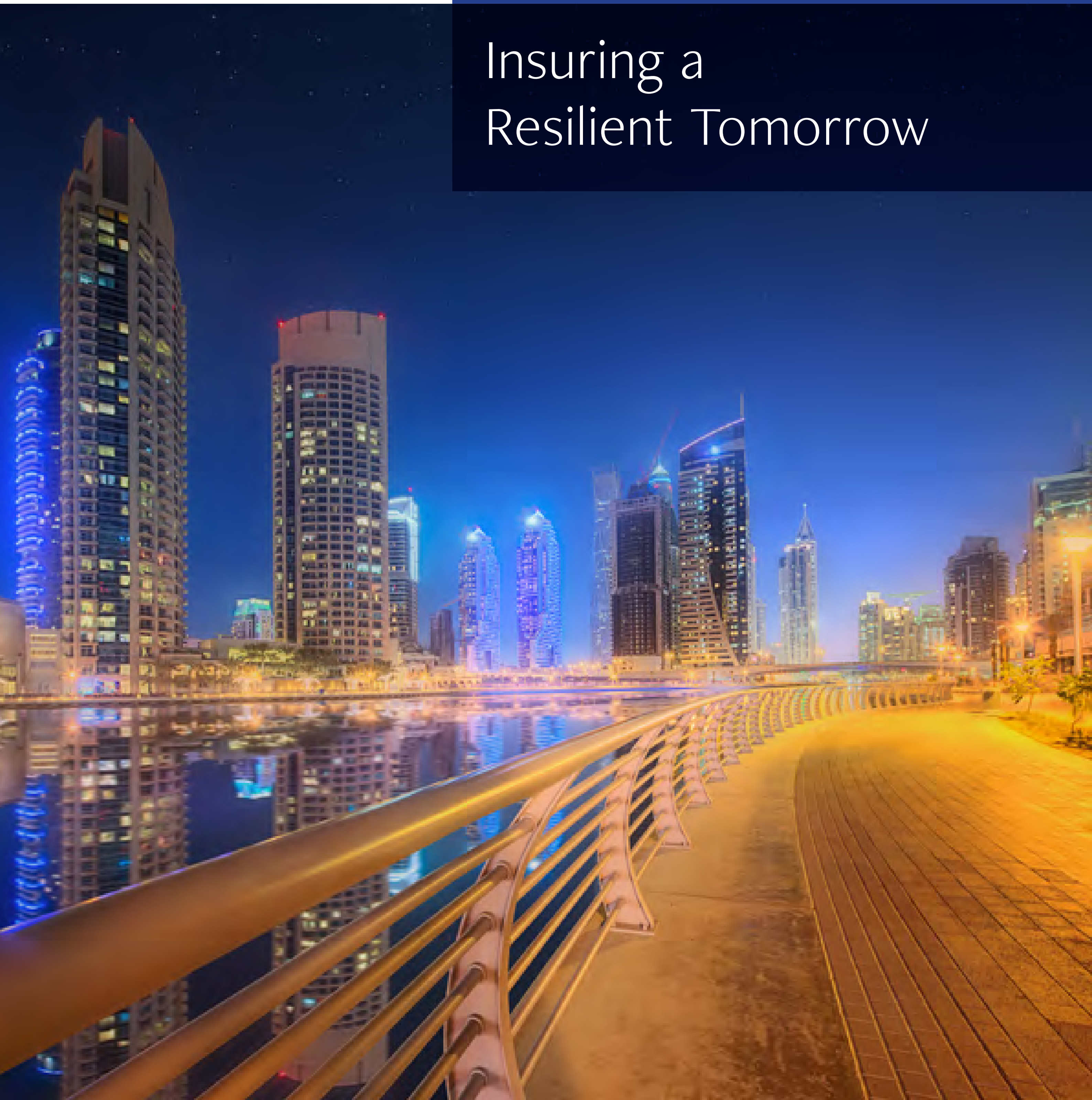
Alliance Insurance اللاينس للتأمين

INTEGRATED REPORT 2024

Alliance Insurance P.S.C.

Insuring a Resilient Tomorrow



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About this Report

Alliance Insurance P.S.C. ("Alliance") is proud to present its third Annual Integrated Report for 2024. The report presents a detailed overview of the company's financial and sustainability performance. It showcases how Alliance creates value for stakeholders by integrating Environmental, Social, and Governance (ESG) metrics with its audited Financial Statements and Corporate Governance Report.

REPORTING YEAR

This report covers the period from January 1 to December 31, 2024, unless stated otherwise.

SCOPE AND BOUNDARY

Alliance operates from its headquarters at Warba Centre, Abu Baker Al Siddique Road, 2nd and 3rd Floor, Dubai, United Arab Emirates (UAE). The company also runs five branches across the UAE (two in Dubai, and one each in Abu Dhabi, Sharjah, and Ras Al Khaimah), all of which are included in this report. Alliance does not have any subsidiaries. The reporting boundary is defined by operational control unless mentioned otherwise.

ALIGNMENT WITH STANDARDS

This report has been prepared following the Global Reporting Initiative (GRI) Standards 2021 and aligns with the principles of the International Integrated Reporting Framework. It also complies with the Dubai Financial Market's (DFM) 32 ESG metrics and reflects the company's contributions to the United Nations Sustainable Development Goals (UN SDGs).

ASSURANCE

The sustainability data and content within this report have been reviewed and verified by the company's internal audit team. External assurance for sustainability metrics has not been undertaken. Financial information is sourced from the company's annual financial statements, which have been audited independently by a globally recognized auditing firm.

CONTACT

We welcome enquiries and feedback about this report. Alliance's contact details are:

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Phone: +971 4 605 1111

FORWARD LOOKING STATEMENTS

Due to the inherent uncertainty surrounding forward-looking statements and the multitude of external factors that may influence the operational environment, Alliance is not obligated to publicly update or revise its forward-looking statements throughout the fiscal year unless mandated by applicable laws and regulations. Consequently, forming an opinion on these forward-looking statements falls outside the scope of our internal audit team.

Foreword from the Chairman

Welcome to Alliance's 2024 Annual Integrated Report

As we approach our 50th anniversary, Alliance stands as a leader in the UAE's insurance industry, a position built on a steadfast commitment to excellence. From our innovative product offerings to our customer-centric approach, from robust governance to our agility in navigating an ever-changing landscape, we have consistently demonstrated the qualities essential for a sustainable and trusted business. Our success is driven by the trust and confidence of our employees, customers, shareholders, and partners - our most valued stakeholders.

In an era marked by uncertainty, businesses, governments, and individuals alike face unprecedented challenges. The impacts of climate change, geopolitical shifts, rapid technological advancements, and global conflicts underscore the need for resilience and adaptability. At Alliance, our deep industry expertise, strong foundation, and forward-thinking strategy empower us to address these challenges head-on.

Sustainability is at the core of our operations. Throughout this report, you will find examples of how we are integrating sustainable practices to enhance security, foster growth, and uphold our role as a responsible corporate citizen.

I take great pride in Alliance's role in providing financial security and stability for our clients, enabling them to grow and prosper. Our commitment extends beyond our business—we are actively contributing to the long-term prosperity of the UAE and the well-being of our wider community.

I extend my sincere gratitude to our dedicated employees, whose hard work and dedication in 2024 have been instrumental in achieving our goals. I also thank our customers and stakeholders for their unwavering trust and support. It is with great enthusiasm that I present this report, and I look forward to another year of continued success and impact.

Building a sustainable future for all

Mr. Ali Mubarak Ali Al Soori
Chairman

Message from the GM

Sustainability is an important factor in today's business environment, though not the central driver of Insurance operations. Businesses worldwide recognize the need to build resilience amid climate change, economic uncertainty, and evolving societal needs. At Alliance Insurance, sustainability has played a role in shaping our leadership in the insurance sector and positively impacting the communities we serve.

In 2024, we continued to integrate sustainable practices into our strategy, ensuring that they support rather than dictate our business decisions.

Our ongoing digitalization efforts are continuously improving customer accessibility, optimizing operations, and driving cost efficiency while reducing our environmental footprint.

Our workforce remains our greatest asset. We increased our Emiratization rate, meeting CBUAE targets, We also expanded opportunities for women in leadership and across the organization. Supporting local communities, community investment grew by 25%, along with increased spending on local businesses. Our environmental efforts led to expanded recycling initiatives across operations.

Despite rising costs and competition, our insurance revenues grew by 7.3%, reflecting our resilience and adaptability. While sustainability is not our sole focus, it remains an important guiding principle that enhances long-term value for stakeholders. By embedding it into our business model in a balanced way, we contribute to the UAE Vision 2031 while continuing to pursue strategic growth.

Challenges and opportunities will always exist, and Alliance is well-positioned to navigate both. With a strong foundation, we will continue to evolve, ensuring growth for our business, stakeholders, and the communities we serve.

Mr. Rami A. Al Mughrabi
General Manager

Company Profile

Alliance Insurance (PSC) ("the Company") is a Public Shareholding Company (PSC). The Company was established in Dubai on July 1, 1975 as a limited liability company as the Credit and Commerce Insurance Company.

The Company was subsequently incorporated in Dubai on January 6, 1982 as a limited liability company under an Emiri Decree. The Company became a PSC in January 1995, in accordance with the United Arab Emirates (UAE) Federal Commercial Companies Law No. (8) of 1984 (as amended). The Company underwrites all classes of general, life and health insurance business in accordance with the provisions of the UAE Federal Law 48 of 2023 relating to insurance companies and insurance agents.

For nearly fifty years, Alliance has stood at the forefront of the UAE's insurance sector, contributing to the nation's rapid development. Today, from our broad network of branches throughout the UAE, we offer a comprehensive range of insurance products that reflect our commitment to exceptional customer service, security, and reliability.

In a highly competitive market, Alliance stands out through its reputation for excellence. This is built upon consistently prioritizing customer satisfaction and satisfying our customers' unique needs. Innovation is embedded within the Company's culture, supporting our commitment to continually enhancing our offering.

A major factor in the Company's success is the development of strategic partnerships with globally recognized reinsurers. Such partnerships build confidence among our clients and investors, assuring them that their interests are safeguarded. Together with our expert team, this has enabled Alliance to become the trusted partner of choice for a range of clients, who can be confident in our capacity to deliver unparalleled advice and services, setting a benchmark in the insurance industry.

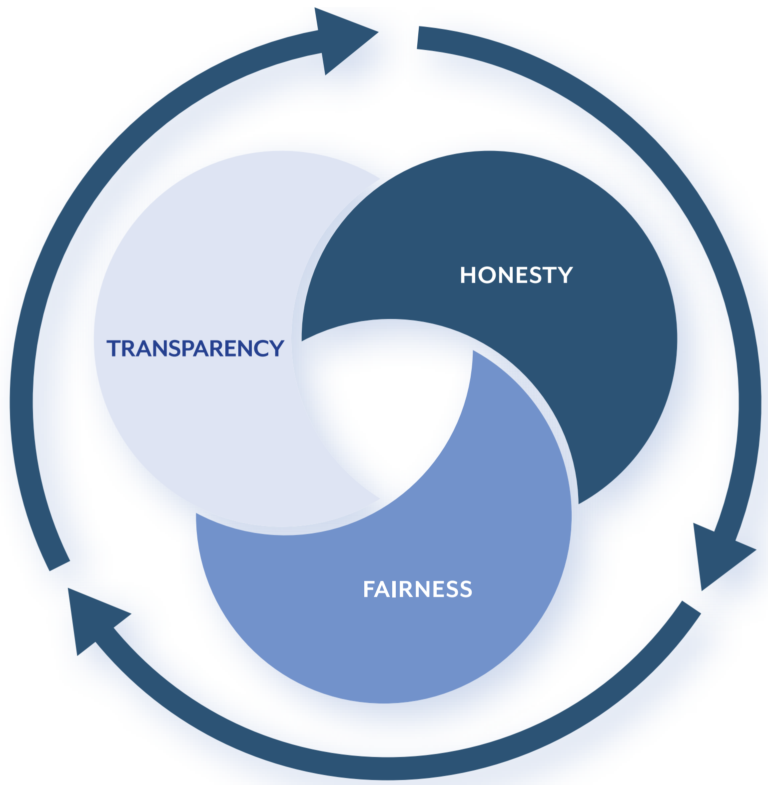
Vision, Mission, Values and Commitment

VISION

To be among the leading preferred insurers in the UAE across all lines known for the highest level of quality service and reliability.

MISSION

To continue to move ahead by leading through a customer-centric approach and offer innovative insurance solutions with professionalism and competency.



The values of Honesty, Fairness, and Transparency are always at the heart of everything we do.

COMMITMENT

Since the early days, our reputation as a leading service provider has grown by putting customers first, a philosophy at the heart of our continued success. Alliance's experience, expertise, professional partnership, and flexible approach give our clients confidence that their needs are safeguarded.

Our Operations and Ownership Structure

Headquartered in Dubai, with branches in Abu Dhabi, Sharjah and Ras Al Khaimah, Alliance has a strategic presence across the UAE.

Alliance Insurance's services lines include:

LIFE INSURANCE

Providing tailored life insurance solutions that cater to the unique needs of individuals and groups.

A. Individual Life Products
i. Term Plans
ii. Endowment Plans
iii. Money Back Plans

B. Group Life Products
i. Group Life
ii. Group Personal Accident
iii. Group Credit

HEALTH INSURANCE

Providing health insurance for individuals and groups including corporates and SMEs.

A. Individual Insurance Plan

B. Group Insurance Plan

GENERAL INSURANCE

Spanning property, cargo, travel, hotel, and other specialized solutions.

A. Business

B. Package

C. Personal

MOTOR INSURANCE

Including damages caused by and to a third party in multiple cases.

A. TPL, Loss & Damage (Comprehensive policy)

B. Third-Party (Liability policy)

Central to Alliance's strategic vision is the digital transformation of the Company's operations, through which the range of services accessible through our website is continually expanding. Alliance customers can seamlessly navigate through a spectrum of online services, including:

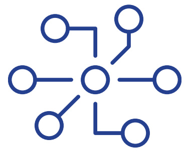
- Quotation requests
- Policy selection
- Making secure online payments
- Claim Intimation system for Motor
- SME Rating tool for Medical Business to be utilized by Brokers

Alliance's dedication to continuously enhancing the customer experience ensures convenience for all our customers and keeps the Company at the forefront of the insurance industry's ever-evolving landscape.

Our Operational Pillars

ALLIANCE SERVICES

Customer excellence has always been at the heart of our vision. Whether in person at our branches, via telephone or through our digital channels, clients know they can expect fast, friendly and efficient service.



ALLIANCE TECHNOLOGY

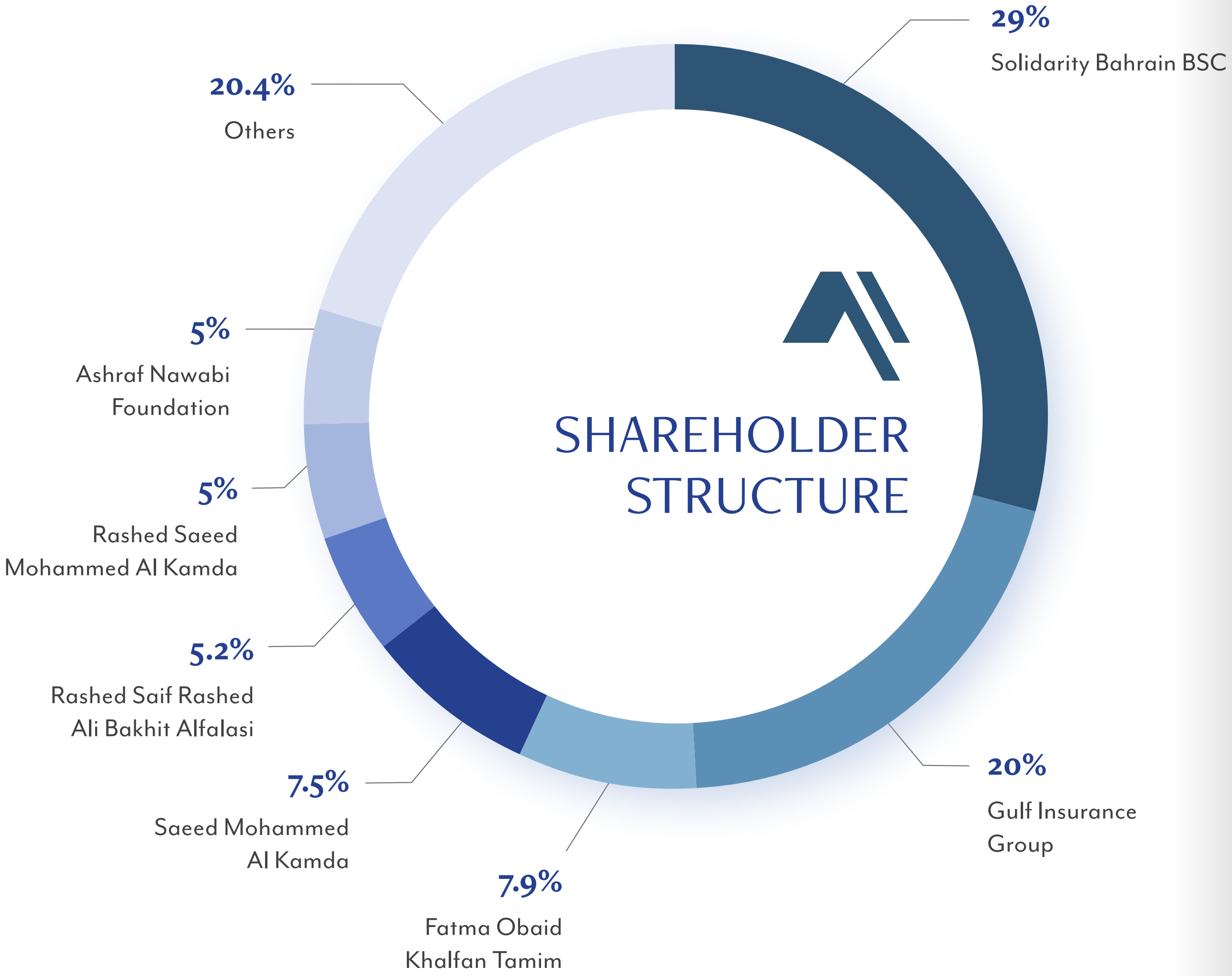
We harness the transformative power of innovation and technology to enhance every facet of our operations, from streamlining customer service to protecting their data.

ALLIANCE SECURITY

Clients know when they deal with Alliance that their policies have an additional layer of protection thanks to our partnerships with globally renowned reinsurers.

Our Ownership Structure

Alliance has seven major shareholders, who together own 80% of the Company:



Memberships of Associations

EMIRATES INSURANCE ASSOCIATION

The Association promotes the interests of the UAE's insurance sector and fosters cooperation between member companies and agents.

THE GENERAL ARAB INSURANCE FEDERATION (GAIF)

GAIF enhances cooperation between Arab insurance markets and related bodies and promotes the mutual interests of all members.

CREDIT RATINGS

AM Best: AM Best confirmed Alliance's Financial Strength Rating of A- (Excellent) and Long-Term Issuer Credit Rating of "A-" (Excellent) with a stable outlook. The agency stated that the ratings reflect a strong balance sheet and operating performance, limited business profile and appropriate enterprise risk management.

Our Business Strategy & Outlook

STRATEGY

Alliance seeks the continual pursuit of excellence across all the Company's operations. To achieve this, the Board of Directors and Executive Management team have identified six key focus areas:

- Ensuring robust financial performance
- Enhancing customer service engagement
- Embedding an ESG framework into our business model
- Digitizing our infrastructure for both internal and external stakeholders
- Sustaining investments in Human Capital and Emiratization initiatives
- Continuously fortifying the Alliance brand

RISK ASSESSMENT

Alliance has significantly enhanced its risk management framework in recent years, with our risk committee formulating targeted strategies to mitigate financial risks and evaluate potential scenarios.

Our systems undergo regular stress tests to ensure they are resilient and capable of handling any disruptive events. The Company has robust disaster recovery procedures in place to mitigate operational disruptions and Alliance closely monitors key external risks that could materially impact our business. These include climate change, macroeconomic conditions, geopolitical factors, and pandemic. Alliance continually assesses opportunities for technological investment to strengthen our resilience against these risks while enhancing our sustainability efforts.

BUSINESS OUTLOOK

Recent years have seen strong growth in the UAE insurance sector. An increasing population, rising wealth levels, and government policies, including mandatory insurance for workers in case of involuntary job loss, have all contributed to greater awareness of the importance of insurance among all levels of society.

At the same time, the regulatory environment in the UAE has evolved. The UAE Central Bank in particular has implemented a number of reforms aimed at enhancing transparency, consumer protection, and overall stability in the sector. This has been supported by rapid digitalization, leading to greater efficiency, an enhanced customer experience, and the development of innovative products and services.

The growth of the insurance sector in the UAE, together with the country's strong economic foundation, strategic location and favorable business environment, has also made the market increasingly attractive for foreign insurers and reinsurers.

In recent years, the insurance sector has faced several challenges, including pricing pressures, rising regulatory compliance costs, and intense competition. To mitigate these risks and seize new opportunities, insurance companies in the UAE have diversified their product portfolios and ventured into emerging market segments, such as life insurance and takaful (Islamic insurance).

Alongside this, there is an increasing global focus on integrating ESG factors in the insurance sector, to which the UAE is no exception. As a result, insurance companies continue to introduce sustainability principles into their business strategies, risk management practices, and investment decisions.

In summary, while challenges undoubtedly exist within the UAE insurance marketplace, demographic trends, regulatory reforms, technological advancements, and evolving consumer preferences are driving opportunities for strong growth. Alliance Insurance has aligned its operations with these trends and is well-placed to take advantage of emerging opportunities in the years to come.

2024 in Focus

ENVIRONMENT

Recycling initiative achieved a **2,423 kg reduction** in CO2 emissions

Progress in **digital transformation** to reduce paper usage and environmental waste, streamlining document management systems across all business lines

The shredding and recycling program saved the equivalent of 59 trees and resulted in a **399 kg reduction** in CO2 emissions

Enhancement of GHG monitoring systems including assessment of scope 3 emissions

Inclusion of climate risk assessments for under-writing and stress testing

GOVERNANCE

Zero identified leaks, thefts, or losses of customer data for the third consecutive year

Implementation of advanced **Governance, Risk, and Compliance (GRC)** systems

Female representation in the board

Enhanced data privacy by adhering to NESA and ADHICS controls.

SOCIAL

Increased its community investments **by 25%** in 2024

41 employees volunteered **231 hours** for CSR activities

Achieved a **28% increase** in the number of UAE nationals employed

Female representation in senior management **rose to 35%** in 2024

Enhancing efforts to support local vendors for procurement

Employee Training & Development

Our Approach to ESG

Our Approach to ESG

ESG STRATEGY AT ALLIANCE INSURANCE

Alliance is committed to responsible corporate citizenship. As such, we aim to nurture societal resilience through comprehensive risk protection for our customers.

To achieve this, ESG principles are important elements of our ethos and are embedded into our business model. By integrating ESG considerations into our operations, we strengthen our ability to manage and mitigate risks while creating value for all our stakeholders – including investors, customers, and employees – who increasingly integrate ESG factors into their own decision-making.

While the insurance sector faces challenges, it also offers distinctive opportunities for innovative solutions. Through our strategic approach, ESG serves as a competitive differentiator, positioning us to stand out in the market.

At Alliance, we prioritize cultivating ESG awareness across our operations by hosting workshops and embedding ESG principles into our culture. We continue to enhance environmental stewardship through initiatives such as reducing paper use and waste, improving energy and water efficiency, and advancing decarbonization efforts in line with our climate action plans. ESG integration is also a key focus in our investment decisions, including transitioning our real estate portfolio toward energy efficiency and sustainability and aligning fixed-income investments with strong ESG standards. Additionally, we are committed to the well-being of our employees, customers, and communities by fostering a safe, inclusive workplace, delivering exceptional service, and actively contributing to regional prosperity through community engagement.

STAKEHOLDER AND MATERIALITY ANALYSIS

Alliance believes that engagement with key stakeholders is essential, providing the Company with a clearer understanding of their concerns and priorities. This feedback is a vital element of our materiality assessment, helping us to identify and prioritize the most relevant ESG topics for our business activities and reporting, as well as determining how our operations impact the environment and society at large.

Through this process, we can prioritize and integrate key material topics into our business strategy and operations, helping us to create sustainable, long-term value for all stakeholders.

Our ESG Journey

2020
Inaugural Sustainability Report –Disclosing of ESG performance

2021
First Integrated Report - A combined report to disclose the company's ESG and Financial Performance

2024
Third Integrated Report – Enhanced disclosure on ESG and financial performance

Our Stakeholders

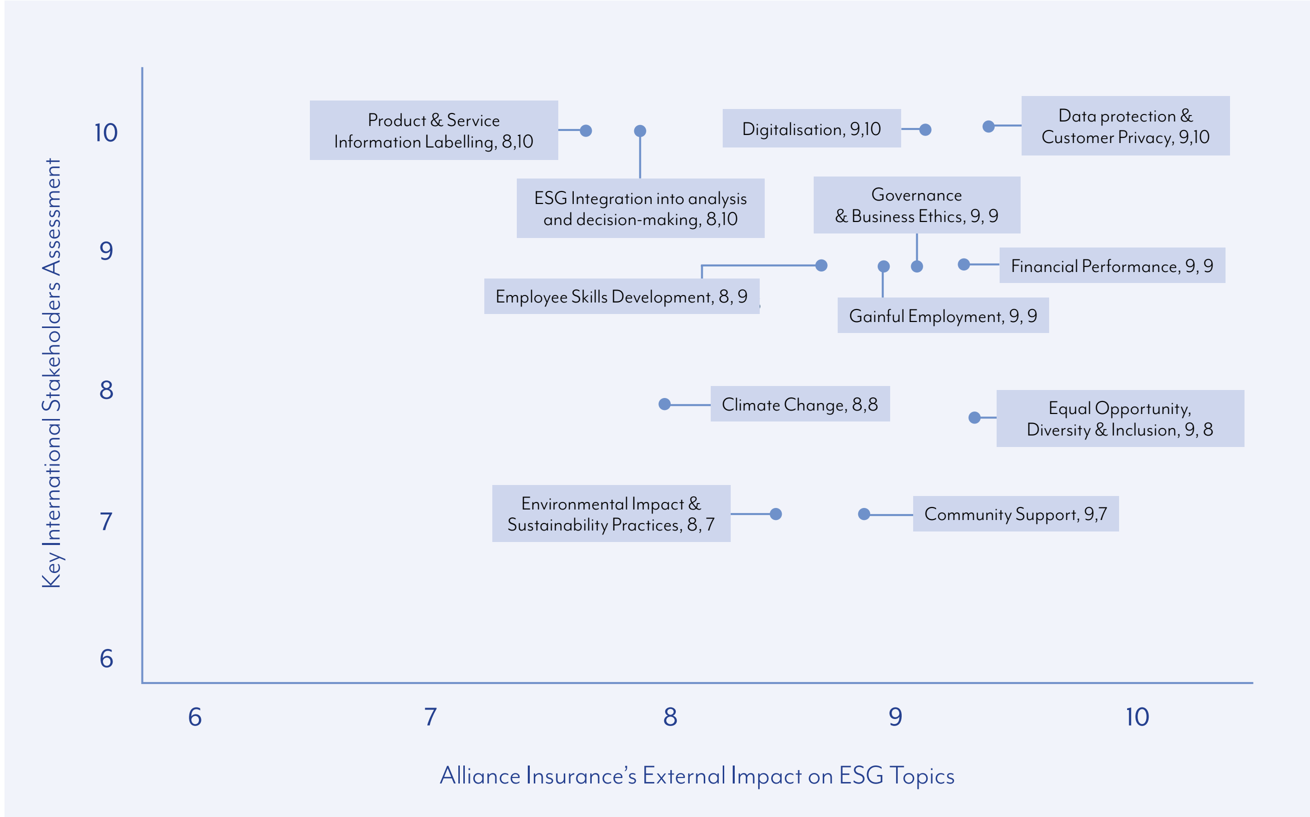
The accompanying infographics and table outline Alliance's key stakeholders, the communication channels through which we engage with them and the topics of utmost importance to each stakeholder group:

- Customers
- Board of Directors
- Senior Executives & Employees
- Shareholders
- Government & Regulators
- Community
- Business Partners
- Rating Agencies

Our Stakeholders (continued)

Key Stakeholder Groups	Methods of Engagement	Corresponding Material Topics
Customers	• Multiple touchpoints during onboarding and service processes (emails , website , branches, agents. • Social media platforms. • Company announcements. • Corporate website. • Central Bank complaint portal (Sanadak). • Advertising and marketing materials. • Customer reviews and feedback platforms. • Customer awareness campaigns	• Data Protection • Customer privacy • Product & service information labelling • Digitalization • Fraud risk, health and cybersecurity awareness.
Board of Directors	• Regular in-person and virtual meetings. • Board and committee meetings. • Annual general meetings. • Company events. • Regulatory compliance briefing . • Approval of company's policies and governance frameworks	• Financial Performance • Digitalization • Emiratization • Environmental impact & sustainable practices • Robust governance and business ethics
Senior Executives and Employees	• Management meetings • Sales and business development team meetings. • Performance reviews. • Training sessions. • Internal announcements. • Exit interviews. • Company events.	• Data protection • Gainful employment • Customer privacy • Digitalization • Product & service information labelling • Training & development • ESG Integration • Robust governance • Business ethics • Financial Performance
Shareholders	• Annual general meetings. • In-person and virtual individual meetings. • Corporate regulatory disclosures.	• Financial performance • ESG integration • Sustainable practices • Emiratization • Gainful employment
Government (e.g., Securities & Commodities Authority, Central Bank, Dubai Financial Market , DHA , DOH and TDRA)	• Direct engagement through emails and meetings. • Participation in local forums. • Webinars.	• Data protection • Robust Governance • Business ethics • ESG Integration & sustainability • Digitalization • Emiratization • Training & development
Community	• Local initiatives and volunteering efforts.	• Sustainable practices • Gainful employment • Emiratization • Community Support • Economic Impact
Business Partners (Reinsurers, TPAs, Brokers)	• Regular meetings. • Business reviews and discussions. • Integration of digital platforms and APIs	• Robust governance • Digitalization • Product & service information labelling • Credit Rating
Rating Agencies	• Regular meetings for annual rating assessments.	• Financial performance • Robust governance • Business ethics • ESG integration

Our Materiality Assessment



To better understand stakeholders' views of ESG factors and their relative significance to the business, Alliance conducted surveys with key internal stakeholders.

We also carried out an in-depth examination of how the insurance sector influences various ESG factors, a study conducted through industry peer analysis and best practices assessment. The results from the survey and study were then combined and from this analysis we were able to assess which ESG topics were of most materiality to Alliance.

The materiality assessment table shows our material topics alongside their corresponding GRI and DFM disclosures, along with the alignment of each material topic with our ESG approach pillars.

For detailed information on linkage of material topics with corresponding GRI standards, DFM standards and ESG approach pillars, refer to our 2023 Integrated report.

Upholding the UAE Vision 2031

Alliance supports the UAE's 'We the UAE 2031' Vision, which is designed to help the country diversify its economy and develop as an inclusive and sustainable global business hub. The Vision is aligned with global frameworks such as the 2030 Agenda for Sustainable Development and the Paris Agreement, underscoring the nation's dedication to fostering a sustainable future and achieve a Net Zero economy by 2050. The Vision is based around four pillars: Forward Society, Forward Economy, Forward Diplomacy, and Forward Ecosystem.

Supporting the UN SDGs

Alliance supports the UN Sustainable Development Goals as a vehicle to address the most pressing societal issues and promote peace and prosperity for both people and the planet.

The insurance sector has a vital role in creating resilient communities by safeguarding individuals and businesses from various risks. This is especially important for vulnerable groups in society, such as those with lower incomes, and for small and medium-sized enterprises (SMEs), helping to protect them against unforeseen and challenges.

In particular, the insurance industry has an increasingly important part to play in managing risks associated with climate change. With the impact of climate change growing each year, the insurance sector supports businesses and individuals to mitigate risks related to severe weather events such as droughts, floods, and fires, as well as other threats to people's assets and livelihoods.

Insurance companies are also able to help build societal resilience in other ways. Businesses like Alliance can invest in projects that support and sustain sustainable development, from renewable energy and sustainable agriculture to resilient infrastructure. Through support for such projects, insurance firms are able to foster job creation, help reduce greenhouse gas emissions and enhance people's access to essential services.

Businesses in the sector are also able to make a positive impact on the SDGs by integrating more sustainable practices into their operations and supply chains, such as reducing emissions and adopting sustainable employment practices.

Alliance has structured its own activities in line with industry best practices, focusing on the SDGs where it can make the most substantial impact:

1 NO POVERTY	**SDG 1** "End poverty in all its forms everywhere"	Alliance supports financial resilience by offering insurance products tailored to vulnerable populations, such as low-income earners and SMEs, helping them mitigate risks from unexpected events like illness or business downturns. For example, Alliance's microinsurance products ensure access to financial protection for underserved communities, contributing to poverty alleviation and economic stability.
3 GOOD HEALTH AND WELL-BEING	**SDG 3** "Ensure healthy lives and promote wellbeing for all ages"	Alliance enhances access to quality healthcare by providing affordable health insurance plans that cover essential medical services. These plans are specifically designed to reduce financial burdens associated with healthcare costs. Notably, Alliance partnered with local healthcare providers to offer free health check-ups for underprivileged communities in 2024, promoting preventive care and well-being.
4 QUALITY EDUCATION	**SDG 4** "Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all"	Alliance invests in employee development through professional training programs, certification courses, and skills-building initiatives. The company offers specialized training like anti-money laundering, fraud awareness, and technical insurance knowledge, alongside a Professional Development reimbursement policy of up to AED 18,000 annually for employees.
5 GENDER EQUALITY	**SDG 5** "Achieve gender equality and empower all women and girls"	Alliance advances gender equality through tailored insurance solutions for women, such as products designed for female-led businesses and organizations. Additionally, Alliance has increased the proportion of women in senior management to 35% in 2024, compared to 31% in 2023, demonstrating its commitment to fostering workplace diversity and gender empowerment.
8 DECENT WORK AND ECONOMIC GROWTH	**SDG 8** "Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all"	Alliance contributes to economic growth by providing financial protection for individuals and businesses, including support during illness, unemployment, or disability. In 2024, the company implemented an Emiratization program, increasing the number of UAE nationals employed by 28% and achieving the Central Bank of UAE's targets. Alliance also supports SMEs through local supplier engagement, with 96.7% of suppliers sourced locally, driving regional economic activity.
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	**SDG 9** "Build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation"	Alliance supports innovation by advancing digital transformation in its operations. Initiatives such as the Motor Claims Intimation Portal, document digitization, and plans to adopt advanced technology like KGISL systems in life insurance demonstrate a commitment to building resilient and tech-driven infrastructure.
13 CLIMATE ACTION	**SDG 13** - "Take urgent action to combat climate change and its impacts"	Alliance addresses climate risks through its operations and investments. In 2024, Alliance continued its recycling initiative that reduced 2,423kg of CO_2 emissions and saved 136 liters of water and 7,018kWh of electricity. Furthermore, Scope 3 GHG emissions were measured for the first time, reflecting Alliance's commitment to comprehensive climate action.

Our Value Creation Business Model

CAPITAL | INPUT

Financial Capital
- AED 1,280,927,011 worth of total assets
- AED 40,252,389 operating costs

Relationship Capital
- Establishment of a structured procedure for handling customer complaints and service requests, applicable across various channels (walk-in, phone, email, social media).

Intellectual Capital
- Strategic alignment with technological innovation and digital transformation initiatives.
- Adoption of cloud-based solutions and digital tools to enhance customer experience and operational efficiency.
- Establishment of a Governance, Risk, and Compliance (GRC) KPI monitoring system for regulatory compliance.

Human Capital
- 265 Employees in 2024
- Investment in employee development through professional training, specialized degrees, and certifications.
- Implementation of a comprehensive Employee Recognition Program, including awards, incentives, and appreciation for outstanding performance.

Social Capital
- Strong CSR strategy that integrates environmental sustainability, community engagement, and social impact initiatives.
- Collaboration with non-profit organizations and local businesses to address community needs and promote sustainable development.

Natural Capital
- Total Energy Consumption of 31,044.86 GJ in 2024.
- Enhanced monitoring of key environmental metrics such as GHG emissions, fuel use, water consumption, and waste generation.

G O V E R N A N C E

OUR BUSINESSES
- Life Insurance
- General Insurance
- Motor Insurance
- Health Insurance

OUR OPERATIONAL PILLARS
- SERVICES
- TECHNOLOGY
- SECURITY

OUTPUT AND OUTCOME

- 7.3% increase in insurance revenue.
- AED 27,180,428 Net Profit after tax
- Rated A- (Excellent) since 2006 (Excellent) by AM Best, maintaining one of top solvency ratios in the insurance market in UAE of 280%.
- Structured acknowledgment of complaints and service requests, ensuring timely follow-ups within seven business days.
- Policy Holder Service under Life assurance maintained a Persistency rate above 90% for both Group & Individual.
- Significant improvements in operational efficiency through digitization and cloud migration.
- Robust data security measures, including multi-factor authentication and data leak prevention systems, safeguarding customer privacy.
- Increased staff awareness and training completion in relation to data security and privacy measures, fostering a culture of trust.
- Strengthened employee morale and professional growth through specialized training programs that enhance key competencies, fostering a skilled and engaged workforce.
- Higher performance levels across the organization, driven by clear incentives and recognition of outstanding contributions.
- Achieved national Emiratization target rate in 2024.
- Increased community investment by 25% in 2024, supporting various social initiatives and programs.
- Strengthened community relationships through charitable contributions and active engagement in local cultural events.
- Improved data accuracy and informed decision-making for reducing environmental impact and enhancing sustainability performance
- A 38% increase in waste recycling from 2023 driven by enhanced waste management efforts

UN SDGs

- 1 NO POVERTY
- 3 GOOD HEALTH AND WELL-BEING
- 4 QUALITY EDUCATION
- 5 GENDER EQUALITY
- 8 DECENT WORK AND ECONOMIC GROWTH
- 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

Our Financial Capital

HIGHLIGHTS

AED 1,280,927,011
Total Assets

AED 27,180,428
Net Profit After Tax

A-

A-
(Excellent) since 2006 (Excellent) maintaining one high capital adequacy and solvency ratios thereby reflecting a strong balance sheet

MATERIAL TOPICS

Financial Performance

ESG Integration into Analysis & Decision Making

UN SDGs

Our Financial Capital

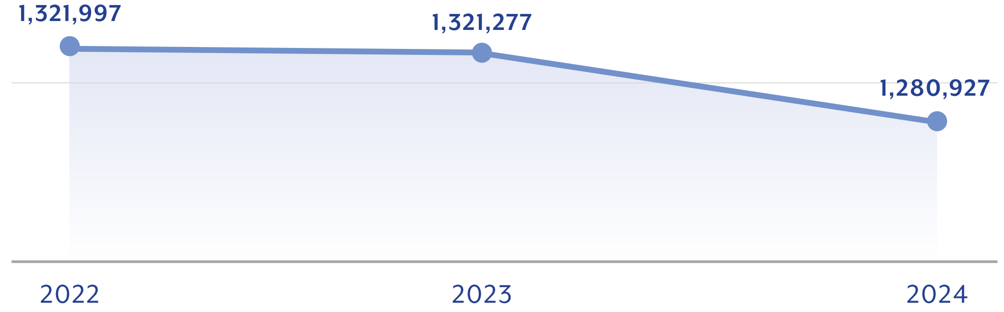
Driving Sustainable Financial Growth

Assessment of economic capital is a fundamental element of a business's financial health and stability, enabling it to evaluate its ability to withstand adverse economic headwinds and generate value for its stakeholders.

Alliance Insurance's robust economic capital position reflects its financial strength, strategic foresight, and long-term value creation for stakeholders. Through vigilant monitoring of key financial metrics, the Company ensures agility in responding to market shifts, capitalising on emerging opportunities, and safeguarding shareholder interests. Its emphasis on transparency and disciplined financial management further reinforces investor trust and cements its standing as a reliable and forward-thinking insurance provider.

For more details on financial performance, refer to the section 'Financial Statements' in the report.

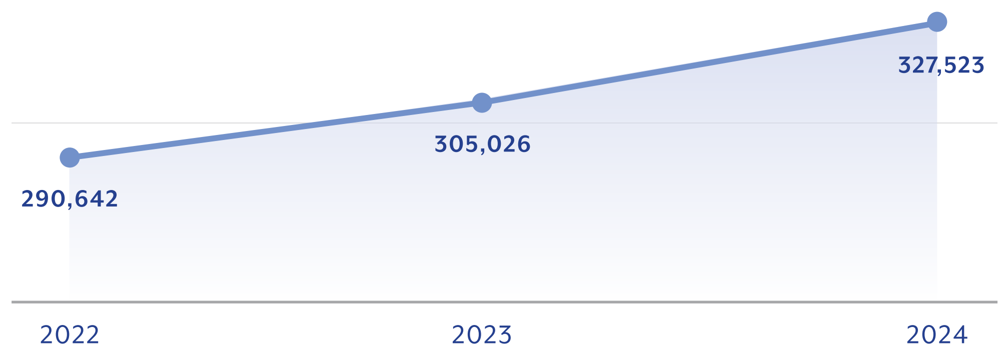
TOTAL ASSETS ('000 AED)



Assets	Unit	2022	2023	2024
Total Assets	'000 AED	1,321,997*	1,321,277*	1,280,927
Shareholders' Equity	'000 AED	535,775*	560,241*	564,180
Insurance Revenue	'000 AED	290,642	305,026	327,523
Net Profit after Tax	'000 AED	62,970	51,060*	27,180
Earnings per Share	'000 AED	62.97	51.06*	27.18

*Restated financial figures

INSURANCE REVENUE ('000 AED)



Indicator	Unit	2022	2023	2024
Gross Written Premium	AED	362,092,806	332,460,320	343,349,933
Operating Costs	AED	38,291,859	44,165,038	40,252,389
Employee wages and benefits	AED	20,840,117	28,090,126	31,531,964
Payments to providers of capital	AED	30,000,000	30,000,000	30,000,000
Total payments to providers of capital	AED	30,000,000	30,000,000	30,000,000
Total VAT paid	AED	10,081,990	11,658,645	13,392,778

Our Relationship Capital

HIGHLIGHTS

- Structured acknowledgment of complaints and service requests, ensuring timely follow-ups within seven business days.
- A high persistency rate above 90% reflects customer trust, brand loyalty, and strong policyholder engagement.

MATERIAL TOPICS

Product & Service Information Labelling

UN SDGs

Ensuring Consumer Satisfaction and Trust

Operational excellence and customer care are at the heart of Alliance's core values. We are committed to delivering the highest levels of customer service, an approach that has enabled us to build trust and loyalty from our clientele since our foundation.

Since Alliance was established, the Company has continually innovated to provide the best customer service platform. Alliance's aim is for every customer to have a positive impression of the Company. A structured procedure is in place for walk-in customers, phone inquiries, written correspondence and emails, providing a streamlined service request and complaint handling process. This year, Alliance Insurance has updated its website to include complaint self-service options, providing direct access for its compliance department to address the complaints. All departments throughout the Company are expected to uphold uniform standards and procedures for addressing issues received directly, rather than through the Customer Service Officer. In addition, Alliance leverages social media platforms both for product promotion and to build connections with our customers in a less formal, more authentic manner. This enables us to respond swiftly to customers and develop a strong mutual relationship.

ACKNOWLEDGMENT OF CUSTOMER FEEDBACK

Alliance ensures prompt attention to complaints, inquiries, and service requests. While some cases may require more detailed investigation and follow-up actions to fully resolve, we remain committed to addressing every issue with efficiency and care.

To upholds exceptional customer service, all complaints, queries, and service requests are acknowledged within one business day. This acknowledgment includes the assigned handler, an estimated response time, and essential customer details, such as name, policy number, or unique identifier. To streamline this process, we utilize standardized templates with consistent language, and each acknowledgment is issued via email with a unique Complaint or Reference Number.

We are committed to addressing customer feedback comprehensively within seven business days. If additional time is required, customers are promptly notified of the delay and given a revised response timeline.

Resolutions are shared via email, and the actions taken by Alliance, along with resolution details, are carefully recorded in a complaint summary form and maintained in the complaint file.

Unresolved issues after ten days or cases where customers remain dissatisfied with the resolution are escalated to the Department Heads. If dissatisfaction persists or the matter remains unresolved beyond 30 days, it is immediately referred to the Compliance & CEO, ensuring transparency and compliance with regulatory standards. If the customer is not satisfied with the final resolution, they may escalate their complaint to Sanadak, the independent Ombudsman Unit established by the Central Bank of the UAE. Sanadak provides a neutral and transparent mechanism for resolving complaints related to financial and insurance institutions. Customers can contact Sanadak through its official channels for further resolution.

PRINCIPLES FOR FAIR MARKETING

Alliance upholds the following principles in all communications with customers:

- Avoiding deceptive, misleading, or unfair practices, ensuring critical information is never omitted.
- Seeking customer consent when sharing information and presenting it transparently to facilitate informed decision-making.
- Clearly distinguishing advertising and marketing materials.
- Providing full disclosure of prices, taxes, terms, and conditions associated with products and services.
- Offering accurate and easily understood information in official or widely used languages at the point of sale, while complying with applicable regulations.
- Sharing comprehensive contact details, including our location, postal address, telephone number, and email address.
- Ensuring all customer communications are clear, legible, and easy to understand.
- Delivering thorough information on prices, product features, contract terms, costs, and cancellation periods to support informed choices.

Our Intellectual Capital

HIGHLIGHTS

Strategic alignment with technological innovation and digital transformation initiatives.

Significant improvements in operational efficiency through digitization and cloud migration.

MATERIAL TOPICS

Digitalization

UN SDGs

Our Intellectual Capital

Harnessing Technology for Efficiency and Growth

The insurance industry is a highly competitive marketplace. In such a landscape, Alliance understands that customer security, privacy, and digitalization are essential to achieve trust and sustainable success. We work tirelessly to safeguard customer data and uphold the highest standards of privacy.

Alliance recognizes the need to utilize the ever-changing digital landscape to remain competitive and continue to meet customer expectations. The Company has embarked on a process of digital transformation, aligned with its strategic goals, designed to improve the customer experience, streamline operations, and nurture innovation across the business. Moreover, by embracing cloud technology, we unlock new avenues for scalability, innovation and future-proofing our activities.

The key drivers of this transformation are technological innovation and a commitment to competitiveness. Inevitably, such a journey has challenges, such as the need to help staff make the transition from traditional to digital processes. Security concerns were also an issue, requiring robust measures to safeguard sensitive data and ensure regulatory compliance.

To ensure success, Alliance has undertaken a number of key initiatives:

A comprehensive needs assessment was conducted to identify areas for design process improvement, aligning goals with the Company's creative strategy and overarching vision. Digital tools were carefully selected and tailored to meet specific design objectives, while staff training and infrastructure setup ensured proficiency and support for the new technologies.

Pilot programs were implemented to test new processes on a smaller scale, with user feedback used to inform adjustments and improvements. Robust security measures, including regular security awareness training for staff and strict access controls, were implemented to safeguard sensitive data.

Continuous monitoring and evaluation enabled Alliance to assess system performance and optimize efficiency, with learning points integrated into ongoing improvement efforts.

These initiatives resulted in significant benefits across the business. By providing customers with digital access to their portfolios and introducing digital payment gateways, both the customer experience and operational efficiency were enhanced. The reduction in office visits for transactions underlined the success of these initiatives in improving convenience for customers and streamlining internal processes.

The digital space is rapidly evolving, and Alliance takes great care to ensure we remain up to date with the latest trends. The Company employs a diverse approach to analyzing significant trends and developments in digital solutions, and conducts market research to identify upcoming innovations, industry benchmarks and competitor activity. Alliance also collaborates with technology suppliers and innovators to investigate new ideas and tools that can improve our digital capabilities.

Current initiatives include a comprehensive document digitization initiative across all our business lines, with several applications such as portals and core systems being integrated into a centralized document repository through our Document Management System (DMS). Alliance has also successfully launched the Motor Claims Intimation Portal, enabling stakeholders involved in motor claims to access and utilize the online platform efficiently.

Another target is to implement a new technology-driven system developed by enterprise software company KGISL for our Life Insurance business by 2026. This system will enhance the digital experience for life policyholders by streamlining onboarding, facilitating KYC updates, and providing seamless access to portfolios and statements. It will also support the agent channel by improving lead management and quotation generation.

Safeguarding Trust Through Data Security

Data protection is essential for our business and the Company aims to exceed industry benchmarks and regulatory requirements. Alliance has robust security measures in place across our operations, including staff training, multi-factor authentication, access controls and data leak prevention systems.

Central to our operations is our Information Security Management System, complemented by advanced network protection solutions such as Fortigate, data loss protection systems and endpoint detection and response systems. Our operations are also aligned with the stringent Alliance for Data Health and Information Compliance Standards.

As an insurance service provider for mostly B2C clients, we handle and store customer personal data and health data on our business application systems. A high-level data privacy policy is in place, although this is not at present entirely aligned with GDPR rules. We are currently defining our data privacy frameworks in line to regional data privacy regulations such as Alliance for Data Health and Information Compliance Standards (ADHICS)v2 and the UAE Personal Data Protection Law (PDPL), as mandated by regulatory bodies such as the DoH and the Central Bank of the UAE. To support and advise us in this endeavor, in 2024, we hired a vendor specializing in Chief Information Security Officer (CISO) activities. They in turn set up a CISO team, which reports to an Alliance's Information Security Management Steering committee.

Annual internal audits are conducted, based on ADHICS v2 and UAE IAR framework requirements, covering both information security and privacy management systems. Annual vulnerability assessments and penetration testing exercises are also conducted on our networks and applications.

The Company also undergoes annual external certification audits from the Department of Health (DoH) for ADHICS v2 compliance. Since the inception of ADHICS audits, Alliance has successfully passed all year-end audits. Staff receive annual data protection and security awareness training, which is also incorporated into the employee onboarding process.

Alliance used threat intelligence reports from the Abu Dhabi Health Security Operation Center (SOC) team (part of the DoH) as well as information from peers. This information helps us identify and proactively tackle threats and challenges to our business.

Future actions

To further improve data security, Alliance has a number of initiatives planned. To improve operational efficiency, we will be implementing a consolidated service desk. This will assist IT and other departments, such as Human Resources, Compliance, and Administration, by streamlining service management functions.

To ensure compliance with regulatory standards, corporate rules, and strategic objectives, we intend to implement a comprehensive Governance, Risk, and Compliance Key Performance Indicator monitoring system. And, to effectively manage security risks, assure regulatory compliance, and improve control over security policies, we are planning to construct a Security Operations Center, which will play a critical role in protecting our organization's assets and ensuring data integrity.

CASE STUDY

Implementing our InfoSec and Privacy Program

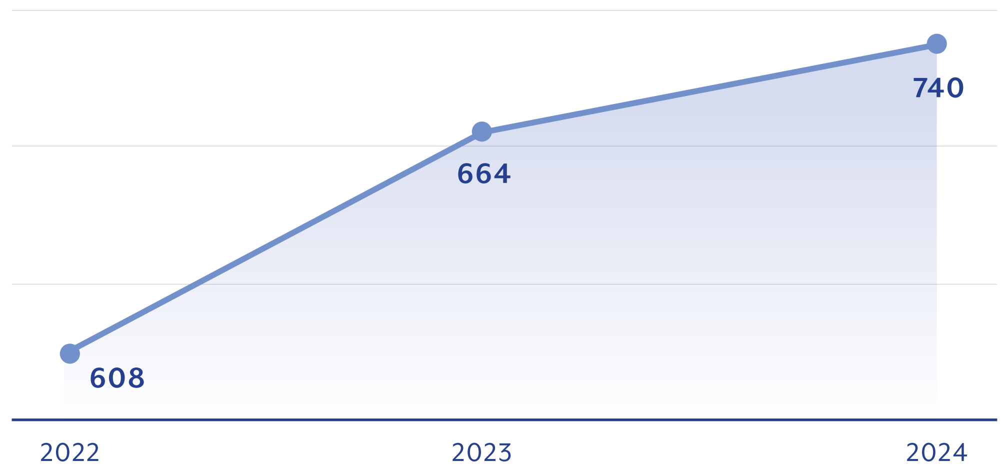
The aim of this project was to ensure compliance with mandatory information security and data privacy regulations from the Department of Health (DOH) and the Central Bank of the UAE. The project's key challenges revolved around the level of technical and subject expertise and know-how required to achieve the necessary outcome.

Our approach was to establish an oversight and governance committee for information security and data privacy, consisting of senior management. For project execution, we recruited a vendor specializing in the delivery of Chief Information Security Officer (CISO) services, who set up a team to support Alliance. This team reports to the oversight and governance committee.

This program is still in its early stages, so measurable data to evaluate the benefits is not yet available. However, the CISO team have identified gaps which need to be remediated to achieve the level of information security and data privacy we desire. This will be achieved through the establishment of new organizational-level policies, processes, and procedures related to infosec and data privacy, along with other improvement measures identified.

The project has a one-year timescale for completion, though based on the benefits already observed, it is anticipated that engagement with the CISO team will continue in subsequent years.

EMPLOYEE TRAINING HOURS ON DATA SECURITY



Customer Privacy related Complaints	Unit	2022	2023	2024
Total number of complaints received from outside parties and substantiated by the organization	Number	0	0	0
Total number of complaints from regulatory bodies	Number	0	0	0
Total number of identified leaks, thefts, or losses of customer data	Number	0	0	0

Data Security Training	Unit	2022	2023	2024
Number of employees that completed the online training	Number	152	166	185
Number of total equivalent training hours	HR/Person	4	4	4

Our Human Capital

HIGHLIGHTS

- Achieved national Emiratization target rate in 2024.
- Female representation in senior management rose to 35% in 2024.
- Strengthened employee morale and professional growth through specialized training programs that enhance key competencies, fostering a skilled and engaged workforce.

MATERIAL TOPICS

Gainful Employment

Employee Skills Development

Equal Opportunity, Diversity & Inclusion

UN SDGs

Empowering our People

Our employees play a key role in driving organizational growth, fostering innovation and delivering outstanding customer service.

To support our human capital and remain a sector leader, Alliance aims to foster a culture of continuous learning, growth, and professional development. It does so by investing in its employees, providing them with opportunities to gain new skills, keep up to date with the latest industry developments, and make a meaningful contribution to organizational objectives. Through this approach, Alliance strengthens its position as a sector leader.

Alliance has implemented a suite of initiatives aimed at enhancing human capital and recognizing the contribution to our success made by our employees:

- Yearly Employee Excellence Awards
- Appreciation Letters and Incentives
- Star Debutant and Best Performance Branch
- Recognition Programs
- Year-End Sales Contest

Alliance also strives to maintain a professional, safe, and inclusive workplace environment. Strict anti-harassment policies prohibit any form of discrimination or inappropriate behaviour, including sexual harassment. Clear reporting mechanisms are in place to ensure swift and confidential handling of complaints, with disciplinary actions applied when necessary.

A Clean Office Policy, requiring employees to keep their workspaces free of clutter while safeguarding sensitive client information, ensures an organized and professional atmosphere, while a No Smoking Policy is implemented to promote a safe and healthy environment for all employees, guests, and visitors.

Fostering Talent and Lifelong Learning

Alliance aims to foster and develop the professional growth of talented employees, helping them to achieve their potential and contribute further to the organization's success.

By investing in the development and wellbeing of our employees in this way, we contribute to employee satisfaction and retention and support organizational success.

All new recruits at Alliance undergo induction training to ensure their smooth integration into the organization. A range of training initiatives are offered, including monthly in-house training for sales staff, department training and e-learning modules.

Employees can benefit from a wide range of specialist courses such as:

- Anti-Money Laundering (AML) Induction/ Refresher training
- Fraud Awareness
- Security Awareness
- Social Engineering Red Flags
- UAE National Ethraa Training and EIF
- Business Development – Health Insurance
- Engineering Insurance
- Powerful Telesales Skills
- Data Storytelling and Decision Making for Managers
- Dashboard Creation Using Excel

Training is delivered through both virtual and face-to-face formats for flexibility and employees receive certification on successful completion of their program.

As well as internal programs, through bodies including the Emirates Institutes of Financial Studies, Alliance offers specialized training programs focused on professional competencies in areas such as insurance, compliance, and risk management.

A Professional Development reimbursement policy supports employees to achieve specialized degrees and qualifications through reputed technical institutes, such as the Emirates Institutes of Financial Studies. Eligible full-time employees with at least one year of service can receive reimbursement of up to AED 18,000 for examination and tuition fees for approved courses.

Total New Hires	Unit	2022	2023	2024
Total employees who joined the organization	Number	39	89	83
Females	Number	11	38	32
Males	Number	28	51	51
Below 30 years old	Number	12	26	38
Between 30-50 years old	Number	23	55	43
Over 50 years old	Number	4	8	2

Total Employees that Left	Unit	2022	2023	2024
Total employees who left the organization	Number	33	50	63
Females	Number	9	22	21
Males	Number	24	28	42
Below 30 years old	Number	6	10	19
Between 30-50 years old	Number	16	32	38
Over 50 years old	Number	11	8	6

Turnover Rate	Unit	2022	2023	2024
Total Turnover	Percentage	16.0	20.4	23.8
Total New Hires	Percentage	18.9	36.3	31.3

Training Hours	Unit	2022	2023*	2024
Total Training Hours	**Hours**	**300**	**2100**	**635**
Average Training Hours per Employee	**Hours**	**1.46**	**8.57**	**2.40**
Total Training Hours by Gender				
Females	Hours	96	875	210
Males	Hours	204	1225	425
Average Training Hours by Gender				
Female	Hours	1.45	10.67	2.26
Male	Hours	1.46	7.52	2.47
Total Training Hours by Job Category				
Entry-Level	Hours	56	560	50
Mid-Level	Hours	204	1330	540
Senior-to Executive Level	Hours	40	210	45
Total	Hours	300	2100	635
Average Training Hours by Job Category				
Entry-Level	Hours	0.77	6.59	0.52
Mid-Level	Hours	2.13	10.99	4.09
Senior-to Executive Level	Hours	1.08	5.38	1.22

* The spike in training hours in 2023 is due to a multi-month certification program for UAE nationals, making it incomparable to 2022 and 2024.

Regular Performance and Career Development Reviews	Unit	2022*	2023*	2024
Percentage of Employees who received regular performance and career development reviews, by gender				
Female	Percentage	100	100	100
Male	Percentage	100	100	100
Percentage of the Total Number of Employees who received regular performance and career development reviews, by employee category*				
Entry-Level	Percentage	100	100	100
Mid-Level	Percentage	100	100	100
Senior-to Executive Level	Percentage	100	100	100

* Restatement: The figures have been updated from previous report's disclosures to reflect that all employees are covered by career development reviews under their respective contract terms.

Creating Meaningful Career Opportunities

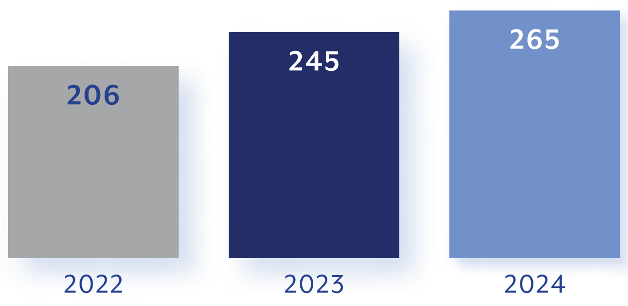
The training programs described above are a key element in Alliance's efforts to develop our human capital and provide career satisfaction. Supporting this, we invest in the development of our employees through schemes and initiatives that support career advancement and opportunities.

An important part of this is succession planning, Alliance has a robust succession plan in place at all levels, ensuring continuity and leadership development within the organization. In addition, comprehensive policies address issues such as sexual harassment, non-discrimination, and occupational health and safety, ensuring all employees have the chance to fulfil their potential and have opportunities to progress in their careers.

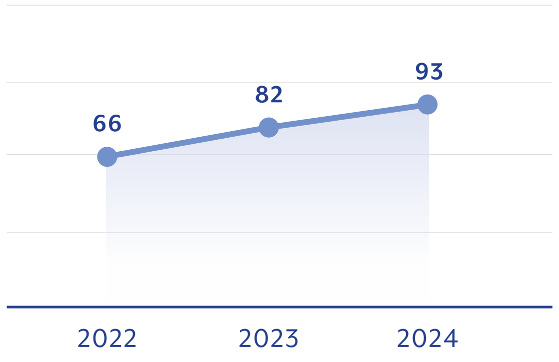
Alliance is dedicated to fostering diversity and inclusion within our workplace and is committed to providing fair and equal treatment and opportunities to all employees. Cultivating an array of talents and perspectives supports employee development and brings competitive advantages to our business, enhancing Alliance's attractiveness as an employer. In 2024, the number of female employees in Alliance increased by over 13% to 93 (35% of the total workforce). The number of female employees in senior management roles rose to 13, 35% of the total, an increase from 31% in 2023 and indicative of Alliance's efforts to ensure opportunities are open to all employees.

Employees	Unit	2022	2023	2024
Full-time employees				
Females	Number	66	82	93
Males	Number	140	163	172
Total full-time employees	**Number**	**206**	**245**	**265**
Part-time employees				
Females	Number	0	0	0
Males	Number	0	0	0
Total part-time employees	**Number**	**0**	**0**	**0**
Permanent contract				
Females	Number	66	82	93
Males	Number	140	163	172
Temporary contract				
Females	Number	0	0	0
Males	Number	0	0	0

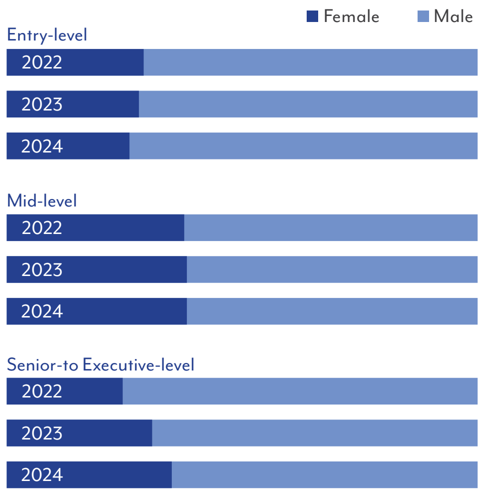
FULL-TIME EMPLOYEES



FEMALE FULL TIME EMPLOYEES



Employees in different levels	Unit	2022	2023	2024
Entry-level				
Female	Percentage	28.77	28.24	26.04
Male	Percentage	71.23	71.76	75.95
Mid-level				
Female	Percentage	37.50	38.02	41.67
Male	Percentage	62.50	61.98	58.33
Senior-to Executive-level				
Female	Percentage	24.32	30.77	35.13
Male	Percentage	75.68	69.32	64.86



Employees in age categories	Unit	2022	2023	2024
Entry-level				
Below 30 years old	Percentage	15.79	15.29	25.00
Between 30-50 years old	Percentage	55.26	47.06	45.83
Over 50 years old	Percentage	28.95	37.65	29.16
Mid-level				
Below 30 years old	Percentage	17.20	11.57	15.15
Between 30-50 years old	Percentage	65.59	71.90	70.45
Over 50 years old	Percentage	17.20	16.53	14.36
Senior-to Executive-level				
Below 30 years old	Percentage	0.00	0.00	0.00
Between 30-50 years old	Percentage	81.08	76.92	81.08
Over 50 years old	Percentage	18.92	23.08	18.91

In 2024, women made up more than 30% of senior-level representation.

Preventing Workplace Discrimination and Harassment

Alliance is committed to providing a workplace in which all employees are treated with dignity and respect.

The organization strictly prohibits harassment, including sexual harassment, bullying, or psychological abuse, and ensures compliance with federal decree laws. Corrective actions are taken against any employee found engaging in such behaviour, reflecting the company's dedication to fostering a safe and respectful work environment.

To prevent any incidents of workplace discrimination or harassment, and address any that do arise, the company has the following measures in place:

- **Clear Policies:** All employees are informed that workplace discrimination or harassment is strictly prohibited and that the Company has established policies to address such issues.
- **Designated Contacts:** Employees are provided with the contact information of individuals they can approach to discuss harassment concerns or questions.
- **Non-Retaliation Assurance:** Employees are assured that there will be no adverse action taken against them for asking questions or sharing concerns regarding discrimination or harassment.
- **Open Door Policy:** Alliance Insurance maintains an open-door policy, encouraging employees to raise concerns or seek support from top management if needed.
- **Whistleblowing & Anonymous Reporting:** Employees are encouraged to report any misconduct, unethical behavior, or workplace concerns through a confidential whistleblowing mechanism. Reports can be made anonymously without fear of retaliation, this feature is updated in the website for all users.
- **Regular Awareness & Training:** Employees receive yearly training on code of conduct and ethical behavior, and the whistleblowing framework to ensure awareness and compliance.

GRIEVANCE PROCEDURES

Alliance is committed to equitable and impartial administration of employee policies, ensuring all rights and privileges are protected. The Company operates a grievance procedure that provides employees with access to a structured, three-step resolution process. Employees are guaranteed fair hearings, the right to appeal decisions, and the opportunity to be accompanied by a peer during grievance procedures. Complaints are addressed promptly, ensuring no adverse impact on the employee's status, and are resolved at the lowest management level possible in compliance with UAE labor laws.

A robust complaints management system ensures all grievances are documented, tracked, and resolved efficiently. Key details, such as complaint descriptions, resolutions, and preventative actions, are recorded in a dedicated register.

Alliance recorded zero incidents of discrimination for 3 consecutive years.

CASE STUDY

Developing a Succession Plan

A clear career development path can benefit both employees, who can see the opportunities available to them, and the business, as they can identify suitable talent for development and promotion.

To facilitate this, Alliance has implemented a Succession Plan Policy since 2023. The policy supports employee career betterment and ensures departments can maintain smooth operations when staff department by identifying and appointing successors.

Developed through consultation with all Department Heads, the policy enables suitable potential successors to posts at different levels to be identified so that people with the right skills are appointed, or training provided. The policy has facilitated senior management-level successors for key executive positions in 2024. The policy also supports Emiratization by identifying where UAE nationals with the right skills can be appointed. In doing so, the Succession Plan supports business continuity and aids the smooth and efficient running of our departments and branches.

Promoting Equity and Workplace Diversity

In line with the Company's dedication to diversity and inclusion, Alliance embraces gender equality. Equal opportunities and benefits are extended to all female staff and policies and initiatives create a workplace environment that empowers women to thrive.

Gender-neutral job roles and the elimination of gender discrimination within the Company ensures that every employee, irrespective of gender, has the opportunity for career growth and development.

Alliance's Workplace Diversity Policy establishes a framework for promoting inclusivity, equal opportunities, and diversity across all levels. The policy has led to actions and initiatives including the creation of an inclusive culture, improving career opportunities for diverse groups, and the elimination of barriers to progression in the workplace. By valuing the diverse backgrounds and perspectives of its employees, Alliance enhances service delivery and strengthens equity, fairness, and respect for diversity throughout the Company.

EMIRATIZATION

Emiratization is a strategic imperative mandated by Alliance's Board of Directors, demonstrating the Company's commitment to fostering national talent and supporting the UAE's social and economic development.

In 2024, the total number of UAE nationals working at the company increased from 28 to 36, enabling Alliance to reach the CBUAE's Emiratization target.

Alliance has further schemes in place for nationals. The Emirati Salary Support Scheme supports the salaries of Emirati nationals wishing to work or take part in training programs in the private sector. Emiratis employed in full-time positions are able to claim a top-up of the difference between their salary and the relevant target salary, up to a specified ceiling amount.

National Employees	Unit	2022	2023	2024
Number of full time national employees	Number	13	28	36
Female national employees	Number	9	16	16
Male national employees	Number	4	12	20
National full time employees in senior management	Number	2	2	3
Number of employees of other nationalities	Number	193	217	229

The Alliance Pension Program supports Emirati nationals employed in the private and financial sectors by facilitating sustainable retirement funding. The program provides full government coverage for the first year, with a gradual, five-year transition of contributions to employees and employers. Government support begins at 20% of the gross salary in year one, decreasing to 14% by year five. This initiative promotes financial security, inclusivity, and increased private sector participation, as well as aligning with Alliance's commitment to social responsibility.

National Employees	Unit	2022	2023	2024
Emiratization Rate	Percentage	6.3%	11.4%	13.6%

Alliance Insurance has attained the Emiratization target in 2024.

Enabling a Healthy and Safe Workplace

Providing a safe, clean, healthy, and secure workplace is a top priority for Alliance. The organization provides all necessary safety resources, conducts regular inspections, and provides clear reporting mechanisms for hazards, with violations addressed through disciplinary actions, including termination of employment when necessary. Employees are expected to participate in maintaining safety by following regulations, using safety equipment, and keeping their workplace orderly and free of hazards.

Strict protocols safeguard employees, facilities, and confidential information. Visitors must adhere to safety standards and be escorted at all times; unauthorized individuals are promptly reported. Employees are responsible for maintaining workplace security by ensuring proper conduct during visits and safeguarding sensitive areas.

Alliance maintains a robust emergency response system, providing clear evacuation procedures for natural and man-made disasters. Employees are trained to remain calm, prioritize safety, and follow designated escape routes to assembly points. These measures ensure employee safety and readiness in unforeseen circumstances.

Alliance's commitment to health and safety is demonstrated by the integration of Occupational Health and Safety (OHS) management systems into its business operations. The organization prioritizes eliminating hazards, reducing risks, and fostering a proactive safety culture to safeguard employees, contractors, trainees, and visitors. Key initiatives include ensuring well-being, preventing workplace injuries and illnesses, enhancing Health, Safety, and Environment (HSE) awareness, and complying with applicable regulations. Alliance also dedicates resources and authority to achieving HSE goals, while involving stakeholders in decision-making processes to drive continual improvements. These efforts underline Alliance's dedication to maintaining a safe and healthy work environment aligned with regulatory and customer standards.

The HSE policy has been implemented based on authority requirements at other branches and in parallel with management guidelines including Leadership Commitment, Resource Allocation, Incident Management, and Training and Competence. All Alliance operations are covered by a robust health and safety management system. Hazard identification and risk assessment are conducted through physical inspections and reporting by employees, while standard operating procedures and regular audits ensure the quality of the processes. For all activities that may involve risks, such as working at heights or using specific equipment, Alliance ensures that workers and operators attend safety training and obtain the necessary certificates before conducting these activities.

At Alliance, all workers are covered under the OHS Management System. In 2024, employees logged a total of 549,120 man-hours, while contractors accounted for 48,750 man-hours. There were no high-consequence work-related injuries or fatalities.

Our Social Capital

HIGHLIGHTS

- Increased community investment by 25% in 2024, supporting various social initiatives and programs.
- Strengthened community relationships through charitable contributions and active engagement in local cultural events.
- 41 employees volunteered 231 hours for CSR activities

MATERIAL TOPICS

Community Support

UN SDGs

1 NO POVERTY
3 GOOD HEALTH AND WELL-BEING
5 GENDER EQUALITY
8 DECENT WORK AND ECONOMIC GROWTH

Our Social Capital

Our CSR Strategy

Alliance recognizes the importance of fostering social capital to achieve its goals of sustainable development and community impact. Through strategic Corporate Social Responsibility (CSR) initiatives, Alliance nurtures a culture of collaboration, inclusivity, and social responsibility.

Alliance's comprehensive CSR strategy encompasses environmental sustainability, community engagement, ethical business practices, stakeholder engagement, and social impact initiatives. Community initiatives are overseen by the Company's Administration Department, ensuring alignment with Alliance's objectives and values.

Alliance is committed to making a meaningful societal impact through diverse CSR initiatives, aligning its efforts with core values of responsibility, integrity, and sustainability.

HOW SOCIAL CAPITAL CONTRIBUTES

Enhancing Reputation: Engaging in CSR initiatives and supporting social and environmental causes helps to enhance Alliance's reputation as a responsible business, earning the trust and respect of stakeholders.

Improving Operational Efficiency: CSR initiatives promote sustainable practices, help reduce waste and ensure compliance with regulations. This improves and streamlines operational efficiency and reduces operating costs.

Strengthening Relationships with Stakeholders: Participation in CSR activities helps Alliance to strengthen relationships with stakeholders, including customers, employees, investors, and communities, fostering long-term partnerships built on trust and mutual respect.

HOW WE PROTECT AND ENHANCE OUR SOCIAL CAPITAL:

Identification of the key stakeholders and prioritization of social issues:

- Engaging with employees to understand their concerns and priorities.
- Conducting research and analysis to comprehend broader social and environmental challenges within the industry.
- Collaborating with external partners to gain insights and expertise on social and environmental issues.
- Setting clear goals and metrics to track the company's progress in addressing identified issues.

Charity Giving and Community Support:

- Alliance supports communities through charitable giving and sponsorship of cultural events, contributing to social cohesion and community development.

Ensuring Transparency and Accountability:

Alliance ensures transparency and accountability in its CSR practices by:

- Ensuring clear and open communication about CSR initiatives and their impacts.
- Involving stakeholders in decision-making processes and seeking their feedback.
- Providing detailed information on the company's social and environmental performance through regular reporting.
- Conducting audits to assess compliance with, and commitment to, CSR goals.
- Continuously reviewing CSR practices and identifying areas for improvement to enhance effectiveness and impact.

Strengthening Communities Through Impactful Initiatives

Alliance engages in community-based partnerships aimed at addressing local needs and contributing to sustainable development. Activities include collaborations with non-profit organizations, local businesses and government bodies to design and implement initiatives that benefit the community.

Key contributions include:

- Partnering with environmental groups to promote sustainability efforts such as recycling and waste management
- Partnering with hospitals/clinics to provide free health check-ups
- Supporting specialized programs for marginalized groups such as the elderly
- Hosting/participating in job fairs
- Charitable contributions.

Visits to Elderly Care Home

As part of our CSR actions, Alliance organizes visits by employees to care homes for the elderly. Visits include activities such as sharing stories and offering emotional comfort, helping to alleviate loneliness and improve the residents' overall well-being.

Donations to Non-Governmental Organizations (NGOs)

In 2024, Alliance contributed approximately AED 250,000 to NGOs as in-kind social contributions, helping the NGOs to address critical community needs.

Alliance currently sponsors, partners, or is affiliated with the following NGOs:

- Beit Al Khair Society
- Emirates Association of the Visually Impaired
- Al Noor Centre for the Care of Disabled
- Khorfakkhan Club for the Disabled
- Al Tareq Rehabilitation & Autism Center
- UAE Deaf Association
- Sheikh Mhd. Center for Culture and Social Understanding
- West Asia Paralympic Federation
- UAE Genetic Diseases Association
- Ajman Club for the Disabled

All bodies receiving donations from Alliance must provide necessary Know Your Customer documentation and have clearance from anti-money laundering and relevant government screening.

VOLUNTEERISM

Alliance encourages its employees to take part in volunteering. This can help make a positive impact on communities while fostering teamwork and connections between employees.

In 2024, Alliance employees took part in activities such as visiting care homes for the elderly to provide companionship, and taking part in chess and Sudoku contests, which promote mental well-being and problem-solving skills.

Employees are given the flexibility to participate in these activities during work hours when possible. The Company provides resources and organizes events to make it easy for employees to get involved.

Community	Unit	2022	2023	2024
Community investment	AED	150,000	200,000	250,000
Total number of employee volunteering hours	Number	N/A	258	231
Number of key CSR projects	Number	N/A	11	16

Alliance's community investment increased by 25% in 2024 compared to 2023.

In 2024, 41 employees volunteered for 231 hours for CSR activities.

Sustainable and Responsible Procurement

The importance of sustainable procurement is rising as organizations face increasing pressure from environmental and social awareness, regulatory mandates, consumer demand for sustainable products, and the need to strengthen brand reputation and stakeholder trust. At Alliance, sustainability is embedded throughout its procurement processes. By prioritizing responsible sourcing initiatives, the Company is able to drive positive change throughout its supply chain.

Sustainability within the supply chain does, however, present challenges:

- **Supply Chain Complexity:** resulting from dealing with multiple suppliers and global sourcing.
- **Limited Supplier Capacity**: suppliers may lack the capacity or resources to implement sustainable practices, adding to the challenge of finding suitable partners.
- **Cost Considerations:** Sustainable products and services often come at a higher cost, impacting budgets.
- **Lack of Transparency:** Obtaining accurate and transparent information about suppliers' sustainability practices, and therefore assessing their performance, can be challenging.
- **Stakeholder Engagement:** Engaging and aligning stakeholders, both internal and external, around sustainable procurement goals can be a complex task.

To meet these challenges, Alliance has set out a clear set of procedures to follow in achieving sustainable procurement. These include setting sustainability goals and integrating them into procurement strategies; assessing current practices to identify opportunities for integrating sustainability; engaging with suppliers and agreeing expectations; evaluating suppliers against sustainable criteria; incorporating sustainability into supplier contracts; and regularly monitoring supplier performance. Alliance also strongly encourages suppliers to adopt sustainable environmental policies, reduce waste, and minimize the environmental impact of their operations.

Alliance also prioritizes procurement from local suppliers, which helps to support SMEs, and engages with women-owned businesses to promote diversity and gender equality.

SOURCING RESPONSIBLY

Alliance adheres to the highest ethical standards in its procurement activities. Expectations and requirements of suppliers are set out in Alliance's Supplier Code of Conduct, which is governed by UAE law. Strict measures are enforced for suppliers found in violation of the Code, with sanctions including formal warnings, immediate contract termination, and other legal remedies.

As well as meeting the requirements of the Code, suppliers are expected to comply with all applicable legal and regulatory requirements and maintain accurate records demonstrating adherence. The Company has a strict zero-tolerance policy towards corruption, bribery, and conflicts of interest, and requires suppliers to represent their capabilities honestly. Suppliers are also encouraged to report any unethical behavior or violations, with assurance of confidentiality and protection against retaliation.

Alliance also requires all suppliers to comply with national and international labor laws, including regulations prohibiting child labor, forced labor, and human trafficking. Suppliers must ensure that all employees are of legal working age and are protected from exploitation and abuse. Compliance with employment standards ensures fair treatment and respect for workers' rights.

Suppliers must comply with all health and safety regulations in the jurisdictions where they operate, ensuring a safe working environment for their employees.

In line with the Code of Conduct, Alliance encourages suppliers to report unethical or questionable behavior by Alliance employees or other suppliers.

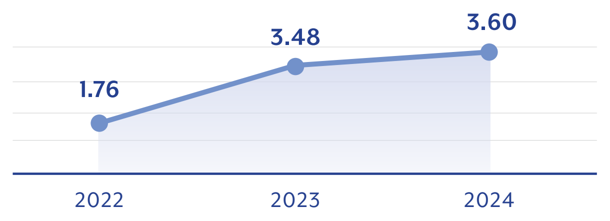
SUPPLIER SCREENING

Alliance conducts screenings of potential new suppliers using environmental and social criteria. Environmental criteria include factors such as compliance with environmental regulations, resource conservation, waste management, environmental certifications and sustainable materials. Social criteria include factors such as labor standards, ethical sourcing and adherence with Supplier Code of Conduct. In doing so, the Company seeks to uphold ethical standards, promote fair labor practices, and support community welfare initiatives. The examination of social screening data highlights Alliance's dedication to ethical sourcing practices:

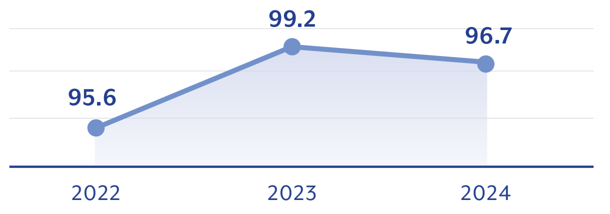
In 2024, 120 new suppliers were engaged following successful screening. Our percentage of local suppliers remained steady at 96.7%, reflecting our commitment to engaging local vendors and supporting local businesses. The procurement spending has been steadily increasing on a year-on-year basis.

These results underscore Alliance's unwavering dedication to promoting social welfare, ethical labor practices, and community development through its supplier relationships.

PROCUREMENT SPENDING ON LOCAL SUPPLIERS (AED MN)



PERCENTAGE OF LOCAL SUPPLIERS HIRED (%)



Suppliers	Unit	2022	2023	2024
Total number of suppliers engaged	Number	91	125	120
Total number of local suppliers engaged	Number	87	124	116
Percentage of local suppliers hired	Percentage	95.6	99.2	96.7
Total number of SME suppliers engaged	Number	N/A	124	116
Total number of women-owned suppliers engaged	Number	N/A	17	15
Total procurement spending	AED mn	2.00	3.64	4.05
Procurement spending on local suppliers	AED mn	1.76	3.48	3.60
Percentage of spending on local suppliers	Percentage	88	95.6	88.9

Suppliers	Unit	2022	2023	2024
Total number of new suppliers in specified year	Number	34	45	22
Total number of new suppliers in specified year that were screened using environmental criteria	Number	5	2	1
Total percentage of new suppliers in specified year that were screened using environmental criteria	Percentage	14.71	4.44	4.55
Total number of new suppliers in specified year that were screened using social criteria	Number	0	45	22
Total percentage of new suppliers in specified year that were screened using social criteria	Percentage	0	100	100

Our Natural Capital

HIGHLIGHTS

- Improved data accuracy and informed decision-making for reducing environmental impact and enhancing sustainability performance
- A 38% increase in waste recycling from 2023 driven by enhanced waste management efforts.
- Recycling initiative achieved a 2,423 kg reduction in CO_2 emissions.
- Inclusion of climate risk assessments for underwriting and stress testing.

MATERIAL TOPICS

Climate Change

Environmental Impact & Sustainability Practices

UN SDGs

Fostering Environmental Stewardship

Alliance is committed to addressing the growing challenges posed by climate change through proactive climate risk management. The Company identifies and mitigates physical, transition, and liability risks using scenario analysis, stress testing, and robust risk assessments integrated into business decision-making processes. Strategies include adapting pricing mechanisms to reflect climate-related risks, raising awareness among policyholders, and embedding climate considerations into operational resilience plans. These measures demonstrate Alliance's dedication to fostering sustainability and building resilience to climate impacts within its operations and for its stakeholders.

Of course, any change, especially behavioral, can be met with resistance and environmental changes are no exception. Alliance was aware that many employees accustomed to traditional paper-based workflows were resistant to transition toward digital alternatives and paperless operations. To address this and support them in making this change, the organization has not just invested in digital tools and systems to simplify workflows and reduce the need for physical documentation but has clearly demonstrated the benefits of these tools not just for the business, but for employees too.

To reduce its environmental footprint, Alliance regularly conducts a comprehensive analysis of its energy consumption and emissions data, and the information gleaned offers valuable insights into the Company's environmental performance and identifies areas for improvement. This informs targeted initiatives to reduce the Company's environmental footprint, promote resource efficiency, and preserve natural capital for future generations.

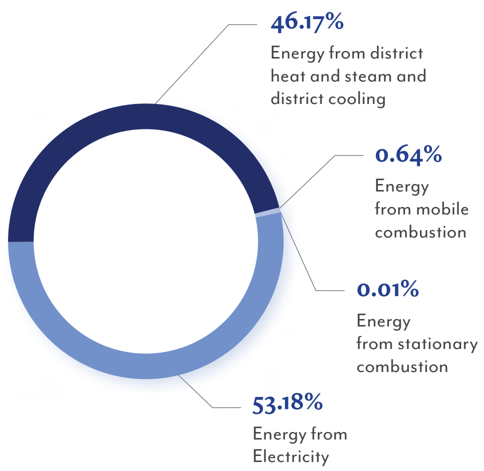
In 2024, Alliance took a significant step forward in its sustainability journey by beginning to measure Scope 3 greenhouse gas (GHG) emissions for the first time, providing a more comprehensive view of its environmental impact across the value chain. Notably, in 2023, Alliance's operations did not include diesel consumption or district cooling, both of which have now been incorporated into its energy and emissions tracking. These developments mark a pivotal shift in the Alliance's commitment to transparency and accountability in managing energy consumption and reducing GHG emissions, aligning with global best practices in environmental stewardship.

A BRIEF ON GHG EMISSIONS METHODOLOGY AND CALCULATION APPROACH

Scope	Definition	Scope and Boundary	Activity data	Emission factor*
Scope 1	Emissions from operations that are owned or controlled by the reporting company. Such as emissions from combustion in owned or controlled boilers, furnaces, vehicles, etc.; emissions from chemical production in owned or controlled process equipment	Stationary combustion, Mobile combustion, Refrigerants, Fire suppression	Direct consumption data such as from diesel generators, owned vehicles, refrigerators and facility fire extinguishers	BEIS, Conversion factors 2024
Scope 2	Emissions from the generation of purchased or acquired electricity, steam, heating, or cooling consumed by the reporting company. Such as use of purchased electricity, steam, heating, or cooling	Electricity, District cooling	Electricity consumption and district cooling meter reading data from head offices, branches and warehouses	DEWA
Scope 3 (Cat. 1)	Extraction, production, and transportation of goods and services purchased or acquired by the reporting company in the reporting year, not otherwise included in Categories 2 - 8	Procurement data of all activities	Spend based data from head offices and branches	US EPA's Supply Chain Greenhouse Gas Emission Factors v1.3 by NAICS-6.
Scope 3 (Cat. 2)	Extraction, production, and transportation of capital goods purchased or acquired by the reporting company in the reporting year	Purchased goods for Real Estate related operations	Spend based data from head offices and branches	US EPA's Supply Chain Greenhouse Gas Emission Factors v1.3 by NAICS-6.
Scope 3 (Cat. 3)	Extraction, production, and transportation of fuels and energy purchased or acquired by the reporting company in the reporting year, not already accounted for in scope 1 or scope 2	Scope 1 & 2 activity data	Upstream fuel and energy related data not captured under scope 1 and 2	BEIS, Conversion factors 2024
Scope 3 (Cat. 7)	Transportation of employees between their homes and their worksites during the reporting year (in vehicles not owned or operated by the reporting company)	Distance based method for all employees	Employee survey of 115 full-time equivalent (FTE) employees at Alliance's UAE head offices and branches regarding their commuting activities, extrapolated to represent the total workforce in 2024	BEIS, Conversion factors 2024

*New emission factors that are more accurate have been used to calculate the energy consumption for 2023, also affecting the energy and emissions consumption calculation for 2022.

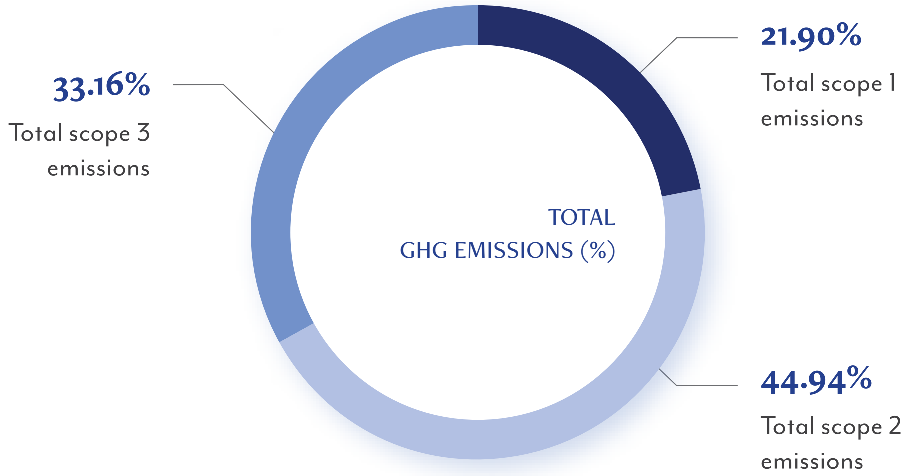
Energy usage by generation type (%)



Energy consumption	Unit	2022	2023	2024
Fuel consumption (Petrol)	GJ	104.26	144.35	198.45
Fuel consumption (Diesel)	GJ	-	-	2.28
Electricity consumption	GJ	8,405.87	15,586.74	16,510.73
District heat and steam and district cooling consumption	GJ	-	-	14,333.40
Total direct energy consumption	GJ	104.26	144.35	200.73
Total indirect energy consumption	GJ	8,405.87	15,586.74	30,844.13
Total energy consumption	GJ	8,510.13	15,731.09	31,044.86

Energy intensity	Unit	2022*	2023*	2024
Direct energy intensity	GJ/employee	0.51	0.59	0.76
Indirect energy intensity	GJ/employee	40.81	63.62	116.40
Total energy intensity	**GJ/employee**	**41.31**	**64.21**	**117.15**

*The energy figures in 2022 and 2023 are not comparable with 2024 as measurement systems were being developed.



GHG emissions	Unit	2022*	2023*	2024
Scope 1	CO2e (metric tonnes)	7.35	10.20	1,584.37
Scope 2	CO2e (metric tonnes)	942.16	1,747.01	3,250.71
Scope 3	CO2e (metric tonnes)	-	-	2,398.81
Total GHG emissions	**CO2e (metric tonnes)**	**949.60**	**1,757.84**	**7,233.89**

*The emissions figures in 2022 and 2023 are not comparable with 2024 as measurement systems were being developed.

Scope 3 emissions	Unit	2024
Purchased Goods and Services (Category 1)	CO2e (metric tonnes)	1,143.11
Capital Goods (Category 2)	CO2e (metric tonnes)	129.57
Fuel & Energy Related Activities (Category 3)	CO2e (metric tonnes)	794.07
Employee Commuting (Category 7)	CO2e (metric tonnes)	332.06
Total scope 3 emissions	**CO2e (metric tonnes)**	**2,398.81**

Emissions intensity	Unit	2022*	2023*	2024
Scope 1 intensity	CO2e (metric tonnes) per employee	0.04	0.04	5.98
Scope 2 intensity	CO2e (metric tonnes) per employee	4.57	7.13	12.27
Scope 3 intensity	CO2e (metric tonnes) per employee	-	-	9.05
Total emissions intensity	**CO2e (metric tonnes) per employee**	**4.61**	**7.17**	**27.30**

*The emissions figures in 2022 and 2023 are not comparable with 2024 as measurement systems were being developed.

Water consumption	Unit	2022	2023	2024
Total water consumption**	m^3	219.97	1,663.09	2,234.24
Total water consumption intensity	m^3/employee	1.07	6.79	8.43

**The 2023 water consumption data includes Warba, ADCB, and Alliance's Head Office, as well as the Sharjah and Abu Dhabi branches. In contrast, the previous year's data collection was limited to Warba.

Waste recycled	Unit	2022	2023	2024
Total non-hazardous waste generated	Kilograms	315,630	360,720	722,275
Waste recycled	Kilograms	1,823	2,984	4,109

CASE STUDY

Water bottle recycling

Plastic bottles make up a significant portion of office waste. To combat this and encourage recycling, Alliance launched an initiative in 2024 to increase the recycling of plastic bottles and raise awareness about responsible consumption among employees and other stakeholders.

The initiative involved placing recycling bins for water bottles across the organization's premises, educating employees about recycling, and partnering with a local recycling company to process the collected plastic.

By the end of 2024, the initiative had achieved 1,217kg of total materials being recycled, mostly plastics along with metals and paper. This resulted in the equivalent of a 2,423 kg reduction in CO2 emissions, and savings of 136 liters of water, 7,018kWh of electricity, 3,144 liters of oil and 0.07 trees. In addition, it meant nearly 1,000 square feet of waste being diverted from landfill.

Following this success, Alliance plans to continue the initiative as part of our efforts to reduce environmental impact, promote sustainability and inspire similar practices across the community.

CASE STUDY

Paper shredding and recycling

Paper waste can be significant for businesses and is often avoidable. To minimize such waste and reduce the environmental impact of paper consumption, Alliance launched a Paper Shredding and Recycling Program in 2024. As well as seeing paper recycled rather than sent to landfill, the scheme also aimed to streamline the process of secure disposal of sensitive documents.

Shredding consoles were placed in every department at Head Office and at branches. Employees were encouraged to use these consoles for paper documents, and the shredded paper was then collected monthly, destroyed and taken to disposal facilities for recycling. By the end of 2024, the scheme had saved the equivalent of 59 trees and 399kg of CO2 emissions.

As part of our broader sustainability strategy, Alliance now aims to reduce paper consumption further by promoting digital document management systems and minimizing the need for physical documentation.

Responsible Governance

MATERIAL TOPICS

Governance & Business Ethics

UN SDGs

8 DECENT WORK AND ECONOMIC GROWTH

Responsible Governance

At the heart of Alliance's efforts to enhance stakeholder value is a robust governance structure. This structure ensures that the Company's strategic direction is meticulously planned and aligned with Alliance's long-term objectives, guarantees adherence to all pertinent rules and regulations, and fosters a culture of compliance and ethical conduct throughout the organization.

Alliance's governance also encompasses sound risk management practices, ensuring that potential risks are identified, assessed, and mitigated effectively. This promotes accountability and transparency at the highest levels of the Company and instils confidence and trust among stakeholders.

As an insurance company entrusted with the financial security of its policyholders, it is imperative that Alliance's governance maintains the Company's own financial stability. Stringent financial controls and risk management protocols are in place to assure Alliance policyholders that their investments are safeguarded and that the Company is well-equipped to meet its obligations, even in challenging circumstances.

In this way, Alliance's governance structure enhances the Company's reputation as a reliable and responsible financial institution and demonstrates Alliance's commitment to the highest standards of integrity, accountability, and transparency in all its operations.

Governance Structure

The Board of Directors (BoD) is the highest governance body at Alliance. The Board is responsible for overseeing the Company's overall strategy, ensuring compliance with UAE laws and regulations, and safeguarding the interests of stakeholders. In 2024, Alliance appointed a new Board of Directors, with the majority comprising UAE nationals, including the Chair. The new Board has been duly approved by the Central Bank of the UAE (CBUAE), ensuring alignment with regulatory requirements and reinforcing our commitment to strong governance and leadership. Remuneration for board members is structured in accordance with UAE regulatory standards and is primarily fixed, based on responsibilities and oversight roles.

Mr. Ali Mubarak Ali Al Soori
Chairman

Mr. Shahreyar Haider Ashraf Nawabi
Vice-Chairman

Mr. Khaled Al Hasan
Board Member

Ms. Laila Yousuf Mohammad Al Jassmi
Board Member

Mr. Shahnawaz Haider Ashraf Nawabi
Board Member

Mr. Ahmad Saif Rashed Bakhit Al Falasi
Board Member

Bijan Khosrowshahi
Board Member

Khalifa Salim Humaid Almashwi Alsuwaidi
Board Member

Mr. Salem Mohammed Obaidalla
Board Member

BOARD COMMITTEES

To support its governance functions, the Board has established specialized committees to oversee critical aspects of the company's operations, each composed of three non-executive directors below as of 31 Dec 2024:

Audit Committee: Oversees the company's financial reporting processes, internal controls, and compliance with regulatory requirements; reviews internal and external audit reports and ensures that corrective actions are implemented where needed.

Ms. Laila Al Jassmi	Mr. Salem Mohammed Obaidalla	Mr. Khalifa Al Mashwi
Chairman (non-executive, independent)	Member (non-executive, independent)	Member (non-executive, non-independent)

Risk Committee: Identifies, assesses, and mitigates risks, including insurance underwriting risks, operational risks, and sustainability-related risks; monitors the Company's adherence to its risk management framework.

Mr. Shahnawaz Nawabi	Ms. Laila Al Jassmi	Mr. Ahmed Saif Bin Bakhait
Chairman (non-executive, independent)	Member (non-executive, independent)	Member (non-executive, non-independent)

Nomination and Remuneration Committee: Manages the nomination of Board members and senior executives; oversees compensation policies to ensure fairness and alignment with UAE labor laws and industry standards; promotes diversity and inclusion in leadership positions.

Mr. Salem Mohammed Obaidalla	Mr. Khaled Al Hasan	Mr. Ahemd Saif Bin Bakhit
Chairman (non-executive, independent)	Member (non-executive, non-independent)	Member (non-executive, non-independent)

Investment Committee: Reviews and approves the Company's investment strategies, focusing on sustainable and responsible investment opportunities; ensures that investment decisions align with the Company's long-term goals and regulatory obligations.

Mr. Khaled Al Hasan	Mr. Bijan Khosrowshahi	Mr. Shahnawaz Nawabi
Chairman (non-executive, non-independent)	Member (non-executive, non-independent)	Member (non-executive, independent)

BOARD GOVERNANCE SELECTION AND NOMINATION

Board members are nominated and elected during the Company's Annual General Meeting (AGM) by the shareholders. The process is overseen by the Nomination and Remuneration Committee, which ensures candidates meet the regulatory requirements and possess the required qualifications and experience. Candidates must demonstrate expertise in areas relevant to the insurance industry, such as finance, governance, risk management, and business strategy, and comply with the Fit and Proper Standards of the Central Bank of the UAE (CBUAE).

The nomination process is opened in accordance with SCA and CBUAE requirements, ensuring transparency and equal opportunity. All candidates are assessed by the Nomination and Remuneration Committee (NRC) to verify that they meet the regulatory requirements and possess the required qualifications and experience. Once evaluated, the names of eligible candidates are submitted to the CBUAE to obtain a No Objection Certificate (NOC). Following this, the candidates are presented to shareholders at the Company's AGM.

BOARD EVALUATION OF PERFORMANCE

1– Self-Assessment:

Board members complete structured self-assessment questionnaires annually to evaluate their individual and collective effectiveness.

2– Third-Party Evaluation:

This is carried out every five years to obtain an unbiased perspective and align with UAE regulatory expectations and global governance practices.

The findings of the evaluation are the responsibility of the Nomination and Remuneration Committee.

Board members	Unit	2022	2023	2024
Total number of board members	Number	9	9	9
Total number of independent members	Number	7	4	4
Total number of non-independent members	Number	2	5	5
Total number of executive members	Number	1	1	0
Total number of non-executive members	Number	8	8	9
Total board seats occupied by women	Number	0	0	1
Total board seats occupied by men	Number	9	9	8
Total number of board members under 30 years of age	Number	0	0	0
Total number of board members between 30-50 years of age	Number	0	0	1
Total number of board members over 50 years of age	Number	9	9	8
Total number of Committee chairs	Number	4	4	4
Total Committee chairs occupied by women	Number	0	0	1
Total Committee chairs occupied by men	Number	4	4	3

Detailed descriptions for each of the Committees are included in the Corporate Governance report from pages 160-168 of the report.

Managing Risks Effectively

Alliance has a comprehensive Enterprise Risk Management (ERM) framework aligned with best practices to ensure effective risk identification, mitigation, and compliance.

The governance structure is built on three lines of defence, clearly delineating responsibilities among the Operational Management, Risk and Compliance and Internal Audit functions. This approach strengthens oversight, promotes accountability, and ensures the seamless execution of risk management activities across the organization. The framework is continually reviewed and enhanced to adapt to evolving risks and regulatory requirements.

Alliance's risk management strategy aims to identify, assess, and manage risks to fulfil the Company's objectives. It involves a commitment from all levels of management, integrating risk management into the corporate culture and governance. The strategy includes roles for the Board Risk Committee and Risk Management department, emphasizing transparency, controls, and accountability. Tools for effective risk management include detailed reporting and review processes, ensuring data quality and business continuity procedures. The strategy focuses on maintaining a balance between risk and opportunity, aiming for a sustainable and resilient operational environment.

Alliance's risk management practices involve comprehensive risk universe mapping and proactive assessment of risks across operational, financial, reputational, and market domains. Tools such as SWOT analysis, Bow Tie Analysis, and PESTLE are used to evaluate risks systematically and implement effective mitigation strategies. The company also closely monitors emerging risks, including technological advancements like artificial intelligence and 5G, regulatory changes, and geopolitical shifts, to ensure preparedness for evolving challenges.

Alliance's Risk Appetite Framework defines the levels and types of risks the Company is willing to accept in pursuit of its objectives. The framework encompasses strategic dimensions such as capital adequacy, earnings volatility, liquidity, and compliance. It is integrated into the Company's ERM system, ensuring alignment with its strategic goals and regulatory requirements. The governance structure assigns clear roles to the Board of Directors, Board Risk Committee, and Executive Management, fostering accountability and oversight. Alliance actively incorporates ESG risks into its Risk Appetite Framework, recognizing their potential impact on financial and operational performance. The Company manages environmental risks by supporting clients transitioning to greener business models and expanding portfolios that bolster climate resilience. It has integrated climate-related financial risk management into its ERM framework, aligning with local regulatory guidance. Furthermore, Alliance is engaged in public policy discussions on the impact of climate change and uses reinsurance to mitigate financial risks from catastrophic weather events.

Risk No	Risk Category	Risk Description	Mitigation Implemented
1.	Strategic risk	Risk of not meeting the budgets and significant drop in new business premium	Alliance is working on strengthening the Agency sales force and alternate distribution channels. In addition, the Company is working on adding new individual life products to aid the sales force in gaining new business.
2.	Operational risk	Opportunity and efficiency risks that could affect the Company's sustainability due to people, processes and limited delegated authority leading to inefficient operations and decision making.	Procedures and policies developed for all the key functional areas. Control functions established to monitor the activities of the primary functions. Investment on new life core system and strengthening the IT development team to support the business functions. Establishment of internal turnaround time and continuous monitoring. Frequent review of delegation of authority based on the business requirements.
3.	Underwriting risk	Underwriting department's shortfall in following underwriting guidelines and insufficient controls in underwriting.	Underwriting of policies based on market best practices. Expert and Reinsurance consultation at the time underwriting high value and challenging policies. Guidelines developed based on the RI arrangements. Policy and procedures developed for the underwriting departments. Periodic assessment by the appointed actuary on underwriting practices. Regular reviews conducted by internal audit function serve as an additional mitigation step.
4.	Human resource risk	The risks arising from the challenges of a company facing related to (a) Recruitment (b) Retention and (c) Succession Planning.	Recruitment process is based on policies and procedures. All the recruitments are approved by the senior management. HR function is organizing training programs based on the requirements and has also made mandatory for all the employees to attend the courses from EIF. Succession plan was approved by the board and currently being implemented.
5.	Credit risk	Risks from default by debtors and other counter parties	Company has strong relationship with reinsurers and mostly does business with A-rated companies. Frequent follow-up with debtors by the respective departments and necessary provision for doubtful debts. Investments made in low-risk instruments of strong financial institutions.
6.	Outsourcing risk	Risks from third-party service provider typically loss of control, loss of innovation and loss of trust.	Comprehensive contracts with outsource service provider with all the relevant terms and conditions such as exit conditions, penalties etc.
7.	Regulatory risk/ Compliance risk	Company may not comply and adapt with the latest regulations from Central bank and other relevant regulatory bodies.	Company management deployed all possible resources to meet regulatory requirements from the relevant authorities. Compliance policies and procedures developed to monitor the compliance requirements of the departments.
8.	Reputational risk	Reputation risk is the potential negative publicity regarding the company's business practices.	Reputational risk is governed by the Risk Management Framework, which was established to provide consistent standards for the identification, assessment and management of reputational risk issues.

Sustainability and Climate-Related Risks and Opportunities

Alliance has implemented procedures to manage climate and sustainability risks across its business. The Board Risk Committee assesses and evaluates these risks so they can be effectively managed, and sustainability topics are discussed during board meetings as needed.

The management team oversees sustainability-related issues as necessary, and senior management prioritizes sustainable development goals and objectives. Climate and sustainability-related risk management are also incorporated into Alliance's ERM policy framework and Alliance is working to expand this by including qualitative and quantitative measures. There is no dedicated sustainability committee at executive level; however, sustainability-related risks and initiatives are incorporated into the responsibilities of the Risk Committee and other relevant functions.

While sustainability and climate-related considerations are not formally linked to Company KPIs or tied directly to incentives and compensation, they are acknowledged and factored into broader performance assessments for executives and senior staff. Sustainability and climate-related risks and opportunities are also integrated into the Company's strategy, decision-making processes, and risk management frameworks through oversight by the Board, Risk Committee, and senior executives. Climate risks, such as extreme weather impacts, are included in the Risk Register and assessed during the Company's ORSA (Own Risk and Solvency Assessment) process.

Performance-related incentives are not directly tied to economic, environmental, or social topics but reflect the Board's overall contribution to the Company's strategic goals, which inherently include elements of sustainability oversight.

Enhancing Compliance and Control Mechanisms

Alliance's Compliance department provides a vital function within the Company's risk management framework. It ensures accountability and adherence to all relevant rules and regulations mandated by authorities such as the CBUAE, the Securities & Commodities Authority (SCA), and the Dubai Financial Market (DFM).

One of Compliance's primary responsibilities is to disseminate awareness of new and/or revised regulations among key internal stakeholders, ensuring that the Company remains up-to-date and compliant with legal requirements. Compliance also contributes to maintaining an appropriate corporate culture within Alliance by enforcing the Code of Ethics and Conduct across the organization.

The Internal Audit Department operates independently and reports directly to the Audit Committee. Its core objectives include minimizing risk exposure, safeguarding the Company's reputation and assets, enhancing operational efficiency, and ensuring adherence to applicable laws and regulations.

At Alliance, compliance is a fundamental aspect of our operations, ensuring that we adhere to all relevant laws, regulations, and industry standards. A dedicated Compliance team oversees, manages, and enforces compliance across Alliance, receiving and disseminating all related regulations to relevant departments.

In addition, an independent internal audit team conducts regular audits and assessments to identify actual or potential risks of non-compliance with laws and regulations, and to enhance existing controls.

Alliance also conducts due diligence on suppliers, vendors and third-party partners to ensure they meet compliance standards.

Fostering a Compliance Culture:

- Open Communication Channels: We maintain open communication channels between the legal and compliance department and other business units, facilitating effective collaboration and information exchange.
- Training Sessions: Regular training educates employees across the organization about legal and compliance requirements relevant to their roles.
- Integration of Compliance into Workflows: Compliance checks and requirements are integrated into each department's regular workflows and processes, ensuring adherence to compliance standards.
- Ethical Behaviour and Compliance: We emphasize the importance of ethical behaviour and compliance from top leadership down through all levels of the organization, fostering a culture where compliance is integral to business success.
- Alignment with Business Objectives: Compliance goals are aligned with business objectives, adopting a risk-based approach to compliance and focusing efforts on areas with the highest potential impact on the business.
- Integration into Business Agreements and Development Phases: Compliance considerations are integrated into business agreements and the design and development phases of new products, services, or processes.

ANTI-CORRUPTION

Fortunately, corruption is not a significant risk in the insurance sector. It is, however, regarded as a broader risk within the wider business environment in which insurance companies like Alliance operate, where it is associated with business practices, regulatory environments, and ethical considerations pertinent to the insurance industry.

Alliance ensures ethical integrity by embedding strict anti-corruption measures within its operations through a well-defined Ethics Policy. Compliance is reinforced through mandatory certification for all employees, fostering a culture of transparency and accountability across the organization.

ETHICAL CODES AND POLICIES

Alliance maintains a robust Code of Conduct, which acts as the foundation for ethical behavior by every employee. The Human Resources team ensure every employee acknowledges and signs the Code of Conduct annually, reaffirming their commitment to the highest standards of integrity and professionalism.

Alongside the Code of Conduct, Alliance operates an Anti-Money Laundering (AML) Policy, covering issues related to money laundering and terrorist financing. The Company's Compliance department has also developed a risk-based approach to mitigate these risks effectively.

To reinforce compliance and ethical standards, Alliance conducts regular refresher training on AML & Combating the Financing of Terrorism (CFT) and fraud prevention, while the annual circulation of the Code of Conduct and Ethics reminds employees of their commitment to upholding ethical principles in their professional conduct.

To foster transparency and effective communication, Alliance's management maintains an open-door policy, championed by the CEO, encouraging stakeholders to raise any concerns they may have. The Company also operates a Whistleblowing Policy, enabling employees to report any potential violations they observe. A dedicated email address is provided through which concerns can be reported safely and anonymously. The internal audit function, independent from management, oversees the whistleblowing process and reports directly to the Audit Committee and the Board. Periodic reports detailing whistleblowing cases are shared with the Board, ensuring transparency and accountability in addressing any potential misconduct.

Indicators related to corruption	Unit	2022	2023	2024
Total number of operations assessed for risks related to corruption	Number	0	0	0
Percentage of operations assessed for risks related to corruption	Percentage	0	0	0
Number of confirmed incidents of corruption	Number	0	0	0
Total number of confirmed incidents in which employees were dismissed or disciplined for corruption	Number	0	0	0

Non-compliance with laws and regulations	Unit	2022	2023	2024
Total number of significant instances of non-compliance with laws and regulations				
Fines were incurred	Number	0	0	3
Non-monetary sanctions were incurred	Number	0	0	0
Total monetary value of fines for non-compliance with laws and regulations	AED	0	0	22,500

APPENDICES

Financial Statements

ALLIANCE INSURANCE P.S.C.

Financial Statements
For the year ended 31 December 2024

ALLIANCE INSURANCE P.S.C.
Financial statements
For the year ended 31 December 2024

ALLIANCE INSURANCE P.S.C.
Directors' report

Dear Shareholders,

On behalf of the Board of Directors and myself, it gives me great pleasure to welcome you to the Annual General Meeting to present the financial report for the year ended 31 December 2024 along with the financial statements, as well as the Auditor's report for the year ended 31 December 2024.

No doubt that the global economies continued to witness challenges that affect many areas of the world. However, the leadership has implemented strong strategic plans to mitigate the effect of these challenges on local economies by enforcing robust regulatory reforms and innovative ideas, leading to improvements in all sectors.

With regards to the insurance industry, the leadership continues in its efforts to further solidify strong regulations to ensure performance improvements of insurance companies. Despite the challenges of an overcrowded industry and fierce competition, Alliance was able to show strong consistent profitability for the last fourteen years. Alliance has also maintained its (A- Excellent) rating by A.M. Best, for eighteen consecutive years. These results are attributed to strong robust strategies implemented with careful analysis of market conditions. This approach by Alliance's Board Members, senior management and employees has maintained a profitable position. This strategy has also ensured the protection of our clients as well as our shareholders.

The following is the overall performance summary of the company for the year 2024 compared with the year 2023:

	2024 AED	*Restated* 2023 AED
Cash and cash equivalents/fixed deposits/statutory deposits	**465,538,650**	494,133,660
Investments at amortised cost	**317,758,258**	328,932,079
Total assets	**1,280,927,011**	1,321,277,498
Total equity	**564,179,616**	560,240,558
Insurance revenue	**327,523,269**	305,025,879
Insurance service expenses	**(210,375,611)**	(175,093,281)
Net profit for the year after tax	**27,180,428**	51,060,005

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ALLIANCE INSURANCE P.S.C.
Directors' report (continued)

In light of the results for the financial year ended 31 December 2024, the Board of Directors presents for your consideration the following recommendations:

1. Approval of the Report of the Board of Directors for the year 2024.
2. Approval of the financial statements for the year ended 31 December 2024.
3. Approve the recommendation of the Board as follows:
   a. AED 2,718,043 transferred to the Regular Reserve as 10% of the net profit after tax for the year 2024.
   b. AED 1,111,962 transferred to the Reinsurance Reserve as 0.5% of the total reinsurance premiums ceded for the year 2024.
   c. AED 50,000,000 to be transferred to Accumulated Losses from General Reserve.
   d. AED 1,062,555 Director's Remuneration.
4. To discharge the Chairman, Board of Directors and Auditor's from their responsibility for the year ended 31 December 2024.
5. To appoint/reappoint Auditors for the year 2025 and determine their fees.

To the best of our knowledge, the financial information included in the report fairly presents in all material respects the financial condition, financial performance and cash flows of the Company as of, and for, the periods presented therein.

In conclusion, the Board of Directors would like to take this opportunity to extend their sincere appreciation and gratitude to His Highness Sheikh Mohammed bin Zayed Al Nahyan, the President of the United Arab Emirates, His Highness Sheikh Mohamed Bin Rashid Al Maktoum, Vice President and Prime Minister of the UAE and Ruler of Dubai, and their Highnesses, the brothers' Sheikhs, members of the Supreme Council of the Union for their continuous support to economic institutions and national companies.

We also take this opportunity to express our appreciation to our reinsurance partners who continue to support us. We also express our sincere appreciation to our clients for their trust in our company, and to the management and staff of Alliance for their dedication, hard work and loyalty.

Chairman of the Board
Date: 6 March 2025

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Independent Auditor's Report
To the Shareholders of Alliance Insurance P.S.C.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Alliance Insurance P.S.C. (the "Company"), which comprise the statement of financial position as at 31 December 2024, statement of profit or loss, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2024, and of its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by International Accounting Standards Board (IASB).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the *International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code")*, together with the ethical requirements that are relevant to our audit of the financial statements in the UAE, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Independent Auditor's Report
To the Shareholders of Alliance Insurance P.S.C.

Report on the Audit of the Financial Statements (continued)

Key Audit Matters (continued)

Key Audit Matter	How our audit addressed the key audit matter
Valuation of Insurance Contract Assets and Liabilities and Reinsurance Contract Assets and Liabilities	
As at 31 December 2024, the Company's insurance contract assets and liabilities and reinsurance contract assets and liabilities are valued at AED 0.315 million, AED 696.31 million, AED 213.92 and AED 0.18 million respectively as disclosed in Note 8 to the financial statements. Valuation of insurance contract assets and liabilities, reinsurance contract assets and liabilities involve significant judgements and estimates particularly with respect to the estimation of the present value of future cash flows, eligibility of the premium allocation approach (PAA) and estimation of the liabilities for incurred claims. These cash flows primarily include determination of expected premium receipts, expected ultimate cost of claims and allocation of insurance acquisition cash flows which are within the contract boundaries. The calculation for these liabilities includes significant estimation and involvement of actuarial experts in order to ensure appropriateness of methodology, assumptions and data used to determine the estimated future cash flows and the appropriateness of the discount rates used to determine the present value of these cashflows. As a result of all the above factors, we consider valuation of insurance contract assets and liabilities, reinsurance contract assets and liabilities as a key audit matter.	We performed the following procedures in conjunction with our actuarial specialists: • Understood and evaluated the process, the design and implementation of controls in place to determine valuation of insurance contract assets and liabilities, reinsurance contract assets and liabilities; • Assessment of the competence, capabilities and objectivity of the management appointed actuary; • Tested the completeness, and on sample basis, the accuracy and relevance of data used to determine future cashflows; • Evaluated the appropriateness of the methodology, significant assumptions including risk adjustment, PAA eligibility assessment, discount rates and expenses included within the fulfilment cashflows. This included consideration of the reasonableness of assumptions against actual historical experience and the appropriateness of any judgments applied; • We independently reperformed the calculation to assess the mathematical accuracy of the insurance contract assets and liabilities, reinsurance contract assets and liabilities on selected classes of business, particularly focusing on largest and most uncertain reserves; • Evaluated and tested the calculation of the allowance for expected credit loss including the data, key assumptions and judgments used; and • Assessed the adequacy of disclosures included in financial statements against the requirements of IFRSs.

Independent Auditor's Report

To the Shareholders of Alliance Insurance P.S.C.

Report on the Audit of the Financial Statements (continued)

Key Audit Matters (continued)

Key Audit Matter	How our audit addressed the key audit matter
Valuation of investment properties	
Investment properties represented 19% of total assets as at 31 December 2024. Management appointed independent external valuers to determine the fair valuation of investment properties. The valuation of investment properties, as detailed in Note 6, requires significant judgement to be applied and estimates to be made by both management and the independent external valuers. Consequently, we considered this to be a key audit matter.	Our audit procedures, among others, include:: • Obtained an understanding of the process of determining the fair value of the investment properties; • Assessed the competence, capabilities and objectivity of the management appointed independent external valuers; • Reviewed the scope of the engagement between the external valuer and the Company to determine if this was sufficient for audit purposes; • Verified the accuracy, completeness and relevance of the input data used for deriving fair values; • Evaluated the methodology and the appropriateness of key assumptions used in determining the fair value; • Agreed the results of the valuations to the amounts recorded in the financial statements; and • Assessed the adequacy of disclosures included in financial statements against the requirements of IFRSs.

Other Information

The Board of Directors and management is responsible for the other information. The other information comprises the information included in the Directors' Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by International Accounting Standards Board (IASB) and their preparation in compliance with the applicable provisions of the articles of association of the Company, UAE Federal Decree Law No. 32 of 2021, Federal Decree Law No. 48 of 2023 regarding the regulation of Insurance activities, Central Bank of the UAE Board of Directors' Decision No. (25) of 2014 pertinent to the Financial Regulations for Insurance Companies, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

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Independent Auditor's Report

To the Shareholders of Alliance Insurance P.S.C.

Report on the Audit of the Financial Statements (continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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GrantThornton

Independent Auditor's Report

To the Shareholders of Alliance Insurance P.S.C.

Report on Other Legal and Regulatory Requirements

Furthermore, as required by the UAE Federal Decree Law No. (32) of 2021, we report that for the year ended 31 December 2024:

i) We have obtained all the information we considered necessary for the purposes of our audit;

ii) The financial statements have been prepared and comply, in all material respects, with the applicable provisions of the UAE Federal Decree Law No. (32) of 2021;

iii) The Company has maintained proper books of account in accordance with established accounting principles;

iv) The financial information included in the Directors' report is consistent with the books of account of the Company;

v) The Company has not purchased or invested in any shares during the financial year ended 31 December 2024;

vi) Note 24 to the financial statements discloses material related party transactions, and balances, and the terms under which they were conducted;

vii) Based on the information that has been made available to us, nothing has come to our attention which causes us to believe that the Company has contravened during the financial year ended 31 December 2024 any of the applicable provisions of the UAE Federal Decree Law No. (32) of 2021 or of its Articles of Association which would materially affect its activities or its financial position as at 31 December 2024; and

viii) Note 23 to the financial statements discloses the social contributions made by the Company during the financial year ended 31 December 2024.

Further, as required by the UAE Federal Decree Law No. (48) of 2023, we report that we have obtained all the information and explanation we considered necessary for the purpose of our audit.

Grant Thornton

GRANT THORNTON UAE

Grant Thornton P.O. Box: 1620 DUBAI-U.A.E. Public Accountants

Farouk Mohamed
Registration No: 86
Dubai, United Arab Emirates

6 March 2025

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Alliance Insurance P.S.C.

Statement of financial position
As at 31 December 2024

	Notes	2024 AED	*Restated* 2023 AED	*Restated* 2022 AED
Assets				
Property and equipment	5	**4,648,947**	4,206,683	3,975,194
Investment properties	6	**242,782,500**	227,465,500	213,850,000
Investments at amortised cost	7	**317,758,258**	328,932,079	331,995,223
Investments at fair value through other comprehensive income (FVOCI)	7	**7,709,234**	8,315,980	7,744,925
Insurance contract assets	8	**315,463**	346,726	-
Reinsurance contract assets	8	**213,919,694**	231,247,203	222,106,899
Prepayments and other receivables	9	**28,199,658**	26,629,667	25,321,070
Deferred tax asset		**54,607**	-	-
Statutory deposits	10	**10,000,000**	10,000,000	10,463,189
Fixed deposits	11	**444,798,873**	469,323,297	474,919,390
Cash and cash equivalents	12	**10,739,777**	14,810,363	31,620,755
Total assets		**1,280,927,011**	1,321,277,498	1,321,996,645
Equity and liabilities				
Equity				
Share capital	13	**100,000,000**	100,000,000	100,000,000
Statutory reserve	14	**100,000,000**	100,000,000	97,503,270
Regular reserve	14	**96,021,578**	93,303,535	87,914,070
General reserve	14	**230,000,000**	222,000,000	222,000,000
Reinsurance reserve	14	**5,079,054**	3,967,092	2,888,910
Cumulative changes in fair value of FVOCI investments		**(2,999,724)**	(2,447,586)	(3,018,641)
Finance income reserve		**52,958,378**	45,647,610	42,812,966
Accumulated losses		**(16,879,670)**	(2,230,093)	(14,325,721)
Total equity		**564,179,616**	560,240,558	535,774,854
Liabilities				
Employees' end of service benefits	15	**5,884,570**	5,973,940	4,729,762
Insurance contract liabilities	8	**696,308,473**	735,210,792	760,089,201
Reinsurance contract liabilities	8	**180,503**	17,084	-
Other payables	16	**11,757,098**	19,835,124	21,402,828
Income tax payable	32	**1,238,221**	-	-
Deferred tax liability	32	**1,378,530**	-	-
Total liabilities		**716,747,395**	761,036,940	786,221,791
Total equity and liabilities		**1,280,927,011**	1,321,277,498	1,321,996,645

These financial statements were authorised for issue on 6 March 2025 by the Board of Directors and signed on its behalf by:

Ali Mubarak Ali Al Soori	**Shahreyar Haider Ashraf Nawabi**	**Rami Al Maghrabi**
Chairman	**Vice Chairman**	**General Manager**

The notes from 1 to 33 form an integral part of these financial statements.

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Alliance Insurance P.S.C.

Statement of profit or loss
For the year ended 31 December 2024

	Notes	2024 AED	*Restated* 2023 AED
Insurance revenue	18	**327,523,269**	305,025,879
Insurance service expense	19	**(210,375,611)**	(175,093,281)
Insurance service result before reinsurance contracts held		**117,147,658**	129,932,598
Allocation of reinsurance premiums		**211,822,880**	192,854,997
Amounts recoverable from reinsurance for incurred claims		**(62,385,406)**	(57,419,884)
Net expenses from reinsurance contracts held		**149,437,473**	135,435,113
Insurance service result		**(32,289,815)**	(5,502,515)
Insurance finance expense	20	**(12,637,116)**	(12,317,489)
Reinsurance finance income	20	**509,514**	512,827
Net insurance financial result	20	**(12,127,602)**	(11,804,662)
Income from financial investments	21	**47,818,966**	44,443,767
Income from investment properties - net	22	**27,121,261**	22,945,277
Total investment income		**74,940,227**	67,389,044
Foreign currency exchange gain		**345,518**	190,252
Other income		**2,268,302**	2,302,921
Other operating expenses		**(3,339,451)**	(1,515,035)
Net profit for the year before tax		**29,797,179**	51,060,005
Income tax expense - net	32	**(2,616,751)**	-
Net profit for the year after tax		**27,180,428**	51,060,005
Basic and diluted earnings per share after tax	17	**27.18**	51.06

The notes from 1 to 33 form an integral part of these financial statements.

Alliance Insurance P.S.C.

Statement of comprehensive income
For the year ended 31 December 2024

	Notes	2024 AED	*Restated* 2023 AED
Net profit for the year after tax		**27,180,428**	51,060,005
Other comprehensive income:			
Items that will not be reclassified subsequently to profit or loss:			
Net change in fair value of equity investments designated at FVOCI - net of tax	7	**(552,138)**	571,055
Items that may be reclassified subsequently to profit or loss:			
Insurance and reinsurance finance income - net	20	**7,310,768**	2,834,644
Total other comprehensive income for the year		**6,758,630**	3,405,699
Total Comprehensive Income for the Year		**33,939,058**	54,465,704

The notes from 1 to 33 form an integral part of these financial statements.

Alliance Insurance P.S.C.

Statement of changes in equity
For the year ended 31 December 2024

	Share capital AED	Statutory reserve AED	Regular reserve AED	General reserve AED	Reinsurance reserve AED	Cumulative changes in fair value of FVOCI investments AED	Finance income reserve AED	Accumulated losses AED	Total equity AED
Balance as at 1 January 2023	100,000,000	97,503,270	87,914,070	222,000,000	2,888,910	(3,018,641)	-	28,487,245	535,774,854
Restatement due to change in accounting policy (note 33)	-	-	-	-	-	-	42,812,966	(42,812,966)	-
Balance as at 1 January 2023 *(restated)*	100,000,000	97,503,270	87,914,070	222,000,000	2,888,910	(3,018,641)	42,812,966	(14,325,721)	535,774,854
Net profit for the year *(restated)*	-	-	-	-	-	-	-	51,060,005	51,060,005
Other comprehensive income for the year	-	-	-	-	-	571,055	2,834,644	-	3,405,699
Total comprehensive income for the year	-	-	-	-	-	571,055	2,834,644	51,060,005	54,465,704
Transfer to reserves	-	2,496,730	5,389,465	-	1,078,182	-	-	(8,964,377)	-
Dividend paid (note 31)	-	-	-	-	-	-	-	(30,000,000)	(30,000,000)
Balance as at 31 December 2023	100,000,000	100,000,000	93,303,535	222,000,000	3,967,092	(2,447,586)	45,647,610	(2,230,093)	560,240,558
Balance as at 1 January 2024	**100,000,000**	**100,000,000**	**93,303,535**	**222,000,000**	**3,967,092**	**(2,447,586)**	**45,647,610**	**(2,230,093)**	**560,240,558**
Net profit for the year after tax	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**27,180,428**	**27,180,428**
Other comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**(552,138)**	**7,310,768**	**-**	**6,758,630**
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**(552,138)**	**7,310,768**	**27,180,428**	**33,939,058**
Transfer to reserves	**-**	**-**	**2,718,043**	**8,000,000**	**1,111,962**	**-**	**-**	**(11,830,005)**	**-**
Dividend paid (note 31)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(30,000,000)**	**(30,000,000)**
Balance as at 31 December 2024	**100,000,000**	**100,000,000**	**96,021,578**	**230,000,000**	**5,079,054**	**(2,999,724)**	**52,958,378**	**(16,879,670)**	**564,179,616**

The notes from 1 to 33 form an integral part of these financial statements.

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Alliance Insurance P.S.C.

Statement of cash flows
For the year ended 31 December 2024

	Notes	**2024 AED**	*Restated* 2023 AED
Cash flows from operating activities			
Net profit for the year before tax		**29,797,179**	51,060,005
Adjustments for:			
Depreciation of property and equipment	5	**625,699**	565,938
Property and equipment written off during the year	5	**-**	103,249
Interest income from investments at amortised cost	21	**(19,559,575)**	(19,328,246)
Amortisation of premiums on investments	7	**1,379,816**	3,063,144
Interest income from fixed deposits	21	**(25,748,755)**	(22,303,744)
Provision for bad debts	22	**973,955**	1,943,503
Interest income from loans guaranteed by life insurance policies	21	**(2,064,502)**	(2,365,643)
Change in fair value of investment properties	6	**(15,317,000)**	(13,615,500)
Income from investment properties	22	**(11,804,261)**	(9,329,777)
Change in insurance finance income	20	**7,310,768**	2,834,644
Provision for employees' end of service indemnity	15	**1,020,286**	1,401,793
Income from investments carried at FVOCI	21	**(446,134)**	(446,134)
Operating cash flows before changes in working capital		**(33,832,524)**	(6,416,768)
Changes in working capital:			
Insurance contract assets		**31,263**	(346,726)
Reinsurance contract assets		**17,327,509**	(9,140,304)
Prepayments and other receivables		**1,955,883**	(3,312,442)
Insurance contract liabilities		**(38,902,319)**	(24,878,409)
Reinsurance contract liabilities		**163,419**	17,084
Other payables		**(6,013,523)**	797,939
Cash used in operations		**(59,270,292)**	(43,279,626)
Employees' end of service indemnity paid	15	**(1,109,656)**	(157,615)
Net cash used in operating activities		**(60,379,948)**	(43,437,241)
Cash flows from investing activities			
Purchase of property and equipment	5	**(1,067,963)**	(900,678)
Income received on fixed deposits		**26,862,349**	19,706,273
Purchase of investments at amoritsed cost	7	**(59,293,679)**	-
Maturity of financial investments at amortised cost	7	**69,087,684**	-
Income received from investments at amortised cost		**19,966,941**	19,365,185
Fixed deposits encashed during the year		**23,410,830**	8,193,565
Movement in statutory deposits		**-**	463,189
Income received from investment properties		**6,897,066**	9,353,181
Income from investments carried at FVOCI	21	**446,134**	446,134
Net cash generated from investing activities		**86,309,362**	56,626,849
Cash flows from financing activity			
Dividends paid to shareholders	31	**(30,000,000)**	(30,000,000)
Net cash used in financing activity		**(30,000,000)**	(30,000,000)
Net change in cash and cash equivalents		**(4,070,586)**	(16,810,392)
Cash and cash equivalents at beginning of the year		**14,810,363**	31,620,755
Cash and cash equivalents at end of the year	12	**10,739,777**	14,810,363

The notes from 1 to 33 form an integral part of these financial statements.

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1 Legal status and activities

Alliance Insurance P.S.C. (the "Company") is a Public Shareholding Company which was originally established in Dubai on 1 July 1975 as a limited liability company under the name of Credit and Commerce Insurance Company. The Company was subsequently incorporated in Dubai on 6 January 1982 as a limited liability company under an Emiri Decree. The Company was converted to a Public Shareholding Company (P.S.C.) in January 1995, in accordance with the UAE Federal Commercial Companies Law No. (8) of 1984 (as amended). The Company's shares are listed on the Dubai Financial Market. The registered address of the Company is Warba Centre, P.O. Box 5501, Dubai, United Arab Emirates.

The licensed activities of the Company are issuing short term and long-term insurance contracts. The insurance contracts are issued in connection with property, motor, aviation and marine risks (collectively known as general insurance) and individual life (participating and non-participating), group life, personal accident, medical and investment linked products.

These financial statements have been prepared in accordance with the requirements of the applicable laws and regulations, including UAE Federal Decree Law No. (32) of 2021. The Company is subject to the regulations of the U.A.E. Federal Decree Law No. (48) of 2023, regarding the regulation of the Insurance activities.

On December 9, 2022, the United Arab Emirates (UAE) Ministry of Finance (MoF) released Federal Decree Law No 47 of 2022 on the Taxation of Corporations and Businesses, Corporate Tax Law (CT Law) to enact a new CT regime in the UAE. The new CT regime has become effective for accounting periods beginning on or after 1 June 2023. As the Company's accounting year ends on 31 December, the first tax period is from 1 January 2024 to 31 December 2024, with the respective tax return to be filed on or before 30 September 2025.

The taxable income of the entities that are in scope for UAE CT purposes will be subject to the rate of 9% on taxable profits above AED 375,000. The tax charge for the year ended 31 December 2024 is AED 2,616,751.

2 Application of new and revised International Financial Reporting Standards ("IFRS")

New and revised IFRSs and interpretations applied on the financial statements

The following relevant standards, interpretations and amendments to existing standards were issued by the IASB:

Standard number	Title	Effective date
IAS 1	Amendment to IAS 1 – Non-current liabilities with covenants and classification of liabilities as current or non-current	1 January 2024
IAS 7	Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures—Supplier Finance Arrangements	1 January 2024
IFRS 16	Amendment to IFRS 16 – Leases on sale and leaseback	1 January 2024

These standards did not have a material impact on these financial statements.

Standards issued but not yet effective

The impact of the new standards, interpretations and amendments that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

Standard number	Title	Effective date
IAS 21	Amendments to IAS 21 Lack of exchangeability Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2025
IFRS 9 & IFRS 7	Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures regarding the classification and measurement of financial instruments	1 January 2026
IFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
IFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027

3 Statement of compliance with IFRS

These financial statements are for the year ended 31 December 2024 and are presented in United Arab Emirates Dirham (AED), which is also the functional currency of the Company. The financial statements have been prepared in accordance with IFRS Accounting Standards promulgated by International Accounting Standard Board (IASB) and interpretations thereof issued by the IFRS Interpretations Committee ("IFRS IC") and in compliance with the applicable requirements of the United Arab Emirates (U.A.E.) Federal Decree Law No. 32 of 2021, the United Arab Emirates (U.A.E.) Federal Decree Law No. 48 of 2023 regarding the regulation of Insurance activities and the Insurance Authority Board of Directors' Decision No. (25) of 2014 pertinent to the Financial Regulations for Insurance Companies.

Basis of preparation

These financial statements have been prepared on the historical cost basis, except for investment properties and financial assets carried at fair value through other comprehensive income which are carried at fair value and the provision for employees' end of service indemnity which is measured in accordance with U.A.E labor laws.

The Company's statement of financial position is not presented using a current / non-current classification. However, the following balances would generally be classified as current: Cash and cash equivalents, prepayments and other receivables, other payables and income tax payable. The following balances would generally be classified as non-current: property and equipment, investment properties, investments at fair value through other comprehensive income, statutory deposits and provision for employees' end of service indemnity. The following balances are of mixed nature (including both current and non-current portions): investments at amortised cost, reinsurance contract assets and liabilities, insurance contract assets and liabilities, bank balances, deferred tax asset and liability and fixed deposits.

4 Material accounting policy information

Insurance Contracts

IFRS 17 establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts, reinsurance contracts and investment contracts with discretionary participation features. It contains a model that measures groups of contracts based on the Company's estimates of the present value of future cash flows that are expected to arise as the Company fulfils the contracts, an explicit risk adjustment for non-financial risk and a contractual service margin.

Under IFRS 17, insurance revenue in each reporting period represents the changes in the liabilities for remaining coverage that relate to services for which the Company expects to receive consideration and an allocation of premiums that relate to recovering insurance acquisition cash flows. In addition, investment components are no longer included in insurance revenue and insurance service expenses.

The Company applies the premium allocation approach (PAA) to simplify the measurement of contracts of the short-term business. When measuring liabilities for remaining coverage, the PAA is similar to the Company's previous accounting treatment. However, when measuring liabilities for incurred claims, the Company now discounts the future cash flows and includes an explicit risk adjustment for non-financial risk.

Recognition

Recognition requirements are slightly different for issued contracts and held contracts. For groups of issued contracts, a group should be recognised at the earliest of the following:

- Beginning of the coverage period.
- Date when the first payment from a policyholder becomes due; and
- For a group of onerous contracts, when the group becomes onerous.

4 Material accounting policy information (continued)

Insurance Contracts (continued)

Recognition (continued)

Reinsurance contracts held by an entity are recognised on the earlier of:

- Beginning of the coverage period of the group of reinsurance contracts held; and
- Date the entity recognises an onerous group of underlying insurance contracts provided the reinsurance contract was in force on or before that date.

Regardless of the first point above, the recognition of proportional reinsurance contracts held shall be delayed until the recognition of the first underlying contract issued under that reinsurance contract.

Level of Aggregation

Level of aggregation relates to the unit of account under IFRS 17. The unit of account under IFRS 17 is referred to as a 'Group of Contracts' (GoCs) and requirements relating to level of aggregation define how groups of contracts have to be determined.

The standard has set out the following requirements to determine a group of contracts:

- Portfolio – contracts that have similar risks and that are managed together can be grouped.
- Profitability – contracts with similar expected profitability (at inception or initial recognition) can be grouped.

For this purpose, the standard has mandated at least the following three classifications however it is permitted to use more granular classifications:

- Contracts that are onerous at inception.
- Contracts that are not onerous and have no significant possibility of becoming onerous; and
- All other contracts

Cohorts

Contracts issued more than 12 months apart cannot be grouped together. However, in certain circumstances a one-time simplification upon transition for contracts as at the transition is allowed.

Measurement Models

Measurement model, in rudimentary terms, refers to the basis or a set of methodologies for the computation of insurance contract assets and liabilities and associated revenues and expenses. IFRS 17 has provided the following three measurement models:

Premium Allocation Approach ("PAA")

PAA is an optional simplification that an entity can apply to contracts that have a coverage period of up to 12 months or to contracts for which it can demonstrate that the liability for remaining coverage will not be materially different under PAA and GMM. In terms of computations, the major simplification relates to LRC.

4 Material accounting policy information (continued)

Insurance Contracts (continued)

Measurement Models (continued)

Premium Allocation Approach ("PAA") (continued)

Under PAA, it is not required to consider each component of the premium separately, instead a single liability can be set up. The components of liability under PAA as at any valuation date can be summarised as follows:

Liability for Remaining Coverage ("LRC")

- Excluding Loss Component
- Loss Component, if any

Liability for Incurred Claims ("LIC")

- Estimates of future cashflows
- Risk adjustment
- Discounting of estimates of future cashflows

All of the Company's short-term business is eligible for this simplification and the Company has adopted this simplification for the eligible business. Under PAA, loss component and claim reserves requires an explicit provision of risk adjustment this would increase the liabilities whereas discounting will generally decrease the liabilities. The net effect of PAA (as compared to previous methodology) depends on whether the impact of risk adjustment is greater than the impact of discounting and the impact deferring additional expenses that are currently not deferred.

General Measurement Model ("GMM")

GMM is the default measurement model and is applied to all contracts to which Premium Allocation Approach ("PAA") and Variable Fees Approach ("VFA") are not applied. GMM is based on the premise that premiums (or considerations) for insurance contracts comprises of certain components (such as claims, expenses and embedded profits) and that each component needs to be considered according to its nature. The liability under GMM as at any valuation date comprises of the following:

Liability for Remaining Coverage ("LRC")

- Estimates of future cashflows
- Risk adjustment
- Discounting of estimates of future cashflows
- Contractual Service Margin ("CSM")

Liability for Incurred Claims ("LIC")

- Estimates of future cashflows
- Risk adjustment
- Discounting of estimates of future cashflows

Variable Fees Approach ("VFA")

VFA is a mandatory modification to contracts with direct participation features. A contract is a contract with direct participation feature if it meets all three of the following requirements:

- Contractual terms specify that the policyholder participates in a share of a clearly identified pool of underlying items.
- The entity expects to pay to the policyholder an amount equal to a substantial share of the fair value returns on the underlying items.
- The entity expects a substantial proportion of any change in the amounts to be paid to the policyholder to vary with the change in the fair value of the underlying items.

4 Material accounting policy information (continued)

Insurance Contracts (continued)

Measurement Models (continued)

Variable Fees Approach ("VFA") (continued)

The components of the liability under VFA are same as GMM and their calculations are quite similar too except for the computation of CSM. Under VFA, CSM calculations reflect the variability related to underlying items, but GMM does not reflect this variability. Similarly, there are some other aspects related to financial risk that impact the CSM under VFA but not under GMM.

Above, the measurement models have been discussed in terms of insurance contract issued and associated liabilities, but same principles are applicable to reinsurance contract held and associated assets (except for VFA). Similarly, both LRC and LIC components are mentioned however, at initial recognition only LRC will be applicable.

Estimates of future cashflows, risk adjustment and discounting are collectively referred to as the Fulfilment Cashflows ("FCF"). In terms of revenues and expense GMM and VFA are quite similar however, a significant difference exists between GMM/VFA and PAA. The revenues under GMM and VFA show each component of the premium separately (such as expected claims and expenses) whereas under PAA, the revenue shows just an aggregate amount.

Company's long-term individual life business is being measured using GMM except for unit-linked business which is measured using VFA. There are fundamental differences between GMM / VFA for the long-term business. The key differences are discussed below:

- Under IFRS 17 assets or liabilities will be determined using gross premium calculations as opposed to risk premium calculations. This implies that under IFRS 17 all components of assets or liabilities such as expenses or profits will be computed explicitly. This also implies that expenses or costs that occur only at the start will be deferred implicitly. The impact of this difference cannot be generalised as it depends on whether the implicit margins within risk-premium based calculations are higher or lower than those required in gross-premium based calculations.
- Similar to PAA, GMM and VFA also require an explicit risk adjustment. Risk adjustment increases the liabilities for insurance contracts issued and increases the asset for the reinsurance contracts held.
- IFRS 17 includes provisions relating to the pattern in which profits are recognised for long- term contracts it requires that the profits to be recognised in relation to the service provided. Under IFRS 17, 'coverage units' are used to quantify the services provided in any period. Given that single premium contracts recognise all expected profits at the start of the coverage whereas services are provided throughout that coverage period, it is expected that under IFRS 17 profit recognition for single premium contracts will be delayed and therefore the net liabilities will increase because of this requirement. Similarly, for limited-payment plans, all expected profits are recognised by the end of the payment term and therefore the profits for these will also be relatively delayed in IFRS 17. The impact for regular payment plans will depend on how close the service pattern is to the one currently implied under the plans.
- The definition of revenue under GMM and VFA is quite different for long-term contracts. Under IFRS 17 revenue (or consideration) separately includes each component of the premium (i.e., expected claims and expenses and the portion of the profits relating to the period). Under IFRS 17, the revenue also excludes both loss and investment components.

Estimates of Future Cashflows

The standard requires that future cashflows should be estimated till the end of the contract boundary. End of contract boundary is defined as the point at which an entity can either reassess the risk or consideration i.e., premium. The standard does not provide the methodology for the estimation of future cashflows however, it does provide detailed guidance on the cashflows that are within and beyond the contract boundary. It also provides certain principles in relation to the estimates of future cashflows.

4 Material accounting policy information (continued)

Insurance Contracts (continued)

Risk Adjustment

Risk adjustment reflects the compensation that an entity requires for bearing the uncertainty about the amount and timing of the cashflows that arises from non-financial risk. Risk adjustment does not consider financial risk. The standard does not set out the methodology for the computation of risk adjustment, but it has provided certain principles.

Discounting

The standard requires the estimates of future cashflows should be discounted to reflect the effect of time value of money and financial risks. Similar to other provisions it does not specify a methodology for discounting or the derivation of discount rates however, it sets out certain principles. The standard does recognise the following two approaches for the derivation of the discount rates:

- Bottom-Up: An approach where a risk-free rate or yield curve is used, and an illiquidity premium is added to reflect the characteristics of the cashflows.
- Top-Down: An approach where the expected yield on a reference portfolio is used and adjustments are applied to reflect the differences between the liability cashflow characteristics and the characteristics of the reference portfolio.

For cashflows that are linked to the underlying items for contracts with direct participation features, the discount rates must be consistent with other estimates used to measure insurance contracts. The above two approaches may have to be adjusted to reflect the variability in the underlying items for such cashflows.

Contractual Service Margin ("CSM")

Contractual Service Margin (CSM) represents the unearned profit the entity will recognise as it provides insurance contract services in the future. At initial recognition CSM is computed using the FCF whereas at subsequent measurement CSM is computed using the opening CSM balance and various adjustments relating to the period. A portion of CSM is released to Profit & Loss as revenue in every period using coverage units.

Onerous Contracts and Loss Components

When a group of contracts, whether at initial recognition or subsequently, is or becomes onerous a loss component liability must be maintained. Under GMM and VFA this liability is implicitly included in the FCFs for LRC but for PAA an explicit loss component over the base LRC must be computed and set aside.

Assumptions

While requirements relating to assumptions are within the requirements relating to measurement models, some aspects of the assumptions have been presented separately in this section due to their significance. IFRS 17 sets out detailed guidance on the basis to derive the assumptions (underlying the calculations of insurance and reinsurance contract assets and liabilities and associated revenues and expenses). The key assumptions are provided below:

- IFRS 17 requires separate estimation of a best estimate liability and an explicit risk adjustment.
- Financial variables (such as discount rates) have to be market consistent.

4 Material accounting policy information (continued)

Insurance Contracts (continued)

Insurance revenue

The insurance revenue under PAA for the year is the amount of expected premium receipts (excluding any investment component) allocated to the year. The Company allocates the expected premium receipts to each year of coverage on the basis of the passage of time; but if the expected pattern of release of risk during the coverage year differs significantly from the passage of time, then on the basis of the expected timing of incurred claims.

For the years presented, all revenue for contracts under PAA has been recognised on the basis of the passage of time except for a small segment of the non-life business where the revenue has been recognised based on the expected timing of incurred claims.

The insurance revenue under GMM and VFA has multiple components, these are explained below:

- Expected benefits incurred and other service expenses – this is an estimate of the claims and service expenses that were expected to be incurred during the reporting period. This estimation is made as at the start of the reporting period or at inception of the contracts for contracts issued during the reporting period.
- Change in risk adjustment – this is the movement in the risk adjustment on the liabilities for remaining coverage during the reporting period.
- CSM Recognised – this is the amount of CSM that is released as insurance revenue after applying the coverage units for the reporting period.
- Recovery of Acquisition Cashflows – this reflects the amount of total acquisitions cashflows that have been allocated to the current reporting period. The same amount is reflected in the insurance service expenses.
- Premium (and Related) Experience Adjustments – this reflects the experience adjustments on premiums and related cashflows that have been allocated to past or current service.

The insurance revenue under GMM and VFA excludes the loss component and the investment component.

Insurance finance income and expense

Insurance finance income or expenses comprise the change in the carrying amount of the group of insurance contracts arising from:

- The effect of the time value of money and changes in the time value of money; and
- The effect of financial risk and changes in financial risk.

During the year, the Company changed its accounting policy to disaggregate (re)insurance finance income or expenses between profit or loss and OCI. The reason for change in accounting policy, together with the effect on current and prior year are detailed in note 33 of these financial statements.

Net income or expense from reinsurance contracts held

The Company presents separately on the face of the statement of profit or loss, the amounts expected to be recovered from reinsurers, and an allocation of the reinsurance premiums paid. The Company treats reinsurance cash flows that are contingent on claims on the underlying contracts as part of the claims that are expected to be reimbursed under the reinsurance contract held, and excludes investment components and commissions (to the extent commissions are contingent on claims) from an allocation of reinsurance premiums presented on the face of the statement of profit or loss.

Presentation and Disclosures

IFRS 17 contains comprehensive requirements related to presentation and disclosures. One of the key requirements is the presentation of revenue. For contracts under GMM and VFA, premiums are not presented as revenues instead each component of the premium (such as expected claims and expenses) will be shown separately. Another key requirement relates to the presentation of reinsurance contracts held. Under IFRS 17 amounts related to insurance contract issued will be reported and net effect of reinsurance contracts held will be reported separately.

4 Material accounting policy information (continued)

Property and equipment

Land is not depreciated and is stated at cost. Capital work in progress is stated at cost, less any identified impairment loss. Depreciation of these assets, on the same basis as other property and equipment, commences when the assets are ready for their intended use. Other property and equipment are stated at cost less accumulated depreciation and any identified impairment losses.

Depreciation is charged so as to write off the cost of assets, other than capital work in progress and land, over their estimated useful lives, using the straight line method. The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit or loss.

The useful lives considered in the calculation of depreciation for the assets are 4 years except for building which has a useful life of 10 years.

Investment properties

Investment properties are properties are held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, used in providing services or for administrative purposes. Investment properties are measured at cost on initial recognition and subsequently at fair value with any change therein recognised in the statement of profit or loss. The Company determines fair value on the basis of valuations provided by two independent valuers who hold a recognised and relevant professional qualification and have recent experience in the location and category of the investment properties being valued.

Investment properties is derecognised when either they have been disposed of or when the investment properties is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment properties are recognised in the statement of profit or loss in the period of retirement or disposal.

Transfers are made to/or from investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied property becomes an investment property, the Company accounts for such property in accordance with the policy stated under property and equipment up to the date of change in use.

Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

4 Material accounting policy information (continued)

Impairment of non-financial assets (continued)

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount.

An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in statement of profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Financial instruments

The Company initially recognises financial instruments on the date at which they are originated. All other financial assets and liabilities (including assets and liabilities designated at fair value through profit or loss) are initially recognised on the trade date at which the Company becomes party to the contractual provision of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

At inception, a financial asset is classified as measured at amortised cost or fair value.

A financial asset qualifies for amortised cost measurement only if it meets both of the following two conditions:
- the asset is held within a business model whose objective is to hold assets in order to collect contractual cashflows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

If a financial asset does not meet both of these conditions, then it is measured at fair value.

The Company makes an assessment of a business model at portfolio level as this reflect the best way the business is managed, and information is provided to the management.

In making an assessment of whether an asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows, the Company considers:

- management's stated policies and objectives for the portfolio and the operation of those policies in practice.
- how management evaluates the performance of the portfolio;
- whether management's strategy focus on earning contractual interest revenue;
- the degree of frequency of any expected asset sales;
- the reason of any asset sales; and
- whether assets that are sold are held for an extended period of time relative to their contractual maturity or are sold shortly after acquisition or an extended time before maturity.

Financial assets measured at amortised cost

Financial assets including cash and cash equivalents, fixed deposits/statutory deposits, and investments at amortised cost are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these are measured at amortised cost using the effective interest method.

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

4 Material accounting policy information (continued)

Financial instruments (continued)

Equity instruments at FVOCI

Ordinary shares of the Company are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Investments in equity instruments at FVOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the cumulative changes in fair value reserve. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the investments in equity instruments/funds, but reclassified to retained earnings.

Dividends on these investments in equity instruments are recognised in profit or loss when the Company's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment.

Debt instruments at amortised cost

At initial recognition of a financial asset, the Company determines whether newly recognised financial assets are part of an existing business model or whether they reflect the commencement of a new business model. The Company reassess its business models each reporting period to determine whether the business models have changed since the preceding period. For the current and prior reporting period, the Company has not identified a change in its business models.

Debt instruments that are held within a business model whose objective is to collect contractual cash flows and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding ("SPPI") are subsequently measured at amortised cost.

The amortised cost of financial asset is the amount at which the financial asset is measured at the initial recognition minus the principle repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance. Debt instruments that are subsequently measured at amortised cost are subject to impairment.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, balances with the banks and fixed deposits with original maturities of three months or less from the acquisition date that are subject to insignificant risk of changes in their fair value, and are used by the Company in the management of short-term commitments. Cash and cash equivalents are carried at amortised cost in the statement of financial position.

Fixed deposits

Fixed deposits are deposits held with banks with original maturities of more than three months, which are initially measured at fair value and subsequently measured at amortised cost. Fixed deposits are within the scope of IFRS 9 expected credit loss calculation for the assessment of impairment.

Provision for credit loss

The Company recognises a loss for credit losses on investments in debt instruments that are measured at amortised cost, fixed deposits and bank balances. The amount of credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

ECLs (expected credit losses) are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive).

4 Material accounting policy information (continued)

Financial instruments (continued)

Provision for credit loss (continued)

The Company measures loss allowances at an amount equal to lifetime ECL, except for the following, for which they are measured as 12-month ECL:

• Debt investment securities that are determined to have low credit risk at the reporting date; and
• Other financial instruments on which credit risk has not increased significantly since their initial recognition.

The Company considers a debt security to have low credit risk when their credit risk rating is equivalent to the globally understood definition of 'investment grade'. The Company utilises the general approach to calculate ECL against its fixed deposits with banks and for its investments in debt securities which is dependent on the rating of the banks and bonds as determined by an external credit rating agency. 12-month ECL are the portion of ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date. Lifetime ECLs are ECLs that result from all possible default events over the expected life of a financial instrument.

The key inputs into the measurement of ECL are the term structure of the following variables:
• Probability of default ("PD");
• Loss given default ("LGD");
• Exposure at default ("EAD").

These parameters are generally derived from internally developed statistical models and other historical data. They are adjusted to reflect forward-looking information.

Presentation of allowance for credit loss in the statement of financial position
Loss allowances for *credit loss* are presented in the statement of financial position as follows: Financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individual customers, the Company has a policy of writing off the gross carrying amount when the financial asset is irrecoverable. For corporate customers, the Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery.

The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

Fair value of financial instruments

The fair value of financial instruments that are traded in active markets at each reporting date is determined by reference to quoted market prices or dealer price quotations, without any deduction for transaction costs. For financial instruments not traded in an active market, the fair value is determined using appropriate valuation techniques. Such techniques may include:

- Using recent arm's length market transactions;
- Reference to the current fair value of another instrument that is substantially the same A discounted cash flow analysis or other valuation models.

Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes the following observable data:

4 Material accounting policy information (continued)

Financial instruments (continued)

Credit-impaired financial assets (continued)

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Financial liabilities

Other payables are classified as 'other financial liabilities' and are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis except for short term payable when the recognition of interest would be immaterial.

De-recognition of financial instruments

The Company derecognises a financial asset when the contractual right to the cash flows from the financial asset expire, or when it transfers the financial asset in a transaction in which substantially all the risk and rewards of the ownership are transferred or in which the Company neither transfers nor retains substantially all the risks and rewards of ownership and it does not retain control on the financial asset. Any interest in transferred financial assets that qualify for derecognition that is carried or retained by the Company is recognised as separate asset or liability in the statement of financial position. On derecognition of financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset transferred), and consideration received (including any new asset obtained less any new liability assumed) is recognised in statement of profit or loss.

The Company enters into transactions whereby it transfers assets recognised on its statement of financial position, but retains either all or substantially all of the risks and rewards of the financial assets or a portion of them. If all or substantially all risks and rewards are retained, then the transferred assets are not derecognised.

In transactions in which the Company neither retains nor transfers substantially all the risks and rewards of ownership of a financial asset and it retains control over the asset, the Company continues to recognise the asset to the extent of its continuing involvement, determined by the extent to which it is exposed to changes in the value of the transferred asset.

In certain transactions the Company retains the obligation to service the transferred financial asset for a fee. The transferred asset is derecognised if it meets the derecognition criteria. An asset or liability is recognised for the servicing contract, depending on whether the servicing fee is more than adequate (asset) or is less than adequate (liability) for performing the services.

The Company derecognises a financial liability when its contractual obligation are discharged or cancelled or expire.

Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which the dividend is approved by the Company's shareholders.

Offsetting

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position when, and only when, the Company has a legally enforceable right to offset the recognised amounts audit intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted under IFRSs, or of gains and losses arising from a group of similar transactions such as in the Company's trading activity.

4 Material accounting policy information (continued)

Leasing

The Company as lessee
For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed as the leases are for short term (defined as leases with a lease term of 12 months or less).

Employee benefits

Annual leave and leave passage.

An accrual is made for the estimated liability for employees' entitlement to annual leave and leave passage as a result of services rendered by eligible employees up to the end of the year.

Provision for employees' end of service indemnity

Provision is made for the full amount of end of service benefits due to non-UAE national employees in accordance with the U.A.E Labour Law and is based on current remuneration and their period of service at the end of the reporting period.

Defined contribution plan

UAE national employees of the Company are members of the Government-managed retirement pension and social security benefit scheme pursuant to UAE Labour Law No. 7 of 1999. The Company is required to contribute 12.5% of the "contribution calculation salary" of payroll costs to the retirement benefit scheme to fund the benefits. The employees and the Government contribute 5% and 2.5% of the "contribution calculation salary" respectively, to the scheme. The only obligation of the Company with respect to the retirement pension and social security scheme is to make the specified contributions. The contributions are charged to statement of profit or loss.

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

Revenue (other than insurance revenue)

Fee and commission income
Fee and commissions received or receivable which do not require the Company to render further service are recognised as revenue by the Company on the effective commencement or renewal dates of the related policies.

Dividend income
Dividend income is recognised when the Company's right to receive the payment has been established.

Interest income
Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

4 Material accounting policy information (continued)

Revenue (other than insurance revenue) (continued)

Rental income
Rental income from investment properties which are leased under operating leases are recognised on a straight-line basis over the term of the relevant lease.

General and administrative expenses

Activity-based expense allocation is utilized to allocate expenses to departments and GoCs. Other administration expenses are charged to profit or loss as unallocated general and administrative expenses.

Foreign currencies

The financial statements of the Company are presented in the currency of the primary economic environment in which the Company operates (its functional currency). For the purpose of the financial statements, the results and financial position of the Company are expressed in Arab Emirates Dirhams ("AED"), which is the functional currency of the Company and the presentation currency for the financial statements.

In preparing the financial statements of the Company, transactions in currencies other than the Company's functional currency (foreign currencies) are recorded at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in statement of profit or loss in the year in which they arise.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described above in these financial statements, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future period if the revision affects both current and future periods. The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Insurance and reinsurance contracts

The Company applies the PAA to simplify the measurement of short-term insurance contracts. When measuring liabilities for remaining coverage, the PAA is broadly similar to the Company's previous accounting treatment under IFRS 4. However, when measuring liabilities for incurred claims, the Company now discounts cash flows that are expected to occur more than one year after the date on which the claims are incurred and includes an explicit risk adjustment for non-financial risk. Long-term contracts are measured under GMM or VFA. GMM and VFA are fundamentally different from the previous standard and have introduced various changes.

Liability for remaining coverage
For insurance acquisition cash flows for short-term business (measured under PAA), the Company is eligible but chooses not to recognise the payments as an expense immediately (coverage period of a year or less). For groups of contracts that are measured under PAA and that are onerous, the liability for remaining coverage is determined by the fulfilment cash flows.

4 Material accounting policy information (continued)

Critical accounting judgements and key sources of estimation uncertainty (continued)

Liability for remaining coverage (continued)

For business under GMM and VFA, the Company adjusts the carrying amount of the liability for remaining coverage to reflect the time value of money and the effect of financial risk using discount rates that reflect the characteristics of the cash flows of the group of insurance contracts at initial recognition. An explicit Risk Adjustment and, wherever applicable, Contractual Service Margin is also set aside.

Liability for incurred claims

The ultimate cost of outstanding claims is estimated by using a range of standard actuarial claims projection techniques, such as Chain Ladder, Expected Loss Ratio and Bornheutter-Ferguson methods.

The main assumption underlying these techniques is that a Company's past claims development experience can be used to project future claims development and hence ultimate claims costs.

These methods extrapolate the development of paid and incurred losses, average costs per claim (including claims handling costs), and claim numbers based on the observed development of earlier years and expected loss ratios. Historical claims development is mainly analysed by accident years, but can also be further analysed by geographical area, as well as by significant business lines and claim types. Large claims are usually separately addressed, either by being reserved at the face value of loss adjuster estimates or separately projected in order to reflect their future development. In some cases, explicit assumptions are made regarding future rates of claims inflation or loss ratios. In other cases, the assumptions used are those implicit in the historical claims development data on which the projections are based. Additional qualitative judgement is used to assess the extent to which past trends may not apply in future, (e.g., to reflect one-off occurrences, changes in external or market factors such as public attitudes to claiming, economic conditions, levels of claims inflation, judicial decisions and legislation, as well as internal factors such as portfolio mix, policy features and claims handling procedures) in order to arrive at the estimated ultimate cost of claims that present the probability weighted expected value outcome from the range of possible outcomes, taking account of all the uncertainties involved.

Estimates of salvage recoveries and subrogation reimbursements are considered as an allowance in the measurement of ultimate claims costs, wherever applicable.

Other key circumstances affecting the reliability of assumptions include variation in interest rates, delays in settlement and changes in foreign currency exchange rates.

Discount rates

Insurance contract liabilities (except for unit-linked products) are calculated by discounting expected future cash flows at a risk-free rate, plus an illiquidity premium where applicable. Risk free rates are determined using the USD risk-free yield curves and adjusting them using the Central Bank of UAE EIBOR. The illiquidity premium is determined by reference to observable volatility.

Insurance contract liabilities for unit-linked products are calculated by discounting expected future cash flows using rates derived from investment returns. These returns are calculated from the price of units for each fund and weighted averaged to arrive at portfolio return, as the funds' values incorporate movement of new investments and redemptions from the fund along with movements of capital gains and other incomes.

Discount rates applied for discounting of future cash flows are listed below:

Current Rates Applicable as at 31 December 2024 - Spot Rates	**1 Year**	**5 Years**	**10 Years**	**20 Years**	**30 Years**
Property and Casualty, Medical and Group Life Products	**4.35%**	**4.19%**	**4.24%**	**4.28%**	**4.01%**
With-Profits Individual Life Products (Including Associated Riders and Individual Life Reinsurance Treaty)	**4.54%**	**4.37%**	**4.42%**	**4.46%**	**4.19%**
Pure Protection Individual Life Products (Including Associated Riders)	**4.72%**	**4.56%**	**4.61%**	**4.65%**	**4.38%**
All Unit-Linked Products (Including Associated Riders)	**3.00%**	**3.00%**	**3.00%**	**3.00%**	**3.00%**

4 Material accounting policy information (continued)

Critical accounting judgements and key sources of estimation uncertainty (continued)

Discount rates (continued)

Current Rates Applicable as at 31 December 2023 - Spot Rates	1 Year	5 Years	10 Years	20 Years	30 Years
Property and Casualty, Medical and Group Life Products	5.14%	3.88%	3.83%	3.84%	3.61%
With-Profits Individual Life Products (Including Associated Riders and Individual Life Reinsurance Treaty)	5.37%	4.11%	4.06%	4.08%	3.85%
Pure Protection Individual Life Products (Including Associated Riders)	5.61%	4.35%	4.30%	4.31%	4.08%
All Unit-Linked Products (Including Associated Riders)	3.50%	3.50%	3.50%	3.50%	3.50%

Yield curve used for valuation had annual steps (i.e., the rate varied for each year) however, the rates presented above are at broader steps.

Risk adjustment for non-financial risk

The risk adjustment for non-financial risk is the compensation that the Company requires for bearing the uncertainty about the amount and timing of the cash flows of groups of insurance contracts. The risk adjustment reflects an amount that an insurer would rationally pay to remove the uncertainty that future cash flows will exceed the expected value amount.

The Company has estimated the risk adjustment for the individual life business using a cost of capital approach whereby the resulting risk adjustment is equivalent to 90th percentile. Whereas for business other than individual life the Company has used a factor-based approach, deriving the factors from the regulatory solvency capital model. These factors have been assumed to correspond to 99.5th percentile.

Classification of investment properties

The Company makes judgement to determine whether certain properties qualify as investment properties and follows the guidance of IAS 40 'Investment Property' to consider whether any owner-occupied properties are not significant and are classified accordingly as investment properties.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Classification of investments

Management decides on acquisition of an investment whether it should be classified as FVOCI, or Investments at amortised cost.

Equity instruments are classified as FVOCI securities when they are considered by management to be strategic equity investments that are not held to benefit from changes in their fair value and are not held for trading.

Management is satisfied that the Company's investments in securities are appropriately classified.

Business model assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated.

4 Material accounting policy information (continued)

Critical accounting judgements and key sources of estimation uncertainty (continued)

Business model assessment (continued)

The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets. No such changes were required during the years presented.

Significant increase in credit risk

ECL are measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL assets for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. IFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased, the Company takes into account qualitative and quantitative reasonable and supportable forward looking information.

Going concern

Management has made an assessment of the Company's ability to continue as a going concern and is satisfied that the Company has the resources to continue in business for the foreseeable future. Furthermore, the management is not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue a going concern. Therefore, the financial statements are prepared on a going concern basis.

Valuation of investment properties

The fair value of investment properties were determined by external independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the properties being valued. The independent valuers provide the fair value of the Company's investment properties portfolio annually.

Depreciation of property and equipment

The cost of property and equipment is depreciated over the estimated useful life, which is based on expected usage of the asset, expected physical wear and tear, the repair and maintenance program and technological obsolescence arising from changes and the residual value. Management has not considered any residual value as it is deemed immaterial.

Alliance Insurance P.S.C.

Notes to the financial statements
For the year ended 31 December 2024

5 Property and equipment

	Land AED	Building AED	Furniture and fixtures AED	Computer, software and office equipment AED	Motor vehicles AED	Capital work-in progress AED	Total AED
Cost							
Balance as at 1 January 2023	2,470,555	1,751,577	4,664,946	5,184,943	634,238	362,498	15,068,757
Additions during the year	-	-	71,152	36,030	489,098	304,398	900,678
Transfer during the year	-	-	-	516,425	-	(516,425)	-
Disposals during the year	-	-	-	-	(355,000)	-	(355,000)
Write offs during the year	-	-	-	(118,000)	-	-	(118,000)
Balance as at 31 December 2023	2,470,555	1,751,577	4,736,098	5,619,398	768,336	150,471	15,496,435
Additions during the year	**-**	**-**	**25,040**	**304,496**	**7,693**	**730,734**	**1,067,963**
Disposals during the year	**-**	**-**	**-**	**-**	**(12,998)**	**-**	**(12,998)**
Balance as at 31 December 2024	**2,470,555**	**1,751,577**	**4,761,138**	**5,923,894**	**763,031**	**881,205**	**16,551,400**
Accumulated depreciation							
Balance as at 1 January 2023	-	1,233,246	4,615,619	4,610,469	634,229	-	11,093,563
Charge for the year	-	184,157	26,585	301,595	53,601	-	565,938
Disposals during the year	-	-	-	-	(354,998)	-	(354,998)
Write offs during the year	-	-	-	(14,751)	-	-	(14,751)
Balance as at 31 December 2023	-	1,417,403	4,642,204	4,897,313	332,832	-	11,289,752
Charge for the year	**-**	**169,158**	**36,634**	**295,801**	**124,106**	**-**	**625,699**
Disposals during the year	**-**	**-**	**-**	**-**	**(12,998)**	**-**	**(12,998)**
Balance as at 31 December 2024	**-**	**1,586,561**	**4,678,838**	**5,193,114**	**443,940**	**-**	**11,902,453**
Net book value							
Balance as at 31 December 2024	**2,470,555**	**165,016**	**82,300**	**730,780**	**319,091**	**881,205**	**4,648,947**
Balance as at 31 December 2023	2,470,555	334,174	93,894	722,085	435,504	150,471	4,206,683

As at 31 December 2024, the cost of fully depreciated property and equipment that was still in use amounted to AED 8,757,710 (2023: AED 8,231,690). Property and equipment are located in U.A.E.

6 Investment properties

	2024 AED	2023 AED
Balance as at 1 January	**227,465,500**	213,850,000
Increase in fair value	**15,317,000**	13,615,500
Balance as at 31 December	**242,782,500**	227,465,500

Investment properties comprises two commercial buildings in Dubai, United Arab Emirates. The fair value of the Company's investment properties as at 31 December 2024 has been arrived at on the basis of taking the average of the valuations carried on the reporting date by two independent valuers who are not related to the Company and have appropriate qualifications and recent market experience in the valuation of properties in the United Arab Emirates. The fair value was determined based on the net income capitalisation method, where the market rentals of all lettable units of the properties are assessed by reference to the rental achieved in the lettable units. The capitalisation rate adopted is determined by reference to the yield rates observed by the valuers for similar properties in the locality and adjusted based on the valuers' knowledge of the factors specific to the respective property. In estimating the fair value of the properties, the highest and best use of the properties is their current use. The Company's investment properties are classified as Level 3 in the fair value hierarchy as at 31 December 2024 (2023: Level 3).

7 Financial investments

	Carrying value		Fair value	
	31 December 2024 AED	31 December 2023 AED	**31 December 2024 AED**	31 December 2023 AED
Financial instruments				
Investments held at amortised cost	**317,758,258**	328,932,079	**318,272,676**	324,265,582
At fair value through other comprehensive income	**7,709,234**	8,315,980	**7,709,234**	8,315,980
	325,467,492	337,248,059	**325,273,271**	332,581,562

Investments at amortised cost

	2024 AED	2023 AED
Quoted bonds	**319,390,090**	330,563,911
Provision for expected credit loss	**(1,631,832)**	(1,631,832)
	317,758,258	328,932,079
Inside UAE	**165,809,174**	196,536,239
Outside UAE	**151,949,084**	132,395,840
	317,758,258	328,932,079

The bonds carry interest at the rates of 3.375% to 7.50% (2023: 4.75% to 9.50%) per annum and interest is payable semi-annually/annually. The Company holds these investments with the objective of receiving the contractual cash flows over the instrument life. The fair value of quoted bonds as at 31 December 2024 amounted to AED 318,272,676 (2023: AED 324,265,582).

Investments carried at FVOCI

	2024 AED	2023 AED
Quoted equity securities in UAE	**7,709,234**	8,315,980

7 Financial investments (continued)

The movement in investments at FVOCI and investments at amortised cost are as follows:

	FVOCI AED	Amortised cost AED	Total AED
Balance as at 31 December 2022	7,744,925	331,995,223	339,740,148
Amortisation	-	(3,063,144)	(3,063,144)
Changes in fair value	571,055	-	571,055
Balance as at 31 December 2023	8,315,980	328,932,079	337,248,059
Amortisation	**-**	**1,379,816**	**1,379,816**
Purchases	**-**	**59,293,679**	**59,293,679**
Matured	**-**	**(69,087,684)**	**(69,087,684)**
Changes in fair value	**(606,746)**	**-**	**(606,746)**
Balance as at 31 December 2024	**7,709,234**	**317,758,258**	**325,467,492**

8 Insurance and reinsurance contracts

The breakdown of groups of insurance and reinsurance contracts issued, and reinsurance contracts held, that are in an asset position and those in a liability position is set out in the table below:

	31 December 2024			31 December 2023		
	Assets AED	**Liabilities AED**	**Net AED**	Assets AED	Liabilities AED	Net AED
Insurance contracts issued						
Life and Medical	**315,463**	**(434,998,528)**	**(434,683,065)**	346,726	(455,987,026)	(455,640,300)
General and Motor	**-**	**(261,309,945)**	**(261,309,945)**	-	(279,223,766)	(279,223,766)
Total insurance contracts issued	**315,463**	**(696,308,473)**	**(695,993,010)**	346,726	(735,210,792)	(734,864,066)
Reinsurance contracts held						
Life and Medical	**14,936,863**	**-**	**14,936,863**	18,433,307	-	18,433,307
General and Motor	**198,982,831**	**(180,503)**	**198,802,328**	212,813,896	(17,084)	212,796,812
Total reinsurance contracts held	**213,919,694**	**(180,503)**	**213,739,191**	231,247,203	(17,084)	231,230,119

Insurance contract liabilities have been adjusted for loans guaranteed by life insurance policies amounting to AED 40,126,112 as at 31 December 2024 (2023: AED 41,341,080).

Roll-forward of net asset or liability for insurance contracts issued showing the liability for remaining coverage and the liability for incurred claims.

The Company disaggregates information to provide disclosure in respect of major product lines separately: Life & Medical and General. This disaggregation has been determined based on how the Company is managed.

The roll-forward of the net asset or liability for insurance contracts issued, showing the liability for remaining coverage and the liability for incurred claims, is disclosed in the table on the next page.

8 Insurance and reinsurance contracts (continued)

Roll-forward of net asset or liability for insurance contracts issued showing the liability for remaining coverage and the liability for incurred claims for contracts measured under the PAA.

2024	**Life and Medical**				**General**				
	Liabilities for remaining coverage		**Liabilities for incurred claims**		**Liabilities for remaining coverage**		**Liabilities for incurred claims**		
	Excluding loss component AED	**Loss component AED**	**Estimates of the present value of future cash flows AED**	**Risk adjustment AED**	**Excluding loss component AED**	**Loss component AED**	**Estimates of the present value of future cash flows AED**	**Risk adjustment AED**	**Total AED**
Insurance contract assets as at 1 January	823,052	-	(468,394)	(7,932)	-	-	-	-	346,726
Insurance contract liabilities as at 1 January	(6,186,948)	-	(13,032,230)	(365,026)	(7,376,721)	(5,778,032)	(249,004,784)	(17,064,233)	(298,807,974)
Net insurance contract liabilities as at 1 January	(5,363,896)	-	(13,500,624)	(372,958)	(7,376,721)	(5,778,032)	(249,004,784)	(17,064,233)	(298,461,248)
Insurance revenue	53,622,579	-	-	-	215,034,119	-	-	-	268,656,698
Insurance service expenses	(9,825,734)	-	(38,723,438)	94,218	(19,348,785)	1,274,278	(74,855,878)	1,325,957	(140,059,382)
Incurred claims and other expenses	-	-	(46,681,777)	(1,738,339)	-	-	(152,453,683)	(9,220,751)	(210,094,550)
Amortisation of insurance acquisition cash flows	(9,825,734)	-	-	-	(19,348,785)	-	-	-	(29,174,519)
Changes to liabilities for incurred claims	-	-	7,958,339	1,832,557	-	-	77,597,805	10,546,708	97,935,409
Losses on onerous contracts and reversals of those	-	-	-	-	-	1,274,278	-	-	1,274,278
Insurance service result	43,796,845	-	(38,723,438)	94,218	195,685,334	1,274,278	(74,855,878)	1,325,957	128,597,316
Insurance finance expenses	-	-	(196,247)	-	-	-	(1,493,461)	-	(1,689,708)
Total changes in the statement of comprehensive income	43,796,845	-	(38,919,685)	94,218	195,685,334	1,274,278	(76,349,339)	1,325,957	126,907,608
Cash flows									
Premiums received	(55,653,387)	-	-	-	(195,396,736)	-	-	-	(251,050,123)
Claims and other expenses paid	-	-	42,062,472	-	-	-	72,725,484	-	114,787,956
Insurance acquisition cash flows	9,445,090	-	-	-	18,648,847	-	-	-	28,093,937
Total cash flows	(46,208,297)	-	42,062,472	-	(176,747,889)	-	72,725,484	-	(108,168,230)
Net insurance contract liabilities as at 31 December									
Insurance contract assets as at 31 December	431,693	-	(115,848)	(382)	-	-	-	-	315,463
Insurance contract liabilities as at 31 December	(8,207,041)	-	(10,241,989)	(278,358)	11,560,724	(4,503,754)	(252,628,639)	(15,738,276)	(280,037,333)
Net insurance contract liabilities as at 31 December	(7,775,348)	-	(10,357,837)	(278,740)	11,560,724	(4,503,754)	(252,628,639)	(15,738,276)	(279,721,870)

8 Insurance and reinsurance contracts (continued)

Roll-forward of net asset or liability for insurance contracts issued showing the liability for remaining coverage and the liability for incurred claims for contracts measured under the PAA (continued)

2023	Life and Medical				General				
	Liabilities for remaining coverage		Liabilities for incurred claims		Liabilities for remaining coverage		Liabilities for incurred claims		
	Excluding loss component AED	Loss component AED	Estimates of the present value of future cash flows AED	Risk adjustment AED	Excluding loss component AED	Loss component AED	Estimates of the present value of future cash flows AED	Risk adjustment AED	Total AED
Insurance contract assets as at 1 January	-	-	-	-	-	-	-	-	-
Insurance contract liabilities as at 1 January	(3,774,551)	-	(10,302,801)	(302,718)	(21,377,433)	(8,193,076)	(232,513,155)	(17,074,472)	(293,538,206)
Insurance revenue	45,944,195	-	-	-	197,772,988	-	-	-	243,717,183
Insurance service expenses	(6,846,505)	-	(40,850,520)	(70,241)	(17,161,751)	2,415,044	(59,240,389)	10,239	(121,744,123)
Incurred claims and other expenses	-	-	(47,985,572)	(1,781,425)	-	-	(119,641,611)	(7,656,972)	(177,065,580)
Amortisation of insurance acquisition cash flows	(6,846,505)	-	-	-	(17,161,751)	-	-	-	(24,008,256)
Changes to liabilities for incurred claims	-	-	7,135,052	1,711,184	-	-	60,401,222	7,667,211	76,914,669
Losses on onerous contracts and reversals of those losses	-	-	-	-	-	2,415,044	-	-	2,415,044
Insurance service result	39,097,690	-	(40,850,520)	(70,241)	180,611,237	2,415,044	(59,240,389)	10,239	121,973,060
Insurance finance expenses	-	-	(62,593)	-	-	-	(2,884,301)	-	(2,946,894)
Total changes in the statement of comprehensive Income	39,097,690	-	(40,913,113)	(70,241)	180,611,237	2,415,044	(62,124,690)	10,239	119,026,166
Cash flows									
Premiums received	(49,535,399)	-	-	-	(181,811,096	-	-	-	(231,346,495)
Claims and other expenses paid	-	-	37,715,286	-	-	-	45,633,065	-	83,348,351
Insurance acquisition cash flows	8,848,368	-	-	-	15,200,571	-	-	-	24,048,939
Total cash flows	(40,687,031)	-	37,715,286	-	(166,610,525	-	45,633,065	-	(123,949,205)
Net insurance contract liabilities as at 31 December									
Insurance contract assets as at 31 December	823,052	-	(468,393)	(7,933)	-	-	-	-	346,726
Insurance contract liabilities as at 31 December	(6,186,944)	-	(13,032,235)	(365,026)	(7,376,721)	(5,778,032)	(249,004,780)	(17,064,233)	(298,807,971)
Net insurance contract liabilities as at 31 December	(5,363,892)	-	(13,500,628)	(372,959)	(7,376,721)	(5,778,032)	(249,004,780)	(17,064,233)	(298,461,245)

8 Insurance and reinsurance contracts (continued)

Reconciliation of the liability for remaining coverage and the liability for incurred claims – applicable to contracts not measured under the PAA

2024	Liabilities for remaining coverage Excluding loss component AED	Loss component AED	Liabilities for incurred claims AED	Total AED
Insurance contract liabilities as at 1 January	(376,968,115)	(26,970,156)	(32,464,552)	(436,402,823)
Insurance revenue	58,866,571	-	-	58,866,571
Insurance service expenses	(3,180,123)	(13,179,732)	(53,956,374)	(70,316,229)
Incurred claims and other expenses	-	-	(59,039,625)	(59,039,625)
Amortisation of insurance acquisition cash flows	(3,180,123)	-	-	(3,180,123)
Changes to liabilities for incurred claims	-	-	5,083,251	5,083,251
Losses on onerous contracts and reversals of those Losses	-	(13,179,732)	-	(13,179,732)
Insurance service result	55,686,448	(13,179,732)	(53,956,374)	(11,449,658)
Insurance finance expenses	(4,536,146)	303,011	(126,162)	(4,359,297)
Investment components	53,072,463	-	(53,072,463)	-
Total changes in the statement of profit or loss	104,222,765	(12,876,721)	(107,155,999)	(15,808,955)
Cash flows				
Premiums received	(82,876,523)	-	-	(82,876,523)
Claims and other expenses paid	-	-	112,064,498	112,064,498
Insurance acquisition cash flows	6,752,663	-	-	6,752,663
Total cash flows	(76,123,860)	-	112,064,498	35,940,638
Net insurance contract liabilities as at 31 December	(348,869,210)	(39,846,877)	(27,555,053)	(416,271,140)
2023				
Insurance contract liabilities as at 1 January	(402,878,775)	(16,685,065)	(46,987,154)	(466,550,994)
Insurance revenue	61,308,696	-	-	61,308,696
Insurance service expenses	(2,426,907)	(8,378,230)	(42,544,021)	(53,349,158)
Incurred claims and other expenses	-	-	(57,385,930)	(57,385,930)
Amortisation of insurance acquisition cash flows	(2,426,907)	-	-	(2,426,907)
Losses on onerous contracts and reversals	-	(8,378,230)	-	(8,378,230)
Changes to liabilities for incurred claims	-	-	14,841,909	14,841,909
Insurance service result	58,881,789	(8,378230)	(42,544,021)	7,959,538
Insurance finance expenses	(6,741,158)	(1,906,861)	(179,162)	(8,827,181)
Investment components	54,878,596	-	(54,878,596)	-
Total changes in the statement of profit or loss	107,019,227	(10,285,091)	(97,601,779)	(867,643)
Cash flows				
Premiums received	(89,775,778)	-	-	(89,775,778)
Claims and other expenses paid	-	-	112,124,382	112,124,382
Insurance acquisition cash flows	8,667,212	-	-	8,667,212
Total cash flows	(81,108,566)	-	112,124,382	31,015,816
Net insurance contract liabilities as at 31 December	(376,968,114)	(26,970,156)	(32,464,551)	(436,402,821)

8 Insurance and reinsurance contracts (continued)

Reconciliation of the measurement components of insurance contract balances - applicable to contracts measured for contracts not under PAA

2024	Estimates of present value of future cash flows AED	Risk adjustment for non-financial risk AED	CSM AED	Total AED
Insurance contract liabilities as at 1 January	(419,843,301)	(12,150,816)	(4,408,704)	(436,402,821)
Changes that relate to current services				
CSM recognised for services provided	-	-	1,581,421	1,581,421
Change in risk adjustment for non-financial risk for risk expired	-	1,735,168	-	1,735,168
Experience adjustments	2,655,325	(47,591)	-	2,607,734
Changes that relate to future services				
Contracts initially recognised during the year	(1,753,413)	(558,203)	(493,217)	(2,804,833)
Changes in estimates that adjust the CSM	903,189	(108,492)	(794,697)	-
Changes in estimates that result in losses and reversals of losses on onerous contracts	(19,378,022)	(274,379)	-	(19,652,401)
Changes that relate to past services				
Adjustments to liabilities for incurred claims	5,004,921	78,329	-	5,083,250
Insurance service result	(12,568,000)	824,832	293,507	(11,449,661)
Net finance expenses from insurance contracts	(4,287,935)	-	(71,363)	(4,359,298)
Total changes in the statement of profit or loss	(16,855,935)	824,832	222,144	(15,808,959)
Cash flows				
Premiums received	(82,876,523)	-	-	(82,876,523)
Claims and other directly attributable expenses paid	112,064,500	-	-	112,064,500
Insurance acquisition cash flows paid	6,752,663	-	-	6,752,663
Total cash flows	35,940,640	-	-	35,940,640
Insurance contract liabilities as at 31 December	(400,758,596)	(11,325,984)	(4,186,560)	(416,271,140)

8 Insurance and reinsurance contracts (continued)

Reconciliation of the measurement components of insurance contract balances - applicable to contracts measured for contracts not under PAA (continued)

2023	Estimates of present value of future cash flows AED	Risk adjustment for non-financial risk AED	CSM AED	Total AED
Insurance contract liabilities as at 1 January	(449,799,827)	(12,826,913)	(3,924,254)	(466,550,994)
Changes that relate to current services				
CSM recognised for services provided	-	-	1,174,805	1,174,805
Change in risk adjustment for non-financial risk for risk expired	-	1,626,369	-	1,626,369
Experience adjustments	3,884,535	(146,605)	-	3,737,930
Changes that relate to future services				
Contracts initially recognised in the year	(4,427,811)	(577,354)	-	(5,005,165)
Changes in estimates that adjust the CSM	1,804,945	(171,050)	(1,633,895)	-
Changes in estimates that result in losses	(8,177,225)	(239,085)	-	(8,416,310)
Changes that relate to past services				
Adjustments to liabilities for incurred claims	14,658,087	183,822	-	14,841,909
Insurance service result	7,742,531	676,097	(459,090)	7,959,538
Net finance expenses from insurance contracts	(8,801,821)	-	(25,360)	(8,827,181)
Total changes in the statement of profit or loss	(1,059,290)	676,097	(484,450)	(867,643)
Cash flows				
Premiums received	(89,775,778)	-	-	(89,775,778)
Claims and other directly attributable expenses paid	112,124,382	-	-	112,124,382
Insurance acquisition cash flows paid	8,667,212	-	-	8,667,212
Total cash flows	31,015,816	-	-	31,015,816
Insurance contract liabilities as at 31 December	(419,843,301)	(12,150,816)	(4,408,704)	(436,402,821)

8 Insurance and reinsurance contracts (continued)

Roll-forward of net asset or liability for reinsurance contracts held showing the assets for remaining coverage and the amounts recoverable on incurred claims

2024	Life and Medical				General				
	Assets for remaining coverage		Amounts recoverable on incurred claims		Assets for remaining coverage		Amounts recoverable on incurred claims		
	Excluding loss recovery component AED	Loss component AED	Estimates of the present value of future cash flows AED	Risk adjustment AED	Excluding loss recovery component AED	Loss component AED	Estimates of the present value of future cash flows AED	Risk adjustment AED	Total AED
Reinsurance contract assets as at 1 January	7,417,564	-	7,005,275	257,200	31,196,626	2,946,796	161,644,365	15,643,149	226,110,975
Reinsurance contract liabilities as at 1 January	-	-	-	-	(25,427)	-	(155,363)	(155,363)	(336,153)
Net reinsurance contract assets as at 1 January	7,417,564	-	7,005,275	257,200	31,171,199	2,946,796	161,489,001	15,487,786	225,774,822
Allocation of reinsurance premiums	(31,319,565)	-	-	-	(178,452,082)	-	-	-	(209,771,648)
Amounts recoverable from reinsurers for incurred claims	-	-	24,669,894	(64,086)	-	(2,946,796)	43,049,584	(1,347,148)	63,361,448
Amounts recoverable for incurred claims and other expenses	-	-	30,082,345	1,334,236	-	-	123,713,590	8,158,418	163,288,589
Changes to amounts recoverable for incurred claims	-	-	(5,412,452)	(1,398,322)	-	-	(80,664,006)	(9,505,566)	(96,980,345)
Changes in fulfilment cash flows that do not adjust CSM	-	-	-	-	-	(2,946,796)	-	-	(2,946,796)
Net expense or income from reinsurance contracts held	(31,319,565)	-	24,669,894	(64,086)	(178,452,082)	(2,946,796)	43,049,584	(1,347,148)	(146,410,200)
Reinsurance finance income	-	-	126,923	-	-	-	1,059,749	-	1,186,672
Total changes in the statement of comprehensive income	(31,319,565)	-	24,796,817	(64,086)	(178,452,082)	(2,946,796)	44,109,333	(1,347,148)	(145,223,528)
Cash flows									
Premiums paid	29,200,506	-	-	-	153,114,430	-	-	-	182,314,936
Amounts received	-	-	(25,677,978)	-	-	-	(27,724,751)	-	(53,402,730)
Total cash flows	29,200,506	-	(25,677,978)	-	153,114,430	-	(27,724,751)	-	128,912,206
Net reinsurance contract assets/(liabilities) as at 31 December									
Reinsurance contract assets as at 31 December	5,298,504	-	6,124,114	193,114	5,939,331	-	177,925,709	14,163,232	209,644,003
Reinsurance contract liabilities as at 31 December	-	-	-	-	(105,784)	-	(52,126)	(22,593)	(180,503)
Net reinsurance contract assets as at 31 December	5,298,504	-	6,124,114	193,114	5,833,547	-	177,873,583	14,140,638	209,463,500

8 Insurance and reinsurance contracts (continued)

Roll-forward of net asset or liability for reinsurance contracts held showing the assets for remaining coverage and the amounts recoverable on incurred claims (continued)

2023	Life and Medical				General				
	Assets for remaining coverage		Amounts recoverable on incurred claims		Assets for remaining coverage		Amounts recoverable on incurred claims		
	Excluding loss recovery component AED	Loss component AED	Estimates of the present value of future cash flows AED	Risk adjustment AED	Excluding loss recovery component AED	Loss component AED	Estimates of the present value of future cash flows AED	Risk adjustment AED	Total AED
Reinsurance contract assets as at 1 January	12,869,405	-	6,140,527	216,017	17,160,603	3,742,907	160,976,228	15,269,330	216,375,017
Reinsurance contract liabilities as at 1 January	-	-	-	-	-	-	-	-	-
Net reinsurance contract assets as at 1 January	12,869,405	-	6,140,527	216,017	17,160,603	3,742,907	160,976,228	15,269,330	216,375,017
Allocation of reinsurance premiums	(26,450,186)	-	-	-	(163,511,921)	-	-	-	(189,962,107)
Amounts recoverable from reinsurers for incurred claims	-	-	26,188,109	41,183	-	(796,111)	30,558,507	348,499	56,340,186
Amounts recoverable for incurred claims and other expenses	-	-	31,294,761	1,411,742	-	-	91,851,921	8,454,565	133,012,989
Changes to amounts recoverable for incurred claims	-	-	(5,106,652)	(1,370,559)	-	-	(61,293,414)	(8,106,066)	(75,876,692)
Changes in fulfilment cash flows that do not adjust CSM	-	-	-	-	-	(796,111)	-	-	(796,111)
Net expense or income from reinsurance contracts held	(26,450,186)	-	26,188,109	41,183	(163,511,921)	(796,111)	30,558,507	348,499	(133,621,921)
Reinsurance finance income	-	-	43,447	-	-	-	2,514,471	-	2,557,918
Effect of changes in non-performance risk of reinsurers	-	-	-	-	-	-	-	-	-
Total changes in the statement of comprehensive income	(26,450,186)	-	26,231,556	41,183	(163,511,921)	(796,111)	33,072,978	348,499	(131,064,003)
Cash flows									
Premiums paid	20,998,345	-	-	-	177,522,518	-	-	-	198,520,863
Amounts received	-	-	(25,366,808)	-	-	-	(32,560,204)	-	(57,927,012)
Total cash flows	20,998,345	-	(25,366,808)	-	177,522,518	-	(32,560,204)	-	140,593,851
Net reinsurance contract assets/(liabilities) as at 31 December									
Reinsurance contract assets as at 31 December	7,417,564	-	7,005,275	257,200	31,196,627	2,946,796	161,481,411	15,617,076	225,921,949
Reinsurance contract liabilities as at 31 December	-	-	-	-	(25,427)	-	7,591	752	(17,084)
Net reinsurance contract assets as at 31 December	7,417,564	-	7,005,275	257,200	31,171,200	2,946,796	161,489,002	15,617,828	225,904,865

8 Insurance and reinsurance contracts (continued)

Roll-forward of net asset or liability for reinsurance contracts held showing the assets for remaining coverage and the amounts recoverable on incurred claims for contracts not measured under the PAA

2024	Life and Medical			General			
	Assets for remaining coverage			Assets for remaining coverage			
	Excluding loss recovery component AED	Loss component AED	Amounts recoverable on incurred claims AED	Excluding loss recovery component AED	Loss component AED	Amounts recoverable on incurred claims AED	Total AED
Reinsurance contract assets as at 1 January	**3,357,641**	**-**	**395,627**	**(129,984)**	**-**	**1,701,970**	**5,325,254**
An allocation of reinsurance premiums	**(1,811,490)**	**-**	**-**	**-**	**-**	**-**	**(2,051,232)**
Amounts recoverable from reinsurers for incurred claims	**-**	**-**	**(420,726)**	**(239,742)**	**-**	**(555,316)**	**(976,042)**
Amounts recoverable for incurred claims and other expenses	**-**	**-**	**(295,304)**	**-**	**-**	**521,875**	**226,571**
Changes to amounts recoverable for incurred claims	**-**	**-**	**(125,421)**	**-**	**-**	**(1,077,191)**	**(1,202,612)**
Net expense or income from reinsurance contracts held	**(1,811,490)**	**-**	**(420,726)**	**(239,742)**	**-**	**(555,316)**	**(3,027,274)**
Reinsurance finance income	**29,850**	**-**	**1,624**	**1,826**	**-**	**12,198**	**45,499**
Total changes in the statement of comprehensive income	**(1,781,639)**	**-**	**(419,101)**	**(237,916)**	**-**	**(543,118)**	**(2,981,774)**
Cash flows							
Premiums paid	**1,481,712**	**-**	**-**	**363,770**	**-**	**-**	**1,845,482**
Amounts received	**-**	**-**	**286,892**	**-**	**-**	**(200,163)**	**86,729**
Total cash flows	**1,481,712**	**-**	**286,892**	**363,770**	**-**	**(200,163)**	**1,932,211**
Net reinsurance contract assets as at 31 December	**3,057,713**	**-**	**263,418**	**(4,130)**	**-**	**958,689**	**4,275,691**

8 Insurance and reinsurance contracts (continued)

Roll-forward of net asset or liability for reinsurance contracts held showing the assets for remaining coverage and the amounts recoverable on incurred claims for contracts not measured under the PAA (continued)

	Life and Medical			General			
	Assets for remaining coverage			Assets for remaining coverage			
2023	Excluding loss recovery component AED	Loss component AED	Amounts recoverable on incurred claims AED	Excluding loss recovery component AED	Loss component AED	Amounts recoverable on incurred claims AED	Total AED
Reinsurance contract assets as at 1 January	3,907,633	-	207,857	(279,202)	-	1,895,594	5,731,882
Reinsurance contract liabilities as at 1 January	-	-	-	-	-	-	-
Net reinsurance contract assets as at 1 January	3,907,633	-	207,857	(279,202)	-	1,895,594	5,731,882
An allocation of reinsurance premiums	(1,614,299)	-	-	(1,278,591)	-	-	(2,892,890)
Amounts recoverable from reinsurers for incurred claims	-	-	488,419	-	-	591,278	1,079,697
Amounts recoverable for incurred claims and other expenses	-	-	310,122	-	-	811,116	1,121,238
Changes to amounts recoverable for incurred claims	-	-	178,297	-	-	(219,838)	(41,541)
Net expense or income from reinsurance contracts held	(1,614,299)	-	488,419	(1,278,591)	-	591,278	(1,813,193)
Reinsurance finance income	175,496	-	638	47,496	-	22,510	246,140
Total changes in the statement of comprehensive income	(1,438,803)	-	489,057	(1,231,095)	-	613,788	(1,567,053)
Cash flows							
Premiums paid	888,811	-	-	1,380,313	-	-	2,269,124
Amounts received	-	-	(301,287)	-	-	(807,412)	(1,108,699)
Total cash flows	888,811	-	(301,287)	1,380,313	-	(807,412)	1,160,425
Reinsurance contract assets as at 31 December	3,357,641	-	395,627	(129,984)	-	1,701,970	5,325,254
Reinsurance contract liabilities as at 31 December	-	-	-	-	-	-	-
Net reinsurance contract assets as at 31 December	3,357,641	-	395,627	(129,984)	-	1,701,970	5,325,254

8 Insurance and reinsurance contracts (continued)

Reconciliation of the measurement components of reinsurance contract balances - applicable to contracts not measured under PAA

	Life and Medical			General			
2024	**Estimates of present value of future cash flows AED**	**Risk adjustment for non-financial risk AED**	**CSM AED**	**Estimates of present value of future cash flows AED**	**Risk adjustment for non-financial risk AED**	**CSM AED**	**Total AED**
Reinsurance contract assets as at 1 January	(1,987,599)	81,860	5,659,006	1,316,494	255,492	-	5,325,254
Reinsurance contract liabilities as at 1 January	-	-	-	-	-	-	-
Net reinsurance contract (liabilities)/assets as at 1 January	(1,987,599)	81,860	5,659,006	1,316,494	255,492	-	5,325,254
Changes that relate to current services							
CSM recognised for services provided	-	-	(902,152)	-	-	(24,394)	(926,545)
Change in risk adjustment for non-financial risk for risk expired	-	(7,769)	-	-	(28,279)	-	(36,048)
Experience adjustments	(1,188,461)	(8,412)	-	262,867	71,938	-	(862,068)
Changes that relate to future services							
Contracts initially recognised in the year	(974,996)	8,189	966,807	-	-	-	-
Changes in estimates that adjust the CSM	432,316	(1,624)	(430,691)	(25,344)	950	24,394	-
Changes that relate to past services							
Adjustments to Liabilities for incurred claims	(130,067)	4,646	-	(905,859)	(171,332)	-	(1,202,612)
Net expenses or income from reinsurance contracts	(1,861,209)	(4,971)	(366,036)	(668,336)	(126,722)	-	(3,027,274)
Net finance income from reinsurance contracts	(79,171)	-	110,646	14,024	-	-	45,499
Total changes in the statement of profit or loss	(1,940,380)	(4,971)	(255,390)	(654,311)	(126,722)	-	(2,981,774)
Cash flows							
Premiums paid	1,481,712	-	-	363,770	-	-	1,845,482
Amounts received	286,892	-	-	(200,163)	-	-	86,729
Total cash flows	1,768,604	-	-	163,607	-	-	1,932,211
Reinsurance contract assets as at 31 December	(2,159,375)	76,889	5,403,617	825,790	128,770	-	4,275,691
Reinsurance contract liabilities as at 31 December	-	-	-	-	-	-	-
Net reinsurance contract (liabilities)/assets as at 31 December	(2,159,375)	76,889	5,403,617	825,790	128,770	-	4,275,691

8 Insurance and reinsurance contracts (continued)

Reconciliation of the measurement components of reinsurance contract balances - applicable to contracts not measured under PAA (continued)

	Life and Medical			General			
2023	Estimates of present value of future cash flows AED	Risk adjustment for non-financial risk AED	CSM AED	Estimates of present value of future cash flows AED	Risk adjustment for non-financial risk AED	CSM AED	Total AED
Reinsurance contract assets as at 1 January	2,735,561	79,677	1,300,252	1,273,147	276,597	66,648	5,731,882
Changes that relate to current services							
CSM recognised for services provided	-	-	(969,868)	-	-	(783,995)	(1,753,863)
Change in risk adjustment for non-financial risk for risk expired	-	(8,583)	-	-	(63,473)	-	(72,056)
Experience adjustments	(951,819)	8,834	-	271,924	108,069	-	(562,992)
Changes that relate to future services							
Contracts initially recognised in the year	(32,039)	4,896	27,143	(901,794)	71,812	829,982	-
Changes in estimates that adjust the CSM	(4,669,691)	515	5,286,434	156,316	(1,292)	(155,024)	617,258
Changes that relate to past services							
Adjustments to assets for incurred claims	181,777	(3,479)	-	(83,617)	(136,221)	-	(41,540)
Net expenses or income from reinsurance contracts	(5,471,772)	2,183	4,343,709	(557,171)	(21,105)	(109,037)	(1,813,193)
Net finance income from reinsurance contracts	161,088	-	15,046	27,617	-	42,389	246,140
Total changes in the statement of profit or loss	(5,310,684)	2,183	4,358,755	(529,554)	(21,105)	(66,648)	(1,567,053)
Cash flows							
Premiums paid	888,811	-	-	1,380,313	-	-	2,269,124
Amounts received	(301,287)	-	-	(807,412)	-	-	(1,108,699)
Total cash flows	587,524	-	-	572,901	-	-	1,160,425
Reinsurance contract assets as at 31 December	(1,987,599)	81,860	5,659,007	1,316,494	255,492	-	5,325,254
Reinsurance contract liabilities as at 31 December	-	-	-	-	-	-	-
Net reinsurance contract (liabilities)/assets as at 31 December	(1,987,599)	81,860	5,659,007	1,316,494	255,492	-	5,325,254

8 Insurance and reinsurance contracts (continued)

Expected recognition of the contractual service margin - An analysis of the expected recognition of the CSM remaining at the end of the reporting period in profit or loss is provided in the following table (number of years until expected to be recognised)

	1 year AED	2 year AED	3 year AED	4 year AED	5 year AED	>5 year AED	Total AED
31 December 2024							
CSM for insurance contracts issued	**408,543**	**355,421**	**311,435**	**272,439**	**236,243**	**2,602,479**	**4,186,560**
CSM for reinsurance contracts held	**(515,695)**	**(452,218)**	**(400,400)**	**(353,284)**	**(310,614)**	**(3,371,406)**	**(5,403,617)**
31 December 2023							
CSM for insurance contracts issued	430,052	369,847	320,751	280,296	243,445	2,764,313	4,408,704
CSM for reinsurance contracts held	(530,589)	(461,786)	(406,160)	(359,573)	(315,748)	(3,585,151)	(5,659,007)

Reconciliation of the measurement components of insurance and reinsurance contract balances measured under both PAA and Non-PAA as at:

	PAA AED	Non-PAA AED	Total AED
31 December 2024			
Insurance contract liabilities	**280,037,333**	**416,271,140**	**696,308,473**
Reinsurance contract liabilities	**180,503**	**-**	**180,503**
Insurance contract assets	**(315,463)**	**-**	**(315,463)**
Reinsurance contract assets	**(209,644,003)**	**(4,275,691)**	**(213,919,694)**
31 December 2023			
Insurance contract liabilities	298,807,971	436,402,821	735,210,792
Reinsurance contract liabilities	17,084	-	17,084
Insurance contract assets	(346,726)	-	(346,726)
Reinsurance contract assets	(225,921,949)	(5,325,254)	(231,247,203)

9 Prepayments and other receivables

	2024 AED	2023 AED
Rent receivable from tenants	**6,893,159**	6,779,206
Provision for expected credit losses	**(4,894,414)**	(3,920,459)
Rent receivable from tenants – net	**1,998,745**	2,858,747
Receivable from fronting arrangement	**19,656,586**	14,031,566
Accrued interest from investments at amortised cost	**5,527,466**	7,659,984
Prepayments	**850,971**	1,699,662
Refundable deposits	**148,003**	219,279
Receivable from employees	**17,887**	160,429
	28,199,658	26,629,667

Details of allowance for expected credit losses as per IFRS 9 were as follows:

	2024 AED	2023 AED
Balance at the beginning of the year	**3,920,459**	1,976,956
Provision for impairment during the year	**973,955**	1,943,503
Balance at the end of the year	**4,894,414**	3,920,459

10 Statutory deposit

As at 31 December 2024, deposit of AED 10,000,000 (31 December 2023: AED 10,000,000) has been placed with one of the Company's banks, in accordance with Article (42) of the Federal Decree Law No. (48) of 2024. This deposit has been pledged to the bank as security against a guarantee issued by the Bank in favor of the Central Bank of the United Arab Emirates ("CBUAE") for the same amount. This deposit cannot be withdrawn without prior approval of the Central Bank of the United Arab Emirates and bears an interest rate of 5.1% per annum (2023: 5.55% per annum).

11 Fixed deposits

	2024 AED	2023 AED
Current portion		
Short term fixed deposits with banks in the UAE	**434,128,347**	457,538,028
Accrued interest on short term fixed deposits	**7,819,289**	9,020,957
	441,947,636	466,558,985
Non-current portion		
Long term fixed deposits with banks in the UAE	**3,000,000**	3,000,000
Accrued interest on long term fixed deposits	**171,475**	84,550
	3,171,475	3,084,550
Less: Provision for expected credit losses	**(320,238)**	(320,238)
	444,798,873	469,323,297

Fixed deposits comprise deposits with original maturity term of 12 months and above with banks in UAE bearing annual interest at rates ranging from 2.85% to 5.75% per annum (31 December 2023: 2.85% to 6.18% per annum).

12 Cash and cash equivalents

	2024 AED	2023 AED
Cash on hand	**362,095**	230,796
Current accounts with banks	**10,451,509**	14,653,394
Less: allowance for expected credit losses	**(73,827)**	(73,827)
	10,739,777	14,810,363

13 Share capital

	2024 AED	2023 AED
Authorised, issued and fully paid: 1,000,000 shares of AED 100 each (31 December 2023: 1,000,000 shares of AED 100 each)	**100,000,000**	100,000,000

14 Reserves

Statutory reserve

In accordance with the Company's Articles of Association and Federal Decree Law No. (32) of 2021 (as amended), a minimum of 10% of the Company's profit for the year should be transferred to a non-distributable statutory reserve. As per the Company's Articles of Association, such transfers are required until the balance on the statutory reserve equals 100% of the Company's paid-up share capital. Since the statutory reserve has reached 100% of Company's paid up share capital, no transfers were made in this year (2023: AED 2,496,730).

Regular reserve

In accordance with the Company's Articles of Association, at least 10% of the Company's profit must be transferred to regular reserve. Such transfers are required until the balance on this reserve equals 100% of the Company's paid-up share capital, or until the transfer is discontinued by resolution of the shareholders. Accordingly, AED 2,718,043 (2023: AED 5,389,465) was transferred to the regular reserve on 31 December 2024.

General reserve

A general reserve can be utilised for any purpose approved by the shareholders as per the Articles of Association of the Company. During the year, a transfer of AED 8 million (2023: nil) was made to the general reserve.

Reinsurance reserve

In accordance with Article 34 issued by the Central Bank of the United Arab Emirates ("CBUAE"), Board of Directors Decision No. (23) of 2019 the Company has created a reinsurance reserve amounting to AED 1,111,962 in 2024 (2023: AED 1,078,182), being 0.5% of the total reinsurance premiums ceded by the Company in the United Arab Emirates in all classes of business. The Company shall accumulate such reserve year on year and not dispose off the reserve without the written approval of the Director General of the Central Bank of the United Arab Emirates ("CBUAE").

15 Employees' end of service benefits

	2024 AED	2023 AED
Balance as at the 1 January	**5,973,940**	4,729,762
Charge for the year	**1,020,286**	1,401,793
Amounts paid during the year	**(1,109,656)**	(157,615)
Balance as at 31 December	**5,884,570**	5,973,940

16 Other payables

	2024 AED	2023 AED
Rent received in advance	**1,789,359**	6,582,601
Provision for staff benefits	**6,824,695**	6,664,823
Accruals and provision	**1,107,837**	1,504,127
Other payables	**2,035,207**	5,083,573
	11,757,098	19,835,124

Accrued expenses relate to amounts incurred in the normal course of business such as fees payable to regulators and other professionals.

17 Basic and diluted earnings per share

	2024	2023
Net profit for the year after tax (in AED)	**27,180,428**	51,060,005
Number of shares	**1,000,000**	1,000,000
Basic and diluted earnings per share after tax (in AED)	**27.18**	51.06

Basic and diluted earnings per share are calculated by dividing the profit for the period by the number of shares outstanding at the end of the reporting period. Diluted earnings per share is equivalent to basic earnings per share as the Company did not issue any new instrument that would impact earnings per share when executed.

18 Insurance revenue

31 December 2024 **Contracts not measured under the PAA**	**Life and Medical AED**	**General AED**	**Total AED**
Expected incurred claims and other insurance service expenses	**52,593,289**	**-**	**52,593,289**
Recovery of insurance acquisition cash flows	**3,180,123**	**-**	**3,180,123**
CSM recognised for services provided	**1,581,422**	**-**	**1,581,422**
Change in risk adjustment for non-financial risk for risk expired	**1,511,738**	**-**	**1,511,738**
	58,866,571	**-**	**58,866,571**
Contracts measured under the PAA	**53,622,579**	**215,034,119**	**268,656,698**
Total insurance revenue	**112,489,150**	**215,034,119**	**327,523,269**

31 December 2023 Contracts not measured under the PAA	Life and Medical AED	General AED	Total AED
Expected incurred claims and other insurance service expenses	56,197,735	-	56,197,735
Recovery of insurance acquisition cash flows	2,426,907	-	2,426,907
CSM recognised for services provided	1,174,805	-	1,174,805
Change in risk adjustment for non-financial risk for risk expired	1,509,249	-	1,509,249
	61,308,696	-	61,308,696
Contracts measured under the PAA	45,944,195	197,772,988	243,717,183
Total insurance revenue	107,252,891	197,772,988	305,025,879

19 Insurance service expense

31 December 2024	**Life and Medical AED**	**General AED**	**Total AED**
Incurred claims and other expenses	**107,459,741**	**161,674,434**	**269,134,175**
Amortisation of insurance acquisition cash flows	**13,005,857**	**19,348,785**	**32,354,642**
Losses on onerous contracts and reversals of those losses	**13,179,732**	**(1,274,278)**	**11,905,454**
Changes to liabilities for incurred claims	**(14,874,147)**	**(88,144,513)**	**(103,018,660)**
	118,771,183	**91,604,428**	**210,375,611**

19 Insurance service expense (continued)

31 December 2023	Life and Medical AED	General AED	Total AED
Incurred claims and other expenses	107,370,723	127,080,787	234,451,510
Amortisation of insurance acquisition cash flows	9,273,412	17,161,751	26,435,163
Losses on onerous contracts and reversals of those losses	8,378,230	(2,415,044)	5,963,186
Changes to liabilities for incurred claims	(23,688,145)	(68,068,433)	(91,756,578)
	101,334,220	73,759,061	175,093,281

20 Net insurance financial result

31 December 2024	**Life and Medical AED**	**General AED**	**Total AED**
Insurance finance (expenses)/income from insurance contracts issued			
Interest accreted to insurance contracts using current financial assumptions	**(22,732,460)**	**(2,239,245)**	**(24,971,705)**
Due to changes in interest rates and other financial assumptions	**18,176,915**	**745,784**	**18,922,700**
Total insurance finance expenses from insurance contracts issued	**(4,555,545)**	**(1,493,461)**	**(6,049,005)**
Represented by:			
Amounts recognised in profit or loss	**(11,325,644)**	**(1,311,473)**	**(12,637,116)**
Amounts recognised in OCI	**6,770,099**	**(181,988)**	**6,588,111**
Reinsurance finance income/(expenses) from reinsurance contracts held			
Interest accreted to reinsurance contracts using current financial assumptions	**121,303**	**1,574,271**	**1,695,573**
Due to changes in interest rates and other financial assumptions	**37,096**	**(500,498)**	**(463,402)**
Total reinsurance finance income from reinsurance contracts held	**158,398**	**1,073,773**	**1,232,171**
Represented by:			
Amounts recognised in profit or loss	**107,443**	**402,071**	**509,514**
Amounts recognised in OCI	**50,955**	**671,702**	**722,657**
Total insurance finance expenses and reinsurance finance income	**(4,397,146)**	**(419,688)**	**(4,816,834)**
Represented by:			
Amounts recognised in profit or loss	**(11,218,200)**	**(909,402)**	**(12,127,602)**
Amounts recognised in OCI	**6,821,054**	**489,714**	**7,310,768**

20 Net insurance financial result (continued)

31 December 2023 *(restated)*	Life and Medical AED	General AED	Total AED
Insurance finance (expenses)/income from insurance contracts issued			
Interest accreted to insurance contracts using current financial assumptions	(23,724,501)	(3,422,086)	(27,146,587)
Due to changes in interest rates and other financial assumptions	14,834,726	537,785	15,372,511
Total insurance finance expenses from insurance contracts issued	(8,889,775)	(2,884,301)	(11,774,076)
Represented by:			
Amounts recognised in profit or loss	(11,797,692)	(519,797)	(12,317,489)
Amounts recognised in OCI	2,907,917	(2,364,504)	543,413
Reinsurance finance income/(expenses) from reinsurance contracts held			
Interest accreted to reinsurance contracts using current financial assumptions	269,016	2,950,864	3,219,880
Due to changes in interest rates and other financial assumptions	(49,435)	(366,387)	(415,822)
Total reinsurance finance income from reinsurance contracts held	219,581	2,584,477	2,804,058
Represented by:			
Amounts recognised in profit or loss	60,153	452,674	512,827
Amounts recognised in OCI	159,428	2,131,803	2,291,231
Total insurance finance expenses and reinsurance finance income	(8,670,194)	(299,824)	(8,970,018)
Represented by:			
Amounts recognised in profit or loss	(11,737,539)	(67,123)	(11,804,662)
Amounts recognised in OCI	3,067,345	(232,701)	2,834,644

21 Income from financial investments

	2024 AED	2023 AED
Interest income from fixed deposits	**25,748,755**	22,303,744
Interest income from investments at amortised cost	**19,559,575**	19,328,246
Interest income from loans guaranteed by life insurance policies	**2,064,502**	2,365,643
Dividend income from investments carried at FVOCI	**446,134**	446,134
	47,818,966	44,443,767

22 Income from investment properties - net

	2024 AED	2023 AED
Rental income	**18,370,428**	16,567,805
Change in fair value of investment properties (Note 6)	**15,317,000**	13,615,500
Maintenance expenses	**(5,592,212)**	(5,294,525)
Provision for credit loss on rent receivables	**(973,955)**	(1,943,503)
	27,121,261	22,945,277

23 Social contributions

Social contributions during the year ended 31 December 2024 amounted to AED 250,000 (31 December 2023: AED 200,000).

24 Related party balances and transactions

Related parties include the Company's major Shareholders, Directors and businesses controlled by them and their families over which they exercise significant management influence as well as key management personnel.

At the end of the reporting period, amounts due from related parties are as follows:

	2024 AED	2023 AED
Due from related parties (key management personnel and entities under common control)	**3,448,439**	1,760,683

During the year, the Company entered into the following transactions with related parties:

	2024 AED	2023 AED
Key management personnel and entities under common control		
Premiums from related parties	**5,174,834**	4,790,840
Claims to related parties	**625,917**	1,068,245

Transactions are entered with related parties at rates agreed with management.

Compensation of key management personnel

	2024 AED	2023 AED
Directors' remuneration	**1,062,555**	1,500,000

Pursuant to Article 171 of Federal Decree Law No. (32) of 2021 and in accordance with the Articles of Association of the Company, the Directors are entitled for remuneration which shall not exceed 10% of the net profits after deducting depreciation and reserves.

25 Contingent liabilities

	2024 AED	2023 AED
Letters of guarantee	**10,734,447**	10,449,755

Letters of guarantee include AED 10 million (31 December 2023: AED 10 million) issued in favour of the CBUAE. The above guarantees were issued in the normal course of business.

The Company in common with the significant majority of insures, is subject to litigation in normal course of its business. The Company, based on independent legal advice, does not expect that the outcome of these court cases will have a material impact on the Company's financial performance or financial position.

26 Insurance risk

The risk under any one insurance contract is the possibility that the insured event occurs and the uncertainty of the amount of the resulting claim. By the nature of an insurance contract, this risk is influenced by the frequency of claims, severity of claims, actual benefits paid and subsequent development of claims. The objective of the Company is to ensure that sufficient reserves are available to cover these liabilities.

For a portfolio of insurance contracts where the theory of probability is applied to pricing and provisioning, the principal risk that the Company faces under its insurance contracts is that the actual claims and benefit payments exceed the carrying amount of the insurance liabilities. This could occur because the frequency or severity of claims and benefits are greater than estimated. Insurance events are random and the actual number and amount of claims and benefits will vary from year to year from the estimate established using statistical techniques.

Experience shows that the larger the portfolio of similar insurance contracts, the smaller the relative variability about the expected outcome will be. In addition, a more diversified portfolio is less likely to be affected across the board by a change in any subset of the portfolio. The Company has developed its insurance underwriting strategy to diversify the type of insurance risks accepted and within each of these categories to achieve a sufficiently large population of risks to reduce the variability of the expected outcome.

The Company manages risks through its underwriting strategy, adequate reinsurance arrangements and proactive claims handling. The underwriting strategy attempts to ensure that the underwritten risks are well diversified in terms of type and amount of risk, industry and geography. Underwriting limits are in place to enforce appropriate risk selection criteria, as well as the use of reinsurance arrangements.

Frequency and severity of claims

The claim payments under insurance contracts are inherently uncertain in terms of both the frequency and severity of claims. The extent of uncertainty varies by the line of business. Generally, individual life business is more susceptible to variations in frequency than variations in severity. Similarly, motor and medical lines are more susceptible to frequency variations as compared to severity variations. Whereas, other lines especially commercial lines can have significant variations in severity too.

The company relies on prudent underwriting and adequate diversification to manage the frequency risk. The company manages severity risk through diversification, applying underwriting limits and through reinsurance.

The company acquires reinsurance arrangements as per the nature of risk under each line of business. It maintains a combination of proportional and non-proportional treaties. Any risks not adequately covered under the treaties are also placed on facultative basis.

The Company has survey units dealing with the mitigation of risks surrounding claims. This unit investigates and recommends ways to improve risk claims. The risks are reviewed individually at least once a year and adjusted to reflect the latest information on the underlying facts, current law, jurisdiction, contractual terms and conditions, and other factors. The Company actively manages and pursues early settlements of claims to reduce its exposure to unpredictable developments.

The tables on the next page disclose the concentration of insurance liabilities by line of business. The amounts are the carrying amount of the insurance liabilities (gross and net of reinsurance) arising from the insurance and reinsurance contracts.

26 Insurance risk (continued)

Frequency and severity of claims (continued)

	As at 31 December 2024		
	Gross AED	**Reinsurance AED**	**Net AED**
Life and Medical	**(434,683,065)**	**14,936,863**	**(419,746,202)**
General	**(261,309,945)**	**198,802,328**	**(62,507,617)**
	(695,993,010)	**213,739,191**	**(482,253,819)**

	As at 31 December 2023		
	Gross AED	Reinsurance AED	Net AED
Life and Medical	(455,640,300)	18,433,307	(437,206,993)
General	(279,223,766)	212,796,812	(66,426,954)
	(734,864,066)	231,230,119	(503,633,947)

Sources of uncertainty in the estimation of future claim payments

Claims on insurance contracts are payable on a claims-occurrence basis. The Company is liable for all insured events that occurred during the term of the contract, even if the loss is discovered after the end of the contract term. As a result, claims are settled over a long period of time and element of the claims provision includes incurred but not reported claims (IBNR). The estimation of IBNR is generally subject to a greater degree of uncertainty than the estimation of the cost of settling claims already notified to the Company, where information about the claim event is available. IBNR claims may not be apparent to the insured until many years after the event that gave rise to the claims. For some insurance contracts, the IBNR proportion of the total liability is high and will typically display greater variations between initial estimates and final outcomes because of the greater degree of difficulty of estimating these liabilities.

In estimating the liability for the cost of reported claims not yet paid, the Company considers information available from loss adjusters and information on the cost of settling claims with similar characteristics in previous periods. Large claims are assessed on a case-by-case basis or projected separately in order to allow for the possible distortive effect of their development and incidence on the rest of the portfolio.

The estimated cost of claims includes direct expenses to be incurred in settling claims, net of the expected subrogation value and other recoveries. The Company takes all reasonable steps to ensure that it has appropriate information regarding its claims exposures. However, given the uncertainty in establishing claims provisions, it is likely that the final outcome will prove to be different from the original liability established.

The amount of insurance claims is particularly sensitive to the level of court awards and to the development of legal precedent on matters of contract and tort. Insurance contracts are also subject to the emergence of new types of latent claims, but no allowance is included for this at the reporting date.

Where possible, the Company adopts multiple techniques to estimate the required level of provisions. This provides a greater understanding of the trends inherent in the experience being projected. The projections given by the various methodologies also assist in estimating the range of possible outcomes. The most appropriate estimation technique is selected taking into account the characteristics of the business class and the extent of the development of each accident year.

In calculating the estimated cost of unpaid claims (both reported and not), the Company's estimation techniques are a combination of loss-ratio-based estimates and an estimate based upon actual claims experience using predetermined formulae where greater weight is given to actual claims experience as time passes. The initial loss-ratio estimate is an important assumption in the estimation technique and is based on previous years' experience, adjusted for factors such as premium rate changes, anticipated market experience and historical claims inflation. The initial estimate of the loss ratios used for the current year (before reinsurance) are analysed by type of risk where the insured operates for current and prior year premiums earned.

26 Insurance risk (continued)

Process used to decide on assumptions

The risks associated with these insurance contracts are complex and subject to a number of variables that complicate quantitative sensitivity analysis. Internal data is derived mostly from the Company's quarterly claims reports and screening of the actual insurance contracts carried out at the end of the reporting period to derive data for the contracts held. The Company has reviewed the individual contracts and in particular the industries in which the insured companies operate and the actual exposure years of claims. This information is used to develop scenarios related to the latency of claims that are used for the projections of the ultimate number of claims.

The choice of selected results for each accident year of each class of business depends on an assessment of the technique that has been most appropriate to observed historical developments. In certain instances, this has meant that different techniques or combinations of techniques have been selected for individual accident years or groups of accident years within the same class of business. The Company has an internal actuary and independent external actuaries are also involved in the valuation of technical reserves of the Company.

Similarly, the assumptions required for individual life business projections are also based on historical experience, wherever available, suitably adjusted to reflect the anticipated or known changes. The Company has an internal actuarial function and involves independent external actuaries are also involved in the valuation of technical reserves of the Company.

Claims development process

Claims development tables are disclosed in order to put the unpaid claims estimates included in the financial statements into a context, allowing comparison of the development claims provisions with those seen in previous years.

In effect, the table highlights the Company's ability to provide an estimate of the total value of claims. This table provides a review of current estimates of cumulative claims and demonstrates how the estimated claims have changed at subsequent reporting or accident year ends. The estimate is increased or decreased as losses are paid and more information becomes known about the frequency and severity of unpaid claims. Data in the table related to acquired businesses is included from the acquisition date onwards.

The Company believes that the estimates of total claims outstanding as of the end of 2024 are adequate. However, due to the inherent uncertainties in the reserving process, it cannot be assured that such balances will ultimately prove to be adequate.

In addition to scenario testing, the development of insurance liabilities provides a measure of the Company's ability to estimate the ultimate value of claims. The top half of each table illustrates how the Company's estimate of liability for incurred claims for each accident year has changed at successive year-ends. The bottom half of the table reconciles the cumulative claims to the amount appearing in the statement of financial position. The following tables illustrate the Company's estimate of total liability for incurred claims for the years up to 2024.

26 Insurance risk (continued)

Claims development process (continued)

The table below illustrates development of the net outstanding and incurred but not reported claims at the end of each year together with cumulative payments subsequent to the year of accident:

Gross insurance contract liabilities at 31 December 2024

	Prior AED	2020 AED	2021 AED	2022 AED	2023 AED	**2024 AED**	**Total AED**
At the end of each reporting year	**-**	**133,884,548**	**110,337,407**	**131,103,386**	**154,828,862**	**182,206,746**	**182,206,746**
One year later	**-**	**76,570,319**	**110,202,563**	**104,412,852**	**123,834,671**	**-**	**123,834,671**
Two years later	**-**	**95,720,014**	**119,745,695**	**108,289,991**	**-**	**-**	**108,289,991**
Three years later	**-**	**95,921,871**	**119,576,060**	**-**	**-**	**-**	**119,576,060**
Four years later	**-**	**95,908,566**	**-**	**-**	**-**	**-**	**95,908,566**
Reserve in respect to prior years	**163,173,352**	**-**	**-**	**-**	**-**	**-**	**163,173,352**
Estimate of cumulative claims	**163,173,352**	**95,908,566**	**119,576,060**	**108,289,991**	**123,834,671**	**182,206,746**	**792,989,386**
Less: cumulative payments to date	**(163,173,352)**	**(95,905,984)**	**(119,517,343)**	**(86,301,687)**	**(86,556,284)**	**(72,250,755)**	**(623,705,405)**
Total reserves included in the statement of financial position	**-**	**2,582**	**58,717**	**21,988,304**	**37,278,387**	**109,955,991**	**169,283,981**
Unallocated loss adjustment expenses							**1,707,010**
Risk adjustment							**16,028,905**
Claims payable							**122,092,209**
Effect of discounting							**(2,553,558)**
Liability for incurred claims for all lines of business							**306,558,547**

26 Insurance risk (continued)

Claims development process (continued)

Net insurance contract liabilities at 31 December 2024

	Prior AED	2020 AED	2021 AED	2022 AED	2023 AED	**2024 AED**	**Total AED**
At the end of each reporting year	**-**	**23,746,073**	**32,517,962**	**35,636,483**	**29,006,701**	**38,565,279**	**38,565,279**
One year later	**-**	**20,595,740**	**30,172,370**	**30,846,192**	**28,184,565**	**-**	**28,184,565**
Two years later	**-**	**21,110,981**	**30,399,633**	**35,820,245**	**-**	**-**	**35,820,245**
Three years later	**-**	**21,482,910**	**30,442,527**	**-**	**-**	**-**	**30,442,527**
Four years later	**-**	**21,495,871**	**-**	**-**	**-**	**-**	**21,495,871**
Reserve in respect to prior years	**64,351,535**	**-**	**-**	**-**	**-**	**-**	**64,351,535**
Estimate of cumulative claims	**64,351,535**	**21,495,871**	**30,442,527**	**35,820,245**	**28,184,565**	**38,565,279**	**218,860,022**
Less: cumulative payments to date	**(64,351,535)**	**(21,454,493)**	**(30,312,440)**	**(34,781,028)**	**(25,951,298)**	**(24,365,781)**	**(201,216,575)**
Total reserves included in the statement of financial position	**-**	**41,378**	**130,087**	**1,039,217**	**2,233,267**	**14,199,498**	**17,643,447**
Unallocated loss adjustment expenses							**1,707,010**
Risk adjustment							**1,559,827**
Claims payable							**88,903,254**
Effect of discounting							**(2,800,289)**
Liability for incurred claims for all lines of business							**107,013,249**

Alliance Insurance P.S.C.

Notes to the financial statements
For the year ended 31 December 2024

26 Insurance risk (continued)

Reinsurance risk

As general industry practice and to minimise financial exposure arising from large insurance claims, the Company, in the normal course of business, enters into arrangements with other parties for reinsurance purposes. Such reinsurance arrangements provide for greater diversification of business, allow management to control exposure to potential losses arising from large risks, and provide additional capacity for growth. A significant portion of the reinsurance is affected under treaty, facultative and excess of loss reinsurance contracts.

To minimise its exposure to significant losses from reinsurance insolvencies, the Company evaluates the financial condition of its reinsurance and ensure diversification of reinsurance providers. The Company deals with reinsurance approved by the Board of Directors.

Sensitivities

The liability for incurred claims is sensitive to the key assumptions in the table below. It has not been possible to quantify the sensitivity of certain assumptions such as legislative changes or uncertainty in the estimation process. The following sensitivity analysis shows the impact on gross and net liabilities, net profit, and equity for reasonably possible movements in key assumptions with all other assumptions held constant.

The correlation of assumptions will have a significant effect in determining the ultimate impacts, but to demonstrate the impact due to changes in each assumption, assumptions had to be changed on an individual basis.

Similarly, the liabilities for remaining coverage under the GMM and VFA are also sensitive to certain underlying assumptions and a sensitivity analysis has been performed for key assumptions. The analysis has been performed my changing each key assumption on an individual basis.

It should be noted that movements in these some assumptions are nonlinear. The method used for deriving sensitivity information and significant assumptions did not change from the previous period.

The below tables show the impact of 0.5% change in risk adjustment, discounting and expenses on liability for incurred claims and assets for incurred claims:

Contracts under PAA

	31 December 2024		31 December 2023	
	Liability / (Asset) AED	**Impact on Comprehensive income AED**	Liability / (Asset) AED	Impact on Comprehensive income AED
Base				
Insurance contract liabilities	**279,721,870**	**-**	298,461,245	-
Reinsurance contract assets	**(209,463,500)**	**-**	(225,904,865)	-
Net liabilities	**70,258,370**	**-**	72,556,380	-
Discount Rates +0.5%				
Insurance contract liabilities	**279,477,873**	**243,997**	298,200,901	260,343
Reinsurance contract assets	**(209,301,098)**	**(162,402)**	(225,729,715)	(175,150)
Net liabilities	**70,176,775**	**81,595**	72,471,186	85,193
Discount Rates -0.5%				
Insurance contract liabilities	**279,967,744**	**(245,874)**	298,723,590	(262,346)
Reinsurance contract assets	**(209,626,992)**	**163,492**	(226,081,190)	176,325
Net liabilities	**70,340,752**	**(82,382)**	72,642,400	(86,021)

26 Insurance risk (continued)

Sensitivities (continued)

Contracts under PAA (continued)

	31 December 2024		31 December 2023	
	Liability / (Asset) AED	**Impact on Comprehensive income AED**	Liability / (Asset) AED	Impact on Comprehensive income AED
Base				
Insurance contract liabilities	**279,721,870**	**-**	298,461,245	-
Reinsurance contract assets	**(209,463,500)**	**-**	(225,904,865)	-
Net liabilities	**70,258,370**	**-**	72,556,380	-
Risk Adjustment +0.5%				
Insurance contract liabilities	**280,952,650**	**(1,230,780)**	299,774,478	(1,313,234)
Reinsurance contract assets	**(210,244,656)**	**781,156**	(226,747,336)	842,472
Net liabilities	**70,707,994**	**(449,624)**	73,027,142	(470,762)
Risk Adjustment -0.5%				
Insurance contract liabilities	**278,491,090**	**1,230,780**	297,148,011	1,313,234
Reinsurance contract assets	**(208,682,344)**	**(781,156)**	(225,062,393)	(842,472)
Net liabilities	**69,808,746**	**449,624**	72,085,618	470,762

Contracts not under PAA

	31 December 2024		31 December 2023	
	Liability / (Asset) AED	**Impact on Comprehensive income AED**	Liability / (Asset) AED	Impact on Comprehensive income AED
Base				
Insurance contract liabilities	**416,271,140**	**-**	436,402,821	-
Reinsurance contract assets	**(4,275,691)**	**-**	(5,325,254)	-
Net liabilities	**411,995,449**	**-**	431,077,567	-
Discount Rates +0.5%				
Insurance contract liabilities	**403,859,947**	**12,411,193**	423,391,399	13,011,422
Reinsurance contract assets	**(4,284,315)**	**8,624**	(5,335,994)	10,741
Net liabilities	**399,575,632**	**12,419,816**	418,055,405	13,022,163
Discount Rates -0.5%				
Insurance contract liabilities	**429,379,170**	**(13,108,031)**	450,144,782	(13,741,960)
Reinsurance contract assets	**(4,267,805)**	**(7,886)**	(5,315,432)	(9,822)
Net liabilities	**425,111,365**	**(13,115,917)**	444,829,350	(13,751,782)
Risk Adjustment +0.5%				
Insurance contract liabilities	**419,867,835**	**(3,596,695)**	440,173,460	(3,770,638)
Reinsurance contract assets	**(4,319,261)**	**43,570**	(5,379,520)	54,265
Net liabilities	**415,548,574**	**(3,553,125)**	434,793,940	(3,716,373)
Risk Adjustment -0.5%				
Insurance contract liabilities	**412,788,537**	**3,482,603**	432,751,793	3,651,028
Reinsurance contract assets	**(4,232,120)**	**(43,570)**	(5,270,988)	(54,266)
Net liabilities	**408,556,417**	**3,439,032**	427,480,805	3,596,762

26 Insurance risk (continued)

Sensitivities (continued)

Contracts not under PAA (continued)

	31 December 2024		31 December 2023	
	Liability / (Asset) AED	**Impact on Net Profit AED**	Liability / (Asset) AED	Impact on Net Profit AED
Base				
Insurance contract liabilities	**416,271,140**	**-**	436,402,821	-
Reinsurance contract assets	**(4,275,691)**	**-**	(5,325,254)	-
Net liabilities	**411,995,449**	**-**	431,077,567	-
Expenses increased by 10%				
Insurance contract liabilities	**419,556,024**	**(3,284,885)**	439,846,569	(3,443,748)
Reinsurance contract assets	**(4,275,691)**	**-**	(5,325,253)	-
Net liabilities	**415,280,334**	**(3,284,885)**	434,521,316	(3,443,748)
Expenses decreased by 10%				
Insurance contract liabilities	**412,986,255**	**3,284,885**	432,959,073	3,443,748
Reinsurance contract assets	**(4,275,691)**	**-**	(5,325,254)	-
Net liabilities	**408,710,564**	**3,284,885**	427,633,819	3,443,748

Concentration of insurance risk

Substantially all of the Company's underwriting activities are carried out in the United Arab Emirates. In common with other insurance companies, in order to minimise financial exposure arising from large insurance claims, the Company, in the normal course of business, enters into arrangement with other parties for reinsurance purposes.

To minimise its exposure to significant losses from reinsurer insolvencies, the Company evaluates the financial condition of its reinsurers and monitors concentrations of credit risk arising from similar geographic regions, activities or economic characteristics of the reinsurers. Reinsurance ceded contracts do not relieve the Company from its obligations to policyholders. The Company remains liable to its policyholders for the portion reinsured to the extent that any reinsurer does not meet the obligations assumed under the reinsurance agreements.

Sensitivity of underwriting profit

The Company does not foresee any adverse change in the contribution of insurance profit due to the following reasons:

- The Company has an overall risk retention level of 35% for the year ended 31 December 2024 (2023: 35%). This is mainly due to low retention levels in general accident, fire and engineering. However, for other lines of business, the Company is adequately covered by reinsurance programs to guard against major financial impact.
- The Company has commission income of AED 14,573,918 in 2024 (2023: AED 16,105,737) predominantly from the reinsurance placement which remains a comfortable source of income.

27 Capital risk management

The Company's objectives when managing capital are:

- to comply with the insurance capital requirements required by UAE Federal Decree Law No. (48) of 2023, regarding the regulation of Insurance activities;
- to safeguard the Company's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- to provide an adequate return to shareholders by pricing insurance contracts commensurately with the level of risk.

In U.A.E., Central Bank of the United Arab Emirates ("CBUAE") specifies the minimum amount and type of capital that must be held by the Company in addition to its insurance liabilities. The minimum required capital (presented in the table below) must be maintained at all times throughout the year.

As per Article (8) of Section (2) of financial regulations issued for insurance companies in UAE, the Company shall at all times comply with the requirement of solvency margins.

The solvency position of the Company as at 30 September 2024 and 31 December 2023 is presented below. The Company has presented the solvency position as of 30 September 2024 which is the latest available solvency position as of the date of approval of these financial statements. As of 30 September 2024, the Company had a solvency surplus of AED 341.2 million (31 December 2023: AED 339.3 million) as compared to the Minimum Capital requirements of AED 100 million (31 December 2023: AED 100 million).

The table below summarises the Minimum Capital Requirement, Minimum Guarantee Fund and Solvency Capital Requirement of the Company and the total capital held to meet these solvency margins as defined in the Regulations. In accordance with Circular No. CBUAE/BSD/N/2022/923 of CBUAE dated 28 February 2022, the Company has disclosed the solvency position for the immediately preceding period as the current year solvency position is not yet finalised.

	Unaudited 30 September 2024 AED	31 December 2023 AED
Minimum Capital Requirement (MCR)	**100,000,000**	100,000,000
Solvency Capital Requirement (SCR)	**157,251,053**	153,232,734
Minimum Guarantee Fund (MGF)	**52,417,018**	51,077,578
Basic Own Funds	**441,188,851**	439,300,474
MCR Solvency Margin - Minimum Capital Requirement - Surplus	**341,188,851**	339,300,474
SCR Solvency Margin - Solvency Capital Requirement - Surplus	**283,937,798**	286,067,740
MGF Solvency Margin – Minimum Guarantee Fund - Surplus	**388,771,833**	388,222,896

28 Fair value measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 the fair value of financial instruments traded in an active market is based on quoted market prices at the end of the reporting year. The quoted market price used for financial assets held by the company is the current bid price. These instruments are included in Level 1.
- Level 2 the fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are unobservable, the instrument is included in Level 2.
- Level 3 if one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

Valuation techniques and assumptions applied for the purposes of measuring fair value

The fair values of financial assets and financial liabilities are determined using the same valuation techniques and assumptions as those used for the year ended 31 December 2023.

Fair value of the Company's financial assets that are measured at fair value on recurring basis

Some of the Company's financial assets are measured at fair value at the end of the reporting period. The following table gives information about how the fair values of these financial assets are determined.

Financial assets	**Fair value as at 31 December 2024 AED**	**Fair value as at** 31 December 2023 AED	**Fair value hierarchy**	**Valuation techniques and key inputs**	**Significant unobservable input**	**Relationship of unobservable inputs to fair value**
FVOCI:						
Quoted equity securities	**7,709,234**	8,315,980	Level 1	Quoted bid prices in an active market	None	N/A

There were no transfers between levels during the year. There are no financial liabilities which should be measured at fair value and accordingly no disclosure is made in the above table.

29 Financial risk

The Company is exposed to a range of financial risks through its financial assets, financial liabilities, reinsurance assets and insurance liabilities. In particular, the key financial risk is that in the long-term its investment proceeds are not sufficient to fund the obligations arising from its insurance contracts. The most important components of this financial risk are market risk (which includes: foreign currency risk, equity and debt price risk and interest rate risk), credit risk, liquidity risk and operational risk.

29 Financial risk (continued)

Market risk

Market risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company's market risks may arise from open positions in (a) foreign currencies and (b) interest bearing assets and liabilities, to the extent they are exposed to general and specific market movements. Management sets limits on the exposure to currency and interest rate risk that may be acceptable, which are monitored on a regular basis.

Market risk exposures are measured using sensitivity analysis. There has been no change to the Company's exposure to market risks or the manner in which it manages and measures the risk.

Foreign currency risk

There are no significant exchange rate risks as all monetary assets and monetary liabilities are denominated in Arab Emirates Dirhams, other G.C.C. currencies or US Dollars to which the Dirham is fixed. Management believes that there is a minimal risk of significant losses due to exchange rate fluctuations and consequently the Company has not hedged its foreign currency exposure.

Equity price risk

Equity and debt price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual security, or its issuer, or factors affecting all securities traded in the market. The Company is exposed to equity and debt price risk with respect to its quoted equity and debt investments. The Company limits equity and debt price risk by maintaining a diversified portfolio and by continuous monitoring of developments in the market. In addition, the Company actively monitors the key factors that affect stock and market movements, including analysis of the operational and financial performance of investees.

Sensitivity analysis

At the end of the reporting period, if the equity prices are 10% higher/lower as per the assumptions mentioned below and all the other variables were held constant, the Company's:

- Other comprehensive income and equity would have increased/decreased by AED 770,923 (2023: AED 831,598).

Method and assumptions for sensitivity analysis

- The sensitivity analysis has been done based on the exposure to equity price risk at the reporting date.
- At the end of the reporting period, if equity prices are 10% higher/lower on the market value uniformly for all equities while all other variables are held constant, the impact on profit or loss and equity has been shown above.

A 10% change in equity prices has been used to give a realistic assessment as a plausible event. Company does not have any impact on profit or loss due to sensitivity of equity prices.

Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect the finance income or finance cost of the Company. The Company is not significantly exposed to interest rate risk on its financial investments in debt instruments and fixed deposits since they carry fixed interest rates. As such, the Company's income and operating cash flows are substantially independent of changes in market interest rates.

The Company generally manages to finalise the interest rate risk by closely monitoring the market interest rates and investing in those financial assets in which such risk is expected to be minimal.

29 Financial risk (continued)

Interest rate risk (continued)

The Company is exposed to interest rate risk on the following for the business being measured under PAA:

(i) Liability for incurred claims; and
(ii) Amount recoverable for incurred claims.

For the business not being measured under the PAA the Company is exposed to interest rate risk on both the assets / liabilities for remaining coverage and the assets / liabilities for incurred claims.

The Company's exposure to interest rate risk relates to its fixed deposits/ statutory deposits, debt instruments and loans guaranteed by life insurance policies. At 31 December 2024, fixed deposits / statutory deposits carried interest at the range of 2.85% to 5.75% per annum (2023: 2.85% to 6.18% per annum). At 31 December 2024, debt instruments carried interest at the range of 4.75% to 7.50% per annum (2023: 4.75% to 9.50% per annum).

At 31 December 2024, loans guaranteed by life insurance policies carried interest of 8% per annum (2023: 8% per annum).

Credit risk

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Company.

Key areas where the Company is exposed to credit risk are:

- reinsurance contract assets;
- amounts due from reinsurers in respect of claims already paid;
- amounts due from insurance contract holders;
- amounts due from insurance intermediaries;
- amounts due from other insurance companies;
- investments in debt instruments;
- cash and cash equivalents excluding cash in hand; and
- fixed deposits

The Company has adopted a policy of dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by management annually.

Reinsurance is used to manage insurance risk. This does not, however, discharge the Company's liability as primary insurer. If a reinsurer fails to pay a claim for any reason, the Company remains liable for the payment to the policyholder. The creditworthiness of reinsurers is considered on an annual basis by reviewing their financial strength prior to finalisation of any contract.

The Company maintains records of the payment history for significant contract holders with whom it conducts regular business. The exposure to individual counterparties is also managed by other mechanisms, such as the right of offset where counterparties are both debtors and creditors of the Company. Management information reported to the Company includes details of provisions for impairment on insurance receivables and subsequent write-offs. Exposures to individual policyholders and groups of policyholders are collected within the ongoing monitoring of the controls. Where there exists significant exposure to individual policyholders, or homogenous groups of policyholders, a financial analysis equivalent to that conducted for reinsurers is carried out by the Company.

Insurance receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of insurance receivable.

29 Financial risk (continued)

Credit risk (continued)

The Company has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers. The Company defines counterparties as having similar characteristics if they are related entities. The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The carrying amount of financial assets recorded in the financial statements, which is net of impairment losses, represents the Company's maximum exposure to credit risk.

Liquidity risk

Liquidity risk refers to the risk that an entity will encounter difficulty in meeting obligations associated with its financial liabilities at maturity date. Ultimate responsibility for liquidity risk management rests with the management, which has built an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements.

The Company manages liquidity risk by maintaining adequate reserves by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities to ensure that funds are available to meet its commitments for liabilities as they fall due.

The table below summarises the maturity profile of the Company's financial assets, financial liabilities, insurance contract liabilities and reinsurance contracts assets held. The maturity analysis has been presented on a contractual undiscounted cash flow basis except for insurance contract liabilities and reinsurance contract assets held which have been presented on their expected cash flows.

The contractual maturities of the financial instruments have been determined on the basis of the remaining period at the reporting date to the contractual maturity date. The maturity profile is monitored by management to ensure adequate liquidity is maintained.

	Less than 1 year AED	**1-5 years AED**	**5+ years AED**	**No maturity AED**	**Total AED**
31 December 2024					
Financial assets					
Investments at amortised cost	**143,142,128**	**174,616,130**	**-**	**-**	**317,758,258**
Investments carried at FVOCI	**-**	**-**	**-**	**7,709,234**	**7,709,234**
Other receivables (excluding prepayments)	**27,348,687**	**-**	**-**	**-**	**27,348,687**
Fixed deposits	**441,629,680**	**3,169,193**	**-**	**-**	**444,798,873**
Statutory deposits	**-**	**-**	**-**	**10,000,000**	**10,000,000**
Cash and cash equivalents	**10,739,777**	**-**	**-**	**-**	**10,739,777**
	622,860,272	**177,785,323**	**-**	**17,709,234**	**818,354,829**
Financial liabilities					
Other payables (excluding rent received in advance and premium received in advance)	**9,967,739**	**-**	**-**	**-**	**9,967,739**
	9,967,739	**-**	**-**	**-**	**9,967,739**

29 Financial risk (continued)

Liquidity risk (continued)

	Less than 1 year AED	1-5 years AED	5+ years AED	No maturity AED	Total AED
31 December 2023					
Financial assets					
Investments at amortised cost	69,023,673	259,908,406	-	-	328,932,079
Investments carried at FVOCI	-	-	-	8,315,980	8,315,980
Other receivables (excluding prepayments)	24,930,005	-	-	-	24,930,005
Fixed deposits	466,240,850	3,082,447	-	-	469,323,297
Statutory deposits	-	-	-	10,000,000	10,000,000
Cash and cash equivalents	14,810,363	-	-	-	14,810,363
	575,004,891	262,990,853	-	18,315,980	856,311,724
Financial liabilities					
Other payables (excluding rent received in advance and premium received in advance)	13,252,523	-	-	-	13,252,523
	13,252,523	-	-	-	13,252,523

	Less than 1 year AED	**2-5 years AED**	**5+ years AED**	**Total AED**
31 December 2024				
Reinsurance contract assets (Net)	**207,734,385**	**2,870,214**	**3,134,592**	**213,739,191**
Insurance contract liabilities (Net)	**350,704,528**	**149,066,578**	**196,221,904**	**695,993,010**

	Less than 1 year AED	2-5 years AED	5+ years AED	Total AED
31 December 2023				
Reinsurance contract assets (Net)	224,733,921	3,105,092	3,391,106	231,230,119
Insurance contract liabilities (Net)	370,291,298	157,391,914	207,180,854	734,864,066

Operational risk

Operational risk is the risk of loss arising from system failures, human error, fraud or external events. When controls fail to perform, operational risk can cause damage to reputation, have legal or regulatory implications, or lead to financial loss. The Company cannot expect to eliminate all operational risks, but through a control framework and by monitoring and responding to potential risks, the Company is able to manage the risks. Controls include effective segregation of duties, access, authorisation, and reconciliation procedures, staff education and assessment processes.

30 Segment information

For management purposes, the Company is organised into two business segments, property and liability insurance (general insurance) and insurance of persons and fund accumulation operations (life assurance). The general insurance segment comprises motor, marine, fire, engineering, medical, and general accident. The life assurance segment includes only long-term life and group life. These segments are the basis on which the Company reports its primary segment information. Segment-wise information is disclosed below:

	For the year ended 31 December 2024		
	Life and Medical AED	**General AED**	**Total AED**
Insurance revenue	**112,489,150**	**215,034,119**	**327,523,269**
Insurance service expenses	**(118,771,183)**	**(91,604,428)**	**(210,375,611)**
Insurance service result before reinsurance contracts held	**(6,282,033)**	**123,429,691**	**117,147,658**
Net expense from reinsurance contracts held	**(8,945,973)**	**(140,491,500)**	**(149,437,473)**
Insurance service result	**(15,228,006)**	**(17,061,809)**	**(32,289,815)**
Income from financial investments	**27,730,809**	**20,088,157**	**47,818,966**
Income from investment properties - net	**16,253,076**	**10,868,185**	**27,121,261**
Total investment income	**43,983,885**	**30,956,342**	**74,940,227**
Insurance finance expense	**(11,325,644)**	**(1,311,472)**	**(12,637,116)**
Reinsurance finance income	**107,443**	**402,071**	**509,514**
Financial insurance result	**(11,218,201)**	**(909,401)**	**(12,127,602)**
Foreign currency exchange gain	**286,480**	**59,038**	**345,518**
Other income	**94,194**	**2,174,108**	**2,268,302**
Unattributable expenses	**(1,669,726)**	**(1,669,725)**	**(3,339,451)**
Net profit for the year before tax	**16,248,626**	**13,548,553**	**29,797,179**

30 Segment information (continued)

	For the year ended 31 December 2023 *(restated)*		
	Life and Medical AED	General AED	Total AED
Insurance revenue	107,252,891	197,772,988	305,025,879
Insurance service expenses	(101,334,220)	(73,759,061)	(175,093,281)
Insurance service result before reinsurance contracts held	5,918,671	124,013,927	129,932,598
Net expense from reinsurance contracts held	(1,346,774)	(134,088,339)	(135,435,113)
Insurance service result	4,571,897	(10,074,412)	(5,502,515)
Income from financial investments	26,501,499	17,942,268	44,443,767
Income from investment properties - net	15,197,307	7,747,970	22,945,277
Total investment income	41,698,806	25,690,238	67,389,044
Insurance finance expense	(11,797,692)	(519,797)	(12,317,489)
Reinsurance finance income	60,153	452,674	512,827
Financial insurance result	(11,737,539)	(67,123)	(11,804,662)
Foreign currency exchange gain	159,560	30,692	190,252
Other income	90,946	2,211,975	2,302,921
Unattributable expenses	(757,518)	(757,517)	(1,515,035)
Net profit for the year	34,026,152	17,033,853	51,060,005

The following is an analysis of the Company's assets, liabilities and equity classified by segment:

As at 31 December 2024	**Life and Medical AED**	**General AED**	**Total AED**
Total assets	**619,980,998**	**660,946,013**	**1,280,927,011**
Total equity	**273,212,278**	**290,967,338**	**564,179,616**
Total liabilities	**443,110,326**	**273,637,069**	**716,747,395**
As at 31 December 2023			
Total assets	626,301,559	694,975,939	1,321,277,498
Total equity	264,590,723	295,649,835	560,240,558
Total liabilities	478,869,738	282,167,202	761,036,940

30 Segment information (continued)

Gross written premium

Details relating to gross written premium are disclosed below to comply with the requirements of CBUAE and are not calculated as per the requirements of IFRS 17.

31 December 2024	Life Insurance AED	Fund Accumulation AED	Medical Insurance AED	Property & Liability AED	All types of Business Combined AED
Direct Written Premiums	91,140,883	-	40,008,852	211,593,200	342,742,935
Assumed Business					
Foreign	-	-	-	-	-
Local	-	-	220,893	386,105	606,998
Total Assumed Business	-	-	220,893	386,105	606,998
Gross Written Premiums	91,140,883	-	40,229,745	211,979,305	343,349,933

31 December 2023	Life Insurance AED	Fund Accumulation AED	Medical Insurance AED	Property & Liability AED	All types of Business Combined AED
Direct Written Premiums	95,090,644	-	41,615,533	194,650,024	331,356,201
Assumed Business					
Foreign	-	-	-	-	-
Local	-	-	1,036,766	67,353	1,104,119
Total Assumed Business	-	-	1,036,766	67,353	1,104,119
Gross Written Premiums	95,090,644	-	42,652,299	194,717,377	332,460,320

31 Dividend and Directors' remuneration

At the Annual General Meeting held on 25 April 2024, the Shareholders approved a cash dividend of AED 30 million at AED 30 per share for 2023 (2023: AED 30 million at AED 30 per share for 2022).

32 Income tax expense

The major components of tax expense and the reconciliation of the expected tax expense based on the UAE tax rate of 9% (2023: Nil) and the reported tax expense in profit or loss is as follows:

	2024 AED	2023 AED
Income statement:		
Current tax	2,616,751	-
Statement of comprehensive income		
Current tax	1,238,221	-
Deferred tax	1,378,530	-

Relationship between tax expense and accounting profit:

	2024 AED	2023 AED
Profit for the year before taxation	29,797,179	-
Basic exemption limit	(375,000)	-
Tax applicable profit	29,422,179	-
Tax at the applicable rate of 9%	(2,647,996)	-
Effect of items that are not considered in determining taxable income - net		
Exempt income	40,152	-
Non-deductible expenses	(8,907)	-
Income tax expense	(2,616,751)	-
Profit for the year after taxation	27,180,428	-

33 Change in accounting policy

IFRS 17 provides an 'interest accretion – OCI option' which allows split of discount rate movement between OCI and profit and loss. At initial adoption of IFRS 17, the Company opted not to use the 'interest accretion – OCI option'. Based on an assessment carried out by the management in the current year, it believes that using 'interest accretion – OCI option' will curtail unnecessary impact of market interest rate movements on its financial performance. Hence, the Company has changed its accounting policy choice and opted to use 'interest accretion – OCI option' to split the discount rate movement between OCI and profit and loss.

For the year ended 31 December 2023, change in accounting policy has resulted in decrease of profits by AED 2,834,644 and increase of OCI by the same amount.

The impact of the above-mentioned results have been remeasured and recorded in the extracts on the next page, as per "IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors", by restating each of the affected financial statement line items for the effected year ends and as per "IAS 1 Presentation of Financial Statements", by presenting a third statement of financial position as the Company has retrospectively applied the change in accounting policy.

Alliance Insurance P.S.C.

Notes to the financial statements
For the year ended 31 December 2024

33 Change in accounting policy (continued)

The table below summarises the impact of change in accounting policy as at 31 December 2023:

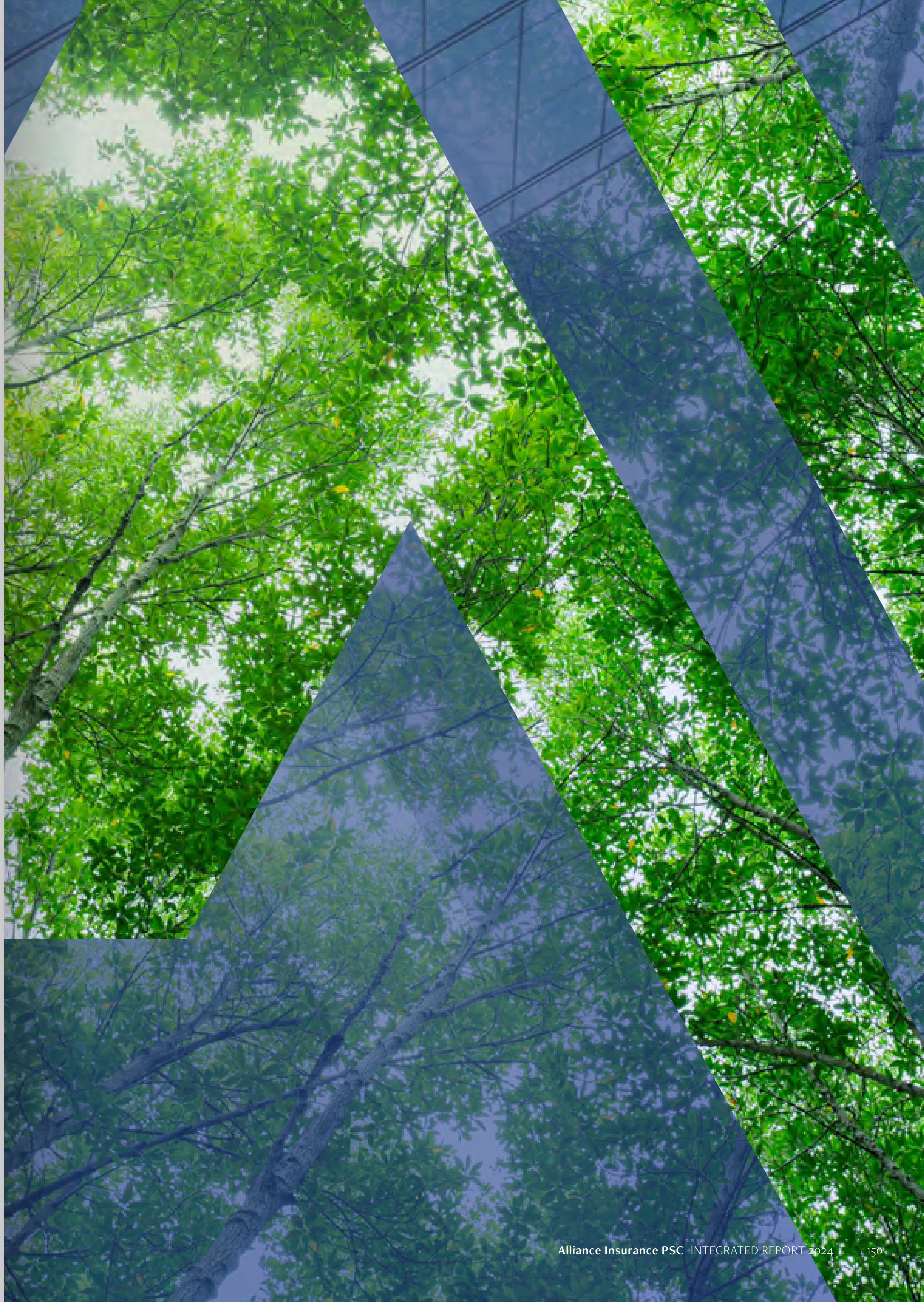
Statement of financial position	As previously reported AED	Effect of change in accounting policy AED	As restated AED
Equity			
Retained earnings	43,417,517	(45,647,610)	(2,230,093)
Finance income reserve	-	45,647,610	45,647,610

The table below summarises the impact of change in accounting policy for the year ended 31 December 2023:

	As previously reported AED	Effect of change in accounting policy AED	As restated AED
Statement of profit or loss			
Insurance finance expense	(11,774,076)	(543,413)	(12,317,489)
Reinsurance finance income	2,804,058	(2,291,231)	512,827
Financial insurance result	(8,970,018)	(2,834,644)	(11,804,662)
Net profit for the year	53,894,649	(2,834,644)	51,060,005
Basic and diluted earnings per share	53.89	(2.83)	51.06
Statement of comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Change in finance income reserve	-	2,834,644	2,834,644
Other comprehensive income for the year	571,055	2,834,644	3,405,699

The table below summarise the impact of change in accounting policy as at 31 December 2022:

Statement of financial position	As previously reported AED	Effect of change in accounting policy AED	As restated AED
Equity			
Retained earnings	28,487,245	(42,812,966)	(14,325,721)
Finance income reserve	-	42,812,966	42,812,966



APPENDICES

Corporate Governance Report 2024

1. STATEMENT OUTLINING THE PROCEDURES TAKEN TO COMPLETE THE CORPORATE GOVERNANCE SYSTEM DURING 2024, AND HOW ARE THEY APPLIED.

Alliance Insurance Co. (PSC) gives utmost priority to the practices of executing the governance controls and the Institutional Discipline Standards as a result of its compliance with the Chairman of Securities and Commodities Authority's Board of Directors' Decision no. (3/Chairman) of 2020 and its amendments Concerning Approval of Joint Stock Companies Governance Guide.

Alliance places strong attention to disclosure principles and transparency for the practices of corporate governance controls. The following is a brief of activities and practices adopted by Alliance insurance Company:

A. Monitor the internal control system in the company through audit committee and the internal audit department ensuring internal control functions are implemented properly for all departments in the company.

B. Timely disclosure of its quarterly financial results, decisions taken at the Board of Directors or General Assembly meetings through Securities and Commodities Authority (SCA) and Dubai Financial Market (DFM).

C. The Board of Directors, Senior Management of the Company and its executive departments continue to work in accordance with prudent underwriting principle and guidelines, as well as the adoption of conservative investment guidelines in order to protect the rights of its shareholders and clients.

D. The investment committee ensures the implantation of investment guidelines, review of investments performance and takes necessary investment decisions to diversify its portfolios and improve returns.

2. STATEMENT DETAILING THE OWNERSHIP AND TRANSACTIONS OF BOARD MEMBERS, THEIR SPOUSES AND THEIR CHILDREN IN THE COMPANY SECURITIES DURING 2024:

No.	Name	Designation	Stocks on 31/12/2024	Sales	Purchase
1	Mr. Ali Mubarak Al Soori	Chairman	-	None	None
2	Mr. Shahreyar Haider Ashraf Nawabi	Vice Chairman	-	None	None
3	Mr. Khaled S. Al Hasan	Member	-	None	None
4	Mr. Bijan Khosrowshahi	Member	-	None	None
5	Mr. Ahmed Saif Rashid bin Bakhit	Member	7,280	None	None
6	Mr. Khalifa Salim Humaid Al Mashwi	Member	5000	None	None
7	Ms. Laila Yousef Al Jassmi	Member	-	None	None
8	Mr. Shahnawaz Haider Nawabi	Member	-	None	None
9	Mr. Salem Mohammad Obaidalla	Member	-	None	None

3. FORMATION OF THE BOARD OF DIRECTORS:

A. It contents nine members as mentioned below:

S/N	Name	Category (Executive, Non-executive, and Independent	Experience and Qualifications	Period served as a BOD member of the Company since his first election date	Memberships and positions in other joint-stock companies	Positions held in any other important regulatory, governmental or commercial entities.
1	Mr. Ali Mubarak Ali AlSoori	Non-executive and non -Independent	– Holds a bachelor's degree from the University of Colorado in the United States of America. – Working in the Emirates Group since 1986 and has held many positions till date.	Since 2012	None	– Chief Procurement and Facilities Officer -The Emirates group – Board of Directors -African & Eastern Dubai. – Managing Director -Asam Investments & Real Estate. – Board of Directors -Millennium Airport Hotel, Dubai
2	Mr. Shahreyar Haider Ashraf Nawabi	Non-executive and Independent	– Holds Bachelor of Arts degree in Jurisprudence (LLB). Awarded 2(i) honors degree from – University of Oxford, UK – 1995-1998. – Completed Mandatory vocational education in accordance with the rules of the Law Society of England, Oxford institute of legal Practice in Oxford, UK. – Holds Masters of Law (LLM) with a concentration in corporate law. Awarded by "Merit". Form University of London , UK (1999-2000). – Holds a completion certificate of legal training as a Qualified solicitor in the corporate department in England and Wales from (REED SMITH LIP) - from 2000 to 2005, London - United Kingdom. – Worked as a Managing Associate (Corporate Department) at Linklaters LIP from 2005-2008 - London - United Kingdom and Dubai - United Arab Emirates. – Served as Chief Legal Officer investment arm of the Government of Dubai since 2008-2012, specializing in dealing with advised on a range of complex transactions including public and private M&A, public debt issuances, syndicated lending facilities, bilateral facilities, derivative transactions, formation of investment funds, and corporate re-organizations. – Currently holds the position of Senior Vice President – Legal for the Emirates Group since 2012 and Emirates Airlines, including managing the legal team for the corporate and commercial legal affairs relating to Emirates Airline and 24 business divisions of the Emirates Group, as well as managing the Group's privacy compliance in line with a proliferation of global privacy legislation being promulgated to regulate the new digital economy as per the European Commission under the European General Data Protection Regulation.	30 Nov 2023	None	None

S/N	Name	Category (Executive, Non-executive, and Independent	Experience and Qualifications	Period served as a BOD member of the Company since his first election date	Memberships and positions in other joint-stock companies	Positions held in any other important regulatory, governmental or commercial entities.
3	Mr. Khaled Al Hasan	Non-executive and non -Independent	– Holds a Bachelor degree in Political Science and Economics from Kuwait (1976). His professional Insurance and Administrative experience exceed over 30 years in different Executive positions. He joined GIC in 1978. He is currently the Board member and CEO of the gig.	7 June 2024	– Chairman of Kuwait Insurance Federation "KIF" (Kuwait). – Board of Directors in many of Gulf Insurance Group subsidiaries – Board Member in General Arab Insurance Federation "GAIF" (Egypt) and the Arab Reinsurance Company (Lebanon).	None
4	Mr. Bijan Khosrowshahi	Non-executive and non -Independent	– Holds MBA from the Drexel University in the United States in 1986. – Worked in the American International Group AIG in various areas of work and held various positions in many US states during the period from 1986 to 1997. – Regional Vice President, AIG's domestic property and casualty operations for Mid-Atlantic region –USA. – Vice Chairman and Managing Director, AIG Sigorta – Istanbul, Turkey 1997 to 2001. – President of AIG – General Insurance operations in Seoul, South Korea, 2001 to 2004. – CEO of Fuji Fire and Marine Insurance company. in Japan in 2004 to 2009. – President of Fairfax International from 2009 to present. – Served on the boards of the World Affairs Council and Insurance Society, Philadelphia. – Council member of the USO, Korean – Chairman of the Insurance Committee of the American Chamber of Commerce, Korea. – Member of the Turkish Businessmen's Association, Turkey.	Since April, 2012	– Gulf Insurance Group, Kuwait – Board Member, Member of the Executive & Investment Committee – Gulf Insurance & Reinsurance Co., Kuwait - Vice Chairman of the Board of Directors, Chairman of the Audit Committee & Member of the Executive Committee. – Bahrain Kuwait Insurance Co., Bahrain – Board Member & Member of the Executive Committee. – Arab Misr Insurance Group, Egypt – Board Member, Member of the Audit & Risk Management Committee. – Arab Orient Insurance Co., Jordan – Board Member, Member of the Executive & Risk Committee. – Gulf Sigorta, Turkey -Chairman of the Board – GIG Gulf, Bahrain -Board Member, Chairman of the Nomination & Remuneration Committee, Member of the Audit & Compliance Committee and Member of the Risk & Corporate Governance Committee – GIG Cooperative Insurance, Saudi Arabia– Vice Chairman of the Board & Non-Executive Member. – Colonnade Insurance, Luxembourg – Chairman of the Board Member & Member of the Underwriting Committee.	None

S/N	Name	Category (Executive, Non-executive, and Independent	Experience and Qualifications	Period served as a BOD member of the Company since his first election date	Memberships and positions in other joint-stock companies	Positions held in any other important regulatory, governmental or commercial entities.
4	Mr. Bijan Khosrowshahi (Continued)	Non-executive and non -Independent		Since April, 2012	– Southbridge Compañía de Seguros Generales Chile – President of the Board of Directors. – La Meridional Compañía Argentina de Seguros S.A. Argentina – – Alternate Director (Director Suplente). – SBS Seguros Colombia, Colombia – Principal Member of the Board of Directors. – Jordan Kuwait Bank, Jordan - Member of the Bank's Board of Directors.	None
5	Mr. Ahmed Saif Rashid bin Bakhit	Non-executive and non -Independent	– He is a businessman and holds a master's degree in military sciences - Faculty of Command and Staff – Egypt. – He served as an officer in the United Arab Emirates Air Force. – Certificate in attending Disaster Plan Preparation and Validation Course - Dubai Aviation College. – Certificate in completing No 43 Initial Officer Training Course – Royal Air Force College - Cranwell. – Certificate on completing Helicopter Pilot Training Course- Oxford Air Training School. – Served as an officer in the United Arab Emirates Air Force.	Since 1997	None	None
6	Mr. Khalifa Salim Humaid Al Mashwi	Non-executive and non -Independent	– One of businessmen and holder of the following certificates and courses : – Certificate of engineering in the technical devices of the UK CAT (Control Automatic Transmission System). – A course in directing and television preparation – UK. – A course in television output - Egypt – Course in Cinema Institute for directing - Egypt – He worked for Dubai TV during which he worked in several jobs, latest was TV Operation Supervisor.	Since 2004	None	None
7	Mr. Shahnawaz Haider Ashraf	Non-executive, and Independent	– Holds Bachelor of Arts degree in 2006. Awarded honors degree from – STANFORD UNIVERSITY. – Holds Masters Business administrator in Strategic Management, Corporate Restructuring, Technology and Operations Management, Negotiation, Business Analysis and Valuation from – HARVARD BUSINESS SCHOOL, UK (2009-2011).	07 June 2024	Not Applicable	Not Applicable

S/N	Name	Category (Executive, Non-executive, and Independent	Experience and Qualifications	Period served as a BOD member of the Company since his first election date	Memberships and positions in other joint-stock companies	Positions held in any other important regulatory, governmental or commercial entities.
7	Mr. Shahnawaz Haider Ashraf (Continued)	Non-executive, and Independent	– Served as A management consultant at Boston Consulting Group with UAE and KSA government bodies to develop the long term strategy for multiple public sector institutions and also in Strategy development for organizations across industries including Fast Moving Consumer Goods, Financial Services, Public Sector / Government. (2007-2015) – Served as Managing Director with Cambridge Associates – Led teams of Directors, Associates and Analysts in structuring and managing multi asset investment portfolios. Clients included European and Middle Eastern institutions (Charitable Foundations, Sovereign Wealth Funds, and Family Offices). (2015-2019) – Independent Consultant and investor (2020-2021) – Currently as Chief Investor officer at Shamal Holding (2022- pres) – It is a leading global institutional investment company in Dubai.	07 June 2024	Not Applicable	Not Applicable
8	Mrs. Lila Al Jassmi	Non-executive, and Independent	– Holds Bachelor of Since of Health information administration program in 1992 from Kuwait university. – Served as a head of health information management section in Rashid Hospital (1990-2005) – Served as Director Of Planning & Statistics Department in Dubai Health Authority (2005-2007) – developing strategy – set the departments policies and procedures –analyzing the statistics information and surveys conducted to identify all physical and infrastructure potential problems. – Served as DHA Transition Director (2007-2008) and were responsible for laying and leading the management strategy for health in Emirate of Dubai. – Served as Director of Health Funding department in DHA (2008-2009) – Served as CEO Clinical Support Service Sector (2009-2010). – Served as a CEO Health Policy & Strategy Sector (2010-2013) – Currently working as Founder & CEO Health beyond Boarders 2013-till present, is a bespoke Dubai Based health care advisory firm focusing on healthcare strategy, insurance policies, payers' relationship, Project management, market studies and research analysis.	07 June 2024	Not Applicable	Not Applicable

S/N	Name	Category (Executive, Non-executive, and Independent	Experience and Qualifications	Period served as a BOD member of the Company since his first election date	Memberships and positions in other joint-stock companies	Positions held in any other important regulatory, governmental or commercial entities.
9	Mr. Salem Mohammed Obaidalla	Non-executive, and Independent	– Business Administration Degree from Wentworth Institute of Technology in Boston, United States – He has been working with Emirates Group since 1991 and has held several positions during this period and currently holds the position of Senior Vice President – Commercial Operations Americas.	16 Sep 2024	– Emirates NBD Bank – Emirates Islamic Bank	Not Applicable

B. Statement of the percentage of female representation in the Board for 2024:

Female represented 11.11% of Board Membership

C. A statement of the reasons for not nominating any female candidate for the board membership:

Not applicable.

D. A statement of the bonuses, allowances and fees received by members of the board of directors:

1. Total bonuses paid to the Board members for the year 2023:

Article 39 of the Articles of Association specified that the remuneration of the Board of Directors shall not exceed 10% of the net profits. The remuneration paid for 2023 the articles of association was as follows:

Statement	Paid Remunerations
Year	2023
Amount	1,524,636

2. Total proposed bonuses for Board of Directors for 2024, which will be presented in the Annual General Assembly for approval:

As per Article 39 of the Articles of Association, the CBUAE Corporate Governance Regulations for Insurance Companies and the agreement signed between the company and each Board member at the time of appointment, the remuneration of the Board of Directors is fixed and shall not exceed 10% of the net profits. Accordingly, the proposed remuneration for 2024 has been determined in compliance with these regulations and will be presented for approval at the Annual General Assembly:

Statement	Suggested Remunerations
Year	2024
Amount	1,062,555

3. A statement of the details of the suggested allowances for attending committee sessions of the BOD, for the fiscal year 2024.

N	Name	Committee	Attendance Allowance Allowance Value	No. of meetings
1	Mr. Khaled Al Hasan – chairperson	Nomination & Remuneration Committee	AED 30,000/-	4
2	Mr. Bijan Khosrowshahi – member		AED 20,000/-	4
3	Mr. Ahmed Saif – member		AED 20,000/-	4
1	Mr. Salem Obaidalla - chairperson		AED 7,500/-	1
2	Mr. Khaled Al Hasan – member		AED 5,000/-	1
3	Mr. Ahmed Saif – member		AED 5,000/-	1

N	Name	Committee	Attendance Allowance Allowance Value	No. of meetings
	Ms. Laila Al Jassmi – Chairperson	Audit Committee	AED 22,500/-	3
	Mr. Shahnawaz Nawabi – member		AED 10,000/-	2
	Mr. Khalifa Al Mashwi – member		AED 10,000/-	2

N	Name	Committee	Attendance Allowance Allowance Value	No. of meetings
	Mr. Shahnawaz Nawabi – Chairperson	Risk Committee	AED 22,500/-	3
	Ms. Laila Al Jassmi – Member		AED 15,000/-	3
	Mr. Ahmed Saif – Member		AED 15,000/-	3

N	Name	Committee	Attendance Allowance Allowance Value	No. of meetings
	Mr. Khaled Al Hasan – Chairperson	Investment Committee	AED 22,500/-	4
	Mr. Bijan Khosrowshahi – Member		AED 20,000/-	4
	Mr. Shahnawaz Nawabi – Member		AED 20,000/-	4

4. Details of any additional allowances, salaries, or fees charged by a member of the Board of Directors, other than the fees for attending the committees and their reasons:

None

– Numbers and dates of BOD meetings held during the FY 2024 as well as the attendance frequency by all the members; in person and by proxy:

Ser	Date of Meeting	Members attended	Attended by proxy	Members not attended
1	23/01/2024	7	None	1. H.H. Sheikh Ahmed Bin Saeed Al Maktoum 2. Mr. Saeed Al Kamda
2	06/03/2024	6	None	1. H.H. Sheikh Ahmed Bin Saeed Al Maktoum 2. Mr. Ali Al Soori 3. Mr. Bijan Khosrowshahi
3	25/04/2024	8	None	One seat kept vacant to appoint an independent Emirati Member.
4	31/07/2024	7	None	1. Mr. Bijan Khosrowshahi 2. Vacant Seat
5	13/08/2024	5	None	1. Mr. Ali Al Soori 2. Mr. Khaled Al Hasan 3. Mr. Bijan Khosrowshahi 4. Vacant Seat
6	17/09/2024	6	None	1. Mr. Khaled Al Hasan 2. Mr. Bijan Khosrowshahi 3. Vacant Seat
7	09/10/2024	7	None	1. Mr. Bijan Khosrowshahi 2. Vacant Seat
8	29/10/2024	7	None	1. Mr. Ali Al Soori 2. Mr. Bijan Khosrowshahi
9	13/11/2024	8	None	1. Ms. Laila Al Jassmi
10	30/12/2024	6	None	1. Mr. Ali Al Soori 2. Mr. Ahmed Saif Bin Bakhit 3. Mr. Bijan Khosrowshahi

E. Number of decisions passed by the during the fiscal year of 2024:

There were no decisions circulated by the Board of Directors during the year 2024.

4. BOARD COMMITTEES

A. Audit Committee:

1. **I (Laila Al Jassmi) as a Chairman of the Audit Committee, acknowledge my responsibility for the Committee system at the company, and reviewing its operations and ensuring its effectiveness.**
2. **The Audit Committee consists of the following independent and non-executive Board members:**

- Ms. Laila Al Jassmi	Chairperson
- Mr. Shahnawaz Nawabi	Member
- Mr. Khalifa Al Mashwi	Member

2. *The Audit Committee consists of the following independent and non-executive Board Members: (Continued)*

The Committee has been entrusted with the following duties and responsibilities in addition to all clauses of the Chairman of Securities and Commodities Authority's Board of Directors' Decision no. (3/Chairman) of 2020 and its amendments:

i. Develop and implement the policy of contracting with the External Auditor and submit a report to the Board of Directors specifying the issues that need an action along with their recommendations.

ii. Verify and ensure the independence, objectivity and discussion of the external auditor on the nature, scope of the audit and its effectiveness in accordance with the approved auditing standards.

iii. Monitor and review the integrity of the company's annual, semi -annual and quarterly financial statements as part of its regular duties during the year. In particular focusing on the followings:

- Any changes in accounting policies and practices.
- To highlight the subject areas to management report.
- Significant amendments resulting from the audit.
- Comply with the accounting standards determined by SCA.
- Comply with the rules of listing, disclosure rules and other legal requirements related to the preparation of financial reports.

iv. Coordination with the Company' Board of Directors, Executive Management and Chief Finance Officer to perform the duties of the Committee; and meet with Company's external auditors at least once a year.

v. Consider any important and unusual items that are, or should be included in such reports and accounts and shall exercise the due diligence to any matters raised by The Chief Finance Officer, Compliance Officer or External Auditor.

vi. Review the financial controls, internal control systems and risk management regulations.

vii. Discuss the internal control systems with management and ensure the performance of its duty in establishing an effective internal control system.

viii. To consider the results of the main investigations in the internal control matters assigned to the Audit Committee by the Board of Directors or initiated by the Committee and approved by the Board of Directors.

ix. Ensure that there is coordination between internal auditor and external auditor to ascertain that necessary resources are provided for the internal audit system and to monitor the effectiveness of that function.

x. Review the financial and accounting policies and procedures of the company.

xi. Review the External Auditor's Report, action plan and any queries that may be submitted to the executive management regarding accounting records, financial accounts or control systems and the executive management response to such queries.

xii. Establish controls that enable Company's staff to report any potential violations of financial reports, internal controls or other matters and actions to ensure the independence and fair investigations of such violations.

xiii. Monitor the company's compliance with the Code of professional conduct.

xiv. Ensure that the business rules related to the Audit Committee obligations and the powers entrusted to them by the Board of Directors are implemented and submit a report to the Board of Directors on the matters included in this clause.

xv. Consideration of any other matters determined by the Board of Directors.

The role of the Committee is to support the Board of Directors in performing its duties to ensure the effective use of available resources, follow up the work of the External Auditor and review the Company's internal control system.

3. **Number of meetings held by the committee during 2024:**

	Date of Meeting	Members attended and position	Attended by proxy	Members not attended
1	05/03/2024	1. Mr. Ahmed Saif Bin Bakhit - Chairperson 2. Mr. Mohammed Juma Saif – Member 3. Mr. Bijan Khosrowshahi – Member	None	None
2	29/07/2024	1. Ms. Laila Al Jassmi – Chairperson 2. Mr. Shahnawaz Nawabi – Member	None	Mr. Khalifa Al Mashwi – Member
3	13/08/2024	1. Ms. Laila Al Jassmi – Chairperson 2. Mr. Shahnawaz Nawabi – Member	None	None
4	12/11/2024	1. Ms. Laila Al Jassmi – Chairperson 2. Mr. Khalifa Al Mashwi- Member	None	Mr. Bijan Khosrowshahi - Member

Internal Audit Yearly Report:

1. **Review of Significant Matters in Financial Statements**

During the year 2024, the Audit Committee reviewed significant matters affecting the financial statements. These matters were addressed through regular meetings with the finance team, reviews of supporting documentation, and detailed discussions with the external auditor.

2. **External Audit Independence and Effectiveness and Approach to Appointment**

The committee evaluates the independence of the external auditor by reviewing their audit plan, scope, materiality, and methodology before making appointment recommendations. Additionally, it obtains confirmation from the external auditor at each committee meeting regarding their independence. To ensure the effectiveness of the external audit, the committee regularly reviews the external auditor's work and holds annual meetings with the external auditor, without the presence of senior management, to promote transparency and allow for discussions of any issues, concerns, or findings.

Regarding the appointment, the external auditor is appointed for a renewable one-year term, with a maximum tenure of six years, and the audit partner being rotated every three years according to relevant regulations. Thus, the external auditor, Grant Thornton, was initially appointed in 2023 and reappointed in 2024.

3. **Recommendation regarding the appointment of External Auditor**

The audit committee recommended the reappointment of Grant Thornton as the company's external auditor for the year 2024. This recommendation is based on the proposal shared with the committee as well as their proven track record of delivering high-quality audits, expertise in the industry, and commitment to independence. The board accepted the recommendation by the Audit committee and nominated Grant Thornton as the external auditor for the year 2024, which was approved at the AGM held on 25th April 2024.

4. **Maintaining Auditor Independence in Non-Audit Services**

The company's Corporate Governance Manual ensures the external auditor's independence by restricting certain non-audit services. External auditor was not appointed for any services other than the Statutory Audit of the company during the year 2024.

5. **Addressing Internal Control Deficiencies**

   To address deficiencies in internal controls and risk management, the committee will review senior management's strategy for risk management, compliance, governance, and internal controls, including fraud prevention, financial and IT security controls. It will also conduct an annual assessment of internal control effectiveness and approve relevant statements for the annual report. In 2024, the committee reviewed key policies, recommending them for Board approval to strengthen governance and enhance internal controls.

6. **Review of Internal Audit Reports**

   The Audit Committee reviewed all the key observations rated as Medium and High risk, with a specific focus on compliance with applicable laws and regulations, company policies and procedures, and fraud prevention. During 2024, the Audit Committee reviewed all Internal Audit reports and evaluated the management action plan along with the target implementation dates to ensure timely addressing of identified weaknesses.

   Accordingly, the committee determined that none of the reported issues stemmed from significant violations but required enhanced monitoring to prevent recurrence.

7. **Corrective Action Plan for Deficiencies**

   The committee has entrusted the internal audit department with conducting follow-ups on corrective actions and reporting the progress to the Audit Committee at regular intervals (quarterly). Accordingly, the Audit Committee reviewed the actions taken by management so far and evaluated the reasonableness of the proposed implementation dates. Furthermore, the Audit Committee advised management to rectify all corrective actions on a priority basis.

8. **Audit of Related Party Transactions**

   To ensure compliance with applicable laws and regulations, the compliance department provided the Audit Committee Members with detailed reports on all related party transactions during 2024 for review. Following the committee's evaluation, no significant irregularities were identified, and all transactions were confirmed to be in compliance with Corporate Governance standards and regulatory requirements.

B. Nominations and Remuneration Committee:

1. **I (Salem Obaidalla) as Chairman of the Nomination and Remuneration Committee acknowledge my responsibility for the Committee system at the Company, review of its operation and ensuring its effectiveness.**

2. **The Nomination and Remuneration Committee was formed by independent and non-executive Board members as follows:**

- Mr. Salem Obaidalla	Chairperson
- Mr. Khaled Al Hasan	Member
- Mr. Ahmed Saif Bin Bakhit	Member

Summary of the Nominations and Remuneration Committee:

The Nomination and Remuneration Committee has been entrusted with the following duties and responsibilities in addition to all clauses of the Chairman of Securities and Commodities Authority's Board of Directors' Decision no. (3/Chairman) of 2020 and its amendments:

i. Establish a nomination policy for the Board of Directors Members and Executive Management, which aims to ensure gender diversity.

ii. Organize and monitor the procedures for nomination to the Board of Directors in accordance with the applicable laws and regulations and the provisions of this resolution.

iii. Ensure the independency of the independent members.

iv. Develop the policy of the remuneration, benefits and incentives for the Board of Directors and employees of the company and to review it periodically.

v. Determine the company's requirements for competencies at the level of executive management and employees and the bases of their selection.

vi. Develop, monitor the implementation of HR Policies and review them annually.

vii. Annual Review.

viii. Consider of any other matters determined by the Board of Directors of the Company.

3. **Number of meetings held by the Committee during 2024:**

	Date of Meeting	Members attended and position	Attended by proxy	Members not attended
1	20/02/2024	1. Mr. Khalifa Al Mashwi - Chairperson 2. Mr. Ali Al Soori – Member 3. Mr. Ahmed Saif Bin Bakhit – Member	None	None
2	03/04/2024	1. Mr. Khalifa Al Mashwi – Chairperson 2. Mr. Ali Al Soori – Member 3. Mr. Ahmed Saif Bin Bakhit – Member	None	None
3	16/07/2024	1. Mr. Khaled Al Hasan – Chairperson 2. Mr. Bijan Khosrowshahi – Member 3. Mr. Ahmed Saif – Member	None	None
4	01/10/2024	1. Mr. Khaled Al Hasan - Chairperson 2. Mr. Bijan Khosrowshahi – Member 3. Mr. Ahmed Saif – Member	None	None
5	15/10/2024	1. Mr. Khaled Al Hasan – Chairperson 2. Mr. Bijan Khosrowshahi – Member 3. Mr. Ahmed Saif- Member	None	None
6	24/10/2024	1. Mr. Khaled Al Hasan – Chairperosn 2. Mr. Bijan Khosrowshahi – Member 3. Mr. Ahmed Saif- Member	None	None
7	24/12/2024	1. Mr. Salem Obaidalla – Chairperson 2. Mr. Khaled Al Hasan – Member 3. Mr. Ahmed Saif- Member	None	None

C. Risk Committee:

1. **I (Shahnawaz Nawabi) as Chairman of the Risk Committee, acknowledge my responsibility for the Committee system at the Company, review of its operation and ensuring its effectiveness.**

2. **The Risk Committee was formed by non-executive and majority of independent Board members as follows:**

- Mr. Shahnawaz Nawabi	Chairperson
- Ms. Laila Al Jassmi	Member
- Mr. Ahmed Saif Bin Bakhit	Member

The committee's powers and tasks assigned to it:

The Committee has been entrusted with the following duties and responsibilities in addition to all clauses of the Chairman of Securities and Commodities Authority's Board of Directors' Decision no. (3/Chairman) of 2020 and its amendments:

i. Review matters & related issues, and have effective communication and coordination with the other Board Committees for exchange of information (if required).

ii. Establish and maintain relationships with external advisors, and consultants.

iii. Ensure reporting to the CBUAE on relevant risk related areas as part of the integrated report as per the applicable laws and regulations.

iv. Review risk management reports and provide periodic updates to the Board on the risk management practices and strategies, key risks facing the business, any changes to the risk profile and the respective mitigation plans.

v. Approve the respective risk related guidelines, internal policies, rules, and procedures to ensure compliance to the applicable laws, regulations, and requirements of the regulatory bodies.

vi. Oversee implementation of an effective risk management/ risk governance framework and culture, recommend to the Board for approval, and update the same annually.

vii. Oversee implementation of risk management policies & procedures, which include identifying, measuring, evaluating, monitoring, reporting and controlling or mitigating all internal and external sources of material risks, and recommend to the Board for approval.

viii. Review and recommend the acceptable level of risk in the Company (Risk Tolerance & Risk Appetite) to the Board for approval and update the same annually.

ix. Evaluate the effectiveness of the systems and techniques of risk management to identify, measure, manage and monitor various risks that the Company is/ may be exposed to.

x. Ensure there is an effective approach followed in establishing business continuity planning, data contingency and information technology disaster recovery plans.

xi. Ensure that risk assessments are performed regularly, follow up on their implementation, monitor the risk management process, and receive assurance from internal and external assurance providers regarding the effectiveness of the risk management process.

xii. Discuss the controls in place to assume & accept, avoid, control, transfer, watch & monitor risk, amongst other things with Risk Management function and Management (if required).

xiii. Review and approve the periodic results/scenarios of the stress-testing programme to facilitate the tracking of trends over time and developments in key risk factors and exposure amounts.

xiv. Oversee implementation of a fraud risk management system including strategy, organizational structure, policies and procedures, and recommend the strategy to the Board for approval.

xv. In conjunction with the Board Investment Committee, assess and manage investment risks, including market, credit, liquidity, and operational risks.

xvi. In conjunction with the Board Audit Committee: Review Senior Management's strategy to design, implement, and maintain appropriate risk management, compliance, governance, and internal control procedures; and Maintain effective communication and coordination with the Board Audit Committee to facilitate the exchange of information and effective coverage of all risks, including emerging risks, and any needed adjustments to the Alliance's risk governance framework.

xvii. Review Alliance's reinsurance strategy and ensure appropriate oversight and consistent implementation of reinsurance programs.

xviii. Review the delegation of authority and the limits set by the management and provide recommendations to the Board of Directors to empower the Senior Management to manage the day-to-day business affairs of the Company.

3. Number of meetings held by the Committee during 2024:

Ser	Date of Meeting	Members attended and position	Attended by proxy	Members not attended
1	19/04/2024	1. Mr. Shahreyar Nawabi - Chairperson 2. Mr. Mohammed Juma Saif – Member 3. Mr. Aimen Azara – Member	None	None
2	30/07/2024	1. Mr. Shahnawaz Nawabi - Chairperson 2. Ms. Laila Al Jassmi - Member 3. Mr. Ahmed Saif Bin Bakhit – Member	None	None
3	18/09/2024	1. Mr. Shahnawaz Nawabi – Chairperson 2. Ms. Laila Al Jassmi – Member 3. Mr. Ahmed Saif Bin Bakhit – Member	None	None
4	11/12/2024	1. Mr. Shahnawaz Nawabi - Chairperson 2. Ms. Laila Al Jassmi – Member 3. Mr. Ahmed Saif Bin Bakhit – Member	None	None

D. Investment Committee:

1. I (Khaled Al Hasan) as a Chairman of Investment Committee, I acknowledge my responsibility for the Committee system at the company, review of its operation and ensuring its effectiveness.

2. The committee consists of the below members:

- Mr. Khaled Al Hasan	Chairman
- Mr. Bijan Khosrowshahi	Member
- Mr. Shahnawaz Nawabi	Member

Summary of the Committee's work report during 2024:

In 2024, the Committee reviewed investment opportunities and proposals, carefully examining them before making recommendations. These recommendations were then submitted to the Board of Directors for final approval, particularly in the event of any changes to the company's strategy or strategic decisions.

3. Statement of number of meetings held by the Committee during 2024

	Date of Meeting	Members attended and position	Attended by proxy	Members not attended
1	30/07/2024	1. Mr. Khaled Al Hasan - Chairperson 2. Mr. Bijan Khosrowshahi – Member 3. Mr. Shahnawaz Nawabi – Member	None	None
2	31/10/2024	1. Mr. Khaled Al Hasan - Chairperson 2. Mr. Bijan Khosrowshahi – Member 3. Mr. Shahnawaz Nawabi – Member	None	None
3	20/11/2024	1. Mr. Khaled Al Hasan - Chairperson 2. Mr. Bijan Khosrowshahi – Member 3. Mr. Shahnawaz Nawabi – Member	None	None
4	24/12/2024	1. Mr. Khaled Al Hasan - Chairperson 2. Mr. Bijan Khosrowshahi – Member 3. Mr. Shahnawaz Nawabi – Member	None	None

E. Insiders' Trading Follow-Up and Supervision Committee:

1. **I (Ehab Radwan Tolba) as Chairman of The Insiders' Trading Follow-up and Supervision Committee Acknowledge my responsibility for the follow-up, its work mechanism and ensuring its effectiveness.**

2. **The Insiders' Trading Follow-up and Supervision Committee was established to deal with insiders and consists of the following members:**

   - Mr. Ehab Radwan Tolba — Chairman
   - Mr. Mahmoud Sherif — Member
   - Ms. Rana Barhoush — Member

   Summary of the Committee's work report during 2024:

   In 2024, the Committee assumed the responsibilities and duties set out below and all the provisions of the Chairman of Securities and Commodities Authority's Board of Directors' Decision no. (3/Chairman) of 2020 and its amendments:

   i. Monitor the implementation of the provisions of the code of professional conduct relating to the transactions of the company's Board and its employees in securities issued by the company and ensure the compliance with their content.

   ii. Prepare a special and integrated register for all insiders, including temporarily insiders having access to the company's internal information before publication. The record also includes the prior and subsequent disclosures of the insiders.

   iii. To maintain the confidentiality of company data and information that may have a material impact ensuring it is not exploited.

   iv. Follow-up by third parties who are aware of the internal data and information of the company, and its clients to maintain the confidentiality of such data and information ensuring non-misuse, or transfer of such information directly or indirectly to third parties.

   v. The committee must seek an authorization from the Board of Directors to obtain from all insiders a written declaration acknowledging their legal obligation to ensure the confidentiality of information they have access to, e.g. official company statements, internal data, information related to the company and its customers by confirming their knowledge in writing that they bear the legal responsibility in leaking such information or data or providing advice on the basis thereof, and their obligation to notify the company of any trades they make on the company's securities.

3. **Summary Report on Committee's function during 2024:**

   During 2024, the composition of the Insider Trading Committee (ITC) was revised to align with internal governance policies. The following changes were implemented:

   i. Rami A Mughrabi & Khalid Elayyan stepped down from the committee, effective 01/11/2024.

   ii. Mahmoud Ahmed Sherif & Rana Barhoush were appointed as a committee member, effective 01/11/2024.

   iii. The committee continued to focus on compliance with insider trading regulations, regulatory reporting, and governance best practices.

   The Committee met 8 times during the year 2024 as follows:

   - March 2024: Q1 Meeting
   - June 2024: Q2 Meeting
   - July 2024: Ad-hoc meeting pursuant CBUAE approval for 2 board members.
   - From August, 2024, onwards: Monthly meetings

4. **Statement of the tasks and powers of the Board of Directors carried out by a member of the board of the executive management during 2024 based on delegation from the board:**

S	Name of delegated person	Delegation Validity	Duration
1	Mr. Ali Al Soori	To sign on company's financial transactions solely.	unlimited period
2	Mr. Shahreyar Haider Nawabi	To sign on company's financial transactions jointly with the General Manager for amounts not exceeding Five Million Dirhams.	unlimited period
3	Mr. Rami El Mughrabi	To conduct all Company's affairs with the exception of opening and closing Bank Accounts.	unlimited period
4	Investment Committee	Consider and study possible investment fields and invest the company's funds and present them to the Board of Directors for approval.	unlimited period

5. **Statement of the details of transactions made with the related parties (stakeholders), during 2024:**

S	Statement of Related Parties	Nature of relationship	Type of Transaction	Transaction volume
1	Mr. Ali AlSoori	Chairman	Insurance premiums	993,476
2	Mr. Ahmed Saif Rashid Bin Bakhit	Member	Insurance premiums	4,326
3	Mr. Khalifa Salim Humaid Al Mashwi	Member	Insurance premiums	19,667
4	Other companies fully/partly owned by the heirs of late Juma Bin Bakhit	Shareholder	Insurance premiums	4,036,694
5	Companies fully owned by Mr. Saeed Mohammed Al Kamda	Shareholder	Insurance premiums	120,671

During the year 2024, the Company issued insurance policies, collection of premiums and payment of claims to companies owned by the Chairman and some Board members who have insurance transactions with the Company and classified as related parties in accordance with International Financial Reporting Standards. The total written premium from related parties is AED 5,174,834.

- There were no transactions equal to 5% or more of Company's capital with related parties during 2024.

5. ASSESSMENT OF THE BOARD OF DIRECTORS:

A. Board, Committees and Executive Management Assessment:

1. **The annual assessment of the performance of the board of directors, its members and committees:**

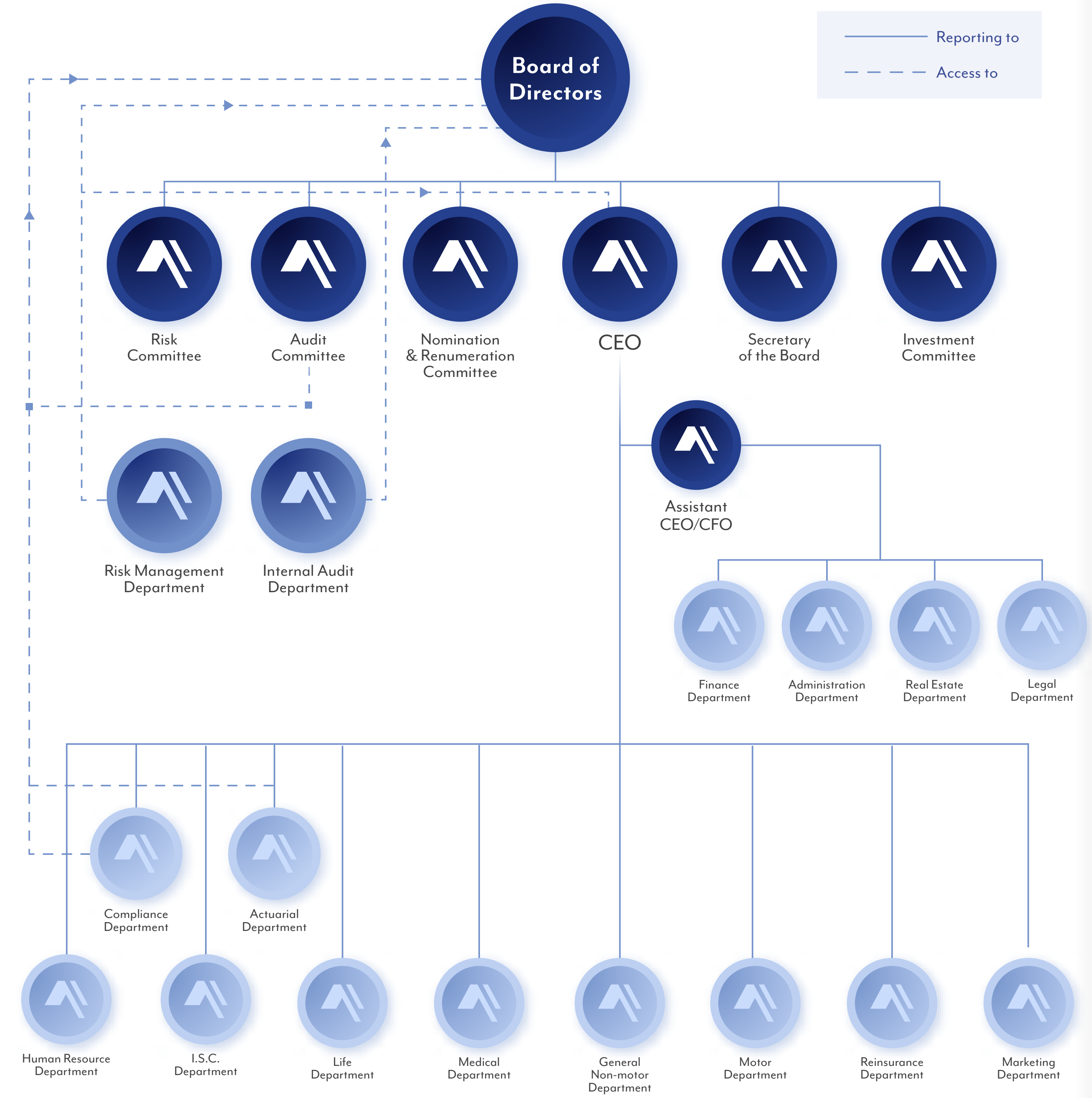
   An assessment conducted by NRC for company's board of directors, its committees and the executive management for the year 2024. Recommendation was set to be considered during the election for the new board cycle.

2. **Assessment of the company's board of directors, its members and committees by an independent professional Entity:**

   There was no assessment by an independent entity during the year 2024 due to the elections for a new cycle of the board of directors. External assessment will be done during the year 2025.

6. ORGANIZATIONAL STRUCTURE AND EXECUTIVE MANAGEMENT:

Organizational Structure



A detailed statement of the senior executive employees in the first and second ranks according to the Company's organizational structure (3.D), their jobs, dates of appointment, total salaries and bonuses paid to them:

S/N	Position	Date of Appointment	Total Salaries and Allowances paid in 2024 (AED)	Total Bonuses paid for 2024 (AED)	Any other Cash/ in-kind bonuses for 2024 or due in the future
1	Chief Executive Officer	08/02/2012	1,903,890.00	2,154,085.96	50,000
2	Asst. CEO/ CFO	09/11/2016	586,640.00	Not Declared	None
3	Manager - Reinsurance Dept.	21/08/2019	338,230.00	Not Declared	None
4	Chief Underwriting Officer	15/05/2023	398,878.00	Not Declared	None
5	Head of Motor Dept.	10/08/2000	403,060.00	Not Declared	None
6	Head of Actuarial Dept & IFRS 17 Reporting	14/04/2019	349,760.00	Not Declared	None
7	Head of Life Dept.	09/06/2019	389,291.00	Not Declared	None
8	Head of Health Insurance Dept	01/11/2024	60,000.00	Not Declared	None
9	Manager – HR Dept.	01/05/2018	240,000.00	Not Declared	None
10	Manager – IT Dept.	01/06/2006	352,000.00	Not Declared	None
11	Head Compliance Dept.	22/05/2023	330,000.00	Not Declared	None

7. EXTERNAL AUDITOR:

A. A brief about Company's External Auditor to the shareholders:

Grant Thornton was appointed by General Assembly Meeting held on 25/04/2024 as an external auditor for the year 2024. Grant Thornton is among of the international accredited auditing firms in the UAE and operating in the Middle East since 1966, specifically since 1998 in the UAE. Grant Thornton also audits many companies through several Branches in the Region and performs financial auditing for many insurance companies in the UAE.

B. A statement of the fees or costs of auditing or the services provided by the external auditor:

Name of Auditing Firm: Grant Thornton	Partner Name – Auditor – Mohammad Farooq
Number of years served as an external auditor for the Company:	2
Number of years spent by the Partner Auditor auditing company's financials :	2
Total value of audit fees for 2024 (in AED):	AED 400,000
Details and nature of other services provided (if any):	--
The value of fees and costs incurred for other special services other than auditing the financial statements for 2024 (in AED):	--
Statement of the other services that an external auditor other than the Company's auditor provided in 2024 (if any):	-- --

C. Statement explaining the reservations that the company auditor included in the interim and annual financial statements for 2024:

There were no reservations by the External Auditor in the quarters and annual financial statements of the year 2024.

8. INTERNAL CONTROL SYSTEM:

A. The Board of Directors of the Company acknowledges its responsibilities for the internal control system and its effectiveness. The Board also reviews the system to ascertain its effectiveness ensuring company and its employees are fully compliant with the provisions of the laws, regulations and decisions in force. The Board of Directors responsibilities further include the monitoring of internal policies, procedures and reviewing the financial data presented to the Company's Senior Management which is used in the preparation of Financial Statements.

B. Mr. Khalid Bassam Elayyan, who was appointed on 26/06/2018 as an Internal Auditor, assumes the responsibilities of the Internal Audit Department. Mr. Khalid holds a Bachelor Degree in Finance from The University of Jordan and a Certified Fraud Examiner (CFE) accredited by ACFE. Mr. Khalid has more than 10 years of combined experience in both external and internal auditing where he spent more than five years as an External Auditor in one of the most reputable International Audit Companies before transitioning into internal Audit.

C. Mrs. Rana Barhoush, a Jordanian national, has assumed the duties of Head of Compliance Department since 05/22/2023. Mrs. Rana holds a Bachelor Degree in Computer Engineering from the University of Science and Technology - The Hashemite Kingdom of Jordan and also holds several certificates in the field of money laundering, including CAMS, CFCS and CGSS, Mrs. Rana has more than ten years of experience in the field of compliance and money laundering in the country.

D. Alliance has contracted for Chief Information Security Officer (vCISO) with UAE-based cybersecurity consulting firm to enhance the cybersecurity posture and compliance with regulatory requirements. The vCISO service includes advisory, oversight, and implementation of information security strategies, tailored specifically to the needs of an insurance provider operating in the UAE.

E. The Internal Control Department deals with potential challenges or matters that arise in the Company and submits its reports to the Audit Committee, in turn the Audit Committee presents any observations to the Board of Directors along with recommendations to address gaps in the internal control system and to resolve irregularities if any. This is conducted periodically or at any time the Board finds it necessary. Noting that, in the year 2024 the Company did not face any challenges that required the involvement Internal Control Department. Also, there were no material undisclosed issues in the annual report and Financial Statements of the company for the year 2024. The Internal Control Department prepares the annual audit plan with the Audit Committee and the concerned departments within the Company in order to implement agreed plans, in addition to carrying out any other duties or responsibilities required by the Board of Directors or the Audit Committee.

Number of reports issued by the Internal Control Department to the Board of Directors:

During Fiscal year 2024, four Audit Committee meetings were conducted to discuss 5 Internal Audit reports issued to Audit Committee.

9. DETAILS OF THE VIOLATIONS COMMITTED DURING THE YEAR 2024, AND EXPLANATION FOR THEIR CAUSES, AND HOW TO ADDRESS THEM AND AVOID THEIR RECURRENCE IN THE FUTURE:

Based on DOH Audit 3 findings were highlighted pertaining to non-compliance with releasing the renewal terms 30 days prior to expiry with a total amount of AED 22,500.

10. RISK MANAGEMENT:

A. Over view of Risk management strategy

Alliance risk management strategy is a comprehensive framework aimed at identifying, assessing, and managing risks to fulfil the company's objectives. It involves a commitment from all levels of the management, integrating the risk management into corporate culture and governance. The strategy includes roles for the Board Risk Committee and Risk Management department, emphasizing transparency, controls, and accountability. Tools for effective risk management include detailed reporting and review processes, ensuring data quality and business continuity procedures. The strategy focuses on maintaining a balance between risk and opportunity, aiming for a sustainable and resilient operational environment.

B. Information On purpose, strategies, Structures and related controls of material and complex or non-transparent activities.

Purpose of the Risk management strategy is to ensure the right risk culture and Risk governance implementation across the organisation.

Strategies and Structure

i. Risk Governance and Tools: Alliance has established a risk governance model ensuring proper structures and tools for identifying, monitoring, and controlling risks. This includes a clear governance structure, roles, and responsibilities, as well as the use of both qualitative and quantitative tools for risk analysis.

ii. Roles and Responsibilities: The roles and responsibilities within the risk management framework are clearly defined, supporting the Board Risk Committee (BRC) in managing and reporting major risks, developing appropriate risk frameworks with adequate limits, and facilitating the day-to-day management and monitoring of risks.

iii. Reporting and Review: The performance of the company and its risk exposures are closely monitored through comprehensive management information packages, which are presented to the BRC, senior management, and, when required, external bodies or CBUAE.

Related Risks and Related Controls

i. Material Risks: Include various types of risks such as underwriting, claims, capital, reserving operational, market, credit, liquidity, and strategic risks. Each type of risk has specific controls and mitigation strategies.

ii. Complex or Non-transparent Activities: The strategy emphasizes the importance of transparency, data quality, and independence in managing risks associated with complex or non-transparent activities. Controls in these areas include ensuring accurate and reliable data for decision-making, clear segregation of duties, and the establishment of a stress testing framework.

iii. Risk Materiality and Complexity Handling: Alliance implements use of risk analysis tools designed to rank or prioritize risks, recommending a methodology that matches the significance and complexity of the risk being analysed. This includes a detailed process for identifying, assessing, and responding to risks, ensuring that the company's capital management strategies are aligned with its risk appetite and regulatory requirements.

C. Forward-Looking Statements

Alliance continuously following up with the changes in the market and evolving nature of the risks. Emerging Risk frame work included in the ORSA policy and procedure for the forward-looking risk aspect of the company.

i. Digital Transformation and Cybersecurity: Alliance Insurance is poised to lead the digital transformation within the insurance sector, aiming to enhance customer experience and operational efficiency. However, this digital shift brings the forefront of cybersecurity risks, requiring constant vigilance and adaptive risk management strategies.

ii. Climate Change and Sustainability: As part of our commitment to sustainability, Alliance Insurance is integrating climate risk assessments into our risk management framework. We anticipate that the increasing frequency and severity of weather-related events will have a significant impact on underwriting strategies and claims management.

iii. Regulatory Evolution: The evolving regulatory landscape, particularly around solvency and consumer protection, will drive Alliance Insurance to continuously adapt our risk management practices to not only comply with new regulations but to exceed them, ensuring robust financial health and consumer trust.

11. STATEMENT OF THE CASH AND IN-KIND CONTRIBUTONS MADE BY THE COMPANY DURING 2024 TO SUPPORT LOCAL COMMUNITY DEVELOPMENT AND ENVIRONMENTAL PRESERVATION:

Alliance Insurance company contributed AED 250,000 to support charitable and humanitarian organizations that seek to help various entities, including Beit Al Khair Society, Emirates Association of the Visually Impaired, Al Noor Centre for the Care of Disabled, Khorfakkhan Club for the Disabled, Al Tareq Rehabilitation & Autism Center, UAE Deaf Association, Sheikh Mohammad Center for Culture and Social Understanding, West Asia Paralympic Federation, UAE Genetic Diseases Association, Ajman Cub for the Disabled. The company also provides special discounts to drivers who have accident-free records and adhere to all traffic rules.

To preserve the environment's safety, the company continues to reduce paper usage by recycling methods and using new eco-friendly software programs. The company also renewed the partnership contract with M/s. (Shred-it) a company specializing in recycling all kinds of papers, and as a consequence, the company was able to save 59.04 trees, CO2 equivalents reduced-399 kg, Landfill equivalents reduced-10.42 m^3, Energy equivalents saved-13,892 kWh, Water equivalents saved-113,512 liters in 2024.

Alliance also signed a partnership contract with M/s. Reloop, which is specialized in plastic recycling and contributed to reduce carbon dioxide emission by 2,423.6KG, Total Recycled Materials-1,217.07 kg, Plastics-1,211.73 kg, Metals-0.20 kg, Paper-5.14 kg; Water Saved-136.21 liters, Electricity Saved-7,018.37 kWh, Landfill Space Saved-982.07 ft^2, Trees Saved-0.07 trees, Oil Saved-3,144.02 liters.

Alliance continues to used organic pesticides for pest control service in its owned buildings, and eco-friendly materials in its advertising materials, office supplies & sanitary wares.

Considering the importance of Health Awareness in the community, Alliance organized a Wellness Program in corporation with Medeor Hospital, which received a great turn out by stakeholders, which reflected on the success of the campaign in a very high rate. During Breast Cancer Awareness Month, Alliance marked the occasion by sharing awareness brochures to its clients and employees, along with special gifts for the event.

Under the initiative of "Lawlakom Ma Konna", Alliance Insurance Company organized a visit to the Senior Citizens Happiness Center, which included many activities, which been enjoyed by our elderly fathers.

It also held a chess and Sudoku event for employees and the public with the aim of stimulating the mind and enhancing the spirit of comradeship, and distributed prizes to the winners.

To enhance the concept of the National Day of the UAE, Alliance held a grand celebration for the public, which included a traditional Emirati breakfast, Henna painting, and distribution of various food, rinks/candies reflecting the rich, tradition of UAE as well as the distribution of gifts to all children. Then, and Emirati lunch was organized for all attendees.

12. GENERAL INFORMATION:

a. A statement of the Company share price in the Market during the year 2024:

Month	Closing Price	High	Low
January 2024	390.000	390.000	390.000
February 2024	390.000	390.000	390.000
March 2024	390.000	390.000	390.000
April 2024	390.000	390.000	390.000
May 2024	390.000	390.000	390.000
June 2024	390.000	390.000	390.000
July 2024	390.000	390.000	390.000
August 2024	390.000	390.000	390.000
September 2024	390.000	390.000	390.000
October 2024	390.000	390.000	390.000
November 2024	390.000	390.000	390.000
December 2024	390.000	390.000	390.000

b. A statement of the comparative performance of the company's shares with the market index and the sector index to which the company belongs during year 2024.

Month	Share price of the company	Market Index	Sector Index
January 2024	390.000	4169.08	2994.64
February 2024	390.000	4308.77	3177.61
March 2024	390.000	4246.27	2996.04
April 2024	390.000	4155.77	2904.37
May 2024	390.000	3977.93	2806.37
June 2024	390.000	4030.00	2892.02
July 2024	390.000	4268.05	3123.49
August 2024	390.000	4325.45	3170.42
September 2024	390.000	4503.48	3285.28
October 2024	390.000	4591.05	3278.13
November 2024	390.000	4847.34	3381.63
December 2024	390.000	5158.67	3478.95

c. **A statement of shareholding distribution as of 31/12/2024:**

S/N	Shareholder Category	Distribution of Shares Held			
		Individual	Companies	Government	Total
1	Local	460,000	50,000	-	510,000
2	GCC	-	489,850	-	489,850
3	Arab	-	-	-	-
4	Foreign	150	-	-	150
	Total	**460,150**	**539,850**	**-**	**1,000,000**

d. **A statement of the shareholders who hold 5% or more of the Company's capital as of 31/12/2024:**

S/N	Name	Number of Shares Held	% of the Shares Held of the Company's Capital
1	M/s. Solidarity Bahrain	289,850	28.985%
2	M/s. Gulf Insurance Company	200,000	20%
3	M/s. Ashraf Nawabi Foundation	50,000	5%
4	Mr. Rashid Saeed Mohammed Al Kamda	50,000	5%
5	Mr. Rashid Saif Rashid Ali Bakhit	52,130	5.213%
6	Mr. Saeed Mohammed Al Kamda	75,000	7.5%
7	Ms. Fatma Obaid Khalfan Tamim	79,467	7.9467%

e. **A statement of shareholders distribution according to the volume of ownership as of 31/12/2024:**

S/N	Share(s) Owned	Number of Investors	Owned quantity	Owned quantity %
1	Less than 50,000	14	203,553	20.355%
2	Between 50,000 and 500,000	7	796,447	79.645%
3	Between 500,000 to and 5,000,000	0	0	0.000
4	Greater than 5,000,000	0	0	0

f. **Statement detailing the procedures undertaken regarding investor relation controls:**

The Company has appointed an Investor Relations Officer and assigned her with all duties as stated in the resolution of the Chairman of Securities and Commodities Authority's Board of Directors' Decision no. (3/Chairman) of 2020 and its amendments:

Investor's Relation Officer Data:

Name : Mahmoud Ahmed Sherif
Email : mahmoud.sherif@alliance-uae.com
Tel : 00971 46051250
Mobile No : 00971 50 2937884
Fax No : 00971 46051112/3
Direct Link : http://www.alliance-uae.com/investor-relations/

g. **Statement of special decision presented to the General Assembly held during 2024 and actions taken in relation thereto:**

A special resolution was issued in 25/04/2024 and in 05/9/2024 to amend the Articles of Association during the 2024 and were approved by the general assembly and the concerned authorities.

h. **Name of the rapporteur of the Board of Directors and date of appointment:**

Rapporteur Name: Alia Khalil Al Hattab
Appointed Date: 25-Apr-1998.

i. **Detailed statement of the fundamental events and important disclosures that the company encountered during 2024:**

No significant events experienced by the company during the year 2024.

j. **Statement of the deals made by the company with related parties during 2024 that equated to 5% or more of the company's capital:**

None

k. **Statement of the percentage of nationalization in the company by end of 2022, 2023 and 2024:**

The rate of Emiratization reached 6.31% in 2022, 11.43% by the end of 2023 and 13.58% by the end of 2024. The company is working diligently to increase the numbers of UAE Locals with the cooperation of Ministry of Human Resources and Emiratization.

I. A statement of the Innovative projects and initiatives that the Company has undertaken or is currently developing during 2024:

In 2024, the Life Department introduced "Smart Life," a fully digitalized product designed to enhance user experience through innovative technology. And lunched the "Future Shield Plan," a comprehensive child savings and protection plan.

Chairman of the Board

Chairman of the Audit Committee

Chairman Nominations and Remuneration Committee

Chairman of Risk Committee

Chairman of the Insider Committee

Manager - Internal Audit Dept

Alliance Insurance (P.S.C.)
P.O. Box 5501, Dubai U.A.E.

APPENDICES

GRI, DFM Content Index and Abbreviations

GRI Standards Content Index

Statement of use	Alliance Insurance has reported in accordance with the GRI Standards for the period 1st January 2024 to 31st December 2024 in accordance with the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	None

GRI Standard/ Other Source	Disclosure	Location or Direct Answer	Omission	
			Reason	Explanation
General disclosures				
GRI 2: General Disclosures 2021	2-1 Organizational details	Page 7-11	A gray cell indicates that reasons for omission are not permitted for the disclosure or that a GRI Sector Standard reference number is not available.	
	2-2 Entities included in the organization's sustainability reporting	Page 2		
	2-3 Reporting period, frequency and contact point	Page 2		
	2-4 Restatements of information	Page 44		
	2-5 External assurance	Alliance does not seek external assurance		
	2-6 Activities, value chain and other business relationships	Page 9-11		
	2-7 Employees	Page 45-46		
	2-8 Workers who are not employees	Page 45-46		
	2-9 Governance structure and composition	Page 69		
	2-10 Nomination and selection of the highest governance body	Page 71		
	2-11 Chair of the highest governance body	Page 69-71		
	2-12 Role of the highest governance body in overseeing the management of impacts	Page 69-71		
	2-13 Delegation of responsibility for managing impacts	Page 69-71		
	2-14 Role of the highest governance body in sustainability reporting	Page 69-71		
	2-15 Conflicts of interest	Page 59		
	2-16 Communication of critical concerns	Page 69-76		
	2-17 Collective knowledge of the highest governance body	Page 69-76		
	2-18 Evaluation of the performance of the highest governance body	Page 71		

GRI Standard/ Other Source	Disclosure	Location or Direct Answer	Omission	
			Reason	Explanation
GRI 2: General Disclosures 2021	2-19 Remuneration policies	Page 70-71		
	2-20 Process to determine remuneration	Page 70-71		
	2-21 Annual total compensation ratio		Confidentiality constraints	This information is confidential
	2-22 Statement on sustainable development strategy	Page 17		
	2-23 Policy commitments	Page 36, 41, 42, 48, 49, 50, 52, 59, 75, 76		
	2-24 Embedding policy commitments	Page 36, 41, 42, 48, 49, 50, 52, 59, 75, 76		
	2-25 Processes to remediate negative impacts	Page 69-76		
	2-26 Mechanisms for seeking advice and raising concerns	Page 48		
	2-27 Compliance with laws and regulations	Page 74, 75		
	2-28 Membership associations	Page 12		
	2-29 Approach to stakeholder engagement	Page 18, 19		
	2-30 Collective bargaining agreements	–	Not applicable	Not applicable for companies operating in the UAE.
Material Topics				
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Page 20	A gray cell indicates that reasons for omission are not permitted for the disclosure or that a GRI Sector Standard reference number is not available.	
	3-2 List of material topics	Page 20		
Economic Performance				
GRI 3: Material Topics 2021	3-3 Management of material topics			
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Page 27-28		
	201-2 Financial implications and other risks and opportunities due to climate change	Page 27-28, 74		
	201-3 Defined benefit plan obligations and other retirement plans	Page 27-28		
	201-4 Financial assistance received from government	Page 27-28		
Indirect economic impacts				
GRI 3: Material Topics 2021	3-3 Management of material topics			
GRI 203: Indirect Economic Impacts 2016	203-2 Significant indirect economic impacts	Page 27-28		

GRI Standard/ Other Source	Disclosure	Location or Direct Answer	Omission	
			Reason	Explanation
Procurement practices				
GRI 3: Material Topics 2021	3-3 Management of material topics			
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Page 60		
Anti-corruption				
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 75, 76		
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Page 76		
	205-2 Communication and training about anti-corruption policies and procedures	Page 76		
	205-3 Confirmed incidents of corruption and actions taken	Page 76		
Energy				
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 63		
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Page 65		
	302-3 Energy intensity	Page 65		
	302-4 Reduction of energy consumption	Page 65		
Water and effluents				
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 63		
GRI 303: Water and Effluents 2018	303-5 Water consumption	Page 66		
Emissions				
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 63, 64		
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Page 65		
	305-2 Energy indirect (Scope 2) GHG emissions	Page 65		
	305-3 Other indirect (Scope 3) GHG emissions	Page 65, 66		
	305-4 GHG emissions intensity	Page 66		
Waste				
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 63		
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Page 66		

GRI Standard/ Other Source	Disclosure	Location or Direct Answer	Omission	
			Reason	Explanation
GRI 306: Waste 2020	306-2 Management of significant waste-related impacts	Page 63, 66		
	306-3 Waste generated	Page 66		
Supplier environmental assessment				
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 59, 60		
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Page 60		
Employment				
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 41, 42		
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Page 43		
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Page 41-42, 49-50		
Occupational health and safety				
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 52		
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Page 52		
	403-2 Hazard identification, risk assessment, and incident investigation	Page 52		
	403-5 Worker training on occupational health and safety	Page 52		
Training and education				
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 42		
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Page 44		
	404-2 Programs for upgrading employee skills and transition assistance programs	Page 42		
	404-3 Percentage of employees receiving regular performance and career development reviews	Page 44		
Diversity and equal opportunity				
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 50		
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Page 45, 46, 47, 50, 51, 71		

GRI Standard/ Other Source	Disclosure	Location or Direct Answer	Omission	
			Reason	Explanation
Non-discrimination				
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 48, 50		
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Page 48		
Local communities				
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 55-58		
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Page 55-58		
Supplier social assessment				
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 59, 60		
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Page 60		
Marketing and labeling				
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 36		
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	Page 36, 37		
	417-2 Incidents of non-compliance concerning product and service information and labeling	Page 36, 37, 38		
	417-3 Incidents of non-compliance concerning marketing communications	Page 32		
Customer privacy				
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 31, 32, 35		
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Page 38		

DFM Content Index

ESG Metric	Calculation	Unit	Corresponding GRI Standard	Corresponding Page Number / Direct Answer	Omission, if any – Reason & Explanation
E1. GHG Emissions	E1.1) Total amount of Scope 1 emissions	tonCO2eq	GRI: 305-1	Page 65	
	E1.2) Total amount of Scope 2 emissions	tonCO2eq	GRI: 305 -2	Page 65	
	E1.3) Total amount of Scope 3 emissions	tonCO2eq	GRI: 305-3	Page 65-66	
	E1.4) Please describe investments, initiatives and projects to reduce CO2 emissions	Text		Page 63-66	
E2. Emissions Intensity	E2.1) GHG emissions intensity	tonCO2eq/per output scaling factor	GRI: 305-4	Page 65	
	E2.2) Non-GHG emissions intensity	tonCO2eq/per output scaling factor	GRI: 305-7	-	Not applicable
E3. Energy Usage	E3.1) Total amount of direct energy consumed	GJ or MWh	GRI: 302-1, 2	Page 65	
	E3.2) Total amount of indirect energy consumed	GJ or MWh	GRI: 302-1, 2	Page 65	
E4. Energy Intensity	E4.1) Direct energy use intensity	GJ or MWh/per output scaling factor	GRI: 302-1	Page 65	
	E4.2) Total indirect energy usage per output scaling factor	GJ or MWh/per output scaling factor	GRI: 302-2	Page 65	
	E4.3) Please describe investments, initiatives and projects to reduce energy consumption and to increase energy efficiency	Text		Page 63-66	
E5. Energy Mix	E5.1) Renewable energy used	GJ, MWh or %	GRI: 302-1	0%	
	E5.2) Non-renewable energy used	GJ, MWh or %	GRI: 302-2	100%	
E6. Water and Effluents	E6.1) Total amount of water withdrawn	m3	GRI: 303-3	Page 66	
	E6.2) Total amount of water discharged	m3	GRI: 303-4	-	Data not available.
	E6.3) Total amount of water consumed (If possible, a breakdown by source: surface water, groundwater, seawater, etc.)	m3	GRI: 303-5	Page 66	
	E6.4) Water intensity	m3/per output scaling factor		Page 66	

ESG Metric	Calculation	Unit	Corresponding GRI Standard	Corresponding Page Number / Direct Answer	Omission, if any – Reason & Explanation
E6. Water and Effluents	E6.5) Water recycled (If applicable)	%		-	Data not available.
	E6.7) Please describe investments, initiatives and projects to reduce water consumption and to increase water recycling	Text		Page 66	
E7. Waste	E7.1) Total amount of waste generated (if possible, broken down by Hazardous and Non-hazardous)	Tonnes	GRI: 306-3	Page 66	
	E7.2) Total amount of waste diverted from disposal (if possible, broken down by Hazardous and Non-hazardous)	Tonnes	GRI: 306-4	-	Data not available.
	E7.3) Total amount of waste directed to disposal (if possible, broken down by Hazardous and Non-hazardous)	Tonnes	GRI: 306-5	-	Data not available.
	E7.4) Total number and volume of oil spills (if applicable)	# and tonnes	GRI: 11 Oil and Gas Sector	-	Not applicable
	E7.5) Please describe investments, initiatives and projects to reduce waste generation consumption and to increase waste recycling	Text		Page 63, 66	
E8. Environmental Management	E8,.1) Does your company follow a formal Environmental Policy?	Yes/No	GRI: 23-2	Yes	
	E8.2) Does your company follow specific waste, water, energy, and/or recycling polices?	Yes/No	GRI: 24-2	Alliance has an HSE policy	
	E8.3) Does your company adopt a recognized environment and energy management systems such as ISO14001 and ISO50001?	Yes/No		No	
	E8.4) Does you company have targets in place with regards to environment, energy, water and waste?	Yes/No		No	
	E8.5) Please indicate if any fines received (> USD 10000) for non-compliance with laws and regulations regarding environmental management during the last reporting period	USD	GRI 27-2 :2	No fines received.	
E9. Climate Risk Manage-ment and Oversight	E9.1) Does your Board/ Management Team oversee and/or manage climate-related risks and opportunities? If yes, describe.	Yes/No	GRI 12:2	Page 74	
	E9.2) Please describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	Text		Page 74	

ESG Metric	Calculation	Unit	Corresponding GRI Standard	Corresponding Page Number / Direct Answer	Omission, if any – Reason & Explanation
E9. Climate Risk Manage-ment and Oversight	E9.3) Please describe the organisation´s processes for identifying and assessing climate-related risks	Text		Page 74	
	E9.4) Please describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning	Text		Page 74	
	E9.5) Total amount invested, periodically, in climate-related infrastructure, resilience and product development	Monetary value. Reporting currency, preferably in USD		-	Data not available.
	E9.6) Please describe the greenhouse gas emission targets (Scope1, Scope 2 and Scope3) and the related risks	Text		-	Not applicable
	E9.7) Please share your actions to align with UAE's Net Zero Commitment by 2050. Do you have a net zero emissions target in place?	Text		Currently there is no target in place.	
E10. Biodiversity	E10.1) Please share number of operational sites owned, managed and/or leased in or adjacent to protected areas and areas of high biodiverstiy value.	Number	GRI: 1-304	-	Not applicable
	E10.2) Please describe significant impacts of activities, products and services on biodiversity	Text	GRI: 2-304	-	Not applicable
S1. CEO Pay Ratio	S1.1) Please share the ratio of CEO total compensation to median full-time employee (FTE) total compensation	Number	GRI 2: 21	-	Data not disclosed.
	S1.2) Does your company report this metric (above) in any regulatory filings?	Yes/No		No	
S3. Breakdown with Staf	S3.1) Please share the total enterprise headcount held by full-time employees (broken down by: gender, age and seniority level)	Number and %	GRI 2: 7	Page 45-46	
	S3.2) Please share the total enterprise headcount held by part-time employees (broken down by, gender, age and seniority level)	Number and %	GRI 2: 7	Page 45	
	S3.3) Please share the total enterprise headcount held by contractors and/or consultants	Number and %	GRI 2: 8	Page 45	
	S3.4) Please share the total of national employees (broken down by, gender, age and seniority level)	Number and %	GRI: 202-2	Page 50, 51	

ESG Metric	Calculation	Unit	Corresponding GRI Standard	Corresponding Page Number / Direct Answer	Omission, if any – Reason & Explanation
S4. Employee Turnover and New Hires	S4.1) Year-over-year change for full-time employees (broken down by gender, age, and seniority level)	Number and %	GRI: 401-1	Page 43, 45	
	S4.2) Year-over-year change for part-time employees	Number and %	GRI: 401-1	Page 45	
	S4.3) Year-over-year change for contractors and/or consultants	Number and %	GRI 2: 8	Page 45	
	S4.4) Year-over-year of new hires (broken down by age, gender and seniority level)	Number and %	GRI: 401-1	Page 43	
S5. Gender Diversity and Equality	S5.1) Total enterprise headcount held by men and women	Number and %	GRI 2: 9 / GRI: 405-1	Page 45	
	S5.2) Total entry and mid-level positions held by men and women	Number and %	GRI 2: 9 / GRI: 405-1	Page 47	
	S5.3) Total senior and executive-level positions held by men and women	Number and %	GRI 2: 9 / GRI: 405-1	Page 47	
	S5.4) The ratio of median male employee compensation to median female employee compensation	Number	GRI: 405-1	-	Data not available.
	S5.5) Please describe your company's initiatives or programs to support the recruitment and retention of female employees, and to support female employees to advance to management positions.	Text	GRI: 2-19	Page 50, 51	
S6. Human Rights	S6.1) Does your company follow a harassment and/or non-discrimination policy?	Yes/No	GRI 2: 23	Yes	
	S6.2) Does your company have a formal grievance mechanism in place?	Yes/No	GRI 2: 23	Yes	
	S6.3) Does your company follow a child and/or forced labor policy?	Yes/No	GRI 2: 23	Yes	
	S6.4) Does your company follow a human rights policy?	Yes/No	GRI 2: 23	Yes	
	S6.5) Does your company provide training on human rights and related internal policies for your employees?	Yes/No	GRI: 404-1	Yes	
S7. Health and Safety	S7.1) Does your company follow an occupational health and safety policy?	Yes/No	GRI 2: 23	Yes	
	E7.2) Does your company adopt a recognized health and safety management systems such as ISO45001?	Yes/No		No	

ESG Metric	Calculation	Unit	Corresponding GRI Standard	Corresponding Page Number / Direct Answer	Omission, if any – Reason & Explanation
S7. Health and Safety	S7.3) Please share the total employee and total contractors (if available) manhours	Hours	GRI: 403-9	-	
	S7.4) Please share the total employee fatalities	Number	GRI: 403-9	Page 52	
	S7.5) Please share the employee lost time injury (LTI)	Number	GRI: 403-9	Page 52	
	S7.6) Please share the lost time injury frequency (LTIF)	Number	GRI: 403-9	Page 52	
	S7.7) Please share the total health and safety training provided to employees	Hours	GRI: 403-5	Page 52	
S8. Community Engagement	S8.1) Please share the total amount invested in the community, including philanthropy, donations and sponsorships	Amount invested/ Yearly revenue in reporting currency		Page 58	
	S8.2) Please share the total employee volunteering completed during the reporting period	Hours		Page 58	
G1. Board Diversity	G1.1) Total board seats occupied by men and women	Number and %	GRI 405-1	Page 71	
	G1.2) Total committee chairs occupied by men and women	Number and %	GRI 405-1	Page 71	
G2. Board Independence	G2.1) Does company prohibit CEO from serving as board chair?	Yes/No	GRI 405-1	Yes	
	G2.2) Please share the total board seats occupied by independents	%	GRI 405-1	Page 71	
G3. Collective Bargaining	G3.1) Please share the total enterprise headcount covered by collective bargaining agreement(s) *Applicable to companies operating in countries in which collective bargaining is applicable by law	%	GRI 2: 30	-	Not applicable
G4. Supply Chain Management	G4.1) Are your vendors or suppliers required to follow a Code of Conduct?	Yes/No		Yes	
	G4.2) If yes, what percentage of your suppliers are formally certified and compliant with the Code?	Number or %	GRI: 308-1	Page 59-60	
	G4.3) Please share the suppliers that underwent a supplier's environmental audit during the reporting period	Number or %	GRI: 414-1	Page 60	
	G4.4) Please share the suppliers that underwent a supplier's social audit during the reporting period	Number	GRI: 308-1, 414-1	Page 60	

ESG Metric	Calculation	Unit	Corresponding GRI Standard	Corresponding Page Number / Direct Answer	Omission, if any – Reason & Explanation
G4. Supply Chain Management	G4.5) Please share the new suppliers receiving warning due to the environmental/social screening	Text	GRI: 2-19	Page 60	
G5. Ethics and Anti-Corruption	G5.1) Does your company follow an Ethics and/or Anti- Corruption policy?	Yes/No	GRI 2:23	Yes	
	G5.2) Please share the workforce formally compliant with the Anti-Corruption Policy	%	GRI: 205 - 2	Page 75	
	G5.3) Please share the confirmed incidents of corruption during the reporting period	Number	GRI: 205 - 3	Page 76	
	G5.4) Please share the corrective measures taken corresponding to the confirmed incidents of corruption (in case of any)	Text	GRI: 205 - 4	-	Not applicable
G6. Data Security	G6.1) Does your company follow a Data Privacy policy?	Yes/No	GRI: 418-1	Yes	
	G6.2) Has your company taken steps to comply with GDPR rules or similar standards?	Yes/No		Yes	
	G6.3) Data security breaches during the reporting period (if any)	Number	GRI: 418-1	0	
G8. Sustainability Practices	G8.1) Does your company publish a sustainability report?	Yes/No		Yes	
	G8.2) Does your company publish a GRI, WEF SCM, SASB, IIRC, UNGC or CDP based reporting?	Text		Yes	
	G8.3) Does your company provide training to its employees regarding topics related to sustainability (environment, human rights, ethics etc.)?	Yes/No	GRI: 404-1	Yes	
	G8.4) Please share the total sustainability related training provided to employees	Hours	GRI: 404-2	-	Data not available.
G9. External Assurance	G9.1) Are your sustainability disclosures assured or validated by a third party?	Yes/No	GRI 2:5	Alliance does not seek external assurance	

Abbreviations

AED	United Arab Emirates Dirham
AGM	Annual General Meeting
AML	Anti-Money Laundering
CBUAE	Central Bank of the UAE
CEO	Chief Executive Officer
CFT	Combating the Financing of Terrorism
CISO	Chief Information Security Officer
CSR	Corporate Social Responsibility
DFM	Dubai Financial Market
DHA	Dubai Health Authority
DMS	Document Management System
DOH	Department of Health
EIF	Emirates Institute of Finance
ERM	Enterprise Risk Management
ESG	Environmental, Social, and Governance
FTE	Full-time Equivalent
GAIF	General Arab Insurance Federation
GDPR	General Data Protection Regulation
GHG	Greenhouse Gas
GJ	Gigajoule
GM	General Manager
GRC	Governance, Risk, and Compliance
GRI	Global Reporting Initiative
HR	Human Resources
HSE	Health, Safety, and Environment
IT	Information Technology
KYC	Know Your Customer
NOC	No Objection Certificate
NRC	Nomination and Remuneration Committee
OHS	Occupational Health and Safety
ORSA	Own Risk and Solvency Assessment
PDPL	Personal Data Protection Law
PSC	Public Shareholding Company
RI	Reinsurance
SCA	Securities & Commodities Authority
SME	Small and Medium Enterprises
SOC	Security Operation Center
TDRA	Telecommunications and Digital Government Regulatory Authority
UAE	United Arab Emirates
UN SDGs	United Nations Sustainable Development Goals

Alliance
Insurance اللاينس للتأمين