

Alliance Insurance Company PSC

Corporate Governance Report 2019





1. A statement of the procedures taken to complete the Corporate Governance system during 2019, and how are they applied.

Alliance Insurance Co. (PSC) gives utmost priority to the practices of executing the governance controls and the Institutional Discipline Standards as a result of its compliance with the Chairman of Securities and Commodities Authority resolution No. (7/د.م)/ 2016 concerning the corporate Discipline Standards and the governance of Public Shareholding Companies.

Alliance places strong attention to disclosure principles and transparency for the practices of corporate governance controls. The following is a brief of activities and practices adopted by the Alliance insurance Company:

- a) Monitor the internal control system in the company through audit committee and the internal audit department ensuring internal control functions are implemented properly for all departments in the company.
 - b) Timely disclosure of its quarterly financial results, decisions taken at the Board of Directors or General Assembly meetings through Securities and Commodities Authority (SCA) and Dubai Financial Market (DFM).
 - c) The Board of Directors, Senior Management of the Company and its executive departments continue to work in accordance with prudent underwriting principle and guidelines, as well as the adoption of conservative investment guidelines in order to protect the rights of its shareholders and clients.
 - d) The investment committee ensures the implantation of investment guidelines, review of investments performance and takes necessary investment decisions to diversify its portfolios and improve returns.
- 2. A statement of ownership and transactions of the Board of Directors, and their spouses and their children in the company securities during 2019 :**

NO.	Name	Designation	Stocks on 31/12/2019	Sales	Purchase
1	H.H Sheikh Ahmed Bin Saeed Al Maktoum	Chairman	250,000	None	None
2	Mr. Saeed Mohammed Al-Kamda	Vice Chairman	75,000	None	None
3	Mr. Ahmed Saif Rashid bin Bakhit	Member	20,000	None	None
4	Mr.Khalifa Salim Humaid Al Mashwi	Member	5,000	None	None
5	Mr. Bijan Khosrowshahi	Member	-	None	None
6	Mr. Ali Mubarak Al Soori	Member	-	None	None
7	Mr. Ashraf Sharbaz Nawabi	Member	50,000	None	None
8	Mr. Mohammed Juma Saif Bin Bakhit	Member	10,000	None	None
9	Mr.Aimen Saba Azara	GM & Member	-	None	None





3. Board members formation:

A-It contents nine of none executive independents members as mentioned below :-

S/N	Name	Category (Executive, Non- executive, and Independent	Experience and Qualifications	Period served as a BOD member of the Company since his first election date	Their memberships and positions in any other joint-stock companies	Their positions in any other important supervisory, governmental or business entities.
1.	H.H Sheikh Ahmed Bin Saeed Al Maktoum	Non- executive, and Independent	A well-known member of the ruling family of Dubai as well as a highly distinguished successful figure in the business world of the UAE. Combined his academic studies and practical experience, the name of H.H Sheikh Ahmed Bin Saeed Al Maktoum has become synonyms with many landmarks and achievements within the UAE, such as Emirates Airline, which became one of the world's fastest growing international airlines. H.H Sheikh Ahmed Bin Saeed Al Maktoum holds several important positions contributing to the economy and business since 1985. H. H. Sheikh Ahmed Bin Saeed Al Maktoum holds A Bachelor's Degree from the University of Denver, Colorado USA.	Since 1988	<ul style="list-style-type: none"> - Chief Executive Officer of Emirates Group. - Chairman of Emirates NBD. - Chairman of Al Noor Islamic Group. - Chairman of Rashid Center for Special Needs. - Board Member of the Dubai Investment Corporation. - President of Fly Dubai. - President of Duty Free – Dubai - President of Aviation Wings Company – Dubai 	<ul style="list-style-type: none"> -Second Deputy Chairman of the Executive Council of Dubai. -Chairman of Dubai World Group -Member of the Board of Directors of the General Authority of Civil Aviation - Dubai -President of Dubai Airports -Chairman of the Economic Development Authority in the Emirate of Dubai. -Board Member in Government Investment Corporation. -Chairman of the Energy Council - Dubai -Chairman of the Economic Development Committee – Dubai.





SN.	Name	Category (Executive, Non- executive, and Independent	Experience and Qualifications	Period served as a BOD member of the Company since his first election date	Their memberships and positions in any other joint-stock companies	Their positions in any other important supervisory, governmental or business entities.
2	Mr. Saeed Mohammed Al- Kamda	Non- executive, and Independent	One of UAE's Businessmen, has worked for more than 30 years in the Dubai Police till he reached to a Major General level. He received the highest honor in his service, awarded to him by His Highness Sheikh Mohammed Bin Rashid Al Maktoum, Deputy of the UAE and Ruler of Dubai. Shareholder and partner in a number of prestigious companies in the UAE including but not limited to Al Kamda Investments and First Security Group.	Elected in 2015	None	None
3	Mr. Ahmed Saif Rashid bin Bakhit	Non- executive, and Independent	He is a businessman and holds a master's degree in military sciences - Faculty of Command and Staff - Egypt He served as an officer in the United Arab Emirates Air Force.	Since 1997	None	None
4	Mr. Khalifa Salim Humaid Al Mashwi	Non- executive, and Independent	One of businessmen and holder of the following certificates and courses : Certificate of engineering in the technical devices of the UK CAT (Control Automatic Transmission System). A course in directing and television preparation – UK. A course in television output - Egypt Course in Cinema Institute for directing - Egypt He worked for Dubai TV during which he worked in several jobs, latest was TV Operation Supervisor.	Since 2004	None	None





SN.	Name	Category (Executive, Non- executive, and Independent	Experience and Qualifications	Period served as a BOD member of the Company since his first election date	Their memberships and positions in any other joint-stock companies	Their positions in any other important supervisory, governmental or business entities.
5	Mr. Bijan Khosrowshahi	Non- executive, and Independent	He holds an MBA from the University of Drexel in the United States in 1986. He worked in the American insurance group AIG in various areas of work and held various positions in many US states during the period from 1986 to 2001. CEO of AIG Group - General Insurance Works in Seoul, South Korea, 2001-2004. CEO of Fuji Fire and Marine Security Co. in Japan in 2004 CEO of Fairfax International from 2009 to present.	Since 2012	- Board Member of Gulf Insurance Group in Kuwait. - Board Member of Bahrain and Kuwait Insurance Company. - Board Member of Jordan Kuwait Bank – Jordan. - Board Member of Arab Egyptian Insurance Company in Egypt. - Board Member of GIG Jordan Company.	None
6	Mr. Ali Mubarak Al Soori	Non- executive, and Independent	He holds a bachelor's degree from the University of Colorado in the United States of America. He has worked at Emirates Group since 1986 and has held many positions till Present.	Since 2012	Managing Director of Assam Private Investments.	Executive Vice President –Chairman's office of Emirates Airline
7	Mr. Ashraf Sharbaz Nawabi	Non- executive, and Independent	Assistant Branch Manager of United Bank Pakistan, Dubai Branch in 1967. Assistant to the President of the United Bank in the United Arab Emirates since 1969 and later the Chief Executive Officer of the Bank. Also worked for Bank of Credit and Commerce International as General Manager of the Middle East, India and Pakistan After the closure of Bank, he joined ENBD as an advisor to the Chairman in 2016.	Since 2012	None	None





SN.	Name	Category (Executive, Non-executive, and Independent	Experience and Qualifications	Period served as a BOD member of the Company since his first election date	Their memberships and positions in any other joint-stock companies	Their positions in any other important supervisory, governmental or business entities.
8	Mr. Mohammed Juma Saif Rashid Bin Bakhit	Non-executive, and Independent	<p>Studied business administration at the American University in London in 1994.</p> <p>He worked at Al-Bakhit Contracting Company since 1996 and has been in several positions until he became General Manager in 2003 till present.</p> <p>Assistant General Manager of Chemical Products Trading Company</p> <p>Board Member and shareholder in Fine Food Trading Company.</p>	Elected in 2015	None	None
9	Mr. Aimen Saba Azara	Executive and General Manager	<p>Holds an MBA from the university of wales Cardiff, UK.</p> <p>Disruptive Strategy- Harvard Business School.</p> <p>Negotiation Mastery- Harvard Business School.</p> <p>Worked in the field of life insurance in the United States for eight years.</p> <p>Director of Insurance Agencies in Alico (AIG) Jordan and the West Bank during the period from 2000 to 2004.</p> <p>Worked for Al Sagr National Insurance Company in the United Arab Emirates from 2005 to 2012 and became a General Manager in 2008.</p>	Since 2012	None	None





b. A statement of the percentage of female representation in the Board for 2019:

No representation of female component in the Company's Board of Directors in 2019.

c. A statement of the reasons for the absence of any female candidate for the board membership:

No female candidate was nominated during this session.

d. A statement of the following:

1) Total remunerations paid to the Board members for the year 2018:

Article 38 of the Articles of Association specified that the remuneration of the Board of Directors shall not exceed 10% of the net profits. The remuneration paid for 2018 under the articles of association was as follows:

Statement	Paid Remunerations
Year	2018
Amount	1,440,630

Noting that, the members of the Board of Directors did not receive any salaries, or any other allowances in the year 2018.

2) The total remunerations proposed to be paid to the members of the Board of Directors for the year 2019, which shall be presented in the Annual General Assembly for approval:

Article 38 of the Articles of Association specified that the remuneration of the Board of Directors shall not exceed 10% of the annual profits. The provision of 2019 has been allocated according to the articles of association as follows:

Statement	Suggested Remunerations
Year	2019
Amount	1,375,983

Noting that, the members of the Board of Directors did not receive any salaries, or any other allowances in the year 2019.

3) A statement of the details of allowances for attending the sessions of committees derived from the BOD, which were paid to the BOD members for the fiscal year 2019.

Members of the Board of Directors or members of the committees formed under the rules of Corporate Governance and standards of Corporate Discipline issued by the Chairman of Securities and Commodities Authority Decision No. (7 / R) 2016 were not granted any other bonuses, allowances or fees in the year 2019.





4) Details of the allowances, salaries, or fees charged by a member of the Board of Directors, other than the fees for attending the committees and their reasons

None of the members of the Board of Directors, according to the governance controls and institutional discipline standards issued by the Chairman of the Board of Directors of the Securities and Commodities Authority No. 7 / R for the year 2016, were granted any allowances, salaries, or fees for attending the sessions of any of the committees emanating from the Council in the year 2019.

e. Numbers and dates of BOD meetings held during the FY 2019 as well as the attendance frequency by all the members; in person and by proxy:

Ser	Date of Meeting	Members attended	Attended by proxy	Members not attended
1	5/3/2019	7	-	1-Mr. Saeed Mohammed Al-Kamda 2- Mr. Ashraf Sharbaz Nawabi
2	8/4/2019	7	-	1-H.H Sheikh Ahmed Bin Saeed Al Maktoum 2- Mr. Bijan Khosrowshahi
3	5/11/2019	6	-	1-H.H Sheikh Ahmed Bin Saeed Al Maktoum 2- Mr. Saeed Mohammed Al-Kamda 3- Mr. Ali Mubarak Al Soori
4	17/12/2019	7	-	1-H.H Sheikh Ahmed Bin Saeed Al Maktoum 2- Mr. Saeed Mohammed Al-Kamda





- f. **Number of the Board directors decisions issued by passing during financial year of 2019, as mentioned on the market web site:**

There were no decisions circulated by the Board of Directors during the year 2019.

- g. **Statement of Board duties and powers exercised by Board members or the executive management members during 2019 based on an authorization from the board, specifying the duration and validity of the authorization according to the following schedule:**

Ser	Authorized Name	Power of Authorization	Duration of authorization
1	Mr. Saeed Mohammed Al Kamda	to sign on company's financial transactions jointly with the General Manager or Mr. Ali Mubarak Al Soori for amounts not exceeding Five Million Dirhams.	unlimited period
2	Mr. Ali Mubarak Al-Soori	to sign on company's financial transactions jointly with the General Manager or Mr. Saeed Mohammed Al Kamda for amounts not exceeding Five Million Dirhams.	unlimited period
3	Mr. Aimen Saba Azara	to conduct all Company's affairs with the exception of opening and closing Bank Accounts.	unlimited period
4	Investment Committee	Consider and study possible investment fields and invest the company's funds and present them to the Board of Directors for approval.	unlimited period





h. Statement of the details of transactions made with the related parties (stakeholders), during 2019:

Ser.	Statement of Related Parties	Nature of relationship	Type of Transaction	Written Premiums
1	Companies fully owned by H.H Sheikh Ahmed Bin Saeed Al Maktoum	Chairman	Insurance premiums	1,2260,252
2	Mr.Ahmed Saif Rashid Bin Bakhit	Member	Insurance premiums	13,776
3	Mr.Khalifa Salim Humaid Al Mashwi	Member	Insurance premiums	24,382
4	Other companies fully/partly owned by the heirs of late Juma Bin Bakhit	Shareholder	Insurance premiums	2,096,533
5	Companies fully owned by Mr. Saeed Mohammed Al Kamda	Vice Chairman	Insurance premiums	301,161

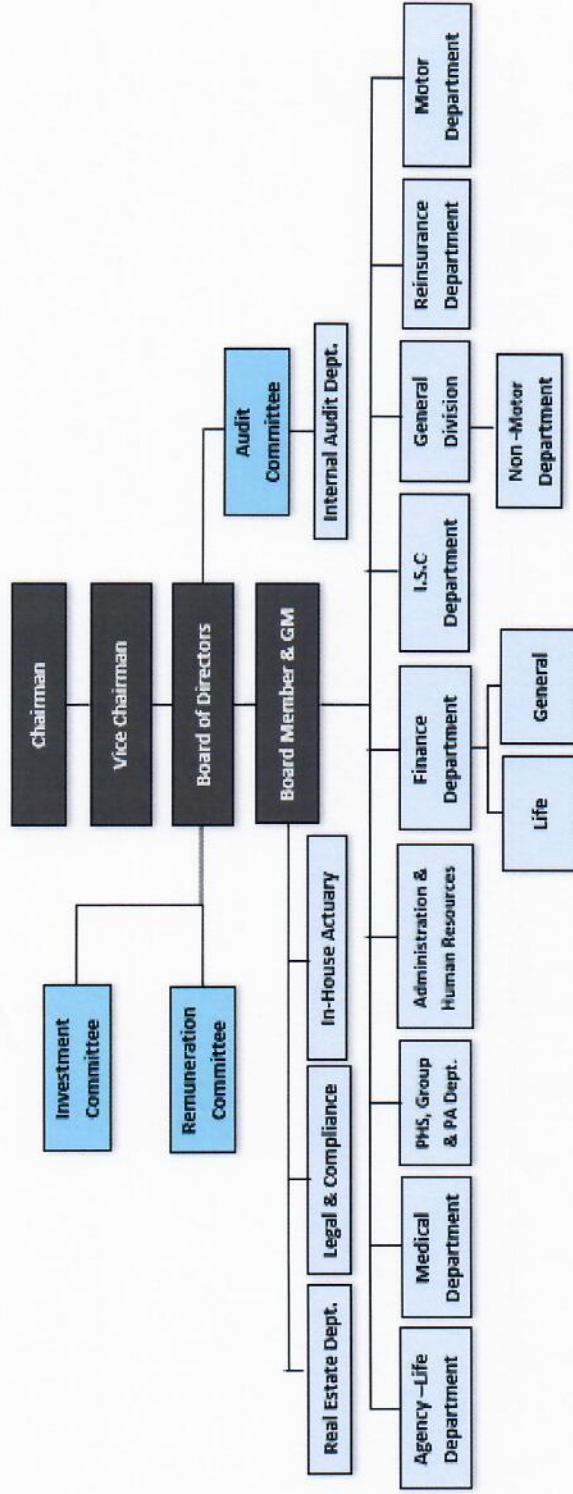
During the year 2019, the Company issued insurance policies, collection of premiums and payment of claims to companies owned by the Chairman and some Board members who have insurance transactions with the Company and classified as related parties in accordance with International Financial Reporting Standards. The total written premium from related parties is AED 3,699,104

- There were no transactions equal to 5% or more of Company's capital with related parties.





i. The Organizational Structure of the Company





j. A detailed statement of the senior executive staff in the first and second grade according to the Company's organizational structure (3.I), their jobs, appointment dates, total salaries and bonuses paid to them:

S/ N	Position	Date of Appointment	Total Salaries and Allowances paid in 2019 (AED)	Total Bonuses paid for 2019 (AED)	Any other Cash/in-kind benefits for 2019 or payable in the future
1	Board Member - General Manager	08/02/2012	1,543,990.00	Not Declared	None
2	Reinsurance Manager	01/01/1979	366,000.00	Not Declared	None
3	General Insurance Dept. Manager	02/07/2017	354,590.00	Not Declared	None
4	Motor Dept. Manager	10/08/2000	335,120.00	Not Declared	None
5	Real Estate Dept. Manager	13/11/2011	171,080.00	Not Declared	None
6	Head of Legal & Compliance	14/08/2019	91,612.90	Not Declared	None
7	Internal Actuary	14/04/2019	179,900.00	Not Declared	None
8	Agency Manager – Life	08/03/2015	495,106.00	Not Declared	None
9	Medical Dept. Manager	07/06/2015	300,000.00	Not Declared	None
10	PHS, PA & Group Life Manager	09/06/2019	125,333.33	Not Declared	None
11	Administration & HR Manager	29/05/2006	144,625.00	Not Declared	None
12	Finance Manager	09/11/2016	365,945.00	Not Declared	None
13	IT Manager	01/06/2006	297,188.00	Not Declared	None

4. External Auditor:

a) A brief about Company's External Auditor to the shareholders :

Based on the decision of company's shareholders in the General Assembly meeting, which was held on 8/4/2019, M/s. Deloitte & Touche (Middle East) was appointed as an external auditor for the year / 2019.

They are one of the international auditing firms accredited in the country and working in the Middle East region since the year 1926. They are auditing the accounts of many companies through their branches in the region and in the United Arab Emirates, as well as auditing the accounts of many insurance companies in the country.

b) A statement of the fees or costs of auditing or the services provided by the external auditor :

Name of Auditing Firm (Partner Name – Auditor)	Deloitte & Touche Middle East - Samir Madbak
Number of years served as an external auditor for the Company	one Year
Total fees for auditing the financial statements of 2019 (in AED)	AED 315,000
The fees and costs of the special services other than the auditing of the financial statements in 2019 (in AED):	None
The details and nature of other services provided (if any)	For Anti-Money Laundering Review Report.
A statement of the other services performed by an external auditor other than the Company's auditor in 2019 (if any)	None





c) **Statement Clarifying the reservations that the company auditor included in the interim and annual financial statements for 2019:**

There were no reservations by the External Auditor in the quarters and annual financial statements of the year 2019.

5. Audit Committee:

a) I (Bijan Khosrowshahi) as a Chairman of the Audit Committee, acknowledge my responsibility for the Committee system at the company, review of its work mechanism and ensuring its effectiveness.

b) **The Audit Committee consists of the following independent and non-executive Board members:**

- Mr. Bijan Khosrowshahi	Chairman
- Mr. Ashraf Sharbaz Nawabi	Member
- Mr. Ahmed Saif Rashid Bin Bakhit	Member

The Committee has been entrusted with the following duties and responsibilities in addition to all clauses of the Chairman of the Board of Directors of Securities and Commodities Authority Resolution (No. 7 ر.م) /2016:

1. Develop and implement the policy of contracting with the External Auditor and submit a report to the Board of Directors specifying the issues that need an action along with their recommendations.
2. Verify and ensure the independence, objectivity and discussion of the external auditor on the nature, scope of the audit and its effectiveness in accordance with the approved auditing standards.
3. Monitor and review the integrity of the company's annual, semi -annual and quarterly financial statements as part of its regular duties during the year. In particular focusing on the followings:
 - Any changes in accounting policies and practices.
 - To highlight the subject areas to management report.
 - Significant amendments resulting from the audit.
 - Comply with the accounting standards determined by SCA.
 - Comply with the rules of listing, disclosure rules and other legal requirements related to the preparation of financial reports.
4. Coordination with the Company's Board of Directors, Executive Management and Finance Manager to perform the duties of the Committee; and meet with Company's external auditors at least once a year.





5. Consider any important and unusual items that are, or should be included in such reports and accounts and shall exercise the due diligence to any matters raised by the Finance Manager, Compliance Officer or External Auditor.
6. Review the financial controls, internal control systems and risk management regulations.
7. Discuss the internal control systems with management and ensure the performance of its duty in establishing an effective internal control system.
8. To consider the results of the main investigations in the internal control matters assigned to the Audit Committee by the Board of Directors or initiated by the Committee and approved by the Board of Directors.
9. Ensure that there is coordination between internal auditor and external auditor to ascertain that necessary resources are provided for the internal audit system and to monitor the effectiveness of that function.
10. Review the financial and accounting policies and procedures of the company.
11. Review the External Auditor's Report, action plan and any queries that may be submitted to the executive management regarding accounting records, financial accounts or control systems and the executive management response to such queries.
12. Establish controls that enable Company's staff to report any potential violations of financial reports, internal controls or other matters and actions to ensure the independence and fair investigations of such violations.
13. Monitor the company's compliance with the Code of professional conduct.
14. Ensure that the business rules related to the Audit Committee obligations and the powers entrusted to them by the Board of Directors are implemented and submit a report to the Board of Directors on the matters included in this clause.
15. Consideration of any other matters determined by the Board of Directors.

The role of the Committee is to support the Board of Directors in performing its duties to ensure the effective use of available resources, follow up the work of the External Auditor and review the Company's internal control system.

c) Committee Meetings during the year 2019:

- The first meeting was held on March 05th, 2019. In the presence of Mr. Bijan Khosrowshahi and Mr. Ahmed Saif Bin Bakhit and the Internal Auditor.
- The second meeting was held on April 08th, 2019 in the presence of Mr. Ashraf Sharbaz Nawabi, Mr. Ahmed Saif Bin Bakhit and the Internal Auditor. Mr. Bijan Khosrowshahi was absent.
- The third meeting was held on November 05th, 2019 in the presence of all committee members in addition to the Internal Auditor and General Manager who was also invited to attend this meeting.
- The fourth meeting was held on Dec 17th, 2019 in the presence of all committee members, External Auditor in addition to the internal auditor and the General Manager.

6. Nominations and Remuneration Committee:

- a) I (Khalifa Salim Humaid Al-Mashawi) as Chairman of the Nomination and Remuneration Committee acknowledge my responsibility for the Committee system at the Company, review of its work mechanism and ensuring its effectiveness.





b) The Nomination and Remuneration Committee was formed by independent and non-executive Board members as follows:

- | | |
|---------------------------------------|----------|
| - Mr. Khalifa Salim Humaid Al-Mashawi | Chairman |
| - Mr. Ahmed Saif Rashid bin Bakhit | Member |
| - Mr. Ali Mubarak Al-Soori | Member |

The Nomination and Remuneration Committee on 2019 has been entrusted with the following duties and responsibilities in addition to all clauses of the Chairman of the Board of Directors of Securities and Commodities Authority Resolution (No. 7 د.م) /2016:

1. Establish a nomination policy for the Board of Directors Members and Executive Management, which aims to ensure gender diversity.
2. Organize and monitor the procedures for nomination to the Board of Directors in accordance with the applicable laws and regulations and the provisions of this resolution.
3. Ensure the independency of the independent members.
4. Develop the policy of the remuneration, benefits and incentives for the Board of Directors and employees of the company and to review it periodically.
5. Determine the company's requirements for competencies at the level of executive management and employees and the bases of their selection.
6. Develop, monitor the implementation of HR Policies and review them annually.
7. Annual Review.
8. Consider of any other matters determined by the Board of Directors of the Company.

c) Statement of number of meetings held by the Committee during 2019:

A meeting of the committee was held on 05/03/2019 in the presence of all Committee members.

7. Insiders' Trading Follow-Up and Supervision Committee:

- a) I (Ehab Radwan) as Chairman of The Insiders' Trading Follow-up and Supervision Committee Acknowledge my responsibility for the follow-up, its work mechanism and ensuring its effectiveness.

b) The Insiders' Trading Follow-up and Supervision Committee was established to deal with insiders and consists of the following members:

- | | |
|-----------------------------|----------|
| - Mr. Ehab Radwan Tolba | Chairman |
| - Mr. Khalid Bassam Elayyan | Member |
| - Mr. Rami Abdul Karim | Member |

c) Summary of the Committee's work report during 2019:

In 2019, the Committee assumed the responsibilities and duties set out below and all the provisions of the Chairman of the Board of Directors of Securities and Commodities Authority resolution No. (7 د.م)/2016:





1. Monitor the implementation of the provisions of the code of professional conduct relating to the transactions of the company's Board and its employees in securities issued by the company and ensure the compliance with their content.
2. Prepare a special and integrated register for all insiders, including temporarily insiders having access to the company's internal information before publication. The record also includes the prior and subsequent disclosures of the insiders.
3. To maintain the confidentiality of company data and information that may have a material impact ensuring it is not exploited.
4. Follow-up by third parties who are aware of the internal data and information of the company, and its clients to maintain the confidentiality of such data and information ensuring non-misuse, or transfer of such information directly or indirectly to third parties.
5. The committee must seek authorization from the Board of Directors to obtain from all insiders a written declaration acknowledging their legal obligation to ensure the confidentiality of information they have access to, e.g. official company statements, internal data ,information related to the company and its customers by confirming their knowledge in writing that they bear the legal responsibility in leaking such information or data or providing advice on the basis thereof, and their obligation to notify the company of any trades they make on the company's securities.

8. Investment Committee :

a) I (Ashraf Sharbaz Nawabi) as Chairman of Investment Committee, I acknowledge my responsibility for the Committee system at the company, review of its work mechanism and ensuring its effectiveness.

b) **The committee consists of the below members:**

- | | |
|-----------------------------|----------|
| - Mr. Ashraf Sharbaz Nawabi | Chairman |
| - Mr. Bijan Khosrowshahi | Member |
| - Mr. Aimen Saba Azara | Member |

c) **Summary of the Committee's work report during 2019:**

The Committee shall review investment opportunities, proposals and make recommendations after carefully examining these investments. Recommendations are submitted to the Board of Directors for final approval.

d) **Statement of number of meetings held by the Committee during 2019:**

The committee held three meetings; on 05/03/2019 in the presence of Mr. Bijan Khosrowshahi and Mr. Aimen Azara and on 05/11/2019 and 17/12/2019 in the presence of all committee members.





9. Internal Control System:

- a. The Board of Directors of the Company acknowledges its responsibilities for the internal control system and its effectiveness. The Board also reviews the system to ascertain its effectiveness ensuring company and its employees are fully compliant with the provisions of the laws, regulations and decisions in force. The Board of Directors responsibilities further include the monitoring of internal policies, procedures and reviewing the financial data presented to the Company's Senior Management which is used in the preparation of Financial Statements.
- b. During the year 2019 Mr. Khalid Bassam Elayyan was hired to assume the responsibilities of the Internal Audit Department. Mr. Khalid Elayyan holds a Bachelor Degree in Finance from The University of Jordan and has more than 5 years of experience as an External Auditor in one of the most reputable International Audit Companies.
- c. During the year 2019 Mr. Humaid Ali Ashkanani (UAE national) who holds a Bachelor Degree in Law and Economics from Al Jazeera University – Dubai was appointed as a Compliance Officer.
- d. The Internal Control Department deals with potential challenges or matters that arise in the Company and submits its reports to the Audit Committee, in turn the Audit Committee presents any observations to the Board of Directors along with recommendations to address gaps in the internal control system and to resolve irregularities if any. This is conducted periodically or at any time the Board finds it necessary. Noting that, in the year 2019 the Company did not face any challenges that required the involvement Internal Control Department. Also, there were no undisclosed issues in the annual report and Financial Statements of the company for the year 2019. The Internal Control Department prepares the annual audit plan with the Audit Committee and the concerned departments within the Company in order to implement agreed plans, in addition to carrying out any other duties or responsibilities required by the Board of Directors or the Audit Committee.

e. Number of reports issued by the Internal Auditor Department:

There were four reports issued by the Internal Auditor to Company's Board of Directors.

10. Details of the violations committed during the year 2019:

The company did not commit any violations during 2019.





11. Company's contributions in the year 2019 towards local community development and environmental conservation:

Alliance Insurance contributed a total amount of AED 150,000 to support charitable and humanitarian organizations that seeks to help various entities including Rashid Center for Disabled, the Emirates Association for the Visually Impaired, Khorfakkan Club for disabled, Al Noor Center for Disabled Care and Beit Al Khair Society.

Also, the Company has been actively participating in conferences and meetings with regards to organize insurance sector, providing protection to various sectors of the economy, and Emiratization in the insurance sector, which were organized by Emirates Insurance Association and Insurance Authority.

In addition, we have also reduced our paper usage to help preserve the safety of the environment.

Supplementary, our company have organized open events to celebrate different occasions; we took part in celebrating UAE National day, a blood donation campaign was also conducted in corporation with Dubai Insurance and Blood Transfusion and Research Center in Sharjah last November 20, 2019. Lastly, it has been a company's tradition to arrange an Iftar in the holy month of Ramadan for all staff and employees.

The company also participated on the programs organized by the Ministry of Human Resources and Emiratization such as government accelerators program for the national graduates – insurance sector. The company has also given special discounts to drivers whose files are free of accidents and are bound by traffic and traffic rules. We also joined in the open recruitment days arranged both in Abu Dhabi and Dubai.

12. General Information:

a. A statement of the Company share price in the Market during the year 2019:

Month	Trading date	Closing Price	High	Low
January	31/01/2019	383.5	383.5	383.5
February	28/02/2019	383.5	383.5	383.5
March	31/03/2019	383.5	383.5	383.5
April	30/04/2019	383.5	383.5	383.5
May	30/05/2019	383.5	383.5	383.5
June	30/06/2019	383.5	383.5	383.5
July	31/07/2019	383.5	383.5	383.5
August	29/08/2019	383.5	383.5	383.5
September	30/09/2019	383.5	383.5	383.5
October	31/10/2019	383.5	383.5	383.5
November	28/11/2019	383.5	383.5	383.5
December	31/12/2019	383.5	383.5	383.5





b. A statement of the comparative performance of the company's shares with the market index and the sector index to which the company belongs during year 2019.

Month	Share price of the company	Market Index	Sector Index
31/01/2019	383.5	2,567.59	1,470.84
28/02/2019	383.5	2,635.78	1,412.58
31/03/2019	383.5	2,634.86	1,396.15
30/04/2019	383.5	2,767.10	1,505.94
30/05/2019	383.5	2,620.33	1,505.48
30/06/2019	383.5	2,658.63	1,607.55
31/07/2019	383.5	2,918.38	1,793.46
29/08/2019	383.5	2,758.60	1,862.43
30/09/2019	383.5	2,781.07	1,825.65
31/10/2019	383.5	2,746.93	1,730.78
28/11/2019	383.5	2,678.70	1,654.69
31/12/2019	383.5	2,764.86	1,720.55

c. A statement of shareholding distribution as of 31/12/2019:

S/N	Shareholder Category	Percentage of Shares Held			
		Individual	Companies	Government	Total
1	Local	800,000	-	-	800,000
2	GCC	-	200,000	-	200,000
3	Arab	-	-	-	-
4	Foreign	-	-	-	-
	Total	800,000	200,000	-	1,000,000

d. A statement of the shareholders who hold 5% or more of the Company's capital as of 31/12/2019:

S/N	Name	Number of Shares Held	% of the Shares Held of the Company's Capital
1	H.H Sheikh Ahmed Bin Saeed Al Maktoum	250,000	25%
2	Heirs of late Mr. Juma Saif Bin Bakhit	295,000	29.5%
3	Gulf Insurance Company	200,000	20%
4	Mr. Saeed Mohammed Al Kamda	75,000	7.5%
5	Mr. Ashraf Sharbaz Nawabi	50,000	5%
6	Mr. Rashid Saeed Mohammed Al Kamda	50,000	5%





e. A statement of shareholders distribution by the size of equity as of 31/12/2019:

S/N	Share(s) Owned	Number of Shareholders	Number of Share Held	% of the Shares Held of the Capital
1	Less than 50,000	6	80,000	8%
2	From 50,000 to less than 500,000	6	920,000	92%
3	From 500,000 to less than 5,000,000	-	-	-
4	More than 5,000,000	-	-	-

f. A statement of the procedures taken regarding the controls of investors' relationships:

- The Company has appointed an Investor Relations Officer and assigned her with all duties as stated in the resolution of the Chairman of the Securities and Commodities Authority No. (7 ج.م)/2016.

- **Investor's Relation Officer Data:**

Name : Hanan Ali Alarai
Email : hanan.ali@alliance-uae.com
Tel : 0097146051150
Mobile No :0551045008
Fax No :04-6051112/3

- Direct Link : <http://www.alliance-uae.com/investor-relations/>

g. A statement of the special resolutions presented to the General Assembly held in 2019 and the procedures taken with respect thereto:

No special resolutions were submitted to the General Assembly during 2019.





h. Rapporteur of the Board Meeting:

Rapporteur Name: Mrs. Alia Khalil Al Hattab
Appointed Date: 25-Apr-98.
Qualification: Diploma in English Language - Al Balqa University / Jordan-
with more than 20 years of experience.

***Statement of work assignments during 2019:**

1. Coordinate with the Chairman concerning Meeting details such as place, date and time of the meeting.
2. Prepare Board Meeting Agenda and accordingly present to the Chairman for his approval. Thereafter, send the Meeting contents to the Board Members in advance.
3. Reserve the meeting venue beforehand and ensure that all preparations are in order.
4. Send reminders to the Board Members to ensure their attendance.
5. Fully coordinate the Board report with the Chairman before presenting it across all the Board Members.
6. Ensure the quorum of the meeting and keep the Chairman informed regarding the same.
7. Register the attendance and apologize for any absence.
8. Take minutes of the meeting by documenting the discussion, proposals, recommendations and decisions cited in the Board Meeting.
9. Prepare the draft of minutes of the meeting and present it to the Board Members to allow them to express their insights prior to signing off.
10. Prepare final minutes of the meeting and obtain approval from Chairman and participating Board Members.
11. Provide the members with the Meeting Records.

i. A statement of the significant events that took place in the Company in 2019:

No significant events experienced by the company during the year 2019.

j. A statement of the Emiratization percentage in the Company as of 2017, 2018, 2019:

The rate of Emiratization reached 10.16% on 2017, and to 9.4% at the end of 2018 and to 7.8 % by the end of 2019. The company is working diligently to increase the numbers of UAE Locals with the cooperation of Ministry of Human Resources and Emiratization, Insurance Authority and all concerned Authorities by participating in employment exhibitions in different emirates.





- k. A statement of the Innovative projects and initiatives implemented by the Company or which were under development during 2019:

During the year 2019, the company enhanced existing insurance products and introduced new products in the field of life insurance in cooperation with external appointed Actuary to strengthen our insurance portfolio.

H.H. Sheikh Ahmed Bin Saeed Al Maktoum
Chairman of the Board
--/03/2020

Audit Committee
Chairman
--/03/2020

Nominations and Remuneration Committee
Chairman
--/03/2020

Insiders' Trading Follow-Up and
Supervision Committee
Chairman
H/03/2020

Investment Committee
Chairman
//--/03/2020

Internal Auditor
14/03/2020



Company Stamp