

Egypt Kuwait Holding Company
Corporate Governance Report
For the year ended
31st December, 2023



HA

Index

<u>Items</u>		<u>Page Number</u>
Auditor's report		
First	Company Information.	(1)
Second	A statement of the names of shareholders who own 5% or more of the company's shares, directly or indirectly through groups and related parties.	(2)
Third	General Assembly of Shareholders.	(2)
Fourth	The Board of Directors.	(6)
Fifth	Committees emanating from the Board of Directors.	(14)
Sixth	Workflow of meetings of the Board of Directors and its committees.	(18)
Seventh	Control environment.	(21)
Eighth	Disclosure and Transparency.	(25)
Ninth	Disclosure Tools	(28)
Tenth	Charters and Policies	(31)



HA



Hazem Hassan

Public Accountants & Consultants

B (105) – Avenue (2) – Smart Village
Km 28 Cairo – Alex Desert Road
Giza – Cairo – Egypt
Postal Code : 12577

Telephone : (202) 35 37 5000 – 35 37 5005
E-mail : Egypt@kpmg.com.eg
Fax : (202) 35 37 3537
P.O. Box : (5) Smart Village

LIMITED ASSURANCE REPORT OF THE BOARD OF DIRECTORS' REPORT ON THE CORPORATE GOVERNANCE RULES FOR Egypt Kuwait Holding Company

To the Board of Directors of Egypt Kuwait Holding Company (S.A.E)

Introduction

We were engaged to provide a limited assurance report on the preparation and presentation of the Board of Directors' report on the corporate governance rules for Egypt Kuwait Holding Company for the year ended December 31, 2023, prepared as per the illustrative guidance referred to in the Egyptian Stock Exchange commission letter to the Board of Directors dated December 25, 2018.

Management responsibilities

The Board of Directors is responsible for preparation and presentation of its report on applying of corporate governance rules as per the illustrative guidance referred to in the Egyptian Stock exchange commission letter to the Board of Directors dated December 25, 2018. The Board of Directors is also responsible of ensuring applying the corporate governance rules as per the illustrative guidance issued by the Financial Regulatory Authority and the Egyptian Guidance for Corporate Governance issued by virtue of the Board of the Financial Regulatory Authority decree No. 84 dated July 26, 2016, the Board of Directors as well is responsible for determination of the non compliance areas and reasons for non compliance.

Our Responsibility

Our responsibility is to report thereon in the form of an independent limited assurance conclusion on the Company's compliance on the preparation and presentation of the Board of Directors report referred to above as per the Board of Directors report's illustrative guidance referred to in the Egyptian Stock Exchange commission letter dated December 25, 2018 based on the procedures we have performed and the evidence obtained. We conducted our engagement in accordance with Egyptian Standard on Assurance Engagements (3000) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" which requires complying with independence and other ethical requirements.

That standard requires that we plan and perform our procedures to obtain a meaningful level of assurance through observation and inquiries to the persons in charge of preparation and presentation of the compliance to the corporate governance rules report and obtaining the supporting documentation when relevant, we believe that the evidence obtained is sufficient and appropriate as the basis for our limited assurance conclusion.

As per the requirements of para (49 - D) of the Standard (3000), our procedures were limited to the precise measurable contents and cannot be extended to the qualitative aspects in terms of operating effectiveness, accuracy and completeness, such as management procedures to comply with corporate governance rules, assessing the performance of the Board of Directors, committees, executive management, violations and resolutions. Accordingly, our responsibility, procedures on the report to provide a limited assurance on the preparation and presentation of the board of directors' report on the corporate governance rules cannot be extended to the assessment of the operating effectiveness of the internal control system, compliance and operating effectiveness of the corporate governance system.



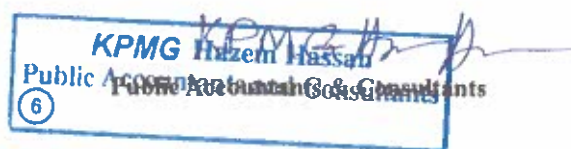
Hazem Hassan

Our report is solely prepared to fulfil the requirements of article No. 40 of the Egyptian Stock Listing and Delisting rules and should not be used for any other purpose or to be distributed to any other parties.

Conclusion

In our opinion, the Board of Directors report on the compliance of the Company to the corporate governance rules referred to above for the year ended December 31, 2023, includes information and presented in all material respects as per the illustrative guidance of Board of Directors report referred to in the Egyptian Stock Exchange commission letter to the Board of Directors dated December 25, 2018.

KPMG Hazem Hassan



Cairo Febraury 25, 2024

First: Company Information:

Company Name		Egypt Kuwait Holding Company	
Company purpose		Investment in all areas mentioned in Article One of Law No. 230 of 1989, provided that none of its purposes is to accept deposits or carry out banking business, and includes the following activities: A- Promotion and coverage of subscription to securities. B- Participate in the establishment of companies that issue securities or increase their capital. C- Venture capital. The company may conduct other projects or modify its activity within the framework of the provisions of the law. It may also contribute or participate in any way in sub-activities, taking into consideration the provisions of the law, No. 95 of 92 and the approval of the Egyptian financial regulatory Authority	
Company Duration	25 years starting from 12/7/1997 Expired on 11/7/2022 According to the resolution of the extraordinary general assembly of the company, held on 31/3/2022, it was approved to extend the company's term of work for the next 25 years ending on 11/7/2047	Date of listing on the EGX	1999/1/27
The law to which the company is subject	Investment Law No. 72 of 2017	Nominal value per share	25 US cents per share
Last Authorized Capital	USD 500,000,000	Last issued capital	USD 281,721,321.75
Last paid-up capital	USD 281,721,321.75	Number and date of registration in the commercial register	114648 (Investment) on 20/7/1997
Contact Person Name	Mr. Khaled Mohammed El-Demerdash Mr. Hany Yousef Azzam Mr. Omar Yasser Yehia Mohamed Nashaat		
Head Office Address	14, Hassan Mohamed El Razzaz Street – (EX-Nawal) – Dokki – Giza		
Phone Number	02/33363300	Fax Number	02/33358989
Website	www.ekholding.com		
E-mail Address	info@ekholding.com		
Auditor Name	Mr. Walid Abdel Halim Gad Abdel Wahed – Partner at KPMG Hazem Hassan		
Date of appointment	According to the decision of the ordinary general assembly of the company held on 30/3/2023.		
Authority Registration Number	396		
Date of registration in the Authority	14/9/2021		

Second: A statement of the names of shareholders who own 5% or more of the company's shares, directly or indirectly through groups and related parties.

Holders of 5% of the company's shares or more	Number of shares at 31/12/2023	Contribution %
Kuwait Clearing Company *	569,516,523	50.539 %
Total Contributions of Moon Capital Fund Entities	61,856,016	5.489 %
Total	631,372,539	56.028 %

* The contribution represents the company's shares deposited with the sub-register kept with the Kuwait Clearing Company in Kuwait for approximately (315) shareholders.

The following is a list of the names of the main shareholders who own 5% or more of the company's share capital. (directly or indirectly through groups and related parties), who are registered in the sub-registry for shareholders kept by Kuwait Clearing Company, as follows:

Shareholder Name	Number of shares at 31/12/2023	Contribution %
Mrs. Heba Nasser Mohamed Al-Kharafi and her related parties	126,846,346	11.256%
Mr. Jassim Loay Jassim Al-Kharafi	134,021,651	11.893%
Total	260,867,997	23.149%

Third: General Assembly of Shareholders.

Invitation to the General Assembly meeting.

The ordinary general assembly meeting of shareholders is held upon the invitation of the Chairman of the Board of Directors at the time and place determined by the invitation announcement. The Board of Directors may decide to convene the General Assembly meeting whenever necessary.

The Board of Directors must invite the Ordinary General Assembly to meet if the meeting is requested from the auditor or a number of shareholders representing at least 5% of the company's capital, provided that they deposit their shares at the company's headquarters or one of the financial companies licensed from Financial Regulatory Authority. These shares cannot be withdrawn except after the end of the assembly meeting.

In the case of an extraordinary general assembly meeting, the Board of Directors must invite the extraordinary general assembly to convene if requested from a number of shareholders representing at least 10% of the capital for serious reasons, provided that they deposit their shares at the company's headquarters or one of the financial companies licensed to do so by The Financial Regulatory Authority, and these shares cannot be withdrawn except after the end of the assembly meeting.

The Auditor or the Financial Regulatory Authority may convene the General Assembly in certain circumstances specified by the law and the company's articles of association.

The invitation of the General Assembly to meet is published twice in two daily newspapers, at least one of which must be in Arabic, provided that the second time it is published at least five days after the date of publication of the first notification, provided that the publication is at least twenty-one days before the date scheduled for the first assembly meeting. At least seven days before the date of the second meeting in the event that a quorum is not achieved.

General assembly agenda:

The entity who invited for a General Assembly meeting shall determine the items of its agenda. However, shareholders who own at least 5% of the company's shares may request that some items be included in the agenda of the Ordinary General Assembly meeting in accordance with the rules specified for this in the Egyptian Companies' Law, and the company's articles of association provided that they deposit their shares at the company's headquarters or one of the financial companies licensed to do so by The Financial Regulatory Authority. and these shares cannot be withdrawn except after the end of the assembly meeting.

The request to invite the General Assembly meeting must be submitted at least ten days before the date scheduled for the first meeting of the Assembly, and the proposal of resolutions required to be issued must be added to the agenda and put forward. To be voted on by the Assembly, and the percentage referred to must not be less than 10% in the case of a request to include items in the agenda of the extraordinary general assembly meeting.

Documents available for review by shareholders before the annual meeting of the company.

Annually, the Board of Directors shall place at the disposal of the shareholders for their own information during the General Assembly meeting, which is called to consider the Board of Directors' report, at least three days, at the company's headquarters, a detailed list that includes all the detailed data contained in Article (220) of the Executive Regulations of the Egyptian Companies Law. The Board of Directors shall also place at the disposal of shareholders to inform them of the company's position fifteen days before the Ordinary General Assembly holds its annual meeting are the documents specified in detail in Article (221) of the Executive Regulations of the Egyptian Companies Law.



Attending the General Assembly.

The General Assembly consists of all the company's shareholders, each according to the percentage of shares owned. Shareholders' attendance at the General Assembly shall be in person or by proxy. The validity of the mandate must be confirmed by a written power of attorney or authorization. The shareholder cannot represent at the company's General Assembly meeting by proxy a number of votes exceeding 10% of the total nominal shares of the company's capital and not exceeding 20% of the shares represented at the meeting.

It is not permissible for a shareholder - other than a member of the Board of Directors - to delegate one of the members of the Board of Directors on his behalf. However, members of the Board of Directors may delegate each other to attend the General Assembly meeting, taking into consideration the quorum of the Board of Directors that is required to attend for the validity of the General Assembly meeting.

The power of attorney or authorization referred to in the previous paragraph may be to attend one or more meetings of the General Assembly. However, the power of attorney or authorization issued to attend a specific meeting is valid for attending the meeting that is postponed to due to lack of a quorum.

The representative may also be one of the custodians or registered owners in accordance with the provisions of the Central Securities Depository and Registry Law.

Shareholders who wish to attend the General Assembly meeting must prove that they have deposited their shares at the company's headquarters or in one of the financial companies licensed to do so by the Financial Regulatory Authority at least three full days before the assembly meeting is held. As for the company's shares registered in a foreign stock exchange, the company of central depository and registration of securities in Egypt, and upon the company's request, shall address the foreign clearing company - provided that it is subject to the control and supervision of a regulatory Authority similar to the Financial Regulatory Authority - to provide it with a statement of the names of the shareholders who have frozen their shares with it for the purpose of attending the company's general assembly meeting and the number of frozen shares for each of them.

The attendance of shareholders at the general assembly meetings is recorded in a register containing basic data in accordance with the Egyptian Companies Law. Before the start of the meeting, this register must be signed by both the external auditor and the vote collectors.

General Assembly Workflow.

The General Assembly is chaired by the Chairman of the Board of Directors, the Chairman of the Assembly appoints at the beginning of the meeting the Secretary of the Assembly and vote collectors, provided that the General Assembly approves their appointment.





The Chairman of the Assembly asks the auditor and vote collectors to determine the percentage of shareholders' attendance, and this is recorded in the attendance register and signed, then announced by the Chairman.

The General Assembly is managed in a way that allows all shareholders to express their opinions in light of what is regulated by the law and the bylaws and in accordance with the items specified in the Assembly's agenda. During the General Assembly, every shareholder has the right to discuss the Board of Directors' report, the financial statements, the auditor's report, and any serious facts that unfold during the meeting. The company's board of directors responds to shareholders' questions to the extent that does not expose the company's interests to harm.

The shareholder is required to submit the questions in writing to the company headquarters by registered mail or hand delivery, at least three days before the general assembly meeting is held.

General Assembly resolutions.

Voting on the company's General Assembly resolutions is recorded with utmost precision, and the Meeting secretary drafts the minutes of the general assembly meeting, which includes all discussions, events, and decisions that took place during the meeting.

The cumulative voting method is used when electing the Board of Directors, in order to ensure that the final result reflects the proportional representation of all shareholders on the company's Board of Directors.

The company is committed to providing the Financial Regulatory Authority, the Egyptian Stock Exchange, the Kuwait Stock Exchange, and the Capital Markets Authority in Kuwait with the decisions of the ordinary and extraordinary general assembly immediately after its conclusion, and at the latest before the start of the first trading session following the end of the meeting, in a way that makes information available to all shareholders in a fair manner.



Fourth: The Board of Directors.

Structure of the Board of Directors:

S	Member Name	Board Member: Executive Non-Executive Independent	Number of Shares Owned	Date of joining	Representation
1-	Mr. Loay Jassim Mohamed Al-Kharafi	Chairman (Non-Executive)	202,764	2006	Himself
2-	Mr. Adel Al-Moataz Adel Mahmoud Al-Alfi	Vice Chairman (Non-Executive))	287,684	2021	Eastern Economic Development Company
3-	Eng. Sherif Alaa Ahmed Hassan Al-Zayat	Managing Director (Executive)	22,942,503	2014	Himself
4-	Mr. Moataz Adel Mahmoud Al-Alfi	Board Member (Non-Executive)	24,000,000	1997	Himself
5-	Mrs. Heba Naser Mohamed Al Kharafi	Board Member (Non-Executive)	49,821,346	2022	Herself
6-	Mr. Saad Mohamed Abdullah Al Saad	Board Member (Non-Executive)	10,110,988	1997	National Industries Group Holding Co.
7-	Sheikh / Mubarak Abdullah Al-Mubarak Al-Sabah	Board Member (Non-Executive)	26,115,607	2009	Action Group Holding Company
8-	Mr. Hussain Ali Hussain Al-Kharafi	Board Member (Non-Executive)	4,858,619	1997	Himself
9-	Mr. Talal Jassim Mohamed Al-Kharafi	Board Member (Non-Executive)	204,620	2022	Al-Kharafi Infra for Building General Contracting Co.
10-	Eng. Ibrahim Rushdi Mohamed Ibrahim Mahlab	Board Member (Non-Executive)	203,760	2018	Mask International for General Trading Co.
11-	Mr. Sherif Samir Mahmoud Samy	Board Member (Non-Executive)	78,112,000	2023	Gulf National Holding Co.
12-	Mr. Hossam Mohamed El-Sayed Mohamed Hussien	Board Member (Non-Executive)	---	2016	Experienced
13-	Dr. Walid Shaker Mohamed Hegazy	Board Member (Non-Executive)	207,190	2023	Hoor Al Marazeeq for General Trading & Contracting
14-	Eng. Osama Mohamed Kamal	Board Member (Non-Executive)	208,820	2023	Golden Arrow for Real Estate and Stocks Co.
15-	Mrs. Sahar Mohamed Kamel Al-Damaty	Board Member (Non-Executive)	211,490	2023	Shadows for Logistics Services Co.

S	Member Name	Board Member Executive Non-Executive Independent	Number of Shares Owned Representation / About himself	Date of joining	Representation
16-	Mr. Mohamed Ibrahim Kamel	Board Member (Non-Executive)	---	2016	Hinoses for Construction and Real Estate Development company
17-	Mr. Hisham Saad Makkawi	Board Member (Non-Executive)	---	2023	Nubaria Natural Gas Company
18-	Mr. Amin Ahmed Mohamed Osman Abaza	Board Member (Independent)	---	2016	Independent
19-	Mr. Walid Jalal Al-Zorba	Board Member (Independent)	---	2017	Independent

Changes in the composition of the Board during 2023 until 31 December 2023:

According to the General Assembly decision of the company dated 30/3/2023, new board members have been elected for the next three years, and accordingly the following changes in the structure of the board of directors has been made:

- Electing Mr. Loay Jassem Mohamed Al-Kharafi as Chairman of the Board of Directors representing himself.
- Electing Mrs. Heba Nasser Mohamed Al-Kharafi as a member of the Board of Directors - representing herself.
- Electing Al-Kharafi Infra General Contracting Company for Buildings as a member of the Board of Directors and appointing Mr. Talal Jassem Mohamed Al-Kharafi as its representative.
- Electing of Mr. Hossam Mohamed El-Sayed Mohamed Hussein as an experienced board member.
- Electing MASK International General Trading Company as a member of the Board of Directors and appointing Eng. Ibrahim Rushdi Mohamed Ibrahim Mahlab as its representative.
- Electing Golden Arrow Company for the Sale and Purchase of Real Estate and Shares as a member of the Board of Directors - and appointing Engineer / Osama Mohamed Kamal as its representative.
- Electing of Gulf National Holding Company as a member of the Board of Directors and appointing Mr. Sherif Samir Mahmoud Sami as its representative.
- Electing Hoor Al-Maraziq General Trading and Contracting Company as a member of the Board of Directors and appointing Ms. Maha Ahmed Abbas Jumaa as its representative.



Egypt Kuwait Holding Company
Corporate Governance Report
For the year ended 31st December 2023

- Electing Shadows Logistics Company as a member of the Board of Directors - and appointing Mrs. Abeer Ahmed Mahmoud Abd Rabbo as its representative.
- Appointment of Mr. Hisham Saad Makkawi as a representative of Nubaria Natural Gas Company instead of its previous representative.
- Appointing Mr. Mohamed Ibrahim Kamel as a representative of Hinoses for Construction and Real Estate Development instead of its previous representative.
- Discontinued the membership of Mohammed Abdul Mohsen Al-Kharafi & Sons General Trading and Contracting Company on the Board of Directors.
- Discontinued the membership of International Financial Investments Company on the Board of Directors.
- Discontinued the membership of the Egyptian Petrochemical Company on the Board of Directors.
- Discontinued the membership of Globe Telecom on the Board of Directors.
- Discontinued the membership of International Petrochemical Co. on the Board of Directors.
- Discontinued the membership of Nat Energy on the Board of Directors.

During the year 2023, the following amendments were made to the Board of Directors:

- Appointing Dr. Walid Shaker Mohamed Mohamed Ali Hegazy to represent Hoor Al-Maraziq General Trading and Contracting Company instead of its previous representative, Ms. Maha Ahmed Abbas.
- Appointing Mrs. Sahar Mohamed Kamel Al-Damaty r to represent Shadows for Logistics Services Co. instead of its previous representative, Mrs. Abeer Ahmed Mahmoud Abd Rabbo.

Subsequent events.

1- In accordance with the resolutions of the company's Board of Directors meeting held on February 1, 2024, it was resolved:

- To approve Eng. Sherif Alaa El-Zayat's request to be relieved from his position as Managing Director of Egypt Kuwait Holding Company for personal reasons, effective as of his last working day on 31/3/2024.
- To appoint Mr. Michael Jon Rokk as a member of the Board of Directors, representing Gulf National Holding Company.
- To appoint Mr. Michael Jon Rokk as the second managing director.

2- On February 5, 2024, Engineer Sherif Alaa Al-Zayat sold 22,700,000 of the company shares, the number of shares owned by him after completing the sale process is: 242,503 shares, representing 0.022% of the company's capital.

According to the above, the Structure of the current Board of Directors and the number of shares owned by members of the Board of Directors are as follows:

S	Member Name	Board Member: Executive Non-Executive Independent	Number of Shares Owned	Date of joining	Representation
1-	Mr. Loay Jassem Mohamed Al-Kharafi	Chairman (Non-Executive)	202,764	2006	Himself
2-	Mr. Adel Al-Moataz Adel Mahmoud Al-Alfi	Vice Chairman (Non-Executive))	287,684	2021	Eastern Economic Development Company
3-	Eng. Sherif Alaa Ahmed Hassan Al-Zayat	Managing Director (Executive)	242,503	2014	Himself
4-	Mr. Michael Jon Rokk	Second managing director (Executive)	78,112,000	2024	Gulf National Holding Co.
5-	Mr. Moataz Adel Mahmoud Al-Alfi	Board Member (Non-Executive)	24,000,000	1997	Himself
6-	Mrs. Heba Naser Mohamed Al Kharafi	Board Member (Non-Executive)	49,821,346	2022	Herself
7-	Mr. Saad Mohamed Abdullah Al Saad	Board Member (Non-Executive)	10,110,988	1997	National Industries Group Holding Co.
8-	Sheikh / Mubarak Abdullah Al-Mubarak Al-Sabah	Board Member (Non-Executive)	26,115,607	2009	Action Group Holding Company
9-	Mr. Hussain Ali Hussain Al-Kharafi	Board Member (Non-Executive)	4,858,619	1997	Himself
10-	Mr. Talal Jassem Mohamed Al-Kharafi	Board Member (Non-Executive)	204,620	2022	Al-Kharafi Infra for Building General Contracting Co.
11-	Eng. Ibrahim Rushdi mohamed Ibrahim Mahlab	Board Member (Non-Executive)	203,760	2018	Mask International for General Trading Co.
12-	Mr. Hossam Mohamed El-Sayed Mohamed Hussien	Board Member (Non-Executive)	---	2016	Experienced
13-	Dr. Walid Shaker Mohamed Hegazy	Board Member (Non-Executive)	207,190	2023	Hoor Al Marazeeq for General Trading & Contracting

S	Member Name	Board Member: Executive Non-Executive Independent	Number of Shares Owned	Date of joining	Representation
14-	Eng. Osama Mohamed Kamal	Board Member (Non-Executive)	208,820	2023	Golden Arrow for Real Estate and Stocks Co.
15-	Mrs. Sahar Mohamed Kamel Al-Damaty	Board Member (Non-Executive)	211,490	2023	Shadows for Logistics Services Co.
16-	Mr. Mohamed Ibrahim Kamel	Board Member (Non-Executive)	---	2016	Hinoses for Construction and Real Estate Development company
17-	Eng. Hisham Saad Makkawi	Board Member (Non-Executive)	---	2023	Nubaria Natural Gas Company
18-	Mr. Amin Ahmed Mohamed Osman Abaza	Board Member (Independent)	---	2016	Independent
19-	Mr. Walid Jalal Al-Zorba	Board Member (Independent)	---	2017	Independent

Responsibilities of the Board of Directors.

The company's Board of Directors responsibly is important and plays a critical role in setting the strategic goals of the company, setting up the business plans and general policies that control the work flow in the company, supervising the performance of the executive management, ensuring the efficiency of internal controls and risk management, determining the optimal method for application of good governance, and endorsing professional policies and ethics that the company's employees have to follow to upgrade their performance and conduct. Therefore, the Board's decisions have a significant impact on the company's performance, that's why such decisions should be made in the best interests of the company, ensuring preservation of its assets and maximization of shareholders wealth.

The Board of Directors has maximum powers to manage the company and direct its work to achieve its objectives, the responsibilities of the Board of Directors include the following:

- 1- Developing plans, strategies, main objectives, policies and procedures, and risk management and review it periodically and modify it.
- 2- Determine the company's optimal capital structure, strategies and financial objectives, and estimated budgets.
- 3- Supervising the company's major capital expenditures, owning and disposing of assets.
- 4- Setting performance goals and monitoring implementation and overall performance in the company.

- 5- Periodically reviewing and approving the company's organizational and functional structures.
- 6- Verifying the availability of human and financial resources necessary to achieve the company's goals and main plans.
- 7- Ensuring the soundness of financial and accounting systems, including systems related to preparing financial reports.
- 8- Annual review of the effectiveness of company's internal control procedures.
- 9- Preparing clear and specific policies, standards and procedures for membership in the Board of Directors and putting them into effect after approval by the General Assembly.
- 10- Forming specialized committees emanating from the Board of Directors with decisions specifying the duration of the committee, and responsibilities, and how the Board will monitor it, provided that the formation decision includes the members, names and determines their tasks, rights and duties, along with an evaluation of the performance of these committees and their members.
- 11- Approving internal policies related to the company's work and development, including defining the tasks, responsibilities assigned to the various organizational levels.
- 12- Approving written and detailed policies specifying the powers delegated to the executive management and a matrix including those powers, and duration of the delegation. The Board of Directors may request the executive management to submit periodic reports regarding its exercise of the delegated powers.
- 13- Define performance standards for executive management that are consistent with company's goals and strategy.
- 14- Develop a plan for the succession of authority within the company for senior administrative positions as well as members of the Board of Directors to ensure the sustainability of the company and the effective conduct of its business.
- 15- Determine the powers that it delegates to one of its Board members, committees, or others. The Board must also determine the duration of the delegation, the periodicity of the reports it receives from the committees and the executive management, and follow up on the results of exercising those delegated powers.
- 16- Requesting an external advisory opinion on any of the company's matters, when approved by the majority of the Board members, provided that the provisions for avoiding conflicts of interest are observed, and noting that the use of consultants does not relieve the Board members of their responsibility.

- 17- Establishing preventive measures, tools, and mechanisms that work to secure the flow of information, control the accuracy and integrity of data within the company, and protect it from manipulation and hacking, whether from inside or outside the company.
- 18- Supervision of the data disclosure process and communication channels, ensuring the integrity of the financial and accounting reports issued by the company, as well as ensuring the independence of both the internal audit activity and commitment to the company.
- 19- Appointing a secretary to the Board of Directors who is competent and understands all the company's activities.

Responsibilities entrusted to the Chairman of the Board of Directors.

- Calling for the meeting of the Board of Directors, setting up the meeting agenda and running its sessions.
- Calling for the ordinary and extraordinary General Assembly to consider the agenda submitted by the Board of Directors.
- Ensuring that sufficient, accurate and timely information are provided to Board members and shareholders.
- Ensuring that decisions made are based on sound judgment and thorough knowledge of the matters involved, he should ensure that an appropriate mechanism is in place for the effective and timely implementation of such decisions.
- Receiving reports and recommendations from all committees and submitting same to the Board on a periodic basis to take the appropriate action.
- Ensuring that all Board directors conduct self-assessment, to assess a member's commitment with the duties of his post.
- Ensuring the Board's commitment to complete its tasks in the best possible way, in the best interests of the company, while placing special emphasis on the necessity to avoid conflict of interests.
- Ensuring the effectiveness of the internal control system and governance system applied, as well as the effectiveness of the performance of the Board and its committees.
- All other responsibilities entrusted to the Chairman of the Board of Directors in accordance with Law 159 of 1981 and its executive regulations and amendments.

Responsibilities entrusted to the Managing Director.

- Implementing the company's annual strategy and plan as approved by the Board.
- Presiding the company's management; running its day-to-day business; overseeing the workflow in all organizational units; following up the performance of all activities; taking the necessary decisions within his authority to ensure the regularity of work and the achievement of the company's objectives; while working on increasing customers' satisfaction.
- Working on implementing all the company's policies, regulations and bylaws, as approved by the Board of Directors.
- Proposing the topics for periodic meetings of the Board, in consultation with the Board Chairman.
- Overseeing the drafting of financial and non-financial periodic reports on the company's financial statements and performance assessment, in addition to reviewing all replies to the External Auditors' inquiries before finalizing such reports.
- Actively participating in building and developing the culture of ethical values within the company, and proposing reward and motivation schemes, and succession planning mechanism as approved by the Board for ensuring the loyalty of employees and maximizing the company's value.
- Specifying the duties and responsibilities of all employees, pursuant to the applicable operating rules and directions of the Board of Directors.

Responsibilities of the Secretary of the Board of Directors.

The Group Legal Counsel is the Secretariat of the Board of Directors and performs the following duties:

- Preparing and managing the logistics for the meetings of the Board and committees; assisting the Board Chairman in preparing the meeting agenda; and relevant information, data and details of the topics to be discussed in the meeting, and communicating the same to the Board members well in advance of the meeting.
- Assisting the Chairman in the preparation for the General Assemblies of shareholders and managing the related logistics.
- Following up the issuance and implementation of the Board resolutions, communicating them to the relevant departments, and preparing follow-up reports on such resolutions.



- Maintaining all documents in respect of the Board decisions and topics submitted to the Board and ensuring that the Board is updated with important information in a timely manner.
- Coordinating with all Board committees, to ensure effective communication between these committees and the Board of Directors.

Responsibilities of the Board Relations Director.

- Ensuring effective communication between the Board of Directors of EK Holding Company and the executive departments of EK Holding Company and its subsidiaries.
- Coordinating with the relevant committees within the framework of providing the necessary information to support the Chairman of the Board in the process of evaluating Board members and committee members, and the proposals that the Board presents to the General Assembly regarding selecting or replacing a member.
- Coordination with all Board committees to ensure effective communication between those committees and the Board of Directors.

Fifth: Committees emanating from the Board of Directors.

1- Audit Committee:

Structure of the Committee:

<u>Member Name</u>	<u>Position on the Committee</u>	<u>Appointment date</u>
Mr. Amin Ahmed Mohamed Osman Abaza	Chairman of the Committee Independent Board Member	2016
Mr. Hussain Ali Hussain Al-Kharafi	Member of Committee	2016
Mr. Walid Jalal Al-Zorba	Member of Committee Independent Board Member	2020

Terms of reference of the Audit Committee.

The Audit Committee was formed in accordance with Article (37) of the EGX Listing Rules, and the committee was formed by a decision of the company's board of directors. The committee consists of three non-executive members of the board of directors, who are known for their competence and experience in the field of the company's work, the committee includes two independent members, provided that one of them is the Chairman of the committee, the committee is concerned with the following:

- Review the company's internal controls and prepare a written report on the committee's opinion and recommendations about such controls.
- Review financial statements before submission to the Board of Directors, and express opinion and make recommendations about such statements.
- Review the adopted accounting policies, and express opinion and make recommendations about such policies.
- Nominate to the Board one or more External Auditor to be appointed for the company, and define their qualifications, competencies and independence. The decision of appointing such External Auditor and determining their remuneration lies within the responsibility of the Ordinary General Assembly of the company.
- Review the audit plan set by the External Auditor, and make remarks thereon.
- Consider the observations and recommendations of the External Auditor on the financial statements as well as the notes and recommendations set forth in the management letter received from the External Auditor and follow up the measures taken in respect thereof.
- Ensure the company's compliance with internal and external systems, regulations and laws, as reported by the compliance department and other competent departments.
- Recommend the approval for the External Auditor to provide non-audit services, apart from auditing, and recommend the compensation for such tasks, taking in consideration his annual audit fees.
- Discuss and approve the annual plan of the internal audit department, and follow up its effectiveness, and ensure that the plan covers all the company's departments and activities.
- Review the internal audit reports, and identify the weaknesses in the company and the reasons for such weaknesses, and follow up the remedial procedures.
- Review and evaluate the early warning system in the company, and propose the means for its improvement and effective application.
- Review and evaluate the security system of information and data, and means of protecting the same against any internal or external hackers.
- Examine the notifications or violations submitted by the regulatory bodies and follow up the actions taken to address them.

- Invite the company's External Auditor, director of the internal audit department, or any other individual inside or outside the company to attend the committee's meetings, when necessary; and
- Implement and follow up any other tasks that may be assigned to it by the Board of Directors.

2- Governance Committee:

Structure of the Committee:

<u>Member Name</u>	<u>Position on the Committee</u>	<u>Appointment date</u>
* Mr. Sherif Samir Mahmoud Samy	Chairman of the Committee	2023
Mr. Mohamed Ibrahim Kamel	Member of Committee	2021
Eng. Osama Mohamed Kamal	Member of Committee	2023

- * Resignation from the Board of Directors and consequently from the membership of the Governance Committee, effective 1/2/2024.

Terms of reference of the Governance Committee:

- Follow up on the company's periodic governance reports and the annual governance report.
- Ensure the company's commitment to implementing governance rules.
- Study any decisions and observations received from regulatory authorities.
- Supervising the implementation of regulatory authorities' requirements and providing the required disclosures accurately and on time in accordance with the registration rules.
- Supervising the application of procedures followed in the event of conflicts of interest and transactions with external parties and related parties.
- Supervising the application of governance principles and standards to ensure that the law or registration rules are not violated.
- Follow up on the implementation of governance in subsidiaries.
- Follow up and establish the foundations of equal treatment for all shareholders, ensuring a distinct image of the company with its shareholders.

3- Remuneration and Nomination Committee:

Structure of the Committee:

<u>Member Name</u>	<u>Position on the Committee</u>	<u>Appointment date</u>
Mr. Loay Jassem Mohamed Al-Kharafi	Chairman of the Committee	2023
Mr. Adel Al-Moataz Adel Mahmoud Al-Alfi	Member of Committee	2021
Mr. Hossam Mohamed El-Sayed Mohamed Hussien	Member of Committee	2023

Terms of reference of the Remuneration and Nomination Committee:

- Follow up the application of job performance evaluation policy for employees.
- Evaluate the application of regulations of salaries and bonuses.
- Supervise the application of benefits and rewards for employees.
- Review employee KPIs.
- Evaluate the structure of remuneration and compensation.
- Evaluate the structure of executive departments.
- Develop the necessary policies and systems to retain employees, and attract the competencies required to maintain the continuity of the company.

4- Investment and Finance Committee:

Structure of the Committee:

<u>Member Name</u>	<u>Position on the Committee</u>	<u>Appointment date</u>
Eng. Ibrahim Rushdi mohamed Ibrahim Mahlab	Chairman of the Committee	2021
Mr. Hossam Mohamed El-Sayed Mohamed Hussien	Member of Committee	2021
Mrs. Heba Naser Mohamed Al Kharafi	Member of Committee	2023
* Mrs. Abeer Ahmed Mahmoud Abd Rabbo.	Member of Committee	2023

- * Resignation from the Board of Directors and consequently from the membership of the Investment and Finance Committee, effective 27/11/2023.

Terms of reference of the Investment and Finance Committee:

- Develop a clear investment policy in the company.
- Develop the monetary policy for the company and its subsidiaries.
- Review the implementation of the company's investment policy and strategy.
- Study and evaluate investment plans and opportunities.
- Follow up the annual plan and the budget of the company and its subsidiaries, analyzing variations.
- Follow-up projects under implementation.
- Review feasibility studies for new projects.
- Prioritize proposed investment opportunities.
- Study periodic reports on the progress of investment opportunities.
- Developing policies for financing projects and investment opportunities to ensure optimal use of the resource and reduce burdens.
- Develop a clear policy for the dividends distributions of the company and its subsidiaries.
- Develop a clear exit policy from companies and projects in which the company or subsidiaries contribute.
- Reviewing companies' results and submitting business development proposals and return maximization recommendations to the Board of Directors

Sixth: Workflow of meetings of the Board of Directors and its committees.

Follow-up schedule of attendance of the members of the Board of Directors to the meetings of the Board and the committees emanating from the Board of Directors.

(A): Attendance of the company's Board of Directors.

- According to the resolution of the Ordinary General Assembly of the Company held on March 30, 2021, a new board of directors has been elected for the next three years till March 2026.
- During year 2023, the Board of directors held **Six** meetings as follows:

- The first meeting was held on 22/2/2023: this meeting was attended by Board members According to the formation before the election of a new Board of Directors by GAM held on 30/3/2023.
- The second meeting was held on 30/3/2023: this meeting was attended by Board members According to the formation after the election of a new Board of Directors by GAM held on 30/3/2023.
- The third meeting was held on: 14/5/2023.
- The fourth meeting was held on: 13/8/2023.
- The fifth meeting was held on: 12/11/2023.
- The sixth meeting was held on: 11/12/2023.

The attendance of Board members for these meetings is as follows:

S	Member Name	Number of meetings attended
1-	Mr. Loay Jassem Mohamed Al-Kharafi.	(6)
2-	Eastern Economic Development Company and its representative.	(6)
3-	Eng. Sherif Alaa Ahmed Hassan Al-Zayat .	(6)
4-	Mr. Moataz Adel Mahmoud Al-Alfi or his representative.	(6)
5-	Mrs. Heba Naser Mohamed Al Kharafi or her representative	(6)
6-	National Industries Group Holding Co and its representative.	(6)
7-	Action Group Holding Company and its representative.	(3)
8-	Mr. Hussain Ali Hussain Al-Kharafi.	(5)
9-	Al-Kharafi Infra for Building General Contracting Co and its representative.	(5)
10-	Mask International for General Trading Co. and its representative.	(4)
11-	Hinoses for Construction and Real Estate Development company and its representative.	(6)
12-	Mr. Hossam Mohamed El-Sayed .	(6)
13-	Hoor Al Marazeeq for General Trading & Contracting and its representative.	(4)
14-	Golden Arrow for Real Estate and Stocks Co. and its representative.	(5)
15-	Gulf National Holding Co. and its representative.	(4)

S	Member Name	Number of meetings attended
16-	Shadows for Logistics Services Co and its representative.	(5)
17-	Nubaria Natural Gas Company and its representative.	(5)
18-	Mr. Amin Ahmed Mohamed Osman Abaza	(5)
19-	Mr. Walid Jalal Al-Zorba	(5)

(B): Attending the committees emanating from the company's board of directors.

Attending the meetings of the Audit Committee:

During year 2023, the Audit Committee held **Four** meetings, following is the attendance of the members of the committee:

S	Name of Board Member / Member of the Audit Committee	Number meetings attended
1-	Mr. Amin Ahmed Mohamed Osman Abaza	(4)
2-	Mr. Hussain Ali Hussain Al-Kharafi	(4)
3-	Mr. Walid Jalal Al-Zorba	(4)

Attendance of the Corporate Governance Committee:

During year 2023, the Corporate Governance Committee held **Three** meetings, the attendance of the members of the committee is as follows:

S	Name of Board Member / Member of the Corporate Governance Committee	Number of meetings attended
1-	Mr. Sherif Samir Mahmoud Samy	(3)
2-	Eng. Osama Mohamed Kamal	(3)
3-	Mr. Mohamed Ibrahim Kamel	(3)

Attendance of the Investment and Finance Committee:

During year 2023, the Investment and Finance Committee held **Four** meetings the attendance of the members of the committee is as follows:

S	Name of Board Member / Member of the Investment and Finance Committee	Number of meetings attended
1-	Eng. Ibrahim Rushdi mohamed Ibrahim Mahlab	(4)
2-	Mr. Hossam Mohamed El-Sayed Mohamed Hussien	(4)
3-	Mrs. Heba Naser Mohamed Al Kharafi	---
4-	Mrs. Abeer Ahmed Mahmoud Abd Rabbo.	(3)

Attendance of the Remuneration and Nominations Committee:

During year 2023, the Remuneration and Nominations Committee held **Three** meetings the attendance of the members of the committee is as follows:

<u>S</u>	<u>Name of Board Member / Member of Remuneration and Nominations Committee</u>	<u>Number of meetings attended</u>
1-	Mr. Loay Jassem Mohamed Al-Kharafi	(3)
2-	Mr. Adel Al-Moataz Adel Al-Alfi	(3)
3-	Mr. Hossam Mohamed El-Sayed Mohamed Hussien	(3)

Seventh: Control environment.

Internal Control System

The company has an internal control system based on a set of policies, procedures, manuals and regulations prepared by the concerned departments of the company and approved by the Board of Directors to achieve the following objectives:

- Achieve complete segregation between the responsibilities and authorities of all staff at the company.
- Ensure the accuracy and quality of information so that correct and accurate information would be provided about the company whether to the company itself or to others.
- Protect the company's physical assets from the risks that they may be exposed to; and record and register such assets in the company's records.
- Increase the company's production efficiency and achieve its targets with the least expenses but with the same quality standards.
- Ensure the accurate implementation of instructions in order to ensure that all instructions are implemented as required.
- Ensure the proper implementation of corporate governance through the accurate implementation of governance directions and rules.

The company has prepared an organizational structure considering the clear and written definition of all competencies and the complete separation of responsibilities and conflicting tasks.

Internal Audit Department.

The company has an independent internal audit department technically subordinate to the Internal Audit Committee emanating from the Board of Directors, The Internal Audit Department submits its reports periodically to the Audit Committee, while the administrative reporting line is to the Chairman of the Board of Directors.

Following is a statement of the role and scope of work of the Internal Audit Department:

Role of the Internal Audit Department	Scope of work of the Internal Audit Department	Is the audit department permanent in the company or a private external audit company	Name of the Internal Audit Department Officer	Periodicity of reports
The Internal Audit Department aims to add value and improve the performance of the company's operations to help it achieve its objectives by adopting a systematic and organized method aimed to evaluating the means and systems of internal control and risk management procedures in the company, and ensuring the proper application of its governance rules in a proper manner with regard to all executive, financial and legal departments and activities.	<ul style="list-style-type: none"> • Evaluate the efficiency of the company's internal control system, escalate reports to the Audit committee containing the findings which have been observed. • Evaluate the compliance of all the departments within the company to perform their tasks in accordance with the applicable procedures and policies and without any conflicts with other concerned departments. • Evaluate the efficiency of applicable procedures and policies, and their appropriateness with developments in the business and the market. • Follow up on actions taken to rectify the remarks mentioned in the internal and external audit reports and other reports by supervisory entities 	The company's internal audit functions are carried out by a permanent Department in the company	Mr. Mohammed Wafai Al-Shalakany is the Group Chief Audit Officer	Quarterly audit reports are prepared for presentation to the Internal Audit Committee

Corporate Governance management.

The Corporate Governance Committee emanating from the company's Board of Directors is generally responsible for the company's corporate governance department, which aims at helping to establish and implement the principles of governance, and follow up their application and increase their effectiveness.

The following are the main responsibilities of the Corporate Governance Department during the year:

- Applying the requirements of the regulatory authorities and preparing and submitting the required disclosures accurately and on time for submission in accordance with the legal requirements, relevant laws, and listing rules on the Egyptian Stock Exchange and the Kuwait Stock Exchange.
- Preparing the company's periodic governance reports and the annual governance report and presenting them to the Corporate Governance Committee
- Monitoring the company's commitment to implementing governance rules.
- Study the decisions and observations received from the regulatory authorities, and prepare the required response at the specified times. Presentation to the Governance Committee.
- Ensure that all necessary procedures are implemented in the event of conflicts of interest and transactions with external parties and related parties.
- Applying governance principles and standards to ensure that the law or registration rules are not violated.
- Monitoring the application of the principle of disclosure, transparency and governance culture in all of the company's work and activities.
- Working to apply the concept of transparency, clarity and fairness in dealing with all shareholders.
- Working to clarify the relationships between the Board of Directors and stakeholders.
- Developing internal governance guides for the company and formulating various internal policies that regulate the relationship between all employees.

Risk Management.

The responsibility for risk management in the company lies with the Investment Committee emanating from the Board of Directors of the company, or the Audit Committee emanating from the Board of Directors of the company, each within its general jurisdiction, in a manner consistent with the nature of the activity of the holding company, its subsidiaries, and the markets with which it deals. The company has a management for risks within the investment sector.



The following are risk management responsibilities during the year:

- Analyzing the risks that the company may be exposed to and conducting this analysis accurately, at an appropriate and early time.
- Determining the level of risk that the company can accept based on the size of the various risks that the company may face, depending on their impact and the extent to which they can be realized.
- Developing a risk policy and specific indicators to measure, follow up and monitor the risk surrounding the company.
- Measuring the continued suitability and effectiveness of policies with regard to measuring, and monitoring risks, and making any required adjustments in accordance with market developments and the environment surrounding the company internally and externally.
- Ensuring the availability of appropriate and effective information and communication systems regarding the process of monitoring risks so that they allow the top management to receive periodic reports that reflect the extent of the company's commitment to the established risk limits, and explain violations of these limits, their causes, and the proposed plan to address them.
- Submitting accurate and expressive reports to the Investment Committee or Audit Committee, enabling those concerned to make appropriate decisions regarding them.

The External Auditor

- The Company appoints an external auditor who meets the conditions stipulated in the Law of Practicing the Accounting and Auditing Profession, and who enjoys sufficient competence, reputation and experience, and has experience, competence and capabilities suitable to the size and nature of the company's activity and those with whom it deals.
- The General Assembly, upon the nomination of the Board of Directors and after the recommendation of the Audit Committee, appoints an external auditor for the company, the auditor enjoys complete independence from the company and the members of the board of directors, as he is not a shareholder of the company or a member of the company's board of directors, and is not related to any of the company's shareholders. He is not related to any of the members of the Board of Directors or senior management up to the second degree, and does not permanently carry out any technical, administrative or consulting work in the company, in addition to that, the auditor is neutral in his opinions, and the scope of his work is immune to interference by the Board of Directors.
- The company is obligated by the external auditor to submit a copy of his report on the financial report prepared by the company on the extent of its compliance with the rules of governance to the administrative authority in accordance with the applicable governance and disclosure rules, and this report is also submitted to the General Assembly of Shareholders.

Eighth: Disclosure and Transparency.

Material information and financial and non-financial disclosure.

The company discloses its financial information, represented in the quarterly and annual financial statements, the report of the Board of Directors, and all material events and emergency events, to the shareholders and the public who deal on the company's shares, whether current or prospective, in accordance with the procedures followed by the Capital Market Law No. 95 of 1992 and its executive regulations and its amendments, and the rules for listing and delisting securities at the Egyptian Exchange, as follows:

- Internal information that includes the company's objectives, vision, nature of activity, plans and future strategy.
- Systems of raising competencies, training, reward and care for its employees.
- Ownership structures of sister companies and subsidiaries.
- Transactions with related parties and netting contracts.
- Insiders' transactions on company shares
- The key risks that the company may face and ways to deal with them.
- Changes investment policies.
- The availability of natural resources, raw materials and energy that the company depend on, and the ability to deal with their fluctuations.
- Disclosing to the company's shareholders and to the regulatory authorities about treasury shares. In the event that the subsidiary company purchases the shares of the holding company that owns it, all the provisions of treasury shares will be applied to the purchased shares, and they will not be counted in the quorum of shareholders, and they will not participate in voting on the resolutions of the General Assembly.
- Provide the Financial Regulatory Authority and the Egyptian Exchange "EGX with the resolutions of the Ordinary and Extraordinary General Assembly immediately upon its termination and no later than before the start of the first trading session following the end of the meeting, and the company shall also provide EGX within a week at most from the date of the General Assembly with the minutes, provided that they are approved by the Chairman of the Board of Directors.
- Provide EGX with the minutes of the meetings of the General Assembly approved by the competent administrative authority within a period not exceeding three working days from the date of receipt.

- Provide the FRA and EGX with a summary of the resolutions containing material events issued by its Board of Directors immediately upon the meeting's termination and no later than before the start of the first trading session following the end of the meeting.
- Provide the FRA and EGX with a statement approved by the company's board of directors of the most important results of its work compared to the corresponding period according to the form prepared for this by EGX, as soon as the board of directors completes the approval of the annual or quarterly (periodic) financial statements. In preparation for referring it to the auditor to issue his report thereon. Such disclosure shall be made after the end of the meeting and no later than before the beginning of the trading session following the end of the meeting.
- Announce the resolution of the company for the distribution of cash dividends, stock dividends or both.
- Disclosure when the ownership of a shareholder and his related parties exceeds or decreases 5% and its multiples of the number of shares representing the capital of the company listed on EGX or its voting rights, including shares that were subscribed to by purchasing the subscription rights thereto.
- Disclosure of the future investment plan and the shareholder's directions regarding the company's management if the percentage purchased from him and the related parties reaches 25% or more of the company's capital or voting rights.
- Disclosure when any arbitration rulings or judicial rulings are issued at any stage of litigation of those judgments that affect its financial position or the rights of its shareholders or have an impact on trading prices or the investment decision of investors.
- Disclosure immediately after the issuance of any judicial rulings depriving freedom penalty against a member of the board of directors of the company or one of its main officials.
- Violations issued against the company during the year, in relation to the e Capital Market Law and the rules of Listing on the Egyptian Stock Exchange.

There were no violations against the company related to the Capital Market Law and the EGX Listing rules during 2023.

Investor Relations.

The company has an investor relations officer, as investor relations is one of the main activities for applying the principles of corporate governance, as it is an independent strategic function aimed at activating and consolidating the relationship with current and prospective investors, opening channels of communication with those related to the capital market and investment, and providing the necessary disclosure and transparency, which has a positive impact on the following:

- The investors perception of the current performance of the company and their expectations for its future performance.
- The liquidity of the company's shares traded on the stock exchange.
- Relatively lower cost of funding on the long run.
- The increase in confidence of those who deal with the company, its stakeholders, as well as stimulate the increase of the number of support groups for the company.

The Investor Relations Officer participates in the development of the company's communication strategy with the investment market, opening channels of communication with investors and conveying market views and investors' concerns to the Board of Directors on an ongoing basis.

Investor relations is one of the means that enables the Board of Directors to understand the reasons for the performance of the company's shares, and the reflection of that performance on their fair value according to the information provided by the company on its performance, capabilities and future, and the extent of the company's commitment to the rules of disclosure and communication with investors and the clarity of their vision and evaluation of the investment market.

The Investor Relations Department reports to the Managing Director and submits its periodic reports to him, and the Investor Relations Officer attends the company's general assembly meetings and board meetings in order to learn about the company's internal matters and strategic directions.

The responsibilities of the Investor Relations Manager during the year are as follows:

- Develop a strategy for the investor relations program through understanding the market and the company's requirements. The head of Investor Relations shall determine the priorities of the required activities and set up the strategy required to implement these activities in collaboration with the Board of Directors.
- Participate in setting up the disclosure policy applied by the company and obtain the Board of Directors approval of it.
- Help retain the existing investors and attract new investors by raising awareness in the market about the company's activities and opportunities for its future growth, and identify the factors that affect the company's profitability.
- Communicate with analysts, investors and media representatives; and provide information to limit rumors and shocks that lead to fluctuations of the share trading volumes and prices.

- Organize the information released by the company in accordance with the applicable disclosure rules.
- Establish and monitor the investors' database in terms of either the type of investor or the investor's geographical location.
- Introduce the new members of the Board of Directors or the top management to the market.
- Organize investors road shows, analyst meetings and events for the company according to a prepared plan; and facilitate investors' visits to the company's various sites.
- Communicate with investors through various communication channels such as the company's website, social networking sites and press reports; and participate in the preparation of the annual report which the existing and the potential investors are interested in.
- Prepare the disclosure report required from the company; and create the content related to investor relations on the company's website and update it regularly.
- Participating in local and international exhibitions and conferences and representing the company in them in order to promote the company's shares and introduce its activities.

Ninth: Disclosure Tools.

Annual Report

The company issues an annual report in both Arabic and English that includes a summary of the board of directors' report and financial statements in addition to all other information of interest to shareholders, current and prospective investors and other stakeholders as the most important sources of information for the current and prospective investor about the company, its activity and its financial position. In addition to a report from the company's management to all those interested in it on the events that took place during the past year and what the company aims to achieve during the next year. The annual report contains:

- An introduction by the Chairman and/or the Managing Director.
- The company's vision and mission.
- The company's strategy.
- The company's history and milestones.
- The company's ownership structure.
- The senior management and the Board of Directors.
- An analysis of the market where the company operates.

- The company's current and future projects.
- An analysis of the company's financial position.
- A report on corporate social responsibility.
- A report on the executive management's discussion of the company's financial performance.
- The External Auditor's report and the financial statements compared to the same periods in the past.

The Board of Directors' Report:

The company issues an annual report in accordance with the Companies Law No. 159 of 1981 and its Executive Bylaws, and Article (40) of the EGX Listing Rules, to be presented to the General Assembly of Shareholders and Regulatory Authorities, including:

- Discussion of the financial results and core subjects.
- The main achievements of the company during the year.
- An analysis of the company's work environment and its main markets.
- The company's strategy.
- Key changes in the company's administrative structure.
- The composition of the Board of Directors and the number of its meetings.
- The composition of the Board's committees and the number of its meetings.
- The average number of employees in the company during the year and the average employee income during the same period.
- The employee reward and incentive policy of the company such as employee stock ownership plan and others.
- The actions taken regarding the related party transactions for the previous year, as well as those presented for the following year.
- A detailed statement that includes, in particular, all amounts received by the Chairman of the Company and each member of the Board of Directors
- The actions taken against the company, its Board members or directors by either regulatory or judicial bodies.
- A report on the company's compliance with corporate governance, and corporate social and environmental responsibility.

The Disclosure Report.

It is a quarterly disclosure report prepared by the Corporate Governance Department according to Item (30) of the Listing Rules in EGX. The report includes the following:

- The contact details of the company.
- The name of the Investor Relations officer and his contact details.

- The structure of shareholders who own 5% or more of the company's shares.
- The shareholding structure showing the free float shares available for trading.
- Details of the treasury shares held by the company.
- The changes to the Board of Directors and the last structure of the Board.
- The formation of the Board of Directors' committees
- Change of The External auditor in the coming period.

Sustainability Report.

Starting from 2023, the company submits an annual report on disclosures related to environmental, social and governance practices related to sustainability and the financial impacts of climate change, at the same time as the disclosure of the company's annual financial statements, in accordance with the decision of the Board of Directors of the Financial Regulatory Authority No. (108) of 2021 regarding this matter, and the disclosure report on environmental, societal and governance practices related to sustainability reflects the Environmental Social and Governance (ESG) standards, The company's management ability to apply the principles of sustainable development, and integrate sustainability practices into the company's activities and operations, which generates confidence among investors that enables them to make informed investment decisions by identifying risks and opportunities that may not be monitored by traditional financial reports, especially in light of the increasing demand by investors for mechanisms and applications of integrating sustainability practices in the companies' business, in order to achieve the company's ability to face the risks associated with the various dimensions of sustainability, and then enhance its financial position. The report includes the following indicators:

- Performance indicators for environmental disclosures.
- Performance indicators for community disclosures.
- Performance indicators for governance disclosures related to sustainability.

The Climate Change Financial Disclosure Report – Task Force on Climate Financial Disclosure TCFD also reflects the company's ability to manage risks and opportunities associated with climate change. This generates the confidence of investors to make investment decisions that consider the range of financial risks and opportunities associated with climate change, and the company's management mechanisms for transitional risks and tangible risks of the effects of climate change on the company's financial performance, providing more transparency regarding climate-related risks and opportunities available to investors.

The report includes the following indicators:

- Performance indicator for the governance category (governance related to climate change).
- Performance indicator for the strategy category (environmental operations, control and risk reduction).
- Performance indicator for the risk management category (risks related to climate change).
- Performance indicator for the category of metrics and targets (carbon emissions / greenhouse gases).



In this context, the company has contracted with one of the specialized companies to issue a sustainability report, and the report includes the company's achievements in the economic, environmental and social fields. It explains the values and principles of the company and clarifies the relationship between its strategy and its commitments towards the community in which it operates in a way that supports the company's reputation, achieves continuous improvement in its performance, also compliance with legislation and regulatory instructions in the environmental and social fields, as well as how to manage the company's risks, including ways to motivate its employees and attract capital.

The Website.

The company has its own website on the international information network in both Arabic and English, through which financial and non-financial information is disclosed in an easy manner for users, and is updated with the published information on an ongoing basis and allows the possibility of communicating with the company easily with a commitment to follow up the response to messages and inquiries received by the company through it.

Tenth: Charters and Policies.

Code of Ethics and Business Conduct.

The company has an internal charter on ethics and professional conduct, and this charter includes a set of values that work to control and regulate the rules of job conduct and professional ethics within the company. It contains the standards of conduct that all employees of the company must follow and consider in all transactions and in every location where they perform their work in a way that positively affects the reputation and credibility of the company and the integrity of its employees, in a way that guarantees the rights of its shareholders and all those dealing with it.

Succession Planning Policy.

The company has a succession planning policy, which aims to create procedures and evaluate the selection, appointment and promotion processes within the framework of securing the best qualified personnel of the company in the appropriate locations, and at the same time encouraging professional development and advancement of current employees, and developing a succession plan for authority at the level of executive management in emergency circumstances or in the short and long term with a focus on planning for the succession of authority for the main personnel through the company's human resources procedures manual & Prepare a list of candidates to fill key positions periodically and effectively to achieve added value for the company and ensure its sustainability.



Whistleblowing Policy.

The company has a whistleblowing policy, which aims to encourage the company's employees or investors to report any practices that violate the rules of ethical conduct or any illegal acts, and to apply effective procedures regarding the principles of accountability and thus enhance the standards of honesty and integrity in all the company's various activities. The policy also provides protection for the person who made the report to ensure that employees of the company and others are encouraged to take the initiative to detect and report violations. While ensuring the complete confidentiality of the reporting person, considering that the reporting process is carried out on the basis of objective documents or information. The company has an email address handled by Internal Audit department, used to receive complaints from employees to study the reasons and solve the complaint.

Internal, and related parties trading policy.

The company has a policy and procedures governing the transactions of the insiders and related parties on the company's share, and this policy aims to control the trading operations of the insiders on the company's shares in accordance with the rules of the regulatory authorities, and shows the extent of the commitment of the insiders, founders, main shareholders and groups associated with them not to be a party to any of the netting contracts except after the approval of the General Assembly and such disposal shall be presented to the Assembly with all its details and data in advance, including price and quantity, before the transaction is done, without the party concerned with the netting contract being entitled to vote in the General Assembly. It ensures that all stakeholders understand the definition of insider trading and its rules of regulation. This policy guarantees the following:

- Prohibit any of the insiders and their associated group from dealing with any securities issued by the company within five working days before and one working day after the publication of any material information.
- Prohibit dealing with any of the shareholders who own 20% or more alone or through their associated group except after notifying the Stock Exchange of this before implementation.
- Prohibit the members of the company's board of directors, regardless of the percentage of their contribution to the capital, its officials or persons who have access to information that is not available to others and have an impact on the price of the security, buying or selling such securities to which this information relates.





Social and Environmental Responsibility Policy.

The company has a clear policy on its social and environmental responsibility and its continuous commitment to contribute to economic and community development, including the company's responsibility towards society and the environment, as well as the initiatives in which the company participates in the field of social and environmental responsibility.

Khaled EL Demerdash
Group Legal Counsel

Hany Azzam
Head of Corporate Governance

