



## Corporate Governance Report

For the Financial Year from 01/01/2025 to 31/12/2025

In accordance with Resolution No. (58) of 2023 issued by the Insurance Regulatory Unit

### **Introduction**

This report aims to provide a comprehensive overview of Al-Dawli Takaful Insurance Company and to highlight the extent of its compliance with applicable laws and regulations, with the objective of enhancing the company's governance framework. This is carried out in line with the principles of sound corporate governance and best practices in the insurance sector, in accordance with Resolution No. (58) of 2023.

The Company is committed to implementing best practices in corporate governance to ensure:

1. A balanced composition of the Board of Directors and its committees, with clearly defined roles and responsibilities.
2. Clear definition of the roles and responsibilities of executive management.
3. Oversight of the conflict of interest policy within the Company.
4. Effective functioning of control units (Risk, Compliance, Internal & Sharia Audit, Actuarial).
5. Independence of the external auditor.

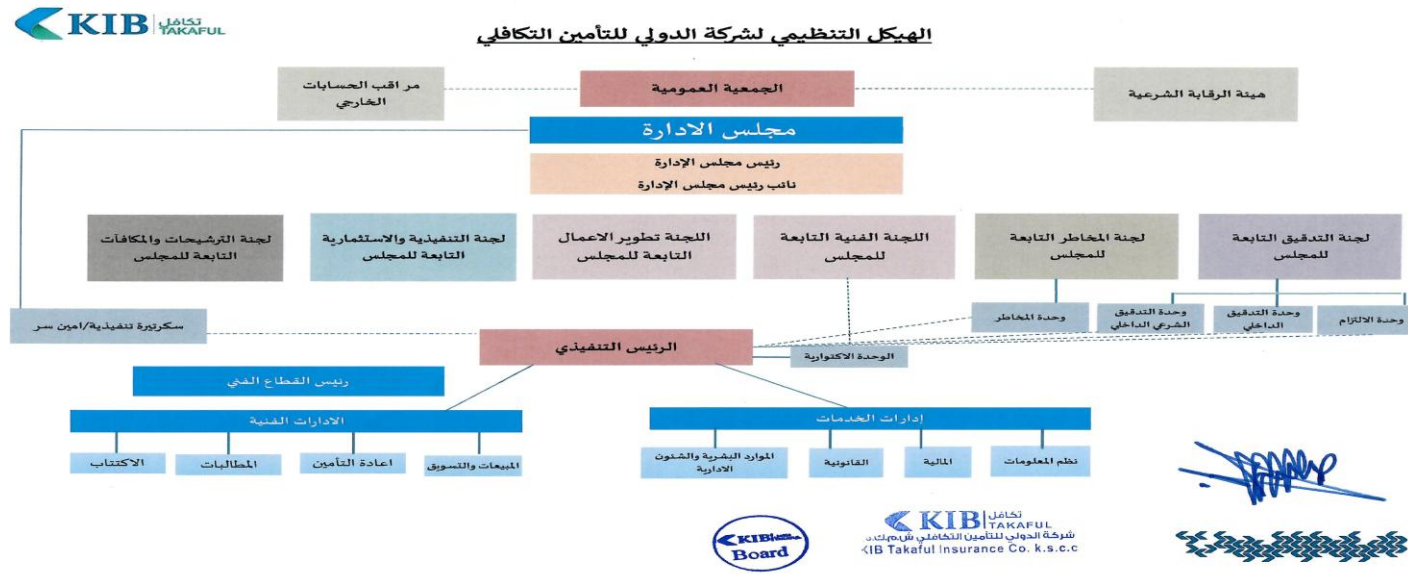
- 6. Existence of a Sharia Supervisory Board.
- 7. Adherence to professional ethics, competence, and integrity.

### Governance Framework

management within institutions. It defines a set of rules and systems governing the relationship between senior management and stakeholders, including shareholders, employees, and regulators. The framework aims to enhance accountability, fairness, and transparency in decision-making, reduce risks, and achieve institutional sustainability. It also includes clear allocation of authorities and responsibilities, and the establishment of control mechanisms to ensure compliance with applicable laws and standards. This contributes to improving institutional performance and building trust among all stakeholders.

The Insurance Regulatory Unit issued governance instructions under Resolution No. (58) of 2023.

### Organizational Structure (Including Governance Structure)



## 1. Board of Directors Composition, Committees, Roles and Responsibilities

The Board consists of seven members with the necessary expertise and professional experience to manage and oversee the Company's operations. The Board includes non-executive and independent members to ensure balance, independence, and effective oversight of executive management.

Board members are appointed in accordance with clear and approved procedures that ensure integrity and professional competence, in compliance with the regulations of the Insurance Regulatory Unit, while avoiding conflicts of interest.

The Board has formed several committees to oversee the Company's activities and appointed a Board Secretary for the Board and all committees. The Board's performance for the year has been evaluated based on approved standards to protect the rights of shareholders and stakeholders.

<b>Date of Appointment/Election</b>	<b>Academic Qualifications &amp; Professional Experience</b>	<b>Member Classification</b>	<b>Name</b>
2017 – Present	Bachelor's degree in Civil Engineering from Kuwait University, in addition to real estate sector qualifications from Aberystwyth University (UK). Over 27 years of experience in real estate development, investment, and engineering consultancy.	Non-Executive Chairman of the Board	Osama Jawad Bukhamsin
2018 – Present	Bachelor of Science in Manufacturing Engineering from Boston University and a Master's degree in Financial Economics. Over 23 years of experience in the financial and investment sectors at both regional and international levels.	Non-Executive Vice Chairman	Saleh Suleiman Al-Tarrah
2025 – Present	Bachelor's degree in Commerce, Economics, and Political Science from Kuwait University. Extensive leadership experience with approximately 25 years in financial, investment, and insurance sectors.	Non-Executive Board Member	Anwar Jawad Bukhamsin
2019 – Present	Bachelor's degree in Marine Biology from California State University, Fullerton (USA). Around 21 years of experience in insurance and reinsurance, specializing in technical insurance foundations.	Non-Executive Board Member	Mishari Mansour Al-Nashit

Date of Appointment/Election	Academic Qualifications & Professional Experience	Member Classification	Name
2017 – Present	Bachelor's degree in Business Administration (Accounting) from Kuwait University (2006). Completed executive programs at Harvard University and Stanford University, along with various professional training courses. Over 20 years of experience in accounting and financial consulting.	Non-Executive Board Member	Abdullah Abdulrahman Al-Asaousi

### Key Board Decisions and Achievements

During 2025, the Board issued approximately 26 resolutions, Approval of the annual financial statements. Approval of the Gravity Tower acquisition transaction. Restructuring of the Board and appointment of a Board Secretary. Approval of the organizational structure. Engagement of external firms for risk management and internal audit. Development of new strategies to increase investments and expand the policyholder base. The Board ensured that all committee responsibilities are clearly defined, with periodic reporting to the Board.

**Note:** Mr. Omar Al-Tabtabaei and Mr. Fahad Al-Baghli joined as independent Board members on 27/11/2024. On 30/12/2025, Mr. Jassim Al-Abdulhadi was replaced by Mr. Anwar Bukhamsin. Work is ongoing to restructure committees in line with governance requirements.

### Board Committees

The Board has established several committees, including:

- Audit Committee
- Risk Committee
- Nomination & Remuneration Committee
- Executive & Investment Committee
- Business Development Committee
- Technical Committee

These committees held regular meetings, issued various decisions, reviewed policies, and ensured compliance with regulatory requirements.

### Committee Achievements

During 2025, Board committees actively supported governance and oversight by: Holding periodic meetings according to their mandates. Reviewing financial and audit reports. Strengthening internal control systems. Overseeing risk management frameworks. Ensuring compliance with regulatory requirements. Updating internal policies and submitting recommendations to the Board.

Key Decisions / Achievements	Members	Committee
<ul style="list-style-type: none"> <li>Issued various decisions with no changes to the committee’s composition during the year. The committee approved several policies and procedures, reviewed regulatory updates and legal requirements, examined and endorsed relevant reports, and operated in line with company directives in the best interest of all stakeholders.</li> </ul>	Saleh Al-Tarrah – Chairman Mishari Al-Nashit – Member Abdullah Al-Asaousi – Member Fahad Al-Baghli – Member	Audit Committee
<ul style="list-style-type: none"> <li>Issued approximately four decisions with no changes to the committee’s composition during the year. The committee oversaw and worked to mitigate various risks facing the Company, including engaging a specialized risk management firm.</li> </ul>	Saleh Al-Tarrah – Chairman Abdullah Al-Asaousi – Member Fahad Al-Baghli – Member	Risk Committee
<ul style="list-style-type: none"> <li>Issued approximately four decisions. The committee composition was amended in December following the addition of a new member, and restructuring is ongoing to align with governance requirements. The committee oversaw employee-related matters and evaluated staff performance in line with the Company’s future objectives.</li> </ul>	Mishari Al-Nashit – Chairman Saleh Al-Tarrah – Member Osama Bukhamsin – Member Omar Al-Tabtabaei – Member	Nomination & Remuneration Committee

- Issued various decisions, with restructuring in progress following the addition of a new member to align with members' expertise. The committee issued executive and investment recommendations and decisions supporting the Company's future growth.

Osama Bukhamsin – Chairman  
Saleh Al-Tarraah – Member  
Mishari Al-Nashit – Member

Executive & Investment Committee
- Developed a business development plan and issued recommendations to enhance it in the interest of the Company and its customers. Restructuring is ongoing following the addition of a new member.

Omar Al-Tabtabaei – Chairman  
Mishari Al-Nashit – Member  
Jassim Al-Abdulhadi – Member

Business Development Committee
- Issued various technical and insurance-related decisions during the year in the interest of policyholders, in line with insurance principles and standards. The committee structure is being updated following the addition of a new member to better reflect members' expertise.

Osama Bukhamsin – Chairman  
Mishari Al-Nashit – Member

Technical Committee

## Meetings

The Board and its committees held meetings exceeding the minimum required numbers, demonstrating strong engagement and oversight.

## Meetings Summary

	Board of Directors	Audit Committee	Risk Committee	Nomination & Remuneration Committee	Executive & Investment Committee	Technical Committee	Business Development Committee
<b>Total Meetings Held</b>	14	22	4	9	5	21	4
<b>Minimum Required</b>	6	4	4	2	2	As needed	As needed

## Attendance of Board Members

Member Name	Board	Audit	Risk	Nomination & Remuneration	Executive & Investment	Technical	Business Development
Mr. Osama Jawad Bukhamsin	14	0	0	9	5	21	0
Mr. Saleh Suleiman Al-Tarrah	14	22	4	9	5	0	0
Mr. Anwar Jawad Bukhamsin	1	0	0	0	0	0	0
Mr. Abdullah Abdulrahman Al-Asaousi	14	22	4	0	0	0	0
Mr. Mishari Mansour Al-Nashit	14	22	0	9	5	21	4
Mr. Omar Abdulmohsen Al-Tabtabaei	14	0	0	9	0	0	4
Mr. Fahad Jassim Al-Baghli	14	22	4	0	0	0	0
Mr. Jassim Al-Abdulhadi*	14	0	0	0	0	0	4

## 2. Executive Management Responsibilities

Executive management is responsible for the day-to-day operations of the Company and implementing Board-approved strategies and policies. It ensures operational efficiency and achievement of corporate objectives.

It also maintains continuous coordination with the Board by providing periodic reports on financial performance, operational results, risk levels, and regulatory compliance.

## 3. Conflict of Interest Policy

The Company has established clear policies and procedures to manage conflicts of interest, ensuring protection of the Company, policyholders, shareholders, and stakeholders.

Board members, executives, and employees are required to disclose any potential conflicts and abstain from related decision-making. The Company reviews and manages such cases to ensure transparency and integrity.

#### **4. Control Functions**

The Company maintains independent control and technical functions, including:

##### **Risk Management**

External specialists were engaged to manage risk functions, including identifying, measuring, monitoring, and mitigating risks.

##### **Compliance**

The Compliance function ensures adherence to laws and regulations and promotes awareness of compliance, including AML/CFT obligations.

##### **Internal Audit**

Outsourced internal audit ensures independent evaluation of internal controls and reports to the Audit Committee and Board.

##### **Sharia Audit**

Ensures compliance with Sharia principles and reports to relevant committees.

##### **Actuarial Function**

External actuarial experts review pricing, reserves, and financial adequacy to support financial stability.

#### **5. External Auditor Independence**

The Company ensures the independence of the external auditor, who is appointed by the General Assembly based on Board and Audit Committee recommendations.

The auditor reviews financial statements in accordance with auditing standards and reports independently to shareholders, enhancing transparency and credibility.

#### **6. Sharia Supervisory Board**

The Company has an independent Sharia Supervisory Board consisting of qualified experts in Islamic jurisprudence and finance:

Mr. Abdulaziz Al-Qassar – Chairman

Mr. Mohammed Al-Shammari – Member

Mr. Abdullah Al-Saqqaf – Member

The Board reviews and approves insurance products, contracts, and policies, and issues periodic Sharia reports. It ensures full compliance with Islamic principles and coordinates with management to implement its decisions.

#### **7. Professional Ethics, Competence, and Integrity**

The Company is committed to promoting professional ethics and maintaining high standards of integrity and competence. All Board members, executives, and employees adhere to principles of honesty, transparency, and objectivity. The Company also ensures recruitment of qualified personnel and provides continuous training, while enforcing policies to prevent conflicts of interest and ensure compliance.

#### **Conclusion**

The Company reaffirms its commitment to applying governance regulations issued by the Insurance Regulatory Unit and strengthening its control and risk management frameworks to achieve financial sustainability and protect stakeholder rights.

During 2025, the Company implemented governance requirements and worked on enhancing its governance structure, including restructuring committees in line with best practices.

The Company remains fully committed to compliance with governance regulations and continuously strives to improve its governance practices, address any deficiencies, and respond to regulatory observations in the best interest of the Company and its stakeholders.