

NATIONAL GENERAL INSURANCE COMPANY (PJSC)

ENVIRONMENTAL, SOCIAL, AND GOVERNANCE (ESG) POLICY

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الشركة الوطنية للتأمينات العامة (ش.م.ع.)
NATIONAL GENERAL INSURANCE CO. (PJSC)

Environmental, Social, and Governance (ESG) Policy

Our mission at National General Insurance PJSC (herein referred to as “NGI”) is to fulfill our fiduciary duty by creating long-term value for our investors and shareholders.

Accordingly, NGI is committed to integrating Environmental, Social, and Governance (ESG) principles into our ESG initiatives, investment process and operating philosophy where these efforts can contribute to value creation.

This ESG Policy outlines our Company-wide approach to integrating ESG in our business and investment activities.

ESG – Regulatory Direction

- UAE deployed extensive efforts towards driving Sustainability forward under the framework of UAE Vision 2021 and in alignment with UN SDG’s.
- UAE’s Securities and Commodities Authority set master plan for sustainable markets. It aims to create awareness on the importance of sustainability and market stakeholder’s roles in supporting sustainability and shifting towards effective sustainable practices. The UAE Securities and Commodities Authority (SCA) issued requirements for public joint stock companies listed on the DFM or ADX to publish a sustainability report. In 2021, the SCA provided additional clarity on the required contents of sustainability reports and confirmation that the reports must be published annually.
- DFM aims to promote ESG reporting practices and support listed companies on their sustainability reporting journey.
- UAE hosted COP28 in 2023, the second COP conference in the Middle East.

ESG Principles in NGI

NGI shall adhere to the following principles in its ESG initiatives:

UN Global Compact

NGI shall specifically focus on the following principles from UN:

Human Rights

- Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and
- Principle 2: Not complicit in human rights abuse.

Labor

- Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- Principle 4: the elimination of all forms of forced and compulsory labor;
- Principle 5: the effective abolition of child labor; and
- Principle 6: the elimination of discrimination in respect of employment and occupation.

Environment

- Principle 7: Businesses should support a precautionary approach to environmental challenges.
- Principle 8: undertake initiatives to promote greater environmental responsibility; and
- Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

- Principle 10: Businesses should work against corruption in all forms, including extortion and bribery.

PSI – Principles of Sustainable Insurance

NGI shall adhere to the Global framework for the insurance industry to address ESG risks and opportunities.

- Principle 1: We will embed our decision making with environmental, social, and governance issues relevant to our insurance business.
- Principle 2: We will work together with our clients and business partners to raise awareness of environmental, social and governance issues, manage risk and develop solutions.
- Principle 3: We will work together with governments, regulators and other key stakeholders to promote widespread action across society on ESG issues.
- Principle 4: We will demonstrate accountability and transparency in regularly disclosing publicly our progress in implementing the principles.













PRI – Principles for responsible Investment

PRI is the world's leading proponent of responsible investment. As a matter of principle, NGI shall make efforts to adhere to it as much as viable. NGI shall follow the following principles:










- Principle 1: We will incorporate ESG issues into investment analysis and decision- making processes.
- Principle 2: We will be active owners and incorporate ESG issues into our ownership policies and practices.
- Principle 3: We will seek appropriate disclosure of ESG issues by the entities in which we invest.
- Principle 4: We will promote acceptance and implementation of the principles within the investment industry.
- Principle 5: We will work together to enhance our effectiveness in implementing the principles.
- Principle 6: We will report each on our activities and progress towards implementing the principles.

ESG Standards and Strategy at NGI

In 2015, the United Nations General Assembly adopted the 2030 Agenda for Sustainable Development which includes 17 Sustainable Development Goals (SDGs). 193 countries across the world have officially adopted the global framework. UAE has adopted the SDGs, and NGI follows in line with the UAE vision of SDGs. The mapping of SDGs with specific areas of interest for NGI are as under:

NGI – Areas of Impact	Linked SDGs	NGI's ESG Strategy
Climate Change and Disasters	   	NGI shall assess climate linked insurance products (SDG 13) to help manage the impact of climate change which disrupts livelihoods (SDG1), impacts food security (SDG 2) and can have profound effects on ecosystems and biodiversity (SDG 15).
Data privacy and Information Security		Protecting customer data ensures trust and aligns with responsible business practices contributing towards peace, justice, and Strong Institutions (SDG 16).
Corporate Governance	 	Through Corporate governance practices, NGI shall strategize management of human capital, promote decent work, and contribute to sustainable economic growth (SDG 8). NGI shall practice transparency, accountability, and integrity in business operations (SDG 16).
Digitalization and Innovation		NGI shall ensure that the role of innovation and technology in building resilient infrastructure, promoting inclusive and sustainable growth shall be followed as per (SDG 9).
Customer Experience		Customer Experience is not explicitly linked to a specific SDG; however, for NGI, it indirectly aligns with promoting good health and well-being of customer (SDG 3).
Diversity and Inclusion	  	NGI shall practice Diversity and Inclusion, which is closely linked to several SDG's that emphasize the importance of promoting equality and inclusivity (SDG 5 & SDG 10), and social justice (SDG 16).

<p>Pandemic, Well Being and Health</p>	   	<p>Pandemic, Well-being, and Health is closely linked to several SDGs that address public health, well-being, and the global response to pandemic. In NGI, SDG 3 directly addresses health- related issues, including pandemics. Pandemics can exacerbate poverty (SDG 1), hunger (SDG 2) and unemployment (SDG 8).</p>
<p>Ethics, Fraud and professional conduct</p>	 	<p>NGI is committed to responsible and ethical business practices, including preventing fraud and maintaining high professional standards, contributing to creating decent work environments and sustainable economic growth (SDG 8). SDG 16 is directly related to the theme of ethics and professional conduct.</p>
<p>Talent Retention and Employee Development</p>	 	<p>NGI is committed to Talent retention and employee development. We shall contribute to creating decent work environments, enhancing productivity, and fostering economic growth (SDG 8). It aims to ensure inclusive and equitable quality education,</p>

		including opportunities for lifelong learning and skill development (SDG 4).
Green Operations	   	Green operations often involve efforts to transition to renewable and clean energy sources, contributing to Goal 7's objective of ensuring access to affordable, reliable, sustainable, and modern energy. It also plays a critical role in addressing climate change (SDG 13) while protecting all forms of life (SDG 14 & SDG 15). This is an ongoing activity in NGI.
Training & Development	 	Training and development contribute to quality education by providing individuals with the skills and knowledge necessary for personal and professional growth (SDG 4). It is an essential component of creating decent work environments and fostering economic growth (SDG 8). NGI has training plans for each department.
Sustainable Procurements		Sustainable procurement aligns directly with SDG 12, which aims to ensure sustainable consumption and production patterns. This goal encourages organizations to adopt sustainable practices in their procurement processes, reduce waste, and promote the efficient use of resources. NGI would incorporate this in the TP agreements and monitor performance.
ESG Investing	 	ESG/ Sustainable Investing aligns with efforts towards investing in renewables and clean tech (SDG 7), which facilitates sustainable infrastructure development (SDG 9). NGI's investment policy should prioritize ESG investment wherever viable.

ESG Vision at NGI

NGI is committed to integrating certain ESG factors throughout its own corporate operations with a focus on matters that are meaningful to our society, customers, employees, and investors. We seek to apply our insights to drive value across our operations, including:

- Measuring and reducing greenhouse gas (GHG) emissions resulting from our business operations and using clean energy across our corporate offices.
- Fostering diverse talent through active affinity networks such as community service, reaching out to the specially abled community, Women's Initiative, Diverse Professionals Network, IBG, participation in Insurance Association activities, dedicated to retaining and raising awareness of diverse groups through speaker series, networking events, service opportunities, and mentoring relationships.
- Providing social support in communities where we operate through ESG Committee in collaboration with our nonprofit and educational partners.
- Training applicable full-time employees and certain other temporary personnel, consultants, and advisers through Annual Compliance Training, which includes topics such as data protection and privacy, our Code of Ethics, and fiduciary duties / conflicts of interest, among others, in addition to initial training during their on-boarding.

- Engaging the entire company annually through our cybersecurity awareness program to educate our employee population to recognize suspicious activities and report them for investigation.
- NGI seeks to adhere to applicable laws and regulations, including gender equality, diversity of workforce, employee rights, protection of work environment, prevention of forced labor.
- Organizing staff events for effective collaboration among staff through special activities / events.
- Incorporate ESG factors in NGI investment policy to prioritize “green investments.”

ESG Governance in NGI

- NGI ESG policy shall be approved and reviewed by the NGI Board Nomination and Remuneration Committee on behalf of the Board. The same shall be approved also by NGI’s Annual General Meeting of shareholders.
- The NGI ESG budget and plan of action shall be reviewed and approved by the CEO. The annual budget shall not exceed 0.5% of NGI’s net profits for the previous year.
- Based on the directions of the CEO, NGI ESG committee shall be constituted and the same shall be a fair representation of the various departments / functions in NGI. The chair and members of the committee shall be approved by the CEO.
- A minimum of four meetings shall be conducted during a year and shall clearly evaluate the ESG agenda and plan the course of action. Minutes of meeting shall be overseen by the Chairman of the committee and approved by the CEO.
- The committee shall assist in developing the annual ESG report of the company.
- ESG initiatives in Investments shall be governed by NGI CFO’s office.
- ESG initiatives in operations and IT shall be governed by each technical department and IT department. An annual report shall be furnished with the ESG Committee on the departmental level initiatives and accomplishments.

Review of the Policy:

- The compliance department shall periodically and whenever necessary conduct a review of this policy to ensure its compliance with rules and regulations and satisfy the requirements of various stakeholders.
- This Policy has been approved by the Board of Directors. In the event of future amendments thereto, the Board of Directors shall have the authority to approve the updated version.