

2024



Sustainability Report





His Highness

Sheikh Meshal Al-Ahmad Al-Jaber Al-Sabah
The Amir of the State of Kuwait



His Highness

Sheikh Sabah Khaled Al-Hamad Al-Sabah
Crown Prince of the State of Kuwait

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Environment, Social & Governance Highlights

Environmental Highlights



- Installed rooftop solar panels generating 550 kWh of renewable energy.



- Achieved zero environmental violations or fines across operations.

- Reduced total energy consumption to 2,990 kWh, implementing low-flow fixtures and digital-first policies.



- Partnered with Omniya for plastic waste collection, weekly office paper recycling with certified vendors.

Social Highlights



- Delivered 20 average training hours per employee across 20+ programs.

- 100% employees received development reviews.

- New mobile application improved for customer access and literacy.



- Enabled community development via partnerships with LOYAC, Kuwait Red Crescent Society, and Down Syndrome Society.

- Hosted health tests, blood drives, and cultural employee events; 100% local supplier spending.



- Ensured gender-equitable parental leave, with full return rate for female employees.

Governance Highlights



- 33% of Board members are independent, exceeding local norms.

- Fully aligned with IRU Resolution No. 58 of 2023 on corporate governance.



- Implemented whistleblower protections and zero breaches in regulatory or ethical conduct.

- Maintained transparent internal audit and compliance systems across departments.

1. About the Organization

1.1 Organizational Details

Since its inception in 1962, Al Ahleia Insurance Co. S.A.K.P. (referred to as “Al Ahleia” or “its” or “we” or “our” or “the Company” in this report) has stood as a bedrock of security with its foundations laid under the progressive framework of the State of Kuwait's Insurance Companies and Agents Law. From its initial paid-up capital of KWD 22,050,000 and subsequent listing on the Kuwait Stock Exchange in 1984, Al Ahleia has consistently charted a course of robust growth and market leadership in the insurance landscape. Our commitment extends beyond offering a diverse suite of insurance solutions encompassing marine, liability, and property risks. We empower businesses and individuals to navigate an increasingly complex world by mitigating the impacts of the risks they face. This proven track record of delivering exceptional service and strategically competitive offerings has propelled Al Ahleia to a position of significant influence across the Middle East and North Africa.

1962 founded → 1984 KSE listing → 1990s new lines → 2021 HQ & online renewals → 2024 mobile app

Our diverse product portfolio, coupled with a powerful commercial insurance foundation, ensures consistent growth for the Company and fosters stability in our customers. From our headquarters, the iconic Al Ahleia Insurance Tower in Kuwait City, we orchestrate a global network dedicated to providing peace of mind and fostering sustainable economic activity – synonymous with reliability, innovation, and a steadfast commitment to the future.

Al Ahleia - A Differentiator in Kuwait's Insurance Landscape

- **Excellence Endorsed: Al Ahleia's Foundation of Stability and Growth**

Since 1962, Al Ahleia has been meticulously crafted upon a bedrock of unwavering regulatory compliance and formidable financial stability. Our financial strength and long-term outlook are not just internal aspirations; they are externally validated by AM Best's upgraded A (Excellent) Financial Strength Rating and A- rating from Standard & Poor's (S&P) with a stable outlook. Additionally, Moody's has assigned the company an A3 insurance financial strength rating. These prestigious recognitions underscore Al Ahleia's robust risk-adjusted capitalization, commitment to prudent and conservative underwriting practices, and the deeply entrenched business strength profile.

These affirmations provide our stakeholders with tangible evidence of Al Ahleia's enduring resilience and our capacity to navigate market dynamics with confidence. This is a testament to our strategic foresight and unwavering dedication to maintaining the highest standards of operational and financial excellence, ensuring we remain a trusted partner for years to come.

- **Diversified Strength, Exceptional Returns: Al Ahleia's Market Leadership**

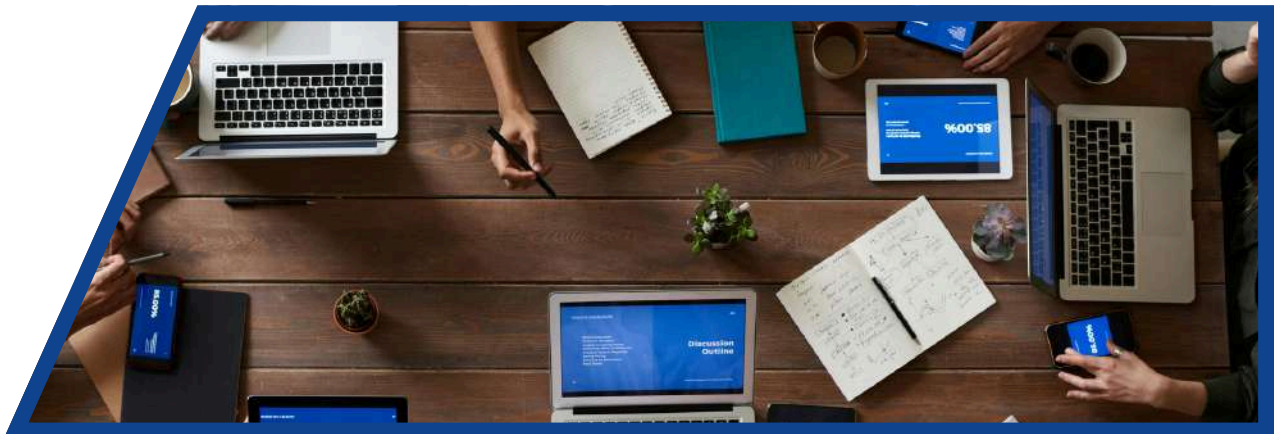
Al Ahleia stands as a testament to the power of diversification and strategic foresight. Our comprehensive portfolio caters to the full spectrum of individual and commercial insurance needs, encompassing property, casualty, engineering, marine, and aviation- sectors vital to any economy.

Our commitment to operational excellence translates directly into strong financial performance. Over the past five years, Al Ahleia has consistently delivered an impressive average combined ratio of 91.8% and a robust 10.6% return on equity . This compelling financial track record, further bolstered by a prudent approach to reinsurance, underscores the inherent stability and promising outlook that defines Al Ahleia. We are not just protecting assets; we are fostering confidence and enabling sustainable growth across diverse economies.

- **Sustaining Growth, Delivering Value: Al Ahleia's Strategic Imperative**

Al Ahleia's strategic compass is firmly set on a path of sustained growth, powered by an unwavering commitment to delivering exceptional service, offering competitively priced solutions, and operating within a robust risk management framework. This powerful combination helps us to navigate the evolving dynamics of the insurance sector and to consistently generate enduring value for our stakeholders.

This strategic direction is deeply rooted in our core mission: to be Kuwait's leading insurance provider. We strive to achieve this by equipping our clients with comprehensive and cutting-edge insurance solutions, underpinned by a dedication to providing unparalleled customer service and maintaining robust financial stability. Furthermore, Al Ahleia actively contributes to the growth and advancement of Kuwait's insurance industry by extending commitment beyond its own success to the prosperity and resilience of the communities served.



Al Ahleia: Company Snapshot

Our Branches



1. Defence
2. Fahaaheel
3. Hawally
4. Salmiya
5. Shuwaikh
6. Soor
7. Subhan

Al Ahleia Insurance Tower, Ahmad Al Jaber Street, Block 2, Building 21, Sharq, Kuwait City, Kuwait.



Paid-Up Capital

22,050,000.000 Kuwaiti Dinar



of Employees:

199 (As on December 31st, 2024)

Al Ahleia Insurance Company was established on June 12, 1962 in Kuwait. The company provides a comprehensive range of insurance services including:



Motor



Marine & Aviation



Property



General Accidents & Engineering



Life & Medical



<http://www.alahleia.com/>

Ratings Received

- **A-' Rating Affirmed by S&P Global Ratings (2024):** Solidifying Al Ahleia's robust financial strength and stability in the global market.
- **AM Best has upgraded the credit rating to (A) (Excellent) (2025):** Reinforcing AIC's position as a top-tier insurer in the Kuwaiti market.
- **A3 Insurance Financial Strength Rating with Stable Outlook Assigned by Moody's (September 2024):** Validating Al Ahleia's strong financial profile and consistent performance.



S&P Global
Ratings

MOODY'S

1.2 Entities Included in The Reporting

Sustainability reporting is how an organization communicates its most important impacts and how it's addressing them. This process begins with identifying the key issues—often called material topics— that are most significant to the organization's environmental, social, and governance (ESG) performance.

The annual sustainability report then publicly shares information about these impacts, outlining the organization's sustainability goals and its performance across ESG areas. Al Ahleia has developed its first sustainability report in reference to the Global Reporting Initiatives (GRI) 2021 guidelines.

Within the scope of this report, the operational activities and performance metrics detailed herein encompass Al Ahleia Insurance Co. S.A.K.P., including its core Technical and essential Supporting departments in the State of Kuwait.

1.3 Reporting period, frequency and contact point

This inaugural sustainability report from Al Ahleia presents environmental, social, and governance performance for the reporting period of January 1st, 2024, to December 31st, 2024. Acknowledging that sustainability is an ongoing and dynamic process, Al Ahleia is dedicated to transparent disclosure according to the Global Reporting Initiative (GRI 2021) and will disseminate this report annually to chronicle advancements and reinforce commitment to sustainable operations. For any inquiries, feedback, concerns, or suggestions pertaining to this report, we encourage you to contact:

- *Mr. Khaled Enany, Assistant CEO, at k_enany@alahleia.com*
- *Mai Al Sarraf, Manager, at m_alsarraf@alahleia.com*
- *Abdullah Al Duwailah, Senior Compliance Officer, at a_alduwailah@alahleia.com*
- *Nassar Al Nassar, Business Development Executive, at n_khaled@alahleia.com*

1.4 Empowering Protection Across Every Horizon: Al Ahleia's Activities, Value Chain and Other business relationships

Al Ahleia stands as a vanguard of comprehensive protection, offering a dynamic spectrum of insurance solutions meticulously crafted for individuals and businesses alike. Whether navigating the roads with our robust motor insurance, encompassing both all-encompassing comprehensive coverage and essential third-party liability, or securing your future with our diverse life and health insurance portfolios, Al Ahleia provides peace of mind at every turn.

Our commitment extends to safeguarding your most valuable assets and ventures. We offer specialized coverage across marine and aviation risks, ensuring the seamless flow of commerce and travel. Our property and engineering insurance solutions provide a bulwark against unforeseen events, while our liability insurance offerings offer crucial protection in an increasingly complex world. Beyond these core areas, we empower individuals with travel insurance for worry-free journeys and businesses with workmen's compensation, alongside specialized policies like contractor and machinery risk coverage, tailored to the unique demands of specific industries.

Al Ahleia strategically operates across four insurance pillars, each a testament to our expertise and comprehensive approach:

Al Ahleia: Insurance Services Suite

- **Non-Life Insurance:** A powerful protection suite encompassing Motor Insurance (shielding you with Third Party Liability, Comprehensive Vehicle, and Personal Accident coverage), Marine and Aviation Insurance (safeguarding your assets with Marine Cargo and Marine Hull policies), and Fire and General Accident Insurance (providing crucial safety nets through Personal Accident and diverse Liability solutions).
- **Life and Medical Insurance:** Empowering wellbeing and financial security through life, family and corporate policies
- **Reinsurance:** Fortifying our capacity and ensuring long-term stability through strategic reinsurance partnerships, allowing us to underwrite significant risks with confidence.
- **Investments:** Prudently managing our assets to ensure the financial strength and longevity of Al Ahleia, underpinning our commitment to our policyholders.

Our organizational operations mirror these core segments, ensuring dedicated expertise and tailored solutions to meet the diverse and evolving needs of our clientele. From individual security to complex commercial undertakings, Al Ahleia is your trusted partner in navigating risk and securing a resilient future.



2. Statement on Sustainable Development Strategy



Message from the Chairman

It is with great pride that I present Al Ahleia Insurance Company's inaugural Sustainability Report, a reflection of our steadfast commitment to responsible governance, enduring financial strength, and our pivotal role in Kuwait's future prosperity. As we close the 2024 reporting year, this moment marks more than a milestone—it signals our transformation into a forward-looking institution that views environmental, social, and governance (ESG) principles as central to our long-term business strategy.

At the heart of our journey lies a deeply integrated sustainability vision, designed to future-proof our governance model and elevate our value to stakeholders. In an era where insurers globally are

expected to navigate climate risk, social change, and digital disruption, we have taken bold steps to embed ESG into our corporate fabric. This begins with strong governance. With a 33% independent Board and reinforced oversight through dedicated risk, audit, and nomination committees, we have ensured that decisions are rooted in accountability, integrity, and a long-term perspective.

Our financial performance remains a cornerstone of our credibility. Al Ahleia continues to achieve strong underwriting and investment results, maintaining a five-year average combined ratio of 91.8% and a return on equity of 10%. These figures are not achieved in isolation; they reflect our strategic risk appetite, disciplined reinsurance practices, and increasingly, our integration of ESG into underwriting and investment decisions. Globally, insurers are leveraging sustainable finance and climate-smart strategies to enhance portfolio resilience—an approach we are proud to echo through solar energy investments, ESG-aligned product innovation, and ongoing efforts to de-risk our exposure to climate volatility.

We are deeply aligned with the national ambition outlined in Kuwait Vision 2035. Through investments in local talent, and our Board of Directors and partnerships with national institutions like LOYAC and the Kuwait Red Crescent Society, we are contributing to economic diversification and social well-being. Our commitment extends to supporting digital infrastructure and ESG finance frameworks that are shaping the future of Kuwait's financial services sector.

Our overarching objective is to deliver sustainable value for our shareholders. We do so by creating a company that is resilient, relevant, and responsible. Our ESG journey is not an obligation—it is an opportunity. An opportunity to lead in climate-smart risk management, to foster inclusive economic participation, and to strengthen trust across generations of stakeholders. With unwavering optimism, I am confident that Al Ahleia is well-positioned to serve as a beacon of responsible insurance.

Ayman Abdul Latif Al-Shaya
Chairman

Message from the Chief Executive Officer

The year 2024 marked a pivotal moment in Al Ahleia's evolution. It was a year defined by action—where sustainability, digital transformation, and social impact were not mere aspirations, but concrete deliverables embedded into our operational strategy. This report captures the essence of that transformation and our determination to remain a trusted insurer in a world of accelerating environmental, technological, and social change.

We embarked on this journey by implementing core sustainability initiatives aligned with international ESG frameworks. Recognizing the urgency of climate action, we began formalizing our emissions tracking and initiated clean energy adoption, including solar panel installations that generated 550 kilowatt-hours of renewable power in 2024.

At the same time, we prioritized digital innovation, launching a user-friendly mobile application that has redefined customer engagement and significantly reduced our operational footprint. This digital pivot not only enhances service efficiency but also aligns us with leading global insurers investing in Insurtech to reduce carbon impact and improve access.

Our people remain at the centre of our transformation. In 2024, every Al Ahleia employee received a structured development review, with an average of 20 training hours delivered across a range of subjects from underwriting to corporate governance. With a workforce spanning 14 nationalities and over 30% female representation, we are advancing diversity and inclusion. Our Kuwaiti-first talent policy, including a fully Kuwaiti Board of Directors, reaffirms our commitment to local empowerment and aligns directly with the Kuwait Vision 2035's human capital pillar.

Reducing our environmental impact is also embedded in our operational DNA. Beyond our transition to clean energy, we have optimized paper usage, and partnered with recycling companies. These initiatives reflect our belief that even in a low-emissions sector like insurance, proactive environmental stewardship is essential.

We have also strengthened our operational resilience. Our governance and compliance frameworks were rigorously tested and enhanced, ensuring robust risk oversight, cybersecurity, and customer data protection. Externally, we reaffirmed our social compact with Kuwait's communities. Through vocational training, healthcare partnerships, and environmental awareness initiatives, Al Ahleia extended its impact far beyond policies and premiums—touching lives and fostering resilience at the grassroots level.

As we look ahead, the landscape will remain dynamic. But with our strategic ESG vision, empowered workforce, digital capabilities, and unwavering customer focus, Al Ahleia is poised not just to adapt—but to lead. We will continue to operate with purpose, perform with discipline, and innovate with integrity. Together with our stakeholders, we are building an insurance ecosystem that not only protects—but uplifts, empowers, and sustains.



Yousef Saad Al-Saad
Chief Executive Officer

3. Embracing Collaborative Value Creation: Al Ahleia's Commitment to Robust Stakeholder Engagement

At Al Ahleia, we firmly believe that meaningful and transparent engagement with our diverse stakeholders is not merely a procedural necessity, but a fundamental pillar for cultivating enduring value, informing strategic pathways, and driving truly sustainable growth. This conviction is embedded within our organizational DNA, with stakeholder engagement championed by our Executive Leadership Team and seamlessly integrated into the operational fabric through the concerted efforts of all relevant departments. This cross-functional synergy ensures comprehensive ownership, clear accountability, and a unified voice throughout all our interactions.

We proactively cultivate open dialogues with a broad spectrum of stakeholders who hold a vested interest in our activities or are potentially impacted by them. This includes our dedicated employees, valued customers, discerning investors, trusted suppliers, regulatory authorities, the communities we serve, and our esteemed industry partners.

Al Ahleia's commitment to robust stakeholder engagement is particularly evident in our interactions with the communities we serve. We believe that genuine success involves understanding and actively contributing to the well-being of society. This commitment is reflected in our proactive approach to corporate social responsibility (CSR), where we seek to strengthen collaboration among various segments of society and build bridges of social solidarity.

Our engagement endeavors are strategically designed to:

1. Deeply Understand Expectations and Concerns: Through active listening and open communication, we strive to gain a nuanced understanding of the priorities, expectations, and potential concerns of each stakeholder group.
2. Strengthen Trust Through Transparent Communication: We are committed to fostering strong relationships built on transparency, ensuring timely and relevant information is shared openly and honestly.
3. Align Business Objectives with Stakeholder Priorities: By actively incorporating stakeholder feedback, we ensure our strategic objectives are harmonized with their key priorities, creating mutual benefit and shared value.

By actively engaging with stakeholders, Al Ahleia fosters a culture of shared understanding, strengthens our resilience, and ensures that our business decisions are informed, responsible, and contribute to a more sustainable future for all. We recognize that their perspectives are invaluable in navigating the evolving landscape and achieving our long-term vision.

Stakeholder Types and Engagement Channels

Stakeholder Type	Primary Modes of Communication	Frequency
Employees	Internal announcements, company events, open-door policy, performance appraisals, intranet, surveys, town hall meetings	Regular (ongoing), Annual
Customers	Website, direct communication (phone, email), complaint/suggestion portals, surveys, social media, policy documents	Ongoing, Periodic
Investors/Shareholders	Annual General Meetings (AGM), regular financial reporting, investor relations website/communications, direct inquiries	Annual, Quarterly, As needed
Suppliers/Partners	Contracts, direct communication (meetings, email), performance reviews, collaborative platforms	As needed, Periodic
Regulators	Formal reporting, regular meetings, official correspondence, industry forums	Regular, As required
Communities	Local initiatives, sponsorships, donations, volunteering activities, community events, public announcements	Periodic, Event-based
Industry Partners (e.g., GAIF, FAIR, KIF)	Membership meetings, conferences, collaborative projects, information sharing networks	Periodic, Annual

4. Materiality Analysis

To ensure our sustainability progress encompasses points that truly reflect the issues that resonate most profoundly with our stakeholders and the very core of our operations, we embarked on a rigorous and inclusive Materiality Assessment. This journey is deeply inspired by global best practices and frameworks. This crucial undertaking allowed us to discern, prioritize and strategically address the environmental, social and governance themes that hold the greatest significance for Al Ahleia and its stakeholders. As a result, our Materiality Analysis resulted as a meticulous process comprising several key stages- each designed to capture vital insights and perspectives on key material topics.

Al Ahleia's Materiality Analysis Process

1. **Mapping Our Ecosystem of Influence:** Our journey began by meticulously mapping our ecosystem of stakeholders both those within the Al Ahleia family and those who interact with us from the outside. We identified these crucial groups based on their willingness to engage, the ease with which we can connect their potential impact on Al Ahleia and conversely Al Ahleia's impact on them. This comprehensive mapping ensured we considered all voices that shaped our business.
2. **Gathering the Spectrum of Material Topics:** Next, we casted a wide net drawing upon a universal list of potential material aspects informed by a thorough study of global regional and local landscapes. We meticulously benchmarked our approach against leading global insurance companies those recognized for their exemplary ESG rankings to glean invaluable learnings and best practices. We also analysed the sustainability journeys of top global insurance players and assessed the approaches of our domestic peers in Kuwait gaining a holistic understanding of the market's evolving sustainability priorities. This rigorous benchmarking process culminated in a comprehensive list of potential material aspects ready for stakeholder engagement.
3. **The Stakeholder Dialogue:** To truly understand what matters most we actively engaged our key stakeholders identified and disclosed in the previous section through thoughtfully designed questionnaires. These surveys delved into a spectrum of potential material topics inviting stakeholders to rate their significance and potential impact. This direct dialogue provided us with invaluable insights into their priorities and concerns ensuring our sustainability strategy is truly responsive to their needs.
4. **Analyzing the Currents of Impact:** With the rich tapestry of stakeholder feedback in hand we conducted a thorough impact analysis. We meticulously assessed how each potential material topic could affect Al Ahleia's ability to create long term value manage risks and contributed to a sustainable future. This analysis drew upon our internal data expert knowledge and an understanding of broader sustainability trends allowing us to gauge the true significance of each issue.
5. **The Materiality Hierarchy:** Finally, we synthesized the wealth of information gathered from our stakeholders and our internal analysis. This crucial step enabled us to create a clear hierarchy of material topics prioritizing those that hold the greatest significance for both Al Ahleia and our stakeholders. These prioritized topics were then thoughtfully organized under the Environmental, Social and Governance pillars providing a clear roadmap for our sustainability strategy and reporting.

Through this rigorous and inclusive Materiality Assessment process, Al Ahleia ensured that our sustainability reporting truly reflects what matters most. Thereby, we forged a path towards a more sustainable and prosperous future for all. Following our comprehensive Materiality Assessment, we now turn the spotlight to the core themes that have emerged as most significant for Al Ahleia and our stakeholders. Organized under the established pillars of Governance, Social, and Environmental, these material topics form the bedrock of our sustainability strategy, guiding our actions and shaping our long-term vision.

By focusing on these material topics across the ESG spectrum, Al Ahleia ensures that our sustainability strategy is comprehensive, addresses the most significant risks and opportunities, and contributes to a more resilient and sustainable future for our stakeholders and the world around us.

List of Material Topics

ESG Pillar	Material Topics	Frequency/Importance	Strategies for Mitigation at Al Ahleia
Governance	Ethical Business Practices and Anti-Corruption Measures	Frequently highlighted to ensure transparency and integrity.	Implementation of comprehensive Code of Ethics
			Regular ethics training for all employees
			Secure whistleblowing mechanism
			Providing all employees with Indicators Related to Insurance Sector
	Governance Transparency and Oversight	A recurring topic to demonstrate accountability and effective leadership.	Regular disclosure of financial and non-financial information
			Independent audit committee oversight
			Stakeholder engagement framework
			Clear reporting structures
	ESG Integration into Decision - Making and Product Development	Increasingly prioritized to align business strategies with sustainability goals.	Invest in funds or portfolio that follow ESG standard
	Compliance with Legal and Regulatory Standards	Essential for maintaining operational legitimacy.	Proactive regulatory monitoring system
Regular compliance training			
Internal compliance audits			
Engagement with regulatory authorities			
Board Diversity and Independence	Commonly discussed to reflect progressive governance practices.	We follow IRU CG regulation	

Social	Customer Privacy and Data Protection	A top priority due to increasing concerns about cybersecurity and data breaches.	Data encryption and security protocols
			Privacy by design principles (WIP)
			Regular security audits
	Financial Inclusion and Accessibility	Frequently discussed to highlight efforts in serving underserved communities.	Social activities with Kuwait Red Crescent
	Employee Wellbeing and Safety	A recurring theme in ESG reports, reflecting the importance of workforce health and satisfaction.	Provide health insurance, yearly check-ups
	Diversity, Inclusion, and Equal Opportunity	Commonly addressed to demonstrate commitment to social equity.	Following Kuwait labour law
	Community Investment and Socio-economic Impact	Often emphasized to showcase contributions to local development.	Strategic community partnerships (e.g. Omniya)
Employee volunteering program			
Local Employment Initiatives			
Environmental	Climate Change Mitigation	Frequently highlighted due to its global impact and relevance to insurance companies managing climate-related risks.	Renewable energy transition
			Reducing paper use through digital-first operations
			Climate-aware investment strategy
	GHG Emissions Management	Commonly addressed in sustainability reports to showcase efforts in reducing carbon footprints.	Clean Energy Management
	Resource Management (Water, Energy, and Materials)	Often emphasized for operational efficiency.	Paper reduction initiatives
			Energy-efficient facilities
			Water conservation measures
			Waste reduction program
	Environmental Compliance	A critical topic for regulatory adherence and stakeholder trust.	Regular compliance assessments
			Staff environmental training
Climate Risk Management and Natural Disasters Adaptation	Highly relevant for insurance companies dealing with natural disasters and climate-related claims.	Risk assessment review & Testing	

5. Corporate Governance & Oversight

At Al Ahleia, we acknowledge the importance of effective corporate governance; and we champion it as the indispensable compass guiding our every endeavor. It is the bedrock upon which we build responsible business conduct, cultivate enduring value, and earn the unwavering trust of our stakeholders. Our governance architecture does not merely tick boxes for legal and regulatory compliance; it actively embraces and often surpasses international best practices, weaving the very essence of integrity, meticulous oversight, and radical transparency into the fabric of our operations.

For us, governance transcends the limitations of a mere compliance function. It is a dynamic, strategic force – the very engine that safeguards our accountability, that intelligently steers our sustainable decision-making and ensures that the multifaceted interests of our valued shareholders, our vigilant regulators, and the broader community we proudly serve are not just respected, but proactively championed.

Recognizing the critical need for a robust and adaptable general framework, Al Ahleia Insurance Company has proactively developed its governance structure to effectively meet the diverse expectations of our stakeholders while steadfastly achieving the strategic objectives set forth by our esteemed Board of Directors and our dynamic management team. This framework is not static; it is a living document, continuously evolving to enhance the overall governance environment within Al Ahleia, aligning seamlessly with leading global practices, pertinent laws, and evolving regulations. Our commitment extends to diligently meeting the comprehensive list of governance requirements mandated by the Kuwaiti Capital Markets Authority and with the regulatory mandates outlined in Insurance Regulatory Unit (IRU), which governs sustainability-related disclosures, governance oversight, and operational transparency for licensed insurance entities in Kuwait.

We achieve this through transparent and timely disclosures to regulatory authorities and all relevant parties, ensuring open and accountable communication. The very foundation of Al Ahleia's governance framework is anchored in several key pillars, each reinforcing our commitment to excellence:

- Our Company's Article of Association: Serving as the fundamental charter defining our purpose, structure, and operational guidelines.
- Our Comprehensive Company Policies: Providing detailed guidance and standards for ethical conduct and operational procedures across all aspects of our business.
- The Corporate Governance Rules Issued by the Capital Markets Authority: Embracing and adhering to the specific requirements and best practices set forth by the regulatory body overseeing our industry.
- The Kuwait Companies Law: Ensuring full compliance with the overarching legal framework governing corporate operations within the State of Kuwait

At the forefront of this unwavering commitment stands our accomplished Board of Directors. This assembly of seasoned professionals, each bringing a wealth of expertise homed in diverse fields – from the intricacies of finance and the cutting edge of technology to the precision of engineering and the insights of political science – provides Al Ahleia with a panoramic vision that informs our strategic direction and fortifies our operational execution.

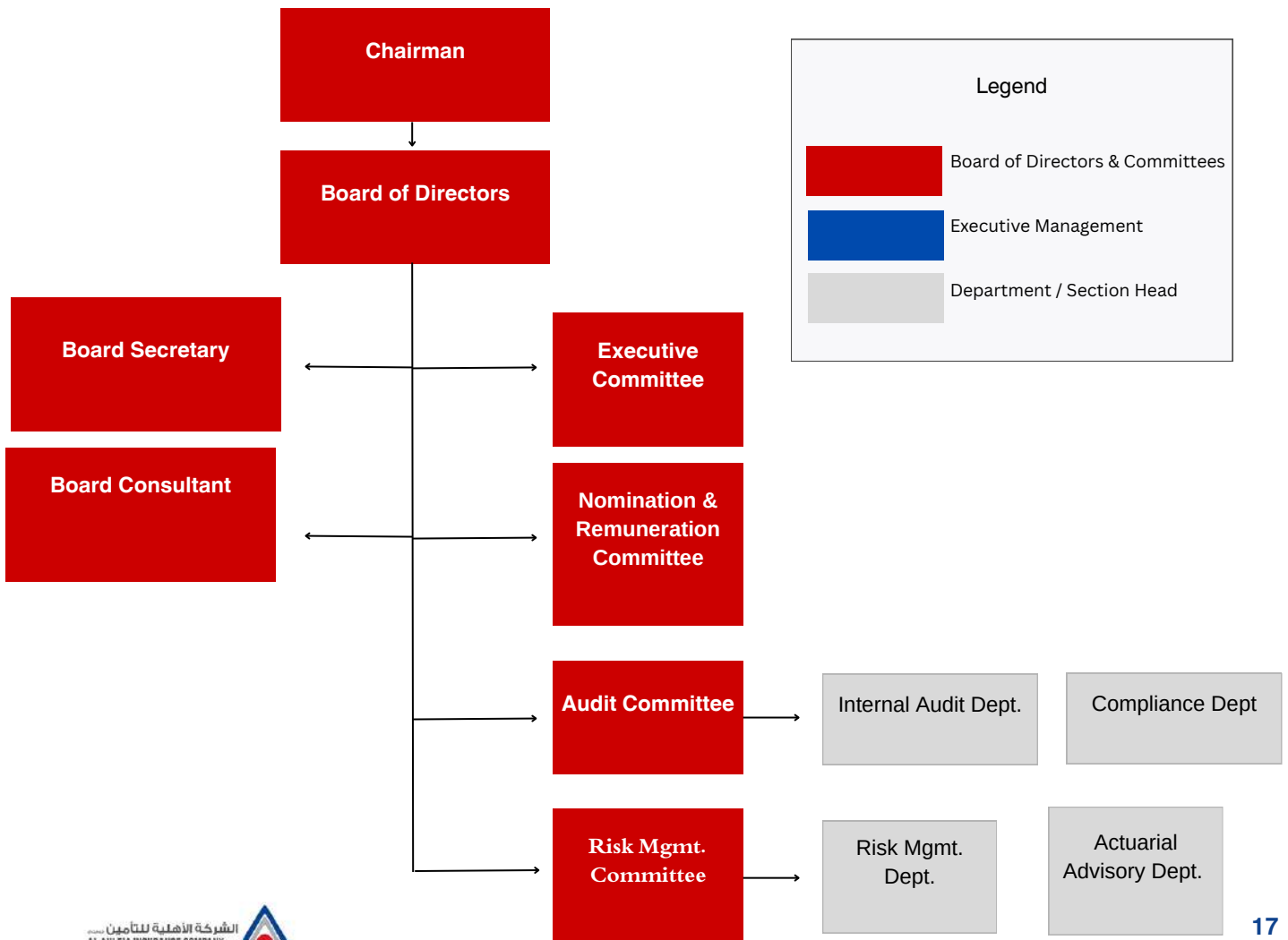
Crucially, our commitment to independent oversight is not just a benchmark; it's a point of pride. With one-third (33%) of our Board members holding independent status – a figure that confidently exceeds common regional norms – we demonstrably amplify the objectivity and inherent integrity of our governance practices. This robust level of independence is not simply a metric; it is a powerful safeguard, diligently protecting the interests of all our stakeholders and ensuring balanced, principled decision-making at the highest echelons of our organization.

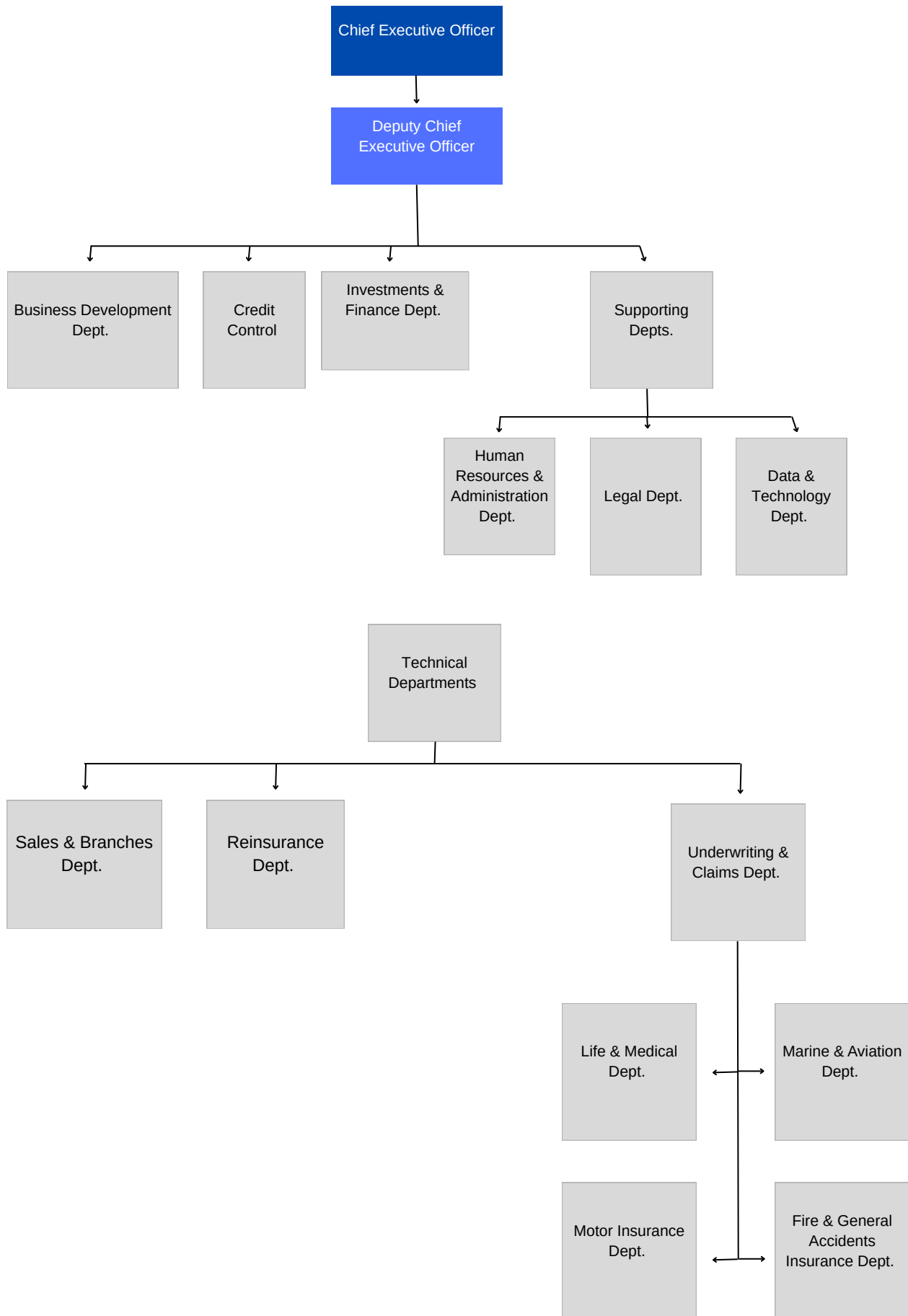
We firmly believe that exemplary corporate governance is not just a prerequisite for business continuity; it is the very lifeblood of enduring prosperity. Al Ahleia is resolute in its pursuit of governance excellence, a commitment deeply embedded in our code of conduct, our fundamental values, and our guiding principles. We view strong corporate governance as the cornerstone of a robust internal control environment, empowering us to deliver on our promises with unwavering effectiveness.

Our aspiration is clear: Al Ahleia strives to not only adhere to but to benchmark ourselves against the most recognized and respected corporate governance practices globally. This pursuit is integral to realizing our vision of serving as a model for a regional leader in governance and social responsibility within the MENA landscape. We embrace our profound responsibility to our shareholders and are driven by a deep commitment to exceeding their expectations.

To further illuminate Al Ahleia's unwavering dedication to exemplary corporate governance, the accompanying organizational structure provides a visual representation of the robust framework we have established. At the apex of this structure sits our esteemed Board of Directors, the ultimate stewards of our strategic direction and operational integrity. Directly supporting the Board are several pivotal committees – the Nominations & Remunerations Committee, ensuring a transparent and merit-based approach to board composition and compensation; the Executive Committee, actively involved in shaping and overseeing our strategic initiatives; the crucial Risk Committee, diligently safeguarding our financial stability and operational resilience by overseeing our comprehensive risk management framework; and the vital Audit Committee, guaranteeing the transparency and accuracy of our financial reporting and the effectiveness of our internal controls.

Al Ahleia Organizational Structure





We emphasize a performance-driven culture, balancing the interests of the Company with those of individuals by linking rewards directly to performance and long-term institutional risks. This approach ensures accountability and promotes sustainable decision-making across all levels. Remuneration policy is directly linked to robust performance measurement indicators (KPIs) for both Board Members and Executive Management, developed in alignment with capital market authority governance instructions.

Tenets & KPIs of Al Ahleia's Remuneration Policy

- **Performance-Linked Rewards:** Remuneration is directly tied to individual and collective contributions towards achieving the Company's strategic objectives and creating shareholder value.
- **Risk Consideration:** Compensation structures explicitly account for long-term institutional risks, fostering a balance between returns and risks to ensure sustainability.
- **Balanced Structure:** A carefully considered balance between fixed remuneration (e.g., basic salaries, allowances) and variable remuneration (e.g., performance-linked incentives, equity-based rewards) encourages innovation and sustainable decision-making.
- **Risk Management:** Evaluating the effectiveness of policies in mitigating risks and ensuring operational sustainability.
- **Regulatory Compliance:** Ensuring adherence to legal and regulatory requirements and promoting strong governance.

Role of Nominations and Remuneration Committee

- **Policy Development:** Establishing a clear and compliant remuneration policy for Board members and senior executives, ensuring it aligns with institutional and economic developments and the Company's strategic objectives.
- **Reward Criteria:** Defining clear and transparent criteria for granting rewards, encompassing collective performance, experience, qualifications, legal compliance, contribution to institutional values, and sustainability.
- **Types of Remuneration:** Specifying various types of remuneration, including fixed (based on job grade and experience), performance-linked (tied to predefined goals), equity-based (encouraging long-term commitment), and end-of-service benefits.
- **Periodic Review and Reporting:** Conducting annual reviews to assess policy effectiveness in attracting and retaining talent, ensuring continuous updates, and preparing detailed annual reports on all remuneration granted to Board members and Executive Management for approval by the General Assembly, ensuring full transparency.

The Board of Directors retains ultimate responsibility for overseeing the remuneration methodology, ensuring its alignment with policy principles and standards. This oversight includes reviewing and approving recommendations from the Nominations and Remuneration Committee regarding policy updates or proposed remuneration levels. Our governance structure ensures that the remuneration process is transparent, fair, and reflective of actual performance and institutional risks, thereby fostering trust among all stakeholders.

The subsequent levels of our organization showcase the specialized expertise that underpins our diverse insurance offerings. From the meticulous management of Legal and the strategic oversight of Governance, to the technological backbone provided by Information Technology and the nurturing of our human capital by HR & Admin, each department plays a critical role. The segregation of our core insurance operations into specialized units – Motor, Life & Medical, Marine & Aviation, and Fire & General Accidents – each led by dedicated senior management, underscores our commitment to deep expertise and tailored solutions for our diverse clientele. The dedicated Finance & Investment division, including the Head of Investment, ensures the prudent management of our financial resources.

This clearly defined organizational structure, with its embedded checks and balances, independent oversight through dedicated board committees, and specialized departments led by experienced professionals, serves as a powerful testament to Al Ahleia's unwavering commitment to effective corporate governance, operational efficiency, and ultimately, the delivery of exceptional value to all our stakeholders. It is a framework designed not only for compliance but for sustained success and the cultivation of enduring trust.

Board of Directors Snapshot: Al Ahleia

Ayman Abdul Latif Al-Shaya
 Member Since: 28-03-2023
 Male
 Bachelor's in Mechanical Engineering
 Independence Status: No
 6 board meetings attended
 100% Presence

Emad Mohammad Al-Bahar
 Member Since: 28-03-2023
 Male
 Bachelor's in Business Administration
 Independence Status: No
 6 board meetings attended
 100% Presence

Abdullah Mohammad Al-Saad
 Member Since: 28-03-2023
 Male
 Bachelor's in Commerce
 Independence Status: No
 6 board meetings attended
 100% Presence

Abdulaziz Abdul Razzag Al-Jassar
 Member Since: 28-03-2023
 Male
 Bachelor's in Accounting
 Independence Status: Yes
 6 board meetings attended
 100% Presence

Emad Jassim Al-Sager
 Member Since: 28-03-2023
 Male
 Bachelor's in Economics & Political
 Science
 Independence Status: No
 6 board meetings attended
 100% Presence

Ahmad Yousef Al-Ghanim
 Member Since: 28-03-2023
 Male
 Bachelor of Information Technology
 Independence Status: Yes
 6 board meetings attended
 100% Presence

Adel Mohammad Al-Ghannam
 Member Since: 28-03-2023
 Male
 Bachelor of Business Management
 Independence Status: No
 6 board meetings attended
 100% Presence

Abdulmohsen Jassim Al-Kharafi
 Member Since: 28-03-2023
 Male
 Bachelor of Business Management
 Independence Status: Yes
 6 board meetings attended
 100% Presence

Yousef Saad Al-Saad
 Member Since: 28-03-2023
 Male
 Bachelor's in Finance
 Independence Status: No
 6 board meetings attended
 100% Presence

5.1 Ethical Business Practices and Anti-Corruption Measures

Al Ahleia resolutely upholds the zenith of ethical business conduct, operating under a steadfast zero-tolerance directive concerning corruption in all its manifestations. Throughout the entirety of the reporting period, a meticulous assessment of corruption-related risks was conducted across all operational domains, yielding a commendable outcome of zero confirmed incidents. These proactive evaluations constitute an integral component of our overarching risk management architecture, specifically designed to preemptively identify potential vulnerabilities, encompassing non-adherence to anti-money laundering stipulations, deficiencies in stringent "Know Your Customer" (KYC) protocols, and exposure to potential reputational or regulatory sanctions.

In the year 2024, our meticulously formulated anti-corruption policies and procedural guidelines were formally disseminated to all members of our governance bodies, our valued employees, and our esteemed business partners. Demonstrating our unwavering commitment to embedding an ethical culture, dedicated training sessions were conducted in September and December, ensuring that approximately 50% of our workforce within Kuwait received comprehensive education on the critical aspects of identifying and effectively preventing corrupt practices. Furthermore, all members of our Board of Directors remained proactively informed and consistently aligned with the evolving global landscape of anti-corruption standards.

To ensure effective oversight and specialized governance, Al Ahleia's Board of Directors has established key committees in accordance with regulatory requirements. As mandated by Resolution No. (58) of 2023, we maintain a minimum of four essential committees: the Nomination Committee, Remuneration Committee, Risk Committee, and Audit Committee.

This comprehensive and multi-tiered communication framework underscores our deeply held conviction that ethical leadership emanates from the highest echelons of our organization and must permeate every stratum of our business operations, fostering a culture of unwavering integrity. Reinforcing our commitment to fair market practices, no legal actions pertaining to anti-competitive behaviour, monopolistic practices, or anti-trust violations were reported during the year, unequivocally demonstrating our steadfast adherence to fair competition statutes and the principles of market transparency.

5.2 Governance Transparency and Oversight

Transparency and accountability stand as the unwavering pillars of Al Ahleia's governance philosophy. Our meticulously structured governance framework ensures the unequivocal definition of responsibilities and the clear articulation of decision-making hierarchies throughout our organization. The Board of Directors, comprising nine esteemed members, diligently oversees the strategic trajectory of the company, guaranteeing that all management actions are consistently aligned with the expectations of our stakeholders and the stringent demands of our regulatory obligations.

Appointments to our Board are executed through a rigorous and structured nomination process, predicated on the principles of demonstrable qualifications, strict regulatory alignment, and pertinent professional experience. This meritocratic approach serves to continually fortify the competence and enhance the overall credibility of our leadership body. The delegation of authority within Al Ahleia is systematic and transparent: responsibility for comprehensive operational oversight is entrusted by the Board to our executive leadership team, including the Chief Executive Officer and the Deputy Chief Executive Officer, while department heads are empowered to manage effective implementation within their respective areas of expertise.

Furthermore, the Board assumes an active and integral role in diligently overseeing the company's comprehensive management of both inherent risks and potential ESG impacts. This critical responsibility includes the regular and thorough review of the effectiveness of our internal control mechanisms, ensuring their robustness and efficacy. The Board also champions the consistent communication and adoption of international best practices across all departments within Al Ahleia. To guarantee the continued relevance and optimal performance of our governance structures, the Board itself, its various committees, and key governance functions – encompassing internal audit, compliance, and risk management – are subject to rigorous annual evaluations through structured appraisals, fostering a culture of continuous improvement and accountability at the highest levels.

Our Board of Directors is entrusted with the ultimate responsibility for promoting Al Ahleia's sustainable growth and financial soundness. This includes not only overseeing the Company's overall strategy and financial health but also actively integrating environmental, social, and governance (ESG) considerations into our core business strategies. The Board ensures that our remuneration policy is aligned with our long-term interests and sustainability goals, avoiding excessive risks, and giving due consideration to the interests of policyholders and other stakeholders. Furthermore, the Board fosters a sound corporate culture that champions ethical and professional conduct, implementing policies for transparency and open communication, including a whistleblower policy, to manage potential risks related to reputation or illicit activities like financial fraud, money laundering, bribery, and corruption.

The Board regularly reviews the performance of Senior Executive Management against these strategies and values, and mandates comprehensive and timely disclosure of information on our business activities, risks, performance, and financial position to all stakeholders.

5.3 ESG Integration into Decision-Making and Product Development

In proactive alignment with the evolving expectations of our discerning stakeholders and the progressive practices embraced by leading insurers, ESG considerations are now seamlessly and comprehensively integrated into Al Ahleia's strategic and operational decision-making processes. The Board of Directors, through its diligent oversight functions, ensures that all departments meticulously account for potential ESG impacts throughout their critical functions, including the innovative design of our insurance products, the prudent management of our investment portfolios, and the rigorous assessment of all inherent risks.

This deeply embedded and integrated approach ensures that Al Ahleia remains agile, adaptive, and resolutely forward-looking, fostering inherent resilience within a regulatory landscape that is increasingly shaped by environmental stewardship and impactful social performance metrics. Our executive leadership team is empowered and fully accountable for aligning overarching sustainability objectives with our core business goals, guaranteeing consistent and comprehensive implementation across all departments within Al Ahleia, driving a unified and sustainable future.

5.4 Compliance with Legal and Regulatory Standards

Upholding unwavering compliance with all pertinent legal and regulatory mandates forms a non-negotiable cornerstone of Al Ahleia's robust governance framework. Throughout the entirety of the reporting period, our steadfast commitment to ethical and responsible operations is underscored by a flawless record of zero instances of non-compliance, the absence of any regulatory fines levied, and no sanctions imposed upon the company. This impeccable compliance record stands as a testament to the exceptional diligence and proactive oversight of our dedicated Legal and Compliance teams, who meticulously manage the company's adherence to both national statutory requirements and international obligations.

Our strategic approach to compliance transcends a reactive posture; it is inherently proactive and deeply integrated into every facet of our operations. Through the consistent implementation of rigorous regular audits, fostering seamless cross-functional cooperation across departments, and ensuring the timely incorporation of all regulatory updates, we proactively identify and address potential issues with precision and efficacy, effectively mitigating risks before they can escalate. This steadfast commitment to comprehensive compliance serves to continually reinforce Al Ahleia's esteemed reputation as a trusted, reliable, and inherently responsible participant within the insurance market.

Al Ahleia Insurance Company operates under a robust regulatory framework, guided by the corporate governance rules issued by the Insurance Regulatory Unit in Kuwait. Specifically, Resolution No. (58) of 2023 sets stringent standards for corporate governance within the insurance and reinsurance sectors, emphasizing transparency, stability, and the protection of stakeholder interests. This regulatory mandate underpins our own governance structure, ensuring alignment with international best practices and a steadfast commitment to ethical conduct and accountability in all our operations. Our governance framework is designed to define the relationships between the Board of Directors, Senior Executive Management, customers, and other stakeholders, establishing a clear structure for setting objectives, achieving them, and monitoring performance.

5.5 Board Diversity and Independence

Al Ahleia's Board of Directors is composed of professionals with diverse academic and industry backgrounds, ranging from finance and accounting to technology and engineering. This multidimensional expertise enriches strategic dialogue and oversight capacity. While gender diversity remains an area for improvement, we have made meaningful progress in ensuring board independence.

Currently, three out of nine directors (33%) are independent, exceeding minimum thresholds and enhancing objectivity in oversight. Independent members play a critical role in reinforcing governance integrity, particularly in matters of audit, risk, and related-party transactions.

To mitigate potential conflicts of interest, Al Ahleia enforces a strict disclosure policy. Board members are prohibited from holding personal interests in competing businesses without prior General Assembly approval. Any member with a vested interest in a matter must abstain from voting. To ensure utmost fairness and transparency in significant financial undertakings, all transactions exceeding 10% of the company's total assets undergo meticulous review by an independent third-party expert, providing an objective and unbiased assessment.

The remuneration of our esteemed Board members is guided by a formally established policy, subject to comprehensive annual review. All compensation decisions are made with complete transparency and are directly aligned with the specific responsibilities undertaken, the individual performance demonstrated, and the critical fiduciary duties entrusted to each member of the Board, ensuring a clear and justifiable framework for their compensation.

5.6 Communication of Critical Concerns

Al Ahleia has established robust and dependable channels for the effective communication and diligent resolution of critical concerns. A readily accessible whistleblowing form is prominently featured on our corporate website and has been comprehensively disseminated internally across all departments within the organization. Any concerns formally submitted through this dedicated channel are handled directly and with the utmost discretion by the Compliance Officer, guaranteeing complete confidentiality throughout the process and ensuring an impartial and thorough investigation of all reported matters.

This meticulously designed system underscores our unwavering commitment to cultivating a corporate culture characterized by transparency, where both our valued employees and external stakeholders feel secure and unequivocally empowered to report any instances of unethical conduct or potential risks to the fundamental integrity of our organization.

6.Social Responsibility and Community

Empowerment

At Al Ahleia, our understanding of value creation extends far beyond financial metrics. Our social responsibility commitments form the very heart of how we define our impact – fostering a thriving environment for our employees internally and creating positive ripple effects for our valued customers, the communities we serve, and society. Guided by globally recognized sustainability frameworks and inspired by leading practices within the insurance sector, our comprehensive social sustainability strategy strategically addresses five key material topics that are paramount to our stakeholders and our business: Customer Privacy and Data Protection, Financial Inclusion and Accessibility, Employee Wellbeing and Safety, Diversity, Inclusion and Equal Opportunity, and Community Investment and Socioeconomic Impact. Through focused initiatives and unwavering dedication to these areas, Al Ahleia strives to be a force for good, building a more equitable and prosperous future for all.

6.1 Customer Privacy and Data Protection

In today's increasingly digital insurance environment, safeguarding customer data is not just a regulatory requirement—it reflects our values and trustworthiness as a brand. At Al Ahleia, we maintain a robust privacy management system governed jointly by our Information Technology and Compliance departments. In 2024, we received no substantiated complaints related to data breaches or losses of customer data.

To manage risks related to data security, customer complaints are systematically logged, categorized, and resolved through a centralized tracking process. Each case undergoes root cause analysis, and corrective actions are documented and reviewed by relevant departments. Complaints are closed within 10 working days on average, with escalations reviewed at senior management level. Reports are compiled monthly and quarterly to identify recurring patterns and improve preventive controls. This system ensures transparency, compliance, and continual improvement in protecting personal information and enhancing customer confidence.

Moreover, Al Ahleia is committed to enhancing customer experience through continuous innovation and digital transformation. A significant milestone in this journey is the launch of our new Al Ahleia mobile application, available on both iOS and Android platforms. This intuitive app empowers our customers to seamlessly buy new policies and renew existing ones directly from their smartphones, offering unparalleled convenience and accessibility. The app streamlines the customer journey, reducing the need for physical visits or extensive paperwork, and providing instant access to our diverse insurance offerings. This initiative not only simplifies transactions for our policyholders but also marks a crucial step in our broader strategy to embrace digital solutions, reflecting our responsiveness to evolving customer expectations and our dedication to providing modern, efficient services.

6.2 Financial Inclusion and Accessibility

Al Ahleia's operations are guided by our belief in equitable access to protection. In our internal labour practices and external services, we strive to reduce economic barriers and promote inclusion. This commitment is reflected in our entry-level wage policy. In 2024, Kuwaiti nationals received a minimum of KD 500, and non-Kuwaitis KD 350, both significantly above the national minimum wage of KD 250.

Our Board of Directors is 100% composed of Kuwaiti nationals, demonstrating our commitment to local talent development and economic empowerment. While Al Ahleia does not operate a formal retirement plan, employees receive end-of-service benefits and a full suite of additional benefits. In 2024, we invested in employee welfare, including health insurance, paid leave, bonuses, and professional development programs.

The company did not receive financial assistance from the government, underscoring our operational independence and the resilience of our internal financial model for supporting employee livelihoods.

6.3 Employee Wellbeing and Safety

Our commitment to employee wellbeing extends from physical safety to professional growth and career sustainability. While Al Ahleia has not adopted a formal Occupational Health and Safety Management System (OHSMS), our safety practices are built on internal protocols aligned with national legal requirements and global best practices. In 2024, during significant office renovations, employees were safely relocated, and fire safety measures—including smoke detectors, emergency exit plans, and elevator override systems—were enhanced to protect staff in all locations.

These protections cover all employees, regardless of function or location. Employees receive one to three days' notice before any major operational change that may impact them. On the professional development front, all employees (100%) received career development reviews in 2024. We recorded an average of 20 hours of training per employee, with more than 20 structured programs offered throughout the year. These covered areas such as underwriting, Anti-Money Laundering compliance, leadership, governance, and customer service. These efforts reflect our belief that a safe and skilled workforce is essential to delivering quality service and sustaining long-term performance.

Training Programs in the Reporting Period

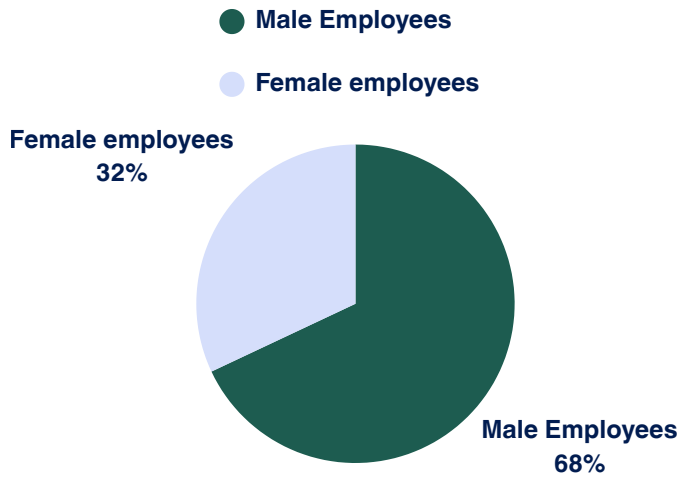
SI	Training Program	Number of Employees	Number of Hours of Trainings Provided Per Employee
1	Advanced and Agile Leadership04 - 07/11/2024	1	28
2	(WUE) Insurance underwriting 21/07/2024-25/07/2024	2	16
3	W01 Award in general insurance - CII 13/10/2024 - 18/10/2024	2	21
4	Customer Advice & Market Conduct Course 13/10/2024 Self study	1	
5	Anti-Money Laundering & Combating the Financing of Terrorism 08/09/2024	6	2
6	مكافحة غسل الأموال وتمويل (AML) الارهاب 2024/09	70	2
7	مكافحة غسل الأموال وتمويل (AML) الارهاب 2024/79	76	2
8	(WUE) Insurance underwriting CII (FIFE Bahrain)21/07/2024 - 25/07/2024	6	15
9	Developing Leadership skills for Managers 05/06/2024-06/06/2024	3	5
10	CH2 - Claims Handling 15/02/2024 Chartered Institute of Loss Adjusters (CILA) Self Study	1	

11	Annual IFRS update seminar 15/02/2024	3	4
12	Advanced Financial statements analysis balance sheet focused 28/01/2024 - 30/01/2024	2	6
13	Corporate governance regulations for insurance companies 22/01/2024 - 23/01/2024	2	8.5
14	البرنامج التدريبي(مهارات التحقيق الإداري (123) - تاريخ 22 - 24 أكتوبر	2	12
15	البرنامج التدريبي قواعد حوكمة شركات التأمين المقام بتاريخ 29 - 2024/04/30	17	6
16	الدورة التدريبي التجارية الالكترونية - بتاريخ 15-11 فبراير 2024	2	20
17	البرنامج التدريبي: الإجراءات الإدارية والفنية للجمعيات العامة للشركات المساهمة (الجمعيات العامة) - تاريخ 6-7 فبراير 2024	7	7
18	البرنامج التدريبي "الحوكمة المؤسسية وإدارة المخاطر والالتزام" - من 28 إلى 31 يناير 2024	1	12
19	البرنامج التدريبي قواعد حوكمة شركات التأمين المقام بتاريخ 22 - 23 /2024/01	2	7
20	للدورة التدريبي (تأمينات الحياة الفردي والجماع)اليوم 2024/02/13	20	1

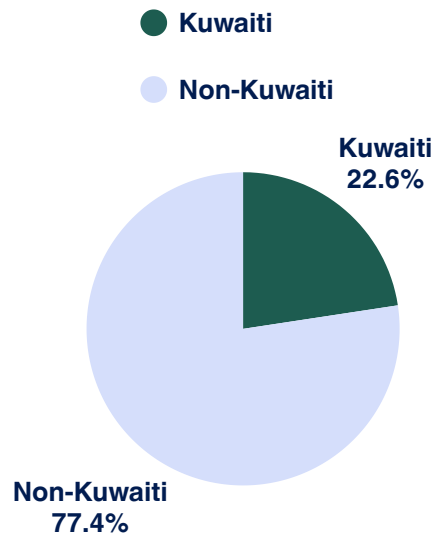
6.4 Diversity, Inclusion, and Equal Opportunity

Al Ahleia promotes an inclusive and equitable workplace where all employees are valued and empowered. Our workforce of 199 employees includes 136 men and 63 women from diverse national backgrounds—45 of whom are Kuwaiti citizens, with the remainder from Egypt, India, Lebanon, Syria, and other countries.

Employee Gender Diversity



Work Localization



In 2024, we recorded no incidents of discrimination. Almost 32% of workforce are women. The average basic monthly salary for male employees was KD 900, and for female employees KD 760. Although this reflects a common market trend in the region, we are actively reviewing these gaps and working toward narrowing disparities through transparent compensation structures.

We are fully compliant with Kuwait’s labour law, which prohibits child labour. All candidates undergo age verification upon recruitment, and all suppliers are contractually required to meet similar legal standards. Though not mandated locally, human rights practices are embedded in our internal bylaws. While formal training on human rights policies was not provided in 2024, our adherence to labour law remains uncompromised.

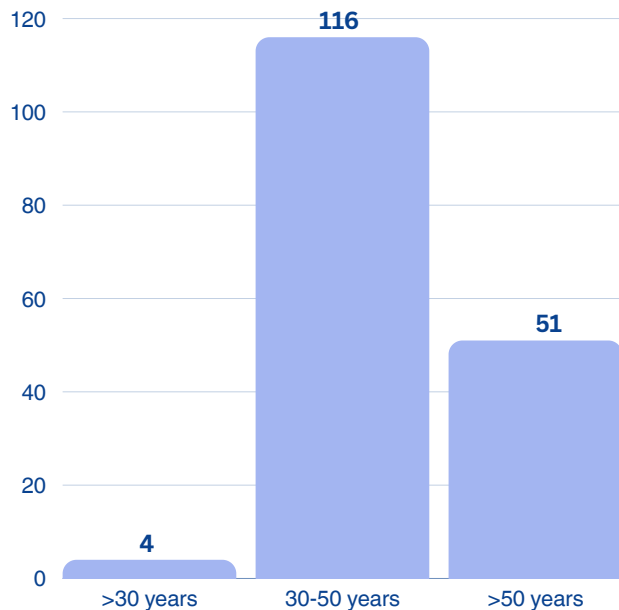
Number of Employees by Nationality

Nationality	Number of Employees
KUWAITI	45
ARMENIA	1
BAHRAINI	1
EGYPTIAN	76
INDIAN	23
JORDANIAN	9
LEBANESE	11
NON KUWAITI	9
PAKISTANI	1
PALESTINIAN	2
PHILLIPINO	3
SAUDI	3
SRILANKAN	2
SYRIAN	9
YEMENI	4

For Al Ahleia, the composition of our dedicated workforce reflects a rich tapestry of experience and enduring commitment. A significant cohort, numbering 116 individuals, falls within the dynamic 30 to 50-year age bracket, representing a powerful blend of established expertise and forward-thinking dynamism. Complementing this robust core, we are also privileged to benefit from the profound wisdom and deep institutional knowledge of 51 valued colleagues who have dedicated a considerable part of their lives to their professional journeys. Furthermore, our commitment to nurturing future leaders is evident in the presence of over 30 enthusiastic individuals who bring fresh perspectives and vibrant energy to our teams.

Employee's by Age

This diverse age distribution underscores Al Ahleia's strategic cultivation of a multigenerational workforce, fostering a dynamic environment where seasoned experience seamlessly intertwines with burgeoning talent, creating a powerful engine for sustained growth and innovation. Moreover, our parental leave support also reflects our gender-sensitive approach to employment. In 2024, four female employees were eligible for and took parental leave. All of them returned to work following an average leave duration of 2.3 months. While no male employees reported taking this leave, this benefit remains available to both genders.



Parental Leave

Number of male employees eligible for parental leave	0	Number of female employees eligible for parental leave	4
Number of male employees who actually took parental leave	0	Number of female employees who actually took parental leave	4
Number of male employees who rejoined after parental leave	0	Number of female employees who rejoined after parental leave	4
Male Parental leave duration (in months)	0	Female Parental leave duration (in months)	2.3

6.5 Community Investment and Socioeconomic Impact

Our commitment to Kuwait's broader societal development is demonstrated through both direct community investment and responsible procurement. In 2024, Al Ahleia strengthened its partnerships with civil society organizations to address social and environmental challenges. Highlights included Collaboration with LOYAC to prepare Kuwaiti youth for the labor market, support for Kuwait Red Crescent Society, contributing to humanitarian relief, partnership with Omniya to promote environmental awareness and recycling, employee engagement in health campaigns, competitions, and cultural events, such as Ramadan Ghabqa.

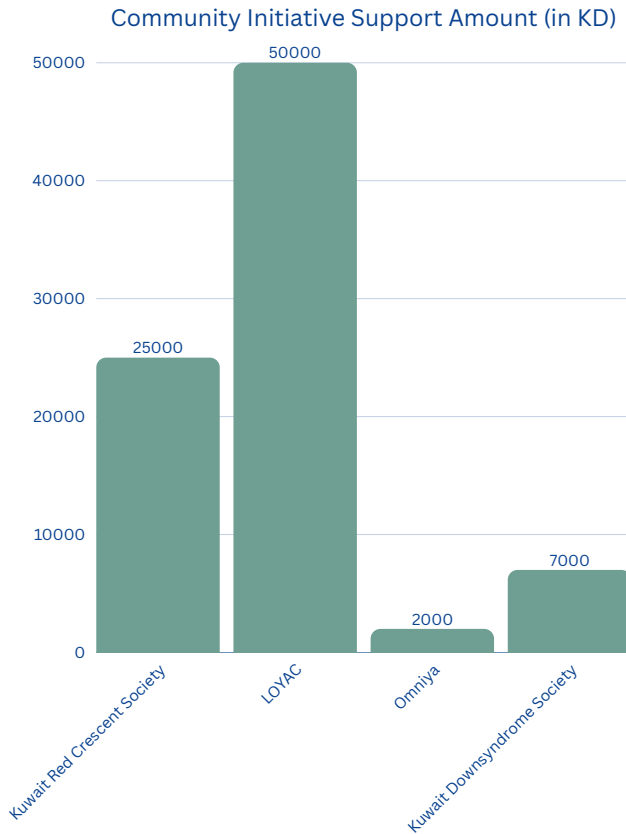
Al Ahleia Insurance Company actively demonstrates its commitment to community investment and socioeconomic impact through a robust CSR framework. The company understands the importance of balancing its corporate goals with broader societal objectives, allocating an annual budget to support various community programs. Management is dedicated to diversifying these activities to meet the evolving needs of the community and contribute to its sustainable development.

Throughout 2024, Al Ahleia carried out several key supportive activities that reflect its unwavering social mission:

Al Ahleia: CSR Initiatives

Category	Initiatives
Healthcare Support	Provided medical assistance to public hospitals and clinics.
Poverty Alleviation	Organized a Winter Clothing Initiative for individuals in need.
Youth Empowerment & Education	Implemented a vocational training program for Kuwaiti students in collaboration with LOYAC, the Public Authority for Manpower, and the Public Authority for Youth. Awarded financial rewards, training certificates, and appreciation certificates to trainees. Supported graduation projects for Kuwaiti students.
Charitable Contributions	Made financial contributions to the Kuwait Red Crescent Society. Provided financial contributions to LOYAC to support its youth development initiatives. Offered financial support to the Kuwaiti Down Syndrome Society.
Public Health Initiatives	Organized blood donation campaigns. Conducted health test campaigns for early diagnosis of certain diseases.
Employee Engagement	Organized social, sports, and cultural events for the company's employees and their families throughout the year.

These initiatives reflect our philosophy of shared value—supporting both local livelihoods and environmental responsibility. On the procurement front, 100% of supplier spending in 2024 was directed to local vendors, reinforcing our commitment to the national economy. Although no new suppliers were onboarded during the year, due diligence practices—such as document verification and supplier reputation checks—were upheld. No negative social or environmental impacts were identified in our supply chain.



Al Ahleia reported zero incidents of non-compliance related to product labelling, marketing communications, or service disclosures. All marketing content is internally vetted to ensure accuracy, legal compliance, and alignment with our ethical standards. While no formal investigations were initiated during the reporting period, Al Ahleia actively maintains rigorous oversight of its sourcing practices through continuous comparative analyses of market pricing, service quality benchmarks, and supplier reputation.

This proactive approach supports responsible procurement and ensures value for the company. To further fortify our due diligence processes and uphold the highest standards of supplier integrity, all potential partners are required to furnish official corporate documentation alongside accreditation from the Ministry of Commerce and Industry. This mandatory submission serves to thoroughly verify the credibility and regulatory compliance of our suppliers, safeguarding Al Ahleia's ethical sourcing commitments.

Moreover, Al Ahleia implements a robust and proactive internal control system to ensure unwavering adherence to all regulatory requirements. This is achieved through the systematic dissemination of all regulatory updates to the relevant departments, coupled with continuous monitoring of compliance. Furthermore, periodic and thorough reviews of our established policies and procedures are conducted to maintain their effectiveness and relevance. Integral to our operational ethos is the active promotion of a strong culture of compliance throughout the entire organization, embedding regulatory adherence as a core value.

The performance of our Board and Executive Management is evaluated against metrics that include their contribution to achieving sustainability and social responsibility. This ensures that our leadership is incentivized to actively promote and participate in initiatives such as providing medical support to hospitals, the Winter Clothing Initiative, vocational training programs, and financial contributions to various social organizations. By aligning executive remuneration with social impact, we reinforce our strategic vision for community development and long-term sustainability.

Al Ahleia's social responsibility strategy reflects our deep-rooted belief that businesses must uplift the people they serve and employ. In 2024, our performance across key social indicators—zero data privacy breaches, full compliance with labour law, robust training programs, and active community investment—reinforced this commitment. As we look ahead, we will continue to refine our practices, deepen local partnerships, promote inclusion, and ensure that our employees, customers, and communities continue to thrive through our operations.

7. Environmental Stewardship and Climate Responsibility

At Al Ahleia, we recognize that environmental sustainability is no longer a peripheral consideration but a strategic imperative. As an insurance company operating in an era marked by increasing climate volatility and heightened environmental awareness, our responsibility is twofold: we must mitigate our own environmental footprint while also playing an active role in helping society adapt to climate-related risks. While our direct environmental impact as a service-based financial institution is relatively modest, we recognize the critical role we play in the broader environmental landscape—as underwriters, investors, and responsible corporate citizens.

We have aligned our environmental strategy around five key material topics: Climate Change Mitigation, GHG Emissions Management, Resource Management, Environmental Compliance, and Climate Risk and Natural Disaster Adaptation. These topics are addressed in accordance with the GRI Standards, specifically GRI 302: Energy 2016, and are increasingly central to the sustainability discourse within the global insurance sector.

7.1 Climate Change Mitigation

Climate change mitigation remains one of the most critical challenges facing our generation. At Al Ahleia, while our core operations are not energy-intensive, we understand that our business is uniquely exposed to the physical and transitional risks of climate change. Natural disasters, rising sea levels, and temperature anomalies directly influence our underwriting assumptions, reinsurance arrangements, and claim exposures.

Our environmental stewardship extends beyond operational efficiency to fostering broader environmental awareness within the community. Our collaboration with Omnia for plastic collection exemplifies this commitment. Furthermore, the dedication to environmental sustainability is integrated into our performance evaluation framework. Executive Management's performance metrics include contributions to achieving environmental objectives and promoting sustainable practices, ensuring that environmental responsibility is a shared goal across the company's leadership.

7.2 GHG Emissions Management

As a company headquartered in a region characterized by high ambient temperatures and seasonal energy demands, electricity use accounts for nearly the entirety of our carbon footprint. In 2024, our energy consumption totaled 2,990 kilowatt-hours (kWh) sourced from the national grid. In addition, our premises generated an estimated 550 kWh of energy from solar panels installed on select rooftops. These installations were introduced as part of our broader effort to transition to cleaner energy sources.

We currently do not operate diesel or petrol-fueled machinery within our facilities, and there are no direct emissions from fuel combustion. However, we remain conscious of the carbon intensity of our indirect emissions, especially in Scope 2 (electricity use), and are exploring strategies to increase our renewable energy share. In addition to energy, we monitor water consumption and waste generation across its operations.

The installation of more solar arrays is planned as part of our mid-term operational improvement plan. To further reduce emissions, we also encourage behavioral changes among employees, such as minimizing unnecessary printing, turning off unused devices, and advocating for hybrid work models that reduce commuting emissions.

7.3 Resource Management

Our resource management approach centers on operational efficiency and waste reduction. As a service-based entity, our material use is limited primarily to paper and office supplies. Nonetheless, we recognize that even small consumption habits can add up, especially across large offices.

In 2024, we reinforced our paper reduction initiative. All departments were encouraged to adopt digital alternatives, and mandatory default printing on both sides was introduced. Importantly, all paper designated for disposal is collected weekly and handed over to a certified third-party recycling partner. This partnership ensures that discarded paper is properly reused and does not contribute to landfill waste.

While water consumption is not material in our operations, our facilities are equipped with low-flow fixtures and timed faucets to reduce unnecessary water use. Similarly, procurement policies now consider environmental criteria for equipment and office supply vendors, encouraging sourcing from manufacturers that meet recognized environmental certifications.

Beyond our core social initiatives, Al Ahleia is also committed to enhancing environmental awareness and practices. In 2024, we actively contributed to environmental stewardship by organizing and enhancing environmental awareness programs. A key initiative included collaboration with Omnia Company for plastic collection. This effort underscores our commitment to responsible resource management and contributing to a more sustainable environment within the communities we operate.

7.4 Environment Compliance

Regulatory compliance forms the baseline of our environmental commitment. In 2024, Al Ahleia recorded zero instances of non-compliance with environmental laws or regulations. This reflects our adherence to both local environmental standards and our internal environmental code of conduct.

Although we operate in a relatively low-impact sector, we believe that environmental stewardship must be proactive, not reactive. Accordingly, we continue to engage with the Ministry of Electricity and Water, as well as the Environmental Public Authority in Kuwait, to stay ahead of environmental policy developments.

We are also working on a framework for environmental incident reporting and impact assessment— an initiative inspired by global reporting initiatives to better prepare for any future scenarios where compliance risks may arise.



GRI Content Index

Statement of Use	Al Ahleia Investment Co. S.A.K.P has reported the information cited in this GRI content index for the period 1st January 2024-31st, Decem- ber,2024 with reference to the GRI Standards.	
GRI 1 used	GRI 1: Foundation 2021	
Disclosure	Requirement	Answer / Location
GRI 2: General Disclosures 2021		
2.1	Organizational details	Al Ahleia Insurance Co. S.A.K.P.; Kuwaiti Shareholding Company; Al Ahleia Insurance Tower, Ahmad Al Jaber Street, Sharq, Kuwait City; State of Kuwait
2.2	Entities included in the organization's sustainability reporting	Al Ahleia Insurance Co. S.A.K.P. including all operational departments; no exclusions
2.3	Reporting period, frequency and contact point	<p>January 1–December 31, 2024; Annually; Contact: Ms. Mai Al Sarraf, Manager Business Development, m_alsarraf@alahleia.com</p> <ul style="list-style-type: none"> • Mr. Khaled Enany, Assistant CEO, at k_enany@alahleia.com • Mai Al Sarraf, Manager, at m_alsarraf@alahleia.com • Abdullah Al Duwailah, Senior Compliance Officer, at a_alduwailah@alahleia.com • Nassar Al Nassar, Business Development Executive, at n_khaled@alahleia.com
2.4	Restatements of information	Not applicable; this is the first sustainability report
2.5	External assurance	No external assurance taken for 2024; to be evaluated for 2025
2.6	Activities, value chain and business relationships	General insurance (medical, life, motor, fire, marine, aviation), reinsurance, investment management. Partners: reinsurers, hospitals, brokers, and local vendors

2.7	Employees	199 employees: 136 male, 63 female; 45 Kuwaiti nationals; all full-time
2.8	Workers who are not employees	Very few; primarily facility vendors and IT contractors; managed under vendor compliance code
2.9	Governance structure and composition	Board of 9 members, 3 independent (33%); all male; expertise across insurance, finance, and legal fields
2.10	Nomination and selection of highest governance body	Governed by IRU Resolution No. 58 and Kuwait Commercial Law; assessed by Nomination & Remuneration Committee
2.11	Chair of the highest governance body	The Chairman is non-executive and independent
2.12	Role of highest governance body in overseeing impact management	Board approves ESG strategy; ESG oversight delegated to Risk & Audit Committees; material issues reviewed annually
2.13	Delegation of responsibility for impact management	Day-to-day ESG implementation led by CEO; Sustainability roles embedded across departments
2.14	Role in sustainability reporting	The Board reviewed and approved the sustainability disclosures and material topics in this report
2.15	Conflicts of interest	Conflict of interest disclosures reviewed by Audit Committee; all Board and executive-related party transactions disclosed in financial statements
2.16	Communication of critical concerns	Whistleblower hotline in place; no critical ESG-related concerns were reported in 2024
2.17	Collective knowledge of the highest governance body	Directors trained in ESG, AML, and compliance; external advisors support governance refresh
2.18	Evaluation of highest governance body's performance	Board self-evaluation conducted annually and reviewed by external governance consultants

2.19	Remuneration policies	Fixed and performance-based pay; variable pay tied to ESG KPIs from 2024 onwards for senior executives
GRI 3: Material Topics 2021		
3.1	Process to determine material topics	Stakeholder interviews and ESG materiality workshop with Board & management (Section 3)
3.2	List of material topics	Climate risk, digital transformation, governance, human capital, compliance, customer trust
3.3	Management of material topics	Each topic is owned by respective department; KPIs monitored quarterly
GRI 201: Economic Performance 2016		
201.1	Direct economic value generated & distributed	See Annual Report – Financial Highlights section
201.3	Defined benefit obligations	Covered under Kuwait Social Security Law + internal contribution plans
GRI 202: Market Presence 2016		
202.2	Local hiring	100% of Board of Directors are Kuwaiti nationals
GRI 204: Procurement Practices 2016		
204.1	Local supplier spending	100% of spending directed to local vendors in Kuwait
GRI 302: Energy 2016		
302.1	Energy consumption	2,990 kWh (grid), 550 kWh (solar generated), as disclosed in Section 7
GRI 305: Emissions 2016		
305.2	Scope 2 emissions	Calculated using national electricity conversion factor
GRI 307: Environmental Compliance 2016		
307.1	Fines/sanctions	Calculated using national electricity conversion factor

GRI 401: Employment 2016		
401.1	Hires and turnover	Presented in HR section by gender and age group
401.3	Parental leave	All eligible; 100% return-to-work rate for female staff
GRI 403: Occupational Health & Safety 2018		
403.1	H&S management system	Integrated into operations; monitored via drills, training
403.5	H&S training	Fire & first aid drills conducted in HQ and branches
GRI 404: Training & Education 2016		
404.1	Training hours	20 hours average per employee in 2024
404.3	Performance reviews	100% of employees reviewed through structured annual appraisals
GRI 405: Diversity & Equal Opportunity 2016		
405.1	Governance & employee diversity	Board: 100% male; employees: 32% female, 14 nationalities
GRI 418: Customer Privacy 2016		
418.1	Data privacy breaches	Zero incidents in 2024; strong IT and compliance protocols

Alignment with Bursa Kuwait & Kuwait Vision 2035

Pillar	Bursa Kuwait ESG Disclosure Theme	Kuwait Vision 2035 Pillar	Al Ahleia Alignment (2024)
Governance	Board independence, compliance, ethics	Governance excellence, transparency	33% independent board; CMA compliance; zero legal breaches
Environment	GHG emissions, energy use, waste reduction	Sustainable living, clean energy	550 kWh solar; energy conservation; Scope 2 focus
Social	Workforce development, diversity	Human capital, youth empowerment	20 hrs avg. training; LOYAC partnership; 100% Kuwaiti leadership
Community	Local engagement, community in-vestment	Social cohesion, inclusive development	Support for Red Crescent, Down Syndrome Society, blood drives
Digital	Digitalization, innovation	Smart government, innovation	Mobile app for renewals & policies; digital-first service delivery

Glossary of Key Terms & Definitions

Term	Definition
ESG	Environmental, Social, and Governance — a framework for assessing a company's ethical impact and sustainability.
GHG Emissions (Scope 2)	Indirect greenhouse gas emissions from purchased electricity, heating, and cooling.
GRI Standards	The Global Reporting Initiative's standards for transparent sustainability reporting.
Stakeholder Engagement	The process of involving individuals or groups affected by or capable of affecting business outcomes.
Materiality Assessment	Evaluation of the most important ESG issues for a company and its stakeholders.
TCFD	Task Force on Climate-related Financial Disclosures — guidance on climate-related risk reporting.
Energy Intensity	The amount of energy consumed per unit of output or per employee.
Independent Board Director	A board member without any material or pecuniary relationship with the company.
Sustainable Procurement	Purchasing decisions that consider environmental and social impacts alongside cost and quality.



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