



Sustainability Policy

Policy Statement

Alliedbankers Insurance Corporation (ABIC) recognize sustainability as one of our core values. In all that we do, we consider not only the impact on our business and the insurance industry but also our shared responsibility to society, the national economy, and the global environment. More than just attaining financial returns, we strive to create shared values with our clients, our stakeholders and society, without compromising the ability of future generations to meet their needs.

We adopt the following guiding principles in incorporating sustainability in the way we do our business.

- (1) To integrate sustainability considerations into all our business decisions;
- (2) To comply with all applicable law, regulations, and codes of practice;
- (3) To ensure that all our employees are aware of our Sustainability Policy and are committed to implementing and improving it;
- (4) To conserve energy and resources in our offices and in the conduct of our business to help reduce our company's carbon footprint;
- (5) To actively promote and participate in corporate social responsibility initiatives;
- (6) To make clients and suppliers aware of our Sustainability Policy and encourage them to adopt sound sustainable management practices;
- (7) To promote financial inclusion and disaster resilience in our insurance business;
- (8) To consider green investments in investing our Company's funds;
- (9) To review, report annually and continually strive to improve our sustainability performance; and
- (10) To adopt a globally recognized standard/framework in reporting sustainability and nonfinancial issues like the Global Reporting Initiatives (GRI).

PURPOSE/OBJECTIVE

This policy intends to guide ABIC in the management of business to integrate a philosophy of sustainable development into all our organization's activities.

SCOPE

Full participation by the board of directors, the management and the employees of the company are necessary to ensure that ABIC continues to be a sustainable organization.

DEFINITION OF TERMS

TERM	DEFINITION
Human Sustainability	Aims to maintain and improve the human capital in society. Investments in the health and education systems, access to services, nutrition, knowledge and skills are all programs under the umbrella of human sustainability.
Environmental Sustainability	Aims to improve human welfare through the protection of natural capital (e.g. land, air, water, minerals etc.). Initiatives and programs are defined environmentally sustainable when they ensure that the needs of the population are met without the risk of compromising the needs of future generations.
Social Sustainability	Aims to preserve social capital by investing and creating services that constitute the framework of our society. The concept accommodates a larger view of the world in relation to communities, cultures and globalization. It means to preserve future generations and to acknowledge that what we do can have an impact on others and on the world.
Economic Sustainability	Aims to maintain the capital intact. If social sustainability focuses on improving social equality, economic sustainability aims to improve the standard of living. Also it refers to the efficient use of assets to maintain company profitability over time.
Global Reporting Initiatives (GRI) Standards	A sustainability reporting framework which has a comprehensive reporting requirement covering governance, economic, environmental and social topics.
Sustainability	is defined as development that meets the needs of the present without compromising the ability of future generations to meet their own needs
Sustainability Reporting	is an organization's practice of reporting publicly on its significant economic, environmental and/or social impacts, in accordance with globally accepted standards

DUTIES & RESPONSIBILITIES

(1) The Board is responsible to have a clear and focused policy which aims to integrate a philosophy of sustainable development into the company's activities and to require the disclosure of material and reportable non-financial information and sustainability issues.

(2) The Management shall be responsible to implement the subject policy through establishment of related guidelines and procedures to ensure that Alliedbankers Insurance Corporation:

- a. Disclose material and reportable non-financial and sustainable issues;
- b. Adopt a globally recognized standard/framework in reporting sustainability and non-financial issue;
- c. Be socially responsible in all its dealings with the communities where it operates and oversees that its interactions serve its environment and stakeholders in a positive and progressive manner; and
- d. Continuously promote good sustainability practices through adoption of practical steps that can easily be implemented within the organization.

Reference:

- SEC Memorandum Circular No. 4, Sustainability Reporting Guidelines for Publicly Listed Companies
- ABIC's Manual on Corporate Governance under Principle 10 (Increasing focus on non-financial and sustainability reporting) and Principle 16 (Encouraging sustainability and social responsibility),
- SEC Memorandum Circular No. 19, Series of 2016
- Insurance Commission Circular Letter 2020-72, SUBMISSION OF THE ANNUAL CORPORATE GOVERNANCE REPORT (ACGR)
- Insurance Commission Circular Letter 2020-71, REVISED CODE OF CORPORATE GOVERNANCE FOR INSURANCE COMMISSION REGULATED COMPANIES