

**Corporate Governance Report**  
**Methaq Takaful Insurance Company**  
**For the Year 2020**

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**(1) Procedures taken to complete the corporate governance system, during 2020, and method of implementing thereof**

**A. Introduction**

The Board of Directors of Methaq has adopted an advanced stand toward the implementation of the Resolution of the Chairman of the Securities and Commodities Authority No. (7 R.M) of 2016 concerning "The Standards of Institutional Discipline and Governance of Shareholding Companies". The company has complied with the laws and regulations issued by the Securities and Commodities Authority, Abu Dhabi Securities Exchange, Insurance Authority, Health Authority, Labor Law and all laws and regulations set forth in the United Arab Emirates. The company is a public shareholding company listed in the Abu Dhabi Securities Market and carries out insurance business including health insurance products.

The Board of Directors has given a special and continuous attention to the rules and regulations of governance especially:

- Direct supervision of the efficiency of internal controls and corporate governance.
- Supervision of company's compliance with all laws, ministerial decrees and circulars issued by governing authorities.

Based on the ministerial decree stated above, the company has issued a specialized guideline for corporate governance, and the authority of supervision is assigned to the Audit Committee.

Subsequently after SCA issued the Chairman of Authority's Board of Directors No. 3 R.M of 2020 concerning the approval of the Corporate Governance manual of the Public Shareholding companies, the company reviewed this decision and amended its procedures to ensure full compliance in the specified time.

**B. Corporate Governance Guidelines at Methaq**

The Corporate Governance Guidelines manual of Methaq includes detailed policies and procedures for:

- Company's mission
- Board of Directors
  - Tasks and responsibilities
  - Appointment of BOD members
  - Continuous company's development
  - BOD meetings
  - Evaluation of BOD performance and the annual comprehensive revision
  - Formation of BOD Committees
  - Transactions of the BOD and related parties in the stock market.

- Employees' Code of Conduct
- Anti-Money Laundering Law
- Shareholders' Equity
  - General Principles
  - Obtaining information about the company
- Internal Controls and Risk Management Systems
  - Internal audit
  - Internal controls
  - External auditor
- Insider's Trading Follow-up and Supervision Committee
- Disclosure and Transparency System
- Company's commitments
  - Audit Committee commitments
  - Nomination and Remuneration Committee commitment
- Company's social and environmental responsibility

**(2) Ownership and transactions of Board of Directors (Board members and their spouses, their children in the company securities during 2020**

S	Name	Position/Kinship	Owned Shares as on 31/12/2020	Total Sale	Total Purchase
1	Mohammed Abdulla Mohammed	Managing Director	N/A	0	0
2	Yousif Hussain Al Sahlawi	Member	N/A	0	0
3	Ahmed Hasan AL Rumaithi	Member	N/A	0	0
4	Mohsen Hamad AlMarri	Member	N/A	0	0
5	Hamad Al Shamsi	Member	N/A	0	0
6	Khawla Alhamadi	Member	N/A	0	0
7	Musallam Ahmed Al Baloushi	Member	N/A	0	0
8	Salem Ali Al Shamsi	Member	N/A	0	0
9	Fahad Al Shamsi	Member	N/A	0	0



**(3) Board Formation****A. Statement of the current Board Formation (along with the names of both the resigned and appointed Board members)**

<b>Name: Yousif Hussain Al Sahlawi</b>	
<b>Category</b>	Independent
<b>Experiences and qualifications</b>	<ul style="list-style-type: none"><li>• BA in Sharia and Law in 1988 - UAE University</li><li>• Founder of Al-Sahlawi Group for Law Firm and Legal Consultations, October 1997 to date</li><li>• Executive Director, Policy and Legislations Sector, Dubai Customs 2007 - until 13/12/2014</li><li>• Senior Executive Director of Institutional Affairs (Dubai Customs) 12-31-2009</li><li>• Director of the Legal Affairs Department (Dubai Customs) 2006-2007</li><li>• Deputy Prosecutor at the Ministry of Justice in the United Arab Emirates, November 1989 - July 1993</li></ul>
<b>The period spent as Board member from the date of first election</b>	From 28/03/2018
<b>Membership and positions at any other joint-stock companies</b>	N/A
<b>Positions in any other important regulatory, government or commercial positions</b>	N/A

<b>Name: Mohammed Abdulla Mohammed</b>	
<b>Category</b>	Executive
<b>Experiences and qualifications</b>	<ul style="list-style-type: none"><li>• 2012-2014: Paris Sorbonne University Abu Dhabi, UAE: Masters International Business &amp; Languages</li><li>• 2007/2008: UAE University: Bachelor of Economics</li><li>• Methaq Managing Director 2008 up to date</li><li>• Al Ain Distribution Company, 2009 to 2011</li></ul>
<b>The period spent as Board member from the date of first election</b>	From 26/02/2008
<b>Membership and positions at any other joint-stock companies</b>	N/A
<b>Positions in any other important regulatory, government or commercial positions</b>	N/A

<b>Name: Ahmed Hasan AL Rumaithi</b>	
<b>Category</b>	Independent
<b>Experiences and qualifications</b>	<ul style="list-style-type: none"> <li>• New York Institute of Technology - Abu Dhabi</li> <li>• Master of International Business Administration - New York Institute of Technology - Abu Dhabi June 2010-2012</li> <li>• Executive Council – Risk Management Director, June 2012 – Present</li> <li>• Bin Salem Holding – UAE- Chief Investment Manager, March 2008 – September 2011</li> <li>• Zones Corp Abu Dhabi – UAE Office Manager of CEO, May 2004 – February 2008</li> <li>• UAE President's Office – UAE Office Manager of CEO (Envoy to Educational Zone), January 2003 – April 2004</li> <li>• Educational Zone – UAE Office Manager of CEO, December 2001 – January 2003</li> <li>• Gulf Falcon Trading Co. (L.L.C.), August 2000 –October 2001</li> </ul>
<b>The period spent as Board member from the date of first election</b>	From 22/04/2013
<b>Membership and positions at any other joint-stock companies</b>	N/A
<b>Positions in any other important regulatory, government or commercial positions</b>	N/A

<b>Name: Mohsen Hamad AlMarri</b>	
<b>Category</b>	Independent
<b>Experiences and qualifications</b>	<ul style="list-style-type: none"> <li>• Bachelor's degree in electrical engineering, Ain Shams University in 1981</li> <li>• First Deputy CEO and Acting CEO of 01/02/2007 - 01/01/2012 at Arkan Building Materials Company Abu Dhabi</li> <li>• General Manager of Emirates Cement Factory, Al Ain from 10/1981 - 01/31/2007</li> </ul>
<b>The period spent as Board member from the date of first election</b>	From 22/04/2013
<b>Membership and positions at any other joint-stock companies</b>	N/A
<b>Positions in any other important regulatory, government or commercial positions</b>	N/A

<b>Name: Hamad Al Shamsi</b>	
<b>Category</b>	Independent
<b>Experiences and qualifications</b>	<ul style="list-style-type: none"> <li>• Long Beach University 2002 bachelor's degree in business administration and information technology</li> <li>• Human Resource Manager at Al Ain Distribution Company, 2012 up to date</li> <li>• Customer Support Manager at Al Ain Distribution Company, 2009 to 2012</li> <li>• Chief Human Resource Manager at Al Ain Distribution Company, 2008 to 2009</li> <li>• Chief of Services Division at Al Ain Distribution Company, 2007 to 2009</li> <li>• Head of the Consumption and Follow-up Division at Al Ain Distribution Company, 2006 to 2007</li> <li>• Deputy Director of Publications, Information and Publishing Department at Ministry of Media, to 2004 to 2006.</li> <li>• Manager of Information Technology Department at Ministry of Media, 2003 to 2004.</li> </ul>
<b>The period spent as Board member from the date of first election</b>	From 22/04/2013
<b>Membership and positions at any other joint-stock companies</b>	N/A
<b>Positions in any other important regulatory, government or commercial positions</b>	N/A

<b>Name: Khawla Al Hammadi</b>	
<b>Category</b>	Independent
<b>Experiences and qualifications</b>	<p>2019-2020 Diploma in Executive Management (Sports Field) University of Sharjah.</p> <ul style="list-style-type: none"> <li>• 2017-2019 Master of Sports Law, American University in the Emirates.</li> <li>• 2015-2016 Master of Business Administration, Abu Dhabi College of Management.</li> <li>• Director of Training Department - Human Resources Authority g</li> <li>• Head of the Department of Designing Programs and Projects for Job Seekers.</li> <li>• Official of the Sail Team, Abu Dhabi Sailing and Yachting Club.</li> </ul>
<b>The period spent as Board member from the date of first election</b>	From 08/10/2020
<b>Membership and positions at any other joint-stock companies</b>	N/A

Positions in any other important regulatory, government or commercial positions	N/A
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<b>Name: Musallam Ahmed Al Baloushi</b>	
Category	Independent
Experiences and qualifications	<ul style="list-style-type: none"> <li>• Master of Sports Law / American University in the Emirates</li> <li>• Officer in the UAE Armed Forces General Command</li> </ul>
The period spent as Board member from the date of first election	From 24/03/2019
Membership and positions at any other joint-stock companies	N/A
Positions in any other important regulatory, government or commercial positions	N/A

<b>Name: Salem Ali Al Shamsi</b>	
Category	Independent
Experiences and qualifications	<ul style="list-style-type: none"> <li>• Master of Business Administration from the United Arab Emirates University</li> <li>• Senior Manager - Technical Support Department - Tawazun Industrial Complex from May 2017 to date.</li> <li>• Director of Execution Department - Tawazun Industrial Complex from February 2016 to May 2017.</li> <li>• Project Manager - Tawazun Industrial Complex from January 2014 to January 2016.</li> <li>• Project Engineer - Industrial Balance Complex from October 2011 to December 2013</li> </ul>
The period spent as Board member from the date of first election	From: 24/03/2019
Membership and positions at any other joint-stock companies	N/A
Positions in any other important regulatory, government or commercial positions	N/A

<b>Name: Fahad Al Shamsi</b>	
Category	Independent
Experiences and qualifications	<ul style="list-style-type: none"> <li>• Canadian University 2012, master's in businesses administration</li> <li>• Chief Executive officer of UAE Jiu Jitsu (2014- current time).</li> </ul>



	<ul style="list-style-type: none"> <li>• Director, Marketing and Communication at Abu Dhabi Sport Council (2013-2014)</li> <li>• Events Manager at Abu Dhabi Sport Council from (2011-2013).</li> <li>• Administration officer at Abu Dhabi Civil Aviation (1996-2011).</li> <li>• Defender/ National Team Manager at UAE football Association (1996-2011)</li> </ul>
The period spent as Board member from the date of first election	From 24/03/2019
Membership and positions at any other joint-stock companies	N/A
Positions in any other important regulatory, government or commercial positions	N/A

#### **B. Percentage of female representation in the Board for 2020**

Methaq believes in the importance of quality and diversity expertise and in enhancing the role of women, it has a female participation in its Board of Directors since the year 2013. Women's membership represents 11% of the current Board of Directors, she is also a member of two Board Committees: Audit Committee and Nomination and Remuneration Committee.

#### **C. Reasons for the absence of any female candidate for the Board membership**

The company has women membership in its Board of Directors and welcomes further nominations from female members.

#### **D. Statement:**

##### **1. The total remunerations paid to the Board members for 2019**

The Board of Directors put a recommendation to the General Assembly to approve the remuneration of the Board members by 10% of the profit amounting to AED 388,507.

##### **2. The total remunerations of the Board members, which are proposed for 2020, and will be presented in the annual general assembly meeting for approval.**

As stated, Article (29) of the Corporate Governance Guide for Public Shareholding Companies issued pursuant to the Authority's Board Chairman Decision No. (3 / R.M) for the year 2020 that the remuneration of the Chairman and members of the Board of Directors consists of a percentage of the net profit, provided that it does not exceed (10%) of that Profits for the fiscal year after deducting both depreciation and reserves, there will be no bonuses for the year 2020

**3. Details of the allowances for attending sessions of the committees emanating from the Board, which were received by the Board members for 2020 fiscal year, according to the following schedule:**

S	Name	Allowances for attending sessions of the committees emanating from the Board		
		Committee Name	Allowance Value	Meetings Nos.
1	Yousif Hussain Al Sahlawi	Investment	16.000	4
2	Ahmed Hasan AL Rumaithi	Nomination & Remuneration	16.000	4
3	Mohsen Hamad Abdulla AlMarri	Audit	16.000	4
4	Khawla Al Hammadi	Audit	-	-
5	Hamad Al Shamsi	Nomination & Remuneration	16.000	4
6	Salem Ali Al Shamsi	Audit	16.000	4
7	Musallam Ahmed Al Baloushi	Investment	16.000	4
8	Fahad Al Shamsi	Investment	16.000	4

**4. Details of the additional allowances, salaries or fees received by a Board member other than the allowances for attending the committees and their reasons.**

None.

**E. Number of the Board meetings held during 2020 fiscal year along with their convention dates, personal attendance times of all members, and members attending by proxy**

S	Date of Meeting	Number of Attendees	Number of attendees by proxy	Names of absent members
1	26/03/2020	8	0	Noura Al Mazrouie
2	25/06/2020	7	0	Noura Al Mazrouie & Musallam Al Baloushi
3	21/09/2020	8	0	Noura Al Mazrouie
4	11/11/2020	7	0	Musallam Al Baloushi & Fahad Al Shamsi

**F. Number of the Board resolutions passed during the 2020 fiscal year, along with its meeting convention dates**

Number of Board of Directors decisions issued by passing during 2020: (3)

1. Decision on rolling number: 1/2020
2. Decision of passage No. 2/2020
3. Decision on rolling number: 3/2020

**G. Board duties and powers exercised by Board members or the executive management members during 2020 based on an authorization from the Board, specifying the duration and validity of the authorization**

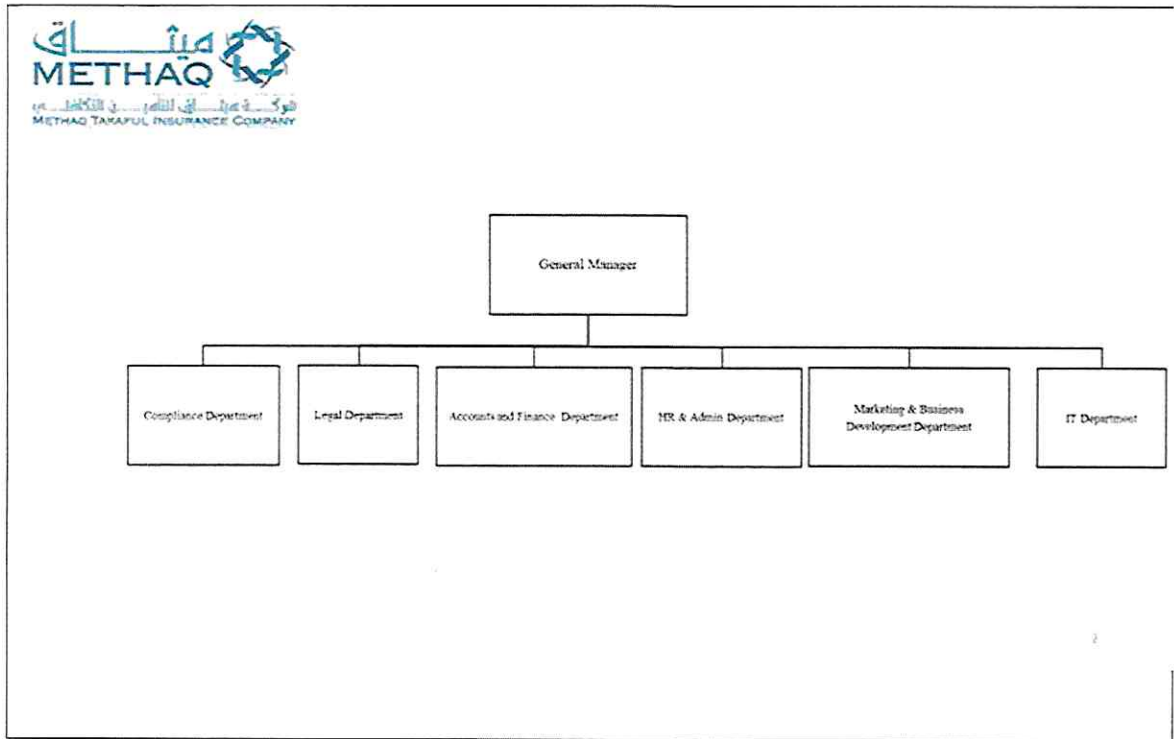
The General Manager of the company Mr. Mahmoud Aziz Mahmoud Abdel-Gawad By authorization attested No. 2099000158 from the Managing Director, valid until 05/18/2022, based on authorization given to him by the Chairman according to the Companies Commercial Law and the Company's Articles of Association, to follow up on the matters related to the management of the company and running its day-to-day operations, including the conducting of company's transactions with all governmental and non-governmental entities, recruitment and termination of employees and all related transactions, completion of all services related transactions as needed by the company, sale; ownership transfer of vehicles; leasing, mortgage and unmortgage, and all procedures related to the vehicles owned by third parties, follow up with the courts in respect of all legal proceedings relating to the company, and the right to authorize others to all or some of the foregoing authorization.

**H. Details of the transactions made with the related parties (Stakeholders) during 2020**

S	Statement of related parties	Nature of relationship	Type of transaction	Value of transaction
1	N/A	N/A	N/A	N/A



I. The complete organizational structure of the company, which shall clarify managing director, the general manager and/or CEO, the deputy general manager and the managers working in the company such as financial manager



J. Detailed statement of the senior executives in the first and second grade according to the company organizational structure (according to 3-I), their jobs and dates of their appointment, along with a statement of the total salaries and bonuses paid to them

S	Position	Appointment Date	Total salaries and allowances paid for 2020 (AED)	Total bonuses paid for 2020 (AED)	Any other cash/ in-kind bonuses for 2020 or due in the future
1	General Manager	19/04/2020	914.000	0	0
2	Chief Financial Officer	01/09/2020	230.000	0	0
3	Chief Underwriting Officer	14/09/2009	140.000	0	0
5	Compliance Manager	14/07/2017	386.600	0	0
6	Chief Business Development Officer	08/09/2020	94.167	0	0
7	IT Manager	21/12/2010	346.152	0	0
8	Legal Manager	04/06/2015	248.494	0	0



**(4) External Auditor**

**A. Overview of the company auditor to shareholders**

**Talal Abu-Ghazaleh & Co. International:** is a global leader in auditing, accounting, financial advisory, risk, tax, and related services. It offers a wide range of high-quality professional and Educational services according to the highest international standards Talal Abu-Ghazaleh and Partners International is a full member of the Companies Forum.

**B. Fees and costs for the audit or services provided by the external auditor**

Name of the Audit office and Partner auditor	Talal Abu-Ghazaleh & Co. International
Number of years he served as the company external auditor	1 Year
The number of years the partner auditor spent auditing the company's accounts.	1 Year
Total audit fees for 2020 (in AED)	105.000 AED
Fees and costs of other private services other than auditing the financial statements for 2020 (AED), if any	
Details and nature of the other services (if any)	N/A
Other services that <u>an external auditor</u> other than the company accounts auditor provided during 2020 (if any)	Auditor Name: N/A Details of provided services: N/A

**C. Reservations that the company auditor included in the interim and annual financial statements for 2020**

- 1- External auditor was unable to obtain sufficient appropriate audit evidence about the carrying amount of investment in properties in the financials.
- 2- External auditor recommended that investment fair value reserve which was carried forward from the year 2019 & shown in deficit should be recognized in profit & loss where investment highly unlikely to be recovered.

**(5) Audit Committee**

**A. The Audit Committee Chairman's acknowledgment of his responsibility for the Committee system at the company, review of its work mechanism and ensuring its effectiveness**

Mr. Mohsen Hamad Abdulla AlMarri, Audit Committee Chairman, acknowledges his responsibility for the committee system in the Company, review of its work mechanism and ensuring its effectiveness.

**B. Names of the Audit Committee members and their competences and tasks assigned to them**

The Audit Committee members:

- 1) Mr. Mohsen Hamad Abdulla AlMarri – Chariman
- 2) Mr. Salem Ali Al Shamsi – Member

The Audit Committee monitors the quality and integrity of the financial statements and related disclosures, develop the internal control systems in respect of risk management, finance and accounting, and compliance with the legal and regulatory frameworks.

Duties and tasks of the Audit Committee:

- Selecting the External Auditor and make recommendations to the BOD
- Monitoring the relationship with External Auditors and their independence.
- Overseeing the External Auditor's work plan including the approach and time frame of the process.
- Reviewing the outcome of the Audit carried out by the concerned authorities, and the company's response to their findings.
- Discussing and reviewing the company's accounting policies, financial principles and reserves and ensuring the integrity of financial statements and the extent to which it complies with the International Financial Reporting Standards.
- Reviewing the procedures and actions taken by the management regarding the company's financial reports, financial reviews, interim financial reports and report any material findings to the BOD.

**C. Number of meetings held by the Audit Committee during 2020 and their dates to discuss the matters related to financial statements and any other matters, and demonstrating the members' personal attendance times in the held meeting**

S	Date of Meeting	Number of Attendees	Number of attendees by proxy	Names of absent members
1	26/03/2020	2	0	None
2	25/06/2020	2	0	None
3	21/09/2020	2	0	None
4	11/11/2020	2	0	None

**(6) Nomination and Remuneration Committee**

**A. The Nomination and Remuneration Committee Chairman's acknowledgment of his responsibility for the Committee system at the Company, his review of its work mechanism and ensuring its effectiveness**

Mr.Ahmed Hasan AL Rumaithi, Nomination and Remuneration Committee Chairman acknowledges his responsibility for the committee system in the Company, his review of its work mechanism and ensuring its effectiveness.

**B. Names of the Nomination and Remuneration Committee members and their competences and tasks assigned to them**

Nomination and Remuneration Committee members:

- 1) Mr. Ahmed Hasan AL Rumaithi – Chariman
- 2) Mr. Hamad Al Shamsi – Member

The role of Nomination and Remuneration Committee is to recommend on bonuses and other compensations for the Executive and senior management.

Duties and tasks of the Nomination and Remuneration Committee:

- Reviewing the executive and senior management remuneration packages based on performance and related information and provide professional expertise when needed. Packages include – in addition to basic salary – pensions, retirement benefits, end of service compensation, performance bonuses and additional allowances.
- Decide the amount of remuneration for executive and senior management.



**C. Number of meetings held by the Committee during 2020 and their dates, and statement of all Committee members' personal attendance of times**

S	Date of Meeting	Number of Attendees	Number of attendees by proxy	Names of absent members
1	26/03/2020	2	0	None
2	25/06/2020	2	0	None
3	21/09/2020	2	0	None
4	11/11/2020	3	0	None

**(7) The Supervision and Follow-up Committee of Insiders' Transactions**

**A. Acknowledgment by the Committee Chairman or the authorized person of his responsibility for the Committee system at the Company, review of its work mechanism and ensuring its effectiveness**

Mr. Mohammed Abdullah Mohammed acknowledges his responsibility for the follow-up and supervision system on transactions of the insiders in the Company, review of its work mechanism and ensuring its effectiveness.

**B. Names of members of the Supervision and Follow-up Committee of insiders' transactions and their competences and tasks assigned to them**

The committee carry out the follow-up and supervision of insiders and keep a record for their transactions and provide the periodic reports to Abu Dhabi Securities Exchange.

Members of the Insiders' Trading Follow-up and Supervision Committee:

S/N	Member Name	Position at the Committee	Position according to the Organizational Structure
1	Mohammed Abdullah Mohammed	Chairman	Managing Director
2	Mahmoud Aziz Mahmoud	Member	General Manager
3	Abdelrahman Alqasem	Member	Finance Manager
4	Caroline Bruto	Member	Internal Auditor
5	Fatema Al Marzooqi	Member	Compliance Manager



Duties and tasks of the Insiders' Trading Follow-up and Supervision Committee:

- Set written rules for transactions related to the company's BOD members and employees in the securities issued by the company.
- List the names of the insiders who are aware of company's data that may have an impact on its market share price to ensure the highest transparency and disclosure standards.
- Keep a special register contains all data of insiders and the duration of their permission.
- Determine the duration of each insider (permanent / temporary)
- Ensure that all insiders have made the necessary representations.
- The committee hold at least one meeting a year.

**C. Summary of the Committee's work report during 2020**

Insiders' Trading Follow-up and Supervision Committee held two meetings during 2019 as follows:

S	Date of Meeting	Number of Attendees	Number of attendees by proxy	Names of absent members
1	26/03/2020	5	0	None
2	25/06/2020	5	0	None

The Committee reviewed transactions related to the company's BOD members and employees in the securities issued by the company and there were no transactions related to them.

**(8) Any Other Committee(s) approved by the Board**

**Investment Committee**

**A. Acknowledgment of the Investment Committee Chairman of his responsibility for the Committee system at the Company, review of its work mechanism and ensuring its effectiveness**

Mr. Yousif Hussain Al Sahlawi, Investment Committee Chairman, acknowledges his responsibility for the committee system in the Company, review of its work mechanism and ensuring its effectiveness.

**B. Names of members of the Investment Committee and their competences and tasks assigned to them**

Investment Committee Members:

- 1) Mr. Yousif Hussain Al Sahlawi – Chairman
- 2) Mr. Musallam Ahmed Al Baloushi - Member
- 3) Mr. Fahad Al Shamsi – Member

The investment committee assists the Board of Directors in developing, supervising and monitoring the company's investments by:

- Developing the investment strategy and policy
- Reviewing and monitoring investments
- Ensuring all investments are in accordance with the all applicable law and regulations and meets the Shari'a approval.

**C. Number of meetings held by the Committee during 2020 and their dates, and all Committee members' personal attendance times**

S	Date of Meeting	Number of Attendees	Number of attendees by proxy	Names of absent members
1	24/06/2020	3	0	None
2	24/08/2020	3	0	None
3	21/09/2020	3	0	None
4	11/11/200	3	0	None

**Risk Management Committee**

**A. Acknowledgment of the Risk Management Committee Chairman of his responsibility for the Committee system at the Company, review of its work mechanism and ensuring its effectiveness**

Mr. Mohammed Abdulla Mohammed, Risk Management Committee Chairman, acknowledges his responsibility for the committee system in the Company, review of its work mechanism and ensuring its effectiveness.

**B. Names of members of the Risk Management Committee and their competences and tasks assigned to them**

Risk Management Committee Members:

- 1) Mr. Mohammed Abdulla Mohammed – Chairman
- 2) Mr. Salem Ali Al Shamsi - Member
- 3) Mr. Ahmed Hasan AL Rumaithi – Member

The risk management committee assists the Board of Directors to identify the risks that face the company through:

- Developing the risk management strategy and policy
- Reviewing and monitoring risk management
- Ensuring all transactions are in accordance with the all applicable law and regulations.

**C. Number of meetings held by the Committee during 2020 and their dates, and all Committee members' personal attendance times**

S	Date of Meeting	Number of Attendees	Number of attendees by proxy	Names of absent members
1	26/03/2020	3	0	None
2	11/11/2020	3	0	None

**(9) Internal Control System**

**A. Acknowledgment by the Board of its responsibility for the Company internal control system, review of its work mechanism and ensuring its effectiveness**

The Board of Directors acknowledges its responsibility for the committee system in the Company, review of its work mechanism and ensuring its effectiveness through the Internal Control Departments which provides regular and periodic reports to the Board and Audit Committee.

**B. Name of the Department Director, his qualifications and date of appointment**

The Head of Internal Control Department: Mrs. Caroline Bruto, she holds a bachelor's degree in Accounting from "La Consolacion University", Philippines. She has over 13 years of experience in auditing and accounting - Date of appointment 1st October 2014.

**C. Name of Compliance Officer, his qualifications and date of appointment**

Compliance Manager: Mrs. Fatima Al Marzooqi, she holds a bachelor's degree in International Business Administration, and has more than eleven years of experience in the field of corporate management, Governance standards and compliance with procedures and policies - date of hiring July 4, 2017.



**D. How the Internal Control Department dealt with any major problems at the Company or those that were disclosed in the annual reports and accounts**

The Internal Control Department provides the Board with periodic reports on its work including the problems experienced by the company and the manner of dealing with, and the best solution as well.

The company did not face any significant matters during the year 2020.

**E. Number of reports issued by the Internal Control Department to the Company's Board of Directors**

The Internal Control Department issued four reports in the year 2020.

**(10) Details of violations committed during 2020, explaining their causes, how to address them and avoid their recurrence in the future**

None.

**(11) Statement of the cash and in-kind contributions made by the Company during 2020 in developing the local community and preserving the environment**

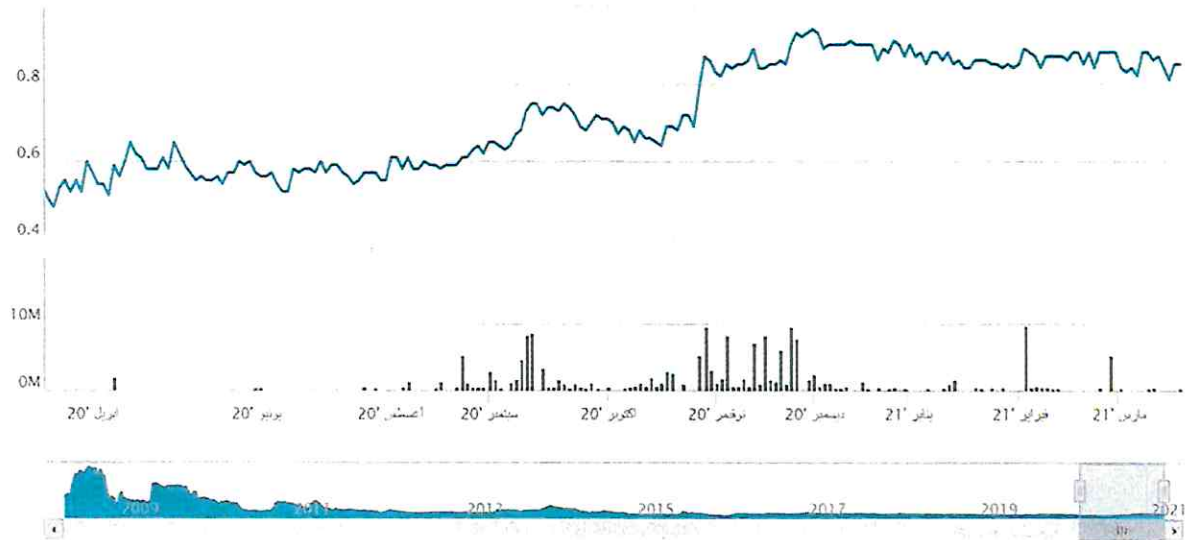
- Methaq worked in the year 2020 to create mechanisms to reduce the impact of spread the new global epidemic, Covid-19, as it is a decision layer of the Insurance Authority Board of Directors No. (17) for the year 20, 50% of the minimum insurance premium for the vehicle owner upon renewal or issuance. New documents for the following categories:
  1. Categories of workers in the medical sector.
  2. Army and police personnel.
  3. Civil defense affiliates.
  4. People of determination.
  5. Elderly people over the age of 60 years.
- A cash contribution to the Saaed Association campaign to reduce traffic accidents in an awareness program for drivers of all ages, at an amount of 5,000 dirhams.



**(12) General Information****A. Statement of the Company share price in the market (closing price, highest price, and lowest price) at the end of each month during the fiscal year 2020**

<b>Month-end</b>	<b>High</b>	<b>Low</b>	<b>Close</b>	<b>Volume</b>
January 2020	0.72	0.70	0.72	3,829,207
February 2020	0.61	0.59	0.60	1,850,429
March 2020	0.60	0.58	0.60	2,125,243
April 2020	0.62	0.59	0.62	3,050,805
May 2020	0.6	0.58	0.60	966,945
June 2020	0.6	0.59	0.60	1,438,190
July 2020	0.55	0.53	0.55	2,060,415
August 2020	0.52	0.50	0.52	13,716,978
September 2020	0.72	0.69	0.71	41,075,767
October 2020	0.86	0.84	0.86	34,102,662
November 2020	0.94	0.92	0.94	63,932,033
December 2020	0.88	0.86	0.87	9,334,867

**B. Statement of the Company comparative performance with the general market index and sector index to which the Company belongs during 2020**



**C. Statement of the shareholders ownership distribution as on 31/12/2020 (individuals, companies, governments) classified as follows:**

S	Shareholders Classification	Percentage of owned shares			
		Individuals	Companies	Government	Total
1	Local	87,986,251	47,363,443	-	135,349,694
2	Arab	11,144,899	541,396	-	11,686,295
3	Foreign	2,705,867	258,144	-	2,964,011
<b>Total</b>		<b>101,837,017</b>	<b>48,162,983</b>	<b>-</b>	<b>150,000,000</b>

**D. Statement of shareholders owning 5% or more of the Company's capital as on 31/12/2020:**

S	Name	Number of owned shares	Percentage of owned shares of the company's capital
1	Samba Asset and Investment Management	9.8464%	14,769,600
2	Al Riyadh financials	7.8232%	11,734,800
3	Adel Khoury	6.3333%	9,499,950

**E. Statement of how shareholders are distributed according to the volume of property as on 31/12/2020:**

S	Share(s) Ownership	Number of Shareholders	Number of owned Shares	Percentage of owned shares of the capital
1	Less than 50,000	7,010	5,237,768	3.4918%
2	From 50,000 to less than 500,000	221	32,655,282	21.7702%
3	From 500,000 to less than 5,000,000	44	53,613,426	35.7423%
4	More than 5,000,000	7	58,493,524	38.9957%

**F. Statement of measures taken regarding the controls of investor relationships**

- ❖ Name of the investor relationships officer: Mr. Abdelrahman Alqasem
- ❖ Data of Communication with the investor relationships:
  - E-mail : a.alqasem@methaq.ae
  - Phone : +9712 6565315
  - Fax : +9712 6565334
- ❖ The link of investor relationships page on the Company's website:  
<https://methaq.ae/investor-relations.aspx>

The company publishes the information of interest to shareholders, such as financial statement and corporate governance report, on the above link.

**G. Statement of the special decisions presented in the General Assembly held during 2020 and the procedures taken in their regard**

None

**H. Rapporteur of the Board Meetings**

❖ Name of the Rapporteur of the Board Meetings:	Mr. Mohamed Bouazzaoui
❖ Appointment date:	04/06/2015
❖ Qualifications and experiences:	Bachelor of Law
❖ Statement of his duties during the year:	Preparing meetings' agendas and minutes of meetings. Continuous follow-up with members regarding BOD meetings.

**I. Detailed statement of major events and important disclosures that the Company encountered during 2020**

None.

**J. Statement of Emiratisation percentage in the Company at the end of 2018, 2019,2020**

Emiratisation percentage at 2018: 8%  
Emiratisation percentage at 2019: 6%  
Emiratisation percentage at 2020: 7.8 %

**K. Statement of innovative projects and initiatives carried out by the company or being developed during 2020**

Visual internal training courses due to the Corona pandemic on how to motivate and educate employees by following the precautionary measures.



**Board Chairman**

Date: ... / ... / 2020

.....  
**Audit Committee Chairman**

Date: ... / ... / 2020

**Nomination and Remuneration  
Committee Chairman**

Date: ... / ... / 2020

.....  
**Internal Control Department Director**

Date: ... / ... / 2020

Company Official Seal

encountered during 2020

None.

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**Board Chairman**  
Date: .. / .. / 2020



**Audit Committee Chairman**  
Date: .. / .. / 2020