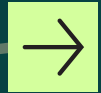




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ESG

Report

ENVIRONMENTAL, SOCIAL, AND GOVERNANCE REPORT



01 Executive Summary

Our Environment Sustainability Governance (ESG) Strategy sets the direction for Finance House P.J.S.C. to lead in sustainability within the financial sector. Finance House's strategy aims to systemically integrate the principles of environmental care, social equity, and good governance into our business model.

These imperatives are not mere policies but rather pressing calls for action. They inform our corporate ethos, shaping not just our business models but also the values we want to represent and propagate. Our multi-year objectives and tactical plans are built to create long-term value for stakeholders and contribute to both national and global sustainability initiatives. It serves as our blueprint to contribute positively to environmental stewardship, social well-being, and robust governance.

DRIVING SUSTAINABLE FINANCE: OUR KEY ESG FRAMEWORKS

UAE Green Agenda 2015-2030

The UAE Green Agenda provides a comprehensive framework focusing on sustainable development across various sectors in the country. It emphasizes green economy indicators, sustainable transport, and climate change mitigation. By aligning with the UAE Green Agenda, Finance House P.J.S.C. aims to play a critical role in promoting environmentally responsible financial services and operations.



UAE National Climate Plan

The UAE National Climate Plan outlines the government's commitment to economic diversification, with an emphasis on reducing carbon emissions and increasing reliance on clean energy. Finance House P.J.S.C incorporates this on its ESG strategy to help reduce the carbon footprint in compliance with the objectives of the National Climate Plan, thus contributing to the country's broader environmental goals.

UAE Net Zero

UAE's Net Zero initiative aims for a balanced carbon footprint by 2050, combining efforts to reduce emissions and increase carbon sequestration. As part of this ESG strategy, Finance House P.J.S.C. undertakes carbon offset initiatives, paving the way for longer-term investments in green technology and energy-efficient operations.





Sustainable Development Goals (SDGs)

The United Nations' SDGs provide a global framework to address a range of critical issues from poverty and inequality to climate change. Finance House P.J.S.C. commits to contributing to select SDGs, particularly those concerning responsible consumption, decent work conditions, and partnership for the goals, thereby showcasing a multi-dimensional approach to sustainability.

In summary, this ESG strategy not only aligns Finance House P.J.S.C. with national imperatives but also harmonizes our objectives with global sustainability frameworks. It is designed to integrate environmental, social, and governance factors into our core business model, driving long-term value creation for all stakeholders.



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INTRODUCTION

02 Our *Commitment*

As a public listed financial institution in Abu Dhabi, Finance House P.J.S.C. is acutely aware of the environmental, social, and governance challenges and opportunities that lie ahead. The global push towards sustainability has reached a critical juncture, making it imperative for companies to engage actively rather than comply passively. Our alignment with national objectives like the UAE Green Agenda and global initiatives such as the SDGs underlines our resolve to act, not just adapt. This strategy document marks our renewed focus on proactive ESG integration not only to meet market and regulatory expectations but also to set new standards in sustainable financial services.

Importance of ESG

The adoption of ESG (Environmental, Social, Governance) criteria has become a strategic cornerstone for businesses worldwide, and the financial sector is no exception. As a facilitator of capital and credit, Finance House P.J.S.C. has a significant influence on the broader market's sustainability practices. This influence provides us with both moral and financial imperative to lead by example.

ESG practices go beyond mere risk mitigation or compliance; they offer avenues for genuine value creation.

- Environmentally, we have the opportunity to reduce our carbon footprint and engage in sustainable resource utilization, to achieve cost savings and future-proof our operations
- Socially, by focusing on aspects such as workforce well-being, diversity, and community engagement, we cultivate a brand that resonates with current and future stakeholders, thereby improving customer loyalty and attracting top-tier talent
- On the governance front, an increased emphasis on transparency, ethics, and robust oversight mechanisms can significantly enhance investor confidence, potentially lowering capital costs

By integrating ESG parameters into our decision-making frameworks, we are not just reacting to current market demands; we are proactively shaping an industry standard. The scope of ESG extends from our core business activities to our interactions with clients, shareholders, and the communities we serve. It is a holistic approach designed to integrate responsible practices into our corporate DNA, thereby creating long-term value for all stakeholders and ensuring a sustainable growth trajectory for Finance House P.J.S.C.

03

CHARTING THE COURSE: OUR ESG INTEGRATION OBJECTIVES



3.1 *Environmental Initiatives*

3.1.1 Resource Efficiency and Waste Management

- This objective encapsulates all efforts towards waste reduction, energy conservation, and the principle of 'Reduce, Reuse, Recycle.' This includes clean-ups, utilizing natural lighting, and sorting biodegradable and non-biodegradable waste, among other activities.

3.1.2 Community Environmental Engagement

- Through initiatives such as the 'Clean-up campaign' this objective aims to involve both employees and the wider community in environmental sustainability.

3.2 Social Responsibility and Community Engagement

3.2.1 Employee Well-being and Stakeholder Engagement

- Incorporating health-check-up initiatives and staff reward programs for sustainability, this objective aims to enhance the well-being of employees and other stakeholders.

3.2.2 Social Equity and Inclusion

- This theme will focus on diversity and inclusion efforts, aiming to increase female representation in management roles and promote social equity through community service partnerships.

3.2.3 Community Initiatives

- In alignment with charitable donations and community service, this objective focuses on resource allocation for societal betterment through contributions and community involvement.

3.3 Economic Responsibility

3.3.1 Local Economic Development

Our investments cover local entrepreneurship and focus on economic growth, incorporating responsible investment practices and considering ESG factors in company investment decisions.



**OUR ESG
ACHIEVEMENTS:
A YEAR IN REVIEW**

04 *Our Approach*

Finance House P.J.S.C. is committed to advancing its Environmental, Social, and Governance (ESG) objectives. Our primary goal is to integrate sustainable practices across our operations, investment decisions, and community engagements. By promoting transparency, responsible lending, and proactive ESG initiatives, we aim to protect the environment, nurture social well-being, and uphold high governance standards. These efforts foster long-term resilience and create value for our stakeholders and the broader community. As Finance House P.J.S.C. advances its ESG strategy, it is crucial to recognize the progress we have achieved. The following provides a thorough overview of our completed and ongoing ESG initiatives, categorized by their respective pillars.



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Environmental Initiatives

Finance House embarks on a journey into one of the core pillars of ESG:

The Environment: The environment plays a pivotal role as the cornerstone of fostering a responsible and resilient future for businesses. Finance House P.J.S.C. believes that environmental sustainability is not just a choice but a strategic imperative in today's global landscape.

Earth Hour

Finance House proudly joined millions worldwide in observing **Earth Hour**, an annual event that symbolizes our shared responsibility to protect the planet. By turning off our lights for one hour, we showed solidarity in the fight against climate change and highlighted the need for sustainable actions to protect our environment. This initiative reflects our ongoing commitment to environmental stewardship and a sustainable future for the next generation.



60 EARTH HOUR



A Greener Future Initiative



Finance House has partnered with **Ras Al Khaimah's Public Services Department** to support initiatives aimed at creating a greener future. This collaboration reflects our dedication to environmental sustainability and fostering meaningful partnerships for a healthier, more sustainable future.

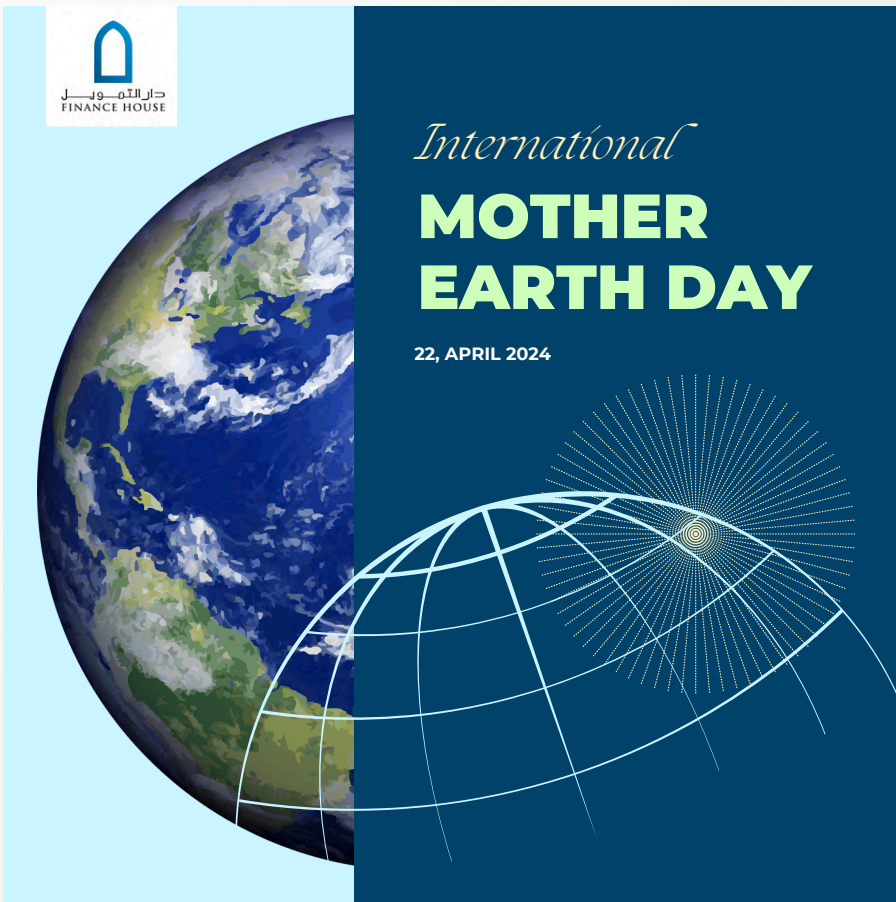
By working together, we aim to support projects that advance sustainability, reduce environmental impact, and enhance community well-being. At Finance House, we believe that creating a greener future begins with collective action and a unified commitment to sustainability.





International Mother Earth Day

In line with our ESG commitment to environmental sustainability, Finance House celebrates **International Mother Earth Day** by raising awareness about the urgent need to address plastic waste. The increasing volume of plastic in our oceans harms vulnerable ecosystems and marine life, posing a significant threat to our planet. By promoting small actions such as using reusable bags and bottles, we aim to inspire change and support eco-friendly initiatives for a cleaner, healthier environment. Every action counts, and together we can make a positive impact on the world we call home.



Transition to Eco-friendly Thermoses

As part of Finance House's Environmental, Social, and Governance (ESG) initiatives, the organization has transitioned from single-use plastic bottled water to **eco-friendly thermoses** across the entity. This strategic move eliminates significant plastic waste while promoting sustainable practices in everyday activities. In addition to its environmental benefits, the initiative has led to cost reductions, reinforcing the value of sustainable choices both ecologically and financially. By adopting reusable thermoses, Finance House not only reduces its environmental footprint but also underscores its commitment to cultivating responsibility and care for the planet. This initiative reflects the company's commitment to embedding sustainability into its core values and setting a powerful example for environmental and fiscal stewardship while contributing to a cleaner and more sustainable future.





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Social Responsibility and Community Engagement

At Finance House P.J.S.C. making a positive impact extends beyond the boardroom as we dedicate ourselves to supporting community development through diverse initiatives. Our commitment to social responsibility and sustainability takes center stage as we invest in education, staff healthcare, and well-being while actively encouraging our team to participate in social impact programs. We strive to uplift the communities in which we operate, fostering a culture of giving back.

However, our commitment extends beyond this. Recognizing the invaluable contributions of our employees, we prioritize their holistic development through a range of initiatives – including talent retention programs, employee engagement efforts, work-life balance initiatives, and a strong ethical code. This journey ensures that every action contributes not only to professional growth but also to the broader goals of social responsibility and sustainability.



Employee Winter Gathering

We recognize that our employees are the heart of our success. Our **Employee Winter Gathering** was a celebration of teamwork, camaraderie, and appreciation, bringing our people together to create lasting memories. This event reflects our commitment to fostering a positive, inclusive workplace culture where employees feel valued, connected, and motivated.

Health Boost Initiative

At Finance House, our commitment to Environmental, Social, and Governance (ESG) principles includes prioritizing the well-being of our employees. As part of our ongoing efforts to foster a healthy and productive workplace, we introduced the **“Health Boost”** initiative—which provides daily juice distributions to our team. This simple yet impactful program reflects our dedication to promoting healthier lifestyles and enhancing workplace energy and focus. Through initiatives like Health Boost, Finance House continues to invest in our most valuable resource—our people—by creating an environment where health, happiness, and productivity can thrive. We believe that small actions drive meaningful change, and Health Boost reflects our promise to prioritize the holistic health of our team.



Blood Donation Event



As part of our ESG commitment, Finance House organizes a Blood Donation Event annually in collaboration with Abu Dhabi Blood Bank. This initiative provided employees and stakeholders with an opportunity to give back to the community, supporting emergency blood supplies and raising awareness about the importance of blood donation under the theme of **“Love flows in every drop”**. The success of this event reflects our dedication to fostering a culture of care and making a positive impact within our workplace and beyond.



Our Youth. Our Responsibility. Our Zakat. Our Immunity Initiative.

Finance House is proud to support this year’s initiative **“Our Youth. Our Responsibility. Our Zakat. Our Immunity.”** in partnership with Abu Dhabi University and the Zakat Fund. This meaningful campaign aims to empower deserving university students, regardless of nationality, by providing opportunities to pursue higher education. By fostering educational access, we are unlocking brighter futures and transform lives within our community.

This initiative reflects our belief in the power of education as a catalyst for positive change. Through collective contributions, we aim to create a lasting impact, enabling students to achieve academic excellence and contribute meaningfully to society. At Finance House, we remain committed to driving social progress and building a stronger, more inclusive community.

International Women's Day 2024 and Mother's Day Event



In alignment with our ESG commitment to gender equality, Finance House celebrated both **International Women's Day 2024 and Mother's Day**. These occasions were an opportunity to honour the strength, resilience, and achievements of women worldwide. We also acknowledge all the mothers out there, whose unwavering love and devotion enrich our lives. At Finance House, we remain committed to empowering women and fostering gender equality, recognizing the vital role they play in shaping a more inclusive and equitable society.

Iftar Meal Box Distribution



Finance House partnered with Beit AlKhair Society for the **Iftar Meal Box Distribution**. This initiative reflects our dedication to giving back to the community during the blessed month of Ramadan. By providing meals to those in need, we offer not just sustenance but also hope and support, embodying the values of compassion, unity, and generosity. Together, we continue to make a meaningful impact in the lives of others.

Supporting Education and Professional Development



In line with our ESG commitment to **supporting education and professional development**, Finance House was proud to host students and mentors from Birmingham City University, London, in collaboration with Abu Dhabi University's College of Business and their Internationalization Office. During the industrial tour, our Founder, Mohammed Abdulla Jumma Alqubaisi, personally welcomed the guests and led insightful sessions to deepen their understanding of the financial industry. The students also toured our offices, gaining valuable exposure to the real-world work across various departments, further enhancing their educational experience.

LinkedIn Learners Achievements



At Finance House, we believe that investing in the growth of our employees is essential to our success. Our commitment to ongoing development is reflected in our monthly training sessions, which equip our team with the tools and knowledge to excel in their careers. We always celebrate the achievements of our **LinkedIn learners**, recognizing their dedication to self-improvement.

We also held **comprehensive training sessions** for our staff to enhance their expertise, to ensure quality assurance, and team-building activities. One of the main objectives is to continuously enhance service standards and foster collaboration. Some of these trainings provided were Project Management, Product Training, Mastering the Arts of Presentations, and IFRS training, among others. These initiatives reflect our ongoing dedication to employee development, teamwork, and delivering exceptional service to our customers, all in alignment with our ESG principles.

Paddle Tennis Event



We are fostering a healthy and vibrant workplace culture as part of our commitment to social responsibility. Our recent **paddle tennis event** was a perfect example of promoting physical wellness and teamwork. The day was filled with fantastic sportsmanship and a spirit of camaraderie, creating an unforgettable experience for everyone involved. By encouraging activities that promote health and well-being, we continue to strengthen our commitment to a positive, engaging, and active workplace.



Emiratization Target Achievement



Finance House is proud to have successfully achieved our **Emiratization target**. This accomplishment highlights our dedication to fostering the professional growth of Emirati nationals within the organization. By providing opportunities for development, mentorship, and career advancement, we continue to support the empowerment of local talent and contribute to the growth of the UAE's economy and workforce.

Celebrating Diversity



At Finance House, we take pride in our commitment to diversity and inclusion as part of our ESG framework. Our team, drawn from every corner of the globe, is united by shared values, mutual respect, and a collective vision for success. We **celebrate the diversity** that makes us stronger and the unique perspectives everyone brings to our organization. By fostering an inclusive environment, we ensure that every voice is heard, contributing to a more dynamic, innovative, and collaborative workplace. This commitment reflects our dedication to promoting social responsibility and building a culture of respect and equality.

UAE National Day



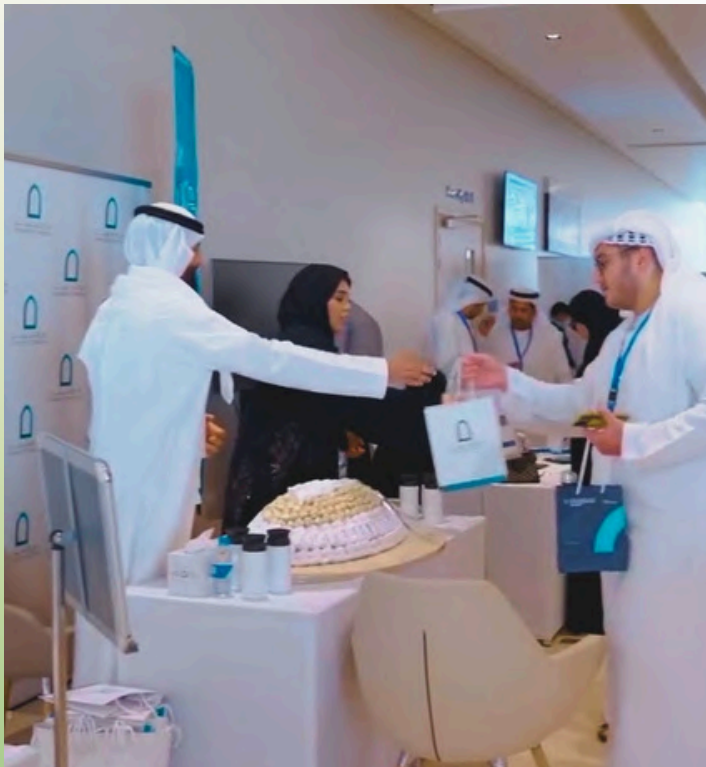
In a lively celebration of community and employee engagement, Finance House marked **UAE National Day** with a traditional event. The occasion was enriched by a captivating traditional dance performance, showcasing the cultural vibrancy of the UAE. Employees enjoyed the atmosphere in beautifully arranged tents, where they had the chance to explore Emirati arts and crafts, along with savouring delicious delicacies like "Reqaq" and "Luqeimat," catered by a local Emirati entrepreneur.

Internships Programs



In 2024, we took significant steps toward fostering the growth and development of UAE national talent, aligning with our commitment to diversity, inclusion, and the sustainable development of the local workforce. As part of this effort, we welcomed five young UAE nationals for **internships** lasting between 4 and 16 weeks, offering them practical, hands-on experience that aligns with their graduation requirements. These internships provided valuable exposure to the financial sector, enabling the interns to gain insight into the industry while developing essential skills for their future careers.

UAE-Focused Career Fairs



Additionally, we actively participated in **UAE-focused career fairs**, where we aimed to attract and engage fresh graduates who are passionate about pursuing careers in the financial sector. By offering these opportunities, we seek to help bridge the talent gap in the region, support the UAE's long-term economic vision, and empower the next generation of leaders in the financial industry. Through these initiatives, we remain committed to creating pathways for young nationals to thrive professionally while contributing to the region's growth and development. These internships provided valuable exposure to the financial sector, enabling the interns to gain insight into the industry while developing essential skills for their future careers.

Finance House & Finance House Securities Agreement



سوق أبوظبي للأوراق المالية
Abu Dhabi Securities Exchange

As part of our ongoing commitment to social responsibility and sustainable growth, **Finance House, alongside Finance House Securities, has agreed to inject AED 300 million into the Abu Dhabi capital market.** This strategic investment aims to stimulate economic growth, promote market liquidity, and create greater opportunities for investors. By contributing to the development of the local capital market, we are fostering a stronger, more resilient economy that benefits both our community and the broader UAE financial ecosystem. This initiative is a key aspect of our Environmental, Social, and Governance (ESG) efforts, emphasizing our dedication to responsible investing, economic empowerment, and long-term sustainability. Through this partnership, Finance House continues to support the UAE's financial sector while contributing to sustainable growth and development in the region.

Empowering Aspiring Artists



At Finance House, we actively **support creativity by empowering aspiring artists** within our community. We demonstrate our commitment by purchasing paintings and artwork from local artists, providing both financial support and encouragement for their endeavours.

These initiatives are designed to inspire individuals to pursue their passions, open new horizons, and offer platforms for nurturing their talents.

Through these efforts, Finance House contributes to a socially responsible, culturally vibrant, and sustainable community, fostering an environment where creativity thrives, and future generations of artists are encouraged to flourish.



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Governance Initiatives

Strengthening Governance: Training on Global Internal Audit Standards

At Finance House, we are dedicated to advancing governance excellence as part of our ESG principles. Our Internal Audit Team participated in an insightful **training session on the newly released Global Internal Audit Standards (GIAS)**, conducted by our Group Head – Internal Audit.

The session provided an in-depth exploration of the 15 guiding principles and their implementation, ensuring our auditors are equipped to enhance quality, excellence, and conformity in their practices. This initiative reflects our commitment to continuous professional development and strengthening governance across our organization.

Information Security remains a cornerstone of Finance House's commitment to cybersecurity, risk management, and regulatory compliance. By safeguarding the organization's digital landscape, Finance House ensures the integrity, confidentiality, and availability of critical systems and data across its group. Throughout the year, significant milestones were achieved in strengthening Finance House Group's security posture and aligning with global and regional regulatory requirements.

Key Achievements:



Risk Management & Threat Mitigation

- Conducted proactive risk assessments to identify emerging cybersecurity threats and implemented robust mitigation strategies to enhance resilience.
- Strengthened access controls, encryption protocols, and endpoint security measures to minimize vulnerabilities and reduce the risk of data breaches.
- Enhanced security awareness programs to educate employees on best practices, phishing detection, and cyber hygiene.



Regulatory Compliance & Industry Standards

- Successfully maintained PCI DSS (Payment Card Industry Data Security Standard) compliance, ensuring the secure processing of financial transactions and protecting customer data.
- Ensured ongoing adherence to ISO 27001, the internationally recognized standard for Information Security Management Systems, reinforcing FHG's commitment to a structured and secure approach to data protection.
- Achieved a high score in the ADHICS (Abu Dhabi Healthcare Information and Cyber Security Standard) certification for Insurance House, demonstrating compliance with stringent healthcare data protection requirements.

Key Achievements:



Governance & Strengthening Security Frameworks

- Revamped internal security policies, standards, and guidelines, introducing enhanced controls to ensure compliance and prevent regulatory violations.
- Aligned security practices with ADGM (Abu Dhabi Global Market) and FSRA (Financial Services Regulatory Authority) requirements, successfully meeting all obligations.
- Implemented enhanced security monitoring and incident response capabilities, ensuring swift detection and remediation of potential threats.



Impact on Strategic Objectives

These initiatives directly contribute to Finance House Group's broader business goals by:

- Strengthening governance and regulatory compliance to protect stakeholders.
- Enhancing operational resilience by mitigating cybersecurity risks.
- Fostering a secure and trustworthy digital environment for customers and partners.

Through continuous improvements in security frameworks, risk management, and compliance, Information Security plays a pivotal role in supporting the mission and long-term success in an increasingly complex cyber landscape.