



# ESG Report

2025



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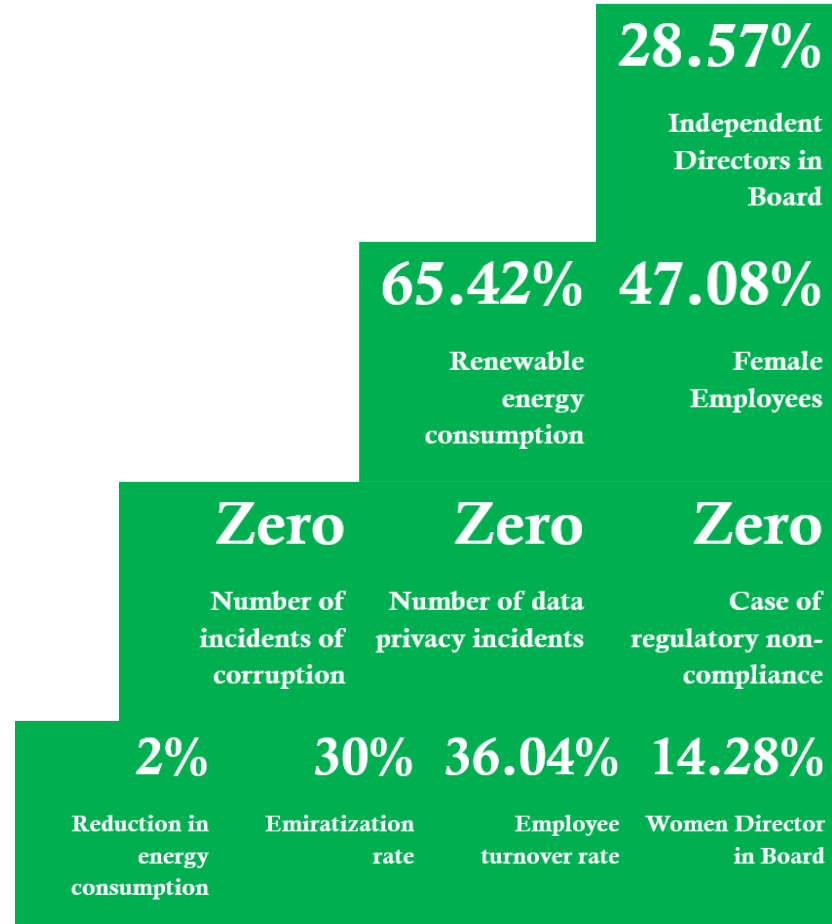


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# HIGHLIGHTS OF 2025



# ABOUT THE REPORT

This Environmental, Social, and Governance (ESG) Report presents an overview of **Al Sagr National Insurance Co. (PSC)** (“Al Sagr”)’s approach, commitments, performance, and progress related to sustainability and responsible business practices for the reporting period 2025. The purpose of this report is to provide transparent and meaningful disclosure to stakeholders on how ESG considerations are integrated into the organization’s strategy, operations, risk management, and decision-making processes.

## Reporting Scope and Boundary

This report covers ESG-related activities, policies, and performance across all operational branches located in Dubai, Abu Dhabi City, Abu Dhabi Musaffah, Al Ain, Ras Al Khaimah, Sharjah, and Ajman for the reporting period **1 January 2025 to 31 December 2025**, unless stated otherwise. The scope of this report is determined based on operational control. The Company has two associate entities

1. Sogour Al Khaleej General Trading LLC, and
2. Al Sagr Cooperative Insurance Company.

These entities operate independently and are therefore excluded from the scope of this report. Where relevant, data from subsidiaries and affiliates has been included based on materiality and data availability.

## Reporting Frameworks and Standards

This ESG Report has been prepared with reference to the following internationally recognized frameworks and guidelines, where applicable:

- Dubai Financial Market’s ESG Disclosures 2025

- United Nations Sustainable Development Goals (UN SDGs)

The selected frameworks support consistency, comparability, and credibility of ESG disclosures.

## Data Sources and Methodology

The information presented in this report is derived from internal data systems, policies, procedures, and operational records, supported by inputs from relevant departments including Sustainability, Risk, Compliance, Human Resources, Operations, and Finance. Qualitative disclosures are based on management assessments, while quantitative metrics are calculated using defined methodologies aligned with applicable reporting standards.

## Forward-Looking Statements

This report may include forward-looking statements, targets, and aspirations related to ESG performance. It is essential to recognize that forward-looking statements are subject to uncertainty, as they rely on various external factors that may influence the company’s operations. The company is not obligated to publicly update or revise these statements during the upcoming fiscal year, except as required by applicable laws and regulations. Consequently, evaluating forward-looking statements does not fall within the scope of our internal audit team.

## Communication & Feedback

We welcome feedback and suggestions related to this report. Please contact us at:

Email: [asnic@alsagrins.ae](mailto:asnic@alsagrins.ae)

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## MESSAGE FROM CEO



In an era defined by rapid change and rising expectations, sustainability is no longer a peripheral ambition, it is central to how we create long-term value for our stakeholders and contribute meaningfully to the societies we serve.

At Al Sagr, we spent 2025 strengthening the integration of environmental, social, and governance (ESG) principles into the core of our strategy. Building on our legacy of risk protection, financial resilience, and ethical governance, we have continued to refine our offerings, deepen stakeholder partnerships, and enhance operational sustainability. This progress is reflected not only in our financial performance but also in the way we manage our environmental impact, support inclusive growth, and uphold the highest standards of transparency and accountability.

Our commitment to sustainability is grounded in a clear purpose: to protect people, empower communities, and enable responsible growth. We recognize that our role as an insurer is inherently linked to resilience

whether that is through health and life coverage that protects families, risk mitigation solutions that strengthen MSMEs, or financial mechanisms that support climate adaptation and economic continuity.

In 2025, we have taken meaningful steps to reduce our environmental footprint, including expanded renewable energy integration and operational efficiency initiatives across all offices. These efforts, paired with robust governance frameworks and data-driven decision-making, demonstrate our commitment to responsible resource stewardship and long-term operational resilience. Equally important are the social dimensions of our work. From advancing financial inclusion to enhancing employee well-being, we continue to cultivate a culture where integrity, diversity, and shared purpose are valued.

Looking ahead, we will continue to embed sustainability into every facet of our business from product design and risk assessment to governance oversight and strategic planning. We will strengthen our climate risk frameworks, set measurable environmental targets, and explore innovative solutions that align financial performance with shared societal goals.








None of this progress would be possible without the trust and collaboration of our stakeholders. I extend my sincere appreciation to our employees, customers, partners, and shareholders for their continued support and engagement.

Thank you for your continued confidence in Al Sagr.

Abdel Muhsen Jaber  
Chief Executive Officer (CEO)

# OVERVIEW OF AL SAGR

Al Sagr is a UAE-based insurance provider operating under the regulatory supervision of the Central Bank of the United Arab Emirates (CBUAE). The Company offers a broad range of insurance solutions designed to meet the needs of individuals, small and medium enterprises, and corporate clients across the UAE. Al Sagr operates through a network of branches located in Dubai, Abu Dhabi City, Abu Dhabi Musaffah, Al Ain, Ras Al Khaimah, Sharjah, and Ajman, enabling it to serve customers across key economic and population centres in the country.

<b>Vision Statement</b>  To become one of the top insurance providers in the region by emphasizing the highest level of customer satisfaction while focusing on innovative insurance solutions, professionalism, cutting-edge knowledge, and the use of local talent and resources for the benefit of all stakeholders.		<b>Mission Statement</b>  To uphold Al Sagr’s reputation by providing the best standard of customer service with enthusiasm and pride. This philosophy aims to cultivate loyalty in the minds of customers, whose testimony of Al Sagr’s customer service will come from their experiences and reports.		
<b>Our values reflect who we are and what we stand for as a Company</b>				
 <b>Customer Commitment</b>	 <b>Excellence</b>	 <b>Quality</b>	 <b>Reliability</b>	 <b>Teamwork</b>
We have a retention approach that aims to maintain customer loyalty through dependable service and the development of strong bonds.	We labor diligently, wisely, and intelligently to reach excellence and to do our best.	We work hard to give our clients top-notch services at a fair price and take systematic measures to provide products that live up to client expectations.	We are responsible for always defending the interests of our stakeholders.	We foster teamwork to continuously advance on strong pillars of customer service, product quality, and client loyalty.

## OUR PORTFOLIO

We provide our customers with a complete range of top-tier insurance solutions. Our core goal is to be their trusted partner, helping to build resilience and protect their well-being. We offer a diverse selection of products tailored to meet a broad spectrum of needs, including

Group Medical Insurance	Group Life Insurance	Motor Fleet Insurance
Marine Cargo Insurance	Marine Hull Insurance	Property Insurance
Engineering Insurance	Liability Insurance	Miscellaneous Insurance

**Our Corporate Customers**

Medical Insurance	Life Insurance	Travel Insurance
Motor Insurance	Yachts & Pleasure Crafts Insurance	Home Insurance

**Our Individual Customers**

## OUR PARTNERS



### Association Membership



# STAKEHOLDER ENGAGEMENT

In a dynamic and highly regulated financial services environment, sustained stakeholder dialogue is essential to maintaining resilience and long-term value creation. Al Sagr recognizes that understanding stakeholder expectations enables better risk anticipation, stronger governance oversight, and more responsive strategic decision-making.

We adopt a structured and ongoing engagement approach designed to ensure transparency, accountability, and mutual trust. Engagement is embedded within our governance framework and supported by clear communication channels that facilitate two-way dialogue. This continuous interaction allows us to respond effectively to evolving regulatory requirements, market conditions, and stakeholder priorities.

Stakeholder insights directly inform business planning, operational improvements, and ESG strategy development.

## Identification of Stakeholders

Stakeholders are identified through an internal evaluation process that considers the extent to which parties influence, or are influenced by, our activities. The assessment takes into account:

- Regulatory and statutory obligations
- Operational and financial interdependencies
- Risk exposure and reputational considerations
- Strategic alignment with long-term objectives
- Social and environmental impact

Stakeholder Group	Engagement Mechanism	Influence Level	Key ESG Topics Raised
Investors and Shareholders	Annual General Meetings, Regulatory Disclosures	High	Financial performance, ESG strategy & long-term value creation
Customers	Website, Marketing Material, Customer Review	Medium	Customer needs, product innovation, claims experience, ESG
Employees	Yearly performance review, training, events	High	Employee well-being, training, diversity & inclusion, ESG
Board and Management	Meetings, Corporate Disclosures	High	Governance, Risk management, sustainability & financial performance
Business Partners	Code of Conduct, Assessment & Audits	Low	Risk management, product development, market trends, ESG
Government Regulators	Regular exchange of emails, webinars	High	Regulatory compliance, Industry best practices, ESG report
Community	CSR engagement, public reporting	High	Social responsibility, community development

High	Medium	Low
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# MATERIALITY ASSESSMENT



The purpose of the materiality assessment is to determine which environmental, social, and governance (ESG) issues are most relevant to our business and stakeholders. This process enables us to allocate resources effectively, enhance transparency, and focus on matters that have the greatest potential impact on long-term performance.

Our assessment approach is informed by recognized sustainability reporting frameworks, including the Global Reporting Initiative (GRI) Standards and Dubai Financial Market (DFM) ESG guidance. Oversight of the materiality process is maintained by senior management, ensuring alignment with enterprise risk management and corporate strategy.

## METHODOLOGY

The materiality evaluation follows a structured multi-phase process:



### 1. Desk Research

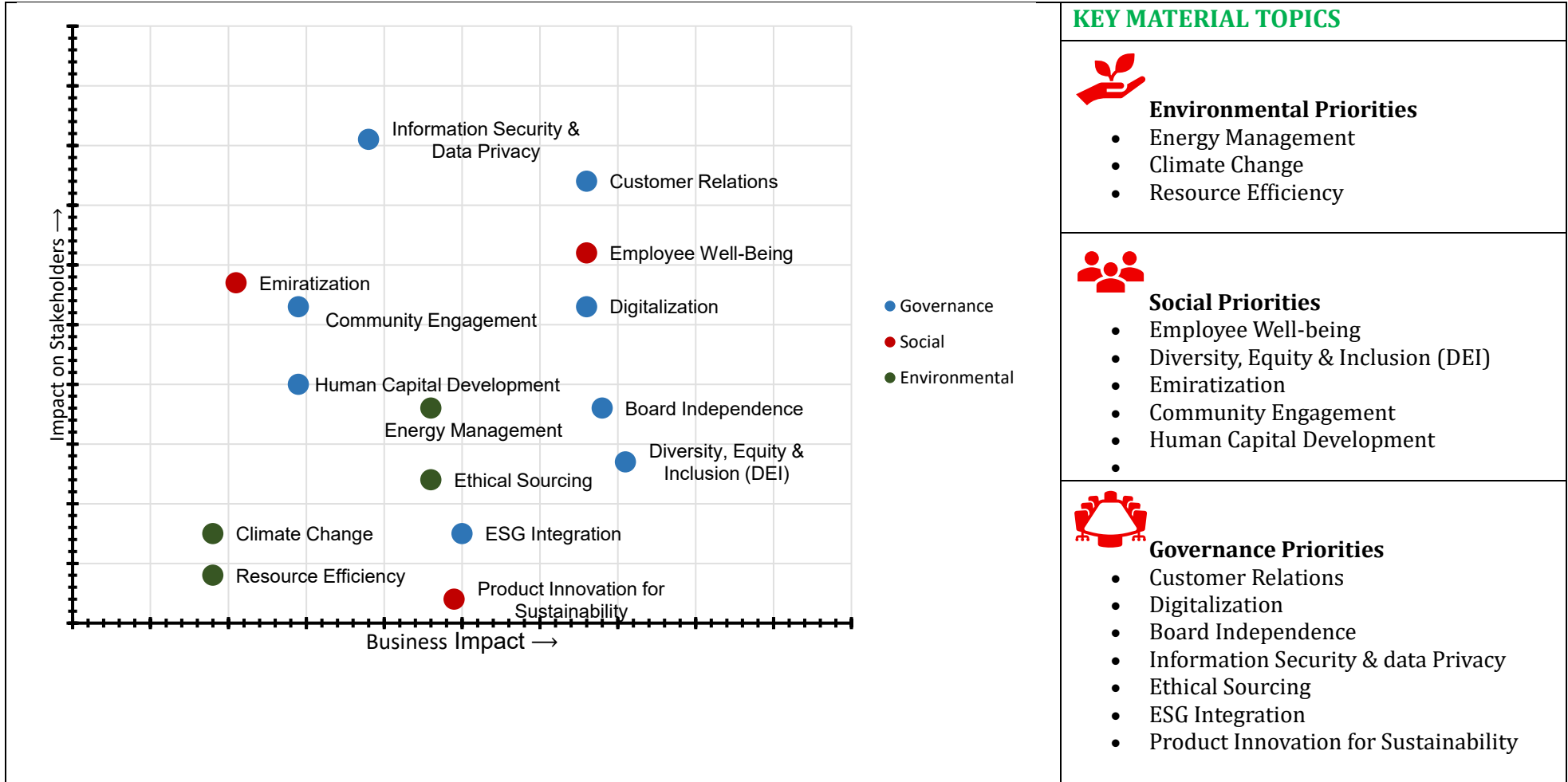
An initial list of ESG topics is developed through benchmarking against industry peers, regulatory expectations, sustainability standards, and internal policy reviews.

### 2. Stakeholder Input

Relevant departments and stakeholder representatives provide input regarding the significance of identified topics. Consideration is given to stakeholder concern levels and potential operational impact.

### 3. Prioritization

Topics are ranked according to their relative importance to stakeholders and their strategic relevance to the organization. This prioritization supports focused disclosure and targeted action planning.



**KEY MATERIAL TOPICS**



**Environmental Priorities**

- Energy Management
- Climate Change
- Resource Efficiency



**Social Priorities**

- Employee Well-being
- Diversity, Equity & Inclusion (DEI)
- Emiratization
- Community Engagement
- Human Capital Development
- 



**Governance Priorities**

- Customer Relations
- Digitalization
- Board Independence
- Information Security & data Privacy
- Ethical Sourcing
- ESG Integration
- Product Innovation for Sustainability

# SDG INTEGRATION IN OUR OPERATION

Sustainability is embedded within the fundamental purpose of insurance protecting individuals, businesses, and communities against uncertainty. At Al Sagr, we recognize that our role extends beyond financial performance; we contribute to broader economic and social resilience in alignment with the UAE's national sustainability priorities and the United Nations Sustainable Development Goals (SDGs).

Through an assessment of our product portfolio, operational footprint, and risk management activities, we have identified five SDGs where our contribution is most substantive. Among these, SDG 3 (Good Health and Well-being) represents our highest area of impact, supported by four additional priority goals: SDGs 1, 5, 8, and 13.



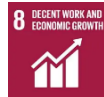
Unexpected events can place considerable financial strain on households. Through our life, medical, and general insurance solutions, we provide financial protection that helps maintain income stability and reduce the risk of long-term economic hardship, supporting overall financial resilience.



Access to healthcare is essential for social and economic stability. Through our health insurance solutions, we reduce the financial burden of medical expenses, enabling individuals and families to receive necessary care while maintaining their financial security and resilience.



Women are often more exposed to financial risk, especially following the loss of household income. Our insurance solutions provide financial protection that supports dependents and ensures economic stability, contributing to greater financial security and empowerment.



Insurance supports business confidence and growth by providing asset protection and risk mitigation solutions. By reducing uncertainty, particularly for MSMEs, we help businesses access financing, sustain operations, and contribute to economic growth and job creation.



As climate-related events become more frequent and severe, financial resilience is increasingly important. Through risk assessment, prudent underwriting, and structured reinsurance, we help absorb the financial impact of extreme weather events and strengthen climate resilience within the communities we serve.

# GOVERNANCE PERFORMANCE

## Highlights

**100%**

UAE National Board Members

**Zero**

Non-compliance Incidents

**100%**

Regulatory Adherence

## Material Topics

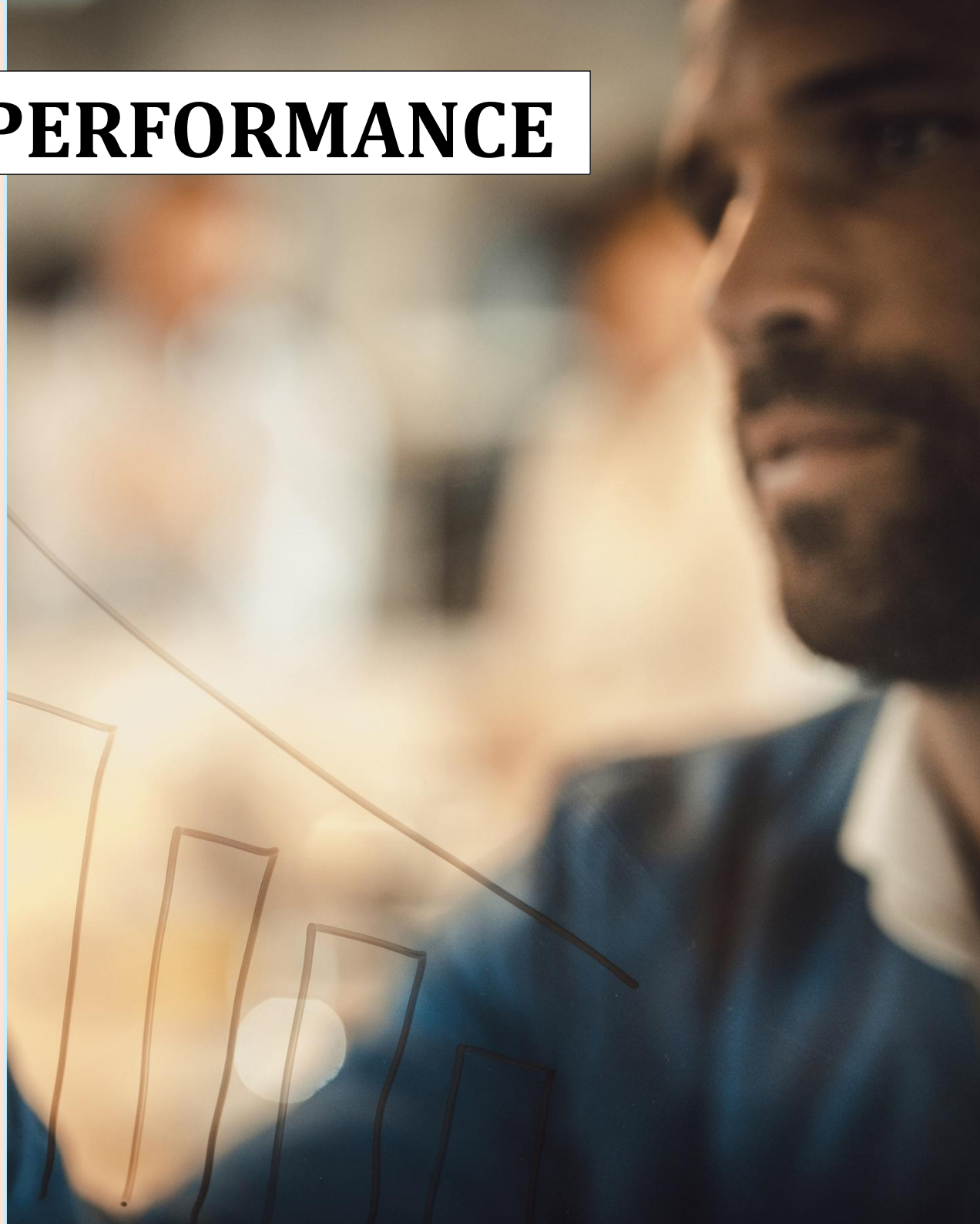
Board Independence

Information Security & Data Privacy

Digitalization

Ethics & Anti-corruption

## UNSDGs



# CORPORATE GOVERNANCE



Our governance framework upholds the highest standards of transparency, accountability, and ethical conduct, ensuring that every Board-level decision serves the interests of policyholders, shareholders, and the communities we operate in. Al Sagr publishes an annual Corporate Governance Report in line with the requirements of the UAE Securities and Commodities Authority (SCA), providing a comprehensive overview of its governance structure, including board composition, policies, and the defined roles and responsibilities of the Board of Directors and its Committees.

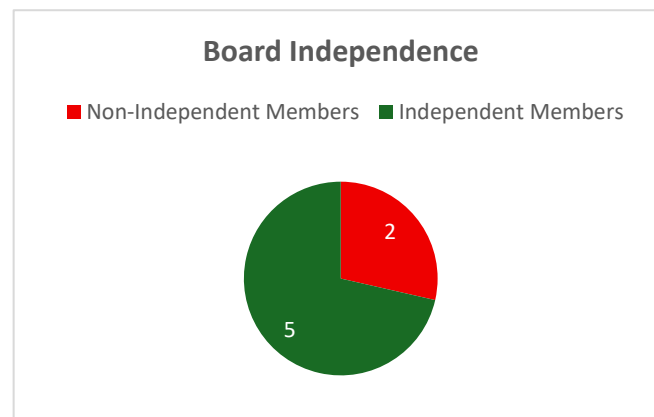
## BOARD STRUCTURE & COMPOSITION

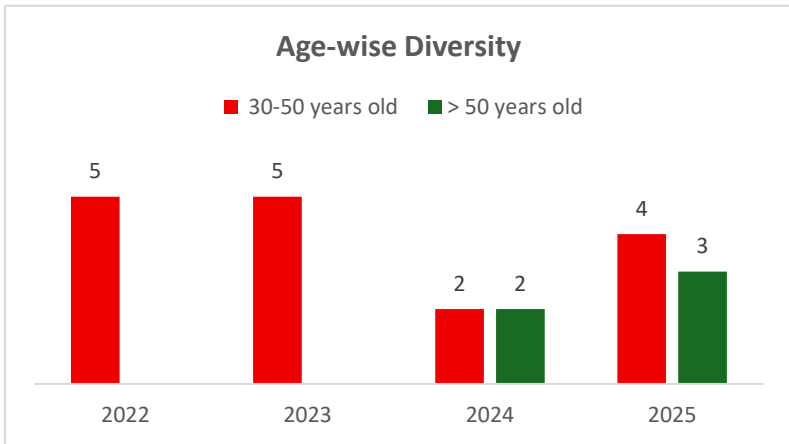
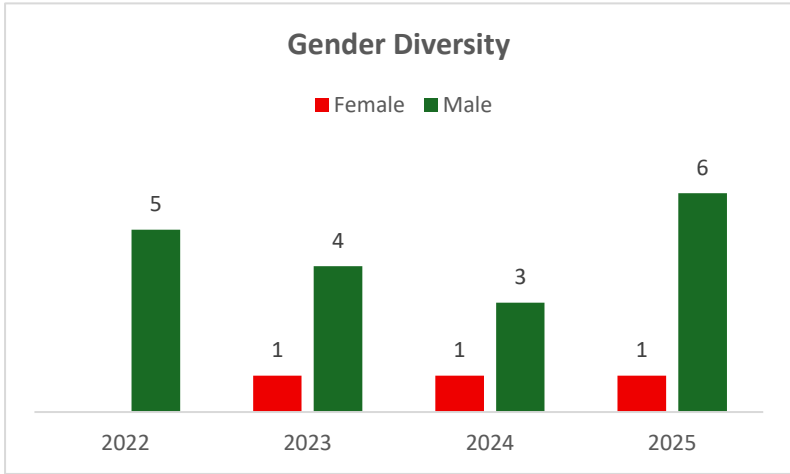
**DFM: G1.1, 2.1, 2.2**

The Board of Directors serves as the primary governance body responsible for strategic oversight, risk supervision, and long-term value creation. Board composition is structured to provide a balance of experience, independence, and oversight capabilities. We operate under a 100% national ownership structure, reinforcing our alignment with the UAE’s national economic priorities and long-term development strategies.

Board independence plays a critical role in ensuring objective oversight and protection of shareholder interests. Our Board comprises a total of 7 Directors, all serving in a non-executive capacity, with an increasing emphasis on strengthening independent oversight and robust governance practices. By 2025, we have significantly strengthened board independence through the appointment of independent directors, improving governance oversight and aligning with international governance standards and UAE regulatory expectations. Additionally, we maintain a governance safeguard whereby the Chief Executive Officer (CEO) is prohibited from serving as the

Chairperson of the Board, ensuring a clear separation between executive management and board oversight.



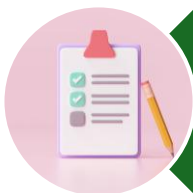


## BOARD COMMITTEES AND GOVERNANCE OVERSIGHT

### 📍 DFM: G1.2

To strengthen governance oversight and support specialized decision-making, the Board has established several standing committees aligned with corporate governance best practices. Each committee operates with a defined mandate and reports directly to the full Board, providing structured channels for monitoring performance, risk, and compliance across all business functions.

All committee chair positions are currently held by male board members. The Company remains committed to continuously evaluating opportunities to enhance diversity at both Board and committee levels in alignment with evolving governance expectations within the UAE. Each committee reports directly to the Board, ensuring transparency, segregation of duties, and strengthened governance oversight in support of sustainable value creation and regulatory compliance.



**Audit Committee**

Oversees financial reporting integrity, internal controls, audit processes, and regulatory compliance.



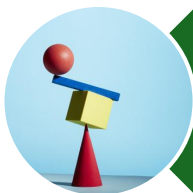
**Nomination and Remuneration Committee**

Manages board nominations, succession planning, performance evaluation, and remuneration governance.



**Investment Committee**

Reviews capital allocation decisions, investment strategy, and portfolio performance.



**Risk Committee**

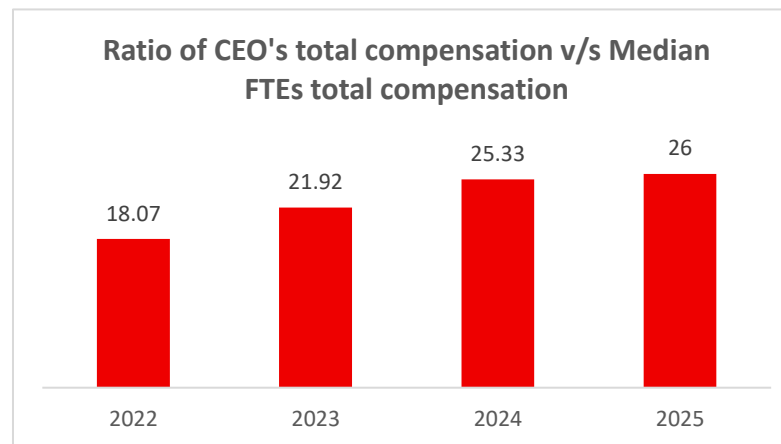
Supervises enterprise risk management, including regulatory, operational, and financial risk oversight.

**FAIR AND COMPETITIVE REMUNERATION**

**DFM: S1.1**

We are committed to maintaining a remuneration framework that is fair, performance-linked, and aligned with long-term value creation. Executive compensation is governed by the Nomination and Remuneration Committee and structured to attract and retain experienced leadership while ensuring alignment with shareholder interests and market benchmarks.

In line with transparency and good governance practices, we disclose the ratio of CEO total compensation to median full-time employee (FTE) total compensation.



# ETHICS AND ANTI-CORRUPTION



Al Sagr's governance philosophy is grounded in ethical responsibility and strict adherence to applicable laws and regulations. This foundation ensures transparency, effective risk management, and accountable decision-making, while strengthening stakeholder trust and supporting sustainable financial performance. We foster a culture of integrity and compliance across the organization. All employees are required to adhere to the Company's Code of Business Conduct, which sets clear standards for ethical behavior, professional responsibility, and regulatory compliance.

Our governance framework is supported by well-defined policies, procedures, and internal controls designed to mitigate risk, safeguard stakeholder interests, and protect the Company's reputation.

## ETHICS AND ANTI-CORRUPTION POLICY

📍 *DFM: G5.1 & 5.2*

The Company operates under a formal Ethics and Anti-Corruption Policy, reinforcing its commitment to conducting business with integrity, transparency, and accountability. The policy applies across the organization and establishes strict guidelines related to:

- bribery and corruption prevention
- conflicts of interest
- ethical business conduct
- responsible dealings with stakeholders and partners

The policy ensures alignment with UAE anti-corruption legislation and international ethical governance standards. All employees are formally required to comply with this policy as part of the Company's governance framework.

## COMPLIANCE, INTERNAL CONTROLS, AND RISK MANAGEMENT

The Company maintains a comprehensive internal control and compliance framework designed to ensure adherence to regulatory obligations and corporate policies.

These controls include:

- internal audit procedures
- regulatory compliance monitoring
- operational risk controls
- governance oversight through board committees

During the reporting period, no cases of regulatory non-compliance were reported.

## ANTI-CORRUPTION COMPLIANCE

### 📍 DFM: G5.3

During the reporting period, the Company maintained a **zero-tolerance approach to corruption**, supported by internal compliance monitoring and awareness programs. For the 2025 reporting period:

Indicator	Number
Total number of confirmed incidents of corruption	0
Total number of confirmed incidents of corruption in which employees were dismissed or disciplined for corruption	0
Total number of confirmed incidents when contracts with business partners were terminated or not renewed due to violation	0
Public legal cases regarding corruption	0

## ANTI-MONEY LAUNDERING AND FINANCIAL CRIME PREVENTION

The Company maintains AML/CFT (Anti-Money Laundering and Counter-Terrorism Financing) frameworks designed to ensure compliance with UAE financial regulations and global financial integrity standards.

These frameworks include:

- transaction monitoring mechanisms
- internal compliance reviews
- governance oversight through risk management structures
- periodic review and updates of AML/CFT procedures

This approach supports the integrity of the financial system while protecting the Company from financial crime exposure.

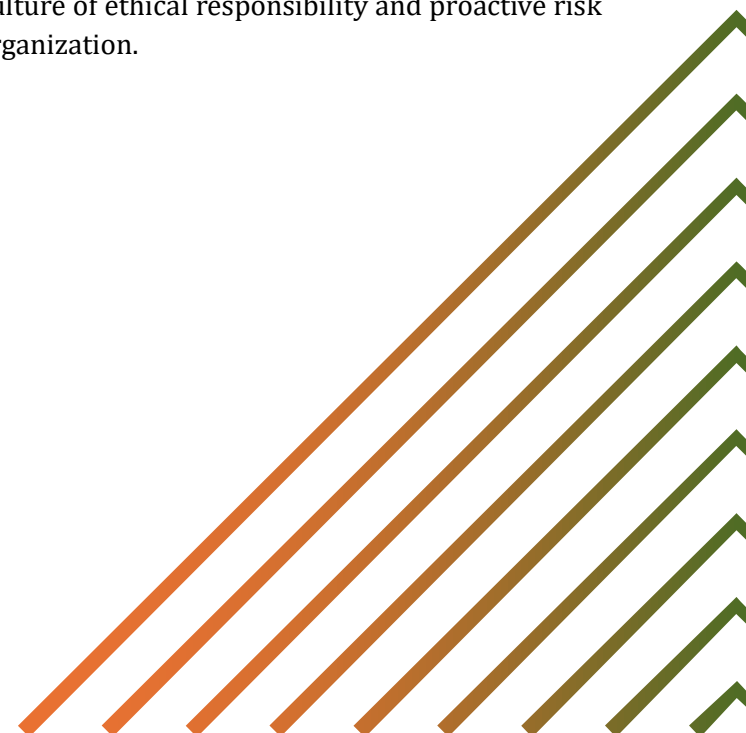
## WHISTLEBLOWING AND ETHICAL REPORTING

To strengthen transparency and accountability, the Company has implemented a whistleblowing policy that enables employees and stakeholders to report unethical behavior, misconduct, or compliance concerns.

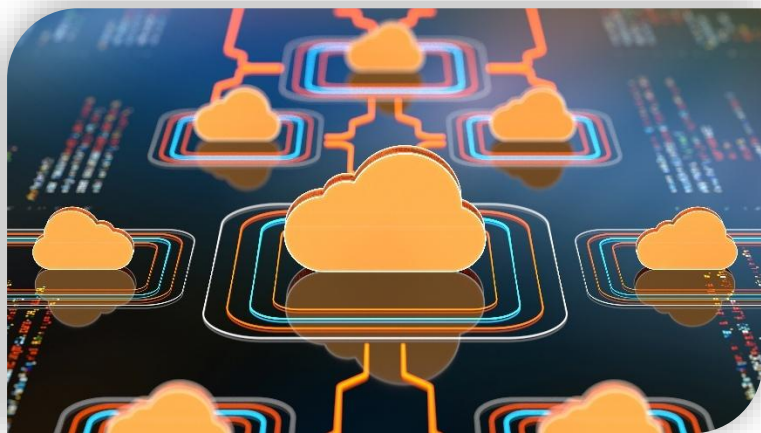
The whistleblowing framework provides:

- confidential reporting channels
- protection against retaliation
- independent review of reported concerns
- escalation mechanisms to senior governance bodies

This system promotes a culture of ethical responsibility and proactive risk management across the organization.



# CYBERSECURITY, DATA PROTECTION AND DIGITAL RESILIENCE



Protecting digital assets, personal data, and sensitive information is a fundamental pillar of our governance and risk management framework. As a regulated entity operating within the UAE financial ecosystem, we recognize that cybersecurity and data privacy are not only operational priorities but core governance responsibilities that directly impact stakeholder trust, regulatory compliance, and long-term business resilience. Our approach integrates cybersecurity, privacy-by-design principles, and digital transformation initiatives into a unified governance structure.

## GOVERNANCE AND REGULATORY ALIGNMENT

### 📍 *DFM: G6.2*

Our data protection and cybersecurity framework is aligned with applicable UAE regulatory requirements and internationally recognized data privacy principles, including the General Data Protection Regulation (GDPR) where relevant to our operations.

Oversight is embedded within our governance structure through:

- Board-level risk supervision
- Designated data protection and IT security responsibilities
- Documented policies and internal control standards
- Periodic compliance monitoring and reporting

Privacy and cybersecurity considerations are integrated into:

- Technology deployments
- Third-party/vendor engagements
- Business process design
- Digital transformation initiatives

This governance-driven approach ensures that security and privacy risks are proactively identified, assessed, and mitigated throughout the data lifecycle.

## ENTERPRISE CYBERSECURITY ARCHITECTURE

### 📍 *DFM: G6.1*

To ensure confidentiality, integrity, and availability of information assets, we operate a multi-layered cybersecurity architecture supported by enterprise-grade technologies.

## Network and Infrastructure Protection

Enterprise firewalls protecting internal systems from external threats

FortiNAC (Network Access Control) to validate device compliance and restrict unauthorized network access

Centrally managed secure wireless infrastructure

High-availability enterprise server architecture ensuring business continuity and scalability

## Identity and Access Management

Role-Based Access Control (RBAC) aligned with least-privilege principles

Privileged Access Management (PAM) for monitoring and controlling administrative access

Multi-Factor Authentication (MFA) for enhanced identity verification

## Threat Monitoring and Detection

Centralized Security Information and Event Management (SIEM) platform

Real-time log aggregation, event correlation, and threat detection

Continuous monitoring and incident response capability

## Data Protection Safeguards

Data Loss Prevention (DLP) solutions to prevent unauthorized transmission of sensitive information

Encryption of data at rest and in transit

Secure system configurations and endpoint protection controls

## DATA PRIVACY AND PROTECTION FRAMEWORK

Our data protection framework is built on privacy-by-design and data minimization principles. Key components include:

- Formal Data Protection Policies governing classification, handling, and access to personal and sensitive data
- Data Minimization Practices ensuring collection and retention of only necessary information
- Defined Data Retention Schedules aligned with regulatory and operational requirements
- Secure Disposal Procedures to prevent unauthorized recovery of sensitive information
- Third-Party Risk Assessments and contractual safeguards to ensure external partners maintain equivalent data protection standards

Privacy requirements are embedded across operational workflows and digital systems to ensure protection throughout the entire data lifecycle.

### Monitoring, Awareness and Incident Management

Continuous monitoring mechanisms are in place to detect anomalies and respond promptly to potential security events. Incident management procedures include:

- Defined escalation and containment protocols
- Root cause analysis and corrective action implementation
- Regulatory and stakeholder notification where required

Employee awareness and governance culture are reinforced through ongoing training initiatives, ensuring that personnel understand their responsibilities in handling confidential information.

## Substantiated Data Privacy Incidents

 **DFM: G6.3**

Description	2024	2025
Total number of complaints received from outside parties and substantiated by the organization	0	0
Total number of complaints from regulatory bodies	0	0
Total number of identified leaks, thefts, or losses of customer data	0	0

## DIGITALIZATION AND PAPERLESS TRANSFORMATION

As part of our operational efficiency and sustainability objectives, we have initiated the development of a digital token system and enhanced workflow-based processing within core insurance systems.

Key insurance processes have been redesigned to reduce manual intervention and reliance on printed documentation. Electronic workflows, system-based approvals, and direct document uploads into core platforms have replaced traditional paper-based procedures.

These initiatives have resulted in:

- A measurable reduction in paper usage across operational departments.
- Improved process efficiency and turnaround times.
- Enhanced document traceability and audit readiness.
- Reduced operational risks associated with manual handling.

We continue to promote digital adoption across departments, with gradual and sustained reductions in paper consumption as automation and workflow integration expand.

# SUSTAINABILITY RISKS, OPPORTUNITIES AND GOVERNANCE

We operate in a risk-based industry where disciplined risk identification, assessment, and mitigation are central to our long-term stability and value creation. Our Enterprise Risk Management (ERM) framework is designed to ensure that risks are systematically evaluated, appropriately priced, and effectively managed while maintaining financial resilience and fulfilling our obligations to policyholders.

## RISK MANAGEMENT FRAMEWORK - FIVE-CATEGORY MODEL

### BOARD OF DIRECTORS · RISK MANAGEMENT COMMITTEE

*Strategic Oversight · Risk Appetite Setting · Escalation Review*



### ADAPTIVE RISK MONITORING · CONTINUOUS REVIEW CYCLE

Risk assessments, mitigation strategies and KPIs are continuously reviewed to align with evolving market dynamics and industry best practices- ensuring sustainable operations and confident fulfilment of policyholder obligations.

## CLIMATE-RELATED RISKS AND OPPORTUNITIES



Climate-related risks are assessed within our broader ERM framework and categorized into physical and transition risks, alongside emerging transition opportunities.

### Governance and Oversight

#### 📍 *DFM: G7.7*

Oversight of sustainability-related risks is primarily exercised by the Board Risk Committee. Climate-related risks are currently overseen at the management level by the Risk Manager, with ongoing development of governance alignment to ensure clearer integration into strategic oversight.

At present:

- Climate-related performance metrics are not yet incorporated into remuneration policies.
- Oversight responsibilities have not been delegated to a dedicated climate committee.
- Climate-related quantitative targets, including emissions metrics, are under development, with planned target setting by 2026.

While governance structures are still evolving, we are working toward greater alignment between climate risk oversight, strategic planning, underwriting practices, and capital management.

### Risk Identification and Monitoring Processes

#### 📍 *DFM: G7.1 & 7.6*

We identify and assess climate and sustainability-related risks through:

- Analysis of loss ratios, premium adequacy, and underwriting trends.
- Portfolio exposure analysis to climate-sensitive sectors.
- Data review of historical claims and catastrophe patterns.
- Evaluation of reinsurance coverage and counterparty strength.

These risks are documented within our formal risk register and integrated into our broader ERM framework. Sustainability and climate-related exposures are prioritized based on materiality, financial impact, and likelihood.



#### Physical Risks

Physical risks arise from increased frequency and severity of extreme weather events and natural catastrophes. Given our sizeable motor portfolio and exposure to certain commercial lines, severe floods, storms, or heatwaves could increase claims frequency and severity. In the event of a major disaster, financial performance and cash flows could be materially impacted.



#### Transition Risks

Transition risks stem from regulatory changes, technological shifts, and evolving market expectations as economies transition toward lower-carbon models. Changes in vehicle technology, mobility patterns, environmental regulation, and sustainability standards may affect underwriting assumptions and product demand.



#### Transition Opportunities

We view the transition to electric vehicles (EVs) and evolving mobility solutions as a strategic opportunity. The growing EV market presents new insurance products, pricing models, and risk assessment capabilities. As the insurance market adapts, we anticipate product innovation and portfolio diversification opportunities.

### Impacts on Business Model and Value Chain

#### *DFM: G7.2*

Currently, we manage our motor portfolio conservatively and mitigate volatility through structured reinsurance arrangements. While climate-related events may increase claims volatility, reinsurance provides partial protection against large-scale losses. Over time, climate change may influence underwriting practices, risk selection, pricing adequacy, and reinsurance costs. For example, increased catastrophe frequency may result in higher reinsurance premiums, affecting overall cost structures. At the same time, opportunities in EV insurance and sustainable product offerings may support portfolio growth and diversification.

## Financial Effects

### 📍 *DFM: G7.4*

During the reporting period, sustainability-related impacts resulted in approximately 90 million in claims impact to the company. More than 50% of this exposure was covered through reinsurance recoveries; however, the cost of reinsurance has increased as market conditions have hardened. In the event of a major catastrophe, financial position and cash flows could be adversely affected despite risk transfer mechanisms. These risks are considered within our capital planning and reinsurance strategy.

## Strategy and Response

### 📍 *DFM: G7.3*

We have developed documented climate risk policies and are in the process of strengthening implementation plans. Our focus includes:

- Integrating climate risk considerations into underwriting guidelines and pricing models.
- Enhancing data analysis capabilities to better assess exposure to climate-sensitive risks.
- Reviewing portfolio concentration and catastrophe exposure levels.
- Strengthening reinsurance structures to manage volatility.

Scenario analysis is being developed to evaluate potential impacts under different conditions, such as increased motor portfolio exposure, higher frequency of extreme weather events, and temperature-related impacts on medical claims.

## Sustainability Risks and Integration into ERM

Sustainability-related risks extend beyond climate change and may affect claims volatility, asset values, regulatory compliance, and market

perception. These risks may influence underwriting profitability, reinsurance pricing, and long-term business resilience.

We incorporate sustainability considerations into financial planning by analyzing claims trends, premium adequacy, and portfolio resilience. The financial impacts experienced during the reporting period, including increased claims and reinsurance costs, are factored into pricing adjustments and capital management strategies.

Sustainability-related risks are monitored through our risk register and integrated into our overall ERM framework. Metrics used include loss ratios, underwriting performance indicators, portfolio exposure levels, and reinsurance dependency ratios.

Although sustainability performance metrics are not yet linked to executive remuneration, we recognize the importance of strengthening governance alignment and are working toward improved integration of sustainability considerations into strategic decision-making.

# ENVIRONMENTAL PERFORMANCE

## Highlights

**2%**

Reduction in Energy Consumption

**2%**

Reduction in Total GHG Emissions

**65.42%**

Renewable Energy

## Material Topics

Climate Change

Energy Management

Emissions Management

Waste Optimization

## UNSDGs



# ENVIRONMENTAL SUSTAINABILITY



Environmental responsibility is a fundamental value shaping the operations at Al Sagr and driving our commitment to a sustainable future. We are committed to reducing our environmental footprint through efficient management of resources and actively support the UAE's pledge of achieving net-zero emissions in alignment with the national sustainability agenda. Al Sagr continuously assesses and manages its environmental footprint, recognizing its role in achieving the ambitious climate goals set by the UAE government. We are committed to understanding and reducing

the impacts of our operations on the environment while contributing to broader sustainability efforts. Our environmental initiatives are championed at the senior management level, ensuring robust governance and effective implementation across all business functions.

## ENERGY & EMISSIONS MANAGEMENT

We prioritize transparency and accountability by meticulously tracking energy and water consumption as well as greenhouse gas (GHG) emissions. Adhering to the GHG Protocol and applying a rigorous operational control approach, we ensure accurate reporting of emissions across our headquarters, all branches, and common areas within Al Sagr Plaza.

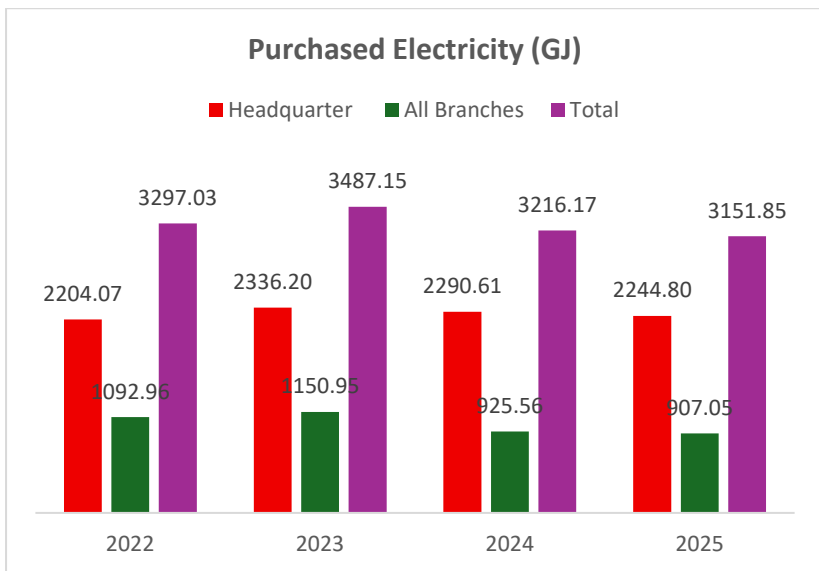
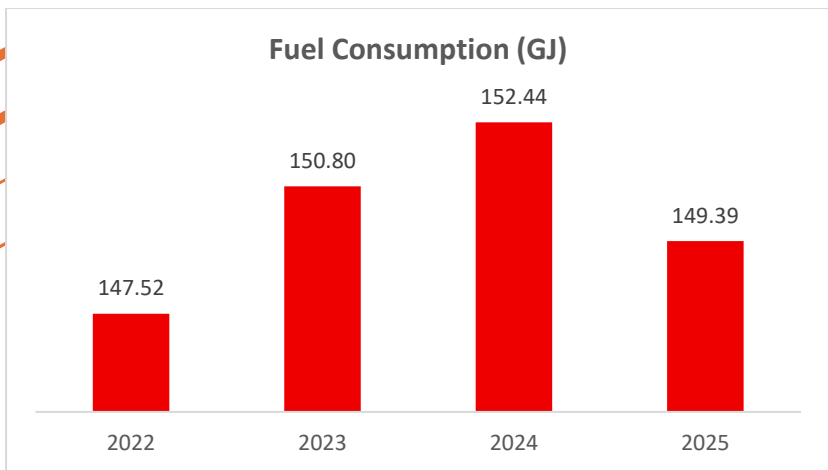
### Direct & Indirect Energy Consumption

**📍 DFM: E3.1 & 3.2**

Our direct energy consumption consists primarily of fuel used in company-owned vehicles. This includes petrol consumed for operational transportation purposes and represents energy generated through sources directly controlled by the Company.

Our indirect energy consumption comprises electricity purchased from external utility providers to power our headquarters and branch offices. This includes energy used for lighting, air conditioning, IT infrastructure, and general office operations.

Together, these sources represent the total energy footprint of our operational activities and are monitored as part of our environmental performance tracking framework.

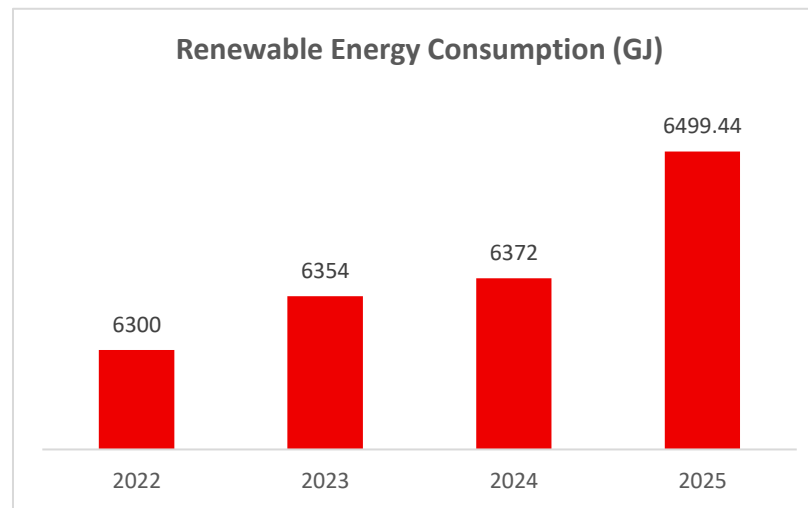


## Renewable Energy

📍 *DFM: E5.1 & 5.2*

A key pillar of our environmental strategy is our continued commitment to renewable energy integration within our operational energy mix. Over the reporting period, renewable electricity has consistently represented a significant proportion of our total energy consumption. During the reporting period, renewable energy accounted for 65.42% of total energy consumption.

We continue to evaluate additional opportunities to expand clean energy utilization and explore lower-emission transportation alternatives as part of our broader decarbonization journey.

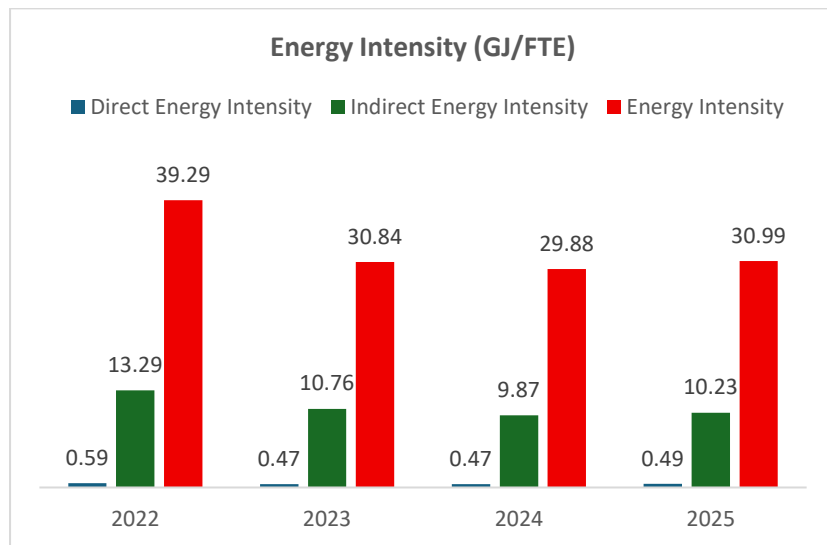


### Energy Intensity

📍 *DFM: E4.1, 4.2 & 4.3*

As part of our ongoing energy efficiency initiatives, LED lighting has been fully implemented across all offices and branch locations. The transition to LED technology has reduced overall electricity demand by improving lighting efficiency and lowering power consumption compared to conventional systems.

As a result of this initiative, our indirect energy consumption (purchased electricity) decreased in 2025 compared to the previous reporting period. However, due to a reduction in the average number of employees during the year, our energy intensity metric (calculated per employee) recorded an increase. While total electricity consumption declined, the lower workforce base resulted in a higher intensity ratio on a per-employee basis.



### Greenhouse Gas (GHG) Emissions

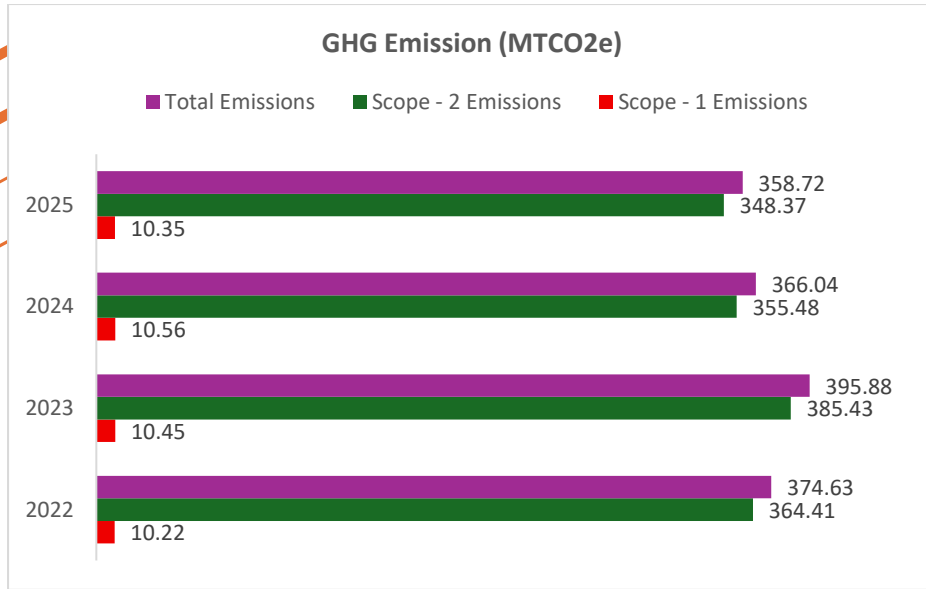
📍 *DFM: E1.1, 1.2, 1.3 & 1.4*

Our greenhouse gas (GHG) emissions are calculated in accordance with the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard (GHG Protocol), applying an operational control approach.

Emissions are categorized as follows:

- **Scope 1 (Direct Emissions):** Emissions from fuel consumption (petrol) in company-owned vehicles.
- **Scope 2 (Indirect Emissions):** Emissions from purchased electricity consumed at our headquarters and branch offices.

Scope 3 emissions, while not yet fully quantified, are acknowledged as part of our expanding sustainability roadmap. Emission factors used for electricity and fuel consumption are based on internationally recognized conversion factors and regionally applicable grid emission factors. Emissions are reported in metric tonnes of carbon dioxide equivalent (MT CO<sub>2</sub>e). The reporting boundary covers operational activities under our direct control, including headquarters and branch operations across the UAE.



**Emission Intensity**

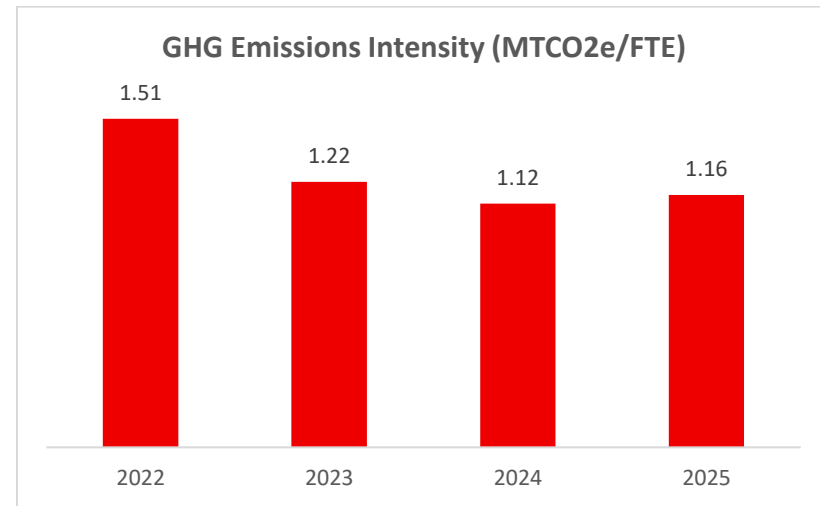
**DFM: E2.1 & 2.2**

In addition to monitoring absolute greenhouse gas (GHG) emissions, we track emissions intensity to assess operational efficiency relative to workforce size. GHG emissions intensity improved significantly between 2022 and 2024, decreasing from 1.51 to 1.12 MT CO<sub>2</sub>e per employee. This reduction reflects improved electricity management, increased renewable energy share within our energy mix, and operational efficiency initiatives such as LED lighting implementation and digital workflow optimization.

In 2025, while total absolute emissions declined further, emissions intensity increased slightly to 1.16 MT CO<sub>2</sub>e per employee. This change was

primarily attributable to a reduction in total employee headcount during the reporting year rather than an increase in overall emissions.

We continue to monitor both absolute emissions and intensity metrics to ensure that environmental performance is evaluated within the appropriate operational context. Tracking emissions intensity enables us to assess efficiency improvements while supporting long-term decarbonization planning.



# WATER MANAGEMENT



## WATER CONSUMPTION

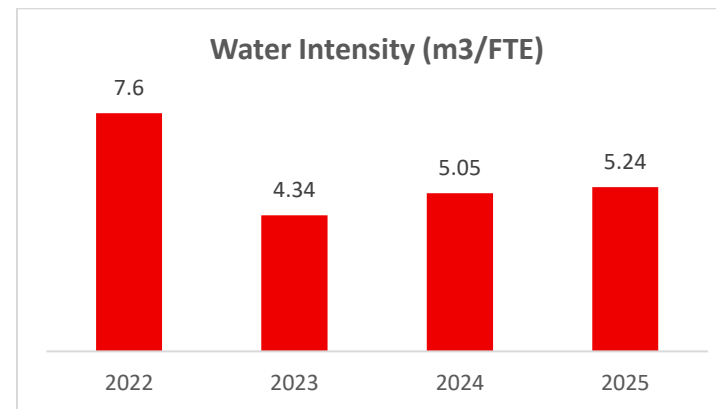
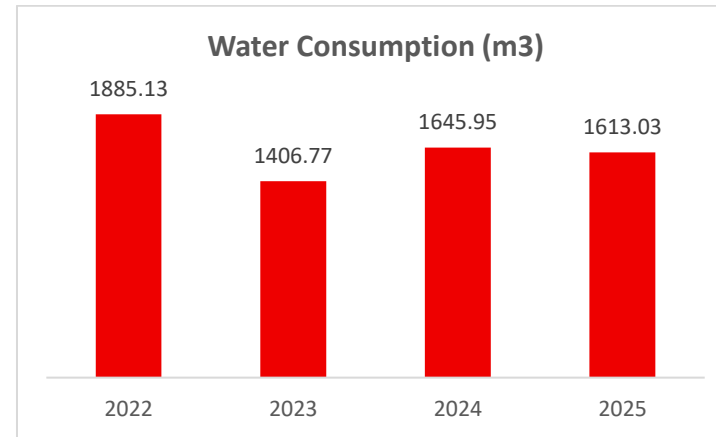
📍 **DFM: E6.3 & 6.4**

Water, as a scarce and precious resource in the UAE, represents an area of increasing strategic importance for Al Sagr. As a financial institution, our operational water footprint is limited and primarily associated with office-based activities. Water consumption across our headquarters and branch network is used exclusively for domestic and facility management purposes, including:

- Restroom and sanitation facilities
- Pantry and kitchen use

- General cleaning and housekeeping etc.

We do not engage in any industrial, manufacturing, or water-intensive operational processes. In 2025, total water consumption declined slightly to 1,613.03 m<sup>3</sup>, reflecting improved monitoring and responsible usage practices across offices and branches including the installation of low-flow fixtures, sensor-based taps, and awareness campaigns among staff.



# WASTE MANAGEMENT



As a financial services organization, Al Sagr's waste generation is primarily administrative in nature, comprising paper, electronic waste (e-waste), and general office materials. We do not generate industrial or hazardous operational waste as part of our core business activities.

We apply the principles of reduce, reuse, and recycle across all our facilities and have made measurable progress in reducing paper dependency through digital transformation initiatives.

## PAPERLESS INITIATIVE

📍 *DFM: E7.5*

To minimize waste generation and reduce our environmental footprint, we have implemented a comprehensive paperless initiative across the organization. Employees are encouraged to rely on digital documentation, electronic approvals, and scanning systems in place of printed materials and physical file storage.

This transition has significantly reduced paper consumption while enhancing operational efficiency, document security, and record management practices.

## RESPONSIBLE FILE DISPOSAL

We conduct regular reviews and maintenance of archived and outdated files to ensure proper records management. Physical documents that are no longer required are securely destroyed through specialized third-party service providers who follow environmentally responsible disposal and recycling processes.

## Environmental Compliance

Al Sagr has recorded zero incidents of non-compliance with environmental laws and regulations across all reporting periods. Our commitment to environmental compliance is embedded within our governance framework, with regular internal reviews conducted by the Compliance and Risk Management teams to ensure adherence to applicable environmental requirements.

# SOCIAL PERFORMANCE

## Highlights

**308**

Full-time employees

**63.96%**

Employee Retention Rate

**36.04%**

Employee Turnover Rate

## Material Topics

Employee Wellbeing

Diversity, Equity & Inclusion

Emiratization

Human Capital Development

## UNSDGs



# HUMAN CAPITAL DEVELOPMENT



At Al Sagr, we recognize that sustainable performance begins with people. Our workforce forms the foundation of our long-term resilience, service excellence, and regulatory strength. As a regulated insurance provider operating under the oversight of the Central Bank of the United Arab Emirates (CBUAE), maintaining a competent, stable, and future-ready workforce is not only a business imperative but also a governance priority.

Our workforce strategy extends beyond regulatory disclosure requirements. It is embedded within enterprise risk management,

governance oversight, succession planning, and business continuity frameworks. Workforce development at Al Sagr is therefore not viewed as an operational function alone, it is a strategic lever that supports sustainable growth and long-term stakeholder value creation.

## STRATEGIC HIRING AND TALENT INFUSION

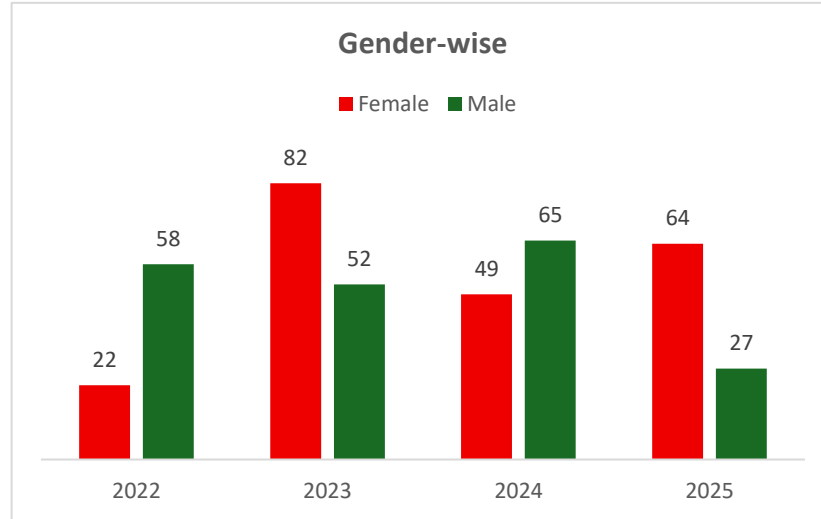
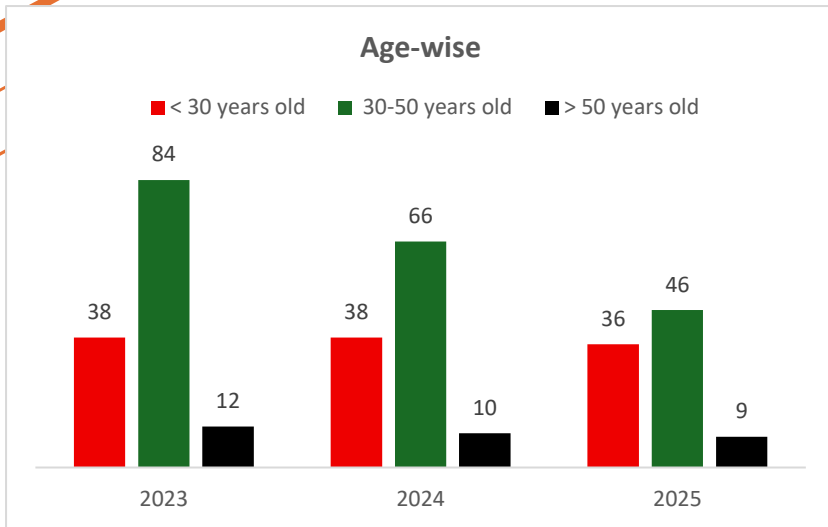
**DFM: S2.2, 2.3, 3.2 & 3.3**

Our employees remain fundamental to our operational resilience and customer service excellence. We continue to prioritize the attraction and retention of highly skilled professionals who demonstrate strong technical expertise, ethical conduct, and a commitment to continuous improvement. Al Sagr is committed to employment stability and long-term career development. All employees are engaged on permanent, full-time contracts, reinforcing job security, institutional knowledge retention, and cultural integration. By offering permanent employment arrangements, we promote workforce stability and strengthen employee engagement, while supporting structured career progression pathways.

Beyond recruitment, we actively foster a workplace environment that supports professional growth, inclusivity, and wellbeing. By investing in our people, we enhance organizational performance and reinforce our ability to deliver high-quality services to customers and stakeholders.

**Total New Hires**

**DFM: S3.4**



**Employee Benefits and Wellbeing**

Al Sagr offers a comprehensive benefits framework designed to support financial stability, health, and work-life balance, in full compliance with UAE Labor Law and regulatory requirements. These benefits include:



**Compensation Packages**



**Annual Travel Allowances**



**Medical Insurance Coverage**



**Life Insurance Coverage**



**Parental Leave**



**End-Of-Service Benefits**

## EMPLOYEE RECOGNITION AND ENGAGEMENT



We promote a culture that acknowledges employee contributions and encourages engagement across all levels of the organization. Initiatives such as the ***Employee of the Quarter*** program recognize exceptional performance and dedication. Team-building activities, corporate events, and internal engagement initiatives further strengthen collaboration and reinforce a strong sense of organizational belonging. These initiatives contribute to employee morale, productivity, and cross-functional alignment.

To enhance operational efficiency and employee experience, Al Sagr leverages the Asuretek Human Resources Management System, including its integrated Employee Self-Service (ESS) platform. This system supports

streamlined performance management, leave administration, and internal communication processes. We also conduct periodic reviews of our Human Resources Manual to ensure alignment with regulatory updates, evolving workforce expectations, and industry best practices.

### Performance-Driven Career Growth

Maintaining a high-performing workforce requires structured performance oversight and continuous development. Al Sagr implements a formal performance evaluation framework designed to identify talent potential, close skill gaps, and support professional advancement. Key components include:

- Annual performance reviews to assess competencies and define individualized development plans
- Structured probation evaluations with formal feedback discussions
- Career advancement pathways for high-performing employees
- Internal mobility opportunities to support leadership development and succession planning

This performance-driven framework ensures that growth opportunities are merit-based and aligned with organizational objectives.

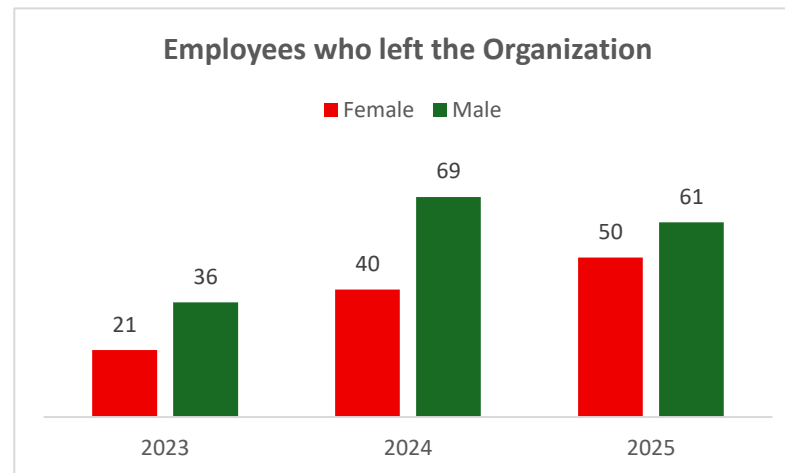
**100% employees** undergo annual performance evaluations, and in line with the approved succession plan, internal development plans are being implemented to build future leadership and strengthen organizational capability.

### Employee Turnover and Retention

Workforce stability remains a key indicator of organizational resilience, knowledge continuity, and operational effectiveness. In the insurance sector, where regulatory compliance and technical expertise are critical, retaining skilled professionals is essential.

During the current reporting period, we recorded an employee turnover rate of 36.04%. While this reflects ongoing workforce movement, it must be considered within the broader context of sector-wide competition for skilled professionals and shifting workforce expectations.

We recognize that turnover presents both operational risks and opportunities. While it may indicate external mobility and career progression trends, it also underscores the importance of robust retention planning and employee engagement strategies.



### Employee Turnover broken down by gender, age and seniority-level

**DFM: S3.1**

Year	Entry-Level			Mid-Level			Senior-to-Executive Level		
	<30 years old	30-50 years old	<50 years old	<30 years old	30-50 years old	<50 years old	<30 years old	30-50 years old	<50 years old
2023	13	18	1	7	14	2	0	0	2
2024	30	31	4	6	33	1	0	4	0
2025	28	48	2	5	22	3	1	2	0

### Strengthening Retention Strategies

To enhance workforce stability and employee satisfaction, Al Sagr continues to implement targeted retention initiatives designed to support employee wellbeing, professional growth, and a positive workplace culture.



#### Expanded Career Development Pathways

Structured career progression frameworks and leadership development programs are in place to support mid-career and high-potential employees, ensuring internal capability building and long-term talent retention.



#### Mentorship and Engagement Programs

Coaching and mentoring initiatives encourage knowledge transfer, strengthen collaboration, and align employee development with corporate objectives.



#### Work-Life Balance and Positive Workplace Culture

Recognizing that employee wellbeing is essential for operational continuity and sustained performance, the Company maintains high standards to promote a positive and inclusive work environment. Al Sagr actively fosters diversity across gender and nationalities and strictly complies with labour laws and regulatory requirements related to working hours and office timings. These measures enable employees to effectively balance professional responsibilities with personal commitments while contributing to organizational objectives. In addition, the Company encourages constructive relationships among colleagues, managers, and leadership to promote psychological wellbeing and a supportive workplace culture.



#### Data-Driven Retention Analysis

Comprehensive exit interviews and workforce analytics are conducted to identify the underlying causes of employee attrition and inform targeted corrective actions. Insights gathered from these analyses have led to policy improvements, including the amendment of the attendance policy in 2024 to introduce a 30-minute flexible morning attendance window, which can be compensated for later in the day to provide employees with greater flexibility.

# DIVERSITY, EQUITY AND INCLUSION

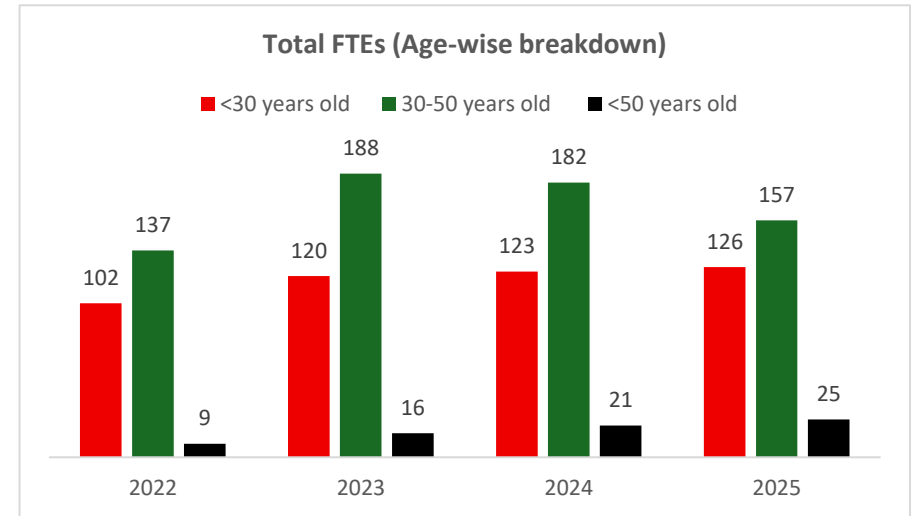
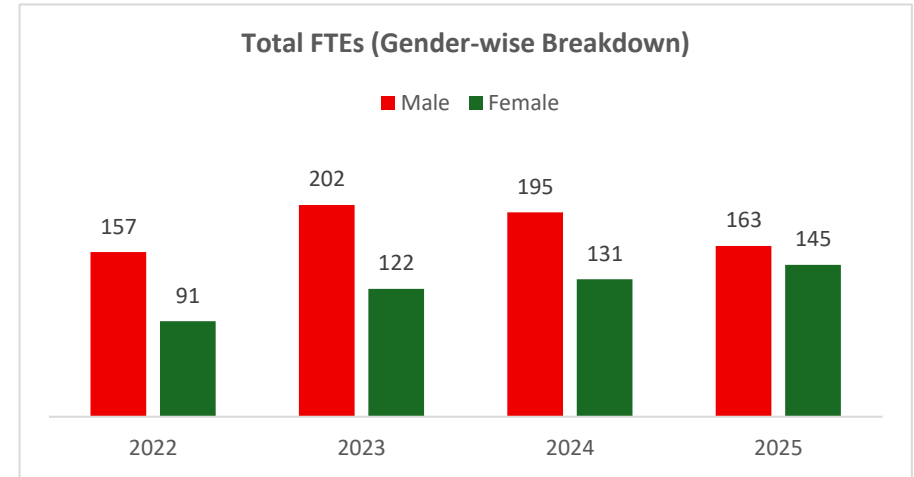
At Al Sagr, diversity, inclusion, and equal opportunity are embedded within our governance framework, recruitment philosophy, and leadership development strategy. We align our employment practices with the UAE’s constitutional principles of equality and Federal Decree-Law No. 33 of 2021 (UAE Labour Law), while supporting national gender balance and workforce participation objectives.

We believe that inclusive organizations are stronger, more resilient, and better positioned to serve a diverse customer base. By fostering a culture of fairness and meritocracy, we enhance organizational performance while reinforcing our social responsibility commitments under our ESG framework.

## DIVERSITY AND FEMALE PARTICIPATION

**DFM: S2.1, 4.1, 4.2, 4.3 & 4.5**

We actively promote gender equality in recruitment and career development. All candidates, regardless of gender, are given the opportunity to compete for positions based solely on merit, ensuring a fair and impartial selection process. Female employees are provided with equal access to training, development programs, and opportunities for advancement, including leadership and technical roles, contingent upon meeting the necessary qualifications. As of the reporting period, the company employs 19 women at the senior officer level and above, representing 25% of the total senior officer population across all genders.



**Total FTEs (Category-wise breakdown)**

Year	Entry-Level		Mid-Level		Senior-to-Executive Level	
	Male	Female	Male	Female	Male	Female
2022	75	64	69	27	13	0
2023	104	95	87	27	11	0
2024	107	108	81	23	7	0
2025	83	127	74	18	6	0

Year	HQ	Abu Dhabi	Abu Hail	Ajman	Al Ain	Ras Al Khaimah	Sharjah	Sheik Zayed Road	TOTAL
2022	166	18	0	5	12	15	14	18	248
2023	200	27	10	11	17	15	22	22	324
2024	216	28	0	10	16	20	20	16	326
2025	183	27	0	0	20	42	23	13	308

Year	Entry-Level			Mid-Level			Senior-to-Executive Level		
	<30 years old	30-50 years old	<50 years old	<30 years old	30-50 years old	<50 years old	<30 years old	30-50 years old	Over 50 years old
2022	63	74	2	37	55	4	2	8	3
2023	85	107	7	33	73	8	2	8	1
2024	87	121	7	34	57	13	2	4	1
2025	95	109	6	30	45	17	1	3	2

## EQUAL OPPORTUNITY AND MERIT-BASED ADVANCEMENT

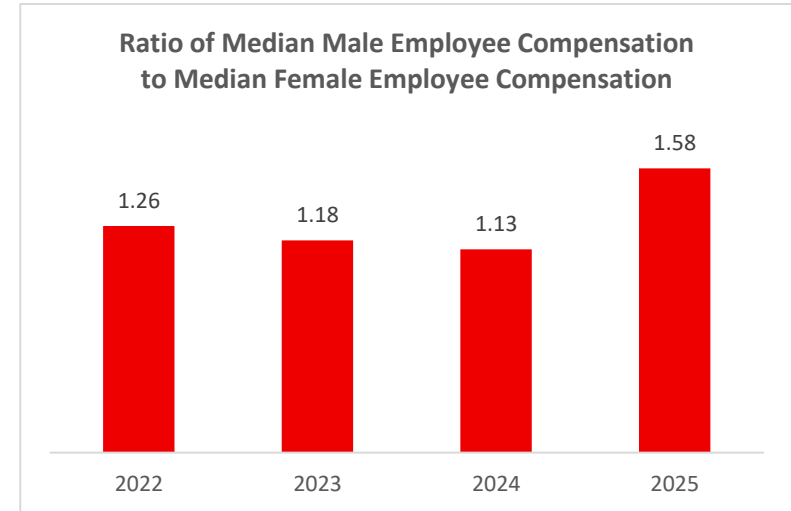
### 📍 DFM: S4.4

Al Sagr upholds strict non-discrimination principles in all employment practices. We attract qualified female and male talent by providing equal opportunity to compete for roles with complete impartiality and without gender-based discrimination.

Recruitment decisions are based exclusively on qualifications, competencies, professional experience, and business requirements. Similarly, promotion and advancement decisions are determined by merit, performance outcomes, and demonstrated leadership capability.

We provide equal access to training, professional development, and leadership programs. Female employees compete on equal footing with male colleagues for managerial, technical, and executive roles, provided the required qualifications and performance standards are met.

Our policies and procedures are aligned with UAE labor regulations and reflect our firm commitment to fairness, transparency, and workplace equality. We also remain committed to strengthening pay equity by ensuring that compensation structures are role-based, performance-driven, and consistently reviewed to promote fairness across comparable positions.



Our compensation structures are consistently reviewed to promote fairness



# TRAINING AND DEVELOPMENT

In an increasingly dynamic and highly regulated insurance market, continuous learning and capability enhancement are essential to sustaining operational excellence and competitive advantage. At Al Sagr, we view training and development as a strategic investment in our human capital and a core pillar of our long-term sustainability strategy. By equipping our employees with technical expertise, regulatory knowledge, and leadership capabilities, we strengthen organizational resilience and enhance the quality of service delivered to our clients.

## Structured Onboarding and Integration

All newly hired employees participate in a comprehensive and structured onboarding program designed to ensure a smooth and effective transition into the organization. This program provides:

- A thorough introduction to the insurance sector, including regulatory frameworks, market dynamics, and Al Sagr's product portfolio.
- Detailed insights into internal operational processes, underwriting standards, claims management practices, and customer service protocols.
- Clear communication of our corporate values, ethical standards, governance principles, and compliance obligations.
- Assessment and feedback mechanisms to evaluate knowledge retention and confirm readiness for role-specific responsibilities.

This structured onboarding approach ensures that employees are aligned with organizational expectations from the outset and are equipped to contribute effectively to business objectives.



## ONGOING SKILL DEVELOPMENT AND PROFESSIONAL GROWTH



### Leadership Development

Recognizing the importance of strong managerial capability, we implemented a structured **Leadership Program for Managers**. This initiative aimed to enhance leadership effectiveness, decision-making skills, team management capabilities, and strategic thinking.

By investing in leadership development, we support succession planning and prepare our managers to lead teams effectively in a dynamic and evolving business environment.



### Technical and Operational Excellence

We continue to invest in strengthening core insurance competencies through targeted technical training programs. During the reporting period, employees participated in:

- **Technical Training for Underwriting and Claims:** Focused on improving underwriting accuracy, risk evaluation methodologies, policy interpretation, and claims assessment efficiency.
- **Task Management Tool Training:** Designed to enhance operational productivity, workflow management, collaboration, and accountability across departments.

These programs support service quality, operational efficiency, and disciplined risk selection in line with our underwriting strategy.



### Cybersecurity and Risk Awareness

To strengthen our digital resilience, we delivered Cybersecurity Awareness Training (Cywareness Training) across the organization. This program aimed to increase employee awareness of cyber threats such as phishing, malware, and social engineering attacks. By promoting responsible digital behavior and vigilance, we enhance our first line of defense against cybersecurity risks.



### Regulatory and Compliance Training

As a regulated entity operating within the UAE insurance sector, compliance remains a core priority. During the year, we conducted mandatory training programs to ensure alignment with applicable regulatory requirements and internal governance standards. These included:

- **AML & TFS Training (Anti-Money Laundering and Terrorist Financing Sanctions):** Designed to enhance employee awareness of financial crime risks, reporting obligations, and regulatory compliance requirements.
- **Data Privacy Training:** Focused on strengthening understanding of data protection responsibilities, confidentiality standards, and secure handling of personal and sensitive information.
- **EIF Training:** Supporting alignment with relevant regulatory or industry framework requirements applicable to our operations.

## EMIRATIZATION

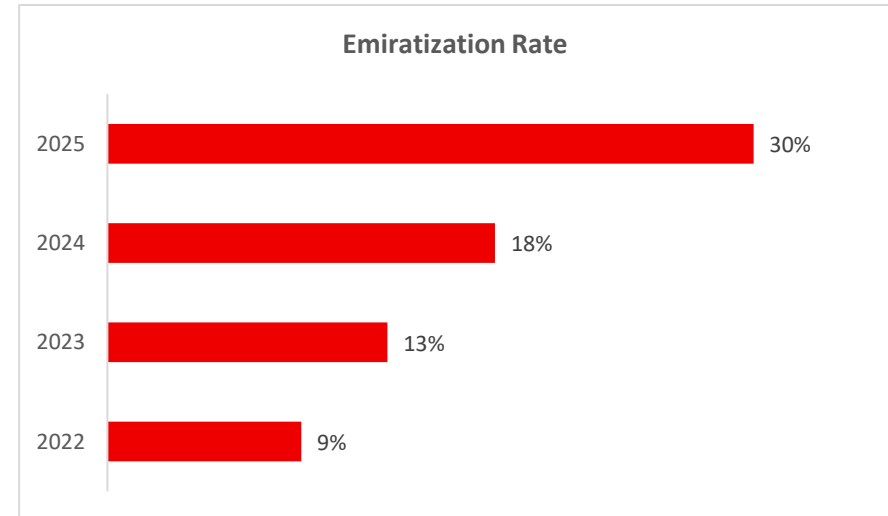


Al Sagr recognizes Emiratization as a national strategic priority and a cornerstone of the UAE's long-term socio-economic vision. Our approach is closely aligned with the objectives of the Ministry of Human Resources and Emiratization (MOHRE) and the broader national agenda to strengthen private sector participation of UAE Nationals. We view Emiratization not only as a regulatory obligation, but as a strategic investment in national human capital, organizational sustainability, and long-term value creation.

As a responsible corporate entity, Al Sagr is fully compliant with all applicable Emiratization mandates and workforce nationalization

requirements issued by MOHRE and relevant authorities. We actively engage with government-led initiatives, including programs under Nafis, to enhance the competitiveness, employability, and career progression of Emirati professionals within the private sector. Our governance framework ensures continuous monitoring of Emiratization ratios, transparent reporting, and alignment with evolving regulatory benchmarks.

Our Emiratization strategy is delivering measurable progress. The proportion of Emirati employees increased 66.7% relatively compared to 2024, reflecting both accelerated recruitment efforts and strengthened



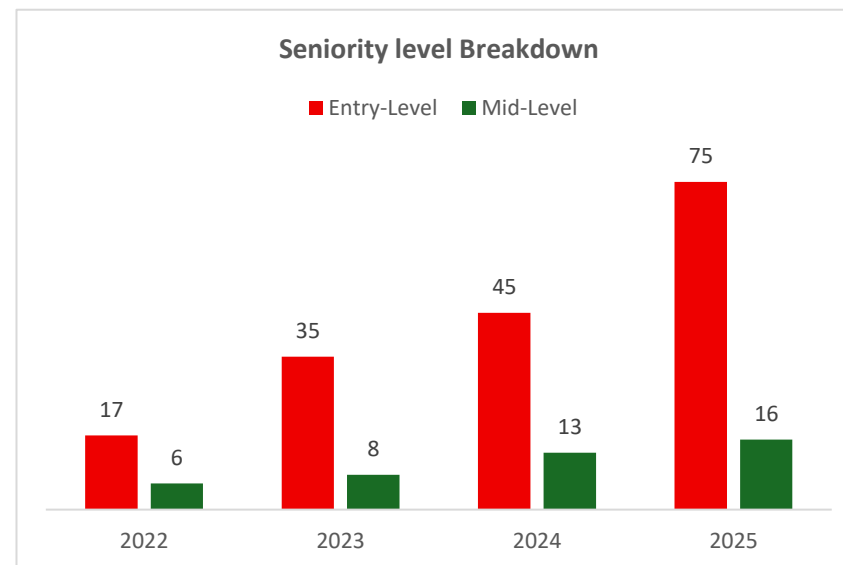
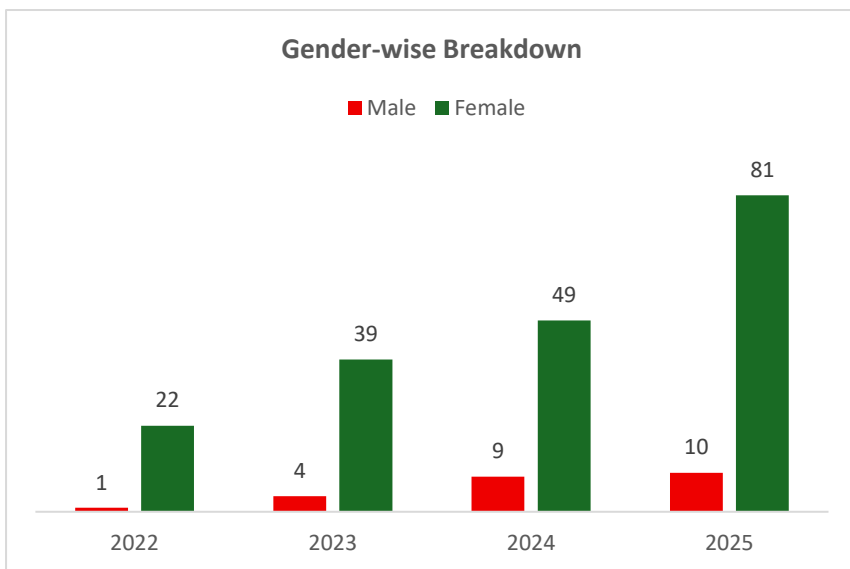
retention initiatives. Currently, Emirati employees are predominantly represented across entry-level and mid-level positions, with a increase in these categories between 2024 and 2025. This expansion reflects our structured focus on early-career integration, graduate recruitment, and

capability development programs designed to prepare UAE Nationals for long-term career advancement and future leadership roles.

To attract and retain top Emirati talent, Al Sagr offers a competitive and comprehensive benefits framework aligned with market best practices and national expectations. In addition to competitive remuneration, we provide enhanced employee benefits, including an optional pension scheme and structured development opportunities, supporting long-term financial security and professional growth. Through these initiatives, Al Sagr continues to reinforce its role as a proactive contributor to the UAE’s economic diversification agenda, supporting national workforce development while strengthening organizational resilience and performance.

**Total Number of UAE Nationals**

**📍 DFM: S2.4**



# COMMUNITY ENGAGEMENT



At Al Sagr, we believe that meaningful community engagement begins within our organization and extends outward to the broader society we serve. As a responsible corporate citizen in the UAE, we are committed to supporting initiatives that promote social well-being, public health, environmental responsibility, and employee engagement. Our community strategy aligns with the UAE leadership's vision for sustainable development and social cohesion

## STRENGTHENING COMMUNITY FROM WITHIN

We recognize that our employees are at the heart of our community engagement efforts. By fostering a culture built on collaboration, mutual respect, and shared purpose, we create a strong internal foundation that supports our broader social impact. During the reporting year, we focused on initiatives that directly benefit employee well-being and public health. These initiatives not only reinforce our people-centric values but also contribute to the wider community.

## CORPORATE SOCIAL RESPONSIBILITY INITIATIVES – 2025

In 2025, Al Sagr implemented the following CSR initiatives:

1. **Blood Donation Campaign – ASNIC Head Office**  
We organized a blood donation campaign at our Head Office, encouraging employees to voluntarily contribute to a life-saving cause. This initiative reflects our commitment to supporting national healthcare efforts and strengthening community solidarity. The campaign demonstrated strong employee participation and reinforced our culture of compassion and social responsibility.
2. **Staff Health Checkup and Flu Vaccination Program**  
As part of our commitment to employee well-being, we conducted a staff health checkup and flu vaccination drive. This initiative aimed to promote preventive healthcare, enhance awareness of personal health management, and ensure a safe and healthy work environment. By investing in the health of our employees, we also contribute to overall community resilience and productivity.

# DFM INDEX

Metric	Indicator	Page. No.	Section
<b><u>ENVIRONMENT</u></b>			
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	E1.4) Please describe investments, initiatives and projects to reduce CO2 emissions	27	Energy and emissions management
<b>E2. Emissions Intensity</b>	E2.1) GHG emissions intensity	28	Energy and emissions management
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<b>E3. Energy Usage</b>	E3.1) Total amount of direct energy consumed	25	Energy and emissions management
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<b>E4. Energy Intensity</b>	E4.1) Direct energy use intensity	27	Energy and emissions management
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	E4.3) Please describe investments, initiatives and projects to reduce energy consumption and to increase energy efficiency	27	Energy and emissions management
<b>E5. Energy Mix</b>	E5.1) Renewable energy used	26	Energy and emissions management
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<b>E6. Water and Effluents</b>	E6.3) Total amount of water consumed (If possible, a breakdown by source: surface water, groundwater, seawater, etc.) m3	29	Water consumption

	E6.4) Water intensity	29	Water consumption
	E6.7) Please describe investments, initiatives and projects to reduce water consumption and to increase water recycling	29	Water consumption
<b>E7. Waste</b>	E7.5) Please describe investments, initiatives and projects to reduce waste generation consumption and to increase waste recycling	30	Paperless Initiative
<b>E9. Climate Risks, Opportunities and Governance</b>	E9.1) Please describe the climate-related risks and opportunities that could reasonably be expected to affect your company's prospects. Also explain, for each climate-related risk your organization has identified, whether your organization considers the risk to be a climate-related physical risk or transition risk.	21-23	Climate related risks and opportunities
	E9.2) Please describe the current and anticipated impacts of climate-related risks and opportunities on your company's business model and value chain.	21-23	Climate related risks and opportunities
	E9.3) How has your company responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including the plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation?	21-23	Climate related risks and opportunities
	E9.4) What are the current effects, during the reporting period, of climate-related risks and opportunities on your company's financial position, financial performance and cash flows?	21-23	Climate related risks and opportunities
	E9.5) Please describe the processes and policies your company uses to identify, assess, prioritize, and monitor climate related risks, and the inputs and parameters used in these processes	21-23	Climate related risks and opportunities
	E9.6) Please indicate if and how your company uses climate-related scenario analysis to identify and assess climate related risks.	21-23	Climate related risks and opportunities
	E9.7) Which governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) is responsible for oversight of climate-related risks and opportunities?	21-23	Climate related risks and opportunities
	E9.10) How does the body or individual consider climate-related risks and opportunities when overseeing your company's strategy?	21-23	Climate related risks and opportunities
	E9.11) Are performance metrics related to climate targets included in remuneration policies? If so, how?	21-23	Climate related risks and opportunities

	E9.12) Has your company delegated the role of overseeing climate-related risks and opportunities to a specific management-level position or committee, and how is oversight over this role or committee exercised?	21-23	Climate related risks and opportunities
	E9.13) Please disclose any quantitative and qualitative climate-related targets to monitor progress towards strategic goals, incl. any GHG emissions targets and specify the metric used to set the target.	21-23	Climate related risks and opportunities
<b><u>SOCIAL</u></b>			
<b>S1. CEO Pay Ratio</b>	S1.1) Please share the ratio of CEO total compensation to median full-time employee (FTE) total compensation	14	Fair and competitive remuneration
	S1.2) Does your company report this metric (above) in any regulatory filings?	14	Fair and competitive remuneration
<b>S2. Breakdown with Staff</b>	S2.1) Please share the total enterprise headcount held by full-time employees (broken down by age and seniority level)	37-38	Diversity and female participation
	S2.2) Please share the total enterprise headcount held by part-time employees (broken down by age and seniority level) Number and	32	Strategic Hiring and Talent Infusion
	S2.3) Please share the total enterprise headcount held by contractors and/or consultants	32	Strategic Hiring and Talent Infusion
	S2.4) Please share the total of national employees (breakdown by age and seniority level)	43	Emiratization
<b>S3. Employee Turnover and New Hires</b>	S3.1) Year-over-year change for full-time employees (broken down by gender, age, and seniority level)	35	Strategic Hiring and Talent Infusion
	S3.2) Year-over-year change for part-time employees	32	Strategic Hiring and Talent Infusion
	S3.3) Year-over-year change for contractors and/or consultants	32	Strategic Hiring and Talent Infusion
	S3.4) Year-over-year of new hires (broken down by age, gender and seniority level)	33	Strategic Hiring and Talent Infusion
<b>S4. Gender Diversity and Equal Opportunities</b>	S4.1) Total enterprise headcount held by men and women	37-38	Diversity and female participation
	S4.2) Total entry- and mid-level positions held by men and women	37-8	Diversity and female participation
	S4.3) Total senior- and executive-level positions held by men and women	37-38	Diversity and female participation

	S4.4) The ratio of median male employee compensation to median female employee compensation	39	Equal Opportunity and merit-based advancement
	S4.5) 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	37-38	Diversity and female participation
<b>S7. Training and Development</b>	S7.1) Please share the average annual training hours allocated per employee, with a breakdown of gender and employment category	40	Training and development
<b>S8. Community Engagement</b>	S8.1) Please share the total amount invested in the community, including philanthropy, donations and sponsorships	44	Community Engagement
<b>GOVERNANCE</b>			
<b>G1. Board Diversity</b>	G1.1) Total board seats occupied by men and women	12	Board Structure & Composition
	G1.2) Total committee chairs occupied by men and women	13	Board Committees and oversight
<b>G2. Board Independence</b>	G2.1) Does company prohibit CEO from serving as board chair?	12	Board Structure & Composition
	G2.2) Please share the total board seats occupied by independents	12	Board Structure & Composition
<b>G5. Ethics and Anti-Corruption</b>	G5.1) Does your company follow an Ethics and/or Anti-Corruption policy?	15	Ethics and Anti-corruption policy
	G5.2) Please share the workforce formally compliant with the Anti-Corruption Policy %	15	Ethics and Anti-corruption policy
	G5.3) Please share the confirmed incidents of corruption during the reporting period Number	16	Anti-corruption compliance
	G5.4) Please share the corrective measures taken corresponding to the confirmed incidents of corruption (in case of any)	16	Anti-corruption compliance
<b>G6. Data Security</b>	G6.1) Does your company follow a Data Privacy policy?	17-19	Enterprise Cybersecurity Architecture
	G6.2) Has your company taken steps to comply with GDPR rules or similar standards?	17	Governance and regulatory alignment
	G6.3) Data security breaches during the reporting period (if any)	19	Data privacy and Protection framework
<b>G7. Sustainability</b>	G7.1) Describe the sustainability-related risks and opportunities that could reasonably be expected to affect your organization's prospects.	21-22	Climate related risks and opportunities

<b>Risks, Opportunities and Governance</b>	G7.2) Describe the current and anticipated impacts of sustainability-related risks and opportunities on your organization's business model and value chain.		
	G7.3) Describe how your organization responded to, and plans to respond to, sustainability-related risks and opportunities in its strategy and decision-making.	23	Climate related risks and opportunities
	G7.4) Describe the current and anticipated effects (during the reporting period) of sustainability-related risks and opportunities on your organization's business model, financial position, performance, and cash flows. How are these risks considered in financial planning (current financial effects)?	23	Climate related risks and opportunities
	G7.5) Describe the processes and policies your organization uses to identify, assess, prioritize, and monitor sustainability related risks, and the inputs and parameters used in these processes.	21	Climate related risks and opportunities
	G7.6) How are the processes for identifying, assessing, prioritizing and monitoring sustainability-related risks and opportunities integrated into and informing your organization's overall enterprise risk management process?	21-22	Climate related risks and opportunities
	G7.7) Which governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) is responsible for oversight of sustainability-related risks and opportunities?	21	Climate related risks and opportunities