









CORPORATE GOVERNANCE REPORT

2025

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FOR THE YEAR 2025



JTC - Corporate Governance Report for the year 2025

Introduction and Compliance Statement

JTC Logistics Transportation and Stevedoring Company K.S.C.P. (JTC/The "Company") is committed to applying best practices of corporate governance, believing that sound governance is a fundamental pillar for sustainability, institutional efficiency, protection of shareholders' rights, and strengthening confidence in the Company's business and financial performance.

In this context, the Board of Directors and Executive Management fully comply with the Corporate Governance Rules issued by the Capital Markets Authority (CMA) as set out in Book Fifteen of the Executive Bylaws of Law No. (7) of 2010 and its amendments, in a manner commensurate with the nature and size of the Company's activities and its status as a company listed on Boursa Kuwait.

The Board has adopted an integrated corporate governance framework comprising policies, regulations, and internal procedures governing the relationship between the Board, executive management, and stakeholders, and defining authorities, responsibilities, and duties. This framework is reviewed and updated periodically to ensure its continued effectiveness and alignment with best practices and regulatory requirements.

JTC confirms its continuous commitment, since its listing on Boursa Kuwait, to implementing corporate governance rules and submitting the relevant reports within the deadlines stipulated by the Capital Markets Authority.

This report aims to provide shareholders and stakeholders with a comprehensive and transparent overview of the Company's application of the Corporate Governance Rules during the financial year ended 31st December 2025.

The First Rule: Board of Directors Composition at JTC Logistics Transportation and Stevedoring Company (K.S.C.P)

Board Composition

The Company is managed by a Board of Directors formed in accordance with the Articles of Association and the resolutions of the General Assembly, considering the CMA's requirements regarding board composition, balance of membership, and availability of appropriate experience and qualifications.

The current Board consists of five (5) non-executive members, including one independent member, possessing diverse expertise in management, finance, investment, and operations, enabling the Board to effectively perform its strategic and supervisory duties.

Name	Position	Membership	Academic qualification and experience	Date of election
Sheikh Ali Fawaz Al Salman Al-Sabah	Chairman of the Board of Directors	Non-Executive	Sheikh Ali Al-Sabah joined JTC Board in 2019 as Chairman with his wide experience in the fields of trade and industrial projects management. He currently holds the position of Vice-Chairman & CEO at Gulf Glass Manufacturing Company (GGMC), a Board Member in Nafais Holding Company since 2017 and he is also the Chairman of Basil Salem Al-Sabah Motor Racing Club since 2010. Furthermore, Sheikh Ali has held several previous administrative and executive roles in various companies and institutions such as being the General Manager of Rihana General Trading & Contracting Company from 2009 to 2017, and a member of the board of Educational Holding Group Company from 2017 to 2019.	28/09/2022 Re-elected on 15/10/2025
Sheikh Sabah Mohammed Abdulaziz Al-Sabah	Vice Chairman	Non-Executive	In addition to being the Vice Chairman of the Board of Directors, Sheikh Sabah Al-Sabah currently holds several Board positions in various companies. Sheikh Sabah has more than 18 years' experience in several sectors including real estate, investment and industry. Sheikh Sabah holds a bachelor's degree in business administration & management from Kuwait University.	28/09/2022 Re-elected on 15/10/2025
Mr. Sulaiman Mohammed Shaheen Al Rubaie	Member of the Board of Directors	Non-Executive	Mr. Sulaiman Al-Rubaie has more than 21 years of experience in merchant banking and private equity. He has a wealth of experience across many areas including advisory, mergers & acquisitions, equity and debt capital markets and restructuring. He also holds several Board positions in various companies. Mr. Sulaiman Al-Rubaie received his MBA from London Business School and a Bachelor of Science Degree in Operations Research and Industrial Engineering from Cornell University, Ithaca, New York.	28/09/2022 Re-elected on 15/10/2025

Mr. Muhaiman Ali Behbehani	Member of the Board of Directors	Non-Executive	Mr. Muhaiman Behbehani has more than 23 years of experience in business development activities primarily in Energy sector and he currently holds several Board positions in various companies. Mr. Muhaiman Behbehani holds a Bachelor of Mechanical Engineering from University of Missouri and University of Toledo.	28/09/2022 Re-elected on 15/10/2025
Ms. Sara Tawfeeq AlNassar	Independent Member of the Board of Directors	Non-Executive	Mrs. Sara has more than 29 years of experience, where she held multiple managerial positions in investment and real estate organizations. Mrs. Sara obtained a Master of Science in Economics, with a concentration in Finance Economic and International Trade from Birkbeck College, University of London in 1998, and also obtained a Bachelor of Arts in Economics & Philosophy & Mathematical Statistics from Boston University, Massachusetts	28/09/2022 Re-elected on 15/10/2025

Term of Membership

The current Board was elected on 15th October 2025 for a three-year term in accordance with applicable laws and regulations.

Board Meetings and Organization of Work

The Board holds its meetings on a regular basis in accordance with an approved schedule. All meetings and resolutions are documented in accordance with the Board Charter, including rules related to agenda preparation, quorum, voting mechanisms, and the recording and retention of minutes.

Meetings of the Board of Directors during the Fiscal Year 2025

	Meeting No.	1	2	3	4	5	6
	Meeting date	17/02/2025	23/02/2025	06/03/2025	20/03/2025	20/04/2025	14/05/2025
Name of the Member	Position	Attendance					
Sheikh Ali Fawaz Al Salman Al-Sabah	Chairman of the Board of Directors	√	√	√	√	√	√
Sheikh Sabah Mohammed Abdulaziz Al-Sabah	Vice Chairman	√	√	√	√	√	√
Mr. Sulaiman Mohammed Shaheen Al Rubaie	Member of the Board of Directors	√	√	√	√	√	√
Mr. Muhaiman Ali Behbehani	Member of the Board of Directors	√	√	√	√	√	√
Ms. Sara Tawfeeq AlNassar	Independent Member	√	√	√	√	√	√

	Meeting No.	7	8	9	10	11	12
	Meeting date	20/05/2025	19/06/2025	07/08/2025	17/09/2025	22/10/2025	12/11/2025
Name of the Member	Position	Attendance					
Sheikh Ali Fawaz Al Salman Al-Sabah	Chairman of the Board of Directors	√	√	√	√	√	√
Sheikh Sabah Mohammed Abdulaziz Al-Sabah	Vice Chairman	√	√	√	√	√	√

Mr. Sulaiman Mohammed Shaheen Al Rubaie	Member of the Board of Directors	√	√	-*	√	√	√
Mr. Muhaiman Ali Behbehani	Member of the Board of Directors	√	√	-*	√	√	√
Ms. Sara Tawfeeq AlNassar	Independent Member	√	√	√	√	√	√

* The non-attendance was due to travel abroad and the inability to attend via virtual communication.

- The requirement for minuting, organizing, and recording Board of Director meeting minutes is conducted according to the approved Board of Director's Charter. Section 8 and 9 of the Charter details the procedures for organizing board meetings and preparing its Agenda and method of voting and recording its Minutes of meeting.
- The independent member acknowledges that he/she meets all independence criteria stipulated in Article (2-3) of Chapter Three of Book Fifteen (Corporate Governance) of the CMA Executive Bylaws and possesses the appropriate qualifications and experience suitable for the Company's activities. The continued fulfillment of the independence requirements shall be verified periodically, particularly prior to recommending re-nomination for membership on the Board of Directors.

The Second Rule: Establishing appropriate Roles and Responsibilities

The Board Charter clearly defines the duties, responsibilities, and obligations of the Board and its members. The duties and responsibilities of executive management are defined through the approved organizational structure, job descriptions, and annual objectives.

The Board has also approved an authority delegation matrix specifying financial and administrative authorities granted to executive management, ensuring a balance between operational efficiency and governance control.

Key Responsibilities of the Board of Directors

Approving the Company's strategy, main business plans and policies of the company and monitoring their implementation.

1. Setting objectives and performance indicators for executive management.
2. Approving the annual budget and interim and annual financial statements.
3. Ensuring the Company's compliance with applicable laws and regulations.
4. Ensuring the integrity of financial reporting and disclosure systems.
5. Supervising and reviewing the effectiveness of the corporate governance framework.

Board of Director's achievements during the year:

1. Approved the interim and annual financial statements, and year budget, in addition to approving business plan during the year
2. Approval the annual financial statements and acknowledgement of its accuracy and management report and delegating the executive management to contact the ministry of commerce and industry to organize the general assembly meeting of the company.
3. Recommend to the General Assembly to distribute 28% of the share's nominal value equal to 28 Kuwaiti fils for the financial year end on 31st December 2025, to each registered shareholder at the assigned end of record day in accordance with the regulatory procedures of cash distributions and record dates.

4. Recommend to the General Assembly to deduct 1% of the annual profits to charity through "Masharee Al Khair" Charity Organization.
5. Call to convene an ordinary General Assembly and approve its agenda regarding the election of a new board member for the next term 2025 - 2028.
6. Call to convene an Extraordinary General Assembly and approve its agenda regarding the amendments of the Company's Activities to comply with the international codes issued by the Ministry of Commerce and Industry.
7. Recommend to the General Assembly the distribution of Board of director's remuneration for year 2025.
8. Call to convene the General Assembly meeting and approve its Agenda for the financial year 2025.
9. Approved of submittal a renewal to CMA for purchasing and selling of Company's Treasury shares within the legal limit of 10% of its Capital shares.
10. Followed up on the Company's overall tasks and performance in global and local impacts.

Board Committees

In line with the responsibilities of the Board of Directors and its commitment to enhancing the efficiency of its performance and strengthening the level of oversight and supervision over the Company's activities, the Board has established a number of specialized committees emanating from the Board. These committees operate pursuant to approved charters that define their authorities, responsibilities, and mechanisms of work, in accordance with the requirements of the Capital Markets Authority (CMA) and best practices of corporate governance.

The committees comprise a sufficient number of non-executive Board members, including independent members who possess the appropriate experience and qualifications. These committees operate under the supervision of the Board of Directors and submit their reports and recommendations thereto, without prejudice to the Board's ultimate responsibility for the Company's business and the activities of such committees.

The following is an overview of the independent specialized committees established by the Board of Directors:

1. Audit Committee

Objective:

The Audit Committee aims to assist the Board of Directors in overseeing the integrity and reliability of the Company's financial statements, the efficiency and effectiveness of internal control systems, the independence of internal and external audit functions, and compliance with relevant laws and regulations.

Committee Formation Date and Term:

The Audit Committee was formed on 28th September 2022 for a term of three years and was reconstructed on 22nd October 2025 for three years, in line with the term of the Board of Directors. The Committee consists of three non-executive members, including one independent member, who possess appropriate academic qualifications and practical experience in financial, accounting, and supervisory fields.

Committee Members and Meetings During the Financial Year:

Members of the Committee	Position	No. of Meetings
Sheikh Sabah Mohammed Abdulaziz Al Sabah	Committee Chairman	7 meetings
Mr. Sulaiman Mohammed Shaheen Al Rubaie	Committee Member	
Ms. Sara Tawfeeq AlNassar	Committee Member (Independent)	

Committee Responsibilities:

1. Reviewing interim and annual financial statements and the external auditor's report, identifying any material impacts on the Company's financial position, and recommending their approval to the Board of Directors.
2. Reviewing the external auditors' observations on the Company's financial statements and following up on actions taken in this regard, if any.
3. Reviewing the accounting principles and policies adopted by the Company and examining any changes thereto that may affect the Company's financial position, including identifying the reasons for such changes when necessary.
4. Ensuring the Company's compliance with applicable accounting laws, regulations, and instructions.
5. Holding periodic meetings with the external auditor and at least four meetings with the internal auditor annually, or as required, at the request of the Committee or the external auditor.
6. Reviewing the results of internal audit reports and ensuring that appropriate corrective actions have been taken in respect of the observations contained therein.
7. Reviewing the charter, work plan, and resource requirements of the Internal Audit Department.
8. Supervising the activities of the Internal Audit Department to verify its effectiveness in carrying out its assigned duties.
9. Appointing an independent auditor to prepare a report on the review of internal control systems for presentation to the Committee and submission to the Authority on an annual basis.
10. Reviewing and granting preliminary approval of the internal audit policies and procedures manuals.
11. Recommending to the Board of Directors the appointment, re-appointment, or replacement of external auditors and determining their fees.
12. Recommending the appointment, transfer, or removal of the Head of Internal Audit, as well as evaluating their performance and the performance of the Internal Audit Department.
13. Reviewing the findings of regulatory authorities' reports and ensuring that the necessary corrective actions have been duly implemented.

Committee Achievements During the Financial Year:

1. Reviewed interim and annual financial statements and the external auditor's report, identified material impacts on the Company's financial position, and submitted recommendations to the Board of Directors for approval.
2. Reviewed the annual internal audit report.

3. Reviewed various amendments and updates to certain internal policies and procedures of the Company.
4. Recommended to the Board of Directors the appointment and determination of the fees of the Company's external auditor.
5. Reviewed Internal Audit reports covering the Company's various departments.

2. Risk Management Committee

Objective:

The Risk Management Committee aims to assist the Board of Directors in fulfilling its oversight responsibilities with respect to the risk management and compliance framework, ensuring the identification, assessment, and monitoring of risks that the Company may be exposed to, and the establishment of appropriate controls to mitigate such risks and submit the necessary recommendations to the Board of Directors.

Committee Formation Date and Term:

The Risk Management Committee was formed on 28th September 2022 for a term of three years and was reformed on 22nd October 2025 for three years, in line with the term of the Board of Directors. The Committee consists of non-executive members, including one independent member.

Committee Members and Meetings During the Financial Year:

Members of the Committee	Position	No. of Meetings
Sheikh Sabah Mohammed Abdulaziz Al Sabah	Committee Chairman	4 meetings
Mr. Muhaiman Ali Behbehani	Committee Member	
Ms. Sara Tawfeeq AlNassar	Committee Member (Independent)	

Committee Responsibilities:

1. Preparing and reviewing risk management strategies and policies prior to their approval by the Board of Directors and ensuring their suitability to the size and nature of the Company's activities.
2. Reviewing periodic reports submitted by the Risk Management function for the purpose of monitoring risks and assessing the efficiency and effectiveness of systems and procedures for risk monitoring and measurement.
3. Ensuring the availability of adequate resources and systems for risk management, assisting the Board in determining the Company's risk appetite, and ensuring that approved risk limits are not exceeded.
4. Reviewing proposed transactions and dealings with related parties and submitting appropriate recommendations to the Board of Directors.

3. Nominations and Remunerations Committee

Objective:

The Nomination and Remuneration Committee aims to assist the Board of Directors in applying best governance practices relating to the nomination, appointment, and evaluation of Board members and executive management, as well as in setting and reviewing remuneration and

incentive policies in a manner that balances performance motivation with the long-term interests of shareholders.

Committee Formation Date and Term:

The Nomination and Remuneration Committee was formed on 28th September 2022 for a term of three years and was reconstituted on 22nd October 2025 for three years, in line with the term of the Board of Directors. The Committee consists of three non-executive members, including independent members.

Committee Members and Meetings During the Financial Year:

Members of the Committee	Position	No. of Meetings
Sheikh Ali Fawaz Al Salman Al-Sabah	Committee Chairman	3 meetings
Sheikh Sabah Mohammed Abdulaziz Al-Sabah	Committee Member	
Ms. Sara Tawfeeq AlNassar	Committee Member (Independent)	

Committee Responsibilities:

1. Recommending the acceptance of nominations, appointment, re-appointment, and removal of Board members, committee members, and executive management, and submitting related recommendations to the Board.
2. Ensuring that the remuneration of Board members and executive management aligns with the long-term interests of shareholders within an appropriate control framework.
3. Establishing a clear link between executive management performance and remuneration.
4. Reviewing executive management remuneration and submitting recommendations in this regard.
5. Ensuring the continued independence status of independent Board members.
6. Preparing the report on remuneration granted to Board members, executive management, and managers.
7. Reviewing and discussing performance evaluations (Key Performance Indicators – KPIs) of Board members and submitting recommendations thereon to the Board of Directors.
8. Preparing the evaluation of the Nomination and Remuneration Committee and presenting it to the Board of Directors.

Committee Achievements During the Financial Year:

Reviewing and evaluating the applications of candidates for membership of the Board of Directors for the new term (2025–2028) and submitting the relevant recommendations thereon to the Board of Directors.

Reviewed the proposed remuneration for Board members and submitted recommendations thereon to the Board of Directors.

Verified the independence of the nominee for the position of independent Board member.

Reviewed and discussed the Board's performance models (KPIs) and submitted recommendations for approval by the Board of Directors.

Summary of the mechanisms applied to enable Board Members to access accurate and timely information

Board members are provided with all information necessary to make appropriate decisions through the Company's executive management in a timely manner, enabling them to fulfill their duties and responsibilities. Effective communication and a strong working relationship between the Board of Directors and executive management constitute a fundamental pillar of the management process and a key means of achieving the Company's vision and objectives.

There is a clear segregation of responsibilities between the Board of Directors and executive management to ensure independence and the achievement of the Company's objectives and the interests of stakeholders. The Board Secretary coordinates between Board members and executive management to facilitate access to the required information and data. The Board holds periodic meetings with executive management to review ongoing business reports and discuss information presented regarding the Company's activities.

The Third Rule: Recruiting Highly Qualified Candidates for the Board of Directors and Executive Management:

Overview of the Application of the Requirements for the Formation of the Nomination and Remuneration Committee

The Board ensures that Board members and executive management are selected based on competence, experience, and professional qualifications. The Nomination and Remuneration Committee assists the Board in setting selection criteria and evaluating candidates before submitting recommendations to the Board and General Assembly as required.

Accordingly, the Board of Directors has established the Nomination and Remuneration Committee consisting of three members, including an independent member. The Committee assists the Board in setting nomination and selection criteria, reviewing the required skills and experience, and ensuring the suitability of candidates for leadership positions within the Company.

The Committee submits its recommendations to the Board of Directors for approval, following which matters requiring approval are presented to the General Assembly in accordance with the applicable legal procedures.

Report on Remuneration, Benefits, and Incentives Granted to Members of the Board of Directors, Executive Management, and Managers for the Year 2025

Summary of the Company's Remuneration and Incentive Policy, with Particular Reference to the Board of Directors, Executive Management, and Managers

JTC adopts a Board-approved remuneration and incentive policy that has been prepared and implemented in accordance with the applicable laws and regulations in the State of Kuwait, in particular the requirements of the Capital Markets Authority and the Corporate Governance Rules. The policy aims to achieve an appropriate balance between motivating performance and safeguarding the long-term interests of the Company and its shareholders.

First: Remuneration of Board Members

The remuneration of Board members is subject to the controls and limits stipulated under the applicable laws and the Company's Articles of Association. Accordingly, the total remuneration received by Board members shall not exceed 10% of the Company's net distributable profits, after deducting depreciation and reserves, and following the distribution of dividends to shareholders of not less than 5% of the Company's capital, or any higher percentage as determined by the Articles of Association.

Board members' remuneration shall only be paid after obtaining the approval of the Ordinary General Assembly, based on the recommendation of the Nomination and Remuneration Committee and the approval of the Board of Directors.

In accordance with the applicable laws and regulations, an independent Board member may be exempted from the maximum remuneration cap, subject to the approval of the Ordinary General Assembly.

Second: Remuneration of Executive Management

The remuneration of executive management is determined in accordance with a clear and documented remuneration and incentive policy, which is linked to the approved Key Performance Indicators (KPIs) for each functional level and the extent to which the Company's strategic and operational objectives are achieved.

Executive management remuneration consists of two main components:

Fixed Remuneration:

This includes salaries, allowances, and other benefits, which are determined based on the following criteria:

- The level of responsibilities and authorities assigned to the position
- The qualifications, experience, and competencies of the position holder
- The approved career path and job grade
- The Company's approved salary scale

Performance-Based Remuneration:

This component is allocated based on:

- The individual performance of the employee or executive management member
- The overall performance of the Company
- The results of the approved annual performance evaluation

The annual remuneration proposal is prepared by the Human Resources Department in accordance with approved allocations and performance evaluation results. Such remuneration is calculated based on pre-approved criteria, whether in the form of:

- A fixed lump-sum amount for each job level
- A percentage of salary
- A multiple of salary

The final value of the remuneration is determined based on the results of the approved performance evaluation.

Total remuneration granted for year 2025

1. Board of Directors (K.D/Year)

Remuneration and benefits of Members of the Board of Directors							
Total number of members	Remuneration & benefits through the parent company			Remuneration & benefits through the subsidiaries			
	Fixed	Variable		Fixed		Variable	
	Health insurance	Annual remuneration	Committee's remuneration	Health insurance	Monthly salaries (total for the year)	Annual remuneration	Committee's remuneration
5	0	46,000*	0	0	0	0	0

* Subject to the approval of The General Assembly

2- Executive Management (K.D/Year)

Total executive positions	Remuneration & Benefits through the parent company							
	Fixed							Variable
	Monthly salaries (total for the year)	Medical insurance	Annual tickets	Other allowance	Transportation's allowance	Social Security	Leave Salary	Annual remuneration
6	355,229	12,170	11,782	7,805	15,311	3,795	42,998	139,650

Note: There have been no substantial deviations from the remuneration policy approved by the Board of Directors.

The Fourth Rule: Safeguard Integrity of Financial Reporting:

Undertakings of the Board of Directors and Executive Management Regarding the Integrity of Financial Reports

Executive management provides a written undertaking to the Board of Directors confirming that the Company's financial statements and reports are prepared and presented in a proper and fair manner, reflecting the true financial position, results of operations, and cash flows of the Company, in accordance with the International Financial Reporting Standards (IFRS) approved by the Capital Markets Authority. Executive management bears full responsibility for the accuracy and correctness of such financial statements and reports.

The Board of Directors, through this report, also undertakes to the shareholders its responsibility for overseeing the integrity and reliability of the financial reports presented. All members of the Board of Directors have signed this undertaking, which is maintained within the Company's official records.

Overview of the Application of the Requirements for the Formation of the Audit Committee

The Company formed an Audit Committee in line with the nature of the company's activities in. The Audit Committee consists of three members, including an independent Board member. Committee members possess the necessary scientific qualifications and professional experience in accounting and finance. There was no contradiction between the recommendations of the Audit Committee and the decisions of the Board of Directors.

Independence and Objectivity of the External Auditor

The external auditor is appointed based on the recommendation of the Board of Directors and the approval of the General Assembly. The Company ensures the full independence and objectivity of the external auditor, as the auditor does not provide any other services that may affect its independence or impartiality.

The Audit Committee also reviews and discusses the interim and annual financial statements with the external auditor prior to submitting them to the Board of Directors for approval.

The Fifth Rule: Sound Systems of Risk Management and Internal Controls

The Company is committed to applying an integrated risk management and internal control framework that is commensurate with the nature and scale of its activities. This framework aims to safeguard the Company's assets, ensure the integrity and accuracy of financial reporting, enhance the efficiency of operational processes, and ensure compliance with applicable laws and regulations.

The Company has engaged an independent and specialized external entity to undertake risk management and compliance functions. This entity is responsible for identifying, measuring, assessing, and monitoring various types of risks to which the Company may be exposed and submits its periodic reports to the Risk Management Committee. The entity enjoys the necessary professional independence and authority to perform its duties without any conflict of interest.

In addition, the Company's approved organizational structure includes an independent Internal Audit Department that enjoys functional independence and reports to the Audit Committee. The Internal Audit Department evaluates the efficiency and effectiveness of internal control systems, verifies compliance with approved policies and procedures, and submits its reports and recommendations to the Audit Committee and the Board of Directors.

The Company relies on internal control systems covering all of its activities, based on principles including segregation of duties, clear definition of authorities and responsibilities, dual authorization, and independent review and verification. These measures mitigate operational and financial risks and enhance the robustness of the internal control environment.

The Board of Directors, through its committees, oversees and periodically reviews the effectiveness and adequacy of the risk management and internal control framework and takes the necessary improvement measures whenever required.

The Sixth Rule: Promote Ethical Standards and Responsible Conduct

Overview of the charter which consists of the standards of the ethical values and code of conduct

The Company adopts a Code of Conduct and Business Ethics approved by the Board of Directors, which aims to entrench a culture of integrity, transparency, and accountability, and to define the standards and principles governing the conduct of members of the Board of Directors, executive management, and all employees of the Company.

The Code includes the obligation of all concerned parties to comply with applicable laws, regulations, instructions, and professional standards, to act in a manner that serves the interests of the Company, its shareholders, and stakeholders, and to refrain from using their positions or the Company's assets or resources to obtain direct or indirect personal benefits.

The Code also sets out clear controls prohibiting the misuse or exploitation of inside or non-public information for personal gain or for the benefit of third parties, and affirms the principles of fairness and equal treatment in dealings with all related parties.

The Company has established internal mechanisms that allow for the reporting of any improper practices, violations, or suspicions related to financial reporting, internal control systems, or other matters, while ensuring the necessary protection and confidentiality for whistleblowers, and without exposing them to any retaliatory or adverse actions as a result of such reporting.

Conflict of Interest Policy

The Company adopts a clear conflict of interest policy approved by the Board of Directors, which aims to mitigate and manage situations in which a conflict may arise between personal interests and the interests of the Company.

This policy provides, without limitation, that a Board member is required to disclose to the Board of Directors any personal interest in business or contracts entered into for the account of the Company. Such disclosure shall be recorded in the minutes of the Board meetings, and the Board member concerned shall refrain from participating in the deliberation and voting on resolutions relating to such businesses or contracts.

In addition, the Chairman of the Board is required to inform the General Assembly of any businesses or contracts in which any Board member has a personal interest, accompanied by a special report from the external auditor, in accordance with the requirements of the applicable laws and regulations.

The Seventh Rule: Ensure Timely and High-Quality Disclosure and Transparency

Summary of the Implementation of Accurate and Transparent Disclosure Mechanisms covering the Aspects, Areas, and Characteristics of Disclosure

The Company adopts a Disclosure and Transparency Policy aimed at enabling shareholders, investors, and stakeholders to access material information related to the Company, its activities, performance, and financial position, in a manner that enhances confidence, clarity, fairness, and equal opportunities.

The Company is committed to providing accurate and timely disclosure of all material information in accordance with the requirements of the Capital Markets Authority, Boursa Kuwait, and other relevant regulatory authorities. Such disclosure includes, but is not limited to, financial statements, business results, ownership structure, and any material developments that may affect the Company's activities or financial position.

Overview of the Implementation of the Disclosure Register requirements for Board Members and Executive Management

The Company maintains a special register that contains the disclosures of members of the Board of Directors and the Executive Management. It includes the data relating to their transactions according to the insider trading disclosure rules for companies listed on Boursa Kuwait. The data of the Register is updated periodically and contains information related to remunerations, salaries, incentives and other financial advantages included in the annual report presented to the General Assembly. The register is made available to any shareholder upon request, free of charge.

Brief Statement on establishing an Investor Relations Unit

The organizational structure approved by the Board of Directors includes an investor affairs unit. This unit provides the necessary data, information and reports to current and prospective investors and answers their queries regarding the company. This unit is independent enough to provide accurate data, information and reports in a timely manner through various appropriate means.

Overview of the Development of the Information Technology Systems and its Extensive Use in Disclosure Processes

The company relies, in its disclosures and communications with shareholders, investors and stakeholders, on various means, including information technology. The company's website contains comprehensive information on its investments, financial reports and essential information. The website also includes a section on corporate governance and investor affairs through which recent data are published to assist current and prospective shareholders and investors in obtaining the necessary information about the company and assessing its performance.

The Eighth Rule: Respect the Rights of Shareholders

Summary of the Implementation of Requirements for Defining and Protecting the General Rights of Shareholders to Ensure Fairness and Equality

The Company is committed to protecting shareholders' rights and ensuring fairness and equality among all shareholders, guaranteeing equal treatment without any discrimination, regardless of ownership percentage or share class.

The Company's corporate governance framework aims to achieve a balance between the Company's objectives and the interests of its shareholders, ensuring that shareholders are fully enabled to exercise their legal and regulatory rights, and that no shareholder is deprived of any right granted under applicable laws and regulations.

The Company's Articles of Association, regulations and internal policies also provide for the procedures that guarantee the achievement of this objective, including the general shareholders' rights guaranteed by the Company, such as:

1. Registration of share ownership in the Company's records and with the Clearing Agency.
2. Freedom to dispose of and transfer shares in accordance with applicable laws.
3. Entitlement to the approved share of dividend distributions.
4. Entitlement to a share of the Company's assets in the event of liquidation.
5. Access to information and data related to the Company's activities and operational and investment strategies in a regular and accessible manner.
6. The right to review the shareholders' register.
7. Participation in General Assembly meetings and voting on their resolutions.
8. Election of the members of the Board of Directors.
9. Monitoring the Company's performance in general and the performance of the Board of Directors in particular.
10. Holding members of the Board of Directors or executive management accountable and filing liability claims in the event of failure to perform their assigned duties.

Summary of the Establishment of a Dedicated Shareholders' Register Maintained by the Kuwait Clearing Company

The Company has established a special register with Kuwait Clearing Company that includes the names, nationalities and domiciles of shareholders and the number of shares each owns. The information in this register is maintained with high confidentiality and protection.

This register is updated with any change to the data recorded in it, and the company's shareholders may request to view the register in accordance with the procedures of Kuwait Clearing Company. Updated records of the company's shareholders are also kept at the Investor Affairs Unit in the company.

Overview of How Shareholders Are Encouraged to Participate and Vote in the Company's General Assembly Meetings

The Company is keen to encourage shareholders to participate and vote in the Company's General Assembly meetings through the established participation and voting mechanisms. When organizing General Assembly meetings, the Company ensures the following:

1. Send an invitation from the Board of Directors to shareholders, including the agenda, date, time, and venue of the meeting, through announcement in accordance with the mechanisms stipulated in the Companies Law, Corporate Governance Rules, and applicable laws and regulations.
2. Enabling all shareholders to exercise their voting rights either in person or by proxy, without imposing any restrictions that may hinder voting.
3. Allowing all shareholders to attend General Assembly meetings either in person or through participation via modern communication means, in accordance with applicable laws and regulations.
4. Enabling shareholders to actively participate in General Assembly meetings, discuss agenda items, and direct questions to members of the Board of Directors and the external auditor.
5. Not imposing any fees for attendance at General Assembly meetings for any category of shareholders and not granting any preferential advantages to any shareholder category over others.

The Ninth Rule: Recognize the Legitimate Interests of Stakeholders

Overview of the Systems and Policies That Ensure the Protection and Recognition of Stakeholders' Rights

The Company adopts policies and procedures that regulate its relationship with stakeholders in a manner that ensures the protection of their rights and recognizes their role in supporting the sustainability of the Company's business. This includes, without limitation, employees, customers, suppliers, creditors, regulatory authorities, and the community.

The Company is committed to dealing with stakeholders fairly and transparently, and in accordance with the same professional and ethical standards that govern its dealings with members of the Board of Directors and executive management, while maintaining the confidentiality of relevant information.

Overview of How Stakeholders Are Encouraged to Participate in Monitoring the Company's Various Activities

JTC is keen to encourage stakeholders to follow up on its activities and communicate with it through the following means:

1. Providing relevant information and data in a timely manner and with the required level of transparency.
2. Making available channels for reporting any improper practices or violations, while providing appropriate protection to whistleblowers in accordance with the approved policies.

The Tenth Rule: Encourage and Enhance Performance

Summary of the Implementation of Requirements for Establishing Mechanisms That Enable Board Members and Executive Management to Receive Ongoing Training Programs

The Board of Directors is keen to ensure that members of the Board of Directors, executive management, and Company employees receive appropriate training and qualification programs on an ongoing basis. This contributes to enhancing their competencies, strengthening their understanding of corporate governance requirements, and developing their administrative and technical skills.

The Company has adopted a dedicated Training and Development Policy and encourages participation in relevant courses, workshops, seminars, and conferences related to the nature of the Company's activities, institutional work requirements, and corporate governance.

Among the training programs attended by members of the Board of Directors during the current year was:

A training course on Corporate Governance Rules.

In addition, as part of its human resources development plans, the Company conducts several training workshops aimed at developing employees' skills. These include, among others, skills related to marketing and selling the Company's services, explaining such services to customers, raising customer awareness of their rights and obligations, and ensuring proper service delivery, as well as representing the Company before customers in a professional manner that preserves the Company's reputation.

Overview of How the Performance of the Board of Directors as a Whole, Individual Board Members, and Executive Management is Evaluated

The Company adopts systems and mechanisms to evaluate the performance of the Board of Directors, its committees, and its members, as well as the performance of executive management and employees. This is carried out using Key Performance Indicators (KPIs) linked to the Company's strategic and operational objectives.

The Nomination and Remuneration Committee supervises the evaluation process, reviews its results, and proposes the necessary development and improvement actions based on those results.

A self-assessment system for the performance of the Board of Directors and its committees is applied annually to identify opportunities for improvement and development.

Overview of the Efforts of the Board of Directors to Create Corporate Values For Employees of the Company through The Achievement of Strategic Objectives and Improved Overall Performance Rates.

The Board of Directors emphasizes the importance of embedding a culture of institutional value creation within the Company through the following:

- Achieving strategic objectives and improving performance levels.
- Enhancing a culture of compliance, discipline, and corporate governance.
- Raising the level of professional and ethical responsibility.
- Improving the quality of individual and institutional performance in a manner that positively reflects on the Company's results and sustainability.

The Eleventh Rule: Importance of Social Responsibility

Summary of Establishing a Policy That Ensures a Balance Between the Company's Objectives and Community Objectives

JTC, being one of the earliest companies operating in the Kuwaiti market and considered one of the main pillars in its field, focuses its activities on supporting society in recognizing the importance of encouraging active companies and its social responsibility, as this has a positive impact on the entire society within which JTC operates.

Overview of the Programs and Mechanisms Used to Highlight the Company's Efforts in the Field of Social Responsibility

The Company also annually donates an amount equivalent to (1%) of its annual earnings to charities through "Masharee Al Khair" Charity Organization in contribution to its commitment to social responsibility towards the people of Kuwait.



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