

Senergy Holding (K.P.S.C.) and its subsidiaries

Corporate Governance Report For the year ended at 31 December 2020



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Corporate Governance Report for 2020

Company profile:

Senergy Holding Company KSCP (Closed) was incorporated in the State of Kuwait on March 22, 1983 and the Company's shares were listed on the Kuwait Stock Exchange in 1987 in accordance with the Companies Law and based on the decision of the Extraordinary General Assembly held on April 07, 2016, the shareholders agreed to change the Company's name from Al Safat Energy Holding Company K.S.C.P to Senergy Holding Company K.P.S.C.

According to the decision of the Extraordinary General Assembly held on May 15, 2007, the Company operates in accordance with Islamic Sharia. The main activities in accordance with the Company's Memorandum of Association are as follows:

- Acquiring shares of Kuwaiti or foreign shareholding companies, as well as acquiring shares or membership interests in Kuwaiti or foreign limited liability companies, or participating in the incorporation of these companies, and in the management thereof, and in lending and guaranteeing these companies with third parties.
- Lending to companies in which the Holding Company holds shares and guaranteeing their obligations towards third parties. In such case, the share of the Holding Company in the capital of the borrowing Company shall be no less than twenty percent.
- Acquiring the industrial intellectual property rights including patents, industrial trademarks, industrial fees or any other related rights, and leasing them to other companies to exploit them either in Kuwait or abroad.
- Acquiring real estate and movable property necessary to carry out its operations within the limits permitted under the law.
- Employing excess funds available with the Company by investing them in financial portfolios managed by specialized companies.

The Company's business office is located in Al-Ahmadi - Block 8 - Building 42 - Gulf International Company's Complex - Mezzanine - State of Kuwait.

The authorized, issued and fully paid up capital is K.D 20,000,000, consisting of 200,000,000 shares, with a nominal value of 100 Fils per share, and all shares are cash. The main shareholders of the Company as of December 31, 2020 are as follows:

No.	Shareholder's Name	Number of Shares	Percentage %
1	Gulf Bank – Customers 3003	39,798,359	19.899%
2	Al Safat Investment Company	33,645,991	16.823%
3	KFH Capital Investment Company - E1	17,564,683	8.782%

Governance Framework for Senergy Holding Company K.P.S.C.

As the Board of Directors of Senergy Holding Company “The Company” realizes the importance of adherence to the rules of governance, its significant role and related practices, the Company was keen to build a base on which the Company’s business is relied in order to enhance the confidence of shareholders, investors and all stakeholders.

The Company also aspired to implement all instructions and rules issued by the Capital Markets Authority as a work culture in the Company in order to enhance administrative efficiency, commitment to justice and transparency, and achieve the interests of the Company and the shareholders.

The Board of Directors is committed to the continuous implementation of initiatives calling for the development of governance principles in the interest of all relevant parties, and in a manner that enhances the levels of confidence of its shareholders and stakeholders.

The Company considers the implementation of corporate governance principles an integral part of its operations, and the Company works to keep up with developments in governance by reviewing and following up on developments in best practices to meet the challenges that arise in the rules of governance.

Implementation of Governance Rules

First Rule: Forming a Balanced Board of Directors

Name	Post	Member Type (Executive/ Non-executive/ Independent/ Secretary)	Academic Qualification and Work Experience	Date of Election/ Appointment of Secretary
Mr. Ali Hussain Al Mousa	Chairman of the Board of Directors	Non-executive	Bachelor of Mechanical Engineering	06/07/2020
Mr. Mohammad Hamad Al Salem	Vice Chairman and Chief Executive Officer	Executive	Bachelor of Science (Electrical Engineering)	06/07/2020
Mrs. Mai Adnan Al Zanki	Board Member	Independent	MSc in Petroleum Engineering and Economics	06/07/2020
Mr. Mohammad Ibrahim Al Ramadhan	Board Member	Non-executive	Bachelor of Science in Civil Engineering	06/07/2020
Mr. Ahmed Fathey Abou Zaid	Board Member	Non-executive	Bachelor of Administrative Sciences	06/07/2020
Mr. Malik Maher Marafie	Board Member	Independent	Bachelor of Finance and Financial Institution	06/07/2020
Mr. Malek Mustafa Hammoud	Board Member	Non-executive	Bachelor of Science (Electrical Engineering)	06/07/2020
Mr. Nashat Naim Daghmarsh	Board Secretary	Secretary	Bachelor of Economics (Business Administration Division)	06/07/2020

Current Board Members have diverse experiences in various fields to enhance efficiency in decision making.

Board of Director Meetings during 2020

Member Name	Meeting No. 1/2020 (23/01)	Meeting No. 2/2020 (07/05)	Meeting No. 3/2020 (21/05)	Meeting No. 4/2020 (06/07)	Meeting No. 5/2020 (21/07)	Meeting No. 6/2020 (13/08)	Meeting No. 7/2020 (13/10)	Meeting No. 8/2020 (12/11)	No. of Meetings
Ali Hussain Al-Mousa (Chairman)	✓	✓	✓	✓	✓	✓	✓	✓	8
Nasser Badr Al-Sharhan (Vice Chairman)	✓	✓	✓	Resignation					3
Mohammad Hamad Al Salem (Vice Chairman and CEO)	✓	✓	✓	✓	✓	✓	✓	✓	8
Mai Adnan Al Zanki (Board Member)	Not a member during this period			✓	✓	✓	✓	✓	5
Mohammad Ibrahim Al Ramadhan (Board Member)	Not a member during this period			✓	✓	✓	✓	✓	5
Ahmed Fathey Abou Zaid (Board Member)	✓	✓	✓	✓	x	x	✓	✓	6
Malik Maher Marafie (Board Member)	✓	✓	✓	✓	✓	✓	✓	✓	8
Malek Mustafa Hammoud (Board Member)	x	✓	✓	✓	✓	✓	✓	✓	7

Recording, coordinating, and archiving the Board meetings minutes:

The Company appointed the Secretary of the Board of Directors, Mr. Nashat Naim Daghmash, and entrusted him with the duties of writing down the Board meetings minutes which include discussions and deliberations that took place during the meetings and decisions that were taken and reservations (if any), and these minutes shall be signed by him and by all members present.

The Secretary of the Board of Directors has also prepared a special record in which the minutes of the meetings are recorded in sequence numbers for the year in which the meetings were held, indicating the meeting venue, date, start and end hours, for easy reference to those meetings minutes.

The minutes of meetings, records, reports and other documents submitted to and from the Board shall be kept with the Secretary.

The Secretary shall also ensure that the Board members follow the procedures approved by the Board, and shall ensure that the Board meetings' timings are notified at least three working days before the meeting, taking into account emergency meetings, in addition to ensuring that the Board members can have full and rapid access to the minutes of the meetings, information and documents related to the Company. In addition, under the supervision of the Chairman of the Board, the secretary shall ensure the proper delivery and distribution of information and coordination among members of the Board and other stakeholders of the Company.

Second Rule: Proper Determination of Duties and Responsibilities

The policy of tasks and responsibilities of each of the Board members and the executive management, as well as the powers and authorities delegated to the Executive Management:

The Board of Directors shall assume all the powers and authorities necessary for the management of the Company. The powers, tasks and responsibilities of the Board shall be determined in the Company's Articles of Association and in the corporate charter approved by the Board, taking into account the powers of the Company's General Assembly.

"Board of Directors Corporate Charter"

The Company has also noticeably defined the tasks and responsibilities of each of the board members and the executive management in the approved policies, regulations and job descriptions, which reflects the balance of powers and the separation of tasks between the executive management and the Board of Directors.

In addition to the obligations of the Board of Directors, the Chairman of the Board of Directors shall be responsible for representing the Company before third parties, and for the proper operation of the Board of Directors in an appropriate and effective manner, including obtaining complete and correct information by members of the Board in a timely manner, and encouraging constructive relationships and effective participation between each of the Board of Directors Executive management, in addition to other responsibilities.

Moreover, the Board of Directors determines the powers that are delegated to the executive management, taking into account the achievement of a balance in powers and authorities between both the Board and the executive management, in order to ensure the non-exclusivity of absolute powers in order to facilitate the process of accountability.

The most prominent works of the Board of Directors during the year, including but not limited to:

- Approving the estimated budget for 2020.
- Approving the financial statements for the financial year ended at December 31, 2019.
- Discussing and approving the Company's strategic plans.
- Approving the interim financial information for the first, second and third quarter of 2020.
- Nominating the Board Committees' members.
- Discussing and approving the Company's human resources system and the job grading structure.
- Discussing and approving the executive powers regulation for the parent Company and its subsidiaries.
- Following up to the subsidiary companies' business and discussing the latest developments.
- Following up the affairs of the Board Committees.

Board's Formation of Autonomous Specialized Committees

Within the framework of establishing good governance in the Company, the Board of Directors formed three independent committees emanating therefrom on July 21, 2020 to enable it to perform its duties effectively and to oversee the implementation of corporate governance in its various axes.

These committees operate in accordance with approved charters by the Board of Directors, clarifying the duration of its work, its powers, tasks and responsibilities, and how the Board monitors them, according to the following:

Nominations and Remunerations Committee	
Committee Formation Date and Term	21 July 2020 – Term of Membership – is the same term of membership in the Board
Formation of the Committee	Mr. Ali Hussein Al Mousa – Chairman Mr. Ahmed Fathey Abou Zaid Mr. Malik Maher Marafie
The Committee's most significant works during the year	<ul style="list-style-type: none"> Evaluating the work of the Nomination and Remuneration Committee (self-evaluation). Preparing a report on the remuneration granted to members of the Board of Directors and Executive Management for 2020. Electing of the Chairman of the Nomination and Remuneration Committee. Appointing the Secretary of the Nomination and Remuneration Committee. Performance report of the Nomination and Remuneration Committee.

No. of meetings held by the Committee during the year: 2

Member Name	Meeting (1) 27/07/2020	Meeting (2) 31/12/2020
Mr. Ali Hussein Al Mousa – Chairman	✓	✓
Mr. Ahmed Fathey Abou Zaid	✓	✓
Mr. Malik Maher Marafie	✓	✓

Audit Committee	
Committee Formation Date and Term	21 July 2020 – Term of Membership – is the same term of membership in the Board
Formation of the Committee	Mr. Malik Maher Marafie – Chairman Mr. Ahmed Fathey Abou Zaid Mr. Malek Mustafa Hammoud
The Committee's most significant works during the year	<ul style="list-style-type: none"> Proposing the appointment of the Company's external auditor for the year ended at December 31, 2020. Reviewing the quarterly and annual financial statements. Discussing the impact of events resulting from the spread of the Coronavirus on the financial statements. Evaluating the work of the internal audit unit. The audit committee performance report for the year 2020. Evaluating the work of the audit committee (self-evaluation).

No. of meetings held by the Committee during the year: 4

Member Name	Meeting 1/2020 (18/03/2020)	Meeting 2/2020 (05/05/2020)	Meeting 3/2020 (01/08/2020)	Meeting 4/2020 (07/11/2020)
Mr. Malik Maher Marafie – Chairman	✓	✓	✓	✓
Mr. Ahmed Fathey Abou Zaid	✓	✓	✓	✓
Mr. Malek Mustafa Hammoud	✓	✓	✓	✓

Risk Management Committee									
Committee Formation Date and Term	21 July 2020 – Term of Membership – is the same term of membership in the Board								
Formation of the Committee	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%; text-align: left;">Former Committee</th> <th style="width: 50%; text-align: left;">New Committee</th> </tr> </thead> <tbody> <tr> <td>Mr. Nasser Badr Al-Sharhan (Chairman)</td> <td>Mrs. Mai Adnan Al Zanki (Chairman)</td> </tr> <tr> <td>Mr. Ali Hussein Al-Mousa</td> <td>Mr. Mohammad Ibrahim Al-Ramadan</td> </tr> <tr> <td>Mr. Mohammad Hamad Al-Salem</td> <td>Mr. Ahmed Fathey Abou Zaid</td> </tr> </tbody> </table>	Former Committee	New Committee	Mr. Nasser Badr Al-Sharhan (Chairman)	Mrs. Mai Adnan Al Zanki (Chairman)	Mr. Ali Hussein Al-Mousa	Mr. Mohammad Ibrahim Al-Ramadan	Mr. Mohammad Hamad Al-Salem	Mr. Ahmed Fathey Abou Zaid
Former Committee	New Committee								
Mr. Nasser Badr Al-Sharhan (Chairman)	Mrs. Mai Adnan Al Zanki (Chairman)								
Mr. Ali Hussein Al-Mousa	Mr. Mohammad Ibrahim Al-Ramadan								
Mr. Mohammad Hamad Al-Salem	Mr. Ahmed Fathey Abou Zaid								
The Committee's most significant works during the year	<ul style="list-style-type: none"> Discussing the impact of events resulting from the spread of the Coronavirus and following up on the implementation of preventive measures and the security and safety protocol to prevent it. Approving the committee's report for the year 2019 and submitting it to the Board of Directors. Electing the Chairman of the Risk Committee. 								

No. of meetings held by the Committee during the year: 4

Member Name	Meeting 1/2020 (10/03/2020)	Meeting 2/2020 (26/07/2020)	Meeting 3/2020 (02/08/2020)	Meeting 1/2020 (04/11/2020)
Former Committee				
Mr. Nasser Badr Al-Sharhan (Chairman)	✓	x	x	x
Mr. Ali Hussein Al Mousa	✓	x	x	x
Mr. Mohammad Hamad Al Salem	✓	x	x	x
New Committee				
Mrs. Mai Adnan Al Zanki (Chairman)	x	✓	✓	✓
Mr. Mohammad Ibrahim Al Ramadhan	x	✓	✓	✓
Mr. Ahmed Fathey Abou Zaid	x	✓	✓	✓

Mechanisms that allow board members to obtain information and data in an accurate and timely manner:

The Executive Management provides information, data and documents in a complete, accurate and timely manner to all members of the Board of Directors to enable them to undertake and carry out their duties and tasks efficiently and effectively. It is also keen to ensure that all periodic and non-periodic reports are prepared to a high standard and in a comprehensive, consistent, concise and accurate manner.

Third rule: Selecting Competent Individuals for Membership in the Board of Directors and Executive Management**Formation of the Nomination and Remuneration Committee:**

The Board of Directors has formed a Nomination and Remuneration Committee in accordance with the requirements of the Capital Markets Authority and as mentioned above. The Nomination and Remuneration Committee's work charter defines all the conditions and requirements for forming the committee and its work mechanism according to the rules of governance.

The Company has a policy approved by the Board of Directors to grant remuneration that includes determining remunerations of the Chairman and members of the Board of Directors, and determining the different segments of remunerations that are granted to employees in accordance with the applicable legal and regulatory requirements.

The remuneration report granted to the Board members and Executive Management:

Based on the requirements of the Capital Markets Authority, the tasks and responsibilities of the Nomination and Remuneration Committee include preparing a detailed annual report on all remunerations granted to members of the Board of Directors and the executive management, and this report was prepared as follows:

The annual remunerations are related to the Company's performance during the year, taking into account the following:

- The applicable legal and regulatory requirements are taken into consideration when determining the remunerations of the chairman, Board members and employees.
- Employee remunerations are divided into: the fixed remuneration and benefits segment (including salary, allowances and other incentives), and the variable remuneration and benefits segment (related to the employee's annual performance evaluation).

Remuneration Report Structure for 2020

Remuneration and Benefit for Board Members							
Total Members	Remuneration and Benefit through the parent Company			Remuneration and Benefit through subsidiaries			
	Fixed Remuneration and Benefit	Variable Remuneration and Benefit		Fixed Remuneration and Benefit		Variable Remuneration and Benefit	
	Health Insurance	Annual Remuneration	Committee Remuneration	Health Insurance	Total Monthly Salaries during the year	Annual Remuneration	Committee Remuneration
7	-	-	21,000	-	-	-	-

The total remuneration and benefits granted to five senior executives who received the highest remuneration, in addition to the Chief Executive Officer and the Chief Financial Officer or whoever replaces them if they are not among them

Total Executive Posts	Remuneration and Benefit through the parent Company						Variable Remuneration and Benefit	Remuneration and Benefit through subsidiaries						Variable Remuneration and Benefit
	Fixed Remuneration and Benefit							Fixed Remuneration and Benefit (K.D)						
	Total Monthly Salaries during	Health	Annual Tickets	Housing Allowance	Transportation Allowance	Sons Education	Annual Remuneration	Health	Annual Tickets	Housing Allowance	Transportation Allowance	Sons Education	Annual Remuneration	
5	200,952	9,503	7,287	20,412	16,734	2,700	77,705	-	-	-	-	-	-	



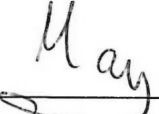




Noting that there are no other remunerations granted directly or indirectly by the parent Company and the subsidiaries, and there are no major deviations from the remuneration policy approved by the Board of Directors.

Fourth Rule: Ensuring the Integrity of Financial Reports

Written undertakings by both the Board of Directors and the Executive Management of the soundness and integrity of the prepared financial reports:

Acknowledgment and Undertaking (soundness and integrity of financial statements)

We, the below signatories, the Vice Chairman and members of the Board of Directors of Senergy Holding Company, hereby acknowledge and undertake the accuracy and integrity of the financial statements that have been provided to the external auditors, and the statement of the financial reports of the Company has been presented in a correct and fair manner in accordance with the international accounting standards applied in the State of Kuwait and approved by the Capital Markets Authority and it represents the financial position of the Company as of December 31, 2020, based on the information and reports that we received from the executive management and the auditors, and due diligence is taken to verify the integrity and accuracy of these reports.

Name	Job	Signature
Mr. Ali Hussein Al Mousa	Chairman of the Board	
Mr. Mohammad Hamad Al Salem	Vice Chairman of the Board and Chief Executive Officer	
Mrs. Mai Adnan Al-Zanki	Board Member	
Mr. Mohammad Ibrahim Al Ramadan	Board Member	
Mr. Ahmed Fathey Abou Zaid	Board Member	
Mr. Malik Maher Marafie	Board Member	
Mr. Malek Mustafa Hammoud	Board Member	

Acknowledgment and Undertaking
(Soundness and integrity of financial statements)

I, the below signatory, the Chief Executive Officer of SENERGY Holding Company, hereby acknowledge and undertake the accuracy and integrity of the financial statements that have been provided to the external auditors, and the statement of the financial reports of the Company has been presented in a correct and fair manner in accordance with the international accounting standards applied in the State of Kuwait and approved by the Capital Markets Authority and it represents the financial position of the Company as of December 31, 2020, based on the information and reports that we received from the executive management and the auditors, and due diligence is taken to verify the integrity and accuracy of these reports.

Name	Job	Signature
Mr. Mohammed Hamad Al-Salem	Chief Executive Officer	
Mr. Nashat Naim Daghmash	Chief Financial Officer	

Formation of the audit committee:

The Board of Directors formed the audit committee in accordance with the requirements of the Capital Markets Authority and as mentioned above, and the audit committee work charter specifies all the conditions and requirements for forming the committee in accordance with the rules of governance of the Capital Markets Authority.

Mechanisms used in the event of a conflict between the recommendations of the Audit Committee and the decisions of the Board of Directors.

In applying the highest standards of transparency, the Board of Directors recommends that in the event of a conflict between the recommendations of the Audit Committee and the decisions of the Board of Directors, a statement should be included detailing and clarifying the recommendations and the reasons for the same.

It should be noted that up to the writing of this report there has been no conflict between the recommendations of the Audit Committee and the decisions of the Board of Directors.

Ensuring the independence and impartiality of the external auditor:

The external auditor of the Company is nominated based on a recommendation from the audit committee to the Board of Directors, after ensuring that he is independent of the Company and the Board of Directors, and that he is not doing any additional work for the Company that is not included in the audit work that may affect his impartiality or independence, provided that the auditor is registered in the private record at the Capital Markets Authority. At its annual meeting, the Ordinary General Assembly shall appoint the Company's external auditor upon the proposal of the Board of Directors. The external auditor attends the general assembly meetings and reads the report prepared by him to the shareholders.

Fifth rule: Developing Sound Systems for Risk Management and Internal Control

Formation of an independent department/ office/ unit for risk management:

The Company has an independent risk management unit through its direct subordination to the risk committee, and the Company relies on the risk management unit to contract with a specialized external party to carry out what tasks, and the external entity identifies, measures and follows up the different types of risks that the Company may be exposed to in accordance with the approved policies by the Board of Directors, preparing the necessary periodic reports in this regard and referring them to the relevant committees and the Board of Directors.

The tasks and responsibilities of the risk management employees have been defined. The management has also developed an effective policy and procedures guide to be in conformity with the Company's activities.

Formation of a risk management committee:

The Board of Directors has formed a risk management committee in accordance with the requirements of the Capital Markets Authority and as mentioned above. The risk committee work charter defines all the conditions and requirements for forming the committee in accordance with the rules of governance of the Capital Markets Authority.

Internal regulation and control systems:

The Company adopts a set of internal regulation and control systems that cover all the activities of the Company through the preparation and approval of a set of structures, policies and procedures that aim to define powers and responsibilities and the separation of tasks, and the Board of Directors follows up on the internal control systems through the reports submitted by the committees and supervisory jobs in the Company.

In addition, an independent audit office is assigned to evaluate and review the internal control systems and prepare a report in this regard. A copy of this report is submitted to the Audit Committee, the Board of Directors and the Capital Markets Authority.

Formation of an independent department/ office/ unit for internal audit:

The Company has an internal audit unit that enjoys independence through its subordination to the audit committee, and the Company relies on the internal audit unit to contract with a specialized external entity to carry out such tasks, and the external entity reviews and evaluates the internal control systems applied in the Company in accordance with the policies approved by the Board of Directors and prepares the necessary periodic reports in this regard and refers them to the relevant committees and the Board of Directors. The Board also defined the tasks and responsibilities of the Internal Audit Department.

An independent audit office - unlike the audit office assigned with evaluating and reviewing internal control systems - is assigned to review and evaluate the performance of the internal audit every three years, and a copy of this report shall be provided to the Audit Committee and the Board of Directors.

Sixth Rule: Promoting Professional Behavior and Moral Values

Standards and determinants of professional behavior and moral values:

The Company has a work charter approved by the Board of Directors that includes the standards and determinants that establish the concepts, values and ethical principles of the Company, members of the Board of Directors, executive management and all employees.

Reducing conflicts of interest:

The Company has a policy regarding limiting conflict of interest cases, approved by the Board of Directors that includes examples of conflict of interest cases and how to solve and deal with them, for members of the Board of Directors and the Executive Management.

The Board of Directors takes all possible measures to identify, prevent or manage conflict of interest cases in order to achieve interests of the Company and shareholders.

Seventh rule: Accurate and Timely Disclosure and Transparency

Mechanisms for accurate and transparent disclosure:

The Company has a policy of disclosure and transparency towards shareholders, potential investors and other stakeholders approved by the Board of Directors, in conformity with the provisions mentioned in the Capital Market Authority Law and its executive regulations and the authority's instructions and best practices in this regard. This policy is reviewed periodically.

Senenergy Company provides the disclosures of the essential information related to it on the Company's website as well as the Kuwait Stock Exchange website.

The Company maintains an updated record of all the disclosures which is available for the concerned parties to view during normal business hours of the Company without any fee or charge.

Disclosures Record of Board Members and Executive Management:

The Company maintains a special record for the disclosures of members of the board of directors and executive management, containing the information and data required to be disclosed in accordance with the requirements of laws, instructions and the Company's policy in this regard, and this record is updated periodically. This record shall be available to the concerned persons to view during the Company's normal business hours without any fee or charge.

Investors Affairs Unit:

The Company's Investor Affairs Unit has the appropriate independence, and is responsible for providing the necessary information, data and reports to shareholders, potential investors and other stakeholders in a timely manner and through established methods and means of disclosure, including the Company's website.

The Company always seeks to improve the effectiveness of communication with shareholders, stakeholders and society in general and to publish the correct information related to the Company and its operations as the Company believes in the importance of continuous and regular communication that accurately reflects the financial position and performance of the Company.

Information Technology Infrastructure Development:

The Company is keen to rely on information technology to communicate with potential shareholders, investors and other stakeholders by creating a special section on the Company's website for corporate governance, through which information and data of interest to them is displayed.

Eighth rule: Respecting the Rights of Shareholders

Defining and protecting the general rights of shareholders:

A policy has been prepared to protect shareholders' rights in accordance with the Company's Articles of Association, as well as its internal policies and regulations, to ensure that all shareholders exercise their rights in a manner that achieves justice and does not conflict with the laws and instructions of the Capital Markets Authority. The Company's policies also ensure that all shareholders are treated equally and fairly without any discrimination. The most significant general rights of shareholders include:

- Disposing shares, registering ownership, moving and transferring shares.
- Obtaining the determined share of the dividend.
- Obtaining the required share of the Company's assets in case of liquidation.
- Obtaining information and data about the Company's activity in a timely manner.
- Participating in General Assembly Meetings and voting on decisions.
- Monitoring the performance of the Company in general.
- Holding accountability for of members of the Board of Directors and executive management if they fail to perform the tasks assigned to them.

Creating a special record to be maintained at the clearing agency:

According to the agreement signed between the Company and the Kuwait Clearing Company, the shareholders' record is maintained at the clearing agency, in which the information and data of the shareholders are recorded, and the Company maintains a copy of this record and the information and data contained in it are dealt with according to the highest levels of protection and confidentiality and shall be notated of any changes in the data registered therein, according to what the Company or the clearing agency receives, and this record shall be available to the concerned persons to view during the Company's normal business hours.

Encouraging shareholders to participate and vote in the Company's General Assembly meetings:

The Company encourages shareholders to attend and participate in the Company's General Assembly meetings and vote on its decisions, as the Company announces and discloses the invitation to the General Assembly meeting, including the agenda, the time and place of the meeting, during the scheduled dates and through the specified means and mechanisms.

The Company also allows shareholders prior to the general meeting to obtain information and data related to agenda items. The Company also allows shareholders to assign others to attend the General Assembly meeting and vote on its decisions under a special power of attorney or authorization that the Company prepares for this purpose. The Company does not charge any fees for shareholders attending the General Assembly meetings.

Ninth rule: Understand the Role of Stakeholders

Systems and policies that protect and recognize the rights of stakeholders:

The Company is keen to protect and recognize the rights of stakeholders, and the Company's Board of Directors has adopted a policy to protect the rights of stakeholders that includes rules and procedures that ensure protection and recognition of the rights of stakeholders and allow them to obtain compensation in case any of their rights are violated, in accordance with the relevant laws in force in the State of Kuwait, such as the Companies Law and the Labor Law in addition to the contracts concluded between the Company and the stakeholders, and any additional undertakings the Company makes towards them.

Encouraging stakeholders to participate in following up the Company's various activities:

The Company is keen to take advantage of the stakeholders' contributions and encourages them to participate in following its activities in a manner consistent with the achievement of its interests, as the Company works to provide the necessary information, data and reports to the stakeholders in a timely manner and through the established methods and means of disclosure, through the Investor Affairs Unit as mentioned above. It also allows stakeholders to inform the Board of Directors of any improper practices to which they are exposed by the Company, while providing confidentiality and appropriate protection to parties that report in good faith about those practices.

Tenth rule: Enhancing and Improving Performance

The mechanisms that allow the members of the Board of Directors and the Executive Management to obtain continuous training programs and courses:

An introductory program is provided for new board members and executive management about the Company's activities, and this includes providing them with the Company's Articles of Association, strategy, organizational structure, annual report, financial statements, board work charters, approved committees and policies, as well as any other information, data, reports, or documents deemed necessary.

In addition, a plan is prepared for the appropriate training programs for members of the Board of Directors and Executive Management regarding new developments in areas related to the Company's work.

Evaluating the performance of the Board of Directors as a whole, and the performance of each member of the Board of Directors and executive management:

The Company has put in place a mechanism to periodically evaluate the performance of each member of the board of directors and executive management, through a set of objective performance indicators, as well as identifying weaknesses, strengths, and suggestions for addressing them in line with the Company's interest.

The efforts of the Board of Directors to create institutional values for employees in the Company:

The Board is keen on Value Creation for employees in the Company through achieving strategic goals and improving performance rates and adherence to relevant laws, regulations, decisions and instructions that contribute to motivating workers to work continuously in order to maintain the financial integrity of the Company.

Eleventh rule: Focusing on the Importance of Social Responsibility

A policy to ensure a balance between both the company's objectives and the society's objectives:

The Company's Board of Directors has adopted a social responsibility policy that aims to link the Company's objectives to the objectives that society seeks to achieve, taking into account the social and economic aspects of society in terms of job opportunities, project support, awareness-raising programs, charitable initiatives, health aspects, environmental protection, etc.

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

The Company has established a set of programs that ensure the continuity of the implementation of the social responsibility policy, as the Company works to contribute to social and economic activities continuously (charitable - cultural - educational - health - environmental).

The Company is keen on continuous commitment to social responsibility through social behaviors that aim to achieve sustainable development for society in general and its employees in particular. This is achieved through improving the living conditions of workers and their families, and supporting and encouraging national workers and raising their efficiency and competitiveness.

The Company also undertakes the continuous commitment of the Company to act ethically in accordance with the provisions of public laws and customs