



الوثبة للتأمين
AL WATHBA INSURANCE



2021

INTEGRATED REPORT

BUILDING A SUSTAINABLE AND INNOVATIVE FUTURE

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Al Wathba National Insurance Company PJSC (AWNIC) was established by Emiri Decree No. 3/78 on 10/2/1978 and is a national company, registered with the Insurance Authority with registration number 10. The Company's principal activity is transaction of general insurance and re-insurance business of all classes. The Company is listed on Abu Dhabi securities exchange and has its head office in Abu Dhabi with the current capital at AED 207 million.

Reporting Scope and Boundary

This is AWNIC's first Integrated Report covering the period between January 1 and December 31, 2021, unless stated otherwise.

AWNIC has published its Sustainability Report for two consecutive years in 2019 and 2020. This year marks the first year in which the Company expands its reporting capabilities to develop its inaugural Integrated Report. The report focuses on AWNIC's ability to create value for all its stakeholders over the short, medium, and long-term and includes our business, strategy

as well as our financial and ESG (environmental, social, and governance) performance.

The Company's principal activities are in the UAE where it operates through its Abu Dhabi headquarters along with its two branches in Dubai and Al Ain as well as its satellite offices across the country.

The Company's consolidated financial statements include the below entities:

NAME	TYPE	PRINCIPAL ACTIVITIES	PLACE OF INCORPORATION	OWNERSHIP
AWNIC Investments Limited	Subsidiary	Investment Management	Cayman Islands	100%
Vision Insurance SAOC	Associate	Insurance Business	Sultanate of Oman	17.53%
UR International Insurance	Associate	Insurance Business	Iraq	40.00%
FOODCO Holding PJSC	Associate	Import and Distribution of Food Stuff	United Arab Emirates	22.82%

The boundary of this report is inclusive of AWNIC's UAE insurance operation, including all of the company's branches.

Reporting Frameworks

The report has been prepared in accordance with the UAE Securities & Commodities Authority and with the International Integrated Reporting Framework (IIRF), applying the Integrated Reporting principles of reliability, completion, consistency, and comparability.

In addition, the sustainability content of the report has been prepared in accordance with the GRI Standards: Core option, and in alignment with Abu Dhabi Securities Exchange's 31 ESG metrics.

Finally, we have also aligned our report with those Sustainable Development Goals (SDGs) that are material to our business model.

Assurance

The content of this report has been rigorously reviewed by relevant internal departments and validated by the Company's internal audit function.

In addition, the financial figures, extracted from our financial statements, have been independently audited by an internationally recognized audit firm.

Board Responsibility

The Board of Directors acknowledges its responsibility for ensuring the integrity of this report and confirms that the disclosed information fairly represents AWNIC's status and performance, and that the report accurately references the International Integrated Reporting Framework as well as the GRI Standards.

Forward-Looking Statements

Forward-looking statements involve uncertainty given the many external factors that could impact the environment in which the company is operating. AWNIC holds no obligation to publicly update or revise its forward-looking statements throughout the coming fiscal year except as required by applicable laws and regulations.

Feedback

For any queries or feedback about this report, please contact: sustainability@awnic.com

With a view to providing stakeholders with greater insight into our business operations, AWNIC has opted this year to enhance our corporate reporting by issuing our inaugural Integrated Report.

Recent years have witnessed considerable evolution of international reporting frameworks, reflecting the gradual shift that has been taking place in the corporate world from being purely shareholder driven to a paradigm that focuses more on creating value for all stakeholders.

This shift is vital if the private sector is to become aligned with local and global initiatives that seek to address environmental and social challenges. Sustainability is about finding ways to achieve economic growth in harmony with environmental and social wellbeing. The days when companies are assessed solely based on their financial performance are behind us.

Investors and other important stakeholders are increasingly scrutinizing corporate performance on environmental, social and governance metrics. Companies that are seen to take strong action will be viewed favourably while those that fail to act risk suffering adverse consequences, for a company's ESG performance will ultimately be reflected in its bottom line and this correlation is only going to grow stronger over time.

AWNIC was a pioneer when it embarked on its ESG integration journey three years ago and in 2020 became the first UAE insurance company to publish a sustainability report for the year 2019. Since then, step by step, we have enhanced our approach to managing, measuring, and reporting our ESG impact. As risk managers and as a major institutional investor, we are mindful of the fact that the insurance industry can play a leadership role in building climate-resilient communities and in aligning to the national drive towards UAE Net Zero by 2050 strategic initiative. We believe that we are on the right track and are fully committed to continuing down this path to become a sustainability leader in the UAE insurance sector.

As we continue our mission to become the UAE insurance "Company of Choice" and to penetrate new business segments, we will remain focused on the qualities that set AWNIC apart from its peers. These are agility, personalization, and innovation. Our growth was underpinned by the continued implementation of various strategic initiatives which include establishment of key partnerships, automation of operations, improved claims handling processes as well as continuous focus and improvement on customer centricity.

AWNIC shall continue to leverage on our personalised service and innovative product solutions backed by a strong financial position as well as digital capabilities to weather the emerging challenges post the COVID-19 pandemic and an increasingly competitive business environment.

The speed at which customer needs and market trends are changing in the insurance sector means that only the most agile companies are able to keep up with the demands. Constant engagement with our stakeholders means AWNIC has a deep understanding of what matters most to them, and this insight enables us to meet their expectations.

Customers are increasingly looking for on-demand solutions and services, while employees value companies that are technologically advanced and capable of meeting customer demands through digital means. Therefore, digitalization and innovation are strategic pillars for AWNIC and we have set ambitious targets for ourself to increase the proportion of business we derive through our digital platforms and also on accelerating our automation of insurance operations.

All of the above efforts are not just good for AWNIC's business prospects, they are also designed to support the long-term strategic objectives of the UAE leadership. The UAE celebrated its Golden Jubilee in December 2021, marking 50 years since the country was founded by His Highness Sheikh Zayed bin Sultan al Nahyan. It is incredible to think what the UAE has achieved in a such a short space of time and these accomplishments give us confidence for what is to come over the next decades.

Always thinking ahead, the UAE's visionary leadership has already laid the foundations for sustainable growth and prosperity in the form of the UAE Centennial Plan 2071 and the Principles of the 50. The Centennial Plan aims to make the UAE the best country in the world by 2071 by being future-focused, providing excellent education, building a diversified knowledge economy based on innovation, and ensuring UAE society is happy and cohesive. AWNIC is fully aligned with these objectives as well as the Abu Dhabi Economic Vision 2030 to transform the emirate into a diversified, innovative and knowledge-based economy by the end of this decade. I am confident that AWNIC now has all the elements in place to deliver maximum value for all our stakeholders in the coming years.

I wish to sincerely thank UAE's visionary leaders, regulatory authorities, our beloved customers, intermediaries and business partners for their continued trust, loyalty, and support. Finally, I wish to thank the executive management and team members for their vital commitment and contribution during the year. I also extend my gratitude to my fellow directors for their continued inputs and our various Board Committees in guiding the forward trajectory of AWNIC.

H.E. SHEIKH SAIF BIN MOHAMMED BIN BUTTI AL HAMED,
Chairman



It is my immense pleasure to present Al Wathba National Insurance Co's (AWNIC) first Annual Integrated Report for 2021 which provides comprehensive insights into our business strategy, corporate governance, financial and ESG performance for the year, as well as an outlook for AWNIC's prospects over the next few years.

AWNIC is determined to reinforce its position as a major player in the UAE insurance sector and to realize its ultimate vision of becoming "The Company of Choice" for customers by delivering products and services of the highest quality. With over 25 years of experience in servicing the UAE insurance market, a strong capital base of AED 207 million, innovative ideas on risk management solutions, adaptability to challenges in the global market, and the support of internationally renowned reinsurers, AWNIC is a boutique insurer that creates value for its stakeholders and provides security and reliability to its customers.

Prepared in accordance with the International Integrated Reporting Framework, the main global standard for integrated reporting, our inaugural report details how AWNIC creates sustainable value for all stakeholders over the short-, medium, and long-term. The report also includes an assessment of our ESG performance in accordance with the GRI Standards, thus providing continuity with our previous, standalone Sustainability Reports. This level of reporting supports efforts by financial services regulators and authorities to bring more transparency to the UAE's capital markets and, ultimately, to boost investment.

As the report shows, AWNIC has developed a clear strategy and business plan designed to reinforce our position as a major player in the UAE insurance market and establish ourselves as "The Company of Choice".

Digitalization is a key pillar of AWNIC's strategy & business plan. AWNIC has made great strides with the digital transformation of our business in recent years. In fact, we were the first company in the UAE to offer an app that provides end-to-end service for our motor insurance customers. We will continue to invest in our digital platforms and e-commerce offering which last year accounted for around 3.5% of our total gross written premium.

AWNIC has also made it a strategic priority to enter new business segments. Last year we introduced a travel insurance solution as well as pet insurance and we are currently contemplating re-entering the health insurance market which accounts for around half of the UAE insurance market's total gross written premium.

Regardless of the sectors that AWNIC serves, there are two principles that we consistently apply when doing business. The first is our unwavering commitment to quality. Our customers rely on us to deliver insurance solutions that provide them with a safety net and strengthen their resilience to unexpected events. AWNIC always strives to exceed customer expectations and never compromises on the quality of our products and services.

The second pillar is that AWNIC is committed to creating value for all its stakeholders, including investors, customers, employees, and the wider community. We nurture close relationships with these partners so that we can integrate their needs into our business model and create shared value. This is why it is crucial that we maintain the momentum of our sustainability journey. We plan to build on what we have achieved to date and further embed ESG factors into our corporate governance with a view to becoming a sustainability leader within the UAE insurance sector.

This means being aligned with best international practices as well as local initiatives such as the UAE Guiding Principles on Sustainable Finance, which were issued in early 2020 by financial services authorities in the UAE to encourage more sustainable practices in the financial sector. Sustainability will form an integral part of our business model as we strive to improve our ESG performance and be a responsible employer, insurance provider, and corporate citizen.

As a value investor, AWNIC has always focused on investing in curated investment opportunities and with our continuous and focused efforts, we recorded one of the highest investment returns realized by listed insurance companies in the UAE. Our investment income in 2021 has increased to AED 145.87 million from AED (19.48) million in 2020.



“
AWNIC IS DETERMINED
TO REINFORCE ITS
POSITION AS A MAJOR
PLAYER IN THE UAE
INSURANCE SECTOR
AND TO REALIZE ITS
ULTIMATE VISION
OF BECOMING “THE
COMPANY OF CHOICE”

Our financial performance improved in 2021 despite subdued economic growth as COVID-19 disruption continued. In 2021, our Gross Written Premium reached AED 316.47 million, a 3.22% increase on the previous year. Our Net Earned Premium also increased by 3.14% to 214.02 million from 207.31 million in 2020. Our Net Operating Profit came out to AED 18.29 million in 2021 while our Net Income saw a 10-fold increase to AED 164.169 million in 2021 from AED 15.22 million a year earlier driven by the performance of our equity investments.

From a balance sheet perspective, shareholder equity increased by 34.62% to AED 973.52 million while the value of our assets increased by 17.38% to AED 1.839 billion

As the UAE continues its strong recovery from the COVID-19 pandemic, we are confident that 2022 will bring renewed momentum for the insurance sector. With a strong balance sheet, AWNIC is well positioned to take advantage of the opportunities that will arise in the coming years. We will do so while maintaining our commitment to creating sustainable shared value for all stakeholders.

I wish to thank all our stakeholders for their continued trust and support.

BASSAM CHILMERAN,
Chief Executive Officer

AWNIC AT A GLANCE

Al Wathba National Insurance Company PJSC (AWNIC) is a general insurance provider listed on the Abu Dhabi Securities Exchange (ADX).

The Company has over 25 years of experience in servicing the UAE insurance market, a strong capital base of AED 207 million, and the support of internationally renowned reinsurers.

With innovative ideas on risk management solutions and the agility to adapt to challenges in the global market, AWNIC provides security and reliability to customers and creates value for all stakeholders.

Our core values and culture drive AWNIC's sustainable operations and strategy:



OUR VISION

AWNIC aims to reinforce its position in the UAE market as a major player, establishing itself as "The Company of Choice" through long term growth with profitability, prudent underwriting, risk management, and an innovative and complete product range offers provided by a unique service



OUR VALUES

Professionalism in our approach
Integrity in everything we do
Commitment to stakeholders' interest
Teamwork for operational excellence

RATING & CERTIFICATIONS

Since its establishment, AWNIC has centred its business around a commitment to customer satisfaction.

As a testament to the company's focus on quality service and operational excellence, AWNIC is the first listed insurance company in the UAE to become triple certified with ISO 9001:2015 (Quality Management System), ISO 14001:2015 (Environmental Management System), and ISO 27001:2013 (Information Security Management System).

AWNIC's long-term credit rating of BBB- was affirmed by S&P Global Ratings, with a stable outlook.

We were recognized by the UAE Central Bank in consecutive years (2018, 2019) with the "Excellence in Digital Transformation and Smart Services" award.

AWNIC's competitive position in the market is reflected by the fact that, for the past five years, the Company has featured in the top 10 conventional listed insurers in terms of Underwriting profit.

PRODUCTS & SERVICES

AWNIC believes in building strong relationships with customers and has oriented its digital transformation strategy towards improving customer satisfaction. As the Company of Choice, AWNIC is dedicated to upholding its commitment to offering high quality insurance solutions tailor-made to meet the needs and requirements of customers.

Both the personal and commercial insurance lines are geared towards providing security and comfort to customers while supporting them to grow and scale the smart way. The Corporate Solution Program focuses on tailor made innovative insurance and risk management solutions.

Personal Insurance

Solutions for the Individual



Motor Insurance



Yacht & Boat Insurance



Home Insurance



Travel Insurance



Jet ski Insurance



UAE Visitors Visa

Commercial Insurance

Corporate Solutions



PROPERTY INSURANCE

- Property All-risk Insurance
- Fire & Allied Perils Insurance
- Burglary Insurance
- Jewelers Block
- Business Interruption Insurance
- Hotel Comprehensive Insurance
- Office Package Insurance
- SME Package Insurance
- Sabotage & Terrorism Insurance
- Political Violence Insurance



MARINA CARGO INSURANCE

- Marine Cargo (Single Cargo Policy & Open Cargo Policy)
- Marine Cargo War & Strikes Insurance
- Stevedore's Liability
- Haulers Liability Insurance/ Freight Forwarders Liability/ Carriers Legal Liability



MARINE HULL INSURANCE

- Hull & Machinery Insurance
- Protection & Indemnity (P&I) Insurance
- Ship Repairers Liability



LIABILITY INSURANCE

- Workmen's Compensation Insurance/ Employers Liability
- General Third-party Liability Insurance
- Comprehensive General Liability (CGL)
- Directors & Officers Liability
- Professional Indemnity Insurance
- Medical Malpractice Insurance
- Cyber Insurance (Individuals/Corporates)
- Event Cancellation Insurance
- Bankers Blanket Bond Insurance
- Fidelity Guarantee
- Group Personal Accident
- Money Insurance



ENGINEERING INSURANCE

- Contractors All-risk
- Erection All Risks
- Contractors Plant & Machinery
- Machinery Breakdown
- Machinery Loss Of Profits
- Electronic Equipment
- Deterioration Of Stocks
- Boilers & Pressure Vessel Insurance
- Principals Advance Loss Of Profit (ALOP)/Delay In Start-up (DSU)

AWNIC Corporate Solutions



MISSION

As the Company of Choice in the UAE, AWNIC strives to provide the best value for money to its customers through innovative risk solutions under its tailor-made "Corporate Solution Programs". The company is dedicated, and with total commitment, to providing personalised quality services



CORPORATE SOLUTIONS PROGRAM

With its dedication to provide optimal insurance programs tailor-made to suit the needs of clients of all types, AWNIC's Corporate Solutions Program offers:

- Risk Management Solutions
- Risk Analysis, Risk Identification
- Risk reduction or Transfer Techniques



OBJECTIVES

The objectives of the AWNIC corporate Solutions Program, focussed on customer service, are clearly defined as follows:

- To provide an Insurance Program best suited to the clients' exact requirements
- To add value through Ease of Administration, Optimal Cost, and Return Benefit
- To prove flexibility in Insurance Protection that caters for future changes & organization growth



METHODOLOGY

There are 5 stages to the AWNIC Corporate Solutions Program methodology:

- Examining and obtaining full understanding of operations
- Evaluating the existing Insurance set up
- Determining the Insurance requirements
- Formulating an optimal Insurance program
- Servicing the account with a professional but personal touch

BRANCHES AND LOCATIONS

With a diverse workforce of 150 employees, AWNIC services customers through three branches and six satellite offices spread across the UAE, with our Head Office based in Abu Dhabi, United Arab Emirates (UAE)



1 ABU DHABI HEAD OFFICE

Al Wathba National Ins. Bldg., Najda St
P.O.Box 4515, Abu Dhabi, UAE

2 MOTOR CLAIM DEPARTMENT

Al Rawdha Area,
Old Airport Road,
Opposite to AL Noor Hospital, RDK Building-Block B,
Office no. 5

3 MUROOR TRAFFIC OFFICE

Abu Dhabi Traffic Vehicle Inspection & Registration Centre

4 MAHAWI TRAFFIC

Mahawi Light Vehicle Inspection Centre

5 MUSAFFAH TRAFFIC OFFICE

Mussafah Light Vehicle Inspection Centre

6 DUBAI BRANCH

Unit 1205, Opal Tower, Dubai, UAE

7 AL AIN BRANCH

Sheikha Salama Bin Zayed Bldg.,
M2 Floor Office 203

8 BATEEN TRAFFIC

Murkhaniya, Vehicle Inspection Centre,
AL Ain

PARTNERS & ASSOCIATES

AWNIC has formed a series of partnerships, sponsorships, and affinity programs that add value to our service offering by providing customers with a wide range of packages, services, and discounts.



AWNIC Partnered with Etihad Airways, to offer triple Etihad Guest Miles for its customers. AWNIC and Etihad also awarded one free motor insurance in celebration of the UAE's 49th National Day, and awarded 10 of AWNICS customers 1 million Etihad Guest Miles. Customers also benefit from gaining 1 Etihad Guest Mile for every 2 DHS spent on insurance. As the only insurance partner on the Etihad Guest Program, AWNIC regularly collaborates with Etihad Airways on seasonal and occasional offers



AWNIC has partnered with Noon, the Middle East's homegrown online marketplace, to offer a 20% discount on Noon Express Purchases for AWNIC customers during the month of March, 2021



AWNIC partnered with FAB to offer its customers the ability to pay their payment plans in instalments for up to 12 months

Affinity Schemes



أدنوك
ADNOC



ADIA
دولة أبوظبي للاستثمار
Abu Dhabi Investment Authority



بنك أبوظبي الأول
FAB
First Abu Dhabi Bank



مبادرة
الاشتر
ABSHER



فازا
FAZAA



جزيرة ياس
VAS ISLAND
أبو ظبي 21402



دائرة الثقافة والسياحة
DEPARTMENT OF CULTURE
AND TOURISM



إسماعيل
esaad



شركة سيف بن درويش د.م.م
SAIF BIN DARWISH CO. LLC

MEMBERSHIPS

- Emirates Insurance Association
- Gulf Insurance Federation
- Insurance Business Group (IBG)
- General Arab Insurance Federation (GAIF)
- Federation of Arab Insurers and Reinsurers
- British Business Group



AWARDS & RECOGNITIONS

- 2021**
FROM INSURETEK MIDDLE EAST
Winner of the "Innovation of the Year"
Prize as part of the Golden Shield Awards
- 2020**
FROM THE CENTRAL BANK OF THE UAE
Awarded for "Excellence in Claims settlements
- 2020**
FROM THE ASIA INSURANCE AWARDS
Awarded for "Digital Insurance Initiative of the Year"
- 2020**
FROM FORBES MIDDLE EAST
Ranked 6th place as "One of the Most Valuable Insurance Companies in the Region"
- 2019**
FROM THE CENTRAL BANK OF THE UAE
Awarded for "Excellence in Digital Transformation and Smart Services" for the second consecutive year
- 2019**
FROM THE ASIA INSURANCE AWARDS
Awarded as "Mid-Sized Insurer of the Year"
- 2018**
FROM THE CENTRAL BANK OF UAE
Awarded for "Excellence in Digital Transformation and Smart Services"
- 2018**
FROM INSURETEK MIDDLE EAST
Winer of "Motor Insurance Company of the Year"
- 2018**
FROM GOLDEN SHIELD SECURITY AND SAFETY SYSTEMS
Received "Excellence Award"

Financial Highlights

Gross Written Premium at AED 316.47 million	↑ 3.22%
Net earned Premium at AED 214.02 million	↑ 3.24%
Net Income at AED 164.17 million	↑ x11
Shareholders equity at AED 973.52 million	↑ 34.63%
Total Assets at AED 1.84 billion	↑ 17.38%
Return on Equity	↑ 16.86%

ESG Highlights



150
EMPLOYEES



13+
NATIONALITIES



26%
FEMALE



17%
EMIRATIZATION



84%
EMPLOYEE
SATISFACTION RATE



13.33%
3-YEAR AVERAGE
ATTRITION RATE



90%
CUSTOMER
SATISFACTION
SCORE



85%
OF OUR SUPPLIERS
ARE FROM THE UAE



x3
THREE-FOLD INCREASE IN
COMMUNITY INVESTMENTS
SINCE **2017**

By continuously assessing their insurance value chain and the various factors that influence it, companies can remain competitive and at the forefront of evolution taking place in the sector. There are two interconnected factors that we see disrupting the insurance industry and these are technological advancements and changes in customer behaviour. These are evolving rapidly and breaking traditional industry boundaries.

We see COVID 19 as a catalyst for the insurance industry to catch up to other sectors in terms of technology and innovation and changing operating models enabling additional customer channels. Digital revolution transformed the insurance value chain from product innovation, marketing & sales, underwriting to claims processing and payments.

The digitally re-engineered processes facilitate and simplify the work of our teams, and significantly reduce our material consumption. We have constantly been ahead of our peers by strengthening our capabilities through adapting the latest innovation and improving our ways & means of operating and servicing our clients.

AWNIC's triple ISO certification ISO/IEC 27001:2013, ISO 14001:2015 and ISO 9001:2015 is a testament of our commitment to doing business responsibly, sustainably and a reflection of our operational excellence emphasizing our commitment to customers and community at large. Our risk management strategy looks over all the connections through the business value chain.

Our presence across channels such as digital, physical and tie ups with licensed intermediaries ensures that we cater to the needs of customers across all touchpoints. We also have multi-lingual front line customer care team ensuring that customer queries are handled suitably. Further, our device agnostic end-to-end digital platform allows customers to access their policies 24x7, to register claims online, to initiate and conclude service requests (self-service) and more. As part of our constant endeavour to be future-ready and to cater to the millennial customer, we have also enhanced our business WhatsApp capability as a sought-out customer service channel.

Technological advancement, digitalization, and changes in customer behaviour are disrupting every part of the insurance value chain. The below chart summarizes AWNIC's Value Chain:

VALUE PROPOSITION	PRIMARY ACTIVITIES	 PRODUCT/SERVICE DEVELOPMENT	 MARKETING / DISTRIBUTION	 ADMINISTRATION	 CLAIMS / BENEFITS MANAGEMENT	 ASSET MANAGEMENT	MARGIN	VALUE TO CUSTOMERS
	DATA ANALYSIS	• New General insurance Products • Faster Underwriting decisions	• Better customer acquisition • Improved knowledge of customer	• Improve compliance methodologies	• Agencies and Garages • Claims Professionals	• Improved financial risk modelling & analysis		
	SUPPORT ACTIVITIES	Finance & Administration and IT Management Legal and Compliance Management Internal Controls, Risk Management and Governance						
	SPECIALIST / ENGAGEMENT	• Actuaries • Reinsurers	• Brokers • Aggregators • Call Centre • Mobile Application & Website	• IT Companies • Consultants	• Agencies and Garages • Claims Professionals	• Banks • Asset Management Companies		

The COVID-19 pandemic has only served to accelerate the digital revolution as people turned towards online platforms to maintain activity while face-to-face interaction was restricted. Digitalization is also transforming how insurance companies work across the entire value chain. It is important that insurance companies see this as an opportunity rather than a threat and adjust their business models to embrace the new digital reality. Companies that do so will undoubtedly see many benefits and will be able to establish a competitive edge in the market.

Traditional face-to-face interactions, paper-based processes, and human call centres are slowly disappearing as customers clearly express their preference for on-demand interaction. To thrive in the new digital world, companies should not only invest in their digital capabilities but also create a corporate culture that embraces digitalization.

AWNIC embarked on its digitalization journey many years ago and this has allowed us to be at the forefront of the insurance industry's digital transformation. Digitalization will remain a strategic pillar as we look to continuously adapt our business model to the latest technological developments. Companies that are agile enough to adapt quickly to changing trends will be able to keep up with evolving customer needs, deliver faster and more reliable service, and remain a step ahead of the competition.



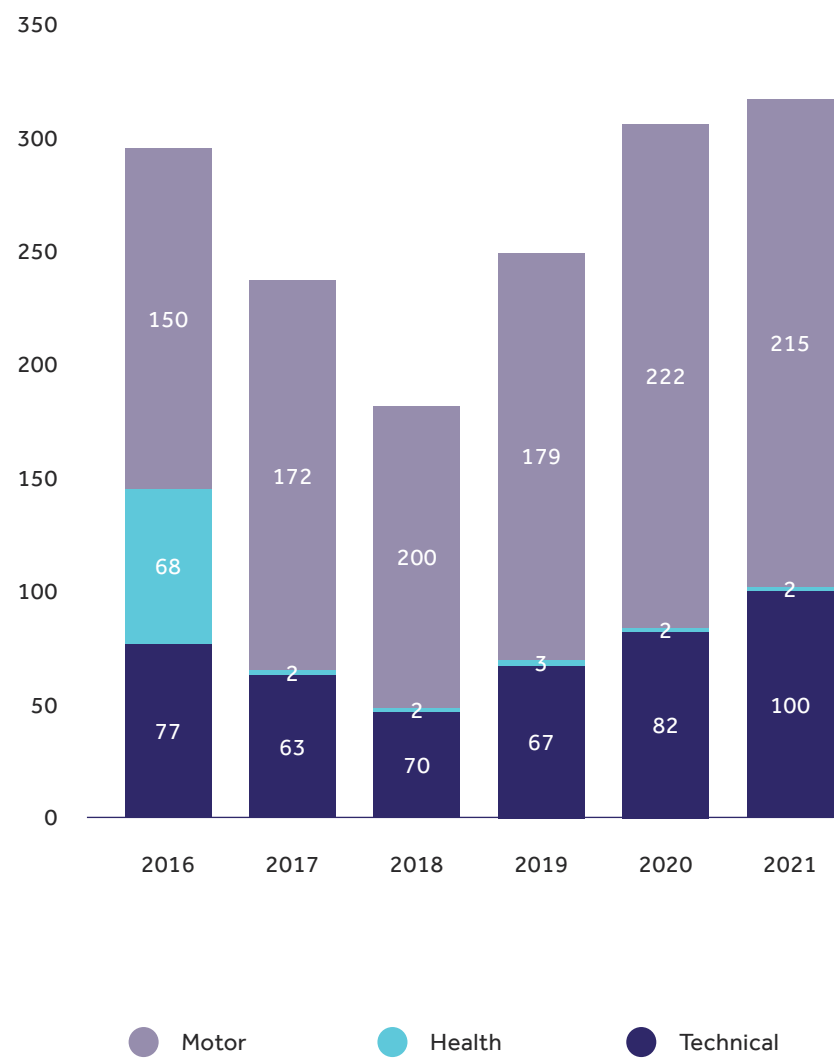
VALUE CREATION FOCUSED

AWNIC places the interests of all stakeholders at the heart of its business strategy. The company does not shy away from taking bold decisions when necessary to ensure that we preserve capital and continue to create value for all stakeholders.

As an example, AWNIC recognised in 2016 that the UAE health insurance business was underperforming and was likely to generate low underwriting margins in comparison to other segments. Despite health insurance accounting for around half of total gross premiums within the UAE insurance sector, the company made the decision to rapidly transition away from this sector while retaining its license to operate.

The below chart shows how AWNIC's gross premium has evolved since 2016 when health insurance was all but phased out. Motor insurance has steadily increased and by 2020 this business line had grown enough to cover the loss of health insurance premiums while technical or general insurance premiums also saw modest growth. In 2021, motor insurance contributed around two thirds of AWNIC's gross premiums.

Gross Written Premium (in AED Million)



The following sub-sections describe the various inputs we have used to devise our strategy. These include (1) conducting a thorough SWOT analysis, (2) listing our competitive advantages, (3) analyzing the environment in which we operate, and (4) understanding the risks and opportunities we face.

AWNIC's SWOT Analysis

STRENGTHS

- Technologically & Digitally Advanced
- Skilled Human Capital
- Sound Underwriting Practices
- Robust Internal Controls

WEAKNESSES

- Low Market Share (on account of being in limited lines)
- Not A-rated
- High Dependency on Motor Insurance Line

OPPORTUNITIES

- Ample Growth Potential Through New Product Lines (e.g., Travel, Pet, Cyber, etc.)
- Scaling through Digital Marketing
- Growth through Direct Business (versus reliance on brokers)
- Re-entering the Health Insurance Market

THREATS

- High Broker Commissions in the Market
- Reduction in the Average Rates for Motor Line of Business on Account of Increased Competition
- Counterparty Credit Risk from Motor Recoveries

Our Competitive Advantages

AWNIC's competitive advantages have allowed the company to maintain its status as a leading UAE insurance company and to continuously create value for all stakeholders. Over the years, we have developed a resilience within the competitive UAE insurance market by focusing on healthy margins through a boutique approach whereby we provided a personalized service to a specific target market that appreciates quality, and by offering solutions within growing and profitable business segments.

1. REINSURANCE

AWNIC actively seeks to write those risks it understands and that provide a reasonable opportunity to earn an acceptable profit. AWNIC manages the customer risks it assumes, and minimises unintended underwriting risks, through external proportional or non-proportional reinsurance treaties and facultative single-risk placements made to renowned, A-rated reinsurance companies.

2. DIGITALIZATION

Digitalization has become a key element of success in the insurance business and will play an increasingly important role moving forward. It enables insurance companies to personalize their service to customers who in return can conveniently interact with their insurance providers. Moreover, digitalization enables faster and more seamless customer service as far as claims processing is concerned. This simultaneously reduces the cost of processing claims while leading to higher levels of customer satisfaction. It also contributes to AWNIC's paperless initiative and decreases our GHG emissions.

All solutions implemented by AWNIC have been aimed at improving customer satisfaction. Implemented solutions included:

- An automated Business Process Management tool
- Client-facing mobile and web-based tech solutions
- State-of-the-art portals for our business partners to interact with us
- RPA-based automation driven technology for our operational needs

AWNIC's pioneering role in this space is demonstrated by its early adoption of automated and blockchain technologies in the UAE market. In addition, IT accounted for over 70% of AWNIC's total capital expenditure in 2020 and 2021 (AED 775,462 and AED 862,280 respectively).

3. TREASURY MANAGEMENT

AWNIC applies the same value generation philosophy to our approach to treasury management. As a pure value investor, we focus on acquiring stakes in high quality companies at reasonable valuations. We are active owners and seek representation on the Board of Directors of those companies in which we invest above a certain threshold. Our equity portfolio is well diversified and we have a long-term investment outlook. The value of our equity investments as at December 31, 2021 totalled AED 1.12 billion.

4. CLAIMS MANAGEMENT

Effective and efficient claims handling can reduce costs, improve customer satisfaction, and ultimately generate more premiums for the company. As mentioned above, digitalization supports the improvement of claims handling processes. AWNIC introduced Claims Management system (CMS) to provide a seamless experience to our customers and garages which has enabled AWNIC to reduce the Turnaround Time (TAT) of claim processing and also to maintain our loss ratio below the 60% industry benchmark.

5. HUMAN CAPITAL

In 2021, we had 150 employees with an attrition rate of 17.45%, slightly above our three-year average of 13.62%. We maintain a high level of engagement with our employees and provide them with a positive work culture that promotes their wellbeing and also ensures security of employees by providing enhanced end of service benefits through defined contribution plan

6. PERSONALIZED (BOUTIQUE INSURANCE) SERVICES

As a boutique insurance company, AWNIC offers a highly specialized and personalized service to customers. This status also allows us to be more agile and efficient and to focus on quality rather than quantity. AWNIC is dedicated to upholding its commitment to offering high quality insurance solutions, tailor-made to fit the needs and requirements of its customers.

Both the personal and commercial insurance lines focus on providing high-class security and comfort to customers while maintaining their ability to grow and scale the smart way. The Corporate Solution Program focuses on tailor-made innovative insurance and risk management solutions.

7. PARTNERSHIPS TO PROVIDE UNIQUE BENEFITS

AWNIC's reputation and track record has enabled the company to build long-standing partnerships with some of the largest and most recognizable brands in the UAE. We have formed strategic partnerships with some of these organizations which have enabled us to offer our customers unique benefits. Some of these organizations include:



In addition to the above, AWNIC established privilege club, a loyalty program offering users preferential rates and special offers at over 50 prestigious partners across the UAE.

The Environment in Which we Operate

The UAE insurance market is highly competitive, with around 60 participating companies including UAE-based insurers as well as branches of global insurance companies. This coupled with declining growth witnessed during the COVID-19 pandemic, has resulted in extremely low profit margins. This has created a number of key risks and opportunities that have been factored into our strategic decision-making. These include the following:

KEY CHALLENGE 1

Due to the pandemic, the UAE's GDP contracted by -6.6% in 2020 which was followed by mild growth of 1.3% in 2021. The subdued economic environment encouraged customers to seek better value for money when purchasing insurance. Added to this, the large number of insurers in the market meant customers were in a strong position to bargain while insurance companies were also competing for a share of a smaller market. This had the overall effect of pushing rates down, thus creating a high business risk environment.

KEY OPPORTUNITY 1

As the UAE recovers from the worst effects of the pandemic, related risks continue to wane and the country is seeing an economic revival, with GDP growth expected to be above 2% in 2022. In addition, Expo 2020 Dubai is expected to contribute to \$33 billion of gross value added to the UAE's economy between 2013 and 2031 and contribute approximately 1.5% of its annual forecast GDP during that period. This is ultimately going to reflect positively on the insurance sector.

KEY CHALLENGE 2

The competitive nature of the UAE insurance market has resulted in many companies undercutting prices and selling insurance policies at low rate of premium, which is unsustainable over the medium-to-long term. An additional factor related to this challenge is that many insurance companies took advantage of the lower number of claims during the pandemic to offer lower premiums. However, despite an increase in claims as the market has recovered, prices have remained extremely low which is not a healthy situation.

KEY OPPORTUNITY 2

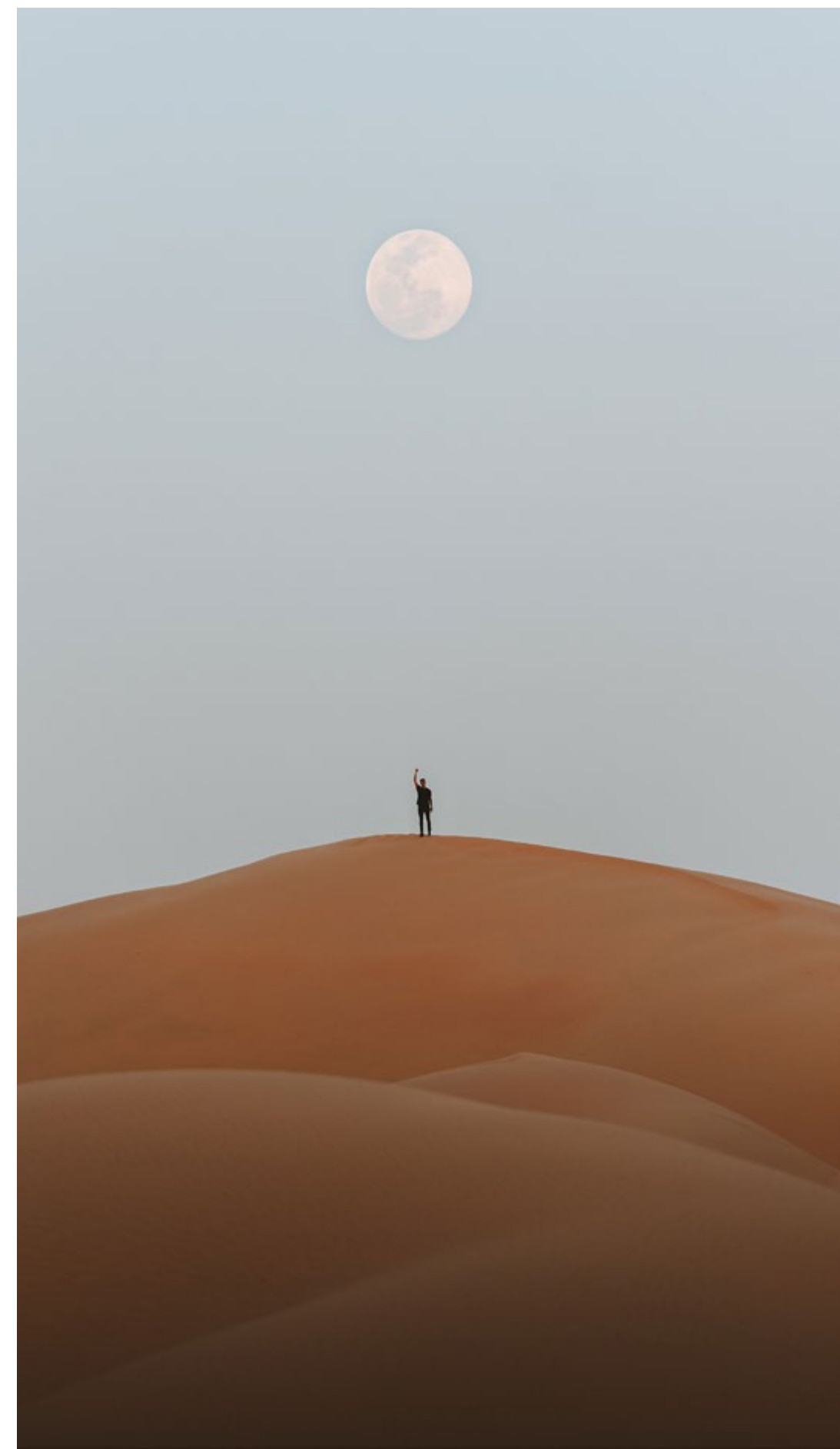
Motor insurance remains a vital business segment for Awnic. We have noted that customers are willing to pay slightly more to partner with a trusted insurance company that they believe will provide a better digital service. Moreover, forward-looking insurance companies are seeing this an opportunity to innovate and issue new products that cater to the evolving needs of customers.

KEY CHALLENGE 3

The presence of 60 Insurance companies in small market also creates intense competition for talent among themselves. This makes it difficult for companies to retain the talented and skilled employees for a long-term.

KEY OPPORTUNITY 3

As the UAE recovers from the worst This situation calls for companies to differentiate themselves through a talent management strategy that focuses on hiring, developing, and retaining the best employees. As part of this, it is important to create a positive & healthy workplace that values diversity, promotes equal opportunity, contributes to employee wellbeing and provides security by offering enhanced end of service benefits



AWNIC'S STRATEGIC PILLARS

1 Strategic Pillar 1 Growth Within Existing Business Segments

AWNIC has successfully positioned itself as a forward-looking and customer centric boutique insurance provider that focuses on quality, innovation, and digitalization. We will not pursue growth at the expense of quality. We have clearly demonstrated this through our commitment towards our customers by consistently delivering distinct, quality, and personalized service. This is a testament to the trust our customers place in us, our higher quality service, and to our ability to focus on a niche market.

TARGET

Despite challenging market conditions, we are targeting steady growth in gross premiums to AED 336 million by 2024 compared to AED 316.4 million in 2021.

2 Strategic Pillar 2 Growth Through New Segments

While always maintaining a strong focus on quality, as part of our business segment diversification we are continuously looking to create new products and solutions such as pet and travel insurance. More specifically, we are targeting the following:

- Concerning our existing business segments, particularly the motor insurance offering, we aim to secure a larger share of total gross premiums from direct business versus through brokers which currently stands at around 60%. This will help to insulate us from steadily increasing broker commissions which surpassed the 30% threshold in 2021.
- We chose to exit the health insurance market in 2016 due to the immaturity of the market at the time causing it to be deteriorating underwriting margins as a business segment. That being said, we retained our license to offer health insurance solutions. We have been carefully studying the market and are looking to re-enter it while maintaining a personalized approach with a focus on quality.

3 Strategic Pillar 3 A Higher Level of Underwriting Return

We will achieve the above by means of:

- Enhancing risk assessment mechanisms: We have built a successful track record of being selective and focusing on quality. Despite the intense competition in the motor insurance market, we have maintained our average premium rates while maintaining healthy underwriting margins.
- Claims management: We intend to further improve our claims management processes through digitalization, prevention methods, and other means to maintain both a profitable operation and high levels of customer satisfaction.
- Technology: To achieve this strategic pillar, we will leverage technology as well as e-commerce opportunities to streamline our offering to customers while keeping operational costs down. During 2021, AWNIC's fully fledged e-commerce portal and mobile app generated around AED 10 million, approximately 3.5% of our gross premiums.

TARGET

- We aim for our e-commerce solutions to generate AED 35 million, 10% of our gross premiums
- We aim to continuously maintain a loss ratio below 65%

4 Strategic Pillar 4 Technology and Digitalization

AWNIC has demonstrated its digitalization capabilities by being the first insurance company with an end-to-end journey app for the motor insurance segment. Moreover, AWNIC has a platform that allows all its agents to efficiently engage with the company and create a transparent process as to how agencies are being selected. AWNIC is also the first insurance company to have created a front-end broker portal for motor insurance and corporate insurance.

AWNIC has automated 75% of key aspects of claims and other finance processes by deploying state of art technologies like RPA, API integration etc.

AWNIC will continue its digital transformation journey with the aim of:

- Improving efficiency and reducing costs
- Improving underwriting results
- Enhancing customers satisfaction

5 Strategic Pillar 5 Increasing Return on Equity

AWNIC aims to create value for all stakeholders by increasing its competitiveness and market share. Creating prosperity is an important sustainability pillar that allows for the generation of direct value through gross premiums and the ability to distribute this value to various stakeholders. Examples include generating value for employees in the form of salaries and benefits, or paying dividends to shareholders, or creating value for the community through CSR initiatives. One financial performance ratio that we closely monitor is our return on equity (ROE). Return on equity is calculated by dividing net income by shareholder's equity, both of which we will continuously look to increase. Our ROE is a good indicator of profitability and how efficiently a company is generating that profit.

TARGET

Our Return on Equity ratio in 2021 was around 16.86%. We aim to consistently achieve a ROE above 5%.



BUSINESS OUTLOOK

AWNIC has steadily evolved over its 25 years of operation and has positioned itself in the market as a boutique insurance company that provides resilience to its customers through high quality products and customer service.

QUALITY OVER QUANTITY

We will continue to prioritize quality over quantity while delivering profitability and generating value for all stakeholders. We will support our flagship motor insurance offering with other commercial lines

SME COMPANY OF CHOICE

We aspire to be the company of choice by 2024 for SMEs and retail customers and aim to increase our share of this market by then to 10%. We will achieve this while remaining agile and dynamic. Our experienced and expert executive management team will continuously assess market conditions, analyse economic and industry trends, and push for the full digitalization of our operation so as to create sustainable value for all our stakeholders and provide the security and reliability that customers are looking for.

VALUE FOCUSED ASSET ALLOCATION STRATEGY

We are planning a churn in our investment portfolio cashing in on some of the capital appreciation thereby maintaining sufficient liquidity. This liquidity will in turn be deployed in curated investment opportunities. Our asset allocation capabilities are an important element of our success and hence we will maintain the same value focused strategy. We will invest in companies that are able to demonstrate sound management and that have sustainable competitive advantage.

When assessing our strategy in relation to further integrating ESG into our business model we look at how external ESG factors are affecting our operation and ability to generate value for all stakeholders and how our operations impact the external environment, including human, social and natural capital. This is known as the double materiality approach to sustainability.

The below chart shows our approach is broken down into three main characteristics. The first is ensuring a full transition into a sustainable insurance operation, the second is being a responsible employer, and the third is being a good corporate citizen:

AL WATHBA INSURANCE'S ESG APPROACH		
SUSTAINABLE INSURANCE OPERATION	RESPONSIBLE EMPLOYER	GOOD CORPORATE CITIZEN
• Underwriting • Investing	• Talent Management & Sustainable Workplace	• Social & Natural Stewardship

It is impossible to deliver on the environmental and social pillars of ESG without having good governance. A robust ESG governance system ensures accountability, assigns responsibilities, and ensures internal stakeholders are aligned. ESG integration must form an integral part of our governance structure, and this can be done effectively through the establishment of an ESG or Sustainability Committee that reports directly to the board.

TARGET 1 Organize multiple company-wide awareness sessions	• Ensure that awareness sessions are conducted at all levels of our corporation	Target to be achieved by 2022-23
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1. Sustainable Insurance Operation

Our operation can be split into underwriting, which forms the essence of our business, and our investing activities which are essential to efficiently allocate available capital.

A. UNDERWRITING ACTIVITY

Risks – The transition to a sustainable global economy is causing a rise in ESG related risks which we must integrate into our existing ERM framework. This primarily pertains to climate change and risks resulting from extreme weather events that are directly impacting a number of industries across the globe including tourism, agriculture, real estate, and other. It is important for companies to assess how ESG related risks are impacting individual and corporate clients.

Opportunities – This is about being at the forefront of the transition to a more sustainable country and offering solutions that support that transition. In addition to the financial benefits of such opportunities, it is important for AWNIC to contribute to the transition by engaging its customers and business partners to help them in making more sustainable consumption decisions. As an example, we have been providing preferential premium rates to customers to insure electric vehicles. Another important group of stakeholders to engage with are the garages and body shops which should become more aware of the need to use sustainable parts.

B. INVESTMENT ACTIVITY

Insurance companies are some of the largest institutional investors in the world. We look to efficiently allocate available capital and to integrate ESG into our investment analysis and decision-making process.

AWNIC's investment style is that of a value investor. We do a deep dive in the research phase, conduct thorough due diligence, and look to be active owners.

Risks – ESG factors are bringing about emerging risks for companies given that their ESG performance has become an integral part of assessing their resilience. Today, the value of companies on the leading global stock exchanges are directly connected with ESG factors. This makes it important to embed ESG factors into our due diligence, monitoring and investment process and ensure that we continuously enhance our portfolio's risk return profile.

Opportunities – As value investors we look to acquire stakes (significant whenever possible) in companies that have a clear competitive advantage and that are innovators and leaders in their respective industries. Companies that are incorporating ESG factors into their business model will be able to remain competitive and protect and increase their market share. It is therefore beneficial to identify those companies that are at the forefront of the transition to sustainable development.

TARGET 2
Aligning with the UAE
Guiding Principles on
Sustainable Finance

- Alignment will be focused on integrating ESG into our Governance, Strategy, and Risk Management (Principle 1) as well as continuously enhancing our ESG reporting (Principle 3)

Target for Principle 1 to be achieved during 2023-24

TARGET 3
Becoming a member of the
Principles for Responsible
Investment (PRI)

- Align with all six Principles for Responsible Investment

Target to be achieved during 2023-24

2. Responsible Employer

A responsible employer is one that has a clear talent management strategy that focuses on attracting, hiring, developing and retaining employees. Our employees’ wellbeing is at the heart of everything we do, so it is crucial they see Awnic as a corporation through which they can reach their aspirations and develop their careers.

In addition to the importance of having a talent management strategy, corporations must create a sustainable environment that promotes gender equality, diversity, and inclusion. Moreover, it is equally important to respect human rights and ensure a non-discriminatory working environment.

Finally, corporations must ensure that sustainable practices are being applied at the office including waste reduction, promoting healthy lifestyles, as well as reducing energy consumption.

3. Good Corporate Citizen

Being a good corporate citizen means creating value for both natural capital as well as social capital. It is important for corporations to continuously enhance their greenhouse gas emissions computations and be aware of how they are impacting the environment. Once the impact is measured, corporations must develop clear plans to reduce these emissions and ultimately prepare a net zero plan in alignment with global and UAE net zero initiatives by 2050.

With that in mind, it is important that we also understand the environmental impact of our investments including those of our associates. We must engage with our investee companies and ensure they also embed ESG considerations into their operations.

In addition to the above, corporations must keep community wellbeing at the core of their purpose. No business can thrive in a society that isn’t doing well, and it is our duty to contribute to prosperity. This means having clear CSR strategies through which corporations can contribute to various societal causes through donations and volunteering activities. This not only ensures value is also generated for society but also creates a strong sense of belonging among employees and is an important motivational factor.

TARGET 4
Becoming a United Nations
Global Compact signatory

- Align with all 10 Principles of the UNGC

Target to be achieved during 2022-23

ALIGNING WITH THE SUSTAINABLE DEVELOPMENT GOALS

The 2030 Agenda for Sustainable Development (2030 Agenda) and its 17 Sustainable Development Goals (SDGs) were adopted by 193 members of the United Nations in 2015 as a universal call to action to end poverty, protect the planet, and ensure peace and prosperity for all people, leaving no one behind.

All stakeholders, including governments, businesses, civil society, and academia must unite and form multi-stakeholder partnerships to help achieve the SDGs. The private sector can be a catalyst for the economic, social, and environmental transformation called for in the 2030 Agenda by delivering economic prosperity, providing investment, building capacities, and bringing innovation and technology to the table.

The 2030 Agenda complements the Paris Agreement on Climate Change, recognising that environmental sustainability cannot be achieved without progress across all SDG pillars.

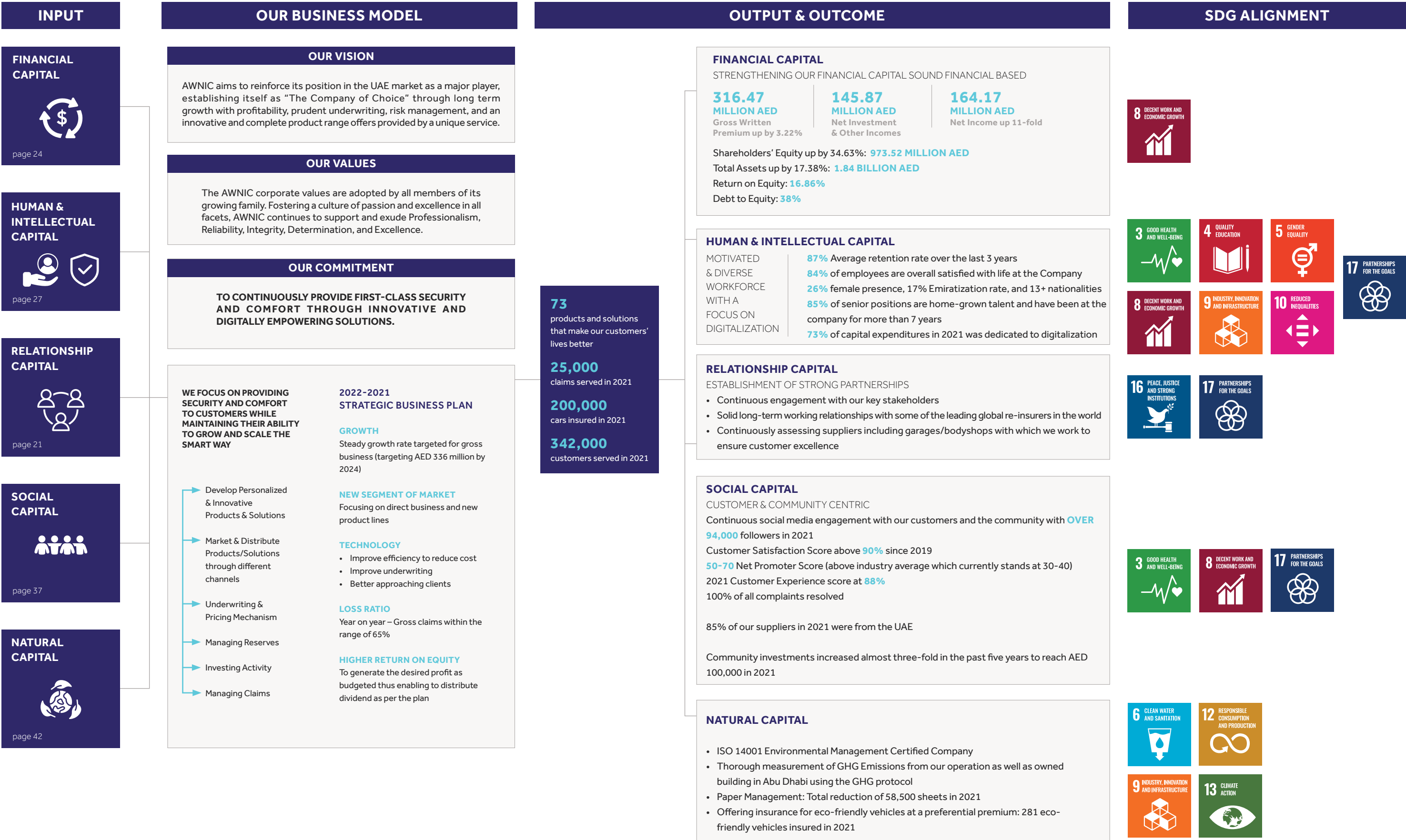
The UAE embraced the 2030 Agenda from an early stage and placed the SDGs at the heart of national strategies and programs. SDG integration began with the formation in January 2017 of the National Committee on the SDGs, comprising of 17 Federal entities, each of which is responsible for overseeing progress towards a specific SDG. The National Committee mapped all 17 SDGs to a pillar of the National Agenda while SDG targets have also been mapped to the objectives of individual Emirates.

As a UAE-based company, Awnic is fully committed to supporting all government initiatives, including the country’s efforts on the 2030 Agenda and the SDGs. These efforts are embedded in various national and local level strategic plans and initiatives including the UAE Centennial 2071 Plan, the UAE Green Agenda 2015-2030, and the UAE Net Zero strategic initiative, among others.

After identifying the ESG topics that are most material to our business, we then aligned each of these with a specific SDG. In total, we identified 11 SDGs that Awnic can make a meaningful contribution towards achieving through our business activities and our relationships with each of our stakeholders.

The SDG index below maps out this report’s alignment with the SDGs and shows the specific SDGs impacted by each section.

OUR SDG INDEX																	
																	
1 About This Report																	
2 Letter from the Chairman			✓	✓	✓	✓		✓	✓	✓	✓	✓	✓			✓	✓
3 Message from our CEO			✓	✓	✓	✓		✓	✓	✓	✓	✓	✓			✓	✓
4 AWNIC at a Glance																	
5 Financial & ESG Highlights																	
6 Continuously Assessing the Insurance Value Chain																	
7 Our Strategic Direction & Business Outlook			✓	✓	✓	✓		✓	✓	✓	✓	✓	✓			✓	✓
8 Our Approach to Sustainability			✓	✓	✓	✓		✓	✓	✓	✓	✓	✓			✓	✓
9 Our Value Creation Model																	
Relationship Capital																✓	✓
Financial Capital								✓									
Human & Intellectual Capital			✓	✓	✓			✓	✓	✓							✓
Social Capital			✓					✓									✓
Natural Capital						✓			✓			✓	✓				
10 Corporate Governance & Risk Management					✓					✓						✓	





Relationship Capital

(GRI 102-21, GRI-102-29, GRI 102-31, GRI 102-40, GRI 102-42, GRI 102-43, GRI 102-44, GRI 102-47)

A company can only create sustainable value by building close-knit, personal relationships with all stakeholders. As a people-driven organization, Awnic understands the value of nurturing and building enduring business partnerships and relationships. Developing this relationship capital is a key focus for Awnic as it strengthens the company, gives us a competitive edge, and enables us to develop holistic insurance solutions that provide protection and resilience for our customers.

ENGAGING WITH OUR STAKEHOLDERS

Stakeholder engagement is a pivotal part of the process of building relationship capital and creating long-term value for all. Engaging with them regularly, and through the appropriate channels, allows us to develop a clear understanding of what is important to each stakeholder. We can then incorporate this knowledge into our strategy to create shared value.

To achieve this, Awnic developed a comprehensive stakeholder engagement process, consisting of three stages:

1. Identification of Key Stakeholders:

Using the criteria of dependency, influence, and interest, we identified an initial list of key internal and external stakeholder categories.



2. Analysing Engagement Methods:

We identified the engagement channels for each category and analysed the interactions and outcomes to better understand interests and expectations of each stakeholder.

KEY STAKEHOLDER GROUPS	EXISTING METHODS OF ENGAGEMENT AND FREQUENCY	KEY TOPICS OF DISCUSSION
 Employees	- Intranet - Human Resource Management Software (HRMS) - Newsletters - CEO Communications - Management Meetings - Surveys - Team Building & In-house Training Events	- Employee Wellbeing - Health & Safety - Talent Development - Sustainable Workplace - Business Ethics
 Customers	- Customer Services & Interaction via Multiple Platforms (i.e. call, website, business WhatsApp, email etc...) - NPS Surveys & Feedback	- Customer Experience and Service - Data Protection - Customer Satisfaction
 Suppliers & Business Partners	- Training & Workshops - Events - Service Portals	- Fair Procurement Practices - Business Ethics - ESG Integration
 Shareholders & Investors	- Market Disclosures - General Assembly Meeting - Personal Contacts by Investor Relations - Corporate Notices	- Business Ethics - ESG Integration - Economic Performance - Data Protection - Environmental Impact - Marketing & Labeling
 Regulatory Authorities, Media, Society and others	- Voluntary Participations - Interviews - Publications & Social Events Exchange of Ideas & Communications with Regulators - Projects & Surveys	- ESG-related Regulatory Matters - Emiratization - Cybersecurity - Environmental Compliance - Community Wellbeing
 Industry	- Networking Events - Conferences - Collaborations - Personal Contacts	- Industry Practices - Corporate Responsibility - ESG Compliance - Environmental Impact

3. Continued Improvement

Our stakeholder engagement process is a work-in-progress. We will continuously assess the methodology with a view to revising and enhancing the process and performing an ESG specific internal and external stakeholder engagement exercise.

The COVID-19 pandemic has disrupted traditional methods of building relationships, and therefore digitizing relationship building and harnessing relationship networks is now more important than ever.

CONNECTING ON WHAT MATTERS MOST

Conducting a materiality assessment enables us to align our operational and strategic decisions with the priorities of our key stakeholders and ensures we are serving these partnerships and relationships in an effective way and delivering what matters most to them.

The 2019 Sustainability Report inaugurated our materiality assessment. We identified a list of material ESG topics that have the most impact on our business and that we, in turn, can have the most impact on by improving our performance. We followed a dual approach to achieve this:

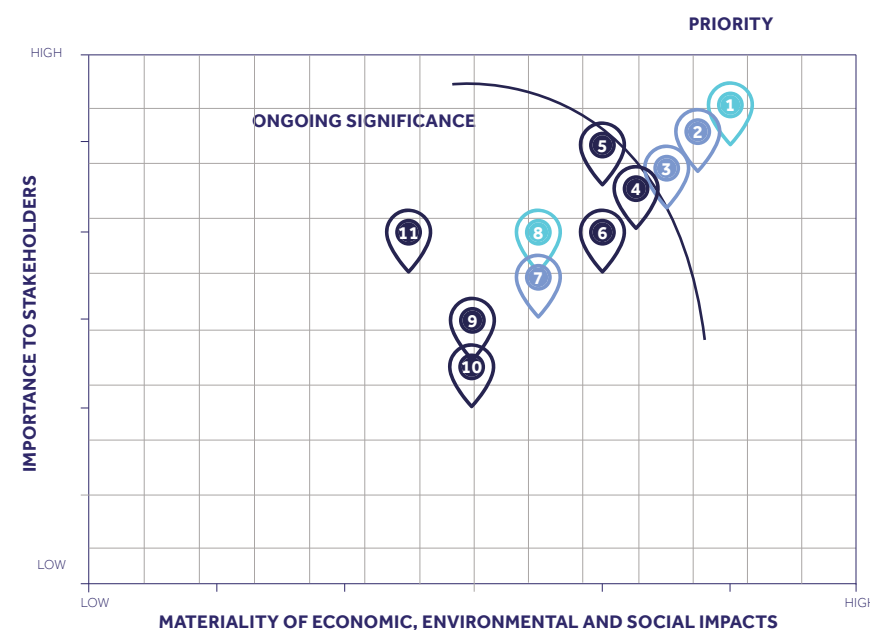
Our Business Impact and Role in Society

Sustainability is becoming increasingly important in the insurance industry. In order to fully understand our economic, environmental and social impacts, we conducted a comprehensive peer analysis while also considering the global trends affecting the industry. We then aligned these industry-specific topics with our company's strategic focus and operational priorities.

Our Dialogue with Stakeholders

As a result of our engagement with stakeholders, we were able to understand key expectations and interests and rank them based on their respective importance to each key stakeholder.

Based on this approach, we extracted and ranked a final list of material topics according to their relevance, as shown on the graph below. As a result of this exercise, we divided the topics into two categories: "Priority Topics" and "Topics of Ongoing Significance". We reviewed the list in 2020 to take into account changes in the operating landscape, notably COVID-19, that affect the company's material topics and repeated the same reassessment in 2021. This ensured that the latest trends, stakeholders' concerns, and industry impacts were taken into consideration.



- | | |
|---|--|
| 1 Climate Risk & Opportunities | 7 Governance & Risk Management |
| 2 Digitalization & Paperless Insurance | 8 Green Products/ Sustainable Solutions |
| 3 Data Privacy & Security | 9 Employee Engagement |
| 4 Financial Market Stability | 10 Diversity & Inclusion |
| 5 Customer Experience | 11 Training & Development |
| 6 Health & Safety | |

AWNIC's list of key material topics is listed below, along with the alignment to corresponding GRI disclosures and the Abu Dhabi Securities Exchange (ADX) ESG metrics. The GRI & ADX Index included at the end of the report provides the details of all the sustainability disclosures and information included in this report and corresponding reference sections.

PRIORITY			
1	Climate Risk & Opportunities	N/A	E8 Environmental Oversight E9 Environmental Oversight E10 Climate Risk Mitigation
2	Digitalization & Paperless Insurance	N/A	N/A
3	Data Privacy & Security	GRI 418 Customer Privacy	G6 Data Privacy
ONGOING SIGNIFICANCE			
4	Financial Market Stability	GRI 201 Economic Performance	E10 Climate Risk Mitigation
5	Customer Experience	GRI 417 Marketing & Labelling	N/A
6	Health & Safety	GRI 403 Occupational Health & Safety	S7 Injury Rate S8 Global Health & Safety
7	Governance & Risk Management	GRI 102-18 Governance Structure GRI 204 Procurement Practices GRI 205 Anti-Corruption GRI 413 Local Communities	G1 Board Diversity G2 Board Independence G3 Incentivized Pay G4 Supplier Code of Conduct G5 Ethics & Prevention of Corruption S12 Community Investment
8	Green Products/ Sustainable Solutions	GRI 302 Energy GRI 305 Emissions	E1 GHG Emissions E2 Emissions Intensity E3 Energy Usage E4 Energy Intensity E5 Energy Mix E6 Water Usage E7 Environmental Operations
9	Employee Engagement	GRI 401 Employment	S3 Employee Turnover S11 Nationalisation
10	Diversity & Inclusion	GRI 405 Diversity & Equal Opportunity	S2 Gender Pay Ratio S4 Gender Diversity S6 Non-Discrimination G1 Board Diversity
11	Training & Development	GRI 404 Training and Education	N/A





Financial Capital

(GRI 102-7, GRI 201-1, GRI 201-2, ADX-E10)

Sustainability is not only about preserving the environment and tackling issues such as climate change. It also means improving living standards and creating prosperity for more people. As the major engine of economic growth, companies clearly have a huge role to play in this regard, and they do so in a number of different ways.

Shareholders and other capital providers such as banks are directly impacted by their corporate clients’ ability to generate profits. Shareholders require a return on their investment while banks need to ensure that companies can service and repay their debts. However, there are a number of other stakeholders that also benefit from a company’s financial performance and how it distributes revenue, and these include:

- **The Community:** Companies can provide financial contributions to the community in the form of donations, grants, sponsorship, or other initiatives
- **Employees:** Companies create prosperity for a number of people by hiring them as employees and offering them competitive remuneration packages. This allows workers to meet their needs, take care of their families, and save for their future.
- **Governments:** Companies contribute to government finances by paying taxes or fees. Governments depend on this revenue to meet their various commitments to citizens in the form of public services.
- **Suppliers:** Companies purchase materials and/or services from multiple different vendors, many of which are small and mid-size enterprises (SMEs) which form the backbone of a country’s economy and are responsible for employing many people.

AWNIC has consistently delivered robust financial results which have allowed the company to create value for investors, capital providers, and other stakeholders. The below chart shows our gross written premium as well as net earned premium over the past five years.



In addition, we have further strengthened our balance sheet which has allowed us to grow and diversify our business while also providing continued comfort to our policyholders, lending institutions and creditors.

AWNIC enjoys healthy financial ratios which demonstrate its focus on quality business (the following ratios reflect FY 2021 performance):

Debt-to-Equity 38%	Loss Ratio 53.95%
Return on Equity 16.86%	Solvency Ratio 177.1%
Combined Ratio 91.45%	

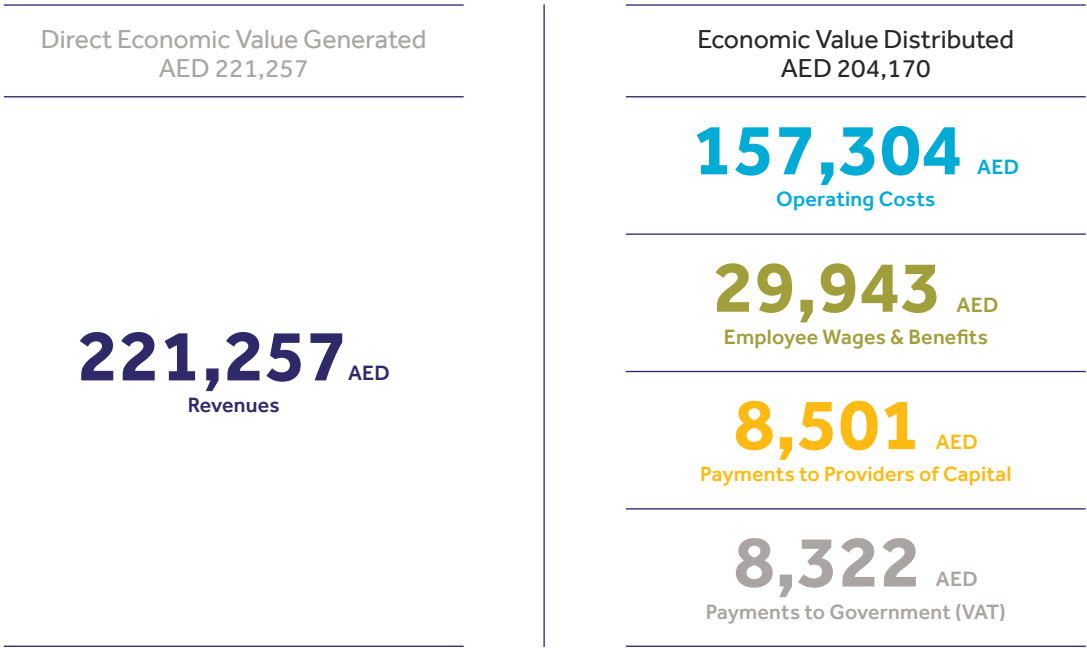
ECONOMIC VALUE GENERATED & DISTRIBUTED

A company’s economic value generated and distributed is a GRI-specific standard that allows it to calculate and report its most significant impacts on the economy, people and the community. This metric’s components include:

- 1. Direct economic value generated: revenues;
- 2. Economic value distributed: operating costs, employee wages and benefits, payments to providers of capital, payments to government, and community investments;
- 3. Economic value retained: ‘direct economic value generated’ less ‘economic value distributed’

For AWNIC, these three categories of economic value are summarized in the below chart:

(in AED’000)



Note: The Economic Value Distributed also includes Community Investments which stood at AED 100,000





Human & Intellectual Capital

(GRI 102-7, GRI 102-8, GRI 102-16, GRI 401-1, GRI 401-2, GRI 403-1, GRI 403-2, GRI 403-3, GRI 403-4, GRI 403-5, GRI 403-6, GRI 403-7, GRI 403-8, GRI 403-9, GRI 404-1, GRI 404-3, GRI 405-1, GRI 417-2, GRI 417-3, GRI 418-1, ADX-S2, ADX-S3, ADX-S4, ADX-S5, ADX-S6, ADX-S7, ADX-S8, ADX-G6)

Human capital is the value that employees add to an organization through the application of their skills, know-how and expertise. When those employees innovate to develop new proprietary products, solutions, and knowledge it creates additional value in the form of intellectual capital.

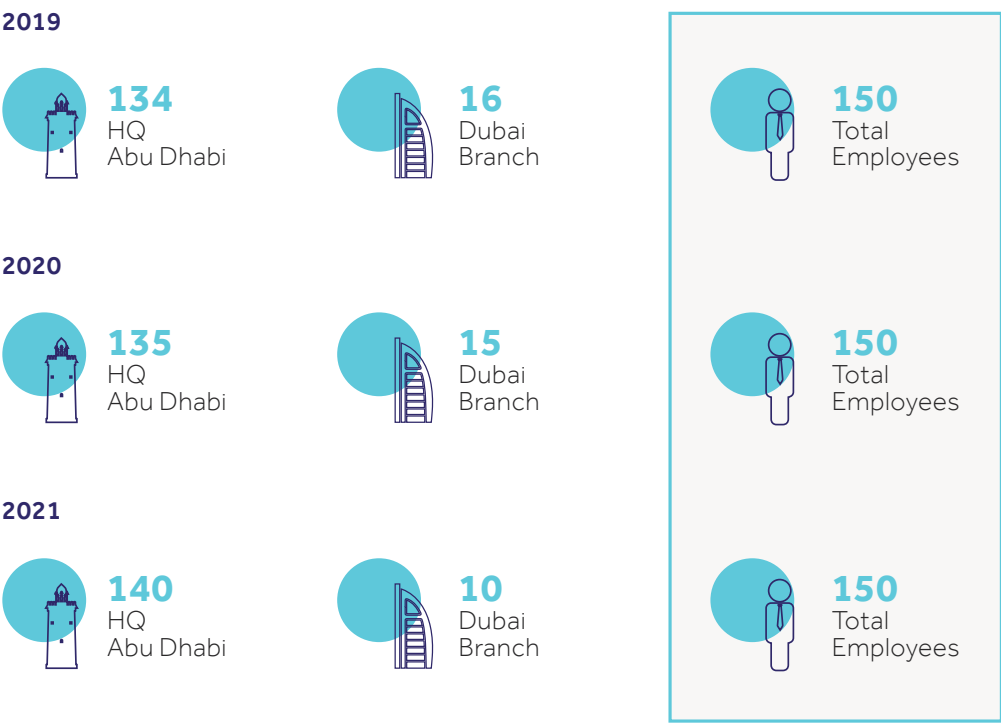
Human and intellectual capital are essential ingredients in the success of any business. Awnic is committed to hiring the right people, investing in their development, and creating a culture that gets the best out of them and encourages them to innovate. This approach enables us to build a company capable of rising to future challenges.

OUR EMPLOYEES, OUR PRIORITY

Employee Engagement and Wellbeing

Awnic's ethos is "Happy Employees, even Happier Customers". We foster a positive workplace culture that supports employee wellbeing and satisfaction. A positive working environment motivates employees to deliver results, stimulates teamwork, and encourages them to stay at the company. Retaining our most talented employees is vital to continued success.

Awnic had a total of 150 employees at the end of 2021, all hired on a permanent and full-time basis.

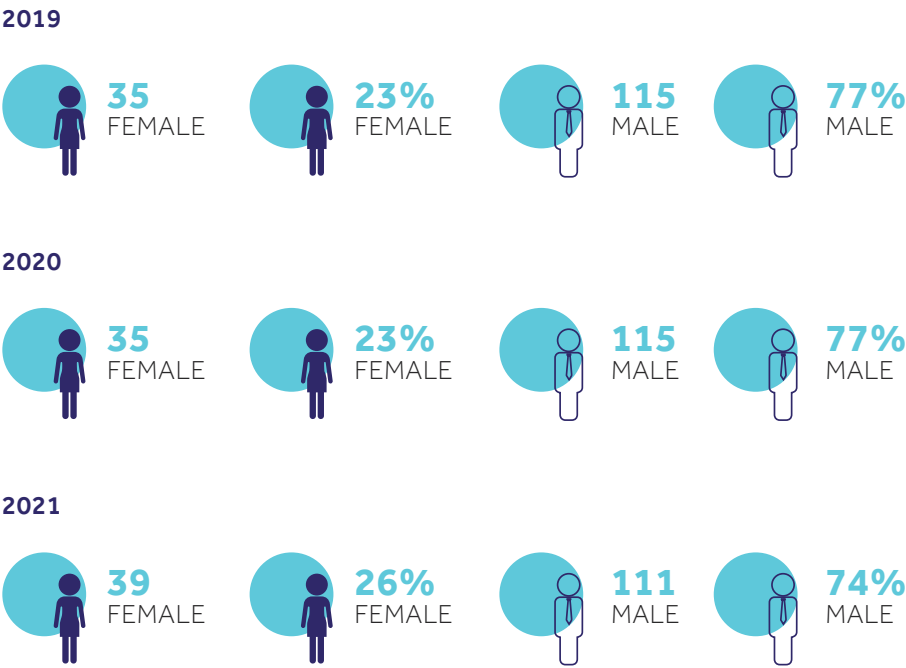


“HAPPY EMPLOYEES,
EVEN HAPPIER CUSTOMERS.”

Employee engagement is key to creating this working culture and giving them a sense of belonging and ownership. Awnic has introduced the following tools and initiatives to engage employees:

- **Open-door Communication:** Awnic strives to create a transparent and open environment in which everyone's opinion and ideas are taken into account. This enables employees to contribute to the decision-making process by presenting and discussing their ideas and participating in formal brainstorming sessions and discussions with senior management. A recent example is the establishment of the "Go Green" initiative which encourages employees to submit ideas for creating a more sustainable workplace.
- **Internal Portal and Employee Self Service Mobile:** Awnic facilitates internal communication through an employee portal and a self-service mobile app that enables employees to stay connected and updated with the latest information on everything from health and safety tips, to training, wellness programs, HR information, and more. These tools proved especially valuable at the height of the pandemic when digital communication was vital.

Permanent Contract/Full Time



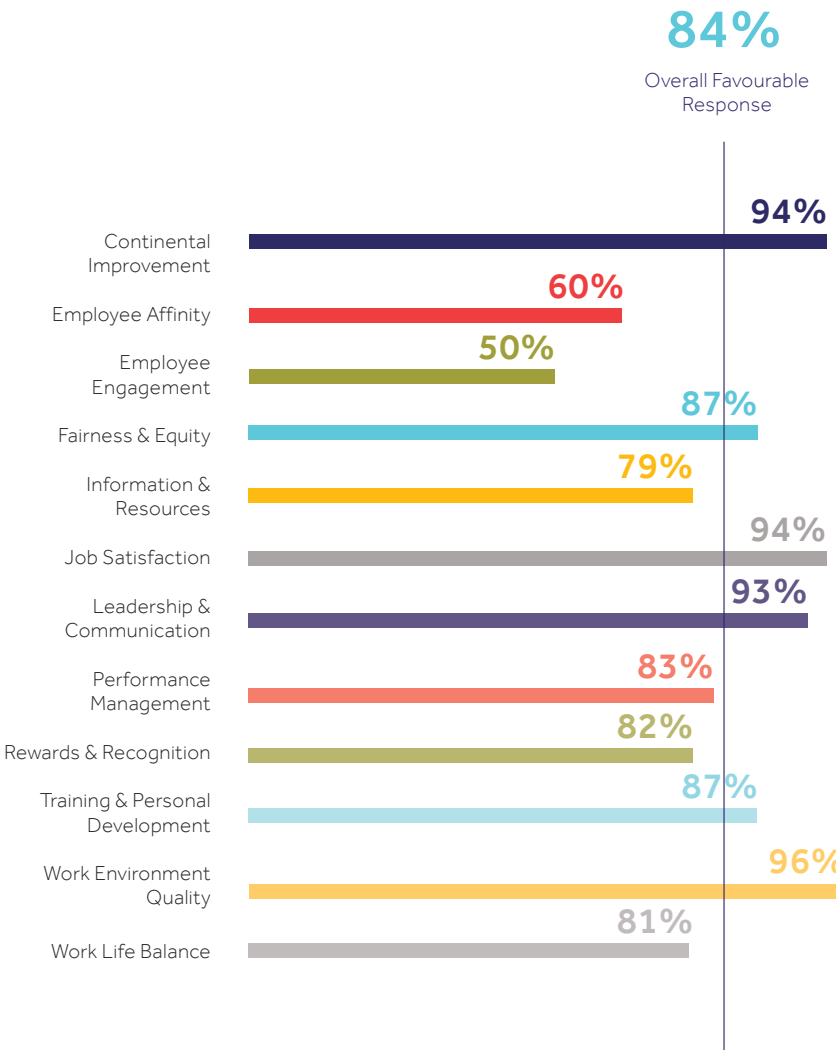
- **Awards & Recognitions:** Awnic understands the importance of recognising and rewarding the achievements and hard work of its employees. The company has put a lot of effort into creating an Awards & Recognition program and integrated it into the HR department's objectives as a way of incentivising and stimulating employees. Awnic presents annual awards to its top performing employees, departments, and branches and presents special awards to employees that have served the company for 15 years.



Awards & Recognition

	2019	2020	2021
Award for Excellence (Dedication & Sincerity)	15 Employees	3 Employees	3 Employees
Certificate of Appreciation in Recognition of Timeless Efforts & Contribution to the Corporate Goals during Covid-19		All Employees	
Outstanding Team Work	2 Project Teams	2 Project Teams	
Special Project	1 Project Teams	1 Project Teams	
Longstanding Service Awardees	2 Employees	4 Employees	3 Employees
Health & Wellness (Hustle for that Muscle)		1 Winner 4 Runner-Up	
UAE National Day (Art participation)			3 Winners
Staff Educational Support	2 Employees	1 Employee	7 Employees

- **Employee Satisfaction Surveys:** Awnic organises informal employee feedback and brainstorming sessions. In 2021, the company went a step further and introduced a survey called "Awnic Hears" as a more systematic way of gathering employee feedback. The inaugural survey showed that 84% of employees are overall satisfied with life at the company. The following graphic shows the breakdown for specific categories.



Company Events

	2019	2020	2021
Health and Wellness	2	3	12
Special Occasions	3	3	1
Cultural Celebrations	3	3	5

Safeguarding the physical and mental wellbeing of employees is a priority for Awnic. We want to ensure employees have the right work-life balance and that their overall wellbeing is taken care of. To that end, we regularly organise wellness initiatives. Recent ones include:

- "Hustle for that Muscle" weight loss challenge
- A weekly wellness campaign where employees share healthy lifestyle tips
- Teambuilding activities
- Regular onsite health check-ups

During the COVID-19 pandemic, we made every effort to keep employees up-to-date with the latest health information and provided the necessary support to safeguard their wellbeing. No work-related injuries were reported in 2021.

Employee Recruitment and Retention

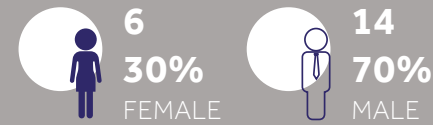
These employee engagement and wellbeing initiatives support Awnic's mission to become an employer of choice in the insurance sector and enable us to attract, hire and retain the best talent. A low turnover rate is a strong indicator of employee satisfaction. Retaining top talent enhances company performance and leads to higher productivity, improved employee morale, and better quality of work.

In 2021, 26 employees left the company, a turnover rate of 17% which is slightly higher than previous years. Most of the employees that left the company were between 30-50 years old. It is increasingly challenging to retain talent in the current competitive market and Awnic is looking at ways to address this challenge, starting with reviewing and enhancing the recruitment process to ensure we attract employees with the right blend of strengths and skills from the beginning.

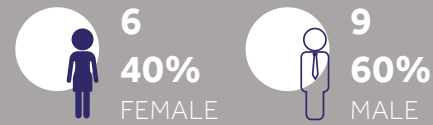
AWNIC HIRED A TOTAL OF 23 EMPLOYEES IN 2021, ALMOST EQUALLY SPLIT BETWEEN FEMALES AND MALES.

Employees That Left

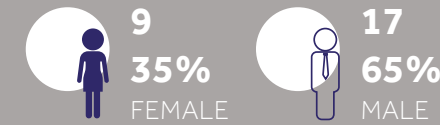
2019



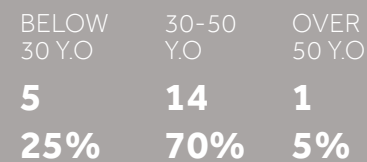
2020



2021



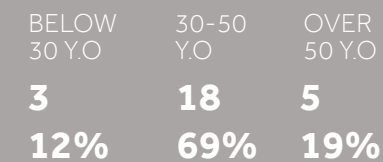
2019



2020



2021

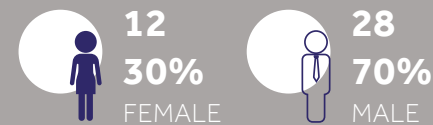


Turn Over Rate

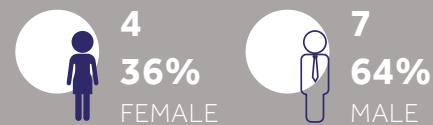
2019	2020	2021
13%	10%	17%

Total New Hires

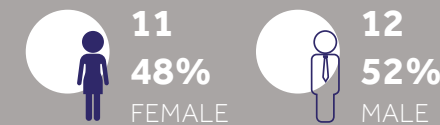
2019



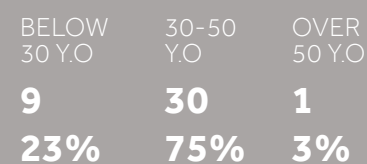
2020



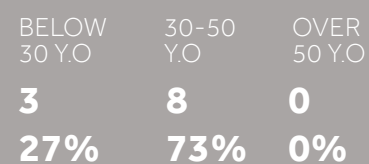
2021



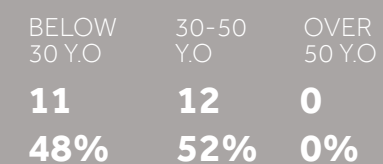
2019



2020



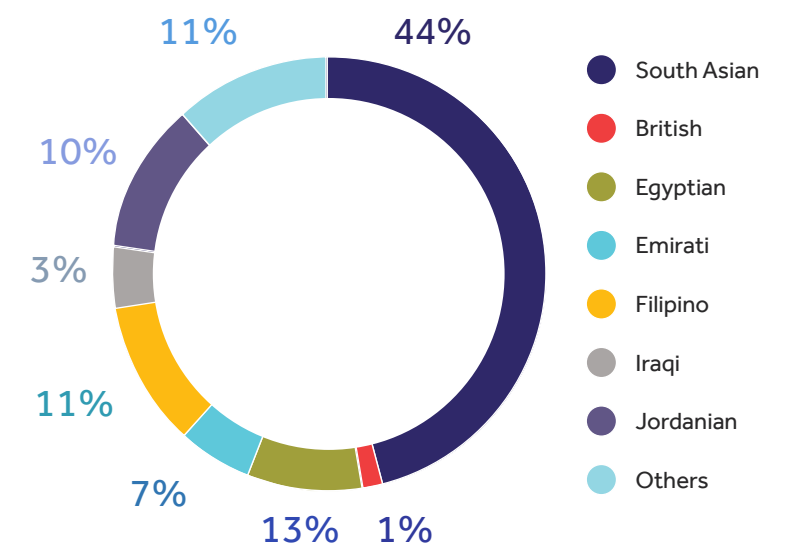
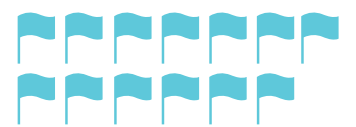
2021



Diversity & Inclusion

With 13+ different nationalities represented, Awnic's workforce reflects the multi-cultural nature of the UAE population. There are numerous benefits to having a diverse workforce. A diverse talent pool brings a broader range of ideas, skills, experiences, and perspectives to the table which helps to drive creativity, innovation and productivity. It also enables the company to communicate with a wider range of customers and ensure service excellence.

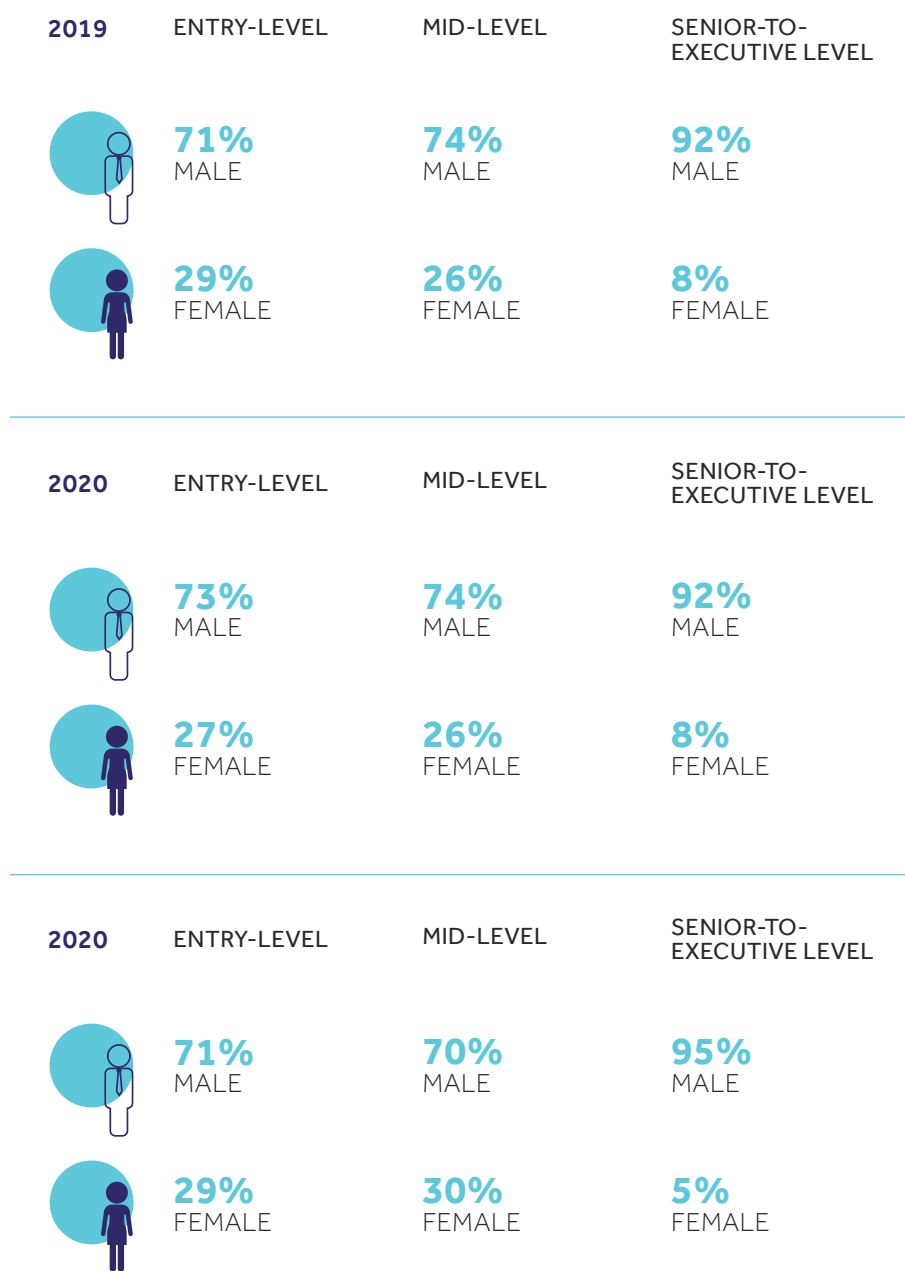
AWNIC EMPLOYEES ARE FROM 13+ DIFFERENT NATIONALITIES



Gender diversity is also a key focus for Awnic moving forward and the company intends to increase female representation at every level and across all departments and job categories. Awnic is proud that we were the first UAE insurance company to appoint a female board member by the end of 2020.

At the end of 2021, 26% of the workforce was female, a number that has been consistent for the past three years though we hope to make progress in the coming years as we target a 50:50 gender mix across all levels. While approximately 30% of entry- and mid-level positions are occupied by women, the number stands at 5% in senior positions.

Total Employees By Job Category And By Gender



Total Employees By Job Category And By Age Group



With such a diverse workforce, it is crucial for Awnic to create an inclusive environment where every employee is valued and given the opportunities to achieve their full potential. The company's Code of Conduct states that the company is an equal opportunities company and does not tolerate harassment or discrimination based on race, gender, age, religion, national origin, citizenship, and disability.

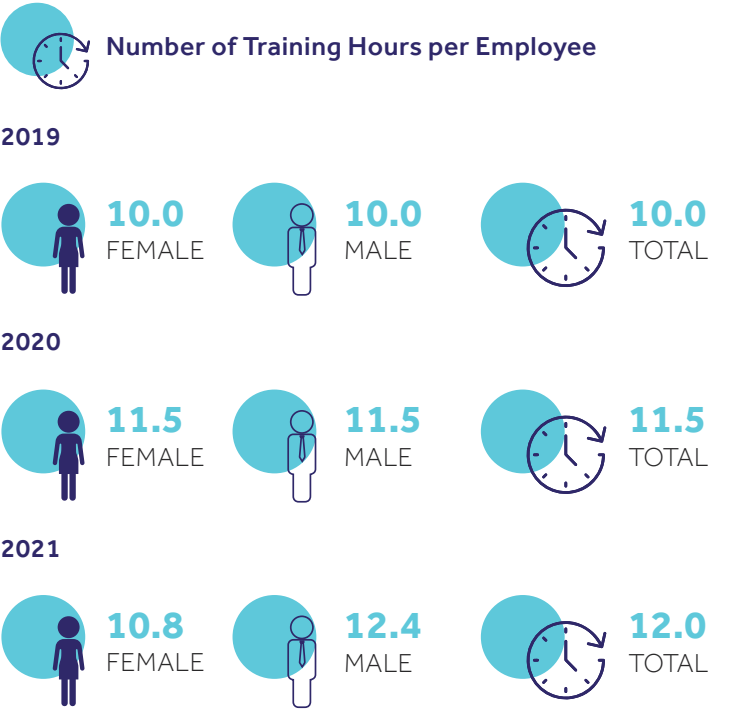
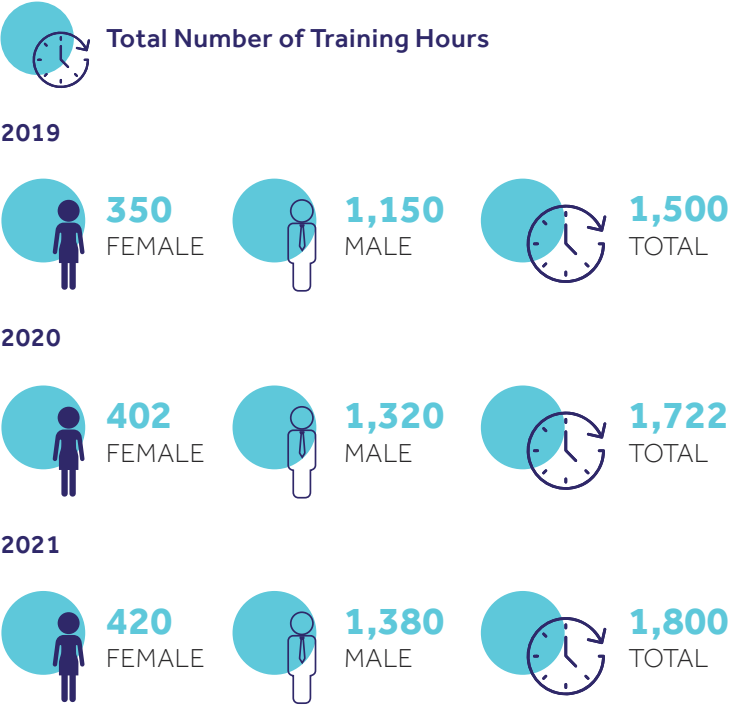
Training & Development

Providing employees with opportunities for training & development is an important part of keeping them engaged and retaining them. Training & development sharpens their skills, improves their knowledge, and enhances their expertise, all of which provide tangible benefits for the company. At the same time, training & development provides employees with opportunities for career growth. With the rapid evolution of technology, it is especially important to provide continuous training to maintain a digitally savvy workforce.

AWNIC has put in place a mix of in-house and external training for employees. These include:

- **E-Learning in-house and external compliance training** is offered to all employees and includes mandatory courses on AML/CFT updates, anti-bribery & corruption, cybersecurity, code of conduct, and others.
- **Special programs** on learning and growth in the IT space and **Unstructured learning programs** on leadership and skills development
- **Central Bank and EIBFS Training Management System:** Awnic encourages employees to access the wide range of best-in-class courses in banking and finance offered by the Emirates Institute for Banking and Financial Studies (EIBFS) and the Central Bank

AWNIC provides a fair and merit-based working environment where employees can grow professionally and personally. Career progression priorities are facilitated via on-the-job training, job rotations, and leadership skills development.



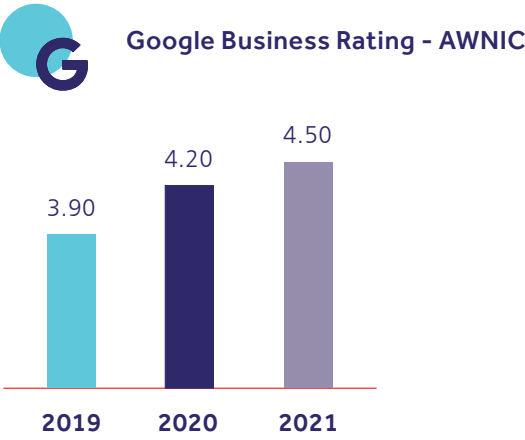
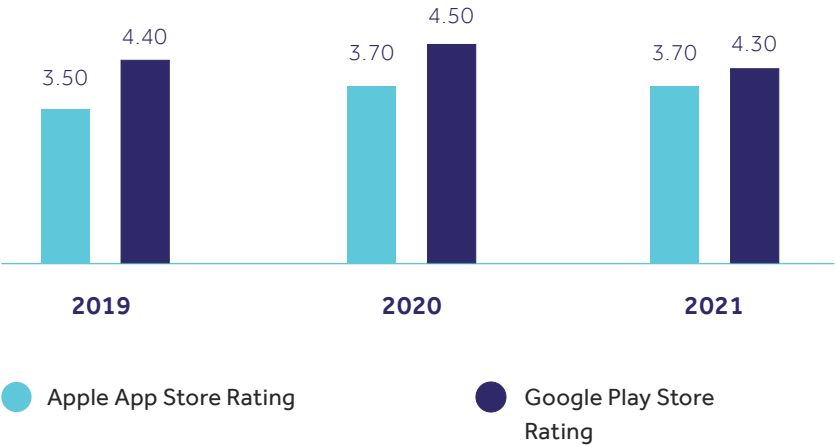
85%
of our employees in managerial and senior-to-executive levels are home-grown talent and have served the company for more than 7 years

CUSTOMER EXCELLENCE

AWNIC is committed to consistently delivering high-quality personalised services to customers. We pride ourselves on being a company that has a deep understanding of customer needs and providing them with appropriate tailored solutions. Over the years, we have earned their trust by protecting their interests, providing fair and responsible marketing communications, processing their claims in a timely manner, helping them to choose the right product for them, and advising them on risk mitigation. Taken together, these help to lower costs and enrich the customer experience.

In recent years, we have enhanced the customer journey by developing our digital platforms. Ensuring customers can connect with us from anywhere and at any time has become an important factor in optimizing our services. AWNIC has implemented a multi-channel process via digital, physical, and partnerships with licensed intermediaries to ensure customer needs are always catered to. Our end-to-end digital platform allows customers 24x7 access to their policies, to register claims online, to initiate and conclude service requests (self-service), and more. We have also enhanced our business WhatsApp capability to tap into the fast-growing millennial market. Our multi-lingual customer care team ensures that customer queries are handled quickly and efficiently.

AWNIC has also made it easy for customers to submit complaints. Other than the direct complaint submission channel via the Central Bank’s portal, customers may directly contact AWNIC through our website, on Whatsapp, or via the various social media platforms (LinkedIn, Instagram, Twitter, Facebook and recently Snapshot). Whichever channel they choose, AWNIC will get back to the customer in a timely manner, typically within 24 hours.



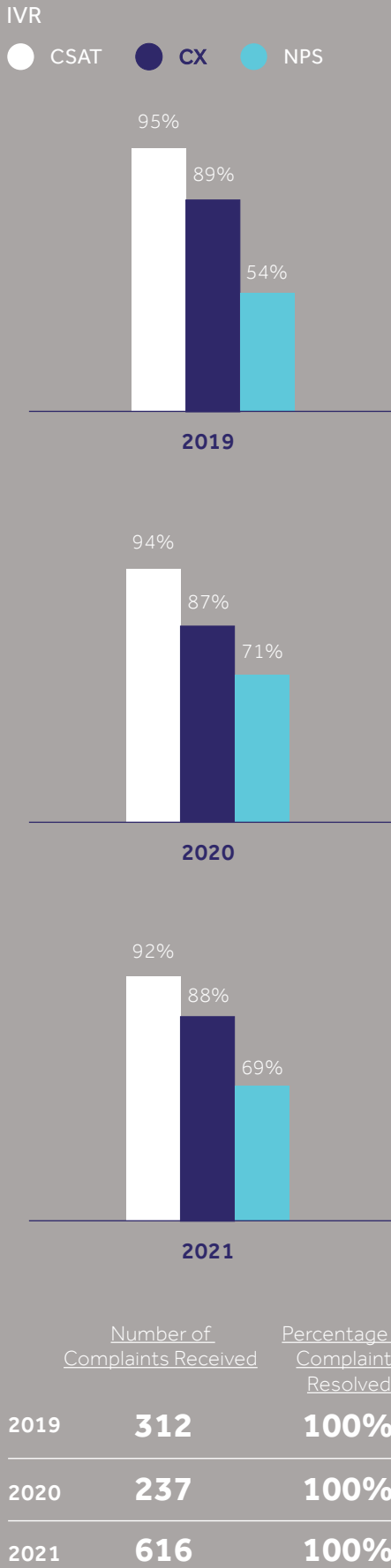
AWNIC's triple ISO certification - ISO/IEC 27001:2013, ISO 14001:2015 and ISO 9001:2015 - demonstrates our commitment to doing business responsibly and sustainably. They reflect our operational excellence and emphasize our commitment to customers and society.

AWNIC has developed a clear model for customer service excellence:



Gathering feedback and measuring customer satisfaction helps us to continuously enhance our products and services. We encourage customers to provide feedback via various channels including satisfaction surveys. AWNIC also uses international metrics such as Customer Satisfaction Score (CSAT) and Net Promoter Score (NPS) to assess the customer experience. These are useful tools because the majority of our customers make purchase decisions based on online reviews.

AWNIC has consistently recorded a CSAT rating of more than 90% since 2019, above the international market average of 80%. AWNIC also uses NPS as a key driver to ensure good brand health and brand loyalty. While the international insurance industry standard score is 30-40, we have been able to maintain a score of 50-70. Measuring Customer Experience (CX) score is an indicator which shows our willingness to enhance our processes to ensure our customers have a good experience with us. Attaining a CX score above 80% is desired in the current market. In 2021, AWNIC's score was at 88%.

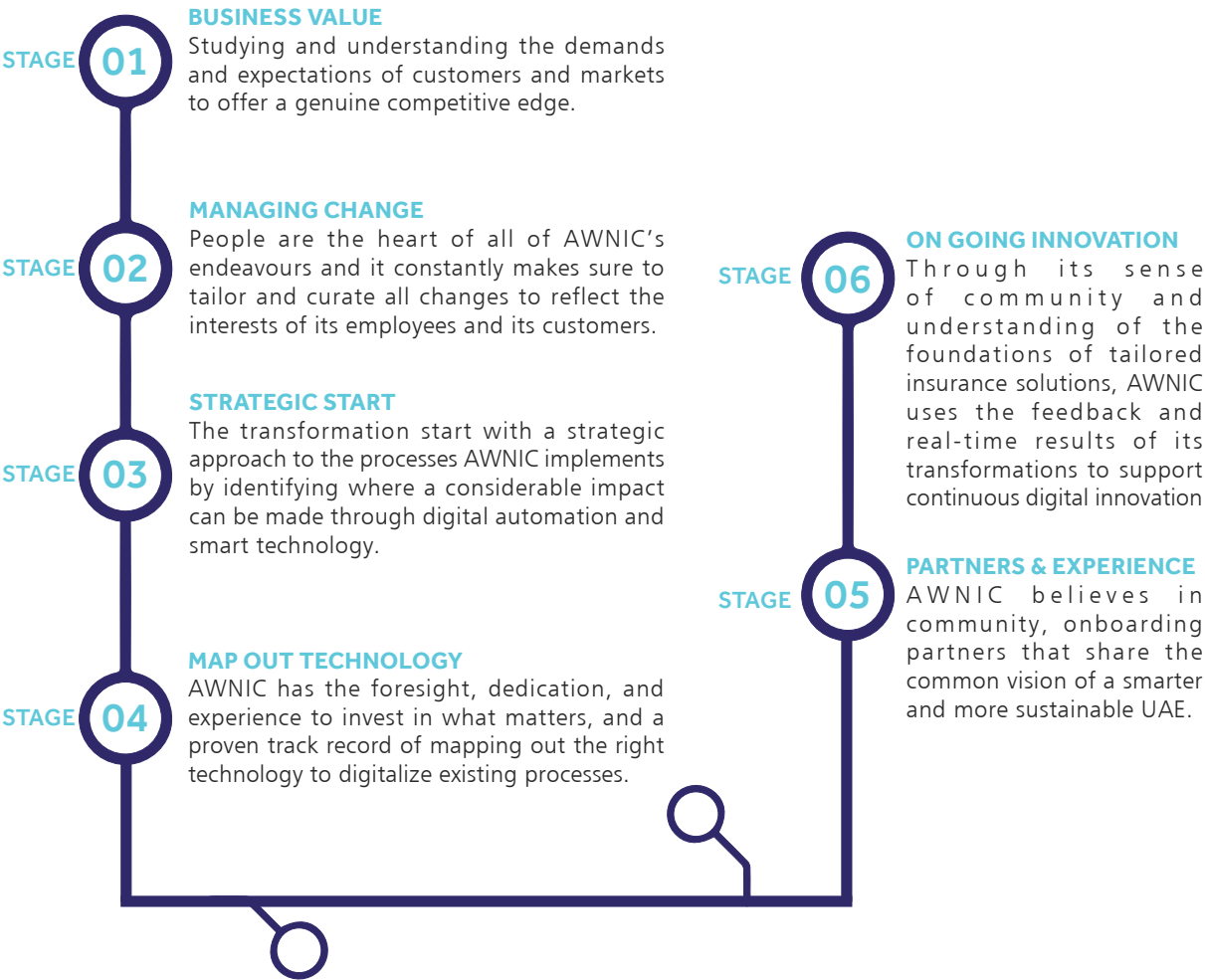


OUR DIGITAL TRANSFORMATION

In the age of digitalisation, AWNIC aims to lead the market when it comes to harnessing technology to improve its operational and client servicing capabilities. By embracing digital transformation the company can create value and deliver high-quality services.

Digitalization creates value for customers and builds our resilience as a business in two ways:

1. Streamlining internal processes to optimize employee workflow and improve productivity while also reducing material consumption, such as paper, thereby decreasing our environmental impact
2. Enhancing customer experience by providing seamless processes and offering innovative and personalised products that meet their needs.



AWNIC's Strategy

Digital transformation is no longer an option for companies that want to remain competitive in today's market. AWNIC has implemented a comprehensive strategy that covers the company's short and long-term objectives.

This six-stage process provides the basis for AWNIC's digital transformation:



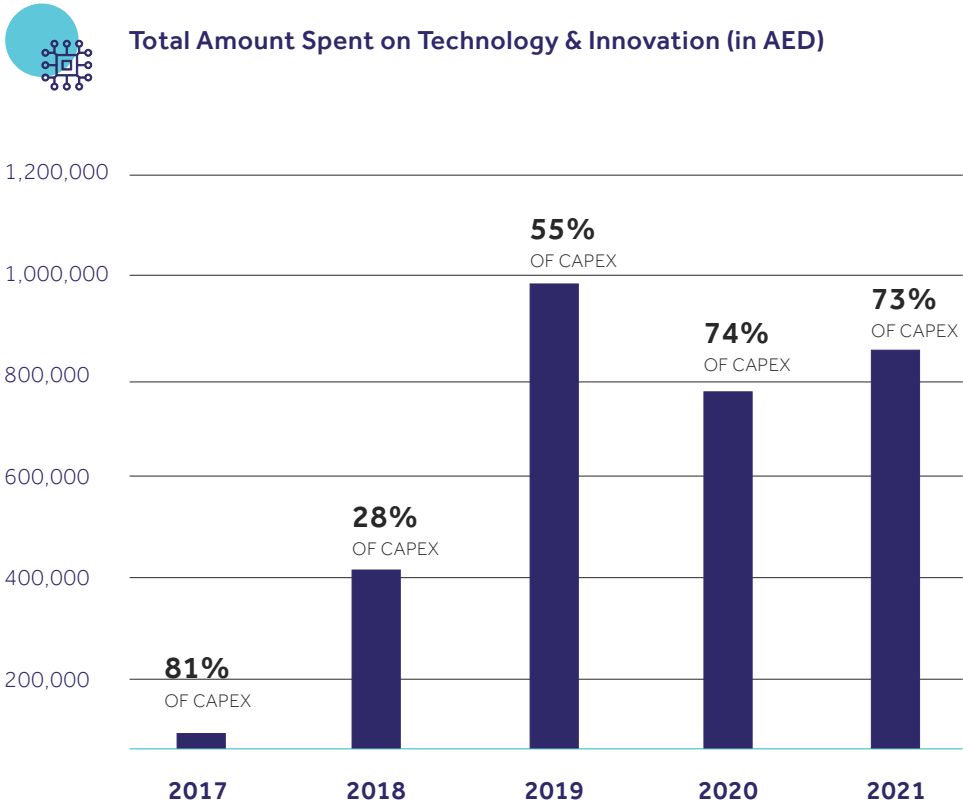
Digital innovation ideas are screened by the procurement committee to evaluate the Return on Investment and ensure they meet the twin objectives of enhancing processes and the customer experience.

A key element of the strategy is to build strong partnerships and integrations with major players such as InsureTek and other global technology players.

In addition, Awnic has established the following departments and committees to lead the digital transformation of the company and ensure these matters are discussed at executive and board levels:

- o **AWNIC BOT Department:** established in 2019, the department as Centre of Excellence (COE) is spearheading their digital innovation initiatives.
- o **Digital Committee:** apart from the executive committee who regularly monitors and measures progress of our digital initiatives, Awnic's digital committee of the Board, established in 2021, regularly provides adequate guidance on the digital strategy

As part of the strategy, Awnic allocates a substantial budget for digitalization. In 2021, 73% of total Capex was spent on technology and innovation which is a testament to the company's commitment to becoming a digital pioneer.



In recent years, Awnic has garnered a number of awards in recognition of its digitalization initiatives. We were recognized by the UAE Insurance Authority (Central Bank of UAE - Regulator) in 2018 and 2019 for "Excellence in Digital Transformation and Smart Services" and in 2020 for "Excellence in Claims Settlements". In 2020, the company also won "Digital Insurance Initiative of the Year" in the UAE at the Insurance Asia Awards. In 2021, Awnic won the "Innovation of the Year" Prize as part of the Golden Shield Awards, from Insuretek Middle East.



FROM THE CENTRAL BANK OF THE UAE
AWNIC awarded the "Excellence in Digital Transformation and Smart Services" awarded for the year 2018.



FROM THE INSURANCE ASIA AWARDS
AWNIC awarded the "Digital Insurance Initiative of the Year" in the UAE for the year 2020



FROM THE CENTRAL BANK OF THE UAE
AWNIC Awarded the "Excellence in Digital Transformation and Smart Services" awarded for the year 2019

During the pandemic, AWNIC’s digital readiness helped the company to shift seamlessly to online servicing with no adverse impact on business operations or customer service.

AWNIC’s Digital Transformation

AWNIC makes good use of digital marketing tools to promote its products and distribution channels and to improve its business processes. This has helped to generate higher business volumes from our digital offering.

AWNIC is one of the first insurance companies in UAE to adopt innovative Robotic Process Automation (RPA) software to automate digital tasks as well as Blockchain technology in its operations and processes.

- **Business Process Improvement:** transforming end-to-end business operations and service delivery through the implementation of key solutions

Intelligent Communication Management System (iCMS)

Integrated application to manage Inter-office memorandum, claims and finance processes with the help of workflows, reports, and dashboards. The system provides seamless access and navigation options thereby reducing the operational time considerably

Human Resources Management System (HRMS)

A complete HRMS application that helps keep track of every aspect that is required to plot the employee’s career development plan

Claims Management System

In-house claim management system that provides a single, unified platform for claims management across the company through integration, configuration, and automation. The system is capable of handling 360 life cycle of claims and complete paperless work from quotation to evaluation to approvals.

Enterprise Content Management System

A single repository for all documents, making managing documentation through classifications, rules, and templates easier and more streamlined while also reducing the company’s carbon footprint by shifting its work into a paperless format

Business Intelligence Tool (BI tool)

A sophisticated MIS Tool and business intelligence application that allows for rapid building and deployment of interactive, guided analysis applications. our BI tool has been a major driver in improving the company’s top line through better data driven decision making, especially because of its fast and powerful visualization capabilities, its collaborative approach to information and interpretations, and its ability to empower departments to get more work done efficiently and effectively

Customer Relationship Management (CRM)

Software that helps maximize our business performance by increasing our up-sell and cross-sell opportunities through a better understanding of customer needs and patterns of purchase

Motor Portal

A full-fledged motor insurance online portal that maximizes business performance by increasing up-sell and cross-sell opportunities through insights on customer purchase patterns

- **Customer Experience:** AWNIC wants to ensure customers have access to their products and services at any time and from any location through the various e-channels available.

MOBILE APPLICATION

AWNIC launched its mobile app to cater to customers who are always on the move. Through the app, customers can buy and manage their policies, access roadside assistance, get exclusive offers, and benefit from enhanced security for their transactions

E-COMMERCE WEBSITE

User friendly website where customer can buy all B2C insurance products in a few clicks without human interaction. Customers can compare insurance policy features and choose the product wisely

BUSINESS WHATSAPP

The AWNIC Business Whatsapp account was created to offer customers seamless communication capabilities, customized care, and increased turn-around time for any support required

AMWAJ PORTAL

A state-of-the art motor insurance portal offering flexible and customized insurance plans. The portal allows for quicker, smoother and more flexible underwriting for the processing of AWNIC’s bespoke products

MARINE PORTAL

A completely automated application for brokers and retail customers for Yacht, Jet Ski, Marine Cargo and Marine Cargo single transit

DIGITAL SALVAGE AUCTION

A website that facilitates the online auction process of salvaged cars allowing customers to review the condition of the vehicles through 350-degree videos showcasing the interior and exterior of the vehicle before placing bids

Data Protection

Digitalization comes with privacy challenges and concerns. Safeguarding customer privacy and data is Awnic's highest priority and key to being a trustworthy insurance company. Our robust IT infrastructure is accompanied by strong governance mechanisms to protect the data of customers as well as employees.

Cybersecurity is managed by an Information Security Officer under the supervision of the Audit Committee. Awnic also has an Information Security Governance Committee, comprised of key members of the executive management. Awnic is in full compliance with the Signals Intelligence Agency (previously the National Electronic Security Authority) and Abu Dhabi Health Information and Cyber Security's requirements. Moreover, we were the first UAE insurance company to become ISO 27001 certified by the end of 2020. This certification provides assurance that the company has the necessary processes and procedures in place covering information security, physical security, and business continuity.

Awnic's Business Continuity & Disaster Recovery plan provides backup for our primary IT infrastructure in case of unforeseen events. In addition to our robust security management systems, Awnic also does the following:

- Comprehensive IT audit via external consultant confirming best IT practices and how to drive improvements
- Vulnerability assessment and penetration testing at regular intervals to test the efficacy of cyber defences
- Maintain sufficient cyber insurance coverage

Our online privacy statements outline how Awnic collects, uses and safeguards information that is gathered from customers. The company has voluntarily undergone a health check by external consultants on adherence to local and international data privacy regulations and is constantly striving to improve the existing practices and to align with international best practices.

Awnic's third-party security policy ensures that information processing facilities that are accessed, processed, communicate with, or managed by third parties are adequately secured.

A core focus area for Awnic is to run regular training and awareness sessions for employees on data security matters. We conduct mandatory cybersecurity and data privacy training for all employees annually. Our employee onboarding and induction process also covers cybersecurity and data privacy issues. As a result of our continuous efforts, we have received no complaints concerning breaches of customer privacy or loss of customer data.

HOW DOES Awnic SAFEGUARD DATA SECURITY

END POINT SECURITY SOLUTION A diagnostic tool that protects the system by actively checking the device for up-to-date anti-viruses, firewall and security software	NETWORK MONITORING SOLUTION The enterprise immune system that learns normal "patterns of life" to discover unpredictable cyber-threats, while delivering visibility across the dynamic workforce – from cloud and SaaS to endpoints and the corporate network
LOG MONITORING SOLUTION End-to-end management tool for on-premises, cloud, and hybrid environment. It's a real time-log collection, analysis, correlation, and archival abilities to protect the data, mitigate internal security threats, and combat external attacks	CYBER INSURANCE POLICY Awnic has an insurance policy for the protection against cyber security incidents, ransomware, business interruption, cyber-crime and PCI-DSS
AI BASED EMAIL SECURITY SOLUTION We have enabled Self-Learning AI email security solution. By learning the normal 'pattern of life' for every user within Microsoft 365, the technology builds an evolving understanding of the human behind email communications. While legacy email security tools look for known email attack vectors, our email security solution is able to identify novel email threats that get through, including sophisticated phishing, Business Email Compromise (BEC) and supply chain attack (or Vendor Email Compromise)	
FIREWALL A real-time security network solution that enables the cybersecurity officer to identify the source of an infection on the network and automatically limit the access to other network resources response	SINGLE SIGN-ON (SSO)/UNITED WIFI Awnic One Single sign-on (SSO) is an authentication method that enables users to securely authenticate with multiple applications and websites by using just one set of credentials. We have extended this portal to our brokers and internal staff to have the complete flavour of all our digital channels in one umbrella



Social Capital

(GRI 102-9, GRI 102-10, GRI 102-11, GRI 102-20, GRI 102-29, GRI 204-1, ADX-G4, ADX-S11, ADX-S12)

AWNIC’s success, built over more than a quarter of a century, has been based on our commitment to creating value for all our stakeholders, the community we serve, and the UAE’s vision of sustainable development. Being a fair and transparent business partner and making a positive contribution to society has been key to achieving this.

SUSTAINABLE PROCUREMENT PRACTICES

AWNIC is committed to developing ethical supply chains in a way benefits long-term business relations with partners and suppliers.

These partnerships help to achieve operational excellence, primarily under two categories: IT and Non-IT services and supplies. This includes vendors providing technology support, actuaries facilitating business risk assessment, solicitors facilitating legal advice on insurance cases, and consultants for regulatory compliance, process documentation and financing arrangements.

AWNIC’S CODE OF CONDUCT PROVIDES CLEAR GUIDELINES TO EMPLOYEES ON INTERACTIONS WITH SUPPLIERS AND ZERO TOLERANCE TO UNETHICAL BUSINESS PRACTICES

AWNIC instills fair, transparent, and ethical procurement practices at every stage of our supply chain process. We have developed a procurement policy that outlines the practices all employees should systematically adopt to attain operational and asset efficiency. The procurement policy details the practices and procedures to follow at every stage of the process.

The supplier selection process is based on detailed requests for proposal covering project scope as well as social and governance issues and conflict of interest. Moreover, a minimum of three quotations are required for major capital and operational expenditures after which an evaluation report is presented to the Board Committee for their consideration.

The business activities and credibility of suppliers is also assessed via reliable third-party due diligence service providers to minimize potential reputational risk associated from suppliers conduct.

AWNIC is committed to increasingly integrate ESG factors into our supply chain management to minimize the social and environmental impacts.

PROCUREMENT COMMITTEE

The Procurement Committee is responsible to oversee all the budgeted and non-budgeted procurement-related activities and instilling ESG factors in the decision-making process

AWNIC makes it a priority to use local suppliers to support the UAE economy and create shared prosperity. In addition, local procurement allows us to reduce the environmental impact of our supply chain, by reducing shipping and storage and associated emissions and energy consumption.

85% OF OUR SUPPLIERS IN 2021 WERE FROM THE UAE



AWNIC is proud that 88% of our procurement in 2021 was spent with local suppliers, consistent with the past three years on average.

	Total Procurement Spending (in AED '000)	Percentage of Procurement Spent on Local Suppliers
2019	10,778	90%
2020	12,776	85%
2021	13,153	88%

EMIRATIZATION

As a UAE-based company, AWNIC has a duty to support local employment and develop local talent. We have implemented a four-year emiratization plan in alignment with the targets set by the UAE government. We want to empower UAE citizens and unlock their potential to drive the UAE's economic development.

The main objectives of the plan are to:

1. Substantially increase the numbers of Emirati employees
2. Promote career development policies that provide a structured career path for UAE nationals
3. Provide adequate learning opportunities thereby improving employee morale and ensure continued professional growth
4. Recruit a dedicated UAE national, the Emiratization Affairs Specialist (EAS), to focus on driving the successful implementation of Emiratization and drive the development and implementation of the company's strategy, plan, policies and procedures.

To achieve the plan, the company has set the following strategic priorities:

-  Integrating Emiratis in various technical position in underwriting, claims, finance, IT and customer care that meet their skillsets and expertise
-  Developing a structured career trajectory for Emiratis that allows them to develop and progress with the organization
-  Opening job opportunities that attract fresh graduates by engaging them through university job fairs, and actively posting on social media outlets and recruitment sites
-  Reviewing the current compensation scale and provide more attractive salary packages and benefits
-  Providing an enhanced Training & Development plan geared towards improving job knowledge and specialization
-  Recruiting a dedicated Emiratization specialist to work under Human Resources to oversee the effective execution of Emiratization efforts

In the past three years, AWNIC's efforts have resulted in the Emiratization rate increasing by 7% to reach 17% in 2021. We have also successfully worked to promote females among our UAE national workforce over the past three years. More than 80% of the UAE nationals working at AWNIC are female.

NUMBER OF UAE NATIONALS

	Female	Male		Emiratization Rate
2019	80%	20%	2019	10%
2020	85%	15%	2020	12.5%
2021	80%	20%	2021	17%

IN 2021, OUR EMIRATIZATION RATE WAS 17%, EXCEEDING THE TAWTEEN TARGET SET AT 15%

AWNIC has developed a comprehensive training & development plan for UAE Nationals, to ensure they are provided all the resources and tools to expand their skillset and reach their full potential.

1. AWNIC INSURANCE ACADEMY

AWNIC will attract UAE nationals by providing training opportunities via the AWNIC Insurance Academy that are geared towards UAE graduates seeking to complete internship requirements. Training will cover various functional fields in both Technical and Non-Technical Departments where candidates will be provided with hands-on training within a month or thru the completion of a pre-set number of working hours.

Candidates who successfully complete the training program will be given the option to proceed with full-time employment with the company based on available positions that match their skillsets and educational background.

2. AWNIC UAE YOUTH SUMMER PROGRAM

The program aims to attract Emirati students who wish to explore career opportunities in the insurance sector. A two-week training course will be provided with training certification on Insurance Basics and Fundamentals.

3. EIBFS (EMIRATES INSTITUTE FOR BANKING AND FINANCIAL STUDIES)

The EIBFS provides National Development Programs that aim to develop the career of UAE nationals who are seeking careers in the banking and financial sector. They provide designed courses to accommodate trainees with different levels of education, offering training programs for both high-school and university graduates.

4. INSURANCE AUTHORITY (IA) TRAINING PROGRAMME

In collaboration with selected global strategic partners, the Central Bank of the United Arab Emirates (CB UAE) is providing an innovative professional development program to all UAE Nationals which aims to establish the framework and resources needed to raise technical competence and standards across the UAE by way of digital, blended, and classroom learning delivery.

COMMUNITY SUPPORT

AWNIC is committed to serving the community and society in which it operates. As a responsible corporate citizen, AWNIC recognizes the key segments of society where we can effectively contribute by empowering people. Our community engagement primarily focuses on healthcare for children with disabilities and rehabilitation training for people with determination.

In the past few years, the company has increased its CSR efforts in a number of ways:

Establishment of a CSR Committee: In 2019, we established a CSR committee with the purpose of providing guidance and direction for the company's CSR strategy and to oversee policies and progress on the company's participation on social, ethical, environmental, and community issues. The CSR committee includes the CEO, COO, Internal Controls Manager, and a Committee Member and Secretary, so that CSR matters are now discussed at executive and board level.

Establishment of a CSR Strategy: AWNIC has put in place its CSR Strategy to outline our key priorities and our role as an insurance company to support and raise awareness on ESG factors within the community and among key stakeholders. The strategy focuses on Employees, Customers, Community and the Environment and has been developed in alignment with the company's business strategy and sustainability priorities.

AWNIC CSR STRATEGY

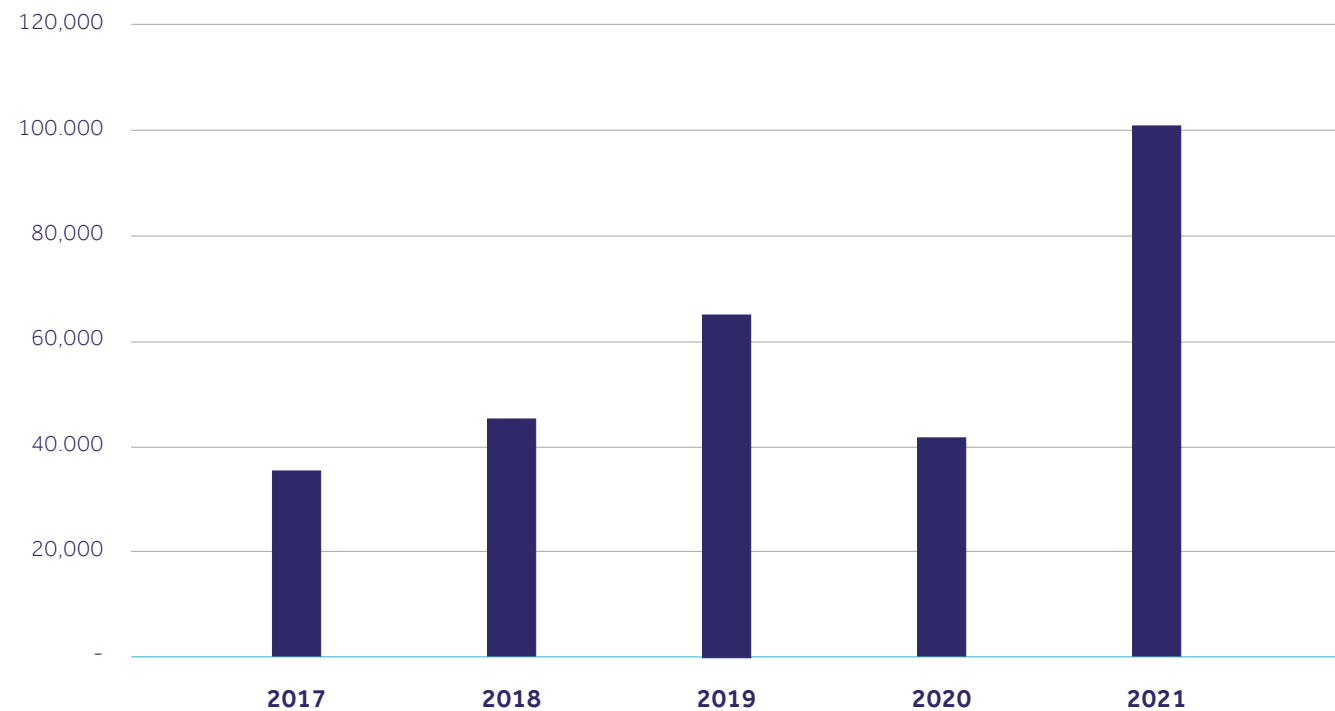


CERTIFIED ICV SCORE – 48.35%

In-Country Value (ICV) score is an indication of the contribution to the UAE's economic growth and diversification. It follows a pre-defined methodology which considers factors that reflect the economic value added such as third-party spending, Emiratization, local investments, among others.

SIGNIFICANT INCREASE IN COMMUNITY INVESTMENTS: In the past five years, community investments increased almost three-fold to reach AED 100,000 in 2021, which is a testament to the company's increased efforts to support the community we serve. The drop in 2020 was due to the COVID-19 pandemic.

Community Investments (in AED)



AWNIC also encourages employees to volunteer in corporate community programs. We also engage with NGOs to help fulfill our community initiative successfully. It is through these humble initiatives that we try to reflect our gratitude towards and connection with the community.

Initiatives/Causes Supported

	2018	2019	2020	2021
Children with Disabilities	✓			✓
Treatment and rehabilitation of Children with Autism	✓	✓		
Operation Smile for Children			✓	✓
Engagement with NGO – Ramadan Campaign	✓	✓	✓	
Ramadan Campaign by AWNIC Volunteers		✓		
Medical Consultation and Rehabilitation for People with Determination		✓	✓	✓
UAE Heroes, in support of Healthcare Providers and frontliners in the UAE during the COVID-19 pandemic through offering them discounts worth AED 1 million on its insurance services			✓	
Medical Research and Treatment				✓

Public Contribution and Advocacy

PARTICIPATION IN INDUSTRY ASSOCIATIONS

- Emirates Insurance Associations (EIA)
- Gulf Insurance Federation
- Insurance Business Group (IBG)
- Federation of Arab Insurers and Reinsurers (FAIR)
- British Business Group (BBG)
- General Arab Insurance Federation (GAIF)

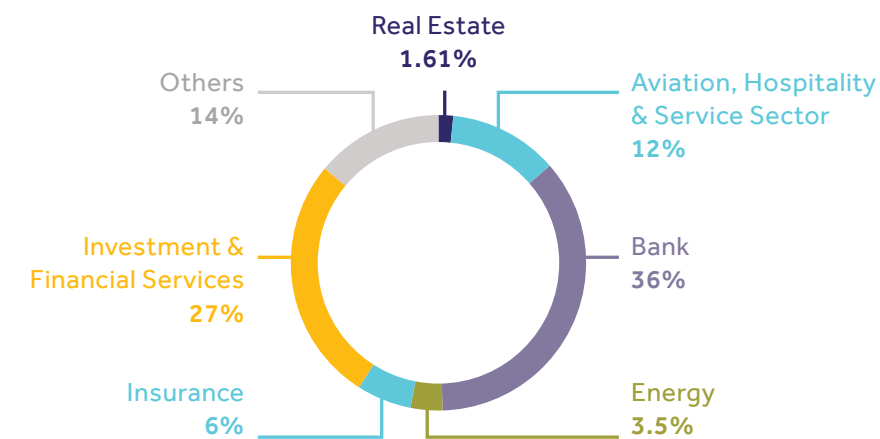
RAISING AWARENESS ON INSURANCE

Through Social Media Posts and Polls (LinkedIn, Facebook, Twitter and Instagram)

INVESTMENTS IN UAE LISTED COMPANIES

Being a significant institutional investor in listed companies in the UAE and having a number of Board representations, we play an active role in the general meetings of investee companies and actively engage in the policy-making process of these investee companies at a higher level to improve their governance and sustainability framework

Investments in UAE listed companies through below sectors:



Board Representation on 8 listed companies

LINKEDIN POLLS

Payment Method preferences for Insurance purchases?
EPP Facility introduced in Oct 2021

Insurance products likely to be in high demand in near future?
Cyber insurance introduced in Q2 2021

Benefits preferred to be included in Travel Insurance Product?
Travel insurance with Covid 19 coverage introduced in 2021

What matters most, when purchasing car insurance
Competitive premium rates offered in Q1 2021 with discount through E-channels direct purchase.
End to end process from policy issuance to claims servicing managed through mobile application

AWNIC Response





Natural Capital

(GRI 201-2, GRI 302-1, GRI 302-3, GRI 305-1, GRI 305-2, GRI 305-4, ADX-E1, ADX-E2, ADX-E3, ADX-E4, ADX-E5, ADX-E6, ADX-E7, ADX-E8, ADX-E9, ADX-E10)

Protecting the environment is an essential part of being a responsible company and creating sustainable long-term value for all stakeholders. A company cannot have a sustainable future if it does not take its responsibility to future generations seriously by integrating policies to minimise its impact on the planet.

UAE'S COMMITMENT TO NET ZERO AND THE ROLE OF THE INSURANCE SECTOR

In October 2021, the UAE joined global efforts to intensify the fight against climate change by committing to transition to a net-zero emissions economy. With the launch of the UAE Net Zero by 2050 Strategic Initiative, which will see AED 600 billion invested in clean and renewable energy projects over the next three decades, the Emirates became the first country in the Middle East and North Africa (MENA) to make this pledge.

Meeting this commitment will require a complete transformation of the UAE economy which will impact every business sector. Private sector companies will need to play a crucial role in supporting the transition to net-zero as well as climate change adaptation efforts and the insurance sector is no exception.

Climate change is resulting in increased risks for individuals as well as businesses, particularly due to rising sea-levels and the adverse impacts of extreme weather events. This is not a distant prospect. We have already seen numerous instances of this around the world in the form of floods, droughts, and wildfires that destroy private property and public infrastructure and have a devastating impact of people's livelihoods.

Insurance companies can support customers and communities to adapt and become more resilient by offering products that provide protection against the worst impacts of climate change. We can also support climate change mitigation efforts by adopting a more responsible investment approach and by reducing our own carbon footprint. It is clear that climate change will therefore have a profound impact on insurance products, services, and operations in the coming years, while also creating new risks and opportunities.

AWNIC fully supports global and local agendas to address climate change and aims to align its business strategy and operations with the UAE Energy Strategy 2050, the 2030 Agenda for Sustainable Development and the Paris Agreement on climate change.

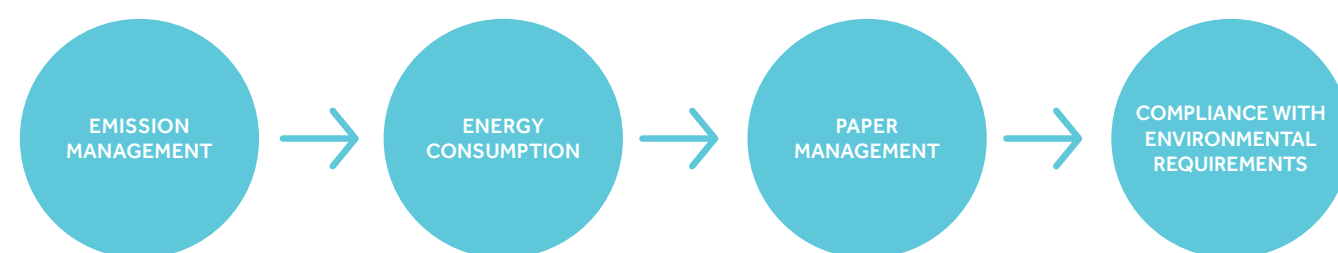
AWNIC'S APPROACH

The direct environmental impact of AWNIC's operations is limited since the business model is not energy and resource intensive. As an insurance company, AWNIC's main impact lies in its real estate and investment portfolio. As a result, our approach is to address our environmental responsibility through our role as an insurer, investor, employer, and corporate citizen through the following focus areas:

- **AWNIC's Operations:** AWNIC is committed to creating a sustainable workplace where employees are conscious of the environmental impact of their activities and act in the best interest of the environment and the planet. This means taking action to reduce our energy consumption, fuel consumption, waste generation, GHG emissions, and paper consumption.
- **AWNIC's Investments:** as an investor, AWNIC understands the impact it has on shaping the future of the environment and developing the necessary processes to integrate ESG into its decision-making processes.
- **AWNIC's Real Estate Portfolio:** as an owner of residential and commercial property in the UAE and abroad, AWNIC can play a role in the transition to a more resilient and sustainable future. The company intends to develop a better understanding of the impact of its real estate portfolio and implement a clear plan to decrease the emissions generated while engaging tenants in this transition.

OUR PROGRESS

AWNIC is proud of the progress we have made to address the impact of our operations. We have made various changes and created a work environment in which our 150 employees are aware of their actions and responsibilities. The main focus areas are: a clear plan to decrease the emissions generated while engaging tenants in this transition.



Emissions Management

- Emissions management starts by calculating the GHG emissions generated by the company and its operations and subsequently putting in place the necessary measures to reduce them.
- AWNIC started its GHG computations in 2019, making it one of the first national insurance companies to do so. In 2021, we extended it to include Scope 2 and Scope 3 emissions from our owned building in Abu Dhabi
- AWNIC follows The GHG Protocol - Corporate Accounting and Reporting Standard for our computation and has set the organizational boundary according to the 'control approach.', meaning that we account for 100% of the GHG emissions from operations over which the company has control. The reporting boundary consists of our headquarters as well as all UAE branches.
- AWNIC's emissions computations are summarized under three scopes:
 - Scope 1** - direct emissions from company-owned and controlled resources. This includes AWNIC's fuel consumption from owned vehicles
 - Scope 2** - indirect emissions from the purchase of electricity from local utilities. This includes the electricity consumed by the company as well as the electricity consumption by the common areas of the owned building in Abu Dhabi
 - Scope 3** - all other indirect emissions – not included in Scope 2 – that occur in the value chain of the reporting company, including both upstream and downstream emissions. For the 2021 computations, we have included our water consumption as part of Scope 3 as well as the water consumed in the common areas of our owned building. Moving forward, we will look to include elements related to business travel, and waste disposal, among others.

GHG Emissions (MT CO ₂ e)		2019	2020	2021
	Scope 1 (Fuel Consumption)	37.66	31.99	39.05
	Scope 2 Electricity Electricity Consumption from AWNIC Operations (HO and Branches)	356.83	410.67	357.74
	Scope 2 Electricity Electricity Consumption from AWNIC Abu Dhabi Owned Building (Common Spaces)	794.56	1,758.27	1,799.92
	Scope 3 Water Water Consumption from AWNIC Operations (HO and Branches)	8.45	9.72	8.47
	Scope 3 Water Water Consumption from AWNIC Abu Dhabi Owned Building (Common Spaces)	18.81	41.86	42.61
TOTAL		1,216.31	2,262.51	2,247.79

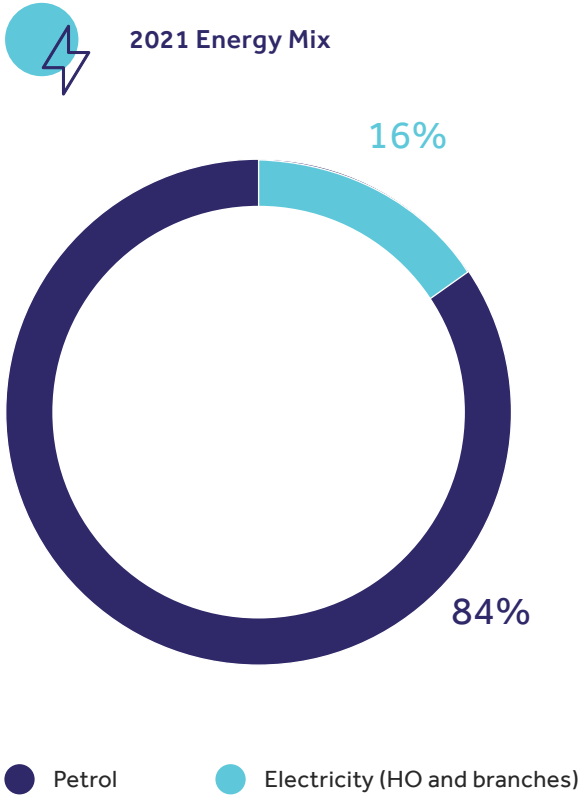
GHG Emissions Intensity in MT CO ₂ e per Employee		2019	2020	2021
	Scope 1 (Fuel Consumption)	0.25	0.21	0.26
	Scope 2 Electricity Electricity Consumption from AWNIC Operations (HO and Branches)	2.39	2.76	2.40
	Scope 3 Water Water Consumption from AWNIC Operations (HO and Branches)	0.06	0.07	0.06
TOTAL		2.70	3.04	2.72

ENERGY CONSUMPTION

Since 2013, AWNIC has demonstrated its commitment to reducing the environmental footprint of our business operations through our 'Go Green' initiative. Since then, we have gradually optimized our sustainability performance to include reducing our electricity and water consumption, fuel consumption, paper consumption, and waste generation. The table below shows our direct energy consumption and performance over the past three years:

Energy Consumption (GJ)				
	2019	2020	2021	
Fuel Consumption (Petrol)	571.5	494.6	596.9	
Electricity Consumption from AWNIC Operations (HO and Branches)	3,133.1	3,605.8	3,141.1	
Electricity Consumption from AWNIC Owned Abu Dhabi Building (Common Spaces)	6,976.4	15,525.9	15,803.7	
Total Fuel Consumption	571.5	494.6	596.9	
Total Electricity Consumption	10,109.5	19,131.7	18,944.8	
TOTAL	10,681.0	19,626.3	19,541.7	

Energy Intensity in GJ per Employee			
	2019	2020	2021
Direct Energy Intensity	3.84	3.32	4.01
Indirect Energy Intensity (HO and Branches)	21.03	24.20	21.08
Total Energy Intensity	24.86	27.52	25.09





Water Consumption in m³

2019

2,467.00

Total Water Consumption
(HO and Branches)

16.56

Water Consumption
per Employee

2020

2,839.00

Total Water Consumption
(HO and Branches)

19.05

Water Consumption
per Employee

2021

2,473.00

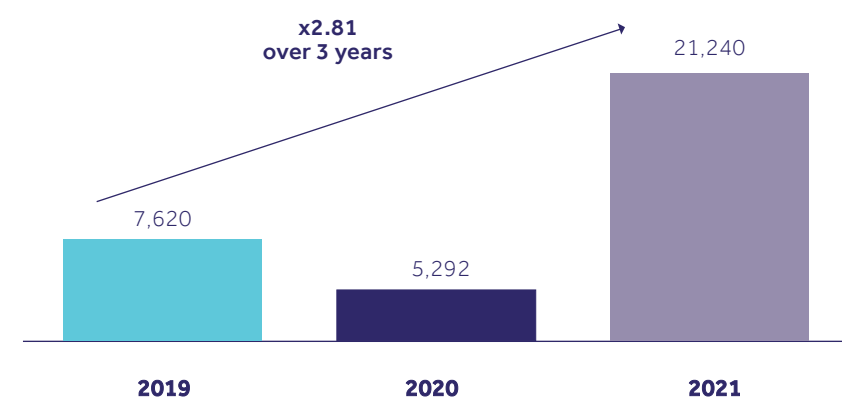
Total Water Consumption
(HO and Branches)

16.60

Water Consumption
per Employee



Waste Recycled (in Kg)



Paper Management

As part of our digitalization efforts, AWNIC has been reducing paper consumption at our offices with a view to eventually becoming paperless. Through the integration of various management systems, the company now stores documents digitally while the internal and external transfer of documents (for example, claims and policies) is also done digitally as much as possible.

In the past three years, we have significantly decreased the total amount of paper consumed, the impact of which is illustrated below:

A TOTAL reduction of
58,500 sheets
in 2021, as compared to 2019



7.7

Trees saved



9.8

Residential
Refrigerators/year
Energy saved worth



5

Clothes washers/year
6,890 Gallons of Water



171

Kg of Solid Waste

or

86.5

People generating
solid waste/day





COMPLIANCE WITH ENVIRONMENTAL REQUIREMENTS

AWNIC aligns its operations with global and local environmental standards while also complying with all applicable regulations.

In 2021, AWNIC was the first listed insurance company in the UAE to become ISO 14011:2015 Environmental Management System certified and the first to become triple certified with ISO 9001:2015 (QMS) and ISO 27001:2013 (ISMS).

Being ISO 14001 certified ensures that AWNIC has the right processes and procedures in place to manage its environmental responsibilities, with the following intended outcomes:

- Enhancement of environmental performance
- Fulfilment of compliance obligations
- Achievement of environmental objectives

HELPING OUR CUSTOMERS MAKE BETTER CHOICES

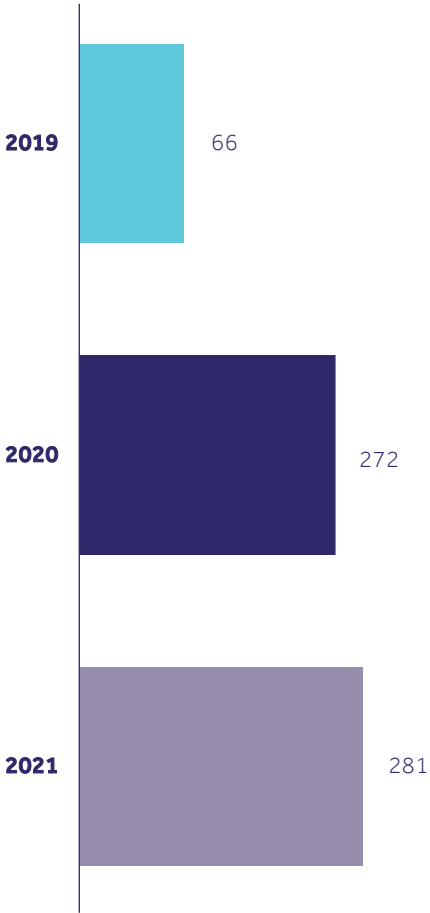
Sustainability is becoming a key priority for the automotive sector with 75% of Original Equipment Manufacturers (OEMs) discussing this theme in 2020.

AWNIC wants to support customers to transition to more sustainable ways to drive, such as switching to electric vehicles.

AWNIC is expanding its motor insurance offering to make owning an eco-friendly vehicle easier. Our business processing team is encouraging this behavior by offering insurance at a preferential premium rate for eco-friendly vehicles.

Over the past three years, the number of eco-friendly vehicles we have insured witnessed a threefold increase.

 Number of Eco-friendly Vehicles Insured





Complying with regulations and managing risks are absolutely critical for the viability of the business. When it comes to creating sustainable shared value, running the business ethically and with integrity are no less important and these values are at the heart of AWNIC's ethos.

We continuously strive to enhance and strengthen our governance structures to ensure operational transparency, accountability and to maximize long-term value for all stakeholders while making a positive contribution to society.

AWNIC's core values demonstrate how the company operates:



Professionalism
in Our Approach



Integrity in
Everything We do



Commitment to
Stakeholders'
Interest



Teamwork for
Operational
Excellence

ROBUST GOVERNANCE STRUCTURE AND COMPLIANCE

AWNIC's strategic direction and application of good governance is a result of visionary leadership. The Board of Directors comprises nine members of which seven are independent. Board members come from a variety of backgrounds and between them have many years of experience and the know-how to drive the company forward.



H.E. Sheikh Saif
Bin Mohammed
Bin Butti Al Hamed
Chairman



Rasheed Al Omeira
Board Member



Rashed Darwish Al Ketbi
**Vice Chairman
& Managing Director**



Khalifa Al Ketbi
Board Member



Shukri Al Muhairy
Board Member



Khalid Al Mheiri
Board Member



Mohammed Al Qubaisi
Board Member



Sana Rashed Al Ketbi
Board Member



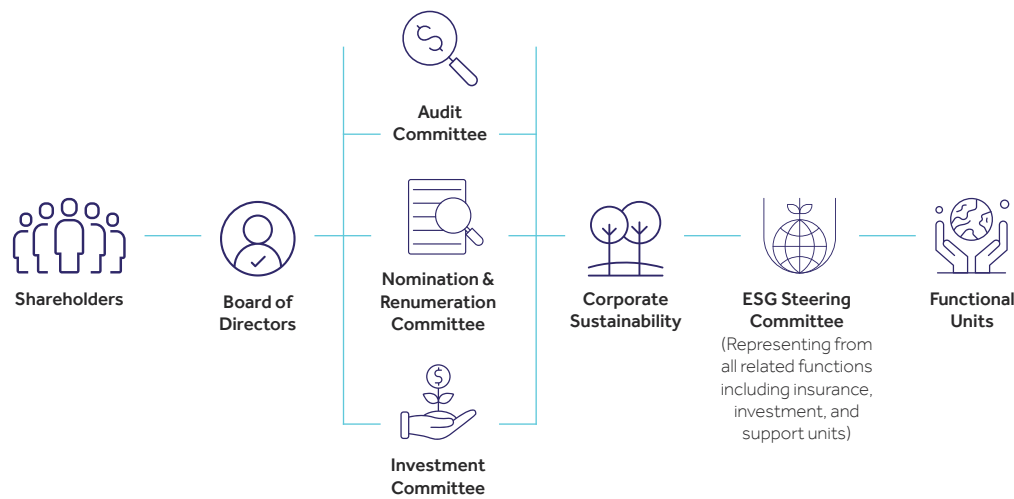
Ahmed Al Dhaheiri
Board Member

AWNIC has had a female representative on the board since the end of 2020. We were the first listed insurance company in the UAE to take this step which has since been mandated by the Securities & Commodities Authority. The Board is committed to increasing female representation throughout the organization and in future aims to ensure that at least 20% of candidates considered for Board membership are female.

There are four Board committees in place, each of which has its own detailed charter outlining key responsibilities and roles, composition, meeting quorum, and authority:

- Audit Committee
- Nomination & Remuneration Committee
- Insiders Dealing Committee
- Investment Committee

The evaluation and integration of ESG factors into corporate strategy and risk management are high on the Board's agenda. Key trends like digitalization, cybersecurity, and gender diversity are regularly discussed at Board level. An ESG Steering Committee was recently formed to set the ESG roadmap for the company and to report progress to the Board on a quarterly basis.

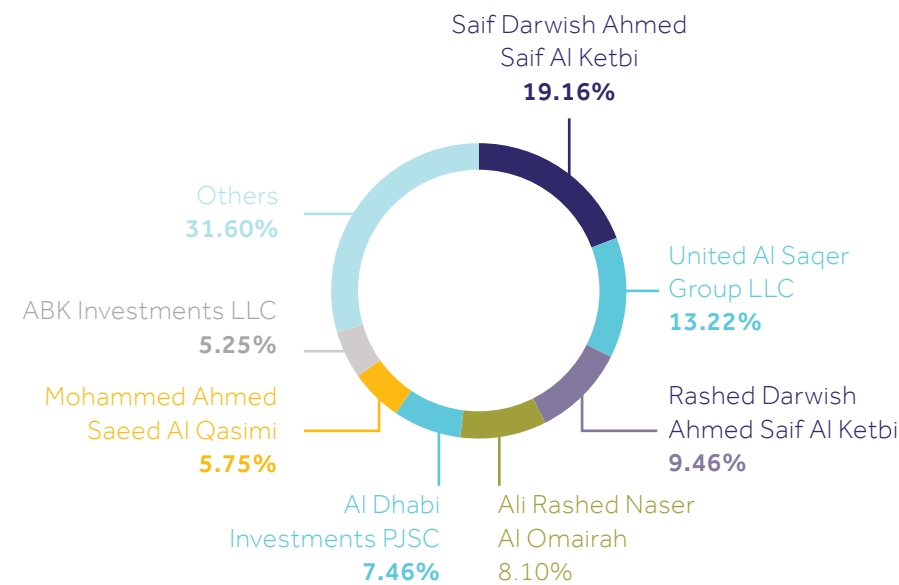


Several additional cross-functional committees have been formed to ensure control and oversight of important business functions. These are:

- Information Security & Governance Committee
- Re-insurance
- Motor Claims Committee
- Motor Salvage Committee
- Procurement Committee
- Digital Committee

Our Ownership Structure

AWNIC is almost fully owned by local investors (99%). Seventy percent of the company's equity is held by individuals and the remaining 30% is held by corporations. Our largest seven shareholders, together holding more than 70% of the company's equity, are listed below.



Good corporate governance practice dictates that risk awareness and responsibility should be embedded into a company's DNA in the form of policies. AWNIC's board-adopted policies and procedures include:

- Code of Ethics & Conduct
- Insider Trading Policy
- Related Party Transactions Policy

These policies govern how all employees should act in specific circumstances. They also provide detailed guidance on how employees must act responsibly and demonstrate the highest standards of ethical business conduct at all times, including in their interactions with internal and external stakeholders. All policies and procedures are subject to yearly review.

AWNIC's emphasis on strong corporate governance and business ethics and integrity supports our objective of being one of the most trusted UAE insurance companies. We have been honored by the UAE Securities & Commodities Authority as one of the outstanding companies in corporate governance compliance.

Risk Management

Strong, effective, and integrated risk management is crucial for companies to maintain successful business operations and deliver sustainable, long-term profitability. Business models are changing, technology is evolving rapidly, and companies are having to quickly adapt to new regulations and market trends. Operating in this fast-paced environment constantly brings new challenges which require a fresh approach to risk management. Managing ESG risks and opportunities is one of the more recent challenges to emerge and AWNIC is now making it a priority to integrate material ESG factors into its risk management framework.

AWNIC's Internal Controls function reports to the Board Audit Committee and adopts a holistic approach to aligning the risk management framework with the business model and corporate strategies. The risk management framework comprises comprehensive policies and procedures including risk identification, assessment, risk response, and control measures. It addresses both material financial and non-financial risks to the company and covers all business operations.

Our Risk Management policy provides a clear, systematic approach to identifying, assessing, responding, treating, monitoring and communicating risks within any activity, function or process in the company. The company also has an AML Policy and Procedures which outlines the processes to assess and mitigate the risks associated with money laundering or the financing of terrorism.

These policies are dynamic documents that are regularly reviewed and updated to include any new risks that have emerged. Recently, as part of our Internal Controls over Financial Reporting process, AWNIC identified various gaps and we are now working on implementing the necessary changes to ensure internal control frameworks are mature and robust and all policies are up-to-date.

To enhance our risk management practice, AWNIC has integrated its ERM system into our existing BI Tool dashboard allowing all related processes to be fully automated and executed more efficiently.

EMPLOYEE TRAINING

Investing in employee training programs remains AWNIC's top priority. This is the only way to instill a corporate culture based on strong ethics and compliance. Some of the mandatory training topics include anti-money laundering, privacy and data protection, fraud prevention and ethical business conduct. In addition, trainings focused on employees' role in managing risk are also in place. AWNIC is also looking to implement a training program focusing on ESG-related risk management.





GRI STANDARDS				
GENERAL DISCLOSURES				
GRI DISCLOSURE	CONTENT	ADX DISCLOSURE	REFERENCE SECTION	NOTES
Organizational profile				
102-1	Name of the organization		3,6	
102-2	Activities, brands, products, and services		3,6	
102-3	Location of headquarters		3,6	
102-4	Location of operations		3,6	
102-5	Ownership and legal form		3,49	
102-6	Markets served		6	
102-7	Scale of the organization		6,24, 27	
102-8	Information on employees and other workers	S4: Gender Diversity	6,27	
		S5: Temporary Worker Ratio		
102-9	Supply Chain	G4: Supplier Code of Conduct	10,37	
102-10	Significant changes to the organization and its supply chain		10,37	
102-11	Precautionary Principle or approach		10,37	
102-12	External initiatives		6	
102-13	Membership of associations		6	
Strategy				
102-14	Statement from senior decision-maker	G7: Sustainability Reporting	4,5	
		G8: Disclosure Practices		
102-15	Key impacts, risks, and opportunities		12,17	

GRI STANDARDS				
GENERAL DISCLOSURES				
GRI DISCLOSURE	CONTENT	ADX DISCLOSURE	REFERENCE SECTION	NOTES
Ethics & Integrity				
102-16	Describe your organization's values, principles, standards and norms of behavior	S6: Non-Discrimination	6,27,29	
		S9: Child & Forced Labor		
		S10: Human Rights		
102-17	Mechanisms for advice and concerns about ethics	G5: Ethics & Prevention of Corruption	49	
Governance				
102-18	Governance structure	G1: Board Diversity	49	
		G2: Board Independence		
		G3: Incentivized Pay		
102-20	Executive-level responsibility for economic, environmental, and social topics	E8, E9: Environmental Oversight	5,17,37,49	
102-21	Consulting stakeholders on economic, environmental, and social topics		21	
102-22	Composition of the highest governance body and its committees		49	
102-23	Chair of the highest governance body		49	
102-24	Nominating and selecting the highest governance body		49	
102-25	Conflicts of interest		49	
102-26	Role of highest governance body in setting purpose, values, and strategy		12,49	
102-27	Collective knowledge of highest governance body		49	
102-29	Identifying and managing economic, environmental, and social impacts		17,21,37	
102-30	Effectiveness of risk management processes		12,49	
102-31	Review of economic, environmental, and social topics		17,21	
102-32	Highest governance body's role in sustainability reporting		4,5,17	
102-33	Communicating critical concerns		49	
102-38	Annual total compensation ratio	S1: CEO Pay Ratio	49	

GRI STANDARDS				
GENERAL DISCLOSURES				
GRI DISCLOSURE	CONTENT	ADX DISCLOSURE	REFERENCE SECTION	NOTES
Stakeholder Engagement				
102-40	List of stakeholder groups		21	
102-41	Collective bargaining agreements		-	Not applicable for companies operating in UAE
102-42	Identifying and selecting stakeholders		21	
102-43	Approach to stakeholder engagement		21	
102-44	Key topics and concerns raised		21	
Reporting Practice				
102-45	Entities included in the consolidated financial statements		3	
102-46	Defining report content and topic boundaries	G7: Sustainability Reporting	3	
		G8: Disclosure Practices		
102-47	List of material topics		21	
102-48	Restatements of information		3	
102-49	Changes in reporting		3	
102-50	Reporting period		3	
102-51	Date of the most recent report		3	
102-52	Reporting cycle		3	
102-53	Contact point for questions regarding the report		3	
102-54	Claims of reporting in accordance with the GRI standards		3	
102-55	GRI content index		52	
102-56	External assurance	G9: External Assurance	3	

GRI STANDARDS				
GENERAL DISCLOSURES				
GRI DISCLOSURE	CONTENT	ADX DISCLOSURE	REFERENCE SECTION	NOTES
GRI 200: Economic Standard Series				
GRI 201: Economic Performance 2016				
GRI 103 Management Approach				
103-1	Explanation of the material topic and its boundary		17,21,24	
103-2	The management approach and its components		17,21,24	
103-3	Evaluation of the management approach		17,21,24	
GRI 201 Topic Specific				
201-1	Direct economic value generated and distributed		24	
201-2	Financial implications and other risks and opportunities due to climate change	E10: Climate Risk Mitigation	12,24,42	
GRI 204: Procurement Practices 2016				
GRI 103 Management Approach				
103-1	Explanation of the material topic and its boundary		17,21,37	
103-2	The management approach and its components		17,21,37	
103-3	Evaluation of the management approach		17,21,37	
GRI 204 Topic Specific				
204-1	Proportion of spending on local suppliers	G4: Supplier Code of Conduct	37	
GRI 205: Anti-Corruption 2016				
GRI 103 Management Approach				
103-1	Explanation of the material topic and its boundary		17,21,49	
103-2	The management approach and its components		17,21,49	
103-3	Evaluation of the management approach		17,21,49	
GRI 205 Topic Specific				
205-3	Confirmed incidents of corruption and actions taken	G5: Ethics & Prevention of Corruption	49	

GRI STANDARDS				
GENERAL DISCLOSURES				
GRI DISCLOSURE	CONTENT	ADX DISCLOSURE	REFERENCE SECTION	NOTES
GRI 300: Environmental Standard Series				
GRI 302: Energy 2016				
GRI 103 Management Approach				
103-1	Explanation of the material topic and its boundary	E7: Environmental Operations E8: Environmental Oversight E9: Environmental Oversight	17,21,42	Only the management approach has been disclosed
103-2	The management approach and its components			
103-3	Evaluation of the management approach			
GRI 302 Topic Specific				
302-1	Energy consumption within the organization	E3: Energy Usage E4: Energy Intensity E5: Energy Mix E6: Water Usage	42	
302-3	Energy intensity			
GRI 305: Emissions 2016				
GRI 103 Management Approach				
103-1	Explanation of the material topic and its boundary	E7: Environmental Operations E8: Environmental Oversight E9: Environmental Oversight	17,21,42	
103-2	The management approach and its components			
103-3	Evaluation of the management approach			
GRI 305 Topic Specific				
305-1	Direct (Scope 1) GHG emissions	E1: GHG Emissions E2: Emissions Intensity	42	
305-2	Energy indirect (Scope 2) GHG emissions			
305-4	GHG emissions intensity			

GRI STANDARDS				
GENERAL DISCLOSURES				
GRI DISCLOSURE	CONTENT	ADX DISCLOSURE	REFERENCE SECTION	NOTES
GRI 400: Social Standard Series				
GRI 401: Employment 2016				
GRI 103 Management Approach				
103-1	Explanation of the material topic and its boundary		17,21,28	
103-2	The management approach and its components		17,21,28	
103-3	Evaluation of the management approach		17,21,28	
GRI 401 Topic Specific				
401-1	New employee hires and employee turnover	S3: Employee Turnover	28	
401-2	Benefits provided to full-time employees that are not provided to part-time employees			
GRI 403: Occupational Health & Safety 2018				
GRI 103 Management Approach				
103-1	Explanation of the material topic and its boundary		17,21,28	
103-2	The management approach and its components		17,21,28	
103-3	Evaluation of the management approach		17,21,28	
403-1	Occupational health and safety management system		17,21,28	
403-2	Hazard identification, risk assessment, and incident investigation		17,21,28	
403-3	Occupational health services		17,21,28	
403-4	Worker participation, consultation, and communication on Occupational health and safety		17,21,28	
403-5	Worker training on occupational health and safety		17,21,28	
403-6	Promotion of worker health		17,21,28	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		17,21,28	
GRI 403 Topic Specific				
403-8	Workers covered by an occupational health and safety management system	S8: Global Health & Safety	28	
403-9	Work-related injuries	S7: Injury Rate	28	

GRI STANDARDS				
GENERAL DISCLOSURES				
GRI DISCLOSURE	CONTENT	ADX DISCLOSURE	REFERENCE SECTION	NOTES
GRI 404: Training and Education 2016				
GRI 103 Management Approach				
103-1	Explanation of the material topic and its boundary		17,21,28	
103-2	The management approach and its components		17,21,28	
103-3	Evaluation of the management approach		17,21,28	
GRI 404 Topic Specific				
404-1	Average hours of training per year per employee		28	
404-3	Percentage of employees receiving regular performance and career development reviews		28	
GRI 405: Diversity and Equal Opportunity 2016				
GRI 103 Management Approach				
103-1	Explanation of the material topic and its boundary		17,21,28	
103-2	The management approach and its components		17,21,28	
103-3	Evaluation of the management approach		17,21,28	
GRI 405 Topic Specific				
405-1	Diversity of governance bodies and employees	S4: Gender Diversity S6: Non-Discrimination S11: Nationalisation G1: Board Diversity	28	
GRI 413: Local Community 2016				
GRI 103 Management Approach				
103-1	Explanation of the material topic and its boundary	S11: Emiratisation S12: Community Investment	17,21,37	Only the management approach has been disclosed
103-2	The management approach and its components			
103-3	Evaluation of the management approach			

GRI STANDARDS				
GENERAL DISCLOSURES				
GRI DISCLOSURE	CONTENT	ADX DISCLOSURE	REFERENCE SECTION	NOTES
GRI 417: Marketing and Labeling 2016				
GRI 103 Management Approach				
103-1	Explanation of the material topic and its boundary		17,21,32	
103-2	The management approach and its components		17,21,32	
103-3	Evaluation of the management approach		17,21,32	
GRI 417 Topic Specific				
417-2	Incidents of non-compliance concerning product and service information and labeling		32	
417-3	Incidents of non-compliance concerning marketing communications		32	
GRI 418: Customer Privacy 2016				
GRI 103 Management Approach				
103-1	Explanation of the material topic and its boundary		17,21,32,33	
103-2	The management approach and its components		17,21,32,33	
103-3	Evaluation of the management approach		17,21,32,33	
GRI 418 Topic Specific				
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	G6: Data Privacy	36	



**2021 AUDITED
FINANCIAL STATEMENTS**



**CORPORATE
GOVERNANCE REPORT**