



مخازن  
MAKHAZEN

# Agility Public Warehousing Company K.S.C.P

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Corporate Governance Report  
For the Financial Year 2025

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## Introduction

Agility Public Warehousing Company KSCP continuously strives to comply with the best international practices in Corporate Governance and all the applicable rules and regulations set by the regulatory authorities. In addition, the company ensures compliance with all its legal obligations in accordance with its articles of association and internal policies.

Makhazen approaches its corporate governance implementation through its Board of Directors which consists of an appropriate number of members, the majority of which are non-executive Directors. The Board is keen on the effective oversight of the company's operations while maintaining a sound and transparent governance framework by utilizing the different committees formed by the Board.

The Board of Directors is assisted in its duties by five committees - Audit, Risk, Nomination and Remuneration, Sustainability, and Government Relations. In addition to the Executive Management and internal and external auditors of the company.

## Corporate Governance Rules and Regulations

### Rule I: Construct a Balanced Board

#### Board Composition

Makhazen's Board of Directors is committed to improving the corporate governance and compliance culture across the Group. The Board adheres to all the applicable and relevant best international practices of corporate governance and recognizes that good governance is vital for the long-term success and sustainability of the Company.

The Board of Directors aims to protect the interests of all stakeholders. The Board, directly and indirectly, through its committees, provides directions to executive management by laying down strategic frameworks and overseeing their implementation, reflected through the overall performance of the Company. Moreover, the Board of Directors works to enhance the competitiveness of the Company to achieve high growth rates, which benefits the shareholders.

Makhazen has a balanced Board structure with diverse backgrounds, expertise and qualified skills to positively impact on the Company's performance and enhance its financial position and market share taking into account the nature and size of its business structure.

The Board of Directors consists of seven members including independent members. When it comes to duties, the company ensures that the Board of Directors has sufficient time to perform their duties and responsibilities.

The composition of the Board of Directors complies with the requirements of the Capital Markets Authority's Corporate Governance Module, whereby the majority of Board members are non-executive, and the Board includes independent members in accordance with regulatory independence criteria.

#### Makhazen Board Members are:

Name	Position	Type	Background	Date of appointment	Notes
Faisal Al Essa	Chairman	Non-Executive	Bachelor in Business Administration	22 May 2025	
Tarek Sultan	Vice chairman	Executive	Master in Business Administration	22 May 2025	Resigned on 29 December 2025
Khaled Al Ghais	Vice Chairman	Executive	Master in Business Administration	29 December 2025	Joined on 29 December 2025
Sultan Al Essa	Member	Independent	Bachelor in Business Administration	22 May 2025	
Saqer Al Rashoud	Member	Non-Executive	Bachelor in Accounting	22 May 2025	
Naser Al Rashed	Member	Independent	Master in Business Administration	22 May 2025	

Abdulmajeed Al Shatti	Member	Independent	Master in Engineering	22 May 2025	
Abdulaziz Nader Al Eisa	Member	Non-Executive	Bachelor in Architectural Engineering	22 May 2025	
Sonia Al Sharafi	Board Secretary	Board Secretary	More than 25 years of experience	22 May 2025	

The Board of Directors held 12 meetings during 2025, and attendance was as follows:

	13 Feb	27 Mar	17 Apr	30 Apr	15 May	12 Jun	17 July	14 Aug	21 Sep	4 Nov	13 Nov	30 Dec
Faisal Al Essa	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Tarek Sultan	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	x
Sultan Al Essa	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Naser Al Rashed	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Abdulaziz Al Essa	x	x	x	x	x	✓	✓	✓	✓	✓	✓	✓
Abdulmajeed Al Shatti	x	x	x	x	x	✓	✓	✓	✓	✓	✓	✓
Saqer Al Rashoud	x	x	x	x	x	x	✓	✓	x	✓	✓	✓

\* A ✓ is indicated for the member's presence and X for absence. Note the AGM elected new board on 22 May 2025, and thus the attendance is based on this new election.

### Summary of registering, coordinating, and archiving the Board's minutes of meetings:

The Board secretary, who is appointed by the Board, ensures that all Board members receive the required information, documents and records related to the Company in a timely manner. The Board Secretary is also responsible for all matters related to the Board's meetings including agendas, invitations to members, minutes of discussion and tallying results of the votes, in-addition to ensuring the Board members are notified of meeting dates ahead of time, taking into account emergency meetings.

The secretary archives the minutes of meetings and numbers them accordingly, specifying the date, place, and the time of the meeting. The secretary also ensures proper communication between the Board members and Company's stakeholders.

### Rule II: Establish Appropriate Roles and Responsibilities

During the year 2025, Makhazen's Board of Directors played an active role in overseeing the performance of the company and ensuring it complied with all Corporate Governance requirements

as set by the Capital Markets Authority. When performing their duties, members of the Board follow a Charter that outlines the roles and responsibilities of the members.

### **Roles and responsibilities of the Board of Directors:**

- Approve Company's strategies, objectives, business plans, and policies.
- Review and approve the annual estimated budgets and approve periodic and annual financial statements.
- Oversee the Company's major capital expenditures, assets acquisitions and disposal.
- Ensure the accuracy and integrity of information disclosed in accordance with applicable disclosure and transparency requirements, policies, and procedures.
- Ensure compliance with internal policies and procedures and applicable laws and regulations.
- Establish effective communication channels that enable shareholders to remain informed of the Company's latest developments and updates.
- Establish and follow an effective corporate governance framework.
- Oversee the performance of each Board member and Executive Management.
- Review and approve the Corporate Governance report to be included in the Annual Report and presented to the shareholders during the Annual General Assembly Meeting.
- Establish board committees governed by approved charters that define their term, structure, and responsibilities of each and performance evaluation mechanisms.
- Ensure the company's policies and procedures promote transparency and support sound decision-making.
- Approve job descriptions that clearly define the roles and responsibilities of each member of the Board of Directors.
- Define the authority delegated to the Executive Management and the scope of responsibilities.
- Monitor and evaluate the performance of the Executive Management.
- Determine employees' bonus schemes.
- Appoint or dismiss any members of Executive Management.
- Ensure the effectiveness and adequacy of the internal control systems in measuring and managing risks periodically.
- Approve policies that govern the relationship with stakeholders and related party transactions to avoid conflict of interests.

### **Roles and responsibilities of the Board Chairman:**

- Ensure that the Board discusses all major matters effectively and in a timely manner.
- Encourage effective participation and contribution from all members of the Board of Directors during meetings.
- Represent the company in accordance with its Articles of association.
- Ensure effective communication with shareholders and convey their views to the Board of Directors.
- Promote constructive and effective cooperation between the Board of Directors and Executive Management.
- Foster a culture that encourages constructive dialogue and consideration of differing viewpoints.

- Ensure the independency of the board committees

During 2025, the Board of Directors carried out its duties in line with its role and responsibilities, including:

- 1- Approved the Company's annual plan and monitored the Company's performance against approved strategic and financial objectives.
- 2- Monitored the performance of the committees and the Executive Management and ensured effective execution of all assigned responsibilities.
- 3- Continued to oversee business continuity and contingency planning and ensure operational resilience and minimize potential disruptions.
- 4- Approved the distribution of the second in kind dividends to the shareholders. The distribution was in the form of shares in Agility Global.
- 5- Reviewed capital structure matters and mandated Executive Management to assess optimal capital levels to support long-term shareholder value creation.
- 6- Oversaw the Board nomination and election process in accordance with Capital Markets Authority Corporate Governance requirements
- 7- Approved updates to Board and Committee composition following the General Assembly.
- 8- Established a Government Relations Committee responsible for managing the relationship between the Company and government authorities. This committee aims to ensure compliance with relevant regulations and facilitate effective communication with governmental bodies.
- 9- Approved changes to the Executive Management team.

### **Roles and responsibilities of Executive Management:**

The company has a team of highly qualified Executive Management members responsible for carrying the duties entrusted to them in accordance with the Corporate Governance framework. The responsibilities of Executive Management include:

- Execute the Company's strategic plans and ensures the adequacy and efficiency of the strategic frameworks established by the Board of Directors.
- Prepare periodic financial and non-financial reports demonstrating company's performance during the reporting period.
- Maintain an integrated accounting system and prepare financial statements in accordance with the International Financial Reporting Standards (IFRS).
- Manage the Company's day-to-day operations and ensure the efficient utilization of Company resources.
- Promote and support a culture of ethical conduct and corporate values across the Company.
- Ensure the effectiveness and adequacy of internal audit and risk management systems.
- In 2025, the company appointed a new executive leadership team tasked with building on the achievements of their predecessors and advancing the organization to a higher stage of growth.

### **Board Committees**

Part of the Borad's responsibilities is to establish committees to support the effective execution of its duties and responsibilities, in line with the Company's business needs and operating

environment. The Board of Directors has formed committees in accordance with the rules and regulations of the Corporate Governance policy set by the Capital Markets Authority. The Board has established the following committees:

- Audit Committee
- Risk Management Committee
- Nominations and Remuneration Committee
- Sustainability Committee
- Government Relations Committee

Each committee operates under an approved charter that defines its roles, responsibilities, composition, and reporting lines to the Board of Directors.

### Audit Committee:

Formed: 22 May 2025

Period: 3 years

Members: 3

Meetings: 5

<b>Members</b>	<b>Role</b>	<b>Classification</b>	<b>Attendance</b>
Naser Al Rashed	Chairman	Independent	100%
Sultan Al Essa	Member	Independent	100%
Abdulaziz Nader Andulhamid AlEisa	Member	Non-Executive	100%

### Roles and responsibilities

- Review periodic financial statements prior to submission to the Board of Directors and provide opinions and recommendations to ensure the fairness and integrity of financial reporting.
- Recommend to the Board of Directors the appointment, reappointment, or replacement of the external auditors, verify their independence, and review the terms of engagement and remuneration.
- Follow up on the performance and work of external auditors and ensure that no non-audit services are provided that could affect their independence.
- Review external auditors' observations and ensure that appropriate corrective actions are taken.
- Evaluate the adequacy and effectiveness of the internal audit systems and submit reports and recommendations to the Board of Directors.
- Supervise the Internal Audit function and review and approve internal audit plans.
- Review internal audit reports and ensure that corrective actions are implemented in response to audit observations.
- Recommend the appointment, replacement, or removal of the Head of Internal Audit and evaluate their performance.
- Ensure compliance with applicable laws, regulations, and internal policies.
- Discuss observations and penalties issued by regulatory authorities against the company, follow up on the executive management's actions to address and rectify these observations and violations, and provide recommendations to the Board of Directors accordingly.

#### Committee main achievements in 2025:

- 1- Reviewed periodic financial statements prior to submission to the Board of Directors and provided recommendations to support the accuracy and transparency of financial reporting.
- 2- Reviewed the external auditors' reports, observations, and any audit qualifications raised.
- 3- Reviewed accounting treatments and financial statements.
- 4- Reviewed Internal Audit reports periodically and ensured that management implemented corrective actions related to audit observations.
- 5- Reviewed external auditor performance and confirmed their independence. For the year 2025, the committee recommended the appointment of the existing auditors.
- 6- Held periodic meetings with the external auditors and Internal Audit to discuss financial reporting matters, audit observations, and risk areas.
- 7- Reviewed regulatory and supervisory observations and ensured that appropriate corrective actions were taken where required.

#### Risk Management Committee:

Formed: 22 May 2025

Period: 3 years

Members: 4

Meetings: 5

Members	Role	Classification	Attendance
Naser Al Rashed	Chairman	Independent	100%
Tarek Sultan	Member	Executive	100%
Abdulaziz AlEisa	Member	Non-executive	100%
Abdulmajeed Al Shatti	Member	Independent	100%

#### Roles and responsibilities:

- Prepare and review risk management strategies and policies prior to submission to the Board of Directors and monitor the implementation of such strategies and policies in line with the Company's nature and level of activities.
- Ensure the availability of adequate resources, systems, and tools necessary for risk management.
- Ensure the independence of the Risk Management function, enhance employees' awareness of risk culture, and support effective risk identification and assessment across the Company.
- Prepare periodic reports on major key risks that might have an impact on the Company's performance and present them to the Board of Directors.

#### Committee main achievements in 2025:

1. Monitored and followed up on the implementation of the Risk Management function action plan.
2. Reviewed and approved the reports prepared by the Risk Management function.

3. Discussed material operational and legal risks affecting the Company and assessed their potential impact on operations and financial position.
4. Reviewed related party transactions from a risk perspective and presented recommendations to the Board of Directors.
5. Reviewed regulatory observations, including those issued by the Capital Markets Authority, and ensured that appropriate corrective actions were taken where required.

#### Nomination and Remuneration Committee:

Formed: 22 May 2025

Period: 3 years

Members: 3

Meetings: 4

Members	Role	Classification	Attendance
Faisal Al Essa	Chairman	Non-executive	100%
Naser Al Rashed	Member	Independent	100%
Tarek Sultan	Member	Executive	100%

#### Roles and responsibilities:

- Recommending nomination or re-nomination of members for Board members and Executive Management in accordance with the approved nomination policy.
- Review and recommend the remuneration policy for Board members and Executive Management and ensure it is aligned with the Company's performance and long-term objectives.
- Identify the required skills, experience and competencies for Board membership and review such requirements on a periodic basis.
- Review and recommend job descriptions and role definitions for Board members and Executive Management.
- Prepare an annual remuneration report to be included in the Corporate Governance Report, detailing compensation granted to Board members and Executive Management.

#### Committee main achievements in 2025:

- 1- Reviewed the Company's organizational structure and assessed its alignment with operational and governance requirements.
- 2- Prepared the annual remuneration report for Board members and Executive Management in accordance with applicable regulatory requirements.
- 3- Reviewed the independence of Board members in accordance with Corporate Governance requirements.
- 4- Oversaw the nomination and evaluation process for Board membership during the Annual General Assembly and recommended candidates to shareholders in accordance with the approved nomination procedures which are aligned with the regulatory requirements.
- 5- Reviewed Board composition following a Board member resignation and recommended the appointment of a replacement member in accordance with the approved nomination procedures and Corporate Governance requirements.
- 6- Reviewed committee composition following the Board changes to ensure continued compliance with Corporate Governance requirements.

### Sustainability Committee:

Formed: 22 May 2025

Period: 3 years

Members: 3

Meetings: 2

Members	Role	Classification	Attendance
Abdulmajeed Al Shatti	Chairman	Independent	100%
Naser Al Rashed	Member	Independent	100%
Tarek Sultan	Member	Non-executive	100%
Saqr Al Rshoud	Member	Non-Executive	100%

Roles and responsibilities:

- Review the Company's sustainability significant strategies, initiative, performance, and policies and provide recommendations to the Board.
- Monitor the Company's relationships with stakeholders in relation to ethics and compliance, health and safety, labor practices, environmental performance, community engagement matters.
- Advise the Board and the management on strategies that affect and enhance the Company's role and reputation among its stakeholders.

Committee main achievements in 2025:

- 1- Reviewed sustainability-related regulatory requirements and assessed their potential impact on the Company.
- 2- Reviewed and discussed the Company's Sustainability Report prior to publication and provided recommendations to the Board of Directors.
- 3- Reviewed sustainability reporting metrics and key performance indicators included within the Company's Sustainability Report.
- 4- Discussed key environmental, social and governance (ESG) factors that may impact the Company's long-term strategy and operations.
- 5- Oversaw the preparation, review and issuance of the Company's Sustainability Report and related sustainability disclosures in coordination with management.

### Government Relations committee:

Formed: 15 June 2025

Period: 3 years

Members: 3

Meetings: 2

Members	Role	Classification	Attendance
Abdulmajeed Al Shatti	Chairman	Independent	100%
Naser Al Rashed	Member	Independent	100%

Abdulaziz AlEisa	Member	Non-executive	100%
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**Roles and responsibilities:**

- Oversee the Company's relationships with governmental and regulatory authorities and relevant public sector entities.
- Monitor developments in laws, regulations and public policies that may affect the Company's operations and advise the Board of Directors accordingly.
- Support management in obtaining regulatory approvals, licenses and permits required for the Company's activities.
- Review matters relating to concessions, land use, and governmental agreements and provide recommendations to the Board of Directors where appropriate.
- Coordinate with management regarding official correspondence and regulatory communications with government authorities.
- Follow up on regulatory and governmental requirements to ensure the Company's compliance with applicable regulations.

**Committee main achievements in 2025:**

1. Followed up with management on governmental procedures and approvals relating to the Company's projects and operations.
2. Supported management in coordinating official communications and follow-ups with relevant governmental and regulatory authorities regarding operational and regulatory matters.
3. Reviewed matters relating to governmental procedures, land use and regulatory requirements and provided recommendations to the Board of Directors where required.

**Ensuring Board Members receive information and data accurately and in a timely manner.**

The Board Secretary facilitates the effective flow of information and coordination between members of the Board of Directors and management. The Company provides Board members with periodic reports, supporting documentation and relevant data prior to Board meetings, enabling them to review matters submitted for discussion and decision-making.

The Company maintains appropriate information systems that support the timely provision of information to Board members in accordance with applicable laws and regulations. Board members have the right to request any additional information they deem necessary to perform their duties and responsibilities effectively.

**Rule III: Recruit Highly Qualified Candidates for the Board of Directors and the Executive Management**

The Company applies a formal nomination and selection process for Board members and Executive Management in accordance with the Corporate Governance requirements issued by the Capital Markets Authority. The Nomination and Remuneration Committee evaluates candidates based on qualifications, experience, independence criteria and fit-and-proper requirements prior to recommending them to the Board of Directors and shareholders, as applicable.

The Board of Directors and Executive Management comprise qualified and experienced professionals possessing diverse expertise relevant to the Company's activities. The selection process aims to ensure an appropriate balance of skills, experience and independence within the Board structure.

### **Board Biographies:**

#### **Faisal Jamil Sultan Al Essa, Chairman (Representing Arab Markets for General Trading and Contracting)**

Faisal Jamil Al Essa is a distinguished business leader with a proven track record in real estate investment, strategic development, and corporate leadership. As Vice Chairman and Chief Executive Officer of National Real Estate Company K.P.S.C. (NREC), he oversees one of the Middle East's leading publicly traded real estate firms, managing over \$2 billion in assets and operating across more than ten countries.

Prior to his current role, Faisal played a key role in NREC's business development, driving growth initiatives and leading strategic investments. He has also held board, chairman, and managing director positions across multiple subsidiary companies.

In addition to his role at NREC, Faisal is the Chairman of Kuwait Agro Holding, a leading agribusiness company specializing in fresh produce, poultry, and dairy across the Middle East. Faisal is also a Board member of its Abu Dhabi listed subsidiary, Agility Global. Faisal holds a degree in Management from Barry University, USA.

#### **Tarek Sultan, Vice Chairman (Representing White Tower for General Trading and Contracting)**

Tarek Sultan is the Vice Chairman of Agility, a global leader in supply chain services, infrastructure, and innovation, with 58,000 employees and a footprint in six continents. Agility is listed on the Kuwait Stock Exchange and Dubai Financial Markets. Tarek is also the Chairman of Agility's subsidiary, Agility Global, a multi-business owner and operator and long-term investor listed on the Abu Dhabi Securities Exchange.

Tarek assumed leadership of Agility in 1997 and spearheaded the company's worldwide growth through a series of more than 40+ acquisitions.

Sultan serves as a member of numerous international, governmental, and commercial advisory bodies and boards. They include the board of directors of Directors of DSV A/S, NREC, Gulf Air, and the Abu Dhabi Chamber of Commerce. Tarek is also part of the World Trade Organization's Business Advisory Group, created in 2023 to share the views of businesses on trade and regulation, as well as the World Economic Forum's (WEF) International Business Council, the WEF's Stewardship Board for Shaping the Future of Mobility, and a Governor of the WEF Supply Chain and Transport Industries community. Sultan has previously served as advisor to the Singapore Economic Development Board and as a member of the International Advisory Council of the University of Pennsylvania's Wharton School. He served on the Board of Trustees for Kuwait's Silk City and the Boubyan Island Development Project of Kuwait, as well as on the boards of Gulf Bank and Burgan Bank. Before taking on his leadership role at Agility, Tarek was the managing director of New York Associates, a regional investment banking services provider and an associate with Southport Partners, a U.S.-based corporate finance advisory firm specializing in the technology sector. Tarek holds an MBA from the Wharton School at the University of Pennsylvania and a Bachelor of Economics from Williams College.

### Abdulaziz Nader AlEisa, Board Member

Abdulaziz Nader AlEisa is the Deputy Chief Executive Officer at Bader Sultan & Bros. Co., overseeing administration, operations, and strategic projects. He also serves as a Board Member and Vice Chairman at Sultan Real Estate Company, and as a Board Member at Bayan Investment Company.

Previously, Abdulaziz held senior leadership roles, including Executive Manager of the Administration Department at Bader Sultan & Bros. Co., Board Member at Roswell Biotechnologies Inc., Board Member at Arkan for Manufacturing and Mining in Egypt, and Vice Chairman of Bonyan Real Estate Company. He also served at Bayan Investment Company as Unit Head of Clients' Portfolios and began his career as a Stockbroker at Union Securities Brokerage Company.

He is certified as an International Broker, a Marketing Officer, and a Chartered Portfolio Analyst, with additional training in Advanced Technical Analysis and Real Estate Management at Harvard University.

Abdulaziz holds a Master's degree in Business Administration from the Gulf University for Science and Technology and a Bachelor's degree in Business Administration and Management from the University of Tampa.

### Abdulmajeed Hajji Hussain AlShatti, Board Member

Abdulmajeed Hajji Hussain AlShatti is a prominent Kuwaiti economist with decades of leadership across the financial, energy, and scientific sectors. He currently remains actively engaged in national economic policy through various strategic and research-focused roles, while regularly contributing to economic publications and thought leadership.

His past experience includes high-profile positions such as Chairman and Managing Director of Commercial Bank of Kuwait, Executive Board Member for Investment, and Private Banking Manager within the same institution. He also held managerial roles at the Kuwait Petroleum Corporation, The Securities Group Company, and the Kuwait Institute for Scientific Research, where he led departments in economics, international relations, and development planning. In addition, he served as Deputy General Manager for Operations at the Public Authority for Compensation Assessment following the Iraqi invasion.

Abdulmajeed's board memberships are extensive and include directorships at Kuwait Petroleum Corporation, Bank of Bahrain and Kuwait, Kuwait Clearing Company, Alargan International Real Estate, and Iskan Finance Company. He has served as Chairman of the Kuwait Banking Association and was a member of the Supreme Petroleum Council. He was also Vice Chairman of the Kuwait Scientific Centre.

He holds an Engineer's Degree and Master's in Engineering Economic Systems from Stanford University, and a Bachelor's degree in Industrial Engineering and Operations Research from Syracuse University in New York, reflecting a unique blend of technical and economic expertise.

### Naser Mohammad Fahad AlRashed, Board Member

Naser Mohammad Fahad AlRashed is a seasoned business leader and entrepreneur with a distinguished career spanning both the public and private sectors. As Chairman of Aswaq Trading

Company, he has successfully positioned the firm as a premier retail powerhouse in Kuwait, offering high-quality fashion brands and innovative in-house labels to consumers across the Middle East.

Beyond his contributions to the private sector, Naser has held senior leadership positions in key governmental institutions, including the Civil Aviation Authority and the Kuwait Fund for Arab Economic Development, where he played an instrumental role in shaping policies and driving strategic initiatives.

Naser has also served as a board director for multiple publicly listed companies, leveraging his expertise in governance, finance, and strategic growth to drive long-term value. His extensive experience and leadership continue to make a significant impact on both the business and economic development sectors in Kuwait.

#### Saqer Mohammad Alrashoud, Board Member (Representing Public Institutions for Social Security)

Saqer Mohammad Alrashoud is an accomplished finance and operations leader with extensive experience in investment management, fund administration, and institutional operations across Kuwait's financial sector.

Since 2019, he has served as Operations Department Manager at the Public Institution for Social Security (PIFSS), where he oversees back-office operations, investment asset valuation, and custodial oversight, while strengthening reporting accuracy, operational efficiency, and institutional compliance.

Prior to joining PIFSS, Mr. Alrashoud held senior roles at leading financial institutions, including serving as Fund Administration Department Manager at NBK Capital, where he led new fund launches and ensured compliance with Capital Markets Authority requirements. Earlier in his career, he spent over a decade at Kuwait Clearing Company (KCC) in the Investment Fund Department, managing NAV calculations, trade settlements, and fund operations for the Kuwait Stock Market.

Mr. Alrashoud holds a Bachelor's degree in Accounting from Kuwait University's College of Business Administration.

#### Sultan Anwar Sultan Al Essa, Makhazen Board Member

Sultan Anwar Al Essa is a distinguished business leader with extensive experience in real estate development, strategic management, and corporate governance. As the Chief Executive Officer and Vice Chairman of Union Real Estate Co. (UREC), he oversees the company's vision, growth, and operations, solidifying its reputation as a premier provider of luxury residential properties in Kuwait. Since joining UREC in 2008, Sultan has played a pivotal role in driving the company's expansion and innovation. Prior to his tenure at UREC, Sultan worked at Petroleum Services Co., where he contributed to the company's success in supplying and servicing the oil and gas sector. Mr. Al-Essa holds a degree in Management from Northeastern University in Boston.

#### **Nomination and Remuneration Committee**

The Board of Directors has established the Nomination and Remuneration Committee in accordance with the rules stipulated in article 4-1 of the Corporate Governance Module 15.

The Committee's operates under an approved charter defining its roles and responsibilities, which include:

- Recommending the nomination and re-nomination of Board members and senior Executive Management in accordance with approved nomination procedures and regulatory requirements.
- Review and recommend the remuneration policy for Board members and the Executive Management and periodically assess the skills, experience and competencies required for Board membership.
- Review job descriptions Board members and Executive Management.
- Prepare an annual remuneration disclosure to be included in the Corporate Governance Report detailing compensation granted to Board members and Executive Management.

In accordance with the Corporate Governance requirements and principles of transparency and disclosure, the Company prepares an annual report detailing all remuneration and benefits granted to Board members and Executive Management.

## Board of Directors Remuneration

### Summary of Board remuneration policy

Board remuneration is recommended by the Nomination and Remuneration Committee, approved by the Board of Directors and submitted to shareholders for approval during the General Assembly Meeting. The total board remuneration should not exceed 10% of the company's net profits after deducting depreciation and reserves. Total board remuneration paid during the year 2025 was as follows:

<b>Remuneration and benefits paid to the Board Members during the financial year 2025</b>						
Total Number of Members	Remuneration and benefits through the parent company approved by the AGM on 22 May 2025				Remuneration and benefits through the subsidiaries	
	Fixed remuneration and benefits (KD)	Variable Remuneration and benefits (KD)			Fixed remuneration (For executive Position) (KD)	Variable Remuneration (For executive Position) (KD)
	Fixed Benefits	Annual Remuneration	Committees' fees	Special Remuneration	Monthly Salaries	Bonus
7	0	300,000	300,000	0	0	0

*Note: Annual Remuneration and committee fees are what has been "paid" in 2025 for the year 2024*

## Executive Management Remuneration

### Summary of Executive Management Remuneration Policy

Executive Management remuneration consists of fixed and variable components. The fixed component reflects the responsibilities of the position, professional experience and scope of

authority in accordance with the approved job description and employment terms. The variable component is linked to the achievement of approved performance objectives and key performance indicators. This remuneration policy is reviewed periodically by the Nomination and Remuneration Committee and submitted to the Board of Directors for approval. Total remuneration granted to Executive Management during the year 2025 was as follows:

<b>Total remunerations and benefits for the highest paid senior executives during the financial year 2025</b>										
Total Executives	Remuneration and Benefits through the parent Company								Remuneration and benefits through the subsidiaries	
	Fixed remuneration and benefits (KD)						Variable remuneration and benefits (KD)		Fixed remuneration (KD)	Variable remuneration (KD)
	Total Monthly Salaries	Health Insurance	Annual Tickets	Housing Allowance	Transportations Allowance	Children's education allowance	Annual Bonus*	Special Bonus	Salaries/ others	Other Bonus
5	468,368	20,000	10,559	22,571	7,661	20,600	1,170,029	0	0	0

*Note: Annual Bonus figure is what has been "paid" in 2025 for the year 2024, other payments are for the year 2025*

There was no material deviation from the company's compensation policy approved by the board.

## Rule IV: Safeguard the Integrity of Financial Reporting

### Financial statements and external auditors

The Board of Directors and Executive Management confirm their responsibility for the preparation and presentation of the Company's financial statements, which represent all financial and operational aspects of the company and ensuring that they are prepared in accordance with the applicable accounting standards approved by the Capital Markets Authority and reflect the Company's financial position fairly in all respects.

### Financial Reports

The company issues financial reports on a regular basis, including:

- Internal periodic financial reports
- Quarterly and annual financial statements
- Earnings reports
- Annual reports

### Audit Committee

The Audit Committee is a key component of the Company's corporate governance framework and supports the Board of Directors in overseeing the integrity of the financial reporting process, internal control systems and audit functions.

The Board of Directors has established an Audit Committee according to the regulations in Article 5-6 of Chapter 15 of the Corporate Governance bylaws. The Audit Committee consists of three non-executive members, including independent members. Members of the committee possess

appropriate qualifications and practical experience in accounting and financial matters consistent with the Company's activities.

The Board of Directors has approved a Committee Charter defining its mandate, structure and responsibilities. The Committee reports its findings and recommendations to the Board of Directors and meets periodically at least four times a year in accordance with its approved charter. For the year 2025, the committee didn't detect any contradictory views between the committee's recommendations and the Board of Directors' resolutions.

### **Audit Committee responsibilities**

The Audit Committee performs several oversight functions, including:

- Review quarterly and annual financial statements prior to submission to the Board of Directors.
- Follow up on the work and performance of the external auditors.
- Evaluate the effectiveness of internal audit and internal control systems and provide recommendations.
- Review the internal audit reports and management responses.
- Review observations issued by regulatory authorities and monitor corrective actions.
- Monitor the Company's compliance with applicable laws, internal policies and regulations.

### **With regard to the external auditor, the Audit Committee**

- Recommends to the Board of Directors the appointment, re-appointment or change of the external auditor and ensure they are among the approved and licensed auditors by the relevant authorities.
- The committee also recommends the proposed audit fees, subject to approval of the shareholders at the General Assembly.
- Verifies the independence and objectivity of the external auditor and ensures that the auditor does not perform services that may impair independence.

Based on the above, the Audit Committee has recommended to the Board in 2025 the reappointment of the external auditors: Mr. Bader Abdul Jader / Ernst & Young - Aiban, Al Osaimi & Partners and the appointment of Mr. Mohammad Shuaib Al-Bazei / RSM-Al Bazei and Partners which was later approved by the General Assembly.

## **Rule V: Apply Sound Systems of Risk Management and Internal Control**

The Company has established a risk management framework overseen by the Risk Committee. The risk management function is responsible for identifying, assessing and monitoring risks that may affect the Company's operations and objectives, as well as supporting the determination of the Company's risk appetite.

The risk management function provides periodic reports to the Risk Committee and the Board of Directors and contributes to strengthening internal control processes relevant to the Company's activities. Personnel involved in risk management possess appropriate qualifications and experience necessary to perform their duties.

## Risk Committee

The Board of Directors has formed a Risk Management Committee according to the Corporate Governance regulations outlined in Article 6-4 of Module 15 of the Capital Market Authority bylaws of the executive Law No. 7 of 2010 and their amendments. The committee consists of four members from the Board of Directors: an executive member, an independent member, and two non-executive members, one of them chairing the committee.

Risk Committee's responsibilities:

- Assist the Board of Directors in identifying, evaluating, and monitoring the Company's risk appetite and overall risk exposure.
- Review risk management strategies and policies and recommend them to the Board of Directors, and follow up on their implementation.
- Ensure the independence of the risk management function from operational activities that may expose the Company to risks.
- Review the structure of the risk management function and provide recommendations to the Board of Directors.
- Review periodic risk reports and present observations and recommendations to the Board of Directors.

## Summary of the Efficiency of Internal Control Systems

The company maintains an internal control framework designed to support reliable financial reporting, safeguarding of assets and operational effectiveness. The Company applies the "four-eyes principle" and segregation of duties within its organizational structure.

Key control practices include clearly defined authorities and responsibilities, segregation of duties, dual authorization procedures, approved authority matrices, and documented policies and procedures governing business operations. The Company also utilizes appropriate information systems and access controls to support approval processes and protect information assets.

The company has appointed in 2025 an independent external auditor (Mazars), to evaluate and review the internal control systems and issue an Internal Control Report in accordance with regulatory requirements. The report concluded that the Company's internal control systems are effective, and that Management has implemented the necessary corrective actions under the supervision of the Board of Directors and the Audit Committee.

In addition, **Allianz**, which was engaged in 2025 to perform an Internal Audit Quality Assurance Review (QAR) covering the period from 2022 to 2024, issued its report concluding that the Company's internal audit function generally conforms to applicable standards, policies and procedures, as well as the Code of Ethics.

## Internal Audit Department

The Internal Audit Department reports directly to the Audit Committee. The department evaluates the adequacy and effectiveness of internal controls, compliance with policies and procedures and

operational efficiency across the Company's activities. The Internal Audit Department meets regularly with the audit committee and submits periodic reports and recommendations.

## **Rule VI: Promote Code of Conduct and Ethical Standards**

The Company has adopted a Code of Conduct applicable to members of the Board of Directors, Executive Management and employees. The Code establishes standards of professional and ethical behavior, including integrity of financial information, confidentiality of information, relationships with stakeholders and compliance with applicable laws and regulations. All employees and officials are required to comply with the Code in the performance of their duties.

### **Summary of policies and mechanisms reducing conflicts of interest**

The Company has adopted a Conflict of Interest Policy that establishes procedures for identifying, disclosing and managing actual or potential conflicts of interest. The policy applies to the Board of Directors, Executive Management and employees and includes mechanisms for disclosure and review of related-party transactions to ensure decisions are taken in the best interest of the Company and its shareholders.

## **Rule VII: Ensure Timely and High-Quality Disclosures and Transparency**

### **Summary of applying disclosure and presentation mechanisms that are accurate and transparent**

The Company is committed to timely and accurate disclosure of material financial and non-financial information to shareholders and stakeholders in accordance with applicable regulatory requirements. Disclosures are issued periodically and upon the occurrence of material events to ensure equal access to information and prevent selective disclosure.

The Company has adopted a Disclosure and Transparency Policy defining material information subject to disclosure, reporting procedures and responsibilities. The policy is reviewed periodically to reflect regulatory updates and to ensure compliance with applicable laws and regulations.

### **Brief on the application of the disclosures record and its requirements**

The Company maintains a disclosure register for members of the Board of Directors and Executive Management in accordance with applicable regulatory requirements. The register is updated on a regular basis and is made available to the relevant regulatory authorities upon request.

### **Investor Relations Department**

The Company's organizational structure includes a department dedicated to Investor Relations that reports directly to the CEO and is responsible for communication with shareholders and investors and facilitating access to publicly disclosed information. The function coordinates the publication of disclosures and announcements through the official regulatory channels and the Company's website. All material disclosures are made in accordance with applicable disclosure rules, and the Company's website includes relevant information and contact details for investor inquiries.

## Information Systems Supporting Disclosure

The Company utilizes information systems to support the preparation, review and approval of financial and non-financial information prior to disclosure. These systems assist in maintaining appropriate segregation of duties and documentation of approval processes across relevant departments.

The Company maintains an [official website](#) through which investors and stakeholders can access announcements, financial statements, corporate governance reports and other publicly disclosed information relevant to evaluating the Company's performance.

## Rule VIII: Shareholders' Right

### Summary on how the rights of shareholders are protected

The Company ensures equal and fair treatment of all shareholders and provides them with access to material information simultaneously through official disclosure channels. The Company's Articles of Association define shareholders' rights in accordance with applicable laws and regulations, including the right to obtain information, participate in General Assembly meetings and vote on resolutions.

The Investor Relations function serves as a communication channel between the Company and its shareholders and investors and facilitates access to publicly disclosed information.

### Shareholder Register

The Company maintains shareholder records through the Kuwait Central Securities Depository - Kuwait Clearing Company in accordance with applicable regulations. The register includes information relating to share ownership and is updated regularly by KCC. For shareholders trading on Dubai Financial Market (DFM), DFM registrar maintains a registry of the shareholders and their activity. Shareholder information is maintained confidentially and handled in accordance with regulatory requirements.

### Encouraging Shareholder Participation in General Assembly Meetings

The Company enables shareholders to participate effectively in General Assembly meetings in accordance with applicable regulations. Shareholders are provided with the meeting agenda, supporting documents and voting procedures in advance of the meeting. The Articles of Association and the Shareholders' Rights Policy define voting rights, participation mechanisms and the ability of shareholders to discuss agenda items and express their views.

## Rule IX: Recognize the Roles of Stakeholders

### Brief on the conditions and policies that ensure the protection of stakeholder rights

The Company recognizes the rights of stakeholders in accordance with applicable laws and regulations and seeks to ensure fair and transparent dealings with all parties. The Company adopts policies and procedures governing contractual relationships and transactions with stakeholders to ensure objectivity and prevent conflicts of interest with shareholders' interests.

The Company applies internal procedures regulating the awarding of agreements and transactions and provides mechanisms for addressing complaints and resolving disputes between the Company and its stakeholders in accordance with approved policies.

In order to prevent conflicts of interest between dealings with stakeholders, whether they are agreements or transactions with the company, and the interest of shareholders, the following is considered:

- No stakeholders shall be given any advantages or preference in any transactions that are part of the company's activities.
- The company implements and follows clear policies and procedures including a clear mechanism of awarding agreements and transactions of various types.
- The company also has a clear mechanism to resolve any conflict between the company and the stakeholders.

### **Brief on how Stakeholders are enabled to follow the Company's activities**

The Company has adopted a Stakeholders' Rights Policy that clarifies stakeholders' rights and obligations and the procedures for communication with the Company. This policy is available for all stakeholders to support them understand their rights and obligations.

The Company also provides communication channels, including a designated contact point to receive inquiries and complaints and to address them in accordance with established procedures

## **Rule X: Encourage and Enhance Performance**

### **Summary on mechanisms enabling the Board members and Executive Management to attend training programs**

The Company supports the ongoing development of the Board of Directors and Executive Management in accordance with corporate governance practices. Members are provided with access to internal and external training programs and professional development opportunities relevant to the Company's activities and regulatory environment.

The Board of Directors and Executive Management are periodically updated on regulatory developments and their impact on the Company's operations and compliance requirements.

### **Brief on the mechanism for evaluating the performance of the Board of Directors and Executive Management:**

In accordance with the Board Charter, the Board of Directors conducts an annual evaluation of the performance of the Board and its committees. The assessment considers both financial and non-financial performance indicators related to the Company's strategic objectives.

The performance of Executive Management is evaluated periodically based on key performance indicators aligned with the Company's objectives and approved plans.

### **Brief on the Board of role in promoting corporate value creation:**

The Board of Directors oversees the implementation of the Company's strategic objectives and monitors performance against approved plans and key performance indicators. Through its oversight of Executive Management and governance framework, the Board supports sustainable value creation in the short, medium and long term.

## **Rule XI: Focus on the Importance of Corporate Social Responsibility**

### **Summary on the application of the Corporate Social Responsibility policy:**

The Company adopts a Corporate Social Responsibility (CSR) approach that seeks to balance its business objectives with environmental and social considerations. The Company's practices are guided by its Code of Conduct and related policies addressing environmental, social and governance matters and its responsibilities toward employees, customers, suppliers and the community.

### **Programs and mechanisms supporting corporate social responsibility:**

The Company implements initiatives related to environmental sustainability, employee welfare and community engagement under the oversight of the relevant Board committee. The Company issues periodic sustainability disclosures, including a Sustainability Report published on its [website](#) and within the Annual Report, to provide stakeholders with information regarding all the programs and mechanisms of its environmental and social performance.

## Independent Member Declaration

### إقرار عضو مجلس الإدارة المستقل

أقر أنا الموقع أدناه/ ناصر محمد فيهد الرشيد بصفتي بعضو مستقل في مجلس إدارة شركة أجيلبي للمخازن العمومية ش.م.ك.ع بمعبري بشروط الاستقلالية المذكورة أدناه والمتنصوص عليها تفصيلاً في الكتاب الخامس عشر (حوكمة الشركات) من اللائحة التنفيذية للقانون رقم ٧ لسنة ٢٠١٠ وتعديلاتها، كما أقر أيضاً بأنه في حالة فقدان أي شرط من شروط الاستقلالية بأنني سأقوم بإخطار كل من لجنة الترشيحات والمكافآت، وكذلك مجلس إدارة الشركة بهذا الشأن.

### شروط الاستقلالية:

١. اني لا أملك ٥٪ أو أكثر من أسهم الشركة كما اني لا أمثل أيًا من المساهمين الذين يمثلون ٥٪ أو أكثر من أسهم الشركة.
٢. ان ليس لي أي صلة قرابة من الدرجة الأولى مع أيًا من أعضاء مجلس الإدارة أو الادارة التنفيذية بالشركة أو في أي من مجموعتها أو الأطراف الرئيسية ذات العلاقة مع الشركة.
٣. اني لست عضواً في مجلس إدارة أي شركة من المجموعة الخاصة بالشركة.
٤. اني لست موظفاً بالشركة أو بأي شركة من مجموعتها أو لدى أيًا من أصحاب المصالح.
٥. اني لست موظفاً لدى الأشخاص الاعتباريين الذين يمكنهم حصة سيطرة في الشركة.
٦. ان ليست لي مصلحة أو علاقة مع الشركة قد تؤثر على استقلالي وأقر بأنني على علم بالمهام والمسؤوليات الخاصة بعضو مجلس الإدارة المستقل.

التوقيع:  
التاريخ: ٢٠٢٦/٣/١١

### إقرار عضو مجلس الإدارة المستقل

أقر أنا الموقع أدناه / سلطان أبو سلطان العيسى بصفتي بعضو مستقل في مجلس إدارة شركة أجيلبي للمخازن العمومية ش.م.ك.ع بمعبري بشروط الاستقلالية المذكورة أدناه والمتنصوص عليها تفصيلاً في الكتاب الخامس عشر (حوكمة الشركات) من اللائحة التنفيذية للقانون رقم ٧ لسنة ٢٠١٠ وتعديلاتها، كما أقر أيضاً بأنه في حالة فقدان أي شرط من شروط الاستقلالية بأنني سأقوم بإخطار كل من لجنة الترشيحات والمكافآت، وكذلك مجلس إدارة الشركة بهذا الشأن.

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التوقيع:  
التاريخ: ٢٠٢٦/٣/١١

### إقرار عضو مجلس الإدارة المستقل

أقر أنا الموقع أدناه/ عبد المجيد حامي حسين الشطي بصفتي بعضو مستقل في مجلس إدارة شركة أجيلبي للمخازن العمومية ش.م.ك.ع بمعبري بشروط الاستقلالية المذكورة أدناه والمتنصوص عليها تفصيلاً في الكتاب الخامس عشر (حوكمة الشركات) من اللائحة التنفيذية للقانون رقم ٧ لسنة ٢٠١٠ وتعديلاتها، كما أقر أيضاً بأنه في حالة فقدان أي شرط من شروط الاستقلالية بأنني سأقوم بإخطار كل من لجنة الترشيحات والمكافآت، وكذلك مجلس إدارة الشركة بهذا الشأن.

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التوقيع:  
التاريخ: ٢٠٢٦/٣/١١

