ANNUAL CORPORATE GOVERNANCE REPORT

Gulf Cables & Electrical Industries Group Co. K.S.C.P.

For the Financial Year Ended

31 December 2025

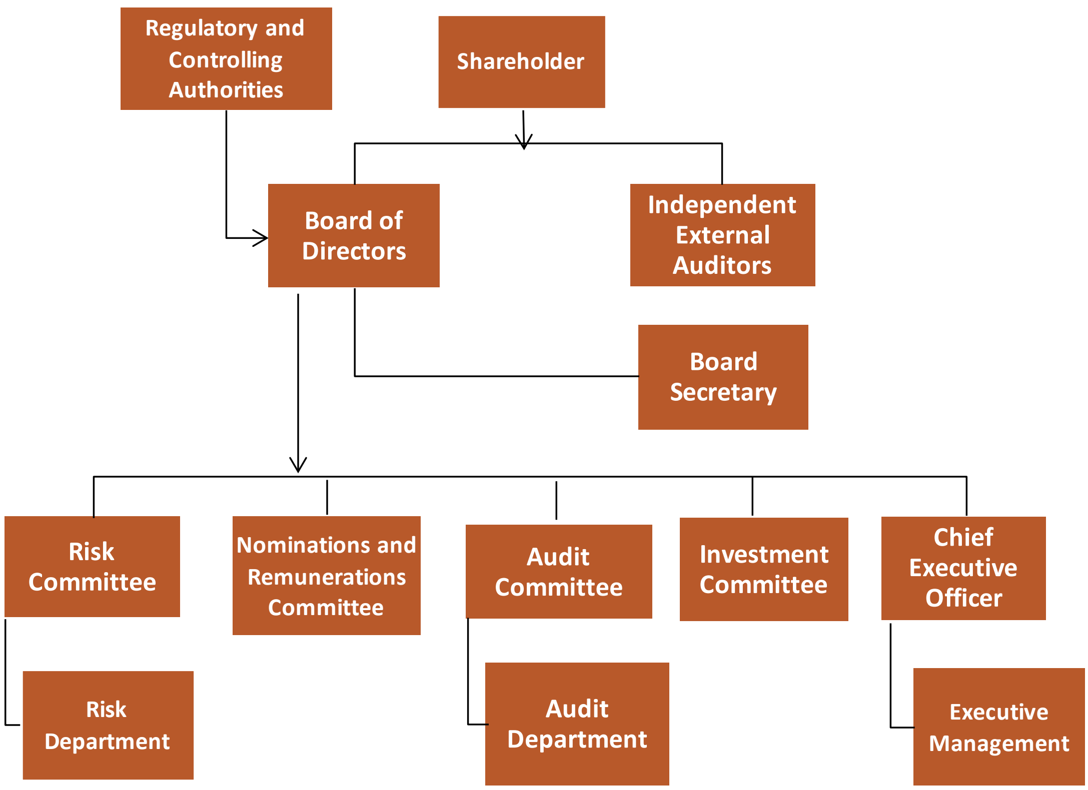
Introduction

Gulf Cables & Electrical Industries Group Co. (herein after referred to as "Gulf Cables" or "the Company") is committed to doing its business in accordance with the laws and regulations related to governance, as well as the Companies' Law and laws issued by Capital Markets Authority ("CMA").

Therefore, the Company, represented by its Board of Directors and its executive management, assured that the regulatory requirements are applied within the Company. It also enhanced the regulatory environment within the Company and assured that the Company and its activities are adhered to the issued laws and regulations. The Board of Directors and its committees are periodically working on following up with the progress of executive management in implementing work charters, issued policies and procedures and other aspects of the governance system.

The Company seeks to adhere to the highest standards of governance and ethical business conduct in order to apply best practices of transparency to its shareholders by continuously reviewing the governance structure and applied practices.

Governance Framework Within the Company



FIRST RULE

Building a Balanced Structure for the Board of Directors

- ### Composition of the Board

The Board of Directors of Gulf Cables is composed of eight members and Board Secretary in accordance with the Articles of Association that stipulates number of members and position of each Board member. As per the current formation of the Board, all members are non-executives and there are two Independent members.

The Board of Directors nominates the Chairman and his deputy through secret voting and reviews formation of the Company's Board of Directors in accordance with CMA and Companies Laws.

Name	Title	Classification of the Member (Executive / Non-Executive / Independent) Secretary	Academic qualification and work experience	Date of the first election / appointment of the Secretary
Asaad Ahmad Omran Al-Banwan	Chairman	Non-Executive	University Degree	April 1996
Bader Naser Mohammad Al-Kharafi	Vice Chairman	Non-Executive	Master of Business Administration	March 2004
Bader Mohammad Abdul-Wahab Al-Juan	Board Member	Non-Executive (Independent)	Diploma Degree	October 1993
Sabah Khalid Saleh Al-Ghunaim	Board Member	Non-Executive	University Degree	December 1995
Jamal Naser Hamad Al Falah	Board Member	Non-Executive (Independent)	Diploma Degree	January 2007
Juhail Mohammad Abdul-Rahman Al-Juhail	Board Member	Non-Executive	University Degree	April 2004
Yousef Ibrahim Yousef Al-Raqm	Board Member	Non-Executive	University Degree	January 2007
Mohammad Saad Mohammad Al-Saad	Board Member	Non-Executive	University Degree	April 2007
Naser Omran Kanaan	Board Secretary	Board Secretary	University Degree	April 2013

- ## Board meetings during 2025

The table below shows the number of meetings of Company's Board of Directors during the year 2025 indicating the date of each meeting and the attendance or absence of each member of the Board, where the mark (✔) is indicated whenever the member attends the meeting.

Member Name / Secretary	*Meeting No. (1) held on 08 JAN 2025	Meeting No. (2) held on 26 JAN 2025	Meeting No. (3) held on 12 MAR 2025	Meeting No. (4) held on 24 MAR 2025	Meeting No. (5) held on 23 APR 2025	Meeting No. (6) held on 18 MAY 2025	Meeting No. (7) held on 03 JUL 2025	Meeting No. (8) held on 06 JUL 2025	Meeting No. (9) held on 13 JUL 2025	Meeting No. (10) held on 13 AUG 2025	Meeting No. (11) held on 13 NOV 2025	No. of Meetings
Mr. Asaad Ahmad Omran Al-Banwan (Chairman)	x	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	10
Mr. **Bader Naser Mohammad Al-Kharafi** (Vice Chairman)	x	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	10
Mr. Juhail Mohammad Abdul-Rahman Al-Juhail (Member)	x	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	10
Mr. Bader Mohammad Abdul-Wahab Al-Juan (Independent Member)	x	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	10
Mr. Sabah Khalid Saleh Al-Ghunaim (Member)	x	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	10
Mr. Jamal Naser Hamad Al Falah (Independent Member)	x	✔	✔	✔	✔	✔	✔	✔	✔	✔	x	9
Mr. Yousef Ibrahim Yousef Al-Raqm (Member)	x	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	10
Mr. Mohammad Saad Mohammad Al-Saad (Member)	x	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	10

* The meeting was not convened as the purpose for convening it was no longer applicable. This matter was disclosed in accordance with the disclosure system approved by the Boursa Kuwait and the Capital Markets Authority.

- ## Board Secretary and the requirements for registration, coordination and keeping the Minutes of the Company's Board meetings

Tasks of the Company's Board Secretary include the following:

1. Recording and keeping the minutes of meetings of the Board of Directors and its committees dated and serialized in a special record numbered with consecutive numbers for the year in which the meeting was held, indicating the place, date, beginning and end of the meeting, as well as the archives, letters, and reports referred to and from the Board.
2. Coordinating between the various Board members, as well as coordinating between the Board and other stakeholders, including shareholders, management, and employees.
3. Assisting the Chairman to facilitate access of the Board members to all relevant information.
4. Providing advice to the Board on issues related to governance and the instructions of CMA and Ministry of Commerce.
5. Preparing minutes of discussions and deliberations, including voting processes that have taken place, and classifying and saving them for easy reference.

Acknowledgement of Independent Board Members

Independent Board Member Acknowledgement Gulf Cables & Electrical Industries Group Co.

As an independent member in Gulf Cables & Electrical Industries Group Co. Board of Directors, I hereby declare the below:

1. I do not hold 5% or more of the Company's shares.
2. I do not have a first-degree relation with any of the members of the Board of Directors or executive management members in the Company or any other company in its Group or the relevant main parties.
3. I am not a Member of the Board of Directors in any company of the Group.
4. I am not an employee in the Company or any company in the Group or for any of the Stakeholders.
5. I am not an employee for corporate entities who own Control shares in the Company.
6. As an independent member, I have the qualifications, experiences and technical skills which are constituent with the Company's activity.
7. I do meet all board member independent requirements (of which the above serve as a non-exhaustive list) and I do not have any matter that contravenes with the independent requirements.
8. I pledge to notify the Company upon non-compliance to any of the above-mentioned independence requirements or any requirement determined by the regulatory entities (Ministry of Commerce & Industry and/or Capital Markets Authority).
9. The Company shall have the right to take all required procedures should it be deemed that the above acknowledgement is not true.

Name of Independent Board Member:

Mr. Bader Mohammad Abdul-Wahab Al-Juan

Signature:

Independent Board Member Acknowledgement Gulf Cables & Electrical Industries Group Co.

As an independent member in Gulf Cables & Electrical Industries Group Co. Board of Directors, I hereby declare the below:

1. I do not hold 5% or more of the Company's shares.
2. I do not have a first-degree relation with any of the members of the Board of Directors or executive management members in the Company or any other company in its Group or the relevant main parties.
3. I am not a Member of the Board of Directors in any company of the Group.
4. I am not an employee in the Company or any company in the Group or for any of the Stakeholders.
5. I am not an employee for corporate entities who own Control shares in the Company.
6. As an independent member, I have the qualifications, experiences and technical skills which are constituent with the Company's activity.
7. I do meet all board member independent requirements (of which the above serve as a non-exhaustive list) and I do not have any matter that contravenes with the independent requirements.
8. I pledge to notify the Company upon non-compliance to any of the above-mentioned independence requirements or any requirement determined by the regulatory entities (Ministry of Commerce & Industry and/or Capital Markets Authority).
9. The Company shall have the right to take all required procedures should it be deemed that the above acknowledgement is not true.

Name of Independent Board Member:

Mr. Jamal Naser Hamad Al Falah

Signature:

SECOND RULE

Proper Definition of Duties and Responsibilities

- ### Duties and responsibilities of each of the Board members and executive management

Duties and responsibilities of each of the Board members and executive management have been clearly defined in the approved policies and guidelines to reflect the balance in the powers and authorities between them through the Board of Directors work charter, which was discussed and approved by the Board. The charter defined the duties and responsibilities of the Board of Directors and the executive management, and specified the duties and responsibilities of the Chairman, CEO, and the Board Secretary, as well as the rules of professional conduct for the Board members. The Board charter also stipulated existence of a structure for the Company's Board commensurate with the size and nature of the Company's activities. Emphasis was placed on the policy of non-conflict of interests and independence of the Board of Directors from executive management. Further, the charter stipulated the importance of allocating sufficient time for the Board meetings to perform their duties and responsibilities.

- ### Board of Directors' achievements during the year

1- Approving the Company's goals, policies, plans and strategies.
2- Reviewing and approving the interim and annual financial statements.
3- Studying, reviewing, and approving the estimated budget.
4- Implementing corporate governance system and monitoring the effectiveness of its implementation in accordance with CMA Law and its executive regulations.
5- Following up and supervising the performance of the executive management team and ensuring effectiveness of internal controls.
6- Reviewing the Board of Directors' performance evaluation.
7- Approving the Executive Management team and employee's remuneration.
8- Approving the Board of Directors' remuneration recommended by the Nomination and Remuneration Committee prior to presenting it before the General Assembly for ratification.
9- Discussion of available investment opportunities and their approval, taking into account the recommendations of the specialized committees derived from the Board of Directors.

- **On 18/05/2025, the Board formed independent specialized committees in order to assist in performing tasks assigned to them for the electoral period of the Board for years 2025, 2026 and 2027, as follows:**

Committee Name	Committee Members	Committee duties and achievements	Number of Committee Meetings
Nomination & Remuneration Committee	- **Mr. Bader Naser Al-Kharafi (Committee Chairman)** - **Mr. Juhail Mohammad AbdulRahman Al-Juhail (Vice Chairman)** - **Mr. Bader Mohammad Abdul-Wahab Al-Juan (Independent Member)** - **Mr. Naser Omran Kanaan (Committee Secretary)**	- The Nomination and Remuneration Committee assists the Board of Directors in nominating members for the Board of Directors and its committees based on the membership criteria in each committee and ensure that there is sufficient number of non-executive Board members in each committee for more independence of their decisions. - It adopts policies for the remuneration of the Company's Board members and its employees, in addition to regularly monitoring the implementation of such policies. - The committee reviews Company's strategy and policy with regard to remuneration, nominations, and remuneration distribution mechanism, and submits them to the Board of Directors for approval. - Discussing the human resources policy and the remuneration policy manual and submitting them to Board members for approval. - Working with the concerned departments and committees to assign the required competencies in the Company. **The committee's most prominent achievements during the year:** - Discussing necessary provisions to approve remuneration of Board members and employees of the Company. - Evaluate the performance of the members of the Board of Directors and the committees derived from it and assess the performance of the Executive Management. - The company's governance report was discussed and approved. - The applications of candidates for membership of the Board of Directors for the term (2025–2026 & 2027) were discussed and approved. - The amendments and updates to the Nomination and Remuneration Committee Policy were discussed. - Certificates issued by the Capital Markets Authority and the Ministry of Interior were reviewed, and it was confirmed that there are no violations or judgments that would affect the reputation for integrity of the members of the executive management.	4
Audit Committee	- **Mr. Bader Naser Al-Kharafi (Committee Chairman)** - **Mr. Jamal Naser Hamad Al Falah (Vice Chairman - Independent Member)** - **Mr. Juhail Mohammad AbdulRahman Al-Juhail (Member)** - **Mr. Mohammad Saad Mohammad Al-Saad (Member)** - **Mr. Naser Omran Kanaan (Committee Secretary)**	- Discussing plan of internal control management, audit committee charter, and internal audit policy and procedures manual, and submitting them to Board members for approval and implementation. **The committee's most prominent achievements during the year:** - Monitoring financial reports, managing internal control, internal and external audit, following up on compliance also ensured that the internal control systems are maintained and ensure their adequacy and effectiveness for the Company, and other matters that commensurate with its specializations. - Reviewing financial statements and reports of internal control for the interim periods during 2025. - Approval of the internal audit plan. - Nomination of an external auditor for the fiscal year 2025. - The amendments and updates to the Company's corporate governance policies were discussed. - The violations report issued by the Capital Markets Authority was discussed, and a recommendation was made to take measures and actions to prevent their recurrence in the future, the executive management's response thereto was also discussed.	8
Risk Committee	- **Mr. Juhail Mohammad AbdulRahman Al-Juhail (Committee Chairman)** - **Mr. Bader Mohammad Abdul-Wahab Al-Juan (Vice Chairman - Independent Member)** - **Mr. Mohammad Saad Mohammad Al-Saad (Member)** - **Mr. Naser Omran Kanaan (Committee Secretary)**	- The Risk Committee is responsible for following up monitoring of Company's risk management systems, which include all risks faced by the Company, and assisting the Board of Directors in identifying and evaluating level of risk appetite of the Company. - Discussing the Risk Committee work charter and the risk management policy and submitting them to the Board members for approval. **The committee's most prominent achievements during the year:** - The Risk Committee is responsible for following up monitoring of the Company's risk management systems, which include all risks faced by the Company, and assisting the Board of Directors in identifying and evaluating the level of risk appetite of the Company. - Discussing and approving the two risk management reports for the financial year ended 31/12/2024 and 30/06/2025, also studies on the risks related to the sale or purchase of investments, prepared by the Risk and Compliance Department. - Discussing the risk management strategy and risk appetite prepared by the Risk and Compliance Department for the financial year 2025, as it was presented to and approved by the Board of Directors. - Approval was granted for the appointment of an external firm to oversee the Company's risk management.	6

- **Relationship between the Board of Directors and Executive Management**

The Board members can reach any member of the executive management to obtain all the basic information and data that enable them to view and carry out their duties and tasks efficiently and effectively and to ensure that all reports are prepared with a high degree of quality and accuracy and are submitted to the Board members in due course to facilitate the decision-making process.

Furthermore, duties and responsibilities of each of the Board members and executive management have been clearly defined in the approved policies and regulations to reflect the balance in the powers and authorities between the Board of Directors and executive management through the Board of Directors work charter, which was discussed and approved by the Board. The Executive Management also prepares periodic reports to the Board of Directors on the Company's performance, which are prepared to a high degree of quality within a specific period to facilitate their supervisory role.

THIRD RULE

Selection of Qualified Persons for Membership of the Board of Directors and Executive Management

- **Formation of Nomination & Remuneration Committee**

The Company formed the Nomination and Remuneration Committee, which is responsible for preparing recommendations related to nominations for the positions of members of the Board of Directors and executive management and those related to the policies and regulations governing compensation and remuneration. In rule (2) herein, more details were made about this committee and its most important achievements.

- **Approval of remuneration granted to members of the Board of Directors and Executive Management**

1- Remuneration of the Board of Directors Members and Board Secretary

The Board of Directors approved its recommendation to the members of the Ordinary General Assembly to approve the remuneration of the members of the Board of Directors, with a total amount of KWD 305 thousand, in addition to its approval of remuneration to the Board Secretary.

2- Remuneration of the Executive Management

The remuneration system for the executive management is linked to the Company's performance and the extent to which the desired growth goals are achieved, and in proportion to the size, nature and degree of risks and responsibilities of the job. The remuneration includes a fixed segment represented in salaries, bonuses, and other fixed benefits in addition to a variable segment represented in annual incentives.

3- Any substantial deviations from remuneration policy approved by Board of Directors

Nil.

4- Remuneration Approval Report

Remunerations and benefits granted to members of the Board of Directors							
Total Members of the Board of Directors	Remunerations and benefits through the parent company			Remunerations and benefits through subsidiary companies			
	Fixed Remunerations and benefits	Variable Remunerations and benefits		Fixed Remunerations and benefits		Variable Remunerations and benefits	
	health insurance	Annual Remunerations	Committees Remunerations	health insurance	Total monthly salaries	Annual Remunerations	Committees Remunerations
8	Nil	305,000	Nil	Nil	Nil	Nil	Nil

The total remuneration and benefits granted to the CEO and executive managers of the company						
Total number of executive managers	Remunerations and benefits through the parent company			Remunerations and benefits through the subsidiary companies		
	Fixed Remunerations and benefits		Variable Remunerations and benefits	Fixed Remunerations and benefits		Variable Remunerations and benefits
	Total monthly salaries	health insurance	Annual Remunerations	Total monthly salaries	health insurance	Annual Remunerations
7	345,600	3,488	620,137	Nil	Nil	Nil

FOURTH RULE

Integrity of Financial Reporting

- **Fairness and integrity of the prepared financial reports**

The executive management pledged in writing to the Company's Board of Directors that the Company's financial reports are presented in a true and fair manner, and the financial reports disclose all financial aspects of the Company, including operational data and results, and that they are prepared in accordance with International Accounting Standards approved by CMA.

- ## Board of Directors pledge on fairness and integrity of the financial reports

We, the Chairman and members of the Board of Directors of Gulf Cables & Electrical Industries Group Co., pledge to the fairness and integrity of the Company's prepared financial statements during the financial year ended 31/12/2025, as well as all reports related to the Company's activity. We pledge that those reports were truly and fairly presented, and that those reports were prepared in accordance with the International Accounting Standards approved by CMA, based on the undertaking received by us from the executive management, as well as the report of the external auditors in this regard.

Name	Title
Asaad Al-Banwan	Chairman
Bader Naser Al-Kharafi	Vice Chairman
Bader Mohammad Abdul-Wahab Al-Juan	Board Member - Independent Member
Sabah Khalid Saleh Al-Ghunaim	Board Member
Jamal Naser Hamad Al Falah	Board Member - Independent Member
Juhail Mohammad Abdul-Rahman Al-Juhail	Board Member
Yousef Ibrahim Yousef Al-Raqm	Board Member
Mohammad Saad Mohammad Al-Saad	Board Member

- ## Formation of Audit Committee

The Company has formed audit committee that is mainly concerned with ensuring the fairness and integrity of financial reports and internal control systems. It also monitors work of the external auditors, studies the adopted accounting policies, evaluates internal control systems, and reviews internal audit. In rule (2) herein, more details were made about this committee and its most important achievements.

- ## Emphasizing the independence and neutrality of the external auditors

1- It has been ensured that the external auditors are independent of the Company and its Board of Directors, and that they do not perform additional work for the Company that is not part of the review and audit engagements, which may affect the neutrality or independence.

2- The Board of Directors relies on the services provided by the external auditors based on a recommendation of the Audit Committee submitted to the Board.

3- The audit committee also recommends the Board of Directors to appoint and reappoint the external auditors, whereby the external auditors are appointed or changed in the Ordinary General Assembly based on the recommendations of the Board. Further, it also recommends the Board of Directors to determine fees of the external auditors, assuring their independency, reviewing their appointment letters, studying their notes on the Company's financial statements, and ensuring that they are registered in the special register at CMA.

4- Ms. Hend Abdullah AL Surayea from Messrs. Grant Thornton – Al-Qatami, Al-Aiban & Partners were appointed as external auditors for the year 2025 based on approval of the General Assembly.

FIFTH RULE

Developing Valid Risk Management and Internal Control Systems

- ### Formation of an independent department / office / unit for risk management

The Company has created a Risk Department, which is a department with complete technical independence and reports to the Risk Committee. A Director has been appointed to determine, measure and limit all types of risks facing the Company to achieve its desired goals and submits its recommendations to the Risk Management Committee.

- ### Formation of Risk Management Committee

The Company has formed a Risk Management Committee, which is primarily concerned with developing policies and regulations for managing risks, in line with the Company's appetite to risk tolerance. In rule (2) herein, more details were made about this committee and its most important achievements.

- ### Internal monitoring and control systems

The Company adopts a set of internal monitoring and control systems that cover all of its activities by following the administrative policies approved within the Company and adhering to the limits and regulatory guidelines, the legitimacy of transactions, good documentation and establishing an appropriate framework for approvals, permissions, verification and settlement. The Board of Directors supervises the implementation of the internal control systems through Risk Committee and Audit Committee.

The Company has used services of an independent agency to prepare a report on valuation and revision of the Internal Control Systems (ICR) in accordance with the requirements of CMA for the financial year ended 31 December 2025. The examination was conducted in accordance with the standards specified in the internal control framework. It was found that the internal control systems in the Gulf Cables Company have been applied and maintained in accordance with the specified standards.

- ### Internal Audit Department

The Board of Directors has assigned the Internal Audit Department, through the Audit Committee, with its tasks and responsibilities. Therefore, the Company's Internal Audit Department is a department with complete technical independence and reports to the Company's Board Audit Committee. Internal Audit Department provides the Board of Directors and the Executive Management with an independent and objective opinion on the availability of controls and regulatory conditions that would include the fairness and effectiveness of the Company to reach its objectives, provided that the reports of the Internal Audit Department are to be submitted through the Audit Committee to the Board of Directors.

SIXTH RULE

Promote Professional Conduct and Ethical Values

- ### Work Charter

The role of the Board of Directors is to set standards and limitations that establish the ethical concepts and values of the Company, while the responsibilities of the executive management are to implement the Company's objectives in accordance with those standards and limitations. Therefore, a work charter has been developed for the Company that contributes to the performance of the Board of Directors and all employees to perform the tasks fully entrusted to them and to provide the necessary directions to avoid disputes or conflicts, support appropriate conduct and maintain the confidentiality of information.

Members of the Board of Directors have approved a set of internal policies and procedures to adhere to the principles of governance and to enhance the professional conduct and ethical values to establish a clear separation between interests of the Company and those related to the Board of Directors and the Company's employees.

- ### Conflict of Interest

This policy aims to ensure that appropriate procedures are applied to discover cases of conflict of interest. This policy is deemed as an approved mechanism for the Board of Directors to prevent members of the Board, independent members and employees from misuse of the information obtained due to their work in the Company to achieve personal benefits. In addition, information and data related to the Company should not be disclosed unless it is permitted to be disclosed by law. Employees must make full and fair disclosure of all matters that could be expected to impair their independence and objectivity or conflict with respective duties to their current or potential clients or the Company.

SEVENTH RULE

Accurate and Timely Disclosure and Transparency

- ### Disclosure and transparency

The Board of Directors oversees accurate and timely disclosure procedures to solidify the financial health of the Company and provides information and data for all those interested in the Company whether they are current or potential investors. The Company disclosed any information with a high degree of accuracy and credibility.

During 2025, the Company disclosed material information so that the announcement contained sufficient information and data to allow anyone to find such information with an explanation of its impact on the financial statements. The Company also disclosed its major shareholders whose ownership reaches 5% or more of the Company's share capital according to the instructions of CMA. The Company has updated the list of its insiders.

The Company has prepared a special record that includes all the disclosures that have been announced, and the data of such record is periodically updated. The website also contains, in the announcement section, all the disclosures that were announced.

- **Register of disclosures of members of the Board of Directors and executive management**

There is a particular register for the disclosures of members of Board of Directors and executive management, which is available for perusal by all the Shareholders of the Company.

- **Investor Affairs Regulatory Unit**

The Company has designated a section on its website for Investors Affairs that includes financial reports, Company dividends, market share price, flowcharts, and a statement of the major shareholders of the Company. These sections contain comprehensive financial information about the Company's performance that would provide analysts, shareholders and other concerned parties with the information needed for perusal.

- **Information Technology**

The Company has established a section dedicated to corporate governance on its website according to the instructions issued by CMA and the regulatory rules. This section contains the pillars of governance as defined by CMA that deals with major sectors in the Company, which are the organizational structure of governance, the Board of Directors and its committees, behavioral values, professional conduct and ethical standards, disclosure and transparency, risk management and internal control, whistleblower protection, and Memorandum of Incorporation and Articles of Association.

The Company is keen to follow the instructions of CMA and Boursa Kuwait, as the correspondence takes place by e-mail and the electronic portal of Boursa Kuwait and CMA. The legal representative of the Company is responsible for entering the information and data of the Company and updating it on websites of Boursa Kuwait and CMA.

EIGHTH RULE

Respecting Shareholders Rights

- **Protection of Shareholders Rights**

The Company has set its internal bylaws, procedures and controls necessary to ensure that all shareholders exercise their rights in a manner that achieves justice and equality and does not contradict the applicable laws and regulations and the decisions and instructions issued in this regard. Therefore, the general rights of the shareholders have been preserved by registering the property value in the Company’s records at Kuwait Clearing Company and according to the instructions determined for the same, and the shareholder obtaining the share determined in dividend distributions, obtaining data and information on the Company's activity and its operational and investment strategy on a regular basis, and participating in the Shareholders General Assembly Meetings and voting on their decisions.

- **Shareholder’s register**

The Company has maintained a special register with Kuwait Clearing Company in which the names of the shareholders, their nationalities, their domicile, and the number of their owned shares are recorded, and any changes to the data registered therein are indicated in the shareholders register according to the data received by the Company or by Kuwait Clearing Company. Each concerned person may request from Kuwait Clearing Company or the Company to provide him with data from this register without conflicting with the laws and regulations issued by the relevant regulatory authorities.

- ## Encouraging shareholders to participate and vote in the Company’s General Assembly meetings

The Company encouraged shareholders to participate and vote in the Company’s General Assembly meetings, upon an invitation from the Board of Directors, within the three months following end of the financial year. The invitation was sent to the shareholders to attend the General Assembly meeting, including agenda, time and place of the meeting. Items on the agenda of the General Assembly included briefing the shareholders to discuss the governance report, the audit committee report, the Board of Directors' report on the Company's activity, its financial position and its business results, to discuss and approve the external auditor's report on the results of the Company's financial statements, to approve the distributable net profit, and to discuss dealings with related parties, and to discuss the topics on the agenda and related inquiries.

- ## List of major shareholders

Shareholder’s Name	Share percentage
Bader Nasser AlKharafi and Group (Al Khair Global for Buying & Selling Shares)	**18.73%**
Juhail Mohammed Juhail & Group (Ejabi Holding Co.)	**12.07%**
Ibrahim Abdulrahman Al-Asfour	**5.90%**
Public Institution for Social Security (PIFSS)	**5.47%**
Sheikh Salem Sabah Al-Nasser Al-Sabah	**5.00%**

NINTH RULE

Understanding the Role of Stakeholders

- ## Stakeholder’s rights

The Company has set the rules and procedures that guarantee the protection and recognition of stakeholders' rights. It included confirming that dealing with members of the Board of Directors and stakeholders is carried out under the same conditions that the Company applies with the various parties of stakeholders without any discrimination or preferential conditions and the procedures that will be taken in case any of the parties breach their obligations. The policy also included the mechanisms for compensating stakeholders in case their rights are violated, and the mechanisms to settle complaints or disputes that may arise between them and the Company. It shall be taken into consideration that stakeholders shall not be given any preference through dealing in contracts and deals that are carried out under the Company’s normal course of business in order not to conflict with stakeholders' transactions, whether contracts or deals with the Company, with the interest of shareholders.

- ## Encouraging stakeholders to follow Company's activities

The Company encourages stakeholders to participate in the follow-up of its various activities through enabling them to obtain information and data related to their activities, through website so that they can rely upon it in a timely manner and on a regular basis to obtain all the information they need from the factories, products, network sales, purchases, and the Company’s policy as well as investors' affairs and corporate governance.

TENTH RULE

Enhancing and Improving the Performance

- ### Evaluating and training members of the Board of Directors and executive management

Members of the Board of Directors and executive management have an appropriate understanding of the Company's business and its operations, from the Company's strategy and objectives to the financial and operational aspects of all the Company's activities, the legal and regulatory obligations entrusted to them, the responsibilities and tasks assigned to them, and the role of the Board committees. All members of the Company's Board of Directors were provided with the approved copy of the policies, charters and work systems of the Board of Directors and executive management.

The Company has developed systems and mechanisms to evaluate the performance of the Board of Directors as a whole and the performance of each member of the Board of Directors and the executive management on a regular basis, through developing a set of Key Performance Indicators related to the extent to which the strategic objectives of the Company are achieved, the quality of risk management and the adequacy of internal control systems, to evaluate the Board of Directors as a whole, evaluate the contribution of each member of the Board and each of its committees, and to evaluate the performance of the executive managers, periodically (annually), in addition to identifying weaknesses and strengths and proposing how to address them in accordance with the Company's interest.

- ### Value Creation

The Board of Directors emphasized the importance of value creation among employees of the Company, through constant work to achieve strategic objectives of the Company, improve performance rates, and adhere to laws and regulations, especially governance rules, through:

1. Adding value to the Company's brand, and increasing the confidence of stakeholders, partners, societies, and governments in the Company.
2. Facilitating opportunity for teamwork to give priority to the Company's interests over other interests to achieve its goals.
3. Encouraging self-censorship and showing more professional responsibility and high professionalism in performance.
4. Encouraging employees to know work values and to introduce them to others.
5. Spreading the concept of compliance with laws and regulations, which helps employees to work in an environment that adheres to the regulations.

ELEVENTH RULE

Emphasizing the Importance of Social Responsibility

- **Company’s goals**

The Company seeks to develop a policy to balance between Company goals and those of the society in order to achieve them. It is working on the development of living, social and economic conditions of the society in which it operates.

- **The Company's efforts in social work**

1- The Company attracts promising professionals in various sectors and is keen to provide basic training programs to improve and grow their career path.

2- The Company’s management continues its social duty in cooperation with Kuwait University - College of Engineering and Petroleum, as well as the Public Authority for Applied Education and Training, to provide services through field visits to students to see the mechanism of working in production lines and technical works. The Company’s management also sponsors graduation projects for students at the College of Engineering and Petroleum in the first and second semesters of each year.

3- The company's management has supported and participated in many sports activities and events, especially padel and cricket and Formula 4, and has also taken part in several local and regional exhibitions and community events.

AUDIT COMMITTEE REPORT

For the Year Ended 31 December 2025

Committee Members

- **Mr. Bader Naser Al-Kharafi (Committee Chairman)**
- **Mr. Jamal Naser Hamad Al Falah (Vice Chairman - Independent Member)**
- **Mr. Juhail Mohammad Abdul-Rahman Al-Juhail (Member)**
- **Mr. Mohammad Saad Mohammad Al-Saad (Member)**
- **Mr. Naser Omran Kanaan (Committee Secretary)**

Committee Meetings and Achievements

The Audit Committee held its meetings 8 times during 2025, its most important achievements are:

1. Monitoring financial reports, managing internal control, internal and external audit, following up on compliance, and other matters that are commensurate with its specializations and evaluation of internal control systems.
2. Reviewing the financial statements and results of the internal audit department reports for the year 2025 and submitting recommendations to the Board of Directors.
3. Nomination of an external auditor for the fiscal year 2025.
4. The violations report issued by the Capital Markets Authority was discussed.

Committee Opinion on the Company's Internal Audit

During 2025, the committee supervised the Company's internal audit department to verify its effectiveness in implementing the tasks specified by the Board of Directors. The committee also ensured that the internal control systems are maintained and ensure their adequacy and effectiveness for the Company. The committee is keen on the Company's compliance with the relevant laws, policies, regulations, and instructions.