

Governance Report

For the financial period ending
31-12-2024

Board of Directors' Report

For the fiscal year ended December 31, 2024

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Introduction:

This report outlines the corporate governance practices applied by the company, including those mandated by the listing and delisting rules of the Egyptian Stock Exchange, as well as additional voluntary practices derived from the guidelines set forth in the Egyptian Corporate Governance Guide, issued by the Financial Regulatory Authority (FRA) under Decision No. (84) of 2016. The report has been prepared in accordance with the disclosure requirements stipulated in Article 40 of the listing rules of the Egyptian Stock Exchange, as per FRA Decision No. (13) of 2018. This is the company's sixth annual report on corporate governance practices for the financial year ending December 31, 2024. The report has been structured based on the guidelines and reporting framework established by the FRA, ensuring alignment with the company's current corporate governance practices.

1. Company Information:

| | | | |
|---------------------------|--|--|----------------------|
| Company Name | Madinet Masr for Housing and Development | | |
| Company Purpose | Engaging in all real estate development activities, including the acquisition, sale, and lease of land and properties, as well as land subdivision and infrastructure development for urban expansion, primarily in Nasr City and other areas across Egypt. The company is also involved in the establishment, management, investment, leasing, and sale of all types of buildings and land. Additionally, it develops and operates residential, administrative, touristic, and recreational facilities. | | |
| Company Term | 50 Years | Date of Listing on the EGX | 7/5/1995 |
| Governing Law | Law 159 for the year 1981 | Face Value of Share | EGP 1 |
| Authorized Capital | EGP 5 billion | Issued Capital | EGP 2.135 billion |
| Paid-in Capital | EGP 2.135 billion | Commercial Registration Date and Number | 300874 23/12/1996 |
| Contact Person | Ahmed Farouk Khalil | | |
| Address of Main HQ | 4 Youssef Abbas Street, Nasr City, Cairo | | |
| Phone Number | 01007770999 | Fax Number | 24006359 |
| Website | https://ir.madinetmasr.com/ | | |
| Email Address | Investor.relations@madinetmasr.com akhilil@madinetmasr.com | | |

2. General Assembly of Shareholders:

The Ordinary General Assembly of Shareholders is held annually upon the invitation of the Chairman of the Board, at a time and place specified in the invitation notice. The meeting must take place within three months following the end of the company's fiscal year. The Board of Directors may also call for a General Assembly meeting whenever necessary.

3. Shareholding Structure:

| Holders of 5% or more of the Company's Shares | Ultimate Beneficiary | Number of Shares as of the Date of Publishing the Company's Financial Statements | Ownership Percentage |
|--|--|--|----------------------|
| B.I.G Investment Group Ltd. | B.I.G Investment Group Ltd. | 418,883,272 | 19.57% |
| Holding Company for Construction & Development | Holding Company for Construction & Development | 318,999,182 | 14.94% |
| B Investments Holding | B Investments Holding | 156,909,104 | 7.35% |
| National Organization for Social Insurance | National Organization for Social Insurance | 167,639,857 | 7.85% |
| Total | | 1,061,431,415 | 49.72% |

4. Board of Directors:

According to the company's Articles of Association, the company is managed by a Board of Directors consisting of at least three and no more than twelve members, appointed by the General Assembly. Board members are elected through voting, and up to two independent experts may be included, subject to approval at the next General Assembly meeting.

The current Board of Directors consists of twelve members, elected by the General Assembly of Shareholders. There is a separation between the Chairman of the Board and the CEO, and the board includes female representation (Engineer Moshera Kamal El Maghraby and Ms. Mona Mohamed Mahmoud Othman).

4-1 Board Members

| | Member | Role | Number of Shares Held | Joining Date | Representing |
|----|---|--------------------------|-----------------------|---------------------|---|
| 1 | Eng. Mohamed Hazem Barakat | Chairman – Non-Executive | 260,138 | 14/01/2007 | Shareholders |
| 2 | Eng. Mohamed Abdullah Nabil Salam | CEO – Executive | 38,879,548 | 24/10/2021 | Shareholders |
| 3 | Public Representative – Eng. Hani Othman Suleiman Mohamed | Non-Executive | 318,999,182 | Since Incorporation | Holding Company for Construction & Development |
| 4 | Eng. Alaa El-Din Hassouna Mahmoud Sabaa | Non-Executive | - | 14/01/2007 | Shareholders |
| 5 | Mr. Mostafa Abdel Salam Mostafa El-Anwar | Non-Executive | 417,883,272 | 22/05/2023 | B.I.G Investment Group |
| 6 | Eng. Moshera Kamal Abdel Maksoud El Maghraby | Non-Executive | 103,605 | 29/09/2005 | Shareholders |
| 7 | Dr. Eskandar Adel Eskandar Tooma | Non-Executive | 3,375 | 02/06/2013 | Shareholders |
| 8 | Eng. Ahmed Hussein Abdel Mageed Omar | Non-Executive | 2,840,264 | 14/01/2007 | Shareholders |
| 9 | General Amir Sayed Ahmed Hassan | Independent | - | 31/12/2005 | Expert |
| 10 | General Khorshid Abdel Karim Abdel Samad | Independent | - | 23/05/2024 | Expert |
| 11 | Ms. Mona Mohamed Mahmoud Othman | Non-Executive | 417,883,272 | 22/05/2023 | B.I.G Investment Group |
| 12 | Ms. Manal Abu El Fadl Abu El Ala Hamad | Non-Executive | 245,032,498 | 17/04/2024 | National Organization for Social Insurance & National Investment Bank |

As per Article 26 of the company's Articles of Association, Board of Directors meetings and committee meetings may be conducted remotely through modern communication technologies, including telephone or video conferencing.

4-2 Board Role and Responsibilities

- Setting strategic objectives and approving general plans and policies that guide the company's operations.
- Monitoring the performance of the executive management and ensuring the effectiveness of the company's internal control and risk management systems.
- Defining the governance framework and adopting professional standards and policies that regulate employees' performance and behavior.
- Implementing mechanisms and systems to ensure that all employees comply with the company's internal policies, laws, and regulations. The Board is also responsible for establishing an early warning system to detect any irregularities or deviations, ensuring timely corrective actions.
- Developing a succession plan for senior management and board members to guarantee business continuity and effective company operations.
- Defining the delegation of authority, specifying which powers may be assigned to board members, committees, or other individuals, while also determining the duration of delegation, reporting frequency, and monitoring the outcomes of delegated powers.
- Establishing security measures to safeguard the company's information flow, data accuracy, and protection against internal or external threats such as cyberattacks or unauthorized access to the company's systems.
- Overseeing disclosure processes to ensure transparency in financial and accounting reports, while also ensuring the independence of the internal audit function.
- Appointing a Board Secretary who possesses expertise and a deep understanding of company operations and establishing a dedicated secretarial unit for board affairs.

4-3 Chairman of the Board of Directors Responsibilities

The Chairman of the Board, in a non-executive capacity, is primarily responsible for ensuring the effective performance of the board. The Chairman must guide and lead the board efficiently, demonstrating the necessary expertise, skills, and personal attributes to fulfill these responsibilities, including:

- Calling for Board meetings, setting the agenda, and presiding over board sessions.
- Convening both Ordinary and Extraordinary General Assembly meetings to address the Board's proposed agenda.
- Ensuring that accurate and timely information is provided to board members and shareholders.
- Receiving reports and recommendations from all committees and presenting them to the board for discussion and decision-making.
- Ensuring sound decision-making, based on comprehensive knowledge of the matters at hand, while also establishing mechanisms for timely and effective implementation and follow-up.
- Encouraging open discussion and constructive criticism, ensuring that dissenting opinions are expressed and considered within the decision-making process.
- Ensuring that the board fulfills its responsibilities effectively, prioritizing the company's best interests while avoiding any conflicts of interest.

4-4 Managing Director and CEO Responsibilities

- Leading the company's executive operations and managing its day-to-day affairs, ensuring smooth workflow across all company sectors, monitoring performance, making necessary decisions to maintain operational efficiency, achieving strategic objectives, and enhancing customer satisfaction.
- Implementing all company policies, regulations, and internal systems as approved by the Board.
- Proposing discussion topics for periodic Board meetings in coordination with the Chairman.
- Supervising the preparation of periodic financial and non-financial reports on company performance, including the Corporate Governance Report, and reviewing all responses to auditors' inquiries before finalizing these reports.
- Actively contributing to fostering an ethical corporate culture, proposing incentive and reward systems, and ensuring a structured succession planning process as approved by the Board to enhance employee loyalty and maximize company value.
- Defining the roles and responsibilities of all employees in accordance with company policies and Board resolutions.
- Keeping the Board informed of key developments and critical business matters that require Board approval in a timely manner.
- Overseeing the preparation of the company's annual Board report and submitting it for Board approval, publication, and distribution.
- Ensuring the recruitment and retention of qualified employees, attracting top executives, and verifying that the company's incentive and compensation system effectively attracts, retains, and continuously develops talent through training and career progression.
- Representing the company before regulatory bodies and relevant authorities.

4-5 Board Secretary

The company appoints a Board Secretary at a senior executive level, enabling them to act as a key facilitator and intermediary between the Board of Directors and senior management. The role extends beyond recording meeting minutes and includes, but is not limited to, the following responsibilities:

- Preparing Board meetings, setting the agenda, and compiling relevant information, ensuring that all materials are sent to Board members well in advance of meetings.
- Monitoring the implementation of Board resolutions and ensuring compliance with established governance frameworks.
- Maintaining and documenting all Board decisions and discussions, ensuring that critical information is readily accessible to the Board in a timely manner.
- Coordinating with the CEO and various company departments to present business performance updates to the Board.
- Facilitating communication among all Board committees, ensuring seamless coordination between these committees and the Board of Directors.
- Providing essential company information to new Board members to familiarize them with governance practices and operational insights.
- Recording attendance at meetings, specifying whether members are physically present, attending via phone, or joining through video conferencing.

- Ensuring that Board members attending via phone or video conferencing receive all necessary documents and the meeting agenda before the meeting commences.
- Preparing and finalizing meeting minutes, obtaining signatures, and distributing copies to Board members for official approval, regardless of whether they attended physically or virtually.

4-6 Board Committees

The Board of Directors establishes the rules and procedures for forming committees, defining their responsibilities, authorities, and tenure. The Board also conducts continuous monitoring to ensure the effectiveness of these committees. When forming committees, the Board ensures that the expertise of committee members aligns with their assigned responsibilities, particularly in regulatory, legal, financial, banking, and economic matters. The following table outlines the composition of the Board committees, including cases where committee functions have been consolidated:

| | Name | Committee Name | | | Member's Capacity | Position | Joining Date |
|----|---|-----------------|---------------------------------------|--|--------------------|---------------------------------------|---------------------|
| | | Audit Committee | Nomination and Remuneration Committee | Financing, Investment, and Risk Management Committee | | | |
| 1 | Eng. Mohamed Hazem Barakat | | | | Non-Executive | Chairman of the Board – Non-Executive | 14/01/2007 |
| 2 | Eng. Mohamed Abdullah Nabil Salam | | | | Executive | CEO – Executive | 24/10/2021 |
| 3 | Public Representative – Eng. Hani Othman Suleiman Mohamed | | | | Non-Executive | Non-Executive | Since Incorporation |
| 4 | Eng. Alaa El-Din Hassouna Mahmoud Sabaa | | √ | √ | Non-Executive | Chairman of Both Committees | 14/01/2007 |
| 5 | Mr. Mostafa Abdel Salam Mostafa El-Anwar | | | | Executive | CEO – Executive | 22/05/2023 |
| 6 | Eng. Moshera Kamal Abdel Maksoud El Maghraby | √ | √ | | Non-Executive | Chair of the Audit Committee | 29/09/2005 |
| 7 | Dr. Eskandar Adel Eskandar Taameh | √ | √ | √ | Non-Executive | Member | 02/06/2013 |
| 8 | Eng. Ahmed Hussein Abdel Mageed Omar | | | | Independent Expert | Independent Expert | 14/01/2007 |
| 9 | General Amir Sayed Ahmed Hassan | √ | | | Independent | Member | 31/12/2005 |
| 10 | General Khorshid Abdel Karim Abdel Samad | | | | Independent | Independent | 23/05/2024 |
| 11 | Ms. Mona Mohamed Mahmoud Othman | | | | Non-Executive | Non-Executive | 22/05/2023 |
| 12 | Ms. Manal Abu El Fadl Abu El Ala Hamad | | | | Non-Executive | Non-Executive | 17/04/2024 |

4-7 Convened Board and Board Committee Meetings

The Board of Directors and its committees convene on a regular basis. The table below outlines the number of meetings held by the Board and its key committees in 2024:

- Meetings Board of Directors: (5) meetings
- Audit Committee Meetings: (16) meetings
- Compensation & Incentives Committee Meetings: (3) meetings
- Finance, Investment & Risk Management Committee Meetings: (7) meetings

Board members' attendance at Board meetings and main committees:

| | Member Name | Board of Directors | Audit Committee | Nomination and Remuneration Committee | Financing Committee | Combined Committee |
|----|---|--------------------|-----------------|---------------------------------------|---------------------|--------------------|
| 1 | Eng. Mohamed Hazem Adel Fathallah Barakat | 5/5 | | | | |
| 2 | Eng. Mohamed Nabil Abdullah Salam | 5/5 | | | | |
| 3 | Eng. Alaa El-Din Hassouna Mahmoud Sabaa | 5/5 | | 3/3 | 7/7 | |
| 4 | Eng. Hani Othman Suleiman Mohamed (or his representative from the Holding Company for Construction & Development) | 4/5 | | | | |
| 5 | Eng. Moshera Kamal Abdel Maksoud El Maghraby | 5/5 | 16/16 | 3/3 | | |
| 6 | Eng. Ahmed Hussein Abdel Mageed Omar | 5/5 | | | | |
| 7 | Dr. Eskandar Adel Eskandar Taameh | 5/5 | 16/16 | 3/3 | 7/7 | |
| 8 | Mr. Mostafa Abdel Salam Mostafa El-Anwar | 5/5 | | | | |
| 9 | Ms. Manal Abu El Fadl Abu El Ala Hamad | 3/5 | | | | |
| 10 | Ms. Mona Mohamed Mahmoud Othman | 5/5 | | | | |
| 11 | General Amir Sayed Ahmed Hassan | 4/5 | 4/16 | | | |
| 12 | General Khorshid Abdel Karim Abdel Samad | 1/5 | | | | |

5. Audit Committee:

The Audit Committee consists of four non-executive Board members, including two independent members, in addition to a fifth member who is an external expert with financial and administrative expertise. The committee members possess the necessary qualifications and experience to ensure a balanced skill set, sufficient knowledge, and expertise in finance, auditing, and accounting, in alignment with the size and complexity of the company's operations.

As a result, the Audit Committee is composed of:

- Two independent Board members
- Two non-executive Board members
- One external expert (non-Board member) with financial expertise

During **2024**, the committee held **16 meetings** and carried out its **assigned responsibilities** as documented in its official meeting minutes.

Committee Roles and Responsibilities

- Recommending the appointment of the external auditor, determining their fees, and reviewing matters related to their resignation or dismissal, in compliance with legal provisions.
- Providing opinions on authorizing the external auditor to perform services for the company beyond auditing the financial statements, ensuring that such engagements do not compromise the auditor's independence.
- Defining the scope of the audit in agreement with the external auditor.
- Discussing relevant matters with the internal audit manager, the external auditor, and other relevant officials, and addressing any topics these parties wish to bring before the committee.
- Reviewing the company's quarterly and annual financial statements before submission to the Board of Directors for approval.
- Examining the financial statements prepared for publication, ensuring their consistency with the approved financial reports.
- Coordinating internal and external audit functions and ensuring that no restrictions hinder direct communication between the Head of Internal Audit, external auditors, the Board of Directors, and the Audit Committee.
- Reviewing and approving the annual internal audit plan.
- Assessing internal audit reports, including evaluations of the adequacy of the company's internal control systems and compliance with applicable policies and laws, while ensuring that management takes corrective actions in a timely manner.
- Identifying challenges facing the internal audit function or the audit manager's work and recommending appropriate solutions.
- Reviewing the Financial Regulatory Authority's (FRA) comments on the company's financial statements and presenting them to the Board of Directors along with the committee's recommendations.
- Examining the external auditor's observations on the company's financial statements and other reports submitted to management throughout the year, and presenting them to the Board with accompanying recommendations.

6. Nomination and Remuneration Committee:The committee consists of three non-executive Board members, and its scope of work for 2024 focused on "Compensation & Incentives." The committee is responsible for:

- Proposing clear policies for the compensation and entitlements of Board members, committee members, and senior executives, incorporating performance-based criteria in determining these entitlements and reviewing these policies annually.
- Preparing a detailed annual report outlining all compensation, benefits, and incentives received by Board members and senior management, to be presented to the General Assembly.

- Conducting periodic and continuous reviews of the skills and expertise required for Board membership and senior management positions and preparing a qualification framework for implementing the company's succession plan.
- Defining the responsibilities of executive, non-executive, and independent Board members and reviewing the job descriptions of senior executive leaders within the company.
- Ensuring the continuous assessment of the independence of independent Board members and verifying the absence of conflicts of interest, particularly if a member holds a directorship in another company.

7. Financing, Investing, and Risk Management Committee:

The committee consists of three non-executive Board members and one external expert with financial expertise. It is responsible for:

- Assessing and evaluating the company's liquidity position and its short-term and long-term financing needs.
- Reviewing and evaluating appropriate financing sources to meet the company's financial requirements.
- Reviewing and assessing financing terms proposed by financial institutions and recommending modifications when necessary.
- Evaluating technical and financial proposals from financial institutions and recommending the best options to the Board of Directors.
- Monitoring the utilization of available financing and ensuring the timely repayment of loans and their returns.
- Reviewing feasibility studies related to technical, financial, and economic aspects of investment projects submitted to the Board and providing recommendations.
- Examining the company's investment plans, tracking their implementation, and reporting to the Board of Directors.
- Reviewing proposals for cash distributions to shareholders based on the company's liquidity position.
- Assessing and recommending the repurchase of treasury shares, when necessary, to the Board of Directors.
- Establishing operational frameworks, procedures, and policies approved by the Board to manage various risks, including:
 - Strategic risks
 - Operational risks
 - Market risks
 - Credit risks
 - Reputation risks
 - IT and data protection risks
 - Other risks that may impact the company's operations and sustainability
- Assisting the Board in identifying and assessing the acceptable risk level for the company and ensuring it does not exceed these limits.
- Overseeing and verifying the effectiveness of the company's risk management activities, ensuring they are adequately performed within the assigned scope, and confirming the independence of risk management personnel from executive management.
- Integrating the committee's financing recommendations into financing decision memorandums presented to the Board, ensuring that recommendations are part of the study supporting financing approval, rather than issuing separate meeting minutes.

8. Governance Committee:

The responsibilities of the Governance Committee have been assigned to the Audit Committee, which is responsible for the following tasks:

- Conducting periodic evaluations of the company's corporate governance framework and developing guidelines, charters, and internal policies to ensure proper governance implementation.
- Reviewing the company's annual corporate governance report to assess compliance with corporate governance regulations and establishing appropriate procedures to fully implement these regulations.
- Reviewing the Board of Directors' report, particularly sections related to disclosure requirements and other governance-related matters.
- Documenting and monitoring reports related to Board performance evaluations.
- Examining regulatory authorities' observations on the company's governance practices, taking them into consideration, and ensuring appropriate follow-up actions.

9. Other Committees:

9-1 Executive Committee

The Executive Committee consists of the CEO and Deputy CEOs of the company. Its responsibilities include:

- Supervising the development of execution plans and annual budgets.
- Coordinating operations across different company departments to ensure the successful implementation of approved plans and budgets.
- Assessing and evaluating the feasibility of new projects proposed to the company.
- Monitoring project implementation results, identifying obstacles, and working towards their resolution.

10. Regulatory Environment:

Internal Control System

The company applies a comprehensive set of policies, procedures, guidelines, and regulations, developed by relevant departments and approved by the Board of Directors, to achieve the following objectives:

- Ensuring proper separation of duties and responsibilities across all company employees.
- Maintaining data accuracy and quality, ensuring that all company-related information is reliable and precise.
- Protecting the company's physical assets from potential risks and properly documenting and recording these assets in company records.
- Enhancing the company's productivity and efficiency, achieving its goals at the lowest cost while maintaining high quality.
- Ensuring the accurate execution of instructions by verifying that all guidelines are properly followed.
- Implementing corporate governance rules effectively by ensuring strict adherence to governance guidelines and regulations.

10-1 Internal Audit Department

Until 2021, the company outsourced its internal audit function to an external professional firm. In December 2021, the company established an Internal Audit Department and appointed a Head of Internal Audit and an internal audit team. Evaluate the Company's control and risk management systems.

The **scope of work** for internal auditors includes:

- Assessing internal control systems and risk management frameworks implemented within the company.
- Developing a risk-based internal audit plan.
- Presenting the audit plan to executive management and the Audit Committee for approval.
- Designing and executing internal audit programs based on the risk-based audit plan.
- Providing detailed reports on audit findings and recommendations to relevant departments, including corrective action plans where necessary.
- Summarizing audit findings, recommendations, and corrective action plans and presenting them to executive management and the Audit Committee.

The Internal Audit Team operates with full objectivity, neutrality, and independence from the activities under review, ensuring that internal auditors possess the necessary expertise, qualifications, and adherence to professional standards.

10-2 Risk Management

The Board of Directors holds overall responsibility for risk management, ensuring that it aligns with the nature of the company's operations, size, and market environment. Currently, the company does not have a dedicated Risk Management Department. Instead, each sector head and executive manager is responsible for managing risks within their respective business areas, including:

- Identifying and analyzing risks that may affect the company, ensuring early detection.
- Determining the acceptable level of risk based on its impact and likelihood of occurrence.
- Establishing a risk management policy and defining key risk indicators for measuring, monitoring, and controlling risks.
- Assessing the effectiveness of risk policies and controls continuously and modifying them as needed based on market developments and internal/external business environments.
- Ensuring that effective communication and reporting systems are in place to provide senior management and the Risk Committee with periodic reports reflecting the company's compliance with risk limits and highlighting any breaches, causes, and proposed corrective actions.
- Providing accurate and insightful risk reports to support well-informed decision-making.

The Risk Management Report is presented to executive management and the Finance, Investment & Risk Management Committee, ensuring a company-wide coordinated approach.

10-3 Compliance Department

In general, the responsibility for developing compliance-related policies lies with senior management, with Board approval. All employees are informed of these policies. Currently, the company does not have a standalone Compliance Department. Instead, the Legal Department and Human Resources Department oversee compliance-related tasks, which include:

- Identifying, evaluating, and providing guidance on compliance requirements.
- Preparing reports on risks related to non-compliance with laws, regulations, and supervisory guidelines issued by various authorities, preventing reputational damage and regulatory penalties.

- Continuously monitoring and ensuring that all employees comply with mandatory laws, regulations, and corporate governance requirements.
- Ensuring that all employees adhere to internal policies and procedures.
- Receiving complaints and conducting investigations in an objective manner.

10-4 Corporate Governance Department

Currently, governance-related responsibilities are shared between the Finance Department and the Investor Relations Department. Their key responsibilities include:

- Monitoring the availability of governance principles and key elements that help enhance the company's performance and strategic objectives, as defined by the Board of Directors.
- Ensuring the implementation of disclosure, transparency, and governance across all company operations and activities.
- Developing and enhancing the company's governance framework by establishing a Code of Professional Conduct, which defines the company's corporate social responsibility towards employees and society.
- Monitoring the implementation of the Conflict-of-Interest Policy across all employees.
- Ensuring transparency, clarity, and fairness in dealings with all shareholders.
- Clarifying the relationships between the Board of Directors and stakeholders.
- Developing internal governance guidelines and drafting company policies to regulate employee relations. Additionally, contributing to the preparation of corporate governance compliance reports.

11. External Auditor:

The company appoints an external auditor who meets the qualifications outlined in the Law on Practicing the Accounting and Auditing Profession. This includes competence, reputation, and adequate experience, ensuring that the auditor's expertise is aligned with the size and nature of the company's operations and its business relationships. The external auditor must maintain complete independence from the company and its Board members. Specifically, the auditor must not be a shareholder, a Board member, or have any second-degree familial relationship with Board members or senior executives. Additionally, the auditor must not engage in any ongoing technical, administrative, or consultancy roles within the company. The auditor is selected from professionals registered with the Financial Regulatory Authority (FRA).

- The appointment is made by the General Assembly, based on the Board of Directors' nomination and upon the Audit Committee's recommendation.
- The Board cannot engage the external auditor for additional services that are unrelated to the auditing function without prior approval from the Audit Committee.
- Any additional services must not compromise the auditor's independence and must comply with regulatory restrictions on auditors' activities.
- The Audit Committee must ensure that any additional work assigned to the auditor does not affect their independence and must disclose such engagements to the General Assembly and in the Board's annual report.

The company ensures that the external auditor submits a copy of their report on the company's compliance with corporate governance regulations to the FRA and the Egyptian Stock Exchange (EGX), in accordance with applicable disclosure and governance rules. This report is also presented to the General Assembly of shareholders.

12. Disclosure and Transparency:

12-1 Material Information, Financial, and Non-Financial Disclosure

The company discloses both financial and non-financial information, as well as material events, by notifying the Egyptian Stock Exchange (EGX) and publishing updates on EGX information screens. Additionally, quarterly financial statements are published on the company's website, which is regularly updated. The disclosed information includes:

- Company objectives, vision, core activities, business plans, and future strategies.
- Ownership structure and any changes in major shareholders.
- Ownership structures of subsidiaries and affiliated companies.
- Transactions with related parties and conflict-of-interest agreements.
- Key risks the company may face and its risk mitigation strategies.
- Changes in investment policies.
- Disclosure to shareholders and regulators regarding treasury shares. If a subsidiary purchases shares of the parent company, such shares are subject to all treasury stock rules and do not count toward shareholder voting rights in the General Assembly.

Regulatory Disclosures to EGX & FRA

- Providing the FRA and EGX with resolutions from Ordinary and Extraordinary General Assemblies immediately after their conclusion, and no later than before the start of the next trading session.
- Submitting the minutes of General Assembly meetings to the EGX within one week of the meeting, duly signed by the Chairman of the Board.
- Providing the EGX with authenticated minutes of General Assembly meetings from the relevant regulatory authority within three working days of receipt.
- Submitting a summary of material Board resolutions to the FRA and EGX immediately after meetings, and no later than before the start of the next trading session.
- Submitting an approved statement from the Board of Directors on the company's financial performance compared to the previous period, based on the EGX disclosure template. This must be done immediately after Board approval of quarterly and annual financial statements and before their submission to the external auditor.
- Announcing dividend distributions, whether in cash, stock, or both, upon approval by the relevant authority.
- Disclosing when a shareholder or related party crosses above or below the 5% ownership threshold, including increments of 5%. This also applies to shares acquired through subscription rights.
- Disclosing the company's future investment plans and the intentions of major shareholders regarding management control if they acquire 25% or more of the company's capital or voting rights.
- Disclosing arbitration rulings or court decisions at any stage of litigation that may impact the company's financial standing, shareholder rights, stock price, or investors' decisions.

- Immediate disclosure of any criminal convictions resulting in imprisonment for any Board member or key executive.

12-2 Penalties and Judgements Against the Company During the Year

No penalties or judgements were issued against the Company during 2024.

12-3 Investor Relations

The Investor Relations Officer is appointed by the Board of Directors and attends General Assembly meetings. Their responsibilities include:

- Serving as the primary liaison for shareholder and investor inquiries.
- Distributing press releases containing company updates and disclosures as required by EGX regulations.
- Developing a disclosure policy aligned with regulatory requirements, ensuring compliance with laws, listing rules, and disclosure obligations issued by the FRA and EGX.
- Keeping up to date with senior management's strategic decisions and business directions, while maintaining strict confidentiality of non-public material information.
- Engaging with financial analysts, current and potential investors, and rating agencies to provide updates on the company's performance and strategic direction through meetings and conferences.
- Monitoring market conditions and assisting in preparing responses to investor, media, and analyst inquiries, as well as addressing market rumors that may impact stock performance.

12-4 Disclosure Tools

Board of Directors Reports

The company issues quarterly Board reports published via EGX and an annual report prepared in compliance with Companies Law No. 159 of 1981. The annual report is presented to the General Assembly, the FRA, and EGX.

Disclosure Report

The company issues a quarterly disclosure report, prepared by Investor Relations and company management, which includes:

- Company contacts information.
- Investor Relations officer contact details.
- Shareholding structure, listing major shareholders (5%+).
- Total shareholder structure, highlighting free-floating shares.
- Treasury share details.
- Changes in Board composition and the latest Board structure.

Website

The company maintains a bilingual (Arabic & English) website providing access to both financial and non-financial information in an accessible format: (<https://ir.madinetmasr.com>)

13. Insider, Related Party, and Associate Party Policy

The company enforces a strict policy on insider trading in compliance with Article 38 of EGX Listing Rules and FRA regulations. This policy ensures that:

- Insiders, founders, major shareholders, and affiliated groups must not engage in related-party transactions without prior General Assembly approval. All parties related transactions must be fully disclosed in advance, including pricing and quantities, before execution. The interested party is prohibited from voting on such transactions at the General Assembly.
- Ensuring all relevant parties understand insider trading definitions and rules.
- Prohibiting insiders and related parties from trading in company securities during the five business days before and one business day after the disclosure of material information.
- Restricting shareholders with a 20%+ stake (individually or via affiliated entities) from trading shares without prior notification to EGX.
- Prohibiting Board members, executives, and individuals with access to non-public price-sensitive information from buying or selling company securities based on undisclosed information.

Insider Trading on the Company's Shares

| No. | Type | Transaction | No. of Shares |
|-----|-----------------------------------|-------------|-------------------|
| 1 | Major Shareholder | Purchase | 62,922,603 shares |
| 2 | Affiliated Group | Purchase | 22,693,149 shares |
| 3 | Board Member | Purchase | 14,900,000 shares |
| 4 | Executive Management Insiders | Purchase | 5,820,004 shares |
| 5 | Incentive & Reward Program - ESOP | Sale | 19,820,004 shares |

Chairman of the Board of Directors

Eng. Mohamed Hazem Barakat

March 6, 2025


