

STAKEHOLDER ENGAGEMENT POLICY

Stakeholder engagement has always been a top priority for Jaiz Takaful Insurance Plc ('JTI' or 'the Company'). This can be seen in the company's philosophy of doing business based on morality and social responsibility, as well as being a good citizen, implementing a code of conduct as a foundation for all employees' work, employing good corporate governance as a management principle, and practicing sustainable development.

Groups of stakeholders are becoming more intricate as society, the environment, and business conditions change, and they have increasing expectations of fair treatment and desire participation in the sharing of thoughts, opinions, decision-making process, and governance of related issues. As a result, stakeholder participation has become more vital than ever. Thus, JTI provides a written "JTI Stakeholder Engagement Policy" as a clear guideline for its staff in conducting business in order to give long-term value to shareholders and more concern for the impact on JTI stakeholders.

Definition of Stakeholders

Stakeholders are persons or groups of persons who are directly or indirectly affected by a business operation of JTI, as well as those who may have interests in a business operation of JTI, or abilities to influence over the outcomes of a business operation of JTI such as customers, employees, communities, shareholders, business partners, government agencies, intellectual leaders, etc.

Stakeholder Engagement Policy

JTI is committed to being a good corporate citizen in society, particularly in the communities where it operates. It respects stakeholders' rights and treats them fairly, listens to their concerns and perspectives, fosters understanding with stakeholders, encourages constructive cooperation in topics that concern stakeholders, and participates in the development of society and the environment.

Guidelines for the Engagement of Stakeholders

1. Determining, Identifying, and Analyzing Stakeholders

Determine, identify, and categorize stakeholders, taking into account their relationship to each business unit, in order to comprehensively and clearly analyze the risks and impacts, direct and indirect, incurred by each group of stakeholders, keeping in mind that each group of stakeholders has its own set of perspectives and expectations. As a result, different implementation strategies and priorities must be developed for each group.

To assess the relevance and significance to JTI and its stakeholders, materiality must be determined. A material issue is one that will have an impact on JTI's or its stakeholders' decisions, actions, or performance.

Stakeholder mapping should be decided to determine who the relevant stakeholders and different sections of JTI are, as well as their perspective orientations, affects, and expectations, so that appropriate responsiveness and communication strategies may be designed. The responsiveness will affect JTI sustainability performance; therefore, it should be realized through decisions, actions and performance as well as communication with stakeholders.

Effective stakeholder relations should be established from the start, i.e. at the planning stage, so that plans may be altered or work practices can be revised on time.

2. Communication Techniques

Adopt specific communication techniques, methods, formats, and processes relevant to each group of stakeholders, scenario, duration, and local culture in order to achieve right perception and lead to positive relationships with and trust from stakeholders. This is something that could be determined by the. This maybe determined by the degree of damage or the possible impact incurred from negligence or delay.

3. Information Disclosure

To ensure that stakeholders get sufficient, consistent, and timely information, disclose information accurately, explicitly, transparently, and comprehensively. For example, useful information should be disclosed at the proper time, with the true purpose of the information stated and a transparent reporting mechanism ensured. However, in disclosing information, one should consider a factor of appropriateness and follow the Company's Policy on Disclosure.

4. Participation

Inspire stakeholders to participate in matters that affect them; provide channels for receiving suggestions, problems, and complaints from stakeholders; prioritize; welcome input and constructively exchange views (Stakeholder Dialogue) in order to perceive stakeholders' ideas, expectations, and needs. In doing the Stakeholder Dialogue, one must recognize that differences of stakeholders may affect the opinions, e.g. age, gender, education, experience, attitudes, etc. Moreover, one should provide preliminary information prior to discussion, report outcomes of the discussion, disseminate reports to participants, and collect information systematically.

JTI should also consider participating in giving opinions and identifying problems or obstacles to those having roles in regulating rules and orders which could have a widespread economic, social, and environmental impact.

5. Risk Management of Stakeholder Engagement

Anticipate, identify and prioritize risks from stakeholder engagement in order to prepare a responding plan and handle Stakeholder Dialogue constructively. There are possible common risks of stakeholder engagement that should be considered, e.g.

unwillingness to engage, participation fatigue, creating expectations of change that the organisation is unwilling or unable to fulfil, lack of balance between weak and strong stakeholders, disruptive stakeholders, uninformed stakeholders, disempowered stakeholders, technical barriers in case of online engagement processes, and conflict between participating stakeholders, etc.

6. Review and Reporting

Systematically monitor and evaluate the overall quality of the stakeholder engagement in order to strive to continually improve stakeholder engagement, develop an action plan, ensure collaboration among different parts of JTI and stakeholders, follow the engagement process, and inform stakeholders of the outcome. In addition, JTI shall publicly report on the aggregate of engagement activities together with overall outcomes and impacts, to show scope and breadth of JTI outreach, and to demonstrate how JTI's engagements contribute value to its strategy and operations.

The Duty of Management

The duty of management is to efficiently and effectively administer operations in accordance with the Stakeholder Engagement Policy by providing suitable resources, such as allocating budget, assigning adequate number of dedicated, skilled and knowledgeable staffs, and providing systems for taking suggestions from stakeholders, compiling information, monitoring progress, and evaluating results. Stakeholder engagement information should be integrated into organizational governance, strategy and management at all levels of JTI in order to achieve inclusive organizational acceptance and development of an accountable and strategic response to sustainability.

Policies and Practices Toward Shareholders

JTI places great importance on its shareholders, who are owners of the business. Accordingly, the executives and employees as well as the Board of Directors, which itself represents shareholders, are committed to carrying out business in line with the principles of good corporate governance and JTI's own business philosophy to ensure maximum benefits and long-term economic value for shareholders. To ensure proper treatment of shareholders, the company has set forth the following guidelines, pledging:

1. To operate in accordance with JTI's corporate vision and corporate governance principles with honesty and prudence, and without conflict of interest, while creating good returns for every shareholder in a sustainable manner.
2. To respect the rights of shareholders and provide equitable and fair treatment to every one of them. Accordingly, to not perform any act that might violate or restrict the rights of shareholders.
3. To provide shareholders the right to propose the agenda of the Annual General Meeting of Shareholders and to nominate any qualified person to be a director with sufficient time in advance.

4. To provide shareholders with all significant details concerning the Shareholders' Meeting and the Meeting agenda items to be considered by the shareholders with sufficient time in advance.
5. To prevent the directors, executives, and employees in the involved departments as well as their spouses and children from making use of inside information for their own benefit or that of others before disclosure to the public.
6. To assign independent directors to take care of minor shareholders and to receive complaints or suggestions from shareholders through easily accessible channels established by the Company.
7. To establish efficient measures for internal control, internal audit, and risk management.
8. To disclose the Company's significant information, financial reports, and operating results on an accurate, complete, timely, transparent, and reliable basis through easily accessible channels to consistently keep shareholders abreast of the Company's operating performance.

Policies and Practices Toward Employees

JTI firmly believes that employees are its most valuable assets and a vital contributing factor to the Company's success. JTI treats employees fairly with concern for their needs. The goals are to foster a good relationship between the Company and employees, to promote ongoing development of employees' skills and potential, and to provide job security and career advancement. The guidelines for practice toward employees are as follows:

1. To recruit employees through a fair and efficient selection system and employment conditions to find "smart and ethical" employees having strong qualifications and integrity to join the Company.
2. To treat employees with sensitivity and fairness while paying due respect to their personal rights, protecting these rights from being violated. Likewise, to support and respect the right of employees to express their opinions independently.
3. To provide channels for employees to file grievances and report any act of impropriety in violation of the JTI Code of Conduct as well as to protect the complainant from retribution or penalty related to filing a complaint (Whistleblower Policy).
4. To provide employees in every field of work and at all levels sufficient and continuous professional development appropriate for their duties and responsibilities

and to instill ethical awareness into every employee.

5. To promote and encourage working as a team to create unity and to raise employees' awareness about work discipline.
6. To evaluate employees' performance and provide fair remuneration on the basis of the suitability, capability, and competence of each individual. The Company is also committed to providing fair and appropriate benefits to employees. The benefits will be constantly improved to keep them on a par with those of leading companies in the same industry.
7. To raise awareness and promote employees' occupational health and safety while maintaining a congenial work environment that enables employees to feel like being part of a family.
8. To operate in compliance with internationally accepted occupational health and safety standards as well as environmental management standards.
9. To encourage employees to find a balance between family life and work.
10. To provide channels where important information can be disclosed to employees to keep them informed of the operations and operating results of all JTI business units.

Policies and Practices Toward Customers

JTI pledges to ensure that customers for JTI products and services receive maximum benefits and complete satisfaction in terms of quality and fair price. Likewise, the company pledges to develop and maintain a sustainable relationship with customers. The practice guidelines are as follows:

1. To deliver products and services that address the needs of consumers and the general public and to play a part in contributing to better quality of life and the sustainable development of society.
2. To constantly drive innovation and research & development to generate high quality, high value-added products and services that meet the needs of customers in multiple ways.
3. To develop environmentally-friendly products and services with a focus on resource-efficiency, energy-efficiency, recyclability, and long life of service.
4. To produce safe, reliable products and services as well as to give accurate and adequate information about them to customers.
5. To store customers' information safely and systematically and refrain from abusing

the information.

6. To set the prices of products and services at reasonable rates.
7. To implement a quality management system that matches international standards.
8. To set up a customer support office to provide product information, advice, and solutions to problems, while also handling complaints, to ensure customers' highest satisfaction.

Policies and Practices Toward Suppliers

JTI always follows fair competition rules and adheres to all contractual duties, the JTI Code of Conduct, and all supplier guarantees. The guidelines are as follows:

1. To determine and establish fair and reasonable prices by taking into account the reasonableness of the offered prices, quality, and service levels and to be able to provide appropriate reasons during any audit.
2. To pay suppliers accurately and on time.
3. To establish clear procurement regulations.
4. To operate business sustainably and transparently by complying with all the terms and conditions agreed upon in a transaction and treating all involved parties equitably and fairly.
5. To refrain from demanding or accepting any improper benefits from its suppliers.
6. To pay regular visits to suppliers to exchange ideas and listen to their suggestions or advice on improvement.
7. To support procurement of eco-friendly and community products.
8. To refrain from purchasing products from suppliers that violate human rights or intellectual property law.
9. To refrain from disclosing information of suppliers to others without their prior consent.
10. To refrain from dealing in any business with any supplier that carries out illegal acts or acts against public order and good morals.

JTI has a Procurement Policy and encourages its suppliers to comply with accordingly. All JTI Suppliers must conduct their businesses with societal and environmental concerns and behave as good citizens.

Policies and Practices Toward Business Contractors

JTI has a policy of taking good care of its contractors regarding the human rights standard, environment, work safety, and remuneration. Further, the Company is resolved to develop the capabilities and knowledge of contractors both within and outside work to enable them to work more efficiently. The guidelines are as follows:

1. To determine appropriate and fair remuneration and ensure that the amount of remuneration paid by the contractors to their workers shall not be less than the wage rate stipulated by law.
2. To promote safety awareness among contractors and oversee a safe work environment in their operations.
3. To open up opportunities for contractors to meet with JTI executives to listen to their opinions and concerns so they can work more efficiently to achieve goals.
4. To encourage contractors to develop their knowledge to ensure maximum work efficiency.

Policies and Practices Toward Joint Venture Partners

JTI respects the rights of joint venture partners and treats every partner equitably and fairly. JTI commits to encouraging joint venture partners to respect human rights regarding JTI Human Rights Policy. The Company works collaboratively with joint venture partners to ensure that the joint ventures achieve the shared goals. The relevant guidelines are as follows:

1. To collaborate with joint venture partners in supporting and strengthening the joint venture operations.
2. To encourage the exchange of ideas and suggestions with the joint venture partners and to jointly define the business plans to ensure the sustainable growth and development of the joint ventures.
3. To monitor the operations of the joint ventures in order to ascertain that they comply with the law and the sustainable development approach.
4. To work with the joint venture partners in allocating profits from the joint ventures in a fair and transparent manner.
5. To refrain from taking advantage of the joint venture partners in any way.

Policies and Practices Toward Creditors

JTI has a policy to treat its creditors equitably, fairly, and transparently with commitment to strictly comply with all terms and conditions agreed upon. The guidelines are as follows:

1. To enter into contract with all types of creditors legally, equitably, fairly, and transparently without taking advantage of the contract party.
2. To refrain from resorting to dishonest means or concealment of any information that might harm the Company's creditors.
3. To strictly abide by any term or condition stated in any contract entered into with all types of creditors accurately and straightforwardly.
4. To repay loans and interest in full to all types of creditors on time as agreed upon.

Policies and Practices Toward the Community

JTI conducts business with commitment to human rights and fairness to all stakeholders, and with concern for social responsibility. The Company provides constant support to activities that contribute to improving the quality of life and development of the communities and societies in which it operates. The Company encourages its employees and other concerned parties to be good citizens contributing to communities and society. The guidelines are as follows:

1. To support and provide needed assistance to society and communities, especially the communities surrounding JTI's plants.
2. To preserve the environment nearby the communities and to control and manage waste from the production process and general consumption as well as contamination released into the atmosphere through the use of efficient technology and close monitoring.
3. To promote and support the carrying out of activities/projects designed to develop the potential and capabilities of youths in the areas of education, science, technology, sports, and art as well as instilling ethics and morals into young people so they are both smart and ethical individuals.
4. To support activities/projects dedicated to providing immediate assistance to those affected by disasters and to improve the potential and quality of life of people in society through various efforts such as career development, and building strong communities to enable people to become self-reliant sustainably.
5. To support medical and public welfare activities/projects to enable people in local communities and society at large to have better health and better quality of life.

6. To promote and support activities in the areas of art, cultural heritage preservation, and sustaining religion as appropriate.
7. To provide support to foundations and charitable organizations to help and provide opportunities to the disenfranchised in society, empowering them to lead better lives. This support also extends to organizations carrying out activities beneficial to human resources development.
8. To open up opportunities for communities and other stakeholders to take part in the activities/projects, to voice their opinions and suggestions, or to file complaints as a result of JTI's operations, with the goal of allowing industry and the community to coexist sustainably.

Policies and Practices Toward Government Agencies

JTI places great importance on government agencies as stakeholders of the Company. Guidelines for engaging in transactions with government agencies are defined in JTI Code of Conduct to allow employees to proceed appropriately and in compliance. The Company also cooperates with government agencies, providing technical assistance and support for various activities. The guidelines are as follows:

1. To strictly abide by applicable laws and regulations and keep in mind that laws, regulations, cultures, and traditions in each locale may have different conditions, procedures, or practices.
2. To refrain from influencing government officers to abet and collude in improper acts.
3. To build a body of knowledge in community development for government agencies such as local administration organizations.
4. To provide support to activities undertaken by government agencies.
5. To participate in meetings to share ideas, and to provide technical assistance on a continuous basis.
6. To receive visits from government agencies.
7. To receive comments, suggestions, or complaints from government agencies.

Policies and Practices Toward the Media

JTI emphasizes the importance of disclosing information to the media so they can communicate the information to the public accurately and rapidly. The guidelines are as follows:

1. To disclose information to the media equitably. The information must be accurate, clear, and right to the point.
2. To communicate information on a quick and timely basis.
3. To provide opportunities for the media to meet and talk with high-ranking executives.
4. To facilitate the media to get in contact with the Company.
5. To establish good relationships with the media through various activities such as plant visits to allow the media to observe the production process and plant management as well as obtain accurate first-hand information.

Policies and Practices Toward the Civil Society Sector, Academia, and Opinion Leaders

JTI conducts business with concern for social responsibility and all stakeholders. In addition to full and accurate disclosure of information, the Company is open to comments and suggestions from every part of the civil society sector to ensure a shared approach to operating business sustainably alongside social and community development. The guidelines are as follows:

1. To disclose information regarding business operations transparently and verifiably.
2. To disclose information in the annual report, sustainability report, articles and news releases, as well as in the form of electronic documents and information.
3. To carry out business with concern for impact on the environment and the community and to encourage involved persons to take part in protecting the environment.
4. To collaborate with the agencies concerned to foster a relationship with the community and promote community involvement.
5. To receive comments, suggestions, or complaints from the concerned parties to find means for collaboration and to meet the needs of all stakeholders.

Policies and Practices toward Competitors

JTI has a policy to treat competitors fairly within the framework of honest competition. The Company is committed to carrying out business fairly in compliance with the law and JTI Code of Conduct and with concern for trade ethics and trade competition law. The guidelines are as follows:

1. To operate under a fair competition framework and applicable laws ethically and transparently and to refrain from taking advantage of competitors unlawfully.
2. To refrain from obtaining confidential information through fraudulent or improper means.
3. To refrain from violating the intellectual property rights of competitors.
4. To refrain from attacking and destroying competitors' reputations by defaming them with any false statement.
5. To promote and support free trade and avoid entering into any agreement with competitors that may reduce or restrict competition.