



الوثبة للتأمين
AL WATHBA INSURANCE

2019

SUSTAINABILITY REPORT

AL WATHBA NATIONAL INSURANCE PJSC (AWNIC)



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Introduction



About Us

Al Wathba National Insurance Company (AWNIC) established in 1996, is a general lines insurance provider listed on ADX, with our Head Office based in Abu Dhabi, United Arab Emirates (UAE).

With over 2 decades of history servicing the UAE market, we strive to reshape the way of business by adopting pathbreaking digital technologies. While being in a competitive position, we continuously try to improve, innovate, and grow. We are one of the forerunners in the UAE insurance industry to embrace new age digital technologies delivering significant value to customers and employees alike. AWNIC's digital initiative is inspired and goes hand in hand with the UAE government's attempt towards being a smarter and digitally transformed nation. By introducing a wide range of digital offerings customized for both internal and external stakeholders, AWNIC has digitized most of its products and services touching all facets of operations. We are also one of the early adopters of RPA and Blockchain technologies in the UAE market.

We take pride in being recognized for our digital initiatives by country's insurance regulatory body, the UAE Insurance Authority for Excellence in Digital and Smart Services for 2018 and 2019.

Recognitions



Mid-Size Direct Insurer of the Year
United Arab Emirates 2019
Insurance Asia Awards



Excellence in Digital
transformation & Smart Services
2018 & 2019

AWNIC

Al Wathba National Insurance PJSC



Our Core Values and Culture
drive AWNIC's Sustainable
Operations Strategy.

We care for who we are and how we achieve our goals as a team with positive influence on community.



Professionalism
in our approach



Integrity in
everything we do



Commitment to
stakeholders' interest



Teamwork for
operational excellence





2019 Snapshot

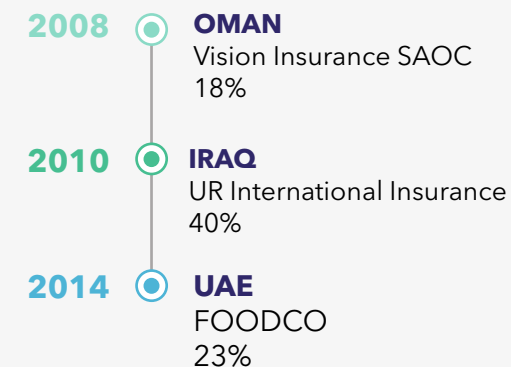
Operational Presence

AWNIC operates through its head office in Abu Dhabi and primary branches in Dubai & Al Ain.

Other representative channels of business operations include, AWNIC Satellite branches in UAE, AWNIC Online Smart Services, Brokers and Agents.



AWNIC expands its footprint in Middle East



Premium Growth

2019: -8 %
2018: 14%
2017: -20%

Net Combined Ratio

2019: 81%
2018: 79%
2017: 84%

Net Insurance Profit Ratio

2019: 19%
2018: 21%
2017: 16%

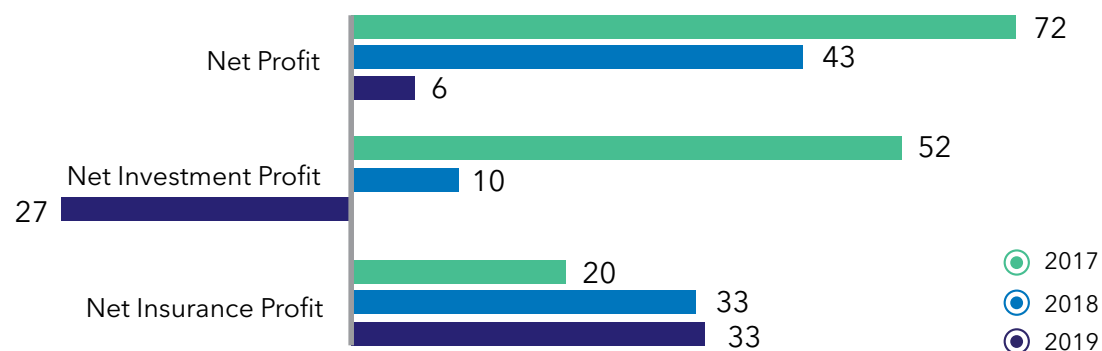
Solvency Capital Ratio

2019: 138%
2018: 170%
2017: 207%

**BBB-
(Stable Outlook)
S&P**

Dividend Per Share

2019: -
2018: 0.15
2017: 0.15



Net profit (AED in million)

2019 Impact

- ➔ Focused on Operational excellence through major digital initiatives which are fundamental to fulfilling our ESG responsibility
- ➔ Board formally adopted ESG policy and framework defining specific areas of focus, promoting ESG among stakeholders to established steering committee to report on progress with the alignment with sustainable development goals





About this Report

We are pleased to present our first sustainability report 2019. Through this report we demonstrate our commitment towards ADX initiative to drive sustainability in alignment with UAE national vision 2021, Abu Dhabi Economic Vision 2030 and national & global efforts on adopting sustainable development goals (SDG) through all the activities in insurance value chain.

This report is prepared in reference to ADX ESG Disclosure Guidance, UN Environment's Principles for Sustainable Insurance Initiative (PSI) and Global Reporting Initiative (GRI). Based on such references, this report includes the areas which are material to our business model.

The detailed report of board of directors, financial statement, management discussion & analysis report and corporate governance report are disclosed separately on ADX and are available on the investor section of our company website <https://awnic.com/eng/>

Disclaimer

AWNIC has made every effort to ensure the accuracy and reliability of the information presented in this report. However, certain statements may be forward-looking. These are based on certain assumptions using currently available information which is subject to a continuously changing environment and emerging new risks. AWNIC assumes no obligation to publicly update any information made in this sustainability report. This communication is not intended as a recommendation to buy, sell or hold securities. Readers are cautioned not to place undue reliance on information presented herein. We shall not be responsible for any loss or damage of whatever nature that arises due to use of this information.





Sustainability At AWNIC





CEO Message



Dear Stakeholders,

Welcome to the first sustainability report 2019 of Al Wathba National Insurance Co PJSC.

We value the trust that our customers, business partners, shareholders and society place in us, we try to serve in their best interests every day. To make these efforts as transparent as possible, we want to disclose our Environmental, Social and Governance (ESG) approach as good as we can, beginning with this report.

Over the course of the last few years, we have witnessed a paradigm shift in customer expectations

with regards to technological advancement, increased regulatory requirements and social commitment to society at large. ***Operating in the insurance sector wherein trust matters the most, we remain committed to meet the expectations of our stakeholders by aligning our business model with the Sustainable Development Goals (SDG's) and working together for a positive future.***

As Awnic always has seen itself as a frontrunner, we want to move forward in matters of sustainability as well. Our pioneering role can be illustrated by our continuous effort introducing an array of digital offerings customized for both internal external stakeholders. We are also one of the early adopters of Robotic Process Automation (RPA) and Blockchain technologies in the UAE Insurance market. As a result, 2019 was the second year in a row that we were the recipient of "Digital transformation & Smart services" award from the UAE - Insurance Authority. This proof of quality is a result of the excellent work of our employees and our policy to put their well-being as our highest priority. Their continuous input is an important part of the solutions regarding the varied concerns about climate change, human right issues and economic crisis have brought the focus on transparency, sustainability and responsibility in business, covered in this report. Recent discussions with our business partners, brokers, agents, regulators and suppliers also reflect a shift in reporting requirement and strengthened our decision about preparing non-financial disclosures displaying our determination in conducting business in sustainable manners, aiming to contribute positively for People, Planet and Profit.

Through this report, we seek to provide an insight to all our stakeholders regarding the ESG factors we integrate in our business model and how we intend to advance the practice of ESG integration within all our operations. We are committed to deliver our corporate responsibility through enhancing our customer services, honoring timely claims, serving the community and making long-term local investments.

Further, we believe that presenting such sustainability report will serve as catalyst for self-assessment and continued improvement in our sustainability journey. As we integrate the ESG factors in our insurance & investment and improve our operations each day, our goal is to deliver long-term value for all our stakeholders. We will do our best to scale our award-winning digital capabilities and continue to invest in supporting the next generation of positive-impact businesses. Enforcing our business strategy towards a strong sustainability performance is not only going to help us on the way to be one of UAE's most respected and well-regarded brands in insurance, but also ensures our positive contribution towards the society and environment. While doing so we will ensure that our customers and clients prosper, economies do better, and society becomes stronger.

Bassam Chilmeran
CEO

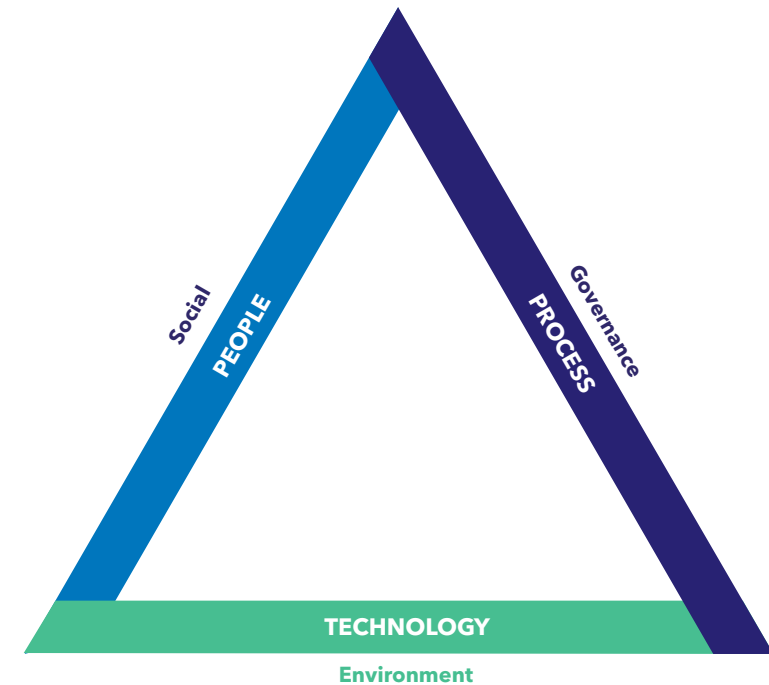




Sustainability at AWNIC

Our Approach

Being a National Insurance Company, we play an important role in applying responsible business practices. We promote and support responsible behavior or practices throughout our value chain. Our corporate activities are steered by the Principles for Sustainable Insurance (PSI) initiative launched by UNEP FI. We strive to embed ESG factors in our risk management framework and seek to continually improve AWNIC's business activities. We understand the risks associated with insurance business operations and its implications on the society and environment. Thus, integrating ESG factors and applying principles for sustainable insurance in our core activities is our way to achieve the long-term strategic objectives of being a sustainable insurer with profitable growth on the one hand and having positive influence on society and environment on the other.



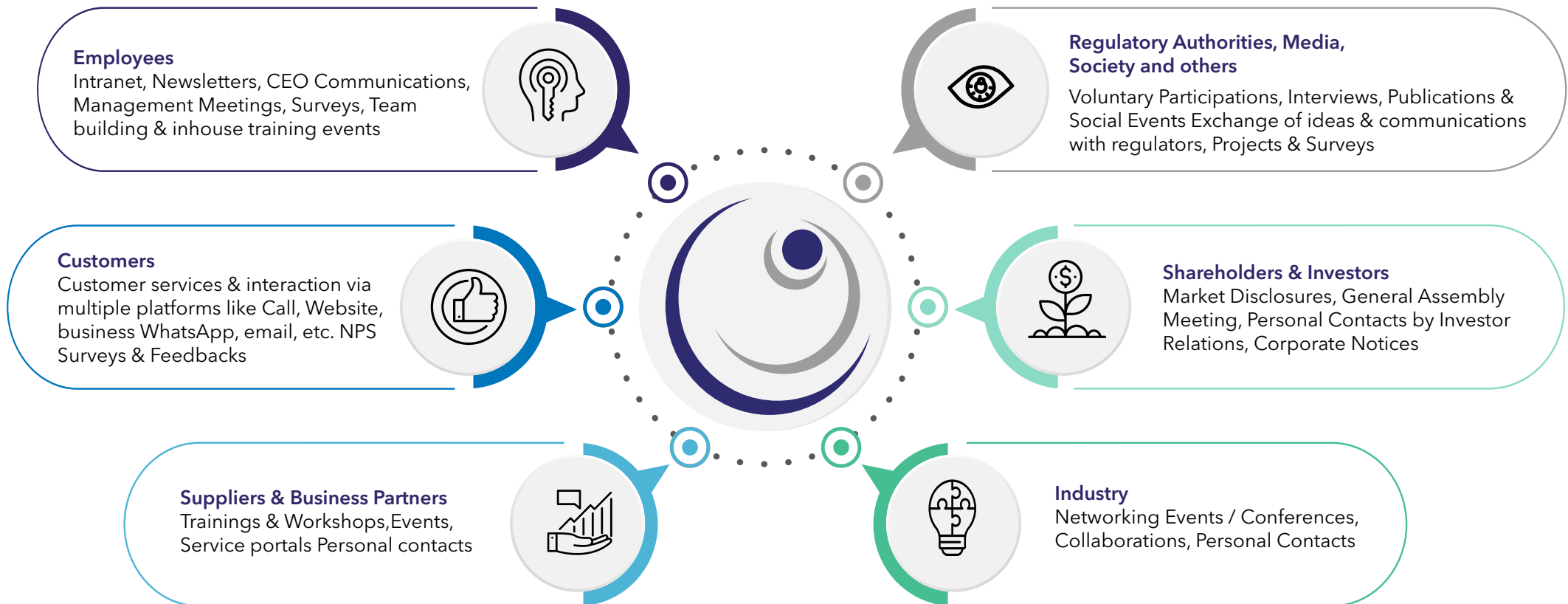
AWNIC's management has always been an advocate of technology supporting operational excellence, assisting in creating value for stakeholder's as well as supporting sustainable development and management at the same time. We believe that empowering people through digitization and driving eco-friendly development is fundamental to our ESG responsibility.





Stakeholder Engagement

This report presents an opportunity to highlight firstly AWNIC's research and analysis on sustainable development issues and secondly our discussion with the stakeholders. In the midst of changing risk landscape, understanding the internal & external stakeholder perspectives and opinions is an important step in materiality assessment. AWNIC understands that continued improvement to the stakeholder engagement process is critical to develop holistic solutions and address the concerns as we move forward together. It is only through continued engagement & discussions that enables us to operate sustainably and meet our customers, shareholders, business partners, suppliers, employees, regulators, and other stakeholders' expectations & concerns.





Materiality

During 2019, as a result of ongoing stakeholder dialogues, we have identified material topics enabling us to achieve our best contribution to mutual sustainable development goals. We also considered our alignment with best practices as recommended by Global Reporting Initiative and reviewed the public resources providing insight on megatrends, and emerging risks & opportunities for the insurance sector. We identified and assessed materiality topics which have been positioned based on the relevance of our role in the society, business impact and of key importance to our stakeholders.



- 1 Climate Risk & Opportunities
- 2 Digitalization & Paperless Insurance
- 3 Data Privacy & Security
- 4 Financial Market Stability
- 5 Customer Experience
- 6 Health & Safety

- 7 Governance & Risk Management
- 8 Green Products / Sustainable Solutions
- 9 Employee Engagement
- 10 Diversity & Inclusion
- 11 Training & Development



Alignment with Sustainable Development Goals

INTEGRATION into Strategy

Integrating the principles of sustainable operations and embedding relevant ESG issues into our business strategy. Tuning to ESG ERM across value chain, setting goals in alignment to SDGs and reporting to Board the progress on the achievement of sustainability goals by the steering committee.

ENVIRONMENTAL Stewardship

At AWNIC, climate change risks and its implications on business operations as well as our target to limit our environmental footprint (efficient use of energy & water, waste recycling, supporting green products, promoting ecological sustainability within our value chain) remains our priority.

Pg. [33-35](#)

Corporate GOVERNANCE & Responsible Business Practices

We believe in building sustainable relationship with our stakeholders. Acting responsibly through our business value chain is of highest importance. This is formalized through comprehensive compliance policies which provide the framework on ethical business practices for all stakeholders. AWNIC maintains a good compliance track record and remains committed to comply with all regulatory requirements through strong governance standards.

Pg. [13-15](#)



Empowering PEOPLE & COMMUNITY

We believe in fostering safe & empowered workplace. This lays the foundation for our commitment to human rights and non-discrimination. This is integrated in our Code of Conduct and related policies. We remain committed to our social responsibility towards the community in which we operate and to find ways to contribute positively.

Pg. [19-20](#), [23-30](#)

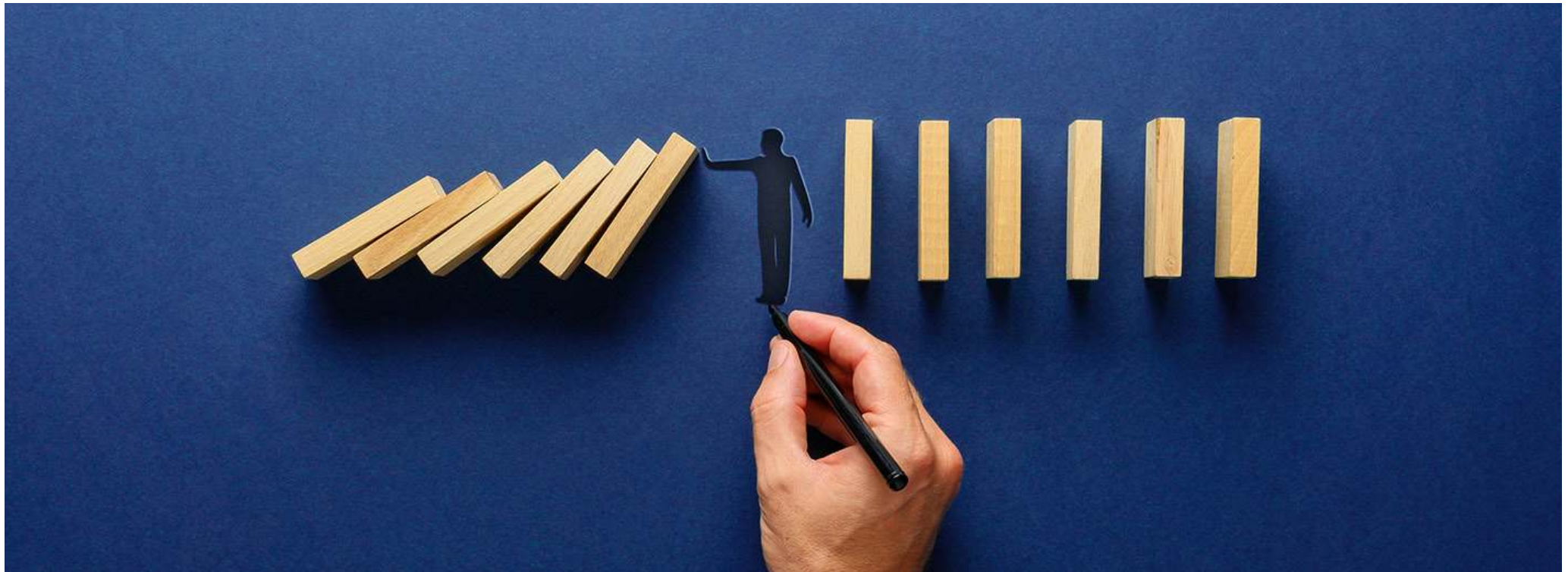




Governance & Risk Management

Our Approach

AWNIC strives to continuously enhance and strengthen corporate governance, ensuring operational transparency, accountability and maximizing long term value for all our stakeholders and positive contribution to society. The evaluation and integration of ESG factors into the corporate strategy and risk management remained a key agenda for the Board during 2019. To make the sustainability performance of Awnic even more transparent, the measurement and monitoring of Awnic's corporate ESG metrics is going to be a key target for the upcoming years.





Corporate Governance



Compliance & Ethical Business Practices

AWNIC's strategic direction and application of good governance is a result of visionary leadership. Our Board consists of nine members from different facets of society who intuitively see opportunities that drive material business advantage. Five out of nine board members are independent. Each of the three Board committees (Audit, Nomination & Remuneration and Investment Committee) consist of three board members, majority of which being independent. There are detailed charters specifying the Board committee members role & responsibilities, composition, meeting quorum and authority. Besides laying the strong foundation on corporate governance & ethical business practices, AWNIC's Board focusses on continued learning and development for long-term success and effective oversight. Key trending topics like digitization, cyber security, ESG (risk & opportunities) and regulatory updates remained to be of high importance on Board's agenda.

Our corporate governance is based on national statutory and regulatory requirements. While being compliant with regulatory requirements, we remain focused on best governance practices. This voluntary disclosure on sustainability reporting reflects AWNIC's commitment on being transparent and encouraging open dialogue with our stakeholders. During the implementation years, AWNIC has been honored by Securities & Commodities Authority as one of the outstanding companies in Corporate Governance compliance.

Operating in a dynamic risk & governance landscape, risk awareness and responsibility is deeply embedded in our corporate DNA through robust and sustainable governance mechanism. This is underpinned by a standard set of Board adopted policies & procedures, including

- ➔ Code of ethics & conduct covering corporate impact, human rights & safety, conflict of interest, anti-bribery & corruption, service contracts and whistleblowing
- ➔ Insider Trading Policy
- ➔ Related Party Transactions Policy

5 GENDER
EQUALITY



10 REDUCED
INEQUALITIES



16 PEACE, JUSTICE
AND STRONG
INSTITUTIONS

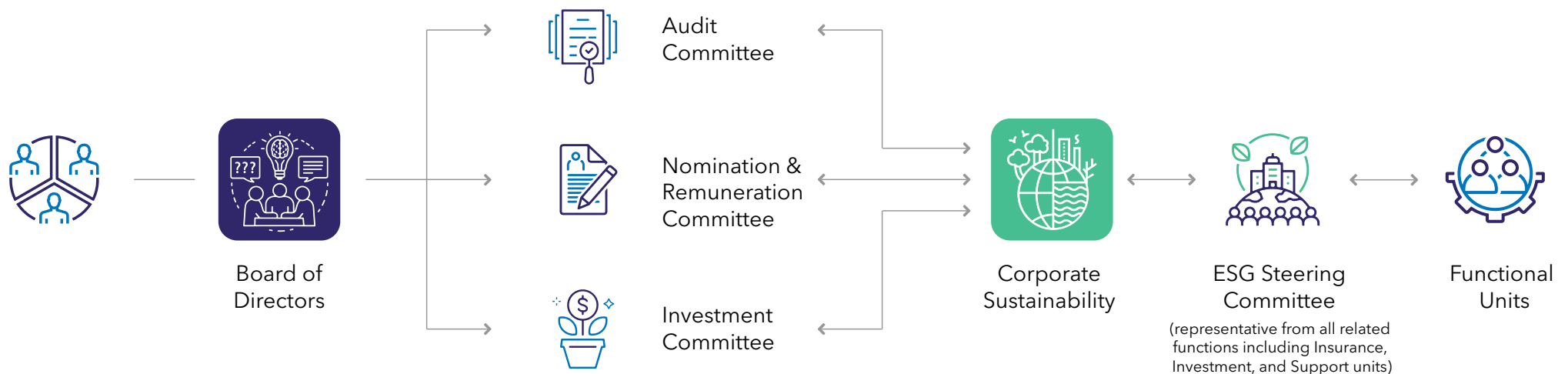




All the key corporate policies and procedures are subject to minimum annual review and updating, further including delegation of authority matrix, due diligence, credit policy, remuneration & incentive and others. Further, these standards collectively guide employees in acting responsibly and demonstrate high standards of ethical behavior across operations and relationships with internal & external stakeholders. We believe that effective implementation of corporate governance lies in our commitment to observing ethical business practices with integrity. ***It is through continued efforts, that we have cultivated a culture of employee ownership to code of conduct, contributing to our success and reputation.*** This culture supports our corporate objective towards sustainable business growth and being a trusted insurer.

Goals 2020-2022

- ➔ Encouraging women participation in the Board





Procurement & Supply Chain

AWNIC remains committed to development of supply chain management in consideration of social and environmental standards. We continuously aim to optimize our asset utilization while minimizing environmental impact.

Supply Chain Management

AWNIC strives to maintain mutually benefitting long-term business relations with our business partners and suppliers & vendors based on honest and fair practices. We also evaluate the business activities and credibility of our suppliers via reliable third-party due diligence service providers minimizing possible reputational risk associated from the conduct of our suppliers. Our code of conduct provides clear guidelines to employees on interactions with suppliers and zero tolerance on unethical business practices. Our procurement requirement primarily falls under two types, IT and Non-IT services & supplies.

Our supplier selection process is based on detailed request for proposal covering scope, social & governance issues and conflict of interest. Further minimum three quotations are required for major Capex and Opex and evaluation report is presented to Board Committee for consideration.

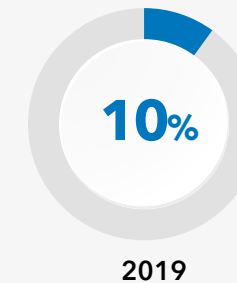
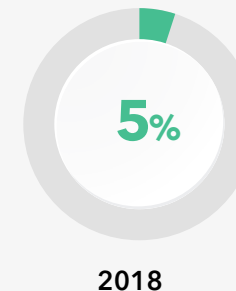
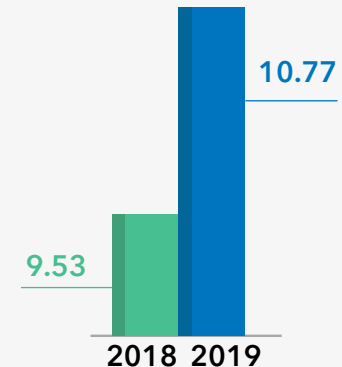
Goals 2020-2022

- ➔ Update our supply chain questionnaire to include environmental issues
- ➔ Introduce self-assessment questionnaire for our suppliers covering compliance requirements, sustainability and anti-bribery & corruption

Procurement (AED' in millions)

Total Procurement

2018 2019



Percentage
of Procurement
Outside UAE

Certified ICV Score - 53.43%

* In-Country Value (ICV) scores are calculated by evaluating the economic value add within the UAE for the products or services offered by the organization, according to a pre-defined methodology considering factors that reflect the impact on business & human development like third party spend, emiratization, investment and others.





Risk Management

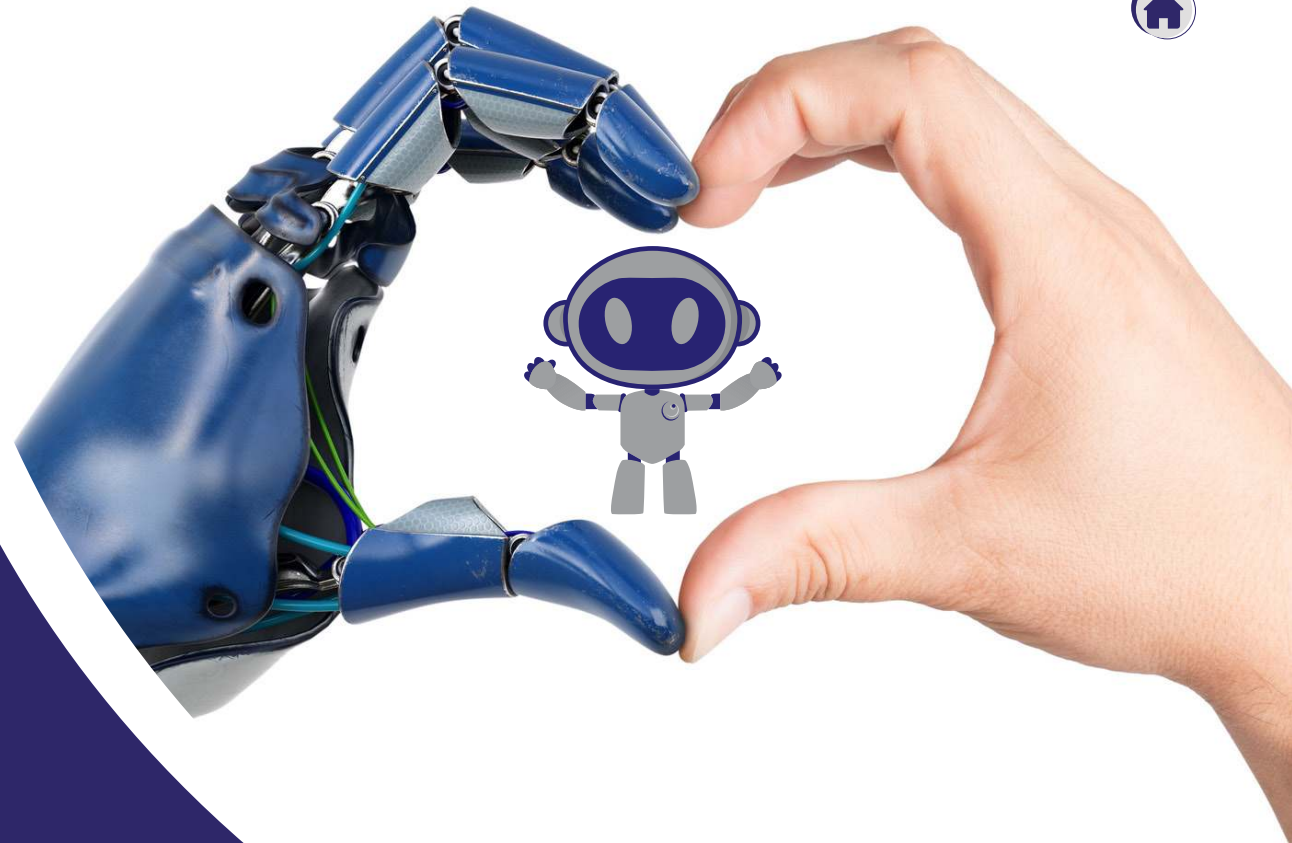


Operating in a challenging environment requires a new approach to risk management. Evolving business models, technological advancement with emerging risks, unprecedented level of sanctions and increased regulations, requires strengthened risk management strategies. We believe enterprise risk management is central to sustainable governance and a critical pillar to our overall financial viability. AWNIC's Board Committee understands the core operations activities and its risk profile and therefore regularly monitors all material risks. Our internal controls function reports to the Board Audit Committee and adopts a holistic approach considering the correlations across all functions of the company and aligning the risk management framework to evolving business model, and corporate strategies. Existing and emerging risks are reviewed in line with existing controls and recommendations are discussed with unit heads and management. This is further presented and discussed with Audit Committee. AWNIC's risk management framework comprises comprehensive policies & procedures including risk identification, assessment, risk response and control measures. This sets the tone of risk aware culture ensuring risk acceptance and management in line with risk appetite. For instance, climate change is a topic of high importance for AWNIC as a forward-looking insurance company. As part of the risk mitigation, there are climate risk improvement recommendations to customers.

Goals 2020-2022

- ➔ Enhancing our existing risk management framework through integration of ESG factors, leverage technology expertise and close tracking of ESG KPI's dashboard
- ➔ Schedule employee trainings focusing on sustainability related risk management program

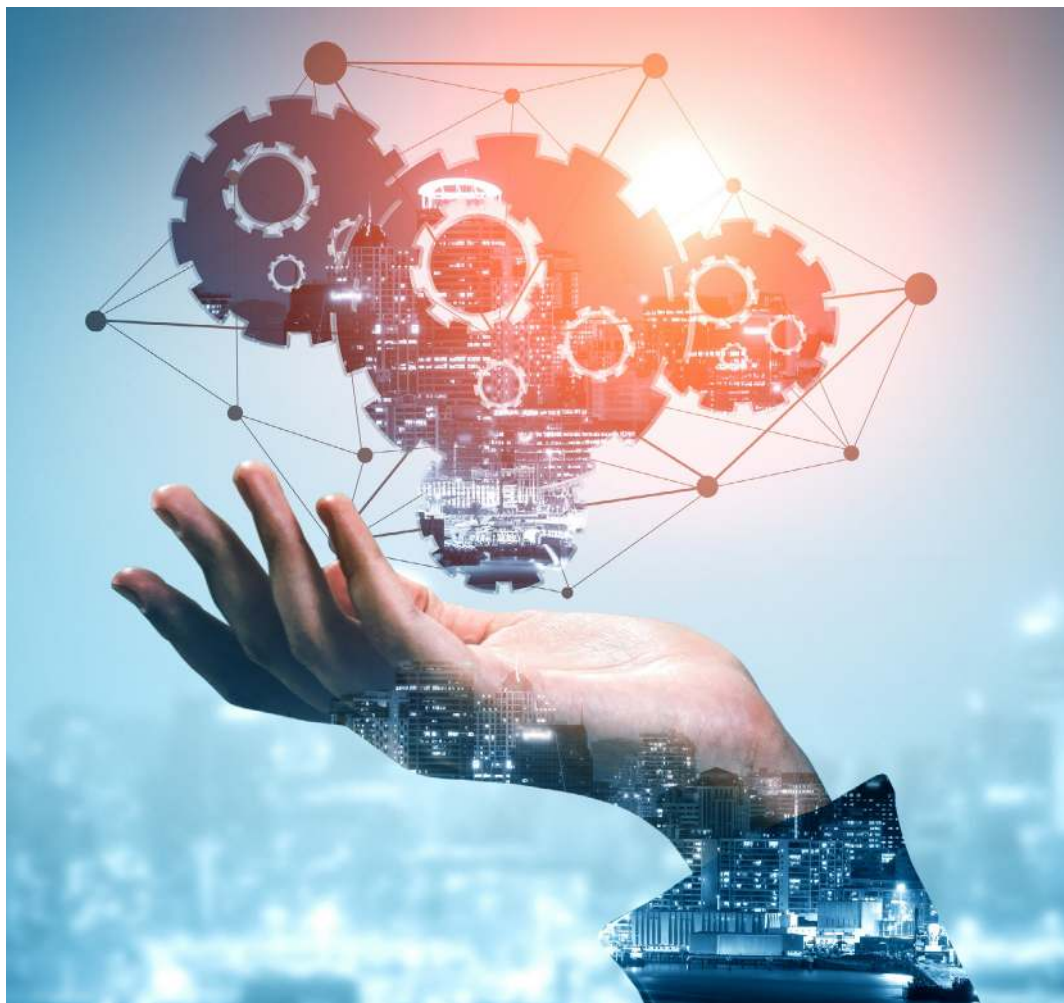




Operational Excellence



Operational Excellence



Our Approach

In order to keep our insurance up to date in terms of technology, security and sustainability, the digital transformation is of particular importance for AWNIC. While the renewed processes facilitate and simplify the work of our teams, we can also significantly reduce our material consumption. At the age of digitalization we are endeavoring to move ahead of our peers by strengthening our capabilities through adapting the latest innovation and improving our ways & means of operating and servicing our clients





Digital Transformation

AWNIC's digitization initiatives are driven by path breaking technologies, built around strong partnerships with key players in Insurance, prominent brands & technology companies globally

With the implementation of solutions like iCMS, Motor Claims Recovery Platform, Enterprise Content Management System, e-Commerce website, Mobile App, CRM Tool, HRMS, Business WhatsApp, Call Centre IVR system, QlikView etc. AWNIC has transformed the end to end business operations and service delivery to customers. With a digital mindset at the core of everything we do we have been able to digitally empower the customers and employees alike.

AWNIC has swiftly navigated along with the recent digital paradigm shift in the global scenario, providing a seamless experience to all the stakeholders. With digital solutions providing improved turnaround and response times, better connectivity and faster processing times, we have been able to create an ecosystem powered by collaboration, innovation & continuous improvement. Being early adopters of RPA and Blockchain technologies in the UAE market, once again clearly confirms our pioneering role.

8 DECENT WORK AND ECONOMIC GROWTH



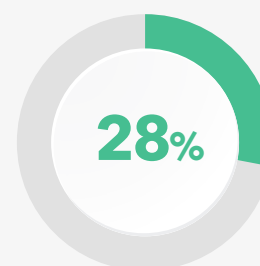
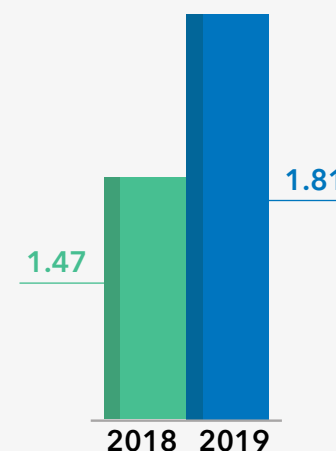
17 PARTNERSHIPS FOR THE GOALS



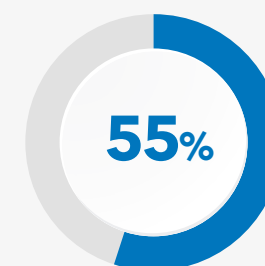
During 2019, "AWNIC BOT" department is set up as Centre of Excellence (COE) driving digitization and innovation initiatives

Total Capital Expenditure
(AED' in millions)

2018 2019



2018



2019

IT Expenses
(Capex)





Data Privacy & Security



Today more than ever, technological advances play a significant role in the way how a business operates and provides service to its customers. As insurance company we thrive on information and deeper understanding of data assists us in creating value for our customers and being business resilient. Awnic adapted block chain, automating majority of processes, and empowering our employees with sophisticated systems and advanced analytic engines managing wealth of information.

While being agile and adapting to digital first brings along its risks and challenges. Our risk management team identifies cyber security, data privacy & protection and business continuity as key material areas and relates to Awnic responsibility towards its policyholders and other stakeholders.

Awnic continuously takes measures to mitigate the risks associated with data management and security and ensures compliance with all applicable information security requirements in line with regulations and best industry practices. Apart from implementing mature and robust security management systems, Awnic also carries out annual IT audit via external consultant confirming to our best IT security practices and advising on improvements. Our Business Continuity & Disaster recovery design ensures adequate timely support to our primary IT infrastructure covering untimely contingent events.

Goals 2020-2022

Awnic has ensured compliance with the NESA IA standard fostering a security conscious culture and is also in the process of getting the ISO 27001:2013 certification standard which provides assurance in the areas of information security, physical security, and business continuity

9 INDUSTRY, INNOVATION
AND INFRASTRUCTURE





Stakeholders

Building & Sustaining Relationship





Customer Stewardship

Our Approach

AWNIC remains committed to consistently deliver distinct, quality, and personalized service to our customers. ***Our core values, transparency, ethics, and integrity support our commitment of customer centricity in each activity we do.*** At AWNIC, we believe long lasting relationship comes from being trusted as a sustainable insurer. ***Over the years, we have built trust by protecting customers, processing claims timely, helping clients make informed product selections, advising on risk mitigation thereby lowering costs and enriching overall customer insurance experience with AWNIC. In recent years, we have enhanced the customer journey through smart technology while keeping it simple and customer friendly.***

We believe that our customers simply deserve the best and this is reflected through AWNIC's digital transformation initiatives which is a perfect example of how we keep our customer's changing requirements at heart. As we enter an ecological era of smart services, we invest in digital platforms delivering seamless journey for our customers, right from product inquiry to after sales service. ***Customer's demands have acted as catalyst in achieving reliable, responsible, and efficient AWNIC's customer-led digital platforms like***

"Is there anyway I can renew my policy after office hours, as reaching call center post office hours is difficult".

"How can I track my Claims Status"

➔ ***AWNIC Response - launched mobile application in 2019 making customer journey smooth and easy***

AWNIC leverages its expertise in AI, blockchain, customer management systems, other technological solutions to improve customer service efficiency and quality. Sophisticated business intelligence tool empowers employees

to deep dive into the developing customer needs and collaborate to deliver service efficiently & effectively.

Embracing advanced data analysis has assisted us in maintaining sound renewal and retention rates through years. ***We have served almost 1500 customers through our digital channels in the year 2019 enabling them to have hassle free interaction on their insurance and related claims.***

While digital smart platforms are the need of time, and inevitable to business sustainability, we understand that nothing can replace distinguished support by our employees addressing customer queries professionally. AWNIC believes in being digitized with human approach. Our commitment & values are embraced by our employees and demonstrated in the professional support services. Other than the digital platforms like e-commerce website, mobile application, business WhatsApp servicing the customers on the go, our state of art call center enables round the clock support. We have multi-lingual customer care team ensuring that customer queries are handled suitably.

8 DECENT WORK AND ECONOMIC GROWTH



3 GOOD HEALTH AND WELL-BEING





Our success depends on continued measurement of customer satisfaction which helps us to improve our products and services to meet their requirements. Customers are encouraged to provide feedback via various channels including satisfaction surveys through call, website, email and customer experience & loyalty through NPS. This enables us to measure our service levels and understand the root causes for resolution and find distinctive ways to deliver value. ***Our sustained customer loyalty and lasting growth comes by meeting evolving customer expectations through delivering valued product & services, easy to use & intuitive smart platforms and ongoing personalized insurance engagement through policy cycle.***

Delivering Value for our customers

- ➔ Understanding and assessing customer insurance needs
- ➔ Guiding to make informed insurance decisions
- ➔ Meeting customer expectations with tailored boutique insurance solutions
- ➔ Keeping It Simple, Secure, and transparent through digital smart platforms
- ➔ Being responsible to our Customers requirements and improving our services
- ➔ Encouraging our customers in fostering their corporate responsibility goals
- ➔ Ongoing engagement through the policy cycle

Pillars to Customer Service



Smart digital platforms serving the Awnic moto –
Assurance when you need insurance at your convenience

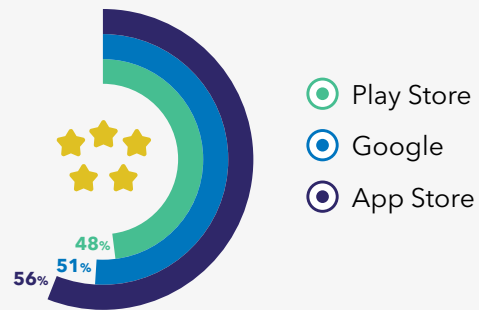


Skilled & Experienced Team





Customer Ratings

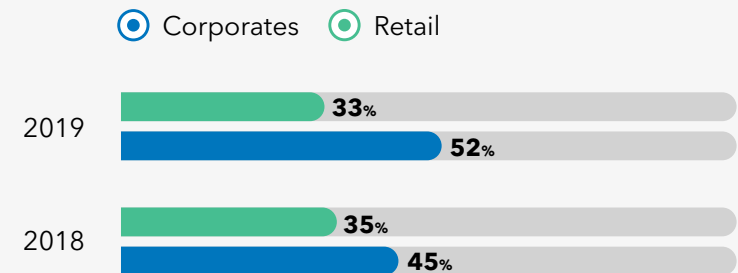


IVR

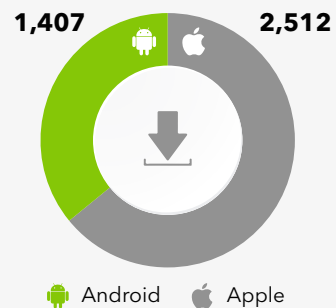
54 NPS

95% Customer Satisfaction Rating

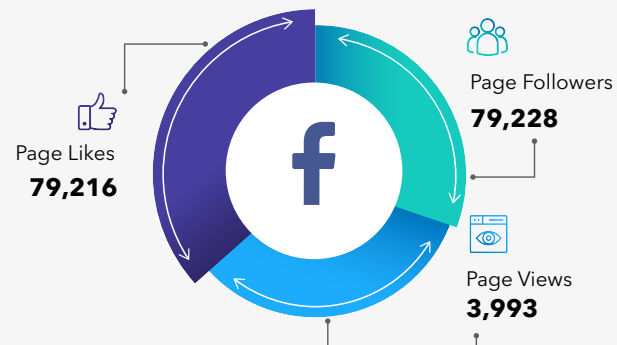
Renewal Ratio



Application Downloads



Facebook



Website Traffic



Customer Recognition Programmes

AWNIC Privilege Card
(Loyalty Program)

Etihad Guest Miles

Customer Complaint IA e-portal

Customer Complaints received & resolved



Average TAT (in days)

● 2019 ● 2018





Our Employees, Our Strength

Our Approach

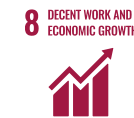
The company's purpose on diversity and inclusiveness drives from operating in a country which has set strong guiding principles on tolerance and inclusion. UAE is home to a diverse population of close to 200 nationalities. AWNIC's ethnic diversity is represented through its employees from more than 12 nationalities. ***AWNIC equally supports people with determination contributing to our success. We recognize the strategic importance of being fortified with a diverse workforce complementing intellectual capital.***

At the heart of AWNIC's policy lies ***our belief in Happy Employees, even Happier Customers.*** AWNIC fosters a positive work culture through employee engagement programs, financial well-being & security, and continuous learning.

Our employee expertise and contribution have been instrumental to digital transformation of AWNIC. Empowering our employees with automation & data analytics has led to organizational growth. Our "go green" purpose towards a sustainable ecosystem is embraced by the employees which is demonstrated by their active participation with fresh ideas and perspectives to sustainable workplace. As much as customer feedback, our employee's unique insights have resulted in improving the quality of service.

Goals 2020-2022

- ➔ Talent acquisition aiming for increasing women leadership in managerial roles through continued attention to candidature & recruitment postings focusing on gender equality





Employee Engagement

Operating in dynamic insurance landscape requires high level of competence, expertise and learning agility. ***Our efforts are geared towards building an inclusive and attractive work environment building foundation to strong corporate culture. We are committed to diversity and equality.*** We believe that diverse work culture supplements value creation and greater employee engagement fostering ownership towards corporate goals & success.

AWNIC success is AWNIC employee's success. We remain committed to creating lively and positive working environment for our employees. We support open door communication policy, enabling employees to present & discuss their ideas through the decision-making process. Formal brainstorming sessions, regular CEO messages, encourage employee participation.



Potluck



Mother's Day
Celebration



Ramadan
Iftar



AWNIC
Annual Day



Health
Checkup



Cricket
Tournament



Football
Tournament



National Day
Celebration



Monthly
Team Meeting

Several recreation activities are organized round the year celebrating notable achievements of the company, awarding best performers, organizing team building activities, and much more. Such events foster team spirit and optimistic solution-oriented workspace.

In today's digital age, we believe in making it easy for our employees to process their personnel services such as leave requests, request for salary certificates, appraisals, personnel information management, alerts, and others via HRMS application. Comprehensive employee handbook is accessible to all employees covering corporate policies & process guide. This also includes focus areas such as employee rights, whistle blower, and health & safety policies.





Financial Well-being & Security

AWNIC's employee wellbeing & financial security remains our strategic priority. We care for our employees and thus AWNIC has long in place employee pension plan with contribution from employee and company. Additionally, a life insurance is in place for all our employees. It is important for us to create value for our employees as progress mutually together and to plan for a sustainable future.

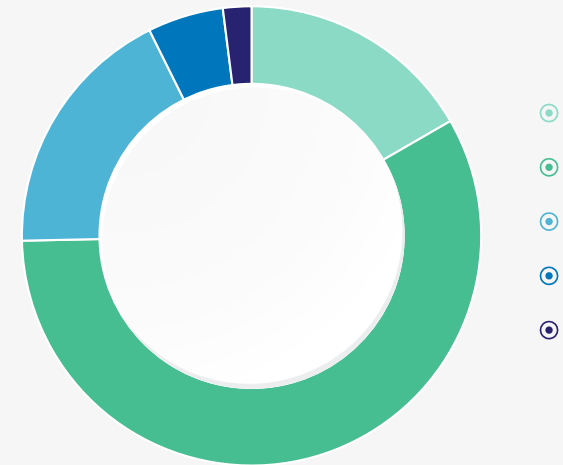
AWNIC encourages its employees to adopt healthy lifestyle. Amongst our other employee programs, we also arrange for special fitness center membership offers and conducts regular health checkups and wellness awareness sessions in association with reputed medical service providers for all staff during the year. Further, regular health & safety trainings are conducted for all employees including first aid, workplace orientation, safety drills and others.

Training and Development

Nurturing talent is the key driver to our success over the years. Trainings for our employees are aimed to strengthen our knowledge base as well as offer career advancement opportunities creating digital savvy workforce. With the rapid adoption of technology, ongoing trainings become essential for the users who leverage it to bring success. Our IT team actively conducts awareness sessions on rising cyber security threats. Special training programs are delivered in-house, meeting the requirements of employees including mandatory sessions on AML/CFT updates, Anti-Bribery & Corruption, Cyber security, Code of Conduct, and others. **At the minimum, ten hours learnings in the form of in-house trainings or scheduled courses, workshops, others, is being encouraged for all employees during the year, which adds to the department score in annual appraisal process conducted through balance scorecard.**

Besides, inhouse structured learning, we encourage UAE nationals to pursue the courses offered by Insurance Authority and EIBFS focusing on development and career progression in Insurance.

Head Count by Age Group



150 Employees

23%



77%

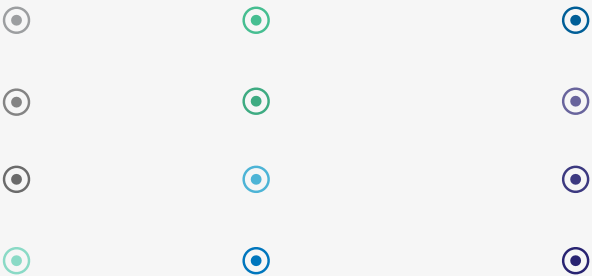
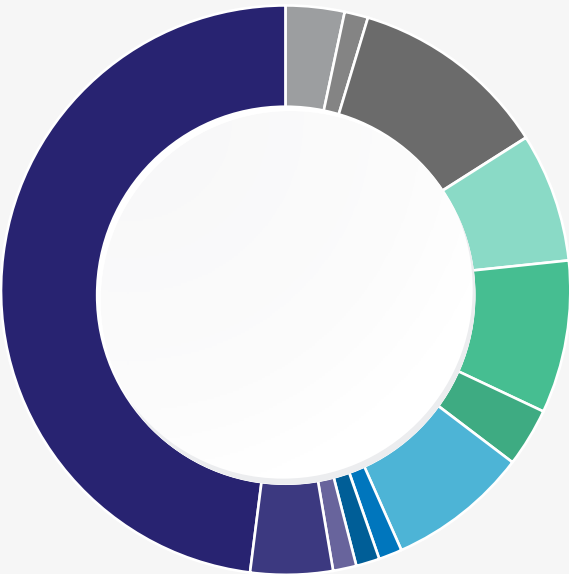
Attrition Ratio

15.8%





Ethnic Diversity



 AWNIC Employee Excellence Awards





Social Responsibility

As a national insurance company of UAE, we are truly thankful to the society in which we operate. Being a responsible corporate citizen, we recognize the key segments of community where we can effectively contribute to empowering people in their way forward. Our domain of community engagement primarily focuses on health care for children with disability and rehabilitation trainings for people with determination. We also encourage our employees to volunteer in corporate community programs, such as Spirit of Ramadan. We are also engaged with NGO's, to help us fulfilling our community initiative successfully during Ramadan. It is through these humble initiatives that we try to reflect our gratitude towards and connection with the people.

Initiatives

- ➔ Contributing towards treatment and rehabilitation of children with Autism
- ➔ Engagement with Red Crescent for Ramadan initiatives
- ➔ Spirit of Ramadan campaign volunteered by Awnic employees
- ➔ Supporting medical consultation and rehabilitation training for people with determination

17 PARTNERSHIPS
FOR THE GOALS



3 GOOD HEALTH
AND WELL-BEING





Environmental Responsibility





Our Approach

We understand our major role being timely response to customers when they need assurance and especially when being impacted by the climate change claims. Moving from the traditional insurer role, we also realize that climate change risk requires us to actively engage with our entire value chain in implementing preventive risk management and adaptive strategies. While we try to reduce our environmental impact as far as possible, it is going to be a long journey building socio-economic resilience and transitioning to low-carbon economy together. Therefore, amongst others we want to take part through planned investments, awareness, and trainings (risk preparation and mitigation).

6 CLEAN WATER
AND SANITATION



9 INDUSTRY, INNOVATION
AND INFRASTRUCTURE



12 RESPONSIBLE
CONSUMPTION
AND PRODUCTION



13 CLIMATE
ACTION



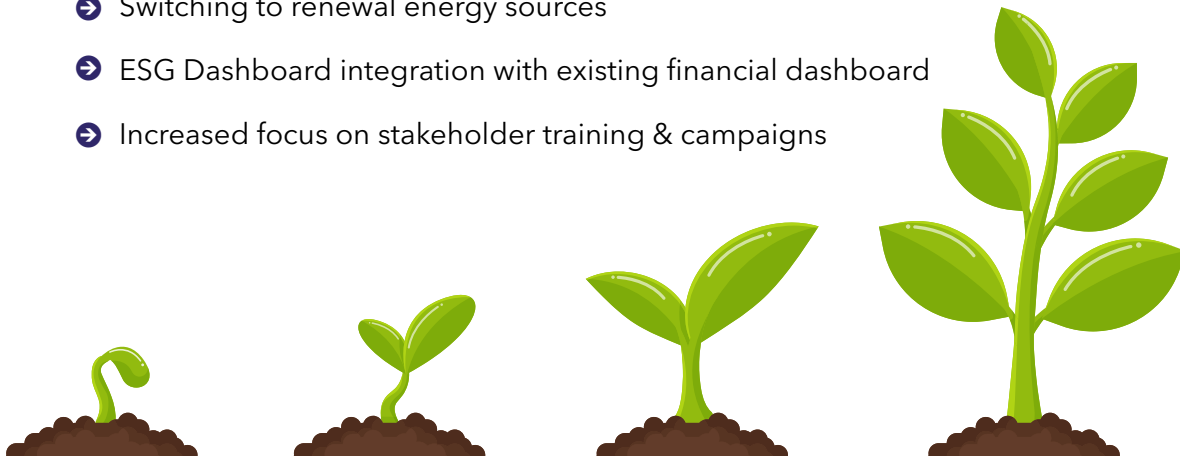


AWNIC's Environmental Stewardship

We are committed to limit the environmental footprint from our business operations, ensure economical use of resources and focus on processes that support our Go Green initiative which we started in 2013. These programs are our steps in implementing ecological habits, embedding corporate philosophy in actions we take and impact we create in support to our society. Understanding that "Change is the only thing constant", we review and revisit our operational goals and collaborate with employees and supply chain partners to operate responsibly and encourage continuous improvements & incentivize environmental stewardship. Based on our past environmental performance, we have further identified areas of improvement and set goals through 2020-2022. And these will be benchmarked in our coming disclosures.

Goals 2020 - 2022

- ➔ Monitor use of natural resources and set corporate targets on reducing CO2 emissions and optimizing asset performance
- ➔ ISO Corporate Carbon Footprint certification
- ➔ Switching to renewal energy sources
- ➔ ESG Dashboard integration with existing financial dashboard
- ➔ Increased focus on stakeholder training & campaigns



2018 - 2019

Spearheading Digital Transformation

Reviewing underwriting processes in line with the climate change risks in UAE



2014 - 2017

Corporate policy changes and promoting awareness

Seeking feedback from stakeholders on green initiatives



2013

AWNIC's Go Green Initiative





Resource Efficiency

AWNIC's continues its efforts in reducing the consumption of water & electricity by using energy efficient devices and encouraging our employees to bring positive sustainable workplace changes. We also continually improve & upgrade our building management systems driving resource efficiency. Simple communications with employees have contributed to AWNIC's energy saving initiatives. Both the expense incurred toward water & electricity consumption and units/usage consumed per head has reduced from the year 2018 to 2019.

27% saving in water & electricity expenses 2019 vs 2018
27% reduction in water usage and 3% drop in electricity consumption

Favoring Eco-design

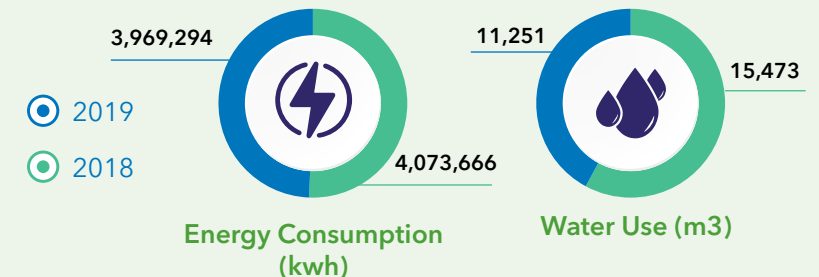
Vehicle emissions contribute to the increasing concentration of greenhouse gases leading to climate change. Vehicle pollutants further link to impact on human health. AWNIC responsibly favors the eco-design alternative green vehicles insurance, supporting transition to a lower-carbon economy. In recent years, the consumers have shown preference on Alternative fuel vehicles / green vehicles. AWNIC supports this eco-friendly consumer choice and during 2019 we have provided best insurance tariff rates on such vehicles. We will continue to develop new insurance products & services promoting the limit of environmental impact by our customers.

Insured 90+ Eco-friendly vehicles during 2019

Waste Management & Recycling

In our unified efforts to help environment, AWNIC has spearheaded its 'Save a tree, Save Paper campaign going by the name 'AWNIC Goes Green' ensuring sustainable consumption, preventing and reducing wastepaper is critical aspect of AWNIC environmental stewardship. All our office locations have dedicated green box installed for wastepaper collection and recycling. The Go Green initiative has been successful through conscious efforts of our employees in understanding how their small actions have big impact in long term. Printing & Stationery cost has reduced significantly year on year, and this is supported by significant sustainable investment in digital transformation, especially on digital storage and transmission of documents internally & externally.

Resource Consumption





Think Sustainably....

HOW CAN WE CONTRIBUTE?

Promote a "THINK BEFORE YOU PRINT attitude".

Don't print unless absolutely necessary.

Proofread what you have prepared, and preview the document to see if necessary adjustments and corrections are made.

Use Print Preview before printing.

Send memo and Circulars electronically by email instead of printing the same memo and circulating it individually.

Give documents electronically, scan it and save it. Filing and retrieval is easily manageable when done electronically and easily accessible if needed to be sent by email.

In printing our PowerPoint Presentations, print multiple slides per page by choosing the "handout".

Use Notepad and note your notes and reminders instead of writing them on paper.

Check your spacing, why print in 3 pages when you can print in 2? Why print in 2 pages when you can print back to back on one page?

Reuse waste paper from misprints, recycle them, use them as notepads, print on the other side, throw it other ways and means to use them instead of discarding them.

Follow the 3Rs Concept (Reduce, Reuse, Recycle)

ALL IT TAKES IS A LITTLE EFFORT TO MAKE A BIG DIFFERENCE.

AWNIC GOES GREEN
SAVE A TREE, SAVE PAPER CAMPAIGN

On a yearly basis companies are provided by The Center of Waste Management of Abu Dhabi with an NOC (No Objection Certificate) in line with the renewal of our Commercial License, with this, we pledge our commitment as a whole to reduce the volume of annual waste production by 20% during the next two years (2013-2014) by reducing our waste production through effective Waste Management.

DID YOU KNOW
THAT FOR ALL AWNIC LOCATIONS AND BRANCHES IN ABU DHABI ALONE, THE PAPER ORDERED FOR THE PREVIOUS MONTH WAS EQUIVALENT TO 1,440,000 PIECES? HOW MUCH DO YOU THINK WAS PUT TO WASTE?

AWNIC GOES GREEN
SAVE A TREE, SAVE PAPER CAMPAIGN

TIP# 5
PRINT ON BOTH SIDES
FOR LENGTHY REPORTS WHETHER
FOR NORMAL PRINTING OR
PHOTOCOPYING

REDUCE YOUR USE BY 50%

AWNIC GOES GREEN
SAVE A TREE, SAVE PAPER CAMPAIGN

WHEN YOU TEAR PAPER,
YOU TEAR DOWN TREES



Feedback

We appreciate your valuable feedback on this report and any other queries that you may have.

You may write to us at: sustainability@awnic.com

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