

دار التكافل
Dar Al Takaful

Premium Islamic Insurance التأمين الإسلامي الأمثل



CORPORATE GOVERNANCE REPORT 2019



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An aerial photograph of a modern city skyline, likely Dubai, featuring several prominent skyscrapers and a multi-lane highway with traffic. The image has a warm, reddish-pink color overlay.

Our Vision

To redefine protection
for everyone.

Our Mission

To build a legacy of excellence
through innovative Takaful
products, services and mutually
rewarding relationships that
are strengthened by a Sharia
Compliant foundation.



At a Glance

At a Glance

About Dar Al Takaful

Dar Al Takaful PJSC was established in 2008 with a paid up capital of AED 150 Million as an Islamic Insurance Company based in Dubai providing Shariah compliant solutions for their clients' insurance needs.



Dar Al Takaful PJSC is a local insurance company that is innovative, professional and principled. Corporate decision making is in close proximity to the needs and wants of their clients. Dar Al Takaful's clients' insurance needs and expectations are backed up by a strong group of investors who provide the support and solid financial foundation that allows them to feel safe and secure - no matter what line of business.

As an Islamic insurance company in the UAE, Dar Al Takaful PJSC's business operations are Shariah-compliant and this aspect is overseen by a distinguished Fatwa and Shariah Supervisory Board.



Governance

Procedures taken to complete corporate governance system during 2019

Statement of ownership and transactions of Board of Directors

Board Formation

Company's External Auditor

Audit Committee

Nomination and Remunerations Committee

Risk Management Committee

Investment Committee

The Supervision and Follow-up Committee of insiders' transactions.

Internal Control System

Details of the violations committed during 2019

Contributions made by the Company during 2019 in developing the local community and preserving the environment.

General Information

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Governance

1. PROCEDURES TAKEN TO COMPLETE CORPORATE GOVERNANCE SYSTEM DURING 2019

The Board of Directors in Dar Al Takaful (PJSC) insists on the application of appropriate governance principles in accordance with Resolution No. (7) of 2016, regarding institutional discipline standards and governance of public joint-stock companies, as the company applied best practices and guidelines to ensure transparency and integrity in transactions and guarantee the capacity and adequacy of the company's internal control system to improve business transactions and application of best practices. Therefore, we can summarize the measures taken in 2019 as follows:



1. Ensuring compliance with internal control systems by matching provided data with external audit data, and allowing members of the Audit Committee to play their supervisory role more effectively.
2. The Board of Directors supervised its committees such as, Nomination, Remunerations, Audit, Risk Management and Investment committee in accordance with the provisions and controls of governance.
3. Company was keen to carry out its work with transparency required in respect of the commitment to the dates and methods of disclosure of financial statements, in accordance with all provisions and decisions of the Securities and Commodities Authority and Dubai Financial Market (DFM).
4. Company was committed to appoint an Investor Relations Manager in order to meet our expectations of the highest standards of shareholders' satisfaction.
5. Investment Committee of the company applied the approved investment policy, reviewed the company's investments and made the necessary decisions to diversify investments and improve its returns.
6. The Company was committed to appoint the Board's Secretary and Shariah Controller for the Company.
7. The Company is committed to publish Governance Report and Annual Financial Statements Report prior holding the General Assembly, in order to enable the assembly to view the same and make decisions accordingly.

Governance

2. STATEMENT OF OWNERSHIP AND TRANSACTIONS OF BOARD OF DIRECTORS

- There was no trading by the Board members or their spouse or children during 2019.

S.N.	Name	Position/ Relation	Total Sale	Total Purchase	Owned Shares as on 31/12/2019
1	Adulaziz Mohammed Abdulla Al Bannai	Chairman	-	-	1,000,000
2	Shahab Ahmed Lutfi	Vice Chairman	-	-	258
3	Yagub Bin Eisa AlSerkal	Member	-	-	-
4	Salah Ibrahim Sharaf	Member	-	-	1,400
5	Ali Humaid Al Owais	Member	-	-	-
6	Meitha Al-Hashmi	Member	-	-	-
7	Dr. Mohamed Sharaf (Joined in April 2019)	Member	-	-	2,271,904
8	Abdulkaliq Kodarzi (Resigned in April 2019)	Member	-	-	-



Governance

3. BOARD FORMATION

The current members of the Board of Directors were elected during the General Assembly held on 25/04/2018, with a valid term of three fiscal years.

The Board is provided with the required information and periodic reports to discuss the major topics related to the Company's activity and any important matters at the Board meetings, with regard to the financial position of the Company. The Board consists of seven highly skilled members with long experience in the financial and business sector.



Major General (Retd) Abdulaziz Al Bannai -
Chairman of the Board

Category: Non-Executive/Non Independent
Date of first election: 2012
Term of membership: 8 years

Experience and qualifications: Major General Abdulaziz Mohammed Al Bannai retired at the rank of Major General after more than 36 years of public service, having held numerous executive leadership positions in Dubai Police General Headquarters, including being nominated as Director-General of various distinguished Public Departments and being promoted to Major General and Assistant Commander in Chief. He is a pioneer in the realm of change management and modernization of the police force and his mark is evident through the many accomplishments achieved during his career.

Other positions:

- Chairman of the Board of Directors of Al-Bannai Group
- Chairman of Al-Bannai Investment Company
- Chairman of Axiom Telecom
- Chairman and Managing Director of First Security Group
- Member of Board of Directors of Mawarid Finance
- Member of Board of Directors of Jabl Ali Cement



Mr. Shehab Ahmed Lutfi
Vice Chairman

Category: Non-Executive/Independent
Date of first election: 2015
Term of membership: 5 years

Experience and qualifications: He holds a BA in Business Administration from Boston University in the United States and an MBA from Cass Pennance School, UK. He has held important managerial positions in the banking and real estate sector, managing projects and facilities for several years, in addition to his family history in the field of business.

Other positions:

- CEO Bright Star (LLC).
- Project Development Manager of Lutfi Group
- Founding member and executive in a company managing real estate projects.
- Former member of the Board of Dubai Capital.
- Head of Sales Division, Dubai Real Estate Group (formerly).
- Investment Manager National Bank of Dubai (formerly)



Mr. Ali Humaid Al Owais
Member

Category: Non-Executive/Independent
Date of first election: 2011
Term of membership: 9 years

Experience and qualifications: He holds a diploma in e-Commerce - Higher Colleges of Technology in 2005, and a Bachelor's Degree in Business Administration in Applied Science in 2008. While still a student, Mr. Ali was appointed as Chairman of the Al Owais Group and related companies following the death of his father.

Other positions:

- Chairman of the Board - Al Owais Group.
- Chairman of the United Food Company.
- Vice Chairman of the Modern Bakery Company.
- Vice Chairman of Dubai Refreshments
- Board Member Oman Refreshments Company.
- Member of the Board of Directors of ENBD and EIB Banks



Mr. Yagub Bin Eisa Al-Serkal
Member

Category: Non-Executive/Independent
Date of first election: 2012
Term of membership: 8 years

Experience and qualifications: He holds a Master of Science degree from Boston University. Master of Science in Management Studies, specializing in financial economics, Bachelor of Science in Business Administration, specializing in finance.

Other positions:

- Member of the Board of Directors of Nasser Bin Abdullatif Alserkal Holding
- Managing Director of Nasser Bin Abdullatif Alserkal Co. LLC



Mr. Salah Ibrahim Sharaf
Member

Category: Non-Executive/Independent
Date of first election: 2011
Term of membership: 9 years

Experience and qualifications: He Holds a bachelor's degree in science - Boston University, USA - 1998. Working in shipping throughout Germany and Hong Kong.

Other positions:

- Head of Shipping, Logistics and Logistics at Sharaf Group.
- Member of the Board of Directors and General Manager of Sharaf Group.
- Member of the Board of Directors of the Shipping Association in the United Arab Emirates.



Ms. Meitha Al-Hashmi
Member

Category: Non-Executive/Independent
Date of first election: 2018
Term of membership: 2 years

Experience and qualifications: Holds a dual Bachelor's Degree in Business Administration and Computer Science from Switzerland, and has 21 years of experience in the financial sector.

Other positions:

- Chief Risk Officer at Emirates Islamic Bank
- Board member at ENBD Securities
- Board member at Emirates Islamic Financial Brokerage.



Dr. Mohamed Sharaf
Member

Category: Non-Executive/ Non-Independent
Date of first election: 2019
Term of membership: 1 year

Experience and qualifications: Dr Mohammed Sharaf was the Assistant Foreign Minister of Economic and Trade Affairs at the United Arab Emirates Ministry of Foreign Affairs and International Cooperation between 2016 to 2019. Dr. Sharaf was appointed as the Group CEO of DP World when the global port operator was formed in 2005 with the integration of the domestic and international arms of the Dubai Ports. Dr Sharaf managed a major international growth strategy that included the successful acquisition of CSX WT in 2004 and of the P&O Group in 2006. Followed by acquisition of Jafza in 2014. Today, DP World is the fourth largest port operator in the world, with a portfolio of more than 77 marine terminals across six continents, including new developments underway in India, Africa, Europe and the Middle East. Dr Sharaf lead a multinational team of 36,000 people. Dr Sharaf holds a Degree in Business Administration from the University of Arizona, Tucson, USA. Dr. Sharaf was awarded an Honorary Doctor of Humane Letters from the College of Social and Behavioral Sciences and the Eller College of Management during the 154th Commencement ceremony on Friday May 11, 2018.

Other positions:

- Board Member of Sharaf Group
- Member of the Board of Directors Mawarid Finance
- Vice Chairman Sharaf Exchange

Experience and qualifications: MBA University of Toledo (USA) 1998
Specialized in Portfolio management
Certified Public Accountant (CPA) USA 1996
BBA University of Toledo (USA) 1995 Major Accounting

Other positions:

- Chief Financial Officer, Dubai Real Estate Corporation
- Head of Trading in Treasury, National Bank of Dubai



Mr. Abdulkhaliq Kodarzi
Member

Category: Non-Executive/Independent
Date of first election: 2018
Term of membership: 4 months

Dar Al Takaful Board of Directors hereby acknowledge the validity of information stipulated in the Statement of Formation of Current Board of Director.

A. Statement of the percentage of female representation in the Board for 2019

The Company has committed to represent women in the Board of Directors by the procurement of one female member out of 7 Board of Directors.

B. Statement of the Following:

1. Total remunerations paid to the Board of Directors in 2018:

There were no remunerations paid to members of the Board of Directors for the year 2018.

2. The total remunerations of the Board members, which are proposed for 2019, and will be presented in the annual general assembly meeting for approval.

No proposed remunerations to be paid the Board of Directors for 2019

3. Details of the allowances for attended committee sessions by the Board of Directors in 2019 as per the schedule below:

Member Name	Investment Committee	Audit Committee	Risk Management Committee	Remuneration & Nomination Committee	No. of Meetings	Amount Paid
Shahab Ahmed Lutfi	5	4	4	2	15	150,000
Meitha Al Hashimi	5	4	4	2	15	150,000
Salah Ibrahim Sharaf	5	3	3	2	13	130,000
Yagub Bin Eisa Bin Nasser AlSerkal	4	-	-	-	4	40,000
Ali Humaid Al Owais	1	-	-	-	1	10,000
Dr. Mohamed Sharaf	4	-	-	1	5	50,000
Total	24	11	11	7	53	530,000



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.

No fees or additional salaries were paid except for attending committees.

C. No. of Board of Directors meetings during 2019

Date of Meeting	No. of Attendees	No. of Attendees by Proxy	Names of absentness
28/03/2019	5	-	Abdul Aziz Al Bannai - Ali Humaid Al Owais
24/06/2019	7	-	-
09/09/2019	7	1	-
08/10/2019	5	-	Ali Humaid Al Owais - Yagub Bin Eisa Al Serkal
11/11/2019	6	-	Ali Humaid Al Owais
26/11/2019	6	1	Ali Humaid Al Owais

D. Number of the Board resolutions passed during the 2019 fiscal year, along with its meeting convention dates.

The Company passed two resolutions by circulation during 2019.

Details of resolutions by circulation:

No. of resolutions passed by circulation	Subject of resolution	Date of meeting
First Resolution	Approval of consolidated financial statements of 2018	3/24/2019
Second Resolution	Approval of Q2 financial statement 2019	8/7/2019

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

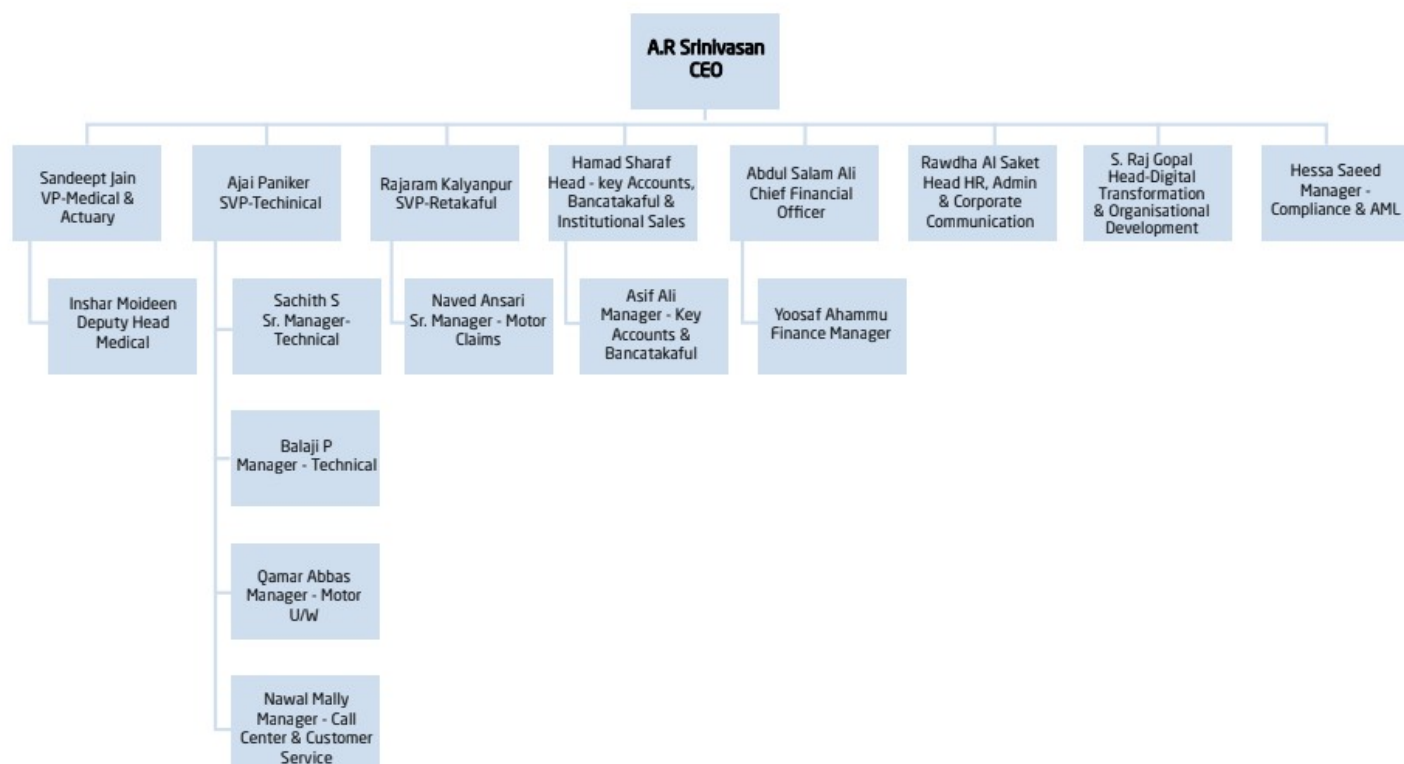
Name of Authorized Person	Power of authorization	Duration of authorization
Mr. A.R Srinivasan Chief Executive Officer	All the management duties that form part of the daily conduct of the Company's Business and the implementation of its purposes including, but not limited to, representation of the Company before governmental, non-governmental entities and other parties, the conclusion of contracts on behalf of the Company and monitoring the annual budget	Executive Management of the company carries out the tasks and functions assigned to it pursuant to approved delegated authority from the Board of Directors, subject to continuous review by the Board. This given authority shall remain in force unless it is canceled or undermined by the Board of Directors.

F. Statement of the details of transactions made with the related parties during 2019:

Related party transactions are transactions in which any party in our company has the ability to control or exercise any material influence on the other party in making financial and operational decisions. The related party transactions create potential or actual conflicts of interest for the company and can give the impression that the work decisions are based on considerations contrary to the interests of the company and the shareholders. However, there is a certain time in which the transactions of the related parties can be in the interest of the company and its shareholders. Accordingly, related parties' transactions are subjected to the approval of our Board of Directors and the Management of the Company shall determine terms and Conditions of such transactions. Related parties represent the major shareholders, the Board of Directors, the key management and the companies that exercise significant influence over the Company.

Details of transactions with related parties:

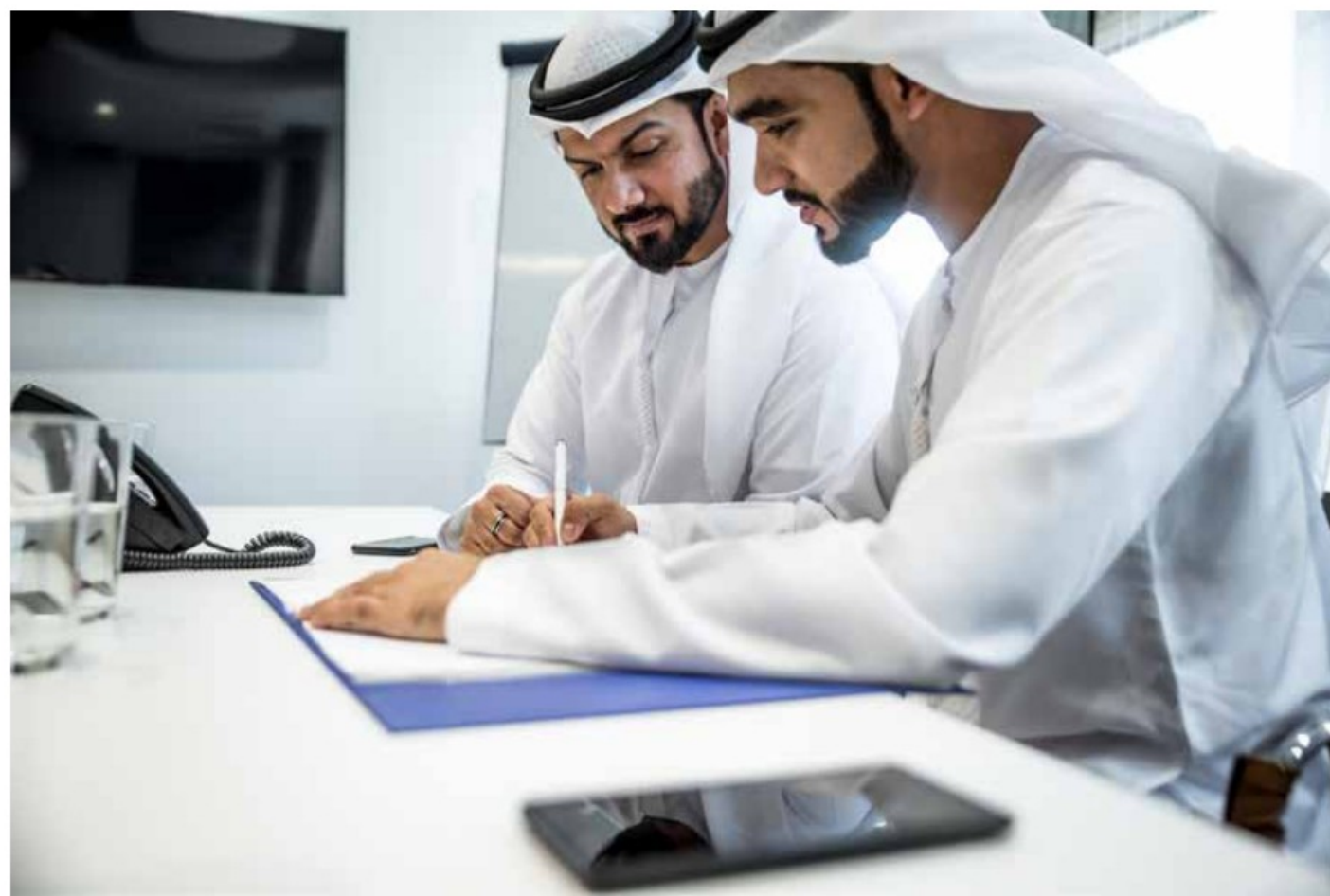
S/N	Statement of related party	Relation Nature Clarification	Transaction Type	Amount Transaction
1	Mawarid Finance	Mutual BOD member	Information technology Services	AED 120,000
2	Mawarid Finance	Mother Company	Shariah audit fees	AED 15,000
3	Mawarid Finance	Mother Company	Rents	AED 80,640
4	H & H Investment and Development	Mutual BOD member	Facilities management fees	AED 52,997

G. The complete organizational structure of the company:**H. A detailed statement of the senior executives in the first and second grade according to the company organizational structure:**

Ser.	Position	Appointment date	Total salaries and allowances paid for 2019	Total bonuses paid for 2019	Any other cash/ in-kind allowenaces for 2019 or payable in the future
1	CEO	11/10/2018	1,264,000	-	39,699
2	CFO	23/01/2011	723,720	-	29,380
3	SVP (Technical)	01/07/2011	680,020	-	28,080
4	Vice President - Retakaful & Corporate Strategy	24/05/2009	663,580	-	26,520
5	Head of HR, Admin & Corporate Communication	19/06/2011	398,500	-	49,500
6	Compliance and AML Manager	15/04/2012	363,548	-	45,000
7	Head of Digital Transformation & Organizational Development	01/08/2018	422,500	-	12,082
8	Vice President - Medical & Actuary	10/09/2019	204,032	-	18,986
9	Head- Key Accounts, Bancatakaful & Institutional Sales	20/11/2011	416,500	-	51,750
10	Head of Medical (Resigned)	06/05/2013	277,500	-	11,161
12	Head of Sales (Resigned)	10/12/2013	232,258	-	6,953

Governance

5. COMPANY'S EXTERNAL AUDITOR



A. Overview of the company auditor

Board of directors raised recommendations to appoint External Auditor for General Assembly opinion and approval.

The General Assembly was held on 24/04/2019 and the appointment of Grant Thornton has been approved. Grant Thornton It is the sixth largest professional services network in the world. It is considered one of the independent companies recognized by the financial markets, regulatory and international standard-setting bodies. Grant Thornton has a long legacy spanning more than 50 years of continuous support for the economic advancement of companies in various fields and their local team is represented in the country by more than 200 professionals supported by a wide regional team in more than 12 branches around the world.

B. Statement of fees and costs for the audit or services provided by the external auditor:

Number of years auditor served as the company external auditor	Grant Thornton - Farooq Muhammad
Number of years auditor served as the company external auditor	1 year
Total auditor fees of 2019 (AED)	AED 204,750
Fees and costs of other private services other than auditing the financial statements for 2019 (AED), if any, and in case of absence of any other fees, this shall be expressly stated	No other services
Details and nature of the other services (if any). If there are no other services, this matter shall be stated expressly	No other services
Statement of other services that an external auditor other than the company accounts auditor provided during 2019 (if any). In the absence of another external auditor, this matter is explicitly stated.	No other Services

C. Statement clarifying the reservations that the company auditor included in the interim and annual financial statements for 2019

In Grant Thornton's opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2019, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards.

Governance

6. AUDIT COMMITTEE

The Audit Committee oversees, follow-up with the auditors and maintains good relationship with them, in addition to reviewing the financial reports periodically and progressively, Audit Committee supervises the internal control and plays an active role in ensuring that the company applies the legal and regulatory requirements, as well as to ensure their accounting practices.



A. Names of Audit Committee members:

1. Mrs. Meitha Al Hashmi (Chairperson)
2. Mr. Shahab Lutfi (Member)
3. Mr. Salah Sharaf (Member)
4. Mr. Abdulkhaliq Kodarzi (Resigned Member)

B. Duties and tasks assigned to Audit Committee:

- A. Make recommendations on dealing with external auditors and monitoring their independence and objectivity.
- B. Review and report to the Board of Directors on the interim annual financial statements, the policy and practices of the accounts.
- C. Review, monitor and report to the Board on the effectiveness of the Internal Control System and review and approve the annual internal control plan.
- D. Review the External Auditors' mission and action plan, ensuring that the Board of Directors and Executive Management respond in a timely manner to the clarifications and major issues raised in the auditor's report
- E. Review the policy of related parties transactions.
- F. Follow up any other matters delegated by the Board to the Audit Committee.

- Authorities granted to Audit Committee:

The Audit Committee is empowered by the Board of Directors to examine any activity within its audit requirements and is authorized to have unrestricted access to external auditors and to obtain professional advice on any matter relating to the Company's accounts. The Committee has the authority to request any information it requires from any employee or Board Member. Directors and employees shall cooperate with any request submitted by the Committee.

The Chairman of the Committee shall submit periodic reports to the Board of Directors on matters that the Committee shall evaluate and make recommendations. The Chairman of the Committee shall attend the annual meeting of the General Assembly and answer any queries submitted by the shareholders about the activities of the Company, and ensure governance.

C. Number of meetings held by the Audit Committee during 2019:

Audit Committee	Date of Meeting			
Member Name:	11/02/2019	13/05/2019	29/10/2019	12/12/2019
Meitha Al Hashmi	✓	✓	✓	✓
Salah Sharaf	✓	-	✓	✓
Shahab Lutfi	✓	✓	✓	✓
Abdulkhaliq Kodarzi (resigned member on April 2019)	✓	-	-	-

The Chairperson of the Audit Committee hereby acknowledges her responsibility for the committee system in the Company, review of its work mechanism and ensuring its effectiveness.

Governance

7. NOMINATION AND REMUNERATIONS COMMITTEE

The role of Nomination and Remunerations Committee is to establish and review the policy of nomination and remunerations for the Board and Executive Management, and to determine the total compensation to be in line with the approved salary and remunerations systems, keening to match these remunerations with the company's performance. Also, the Committee establishes and reviews Human Resources Policy to be in line with legislations and laws and follows-up procedures of nomination of Board of Directors.



A. Names of the Nomination and Remuneration Committee members:

- 1- Mr. Shahab Lutfi (Chairman)
- 2- Mr. Salah Sharaf (Member)
- 3- Mrs. MeithaAl Hashimi (Member)
- 4- Dr. Mohamed Sharaf (Member)

B. Duties of the Nomination and Remunerations Committee are as follows:

1. Review the independence of the members of the Board of Directors.
2. Prepare and review the compensation policy of the Board of Directors and Executive Management on yearly basis. The committee shall ensure that the remunerations granted to the senior executive management of the company is reasonable and consistent with the company performance.
3. Determine the company's needs of competencies at the level of executive management.
4. Organize and review the procedures for the nomination of the Board of Directors.
5. Prepare and review Human Resources policies.

C. Statement of the number and dates of the meetings held by the committee during 2019:

Nomination and Remunerations Committee	Date of Meeting	
	7/3/2019	27/11/2019
Member's name		
Shahab Lutfi	✓	✓
Salah Sharaf	✓	✓
Meitha Al Hashmi	✓	✓
Dr. Mohamed Sharaf (Joined Date April 2019)	-	✓

The Chairman of the Nomination and Remuneration Committee hereby acknowledges his responsibility for the committee system in the Company, review of its work mechanism and ensuring its effectiveness.

Governance

8. RISK MANAGEMENT COMMITTEE



A. Names of committee members.

1. Mrs. Meitha Al Hashmi (Chairperson)
2. Mr. Shahab Lutfi (Member)
3. Mr. Salah Sharaf (Member)
4. Mr. Abdulkhaliq Kodarzi (Member)

B. Statement of Risk Management Committee competences and tasks:

1. Adjust and promote corporate culture to face risks, encourage discussions to control potential risks and integrate risk management within Company's objectives, to create culture where everybody can manage risks rather than avoiding them;
2. Reviewing the company's risk tolerance statement and submitting it to the Boards periodically
3. Monitor Company's Identification of Risks File, and different types of continued or possible exposure to risks.

C. Statement of number of meetings held by the Committee during 2019

Risk Management Committee		Date of Meeting			
Member name	Position	11/02/2019	13/05/2019	29/10/2019	12/12/2019
Meitha Al Hashmi	Chairperson	✓	✓	✓	✓
Salah Sharaf	Member	✓	-	✓	✓
Shahab Lutfi	Member	✓	✓	✓	✓
Abdulkhaliq Kodarzi (resigned member on April 2019)	Member	✓	-	-	-

The Chairperson of the Risk Committee, hereby acknowledges that her responsibility for the committee system in the Company, review of its work mechanism and ensuring its effectiveness.

Governance

9. INVESTMENT COMMITTEE



A. Names of Investment committee members:

1. Mr. Shahab Lutfi (Chairman)
2. Mr. Salah Sharaf (Member)
3. Mrs. Meitha Al Hashmi (Member)
4. Mr. Ali Al Owais (Member)
5. Mr. Yagub AlSerkal (Member)
6. Dr. Mohamed Sharaf (Member)
7. Mr. Abdulkaliq Kodarzi (Resigned Member)

B. Statement of competences and tasks of Investment Committee:

1. Establishing and reviewing plan and policy of investment, including exposure to the company's investment activities periodically to ensure that they are appropriate to current market conditions .
2. Examine all proposed matters of strategic investment, which require approval of the board, before referral to the Board and make recommendations to the Board on this regard.
3. Examine and present suggestions raised to the Committee, in accordance with powers granted invested thereto, and ensure there are clear and identified operations to give instruction and support, with regard to approved transactions/contracts, including monitor progress achieved as required.
4. Examine and deal with all other matters referred or assigned by the Board, as stipulated in the competent authorities' lists.
5. Monitor performance of Investment Portfolio

C. Statement of number of meetings held by the Committee during 2019

Investment Committee	Date of Meeting					
Member name	Position	28/03/2019	24/06/2019	09/09/2019	08/10/2019	11/11/2019
Shahab Lutfi	Chairman	✓	✓	✓	✓	✓
Salah Sharaf	Member	✓	✓	✓	✓	✓
Meitha Al Hashmi	Member	✓	✓	✓	✓	✓
Ali Al Owais	Member	-	✓	-	-	-
Yagub Al Serkal	Member	✓	✓	✓	-	✓
Dr. Mohamed Sharaf (Joined Date April 2019)	Member	-	✓	✓	✓	✓
Abdulkhaliq Kodarzi (resigned member on April 2019)	Member	✓	-	-	-	-

The Chairman of the Investment Committee, hereby acknowledges his responsibility for the committee system in the Company, review of its work mechanism and ensuring its effectiveness.

Governance

10. THE SUPERVISION AND FOLLOW-UP COMMITTEE OF INSIDERS' TRANSACTIONS.

The Company established an independent committee to manage, monitor and oversee the transactions of insiders, their properties, maintain a register and submit the periodic reports to the market in accordance with The Securities & Commodities Authority's Board of Directors' Chairman Resolution No. (7 / R) of 2016 Concerning the Standards of Institutional Discipline and Governance of Public Shareholding Companies Insider's Trading Follow-Up.



Supervision Committee Members are from Senior Management:

1. Mr. A. R. Srinivasan (Chairman)
2. Mr. Abdul Salam Ali (Member)
3. Mrs. Hessa Saeed (Member)
4. Mr. Luai Majed (Member)

A. Competences and tasks assigned to the Supervision and Follow-up Committee of insiders' transactions.

1. Prepares special and comprehensive list of Insiders, including interim on a temporary basis and their disclosures
2. Hold periodically meeting quarterly to discuss changes on insiders transactions
3. Notify the Authority and Market with updated list of Insiders at the beginning of each fiscal year, as well as any changes occur during the fiscal year.
4. Submit updated copy of Insiders list to the Authority upon their request.
5. Comply with all requirements determined by the Authority.

B. Summary of Committee's work report during 2019.

1. Increasing awareness to importance of Insider Trading Follow-Up and Overseeing Committee role.
2. Keeping information of Insiders and submit lists to DFM periodically
3. Preparing and submitting statements on a quarterly basis to Executive Management reflecting major share traders, number of shares and value in circulation on monthly basis.

The Chairman of the Supervision Committee hereby acknowledges his responsibility for the Committee system at the Company, review of its work mechanism and ensuring its effectiveness.

Governance

11. INTERNAL CONTROL SYSTEM

During 2019, the Company updated group of policies and internal procedures, regarding risks and internal control to be in accordance with applicable legislations on internal controls.



Polices updated are:

- Charter of Obligations was updated to Members of Board of directors and its Committees
- Corporate risks management framework
- Fraud policy
- Corruption and Bribery Policy
- Whistleblowing policy
- Conflict of interests policy

A. Name of the department Manager, qualifications and date of appointment.

Ms. Hessa Saeed is the Compliance and Anty Money Laundering Manager and was appionted as the Internal Controls Manager in 2015. She is responsible for developing the annual action plan for compliance controls. Below are her qualifications:

- Certificate from Chartered Insurance Institute in the field of financial planning, 2017
- Certificate from Chartered Insurance Institute in the field of General Insurance, 2016
- International Certificate of Compliance from the CCL Academy, 2014
- Bachelor of Financial Services from Dubai Women's College, 2013
- Higher Diploma in Business Administration and Financial Services, Dubai Women's College, 2012

B. How the Internal Control Department dealt with any major problems at the Company:

During 2019, the Company didn't face any issues that require intervention of Internal Control Department. However, upon occurrence, The Internal Control Department shall study the issues in details in terms of nature of the issue, where the effective recommendations are given and referred to the Executive Management and Audit Committee. Also, execution of such recommendations is subjected to periodic follow and related reports are submitted to Audit Committee

C. No. of reports issued by Internal Control Department to the Company's Board of Directors:

The Internal Control Department has periodically reported to the Audit Committee the progress on updating the internal controls policies and procedures carried out during the year.

The Board of Directors acknowledges its responsibility for the company's internal control system and for its review of its work mechanism and for ensuring its effectiveness.

Governance

12. DETAILS OF THE VIOLATIONS COMMITTED DURING 2019

The Company committed no violations during the year.



13. CONTRIBUTIONS MADE BY THE COMPANY DURING 2019 IN DEVELOPING THE LOCAL COMMUNITY AND PRESERVING THE ENVIRONMENT.

Contribution	Amount Contributed
Cooperate with Rawafed Center in (Eid Happiness 2019) and sponsoring 60 children to do shopping for Eid Al-Fitr	17,000.0 AED
Cooperate with Rawafed Center in (Eid Happiness) and sponsoring 60 children to do shopping for Eid Al-Adha	17,500.00 AED
Participation on transferring Charity Polices from Dubai Health Authority to account of Social Responsibility - Marketing Department	72,347.11 AED



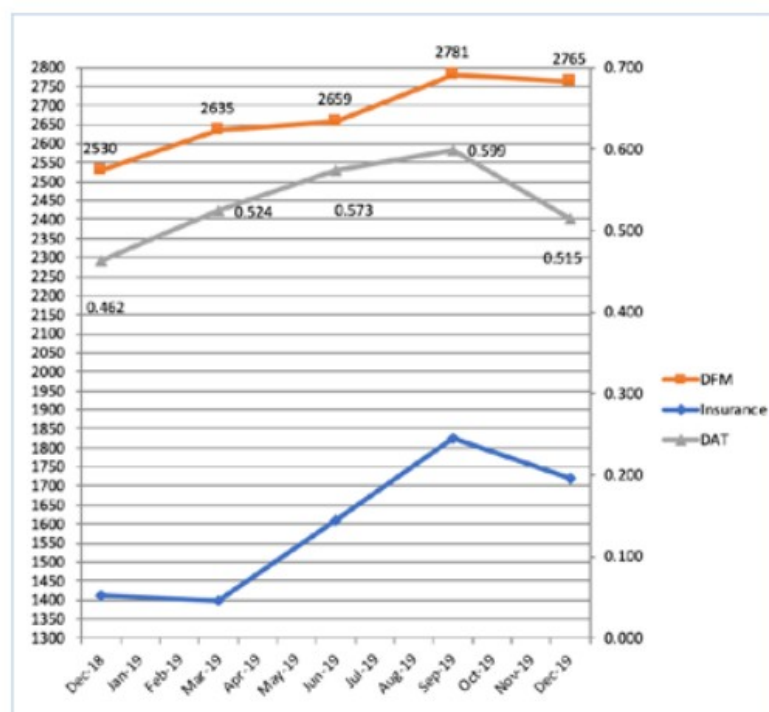
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14. GENERAL INFORMATION

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 2019

Month	January	February	March	April	May	June	July	August	September	October	November	December
Highest Price	0.518	0.54	0.618	0.639	0.664	0.62	0.63	0.626	0.645	0.65	0.599	0.588
Lowest Price	0.44	0.45	0.515	0.532	0.43	0.52	0.571	0.58	0.58	0.561	0.54	0.515
Closing Price	0.504	0.535	0.524	0.58	0.529	0.573	0.618	0.614	0.599	0.573	0.58	0.515

B. Statement of the Company comparative performance with the general market index and sector index to which the Company belongs during 2019.



Year	DEM	DAT	Insurance
DEC-18	2530	0.462	1410
MAR-19	2635	0.524	1396
JUN-19	2659	0.573	1608
SEP-19	2781	0.599	1826
DEC-19	2765	0.515	1721

C. Statement of the shareholders ownership distribution as on 31/12/2019 (Individuals, companies, governments) classified as follows: local, Gulf, Arab and foreign.

Shareholder Category	Percentage of Shares Held			
	Individuals	Companies	Government	Total
Local	42.52%	37.45%	-	79.97%
Gulf	1.32%	1.17%	-	2.50%
Arab	12.87%	0.17%	-	13.04%
Foreign	3.78%	0.74%	-	4.52%
Total	60.50%	39.50%	-	100.00%

D. Statement of shareholders owning 5% or more of the Company's capital as on 31/12/2019 according to the following schedule:

Name	Number of Shares Held	% of Shares Held
MFI Investment LLC	37,067,123	24.7114%
Magna Investment	7,500,000	5.0000 %

E. Statement of how shareholders are distributed according to the volume of property as on 31/12/2019 according to the following schedule:

Share(s) owned	No. of shareholders	Number of Shares Held	% of the Shares Held of the Capital
Less than 50,000	1481	4,510,964.00	3.0304
From 50,000 to less than 500,000	203	30,112,020.00	20.075
From 500,000 to less than 5,000,000	35	48,373,893.00	32.2492
More than 5,000,000	5	67,003,123.00	44.6687

F. Statement of measures taken regarding the controls of investor relationships and an indication of the following:-

Dar Al Takaful (PJSC) has developed and modernized its investor relations section on our website in accordance with the requirements and regulations of the Securities and Commodities Authority (SCA). Shareholders, investors and stakeholders' audience can visit the website through the following link www.dat.ae

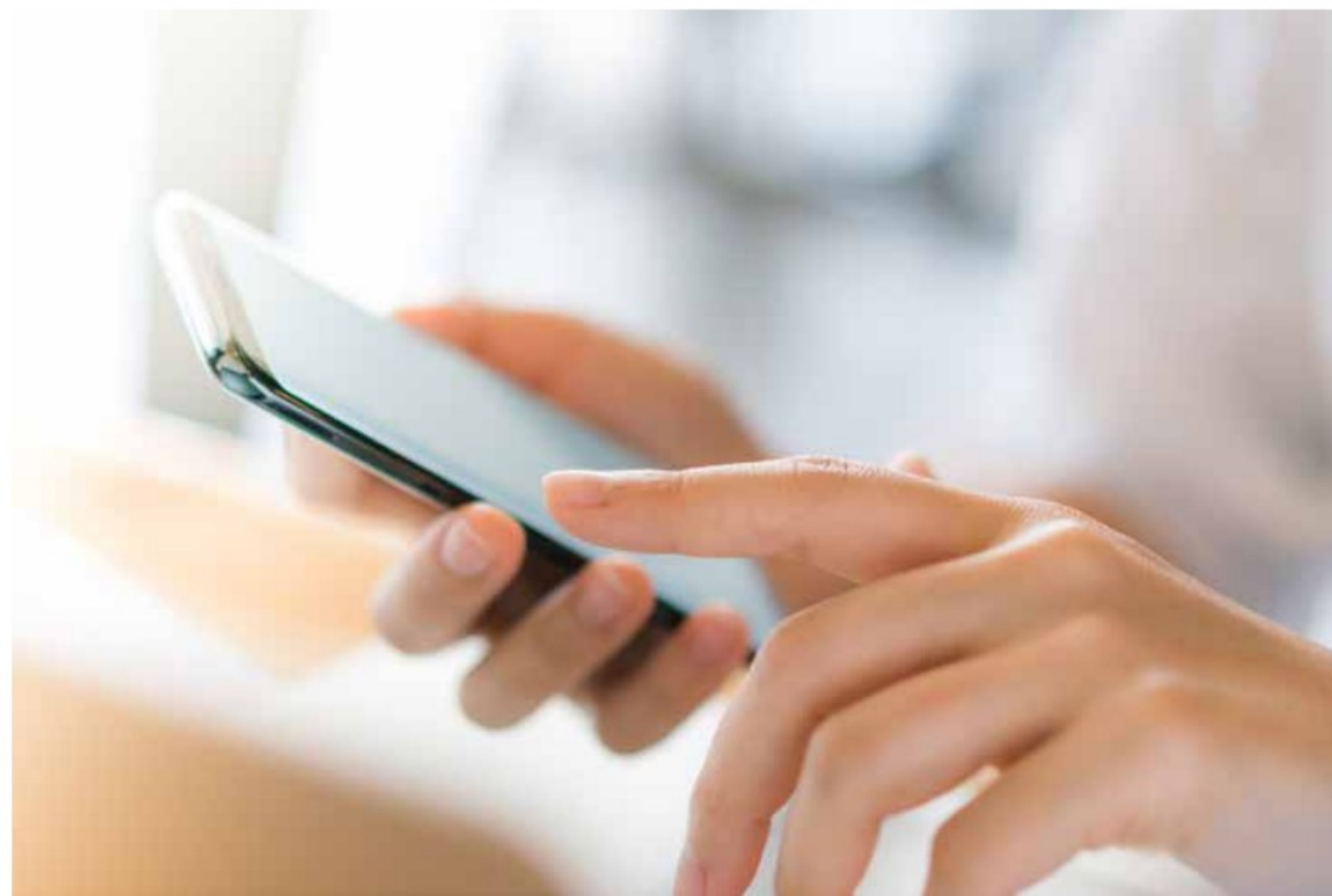
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15. INVESTOR RELATIONS CONTACT DETAILS

- **Mrs. Nawal Ma'ally, Investor Relations Manager**
- **Email:** IR@dat.ae
- **Contact Number:** 800-TAKAFUL (8252385) / 04 3041603
- **The link of investor relationships page on the Company's website:** <https://www.dat.ae/investor-relation/>

G. Special Resolutions taken during 2019 General Assembly

The Board of directors had declared to the shareholders, the resignation of Mr. Abdulkaliq Ahmad Abdulla for personal reasons before opening of the General Assembly Meeting. Therefore, Dr. Mohamed Sharaf was appointed as a new Board Member to complete the resignation term of Mr. Saleh Abdulghaffar Al Hashimi - Vice Chairman, which will be ended by 2021, and the same was approved by the shareholders.



H. Board of Directors Secretary

- Name of the Board Secretary and the date of his appointment:
 - Hamad Sharaf, appointed on 30/10/2018.
- Qualifications and Experience
 - Certified Board of Directors Secretary from Hawkamah Institute (2019).
 - Bachelor of Business Administration (Financial) American University in Dubai (2006 - 2010).
 - Board of directors Secretary (Nov. 2018 - present)
 - Certificate from the Chartered Insurance Institute in the field of Takaful (2014)
 - Division Head - Key Accounts, Bancatakaful & Travel (2014 - present)
- Statement of duties during the year:
 - Implementing resolutions made by Board of Director
 - Ensure effective governance management in the Company
 - Ensure compliance, and integrity of organizational chart in line with governance requirements.

I. Detailed statement of major events and important disclosures that the Company encountered during 2019.

- The Company achieved Gross Contribution of AED 404 million in 2019, which is the highest since incorporation.

J. Statement of Emiratisation percentage in the Company at the end of 2017, 2018, 2019

Year	Total Employees	No. of Citizens	Emiratization Ratio
2017	162	9	6%
2018	146	7	5%
2019	140	7	5%

K. Statement of innovative projects and initiatives carried out by the company or being developed during 2019.

- The Company updated the Official website and introduced new electronic services to customers.

Name:	Major General (Retd) Abdulaziz Al Bannal	Shehab Lutfi	Meltha Al Hashimi	Ali Al Owais	Yagub Al Serkal	Salah Sharaf	Dr. Mohammed Sharaf
Position:	Chairman of the Board	Vice Chairman Chairman of REMCO Chairman of Investment Committee	Board Member Chairperson of Audit Committee Chairperson of Risk Committee	Board Member	Board Member	Board Member	Board Member
Signature:							
Date:	16/04/2020	16/04/2020	16/04/2020	16/04/2020	16/04/2020	16/04/2020	16/04/2020

Name:	AR Srinivasan	Hessa Saeed
Position:	Chief Executive Officer - CEO Chairman of Supervision and Follow-Up Committee	Compliance and Anti-Money Laundering Manager Manager of Internal Controls
Signature:		
Date:	16/04/2020	16/04/2020



