



Board of Directors Report

For the fiscal year ended 31 December 2022

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❖ Chairman's Message

Shareholders of Saudi Enaya Cooperative Insurance Company

Greetings and after,,,

On my own behalf and on behalf of the members of the Board of Directors of Saudi Enaya Cooperative Insurance Company, I present to you the report of the Board of Directors for the year ending on 31/12/2022, including a brief explanation of the company's activity, its business, its level of performance, and the audited financial statements for the financial year ended 31/12/2022, in addition to information about the company's board of directors and its committees and their terms of reference, disclosure of the members of the board of directors, a summary of the most prominent strategic decisions issued during the year 2022, as well as a brief account of the most important developments and achievements. And the risks related to the company, how to manage it, and its operational systems as stipulated in the relevant regulations such as the Saudi Companies Law and the Corporate Governance Regulations issued by the Capital Market Authority, and the extent of the company's compliance with the regulations issued by the regulatory authorities. In addition to some information that we would like to share with you.

I am pleased to extend my sincere thanks to the Custodian of the Two Holy Mosques and his Crown Prince for the continued support provided by the state to mitigate the effects of the emerging Corona pandemic, which had a positive impact on the Saudi economy in general and on the financial sector in particular, including insurance.

In conclusion, I would like to thank the shareholders and employees for the efforts made and effective in improving the company's performance. And thanks to our valued customers who put their trust in Saudi Enaya Company. We look forward to further successes and achievements in the coming years.

❖ CEO's Message

During the year 2022 AD, the company went through many challenges that it was able to, praise be to God, overcome positively in financial, investment, sales and technical operations. In addition, the Company raised the level of compliance with regulations and the level of effectiveness of internal controls. As from the administrative point of view, the Company's management has done an in depth review on the processes related to claims, networks and medical approvals, and improved the quality & speed of work by automizing them as much as possible which enabled us to have immediate access to the financial and operational reports.

The company also worked on developing electronic channels for sales, at the same time focusing on enhancing the communication with customers and shareholders in order to strengthen the relationship. Further, the company obtained a substantial part of the defaulted amounts by winning the cases that were filed against the company and also the cases that were filed against defaulting clients.

With regard to the strategic plans, the company successfully worked on capital reduction and capital increase project and appointed a consultant to study the possibility of merging with another insurance company to increase the financial and operational forces and qualified human resources.

❖ Main activities

Saudi Enaya Cooperative Insurance Company is a Saudi public shareholding company listed on the Saudi Stock Exchange on 05/04/1433H corresponding to 27/02/2012G, and registered in the Kingdom of Saudi Arabia under Commercial Registration No. 4030223528 dated 27/03/1433H, corresponding to 19/02/2012G.

The company operates in accordance with the provisions of the Cooperative Insurance Companies Control Law and its executive regulations and the regulations and rules in force in the Kingdom of Saudi Arabia to practice cooperative health insurance business and everything related to these businesses to achieve its objectives, whether in the field of insurance or investing its funds.

According to the Company's Articles of Association and Memorandum of Association, the first financial year of the Company commences from the date of issuance of the Ministerial Resolution announcing the establishment of the Company No. (98/Q) dated 16/03/1433H corresponding to 08/02/2012G and ends on 31 December of the following year.

The financial statements for the past year, which cover a period of 12 Gregorian months starting on 28/05/1443H corresponding to 01/01/2022G and ending on 07/06/ 1444H corresponding to 31/12/2022G, represent the tenth financial statements of the company since its inception.

Activity	Activity revenue	Percentage
Health insurance	SAR 227,474K	100%

❖ The approval of the Saudi Central Bank to grant a license to practice the activity to the company

On 27/09/1442H corresponding to 08/05/2021G, the company obtained a renewal of the license to practice the activity for a period of three years ending on 24/10/1445H corresponding to 02/05/2024G. The company also obtained a license to open a branch in Riyadh according to the letter of the Central Bank No. 341000103587 dated 23 Shaaban 1434 AH corresponding to 07/02/2013 AD.

❖ Approval of the Council of Cooperative Health Insurance to qualify the company

On 12/12/1442 AH corresponding to 21/07/2021 AD, the company obtained rehabilitation from the Council of Cooperative Health Insurance for a period of three years ending on 15/01/1446 AH corresponding to 21/07/2024 AD. On 21/07/2022, the company obtained the annual qualification renewal from the Council of Health Insurance, which ends on 20/07/2023

❖ The beginning of the activity

The company started practicing the activity and selling health insurance products as of 01/01/2013, which is the date that is considered the beginning of the actual operation of the company's operations and departments, and the company has exerted its great effort towards the success of the tasks of its executive

departments through the application of the laws and regulations of the regulatory authorities, namely the Central Bank, the Council of Health Insurance and the Capital Market Authority during the year 2022.

❖ Important plans and decisions during the period

- Disapproval of the offer submitted by Amana Cooperative Insurance Company for the purpose of merging the company with Amana Cooperative Insurance Company.
- Moving the company's head office from Al-Rawdah neighborhood to Al-Khalidiya neighborhood on Prince Sultan bin Abdulaziz Street in Jeddah.
- Reducing the company's capital from SAR 150,000,000 to SAR 100,000,000.
- Increasing the company's capital from SAR 100,000,000 to SAR 230,000,000
- A decrease in the percentage of accumulated losses to approximately 32% of the company's capital.
- Signing a memorandum of understanding with the United Cooperative Insurance Company to study the feasibility of a merger between the two companies.
- Appointing Wasatah Capital as a financial advisor for the proposed merger between the company and United Cooperative Insurance Company.

❖ Future outlook and risks

Future Expectations:

The company expects to continue with the merger project, which aims to improve the company's solvency, increase its market share and raise its financial position by increasing the insurance products that the company will have after the merger.

The company has also prepared an alternative plan in the event that the merger does not take place or is not approved for any reason, the capital will be increased and a general assembly will be called to vote on it.

Annual Risk Management Report (2022):

Risk management is an independent internal control executive body, which works to monitor external and internal risk factors and coordinate with other departments on an ongoing basis, to create a culture of risk awareness, support and monitor acceptable and approved risk application policies to determine the acceptable risks of the company and the company has worked to develop and propose the implementation of an improved risk management framework to be appropriate to the company's risk culture and provides a high-level view of the company's approach to risk management, and risk management works continuously to identify and assess risks and their controls.

During 2021, our efforts focused on corporate governance and customer claims as we successfully managed and reinstated weaknesses in both areas. Also, we continued to strengthen our risk management and governance practices in response to the company's growth. We built on the inclusion of all aspects of our risk management framework, including:

- Develop and enhance our internal policies and procedures.
- Continuously develop risk reports, especially risk appetite.
- Promote the company's risk management culture through training and awareness.

In 2022, risk management focused on updating the business continuity policy, working remotely, addressing observations from the Central Bank, enhancing risk management activities and adhering to regulations and

instructions. The risk categories identified in the risk management strategy that are pursued will be described and some of the strategic risks are described below.

- Pricing risk.
- Underwriting risks.
- Claims Risk.
- Operational risk.
- IT risks and cybersecurity.
- Reputational risk.
- Market risk.

❖ Summary of the statement of financial position as at 31 December 2022:

2018	2019	2020	2021	2022	Insurance Operations Assets
000' SAR	000' SAR	000' SAR	000' SAR	000' SAR	
16,484	14,590	13,641	49,959	23,074	Cash and cash equivalents
17,429	44,859	49,116	58,486	63,372	Premiums receivable, net
96,298	93,217	99,230	139,901	111,799	Due from shareholders' operations
000	2,995	191	000	000	Receivables for reinsurers
8,570	1,128	119	0	0	Reinsurers' share of claims under settlement
1,035	2,851	3,230	6,926	6,025	Deferred policy acquisition costs
14,262	12,653	5,956	10,653	23,196	Prepaid amounts and other assets
1,161	1,106	1,082	899	794	Intangible assets
2,446	2,392	2,173	1,523	1,467	Property and equipment
0	0	2,743	679	1,115	Right of use assets, net
157,685	175,791	177,481	269,026	230,842	Total assets of insurance operations

2018	2019	2020	2021	2022	Shareholders' Assets
000' SAR	000' SAR	000' SAR	000' SAR	000' SAR	
40,237	62,785	101,585	109,193	133,668	Cash and cash equivalents
82,882	76,036	40,068	77,908	135,353	Short term murabaha deposits
12,695	72,950	68,376	1,668	1,133	Investments
1,119	2,322	824	986	2,278	Prepaid amounts and other assets
2,318	3,492	4,377	4,545	5,012	Accrued income on statutory deposit
30,000	45,000	22,500	22,500	34,500	Statutory Deposit
(96,298)	(93,217)	(99,230)	(139,901)	(111,799)	Inter-operations eliminations
72,953	169,368	138,500	76,899	311,944	Total Shareholders' Assets

2018	2019	2020	2021	2022	Insurance Operations Liabilities
000' SAR	000' SAR	000' SAR	000' SAR	000' SAR	
20,338	75,920	67,504	108,727	108,554	Unearned premiums
63,364	58,719	67,152	97,469	81,830	Technical reserves
939	0	0	0	0	Reinsurance balance payable
5,808	5,934	4,970	5,787	5,172	End-of-service indemnities
66,462	34,994	34,629	53,860	43,370	Accrued expenses and other liabilities
0	0	2,218	2,250	776	Lease liabilities
774	224	1,008	933	2,107	Re-measurement reserve of defined indemnities obligation

157,685	175,791	177,481	269,026	241,809	Total Liabilities of Insurance Operations
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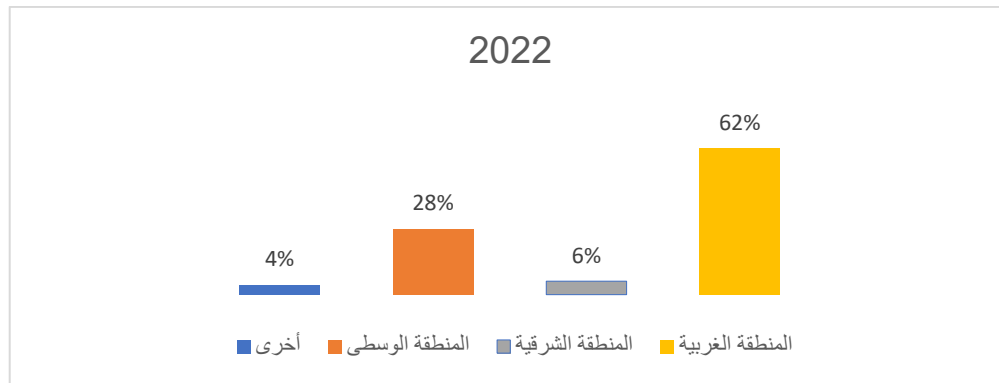
2018	2019	2020	2021	2022	Shareholders' Liabilities & Equity
000' SAR	000' SAR	000' SAR	000' SAR	000' SAR	
4,645	1,238	1,396	349	-	Accrued expenses and other liabilities
10,698	15,498	12,000	13,250	14,696	Zakat provision
2,318	3,492	4,377	4,545	5,012	Commissions due on statutory deposits
17,661	20,228	17,773	18,144	19,708	Total Shareholders' Liabilities
100,000	300,000	150,000	150,000	230,000	Share capital
(44,708)	(150,860)	(29,273)	(91,245)	(60,530)	Accumulated losses
55,292	149,140	120,727	58,755	169,470	Total Shareholders' Equity
72,953	169,368	138,500	76,899	189,178	Total Shareholders' Liabilities & Equity

❖ Summary of the statement of profit and loss for the year ended 31 December 2022:

2018	2019	2020	2021	2022	Revenue & Profit
000' SAR	000' SAR	000' SAR	000' SAR	000' SAR	
243,925	98,446	174,290	177,279	227,647	Total Revenues
(286,855)	(143,422)	(157,429)	(199,025)	(209,821)	Total Underwriting Costs And Expenses
(42,930)	(44,976)	16,861	(21,746)	17,826	Net Underwriting Income / (Loss)
(93,461)	(106,702)	(27,629)	(62,047)	(8,407)	Net Loss

❖ Geographical analysis of gross written premiums as of the end of 31 December 2022

Geographical analysis of the company's total revenue until the end of 31 December 2022					Year
Total	Other	Central Region	Eastern Province	Western Region	
227,474	8,450	64,865	11,974	142,185	2022



❖ Summary of Insurance Business Results and Shareholders

%	Variables (+) or (-)	December 31, 2021	31 December 2022	Summary of comparative results
		000' SAR	000' SAR	
%4	8,972	218,502	227,474	Total Written Premiums
%28	50,368	177,279	227,647	Net Earned Premiums
%29-	44,656-	152,074	196,730	Total Claims Paid
%21-	33,887-	162,414	196,301	Net claims incurred
%182	39,572	21,746-	17,826	Net Underwriting income/(loss)
%7348	7,201	98	7,299	Other income
%19	9,214	47,948	38,734	Total general & administrative expenses
%84	52,323	62,660-	10,337-	Deficit from insurance operations
%28	1,193	4,315	3,122	Total General and administrative expenses of shareholders
%41-	3,666-	8,990	5,324	Investment income (loss)
%86	49,850	57,985-	8,135-	Net loss for the period before zakat
%83	3.43.	4.13-	0.70-	Loss per share (SAR)

❖ Accounting Standards

The company's financial statements have been prepared in accordance with the International Financial Reporting Standards adopted in the Kingdom of Saudi Arabia and other publications approved by the Saudi Organization for Certified Public Accountants (SOCPA).

❖ Subsidiaries of Saudi Enaya

The company does not own any subsidiary inside or outside the Kingdom.

❖ Details of shares and debt instruments issued for each Saudi Enaya subsidiary

The Company does not own any subsidiaries inside or outside the Kingdom, and therefore there are no shares and debt instruments issued by any of the Company's subsidiaries.

❖ Company Dividend Policy

Article Forty-Five of the Company's Articles of Association provides for the calculation and distribution of dividends to shareholders as follows:

- Avoid Zakat and prescribed income tax.
- Avoiding 20% of the net profits to form a statutory reserve, and the Ordinary General Assembly may stop this avoidance when the said reserve reaches the total (100%) paid-up capital.
- The Ordinary General Assembly – when determining the share of shares in net profits may decide to form other reserves to the extent that achieves the interest of the company or ensures the distribution of fixed profits as much as possible to shareholders
- The company's annual net profits determined by it after deducting all general expenses and other costs and the formation of reserves necessary to face doubtful debts, investment losses and contingent liabilities that the Board of Directors deems necessary shall be distributed in accordance with the provisions of the Cooperative Insurance Companies Control System and the provisions issued by the Saudi Central Bank. The Board of Directors shall be decided by the General Assembly, and if the remaining percentage of the profits due to shareholders is not sufficient to pay this percentage, the shareholders may not demand payment in the following year or years, and the General Assembly may not decide to distribute a percentage of the profits proposed by the Board of Directors.

❖ A description of any interest in the class of voting shares belonging to persons (other than members of the company's board of directors, senior executives and their relatives) that the company has been notified of

There is no interest in the class of voting shares belonging to any of the persons.

❖ A description of any interest, contractual securities and subscription rights of the members of the Board of Directors, senior executives and their relatives in the shares or debt instruments of the Company or any of its subsidiaries and any change in such interest or rights during the financial year

The table below shows the interest held by the members of the Board of Directors, senior executives and their relatives in the Company's shares, including the shares of the guarantee of membership in the Board, noting that the Company has not issued or granted any debt instruments.

A description of any interest of the directors , senior executives and their relatives in the shares or debt instruments of the company or any of its subsidiaries.

Name	Start of the year		End of year		Net change	Percentage change
	Number of shares	Debt instruments	Number of shares	Debt instruments	Number of shares	%
Faisal Faruq Tamr	125	0	83	0	(42)	%34-
Dana Khaled Juffali	10,000	0	153,331	0	53,331	%53
**Cornelius Alexander Ankel	0	0	0	0	0	0
Munich Re Company	2,250,000	0	500,000	0	(1,750,000)	%78-
Khaled Abed Qama	0	0	0	0	0	0
Khalid Ahmed Juffali Company	250,000	0	700,000	0	478,237	%191
Amr Mohamed Khashoggi	0	0	0	0	0	0
Hamad Al Mehyas Al Ali	0	0	0	0	0	0
National Health Insurance Company (Daman)	1,500,000	0	999,999	0	(500,001)	%33-
Sultan Abdul raouf	0	0	0	0	0	0
Abdullah Mohsen Al-Nimri	0	0	0	0	0	0
Mohammed Abdullah Aldar	0	0	0	0	0	0

** The member submitted his independence from the membership of the Board of Directors Committees, and it was approved and announced in Tadawul on 08/11/2022 AD

❖ Information about loans to the company

The company did not borrow during the period and there are no loans on it and acknowledges this.

❖ A description of the categories and numbers of any debt instruments convertible into shares or any contractual securities or memoranda of right issues or memoranda issued or granted by Saudi Enaya

The Company did not issue or grant any debt instruments convertible into shares, contractual securities, memoranda of right of issue or similar rights during the period.

❖ A description of any conversion or subscription rights under debt instruments convertible into shares, contractual securities or right of issue memoranda issued or granted by Saudi Enaya

The Company has not issued or granted any conversion or subscription rights under debt instruments convertible into shares, contractual securities, memoranda of right of issue or similar rights.

❖ A description of any redemption, purchase or cancellation by the Company of any redeemable debt instruments

The Company has not redeemed, purchased, cancelled, issued or granted any redeemable debt instruments.

❖ Number of General Assembly Meetings and Attendance Record

Number of meetings (5) meetings during the year 2022

Extraordinary General Assembly Meeting (Second Meeting) 07/11/2022	Extraordinary General Assembly Meeting (Second Meeting) 19/10/2022	Extraordinary General Assembly Meeting (Second Meeting) 22/08/2022	Ordinary Assembly Meeting (Second Meeting) 25/05/2022	General Meeting	Extraordinary General Assembly Meeting (Second Meeting) 10/01/2022	Name
X	✓	✓	X		✓	Faisal Faruq Tamr
X	X	X		✓	✓	Dana Khaled Juffali
✓	✓	✓		✓	✓	Amr Mohamed Khashoggi
X	✓	✓	X		✓	Mohammed Abdullah Aldar
X	X	X	X		X	Abdullah Mohsen Al-Nimri
Member resignation accepted on 11/08/2022			X		X	Cornelius Alexander Lons
✓	✓	✓		✓	✓	Khalid Abed Qama
X	X	X	X		X	Hamad Al Mehyas Al Ali

❖ Number of Board Meetings and Attendance Record

Number of meetings (8) meetings during the year 2022								Nature of the member	Name
Eighth meeting 05/12/2022	Seventh Meeting 14/11/2022	Sixth Meeting 24/10/2022	Fifth Meeting 11/08/2022	Fourth Meeting 19/05/2022	Third Meeting 14/04/2022	Second meeting 16/02/2022	First meeting 13/01/2022		
✓	✓	✓	✓	✓	✓	✓	✓	Chairman of the Board of Directors	Amr Khashoggi 1
✓	✓	✓	✓	✓	✓	✓	✓	Vice Chairman	Faisal Tamr 2
✓	✓	✓	✓	✓	✓	✓	✓	Board Member	Dana Juffali 3
✓	✓	✓	✓	✓	✓	✓	✓	Board Member	Khalid Qama 4
Member resignation accepted on 11/08/2022				✓	✓	X	✓	Board Member	Alexander Uncle 5
✓	X	✓	✓	✓	✓	✓	✓	Board Member	Hamad Almohyas 6
✓	✓	✓	X	✓	✓	✓	✓	Board Member	Muhamma d Aldar 7
✓	X	✓	X	✓	✓	✓	✓	Board Member	Abdullah Al-Nimri 8

❖ The number of the company's requests for the shareholders' register, the dates and reasons for those requests.

Reasons for requesting	Order Date	Number of company applications for shareholders' register
Company Procedures	02/01/2022	1
Company Procedures	03/01/2022	2
Company Procedures	04/01/2022	3
Company Procedures	05/01/2022	4
Company Procedures	09/01/2022	5
Company Procedures	22/05/2022	6
Company Procedures	21/08/2022	7
Company Procedures	18/10/2022	8
Company Procedures	20/10/2022	9

Company Procedures	06/11/2022	10
Company Procedures	05/12/2022	11

❖ Insurance contracts with related companies with board members

(Members who have direct or indirect interests are: Dana Khaled Juffali)

Policy Number	Total Installments	Policy Date	Expiry	Policy Effective Date	Members with direct or indirect interests	Document Name
22829	20,933.71	31/05/2022		14/06/2021	Dana Juffali	Khalid Ahmed Juffali Company
21663	201,573.08	02/05/2022		18/05/2021	Dana Juffali	Khalid Juffali Industrial Company Ltd.
21560	58,384.44	30/04/2022		10/05/2021	Dana Juffali	Khalid Juffali Construction Company Ltd.
21559	13,775.00	30/04/2022		10/05/2021	Dana Juffali	Khalid Juffali Energy Company
21558	197,250.92	30/04/2022		10/05/2021	Dana Juffali	Gap Corp Saudi Arabia Co. Ltd.
21557	19,154.64	30/04/2022		10/05/2021	Dana Juffali	Al Dahna International Marketing Company
21556	260,019.86	30/04/2022		10/05/2021	Dana Juffali	A company Lonsdale and Associates Insurance Brokerage
21555	642,407.70	30/04/2022		10/05/2021	Dana Juffali	Khalid Juffali Company
21408	77,559.24	30/04/2022		10/05/2021	Dana Juffali	Khalid Juffali Construction Company Ltd.
37415	968,601.28	30/04/2023		29/04/2022	Dana Juffali	Khalid Ahmed Juffali Company
37419	98,326.97	30/04/2023		29/04/2022	Dana Juffali	Khalid Juffali Industrial Company Ltd.
37409	75,973.55	30/04/2023		29/04/2022	Dana Juffali	Khalid Juffali Construction Company Ltd.
37460	174,201.30	30/04/2023		12/05/2022	Dana Juffali	Gap Corp Saudi Arabia Co. Ltd.
37416	37,851.10	28/04/2023		29/04/2022	Dana Juffali	Al Dahna International Marketing Company
37415	279,307.62	30/04/2023		29/04/2022	Dana Juffali	A company Lonsdale and Associates Insurance Brokerage
37418	68,161.32	30/04/2023		29/04/2022	Dana Juffali	Khalid Juffali Construction Company Ltd.
37768	30,201.30	31/05/2023		05/06/2022	Dana Juffali	A company Lonsdale and Associates Insurance Brokerage Riyadh Branch
37417	53,441.76	30/04/2023		29/04/2022	Dana Juffali	Saudi Arabian Cyprus Company

❖ Other contracts with related companies with members of the Board of Directors

- There is a payment to SBM Ltd in the amount of SAR 547,590 Five hundred and forty-seven thousand five hundred and ninety Saudi Riyals in the year 2022 for the purchase of electronic equipment, licenses, engines and other services (members with direct or indirect interests are: Dana Khaled Juffali).
- Commissions were paid to Lonsdale Company, which provides insurance services (insurance broker) in the amount of SAR 289,565 - Two hundred and eighty nine thousand five hundred and sixty-five Saudi Riyals in the year 2022 (members with direct or indirect interests are: Dana Khaled Juffali).

❖ Waiver of any salary or compensation by a member of the Board of Directors or any senior executive

No board member or senior executive waived any salary or compensation.

❖ Assignment of any rights in profits to a shareholder

No agreement or arrangement has been entered into providing for the shareholders to waive any rights or dividends.

The means relied upon by the Board of Directors in evaluating its performance, the performance of its committees and members, the external party that carried out the evaluation and its relationship with the Company.

The performance evaluation form of the Board of Directors and the committee evaluation form have been developed and updated by the Remuneration and Nomination Committee, where the evaluation was carried out internally through a self-evaluation that ensures accuracy and avoiding errors in the questionnaire, as well as the results of the performance and outputs of each member for himself and another evaluation of the performance of the other members, provided that the members of the Board of Directors are evaluated by an external party every three years.

❖ Statutory Payments

Brief description of it	Outstanding balance until 31 December 2021	Payments due and made during 2022	Statement
	000' SAR	000' SAR	
There were no payments made to ZATCA during the year nor were due as at year end.	0	0	Zakat and Income Tax
The supervision and control costs of the Central Bank due for the fourth quarter of 2022 were paid during the year 2023.	270,684	866,707	Supervision and Control Costs, (Saudi Central Bank)
The social insurance due for the month of December 2022 was paid during the year 2023 in January.	194,938	1,816,198	General Organization for Social Insurance

The supervision and control costs of the Council of Cooperative Health Insurance due for the fourth quarter of 2022 were paid during the first quarter of 2023.	540,932	1,733,413	Supervision Fees (Council of Cooperative Health Insurance)
All annual registration costs in the Saudi market have been paid, and all remaining amounts will be settled during the year 2023	10,208	298,062	Saudi Exchange (Tadawul)
Residency Renewal Fees Exit and Re-entry Fees	0	317,686	Employment Office Fees
	1,016,762	5,031,066	Total

❖ Investments and reserves created for the benefit of employees

No funds have been created or any investments allocated for the benefit of employees in the company. The company has taken the reserve for end-of-service gratuity in accordance with international accounting standards

❖ Company Declarations

- Correct preparation of accounting records
- Properly established and effectively implemented internal control system
- There are no doubts about the ability of the exporter to continue his activities.

❖ Chartered Accountants Report

The reports of the chartered accountants show that the financial statements of the company represent the financial position of the company as at 31 December 2021 and all results of operations and liquidity until the end of the year. And that these reports were prepared in accordance with the International Financial Reporting Standards adopted in the Kingdom of Saudi Arabia and other publications approved by the Saudi Organization for Certified Public Accountants (SOCPA), and the assurances on the effectiveness of the internal control of the company and the submission of observations that were monitored to the Audit Committee to reflect the current situation and evaluate the internal control in the company to be submitted to the Board of Directors, and the report of the external auditor included an evaluation of the internal control of the company.

❖ Replacement of chartered accountants

choose Owners Equities in Company Al-Azm Company Al-Sudairi and Al-Sheikh Partners & Inc. Mr Al , Ayouti Partners Moore International as external auditors.

❖ Details of treasury shares held by the Company and details of the uses of these shares

There are no treasury shares held by the company.

❖ What has been applied from the Corporate Governance Regulations, what has not been applied and the reasons for this:

The Company shall apply the provisions contained in the Corporate Governance Regulations issued by the Capital Market Authority with the exception of the following articles:

Details and reasons	Partially applied	Not applied	Fully applied	Article / Paragraph	Article Number
Guidance material		✓		The Board of Directors shall arrange for a third-party evaluation of its performance every three years.	41/H
Guidance material		✓		Employee motivation: The Company shall establish programs to develop and stimulate participation and performance of the Company's employees, including, in particular, the following: 2. Programs to grant employees shares in the company or a share of the profits it achieves and retirement programs, and the establishment of a separate fund to spend on those programs.	85
Guidance material		✓		Social Responsibility: The Ordinary General Assembly shall establish, upon the proposal of the Board of Directors, a policy that ensures that a balance is established between its objectives that the community aspires to achieve in order to develop the social and economic conditions of the society.	87
Guidance material		✓		Social Work Initiative: The Board of Directors sets programs and identifies the means to launch the Company's initiatives in the field of social work, including the following: 1. Develop measurement indicators that link the company's performance to its initiatives in social work, and compare this with other companies with similar activity. 2. Disclosure of the social responsibility objectives adopted by the company to its employees, awareness and education thereof. 3. Disclosure of plans to achieve social responsibility in periodic reports related to the company's activities. 4. Develop awareness programs for the community to introduce the company's social responsibility.	88

❖ Composition of the Board of Directors, classification of its members and names of joint stock companies in which the Board Member is a member of the Board of Directors

A. Members of the Board of Directors

Name	Membership in the Board and/or membership of its committees	Current Positions	Previous Posts	Qualifications	Experiences
Amr Mohamed Khaled Khashoggi	<ul style="list-style-type: none"> Chairman – Independent Member of the Executive Committee 	<ul style="list-style-type: none"> Saudi Enaya Cooperative Insurance Company: Member of the Board of Directors. AMKEST Group Global Gypsum Company Ltd. 3G National Food Industries Co. United Warehousing Company Eastern Food Industries Co. Ltd. (Nigera) Middle East Healthcare Company Qaderoon Company for Business Owners and Disability Ltd. 	<ul style="list-style-type: none"> Omar Qasim Alesayi Company United Sugar Company Al Tawfiq Company for Plastic Bags and Textiles National Biscuits & Confectionery Company Omar Qasim Alesayi Marketing Company AlAhli Takaful Company National Gypsum Company Public Joint Stock Company Member of the Board of Directors of Saudi Enaya Cooperative Insurance Company until 07/03/2021 	<ul style="list-style-type: none"> MBA, Yale University, USA Bachelor of Business Administration Menlo College, USA 	39 years old
Faisal Faruq Tamr	<ul style="list-style-type: none"> Non-Executive - Vice Chairman Chairman of the Executive Committee 	<ul style="list-style-type: none"> Enaya Cooperative Insurance Company: Board Member Farouk & Mamoun Tamr & Partners Board Member Saudi Arabia-Japan Company: Chairman of the Board of Directors. Arabio Pharmaceutical Products Co. Ltd.: Member of the Board of Directors. Tamer Group Companies: Member of the Board of Directors. Sukoon International Company: Member of the Board of Directors. United Gulf Healthcare Company: Chairman of the Board of Directors. Italian Food Company: Member of the Board of Directors. Luxury Elegance Company: Board Member 	<ul style="list-style-type: none"> Saudi Arabian Japanese Company: Executive Director Chairman of Saudi Enaya Cooperative Insurance Company until 07/03/2021 Member of the Nomination and Remuneration Committee, Enaya Company Member of the Investment Committee Enaya Company 	<ul style="list-style-type: none"> Master of Business Administration Bachelor of Business Administration 	28years old
Dana Khalid Ahmed Juffali	<ul style="list-style-type: none"> Board Member – Non-Executive Member of the Nomination and Remuneration Committee Chairman of the Risk Committee since 25/10/2022 	<ul style="list-style-type: none"> Saudi Enaya Cooperative Insurance Company is a member of the Board of Directors. Khalid Ahmed Juffali Holding Company: Head of Business Development 	<ul style="list-style-type: none"> Siemens LTD : Project Manager & Learning and Development Manager Vice President of Saudi Enaya Cooperative Insurance Company 07/03/2021 Member of the Executive Committee of Saudi Enaya Insurance Company 	<ul style="list-style-type: none"> Master of Business Administration (MBA) Bachelor of Science in Management – International Business Administration 	8 years
Carlinius Alexander Uncle	<ul style="list-style-type: none"> Board Member – Non-Executive (Resignation on 11/08/2022) Chairman of the Risk Committee (Resigned on 11/08/2022) 	<ul style="list-style-type: none"> Saudi Enaya Cooperative Insurance Company: Member of the Board of Directors. ERGO Group AG : Chief Operating Officer ERGO International 	<ul style="list-style-type: none"> Khazanah Nasional Bergad's Insurance, Avicennia Capital Sdn. BHD., Malasia : Group CEO Allianze Global Corporate & Specialty SE SE, Singapour : Regional Chief Executive Officer Asia. 	<ul style="list-style-type: none"> Degree in Insurance from Hempel Chambers University of Commerce 	24 years old
Hamad Abdullah Al-Mahyas	<ul style="list-style-type: none"> Board Member – Non-Executive Member of the Executive Committee Member of the Nomination and Remuneration Committee 	<ul style="list-style-type: none"> Saudi Enaya Cooperative Insurance Company: Board Member. Health Insurance Company (Daman): Chief Executive Officer . Daman Healthcare Solutions, GmbH,Munich 	<ul style="list-style-type: none"> National Health Insurance Company – Daman – Chief Operating Officer. National Health Insurance Company – Daman – Chief Commercial Officer MedNet GCC : Regional Managing Director 	<ul style="list-style-type: none"> Bachelor of Forensic Science Master on DNA Profiling 	26 years old

Saudi Enaya Cooperative Insurance Company

A Joint stock company with a capital of SR230.000.000 | Commercial Record: 4030223528
License Number: 20128 / 32 / ت م ن | It is controlled and supervised by SAMA
Phone: + 966 9200 4120 | Fax: +99 12 592 3740 | P.O.Box: 3528 Jeddah 21481
National Address: 7521 Al Fakhr St. - Al Khalidiyah Dist. Jeddah 23423 - 3732 Saudi Arabia

شركة عناية السعودية للتأمين التعاوني

شركة مساهمة برأس مال : ٢٣٠.٠٠٠.٠٠٠ ريال سعودي | السجل التجاري ٤٠٣٠٢٢٣٥٢٨
مرخص لها برقم ترخيص: ت م ن / ٣٢ / ٢٠١٢٨ خاضعة لرقابة وإشراف البنك المركزي السعودي
هاتف : ٩٦٦ ٩٢٠٠ ٤١٢٠ | فاكس : ٩٦٦ ١٢ ٥٩٢ ٣٧٤٠ | صندوق بريد : ٣٥٢٨ جدة ٢١٤٨١
العنوان الوطني : ٧٥٢١ شارع الفخر - حي الخالدية جدة ٢٣٤٢٣ - ٣٧٣٢ المملكة العربية السعودية

		<ul style="list-style-type: none"> Independent Health Information Technology Services – Member of the Board Emirates Insurance Association – Chairman of the Technical Sub-Committee to Support Emiratisation Emirates Insurance Association – Chairman of the Higher Technical Committee and Chairman of the Technical Sub-Committee for Life and Health Insurance. Emirates Insurance Association – Vice Chairman 	<ul style="list-style-type: none"> Ministry of Justice – Forensic Medicine Specialist UAE National Biosecurity Committee – The UAE Cabinet-General Secretary 	
Abdullah Mohsen Al-Nimri	<ul style="list-style-type: none"> Board Member - Independent Member of the Investment Committee Chairman of the Nomination and Remuneration Committee 	<ul style="list-style-type: none"> National Bonds Company. 	<ul style="list-style-type: none"> Ministry of Housing. Ministry of Labor and Social Development. Fronid Foundation is a good example. Abram Business Holding Company. Emirates NBD Financial. Deutsche Bank. Al Rajhi Bank. 	<ul style="list-style-type: none"> MBA from King Fahd University of Petroleum and Minerals – Saudi Arabia Bachelor of Marketing from King Fahd University of Petroleum and Minerals - Saudi Arabia 18 years old
Mohammed Abdullah Aldar	<ul style="list-style-type: none"> Board Member – Independent Chairman of the Investment Committee Member of the Risk Committee 		<ul style="list-style-type: none"> Hussein Al Ali Hospital. Al-Mashari Hospital. Medical Care Company. Saudi Willis Company. Sarac Gas Company (Aramco/Shell International). AXA Cooperative Insurance Company. General Organization for Social Insurance. 	<ul style="list-style-type: none"> MBBS from the Kingdom of Bahrain 15 years
Ali Al , Azhari	<ul style="list-style-type: none"> Audit Committee Member – Independent Member from outside the Board 	<ul style="list-style-type: none"> Member in board and the Technical committee of accounting and auditing organization for Islamic financial institutions Member of the Audit Committee Saudi Enaya Cooperative Insurance Company 		<ul style="list-style-type: none"> US CPA Holder Active US CPA licenses in the states of Illinois and Virginia 35 years
Khaled Abed Qama	<ul style="list-style-type: none"> Board Member – Independent Member Chairman of the Audit Committee Member of the Nomination and Remuneration Committee 	<ul style="list-style-type: none"> Saudi Enaya Cooperative Insurance Company: Board Member Methaq Holding Company - Executive Director Elaf Group – Board Member Modern Ettisama Shopping Company Ltd. – Board Member Al-Manara Integrated Group Company – Board Member & Director of the Administrative Committee Darat Arabia Real Estate Development Company Ltd. – Member of the Board of Directors Sukoon International Holding Company – Board Member Rasikhat Al Mazimah Real Estate Investment Company - Board Member 	<ul style="list-style-type: none"> SEDCO Capital – Managing Director and Investment Committee Member The Saudi British Bank - Head of Corporate Finance & Business Development in the Western Region Member of the Risk and Credit Committee in Gharbia Business Skills Supply Company – Member and Chairman of the Board of Directors Anfal Capital Investment Company - Board Member SEDCO Holding – Member of the Executive Committee Central Laundry Company - Board Member Al-Manara Integrated Group Company – Board Member & Director of the Administrative Committee 	<ul style="list-style-type: none"> Bachelor of Business Administration from King Abdulaziz University 28 years old
Kinana Bin Muzahim Alsharif	<ul style="list-style-type: none"> Audit Committee Member – Independent from outside the Board 	<ul style="list-style-type: none"> Saudi Enaya Cooperative Insurance Company – Member of the Audit Committee. 	<ul style="list-style-type: none"> Arab Arrows Company for Livestock and Feed – CEO 	<ul style="list-style-type: none"> Bachelor of Accounting from King Abdulaziz University 29 years old

- Independent Risk Committee Member from outside the Board
- Triple Professional Urban Development Company – CEO
- Aseer Printing & Publishing Company - Al Watan Newspaper - Deputy General Manager
- Abdul Khaliq Saeed Group – Vice Chairman
- Al Salam International Hospital - Deputy General Manager / Chief Financial Officer
- NCB - Financial Controller - Corporate Finance and manager Fixed Assets Division
- Winnie Merry & Co. – Accountant – External Auditor

Sultan Abdul
raouf

- Member of the Executive Committee – Executive
- Member of the Investment Committee – Executive
- CEO of Saudi Enaya Insurance Company
- Chief Investment Officer - Saudi Research & Marketing Group
- Head of Corporate Direct Investment - SEDCO Holding
- Head of Corporate Finance - SEDCO Investment Company
- Head of Assets - SEDCO Investment Company
- Assistant General Manager - Saudi American Bank
- Senior Corporate Banker - National Commercial Bank
- Master in Accounting and Financial Information System 25 years

B. Executive Management

Experiences	Qualifications	Previous Posts	Current Positions	Post	Name
25 years	Master in Accounting and Financial Information System	<ul style="list-style-type: none"> Chief Investment Officer Head of Corporate Private Equity Head of Corporate Finance Head of Assets Assistant General Manager Senior Corporate Banking Officer 	Ceo	Ceo	Sultan Abdul raouf
13 years	Bachelor of Accounting	<ul style="list-style-type: none"> Financial Controller Assistant Manager Senior Accountant 	Acting Chief Financial Officer	Acting Chief Financial Officer	Abdullah Masood Puri
6 Years	Bachelor of Accounting	<ul style="list-style-type: none"> Senior Internal Auditor Internal Auditor Customer Service Officer 	Acting Director of Internal Audit	Acting Director of Internal Audit	Omar Eskandarani
17 years	-Mini Master in Business Administration, Finance and Accounting Management -Bachelor of Business Administration	<ul style="list-style-type: none"> Customer Service Officer Operations Assistant Manager Review Manager and commitment Chief Operating Officer Head of Compliance Head of Internal Audit Head of Internal Audit and commitment 	Acting Compliance Manager	Acting Compliance Manager	Mazen Shahawi
8 Years	Bachelor of Psychology	<ul style="list-style-type: none"> Acting Procurement Resources Manager HR Business Partner Assistant HR Manager HR Officer Claims Officer 	Acting HR Manager	HR Manager	Wijdan Bakhriba
6 Years	Doctor of Business Administration (MBA)	<ul style="list-style-type: none"> Acting Cyber Security Manager Acting Cyber Security Manager Project Manager Associate Project Manager 	Acting Cyber Security Manager	Cyber Security Manager	Ryan Nozha
10 Years	Bachelor of Ecturai	<ul style="list-style-type: none"> Actuarial Assistant Senior Actuary Analyst Actuarial Analyst Actuary Assistant Actuarial Models Intern 	Indoor Actuary	Indoor Actuary	Alexander Lever
14 years old	Bachelor of Marketing	<ul style="list-style-type: none"> Account Manager Relationship Manager Customer Care Officer 	Customer Care Manager	Customer Care Manager	Abdul jabbar Almurababi
14 years old	Bachelor of Communication	<ul style="list-style-type: none"> Head of Business & SME Regional Manager - Western Region Operations Manager Western Region IPO Manager Underwriting Officer 	Commercial Manager	Commercial Manager	Sami Almalki
25 years	Master of Business Administration (MBA)	<ul style="list-style-type: none"> Technical Services Manager Managing Director Project Manager General Manager manager Ceo 	Acting Underwriting Manager	Acting Underwriting Manager	Thomas Wren
17 years old	Master of Business Administration	<ul style="list-style-type: none"> Advisor to the Director General Director of Information Technology Department IT Manager Technical Support Supervisor Technical Support Engineer 	Acting IT Manager	Acting IT Manager	Khalid Al , Harbi

❖ Board Committees: (Audit Committee, Nomination and Remuneration Committee, Executive Committee, Investment Committee, Risk Committee)

A. Audit Committee:

Terms of reference and tasks of the Committee

Recommending to the Board of Directors the approval of the appointment and reappointment of external auditors and ensuring the independence of the external auditors from the Company, the members of the Board of Directors and senior management therein, Reviewing and discussing the annual and quarterly financial statements Preliminary drafts and recommending them to the Board of Directors before issuing them, Reviewing important accounting policies, procedures and changes that may occur thereto, preparing recommendations to the Board of Directors regarding the appropriateness of the accounting policies applied to the nature of the company, and evaluating the financial reports issued by the company. Approving the internal audit management plan and its team, studying, approving and following up on the implementation of the compliance management plan, evaluating the level of efficiency, effectiveness and objectivity of the work of the external auditors, the internal audit department or the internal auditor, and the compliance department or compliance officer.

Review and study the reports of the actuary and submit recommendations thereon to the Board of Directors, Study the observations of the Saudi Central Bank and the relevant supervisory and supervisory authorities regarding any regulatory violations or request corrective actions and submit recommendations thereon to the Board of Directors, Review the final annual financial statements and submit a recommendation to the Board of Directors for review and approval to take action and issue the necessary decisions thereon, follow up on management's response to the observations made by internal and external auditors, and conduct an annual review of the performance of the chartered accountant.

Number of meetings (8) meetings during the year 2022

Eighth meeting 29/11/2022	Seventh meeting 31/10/2022	Sixth meeting 27/09/2022	Fifth Meeting 09/08/2022	Fourth meeting 27/07/2022	Third Meeting 14/05/2022	Second meeting 19/03/2022	First meeting 09/03/2022	Nature of the member	Name
✓	✓	✓	✓	✓	✓	✓	✓	Chairman of the Committee	Khaled Abed Qama
✓	✓	✓	✓	✓	✓	✓	✓	member	Ali Al Azhari
✓	✓	✓	✓	✓	✓	✓	✓	member	Kinana Al Sharif

Remuneration of Audit Committee Members

Total	Allowance attending sessions	for Fixed monitored for the year 2022	bonuses for the year	Name
165,300	15,300	150,000		Khalid Qama
140,000	20,000	120,000		Kenana Al , Sharif

140,000	20,000	120,000	Ali al, Azhar
445,000	55,300	390,000	Total

B. Nomination and Remuneration Committee

Terms of reference and tasks of the Committee

Annual review of the required needs of appropriate skills for Board membership, preparation of a description of the capabilities and qualifications required for Board membership, including determining the time required to be allocated by the member to the work of the Board, reviewing the structure of the Board of Directors, making recommendations regarding changes that may be made, identifying weaknesses and strengths of the Board of Directors, proposing to address them in accordance with the interest of the Company, setting criteria for determining the independence of a Board member, and ensuring that there is no conflict of interest if the member Serves as a member of the Board of Directors of another company, sets a policy of remuneration and incentives for members of the Board of Directors and senior executives of the company, organizes the efforts of each member of the Board of Directors and senior executives in implementing the strategic objectives of the company, and evaluates the Nomination and Remuneration Committee for their personal performance against the objectives set by the Board of Directors.

Number of meetings (4) meetings during the year 2022					Nature of the member	Name
Fourth meeting 20/06/2022	Third meeting 06/06/2022	Second meeting 30/05/2022	First Meeting 23/05/2022	Meeting		
✓	✓	✓	✓	✓	Chairman of the Committee	Abdullah Al-Nimri
✓	X	✓	✓	✓	member	Hamad Mahyas
✓	✓	✓	✓	✓	member	Khalid Qama
✓	✓	✓	✓	✓	member	Dana Juffali

Remuneration of Nomination and Remuneration Committee Members

Total	Allowance for attending sessions	Name
6,000	1,500	Abdullah Al-Nimri
4,500	1,500	Hamad Almohyas
6,000	1,500	Khalid Abed Qama
6,000	1,500	Dana Juffali
22,500	6,000	Total

C. Executive Committee

Terms of reference and tasks of the Committee

Studying the financial performance of the company, approving the budgets, estimated financial statements, and the subsequent capital and investment expenses, the annual and quarterly work plan, in addition to submitting recommendations to the Board of Directors, carrying out any work based on the authorization of the Board of Directors of the company, providing assistance to the Chairman of the Board, studying projects related to participation in other companies, establishing new companies and projects, acquiring other companies, providing recommendations to the Board of Directors, discussing and making decisions related to emergency topics that need To take an urgent decision and ensure the development and preparation of strategic plans that achieve the company's objectives, prepare and review annual and long-term financial goals and strategies, provide the necessary recommendations to the Board of Directors, review and prepare the necessary recommendations to the Board of Directors regarding the company's business and the extent of its impact on the future of the company to achieve the desired goals to improve the quality of services

Number of meetings (5) meetings during the year 2022						Nature of the member		Name
Fifth Meeting 29/12/2022	Fourth Meeting 26/12/2022	Third Meeting 10/08/2022	Second meeting 30/06/2022	First Meeting 25/04/2022				
✓	✓	✓	✓	✓		Chairman of the Executive Committee		Faisal Tamr
✓	✓	✓	✓	✓		Member of the Executive Committee		Amr Khashoggi
✓	✓	✓	✓	✓		Member of the Executive Committee		Sultan Abdul raouf
X	X	✓	✓	✓		Member of the Executive Committee		Hamad Almohyas

Remuneration of Executive Committee Members		Name
Total	Allowance for attending sessions	
7,500	1,500	Faisal Faruq Tamr
7,500	1,500	Amr Khashoggi
12,500	2,500	Sultan Abdul raouf
4,500	1,500	Hamad Abdullah Al-Mahyas
32,000	7,000	Total

D. Investment Committee:

Terms of reference and tasks of the Committee

The Investment Committee shall supervise the Company's investment activities, ensure professional and appropriate management of the Company's needs, requirements and obligations, fully comply with the prevailing regulations, assist in controlling and rationalizing the degree of risks, determine the Company's investment policies, submit recommendations thereon to the Board of Directors for approval, and supervise the implementation of the Company's investment policies.

Number of meetings (2) meetings during the year 2022

Second Meeting 05/12/2022	First Meeting 01/08/2022	Nature of the member	Name
✓	✓	Chairman of the Investment Committee	Muhammad Aldar
✓	✓	Member of the Investment Committee	Sultan Abdul raouf
✓	X	Member of the Investment Committee	Abdullah Al-Nimri

Remuneration of Investment Committee Members		Name
Total	Allowance for attending sessions	
3,000	1,500	Muhammad Aldar
5,000	2,500	Sultan Abdul raouf
1500	1,500	Abdullah Al-Nimri
9,500	5,500	Total

E. Risk Committee:

Terms of reference and tasks of the Committee

The main objective of the Risk Committee is to assist the Board of Directors in identifying risks that may endanger the Company, maintaining acceptable risk profiles for the Company, overseeing the risk management system, evaluating its effectiveness, defining a comprehensive risk management strategy for the Company, and reviewing risk management policies.

Number of meetings (2) meetings during the year 2022			Nature of the member	Name
Second meeting 13/12/2022	First Meeting 08/12/2022			
✓	✓		Chairman of the Risk Committee	Dana Juffali
✓	✓		Member of the Risk Committee	Kenana Al , Sharif
✓	✓		Member of the Risk Committee	Muhammad Aldar

Remuneration of Risk Committee Members		Name
Total	Allowance for attending sessions	
3,000	1,500	Dana Juffali
5,000	2,500	Kinana Al Ghalib Al Sharif
3,000	1,500	Muhammad Aldar
11,000	5,500	Total

❖ Benefits and remuneration of board members, committees and senior executives

Bonus policy and how to determine it:

In determining the remuneration of the members of the Board, committees and executive management, the Board of Directors approved the company's policy for the remuneration of the members of the Board of Directors, committees and executive management, approved by the General Assembly of Shareholders on 14/12/2020, and this policy included the following rules and standards in granting remuneration:

Article Four: Rules and Criteria for Granting Remuneration

- A. **General Rules and Standards: Without prejudice to the provisions of the Companies Law, the Capital Market Law and their Implementing Bylaws and the Company's Articles of Association, the following rules and standards shall be taken into account when determining the remuneration of the members of the Board of Directors, committees and executive management:**
- 1) Remuneration should be based on the recommendation of the Nomination and Remuneration Committee.

- 2) Focus on enhancing effective risk management and achieving the health and stability of the company's financial position
- 3) Linking rewards and compensation to performance
- 4) It must be ensured that the level and structure of bonuses and compensation:
 - just
 - Compatible with the objectives and strategy of the company
 - Encourages prudential practices and does not take high risks to achieve short-term returns, and is consistent with the company's risk management policy approved by the Board
 - Remuneration is provided for the purpose of encouraging the members of the Board of Directors and executive management to make the company successful and develop in the long term, such as linking the variable part of the remuneration to long-term performance.
 - The remuneration shall be determined based on the level of the job, the tasks and responsibilities entrusted to the incumbent, academic qualifications, practical experience, skills, and level of performance.
 - Take into account the practices of other companies in determining remuneration, while avoiding any unjustified rise in remuneration and compensation that may result.
 - To attract, maintain and motivate professional competencies, while not exaggerating them.
 - Does not cause any conflict of interest that would negatively affect the performance of the company
 - Aims to achieve the interests of the insured and shareholders and the company's long-term strategic objectives
- 5) A member of the Board of Directors or senior management (except sales managers) may not receive commissions or remuneration for works they contribute to for the benefit of the Company. No part of the remuneration and compensation of a member of the Board of Directors or senior management (except sales managers) may be directly linked to the Company's business volume (insurance premiums).
- 6) Remuneration shall be prepared in coordination with the Nomination Committee upon new appointments.
- 7) If it is found that the remuneration has been decided based on inaccurate information provided by a member of the Board of Directors or any of the committees or executive management, its disbursement shall be suspended or legal measures shall be taken towards its recovery if it is disbursed in order to prevent the exploitation of the employment situation to obtain undeserved remuneration.

B. Remuneration of Board Members and Committees:

- 1) The remuneration of the members of the Board of Directors - for their membership in the Board or Committees - shall be a certain amount, attendance allowance for meetings, in-kind benefits or a certain percentage of the net profits, and two or more of these benefits may be combined based on the recommendation of the Nomination and Remuneration Committee of the company.
- 2) The remuneration of independent directors must not be a percentage of the profits made by the company or be based directly or indirectly on the profitability of the company.
- 3) Members of the Board or sub-committees (whether the member is from inside or outside the Board) may be granted an annual remuneration, based on the recommendation of the Company's Nomination and Remuneration Committee.
- 4) Bonuses and allowances are paid quarterly after approval by the secretariat of the committees.
- 5) Allowances for attending meetings of the Board of Directors and sub-committees shall be determined as follows:

Category	Allowance
Allowance for attending a board meeting	3,000 SAR / SR
Allowance for attending Board meetings	
Attendance allowance for committees emanating from the Board of Directors (for members of the Board)	1,500 SAR / SR
Allowance for attending meetings of committees of the board (for board members)	
Attendance allowance for committees emanating from the Board of Directors (for non-board members)	2,500 SAR / SR
Allowance for attending meetings of committees of the board (for non-board members)	

- 6) The remuneration of the members of the Board of Directors and the members of the sub-committees shall also be determined as follows:

Category	Annual Remuneration Annual Remuneration
Chairman's Remuneration	180,000 SAR / SR
Chairman of the Board Remuneration	
Remuneration of the members of the Board of Directors	140,000 SAR / SR
Board Members Remuneration	
Remuneration of Audit Committee Members	120,000 SAR / SR
Audit committee Members Remuneration	
Remuneration of the Chairman of the Audit Committee	150,000 SAR/SR
Audit Committee Chairman	
Remuneration of members of the Risk Committee and the Independent Nomination and Remuneration Committee (from outside the Board)	60,000 SAR/SR
NRC, Risk independent Members (Non- Board Members) Remuneration	

Each member of the Board and its sub-committees (members of the Board or outside), including the Chairman of the Board, shall be paid the actual expenses incurred by them in order to attend meetings of the Board or committees emanating from the Board of Directors, including travel, accommodation and subsistence expenses.

- 1) A member of the Board of Directors may receive remuneration 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 by the Company, in addition to the remuneration he receives as a member of the Board of Directors and in the committees formed by the Board of Directors, in accordance with the Companies Law and the Company's Articles of Association.
- 2) Remuneration may be granted to the members of the Board of Directors and committees in the form of shares, after fulfilling all the statutory controls prescribed in this regard, in which case the entered value of the shares shall be the market value at the maturity date.
- 3) The remuneration of the members of the Board of Directors and committees may vary in amount to reflect the extent of the member's experience, terms of reference, tasks entrusted to him, his independence, and the number of sessions attended by other considerations.
- 4) If the General Assembly decides to terminate the membership of any member of the Board of Directors who is absent due to his failure to attend three consecutive meetings of the Board without a legitimate excuse, such member shall not be entitled to any remuneration for the period following the last meeting he attended, and he shall return all remuneration paid to him for that period.
- 5) If the Audit Committee or the Capital Market Authority finds that the remuneration disbursed to any of the members of the Board of Directors is based on incorrect and misleading information that has been presented to the General Assembly or included in the annual report of the Board of Directors, he shall return them to the Company, and the Company shall have the right to demand their refund.
- 6) Members must provide us with a copy of the bank account signed by them.

C. Senior Executive Remuneration:

1. The Board of Directors shall determine, upon the recommendation of the Nomination and Remuneration Committee, the types of remuneration to be granted to senior executives of the Company, such as fixed remuneration or performance-related remuneration.
2. Senior executives are awarded annual bonuses based on performance appraisals, in addition to compensation and fixed bonuses according to the employment contracts concluded with them.
3. Remuneration may be granted to senior executives in the form of shares, after fulfilling all the statutory controls prescribed in this regard, in which case the value entered for shares shall be the market value at the maturity date.

The performance evaluation of senior executives is mainly based on their professional performance during the year and the extent of their professional interaction in achieving the company's strategic goals.

The relationship between the rewards awarded and the rewards policy:

The remuneration granted to the members of the Board of Directors and the Executive Management during the year 2022 AD came as shown below, in line with the remuneration policy approved by the Association on 29/04/1442 AH corresponding to 14/12/2020 AD as follows.

The difference between the due and the paid	Payment	Amount due as per the reward policy	Member Name
0		180,000	Amr Khashji
0		140,000	Faisal Faruq Tamr
0		140,000	Dana Khaled Juffali
70,575	69,425	140,000	Alexander Uncle Chloronis
0		140,000	Khalid Abed Qama
0		140,000	Khalid Abed Qama
0		140,000	Hamad Almohyas
0		140,000	Muhammad Aldar
0		140,000	Abdullah Al-Nimri
0		120,000	Ali Al , Azhari
0		120,000	Kinana Al Ghalib Al Sharif
0		60,000	Kinana Al Ghalib Al Sharif
0		60,000	Sultan Abdul raouf
0	60,000	60,000	Sultan Abdul raouf
70,575	1,659,425	1,730,000	Total

A. Remuneration of Directors

Expense allowance	2022																
	Variable Rewards									Fixed Rewards							
	Total	End of Service Benefits	Total	Awarded shares (value entered)	Long-term incentive plans	Short-term incentive plans	Periodic bonuses	Profit Percentage	Total	Remuneration of the Chairman of the Board, Managing Director or Secretary if he is a member	A statement of the receipt of the members of the Council in their capacity as workers or	In-kind benefits	Total allowance for attending committee meetings	Allowance for attending meetings of the Council	Certain amount		
First: Independent Members																	
0	211,500	0	0	0	0	0	0	0	211,500	180,000	0	0	7,500	24,000	180,000	Amr Khashoggi	
0	179,300	0	0	0	0	0	0	0	179,300	140,000	0	0	15,300	24,000	140,000	Khalid Qama	
0	167,000	0	0	0	0	0	0	0	167,000	140,000	0	0	3,000	24,000	140,000	Muhammad Aldar	
0	168,500	0	0	0	0	0	0	0	168,500	140,000	0	0	7,500	21,000	140,000	Abdullah Al-Nimri	
Second: Non-Executive Members																	
0	168,800	0	0	0	0	0	0	0	168,800	140,000	0	0	4,800	24,000	140,000	Faisal Tamr	
0	75,425	0	0	0	0	0	0	0	75,425	69,425	0	0	0	6,000	140,000	Alexander Uncle	
0	173,000	0	0	0	0	0	0	0	173,000	140,000	0	0	9,000	24,000	140,000	Dana Juffali	
0	170,000	0	0	0	0	0	0	0	170,000	140,000	0	0	9,000	21,000	140,000	Hamad Almohyas	

B. Remuneration of Committee Members

Total	Allowance for attending sessions	Fixed bonuses allocated for the fiscal year 2022	Name	M
165,300	15,300	150,000	Khalid Qama	1
140,000	20,000	120,000	Ali Al , Azhari	2
140,000	20,000	120,000	Kenana Al , Sharif	3
65,000	5,000	60,000	Kenana Al , Sharif	4
72,500	12,500	60,000	Sultan Abdul raouf	5
65,000	5,000	60,000	Sultan Abdul raouf	
647,800	77,800	570,000	Total	

C. Total Senior Executive Remuneration

Total	Total remuneration of executives on behalf of the Board if any	End of Service Benefits	Variable Rewards				Fixed Rewards				Post		
			Total	Awarded shares (value entered)	Short-term incentive plans	Short-term incentive plans	Earnings	Periodic bonuses	Total	In-kind benefits	Allowances	Salaries	
4,519,905	0	0	0	0	0	0	0	0	4,519,905	518,400	1,086,346	2,915,159	Total

❖ Statutory penalties

Subject of the violation	Fiscal Year 2021		Fiscal Year 2022	
	Number of Executive Decisions	Total amount of fines in Saudi Riyals	Number of Executive Decisions	Total amount of fines in Saudi Riyals
Violation of the Central Bank's supervisory and supervisory instructions	3	56,900.41	2	120
Violation of the Central Bank's Customer Protection Instructions	-	0	-	0
Violation of the Central Bank's instructions to conduct due diligence in combating money laundering and terrorist financing	-	0	-	0
Violation of the instructions of the Ministry of Human Resources regarding the labor system	-	0	-	0
Violation of the instructions of the General Directorate of Civil Defense regarding safety and security	1	6000	-	0

Breakdown of 2022 penalties:

Ways to treat them and avoid their occurrence in the future	The party that signed the violation	Reasons for the violation	Penalties/Prudent/Precautionary Measure/Precautionary Registration
The company has included a percentage of the commission paid in each document.	Saudi Central Bank	Commissions paid for the policy are not included in a number of insurance policies	Saudi Enaya received the letter of the Saudi Central Bank on 29/11/1443 AH corresponding to 28/06/2022I, stating the decision of the Saudi Central Bank to impose a fine on Enaya Company amounting to 20,000 Saudi riyals
The company has complied with the observations received from the Central Bank and will complete its plan for total compliance with the Regulation Controls Manual for Information Security.	Saudi Central Bank	The company's failure to comply with a number of controls of the regulatory guide for information security	Saudi Enaya received the letter of the Saudi Central Bank dated 01/12/1443 AH corresponding to 30/06/2022AD, stating the decision of the Saudi Central Bank to impose a fine on Enaya Company amounting to 100,000 Saudi riyals

❖ The results of the annual review of the effectiveness of internal control procedures in addition to the opinion of the audit committee on the adequacy of the internal control system in the company

Due to the company's focus on the merger project, the management has only addressed the pending observations that do not request any amendment procedures in the system, updates of policies and procedures, or any requirements that can be modified or changed after the implementation of the merger project.

❖ Audit Committee recommendations that conflict with Board decisions

There are no recommendations from the Audit Committee that contradict the decisions of the Board of Directors during the year 2022

❖ Actions taken by the Board of Directors to inform its members of the shareholders' proposals and observations:

There is no action to date.

❖ Details of the company's social contributions:

Saudi Enaya did not participate in any event during 2022

❖ Internal control system and its effectiveness

As there are multiple levels to confirm the effectiveness of the control procedures carried out by the Internal Control Department through continuous examination represented in the application of annual work plans that are implemented under the supervision of the Audit Committee to continuously improve the level of internal control. The Audit Committee confirms the effectiveness of the internal control system in the company based on the review of the external auditor of the company and the reports and observations discussed with the members of the Committee, which led to the issuance of an assurance from the Committee that the company must close the observations that have been monitored and processed and ensure that they are not repeated and report to them.

❖ Maintaining accounting records

In line with the requirements of safety and control systems in the Kingdom of Saudi Arabia. The Company acknowledges that it has maintained separate accounting records for insurance operations and shareholder operations, and the Company recognizes the importance of maintaining correct accounting records for the financial year.

❖ Continuation of operations

The company emphasizes its ability to continue its operations without any obstacles.

❖ The end

On behalf of the members of the Board of Directors, I extend my thanks and appreciation to all the shareholders of Saudi Enaya Cooperative Insurance Company for their contribution to the continuation of the company's health insurance business, and they are pleased to also thank the company's management and employees for their efforts to operate the company during the year 2022. The members of the Board of Directors also thank all the company's customers for giving them confidence and their keenness to develop and continue the relationship with the services and products provided by the company. They are confident that these achievements will give the company a strong impetus to 2023 in order to achieve the strategic goal and achieve more successes.

Greetings to you,

Amro Muhammad Khashji

Chairman of the Board of Directors