

Al Ain Ahlia Insurance Co.



Since 1975

شركة العين الأهلية للتأمين

ENVIRONMENTAL, SOCIAL AND CORPORATE GOVERNANCE REPORT 2022 ESG SUSTAINABILITY

Approved by the Board of Directors
In the Board Meeting (01/2023) held on 13/02/2023



Since 1975



Introduction:

- Al Ain Ahlia Insurance Company (PJSC) always strives and seeks to maintain the pioneering approach in sustainability and to ensure its integration with the company's business and assure its application at all levels in accordance with the instructions of the Concerned Authorities, in addition to encourage the concerned and relevant parties to follow the approved mechanisms for creating added value in sustainability through the various fields of the company's businesses.
- Al Ain Ahlia Insurance Company exerts vigorous and deliberate efforts to develop the sustainability culture and create a state of comprehensive, integrated and transparent dialogue towards consolidating the sustainability principle.
- Issuing the Sustainability Report of 2022 is a continuation of the efforts and initiatives of Abu Dhabi Securities Exchange with the specialized Authorities in the State for adopting, supporting and promoting the best sustainability practices in Public Joint Stock Companies in accordance with the environmental, social standards ESG and in line with the Governance Guide issued by the Decision of His Excellency the Chairman of the Board of Directors of the Securities and Commodities Authority No. (3 / R.M of 2020) regarding the Governance Guide for Public Joint Stock Companies.

Objective:

- The efforts of Al Ain Ahlia Insurance Company are always focused on maintaining its pioneering role through its permanent and continuous cooperation with all Insurance Companies operating, within the Insurance Market in the State or companies that operate in the rest of the regional, Arab and international markets .
- The company also seeks the optimal application of the governance rules and compliance with the laws, regulations and decisions issued by the concerned Authorities, particularly the UAE Central Bank, the Securities and Commodities Authority and Abu Dhabi Securities Exchange.
- The company also seeks to strength the teamwork between the various Insurance Companies in the State through its continuous cooperation in the Emirates Insurance Association.
- The company was keen during the year 2022 to provide a healthy and safe work environment.

Preserving Values and Promoting Innovation:

- Our vision in Al Ain Ahlia Insurance Company as a pioneering national company has always guided to exert efforts in sustainability by embodying the values of cooperation, love, harmony and development that characterize the United Arab Emirates Society and the established values that also form the foundations on which all our activities are based.
- Our initiatives in the company started from investing in our employees and enhancing their insurance and practical knowledge, and through our fruitful and transparent cooperation with all our customers, which allowed enhancing the experience, setting solid rules and building a strong reputation in the customer service field and meeting their requests and requirements.
- The Company has followed an approach to encourage innovation, promote the principle of entrepreneurship, and apply best practices that are socially and environmentally responsible.

Our Sustainability Approach:

- Our sustainability approach does not always stop evolving, which allows us to continue to reinforce our responsibility, supervise our various capital flows and understand the interlinkages between what is best, in addition to our support in consolidating a comprehensive and integrated approach towards its various groups in terms of the decision-making and practices, and keeping our concentration focused on creating value in the short, medium and long term.
- This report represents an important part of our relentless efforts to open and transparent communication with relevant and concerned parties internally and externally, as well as being part of our internal measures to monitor operations and ensure full harmony between our operations and practices on the one hand, and our strategic vision on the other hand.
- The company shall be committed to prepare this report annually .
- The company is committed to prepare the financial statements in accordance with the International Financial Reporting Standards (IFRS 4) approved by the International Accounting Standards Board (IASB) and to publish them in accordance with the Regulatory Requirements of the Securities and Commodities Authority in the United Arab Emirates.

Corporate Social Responsibility:

- The company abides by its social responsibility by balancing its main businesses with the needs of the society, in which the company operates, and undertaking the management of social responsibility permanently .
- The company has undertaken many initiatives, including providing financial or moral support to specific groups of society and providing contributions in some community activities .
- The company also participated in the launching session of special label standards for gender balance for the Private Sector, which was the outcome of the Government Accelerator Team.

Environmental, Social and Governance Standards:

- **Efficient Energy Use:**
Based on the company's keenness on optimal use of energy and saving consumption in all fields in a manner that would have a good impact on the environment and health, the company, at the level of the General Administration or Branches, replaced lamps and lighting tools with modern types of low consumption, which was reflected in saving the consumption value and energy bills in addition to reducing emissions.
- **Water Conservation:**
The company has monitored the water consumption and replaced some water distribution devices with modern types that work on the principle of reducing consumption in a manner that would be positively reflected on the environment and public safety.

Electronic System and Remotely Working:

- The company developed its electronic systems and prepared the modern electronic system for the work of the specialized Departments and the connection between them. It speeds up the production process and handling claims.
- The company has prepared modern electronic applications for selling insurance policies through computers and mobile devices, in order to facilitate payment and obtaining the document electronically, quickly and safely.
- The company applies and follows the highest standards in electronic security and data protection in a confidential and effective manner.
- According to the procedures followed, the work environment in the company is now ready to work remotely when needed.
- Through implementing the electronic systems, the work environment in the company has become compatible with the global trends, especially the adoption of the green environment system and the reduction of paper consumption in order to preserve a clean and sustainable environment.

Average Salaries between Men and Women:

- The company follows a clear approach to the salary and wages policy on the basis of competence and experience in accordance with unified standards for both men and women.

Social Diversity between the Genders:

- The company is characterized by the social diversity between the genders and equating the percentage of male or female workers in various senior, medium and ordinary jobs.

Emiratisation:

- Emiratisation is a government initiative designed to encourage UAE nationals to work in all sectors including the private sector.
- Al Ain Ahlia Insurance is one of the insurance companies in the UAE that is dedicated to the supporting efforts to increase Emiratisation rates and working towards in attaining the required ratios as part of Cabinet Resolution No. (5) on the implementation of the Emiratisation Strategy in the insurance and banking industries.

Al Ain Ahlia Role in Emiratisation 2020-2021-2022

- To implement the Emiratisation we at Al Ain Ahlia Insurance Company has always been at the forefront for the development of UAE Nationals by designing, implementing and monitoring efficient talented UAE Nationals for their future development.
- Our company has achieved the Emiratisation rate, of 18 % during the year 2022 and we achieved more than the targeted point given by the Central Bank (reached 148 points out of 141 points) . We also achieved our recruitment point target ie 8 points(recruitment of 8 UAE nationals with Bachelor degree)
- There was a drastic improvement in the recruitment of UAE nationals during the year 2022 when compared to 2021 & 2020

Training of UAE Nationals

- Department / Branch Managers identifies the need of training of UAE nationals based on their recommendation all UAE nationals were sent for the training through EIBFS , During the year 2022 all most 95% of UAE national attended various training programs conducted by EIBFS.
- One of the UAE national has been nominated by the company to study for ICA certificate in Anti Money Laundering with 12 month Associate Membership

- **Independence of the Board of Directors:**
 - The company's Board of Directors consists of seven members who are citizens of the United Arab Emirates. Most of them are independents.
 - There is a complete separation between the Chairman of the Board of Directors and the Executive Management of the Company, whereas the Chairman of the Board of Directors does not undertake or practice any work of the Executive Management.

• **Governance and Institutional Discipline Rules:**

- In 2022, the company has updated its articles of association to be in accordance with the provisions of the Companies Law and its amendments. The new article of association allows holding the general meetings of the company such as AGM, Board of Directors and Committees Meeting remotely and electronically, and allows sending invitations to shareholders by text messages and e-mail.
- The company follows and applies the Corporate Governance Rules for Public Joint Stock Companies.
- The Audit Committee, the Nomination and Remuneration Committee and the Risk Committee emanate from the Board of Directors of the Company.
- The company has a specialized Internal Audit Department that is directly headed by the Audit Committee and the Board of Directors.
- In line with the updated Governance rules, the company has reviewed its policies, especially the policy of nominations and remuneration, and AML policy and procedures.
- The General Assembly of the Company appoints an independent auditor who presents his report and financial statements independently in the meetings of the shareholders and the Board of Directors. They are disclosed according to the rules and principles followed and applied to the Public Joint Stock Companies.
- The company discloses its General Assembly meetings and core and essential events when they occur.
