

Board Membership Policy and Criteria

Orient Insurance PJSC

1. Introduction

This policy aims to establish a general framework for the criteria for Board membership at Orient Insurance PJSC, ensuring that the Board is composed of qualified members who possess the necessary expertise and competencies to effectively oversee the company's management, protect shareholder rights, and ensure compliance with best governance practices.

This policy is based on the requirements of the Central Bank of the UAE (CBUAE) regarding corporate governance, as well as the Fit & Proper Policy adopted by the company to ensure that Board members are appointed according to the highest standards of professionalism and integrity.

2. Scope of the Policy

This policy applies to all current and prospective Board members, whether non-executive, or independent, and outlines the requirements that must be met to ensure their eligibility. It also covers the periodic evaluation procedures to assess compliance with these standards.

3. Board Membership Criteria

Board members must meet the following criteria:

3.1 Integrity and Independence

- Must uphold high ethical standards and have a good reputation.
- Must be honest and independent from any conflicts of interest that could affect their ability to make decisions in the best interests of the company and its shareholders.
- Must have no criminal record or prior convictions related to fraud, financial crimes, or governance violations.
- Must comply with the conflict of interest disclosure policy and submit periodic declarations.

3.2 Qualifications and Experience

- Must hold an academic qualification relevant to business administration, finance, accounting, insurance, law, risk management, or any related field.
- Must have at least five (5) years of experience in the insurance sector or related financial industries.
- Must have sufficient knowledge of the regulatory framework governing the company, including the requirements of the Central Bank of the UAE and corporate governance standards.

3.3 Competence and Effective Oversight

- Must be able to dedicate sufficient time and effort to fulfill their duties and responsibilities on the Board.
- Must possess the ability to analyze financial statements and risk reports and make strategic decisions based on available information.
- Must have strong critical thinking, strategic planning, and risk management skills.
- Must commit to continuous professional development by attending Board training programs.

3.4 Diversity in Experience and Backgrounds

- The Board should have diversity in professional backgrounds, skills, and sector expertise to ensure a variety of perspectives in decision-making.
- Encouraging female representation on the Board aligns with best governance practices.

3.5 Maximum Number of Board Memberships

- A Board member must not serve on more than five (5) public joint-stock companies in the UAE.
- A Board member must not hold a directorship position in more than one insurance company in the UAE.
- If the member holds an executive position, they must not serve on the Board of another company operating in the same industry.

3.6 Compliance with Laws and Regulations

- All Board members must comply with the laws and regulations of the Central Bank of the UAE, local legislation, and the company's internal policies.

- Members must attend Board and committee meetings regularly and actively participate in discussions and decision-making.

4. Selection and Appointment of Board Members

4.1 Nomination and Initial Assessment

- The Nomination and Remuneration Committee evaluates candidates based on the Fit & Proper Policy and the criteria outlined in this policy.
- A comprehensive candidate profile must be submitted, including their resume, qualifications, previous experience, and declaration of any potential conflicts of interest.

4.2 Approval Process

- Candidates must be nominated following the Central Bank's procedures, and regulatory approvals must be obtained before formal appointment.
- All candidates must undergo a Fit & Proper assessment per CBUAE standards.

4.3 Periodic Evaluation of Board Members

- The performance of the Board is evaluated annually through individual and collective assessments.
- The evaluation considers active participation, meeting attendance, strategic contributions, and risk governance involvement.

5. Roles and Responsibilities of Board Members

Board members must adhere to the following duties:

1. Oversee the implementation of the company's strategy and ensure alignment with long-term objectives.
2. Protect shareholder rights and ensure transparency in financial and operational disclosures.
3. Ensure compliance with all applicable laws and regulations.
4. Monitor the effectiveness of internal controls and risk management systems to safeguard company assets.
5. Supervise and evaluate the performance of executive management to ensure efficiency in achieving the company's goals.
6. Uphold corporate governance principles and promote transparency and accountability in decision-making.

7. Disclose any conflicts of interest and avoid using insider information for personal gain.
8. Attend Board and committee meetings regularly and actively contribute to discussions and decision-making.

6. Training and Continuous Development of Board Members

- Board members must participate in annual training programs to enhance their skills and stay updated on regulatory and industry developments.
- The company is committed to providing regular training sessions covering corporate governance, regulatory compliance, risk management, and emerging trends in the insurance industry.

7. Policy Review and Updates

- This policy will be reviewed and updated periodically (at least every two years) to ensure alignment with regulatory changes and governance best practices.
- Any updates to the policy must be approved by the Board and the Governance Committee.

8. Compliance and Documentation

- All Board members must sign an annual declaration of compliance with this policy and the Fit & Proper Policy.
- The company will maintain records documenting each member's eligibility, appointment approvals, and annual performance evaluations.

Approved by Board of Directors on : 25/12/2024

Approved by General Assembly on :