



مشاعر القابضة
MASHAER HOLDING
ش.م.ك.(عامّة) (K.S.C.(Public))

Governance Report





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Rule One

“Building a Balanced Structure for the Board of Directors”

Brief on the formation of the Board of Directors:

Mashaer Holding Company’s Board of Directors is characterized by the diversity of practical experiences and professional specializations among its members, as reflected in the performance and decisions of the Board members.

Name	Member Classification (executive / non-executive / independent Secretary)	Academic Qualification and Practical Experience	Secretary Date of Election / Appointment
Fahad Abdullah Al-Saleh Chairman of the Board	Independent	Master of Business Administration years of experience 25	04/07/2023
Haitham Tawfiq Al-Furaih Vice Chairman of the Board	Non-Executive	Master of Business Administration years of experience 24	04/07/2023
Mansour Hamad Al-Mubarak Board Member	Non-Executive	Bachelor’s Degree in Business Administration and Finance years of experience 35 More than	04/07/2023
Saleh Abdulaziz Al-Sarawi Board Member	Non-Executive	Bachelor’s Degree in Business Administration, Information Systems years of experience 21	04/07/2023
Nawaf Abdullah Al-Refae Board Member	Independent	Bachelor of Business Administration - Marketing years of experience 28	04/07/2023
AbdulQadir ben Suliman Al-Muhaidib Board Member	Independent	Master of Business Administration years of experience 13	04/07/2023
Abdulaziz Zaid Al-Subaie Board Member	Executive	Bachelor’s Degree in Finance - Financial Institutions years of experience 22	04/07/2023
Ali Haroun Ibrahim	Secretary	Master of International Business Law years of experience 33	04/07/2023



Brief statement on the Company's Board of Directors' held meetings:

The Board's Meeting During 2024:

Member Name	Meeting No. (1/24) Held on 20/2/2024	Meeting No. (2/24) Held on 5/5/2024	Meeting No. (3/24) Held on 13/8/2024	Meeting No. (4/24) Held on 13/8/2024	Meeting No. (5/24) Held on 19/9/2024	Meeting No. (6/24) Held on 11/11/2024	No. of Meet-ings
Fahad Abdullah Al-Saleh Chairman of the Board Independent	✓	✓	✓	✓	✓	✓	6
Haitham Tawfiq Al-Furaih Vice Chairman of the Board Non-Executive	×	✓	✓	✓	✓	✓	5
Mansour Hamad Al-Mubarak Board Member Non-Executive	✓	✓	✓	✓	✓	✓	6
Saleh Abdulaziz Al-Sarawi Board Member Non-Executive	✓	✓	✓	✓	✓	✓	6
Abdulaziz Zaid Al-Subaie Board Member Executive	✓	✓	✓	✓	✓	✓	6
Nawaf Abdullah Al-Refae Board Member Independent	✓	✓	✓	✓	✓	✓	6
AbdulQadir ben Suliman Al-Muhaidib Board Member Independent	✓	✓	✓	✓	✓	✓	6

- (✓) Indicates the member's attending the meeting of the Board.
- The above table shall be included in all meetings of the Board of Directors held during the year.

Brief on the implementation of registration and coordination requirements and keeping of the minutes of the Company's Board meetings:

In coordination with the Chairman of the Board of Directors, the Secretary prepares the agenda and sends invitations to the members at least three working days before the date set for the meeting, providing them with all documents and data to be discussed pertaining to the meeting's agenda items. Minutes of the meetings shall be recorded, including the discussions and deliberations carried out between the Board members, as well as the voting processes conducted on the Board's decisions. Those minutes shall then be signed by the Secretary and all members present and numbered according to the holding date of the relevant meeting by year. All documents related to the Board meeting shall be kept and the Board decisions shall be followed up in terms of implementing and notifying them to the various departments of the Company, presenting any accomplished achievement to the Board of Directors in the following meetings, in addition to providing information to the members wishing to access them easily and conveniently.

Independent member's acknowledgement that he fulfills independence controls, attaching a copy thereof to the report:

Independent Board members acknowledge their impartiality and non-affiliation with any party, which would deprive them of their independence. Copies of the independent members' acknowledgements for the Board of Directors term (2023-2025) are attached to this report.



Acknowledgement

I, the undersigned **Fahad Abdullah Issa Al-Saleh**, in my capacity as a nominated independent member of the Board of Directors of Mashaer Holding Company (K.S.C.P), declare hereby that I fulfill all the independence conditions stipulated in Article (3.2) of the Corporate Governance Part of the Executive Regulations of Law No. (07/2010) on the establishment of the Capital Markets Authority and the regulation of securities activity.

This is my acknowledgment of the same.

Signature:



Acknowledgement

I, the undersigned **Nawaf Abdullah Mahmoud Al-Refae**, in my capacity as a nominated independent member of the Board of Directors of Mashaer Holding Company (K.S.C.P), declare hereby that I fulfill all the independence conditions stipulated in Article (3.2) of the Corporate Governance Part of the Executive Regulations of Law No. (07/2010) on the establishment of the Capital Markets Authority and the regulation of securities activity.

This is my acknowledgment of the same.

Signature:



Acknowledgement

I, the undersigned **AbdulQadir ben Suliman Al-Muhaidib**, in my capacity as a nominated independent member of the Board of Directors of Mashaer Holding Company (K.S.C.P), declare hereby that I fulfill all the independence conditions stipulated in Article (3.2) of the Corporate Governance Part of the Executive Regulations of Law No. (07/2010) on the establishment of the Capital Markets Authority and the regulation of securities activity.

This is my acknowledgment of the same.

Signature:



Rule Two

“Proper Determinations of Tasks and Responsibilities”

Brief on how the Company defines the policy of tasks, responsibilities and duties of each member of the Board of Directors and the Executive Management, as well as the powers and authorities delegated to the Executive Management:

Tasks and Powers:

Within the framework of the Board of Directors’ keenness to adhere to the rules and laws of the Capital Markets Authority, the Board:

- Reviewed the Board of Directors’ Regulations and introduced the new amendments thereto, explaining in detail all tasks, powers, and competencies of the Board.
- Set the Company’s objectives, strategy, plans, policies, main business plans, optimal capital structure, financial objectives, organizational and functional structures, with periodic review thereof.
- Approved annual estimated budgets, interim and annual financial statements.
- Approved performance objectives and monitored the implementation and overall performance in the Company.
- Supervising the Company’s main capital expenditure, in addition to ownership of shares and assets and disposal thereof.

Board of Directors’ achievements during the year:

The Board of Directors has achieved many successes during 2024, the most important of which are:

- Approving updates to governance policies in accordance with the instructions of the Capital Markets Authority.
- Approving work policies of the Company’s departments and their updates.
- Approving the work plan for the next three years.
- Approving the Company’s interim and annual financial statements.
- Reviewing and approving the recommendations issued by the Nominations and Remuneration Committees, the Audit Committee and the Risk Management Committee.
- Ensuring the Company’s compliance with the laws and regulations related to its activities and following up on the implementation of the instructions of the regulatory authorities.



- Discussing the risks faced by the Company's business and taking the necessary measures to address them and avoid their occurrence in the future.
- Studying investment opportunities to diversify the Company's sources of income.
- Approving job descriptions for members of the Board of Directors.
- Approving the organizational and functional structure of the Company.

Tasks and responsibilities of the Executive Management:

The Company's Executive Management carries out a set of tasks that can be summarized as follows:

- Implementing the general strategy and annual plans approved by the Board of Directors.
- Working to implement all policies, regulations and internal systems of the Company as approved by the Board of Directors.
- Establishing an integrated accounting system that maintains books, records and accounts that accurately detail financial statements and income accounts, allowing the preservation of the Company's assets in accordance with the international accounting standards approved by the Authority.
- Establishing internal control and risk management systems, ensuring their effectiveness and sufficiency, managing daily work and running the activity, in addition to managing the Company's resources in an optimal manner, working to maximize profits and reduce expenses in line with the Company's general objectives and strategy.
- Preparing (financial and non-financial) periodic reports on the development of the Company's activities pursuant to its strategic plans and objectives and presenting them to the Board of Directors.
- Preparing financial statements in accordance with the International Financial Reporting Standards approved by the Capital Markets Authority of Kuwait.
- Effective participation in building and developing a culture of ethical values within the Company.

Executive Management Achievements:

Executive Management accomplished the following during 2024:

- Developing an action plan to implement the strategy approved by the Board of Directors.
- Maintaining cash liquidity within the Company through managing and monitoring cash flows.
- Reducing operating and capital expenses.
- Coordinating with subsidiaries and affiliates to maintain cash liquidity and rationalize expenses.
- Committing to paying the Company's dues on time.

Brief on implementing the Board's requirements to form specialized committees that enjoy independence, taking into account mentioning information about each committee:

In accordance with the provisions of Module Fifteen "Corporate Governance" of the Capital Markets Authority, the Board of Directors formed each of the following committees: Audit Committee, Risk Management Committee and Nominations and Remuneration Committee.



First: Audit Committee:

The Audit Committee works to establish a culture of commitment within the Company by ensuring the integrity and honesty of financial reports, as well as the adequacy and effectiveness of the internal control systems applied by the Company. The Audit Committee consists of three non-executive members, including an independent member, and bears the primary responsibility for reviewing the periodic financial statements before presenting them to the Board of Directors, along with opinion and recommendation thereon, to ensure those financial reports' fairness and transparency. The Board of Directors delegates to the Committee the responsibilities, powers and tasks related to the technical supervision of the Internal Audit Unit in the Company with a view to verifying its effectiveness in implementing the work and tasks specified by the Board of Directors.

Among the Committee's Achievements:

- Reviewing the interim and annual financial statements and reports before presenting them to the Board of Directors, expressing an opinion and recommendation thereon.
- Approving the annual Audit Committee report.
- Approving and accepting the internal audit work plan.
- Evaluating the entities performing internal and ongoing audit work.
- Discussing internal audit reports and corrective actions adopted by the management regarding those observations.
- Supervising and following up on internal audit achievements.
- Recommending the appointment of an independent auditor to prepare the internal control report.
- Recommending to the Board of Directors to appoint and reappoint the auditor after ensuring his independence and determining his fees.
- Ensuring the Company's compliance with relevant laws, policies, regulations and instructions.
- Recommending to the Board of Directors policies and work guides related to the work of the Committee.

The Audit Committee was reconstituted on 13/08/2023 and its validity is linked to the term of the current Board. The Committee includes three (3) members, as follows:

Mr. Nawaf Abdullah Al-Refae	Chairman
Mr. Haitham Tawfiq Al-Furaih	Member
Mr. Saleh Abdulaziz Al-Sarawi	Member
Mr. Ahmad Bader Al-Aslawi	Secretary

The committee held (4) meetings.

Second: Risk Management Committee:

The Risk Management Committee consists of three non-executive members and bears the primary responsibility for establishing effective internal control systems that oversee the integrity of financial data and the efficiency of the Company's business, assessing the extent of compliance with regulatory controls. The Board of Directors delegates to the Committee the responsibilities, powers and tasks related



to identifying, evaluating and monitoring all risks to which the Company is exposed and developing solutions for them in a manner consistent with the Company's objectives to avoid risks.

Among the Committee's Achievements:

- Reappointing a company specializing in risk management.
- Reviewing the risk appetite and recommending it to the Board of Directors accordingly.
- Submitting periodic reports to the Board of Directors on the nature of the risks to which the Company is exposed.
- Reviewing the update of the emergency and business continuity plan and recommending it to the Board of Directors.

Recommending the Board's approval of the Company's departments' work policies. The Risk Management Committee was reconstituted on 13/08/2023 and its validity is linked to the term of the current Board. The Committee includes three (3) members, as follows:

Mr. Saleh Abdulaziz Al-Sarawi	Chairman
Mr. Nawaf Abdullah Al-Refae	Member
Mr. Haitham Tawfiq Al-Furaih	Member
Mr. Ahmad Bader Al-Aslawi	Secretary

The committee held (4) meetings.

Third: Nominations and Remuneration Committee:

The Board of Directors formed a Nominations and Remuneration Committee consisting of three members, one of whom is an independent member, where its chairman is a non-executive member of the Board of Directors. This Committee is responsible for preparing recommendations related to nominations for membership of the Board of Directors and Executive Management, as well as recommendations related to the policies and regulations governing the grant of compensation and rewards.

Among the Committee's Achievements:

- The Committee prepared the third rule related to rewards, salaries and benefits granted to members of the Board of Directors and Executive Management for the fiscal year ending 31 December 2023 within the provisions of the Governance Report and submitted its recommendation on the subject to the Board of Directors.
- Recommending to the Board of Directors regarding the selection of representatives of the Company in the membership of the boards of directors of subsidiaries and affiliated companies.
- The Committee discussed the new amendments to the Nominations and Remuneration Committee Policy and recommended the same to the Board of Directors.
- The Committee approved a training program for members of the Board of Directors and Executive Management and recommended the same to the Board of Directors.



- ❑ The Committee reviewed an appendix to the Human Resources Policy and recommended it to the Board of Directors.
- ❑ The Committee reviewed the duties and responsibilities of the Chairman and the executive, non-executive and independent members of the Board of Directors and recommended the same to the Board of Directors.

The Nominations and Remuneration Committee was reconstituted on 04/07/2023 and its validity is linked to the term of the current Board. The Committee includes three (3) members:

Mr. Fahad Abdullah Al-Saleh	Chairman
Mr. Mansour Hamad Al-Mubarak	Members
Mr. Abdulaziz Zaid Al-Subaie	Member
Mrs. Shereen Abdelrahman Al-Abdallah	Secretary

The committee held (4) meetings.

Brief on how to implement the requirements that enable members of the Board of Directors to obtain information and data accurately and in a timely manner:

In coordination with the Chairman of the Board of Directors, the Secretary provides members of the Board of Directors with any information requested thereby that enables them to carry out and perform their duties and tasks efficiently and effectively.

Rule Three

“Selection of qualified persons for membership of the Board of Directors and Executive Management”

Overview of the application of the requirements for the Nominations and Remuneration Committee formation:

The Nominations and Remuneration Committee works to complete the Committee’s requirements by developing a clear remuneration policy for the Board of Directors and Executive Management, determining the different segments of remuneration that will be granted to employees, conducting a periodic (annual) review of the remuneration granting policy and evaluating its effectiveness in achieving the desired goals.

Report on the remunerations granted to members of the Board of Directors, Executive Management and managers, where the following information shall be included as a minimum:

1. Brief on the Company’s Remuneration and Incentives Policy, especially what relates to members of the Board of Directors, Executive Management and managers.

The Chairman of the Board of Directors or his representative shall read out at the Company’s General Assembly meeting a report on all transactions with employees of the Executive Management and Board



members. Those transactions include remuneration granted to members of the Board of Directors, the Executive Management, managers, and their deputies. The Company's General Assembly ratifies and approves these transactions, and the remuneration granted to members of the Board of Directors and the Executive Management.

2. Inclusion of the following two statements:

Board Members Remuneration and Benefits								
Total Number of Members	Remuneration and benefits through the Parent company				Remuneration and benefits through subsidiaries			
	Fixed remuneration and benefits (KD)		Variable remuneration and benefits (KD)		Fixed remuneration and benefits (KD)		Variable remuneration and benefits (KD)	
	Health Insurance		Annual Remuneration	Committees' Remuneration	Health Insurance	Monthly salaries (Total during the year)	Annual Remuneration	Committees' Remuneration
7	N/A		40,000	13,500	N/A	N/A	12,000	N/A

○ Details of the segments and types of remuneration and benefits.

Total remuneration and benefits granted to five senior executives who received the highest remunerations, in addition to the CEO and the CFO or their replacement if they are not included														
Total number of executive positions	Remuneration and benefits through the Parent company							Remuneration and benefits through the Subsidiaries						
	Fixed remuneration and benefits (KD)						Variable remuneration and benefits (KD)	Fixed remuneration and benefits (KD)						Variable remuneration and benefits (KD)
	Monthly Salaries (Total during the Year)	Health Insurance	Annual Tickets	Housing Allow.	Transport Allow.	Children Education Allow.	Annual Remuneration	Monthly Salaries (Total during the Year)	Health Insurance	Annual Tickets	Housing Allow.	Transport Allow.	Children Education Allow.	Annual Remuneration
6	212,324	7,760	37,950	-	16,200	11,415	100,555	-	-	-	-	-	-	-

○ Details of the segments and types of remuneration and benefits.

3. Any material deviations from the Remuneration Policy approved by the Board of Directors.
None.

Rule Four

“Ensuring Financial Reports Integrity”

Written pledges by the Board of Directors and Executive Management regarding the integrity and soundness of the prepared financial reports:

Mashaer Holding Company is keen on the soundness and integrity of the financial statements before shareholders, regulatory authorities and third parties, where the financial management and the Executive Management sign written pledges regarding their accuracy and integrity, then submitting them to the Board of Directors, which, in turn, approves them and pledges their integrity to the General Assembly.



Guarantee of Financial Reports Integrity

I, the undersigned Anwar Al-Haq Abdul-Haq, in my capacity as Senior Manager of the Financial Department, Mashaer Holding Company (KSC - Public), acknowledge and undertake hereby the accuracy and integrity of the Company's consolidated financial statements, which were provided to the current Account Controller. I also acknowledge that the company's financial reports have been presented properly and fairly, in accordance with the International Financial Reporting Standards applied in the State of Kuwait and as approved by Kuwait Capital Markets Authority, and that they are reflected the financial position of the Company as on 31 December 2024.

Anwar Ul-Haq Abdul-Haq
Senior Manager - Financial Department



Guarantee of Financial Reports Integrity

I, the undersigned Abdulaziz Zaid Al-Subaie, Chief Executive Officer and member of the Board of Directors, Mashaer Holding Company (KSC - Public), acknowledge and undertake hereby the accuracy and integrity of the Company's consolidated financial statements, which were provided to the current Account Controller. I also acknowledge that the company's financial reports have been presented properly and fairly, in accordance with the International Financial Reporting Standards applied in the State of Kuwait and as approved by Kuwait Capital Markets Authority, and that they are reflected the financial position of the Company as on 31 December 2024.

Abdulaziz Zaid Al-Subaie
Chief Executive Officer and member
of the Board of Directors



Guarantee of Financial Reports Integrity

I, Chairman and members of the Board of Directors of Mashaer Holding Company (KSC - Public), acknowledge and undertake hereby the accuracy and integrity of the Company's consolidated financial statements, which were provided to the current Account Controller. I also acknowledge that the company's financial reports have been presented properly and fairly, in accordance with the International Financial Reporting Standards applied in the State of Kuwait and as approved by Kuwait Capital Markets Authority, and that they reflect the financial position of the Company as on 31 December 2024.

Member Name	Position	Signature
1 Fahad Abdullah Al-Saleh	Chairman Independent	
2 Haitham Tawfiq Al-Furaih	Vice-Chairman Non-Executive	
3 Abdulaziz Zaid Al-Subaie	Member Executive	
4 Mansour Hamad Al-Mubarak	Member Non-Executive	
5 Nawaf Abdullah Al-Refae	Member Independent	
6 Saleh Abdulaziz Al-Sarawi	Member Non-Executive	
7 AbdulQadir ben Suliman Al-Muhaidib	Member Independent	



Overview of the application of the Audit Committee formation requirements:

The Board of Directors formed the Audit Committee in accordance with the requirements of Module Fifteen “Corporate Governance”, issued in accordance with the Executive Regulations of Law No. 07 of 2010 Establishing the Capital Markets Authority. The Audit Committee held four meetings.

In case of a conflict between the recommendations of the Audit Committee and the decisions of the Board of Directors, a statement detailing and explaining the recommendations and the reasons behind the Board’s decision not to comply with them shall be included:

There is no conflict between the recommendations of the Audit Committee and the decisions of the Board of Directors.

Emphasizing the independence and impartiality of the external auditor:

The Audit Committee submitted a recommendation to the Board of Directors to appoint an external auditor and determine his fees after ensuring his independence and impartiality.

Rule Five

“Establishing Sound Internal Control Risk Management Systems”

Brief on the application of the requirements for forming an independent risk management department/office/unit:

An independent risk management unit was established under the Risk Management Committee, which tasks were assigned to a specialized consulting company to study, measure and follow up on all types of risks to which the Company is exposed on an ongoing basis. The said unit’s periodic reports are submitted to the Risk Management Committee to limit the occurrence of those risks.

Overview of the application of the Risk Management Committee formation requirements:

The Risk Management Committee aims to assist the Board of Directors in supervising matters related to current and future activity risks. The Committee evaluated the systems and mechanisms for measuring the various risks to which the Company is exposed through its various activities by reviewing periodic reports issued by the specialized consulting company and submitting its corrective measures recommendations to the Board of Directors for approval and adoption of risk avoidance mechanism.

Brief explaining the internal control and oversight systems:

The Company is governed by internal control and oversight systems that cover all its activities, which work to maintain the integrity of the Company’s financial position and the accuracy of its data, through approved organizational structures that are based on the principle of separation of tasks and prevent conflicts of interest. Also, the Company adopts work policies and procedures manuals that clearly define



all tasks and responsibilities. Further, the Company has entrusted an independent audit office to examine and evaluate the internal control systems of all departments therein.

Brief on implementing the formation requirements for an independent internal audit department/office/unit:

An internal audit unit has been established, directly reporting to the Audit Committee, which tasks are assigned to a specialized independent consulting company, which appointment is based on a recommendation of the Board's Audit Committee in order to carry out internal audit work on the Company's department's subject to the approved plan. The consultancy company submits its reports to the Audit Committee, which meets with the internal auditor periodically. The Committee then submits its recommendations to the Board of Directors for corrective measures approval.

Rule Six

“Promotion of Professional Behavior and Ethical Values”

Brief on the Code of Ethics that includes standards and determinants of professional behavior and ethical values:

The Charter of work within the company aims to promote a culture of professional behavior and corporate and ethical values by setting major guidelines that represent the Company's policies in accordance with the rules of governance. The Code of Ethics aims to promote honest ethical behavior that reflects positively on the Company and maintains an institutional climate that preserves the value and integrity of every individual, providing an appropriate and effective work environment under governance rules. It ensures adherence to the laws, rules and regulations that govern the Company's activities and operations, in addition to proper use of the Company's assets. It also works to develop team spirit and consolidate employee loyalty to the Company in a way that retains experienced and competent employees. Relevant standards include rules and ethics of conduct and clarify how the Company's managers, officials or employees deal with stakeholders or the public dealing therewith. The Code of Ethics also includes all standards that members of the Board of Directors and Executive Management, as well as all Company employees, are required to adhere to in order to achieve the interest of the Company, its shareholders and stakeholders.

Our commitment to implementing that behavior helps us make sound decisions, where our policies are based on the following principles:

- ✓ **Respect:** Our respect for society and the environment where we work, as well as our commitment to all legislation and dealings with others with the highest professional and ethical standards.
- ✓ **Financial integrity and honesty:** We are committed to ensuring that the Company's financial statements reflect its assets, liabilities and financial position, with the utmost accuracy, clarity and transparency.
- ✓ **Diversity and equal opportunities:** We are keen to encourage a culture of mutual respect for different opinions and to attract qualified elements to join us, without any discrimination or bias.
- ✓ **Health and Safety:** We ensure the provision of a safe working environment for our employees and our community, free from causes of accidents and diseases.



Brief on the policies and mechanisms to reduce conflicts of interest:

Within the framework of the Board of Directors' keenness to protect the honesty, integrity, and transparency of the shareholders' interests and to avoid actual conflicts of interest in personal and professional relationships between them, the Company has adopted a Conflict-of-Interest Policy and is reviewing its Policy of Dealings with Related Parties, in a manner consistent with the nature of the Company's business and regulatory developments in the markets. The Company adopts a General Policy for reporting any violations or breaches, which ensures the employees' reporting their complaints regarding any improper practice by applying appropriate mechanisms that allow for investigating such matters, while ensuring the protection of whistleblowers to avoid any negative reaction or any harm thereto consequent to that practice.

Rule Seven

“Accurate and Timely Disclosure and Transparency”

Brief on the application of the mechanisms and accurate and transparent disclosure and presentation that define related aspects, areas and characteristics:

In compliance with the Disclosure and Transparency Policy approved by the Board of Directors to enhance mechanisms for accurate disclosure of all fundamental issues related to the Company's performance and financial position, the relevant departments and the Conformity, Compliance and Anti-Money Laundering Department verify that the Company discloses essential data and information that the Company is legally obligated to disclose to Bursa Kuwait and the Capital Markets Authority, in addition to uploading disclosures to the Company's website.

Overview of the application of disclosure record requirements for members of the Board of Directors, Executive Management and managers:

The Company is committed to the rules of governance in terms of disclosures by members of the Board of Directors, Executive Management and managers and has prepared a special record for their disclosures through the Investor Affairs Unit. That record is available for review by all Company's shareholders, whereas the Investor Affairs Unit is keen to update the data therein periodically so as to reflect the true positions of all related parties.

Brief on the application of the Investor Affairs Regulatory Unit formation requirements:

The organizational structure includes a unit for organizing investors' affairs concerned with providing the necessary data, information and reports to prospective investors through recognized means of disclosure, including the Company's website.

Brief on how to develop IT infrastructure and rely heavily thereon for the disclosure processes:

The Investor Affairs Unit has a page on the Company's website, named “Investor Relations”, through which information and data about the Company and various reports that may be needed by the Company's shareholders, economists and current or prospective investors are provided.



Rule Eight

“Respect of Shareholders’ Rights”

Brief on the application of the requirements for determining and protecting shareholders’ general rights, so as to ensure justice and equality among all shareholders:

The Company is committed to its responsibilities towards shareholders and adopts corporate governance standards stemming from its belief that the proper application of corporate governance enhances shareholders’ and others’ confidence. The Company treats all shareholders equally and without discrimination and does not, in any way, withhold information or any of its shareholder rights; rather, the Company adopts a special policy to protect their rights and is keen to update it in accordance with applicable laws and resolutions. This policy explains the role of both the Board of Directors and Executive Management in protecting shareholders’ rights and ensuring that they all enjoy the same voting rights and same treatment, obtaining all information related to voting, while granting them opportunity to discuss with the Board of Directors and inquire therefrom about any tasks or works carried out by the board.

Brief on creating a special register to be kept with the clearing agency, as part of the requirements for continuous follow-up of shareholders’ data:

The Company has contracted with the Kuwait Clearing Company KSC to carry out the role of keeping shareholders’ record, including their nationalities and the number of shares owned by each of them, so that each shareholder shall have access to his record. Data included in the record is treated with the utmost levels of protection and confidentiality.

As for the strategic shareholders and beneficiaries, they disclose to Bursa Kuwait, the Capital Markets Authority and the Company regarding any amendment to their shares.

Overview of how to encourage shareholders to participate and vote in the Company’s assembly meetings:

The Company follows a set of procedures that allow shareholders to participate, discuss and vote in the Company’s ordinary and extraordinary assembly meetings, as follows:

S.	Procedure	Tool
1.	Publishing (4) invitations to attend the General Assembly at intervals.	Press Advertisements
2.	General Assembly’s date will be announced on Bursa Kuwait website.	Bursa Kuwait Website
3.	The General Assembly’s date will be announced on the Company’s website.	Company’s Website
4.	Directly communicating with shareholders to confirm their attendance and providing them with the necessary data related to those meetings.	Phone Calls



Rule Nine

“Understanding the Role of Stakeholders”

Overview of the systems and policies that ensure the protection and recognition of stakeholders’ rights:

The Company has adopted internal policy and regulations to protect stakeholders’ rights in all internal and external transactions and is keen to update them in accordance with the laws and resolutions issued in their regard. The policy clarifies the parties whose interests’ conflict with the Company, as well as the roles and responsibilities to which the members of the Board of Directors and the Executive Management are committed within the framework of that policy. This policy also clarifies the role played by the Company’s Conformity, Compliance and Anti-Money Laundering Department in verifying the adequacy of systems and mechanisms and their ability to detect cases of conflict. In addition, the policy also clarifies the role undertaken by the Secretary of the Board of Directors in coordination with the Internal Audit Unit towards the responsibility of following up on the implementation of the Conflicts-of-Interest Policy. It also explains how to disclose and verify the existence of cases of conflicts of interest, where the Secretary maintains a record of those cases.

Overview of how to encourage stakeholders to participate in following up on the Company’s various activities:

The Company follows a set of procedures that allow stakeholders to follow the Company’s various activities, through press releases and news included on its website and official accounts on social media sites.

Rule Ten

“Performance Enhancement and Improvement”

Brief on implementing the requirements for establishing mechanisms that allow members of the Board of Directors and the Executive Management to receive training programs and courses on an ongoing basis:

Through its strategic plan, the Company is keen to train members of the Board of Directors and the Executive Management, through ongoing training programs and workshops, in order to achieve the desired goals for them towards the Company and in line with the requirements of the Capital Markets Authority to consolidate their knowledge of the latest developments in the relevant administrative and economic fields. To this end, the Company organized a training course, entitled “Summary of the Key Updates in the Instructions Issued by the Capital Markets Authority and the Violations Imposed by the Regulatory Authorities on Listed Companies During 2024”, for members of the Board of Directors and the Executive Management to enhance these objectives.



Overview of how to evaluate the performance of the Board of Directors as a whole and the performance of each member of the Board and of the Executive Management:

The Company has developed mechanisms for evaluating members of the Board of Directors and Executive Management through a set of objective performance measurement indicators linked to the extent to which the Company's strategic objectives have been achieved.

Overview of the Board of Directors' Value Creation efforts among the Company's employees by achieving strategic objectives and improving performance rates:

The Company adopts policies and procedures that contribute to achieving its strategic objectives and enhances institutional values among employees, thus contributing to maintaining the Company's sound financial position.

Rule Eleven

“Focusing on the Significance of Social Responsibility”

Brief on developing a policy that ensures achieving a balance between the objectives of the Company's and those of the society:

Stemming from the Company's belief in the importance of its role in society, and out of its commitment to the Social Responsibility Policy, the Company has undertaken many initiatives that aim to achieve balance among its objectives towards society.

Brief on the programs and mechanisms used that help highlight the Company's efforts in the field of social work:

Out of its keenness to perform its duty towards society, the Company presented gifts to new converts, through the Islam Introduction Committee, thus enhancing the impact on these segments of society.

Fahad Abdullah Al-Saleh
Chairman of Board of Directors