mr. Bader Jeiroudi	✓	✓	✓	3
Mr. Paul Adamson	✓	✓	✓	2

Y – Attend N – Did not attend

### Declaration of the Nomination and Remuneration Committee Chairman

I Mr. Omar Mohamed Al Katheeri in the capacity as Nomination and Remuneration Committee's Chairman, acknowledge the responsibilities of the Committee, review its work mechanisms and ensure the application of the provisions of Articles No. (9), (10), (22) and (59) of the Authority's Board Chairman's Resolution No. (3 / R.M) of 2020, regarding the Standards of Institutional Discipline and Governance of Public Shareholding Companies. I verify the commitment of the Company and its employees to the provisions of applicable laws, regulations, and decisions that regulate its work, policies and internal procedures.



## 7- Insiders' Trading Follow-Up and Supervision Committee

HAYAH Insurance Company is fully aware of the governance requirements of Public Shareholding Companies and is working hard to comply with these rules and regulations. The Company is committed to forming a specialized committee on the dealings of Insiders from the Board of Directors, Executive Management and Employees of the Company.

In line with the Securities and Commodities Authority regulations and the implementation of corporate governance practices, the Board of Directors in December 2018 restructured the Insiders' Trading Follow-Up and Supervision Committee headed by Mr. Mishal Kanoo and Mr. Mohamed Seghir and Ms. Hana Alnuaimi, being the members.

### The key responsibilities of the Committee are:

- Follow-up, and supervision of insiders' trading and their holdings, maintain the registers and submit periodic statements and reports to the Market.
- Prepare a special and comprehensive register for all insiders, including persons who could be considered as insiders on a temporary basis and who are entitled to or have access to inside information of the Company prior to publication. The record shall also include prior and subsequent disclosures of the insiders.
- Informing the concerned persons on their status as soon as he considered an insiders and require them to sign the formal declarations which prepared for that purpose.
- Informing the Insiders about the insiders trading prohibition period determined by the regulator.

### Summary of the Committee's work during 2021:

- The Committee has updated the lists of insiders at the stock market to include the Board of Directors members and the Company's senior employees of first and second grade, as well as.
- Share all announcements related to the blackout period for company insiders with the relevant stakeholders.



The following are the dates of the Nomination and Remuneration Committee meetings and the statement of personal attendance for all members:

Meeting Number	Date
2021/01	30 September 2021

Name	Meeting 2021/01	Number of personal attendances
Mr. Mishal Kanoo	Y	1
Mr. Mohamed Seghir	Y	1
Ms. Hana Alnuaimi	Y	1

Y – Attend N – Did not attend

#### Declaration of the Insiders' Trading Follow-Up and Supervision Committee Chairman

I Mr. Mishal Hamad Kanoo in the capacity as Nomination and Remuneration Committee's Chairman, acknowledge the responsibilities of the Committee, review its work mechanisms and ensure the application of the provisions of Article No. (33) of the Authority's Board Chairman's Resolution No. (3 / R.M) of 2020, regarding the Standards of Institutional Discipline and Governance of Public Shareholding Companies. I verify the commitment of the Company and its employees to the provisions of applicable laws, regulations, and decisions that regulate its work, policies and internal procedures.



## 8- Investment Committee

The Board of Directors has formed the Investment Committee, which aims to support the Board in carrying out its responsibility by reviewing and adopting the investment policy and checking its compatibility with the investment strategy of the company and verifying its suitability with the current market conditions.

The committee consists of three members, Mr. Bader Jeiroudi as a Chairman, Mrs. Nicola Bell, Mr. Mohamed Khalil Foulathi, Mr. James Burke being the members.

### The key responsibilities of the Committee are:

- To review and approve, in consultation with senior management, a written investment policy including risk limits and delegated authorities.
- To submit the Policy for approval to the Board and to recommend any changes for approval to the Board of Directors.
- To review all risk limits and exposures in the investment activities on a regular basis in order to verify their suitability for current market conditions and the Company's overall risk tolerance.
- To review the implementation of the Policy on a quarterly basis. These activities include, but are not limited to:
  - a) Reviewing the performance of each asset class.
  - b) Monitoring the overall risks of the policy.
  - c) Submitting a performance review report to the Board of Directors.
- To review the Policy at least once a year in the light of new developments in Local Regulations, changes in business profile of the Company, its overall risk tolerance and long-term risk-return requirements, the Company's solvency position, as well as the evolutions of market conditions and to make recommendations to the Board for any appropriate updates of the Policy.
- To ensure that a periodic review of the adequacy of the resources, procedures and systems dedicated by the Company to the management of investments is carried out by the Company's senior management and to report to the Board on any identified vulnerability or dependency.
- To review and approve the Company's strategic asset allocation (SAA) suggested by the Asset and Liability management (ALM) study, on a quarterly basis conducted within the Company's guidelines.
- To review and approve Investment budgets and forecasts twice a year before submitting to the Board for approval.
- To review and approve counterparty limits in accordance with Company's guidelines and local regulations.



The following are the dates of the Investment Committee meetings and the statement of personal attendance for all members

Meeting Number	Date
2021/01	21 February 2021
2021/02	21 June 2021
2021/03	28 September 2021
2021/04	08 December 2021

Name	Meeting 2021/01	Meeting 2021/02	Meeting 2021/03	Meeting 2021/04	Number of personal attendances
Mr. Bader Jeiroudi	Y	Y	Y	Y	4
Mrs. Nicola Bell	Y	Y	Y	N	3
Mr. James Burke	N	Y	Y	Y	3
Mr. Mohamed Khalil Foulathi	Was not a member on this date	Y	N	Y	2

Y – Attend N – Did not attend

### Declaration of the Investment Committee Chairman

I Mr. Bader Jeiroudi in the capacity as Investment Committee's Chairman, acknowledge the responsibilities of the Committee, review its work mechanisms and ensure the application of the Authority's Board Chairman's Resolution No. (3 / R.M) of 2020, regarding the Standards of Institutional Discipline and Governance of Public Shareholding Companies. I verify the commitment of the Company and its employees to the provisions of applicable laws, regulations, and decisions that regulate its work, policies and internal procedures

### 9- Internal control

The objective of the internal control system is to assist the Board and the Executive Management in protecting the assets, reputation and sustainability of the Company by providing independent and objective assurance activities designed to add value and improve the Company's operations.

Also, it helps the Company meet its objectives by bringing a systematic, disciplined approach to challenge Executive Management and evaluate the effectiveness of risk management, control and governance processes.



The Internal Control Department deals with the potential problems faced by the Company through the following:

- The Internal Audit Manager has a direct line with the Audit Committee Chairman, he putting in place an annual audit plan for the internal control based on the assessment of internal risks and adequacy of controls and its performance is officially monitored and a report is submitted to the Audit Committee.
- During 2021, The Internal Control Department issued one report and the Company did not face any major problems.
- The Board of Directors acknowledges their responsibility for the Company's internal control system, its functioning and ascertaining its effectiveness by establishing the assessment of risk management procedures and applying the rules of governance therein properly, and verifying the commitment of the Company and its employees with laws, regulations, and decisions in force that regulate its work, internal policies and procedures, and review of financial statements that are presented by the Company's senior management and used in preparing the financial statements.

**Mr. Usama Zulfiqar**

**Position: Head of Internal Audit**

**Nationality: Pakistani**

Mr. Usama Zulfiqar holds more than 14 years of professional experience, which includes 8 years of dedicated internal audit experience in insurance sector within the Gulf region. He started his career with AXA Green Crescent Insurance Company "AXA GCIC" in 2017.

Before joining AXA GCIC, he was leading the internal audit department of one of the largest assurance firm in Bahrain. Majority of his experience includes performing internal audits of conventional and takaful insurance companies, reinsurance, brokers and third-party administrators.

Mr. Usama Zulfiqar is a Chartered Certified Accountant (FCCA), a Certified Internal Auditor (CIA) and a Certified Information System Auditor (CISA)





## ■ Compliance

The Company is firmly committed to compliance with regulations and fight against money laundering. The primary duty of the Money Laundering Reporting Officer is to implement the guidelines, as well as to prevent, detect and put a stop to any money laundering that comes to their attention, conduct further investigations and report to the regulators where necessary.

The Company has implemented a compliance monitoring tool and has in place a reporting process to Internal Audit to be submitted to the Audit Committee and senior management, detailing the status of compliance and providing information of regulatory changes.

Mrs. Hana Al-Nuaimi, an Emirati national, appointed in 2017 as the Compliance and Anti-Money Laundering Manager holds a BA in International Business Administration from the Skyline University College in Sharjah. She has more than ten years of experience in the banking sector and held various positions at HSBC, Abu Dhabi Commercial Bank, and First Abu Dhabi Bank.



## 10- Regulatory Fines and Penalties

### Violation of the Health Insurance Law in the Emirate of Dubai, as shown below:

Details of the violation	The provisions of the Health Insurance Law and its regulations	The type of penalty prescribed for the violation
Failure by an Insurance Company, a Claim Management Company, an Insurance Broker, or a Health Service Provider, to comply with the rules, conditions, and procedures approved under the Law, or under the instructions, bylaws, and resolutions issued by the DHA.	Health Insurance Law No. 11 of 2013 in the Emirate of Dubai	Violation No. (56) of Schedule No. (2) attached to Executive Council Resolution No. (7) of 2016 approving fees and fines for health insurance in the Emirate of Dubai, amounting to ten thousand dirhams.
Failure by an Insurance Company, a Claim Management Company, or a Health Service Provider, to notify the DHA of any change in, or amendment to, the information and documents based on which its Authorization has been issued, within seven (7) working days from the date of such change or amendment.	Health Insurance Law No. 11 of 2013 in the Emirate of Dubai	Violation No. (38) of Schedule No. (2) attached to Executive Council Resolution No. (7) of 2016 approving fees and fines for health insurance in the Emirate of Dubai, amounting to Tenety thousand dirhams.
Total value of the fines: Thirty Thousand Dirhams (30,000 AED)		

### Federal Law No. 7 of 2017 Tax Procedures Law:

Details of the violation	The provisions of the Health Insurance Law and its regulations
Oversight to disclose the output VAT of some of the medical insurance policies sold in 2017 and those policies spanning into 2018.	Federal Law No. 7 of 2017 Tax Procedures Law
Total value of the fines: Two hundred ninety-three thousand one hundred thirty-four (293,134.00 AED)	



## 11- The company's cash and in-kind contributions during 2021 in community development and environmental conservation.

The company did not make any contributions.

## 12- General Information

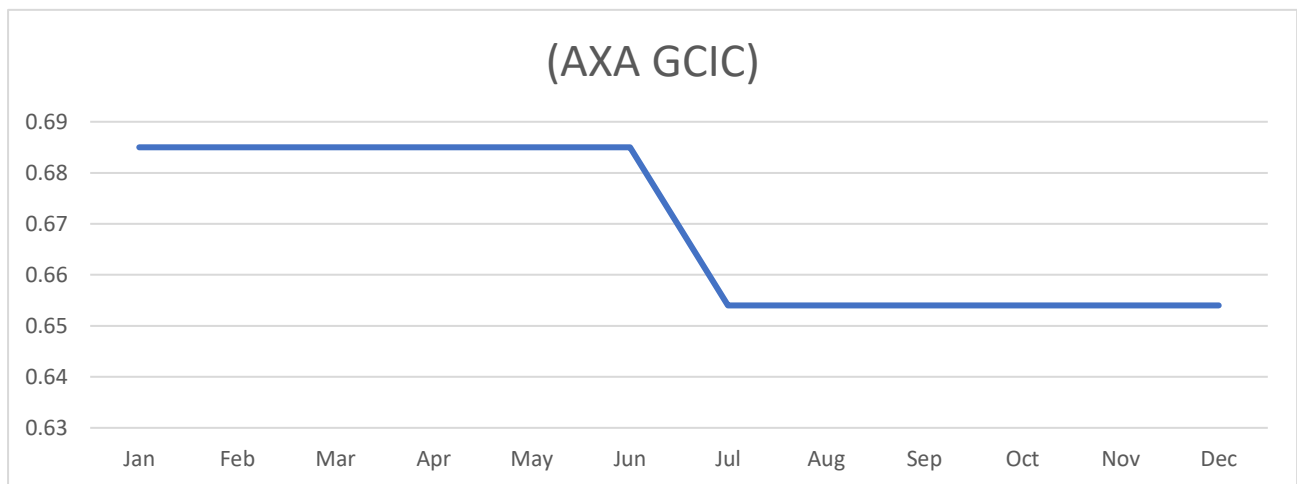
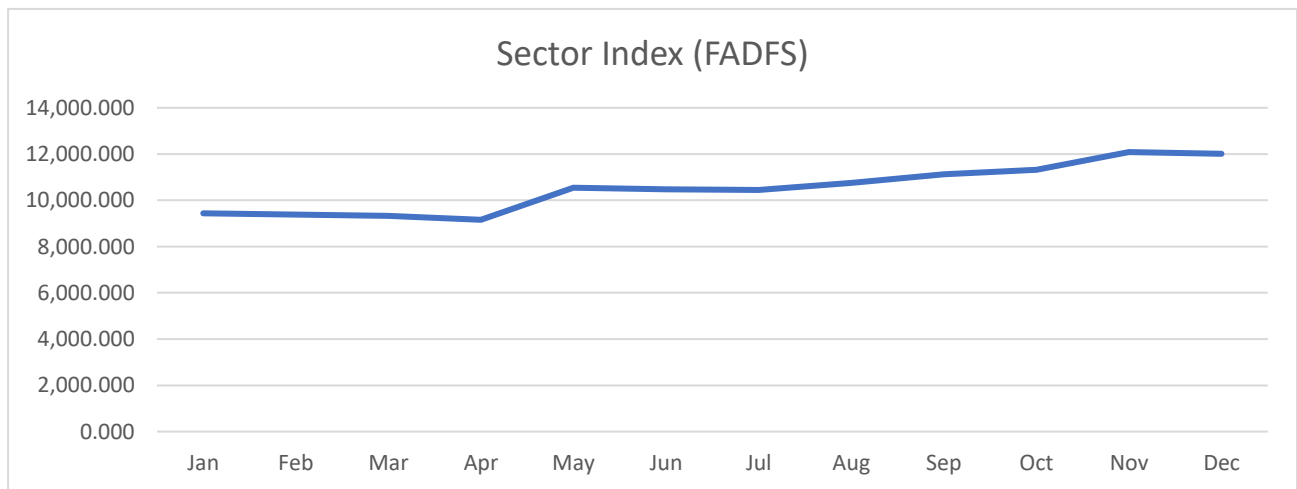
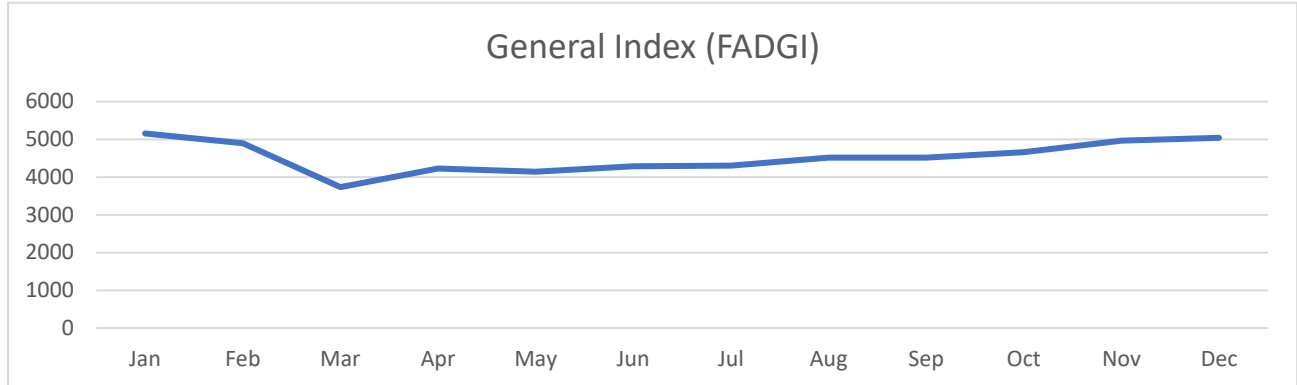
- A statement of the Company share price in the Market (closing price, highest price, lowest price) at the end of each month during the year 2021.

Month	Closing Price (AED)	Highest Price (AED)	Lowest Price (AED)
January	0.685	0.685	0.680
February	0.685	0.685	0.680
March	0.685	0.685	0.680
April	0.685	0.685	0.680
May	0.685	0.685	0.680
June	0.685	0.685	0.680
July	0.654	0.654	0.654
August	0.654	0.654	0.654
September	0.654	0.654	0.654
October	0.654	0.654	0.654
November	0.654	0.654	0.654
December	0.654	0.654	0.541

\*Source: Abu Dhabi Securities Exchange



- A statement of the comparative performance of the company's shares with the general market index and the sector index to which the Company belongs during 2021



\*Source: Abu Dhabi Securities Exchange



Shareholders distribution according to ownership as of 31 December 2021

Shareholder Category	Shareholders	Shares	Percentage %	
United Arab Emirates	Individuals	3527	69,775,749.00	34.89%
	Companies	37	66,814,294.00	33.41%
	Governments		None	
GCC Countries	Individuals	1	10,000.00	%0.01
	Companies	5	56,207,026.00	%28.10
	Governments		None	
Arab Countries	Individuals	23	964,893.00	0.48%
	Companies		None	
	Governments		None	
Foreign	Individuals	14	169,957.00	0.08%
	Companies	2	6,058,081.00	3.03%
	Governments		None	



- Shareholders holding 5% or more of the Company's capital as 31 December 2021 as follows:

Shareholder	Number of Shares	Percentage of shares owned by the company's capital
Kanoo Group	56,100,000	28.05%
Gulf Insurance Group	56,100,000	28.05%
Mr. Jassim Mohammed Rafi Muhammad Sharif Al-Siddiqi Al-Ansari	19,935,658	9.97%

- Shareholder's distribution by the size of equity as of 31 December 2021

Share(s) Owned	Number of Shares	Number of shares owned	Percentage of shares owned by the capital
Less than 50,000	3534	2,220,703.00	1.11%
From 50,000 to less than 500,000	43	7,913,518.00	3.96%
From 500,000 to less than 5,000,000	28	51,730,121.00	25.87%
More than 5,000,000	4	138,135,658.00	%69.07



■ **A statement of the procedures taken with respect to the controls of investors' relations:**

In compliance with the provisions of Article (51) of the Board of Directors of the Insurance Authority Decision No. (3) R.M for the year 2020 on the standards of institutional discipline and corporate governance of public shareholding companies in relation to investor relations controls, the Company has established an investor relations section on the Company's website, the website contains the following information:

- Contact details of the Investor Relations Office.
- The Financial Reports section, which provides all financial results and other related reports and information, such as Board nominations, etc., all publications that can be uploaded to the website, interim and annual financial statements and Board of Directors' reports since 2008, the date of establishing the Company.
- The financial profile section, including a direct link to the Abu Dhabi Securities Exchange website, to display information about the share price of the Company.
- General information about the Company:
  - Presentation about the Company, management, and company governance.
  - View the company's updates, news, developments and important events.

The investor relations page link on the Company website:

<http://www.axa-greencrescent.com/investor-relations/investor-relations.html>

Name and contact details of the Investor Relations Manager:

- Mrs. Hana Alnuaimi
- Office Number: +971 2 4084713
- Mobile Number: +9171 56 995 3908
- Fax Number: +971 2 4084717
- Email ID : [ir@axa-gulf.com](mailto:ir@axa-gulf.com)



■ **Special Resolutions Presented to the General Assembly held in 2021 and the Procedures taken with respect thereto**

The Company did not take any special resolution in the General Assembly held in 2021.

■ **Rapporteur of the Board meetings.**

Ms. Hana Al-Nuaimi, Emirati, has been appointed as the Rapporteur of the Board in accordance with Board Decision No. 22/2017, as of November 14, 2017.

She is holding a BA in International Business Management from Skyline University College in Sharjah. She has previous experience of more than ten years in the banking sector, where she held various positions at HSBC Bank, Abu Dhabi Commercial Bank and First Abu Dhabi Bank.

**The key responsibilities of rapporteur of the Board meetings**

- Facilitate conduct of Board and shareholder meetings which include arranging, recording and following up on the actions, decisions and meetings of the Board and of the shareholders (both at annual and extraordinary meetings).
- Responsible for preparation and maintenance of minutes of meeting.
- Prepare and execute the Board training plan.
- Advising members on the legal obligations of members advising the Board and individual members on corporate governance principles and plans.
- General responsibility for reviewing the Company's procedures and advising the Board directly on such matters.
- Carrying out the instructions of the Board, assisting in implementing corporate strategies and giving practical effect to the Board's decisions.

■ **The significant events that took place in the Company in 2021.**





The parties listed below have undertaken sales and purchase of shares:

Shareholder Name	Shareholding before transfer	Shares being (Transferred)/Acquired	Shareholding after transfer
AXA Mediterranean Holding SA	28.05% 56,100,000	-28.05% -56,100,000	0%
Gulf Insurance Group	0%	28.05%+ +56,100,000	28.05% 56,100,000

#### ■ Emiratisation Percentage in the last three years Company

Year	Percentage
2019	11%
2020	11%
2021	11%



- **The innovative projects and initiatives implemented by the Company or which were under development during 2021.**

#### **The Employee Secure Saver Product**

The Company has launched “Employee Secure Saver plan”, It is the first workplace savings solution developed in the UAE. The plan complies with the UAE Central Bank laws and life and savings insurance regulations. The plan helps employers provide employees with a savings vehicle similar to those available globally for their retirement and improve their financial well-being. As well as enables employers to design the plan to meet specific needs, such as defining end-of-service obligations or as a mechanism to provide enhanced benefits as a discrimination factor in the labor market to encourage employee retention. The plan offers a range of investment choices alongside a Sharia-compliant fund to meet the needs of employees with a greater risk appetite as well as those who wish to invest in accordance with Islamic principles.

#### **Partnership with Policy Bazaar**

AXA Green Crescent has signed a partnership agreement with Policy Bazaar, one of the leading insurance policy comparison platforms in the Middle East through the Policy Bazaar digital portal. Customers in the UAE will be able to purchase a comprehensive life insurance plan directly through the Policy Bazaar portal, thus simplifying access to more from people to life insurance services at affordable prices. The platform will support a fully digital purchase process so that the customer can obtain the insurance policy easily and quickly.



 <b>سمو الشيخ سعيد بن حمدان آل نهيان</b> <b>رئيس مجلس الإدارة</b>
 <b>السيد/ مشعل حمد كنو</b> <b>نائب رئيس مجلس الإدارة</b> <b>رئيس لجنة المتابعة والإشراف على تعاملات الأشخاص المطلعين</b>
 <b>الدكتور/ طارق عبدالقادر بن هندي</b> <b>رئيس لجنة التدقيق</b>
 <b>السيد/ بدر جبرودي</b> <b>رئيس لجنة الإستثمار</b>
 <b>السيد/ عمر محمد الكثيري</b> <b>رئيس لجنة الترشيحات و المكافآت</b>
 <b>أسامة نو الفغار</b> <b>مدير أول إدارة الرقابة الداخلية</b>