

Corporate Governance Report
2025

Contents

Procedures taken to complete the corporate governance system, during 2025, and method of implementing thereof 2

Ownership and transactions of board members, their spouses, and their children in the company's securities during 2025 5

Board of Director Formation 6

External Auditor 17

Audit Committee 18

Nomination and Remuneration Committee 20

Investment Committee 22

Risk Committee 24

Internal Control System 26

General Information 27

1. Procedures taken to complete the corporate governance system, during 2025, and method of implementing thereof

A. Introduction

Methaq Takaful Insurance PSC continues to maintain robust corporate governance practices in accordance with the UAE's comprehensive regulatory framework governing public joint stock companies and licensed insurance institutions. Methaq historically complied with the Resolution of the Chairman of the Securities and Commodities Authority No. (7 R.M) of 2016 regarding the Standards of Institutional Discipline and Governance of Public Shareholding Companies, and subsequently aligned its governance framework with the updated **SCA Chairman of Authority's Board Resolution No. (3 R.M) of 2020,** which remains the primary governance regulation for companies listed on UAE stock exchanges.

In addition, Methaq's governance structure adheres to the requirements of **Federal Decree-Law No. 32 of 2021 on Commercial Companies**, which outlines Board responsibilities, committee formation, shareholder rights, financial reporting obligations, and PJSC governance standards. As a licensed takaful insurer, Methaq is also governed by the regulations, circulars, and supervisory expectations of the **Central Bank of the UAE (CBUAE),** including the consolidated insurance regulatory framework issued following the transfer of all Insurance Authority functions to the CBUAE under **Federal Decree-Law No. 25 of 2020.**

In line with CBUAE Directive **CBUAE/FCMCP/2023/1675,** dated 31 March 2023, Methaq's Board of Directors was dissolved, and governance responsibilities were temporarily reassigned to an interim **Supervisory Committee** appointed by the Central Bank. During this transitional period, the Supervisory Committee ensured continuity of operations and maintained strict oversight of:

- Effectiveness of internal control and corporate governance systems.
- The Company's compliance with applicable laws, ministerial resolutions, and CBUAE circulars and directives.

Throughout 2024, Methaq continued to operate under the oversight of the Supervisory Committee while upholding full compliance with SCA, ADX, CBUAE, and Companies Law requirements.

A key milestone was achieved on **24 April 2025**, when a **new Board of Directors was formally appointed** in accordance with the Companies Law and ADX listing requirements. Following the Board's formation, all mandated Board committees — including the Audit Committee, Risk Committee, Nomination & Remuneration Committee, and any additional supervisory or advisory bodies — were reconstituted to align with statutory governance

expectations, CBUAE supervisory standards, and best practices for insurance and takaful companies.

B. Corporate Governance Guidelines at Methaq

During 2025, Methaq Takaful Insurance PSC continued to apply a comprehensive corporate governance framework designed to meet the requirements of the Securities and Commodities Authority (SCA), Abu Dhabi Securities Exchange (ADX), the Central Bank of the UAE (CBUAE), and Federal Decree-Law No. 32 of 2021 on Commercial Companies. These guidelines ensure that Methaq upholds high standards of transparency, accountability, and responsible management across all activities.

The Company's corporate governance framework includes the following key components:

- **Company Mission & Strategic Direction:**
  Methaq's mission and values guide its operations, decision-making, and commitment to policyholders, shareholders, and regulators, with adherence to Takaful principles.

- **Board of Director**
  - Roles, duties, and responsibilities of the Board.
  - Appointment, qualifications, and fit-and-proper requirements for Board members
  - Continuous professional development and governance training as expected under CBUAE supervision.
  - Procedures for Board meetings and decision-making.
  - Annual assessment of Board, committee, and individual director performance.
  - Formation, responsibilities, and charters of all Board committees.
  - Rules governing related-party transactions, Board dealings in securities, and ADX trading controls.

  The framework also includes controls for related-party transactions and directors' dealings in the Company's shares in line with SCA and ADX regulations.

- **Ethical Conduct & Employee Behavior**
  The Company maintains standards for ethical behavior, conflict-of-interest management, confidentiality, anti-fraud measures, and professional conduct applicable to all staff.

- **Anti-Money Laundering & Counter-Terrorist Financing Compliance**
  Methaq operates in accordance with **Federal Decree-Law No. 20 of 2018, Cabinet Decision No. 10 of 2019**, and CBUAE AML/CTF regulatory expectations.
  This includes customer due diligence, sanctions screening, transaction monitoring, reporting obligations, and escalation procedures.

- **Shareholder Rights & Transparency**
  The governance framework ensures the equitable treatment of shareholders, access to timely and accurate information, and proper conduct of general assembly meetings in accordance with Companies Law and SCA requirements.

- **Internal Control, Risk Management & Solvency Oversight**
  Methaq maintains structured systems for internal control, risk management, and regulatory compliance.
  This includes:
  - Independence and mandate of the Internal Audit function
  - Internal control systems for financial, operational, and regulatory compliance.
  - Risk management policies, including actuarial, underwriting, investment, operational, and Sharia-compliance risks
  - External auditor obligations
  - Oversight of **IFRS 17 valuation, actuarial opinions, and solvency monitoring**, in line with CBUAE reporting requirements.

- **Insider Trading & Market Conduct Controls**
  Methaq enforces control over the handling of inside information, share trading, and disclosure obligations to comply with SCA and ADX regulations.

- **Disclosure and Transparency Framework:**
  - SCA disclosure requirements
  - ADX listing obligations
  - CBUAE financial, actuarial, governance, and solvency reporting
  - Accurate and timely public disclosures, including financial statements, governance reports, and regulatory notifications

- **Board Committee Oversight**
  Defines responsibilities and reporting duties of:
  - Audit Committee
  - Nomination & Remuneration Committee
  - Risk Committee
  - Investment Committee
  - Sharia Supervisory functions (as applicable for Takaful)
  - Any additional committees established in 2025

- **Financial Consumer Protection & Policyholder Fairness**
  Aligned with the **CBUAE Financial Consumer Protection Regulations (FCPR),** covering:
  - Fair treatment of customers
  - Transparency in insurance products
  - Claims handling governance
  - Complaint handling and escalation procedures

- Product suitability and disclosure standards

- **Social, Environmental & Sustainability Responsibilities**
  The Company recognizes its broader role in the community and continues to support social responsibility, sustainability, and community engagement activities.

Methaq continues updating its governance framework to align with CBUAE's evolving supervisory requirements, ensuring that internal controls, committee structures, risk oversight mechanisms, and reporting practices remain fully compliant and effective following the appointment of the new Board of Directors in April 2025.

2. Ownership and transactions of board members, their spouses, and their children in the company's securities during 2025

No	Name	Position/ Relationship	Shares owned as of 31/12/2025	Total sale transaction	Total purchase transaction
1	Dr. Ibrahim Mohamed Al Dabal	Chairman	-	-	-
2	Mr. Amro Mohamed Saleh	Vice Chairman	-	-	-
3	Mr. Saleh Mohamed Al Tunaiji	Member	-	-	-
4	Mr. Sultan Rashid Al Zaabi	Member	-	-	-
5	Mr. Riyad Mohamed Al Shibani	Member	-	-	-
6	Mr. Mohamed Ali Al Alyak	Member	-	-	-
7	Mr. Abdullah Khalil AL Bannai	Member	-	-	-

8	Mrs. Hamda Hamad A Hammadi	Member	-	-	-
9	Mr. Jassim Mohammed Al Balooshi	Member	-	-	-

Following **CBUAE Directive CBUAE/FCMCP/2023/1675**, Methaq remained under a Supervisory Committee until the Annual General Assembly on 24 April 2025, when the new Board of Directors was appointed.

In accordance with the **Disclosure and Transparency Regulations issued by the Securities and Commodities Authority (SCA),** and **pursuant to Article (36)** of the said regulations—*which requires listed companies to disclose the shareholdings and trading activities of Board members and their first-degree relatives*—Methaq confirms the following:

In accordance with SCA and ADX disclosure requirements, Methaq confirms that:

- **No Board member appointed in 2025 carried out any transactions in Methaq shares during the year.**
- **No transactions were recorded for their spouses or dependent children.**
- **No members of the Supervisory Committee conducted any transactions during their oversight period.**

Methaq remains fully compliant with Article (36) of the SCA Disclosure and Transparency System and the related ADX insider-trading controls and continues to implement strict internal procedures governing securities dealings by insiders.

3. Board of Director Formation

A. Statement of the current Board Formation (along with the names of both resigned appointed Board Members)

Following the Annual General Assembly held on 24 April 2025, a new Board of Directors was appointed in accordance with Federal Decree-Law No. 32 of 2021 on Commercial Companies, SCA Governance Resolution No. (3 R.M) of 2020, and ADX listing requirements.

No	Name	Position/ Relationship	Date of Appointment	Category	Executive Status
1	Dr. Ibrahim Mohamed Al Dabal	Chairman	24/04/2025	Independent	Non-executive
2	Mr. Amro Mohamed Saleh	Vice Chairman	24/04/2025	Non-Independent	Non-executive
3	Mr. Saleh Mohamed Al Tunaiji	Member	24/04/2025	Independent	Non-executive
4	Mr. Sultan Rashid Al Zaabi	Member	24/04/2025	Independent	Non-executive
5	Mr. Riyad Mohamed Al Shibani	Member	24/04/2025	Independent	Non-executive
6	Mr. Mohamed Ali Al Alyak	Member	24/04/2025	Independent	Non-executive
7	Mr. Abdullah Khalil AL Bannai	Member	24/04/2025	Independent	Non-executive
8	Mrs. Hamda Hamad A Hammadi	Member	24/04/2025	Independent	Non-executive
9	Mr. Jassim Mohammed Al Balooshi	Member	21/08/2025	Independent	Non-executive

On 21/08/2025, Mr. Jassim Mohammed Al Baloushi was appointed as a replacement member to fill the vacant seat, replacing Mr. Mohammed Jassim Al Mehairi, due to his failure to meet the requirements of the Central Bank of the UAE.

B. The experience and qualifications of the members of the Board Directors:

No	Name	Experience	Qualification
1	Dr. Ibrahim Mohamed Al Dabal	• Retired Dubai Police Officer – Rank: Brigadier (2017) • Founder & CEO – Khalifa Empowerment Program (Aqdar) (2011–Present) • CEO – Aqdar World Summit (2017–Present) • Director – Dubai Police Drug Rehabilitation Centre (2004–2006) • UN-Certified International Expert in Drugs & Human Development (2001–Present) • Chair/Member of multiple national & international committees (Youth empowerment, drug prevention, safe internet, UN committees)	• **PhD – University of Wales,** UK (2011) • **Bachelor of Pharmacy (1996)** • **Diploma in Police & Legal Sciences** (1998)
2	Mr. Amro Mohamed Saleh	• Vice Chairman & CEO, Burgan Takaful Insurance Co. (2018–Present) • Deputy CEO, Ain Takaful Insurance Co. (2016–2018) • Assistant Manager – FGA, KFH Takaful (2015–2016) • Assistant Manager – FGA, Ghazal Insurance Co. (2013–2015) • Assistant Manager – KIBB (Sultan Group) (2011–2013) • Senior Insurance Officer, Alsafat Takaful (2007–2011)	• **MBA,** Hult International Business School (2018) • **Award in General Insurance,** Chartered Insurance Institute – CII (2013) • **Bachelor's degree in commerce (Accounting),** Suez Canal University (2006) • **ICDL Certification** (2006)

3	Mr. Saleh Mohamed Al Tunaiji	• Joined the Central Bank of the UAE in 1986; held multiple senior roles in Banking Supervision & Licensing • Director of Banking & Financial Institutions Supervision (CBUAE) • Director of Licensing Department (CBUAE) • Chief of Strategy Department – CBUAE (2013–2024) until retirement • Member of joint committees with MOI, SCA, and national regulatory teams for drafting financial sector laws • Chaired CBUAE tendering & procurement committee (since 2018) • Member of CBUAE Executive Committee and Vice Chairman of Strategy Committee (headed by the Governor) • Chief Executive Officer for Happiness & Wellbeing – CBUAE (after completing program from Berkeley, USA) • Attended numerous regional & international banking conferences and workshop	• **Bachelor's Degree in Business Administration & Media** – UAE University (1985) • **Chief Happiness & Positivity Officer Program** – Berkeley, California, USA
4	Mr. Sultan Rashid Al Zaabi	• 41 years of experience at the Central Bank of the UAE • Director – Central Operations Department (2021–2024)	• **Bachelor's Degree in Business Administration** – Seattle Pacific University, USA (1982)

		• Assistant Executive Director – Banking Operations & Payment Systems (2018–2020) • Deputy Executive Director – Correspondent Banking (2014–2017) • Held progressive senior roles in Correspondent Banking (1994–2014) including Director, Senior Manager, and Section Head • Senior leadership roles in Investment Department (1983–1993) handling FX operations & reserve management	• Masters in Banking & Financial Development – FINAfrica, Milan (1995)
5	Mr. Riyad Mohamed Al Shibani	• Legal Advisor – Federal Authority for Identity (2010–2024) • Legal Advisor – Social Services & Commercial Building Dept (1991–2010) with progression from Legal Researcher → Legal Expert → Assistant Legal Advisor (Head of Division) • Lawyer – Private Practice (1984–1992): represented clients in courts, arbitration, and legal proceedings • Legal Researcher – State Audit Institution (1979–1985)	• Bachelor of Law, Cairo University – Faculty of Law • Legal Leadership Executive Certificate
6	Mr. Mohamed Ali Al Alyak	• 30+ years of experience with ADNOC Offshore (Adma-Opco) across Recruitment, Employee Relations, General Services & HR leadership roles	• Bachelor's Degree in Sociology, UAE University (1985) • Completed multiple leadership, management, environmental, and HR

		• Recruitment Manager (2013–2016): led talent acquisition, Emiratization, HR planning, succession planning & organizational design initiatives • Employee Relations Manager (2007–2012): strengthened performance management, managed grievances, disciplinary issues & employee engagement • Team Lead – General Services (2000–2006): operational leadership, L&D programs, budget management & continuous improvement • Personnel Officer → Lead Personnel Officer (1986–1999): HR operations, workforce planning, and employee support.	development programs (ADMA-OPCO & international)
7	Mr. Abdullah Khalil AL Bannai	• Over 30 years of experience across Dubai Municipality and the Department of Economic Development (DED) • Director of Development & Follow-up – Commercial Control & Consumer Protection (2020–2023) • Head of Development & Follow-up – Consumer Protection Department (2019) • Head of Suggestions & Complaints Section (2014) • Head of Data Processing Unit – Commercial Licensing (2008)	• Bachelor of Arts – Sociology (1990) • Completed multiple professional courses: Leadership Skills, Supervisory Skills, Creative Problem Solving, Customer Service, Licensing Procedures, Judicial Control, Intellectual Property, Anti–Commercial Fraud, etc.

		• Head of Initial Approval Unit – DED (2004) • Head of Initial Approval Unit – DED (2004)	
8	Mrs. Hamda Hamad A Hammadi	• Legal Advisor – Anwar Gargash Diplomatic Academy (2022–2023): led legal affairs, policy development, contract review & negotiation • Investment Contract Specialist & Acting Project Manager – Department of Municipalities & Transport (2021–2022) • Contract Analyst Specialist & Acting Head of Tenders & Contracts – DMT (2017–2021) • Health Officer – Sheikh Khalifa Bin Zayed Foundation (2015–2017) • Internships in Urban Planning, Municipalities, and Accounting roles (2009–2010)	• Master of Public Law (Distinction) – Al Ain University (2022) • Bachelor of Laws – LLB (Distinction) – Al Ain University (2014) • Certified Lawyer + Government Notary + multiple legal and regulatory certifications (2016–2021)
9	Mr. Jassim Mohammed Al Balooshi	• Firefighting Trainer – Abu Dhabi Civil Defense Authority (2004–Present) • Contributor to national firefighting training standards and Pro Board international accreditation (2019) • Active roles in risk register development, strategic planning, emergency response leadership, and training curriculum design	• Bachelor of Industrial Business Administration – Emirates College of Technology (2019) • NFPA Certified Instructor (Levels I & II) • Multiple professional certifications in strategic planning, occupational health & safety, hazardous materials, emergency

			response, and trainer development

D. Percentage of female representation in the Boards on 2025

The Company remains committed to promoting gender diversity. As of 31 December 2025, women represent 11% of the Board of Directors.

F. Reasons for the absence of any female candidate for the Board membership

Not Applicable

D. Statements

1. **Total Remuneration paid to the Board Members 2025**

In accordance with Article (29) of SCA Governance Resolution No. (3 R.M) of 2020, Methaq discloses the remuneration that was approved at the AGM and paid to Board members for the financial year 2025.

Total remuneration paid to the Board for 2025: N/A

This amount reflects fixed Board fees and approved committee allowances, in line with the Company's Remuneration Policy and CBUAE requirements.

2. **The total remunerations of the Board members, which are proposed for 2025, and will be presented in the annual general assembly meeting for approval.**

The Board has also proposed the remuneration to be paid for the financial year 2025, which will be presented to shareholders for approval at the next Annual General Assembly.

Proposed Board remuneration for 2025: N/A

3. **Details of the allowances for attending sessions of the committees emanating from the Board, which were received by the Board members for 2025 fiscal year, according to the following schedule:**

None

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 the year 2025 fiscal year along with their convention dates, personal attendance times of all members, and members attending by proxy**

Sr.	Date of Meeting	Number of Attendees	Number of attendees by proxy	Names of absent members
1	25/04/2025	9	-	-
2	28/05/2025	9	-	-
3	01/07/2025	9	-	-
4	21/08/2025	9	-	-
5	22/09/2025	9	-	-
6	03/11/2025	9	-	-
7	10/12/2025	9	-	-
8	28/12/2025	9	-	-

F. **Number of the Board resolutions passed during the year 2025 fiscal year, along with its meeting convention**

N/A

G. **Board duties and powers exercised by Board members or the executive management members during the year 2025 based on an authorization from the Board, specifying the duration and validity of the authorization**

In accordance with Board resolutions issued following the appointment of the Board of Directors on **24 April 2025**, certain operational and administrative powers were delegated to Executive Management to ensure the effective conduct of the Company's day-to-day business activities.

All delegated authorities were exercised within approved financial thresholds, internal control frameworks, and regulatory requirements. The Board retained ultimate responsibility and oversight over all delegated matters throughout the financial year ended **31 December 2025.**

No powers reserved exclusively for the Board under applicable laws, the Company's Articles of Association, or regulatory requirements were delegated.

Delegation of Authority Matrix – 2025

Authorized Person	Delegated Authority	Scope / Limits	Duration & Validity
Chief Executive Officer (CEO)	Implementation of Board-approved strategy and business plans	Within approved annual budget, strategic objectives, and risk framework	Effective from 24 April 2025 and valid unless amended or revoked by Board resolution
CEO / Chief Financial Officer (CFO)	Approval of operating and capital expenditure	Within approved financial limits and budget allocations, material expenditures require Board approval	Continuous delegation subject to Board oversight
CEO / Authorized Signatories	Banking arrangements and financial signatory powers	In accordance with Board-approved signatory mandates and dual-signature controls where applicable	Valid until amended by Board resolution
CEO / Executive Management	Execution of commercial agreements	Within the ordinary course of business and approved financial thresholds; material contracts subject to Board approval	Ongoing
CEO / Compliance Function	Regulatory correspondence and reporting	Within regulatory obligations to CBUAE, SCA, ADX and other competent authorities; significant matters reported to the Board	Continuous
CEO	Human resource matters (excluding Board and senior management appointments)	Within approved organizational structure and remuneration framework	Ongoing
CEO / Authorized Legal Representatives	Legal representation and litigation management	Within approved authority, material litigation, settlements, or arbitration matters subject to Board notification and/or approval	Valid until amended or revoked by the Board
Executive Management	Execution of Board-approved investments	Implementation of investments strictly following prior Board approval and within approved parameters	As per specific Board approvals

All delegated authorities remained subject to:

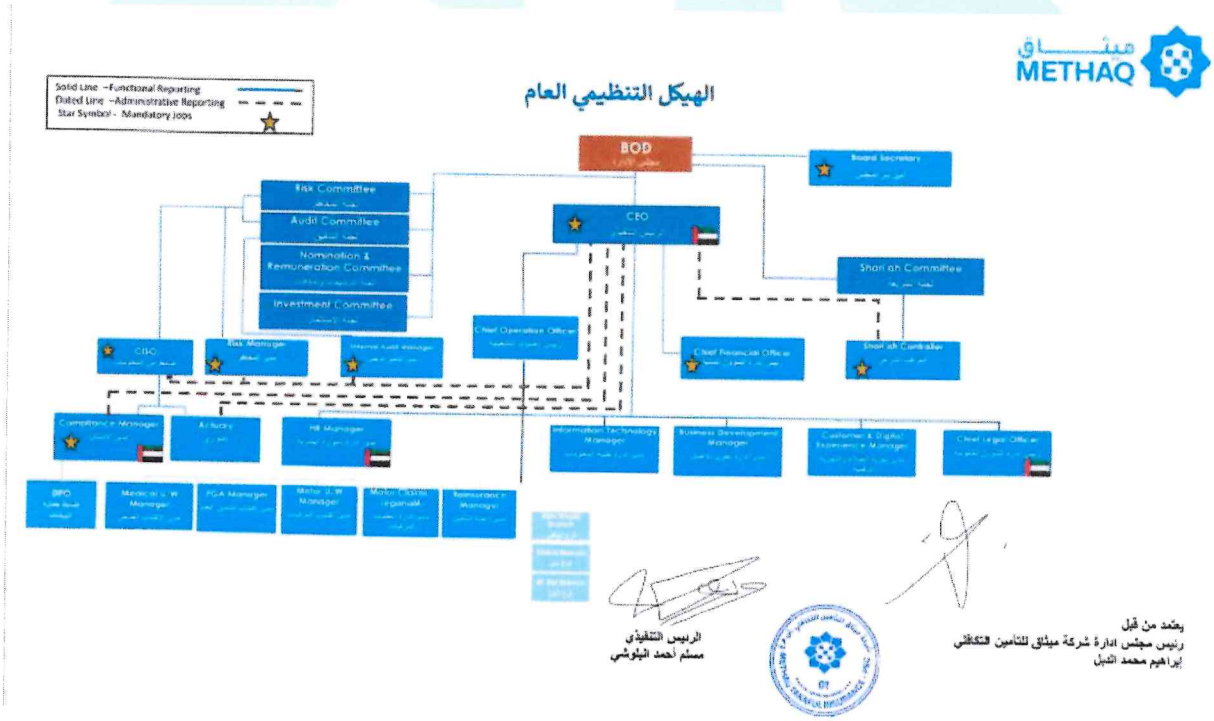
- Defined financial limits and escalation procedures.
- Periodic reporting to the Board of Directors.
- Oversight by the Audit and Risk Committees.
- Amendment or revocation by the Board at any time.

The Board confirms that delegated powers during 2025 were exercised in compliance with applicable CBUAE regulations, SCA Corporate Governance requirements, and the Company's internal governance framework.

H. Details of the transactions made with the related parties (Stakeholders) during the year 2025

S	Statement of related parties	Nature of relationship	Type of transaction	Value of transaction
	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 their jobs, along with a statement of the total salaries and bonuses paid

Position	Total salaries and allowances paid for 2025(AED)	Total bonuses paid for 2025 (AED)	Any other cash/ in-kind bonuses for 2025 or due in the future
Chief Executive Officer	2,576,000.00	-	242,200.00
Chief Finance Officer	841,500.00	-	53,200.00
HR Manager	104,833.33	-	-
Medical Manager	310,500.00	-	-
Non-Motor Underwriter Manager	248,400.00	-	-
Re Takaful Manager	261,080.00	-	-
Legal Manager	396,240.00	-	32,250.00
Claim Manager	584,400.00	-	24,000.00
Compliance Manager	280,370.92	-	35,833.33
General Counsel – Head of Legal Department	526,600.00	-	42,000.00
Al Ain Branch Manager	308,400.00	-	12,500.00
Finance Manager	399,880.00	-	17,500.00
Motor Underwriting Manager	314,617.18	-	
Dubai Branch Manager	189,755.80	-	28,000.00
Business Development Manager	204,166.67	-	
IT Manager	310,500.00	-	7,466.60
Customer and Digital Experience Manager	210,266.67	-	-
Internal Audit Manager	164,346.67	-	-

4. External Auditor

A. Overview of the company auditor to shareholders

Crowe Mak was appointed as the Company's external auditor for the financial year 2025. Crowe Mak is an independent member firm of **Crowe Global**, a leading international network of professional services firms providing audit, tax, advisory, and risk services across more than 130 countries.

The appointment of Crowe Mak brought **fresh perspectives to the Company's financial oversight**, supporting enhanced audit quality, strengthened governance practices, and robust independent assurance over the Company's financial reporting.

The Audit Committee oversees the relationship with the external auditor, including review of audit scope, fees, and performance, and ensures that audit findings and recommendations are appropriately addressed by management. The Board confirms that the external auditor acts independently and that no services were provided which would compromise objectivity.

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

Name of the Audit office and Partner auditor	Crowe Mak
Number of years he served as the company external auditor	One Year - 2025
The number of years the partner auditor spent auditing the company's accounts.	One Year - 2025
Total audit fees for 2025 (in AED)	AED 475,000
Fees and costs of other private services other than auditing the financial statements for 2025 (AED), if any	-
Details and nature of the other services (if any)	-
Other services that an external auditor other than the company accounts auditor provided during 2025 (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 the year 2025

The financial reports for quarters 1, 2, 3, and 4 are pending audit.

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 Committee

Mr. Sultan Rashid Al Zaabi, Chairman of the Audit Committee, acknowledges his responsibility for the Committee's governance system at Methaq Takaful Insurance PSC. He confirms that he has reviewed the Committee's work mechanisms and ensured their effectiveness in accordance with the Audit Committee Charter and applicable regulatory requirements.

He further confirms that the Audit Committee, through all its members, has effectively carried out its duties, including:

- Overseeing the integrity of financial statements and disclosures
- Monitoring internal control and risk management systems
- Supervising the Internal Audit function and reviewing its reports

- Reviewing the independence and performance of the External Auditor
- Ensuring compliance with CBUAE, SCA, AML/CFT, tax, and all relevant regulations
- Overseeing related-party transactions and conflict-of-interest controls
- Reviewing investigation findings and corrective action plans
- Ensuring the Committee has adequate resources and unrestricted access to information

Mr. Al Zaabi confirms that the Committee has submitted its reports and recommendations to the Board and fulfilled its responsibilities as per the approved Audit Committee Charter.

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

Audit Committee Members – 2025	
Mr. Sultan Rashid Al Zaabi	Chairman
Mr. Mohamed Alalyak	Member
Mrs. Hamda Al Hammadi	Member

The Committee members collectively possess competencies in:

- Banking and financial operations
- Internal control systems and risk management
- Corporate governance and regulatory compliance
- External and internal audit oversight
- Financial analysis and reporting
- Government regulatory frameworks
- Legal and policy review

Audit Committee Responsibilities:

- Reviewing annual, semi-annual, and quarterly financial statements.
- Assessing the adequacy and effectiveness of internal controls.
- Overseeing the Internal Audit Department, its annual plan, and independence.
- Reviewing internal audit reports and monitoring corrective actions.
- Evaluating the External Auditor's independence, appointment, scope, and fees.
- Reviewing related-party transactions and ensuring regulatory compliance.
- Overseeing AML/CFT compliance and internal investigation procedures.
- Ensuring adherence to CBUAE, SCA, VAT, tax, and other regulatory requirements.
- Reporting periodically to the Board on findings, risks, and recommendations.

C. Number of meetings held by the Audit Committee during the year 2025 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.

Sr	Date of Meeting	Number of Attendees	Number of attendees by proxy	Names of absent members
1	10/06/2025	3	-	-
2	01/10/2025	3	-	-
3	29/10/2025	3	-	-
4	08/12/2025	3	-	-

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. Saleh Mohamed Al Teneiji, Chairman of the Nomination and Remuneration Committee, acknowledges his responsibility for the Committee's governance system at Methaq Takaful Insurance PSC. He confirms that he has reviewed the Committee's work mechanisms and ensured their effectiveness in accordance with the Committee Charter, the Company's Remuneration Policy, and all applicable CBUAE and SCA regulatory requirements.

He further confirms that the Committee has effectively carried out its responsibilities during the year and submitted its recommendations and reports to the Board of Directors.

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

Nomination & Remuneration Committee Members – 2025	
Mr. Saleh Mohamed Al Teneiji	Chairman
Dr. Ibrahim Al Dabal	Member
Mr. Amro Mohamed Saleh	Member

Committee Members' Competences:
Collectively, the members bring substantial expertise in:

- Corporate governance and Board oversight
- Strategic planning and organizational development
- Executive leadership and policy development
- Human resources, performance evaluation, and talent management
- Compensation structuring and remuneration governance
- Regulatory compliance and ethical standards

Tasks Assigned to the Nomination & Remuneration Committee

In accordance with the Committee Charter and regulatory requirements, the Nomination and Remuneration Committee is responsible for:

Nomination Responsibilities

- Reviewing and recommending Board and senior management appointments.
- Ensuring Board composition meets independence and competency requirements.
- Overseeing succession planning for key executive roles.
- Reviewing the suitability and fitness of Board and senior management candidates in accordance with CBUAE Fit & Proper criteria.

Remuneration Responsibilities

- Reviewing and recommending remuneration policies for the Board, senior management, and key employees.
- Ensuring remuneration structures align with the Company's long-term strategy, risk appetite, and regulatory requirements.
- Benchmarking compensation packages to maintain market competitiveness.
- Reviewing and recommending compensation amounts based on performance metrics.
- Ensuring remuneration outcomes comply with CBUAE restrictions (including fixed pay requirements for Board members and control functions).
- Ensuring transparency in the remuneration process and alignment with shareholder expectations.

Governance & Compliance

- Ensuring all remuneration and nomination practices comply with CBUAE and SCA regulations.
- Monitoring conflicts of interest related to appointment or remuneration decisions.
- Submitting periodic reports and recommendations to the Board of Directors.

C. Number of meetings held by the Committee during the year 2025 and their dates, and statement of all Committee members' personal attendance of times

Sr	Date of Meeting	Number of Attendees	Number of attendees by proxy	Names of absent members
1	11/06/2025	3	-	-
2	02/10/2025	3	-	-
3	13/11/2025	3	-	-
4	08/12/2025	3	-	-

7. Investment Committee

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. Amro Mohamed Saleh, Chairman of the Investment Committee, acknowledges his responsibility for the Committee's governance system at Methaq Takaful Insurance PSC. He confirms that he has reviewed the Committee's work mechanisms and ensured they operate effectively and in accordance with the approved Investment Committee Charter.

He further confirms that the Committee has exercised its duties with respect to:

- Reviewing and updating the Company's investment strategy and policies.
- Supervising all investment activities and evaluating investment performance.
- Assessing proposed investment opportunities and ensuring regulatory compliance.
- Monitoring risks related to investment decisions.
- Providing recommendations to the Board of Directors on investments, merger or acquisition proposals, divestments, and related matters.
- Ensuring alignment of investment decisions with the Company's strategic objectives and the regulatory framework of the UAE.

B. Names of members of Investment Committee of insiders' transactions and their competences and tasks assigned to them

Investment Committee Members – 2025	
Mr. Amro Mohamed Saleh	Chairman
Dr. Ibrahim Al Dabal	Member

Mr. Saleh Mohamed Al Teneiji	Member

Competences of Committee Members

The Committee members collectively possess strong expertise in:

- Investment management and financial oversight.
- Corporate governance and Board-level decision making.
- Economic analysis and risk evaluation.
- Strategic planning and executive leadership.
- Reviewing and interpreting financial and legal data related to investments.
- Evaluating market conditions and assessing viable investment opportunities.

Their qualifications fully align with the skill requirements set out under SCA and CBUAE governance regulations.

Tasks Assigned to the Investment Committee

The Investment Committee is responsible for:

- Developing and recommending the Company's overall investment strategy and investment policy to the Board of Directors.
- Reviewing the annual investment plan prepared by Executive Management and submitting it to the Board for approval.
- Periodically reviewing and updating the investment policy to align with market conditions, regulatory changes, and the Company's strategic goals.
- Overseeing all investment activities, monitoring performance, and ensuring the existence of a clear and effective evaluation framework.
- Establishing and monitoring criteria for assessing investment opportunities including mergers, acquisitions, divestments, asset disposals, expansions, or new investment initiatives.
- Assessing the financial, legal, and operational risks associated with investment proposals and confirming the adequacy of internal controls supporting investment operations.
- Ensuring all investment activities comply with applicable laws, CBUAE regulations, SCA rules, internal policies, and Shari'ah principles.
- Reviewing investment performance reports quarterly and annually and evaluating progress of approved investments.
- Requesting additional financial, legal, actuarial, or technical analysis when necessary to support decision-making.
- Recommending corrective actions, including suspension of investments if violations or non-compliance risks are identified.
- Reporting regularly to the Board, submitting periodic updates, annual reports on investment strategy effectiveness, and recommendations on significant investment decisions.

C. Number of meetings held by the Committee during the year 2025 and their dates, and statement of all Committee members' personal attendance of times.

Sr	Date of Meeting	Number of Attendees	Number of attendees by proxy	Names of absent members
1	11/06/2025	3	-	-
2	14/07/2025	3		
3	01/10/2025	3		
4	13/11/2025	3		
5	08/12/2025	3		
6	22/12/2025	3		

8. Risk Committee

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. Riyad Al Sheebani, Chairman of the Risk Committee, confirms his accountability for the oversight of the Committee's framework at Methaq Takaful Insurance PSC. He affirms that the Committee's operating procedures have been reviewed and that appropriate measures are in place to support its effective functioning in line with the approved Risk Committee Charter.

He further confirms that the Committee has undertaken its responsibilities, including:

- Reviewing the Company's risk governance framework and recommending enhancements where required.
- Overseeing the identification and assessment of key strategic, financial, operational, and regulatory risks.
- Reviewing periodic risk reports and monitoring the implementation of mitigation actions.
- Assessing the adequacy of internal controls related to risk management.
- Ensuring alignment with CBUAE risk governance requirements and internal policies.
- Advising the Board on risk appetite, material risk exposures, and risk management priorities.
- Supporting the integration of risk considerations into the Company's strategic planning and decision-making processes.

B. Names of members of Risk Committee of insiders' transactions and their competences and tasks assigned to them

Risk Committee Members – 2025	
Mr. Riyad Al Sheebani	Chairman
Dr. Abdulla Albannai	Member
Mr. Jassim Mohammed Al Balooshi	Member

Competences of Committee Members

The Risk Committee members collectively bring experience in:

- Regulatory compliance and legal oversight
- Public sector governance and supervisory functions
- Operational risk assessment and internal control frameworks
- Strategic planning and organizational oversight
- Emergency management, safety systems, and risk mitigation

Their combined backgrounds support effective oversight of enterprise risks and compliance with CBUAE and SCA governance requirements.

Tasks Assigned to the Risk Committee

The Risk Committee is responsible for:

- Reviewing and recommending the Company's risk management framework, policies, and risk appetite.
- Overseeing the identification, assessment, and monitoring of material risks across all business activities.
- Reviewing periodic risk reports and ensuring appropriate mitigation actions are implemented.
- Assessing the adequacy of internal controls related to risk management.
- Monitoring compliance with CBUAE requirements and internal risk policies.
- Supporting management in embedding risk awareness into operational processes and decision-making.
- Escalating significant risk matters to the Board and providing recommendations on mitigation strategies.

C. Number of meetings held by the Committee during the year 2025 and their dates, and statement of all Committee members' personal attendance of times.

Sr	Date of Meeting	Number of Attendees	Number of attendees by proxy	Names of absent members

1	11/06/2025	3	-	-
2	28/08/2025	3	-	-
3	01/10/2025	3	-	-
4	08/12/2025	3	-	-

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 of Methaq Takaful Insurance PSC acknowledges its overall responsibility for the Company's internal control system. The Board confirms that it has reviewed the design, framework, and operational mechanisms of the internal control system, and has ensured that it is effective, robust, and appropriate for the nature, size, and risk profile of the Company.

The Board further confirms that the internal control system:

- Provides reasonable assurance regarding the integrity of financial reporting
- Supports effective risk management and compliance with applicable CBUAE and SCA regulations
- Ensure proper governance, safeguarding of assets, and prevention of fraud or misuse
- Operates under the oversight of the Internal Audit, Compliance, and Risk Management functions
- It is periodically evaluated through internal audit reviews, external audit examinations, and regulatory assessments

The Board affirms that it receives regular reports from the Internal Audit, Compliance, Risk Management, and Executive Management teams and has ensured that the internal control system remains effective throughout the year.

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

The Head of Internal Control Department: Mr. Ahmed Zaki holds an MBA from the New York Institute of Technology and a Bachelor's in Business Administration from Abu Dhabi University.

He has over 14 years of experience in internal audit, risk management, and compliance across leading UAE insurance companies and previously worked with KPMG in internal audit and risk advisory services.

Date of Appointment: 20 June 2025

C. Name of the Compliance Officer, his/her qualifications and date of appointment

Compliance Manager: Ms. Maryam Rashid Al Mehrzi, she holds a Bachelor's Degree in Communication Science and Media.
Date of Appointment: April 4, 2021.

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

N/A

E. Number of reports issued by the Internal Control Department to Company's Board of Director in the Year 2025

During the year 2025, the Internal Audit Department issued **three (3) reports** to the Board of Directors, covering key audit findings, internal control assessments, and recommended corrective actions.

F. Details of violations committed during the 2025, explaining their causes, how to address them and avoid their recurrence in the future

G. Statement of the cash and in-kind contributions made by the Company during the 2025 in developing the local community and preserving the environment

None

10. General Information

Methaq Takaful Insurance PSC operated under the oversight of a Central Bank–appointed Supervisory Committee following the dissolution of the Board of Directors in 2023. Subsequently, a new Board of Directors was appointed at the Company's Annual General Assembly held on 24 April 2025, and the Board committees were formed thereafter in accordance with applicable governance requirements.

During the year, the Company also experienced changes in its shareholding structure. In accordance with Article (16) of the Abu Dhabi Securities Exchange (ADX) Listing Rules, trading in the Company's shares was temporarily suspended effective 16 June 2023 due to a delay in submitting financial statements, and the suspension remained in effect as at 31 December 2025.

The Board of Directors continues to focus on strengthening governance, internal control frameworks, and regulatory compliance in line with the requirements of the Central Bank of the UAE and the Securities and Commodities Authority.

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 2025

Month-end	High	Low	Close	Volume
January 2025				
February 2025				
March 2025				
April 2025				
May 2025				
June 2025				
July 2025				
August 2025				
September 2025				
October 2025				
November 2025				
December 2025				

B. Statement of the Company comparative performance with the general market index and sector index to which the Company belongs during the year 2025

In compliance with Article No. (16) of the Regulations for Listing Securities on the Abu Dhabi Securities Exchange (ADX), it was decided that due to Methaq Takaful Insurance Company's failure to submit their Financial Statement, the trading of the company's shares was temporarily suspended starting from 16-Jun-2023 until further notice.

C. Statement of the shareholders ownership distribution as on 31/12/2025 (individuals, companies, governments) classified as follows:

S	Shareholders Classification	Percentage of owned shares			
		Individuals	Companies	Government	Total
1	Local	28.16%	11.62%		39.06%
3	Arab	20.79%	38.94%	-	59.73%
4	Foreign	0.66%	0.003%	-	0.66%

Total	**49.61%**	**50.39%**	**-**	**100%**

D. Statement of shareholders owning 5% or more of the Company's capital as on 31/12/2025:

Sr	Name	Number of owned shares	Percentage of owned shares of the company's capital
1	Burgan Takaful Insurance	170,000,000.00	36.43%
2	Jamal Bin Hamad Bin Saleh Al Saghyir	43,462,608.00	9.31%
3	Sama Al Madinah Real-Estate Investment LLC	32,332,347.00	6.93%
4	Abdullah Bin Abdul Aziz Bin Mohamed Al Mutliq	23,513,611.00	5.04%

E. Statement of how shareholders are distributed according to the volume of property as on 31/12/2025:

Sr.	Ownership of the shares (share)	Number of shareholders	Number of owned shares	Percentage of shares owned from the capital
1	Less than 50,000	6,921	5,453,659	1.17%
2	From 50,000 to less than 500,000	203	32,958,818	7.06%
3	From 500,000 to less than 5,000,000	68	84,807,391	18.17%
4	More than 5,000,000	12	343,454,566	73.60%

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

- Name of the investor relationships officer: Mohammed El-Bouazzaoui
- Data of Communication with the investor relationships:
  - Email: invester.relations@methaq.ae
  - Phone: 600 565 695

- The link of investor relationships page on the Company's website: https://methaq.ae/investor-relations

    - The company publishes 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 2025 and the procedures taken in their regard

None.

H. Rapporteur of the Board Meetings

• Name of the Rapporteur of the Board Meetings:	Hanan Fraiji
• Appointment date:	17/10/2022
• Qualifications and experiences:	Bachelor degree in Computer science + 15 years' experience as Board Secretary
• Statement of his duties during the year:	• Plan, schedule, and organize board meetings, board committees meeting, annual general meetings . • Record accurate minutes of meetings and track follow-up actions • Prepare meeting agendas in consultation with the Chairman and CEO. • Coordinate distribution of board papers, reports, and other relevant documents prior to meetings.

I. Detailed statement of major events and important disclosures that the Company encountered during 2025

- **Appointment of New Board of Directors:** Following a period of oversight by a Central Bank–appointed Supervisory Committee, a new Board of Directors was appointed at the Annual General Assembly held on 24 April 2025. Subsequently, Board committees were formed in accordance with applicable governance requirements.

- **Formation of Board Committees:** During 2025, the Board formally constituted its Audit Committee, Risk Committee, Nomination and Remuneration Committee, and Investment Committee, in compliance with regulatory requirements and governance best practices.
- **Change in Shareholding Structure:** The Company experienced changes in its shareholding structure during the year. Relevant disclosures were made in accordance with applicable Securities and Commodities Authority (SCA) and Abu Dhabi Securities Exchange (ADX) requirements.
- **Continued Suspension of Trading:** In accordance with Article (16) of the ADX Listing Rules, trading in the Company's shares remained suspended as at 31 December 2025 due to the delay in submission of financial statements.

J. Statement of Emiratization percentage in the Company at the end of 2020, 2021,2022,2023, 2024 & 2025

Emiratization percentage at 2020:7.8%
Emiratization percentage at 2021:6%
Emiratization percentage at 2022:16.58%
Emiratization percentage at 2023: 20%
Emiratization percentage at 2024: 22.3%
Emiratization percentage at 2025: 27.98

K. Statement of innovative projects and initiatives carried out by the company or being developed during 2025

None

Signature of the Chairman of the Board of Directors	Signature of the Chairman of the Audit Committee	Signature of the Chairman of the Nominations and Bonus Committee	Signature of the Director of the Risk Committee
.....	.....	.....	.....
Date:27/03 /2026	Date:27/03 /2026	Date:27/03 /2026	Date:27/03 /2026