

Annual Report

2023





Custodian of the Two Holy Mosques
King Salman bin Abdulaziz Al Saud



The Crown Prince of Saudi Arabia
Prince Mohammed bin Salman bin Abdulaziz Al Saud

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Significant plans, decisions,
and future prospects

78%
Saudization in 2023

550+
Employees Number in 2023

85.058 million
Number of shares in 2023

16
years of Experience

3.346 billion
Total Written Premiums in 2023

SAR 850.583 million
Paid up Capital

47
Branches at the end of 2023

246,734
Number of Calls Received



Quality Management System



Information Security Management System



Business Continuity Management System



Occupational Health & Safety Management System



Environmental Management System



Social Responsibility



Enterprise Risk Management System



Message from the Chairman of the Board of Directors

Dear Shareholders,
I am pleased to present the report of the Board of Directors of your Company for the year 2023. It gives me great pleasure to report that we closed the year with Gross Written Premium (GWP) of SAR 3.3 billion in 2023 (27% growth over the previous year), increasing from SAR 2.6 billion.

You may be pleased to note that the turnaround has been achieved with the highest ever recorded Net Profit in the history of the Company, reporting a net profit of SAR 147.977 million, recovering from an unfortunate two consecutive years of losses.

Walaa has faced several challenges in the past few years and successfully come out as a winner, today Walaa stands in the league of being one of the preferred Insurance companies in the Kingdom. The report submitted by the CEO of the Company provides more details of the operational aspects of your Company's performance, which is now in its -sixteenth year of growth and progress.

The Company has obtained the regulatory approval to the board recommendation to increase the capital to support the company's ambitious growth plan. The major reasons for the need of a capital increase are:

- 1- Support the growth plan of our Health Insurance portfolio;
- 2- Increase the retention level in our Property and Casualty business;
- 3- Activate our strategy to grow in Protection & Savings line of business, with a special focus on individual life;
- 4- Grow our inward reinsurance portfolio.
- 5- Maintain adequate risk-based level of Capital to sustain an "A" Credit Rating.

I am pleased to inform you that Walaa maintained its "A3" Insurance Financial Strength Rating (IFSR) with a stable outlook by Moody's Investors Service, and a Financial Credit Rating of 'A'-with a stable outlook from S&P. The Company has also secured a "gc AAA" long term Gulf Cooperation Council Regional-scale and a national scale rating of "ksaAAA" financial strength credit rating from S&P. These ratings of Walaa reflect its strong brand and market position, strong asset quality, good capital adequacy, strong reserve adequacy, and consistent performance, indicating that Walaa is a robust Insurance Company with a commendable degree of financial strength to honor our obligations to Policyholders. In addition to maintaining its credit rating, the Company is also proud to follow multiple ISO standards, as it aims to be known as one of the best-governed companies in the region.

I'm proud to announce that your Company have successfully implemented IFRS 17 (Insurance Contracts) & IFRS9 (Financial Instruments) that has superseded IFRS 4 starting 1st Jan 2023, and for these reasons the Company conducted changes in the systems and data points to adopt this new standard, please also note that 2022 financials have been restated to present the comparative figures to 2023.

I'm also proud to inform you that the company have gone live on multiple new systems, as part of its digitalization revamp strategy, and is continuing with its digital transformation journey that is expected to be fully completed in the next eighteen months.

The Board of Directors would like to thank the employees for their dedicated efforts and hard work and hope that this performance will continue in the future. Both the Board and Executive Management of the company are fully committed in investing and developing the National talent, to ensure that the company will have qualified and competent Saudi talents to achieve its objectives in all aspects of the business. In this regard we are proud to announce that the efforts of our "Walaa Academy" have materialized and has been recognized by the Minister of Human Resources & Social Development with the award of the best on-the-job training program for employees. Walaa is very proud that 78% of its workforce are national employees, and 31% of its workforce are females with several of them occupying senior executive and managerial roles.



The Board of Directors would like to thank its shareholders for their trust and confidence. The Board of Directors also appreciates the trust and faith placed by its business partners during its progress and acknowledges their support. On behalf of the Company's shareholders and fellow members of the Board, I wish to seize the privilege to convey our hearty gratitude and appreciation to Regulators and various officials at Ministries and Governmental Agencies who have kindly extended their usual support to Walaa at various stages of our operations and especially during our second merger.

Sincerely,

Mr. Sulaiman Abdullah Al Kadi
Chairman of the Board of Directs



Message from the Chief Executive Officer

Dear Shareholders,

I take the opportunity to present to you the 16th Annual Report of Walaa, and I want to affirm that Walaa is optimistic about the prospect of sustained growth in the coming years. During the year, Walaa became the fifth largest insurer in the Kingdom in terms of Gross Written Premium (GWP). The following graphs show the Company's progress in Gross Written Premium (GWP) and line of business. Walaa booked a GWP of SAR 3.3 billion in 2023 vs SAR 2.6 billion in 2022 with 27% growth over the previous year.

This report may contain several forward-looking statements based on the management's estimates and outlook and these may not be considered as an assurance on the future performance of the Company.

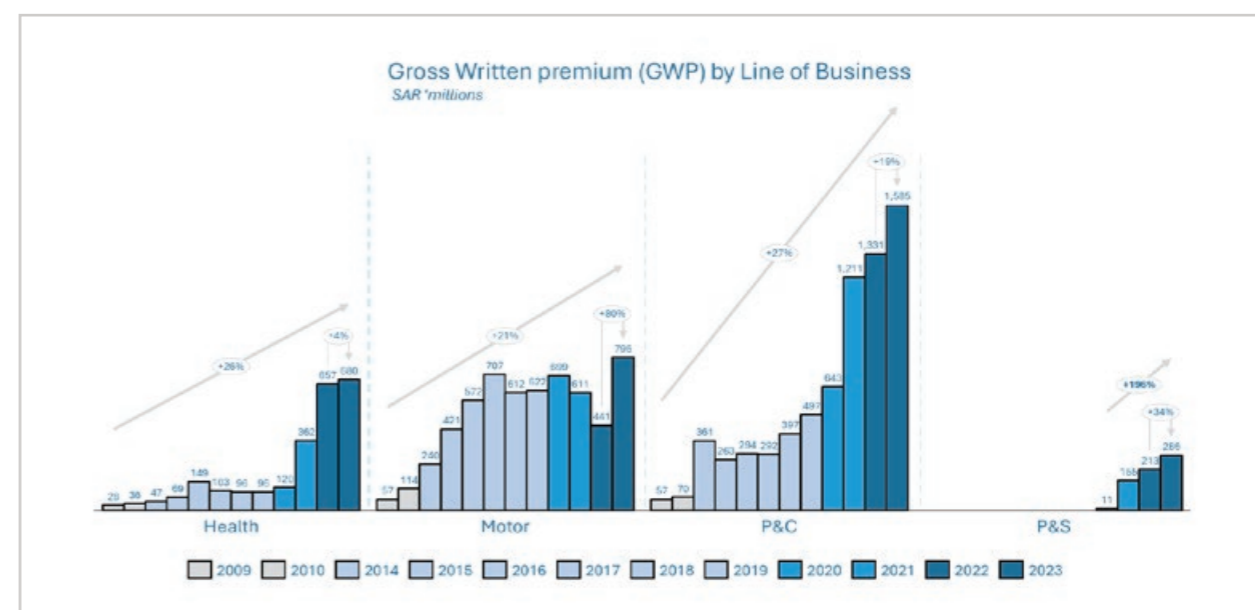
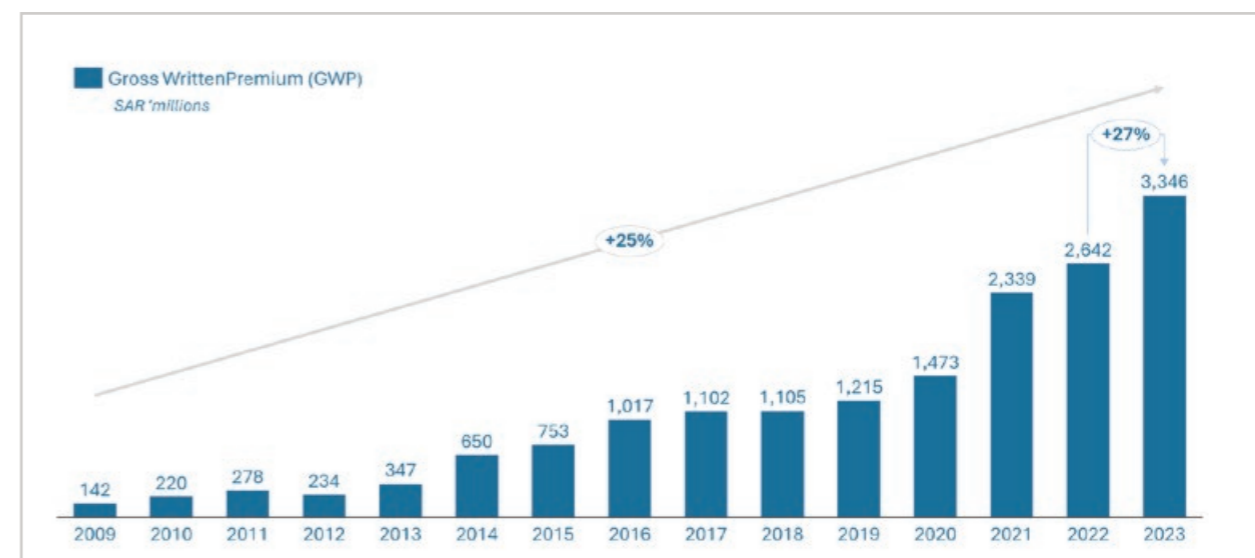
Line of Business Portfolio Mix

In the past, Walaa has been depending heavily on Motor business however, since 2020, our strategic focus changed to balance our portfolio mix between all lines of business. The Company does not want to rely on a single line of business, as business concentration in one line may lead to specific business challenges subject to market dynamics. Walaa's P&C portfolio has increased since 2020, supporting the company's strategy of portfolio mix, and contributing to the company's profitability as this line of business has got higher profit margin as compared to other lines of business. During 2023, P&C portfolio account for a 47% share of total

GWP compared to 50% in 2022. In addition, as medical insurance represents 60% of the total insurance market in Saudi, Walaa focused on growing its Medical business to support the company's growth strategy. Medical insurance account for 20% of GWP in 2023 compared to 25% in 2022.

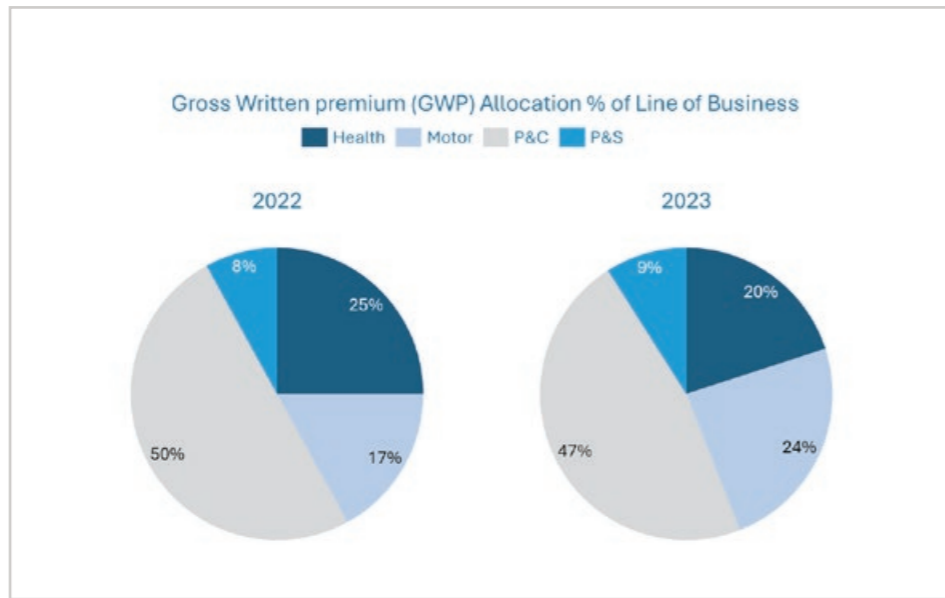
The decrease in P&C and Medical portfolio is offset with an increase in Motor portfolio share from 17% in 2022 to 24% in 2023, which was mainly driven by the enforcement issued on 31st August 2023 by the General Department of Traffic enforcement related to penalties on uninsured vehicles effective from 1st October 2023. On the other hand, the P&S growth was minimal where its share of total Walaa's GWP grew by 1% having a share of 9% in 2023 compared to 8% in 2022.

Walaa is very well known in the market for its expertise in General (Property & Casualty) Insurance business, as on Q3 2023, Walaa has got 2nd highest market share of 19% from overall General insurance business in KSA, while in the year ended 2022 Walaa had the highest market share with 16.5% of the P&C business. On the other hand, after completing merger transaction with SABB Takaful, our Protection & Savings portfolio grew on the individual life business taking Walaa to the 3rd highest market share of 15% from overall Protection & Savings business, stepping up from the 4th rank. Walaa maintained its position in Medical business as 5th largest medical insurer with a market share of 2%. In terms of Motor, Walaa scaled down motor during 2022 due to price and portfolio correction, reaching to the 7th position with a 5% market share.



SAR' millions	2023	2022	change %
Gross Written Premium (Medical)	680.11	698.63	-3%
Gross Written Premium(Motor)	795.39	440.65	81%
Gross Written Premium (P&C)	1,584.40	1,391.72	14%
Gross Written Premium (P&S)	286.26	213.08	34%
Insurance service result	28.12	(120.00)	NA
Net income / loss for the period,after zakat &tax,attributable to the shareholders	147.98	(68.08)	NA

The year under review reported a net profit from insurance operations of SAR 57.037 million and a total shareholder's net profit of SAR 147.977 million for 2023, in comparison with a restated net loss from insurance operations of SAR 126.342 million and a total shareholder's restated net loss of SAR 68.080 million for 2022. The net profit for the year resulted from taking aggressive corrective measures in the motor portfolio, growing the general insurance and protection & savings portfolios which contributed to the recovery of the net profit of insurance operations. Furthermore, the company utilized the current investment market conditions and was able to utilize its available funds to generate higher investment returns.



During 2023, the company experienced losses in Medical line of business, with minor losses in the Motor business. Back in 2022, the Motor insurance business was going through a very difficult phase. Motor business in the Kingdom went through a similar situation during 2014-2015 period but the recovery was faster as the Regulator intervened and enforced companies to follow prices recommended by Actuaries. In 2022, the recovery took longer as the price correction initiatives were left to the insurance companies and I am happy to mention that the motor prices have been corrected in general and therefore achieved a better performance of this line of business in 2023 with a net loss of SAR 9.325 million compared to net restated loss of SAR 132.489 million. The corrective actions taken during this year are as listed below:

1. Prices have been corrected by the market by end of Q3 2022, as in 2022 we faced severe competition and the average price for Motor retail was not sustainable.
2. Moved out of non-preferred business segments like Leasing and car rental business.
3. Focus on Small and medium enterprises business segment and increase the share of Motor Comprehensive product compared to Motor Third party product.
4. Optimizing the branches network, and re-strategizing in different cities across the Kingdom.

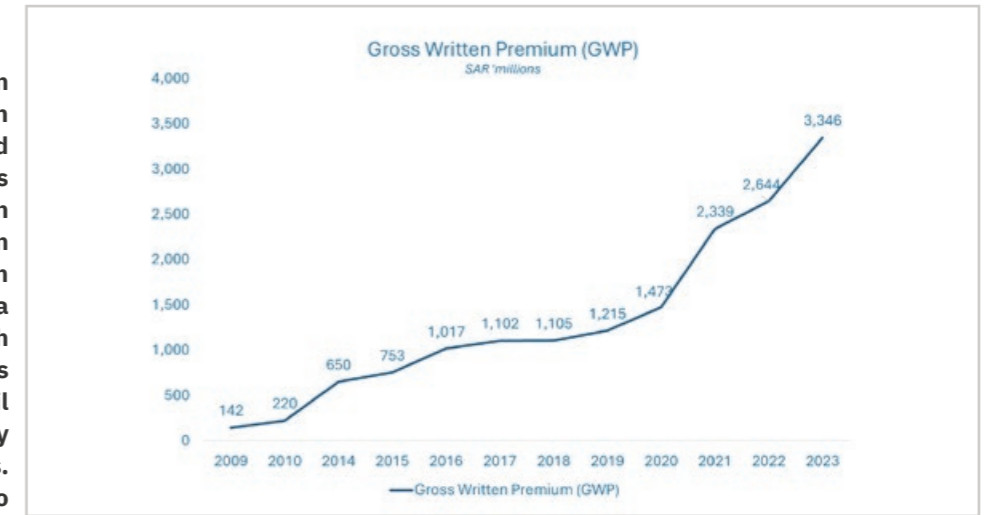
The Company has taken corrective actions toward other lines of business which was in place for the last two years and continues to be the focus in the year 2024.

1. Diversify our offering in retail products other than motor, such as Home, Tourism visa, travel, Domestic Worker, and Malpractice insurance.
2. Strengthen our medical portfolio and increase our market share with steady growth.
3. Increasing the retention in Property and Casualty business.
4. Having a wider presence in Western and Central regions.
5. Growth in inward reinsurance business.
6. Scaling up the Medical insurance operations, which will include building inhouse claims management, adding more technical resources and implementing new Medical Insurance System
7. Growing Protection & Savings line of business, not only relying on bank partners for distribution of our products. Walaa is also building a direct sales force for individual life.
8. Improving the overall efficiency of the company by adoption and introducing digitization of services, and cost optimization initiatives.

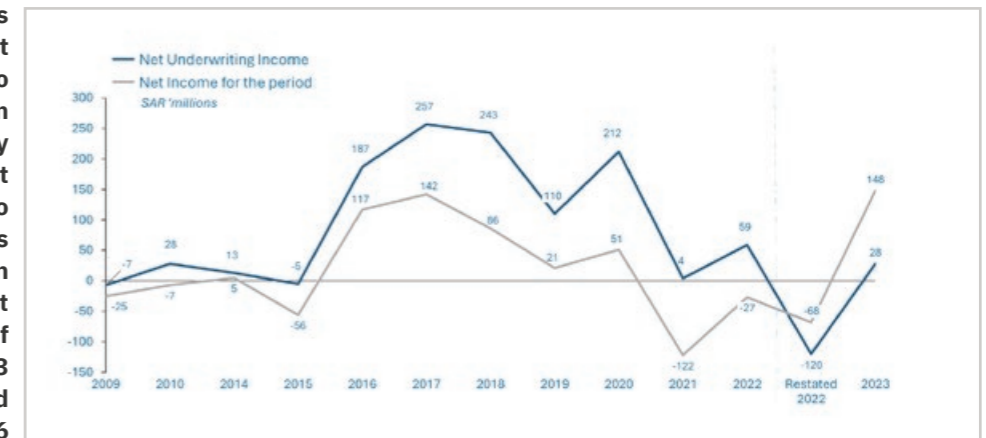
The following sections of the report summarize the performance and other aspects of the Company's operations for the twelve-month period ended on 31 December 2023.

Financials

GWP for an insurance company is an important measure based on which the rest of the growth parameters tend to develop. Company reported a Gross Written Premium of SAR 3.3 billion in 2023, compared SAR 2.6 billion in 2022. Walaa lost sales in the Northern and Southern regions mainly due to a reduction of motor retail sales, which were driven by our retail branches and a significant portion of our retail branch business have moved away from branches to aggregator portals. Management is making efforts to optimize expenses by improving efficiency.

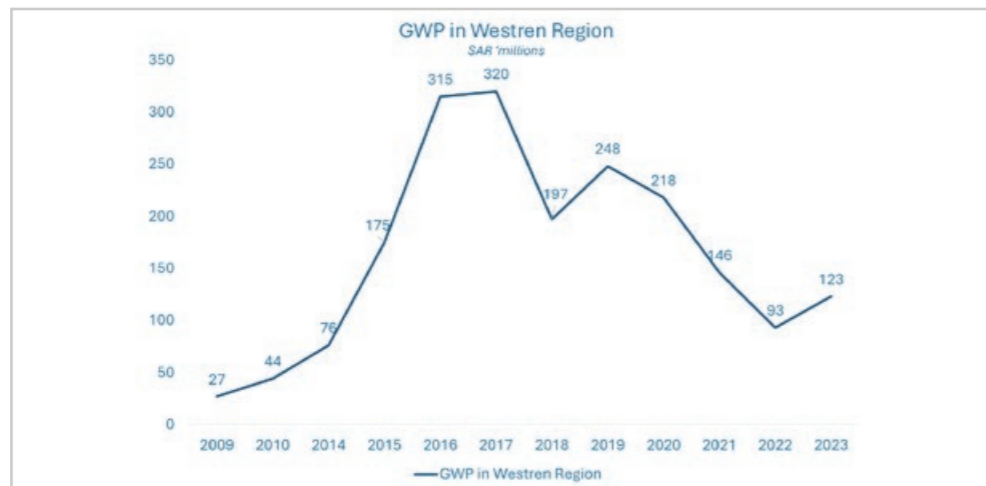
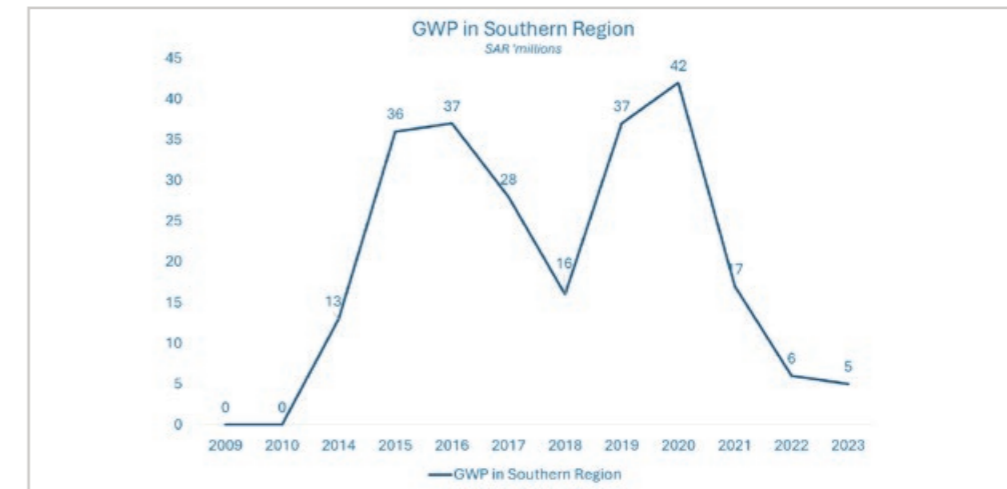
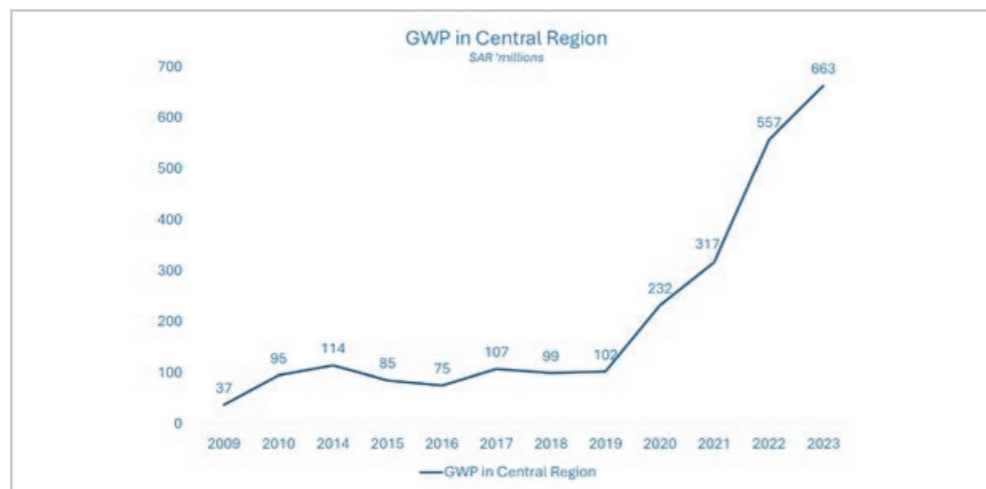
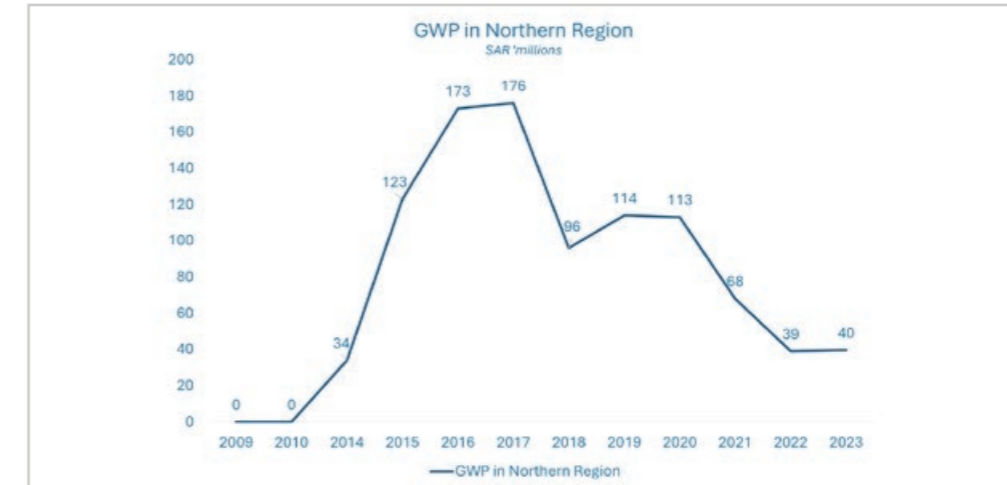


Walaa has recorded shareholders profit in year 2023 with an amount of SAR 147.977 million compared to a restated loss of SAR 68.080 million in year 2022. This profit is mainly driven by an insurance service result of SAR 28.121 million compared to a restated insurance service loss of SAR 119.996 million of 2022. In addition, a 110% increase in investment income is reported during the year of 2023 with an amount of SAR 164.983 million compared with a restated investment income of SAR 78.366



million. Investment income has increased significantly from last years' figures, due to improvement in market conditions and optimization of investments decisions leading to higher investment returns. It is to be noted that after the implementation of IFRS 9 at the beginning of year 2023 and restated year of 2022, the impact of unrealized gain/(loss) which previously reported under other comprehensive income is now reported to P&L directly. The following charts summarize the growth achieved by Walaa under various operating parameters:

The following diagrams illustrate the commendable growth in GWP across the regions and sources that we have been operating since inception.



Financial Strength Rating

Walaa has maintained its credit ratings A- (stable outlook) by S&P and A3 (stable outlook) by Moody's. This rating indicates a robust risk-based capital adequacy, a satisfactory business risk profile, and an overall upper adequate financial risk profile. One of the main reasons for the capital increase is to assert the credit rating and support the expected growth of the company, that includes writing inward reinsurance business and increase retention for Property & Casualty business.

International Organization for Standardization (ISO certifications)

Walaa aims to be known as one of the best-governed companies in the region. The Company is proud to be following international standards and best practices that would help Walaa to progress well with its customer-first approach and always be able to serve policyholders beyond their expectations, by continuing to hold:

- ISO 31000:2018 Enterprise Risk Management System.
- ISO 14001:2015 Environmental Management System.
- ISO 22301:2012 Business Continuity Management System.
- ISO 9001:2015 Quality Management System (under renewal process).
- ISO 270001:2017 Information Security Management Certification (under renewal process).
- ISO 45001:2018 Occupational Health & Safety (under renewal process).
- ISO 26000:2010 Social Responsibility certifications (under renewal process).

During 2022 Walaa received the cybersecurity compliance certification (CCC) program, which was established to ensure all Saudi Aramco third parties are following the cybersecurity requirements in the Third-Party Cybersecurity Standard (SACS-002).

Shareholders' Equity:

Walaa has reported an income of SAR 147.977 million during 2023 and reported retained earnings of SAR 66.351 million compared to restated accumulated losses of SAR 65.038 million (a change of SAR 131.389 million from last year, and 16.588 added to the statutory reserves). Equity also was impacted by the net changes in fair value of investments measured at FVOCI – equity instruments of SAR 7.519 million.



As of 2023, Walaa reported a Total shareholders' equity of SAR 1,271 million compared to a restated of SAR 1,116 million as of 2022.

The Share capital of the Company as at 31st December stands at SAR 850.583 million. During the year under report the Board recommended increasing the capital by a rights issue of 42.5 million shares. The Saudi Central Bank\ Insurance Authority has given its approval to the request and the company have already submitted its application to the Capital Market Authority through the financial advisors.

As stated by our Chairman in his report, Saudi insurance industry is poised for significant growth and your company is keen to participate in this growth opportunity.

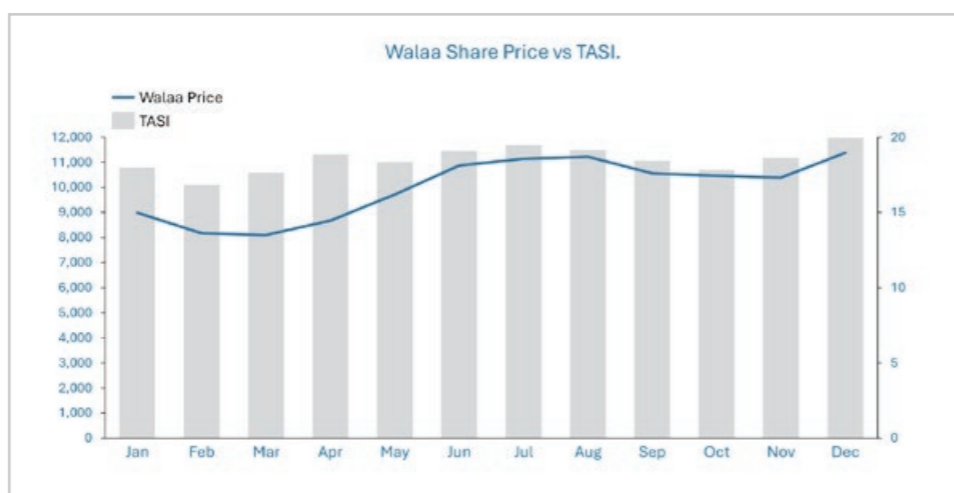
The major reasons for the proposed capital raise are to:

1. Maintain adequate risk-based level of Capital to sustain an "A" Credit Rating.
2. Invest in setting up the company's health insurance capabilities, including systems, and in-house claims management capabilities, to scale up our market share in the health insurance market.
3. Increase the company's risk-taking capacity (retention) in the Property and Casualty line of business.
4. Activate the growth plan in the Protection & Savings line of business, with a special focus on individual life business.
5. Grow the company's inward reinsurance portfolio (utilizing the company's Re-insurance license).

Please refer to 'Significant plans, decisions and future prospects of the company' forming part of this report.

Movement of our share price during the year 2023

Providing a reliable opportunity for long-term, sustainable growth is one of the prime objectives of the Company. Despite the challenges that company faced in 2021 and 2022, company has turned around and we are confident of delivering long-term growth opportunities in line with the expected fortunes of Saudi Insurance Industry.



Geographical spread and Country-wide Presence

Ever since Walaa commenced its operations in the year 2007 (Insurance operations began in 2009), with headquarters at Al-Khobar in the Eastern province, the Company has been committed to a wide geographical presence in the vast country of the Kingdom of Saudi Arabia. In addition to the Central regional office at Riyadh and the Western regional office at Jeddah, Walaa has a wide network of branches located through the kingdom. The adjacent map illustrates various locations at which Walaa has its presence, having +40 branches in +30 cities around the Kingdom. Walaa has reduced its number of branches from +70 inline with the new strategy to shift the retail branches catering to motor insurance customers into bigger branches at strategic locations serving customers for all lines of business.



Growth strategy and Capital Raise and mergers

Walaa's management has prepared a vision 2030 strategy along with detailed medium-term business strategy that is under progress. This strategy defines Walaa's vision for the coming 5 years. Walaa's business strategy, including a simulation of the required capital based on multiple scenarios throughout the coming years.

This strategy was designed to address the following pillars:

1. Property & Casualty
2. Motor
3. Medical
4. Protection & Savings
5. Inward reinsurance
6. Investments & strategic partnering
7. Human Resource Development
8. IT and Digital Transformation

IT, Processes, & Digital Transformation Strategy

Walaa has embarked on an ambitious business plan to become one of the preferred insurers in the Kingdom. The Company embarked on a major transformational program back in 2022 to revamp all existing platforms and modernize the overall technology environment. The transformation includes core applications, IT infrastructure, and customer experiences. We would like to affirm that the roadmap implementation is undergoing as desired and the roll out strategy to modernize the business application and technology landscape is being governed by the board of directors and success check points are being monitored to ensure the program's desired results are realized. In this journey of transformation, the aspiration to operational efficiency, excellence and customer experience is aligned with business growth and strategic outlook of the Company and we look forward to improving people, process and technological capabilities of Walaa.

Human Resources and Saudization

Walaa has over the years developed, and built a very strong and capable workforce, which is the primary driver behind its success. Walaa believes in investing in Human Resources, and this remains at the heart of Walaa's long-term strategy. As part of its plan to develop Saudi national resources, Walaa rolled out the "Walaa Academy" program back in 2021. Walaa Academy is an integral initiative and remains at the core of Walaa's HR strategy over the long-term. The Walaa Academy is conceptualized with an intent to invest in the development of Saudi talents in various disciplines of insurance operations. The importance of such investment is critical as Walaa looks to enter a new and exciting phase of its growth and development. The vision behind Walaa Academy is to equip a group of young, highly talented Saudi men and women who can drive the Company's growth plan in this new age of technology and rapidly changing business environment. As at the end of December 2023 Walaa has +550 employees with Saudization level was 78%, and 31% of its workforce are female employees.

Corporate Governance and Risk Management

Walaa continues to improve its Corporate Governance framework over the years to ensure that it covers all areas of operation and stays in line with the best practices adopted in the region. The Company's risk-appetite framework has been clearly identified, defined, and well-documented in a manner that can be appreciated and understood by employees. The Risk-Management framework has been further strengthened in the light of experience gained in the domain and in accordance with IA's Risk-Based Supervisory (RBS) framework/ISO requirements and been updated post-merger to accommodate the new operations which are related to the individual life business. Walaa's Corporate Governance documents are regularly reviewed and updated to be in line with revisions issued by the Regulators.

The Company continues to emphasize the importance of ESG (Environmental, Social, and Governance) framework to be in line with best international practice and continue to publish its ESG report for the past 3 years.

Board Structure

The Company has always had the privilege of having a group of very pro-active and eminent board members drawn across from the business fraternity in the Kingdom, and it looks forward to working closely with them and benefiting from their experience and expertise. Eleven Members of the Board carry with them a broad spectrum of knowledge and experience, which is shared with the management team during their regular interactions.

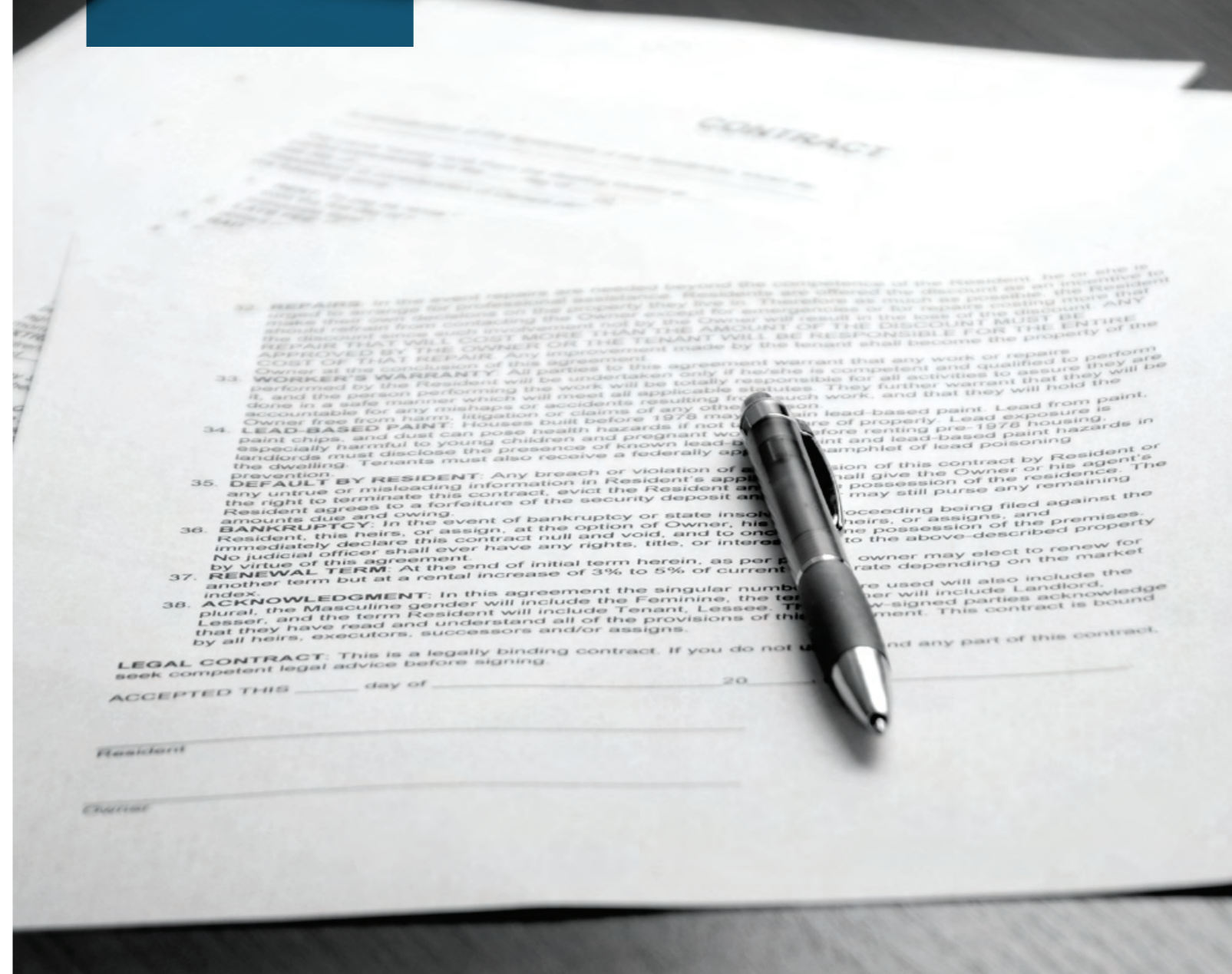
The last Board term ended in May 2022, and a new Board was inducted, no changes to the board took place during 2023, and the current term will end in May 2025.

Looking ahead

As outlined in our medium-term Business Plan, Walaa intends to attain holistic growth in the next few years of its progress. With the availability of additional capital that will be generated through offering right issue shares, the Company's growth plan continues to be on track.

Walaa is firmly committed to being a key 'partner in progress' in the ambitious 'Saudi Vision 2030' – a broad initiative and plan perceived by the Kingdom's wise leadership which is poised to take the Kingdom towards strong overall growth, sustenance, and development in all segments – and lead the Kingdom as an illustrious example of harmonious and holistic achievement. Walaa strongly believes in complete transparency, fair and honest dealing with its valued clients by providing excellent value in terms of services, quality of risk-coverage provided to its diversified client-base and at the same time, provides a feeling of pride and satisfaction to its clients and business associates for being a part of its success story. In the years to come, Walaa will explore every possible opportunity to participate in projects and programs intended to benefit the society as a whole, recognizing its social responsibility.

Insurance companies are built over decades, and "Walaa is here to grow and last" as proven over the past 15 years, where the company now stands as the 5th largest insurance company, having 5% of the market share. Walaa aims to be the first choice and one of the top 3 insurance companies in Saudi, being a composite insurer (life and non-life insurance company, with in an insurance and reinsurance licenses), Walaa will continue to offer all types of insurance solutions and become a one stop shop for insurance to its clients.



Acknowledgements

As always, I am grateful to the stakeholders, business partners, and associates for the continuing support and contribution extended to our Company. I take this opportunity to congratulate and thank our employees for their dedication, hard work, and sincere efforts that are the cornerstones for Walaa's success as a strong and responsible business entity despite the challenges faced during the short term. It is also a privilege for me and my colleagues to thank the Chairman and members of the Board and its Committees for their continuing guidance and support. We also sincerely acknowledge and appreciate the support and guidance provided by SAMA/Insurance Authority, CHI, and governmental entities in the Kingdom in achieving our objectives.

Thank you.
Sincerely,

Johnson Varughese
Chief Executive Officer

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As per the regulatory requirements, the members of the Board are selected based on their qualifications, knowledge, and skills in the various areas of the Company's business and operations.

Board of Directors



1. Names, qualifications, and experience of the Board members and Executive Management:

As per the regulatory requirements, the members of the Board are selected based on their qualifications, knowledge, and skills in the various areas of the Company's business and operations.

A. Board of Directors



Mr. Sulaiman A. Al Kadi

Chairman of the Board of Directors

Qualifications:

Bachelor of Petroleum Engineering – University of Texas, USA.

Current Positions:

- Chairman of the Board and Member of the Nomination and Remuneration Committee and Investment Committee – Walaa Cooperative Insurance Co.
- Vice Chairman and Chairman of Audit Committee - Basic Chemical Industries Co.
- Member of Board of Directors – Chemical Development Company.

Previous Positions:

- Chief Executive Officer – Saudi Electricity Company.
- General Manager – Saudi Aramco.
- Member of the Board - Alawwal Bank.
- Member of the Board - Saudi Electricity Company.

Experience:

Mr. Al Kadi has over 50 years of experience in leadership positions in large organizations.



Mr. Khalifa A. Al Mulhem

Vice Chairman of the Board of Directors

Qualifications:

Bachelor's in Finance - University of Colorado, USA.

Current Positions:

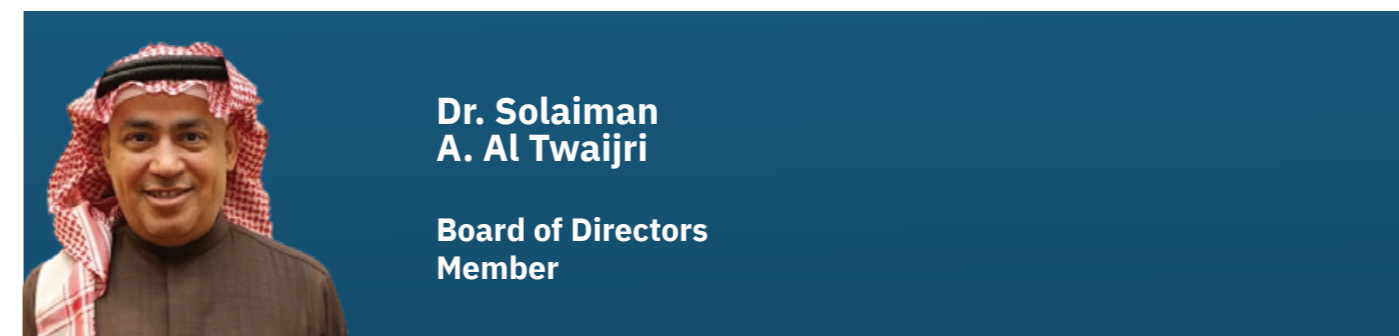
- Vice Chairman of Board and Chairman of Investment Committee – Walaa Cooperative Insurance Co.
- Chairman of Board and Chairman of Executive Committee – Advanced Petrochemical Co.
- Chairman of Board - Khalifa A. Al Mulhem Limited Company.
- Chairman of Board - Khalifa A. Al Mulhem Holding Company.
- Vice Chairman of Board and Executive Committee Member – Canadian Medical Center.
- Chairman of Board and Executive Committee Member – Advanced Polyolefins Company (APOC).
- Chairman of Board – ALPHA Capital.

Previous Positions:

- Held Senior Positions at Saudi Industrial Development Fund
- Board Member - Saudi British Bank.
- Board Member - Saudi Spanish Bank.
- Board Member – United Gulf Investment Corporation.
- Board Member - General Organization for Social Insurance (GOSI)
- Member of executive board – NAMA Chemicals Group.
- Member of Board, Member of Executive, Risk, Nomination and Remuneration Committee - Al Jazira Bank.
- Board Member – The National Shipping Carrier of Saudi Arabia Co. (Bahri).
- Board Member and Executive Committee Member – White Cement Company
- Chairman of Board and Executive Committee Member – Al Jazira Support Services Company (MEHAN).
- Board Member -Al Ittifaq Steel Company.
- Board Member -International general insurance co. ltd. (Amman).

Experience:

Mr. Al Mulhem has a wide experience in Board membership and Business Management, specialized in Family Business.



Dr. Solaiman A. Al Twaijri

Board of Directors Member

Qualifications:

- Ph.D. in Accounting – Case Western Reserve University, USA.
- Global master's in international Sports Law– Higher Institute of Law and Economics, Spain.
- Master of Science in Accounting – University of Illinois, USA.
- Bachelor of Science in Accounting – KFUPM, KSA.
- Passed the CIARB Assessment: Law, Practice and Procedure of Int'l Arbitration, Modules 1,2and 3.
- Certified Data Privacy Solutions Engineer (CDPSE)
- Certified Fraud Examiner (CFE) – Association of Certified Fraud Examiners (ACFE).
- Chartered Global Management Accountant (CGMA) – American Institute of Certified Public Accountants (AICPA).
- Qualified Expert, GCC Commercial Arbitration Centre.
- Certified Arbitrator, GCC Commercial Arbitration Centre.
- Certified Information System Auditor (CISA) – Information Systems Audit and Control Association (ISACA).
- Certified Public Accountant (CPA) – The Saudi Organization for Certified Public Accountants (SOCPA).
- Certified Internal Auditor (CIA) – Institute of Internal Auditors (IIA).
- Certified in Financial Management (CFM) – Institute of Management Accountants (IMA).
- Certified in Management Accountant (CMA) – Institute of Management Accountants (IMA).
- Certified Public Accountant (CPA) – The American Institute of Certified Public Accountants (AICPA).

Current Positions:

- Board Member and Chairman of Executive and Strategy Committee and Risk Management Committee – Walaa Cooperative Insurance Co.
- Chief Executive Officer - The National Agricultural Development Company (NADEC).
- Chairman of Board – First Abu Dhabi Bank (FAB).
- Board Member –Amiantit Group of Companies.
- Chairman of Audit Committee - Prince Mohammad Bin Salman Reserve.
- Member of Risk and Audit Committee - Makkah Region Development Authority.
- Member of Audit Committee - National Development Fund (NDF).
- Chairman of Audit Committee- Saudi Fisheries Company.
- Member of Audit Committee - Association Support Fund.

Previous Positions:

- Chief Executive Officer – Amiantit Group of Companies.
- Member of Board, Chairman of Executive Committee, and Member of Nomination and Remuneration Committee - The National Agricultural Development Company (NADEC).
- Vice Chairman of Board and Chairman of Audit Committee – Takween Advanced Industries Co.
- General Manager – Al Othman Agriculture Production Co. (NADA).
- Director of Shared Services and Member of Executive Committee – Zajoul for Advanced Communications Technology Co.
- Member of Audit Committee – Saudi Electricity Co.
- Managing Director - Saudi Arabian Amiantit Group of Companies.
- Member of Audit Committee – Alawwal Bank.
- Board Member and Chairman of Audit Committee – Chemical Development Co.
- Board Member and Chairman of Audit Committee - Mulkiyah Investment Co.
- Board Member – National Electricity Transmission Company (National Grid).
- Board, Nomination, Governance, Planning and Development, Performance Oversight and Audit Committee Member- Institute of Management Accountants, USA.
- Member of Audit Committee – Al Khozama Management Co.
- Member of Audit Committee – GIB Capital, Bahrain.
- Member of Audit Committee and General Secretary – Higher Education Fund.
- Member of Audit Committee and Accounting Standard Committee – Saudi Organization for Certified Public Accountants (SOCPA).
- Member of Audit Committee – Riyadh Bank.

Experience:

Dr. Al Twaijri has over 30 years of experience in managerial positions. He has acquired Accounting certificates and participated in the Academic field.



Mr. Waleed M. Al Jafaari

Board of Directors Member

Qualifications:

Bachelor of Economy – King Saud University

Current Positions:

- Board and Investment Committee Member – Walaa Cooperative Insurance Co.
- Vice Chairman of Board and Member of Audit committee and Nomination and Remuneration Committee – Advanced Petrochemical Co.
- Board and Audit Committee Member – Eastern Cement Company.
- Chairman of Board and Chairman of Executive Committee and Nomination and Remuneration Committee Member - Gulf Real Estate co.
- Board Member - Siyaha International Company.
- Managing Director - Al-Dawaa Medical Services Co.
- General Manager and Board member - Meshraf Real Estate.

Previous Positions:

- General Manager and Board Member - Gulf Stevedoring Contracting Company.
- General Manager - Star of Kingdom Contracting Limited.
- Board and Nomination and Remuneration Committee Member - Industrialization and energy services co. (Taqa).

Experience:

Mr. Al Jafaari participated as a Board Member of many well-known companies.



Mr. Wasef S. Al Jebshah

Board of Directors Member

Qualifications:

Bachelor of Economics – American University, Cairo

Current Positions:

- Board and Investment Committee Member – Walaa Cooperative Insurance Co
- Chairman and Founder– International General Insurance Holding Co. Ltd “IGI”.
- Board Member and Founder - W. Jabsheh Investment Company Ltd.
- Board Member - Al Bawaba Middle East Ltd.
- Board Member - International General Insurance Co. (UK) Limited
- Board Member – International General Insurance Co.(Dubai) Ltd
- Board Member – North Star Underwriting Limited
- Board Member – I.G.I Underwriting/Jordan “Exempted”
- Board Member - Specialty Malls Investment Company.
- Board Member - IGI Services Ltd.
- Board Member– Eastern Insurance Brokers

Previous Positions:

- Chief Executive Officer- – International General Insurance Holding Co. Ltd “IGI”.
- General Manager - Abu Dhabi National Insurance Company.

Experience:

Mr. Al Jebshah is one of Insurance Professionals in the Middle East and founded several companies in the sector.



Mr. Abdulatif K. Almulhim

Board of Directors Member

Qualifications:

- Micro Master degree in Business Administration - Queen’s University, Canada.
- Bachelor’s Degree in Civil Engineering - Concordia University, Montreal

Current Positions:

- Board, Executive and Strategy Committee and Nominations and Remuneration Committee Member - Walaa Cooperative Insurance
- Board, Risk Committee and Nominations and Remuneration Committee Member – Aljazira Bank
- Board and Executive Committee Member – National Industrialization Company (Tasnea)
- Managing Director - Khalifah Abdullatif Al-Mulhem Holding Co (KAMCO Holding).

Previous Positions:

- Chief Investment officer (CIO) - Khalifah Abdullatif Al-Mulhem Holding co.
- Vice Chairman - Khalifah Abdullatif Al-Mulhem Limited Co.
- Senior Credit Analyst - Saudi Industrial Development Fund (SIDF)
- Filed Engineer- Fluor

Experience:

Mr. Almulhem has intensive experience in project finance and risk assessment as he previously worked in Saudi Industrial development Fund (SIDF).



Mr. Osama M. Al-Khonaizi

Board of Directors Member

Qualifications:

- Bachelor’s degree in Finance - KFUPM, KSA.

Current Positions:

- Board, Nominations and Remuneration Committee and Risk Management Committee Member - Walaa Cooperative Insurance Co.
- Board Member and Chief Executive Officer - Dar and Emaar Investment and Real Estate Development Company.

Previous Positions:

- Senior Vice President, Corporate Banking Group - Gulf International Bank
- Group Director of Strategy, Corporate, Products development and Marketing - Amlak International Company for Real Estate Development and Finance.
- Corporate and Investment Banking Group – Central region, Team Leader -Samba

Experience:

Mr. Al Khonaizi has an executive professional with over 20 years of diversified experience that creates investment value and provides a high-level strategic perspective and practical experience in all aspects of corporate banking, mortgage well as complex real estate development projects.



**Mr. Hatem
F. Balghoneim**

**Board of Directors
Member**

Qualifications:

Bachelor of Petroleum Engineering – KFUPM, KSA.

Current Positions:

- Board Member, Chairman of Nomination and Remuneration Committee, and Member of Executive and Strategy Committee – Walaa Cooperative Insurance Co.
- Chairman and Chief Executive Officer – Acceleration Company.
- Board Member - Drilling and production petrochemical co. (PetrolChem).
- Board Member– Dynamic Oil Tools Manufacturing Company.

Previous Positions:

- Supervisor Drilling and Workover Engineering- Saudi Aramco.
- Chairman of Board of Directors – Alahsa Development Co. (Ayan).
- Board Member – C & J Saudi Arabia.
- Board Member - Fahad Sulaiman Balghoneim Sons Co.
- VP Upstream – Dynamic Energy.
- Board Member – Technology Precision and Quality Saudi contracting company (QTECH).
- Board Member – Neft Energies Training Center.

Experience:

Mr. Balghoneim has been Board member in various companies, expert in Petroleum engineering field.



**Mr. Hesham
A. Al Jabr**

**Board of Directors
Member**

Qualifications:

Secondary & Advanced courses in marketing and administrative sciences humanist.

Current Positions:

- Board and Risk Management Committee Member – Walaa Cooperative Insurance Co.
- Board, Executive Committee and Strategic Committee Member – Arab National Bank “ANB”
- VP – Al Jabr Holding Company.
- Board Member - Haier and Al Jabr Saudi Electronics Trading Co.
- Board Member - Gulf Carton Factory Company
- Board Member - Future Development Company (NAMA).
- Executive Director – Canned Soft Drinks Factory.
- Board Member - Einas Trading Company
- Chairman - Khuta - Alkhair Company

Previous Positions:

- Board Member - United Gas Transmission Company Limited
- Board Member - Khaleeji Commercial Bank.
- General Manager- Haier and Al Jabr Saudi Electronics Trading Co.

Experience:

Mr. Al Jaber has over 22 years of experience in different sectors.



**Mr. Jameel
A. Al Molhem**

**Board of Directors
Member**

Qualifications:

Bachelor of Marketing – KFUPM, KSA

Current Positions:

- Board Member, Chairman of Audit Committee and Member of Executive and Strategy Committee – Walaa Cooperative Insurance Co.
- Chief Executive Officer - Sinad Holding Co.
- Board Member and Nomination and Remuneration Committee Chairman – Saudi Telecom Company (STC) Board, Executive Committee and Nomination and Remuneration Committee Member – Saudi Post (SPL)
- Board and Executive Committee Member – Halwani Brothers Company (SA)
- Board Member – Amlak International Financing Company
- Board Member and Nomination and Remuneration Committee Chairman – Electrical Industries Co.
- Board Member – Alessa Industries Co.
- Board Member – New Marina Plastics Co.
- Board Member – InfoNas Company.

Previous Positions:

- Managing Director and Chief Executive Officer – Shaker Group
- Chief Operation Officer – Saudi Telecom Company (STC)
- Managing Director and Executive Committee Member – Takween Advanced Industries Co.
- Chairman of Audit Committee – Yanal Financing Co. (Previously Oryx).
- Board Member – Energy Services LTD Co.
- Board Member – SALECO Company
- Board Member – Contact Center Company
- Board Member – New Vision Company
- Board Member – Viva Kuwait
- Board and Audit Committee Member – Viva Bahrain
- Board Member – Cell -C Company
- Board Member – Turk Telekom Company
- Board Member – Integral Company
- Board Member – AVEA Communication Company
- Senior Investment Manager – Saudi British Bank.

Experience:

Mr. Al Molhem has been Board member in various companies, bringing valuable expertise in governance, strategic management, transformation, technology, as well as sales and marketing.



**Mr. Abdulaziz
S. Al-Shabeebi**

**Board of Directors
Member**

Qualifications:

- Bachelor’s degree in Accounting - King Faisal University, KSA
- Fellowship of American accountants in accounting (CPA)- The American Institute of Certified Public Accountants (AICPA).
- Fellowship of Saudi accountants in accounting (CPA) - The Saudi Organization for Certified Public Accountants (SOCPA).

Current Positions:

- Board and Investment Committee Member -Walaa Cooperative Insurance Co.
- Owner of - Maham Professional Consulting Company.
- Board Member - Alittefaq Steel Products Company.

Previous Positions:

- Partner in Ernst Wing
- Member of Advisory Committee - Capital Market Authority (CMA).
- Board Member - Saudi Organization for Certified Public Accountants (SOCPA).

Experience:

Mr. Shabeebi has more than 24 years of experience in the field of accounting.

External Audit Committee Members

02

This section discusses the skills and qualifications of the external auditing committee members.



B. External Audit Committee Members (Non-Board)



Dr. Sulaiman A. Al Sakran

Qualifications:

- **Ph.D. in Finance Minors: Economic and Statistics – University of Houston, USA**
- **Master's in Business Administration - KFUPM, KSA**
- **Bachelor's in industrial management – KFUPM, KSA**

Current Positions:

- **Member of Audit Committee – Walaa Cooperative Insurance Co.**
- **Board Member – Middle East Financial Investment Company**
- **Member of Audit Committee – Saudi Arabian Amiantit Company**
- **Member of Audit Committee – Takween Advanced Industries Co.**
- **Member of Trustees Board of KFUPM Endowment– KFUPM**

Previous Positions:

- **Member of Investment Committee – Human Resources Development Fund**
- **Member of The Saudi Economic Association**
- **Board Member -The National Agricultural Development Company (NADEC)**
- **Board Member of Trustees – Yamama University**
- **Head of Economic and Finance Department – KFUPM**
- **Associate Professor (Economic and Finance Department) – KFUPM**
- **Assistant Professor (Economic and Finance Department) – KFUPM**
- **Member of Audit Committee – Industrialization and energy services co. (Taqa)**
- **Member of Audit Committee – Saudi Electricity Co.**
- **Member of Audit Committee – Riyadh Bank**
- **Member of Audit Committee – Tadawul**
- **Member of Audit Committee – Salama Cooperative Insurance Co.**
- **Board Member and Chairman of Audit Committee - Al Khozama Management Co.**
- **Board Member and Chairman of Audit Committee -Kirnaf Co.**
- **Board Member - Chemical Development Co.**
- **Member of Finance Committee – Chamber of Commerce and Industry.**
- **Member of Finance Committee – Saudi Arabian Football Federation.**
- **Board Member – KFUPM University Schools, Dhahran.**
- **Chairman of Professional Performance Quality Committee – Saudi Organization for Certified Public Accountants (SOCPA).**
- **Board Member – Shuaa Capital.**
- **Member of Audit Committee – Fawaz A. Al Hokair Co.**

Experience:

Dr. Al Sakran has over 30 years of experience in the academic field and private sector.



Mr. Adeb S. Al Fuhaid

Qualifications:

- **Bachelor of Accounting – King Saud University, KSA.**
- **International Auditor Fellowship Program 2009.**

Current Positions:

- **Member of Audit Committee – Walaa Cooperative Insurance Co.**
- **Member of Audit Committee – ABR Contracting Co.**
- **Internal Audit Manager – Tamimi Group of companies.**
- **Member of Audit Committee - Sharqia Development Authority.**
- **Member of Audit Committee – Prince Sultan Rehabilitation Complex (Efaa Center).**

Previous Positions:

- **Commercial Manager, Ali A. Al-Tamimi Co.**
- **Performance Audit Manager, General Auditing Bureau.**
- **Performance Audit Supervisor, General Auditing Bureau.**
- **Auditor, General Auditing Bureau.**

Experience:

- **Mr. Al Fuhaid has more than 30 years in auditing including financial, performance, compliance, and operational audit. In both public and private sector. Contributes in several local and international professional committees and workgroups.**

03

This section presents Walaa's Management background and qualifications

Walaa's Management



Walaa's Management



**Mr. Johnson
Varughese**

Current Positions

- Chief Executive Officer.
- Chairman of the Insurance Finance Sub-Committee.
- Member of the Insurance Executive Committee (IEC).
- Member of Walaa's Investment Committee.
- Shareholder representative in Saudi Nextcare Co.

Previous Positions

- Chief Financial Officer – Walaa Cooperative Insurance Co.
- Regional Financial Controller – Future Pipe Group.

Qualifications

- Bachelor's in Business & Commerce – University of Kerala.
- Chartered Accountant (FCA) – Institute of Chartered Accountants of India.

Experience

More than 30 years of experience in executive positions, and in the financial field.



**Mr. Mohannad
Al Desouki**

Current Positions

- Chief Financial Officer
- Nomination and Remuneration Committee Secretary
- Executive and Strategy Committee Secretary
- Member and Secretary of the Insurance Finance Sub-Committee.

Previous Positions

- Finance Manager – Walaa Cooperative Insurance Co.
- Investment Committee Secretary – Walaa Cooperative Insurance Co.
- Financial Controller – Siemens.
- Financial Analyst – General Electrics "GE".

Qualifications

- Master's in Business Administration – KFUPM, KSA.
- Bachelor's in finance – KFUPM, KSA.
- Associate Marketing Degree – Dammam Community College, KSA.
- Project Management Professional (PMP) – PMI.

Experience

More than 13 years of experience of diversified work experience in the Saudi market.



**Mr. Ghayas
Khan**

Current Positions

- Chief Life and Medical Insurance Officer

Previous Positions

- Chief Risk Officer (Acting) – Walaa Cooperative Insurance Co.
- Internal Actuary – Walaa Cooperative Insurance Co.
- Assistant General Manager (Employee Benefits) – EFU Life Assurance Pakistan

Qualifications

- Associate of Society of Actuaries, USA
- Associate of Life Management Institute, USA
- Bachelors in Commerce – Karachi University

Experience

An insurance professional with over than 23 years of experience of working in multiple functions like Actuarial, Individual Life Underwriting, Bancassurance, Group Life and Medical and Risk Management.



**Mr. Wasif
Minhas**

Current Positions

- Chief General Insurance Officer

Previous Positions

- VP Technical – Walaa Cooperative Insurance Co.
- General Manager Global Accounts and Consultancy – AON Insurance Brokerage.
- Joint Senior Vice President - New Jubilee Insurance Company in Pakistan.
- Assistant Director – Securities and Exchange Commission of Pakistan.

Qualifications

- Master of Management – Sydney University, Australia.
- MBA in Marketing – National College of Business Administration and Economics.
- Bachelor's in Commerce – Punjab College of Commerce, University of Punjab.
- ACII – Chartered Insurance Institute
- Associate Risk Management (ARM) – The Institutes, USA

Experience

An Insurance Professional with over than 25 years of experience, working with Insurance companies, brokers and regulators.



**Mr. Turki
Al-Buraik**

Current Positions

- Chief Operation Officer.

Previous Positions

- VP of HR, Admin, Public and Government Relations – Walaa Cooperative Insurance Co.
- Regional Manager for Administrative Affairs of Government, Personnel and Human Resource – Al Nuaimi Group.
- Regional Manager Advisor of Human Resource and Personnel Affairs and Public Relations – National Petroleum Services Co.
- Assistant Manager of Public Relations and Personnel Affairs and Government Relations – BJ Service Arabia LTD. Co.

Qualifications

- Bachelor's Administration – King Saud University, KSA.
- Diploma in International Leadership for Human Resources Managers – Artec Poland University.

Experience

Over 23 years of experience in leadership, human resources, administration and Government and Public Relations fields.



**Mr. Turki
AlMulhem**

Current Positions

- Chief Motor Insurance Officer
- Member of the Motor Sub-Committee.

Previous Positions

- Head of Motor Claims- Walaa Cooperative Insurance Co.
- AVP Sales & Retention (Motor) - AlRajhi Takaful.
- Director of Operations and Business Development (Motor claims) - AlRajhi Takaful.
- Salvage & Recovery Manager - AlRajhi Takaful.
- Claims Assistant Manager – AlRajhi Takaful.
- Motor Underwriting Supervisor – Med Gulf Insurance & Reinsurance.

Qualifications

- Master's Business Administration (MBA)- Midocean University.
- Bachelors in Business Administration- King Faisal University.
- Certified CII, the chartered Insurance Institute - CII UK.
- Certified in Lean Six Sigma Black Belt- Anexas Middle East Management - UAE.
- Certified in Kaizen- The Japanese continuous improvement method.
- Professional Risk Management, PMI USA.
- Professional Project Management, PMI USA.

Experience

Insurance Professional with 20 years of versatile experience in the motor sector in underwriting, claims and sales and retention.



**Mr. Fahad
Aba Alkhail**

Current Positions

- Chief Corporate Sales Officer

Previous Positions

- VP, Sales and Marketing– Walaa Cooperative Insurance Co.
- Head of Corporate Sales – Walaa Cooperative Insurance Co.
- Key Accounts Manager– Walaa Cooperative Insurance Co.
- Head of Compliance and Board Secretary – Walaa Cooperative Insurance Co.
- Head of Compliance – Gulf International Bank.
- Head of AML – Arab National Bank.
- Compliance Officer – SAMBA Financial Group.

Qualifications

- Bachelor's in Management Information System (MIS) – Arab Academy for Science and Technology.

Experience

Has over than 22 years of experience in financial sector, specifically in banking and insurance.



**Mr. Wail
A. Alahmed**

Current Positions

- Chief Commercial Officer

Previous Positions

- Chief General Insurance Officer - Alrajhi Takaful.
- Insurance Management Director - Saudi Telecom Company (STC).
- Head of SABIC's Insurance Captive "SABCAP"- SABIC.
- Insurance and Risk Manager – AcwaPower.
- Global Insurance Manager – SABIC.
- Insurance Specialist – SABIC

Qualifications

- Bachelor of Business Administration, Finance with Minor in Economics–Southern Methodist University, Dallas, TX.

Experience

Has over 15 years professional expertise in insurance.

Walaa's Management



**Mr. Syed
Raza Haider**

Current Positions

- Appointed Actuary

Previous Positions

- Appointed Actuary in Alinma Tokio Marine Company
- Chief Actuary and CRO in Alinma Tokio Marine Company
- Head of Actuarial and Strategy in Alinma Tokio Marine Company
- Head of Actuarial Department in SABB Takaful Company

Qualifications

- Fellow of Institute and Faculty of Actuaries (UK)

Experience

Qualified actuary with 25 years of experience in the actuarial field.



**Mr. Abdullah
Redwan Hussien**

Current Positions

- AVP Business Transformation.
- ERP Steering Committee Secretary.

Previous Positions

- Business Transformation Senior Manager – Walaa Cooperative Insurance Co.
- Internal Audit Manager and Audit Committee Secretary – Walaa Cooperative Insurance Co.
- Internal Audit & Risk Management Executive – AlRajhi Takaful.

Qualifications

- Master of Science, Islamic Finance – Coventry University.
- Advanced Diploma, Islamic Finance- Bahrain Institute of Banking and Finance.
- Bachelor of Accounting– Hawassa University.
- Executive Program in Strategy and Organization-Stanford University.
- Professional Development Program, Fintech-Georgetown University.

Experience

Has over than 16 years of experience in the Retail & Insurance industry.



**Ms. Rogayah
Al Thawadi**

Current Positions

- Legal and Corporate Governance Manager.
- Secretary of the Board of Directors.

Previous Positions

- Legal Supervisor - Walaa Cooperative Insurance Company.
- Senior Legal Specialist - Ebrahim Mohammed Al Mana and Brothers Co. (Almana General Hospitals).
- Legal Specialist - Ebrahim Mohammed Al Mana and Brothers Co. (Almana General Hospitals)

Qualifications

- Master's degree in legal studies from Southern Illinois University - Carbondale, United States.
- Bachelor's degree in Islamic Studies from the University of Dammam, KSA

Experience

More than 9 years of legal experience specialized in corporate.



**Ms. Abrar
Al Kaabi**

Current Positions

- Internal Audit Manager.
- Audit Committee Secretary.

Previous Positions

- Accounting Assistant Manager – Walaa Cooperative Insurance Co.
- Internal Audit Assistant Manager – Walaa Cooperative Insurance Co.
- Internal Auditor – Walaa Cooperative Insurance Co.

Qualifications

- Bachelor's in Finance - Prince Muhammed Bin Fahad University, KSA.

Experience

Has over than 7 years of experience in internal audit focused in the insurance sector.



**Mr. Ahmed
Al Husaini**

Current Positions

- Senior Risk Manager.
- Risk Management Committee Secretary

Previous Positions

- Assistant Vice President – Operational Risk Management - Bahrain Commercial Facilities Company.
- Manager, RBWM Business Risks and Controls -HSBC, Bahrain.
- Regional Vendor Risk Manager- HSBC, UAE – Regional Office.
- Operational Risk and Internal Control Officer- HSBC, Bahrain.
- Retails Banking & Wealth Management- HSBC, Bahrain.
- Personal Financial Consultant- Standard Chartered Bank, Bahrain.
- Customer Relationship Associate- Citibank, Bahrain.

Qualifications

- Bachelor's in accounting - University of Bahrain.
- International Compliance Association certificate for High-risk Roles - ICA
- Chartered Insurance Institute certificate in General Insurance - CII

Experience

A Risk management professional with over 19 years of experience, including 14 years specializing in risk management. Deep understanding of risk management principles and practices. Proficient in providing effective risk management solutions and guidance through complex risk landscapes.



**Mr. Khalid
Omran**

Current Positions

- Compliance Manager.

Previous Positions

- Compliance Manager – Buruj Cooperative Insurance Co.
- Compliance Officer – Walaa Cooperative Insurance Co.
- Data Analyst – L3 Communication.

Qualifications

- Bachelor's in Business Administration – Kalamazoo College, USA.
- Certified Compliance Officer – Financial Academy.
- Diploma in Banking Operations – Institute of Public Administration.

Experience

Has over than 13 years of experience in Insurance Sector and Compliance.



**Ms. Khulood
Al Shreif**

Current Positions

- AVP Customer Service

Previous Positions

- Customer Care Manager- Walaa Cooperative Insurance Co.
- Operations Manager – Walaa Cooperative Insurance Co
- Medical Department Assistant Manager – Walaa Cooperative Insurance Co.
- Medical Customer Service Executive – Tawuniya.

Qualifications

- Bachelor's in Arts (English Literature) – Dammam University, KSA.
- Lean Six Sigma Black Belt Leadership.
- Lean Six Sigma Green Belt Leadership.
- Lean Six Sigma Master Black Belt Leadership.
- Certified KPI Professional - The KPI Institute, Australia.
- Certified Balanced Scorecard Management System Pro- The KPI Institute, Australia.
- Certified Strategy And Business Planning Pro- The KPI Institute, Australia.
- Certified Manager of Quality and Organizational Excellence- American Society of Quality, United State.
- CII Certified- Chartered Insurance Institute, United Kingdom.
- Designation of Health Customer Service Associate: Health Insurance - American's Health Insurance Plans, USA.
- Designation of Healthcare Anti-Fraud Associate: Health Insurance- American's Health Insurance Plans, USA.
- Designation of Health Insurance Plans Associate: Health Insurance - American's Health Insurance Plans, USA.

Experience

Over 18 years of experience in Insurance Sector.



**Mr. Ali
AlShamrani**

Current Positions

- Cyber Security Manager

Previous Positions

- Senior Cybersecurity Analyst- Gulf international Bank.
- Security Operation Center Analyst – Sasref.
- IT administrator –Sasref.
- IT data center tech -National Guard health affairs.
- IT support coordinator -Almajdouie holding group.

Qualifications

- Bachelor of science in Information Technology -Saudi Electronic University
- Associated Degree in Information Technology -Jubail Industrial College
- Certified in Cybersecurity cc from ISC2
- Certified ISO27001 information security lead auditor
- Certified NSE1 network security
- Certified NSE2 network security

Experience

More than (8) years of experience in Cyber Security, and in the financial field.



31%

WOMEN NOW REPRESENT 31% OF WALAA'S EMPLOYEES



2 - Names of the companies inside and outside the Kingdom in which a Board member is a member of their current or previous Board member or manager:

Board Member Name	Name of the Company which a Board member is currently a member of their Board or Manager	Inside / Outside the Kingdom	Type of Company	Name of the Company which a Board member was previously a member of their Board or Manager	Inside / Outside the Kingdom	Type of Company
Sulaiman A. Al Kadi	Walaa Cooperative Insurance Company	Inside Kingdom	Listed	Alawwal Bank	Inside Kingdom	Listed
	Basic Chemical Industries Co.	Inside Kingdom	Listed	Saudi Electricity Company	Inside Kingdom	Listed
	Chemical Development Company	Inside Kingdom	Not Listed	Saudi Aramco	Inside Kingdom	Listed
Khalifa A. Al Mulhim	Walaa Cooperative Insurance Company	Inside Kingdom	Listed	Saudi Industrial Development Fund	Inside Kingdom	Not Listed
	Advanced Petrochemical Co	Inside Kingdom	Listed	Saudi British Bank (SABB)	Inside Kingdom	Listed
	KAMCO Limited Co.	Inside Kingdom	Not Listed	Saudi Spanish Bank	Outside Kingdom	Listed
	KAMCO Holding Co.	Inside Kingdom	Not Listed	United Gulf Investment Corporation	Outside Kingdom	Listed
	Canadian Medical Center Co.	Inside Kingdom	Listed	General Organization For Social Insurance (GOSI)	Inside Kingdom	Not Listed
	Advanced Polyolefins Company (APOC)	Inside Kingdom	Not Listed	NAMA Chemicals Group	Inside Kingdom	Listed
	ALPHA Capital	Inside Kingdom	Not Listed	Al Jazira Bank	Inside Kingdom	Listed
				The National Shipping Carrier Of Saudi Arabia Co. (Bahri)	Inside Kingdom	Listed
				White Cement Company	Inside Kingdom	Not Listed
				Al Jazira Support Services Company (MEHAN)	Inside Kingdom	Not Listed
				Al Ittifaq Steel Company	Inside Kingdom	Not Listed
Wasef S. Al Jabsheh	Walaa Cooperative Insurance Company	Inside Kingdom	Listed	Abu Dhabi National Insurance Company.	Outside Kingdom	Not Listed
	International General Insurance Holdings Co. Ltd "IGI".	Outside Kingdom	Listed			
	W. Jabsheh Investment Company Ltd.	Outside Kingdom	Not Listed			

Board Member Name	Name of the Company which a Board member is currently a member of their Board or Manager	Inside / Outside the Kingdom	Type of Company	Name of the Company which a Board member was previously a member of their Board or Manager	Inside / Outside the Kingdom	Type of Company
Wasef S. Al Jabsheh	Al Bawaba Middle East Ltd	Outside Kingdom	Not Listed			
	International General Insurance Company (UK) Limited	Outside Kingdom	Not Listed			
	International General Insurance Company (Dubai) Ltd	Outside Kingdom	Not Listed			
	North Star Underwriting Limited	Outside Kingdom	Not Listed			
	I.G.I Underwriting/Jordan "Exempted"	Outside Kingdom	Not Listed			
	Specialty Malls Investment Company.	Outside Kingdom	Not Listed			
	IGI Services Limited	Outside Kingdom	Not Listed			
	Eastern Insurance Brokers	Outside Kingdom	Not Listed			
Solaiman A. Al Twaijri	Walaa Cooperative Insurance Company	Inside Kingdom	Listed	Takween Advanced Industrial Company	Inside Kingdom	Listed
	The National Agricultural Development Company (NADEC)	Inside Kingdom	Listed	Al Othman Agriculture Production Co. (NADA)	Inside Kingdom	Listed
	FAB Capital	Inside Kingdom	Not Listed	Alawwal Bank.	Inside Kingdom	Listed
	Amiantit Group Of Companies	Inside Kingdom	Listed	Riyad Bank	Inside Kingdom	Listed
	Prince Mohmmad Bin Salman Reserve	Inside Kingdom	Not Listed	Saudi Organization For Certified Public Accountants (SOCPA)	Inside Kingdom	Not Listed
	Makkah Region Development Authority	Inside Kingdom	Not Listed	Chemical Development Co	Inside Kingdom	Not Listed
	National Development Fund (NDF)	Inside Kingdom	Not Listed	Saudi Electricity Co.	Inside Kingdom	Listed
	Saudi Fisheries Company	Inside Kingdom	Listed	National Electricity Transmission Company	Inside Kingdom	Not Listed
	Association Support Fund	Inside Kingdom	Not Listed	Institute Of Management Accountants, USA.	Outside Kingdom	Not Listed
				Mulkiah Investment Co.	Inside Kingdom	Listed

Board Member Name	Name of the Company which a Board member is currently a member of their Board or Manager	Inside / Outside the Kingdom	Type of Company	Name of the Company which a Board member was previously a member of their Board or Manager	Inside / Outside the Kingdom	Type of Company
Solaiman A. Al Twaijri				Al Khozama Management Co.	Inside Kingdom	Not Listed
				Zajoul For Advanced Communications Technology Co.	Inside Kingdom	Not Listed
				GIB Capital Bahrain	Outside Kingdom	Not Listed
				Higher Education Fund	Inside Kingdom	Not Listed
				Saudi Arabian Amiantit Management Co.	Inside Kingdom	Not Listed
				Amitech Morocco	Outside Kingdom	Not Listed
				Amiblu – Austria	Outside Kingdom	Not Listed
				Amiantit Qatar Pipes Co. Ltd.	Outside Kingdom	Not Listed
				Amiantit International Holding Ltd. - Bahrain	Outside Kingdom	Not Listed
				PWT Gmbh	Outside Kingdom	Not Listed
				Ameron Egypt	Outside Kingdom	Not Listed
				Amiantit Fiberglass Egypt	Outside Kingdom	Not Listed
				Subor Boru - Turkey	Outside Kingdom	Not Listed
				Subor Gap - Turkey	Outside Kingdom	Not Listed
				Infrastructure Engineering Contracting Co. Ltd.	Inside Kingdom	Not Listed
				Saudi Arabia Ductile Iron Pipes Co. Ltd.	Inside Kingdom	Not Listed
				Saudi Arabia Concrete Products (SACOP) Ltd.	Inside Kingdom	Not Listed
				Amiantit Rubber Industries Ltd.	Inside Kingdom	Not Listed
				Amiantit Fiberglass Industries Co. Ltd.	Inside Kingdom	Not Listed
				Ameron Saudi Arabia Ltd.	Inside Kingdom	Not Listed

Board Member Name	Name of the Company which a Board member is currently a member of their Board or Manager	Inside / Outside the Kingdom	Type of Company	Name of the Company which a Board member was previously a member of their Board or Manager	Inside / Outside the Kingdom	Type of Company
Solaiman A. Al Twaijri				Saudi Amicon Co. Ltd.	Inside Kingdom	Not Listed
				Factory Of Bondstrand Co. Ltd.	Inside Kingdom	Not Listed
				International Water Distribution Company Limited	Inside Kingdom	Listed
Waleed M. Al Jaafari	Walaa Cooperative Insurance Company	Inside Kingdom	Listed	Industrialization And Energy Services Co. (Taqa)	Inside Kingdom	Not Listed
	Advanced Petrochemical Co	Inside Kingdom	Listed	Gulf Stevedoring Contracting Company	Inside Kingdom	Not Listed
	Eastern Cement Company	Inside Kingdom	Listed	Star of Kingdom Contracting Limited	Inside Kingdom	Not Listed
	Gulf Real Estate	Inside Kingdom	Not Listed			
	Siyaha International Company	Inside Kingdom	Not Listed			
	Al Dawaa Medical Services Co.	Inside Kingdom	Listed			
	Meshraf Real Estate	Inside Kingdom	Not Listed			
Hatem F. Balghoneim	Walaa Cooperative Insurance Company	Inside Kingdom	Listed	Alahsa Development Company	Inside Kingdom	Listed
	Acceleration Company	Inside Kingdom	Not Listed	C & J Saudi Arabia	Inside Kingdom	Not Listed
	Drilling And Production Petrochemical Co (Petrolchem)	Inside Kingdom	Not Listed	Fahad Sulaiman Balghoneim Sons Co	Inside Kingdom	Not Listed
	Dynamic Oil Tools Manufacturing Co.	Inside Kingdom	Not Listed	Dynamic Energy	Inside Kingdom	Not Listed
				Technology Precision And Quality Saudi Contracting Company (QTECH).	Inside Kingdom	Not Listed
				Neft Energies Training Center	Inside Kingdom	Not Listed
Jameel A. Al Molhem	Walaa Cooperative Insurance Company.	Inside Kingdom	Listed	Shaker Group	Inside Kingdom	Listed
	Sinad Holding Co.	Inside Kingdom	Listed	Takween Advanced Industrial Company	Inside Kingdom	Listed
	Saudi Telecom Company (STC).	Inside Kingdom	Listed	Yanal Financing Co. (Previously Oryx).	Inside Kingdom	Not Listed
	Saudi Post (SPL)	Inside Kingdom	Not Listed	Energy Services LTD Co.	Outside Kingdom	Not Listed
	Halwani Brothers Company (SA)	Inside Kingdom	Listed	SALECO Company	Inside Kingdom	Not Listed
	Amlak International Financing Company	Inside Kingdom	Listed	Contact Center Company	Inside Kingdom	Not Listed
	Electrical Industries Co.	Inside Kingdom	Listed	New Vision Company	Outside Kingdom	Not Listed
	Alessa Industries Co.	Inside Kingdom	Not Listed	Viva Kuwait	Outside Kingdom	Listed
	New Marina Plastics Co.	Outside Kingdom	Not Listed	Viva Bahrain	Outside Kingdom	Not Listed
	InfoNas Company	Outside Kingdom	Not Listed	Cell-C Company	Outside Kingdom	Not Listed
				Turk Telekom Company	Outside Kingdom	Not Listed

Board Member Name	Name of the Company which a Board member is currently a member of their Board or Manager	Inside / Outside the Kingdom	Type of Company	Name of the Company which a Board member was previously a member of their Board or Manager	Inside / Outside the Kingdom	Type of Company
Jameel A. Al Molhem				Integral Company	Outside Kingdom	Not Listed
				AVEA Communication Company	Outside Kingdom	Not Listed
Hesham A. Al Jaber	Walaa Cooperative Insurance Company	Inside Kingdom	Listed	United Gas Transmission Company Limited	Outside Kingdom	Not Listed
	Arab National Bank	Inside Kingdom	Listed	Khaleeji Commercial Bank	Outside Kingdom	Not Listed
	Al Jabr Holding Company	Inside Kingdom	Not Listed			
	Haier and Aljabr Saudi Electronics Trading Company	Inside Kingdom	Not Listed			
	Gulf Carton Factory Company	Inside Kingdom	Not Listed			
	Future Development Company (NAMA)	Inside Kingdom	Not Listed			
	Canned Soft Drinks Factory Co.	Inside Kingdom	Not Listed			
	Einas Trading Company	Inside Kingdom	Not Listed			
	Khuta Alkhair Company	Inside Kingdom	Not Listed			
Osama M. Alknaizi	Walaa Cooperative Insurance Company	Inside Kingdom	Listed			
	Dar And Emaar Investment And Real Estate Development Company.	Inside Kingdom	Not Listed			
Abdulaziz S. Shabeebi	Walaa Cooperative Insurance Company	Inside Kingdom	Listed	Saudi Organization For Certified Public Accountants (SOCPA)	Inside Kingdom	Not Listed
	Maham Professional Consulting Company	Inside Kingdom	Not Listed	Capital Market Authority (CMA)	Inside Kingdom	Not Listed
	Alittefaq Steel Products Company	Inside Kingdom	Not Listed			
Abdulatif K. Almulhem	Walaa Cooperative Insurance Company	Inside Kingdom	Listed	Khalifah Abdulatif Al-Mulhem Limited Co.	Inside Kingdom	Not Listed
	National Industrialization Company (Tasnea)	Inside Kingdom	Listed			
	Aljazera Bank	Inside Kingdom	Listed			
	Khalifah Abdulatif Al-Mulhem Holding co.	Inside Kingdom	Not Listed			

3. Composition of the Board and classification of its members:

As per article (15) of the company's Bylaws, the Company managed by a Board of Directors consisting of (11) member, elected by the General Assembly for three years' duration. The Board composition shall reflect the suitable representation of Non-executive and Independent Members. In all cases, the independent members of the Board may not be less than two members or one-third of the members of the Board, whichever is greater. In 2022, new Board members were elected for the Board of Directors 6th term, which started on 26/05/2022.

The following table shows a list of the names of the members of the Board of Directors for the 6th session and details of their memberships:

Board Member Name	Type of Membership	Classification of Membership
Sulaiman A. Al Kadi	Chairman	Non-Executive
Khalifah A. Al Mulhim	Vice-Chairman	Non-Executive
Wasef S. Al Jabsheh	Member	Non-Executive
Solaiman A. Al Twaijri	Member	Non-Executive
Waleed M. Al Jaafari	Member	Non-Executive
Hatem F. Balghoneim	Member	Independent
Jameel A. Al Molhem	Member	Independent
Hesham A. Al Jaber	Member	Non-Executive
Osama M. Al-Khunaizi	Member	Independent
Abdulatif K. Mulhim	Member	Non-Executive
Abdulaziz S. Al-Shabeebi	Member	Independent

4. Procedure taken to the Board to inform its members, Non-Executive Directors in particular, of the shareholders' suggestions and remarks on the Company and its performance:

Our Investor Relation Unit ensures and maintains Shareholder rights, as it highly considers and responds to all shareholders inquires and complaints and opinions or suggestions, by all means, to be reported to the Board of Directors in every Board meeting. Any action or decision by Board members in regards to shareholders inquires will be taken.

Investor Relation Contact Information	
Email:	investors@walaa.com
Phone Number:	013-829-9405
Fax:	013-865-2255
Website:	https://www.walaa.com/investor-relation

"We invite Walaa's investors to be part of the investors Survey 2023 where we explore Walaa's investors' aspirations for investment into the insurance sector over the next two years. We appreciate your valuable time to participate in the survey by visiting this link:

<http://survey.walaa.com/s/investors-feedback/tt-ef0886>

5 - Board of Directors and Committees

The Board of Directors is entrusted with effective management and control of the company, which includes but not limited to the following responsibilities:

1. Set the performance goals and monitor implementation and overall performance at the Company.
2. Supervise the senior management and monitor the performance of the Company compared to the performance goals determined by the Board.
3. Upgrade the level and standards of corporate governance, ensuring compliance with relevant laws and regulations at all times.
4. Approve, review, and regularly update the key policies and procedures.
5. Ensure the validity of financial and accounting systems, including relevant financial reporting systems.
6. Develop policies and procedures, ensuring that the Company complies with the laws and regulations and fulfills its obligation to disclose the material information of the Shareholders, creditors, and other stakeholders.
7. To supervise the management of the Company's financial affairs, cash flows, and financial relations with third parties.

The Board of Directors held (4) meeting during the year, and the below table shows the attendance of each Board member:

Name of Member	Total Number of Meetings: (4)				Total
	1st Meeting	2nd Meeting	3rd Meeting	4th Meeting	
	26/03/2023	13/06/2023	17/09/2023	17/12/2023	
Sulaiman A. Al Kadi (Chairman)	✓	✓	✓	✓	4/4
Khalifa A. Al Mulhim (Vice- Chairman)	✓	✓	✓	X	4/3
Wasef S. Al Jabsheh	✓	X	✓	✓	4/3
Waleed M. Al Jafaari	✓	✓	✓	✓	4/4
Sulaiman A. Al Twaijri	✓	✓	✓	✓	4/4
Hatem F. Balghoneim	✓	✓	✓	✓	4/4
Jameel A. Al Molhem	✓	✓	✓	✓	4/4
Hesham A. Al Jaber	✓	✓	X	✓	4/3
Osama M. Al-Khunaizi	✓	✓	✓	✓	4/4
Abdulatif K. Al Mulhim	✓	✓	✓	✓	4/4
Abdulaziz S. Al-Shabeebi	✓	✓	✓	✓	4/4
Attendance	100%	89%	89%	89%	-

* Secretary of the Board of Directors | Rogayah AlThawadi.

The Board has appointed the following committees to ensure full control and effectiveness of the management:

A. Executive and Strategy Committee (EXC)

The Executive and Strategy Committee shall make recommendations to the Board on important topics such as strategic plans, business plans, and the Board shall delegate to the Executive Committee to carry out its functions in some cases. The Executive and Strategy Committee held (6) meeting during the year, and the below table shows the attendance of each Committee member:

Name of Member	Total Number of Meetings: (6)						Total
	1st Meeting	2nd Meeting	3rd Meeting	4th Meeting	5th Meeting	6th Meeting	
	27/02/2023	12/06/2023	28/08/2023	30/11/2023	14/12/2023	17/12/2023	
Solaiman A. Al Twaijri (Chairman)	✓	✓	✓	✓	✓	✓	6/6
Jameel A. Al Molhem	✓	✓	✓	✓	✓	X	6/5
Hatem F. Balghoneim	✓	✓	✓	✓	✓	✓	6/6
Abdulatif K. Al Mulhim	X	✓	✓	✓	✓	✓	6/5
Attendance	75%	100%	100%	100%	100%	75%	-

B. Audit Committee (AC)

The Audit Committee shall ensure the implementation of the Board of Director's recommendations for overseeing the company's financial reports and assess the adequacy of internal and external audits and evaluation and monitoring of the internal audit and compliance. The Audit Committee held (6) meeting during the year including the annual meeting with the Board of Directors to present the Committee progress during the year dated on 17/12/2023. The below table shows the attendance of each Committee member:

Name of Member	Total Number of Meetings: (11)						Total
	1st Meeting	2nd Meeting	3rd Meeting	4th Meeting	5th Meeting	6th Meeting*	
	29/01/2023	15/03/2023	15/06/2023	03/08/2023	01/11/2023	17/12/2023	
Jameel A. Al Molhem (Chairman)	✓	✓	✓	✓	✓	✓	6/6
Sulaiman A. Al Sakran	✓	✓	✓	✓	✓	X	6/5
Adeeb S. Al Fuhaid	✓	✓	✓	✓	✓	✓	6/6
Attendance	100%	100%	100%	100%	100%	67%	-

* AC Annual Meeting with the Board of Directors.

C. Investment Committee (IC)

The Investment Committee shall monitor and review the investment policy tasks and oversee the implementation and approval of investment activities and monitor the performance of investment portfolios. The Investment Committee held (2) meeting during the year, and the below table shows the attendance of each Committee member:

Name of Member	Total Number of Meetings: (2)		Total
	1st Meeting	2nd Meeting	
	03/10/2023	19/12/2023	
Khalifa A. Al Mulhim (Chairman)	✓	✓	2/2
Waleed M. Al Jafaari	✓	✓	2/2
Sulaiman A. Al Kadi	✓	✓	2/2
Wasef S. Al Jabsheh	✓	✓	2/2
Abdulaziz S. AlShabeebi	✓	✓	2/2
Johnson Varughese	✓	✓	2/2
Attendance	100%	100%	-

D. Nomination & Remuneration Committee (NRC)

Nominations and remuneration Committee is responsible for recommendations to the Board of Directors and annual audit of appropriate skills requirements for membership of the Board, the Committee shall review the structure of the Board of Directors and make recommendations on changes that can be made, as it reviews the company structure and supervises the recruitment process. Nomination and remuneration Committee held (3) meeting during the year, and the below table shows the attendance of each Committee member:

Name of Member	Total Number of Meetings: (3)			
	1st Meeting 19/06/2023	2nd Meeting 06/12/2023	3rd Meeting 19/12/2023	Total
Hatem F. Balghoneim (Chairman)	✓	✓	✓	3/3
Sulaiman A. Al Kadi	✓	✓	✓	3/3
Osama M. Al-Khunaizi	X	✓	✓	3/2
Abdulatif K. Al Mulhim	✓	✓	✓	3/3
Attendance	75%	100%	100%	-

E. Risk Management Committee (RMC)

The Risk Management Committee duties are to ensure the implementation of the Board recommendations regarding the evaluation and control of risk management and its mitigations and the efficiency of internal controls. Risk Committee held (3) meeting during the year, and the below table shows the attendance of each Committee member:

Name of Member	Total Number of Meetings: (3)			
	1st Meeting 20/03/2023	2nd Meeting 04/09/2023	3rd Meeting 04/12/2023	Total
Solaiman A. Al Twaijri (Chairman)	✓	✓	✓	3/3
Hesham A. Al Jaber	✓	✓	✓	3/3
Osama M. Al-Khunaizi	✓	✓	✓	3/3
Attendance	100%	100%	100%	-

6 - Board and Board Committee Evaluation:

As per article 39 of the Corporate Governance Regulations issued by the Capital Market Authority, the procedures for evaluating the board of directors should hold annually, and as the Board engaged an external consultant to carry out the evaluation process in 2021; the Nomination and Remuneration Committee (NRC) carried out the evaluation of the Board as an entity and the Board Sub-Committees in 2023 using formal, transparent, and objective criteria, as follow:

1. Attendance;
2. Member's readiness and preparedness prior to the Board and sub-committee meetings;
3. Demonstration of knowledge, understanding, and technical experience during Board and sub-committee meetings;
4. Member's awareness of the Company's goals and business activity;
5. Member's productive and active engagement in discussions and communications;
6. Member's awareness and utilization of modern technology.

NRC noted that while individual members possess diverse skills, all of them made an effort to understand the challenges and contributed effectively to the deliberations in the Board and sub-committee meetings and worked with good faith and due diligence according to the related Laws and regulations which benefit the company and stake holders. NRC evaluation summary was presented to the Board.

7. Compensation Paid to Directors and Executive Management:

The Company confirms that all of the remuneration of the Board of Directors, Board Sub-Committee members, and Directors of the Company were disclosed in the Remuneration Policy approved by the General Assembly on 23/06/2021. The Company further ensures that there is not any significant deviation between the remuneration stated in the policy.

A- Board of Directors Remunerations and Fees:

The table below shows details of the remuneration and fees paid to the members of the Board and sub-committees

All Figures are in SAR Millions

Name of Board of Director	Fixed Remunerations					Variable Remunerations	End of Service Benefit	Aggregate Amount*	Expense Allowance**
	Specific Amount	Allowance for attending Board meetings	Total Allowance for attending Committee meetings	Remunerations for technical, managerial, & consultative work	Total				
(1) Independent Members									
Hatem F. Balghoneim	0.180	0.020	0.162	-	0.362	-	-	0.362	-
Osama M. Alkhonaizi	0.180	0.020	0.152	-	0.352	-	-	0.352	-
Abdulaziz S. Alshabeebi	0.180	0.020	0.075	-	0.275	-	-	0.275	-
Jameel A. Al Molhem	0.180	0.020	0.185	-	0.385	0.150	-	0.535	-
(2) Non-Executive Members									
Sulaiman A. Al Kadi	0.250	0.020	0.152	-	0.422	-	-	0.422	-
Khalifa A. Al Mulhim	0.135	0.015	0.075	-	0.225	-	-	0.225	-
Wasef S. Al Jebshah	0.135	0.015	0.075	-	0.225	-	-	0.225	-
Waleed M. Al Jafaari	0.180	0.020	0.075	-	0.275	-	-	0.275	-
Solaiman A. Al Twajjri	0.180	0.020	0.162	-	0.362	-	-	0.362	-
Hesham A. Al Jaber	0.135	0.015	0.077	-	0.227	-	-	0.227	-
Abdulatif K. Almulhim	0.180	0.020	0.148	-	0.348	-	-	0.348	-
(3) Executive Members									
None									

* Variable Remunerations is periodic bonuses for the members of the Board of Directors.

* Member of the Board of Directors can be paid up to SAR 500,000/- per annum (inclusive of allowances for attending the Board and Sub-Committee meetings) as specified in the company's bylaws, except for the remuneration of the Audit Committee members that do not fall within the scope of the maximum limit stipulated in the Companies Law.

** Expenses allowance includes transportation and accommodation expenses for members of the Board of Directors and its committees whom are not located in Khobar.

Note that Mr. Jameel A. Al Molhem received 150K Bonus for his excellent efforts and contribution to overseeing the New ERP's implementations as the Audit Committees Chairman.

B - Executive Management's Remunerations:

The Company's policy in the remuneration of senior executives are as follows:

The Board of Directors shall, upon the recommendation of the Nomination and Remuneration Committee, determine the remuneration of Senior Executives in which includes the following:

1. Fixed amount paid as salary and allowances. The allowances include housing, transportation, annual tickets for expats, and any other allowances proposed by the Nomination and Remuneration Committee and approved by the Board of Directors.
2. An annual bonus linked to performance indicators in accordance with the annual assessment completed for this regard.
3. Plans, policies, and types of bonuses for employees and Senior Executives are approved by the Board of Directors based on the recommendation of Nomination and Remuneration Committee.

The following statement shows the remunerations and benefits received by five Executives of the company, including the Chief Executive Officer and Chief Financial Officer, as follows:

Senior Executive	Fixed Remuneration				Variable - Periodic Remunerations	End of Service Benefits	Aggregated Amount
	Salaries	Allowances	In-Kind Benefits	Total			
Five Senior Executives who have received the highest remuneration from the Company, including Chief Executive Officer and Chief Financial Officer.	4,970,364	1,739,640	289,870	6,999,874	3,150,000	956,873	11,106,747

No loans arranged by any director with a third party is guaranteed by the Company.



C- Members of Committees' Remunerations and Fees:

Member's Name	Fixed Remuneration (Excluding Meeting Allowances)	Meeting Attendance Allowances	Total In SAR m
Executive and Strategy Committee			
Solaiman A. Al Twaijri (Chairman)	0.070	0.015	0.085
Hatem F. Balghoneim	0.070	0.015	0.085
Jameel A. Al Molhem	0.058	0.012	0.070
Abdulatif K. Almulhim	0.058	0.012	0.070
Audit Committee			
Jameel A. Al Molhem (Chairman)	0.100	0.015	0.115
Sulaiman A. Al Sakran	0.083	0.012	0.095
Adeeb S. Al Fuhaid	0.100	0.015	0.115
Investment Committee			
Khalifa A. Al Mulhim (Chairman)	0.070	0.005	0.075
Waleed M. Al Jafaari	0.070	0.005	0.075
Sulaiman A. Al Kadi	0.070	0.005	0.075
Wasef S. Al Jebshah	0.070	0.005	0.075
Abdulaziz S. AlShabeebi	0.070	0.005	0.075
Johnson Varughese	-	-	-
Nomination & Remuneration Committee			
Hatem F. Balghoneim (Chairman)	0.070	0.007	0.077
Sulaiman A. Al Kadi	0.070	0.007	0.077
Osama M. Alkhonaizi	0.070	0.005	0.075
Abdulatif K. Almulhim	0.070	0.007	0.077
Risk Management Committee			
Solaiman A. Al Twaijri (Chairman)	0.070	0.007	0.077
Hesham A. Al Jabr	0.070	0.007	0.077
Osama M. Alkhonaizi	0.070	0.007	0.077

8. Preventive Restriction / Penalty

Based on the company's By-Law and article 14 of the Cooperative Insurance Companies Control Law issued by the Saudi Central Bank (SAMA)\ Insurance Authority, the Company has placed a statutory deposit of 10% of its capital to the order of the Saudi Central Bank (SAMA)\ Insurance Authority.

a) SAMA Violation

The Subject of Violation	Previous year 2022		Current year 2023	
	Number of Executive Decisions	Total Fines Amount (SAR)	Number of Executive Decisions	Total Fines Amount (SAR)
1 Violating SAMA\ Insurance Authority supervisory regulation	1	320,000	2	60,000
2 Violating SAMA\ Insurance Authority Care regulation	1	50,000	-	-
3 Violating SAMA\ Insurance Authority AML regulation	-	-	-	-

b) Council of Health Insurance Violations:

CHI has imposed a fine of SAR 429,400.00 for violating article 89 of CHI Implementing Regulations.

9. Corporate Governance

The company approved internal Corporate Governance policy to insure adherence with Corporate Governance Regulations issued by Capital Market Authority and Saudi Central Bank \ Insurance Authority.

The Company's Corporate Governance responsibilities fall under the Legal and Corporate Governance Manager and Board secretary to foster the implementation of the governance rules. It carries out all tasks related to Shareholders, the Board of Directors, and other stakeholders, as well as updating the internal corporate governance framework and the corporate policies.

The Company ensures its compliance with the Insurance Companies Corporate Governance Regulations issued by Saudi Central Bank (SAMA)\ Insurance Authority and Corporate Governance Regulations issued by Capital Market Authority "CMA", except for the below mentioned in Corporate Governance Regulation of CMA:

Article	Not implemented	Comments
Article (82) Paragraph (2)	Establishing a scheme for granting Company shares or a percentage of the Company profits and pension programs for employees, and setting up an independent fund for such program.	Guiding Article not binding.
Article (82) Paragraph (3)	Establishing social organizations for the benefit of the Company's employees.	Guiding Article not binding.
Article (92)	Formation of a Corporate Governance Committee.	Guiding Article not binding. The Nomination and Remuneration Committee (NRC), in line with its terms of reference, is entrusted with the periodical revisions to ensure consistency of the applications and structures of governance adopted by the Company and to present their recommendations to the Board on such matters.
Article 90 Paragraph (4/B)	Five Senior Executives who have received the highest remuneration from the Company, provided that the Chief Executive Officer and Chief Financial Officer are among them.	Mandatory. The Company committed to disclose the total remuneration of the Senior Executive Management (Top Five). In order to protect the interests of the Company, its shareholders, and its employees and to avoid any damage that may result from the disclosure in details as per job titles and positions, hence description of remuneration is not presented pursuant to Appendix (1) Remuneration Schedule of Corporate Governance Rules related to Senior Executives and that is based on paragraph (B) article (60) of Rules on The offer of Securities and Continuing Obligations.

10. Internal Control

The Committee has been formed by the general assembly decision. The Committee comprises three members, all are independent. The chairman is an independent Board member of the Company. The Audit Committee held six meetings in the year 2023 including the annual meeting with the Board of Directors on Dec. 17, 2023. The purposes of these meetings included, among others, the following:

1. Review and recommend the interim and annual financial results of the Company for the Board of Directors' approval.
2. Evaluate the adequacy and effectiveness of the internal and external auditors.
3. Evaluate the adequacy and effectiveness of the Compliance and AML departments.
4. Review the Appointed Actuary Reserves reports and make recommendations thereon to the Board of Directors.
5. Review and approve Internal Audit, and Compliance Annual plans.
6. Review and study regulatory observations and recommend them for the Board review.
7. Ensure soundness of the internal control system of Walaa.
8. Review and monitor related party transactions and ensure declaration of those transactions in the board reports and financial statements.
9. Review outstanding legal cases by or against the company.

The Internal Audit department maintains its organization's independence by functionally reporting to the Audit Committee as required by the regulations in Saudi Arabia and the best practices. As instructed by the Audit Committee and the requirement of policies and procedures of the company as well as best practices, the procedure followed by the Internal Audit department in discharging its responsibilities is as follows:

1. All significant business processes are periodically risk-assessed and classified as high, medium, and low-risk types of business processes.
2. An audit plan is then prepared and submitted to the Audit Committee for approval on an annual basis. The audit plan is risk-focused, i.e., the high-risk business processes are subject to more frequent audits.
3. As a result of evolving circumstances, the audit plan may require revisions. Any revisions to the audit plan are also approved by the Audit Committee.
4. The results of the conducted Audit reviews are submitted to the Audit Committee.
5. Identified risks during the Audit reviews are monitored for corrective actions implementation.

Based on the risk assessments, audit plan, and the internal audit review reports submitted by the Internal Audit department and performed by the external auditors, the Audit Committee was able to conclude that the internal control system in the company is effective.

Moreover, the Compliance and AML function of the company assists the Audit Committee in ensuring compliance by the company's Management, the Board of Directors, and approved persons with all relevant regulatory requirements, guidelines, and directives issued by Insurance Authority, CMA, CHI, and other statutory authorities. The compliance function's key responsibilities include the following:

1. Developing, implementing, documenting and updating as needed compliance monitoring and risk management strategies, systems, procedures, processes and controls to meet The Saudi Central Bank\ Insurance Authority's regulatory requirements, directives and Anti-Money Laundering regulations.
2. Ensuring Compliance with CMA rules and regulations, including listing requirements, regulatory compliance, and corporate governance.
3. Monitoring changes in legislation for insurance and ensure that the company acts in accordance with the revised/changed requirements.
4. Undertaking ongoing monitoring and ad hoc audits and checks to assess the validity and application of internal procedures and processes and their compliance with regulations and/or directives.
5. Ensuring that the company fulfills all the conditions required by The Saudi Central Bank\ Insurance Authority's and develops and maintains a professional relationship with The Saudi Central Bank\ Insurance Authority's and other statutory bodies.
6. Working with departmental heads to direct compliance issues to appropriate channels for investigation and resolution.
7. Consulting with the company's legal advisors as needed to resolve legal compliance issues.

11. Company's Social Contributions

Our social responsibility projects focus on developing education and skills, in addition to community development. All the prominent initiatives implemented by Walaa during the year 2023 reflect a clear picture of Walaa's role in charitable work, and its keenness to effectively contribute to social responsibility, through its participation in national initiatives and projects supporting the charitable work sector in the country, in order to achieve the comprehensive goals of Vision 2030. The following are some of the most prominent key initiatives implemented by Walaa in 2023:

- Donate one Saudi riyal for each insurance policy, half a riyal to "Benaa" Association for Orphan Care and the other half to Prince Sultan Foundation for the Rehabilitation of the Disabled "Efaa". Both are licensed charities in Saudi Arabia.

- Donating to the Safe Housing Initiative to provide orphans with housing units and furnish them in cooperation with the Benaa Association. In appreciation of this donation, Walaa was honored by His Royal Highness Prince Saud bin Nayef bin Abdulaziz, Governor of the Eastern Province, may God protect him.

- Walaa organized a Ramadan Iftar event for Walaa employees and their families, as the event provides an opportunity to communicate on a cultural level, which enhances diversity and inclusion. In addition to strengthening the bonds between colleagues and allowing them to get to know each other better, which further improves the work environment.

- Organizing a special event for the employees to raise awareness about mental health in cooperation with Dr. Sulaiman Al Habib Hospital. This is to realize the necessity of mental health and to promote it.

- Walaa contributed to World Environment Day by spreading awareness and sharing concerns about taking the necessary measures to protect the environment with the employees.

- Walaa, in cooperation with the Blood Bank at King Fahd Hospital in Dammam, organized a blood donation campaign at the headquarters in Al-Khobar, with the aim of enhancing the sense of human cooperation, and consolidating the country's values of participation and interest in everything that involves supporting and assisting society by all means.

- Walaa Insurance participated in a unique national initiative to support and sponsor the National Day campaign coordinated by the Ministry of Human Resources and Social Development, which included a human formation of the phrase "We Dream and Achieve," with the participation of more than two thousand volunteers, 20 government agencies, more than ten resident communities, and students.

- Organized a special breast cancer awareness event for company employees in cooperation with the Saudi German Hospital. This is to enhance positive perceptions about the topic of the event and the risks of breast cancer.

- Walaa Academy provided free training courses with accredited certificates in cooperation with Tamkeen Social Security in the Eastern Province - Dammam, as part of the National Campaign initiative "Waad" for social security beneficiaries in all regions of the Kingdom and for Walaa employees and their families as well.



World Environment Day

12. List of the dates of the General Assembly meetings held during the fiscal year 2023 and the names of the Board members who attended these meetings:

As per the Company's Bylaws article (30), the Board on an annual basis announces to its Shareholders the date, time, and the location of the meeting to discuss and approve all related items to the shareholders, Board members and other matters through ordinary general assembly or extraordinary general assembly meeting.

Board Member	Ordinary General Assembly Meeting 13/06/2023
	Attendance
Sulaiman A. Al Kadi	✓
Khalifa A. Al Mulheim	✓
Wasef S. Al Jabsheh	X
Solaiman A. Al Twajjri	✓
Waleed M. Al Jafaari	✓
Hatem F. Balghoneim	✓
Jameel A. Al Molhem	✓
Hesham A. Al Jaber	✓
Osama M. Al-Khunaizi	✓
Abdulatif K. Al Mulheim	✓
Abdulaziz S. Al-Shabeebi	✓

13. Principal Activities

The Company is involved in cooperative insurance and reinsurance in the Motor, General, Health, and Protection & Savings lines of business and related investment activities.

The composition of activities between major lines of business is as follows:

LOB (SAR' millions)	2023					2022				
	Motor	Health	P&C	P&S	Total	Motor	Health	P&C	P&S	Total
Insurance revenue	513	668	1,480	227	2,888	533	558	1,288	194	2,572
Insurance service expense	(527)	(726)	(259)	(167)	(1,679)	(659)	(616)	(210)	(184)	(1,670)
Net expense from reinsurance contracts held	6	1	(1,154)	(33)	(1,180)	(3)	(6)	(1,004)	(9)	(1,023)
insurance service result	(9)	(58)	68	26	28	(129)	(64)	73	0	(120)

14. Financial Performance

Income Statement Based on (IFRS 17) for the Period Ended 2023 Compared to Restated Year Ended 2022

SAR' millions	FY 2023	FY 2022
Insurance operations:		
Insurance revenue	2,888	2,572
Insurance service expense	(1,679)	(1,670)
Insurance service result before reinsurance contracts held	1,208	903
Allocation of reinsurance premiums	(1,322)	(1,175)
Amounts recoverable from reinsurers for incurred claims	141	152
Net expense from reinsurance contracts held	(1,180)	(1,023)
Insurance service result	28	(120)
Commission income on investments and deposits	40	13
Un-realized gain / (loss) on investments measured at FVTPL	-	(13)
Net credit impairment losses on financials assets	(0)	-
Net investment income	40	0.1
Finance expenses from insurance contracts issued	(6)	(20)
Finance income from reinsurance contracts held	2	14
Net insurance finance income / (expenses)	(4)	(6)
Net insurance and investment result	64	(126)
Other income	7	-
Other operating expenses	(14)	-
Total Income/Loss for the period for insurance operations	57	(126)
Surplus transferred to shareholder's	(57)	126
Other Comprehensive Income for Insurance Operations		
Actuarial gains/(losses) on defined benefit obligation	(3)	0.3
Total comprehensive income/(loss) for Insurance Operations	(3)	0.28
Shareholder's operations:		
Commission income on investments and deposits	18	11
Dividends on investments	17	12
Realized gain / (loss) on investments measured at FVTPL	9	37
Un-realized gain / (loss) on investments measured at FVTPL	81	(31)
Net credit impairment losses on financials assets	(0)	(1)
Bargain purchase gain	-	50
Net investment income	125	78
Net insurance and investment result	125	78
Other income	4	13
Other operating expenses	(23)	(21)
Net income / loss for the period, before zakat & tax, attributable to the shareholders	106	70
PH Surplus transferred to shareholder's	57	(126)
Provision for zakat & tax	(15)	(12)
Net income / loss for the period, after zakat & tax, attributable to the shareholders	148	(68)
Other Comprehensive Income for Shareholder's Operations		
Net changes in fair value of investment measured at FVOCI -equity instruments	8	5
Total comprehensive income/(loss) for the Shareholder's Operations	155	(63)
Basic and diluted earnings / (loss) per share	1.74	(0.99)
Weighted average number of ordinary outstanding shares	85	69

Balance Sheet (Assets) Based on (IFRS 17) As of Year Ended 2023 and Restated Year 2022

SAR' millions	FY 2023	FY 2022
Insurance Operation's Assets:		
Cash and cash equivalents	504	424
Short Term deposits	361	250
Accrued Investment Income	16	9
Prepaid expenses and other assets	53	122
Insurance contract assets	-	9
Reinsurance contract assets	790	801
Financial assets for unit linked Insurance contracts	543	484
Due from insurance/Shareholder's' operations	30	3
Investments	139	211
Long Term deposits	260	50
Property and equipment, net	19	32
Intangible assets	38	5
Insurance operation's assets:	2,753	2,402
Shareholder Operation's Assets:		
Cash and cash equivalents	9	110
Short Term deposits	60	105
Accrued Investment Income	5	8
Prepaid expenses and other assets	-	1
Statutory deposit	85	85
Accrued income on statutory deposit	4	17
Investments	973	744
Long Term deposits	95	-
Property and equipment, net	16	-
Intangible assets	83	92
Goodwill	24	24
Total shareholder operation's assets:	1,355	1,186
Total assets	4,107	3,588

Balance Sheet (Liabilities and Equities) Based on (IFRS 17) As of Year Ended 2023 and Restated Year 2022

SAR' millions	FY 2023	FY 2022
Insurance Operation's Liabilities:		
Insurance contract liabilities	2,555	2,121
Reinsurance contract liabilities	-	3
Accrued expenses and other liabilities	168	251
Provision for end-of-service benefits (EOSB)	33	26
Total Insurance Operation's Liabilities	2,756	2,401
Shareholder Operation's Liabilities:		
Accrued expenses and other liabilities	2	4
Accrued income payable to SAMA	4	17
Due to shareholders'/insurance operations	30	3
Provision for zakat and income tax	46	45
Provision for end-of-service benefits (EOSB)	1	1
Total Shareholder Operation's Liabilities:	83	70
Shareholder's Operations Equity:		
Share capital	851	851
Share premium	193	193
Statutory Reserve	80	63
Retained earnings	66	(65)
Fair value reserve for investments	82	74
Total Shareholder's Operations Equity:	1,272	1,116
Re-measurement EOSB obligations	(3)	0.1
Total Liabilities and Equity	4,107	3,588

Balance Sheet (Assets) Based on (IFRS 4) for the last 6 years

SAR' millions	FY 2022	FY 2021	FY 2020	FY 2019	FY 2018	FY 2017
Insurance Operation's Assets:						
Cash and cash equivalents	424	323	253	361	223	290
Short term deposits	250	202	485	330	431	400
Long term deposits	50	100	-	-	-	-
Premium and RI receivables, net	728	582	333	150	202	127
RI share of unearned premium	617	539	364	274	196	130
RI share of outstanding claims	292	339	163	98	125	111
RI share on claims IBNR	181	150	58	44	42	42
RI share of mathematical reserves	89	124	139	-	-	-
Deferred policy acquisition cost	51	36	25	17	24	37
Investments	211	63	-	-	-	-
Due from shareholder's operations	11	-	-	-	-	-
Prepaid expenses and other assets	311	97	90	49	34	28
Property and equipment	32	31	14	17	9	9
Intangible assets	5	5	2	1	1	1
Unit-linked investments	484	-	-	-	-	-
Accrued commission income	9	2	-	0.2	2	3
Total insurance operation's assets	3,746	2,592	1,925	1,342	1,288	1,178
Shareholders Operation's Assets:						
Cash and cash equivalents	110	2	-	-	21	20
Short term deposits	105	-	167	211	448	425
Long term deposits	-	-	50	-	-	-
Investments / other financial assets	699	710	516	404	163	97
Due to shareholders operations	-	4	86	12	27	15
Prepaid expenses and other assets	1	0.2	0	-	-	-
Intangible assets	88	33	32	-	-	-
Goodwill	24	24	26	-	-	-
Statutory deposits	85	65	65	53	44	40
Accrued income on statutory deposits	17	11	10	6	4	3
Accrued commission income	8	5	4	5	3	2
Total Shareholders operation's assets	1,137	855	956	691	709	602
Total Assets	4,882	3,447	2,880	2,033	1,997	1,780

Balance Sheet (Liabilities and Equities) Based on (IFRS 4) for the last 6 years

SAR' millions	FY 2022	FY 2021	FY 2020	FY 2019	FY 2018	FY 2017
Insurance Operation's Liabilities:						
Policyholders' claims payable	271	48	35	21	17	14
Accrued and other liabilities	306	189	152	97	115	72
Reinsurance balance payable	453	335	233	173	141	62
Unearned premium	1,182	1,074	790	638	537	539
Unearned reinsurance commission	46	31	21	14	12	10
Outstanding claims	546	481	234	140	152	161
Claims incurred but not reported	318	266	171	193	198	256
Gross mathematical reserves	90	124	139	-	-	-
Additional premium reserves	8	9	26	5	9	3
Other technical reserves	7	8	9	30	26	5
Unit-linked reserves	484	-	-	-	-	-
End of service indemnities	26	22	22	18	15	13
Due to insurance/shareholders' operations	-	4	86	12	27	15
Insurance operations surplus	9	2	10	4	14	31
Total insurance operation's assets	3,745	2,593	1,926	1,345	1,291	1,180
Shareholders Operation's Assets:						
Accrued and other liabilities	4	2	0	0	5	2
Zakat and income tax	45	31	29	16	29	26
Accrued income payable to SAMA	17	11	10	6	4	3
Due to insurance/shareholders' operations	11	-	-	-	-	-
Employee terminal benefits	1	-	-	-	-	-
Total shareholder operation's liabilities	78	44	39	22	38	31
Shareholders' Equity						
Share Capital	851	646	646	528	440	400
Share premium	193	103	103	30	30	30
Statutory reserve	63	63	63	53	49	32
Retained earnings	(68)	(41)	81	40	155	127
Fair value reserve	20	39	22	18	(3)	(17)
Total Shareholders Equity	1,059	811	916	669	671	571
Remeasurement of benefits obligations	0.10	(0.15)	(1.00)	(3.00)	(2.00)	(2.00)
Total Equity	1,059	811	915	667	669	569
Total Liabilities and Equity	4,882	3,447	2,880	2,033	1,997	1,780

SAR' millions	FY 2022	FY 2021	FY 2020	FY 2019	FY 2018	FY 2017
Insurance operations:						
Gross written premium	2,642	2,339	1,473	1,215	1,105	1,102
Net Earned Premium	1,303	1,042	797	713	798	792
Reinsurance Commission	79	76	41	24	29	17
Other Underwriting Income	42	4	11	2	4	6
Total Revenue	1,424	1,121	849	739	831	815
Net Incurred Claims	(1,162)	(969)	(557)	(561)	(480)	(484)
Policy acquisition cost	(87)	(60)	(48)	(46)	(72)	(73)
Other Underwriting Expenses	(132)	(106)	(32)	(23)	(10)	(3)
Additional Premium Reserves	1	17	21	(4)	(5)	(2)
Change in mathematical reserves, net	(1)	-	-	-	-	-
Changes in unit-linked reserves	15	-	-	-	-	-
Other Technical Reserve	1	1	(22)	3	(21)	5
Total Underwriting Expenses	(1,365)	(1,117)	(637)	(629)	(588)	(558)
Net Underwriting Income	59	4	212	110	243	257
Operating Expenses/income	(152)	(146)	(136)	(97)	(130)	(92)
Income / (Loss) from insurance Operations	(106)	(142)	76	13	113	165
Insurance Operation's Net Income	-	-	8	1	11	17
Shareholder's operations:						
Income / (Loss) Transferred to Shareholders	(105)	(142)	69	12	102	149
Commission Income from Deposits	11	13	12	15	11	4
Dividend income on investments	12	3	3	1	1	1
Realized Gain / (Impairments) on Investments	38	23	1	-	(8)	(5)
Unrealized Gain on HFT investment	(3)	2	-	-	-	-
General & Administrative Expenses	(18)	(12)	(11)	(5)	(6)	(6)
Bargain Purchase Gain	50	-	-	-	-	-
Zakat and Income Tax	(12)	(9)	(22)	(2)	-	-
Net Income / (Loss) for the Period	(27)	(122)	51	21	100	142
Unrealized Gain/Loss from Investments	(18)	17	4	21	14	7
Other Comprehensive Income / (Loss)	(45)	(105)	55	42	114	149
Earnings / (loss) Per Share (EPS)	(0.40)	(1.89)	0.82	0.40	1.62	3.22

15. Significant plans, decisions, and future prospects

Insurance Industry in Saudi Arabia is poised for further growth in the coming years, which is in line with the vision 2030. The establishment of the Insurance Authority is a decision to put focus on the insurance industry, and to empower the regulator to become an enabler to the development of the insurance sector. This move is expected to accelerate growth. Property and Causality (P&C), the most profitable insurance segment, continues to remain the core strength of our Company. Almost 50% of our business comes from this segment. However, the retention ratio for this segment, due to the nature of the large risks, remains low for the market and Walaa is not an exception.

To retain more risk within our books, while maintaining solvency, we need more capital. Further, a very healthy solvency margin is a requirement to sustain our existing Credit Rating. Our objective is to steadily increase our retention ratio in the P&C segment. While we are growing our market share in the P&C segment, we see significant opportunities for growth in the other three major segments of the market, namely Health, Protection & Savings, and Motor. To support our growth plans, we have announced a rights issue to increase our share capital by issuing 42.5 million shares at an offering price of SAR 11 per share with a nominal value of SAR 10 per share. We have already submitted the application to the Capital Market Authority. Subject to regulatory and shareholders' approval, the rights issue is likely to be concluded by Q3 2024.

The capital raise will help the company in the following major areas:

- Increase retention ratio in the P&C business.
- Growing the inward reinsurance business.
- Maintain solvency margin above 200%.
- Maintain Financial Strength Rating of "A".
- Revamp/build the digital infrastructure to give best in class customer experience.
- Invest and build a robust health insurance eco system.
- Diversify the motor insurance portfolio, particularly comprehensive insurance.

We are using a five-year roll-over business plan to meet our long-term objectives.

Motor: Walaa's recent losses, primarily attributed to Motor-related issues, have been successfully addressed through a corrective action plan initiated in late 2021. The portfolio achieved technical profitability since the beginning of 2023, driven by a series of strategic measures concerning price corrections, strategic exits from the rent-a-car and leasing business, enhancement of the motor pricing engine for dynamic pricing parameters and shutdown of loss-making branches.

Medical: Walaa is now focusing on gaining a larger market share in the medical business, the medical insurance market is restrained with a duopoly that are holding around 77% of the market share, while Walaa and the remaining tier-2 companies having + 500 million GWP (Five companies including Walaa) are holding around 13% of the market share. The medical business is expected to further grow within the kingdom due to the ongoing country wide initiatives, and Walaa is planning to seize this opportunity by taking a share in this expected growth. To achieve this planned expansion in medical segment, a detailed growth strategy has been set. Walaa is working to build an in-house claim management setup that will give full control on medical claims as compared to current setup of working with claims third party administrators (TPAs). In addition to building human capital and know-how, we are investing in best-in-class digital capabilities.

P&C: With an "A" credit rating, Walaa was able to expand its market share in this segment, serving large reputable risk averse clients who values the financial strength and stability of their insurer. Over the years Walaa diversified its products in this segment (having more than 45 different products), built experience and know how, and secured its position of the second-largest general insurer in KSA for the past 3 year, writing over SAR 1 billion in Gross Written premium since 2021.

While the P&C business currently constitutes 17% of the insurance market, its growth is anticipated, aligning with the Kingdom's overall economic expansion and numerous upcoming Giga projects. Walaa aims to leverage its reinsurance license, improved solvency and the financial strength Rating of "A", to capitalize on the upcoming large P&C business opportunities related to Vision 2030 projects, Riyadh Expo 2030, and the Football World Cup 2034. In the coming years, more focus will be on Engineering lines of business due to boom in construction activities in the kingdom. Along with this, a strategy of tapping the retail market with home, shop, medical malpractice, Professional Indemnity, and travel will be pursued. Causality products such as D&O, Cyber etc, will also continue to be our focus area in coming years.

P&S: Post merger with MetLife and SABB Takaful, Walaa managed to get the life insurance license, experienced professionals, individual life system, and a portfolio that positioned the company as the 3rd largest life insurance company. Although the life insurance business is small in Saudi with a value of SAR 2 billion, representing 4% of the insurance market, the majority of this business is bank credit life, and the individual life is very minimal. However, P&S has been consistently a profitable business that has huge potential in the coming years. Vision 2030 has a specific focus on individualized savings and also the dynamics of the population is changing, all these factors will help P&S business to grow. Walaa initiated a project with a new front-end system to enhance distribution channels, projected completion of phase 1 by the end of Q1 2024, with phase 2 making it available in retail branches by the end of Q2 2024.

Digital Initiatives: We touched upon our digital journey in our last annual report and have made significant progress since then.

The Company has embarked on a major transformational program back in 2021 to upscale all its existing platforms and modernize the overall technology environment. The transformation includes core applications, IT infrastructure, and customer experience.

Walaa is still undergoing major transformation programs to upscale all current platforms and core applications with more agile, scalable, and future proof systems to support business objectives and meet key stakeholder's expectations. The program will facelift Underwriting, Reinsurance, Claims, digital platforms, and Support functions working applications and improve processes with sound technologies and reputable implementing partners. During 2022 and throughout 2023 Walaa have implemented eBaoTech General System Suite to support the entire life cycle operations of the P&C, Motor, Group & Credit Life insurance business, this implementation was achieved in phases, in 2023 all P&C insurance products and group life went live on this new system.

For the Health insurance segment, we selected Covergo Insurance Platform and have started the implementation during 2023 and this project will be completed in another 18 months. For the individual Life business, the company decided to continue using the systems acquired through the merger with SABB Takaful (ISF) but have improved the system and enhanced its digital front to continue its use. With respect to our Enterprise solution, Oracle E-Business Suite has been implemented during 2022 to cover Finance & Accounting Operations, Procurement, Human Resource Operations, and act as a single source for data storage, analysis, and maintenance, it has been further enhanced in 2023 and integrated with all new systems. In addition, to meet the rigorous requirement of the newly mandated International Financial Reporting Standard 17 (IFRS 17), our in-house team built the actuarial solution and the same has been tested and vetted by an independent party. To improve customer service, during 2023 Walaa completed its implementation of Microsoft Dynamics 365 as customer relationship management software. In 2024, Walaa is planning to uplift and improve customer experience by developing digital platforms, portals, website services, and mobile applications.

Walaa's outreach is well spread across the kingdom through its retail branches and points of sale. The company is working closely with our branch sales team to sell other retail products through the branch network, to diversify and to reduce dependence on motor retail products.

The financial stability is what sets Walaa apart from its competitors and is driving the company towards successful growth. Since 2021, Walaa has been assigned an "A3" Insurance Financial Strength Rating (IFSR) by Moody's Investors Service. Additionally, Walaa has a Financial Credit Rating of "A-" from S&P. The Company has also secured a "gc AAA" long term Gulf Cooperation Council Regional-scale and a national scale rating of "ksaAAA" financial strength credit rating from S&P. These ratings of Walaa reflect its strong brand and market position, strong asset quality, good capital adequacy, and strong reserve adequacy, indicating that Walaa's financial strength to honor our obligations to the policyholders.

IFRS 17 Insurance Contracts & IFRS 9 Financial Instruments journey:

IFRS 17 "Insurance Contracts" has been published on May 18, 2017, which applies to insurance contracts, reinsurance contracts, and investment contracts and supersedes IFRS 4. The company has successfully implemented IFRS 17 and IFRS 9 on January 01, 2023, applied retrospectively, and restated the comparative period starts from January 01, 2022. IFRS 17 implementation resulted in a change to the accounting policies for insurance contracts together with amendments to presentation and disclosures at the date of the publication of these financial statements. The Company conducted changes in the IT systems and data points to be able to adopt of this new standard.

The company implemented a new ERP financial system (Oracle EBS) to support the data requirements of the new standards and implemented an in house built actuarial solution, that has been tested and vetted by an independent party to support the IFRS17 reporting requirements for the Premium Allocation Approach (PAA) and General Measurement Model (GMM). Since the Company operates in the Protection and Savings segment, we are required to adopt Variable Fee Approach (VFA) method for this line of business and therefore continue to use the IRIS tool that we acquired through the merger of SABB Takaful.

ISO Certifications:

As a company, Walaa aims to be known as one of the best-governed company in the region. The Company is proud to be following international standards and best practices, and are holding ISO 31000:2018 Enterprise Risk Management System, ISO 14001:2015 Environmental Management System, ISO 22301:2012 Business Continuity Management System, ISO 9001:2015 Quality Management System (under renewal process), ISO 270001:2017 Information Security Management Certification (under renewal process), ISO 45001:2018 Occupational Health & Safety (under renewal process), ISO 26000:2010 Social Responsibility certifications (under renewal process). Walaa also received the cybersecurity compliance certification (CCC) program, which was established to ensure all Saudi Aramco third parties are following the cybersecurity requirements in the Third-Party Cybersecurity Standard (SACS-002). All these certifications will help Walaa to progress well with its customer-first approach and always be able to serve policyholders beyond their expectations.



Shariah Compliance:

Their main role is to study and revise the company's financial and investments activities, and review the principles of insurance mechanism, insurance programs and products to confirm their compliance with the Shariah principles.

Operating under the Cooperative Insurance module and servicing clients within the kingdom of Saudi Arabia, being a Shariah Compliant company is important to the management and the board of directors. Walaa has appointed Shariah Review Bureau Co. as a Shariah Review Committee, since inception and continue to work with them on an annual basis. Part of the committee duties is to annually review the company's financial activities, separation of accounts for both Shareholder & Policyholder pools, investments, insurance programs, products and services from a Shariah point of view, to conform their compliance with the Shariah

principles. In 2023 the Shariah review for the year of 2022 was concluded, and the company had a non-Shariah compliant investments income of SAR 0.664 million for the year of 2022, that from some of investment classes that do not currently comply with Sharia standards and hence shall be purified. As the company didn't perform the purification on behalf of the shareholders, in this regard, the company would like to notify the shareholders of their responsibility to purify this percentage of incompatible income which amounts 0.0078 Saudi Riyal per share. The Shariah Board consists of eminent scholars as nominated by them from time-to-time.



16. Risks faced by the Company:

In an insurance landscape brimming with challenges and opportunities, managing risk effectively is not just a necessity, it's the cornerstone of sustainable success. Recognizing this, Walaa has embraced a comprehensive and proactive Enterprise Risk Management framework, aligning it seamlessly with our business objectives and strategic planning.

This commitment to ERM goes beyond mere compliance. It signifies a deeply ingrained cultural value, where identifying and mitigating potential threats become integral to every decision we make. This holistic approach guarantees not only the strength and stability of our operations, but also positions Walaa for excellence in the ever-evolving insurance industry.

Our Enterprise Risk Management system draws upon rigorous industry standards such as ISO 31000, ISO 27001, ISO 22301, and the regulatory requirements of the Insurance Authority. At its core lies a robust risk assessment process, providing a comprehensive overview of potential threats across the organization. This includes evaluating risks within our business processes, projects, outsourced activities, and the external environment – all with a keen eye on their potential impact on our goals and objectives.

Further demonstrating our dedication to proactive risk management is the constant monitoring of our adherence to risk appetite tolerances and limits. This involves leveraging a diverse range of key risk indicators (KRIs) to track performance against each set parameter, thereby allowing for early identification of potential breaches.

The result of this comprehensive and proactive approach is an organization equipped to navigate uncertainty with confidence, seize opportunities with foresight, and deliver consistent value to stakeholders.

From a broad perspective, the Organization identifies the following risks as potential areas of exposure:

A. Underwriting Risk: As an insurance organization, Walaa's core business revolves around underwriting activities, which inherently involve risks. Underwriting risk, in this context, refers to the potential challenges we face, such as inadequate pricing, adverse selection, and inaccurate assessments in the process of evaluating and assuming insurance policies. The risk may further elevate by concentration on specific elements within our portfolio such as focusing heavily on a few large clients, specific industries, limited risk factors, particular geographic regions, or specific insurance products that may create single point of failure and exposes Walaa to potential catastrophic losses.

To navigate underwriting risks effectively, Walaa has established a robust control framework that ensures each policy aligns with our business plan and risk tolerance. This framework encompasses regular assessments, including quarterly evaluations specifically focused on underwriting activities. These assessments meticulously analyze potential exposures, ensuring they stay within the defined parameters set by our risk appetite statement.

From thorough pricing audits to ongoing quality checks, we prioritize transparency and proactive risk mitigation. Each underwriter operates within specified authority, empowered by advanced modeling tools and regular monitoring to ensure adherence to risk appetite and underwriting guidelines. These tools and monitoring systems enable us to anticipate potential deviations and take corrective action before they impact our financial stability or stakeholder interests.

Through securing appropriate reinsurance and meticulous contract documentation, we diligently safeguard stakeholder interests. Our commitment to responsible underwriting is grounded in vigilance, adaptability, and continuous improvement, guaranteeing a secure and sustainable future for Walaa.

B. Reinsurance Risk: Refers to the potential that purchasing reinsurance may not effectively mitigate the underlying insurance risks faced by Walaa. In other words, even with reinsurance in place, there's a chance it might not fully protect Walaa from claims or other adverse events.

Principal Sources of Reinsurance Risk:

- **Inadequate Cover:** This occurs when the purchased reinsurance doesn't sufficiently cover the specific risks Walaa is trying to mitigate. This could be due to limitations in the reinsurance contract, exclusions, or underestimation of potential claims. To mitigate this risk, the Organization adheres to reinsurance guidelines and ensures that adequate coverage is available for all insurable risks.
- **Reinsurer Bankruptcy:** While unlikely, there's always a risk that reinsurer could become insolvent, leaving the organization exposed to the uninsured portion of the risk. Walaa evaluates the financial condition of reinsurers to mitigate exposure to potential losses arising from reinsurer insolvencies.
- **Claim Conflict:** Disagreements and disputes between the organization and reinsurers over claim settlements or interpretations of the reinsurance contract can delay payouts and add complexity to recovering losses. To address this risk, measures are in place to address and resolve any conflicts that may arise in the event of a claim.
- **Reinsurance Concentration:** Relying heavily on a limited number of reinsurers or specific reinsurance programs for risk transfer.

Walaa follows a comprehensive risk management framework that places great importance on the selection of reinsurers. This approach ensures that Walaa minimizes its exposure to potential reinsurance risk by partnering with reinsurers who are financially stable, reputable, and highly qualified. While the regulatory requirement mandates a minimum acceptable credit rating by recognized agencies such as A.M. Best Company, which should not be lower than B+ or its equivalent, Walaa goes beyond this requirement. In fact, 86% of the reinsurance companies that Walaa works with have credit ratings of AA, and A, demonstrating their strong financial standing.

Additionally, there are other selection criteria that contribute significantly to Walaa's commitment to responsible reinsurance practices and proactive risk mitigation. These include evaluating the reputation and standing of specific reinsurers in the international reinsurance market, considering any existing or past business relationships with the reinsurer, diversifying the reinsurance panel by utilizing various reinsurance programs, and conducting thorough reviews of the terms and conditions of reinsurance contracts. By adhering to these rigorous selection criteria, Walaa ensures that it maintains a robust and well-protected reinsurance portfolio.

Regular monitoring by the Risk Management function further strengthens this robust selection process, ensuring continued adherence to established criteria and proactive identification of any potential issues with existing reinsurance arrangements.

C. Counterparty Default Risk: Walaa operates in a complex financial landscape, engaging with diverse counterparties exposes Walaa to the risk of default of a counterparty or obligor under various legal agreements with the Organization, encompassing payment agreements, reimbursement agreements, guarantees, and other financial obligations, including financial instruments and reinsurance. Additionally, it incorporates the risk of a downgrade in the credit rating of the counterparty or obligor, which may impact the insured's payment and other financial obligations to the Organization, as well as lead to a reduction in the asset market value of a security. This can encompass:

- **Payment defaults:** Failure to fulfill payment obligations under agreements like insurance contracts.
- **Reimbursement defaults:** Inability to reimburse amounts owed under agreements like reinsurance treaties.
- **Credit rating downgrades:** A significant drop in the counterparty's creditworthiness, potentially impacting their ability to meet future obligations or reducing the value of financial instruments held by Walaa.

Counterparty default risk can be amplified by concentration, where our exposure to specific groups of counterparties becomes disproportionately high relative to our overall credit portfolio. This can occur due to shared economic or industry factors impacting their financial stability simultaneously.

To mitigate counterparty default risk and reduce concentration, Walaa implements a proactive and comprehensive risk management strategy:

- **Diversification:** We actively maintain a broad and diversified portfolio of financial instruments and counterparties. This minimizes our reliance on any single entity and spreads risk across different sectors and geographic regions.
- **Credit-worthy Counterparties:** We prioritize transactions with counterparties who possess strong credit ratings and demonstrate sound financial standing. This reduces the likelihood of default and protects the value of our investments.
- **Continuous Monitoring:** Our risk management team continuously monitors the creditworthiness of existing counterparties and market conditions to identify and address potential risks promptly.

By diligently implementing these strategies, Walaa effectively minimizes counterparty default risk and safeguards our financial stability. Our commitment to diversification and robust counterparty selection practices ensures long-term sustainability and protects the interests of our stakeholders.

D. Operational Risk: This involves the potential risk of compromising a portion of shareholder value due to failed internal processes, personnel, systems, or external events. This encompasses both manual and computerized internal processes, including IT, communications and legal. Stringent systems and processes are in place to ensure that operational risks are maintained within defined appetite limits.

Walaa is vigilant in safeguarding its operations and stakeholders against a diverse range of risks, both internal and external. Key categories include but are not limited to the following:

- **Financial Integrity:** This encompasses internal fraud (misappropriation, misreporting, bribery) and external fraud like hacking and financial crime.
- **People and Work Environment:** Risks associated with employee practices, including discrimination, workplace safety, and training.
- **Client and Business Conduct:** Potential market manipulation, antitrust violations, product liability, and unfair practices.
- **Physical Assets and Disruption:** Threats from natural disasters, vandalism, and damage to facilities, as well as business disruptions caused by utility outages and system failures.
- **Operational Efficiency:** Ensuring accuracy and adherence to processes, addressing data entry errors, accounting mistakes, and potential negligence in managing client assets.

The internal control functions play a crucial role. They ensure compliance with policies and procedures, equip our staff with comprehensive training, and foster open communication around operational risk management. Specifically, Walaa's risk management team works in close collaboration with each business unit to unearth and address all potential operational risks. This collaborative approach encompasses:

- **Continuous Monitoring:** Processes and controls within each unit are constantly assessed for effectiveness and efficiency, ensuring operational excellence.
- **Dynamic Risk Profiling:** The risk profile and potential exposure to losses are continuously monitored and evaluated, informing strategic risk mitigation efforts.
- **Stress Testing Resilience:** Stress events specific to each unit are identified and analyzed in collaboration, assessing their likelihood, impact, and potential cascading effects.
- **Proactive Preparedness:** Business continuity plans are regularly reviewed and enhanced to proactively accommodate potential losses and adapt to evolving business and market conditions.

By integrating risk management into the very fabric of our operations, Walaa navigates the ever-evolving landscape of operational risks with confidence, safeguarding our present and securing our future.

E. Market Risk: As an insurance organization with substantial cash flow, actively invests in the market. Recognizing the volatility inherent in this, we prioritize effective market risk management for both stability and stakeholder value.

Market risk pertains to the potential for the fair value or future cash flows of a financial instrument (like stocks, bonds, or currency) to change significantly due to fluctuations in market prices. This encompasses three main categories:

- **Foreign Exchange Rates (currency risk):** Changes in the relative value of currencies can impact the value of investments made in other countries.
- **Market Interest Rates (interest-rate risk):** Fluctuations in prevailing interest rates can affect the value of fixed-income investments, like bonds.
- **Market Prices (price risk):** Changes in the market price of specific assets, like stocks or real estate, can lead to gains or losses.

Our robust market risk policy clearly outlines what constitutes such risks, guiding ongoing monitoring and compliance. Exposures and breaches are promptly reported to the Organization risk committee and investment committee, and the policy itself undergoes regular reviews for relevance and adjustments to the evolving risk environment.

Walaa actively analyzes operational and financial performance factors influencing stock and Sukuk market movements. This meticulous approach, combined with a diversified portfolio and security selection based on rigorous vetting, empowers us to make informed investment decisions in the dynamic landscape of the financial markets.

By prioritizing sound market risk management, Walaa safeguards its financial stability and navigates the uncertainties of the market with confidence, ultimately fulfilling its commitment to stakeholder value and long-term success.

F. Cyber Security Risk: Walaa recognizes the ever-present threat of cyber-attacks. In today's digital landscape, a single security breach can trigger ripple effects, jeopardizing not only earnings and capital but also our brand value, and potentially impacting individuals, other organizations, and even national security.

This risk arises from the potential for unauthorized access, manipulation, or destruction of our information assets, both digital and physical. We understand the consequences of data breaches, reputation damage, and system disruptions, and have therefore implemented a robust and proactive cyber security risk management framework.

Cyber security risk management goes beyond firewalls and antivirus software. It encompasses the governance and security of all information exchanges within our broader information systems, ensuring the resilience and integrity of our online and offline operations. It's a continuous process of identifying vulnerabilities, implementing effective controls, and adapting to the ever-evolving threat landscape. We embrace a multi-layered approach.

By taking proactive steps to mitigate cyber security risks, Walaa safeguards its operations, data, and reputation. We remain committed to building trust with our stakeholders and ensuring the long-term success of our business in the ever-evolving digital age.

G. Regulatory and AML Risk: Walaa operates within a complex landscape of regulations and Anti-Money Laundering (AML) guidelines. Recognizing the potential risks associated with non-compliance, we prioritize effective regulatory and AML risk management.

Regulatory risks arise from misinterpretation, ambiguity, or misapplication of laws and regulations governing our activities. These potential pitfalls encompass our relationships, processes, products, and services. Therefore, ensuring continuous compliance is paramount for protecting our reputation, safeguarding stakeholders, and avoiding financial penalties.

The Board of Directors takes a proactive role in overseeing compliance with regulatory requirements, emphasizing a balance between timeliness and effectiveness. The Board maintains a zero-tolerance stance for breaching Insurance Authority requirements, reinforcing the commitment to upholding regulatory standards.

Walaa recognizes the potential exposure to Anti-Money Laundering (AML) risk presented by criminals seeking to exploit insurance products for unlawful purposes. This includes methods like premium laundering, fraudulent claims, and investment-based concealment.

Proactive mitigation measures are in place, including robust KYC/AML procedures, comprehensive transaction monitoring, and enhanced due diligence for high-risk individuals and corporate and products. We also prioritize identifying and reporting suspicious activity through dedicated systems and collaboration with industry peers, regulators, and law enforcement. Continuous staff training and technology utilization further strengthen our efforts, ensuring a secure and trustworthy environment for all stakeholders.

H. Liquidity Risk: This involves the risk of inability to promptly convert assets into cash to meet financial obligations without incurring significant losses. It arises from mismatches between readily available resources and upcoming liabilities, impacting the organization's solvency and operational stability.

Walaa's principal sources of Liquidity Risk are but not limited to the following:

- Amounts due to the Organization not being collected in a timely manner;
- Failure to anticipate significant claim payments resulting in disruptions to cash flow;
- Inability to return collateral to clients;
- Illiquidity of investments.
- Failure of policyholders or reinsurer to settle dues on a timely basis
- Failure of an intermediary to settle dues on a timely basis
- Failure to accurately manage cash flow
- Impaired cash flow due to regulatory or legal action, or exchange rate control
- Failure to manage the impact of catastrophe losses
- Adverse market event leading to a reduction in the value or liquidity of assets

Walaa actively manages liquidity risk through a multi-approach which involves closely monitoring key ratios, analyzing cash flow maturity to predict potential mismatches, and conducting stress tests to prepare for extreme scenarios. Walaa is committed to a strong liquidity and solvency buffer exceeding regulatory requirements. Additionally, seamlessly balancing strategic growth with risk mitigation through operational excellence and technology advancements, safeguarding financial stability and stakeholder confidence.

I. Strategic Risk: This pertains to the risk of experiencing a loss in earnings, capital, or franchise value due to decisions linked to the business plan and strategic objectives. This encompasses the process of defining strategic and business plan objectives, specifying how to achieve them, and implementing those plans, with a focus on effectively responding to changing conditions. This encompasses three main categories:

- **Regulatory shifts:** Changes in regulations, legal landscapes, or customer behavior can impact sales volume, profitability, and business practices.
- **Competitive landscape:** A dynamic competitor landscape, including their pricing strategies or product offerings, requires constant vigilance and adjustments to maintain our edge.
- **Distribution risk:** Underperforming distribution channels can impact shareholder value through new sales, renewals, and existing business profitability.
- **Concentration risk:** Overreliance on specific industries or regions can pose major threats.

The Board of Directors prioritizes continuous adaptation to regulatory and technological changes, aiming to safeguard and enhance the organization's reputation, brand, and trust. This is achieved through a robust strategic risk management system that proactively identifies and mitigates strategic threats, ranging from shifting regulations to evolving competition. The organization's post-pandemic resilience serves as a testament to the effectiveness of this proactive approach, while its commitment to diversification and adaptation ensures sustainable value for stakeholders.

J. Conduct of Business Risk: Operating in the service-oriented industry, building trust, and maintaining a positive reputation are essential for success. However, inherent to our interactions with customers, agents, and the public lies Conduct of Business Risk. This risk encompasses inappropriate behavior by Walaa or its employees that could lead to financial losses, damage our reputation, or incur regulatory sanctions.

Conduct of Business Risk doesn't simply refer to legal breaches or contractual violations. It extends to a broader spectrum of actions and behaviors that, even while technically legal, can still inflict significant damage. This includes:

- **Unsuitable Behavior:** Employee or representative conduct that is unprofessional, discriminatory, or harassing can erode trust and damage client relationships.

- **Product Misalignment:** Offering products that don't match customer needs, due to inadequate understanding or targeting errors, leads to dissatisfaction, complaints, and potential regulatory intervention.
- **Transparency Gaps:** Inaccurate or incomplete information shared with customers or the public, including unclear communication, lack of transparency, or deliberate misrepresentation, erodes trust and damages reputation.
- **Inefficient Claims Management:** Lack of control over claims handling can result in errors, delays, and customer dissatisfaction, leading to financial losses and reputational damage through legal disputes or negative online reviews.
- **Post Sale Servicing:** In a competitive market with high expectations, inadequate after-sales support, unresponsive personnel, or unresolved complaints can create long-term loyalty issues.
- **Mis-selling:** Intentionally misrepresenting products to boost sales, regardless of customer needs, is unethical and carries severe consequences, including regulatory sanctions, financial penalties, and reputational damage.

The Board actively fosters a culture of ethical conduct through a shared vision aligning values with actions, a robust framework for identifying and addressing concerns, performance monitoring for continuous improvement, and incentivizing ethical behavior. Clear consequences for misconduct reinforce the importance of upholding ethical standards, safeguarding our reputation and building trust with stakeholders.

K. Actuarial Risk: Encompassing potential inaccuracies in models and calculations used for various insurance functions. These include determining premiums, setting reserves, implementing reinsurance strategies, and managing assets and liabilities. Inaccuracies in these critical areas could impact our financial stability, create misleading information for stakeholders, and undermine trust in our operations. Actuarial Risk arises from several factors, including:

- **Data limitations:** Insufficient or inaccurate data used in calculations can lead to misinterpretations and biased results.
- **Assumption uncertainties:** Utilizing unrealistic or outdated assumptions can distort risk assessments and financial projections
- **Methodological shortcomings:** Employing antiquated or inappropriate methods can generate flawed calculations and inaccurate conclusions.
- **Systemic weaknesses:** Insufficient data management systems and analytical tools can increase the risk of human error and inconsistencies.

Walaia prioritizes mitigating Actuarial Risk through a comprehensive approach. We prioritize robust data governance, ensuring accurate and diverse sources for calculations. Our models and assumptions undergo continuous review and updates, adapting to market shifts and emerging risks. We leverage actuarial expertise for assessments and maintain a comprehensive risk management framework to identify, analyze, and mitigate actuarial risks across all business aspects.

17 - Geographical operations

The Company does not have any overseas subsidiaries and operates within the Kingdom of Saudi Arabia. The geographical spread of Gross Written Premiums written within the Kingdom during several years is as follows:

Geographical Spread of Gross Written Premium, SAR' m						
Year	Eastern	Central	Western	North	South	Total
2023	2,515	663	123	40	5	3,346
2022	1,947	557	93	39	6	2,642
2021	1,791	317	146	68	17	2,339
2020	868	232	218	113	42	1,473
2019	714	102	248	114	37	1,215
2018	697	99	197	96	16	1,105

18 - Material Variations from Previous years:

Please find below the table for reported the operational results for the year 2023 as compared to previous year, along with the explanation for variance: Figures in SAR Millions.

Reported Line Item (SAR' millions)	Year		Change in		Explanation for Change
	2023	2022	Amount	%	
Insurance revenue	2,888	2,572	315	12%	Increased mainly due to the growth in Medical GWP of SAR 110 from the previous year. In addition to write the premium from Hajj and Umrah and IDI.
Insurance service expense	(1,679)	(1,670)	(10)	1%	Increase in expense is mainly due to growth in gross claims paid and other attributable G&A expenses, mainly an increase in payroll due to the growth in headcount.
Net expense from reinsurance contracts held	(1,180)	(1,023)	(158)	15%	Mainly due to the increase of reinsurance ceded premium.
Insurance service result	28	(120)	148	NA	Due to the reasons stated above.
Commission income on investments and deposits	58	24	34	143%	Increase in commission income is due to the increase of short and long term deposits of SAR 371 million.
Dividends on investments	17	12	4	36%	The average dividend yield enhanced in 2023.
Realized gain / (loss) on investments measured at FVTPL	9	37	(28)	-75%	Gain in 2022 was a one time gain from selling share.
Un-realized gain / (loss) on investments measured at FVTPL	81	(45)	126	NA	Increased mainly due to better market performance.
Bargain purchase gain	-	50	(50)	-100%	Gained from acquiring SABB Takaful.
Net finance income / (expenses) from insurance contracts issued	(4)	(6)	2	-33%	Due to the change in the discount rates used for calculating the LIC/AIC.
Other income	11.3	12.6	(1.3)	-11%	The decrease is mainly due to the Goodwill recognition from SABB Takaful merger during the year of 2022.
Other operating expenses	(37)	(21)	(16)	77%	Increase in non attributable expense is mainly due to technology and software developments.
Provision for zakat & tax	(15)	(12)	(3)	29%	Increase in provision due to increase of shareholder's equity, in addition to excess provisions due to expected assessments.
Net income / loss for the period, after zakat & tax, attributable to the shareholders	148	(68)	216	NA	Due to the reasons stated above.
Actuarial gains/(losses) on defined benefit obligation	(3)	0	(4)	NA	Due to change in discount rates as well as due to increase in the employees head counts.
Net changes in fair value of investments measured at FVOCI-equity instruments	8	5	2	41%	Increase in strategic investment Valuation (Najm).
Total comprehensive income/(loss) for the period	152	(62)	214	NA	Due to the reasons stated above

19 – Accounting Standards

The Company adheres to the International Financial Reporting Standards (“IFRSs”) that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants (“SOCPA”).

This is the first set of the Company’s annual financial statements in which IFRS 17 ‘Insurance Contracts’ and IFRS 9 ‘Financial Instruments’ as endorsed in the Kingdom of Saudi Arabia have been applied. On July 23, 2019, Insurance Authority (IA) previously known as “SAMA” instructed the insurance companies in the Kingdom of Saudi Arabia to account for the zakat and income taxes in the statement of income. This aligns with the IFRS and its interpretations as issued by the International Accounting Standards Board (“IASB”) and as endorsed in the Kingdom of Saudi Arabia.

IFRS 17 enables investors, analysts, and others to make better economic decisions using transparent and timely information about the risks from, and variability in, obligations arising from insurance contracts. IFRS 17 requires a company to recognize profits as it delivers insurance services as well as to provide information about insurance contract profits that the company expects to recognize in the future. This information will provide additional metrics that can be used to evaluate the performance of insurers and how that performance changes over time.

The Company’s management has made an assessment of its ability to continue as a going concern and is satisfied that it has the resources to continue in business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Company’s ability.

20. Name of each affiliate company, its capital, the company's ownership percentage, the main scope of business, country of operation and country of incorporation

The Company does not have any affiliate company.

21. Details of shares and debt instruments issued for each affiliate company

The Company does not have any affiliate company.

22. Dividend Policy

The Company adopts the requirements to distribute dividends as and when declared, as per its Bylaws article (46), each shareholder is entitled to his share of the profit according to the General Assembly resolution. The Dividends resolution shall state the due and distribution dates. Moreover, the shareholders who are registered in the shareholders' book/record by end of dividends' cum-date are eligible for the dividends on the distribution date. The Company shall notify CMA without delay regards the Dividends resolutions or recommendations. Dividends are payable on the place and time determined by the Board and in accordance with the instructions issued by the regulators, subject to a written approval from Saudi Central Bank (SAMA)\ Insurance Authority.

As the operational growth accelerated and the Company is looking to increase its capital to meet the growth in its operations while maintaining a strong solvency ratio, The Board of Directors did not recommend distributing any dividends for the years 2022 & 2023.

23. Description of any interest in a class of voting shares held by persons (other than the company's directors, Senior Executives and their relatives) who have notified the company of their holdings

During 2023, there was no interest in a class of voting shares held by persons (other than the company's Directors, Senior Executives and their relatives) who have notified the Company.

24 - Interest, Options and Subscription rights

During the year 2023, details of interests, options, and subscription rights of the issuer's Board of Directors, Senior Executives, their spouses, and minor children in the shares of the Company or debt instruments are as follows:

	Name of Person of Interest	Beginning of 2023		End of 2023		Total Change	Percentage of change
		No. of Shares	debt instruments	No. of Shares	debt instruments		
1	Sulaiman A. Al Kadi	2,719	-	2,719	-	-	-
2	Khalifa A. Al Mulhim	1,351,729	-	1,381,729	-	30,000	2.22%
3	Wasef S. Al Jebseheh	-	-	-	-	-	-
4	Solaiman A. Al Twaijri	-	-	-	-	-	-
5	Waleed M. Al Jafaari	633,600	-	233,600	-	(400,000)	(63%)
6	Hatem F. Balghoneim	4,224	-	4,224	-	-	-
7	Jameel A. Al Molhem	1,200	-	1,200	-	-	-
8	Hesham A. Al Jaber	-	-	-	-	-	-
9	Osama M. Al-Khunaizi	1,000	-	1,000	-	-	-
10	Abdulatif K. Al Mulhim	1,010,949	-	1,010,949	-	-	-
11	Abdulaziz S. Al-Shabeebi	-	-	-	-	-	-
12	Johnson Varughese	35,000	-	62,500	-	27,500	78.6%
13	Mohannad M. Aldesouki	16,025	-	16,025	-	-	-

Senior Executives and their spouses and minor children have no interests, options, and subscriptions rights in the Shares or Debt Instruments of the Company.

25. Borrowings, Issue/Redemption of Securities

The company has neither borrowed any funds nor issued or redeemed any securities during the year 2023 and does not have any outstanding convertible and/or redeemable debt instruments, options, warrants or similar rights.

26. Description of the class and number of any convertible debt instruments, contractual securities, preemptive right or similar rights issued or granted by the company during the fiscal year

During 2023, there were no convertible debt instruments, contractual securities, preemptive right, or similar rights issued or granted by the Company.

27. Description of any conversion or subscription rights under any convertible debt instruments, contractually based securities, warrants or similar rights issued or granted by the company

During 2023, there were no conversion or subscription rights under any convertible debt instruments, contractually based securities, warrants or similar rights issued or granted by the Company.

28. Description of any redemption, purchase or cancellation by the company of any redeemable debt instruments and the value of such securities outstanding, distinguishing between those listed securities purchased by the company and those purchased by its affiliates

During 2023, there was no redemption, purchase, or cancellation by the Company of any redeemable debt instruments.

29. Shareholders Records

The shareholders' registers were requested by the company (15) times during the year 2023, as shown in the below table

	Request Date	Date of Shareholders Record	Reason to Request
1	31/12/2023	31/12/2023	Others
2	14/12/2023	14/12/2023	Others
3	07/12/2023	07/12/2023	Others
4	27/11/2023	23/11/2023	Others
5	07/11/2023	06/11/2023	Company's procedure
6	06/11/2023	05/11/2023	Others
7	22/10/2023	19/10/2023	Others
8	28/09/2023	28/09/2023	Others
9	21/09/2023	20/09/2023	Others
10	18/09/2023	18/09/2023	Others
11	14/08/2023	13/08/2023	Others
12	02/07/2023	30/06/2023	Company's procedure
13	13/06/2023	13/06/2023	AGM
14	30/05/2023	31/05/2023	Others
15	13/04/2023	31/03/2023	Others

30. Related Party Transactions:

Related parties represent major shareholders, Board of Directors, key Management personnel of the Company, and entities controlled, jointly controlled, or significantly influenced by such parties. All transactions with such related parties are conducted on normal terms and conditions, which are approved by the management.

The table below illustrates the details of related parties' transactions during the year ended 31st December 2023:

Related Party Name	Board Member (Representative for the Related Party)	Relationship Nature	Nature of Transactions	Nature as per Account Register	Contract Duration	Transaction Amount
Sulaiman A. Al Kadi	Sulaiman A. Al Kadi	Chairman	Motor Insurance	Insurance Operations	12-months	0.027
Khalifa A. Al Mulhiem	Khalifa A. Al Mulhiem	Vice Chairman	Various Insurance	Insurance Operations	12-months	0.379
KHALIFA A ALMULHEM COMPANY LIMITED (KAMCO)						
Advanced Petrochemical Company						
HATIM FAHAD BALGHONAIM	Hatem F. Balghoniem	Member	Various Insurance	Insurance Operations	12-months	0.383
Acceleration Company Ltd						
Haier & Aljabr Saudi Electronics Trading Company	Hesham Abdullatif Al Jaber	Member	Various Insurance	Insurance Operations	12-months	61.699
GULF CARTON FACTORY COMPANY						
Aljabr Holding Company						
Canned soft drink factory						
ARAB NATIONAL BANK.						
AL DAWAA MEDICAL SERVICE CO.	Waleed M. Al Jafaari	Member	Various Insurance	Insurance Operations	12-months	10.042
Mishraf Construction Development						
Eastern Province Cement Company						
Wasef S. Al Jesbshah	Wasef S. Al Jesbshah	Member				-
Jameel Abdullah A Al Molhem	Jameel A. Al Molhem	Member	Various Insurance	Insurance Operations	12-months	23.783
Saudi Telecom Company						
Electrical Industries Company						
Halwani Brothors Co.						
Amlak International Finance Co						
Osama M. Alkonaizi	Osama M. Alkonaizi	Member	Various Insurance	Insurance Operations	12-months	0.045
Dar wa Emaar Real Estate Investment and Development Co						
Alittafaq Steel Company	Abdulaziz S. AlShobeebi	Member	Various Insurance	Insurance Operations	12-months	1.584

Solaiman A. ALTwaijri	Solaiman A. ALTwaijri	Member	Various Insurance	Insurance Operations	12-months	0.045
Factory Of Amiantit Rubber Industries Ltd						
Saudi Amicon Company Limited						
Bondstrand Limited Company						
Amintit Fiberglass Industries Company Ltd						
First Abu Dhabi Bank	Abdulatif K. AlMulhim	Member	Motor Insurance	Insurance Operations	12-months	0.682
Abdulatif K. AlMulhim						
Bank Aljazira						
Tasnee (National Industrialization Company)						
Total - (SAR in Million)						98.667.17

31. Any business or contract to which the company is a party and in which a director of the company, a Senior Executive, or any person related to any of them is or was interested

Senior Executive Name	Position	Nature of Transaction	Nature as per Account Register	Contract Duration	Transaction Amount*
Johnson Varughese	Chief Executive Officer	Motor Insurance	Insurance Operations	12 Months	5.7
Mohannad M. Al Desouki	Chief Financial Officer	Motor Insurance	Insurance Operations	12 Months	9.3
Wasif F. Minhas	Chief Technical Officer (General & Motor)	Motor Insurance	Insurance Operations	12 Months	3.7
FAHAD K. ABAALKHAIL	VP SALES & MARKETING	Motor Insurance	Insurance Operations	12 Months	2.4
Turki A. Al Buraik	VP, HR and Admin	Motor Insurance	Insurance Operations	12 Months	8.3
Ghayas Khan	CHIEF TECHNICAL OFFICER (LIFE & MEDICAL)	Motor Insurance	Insurance Operations	12 Months	5.1
Total					34.5

*Please note that figures are in Thousands.

32. Description of any arrangement or agreement under which a director or a Senior Executive of the company has waived any remuneration

The Chief Executive officer in his capacity as Investment Committee executive member has waived the remuneration assigned to the committee members as follow:

Member's Name	Fixed Remuneration (Excluding Meeting Allowances)	Meeting Attendance Allowances	Total In SAR m
Investment Committee			
Johnson Varughese (Executive member)	(0.070)	(0.005)	(0.075)

33. Any arrangement or agreement under which a shareholder of the company has waived any rights to dividends

No shareholder of the company has waived any rights to dividends for the year 2023.

34. Statutory dues and payments

During the year 2023, the Company has made the following statutory payments on account of zakat, taxes, and other fees. The company does not have any outstanding statutory dues as on 31 December 2023, except for the following:

All Figures in SAR Millions

Statutory Expenditure Type	2023		Brief Description	Due Reasons
	Paid Amount	Due Amount		
Zakat, Tax and Customs Authority (ZATKA)	55.21	26.97	Annual Zakat and Tax in conformity with the regulations of ZATCA.	"Includes outstanding Zakat and Tax for previous year in conformity with the regulations of ZATCA (SAR 11.97 million) with note that the company has provided provision of (SAR 15.00 million) in 2023 for Zakat to cover Zakat obligation for the year"
"Saudi Central Bank (SAMA)"	-	-	Inspection and Supervision Fees.	"Company is exempted from SAMA fees for 5 years starting Q4 2020, as an incentive to the merger."
"General Organization for Social Insurance (GOSI)"	11.03	0.8	Social insurance contributions for company employees.	"Due for December 2023 and paid in January 2024"
"Council of Cooperative Health Insurance (CCHI)"	-	-	Inspection and Supervision Fees.	"Company is exempted from fees due to merger of SABB Takaful"
"Ministry of Interior, Chamber, Labor Office, SAGIA"	0.68	-	Fees for issuance of visas, passports, and other government fees for company and Its employees.	Paid on time (no dues)
"Saudi Stock Exchange (Tadawul)"	0.57	-	Listing fees.	Paid on time (no dues)
Total	67.49	27.77		

35. Employees' Benefits

The Company did not make any investments or set up any reserves for the benefit of the employees. The Company provides personal accidents with group life insurance cover to its employees against any accidental death or disability. Also, the Company provides a special motor discount for employees and their families.

36. Statements of Affirmation

The management and the Board of Directors' of Wala Cooperative Insurance Company confirms the following:

- Proper books of account have been maintained;
- The system of internal control is sound in design and has been effectively implemented;
- There are no significant doubts concerning the Company's ability to continue its activities;
- There is no conflict between the recommendations of the Audit Committee and the resolutions of the Board of Directors.

37. If the external auditor's report contains reservations on the annual financial statements, the Board report shall highlight this mentioning the reasons and any relevant information

The external auditors' report did not negatively qualify any matter on the annual financial statements of Wala Cooperative Insurance Company (Wala), nor did it contain any reservations.

38. External Auditors

Ordinary General Assembly meeting was held on 13 June 2023, whereby the assembly approved the appointment of external auditors as recommended by the Audit Committee at predetermined fees in order to audit annual financial statements for the year ended 31 December 2023 and to review interim financial statements for 2nd and 3rd quarters of 2023 and 1st quarter of 2024, and the fees have been determined.

The appointed auditors are El Sayed El Ayouty & Co. and, An independent member company of Moore International Limited, and Crowe Solutions for Professional Consulting - a member of Crowe International.

39. Board of Director's recommendation to replace the external auditor before the end of its term

The Board of Directors did not recommend replacing the Appointed External Auditors prior to the end of their term.

40. Audit Committee recommendations, which are inconsistent with the decision of the Board, or which the Board has refused to consider regarding the external auditor

There are no recommendations made by the Audit Committee, which are inconsistent with the decision of the Board, or which the Board has refused to consider regarding the external auditor.

Conclusion:

The Board of Directors would like to thank and express its appreciation to our valued clients for their high confidence, and the Board is pleased to express its sincere thanks and gratitude to the shareholders who played a key role in the development of the company and making it progress well in the insurance market in the Kingdom, and the Board is keen to express its sincere thanks and appreciation to the directors, managers, and employees for their dedicated efforts throughout the reporting period, which resulted in distinct and consistent results.

Board of Directors of Wala Cooperative Insurance Company



Listed Joint Stock Company
SR 850 Million Paid Up Capital
CR No. 2051034982
UNN. 7001526578
License # TMN/16/20087
Licensed and Supervised by IA

