

Ref: KIPCO/DGCEO 30/26 dated June 2, 2026

**Capital Markets Authority**  
**Bursa Kuwait Company**  
**State of Kuwait**

السادة / هيئة اسواق المال  
السادة / شركة بورصة الكويت  
دولة الكويت

**Subject: KIPCO's 2025 Sustainability report**

**الموضوع: تقرير الاستدامة لشركة مشاريع الكويت القابضة لسنة 2025**

With reference to the above subject, and pursuant to the requirements of chapter 1 in module 12 ("Listing Rules") of the Bylaws of law No. 7 of 2010, regarding the establishment of the Capital Market Authority and the regulation of securities activity, as amended, regarding sustainability report regulations for listed companies

بالإشارة إلى الموضوع أعلاه، وعملاً بأحكام الفصل الأول من الكتاب الثاني العاشر ("قواعد الإدراج") من اللائحة التنفيذية للقانون رقم (7) لسنة 2010 بشأن إنشاء هيئة أسواق المال وتنظيم نشاط الأوراق المالية وتعديلاتهما، فيما يتعلق بالقواعد التنظيمية الخاصة بتقرير الاستدامة للشركات المدرجة.

Attached is the Sustainability report.

نرفق لكم تقرير الاستدامة.

Sincerely,

و تفضلوا بقبول فائق التحية و الاحترام ،،،

**Samer Khanachet**  
**Deputy Group CEO**

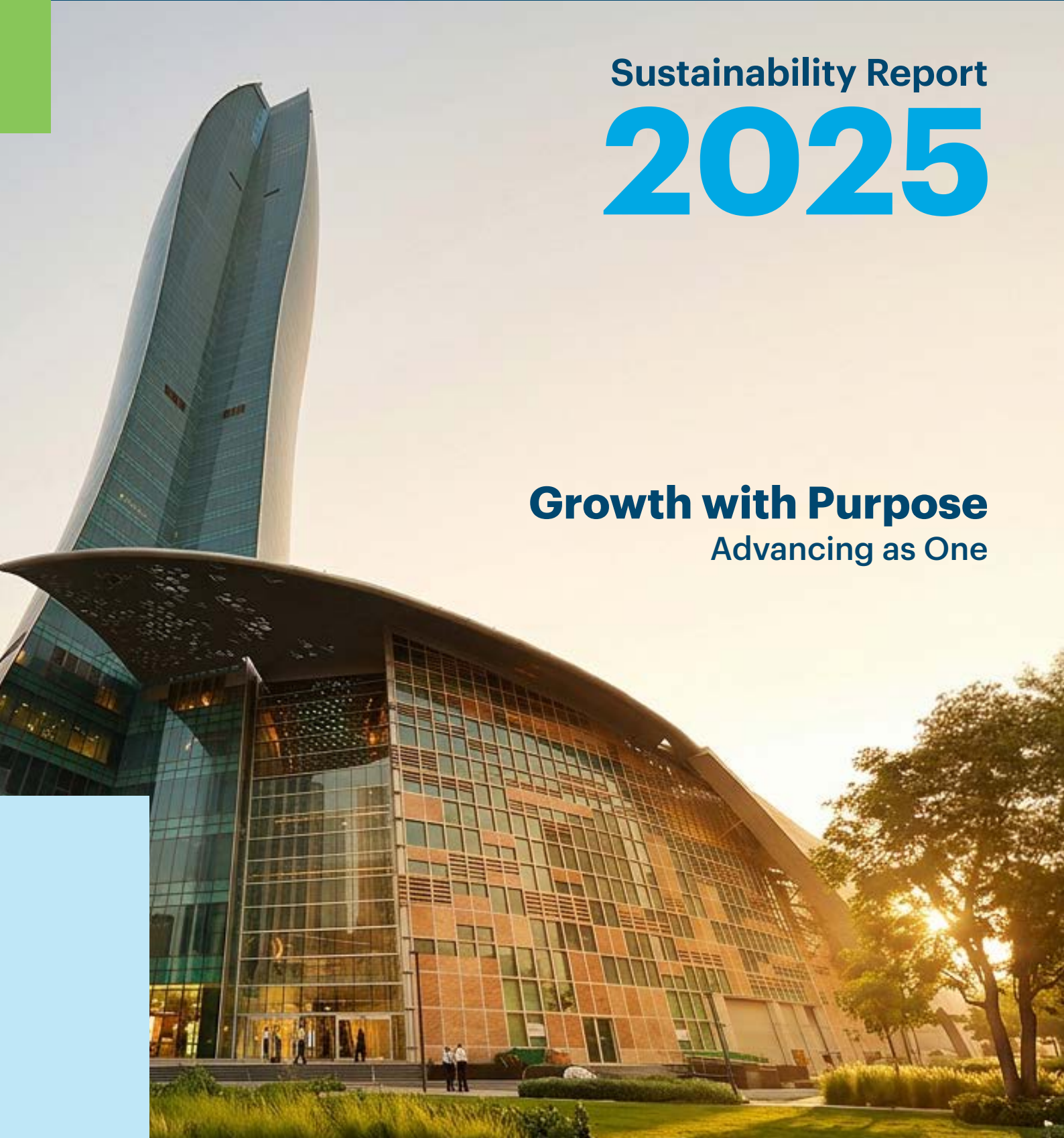
كيبكو  
KIPCO

13

سامر خناشيت  
نائب الرئيس التنفيذي للمجموعة

# Sustainability Report 2025

**Growth with Purpose**  
Advancing as One







**H.H. Sheikh Mishal  
Al-Ahmad Al-Jaber Al-Sabah**  
Amir of the State of Kuwait



**H.H. Sheikh Sabah  
Al-Khaled Al-Hamad Al-Sabah**  
Crown Prince of the State of Kuwait

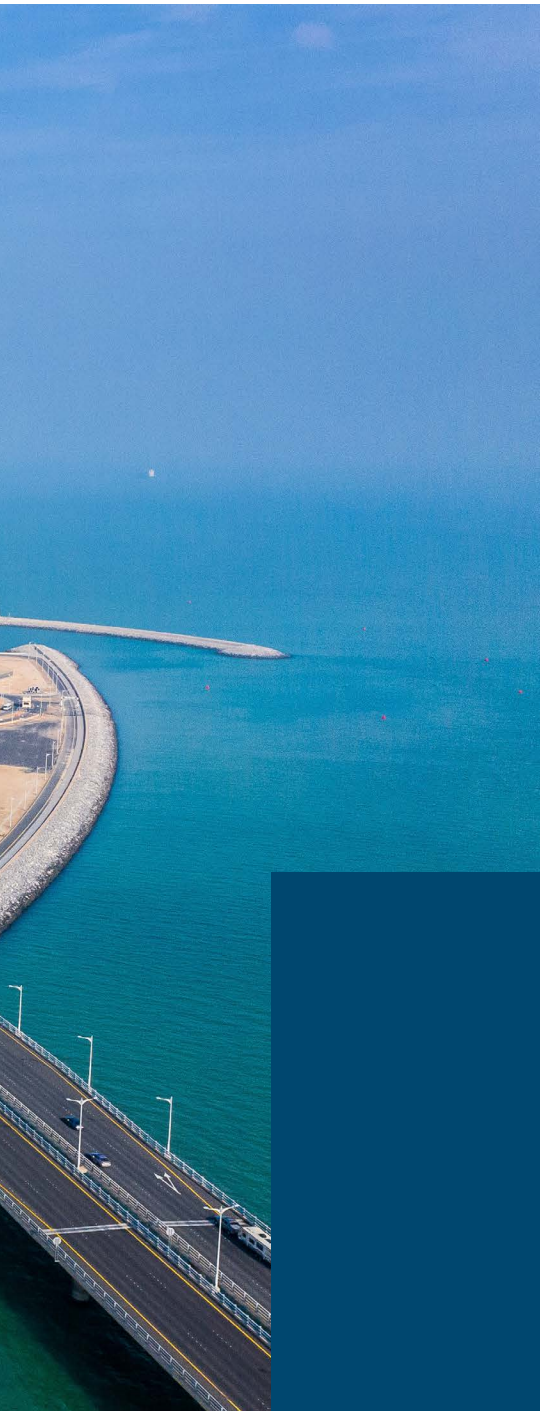


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# ABOUT THE REPORT



# ABOUT THE REPORT



We are pleased to present the fifth consecutive Sustainability Report issued by Kuwait Projects Company (Holding) K.S.C.P. (KIPCO), giving an overview of our Environmental, Social, and Governance (ESG) performance and activities for the reporting period from 1 January 2025 to 31 December 2025. The report highlights key initiatives, actions, and outcomes related to ESG matters that influence both our operations, our selected subsidiaries, and the stakeholders connected to our activities.

Prepared in accordance with the Global Reporting Initiative (GRI) Sustainability Reporting Standards 2021, the report also reflects alignment with internationally recognized frameworks and national priorities, including the United Nations Sustainable Development Goals (SDGs) and Kuwait Vision 2035. The report seeks to provide stakeholders with a transparent account of our sustainability practices and the progress made across key ESG areas covered by these disclosures. Further details can be found in **Appendix 5.1** (GRI Standards Index) and **Appendix 5.2** (Other ESG Disclosures).

By sharing our ESG initiatives, achievements, challenges, and commitments, this report aims to support open engagement with stakeholders including investors, employees, suppliers, and the communities surrounding

our operations. Such engagement contributes to strengthening trust, encouraging collaboration, and supporting responsible development across the Holding and its portfolio companies.

### Reporting Boundaries

This Sustainability Report covers KIPCO and reflects the activities of our Head Office operations located in Kuwait (KIPCO Tower). Throughout the report, references to “KIPCO,” “the Holding,” “we,” or “our” constitute these operations unless otherwise specified.

References to the “Group” denote KIPCO together with its portfolio companies. Where relevant, the report may include examples or highlights from selected portfolio companies; in such cases, the respective company is clearly specified.

### Contact Us

For questions, feedback, or further information regarding the content of this Sustainability Report, stakeholders are invited to contact our team through:

[esg@kipco.com](mailto:esg@kipco.com)

# ESG SPOTLIGHT

## GOVERNANCE



Initiating our ESG Strategy and the formation of an ESG Working Group on a Group-wide level



Introduction of Group-wide ESG Strategy progress reporting

## SOCIAL



Females on the Board of Directors (BOD)

**20%**



Females in KIPCO workforce

**36%**



Kuwaitization in the workforce

**27%**



Total expenditure on community engagement

**KD 149,667**



Total expenditure on philanthropic initiatives

**KD 300,200**



Rise in investment in employee training

**11%**

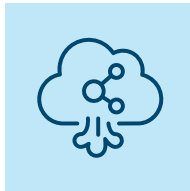


Initiation of our recycling program for scrap paper and plastic waste



Scope 1 GHG emissions (in tCO<sub>2</sub>e)

**87.72**



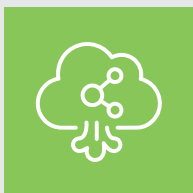
Scope 2 GHG emissions (in tCO<sub>2</sub>e)

**2167.17**



Scope 3 GHG emissions (in tCO<sub>2</sub>e)

**148.48**



GHG emissions intensity (in tCO<sub>2</sub>e/employee)

**34.33**

## GOVERNANCE



**0**

Number of incidents of data loss, leaks, or breaches



**0**

Number of whistleblowing reports

## MESSAGE FROM OUR GROUP CEO



As we reflect on the past year, and over five consecutive years of sustainability reporting, I am pleased to share the progress KIPCO made in 2025 in advancing its sustainability governance and reporting practices. As a diversified investment holding company, we take a long-term view, and sustainability increasingly shapes how we approach growth, investment and responsible stewardship across our portfolio.

A notable development during the reporting year was the advancement of KIPCO's ESG Strategy. Building on the foundations established in previous years, we introduced mechanisms that allow us to better understand sustainability developments across our portfolio companies and consolidate these insights together in a structured and periodic manner. The ESG Working Group has played an important role in this effort by creating a platform for representatives across our portfolio to exchange perspectives and contribute insights that support the continued development of our sustainability practices.

Equally important has been the introduction of group-wide ESG Strategy progress reporting. Contributions gathered through the ESG Working Group provide visibility over progress, and we are taking meaningful steps toward building a clearer view of how ESG priorities are developing throughout our Group. These efforts strengthen responsible investment practices through collaboration, shared understanding, and continuous learning.

At the same time, our commitment to responsible governance and inclusive growth continues to guide our approach to people and leadership. Diversity within our governance structures and workforce is considered important because varied perspectives strengthen decision-making and contribute to a more resilient organization. Investment in employee development has also increased during the reporting year, reinforcing our dedication to building a skilled and engaged workforce that can support the Group's long-term ambitions.

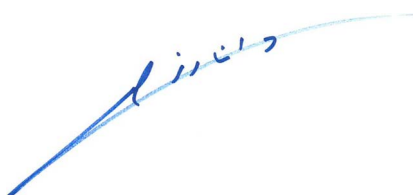
Beyond our operations, we are committed to contributing positively to the communities in which we operate. This commitment continues to hold a defining place in our direction, reflecting a long-standing belief in the importance of supporting the societies we serve. During the year, the Holding and Group companies delivered a broad range of initiatives spanning philanthropic contributions, social development programs, and partnerships designed to create lasting impact. The scale and continuity of these efforts reinforce the

Group's role beyond investment, positioning KIPCO as an active participant in advancing community well-being across the region.

Environmental considerations have also progressed during the year through an increased focus on understanding environmental impacts across the sectors in which KIPCO operates. Engagement with ESG Working Group participants has supported the collection and interpretation of environmental data, contributing to a clearer view of how environmental aspects relate to the Group's broader sustainability priorities. In parallel, initial steps have been taken to assess alignment with emerging international sustainability reporting standards, including IFRS S1 and S2, with particular attention given to climate-related considerations, to strengthen internal awareness and build a foundation for more informed environmental decision-making over time.

Equally central to our governance priorities is the protection of data and the maintenance of strong cybersecurity practices. As we expand our digital capabilities across the Group, safeguarding information and maintaining stakeholder trust are integral. The progress presented in this report reflects the collective efforts of our teams and portfolio companies, whose engagement continues to shape the development of KIPCO's sustainability journey. While important milestones have been achieved, we view this as an evolving process, one that will continue to develop as our portfolio grows and our understanding of sustainability deepens.

Looking ahead, we remain confident in our ability to build on this progress. Guided by our investment philosophy and strengthened by our sustainability commitments, KIPCO will continue to pursue opportunities that generate long-term value for our shareholders while contributing positively to the economies and communities we serve. I would like to thank our shareholders, partners, employees, portfolio companies, and community for their continued trust and support as we continue this work together.



**Dana Naser Sabah Al Ahmad Al Sabah**  
Group Chief Executive Officer



# 01 OVERVIEW

- 1.1** About KIPCO
- 1.2** ESG Strategic Outlook
- 1.3** Economic Impact
- 1.4** Stakeholder Engagement
- 1.5** Materiality Assessment

## 1.1 About KIPCO

Since its establishment in 1975, KIPCO has grown from a single investment vision into one of the region's leading investment holding groups. Now celebrating 50 years of operations, the Group's journey reflects decades of disciplined investment, strategic partnerships, and a commitment to building businesses that contribute to economic progress across the region.

Over the years, KIPCO has developed a diversified portfolio spanning sectors that play an essential role in economic growth and social development. Investments across financial services, media and technology, real estate, industrial services, food production, petrochemicals, education, and healthcare have enabled the Group to participate in multiple areas of economic growth while maintaining a balanced and resilient portfolio.

This evolution has been driven by a consistent approach: identifying promising opportunities, supporting companies as they grow, and strengthening their ability to deliver sustainable value over time. Under this model, the Group works closely with portfolio companies to enhance governance, guide strategic direction, and support long-term development within the markets they serve.

Today, KIPCO reaches across multiple markets throughout the Middle East, North Africa (MENA), and beyond. Decades of disciplined investment and partnership have shaped a portfolio of businesses supported by the Group's strategic oversight and long-term commitment to building resilient companies that continue to grow and evolve with the region.

### Portfolio Composition and Diversity

Diversification across sectors is a defining feature of the Group's investment approach. The portfolio spans a range of industries, allowing exposure to different economic drivers and market cycles while reducing exposure to any single sector.

This multi-sector presence supports greater adaptability in changing market conditions and provides a balanced platform for sustained value creation. Investments across the sectoral board, collectively contribute to the breadth of the Group's portfolio and economic prowess.

The following figure shows a selection of some of our portfolio companies across these sectors:

### Selected Portfolio Companies

Financial Services		 بنك بروغان BURGAN BANK	 البنك الأردني الكويتي JORDAN KUWAIT BANK	 KAMCO INVEST	
Media and Technology		 OSN	 United Networks		
Industrial Services and Logistics		 NAPESCO نايسكو	 Alternative Energy Projects Co.	 شركة إنشاء القابضة Inshara Holding Co.	 JTC
Real Estate		 URC شركة العقارات المتحدة United Real Estate Co.			
Food & Dairy		 SADAFCO سدافكو شركة السعودية لصناعة اللبن والألبان SAUDIA DAIRY AND FOODSTUFF COMPANY			
Education and Healthcare		 UEC شركة التعليم المتحدة United Education Company	 Advanced Technology Company K.S.C.P. شركة التقدم التكنولوجي ش.م.ك.ع.		



## Corporate Mission, Vision, and Values

The Group's strategic direction is guided by a focus on sustained value creation and responsible growth. A five-year strategic plan continues to inform investment priorities, portfolio development, and long-term decision-making across the Group. Within this context, KIPCO's mission, vision, and core values serve as the foundation of its corporate identity, shaping how the Group approaches opportunities, manages its investments, and engages with stakeholders.



### Mission:

Preserve and grow stakeholders' value.



### Vision:

To be an agile investment holding company in our core markets, delivering sustainable returns in sectors that matter to our society in the present and future.



### Values:

At KIPCO, our core values are the cornerstone of everything we do. They guide our decision-making, define our culture, and shape our interactions with all stakeholders.

Our commitment to excellence is built on the following principles:

	<p><b>Competence:</b> Attract, retain, and nurture talent to make informed decisions, adapt to changing markets and generate sustainable returns to our stakeholders</p>
	<p><b>Integrity:</b> Adhere to ethical standards in all business dealings and maintain trust with our stakeholders</p>
	<p><b>Sustainability:</b> Ensure long-term value creation and sustainable growth that meets the present's need while supporting the future</p>
	<p><b>Innovation:</b> Implement cutting-edge solutions to shape the future of our investments, unlock new possibilities, and drive transformative changes</p>
	<p><b>Action-Orientation:</b> Take proactive actions to drive growth and enhance stakeholders' value with an agile and hands-on approach to our investments</p>
	<p><b>Accountability:</b> Commit to effective risk management, to ambitious yet achievable goals and to the highest standards of corporate governance</p>



Reflecting our ongoing commitment to advancing gender equality, KIPCO is proud to continue its participation as a signatory to the Women's Empowerment Principles (WEPs), reinforcing our dedication to empowering women through multiple avenues across our workplace, value chain, and broader community.

### Awards and Recognition

Consistent recognition from regional and international platforms reflects the direction that KIPCO continues to follow. Over the years, the Group and its leadership have been featured across several Forbes Middle East rankings, acknowledging both corporate leadership and the growing integration of sustainability considerations within the Group's activities and portfolio.

Such recognition serves as a testament to how responsible practices, sound governance, and long-term thinking are increasingly embedded across KIPCO's activities and related businesses. Year-on-year inclusion in such rankings illustrates a sustained commitment to building resilient companies that contribute meaningfully to the region's economic and social progress.

# Forbes MIDDLE EAST



## Achievements and Awards



**Top 100 Most  
Powerful  
Businesswomen  
2025**



**Middle East  
Sustainability  
Leaders**



**Top 100 CEOs**



**Top 100  
Listed Companies**

## 1.2 ESG Strategic Outlook

KIPCO continues to advance the integration of environmental, social, and governance considerations throughout its operations and across its portfolio of companies. The Group's ESG Strategy which is mainly structured around four pillars - Report, Operate, Lead, and Empower (ROLE) - comprises of multiple objectives and priorities that collectively guide how sustainability considerations are embedded within the Group's activities and investment landscape. Building on this, KIPCO seeks to strengthen responsible practices across its portfolio while supporting long-term value creation for stakeholders.



Figure: Pillars: ROLE

**R**



**Report:**

Transparent communication and accountability

**O**



**Operate:**

Integrating sustainability into our daily operations

**L**



**Lead:**

Championing ESG practices within our sectors

**E**



**Empower:**

Enabling positive change internally and externally

<p><b>1.</b></p>  <p><b>Attractive Workplace</b></p>	<p><b>3 Strategic Objectives</b></p> <p>1.1 - To exhibit a balanced demographic employee representation                  1.2 - To foster a high caliber of employees                  1.3 - To advocate for employee rights and well-being</p>	<p><b>13</b> KPIs</p>
<p><b>2.</b></p>  <p><b>Positive Environmental Outcomes</b></p>	<p><b>4 Strategic Objectives</b></p> <p>2.1 - To govern environmental performance through accountable mechanisms                  2.2 - To assess, report, and ultimately reduce KIPCO's Greenhouse Gas (GHG) emissions, derived from various sources                  2.3 - To assess, report, and ultimately optimize KIPCO's energy and water consumption                  2.4 - To manage waste responsibly</p>	<p><b>15</b> KPIs</p>
<p><b>3.</b></p>  <p><b>Responsible Community Engagement</b></p>	<p><b>2 Strategic Objectives</b></p> <p>3.1 - To establish an impactful community engagement                  3.2 - To maximize stakeholder value through transparent communication</p>	<p><b>6</b> KPIs</p>
<p><b>4.</b></p>  <p><b>Adaptive Governance</b></p>	<p><b>9 Strategic Objectives</b></p> <p>4.1 - To ensure financial ethics compliance                  4.2 - To report transparently on Board of Directors (BOD) and Executive Management (EM) matters                  4.3 - To enable ESG Strategy through proper governance                  4.4 - To protect the rights of, and engage with, shareholders                  4.5 - To integrate ESG into KIPCO's risk management practices                  4.6 - To safeguard stakeholders' health and well-being                  4.7 - To secure KIPCO's stakeholders' data privacy                  4.8 - To adopt a "zero tolerance" approach against unethical behavior                  4.9 - To preserve KIPCO's stakeholders' human rights throughout its activities</p>	<p><b>18</b> KPIs</p>
<p><b>5.</b></p>  <p><b>Sustainable Economic Impact</b></p>	<p><b>3 Strategic Objectives</b></p> <p>5.1 - To adopt sustainable financing practices                  5.2 - To enable responsible procurement practices                  5.3 - To sustain KIPCO's stakeholder engagement and address their sustainability interests</p>	<p><b>8</b> KPIs</p>

To support the continued advancement of this strategy across the Group, KIPCO emphasized the importance of collaboration and shared engagement in progressing its ESG priorities. Building on this approach, efforts were undertaken to bring together representatives from across the portfolio to exchange perspectives, strengthen alignment, and contribute to the collective development of the Group's sustainability journey.

## ESG Working Group – Ongoing Strides



Advancing KIPCO's ESG Strategy across a diversified portfolio requires a structured channel through which portfolio companies can contribute insights and information related to the Group's sustainability priorities. To support this objective, KIPCO established the ESG Working Group, bringing together representatives from across its portfolio companies to participate in a shared platform dedicated to the Group's sustainability journey.

The Working Group serves as a point of engagement between the Holding and its portfolio companies, enabling participants to contribute information aligned with the strategic priorities embedded within KIPCO's ESG Strategy. Through this platform, representatives collaborate in providing ESG-related inputs that help illustrate how sustainability themes are emerging across the Group's profile.

Throughout the reporting year, the ESG Working Group convened multiple times, creating opportunities for representatives to engage in discussions around the Group's ESG priorities and contribute information relevant to these themes. These engagements focused on several areas:

### Key Objectives



Providing ESG-related inputs aligned with the strategic priorities outlined in the ESG Strategy framework.



Contributing portfolio-level information that supports a broader understanding of sustainability developments across KIPCO's businesses.



Encouraging dialogue and knowledge exchange among portfolio companies operating in diverse sectors and markets.



Discussing and understanding challenges and opportunities to ensure efficient and collective fulfillment of strategic targets.

In parallel, several capacity-building sessions were organized to strengthen the ESG understanding of participating representatives. These sessions focused on developing familiarity with sustainability concepts, reporting expectations, and the priorities embedded within the Group's ESG Strategy, demonstrating how the Group's strategic priorities and objectives apply under different sectoral and corporate contexts. By strengthening ESG knowledge across the Working Group, these engagements help ensure that representatives are equipped to contribute meaningfully to the Group's sustainability. As a result, this collaborative structure of the ESG Working Group carried forward the consolidation of ESG-related inputs from across the portfolio, enabling KIPCO to develop a clearer view of ESG Strategy progress, inefficiencies, and opportunities at the Group level. Information shared through these engagements contributes to a structured process through which sustainability-related insights from portfolio companies can be gathered, organized, and presented.

Building on the engagement established through the ESG Working Group, KIPCO introduced an ESG Strategy Dashboard to support the collection of strategic KPI updates mapped with the priorities outlined in the Group's ESG Strategy. Designed as a structured utility, the dashboard enables participating portfolio companies to contribute inputs in a consistent format, helping bring together sustainability insights from across the Group's investment landscape.

During the reporting year, nine selected portfolio companies participated in the ESG Dashboard exercise, integrating the Group's strategic elements within their respective frameworks. This participation represents an encouraging step in bringing sustainability perspectives together across the portfolio and reflects the growing engagement of KIPCO's businesses in the Group's sustainability journey.

Insights gathered through the ESG Dashboard provide an initial portfolio-level view of sustainability developments connected to the strategic priorities outlined in KIPCO's ESG Strategy. Reflecting the current stage of progress across each priority area, this offers a directional view of how the Group is advancing with the ESG Strategy during the reporting year.

### ESG Strategy Performance





## Advancing ESG Capabilities Across the Group – GRI Certification

### CASE STUDY



To support the growing integration of ESG practices across its portfolio, KIPCO delivered a two-day training program including a GRI-certified segment for representatives of the ESG Working Group drawn from selected portfolio companies. The program was designed to deepen understanding of sustainability reporting concepts and ensure that participants involved in ESG data collection share a consistent foundation of knowledge as the Group advances its ESG efforts.

The sessions introduced participants to the structure and principles of the GRI Standards, with particular attention given to how sustainability information is defined, collected, and translated into disclosures. Practical discussions focused on materiality, the interpretation of ESG indicators,

and the importance of reliable internal inputs when compiling sustainability data. Participants were also guided through examples that illustrate how organizations structure their reporting and how different ESG topics are reflected within formal disclosures, alongside discussions on evolving reporting trends and relevant regulatory developments.

Bringing representatives from multiple portfolio companies into a shared learning environment also supported alignment across the Group's ESG Working Group. Strengthening familiarity with sustainability reporting concepts helps ensure that contributors involved in ESG Strategy data collection approach the process with a clearer understanding of expectations, terminology, and disclosure practices. This shared knowledge base contributes to more consistent engagement throughout the ESG reporting process and supports the effective use of the Group's ESG Dashboard as a centralized mechanism for gathering sustainability information from portfolio companies.

The training formed part of KIPCO's broader effort to strengthen ESG capabilities across its portfolio, enabling participating entities to engage more confidently in the evolving sustainability reporting landscape while contributing to the Group's collective ESG journey.



## Impact Across Our Portfolio – Advancing Transparency Through ESG Reporting – URC

### CASE STUDY



United Real Estate Company (URC), the real estate arm of the KIPCO Group, released its first Sustainability Report outlining how ESG considerations are integrated within its operations and investment activities. The publication marks a step toward more structured sustainability disclosure, aligning URC's practices with recognized reporting standards while supporting national development priorities.

The report presents the company's approach to embedding ESG principles into internal policies and decision-making processes, alongside initiatives that promote responsible operations and workforce development, including training and capacity-building programs for employees.

As part of the KIPCO Group's broader direction, the report contributes to strengthening transparency and accountability across the portfolio while reinforcing the Group's focus on responsible business practices.





## 1.3 Economic Impact

KIPCO's economic impact is reflected in the performance and activities of its diversified portfolio of companies operating across multiple sectors and markets. Through its role as an investment holding company, the Group contributes to economic activity by supporting the growth of its portfolio, fostering investment across strategic industries, and enabling sustainable value creation within the markets in which it operates.

In addition to its direct financial contribution, KIPCO's presence across these sectors supports broader economic participation, including the creation of employment opportunities and the continuation of community-focused initiatives across its portfolio. Our activities also contribute to economic circulation within the markets in which we operate, through ongoing engagement with local industries and stakeholders. Continued investment in people and community engagement further reflects the Group's role in contributing to economic activity beyond financial performance.

Comprehensive information on the Group's financial performance, including consolidated results, financial position, and related disclosures, is presented in KIPCO's financial statements for the reporting year. We encourage readers to refer to these statements, as well as the Annual Report, for a detailed overview of the Group's financial performance and economic contribution.

For further information, visit the link below:



## 1.4 Stakeholder Engagement

Maintaining constructive relationships with stakeholders is fundamental to how KIPCO operates as an investment holding company. The perspectives of our portfolio companies, investors, employees, regulators, partners, and the wider community help inform our understanding of emerging priorities, expectations, and risks that may influence the environments in which our Group companies operate. Continuous engagement therefore allows us to remain attentive to these perspectives while reinforcing transparency and accountability in our activities.

Stakeholder dialogue provides an important channel through which we exchange information, communicate developments, and better understand the interests that shape stakeholder expectations. Through these interactions, we aim to support informed decision-making, tailor disclosed information, and ensure that our governance and operational practices respond to the evolving economic, social, and regulatory landscape and expectations.

Our engagement practices consider the diversity of stakeholders that could impact or be impacted by the Holding. Different groups interact with KIPCO through a range of structured and direct communication channels that facilitate dialogue and knowledge exchange. As such, these interactions allow us to be informed of stakeholder priorities while providing stakeholders with visibility into our activities, performance, and sustainability considerations.

The following summarizes the key stakeholder groups engaged by KIPCO, together with the primary methods used to maintain dialogue and the general frequency of engagement.

Classification	Selected Stakeholders	Selected Approach to Stakeholder Engagement	Selected Stakeholder Interests	Estimated Engagement Frequency
External	Investors	Online quarterly earnings calls, Annual General Assembly meetings, Conferences, Official letters, Emails, Reports, Website, Press releases	Return on Investment (ROI), ESG compliance, Regulatory compliance, Transparent and regular communication, Sustainable investments	High frequency
External	Governmental Entities	Meetings, Official letters, Emails, Reports	ESG compliance, Regulatory compliance, Transparent communication, Adhering and aligning to national plans, Ethical conduct	Medium frequency
External	Community	Community events, Website, Press releases, Reports, Volunteer activities	Transparent communication, Community engagement, Community empowerment	Medium frequency
External	Non-Governmental Organizations (NGOs)	Meetings, Official letters, Phone calls, Emails, Community activities	Transparent communication, Forming partnerships, Sponsoring initiatives, Common goals, Impactful initiatives	Medium frequency
External	Suppliers and Vendors	Meetings, Official letters, Phone calls, Emails, Contracts, Website, Reports	Transparent communication, Due diligence, Payments	Medium frequency
External/Internal	Shareholders	Meetings / Annual General Meetings (AGMs), Official letters, Phone calls, Emails, Reports, Website, Press releases	Voting rights, Robust governance, Return on Investment (ROI), ESG compliance, Regulatory compliance, Transparent and regular communication, Dividends, Revenue growth	Medium frequency
External/Internal	ESG Working Group	Meetings, Emails, Microsoft Teams, Zoom, Phone calls, Training, Events	ESG Strategy, Capacity building, Knowledge sharing	High frequency
Internal	Employees	Meetings, Emails, Microsoft Teams, Zoom, Phone calls, Training, Employee events, Social media platforms, Press releases, Reports, Internal communication, Website, Contracts	Regular and transparent communication, Work-life balance, Compensation, Benefits, Clear employee policies, Non-discrimination and equal treatment, Compliance with labor law	High frequency

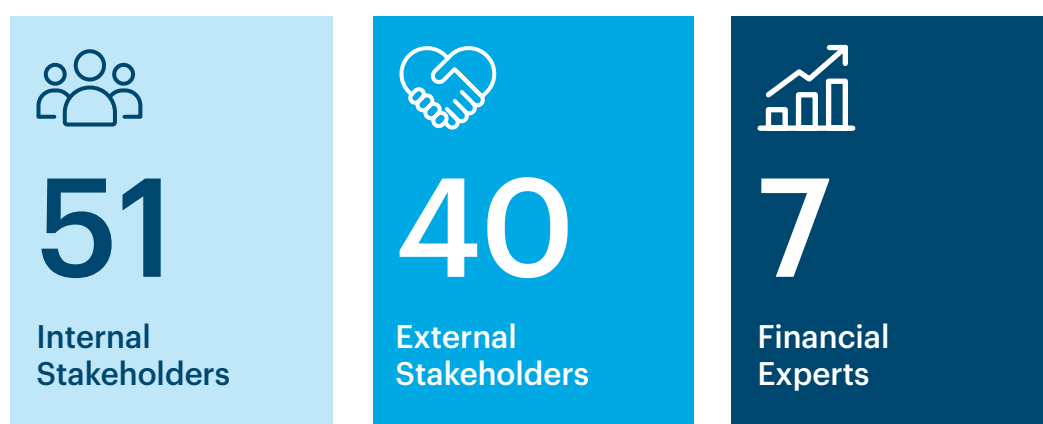


## 1.5 Materiality Assessment

Understanding which ESG topics are most relevant to the Holding and our stakeholders helps ensure that sustainability disclosures are focused on the issues that matter most to both us and the communities connected to our activities. We therefore conduct a structured materiality assessment process to identify and prioritize ESG topics that reflect stakeholder expectations alongside the Holding's operational context.

The assessment conducted during this reporting period followed the guidelines and requirements outlined in GRI 3: Material Topic 2021 Standard, which emphasize the identification and prioritization of sustainability topics based on their significance to stakeholders and their potential economic, environmental, and social implications. The process involved reviewing relevant ESG topics, engaging with stakeholders, and evaluating the relative importance of each topic from both a stakeholder and organizational perspective.

Stakeholder input formed a central component of the process. Feedback was gathered from internal stakeholders across the Holding, external stakeholders representing key stakeholder groups, and financial stakeholders who closely engage with or analyze KIPCO and its Group companies. In total, the assessment incorporated insights from 51 internal stakeholders, 40 external stakeholders, and 7 financial experts, ensuring that the prioritization process reflected a broad range of perspectives.



The collected responses were analyzed and mapped to determine the relative significance of each topic. Topics were evaluated based on their perceived significance, importance to stakeholders, and their relevance to KIPCO's operations and governance practices. The results were then compared with the previous reporting cycle to analyze any changes in stakeholder priorities or organizational relevance.

While some rating shifts were observed between reporting periods, reflecting evolving stakeholder perceptions and broader ESG discussions, the set of material topics were consistent with the previous assessment. This outcome reflects the stable nature of the Holding's activities and the absence of significant operational or value chain changes during the reporting period. Maintaining continuity in the identified topics supports comparability across reporting cycles while ensuring that the sustainability report continues to address the issues considered most relevant to stakeholders.

The identified topics also align with KIPCO's ESG Strategy pillars and contribute to several United Nations Sustainable Development Goals (SDGs), reflecting how our governance practices, workforce initiatives, environmental considerations, and community engagement activities contribute to and align with broader sustainable development goals.

In the following, we present the material topics identified through the assessment, together with their year-over-year prioritization and alignment with KIPCO's ESG Strategy, Kuwait Vision 2035, and the relevant SDGs.

## List of Material Topics

ESG Classification	Material Topics	2025 Rating – Financial Materiality	2025 Rating – Impact Materiality	Comparison to 2024 Rating	KIPCO's ESG Strategy Alignment	SDGs Alignment	Kuwait Vision 2035 Alignment
Governance	Data Privacy and Security	High	High	▬	Adaptive Governance	 	Effective Civil Service
	Corporate Governance	High	High	▬	Adaptive Governance		Effective Civil Service
	Investor Relations	High	High	▬	Adaptive Governance	 	Global Positioning
	Ethical Business Conduct	High	High	▬	Adaptive Governance		Effective Civil Service
	ESG Risk Management	High	High	▬	Adaptive Governance	        	Sustainable Diversified Economy
	Sustainable Investment and ESG Alignment	High	High	▬	Positive Environmental Outcome  Attractive Workplace Responsible Community Engagement  Adaptive Governance	        	Sustainable Diversified Economy
Social	Diversity and Equal Opportunity	High	Medium	▼	Attractive Workplace	  	Creative Human Capital
	Employee Training and Development	High	Medium	▼	Attractive Workplace	 	Creative Human Capital
	Employee Engagement	High	High	▬	Attractive Workplace	  	Creative Human Capital
	Community Engagement	High	High	▬	Responsible Community Engagement	  	Sustainable Living Environment
Environmental	Financed Emissions	Medium	Medium	▬	Positive Environmental Outcome	  	Sustainable Living Environment
	Operational GHG Emissions	Medium	Medium	▼	Positive Environmental Outcome	  	Sustainable Living Environment

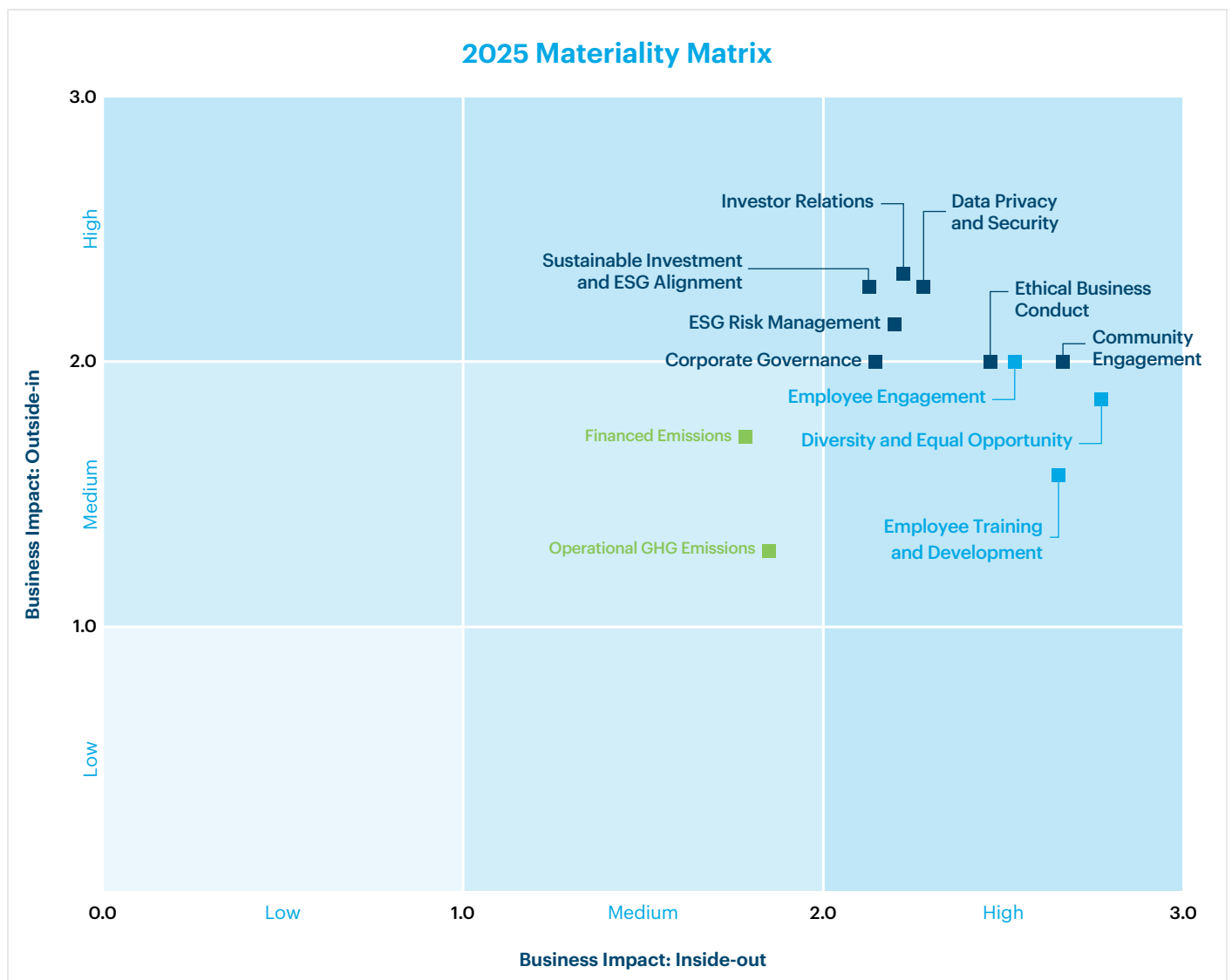
The distribution of topics across the matrix highlights the areas where stakeholder expectations most strongly intersect with KIPCO’s priorities. Several topics are concentrated in the upper-right quadrant, indicating a high level of importance from both an inside-out and outside-in perspective.

Governance-related topics such as Investor Relations, Corporate Governance, Ethical Business Conduct, Data Privacy and Security, and ESG Risk Management occupy prominent positions within this area, reflecting the importance of transparency, responsible oversight, and strong governance practices within the Holding’s operating environment. As an investment holding company, these topics sit close to the drivers of stakeholder confidence and long-term value.

Social topics also feature prominently within the higher-priority area of the matrix. Employee Engagement, Diversity and Equal Opportunity, Employee Training and Development, and Community Engagement demonstrate strong alignment between stakeholder expectations and KIPCO’s focus on workplace culture, talent development, and broader community participation.

Environmental considerations are represented through Operational GHG Emissions and Financed Emissions, which appear within the mid-tier region of the matrix. Their positioning reflects the nature of our activities, which are largely office-based, while also recognizing the growing relevance of environmental considerations within the broader investment and sustainability landscape.

Overall, the matrix reflects a balanced distribution across governance, social, and environmental topics, with governance and stakeholder trust-related issues occupying the most prominent positions. This pattern aligns with KIPCO’s role as an investment holding company, where effective governance, responsible investment practices, and strong stakeholder relationships underpin long-term sustainability.



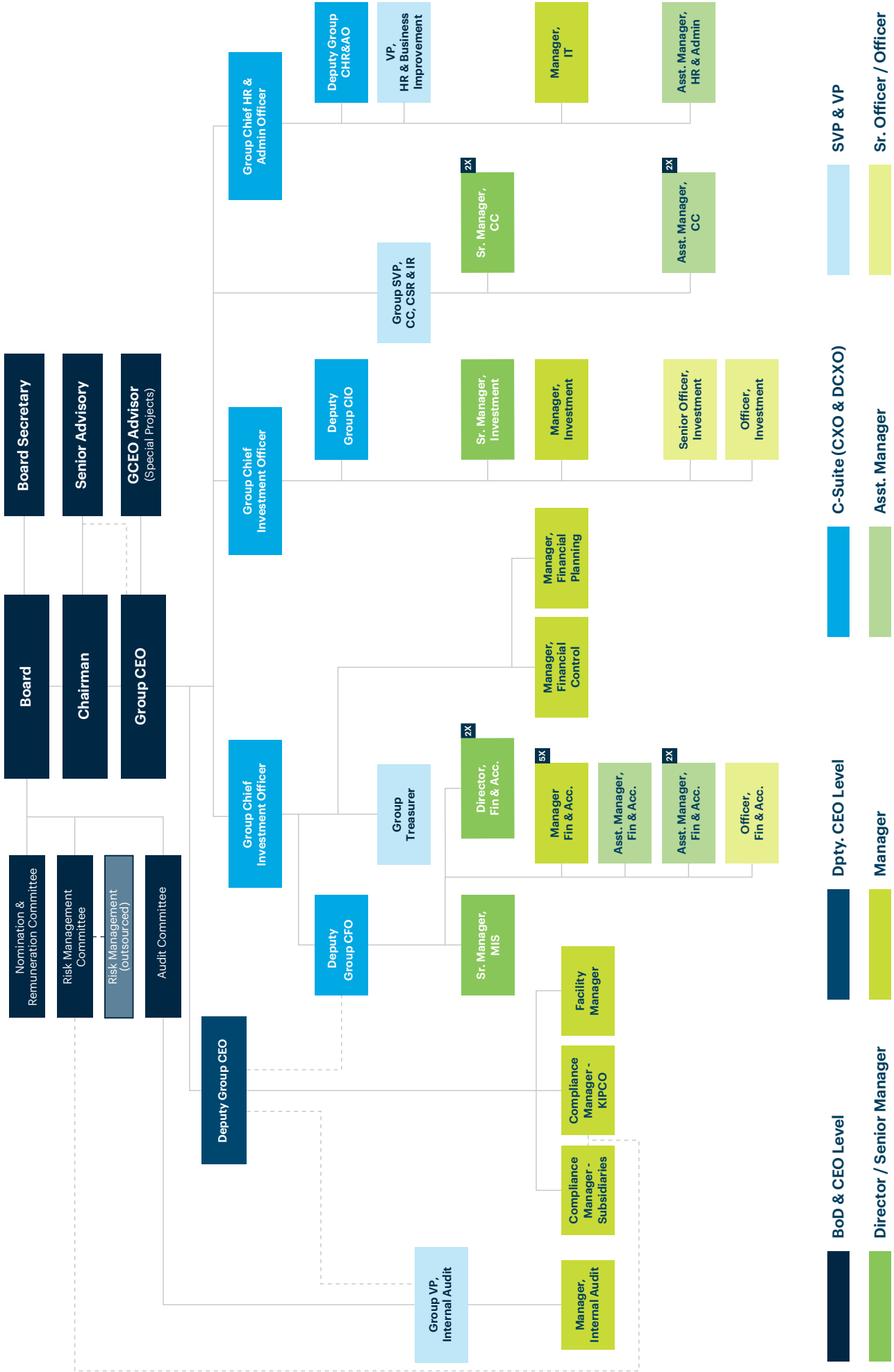


# 02 HOLDING GOVERNANCE

- 2.1 Corporate Resilience
- 2.2 Ethical Practices
- 2.3 Risk Management
- 2.4 Data Protection

# 2.1 Corporate Resilience

## Organizational Structure



Long-term resilience is supported by governance structures that provide clear oversight, accountability, and strategic direction across the Holding's activities. Leadership oversight is exercised through the Board of Directors (BOD), supported by specialized committees that focus on key areas such as audit, risk management, remuneration, and sustainability oversight. In a combined effort, these governance bodies play a central role in guiding strategic priorities while ensuring that risks, performance, and responsible business practices are closely monitored and appropriately managed and guided.

The following tables provide an overview of the Board's composition, committee structure, and executive leadership responsible for supporting governance and oversight across the Holding.

### BOD Composition

Name	Board Position	Independence	Executive / Non-Executive	Industry expertise	Non-Industry expertise	ESG experience / credentials	Attendance rate	Nationality	Age	Gender	Tenure
Sheikh Hamad Sabah Al Ahmad Al Sabah	Chairman	Non-Independent	Non-Executive	✓	✓	-	100%	Kuwait	78	Male	Since 1996
Sheikh Abdullah Naser Sabah Al Ahmad Al Sabah	Vice Chairman	Non-Independent	Non-Executive	✓	✓	-	100%	Kuwait	50	Male	Since 2005
Sheikha Dana Naser Sabah Al Ahmad Al Sabah	Board Director	Non-Independent	Executive.	✓	✓	✓	100%	Kuwait	55	Female	Since 2020
H.E. Abdullah Yacoub Bishara	Board Director	Independent	Non-Executive	✓	✓	✓	100%	Kuwait	91	Male	Since 1997
Mr. Faisal Hamad Al Ayyar	Board Director	Non-Independent	Non-Executive	✓	✓	-	100%	Kuwait	72	Male	Since 1990

Supporting the Board's responsibilities are specialized committees established to oversee key governance areas, including audit oversight, risk monitoring, and nominations and remuneration matters. The composition and roles of these committees form part of the Holding's one-tier governance structure and are disclosed publicly through our website, including the respective charter for each committee:

### BOD Committees and Responsibilities

Committee Name	Committee Owner (Chairperson)	Decision Area Covered (Econ/Env/Soc)	Independence	Number of Meetings	Attendance Rate
Audit Committee	Sheikh Abdullah Naser Sabah Al Ahmad Al Sabah	Economic	Not Independent	5	100%
Nomination & Remuneration Committee	Sheikh Abdullah Naser Sabah Al Ahmad Al Sabah	Economic	Not Independent	2	100%
Risk Management Committee	Sheikh Abdullah Naser Sabah Al Ahmad Al Sabah	Economic, Governance	Not Independent	5	100%
ESG Committee	H.E. Abdullah Yacoub Bishara	Economic, Environment, Social, Governance	Independent	2	100%

Operational leadership is further supported by an experienced Executive Management team responsible for implementing the Holding's strategic objectives and overseeing day-to-day operations across the Group.

## Executive Management Team and Expertise

Name	Position / Title	Industry Expertise	Non-Industry expertise	Any ESG Experience /Credentials	Nationality	Age	Gender	Years Tenure
Sheikha Dana Naser Sabah Al Ahmad Al Sabah	Group CEO	Investment,Banking & Financing,Real Estate, Manufacturing, Education, Oil and Gas, Logistics	N/A	Yes	Kuwait	55	Female	6
Samer Khanachet	Deputy Group CEO	Investment,Banking & Financing,Real Estate, Manufacturing, Education, Oil and Gas, Logistics	N/A	Yes	USA	74	Male	36
Sunny Bhatia	Group CFO	Investment,Financing, Liability management	N/A	No	India	61	Male	5
Sheikh Sabah Mohammad Abdulaziz Al Sabah	Group Chief Investment Officer	Investment, Financing, Manufacturing, Oil and Gas, Logistics	N/A	No	Kuwait	43	Male	4
Khaled Abdul Jabbar Al Sharrad	Group Chief HR & Admin Officer, Board Secretary	Investment Holding, Industrial, Logistics	HR, Business Development, Organizational Optimization	No	Kuwait	61	Male	31
Moustapha Samir Chami	Deputy Group CFO	Investment, Financing, Banking, Manufacturing, Accounting	Corporate Governance, Compliance	No	Lebanon	44	Male	27
Adel Jasem Al Waqayan	Group Treasurer	Investment, Financing, Banking, Manufacturing, Accounting	N/A	No	Kuwait	64	Male	31
Mohammad Abdullah Al Hubail	Deputy Group Chief of HR & Admin Officer	HR, Corporate affairs and Administration, Accounting and Settlements	Investment and Holdings	No	Kuwait	58	Male	16
Samer Abbouchi	Deputy Group Chief Investment Officer	Investments, Financial, Banks, Real Estate	N/A	No	Lebanon	43	Male	3
Eman Mohammad Al Awadhi	Group SVP – Corporate Communications & IR	Media & Communication, Investor Relations, Sustainability, CSR	N/A	Yes	Kuwait	47	Female	16
Riyad Mohammed Hanbali	Group VP – Internal Audit	Investment,Financing,Real Estate, Manufacturing, Oil and Gas, Logistics	N/A	No	Austria	59	Male	22

## Board Governance

Governance oversight is maintained by the election of the Board of Directors by shareholders at the General Assembly, ensuring that shareholders play a direct role in shaping the composition of the Board. Through this process, stakeholder perspectives are reflected in Board appointments as the General Assembly itself represents the collective decision-making body of shareholders. The governance framework also incorporates mechanisms designed to maintain accountability to shareholders and safeguard their rights. Directors are elected for three-year terms in accordance with the requirements of the Kuwait Companies Law, while shareholders retain the ability to nominate candidates for election through processes defined under the law.

When selecting members of the Board, attention is given to ensuring diversity in professional expertise and industry background so that the Holding benefits from a breadth of perspectives relevant to its investment activities and portfolio oversight. Board composition is also guided by the regulatory framework established under the Kuwait Companies Law and the Capital Markets Authority (CMA), including the requirement that at least 20% of the Board be composed of independent directors, a threshold maintained by KIPCO in line with CMA executive bylaws, as reflected in the preceding tables.

Oversight responsibilities are further strengthened through the separation of governance and Executive Management roles. The positions of Chairperson and Chief Executive Officer are not combined, with the Chairperson serving in a non-executive capacity as required by the applicable regulatory frameworks. Independence criteria applied to Board members, including conflict-of-interest and governance considerations, are defined by the Kuwait Companies Law and overseen by the CMA, with these governance principles disclosed through KIPCO's published Corporate Governance Report.

## Board Accountability and Shareholder Rights

Shareholder oversight extends to key governance matters through the General Assembly, which holds authority over decisions such as approving amendments to the company's bylaws. Additionally, shareholders representing a defined ownership threshold of 25% may also request the convening of an extraordinary general meeting to address governance matters. Such matters may also include the removal of Board members where necessary, with a majority vote of 51% required to pass such decisions.

Moreover, additional provisions ensure that minority shareholder interests are kept protected. Governance practices are implemented in accordance with the Kuwait Companies Law and relevant regulatory frameworks, with shareholder rights preserved through mechanisms such as the ability to participate in governance decisions within established legal thresholds. These governance arrangements reinforce transparency and maintain a structured relationship between the Board and its shareholders.

## Board Performance and Evaluation

To maintain the effectiveness of the Board of Directors, performance evaluations are conducted annually, alongside the necessary training programs to further enrich the capabilities and expertise of the elected Board members. These assessments include both a Board-level evaluation and a self-assessment process designed to review how effectively the Board oversees governance responsibilities and organizational impacts. Notably, the evaluation process is independent, and the results are reviewed by an external party to provide additional assurance regarding the objectivity of the assessment.

The outcome of these evaluations provides the Board with an opportunity to review its effectiveness and governance practices. While recent assessments did not require structural changes to Board composition or governance practices, the process supports continuous review of oversight mechanisms and decision-making processes when needed.

Board engagement is also observed through meeting participation, with attendance consistently exceeding 75%. Attendance expectations are outlined in governance policies and monitored by the Holding's Secretary, with individual attendance records disclosed in the Annual Report and as part of the Corporate Governance Report. Information regarding director experience and professional background is briefly mentioned in preceding tables but is also disclosed publicly through governance reporting channels, including KIPCO's Annual Report and the Corporate Governance section found on our website.

In parallel, limits are placed on the number of external mandates that Board members may hold to ensure sufficient focus on Board responsibilities, while director tenure is tracked internally to support governance monitoring and succession planning.

## ESG and Impact Governance

Oversight of ESG matters is integrated into KIPCO's governance structure through dedicated oversight and coordination mechanisms at both the Board and executive levels. The Holding has established an ESG Committee chaired by an independent Board member and comprising senior executives, including the Deputy Group Chief Executive Officer, the Deputy Group Chief Financial Officer, and the Group Senior Vice President for Corporate Communications and Investor Relations. The Committee reports directly to the Board on ESG-related matters, and both the ESG Committee charter and the ESG Strategy are approved by the Board, reinforcing Board-level accountability for sustainability governance.

Executive-level leadership supports the implementation and coordination of sustainability initiatives across the Holding. The Group SVP – Corporate Communications and Investor Relations serves as the sustainability lead and works closely with the ESG Committee and the ESG Working Group. In addition, KIPCO assigns the coordination of ESG initiatives to designated individuals who provide guidance, support awareness initiatives, and coordinate ESG-related activities with investment teams and operating entities across the portfolio.

Responsibilities for managing sustainability-related impacts are distributed across the governing and executive bodies to ensure integration within operational functions. Senior executives, including the Deputy Group CEO and the Group Chief Investment Officer, have been assigned responsibilities related to impact management. At the same time, sustainability responsibilities are also assigned to department heads, enabling ESG considerations to be embedded within departmental processes and day-to-day activities.

Monitoring and reporting mechanisms are also maintained to complement the Board's ongoing oversight of sustainability matters and establish structured communication channels of sustainability updates and developments. Accordingly, such updates are provided through semi-annual reports presented to the BOD through the ESG

Committee, which reviews sustainability information before reporting its findings to the Board. The effectiveness of sustainability-related management processes is assessed through these monitoring and reporting mechanisms, complemented by internal audits and stakeholder feedback, which together support the evaluation and communication of performance to relevant governance bodies.

Stakeholder engagement also plays an important role in informing governance oversight. Engagement with portfolio companies is conducted through the investment function, communication with investors is coordinated through the investor relations function, and interactions with rating agencies are managed through the finance function. Insights generated from these engagements may also inform executive performance management processes, including adjustments to Key Performance Indicators (KPIs) where relevant. Oversight of complaints arising within portfolio companies is also monitored at Board level through committees such as the Board Audit Committee and Board Risk Committee.

## ESG Policy

Building on the governance structures and oversight mechanisms outlined above, and in dedication to continuous responsible practices, KIPCO has established an ESG Policy that sets out its commitments to responsible business conduct and guides the integration of environmental, social, and governance considerations across its activities. The policy complements the role of the ESG Committee, executive leadership, and the ESG Working Group by providing a formal reference point for the principles and expectations that underpin sustainability-related decision-making.

Reflecting alignment with recognized intergovernmental principles, the policy incorporates a wide range of ESG considerations that are treated as areas of focus and priority for the Holding. These include, among others, commitments to responsible operations, ethical conduct, and the consideration of environmental and social impacts in decision-making processes. The policy further outlines expectations around conducting due diligence in relation to ESG-related risks and impacts, supports the application of precautionary approaches where relevant, and affirms respect for human rights. In this regard, KIPCO's commitments extend to internationally recognized human rights and consider a range of stakeholder groups, including those that may be more vulnerable or at risk.

Approved at the most senior level by the Board of Directors, the ESG Policy applies across the entirety of KIPCO Holding's activities and its business relationships, reinforcing consistency in how ESG principles are embedded within operations. Communication of these commitments is carried out through multiple channels, including internal communications and engagement with business partners, supporting awareness and alignment with the Holding's expectations.

## Remuneration Practices

Remuneration practices for Board members and senior executives are structured to reflect governance oversight and organizational performance. Board members receive an annual fee approved by the General Assembly, while senior executives receive a base salary complemented by performance-based bonuses linked to both company-level and departmental performance outcomes. Board members or senior executives do not receive sign-on bonuses or recruitment incentives.

Oversight of remuneration policies is conducted through the Nominations and Remuneration Committee, which reviews compensation structures and ensures alignment with regulatory requirements. To ensure fair remuneration, periodic benchmarking exercises are also conducted with the support of external consultants to assess remuneration practices against market conditions, typically every three to five years.

Executive retirement benefits are administered in accordance with Kuwait's Pension Law, with contributions made to the Public Institution for Social Security (PIFSS) in line with the Kuwait Pensions Law. In terms of end-of-service provisions, senior executives are entitled to a three-month paid notice period in addition to indemnity calculated in accordance with Kuwait Labor Law based on tenure, while Board members are not eligible for termination payments. Compensation figures are generally reported internally in Kuwaiti dinar unless specific reporting requirements apply, while Board and executive remuneration is disclosed in our Annual Report:

As a result of implementing such governance arrangements, evaluation mechanisms, and oversight structures, KIPCO maintains a governance framework designed to support resilient operations, reinforce accountability, and enable effective oversight of both business activities and sustainability-related matters across the Holding.

## Legal and Regulatory Compliance









Maintaining compliance with competition laws and regulatory requirements is considered an important component of responsible governance. The following summarizes KIPCO's legal exposure related to anti-competitive behavior, anti-trust, and monopoly practices during the reporting period.

### Legal Cases

	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices in which the organization was a participant	
	<p><b>0</b></p> Total number of legal actions – completed and pending	 <p><b>N/A</b></p> Main outcomes of completed legal actions (e.g., decision, judgment, settlement)

Meanwhile, a consistent record of regulatory compliance supports our commitment to maintaining high standards of integrity and accountability across our activities. To provide transparency on this aspect of governance, the following outlines metrics covering non-compliance and related regulatory instances during the reporting period.

### Instances of Non-compliance With Laws and Regulations

	<p><b>0</b></p> Total number of significant instances of non-compliance with laws and regulations		<p><b>0</b></p> Non-compliance instances resulting in fines
	<p><b>0</b></p> Non-compliance instances resulting in non-monetary sanctions		<p><b>0</b></p> Total number of fines paid for non-compliance
	<p><b>0</b></p> Number of fines paid in 2025 that relate to non-compliance that occurred in the same year		<p><b>0</b></p> Monetary value of the current period non-compliance fines
	<p><b>0</b></p> Number of fines paid in 2025 that relate to non-compliance that occurred in 2024		<p><b>0</b></p> Monetary value of the previous-period non-compliance fines

## 2.2 Ethical Practices

### Responsible Conduct and Conflict Management

KIPCO's approach to responsible business conduct is grounded primarily in the Kuwait Companies Law and the regulations of the Capital Markets Authority (CMA), with international voluntary frameworks and external guidelines serving as a reference point and inspiration alongside Kuwait's laws, informing the Group's broader approach to business conduct.

Furthermore, commitments relating to environmental, social, and human rights due diligence are embedded in internal policies, reflecting an approach that is integrated into governance and operations rather than framed as a separate standalone policy architecture. Those elements are reinforced through the Group's Code of Conduct, which serves as a key reference point for ethical behavior and responsible business practices. The Code of Conduct addresses corruption and bribery, non-discrimination, confidentiality of information, conflicts of interest, fair competition and anti-competitive practices, and financial crime risks including money laundering and insider dealing where applicable. It also extends to whistleblowing mechanisms and protection procedures as well as environment, health, and safety guidelines appropriate to KIPCO's work setting, helping frame ethical conduct in operational and workplace terms.

Additional supporting policies further clarify how ethical issues are managed in practice, for instance guidance is provided on gifts and hospitality, including limits, approvals, and documentation expectations. Also, charitable contributions and sponsorships are subject to approvals, documentation, and due care to ensure legitimacy and alignment with ethical standards. Similarly, political contributions are subject to due procedures managed through approvals and governance oversight. Where breaches occur, the policy establishes reporting, review, and handling mechanisms, together with corrective and disciplinary measures that may range from coaching and warnings to termination and escalation to authorities where required. Endorsement of these policies sits with our Executive Management and, where applicable, the Board.

From a governance perspective, conflict-of-interest management forms an important part of ethical oversight, particularly considering KIPCO's investment network. Accordingly, relevant disclosures are required to ensure adequate independence, and the Board oversees Executive Management in a manner intended to uphold shareholder interests. This is supported by pre-approval processes for Board appointments by the CMA, while the Nomination and Remuneration Committee reviews nominees' qualifications and backgrounds to ensure that conflicts are avoided. In addition, independent Board members are required by law to sign annual conflict-of-interest disclosures, which are published in the Corporate Governance Report as per the applicable regulatory requirements. In addition, KIPCO does not engage in cross-shareholding or similar practices that would create conflicts involving suppliers, controlling shareholders, or related parties, in line with our conflict-of-interest policy and the requirements of the Kuwait Companies Law and the CMA.

### Human Rights and Labor Practices

At Group level, KIPCO's ethical framework extends into human rights and labor rights, which are addressed through governance processes, internal policies, and compliance mechanisms. KIPCO has formal processes to prevent, identify, and mitigate human rights-related risks, with these commitments embedded in its governance framework and Code of Conduct for employees and business partners.

This commitment covers a broad range of labor and human rights areas. At the labor practice level, KIPCO's internal commitment includes fair pay, lawful working hours, equal opportunity and remuneration, annual leave entitlements, and fair notice practices in line with Kuwait labor laws. It is complemented by explicit expectations relating to workplace dignity, including a clear position that harassment and bullying are unacceptable. There is also guidance for management and employees on rights, responsibilities, and the handling of unlawful discrimination, harassment, and bullying, with disciplinary measures applied following investigation where misconduct is substantiated. Consistent with this, the Code of Conduct also states that employee rights are to be protected in accordance with Kuwait's Labor Laws.

Furthermore, our commitment covers key areas such as the prevention of human trafficking, forced labor, child labor, and discrimination across the Group's value chain, while also recognizing lawful association and collective bargaining where applicable. This applies to KIPCO Holding's own operations, employees, and direct activities, and extends to suppliers and partners through contractual expectations, governance review, and related ethical standards where relevant. Where a standalone framework is not formally labeled as such, KIPCO nonetheless applies practical human rights due diligence through hiring controls, contract standards, governance review, and escalation channels, with relevant procedures documented internally in the HR policies and procedures manual.

This due diligence approach is used to consider risks in KIPCO's own operations, value chain relationships, and new business relationships such as mergers, acquisitions, or joint ventures. We conduct periodic audit reviews and

issue-based reassessments, which support the systematic review of potential human rights issues over time. Within this process, the Holding considers a range of potential issues, while also acknowledging that many higher-risk exposures generally sit within operating entities or third-party relationships with minimal exposure at the Holding level.

The same contextual approach is reflected in how potentially affected groups are considered. Potential impacts are understood to affect KIPCO's employees as well as groups such as women, migrant workers, and third-party employees, depending on the nature of the issue and the context. Groups such as children, indigenous peoples, and local communities are not typically directly affected by Holding-level office operations, and the Holding's focus therefore is primarily on employees and third-party workers where applicable.

In practical terms, human rights assessments at the Holding level are generally handled through internal controls and case-by-case review, while broader assessments may be undertaken by operating entities depending on their risk profile and regulatory context. The typical scope of such reviews at holding level covers direct employees and contractors supporting holding operations. No human rights risks were identified in the assessed operations during the reporting period, and accordingly no mitigation actions were reported as having been required in response to identified risks. Transparency in this area is supported through internal documentation, governance oversight, and audit, with limited reliance on extensive public case-level disclosure.

Mitigation measures nonetheless are in place as part of the Group's broader ethical controls. These include non-discrimination and anti-harassment measures, grievance and whistleblowing channels, and the integration of human rights expectations into contractual arrangements with suppliers and contractors. At the same time, KIPCO does not centrally aggregate the number of sites, projects, or subsidiaries with standalone mitigation or corrective action plans at the Holding level, as risk management is handled at the subsidiary level through local governance, internal controls, and Board-level committees such as audit and executive committees. Expectations for contractors are also reinforced through contractual commitments and direct engagement regarding compliance with local labor laws, while in jurisdictions where no statutory minimum wage exists, KIPCO relies on fair market practices and ethical employment standards.

## Critical Concerns

Effective governance relies on clear channels for escalating critical concerns to the highest levels of oversight. These mechanisms ensure that significant issues can be brought to the attention of the Board in a timely manner when necessary. During the reporting period, no matters required escalation to the highest governance body, as shown below.

### Number of Critical Concerns



A core part of ethical practice lies in ensuring that concerns can be raised safely and addressed fairly. At KIPCO, employees may raise concerns directly with HR, line management, or senior leadership, with confidentiality respected and issues handled in a transparent and supportive manner. This internal approach is complemented by our Whistleblowing Policy that outlines reporting channels, confidentiality safeguards, escalation to senior leadership, and disciplinary consequences in cases of retaliation.

The whistleblowing mechanism itself is designed to support the identification, reporting, and investigation of concerns relating to the Code of Conduct and other forms of misconduct. Intake and coordination are managed by designated personnel, typically within internal audit support roles, and the reporting channel is generally operated internally by Internal Audit, which in turn reports to the Board, creating a link between issue escalation and Board-level oversight, although an independent third party may be used where sensitivity or circumstances require it. Individuals and portfolio companies are able to raise concerns confidentially and, where appropriate, anonymously, subject to practical and legal constraints, while access to reports is restricted to authorized reviewers and records are maintained securely to protect confidentiality. KIPCO also applies a zero-tolerance approach to retaliation against individuals who raise concerns in good faith.

## Whistleblowing Incidents



**0** incidents

Investigation steps are handled fairly and confidentially, with proportionate escalation and documentation. Although the Holding does not typically disclose individual cases publicly in order to preserve confidentiality, aggregate information or disclosures may be provided in line with governing laws where required. During the reporting year, no breaches related to discrimination or harassment, conflicts of interest, money laundering, or insider trading were recorded at the Holding level. Taken together, these practices support a speak-up culture built on confidentiality, trust, and accountability, while also reflecting the effectiveness of our internal ethical safeguards through outcomes and stakeholder feedback.

## Anti-Corruption and Ethical Conduct

Our ethical practices are further supported by anti-corruption oversight embedded across governance, audit, and compliance activities. Corruption risk forms part of the annual risk assessment conducted across the full audit universe, meaning that all operations were assessed for corruption risk during the reporting year. Within this assessment cycle, no major corruption risks were identified, and there were no public legal cases involving corruption against the organization or its employees during the year. Audit coverage also incorporates cultural and behavioral dimensions, with fraud and corruption considerations embedded within audit work steps. This integrated approach strengthens preventive oversight and reinforces the role of internal controls in sustaining ethical business conduct across the Holding.

Responsibility for business ethics and corruption-related matters is linked to our Whistleblowing Policy and the reporting role of Internal Audit to the Board. Additionally, operations are conducted within jurisdictions where ethics oversight and disclosure practices are established, supporting a transparent governance approach in this domain.

In support of maintaining our ethical conduct, we conduct internal awareness campaigns and provide guidance that help ensure employees understand their responsibilities. Expectations relating to anti-bribery and anti-corruption are communicated through internal policies, role-based guidance, and awareness initiatives, with additional training applied in higher-risk areas where relevant, demonstrated in the following.

### Trainings on Anti-Corruption



**Total number of employees who have received training on anti-corruption**

**3**



Local employees

**1**



Foreign employees

**2**



Entry and junior level

**0**



Middle management level

**0**



Senior management and above

**3**



## KIPCO's Compliance Awareness Program

CASE STUDY



Building a strong culture of compliance is an important component of responsible governance at KIPCO. During the reporting period, the Compliance function introduced a Compliance Awareness Program designed to strengthen employees' understanding of regulatory obligations and internal policies across the Holding.

The program was developed with the objective of increasing awareness of compliance requirements throughout the organization while reinforcing the importance of adhering to both internal governance policies and the regulatory framework set by the Capital Markets Authority (CMA). By improving awareness and understanding of these requirements, the initiative aimed to support consistent adherence to regulatory expectations and responsible business conduct across all functions.

To support this objective, the program incorporated a series of training sessions, workshops, and

periodic updates that communicated changes in regulatory requirements and internal policies. These activities provided employees with practical guidance on how compliance obligations apply to their day-to-day responsibilities, while also reinforcing the broader role that regulatory compliance plays in maintaining trust and accountability across the Holding.

According to the Compliance function, the program contributed to a noticeable improvement in employees' understanding of compliance requirements and strengthened overall commitment to the CMA law and its executive bylaws.

Building on these outcomes, KIPCO plans to continue expanding the initiative by introducing more targeted training sessions for specific groups, including the Board of Directors and Executive Management, ensuring that governance leaders are well informed of evolving regulatory expectations.

The governance mechanisms described above, including the Code of Conduct, internal reporting channels, compliance oversight, and ongoing awareness initiatives, collectively support a culture of integrity and accountability across the Holding. These measures help ensure that ethical expectations are clearly communicated, potential concerns can be raised through appropriate channels, and any misconduct is addressed in a timely and structured manner. Reflecting the strength of these controls and awareness practices, no confirmed incidents of corruption were recorded during the reporting period.

Further details are presented in the following table:

### Incidents of Corruption

Total number of confirmed incidents	Total number of confirmed incidents in which employees were dismissed or disciplined for corruption.	Total number of confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption	Public legal cases regarding corruption brought against the organization or its employees and the outcomes of such cases
0	0	0	0

## 2.3 Risk Management

### Risk Governance and Oversight

Oversight of risks ultimately resides with the Board, which supervises the overall risk management approach and ensures that risk considerations are reflected in strategic planning and governance practices across the Holding. This oversight is supported by the Risk Management Committee, which assists in implementing the risk management framework and monitoring key risk exposures across the Holding.

Direction for these activities is established through a structured risk governance architecture documented in the Risk Management Policies and Procedures Manual, which outlines how risks are identified, assessed, monitored, and reported across the Holding.

Complementing this manual is the Risk Management Strategy, which defines our overarching risk management framework and communicates how risk considerations are embedded within business management and decision-making processes. Within this strategy, risk management is treated as a shared responsibility across management and staff, reinforcing the expectation that risk awareness forms part of daily operational and strategic activities.

Environmental and climate-related considerations are also incorporated within our governance oversight structures. Climate-related matters are reviewed within the broader ESG governance architecture, where the ESG Committee provides updates on sustainability developments and environmental risk considerations to the Board. This enables climate-related topics to be evaluated alongside other strategic and operational risks within the organization's governance discussions.

### Risk Appetite and Monitoring

Managing uncertainty across a diverse investment portfolio requires a clear understanding of the level of exposure the organization is prepared to accept. This is articulated through our risk appetite, which defines the amount of risk exposure or potential adverse impact that the Holding is willing to tolerate in pursuit of its strategic objectives. Considerations within this framework include the potential for financial loss, reputational implications, and regulatory penalties, allowing management to evaluate risks within clearly defined tolerance levels.

Continuous monitoring further reinforces this framework. Risk exposure is tracked through daily and monthly monitoring activities, while more formal reporting mechanisms, including updates to the Risk Register, the Risk Appetite Statement, and the Quarterly Risk Management Report, are prepared and reviewed on a periodic basis. These reports provide management and the Board with visibility into evolving risk conditions and emerging exposures.

During the reporting period, the risk management framework was reviewed, and the Risk Management Policies and Procedures Manual was updated in May 2025, reflecting ongoing efforts to strengthen governance practices and ensure alignment with the organization's evolving operating environment.

### Risk Management Structure

Activities pertaining to risk are anchored in our Risk Management Framework, which establishes a structured approach for identifying, assessing, and managing risks across the Holding. Central to this approach is the Risk Register, which serves as a consolidated record of identified risks, associated controls, and mitigation measures, supporting consistent evaluation and prioritization of risk exposures across functions.

Once risks are identified, mitigation measures are applied through a structured response approach aligned with the broader risk management strategy. These responses may include avoiding the risk entirely, reducing exposure through internal controls, transferring risk where appropriate, or accepting risk within approved tolerance thresholds. Through this approach, potential threats can be managed in a disciplined manner while allowing the organization to pursue strategic opportunities responsibly.

Managing risk effectively requires clearly defined responsibilities across the Holding. Operational risks are primarily managed by business heads within their respective functions, who are responsible for identifying and addressing potential exposures in accordance with the organization's policies and procedures. Supporting this process, the Risk Manager recommends and implements techniques for measuring, monitoring, and controlling operational risks across business units.

Monitoring and reporting responsibilities are performed by the Risk Management Department, supporting the oversight exercised by the Board and the Risk Management Committee, positioned for identifying, measuring, monitoring, reporting, and controlling risks across the Holding's operations. The department also supports Executive Management in implementing the approved risk management framework and ensuring adherence to established

policies and procedures. In addition, new initiatives, systems, and operational changes are reviewed by the Risk Management Department prior to implementation to ensure that potential exposures are identified and addressed at an early stage.

Independent assurance over the effectiveness of these processes is provided through the Internal Audit function. Operating under a risk-based audit plan, Internal Audit evaluates the effectiveness of enterprise risk management processes, internal control systems, compliance with applicable regulations and policies, and the reliability of financial and operational reporting. These assessments provide independent assurance to management and the Board regarding the adequacy of governance and risk management processes.



## Strengthening Risk Awareness Through AI Governance Training at KIPCO

CASE STUDY



Recognizing the rapid evolution of digital technologies and their implications for governance and risk oversight, a focused workshop on artificial intelligence (AI) applications and related risk and compliance considerations was organized as part of the Group Internal Audit annual conference. The initiative aimed to strengthen awareness among internal audit, risk management, and compliance professionals across the Group regarding the governance implications associated with emerging AI technologies.

The workshop explored how AI-driven tools may influence operational processes, regulatory

compliance, and risk management practices, while also highlighting potential governance challenges. By examining these considerations in a structured learning environment, participants were able to better understand how technological innovation may influence risk oversight across the Group's operating entities.

Expanding knowledge in emerging technology risks supports more informed governance discussions and strengthens the Group's readiness to address evolving digital risk considerations across its investment ecosystem.

## Emerging Risk Considerations

Long-term resilience also requires attention to broader developments that may influence the Holding's operating environment over time. Two emerging risks identified include regional geopolitical and macroeconomic uncertainty and technological disruption.

Geopolitical and economic developments may influence market conditions and affect the operating environment of portfolio companies across different jurisdictions. At the same time, technological disruption, including rapid digital transformation and evolving cybersecurity considerations, may influence operational resilience and competitiveness as portfolio companies adapt to changing technological environments.

Addressing these risks requires coordinated oversight across the Holding's investment ecosystem. While operational mitigation measures are typically implemented within portfolio companies themselves, governance engagement at the Holding level supports oversight through Board representation where applicable and ongoing dialogue with portfolio companies. Through this approach, the Holding aims to promote sound governance practices and encourages the strengthening of risk management frameworks across its investment portfolio.

On the other hand, direct exposure to climate-related physical risks appear relatively limited given the nature of the Holding's activities, which primarily involve investment management and office-based operations. Environmental considerations are therefore evaluated primarily through oversight of portfolio companies and sustainability initiatives within the Holding's operational practices.

Climate-related matters are addressed within the broader ESG governance framework, whereby oversight is provided through the ESG Committee as part of the risk governance framework described previously.

## 2.4 Data Protection

### Leadership Oversight

Ensuring that information security considerations are addressed at both strategic and operational levels enables us to maintain vigilance in safeguarding sensitive data across its activities.

Responsibility for overseeing privacy and information security practices is embedded within KIPCO's leadership structure. Strategic oversight of data protection matters is coordinated by senior leadership, including the Risk Officer and members of the executive team. At the governance level, the Board maintains responsibility for supervising information security policies and related practices, ensuring that appropriate safeguards are in place to address evolving digital risks and reflecting the leadership's priorities in this data-driven age.

Executive accountability for the implementation of information security policies is carried forward through senior leadership roles including the Group CEO and the Group Chief HR and Administration Officer, who oversee adherence to established cybersecurity procedures and internal controls. Where necessary, Board members may also receive training to strengthen awareness of emerging cybersecurity considerations and technological risks.

### Policies and Controls

Operational safeguards are guided by internal Information Security Policies and Procedures that form part of KIPCO's broader governance documentation. These policies define responsibilities for protecting sensitive information while establishing security expectations at the individual employee level, across corporate functions, and extended to vendors. At the same time, portfolio companies maintain their own governance arrangements aligned with the regulatory environments in which they operate.

Access to systems and data is regulated through security mechanisms such as Role-Based Access Controls (RBAC) and biometric authentication measures designed to maintain the confidentiality and integrity of critical information assets. Complementing these safeguards, monitoring practices are implemented to detect potential vulnerabilities or security threats, allowing systems to be updated and strengthened in response to evolving digital risks.

These policy-driven controls contribute to creating a secure operating environment in which sensitive information is handled responsibly, supporting both regulatory compliance and the integrity of the Holding's operational activities.

### Management and Incident Preparedness

Privacy management responsibilities are coordinated through the Information Technology Department, which oversees the implementation of data protection procedures and ensures that privacy considerations are integrated within KIPCO's broader risk and compliance processes.

Supporting these policies, KIPCO upholds an information security management program designed to strengthen the resilience of its digital infrastructure. This program incorporates vulnerability assessments, monitoring activities, and information security-related business continuity planning intended to mitigate potential disruptions arising from cybersecurity incidents or system failures.

Structured procedures are also in place to guide the response to potential security incidents. Incident and problem management processes form part of the Holding's policy framework, providing clear escalation channels and response protocols for addressing potential breaches or suspicious activity.






Compliance with information security practices is reinforced through regular monitoring and review activities. Information security policies and systems undergo annual review, while internal audits assess adherence to established security controls and data protection requirements. In addition, aspects of the information security program are subject to independent external assessment to evaluate the adequacy of security controls and alignment with recognized standards where applicable.

By embedding this incident preparedness and these monitoring mechanisms within our governance practices, we enhance our ability to respond effectively to emerging cybersecurity challenges while maintaining the stability of our digital operations. At the same time, these mechanisms support accountability and transparency in the management of sensitive information, reinforcing our commitment to responsible data governance.

Reflecting the strength of these governance mechanisms and operational safeguards, no information security breaches or privacy-related controversies were recorded during the reporting period. This outcome demonstrates the effectiveness of KIPCO's information security practices in protecting critical data assets while maintaining secure operational environments.

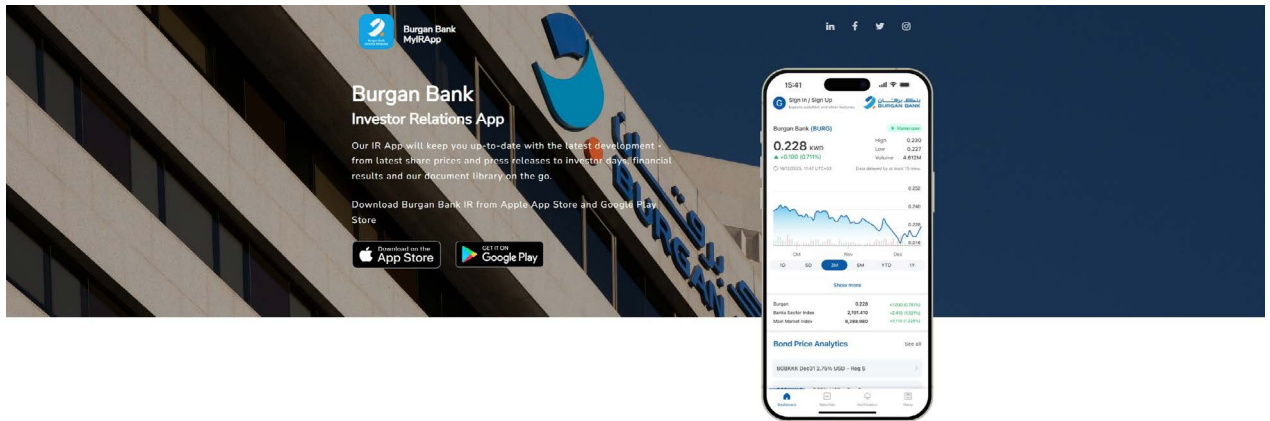
More broadly, these practices contribute to strengthening digital resilience across our activities and supporting stakeholder confidence in the responsible management of sensitive information.

### Privacy Complaints

	0	Substantiated complaints concerning breaches of privacy and losses of data		0	Total substantiated complaints on breaches of privacy from external parties
	0	Total substantiated complaints on breaches of privacy from regulatory bodies		0	Total number of identified leaks of data
	0	Total number of identified thefts of data		0	Total number of identified losses of data

## Impact Across Our Portfolio – Enhancing Investor Transparency Through Digitalization – Burgan Bank

CASE STUDY



### YOUR INVESTOR RELATIONS NEEDS IN ONE APP

Download the Investor Relations app to follow our share price and learn about investor events, stock exchange announcements, presentations, annual and quarterly reports, and interact with key data on-screen.

Greater accessibility to corporate disclosures has been supported through the launch of a mobile Investor Relations application, providing investors and stakeholders with direct access to Burgan Bank's financial and corporate information through a centralized digital platform available on both iOS and Android devices.

The application provides real-time access to disclosures, financial reports, investor presentations, and corporate updates. Investors can also review key financial indicators, dividend history, and share price movements through interactive charts, while smart notifications alert users to new disclosures and upcoming corporate

events. The platform also allows users to customize their experience through personalized watchlists and selectable language, currency, and notification settings.

Designed as a standalone cloud-based platform, the application operates independently from internal banking systems and does not process financial transactions or store sensitive client information.

The introduction of digital investor engagement tools supports broader efforts across the KIPCO Group to strengthen transparency, accessibility of information, and responsible governance practices.



## Impact Across Our Portfolio – Digital Transformation and Data-Driven Operations – Burgan Bank

### CASE STUDY



Burgan Bank was recognized for its digital innovation at SAP's Business Suite Innovation Day, where the Bank received the Digital Transformation Excellence Award for its use of SAP technologies to strengthen operational performance and data-driven decision-making. The event, with its theme "Kuwait's Digital Future: driven by connected Applications, Data and AI," brought together institutions exploring the role of digital technologies in shaping the country's evolving economic landscape.

The award acknowledged the Bank's integration of SAP solutions across multiple business functions, supporting improvements in operational efficiency,

customer experience, and internal processes. These systems enable greater use of data and analytics within day-to-day operations, supporting more informed decision-making and streamlined service delivery.

Recent developments supporting this transformation include the deployment of SuccessFactors, an integrated human resources management platform designed to enhance workforce management and employee experience through advanced digital tools. The adoption of such systems reflects the growing role of digital infrastructure in strengthening operational resilience and modernizing banking services.





# 03 SOCIAL RESPONSIBILITY

**3.1** Community Impact

**3.2** Workforce Profile

**3.3** Development and Well-being

## 3.1 Community Impact

Across many of KIPCO's community initiatives, the focus is on supporting people through skills development, engagement opportunities, and community-based programs. From youth-focused education programs to cultural initiatives and health awareness activities, these efforts aim to support personal development while strengthening community connections.

This people-focused approach is reflected in both external community programs and internal employee initiatives. Initiatives aimed at students, young professionals, and community organizations are complemented by activities that encourage employee participation, well-being, and engagement across the Group. Through this combination of external outreach and internal initiatives, KIPCO continues to support environments where individuals can learn, interact, and grow.

The Holding continues to allocate dedicated resources each year to support these initiatives, reflecting its commitment to community engagement and social development. A summary of the expenditure on community initiatives during the reporting period is presented in the following, as well as the range of examples of programs undertaken across both community and employee engagement activities.

### Selected Community Initiatives

Initiative	Description	Type
<b>ENBAT Work-Readiness Program</b>	KIPCO organized the third edition of its work-readiness program ENBAT, a nine-week program designed to bridge the gap between university education and the workplace. The program engaged 24 young graduates through workshops, panel discussions, and mentorship sessions that introduced participants to workplace dynamics across different sectors. Participants developed essential skills, including critical thinking, communication, adaptability, and professional confidence. They also gained networking opportunities that support their transition into the job market.	Youth Development / Education
<b>LOYAC Youth Development Programs</b>	KIPCO renewed its collaboration with LOYAC, supporting initiatives that reached more than 77 beneficiaries, including teenagers aged 14–17 and community participants. Programs were centered on Stephen Covey's "7 Habits of Highly Effective People," focusing on self-awareness, responsibility, teamwork, and leadership development. These efforts reflect a shared commitment to youth development, capacity building, and creating positive, lasting impact across the community.	Youth Development
<b>LOYAC Leadership Retreat (Thailand)</b>	In partnership with LOYAC, KIPCO sponsored an eight-day leadership retreat in Chiang Mai and Bangkok for nine teenagers aged 15–17. The program combined leadership training with experiential activities designed to strengthen teamwork, independence, cultural awareness, and peer connection.	Youth Leadership Development
<b>KIPCO University Championship (KUC)</b>	The second edition of the KIPCO University Championship brought together 11 private universities in Kuwait competing in soccer, basketball, volleyball, and futsal. The championship involved 30 teams and approximately 450 players, with around 750 fans attending the games, encouraging youth engagement, inclusive participation, and healthy lifestyles.	Youth Engagement / Sports
<b>Oral History &amp; Documentation Program – AUK</b>	KIPCO continued supporting the Oral History & Documentation Program at the American University of Kuwait, which was promoted at Kuwait's 48th International Book Fair. The program provides public access to curated first-hand narratives documenting Kuwait's social, cultural, and professional history, helping preserve intangible cultural heritage and support knowledge sharing across generations.	Cultural Heritage / Education
<b>Annual Media Dinner</b>	KIPCO hosted its 15th Annual Media Dinner, bringing together around 70 media representatives alongside communications teams from across Group companies. The event strengthens relationships with the media community while encouraging open dialogue on business and industry developments.	Stakeholder Engagement
<b>Health Awareness and Blood Donation Initiatives</b>	KIPCO supported health awareness initiatives benefiting more than 95 participants, including blood donation campaigns, women's health programs, men's health activities, and other well-being initiatives that encouraged preventive healthcare and community awareness.	Community Health

### Community Engagement Expenditure



2025

# KD 149,667

Initiative	Description	Type
Failaka Island Open Day "Sailing as One"	KIPCO organized an Open Day on Failaka Island under the theme "Sailing as One," bringing together 95 employees and their family members. The event included recreational, cultural, and group activities designed to encourage interaction beyond the workplace while strengthening internal engagement and family inclusion.	Employee Engagement
KIPCO Annual Gala Dinner	KIPCO hosted its Annual Gala Dinner, welcoming approximately 350 attendees from more than 20 Group companies across the MENA region. The event celebrated employee achievements and recognized exceptional performance across the Group. The initiative supports long-term employee relationships, encourages balanced and informed coverage of the Group's activities, and reinforces our commitment to openness and sustained engagement with our employees.	Employee Recognition
Dawri KIPCO Football League	KIPCO organized the Dawri KIPCO Football League, bringing together 14 teams and approximately 170 players from across Group companies. The tournament attracted an audience of around 800 attendees and encouraged teamwork, physical activity, and interaction among employees across the Group.	Employee Well-being / Sports



### Impact Across Our Portfolio – Youth Entrepreneurship and Social Innovation Program – AUK

CASE STUDY



Encouraging entrepreneurial thinking among young people remains an avenue of focus for strengthening long-term social and economic development. In collaboration with LOYAC and Babson College, the American University of Kuwait (AUK) hosted the tenth edition of the KON Social Entrepreneurship Program, providing the academic setting for a four-week initiative focused on leadership development, innovation, and social responsibility among Kuwaiti youth.

The program brought together young participants, sponsors, and community representatives in an intensive training environment designed to guide participants through the development of socially

oriented entrepreneurial ideas. Hosted at AUK, the initiative culminated in the presentation of nine projects addressing a range of community challenges, including environmental, educational, health, and cultural needs. Through mentorship and experiential learning, participants were supported in refining early concepts into structured proposals capable of delivering practical community value.

The initiative also strengthened collaboration between academic institutions, civil society organizations, and the private sector, creating an environment where youth-led ideas addressing societal needs can be explored and developed.



## Impact Across Our Portfolio – Competitive Programming and Digital Skills Development – AUK

### CASE STUDY



University students from across Kuwait gathered at the American University of Kuwait (AUK) to participate in the Kuwait Collegiate Programming Contest, a national event organized by the University's College of Engineering and Applied Sciences that challenges students to solve complex computational problems under time constraints.

The competition brought together dozens of teams representing several universities, with participants developing algorithmic solutions using programming languages including Java, C, C++, and Python. Abdullah Al Salem University joined the contest for the first time, reflecting the growing interest in computer science and software development disciplines within Kuwait's higher

education landscape.

Beyond the competitive element, the contest provides students with exposure to real-world problem-solving environments that demand analytical thinking, collaboration, and technical precision. Top-performing teams secured qualification to represent Kuwait at the Arab and African Regional Contest in Luxor, connecting local academic talent with the wider regional programming community.

Events of this nature expand opportunities for students to develop advanced digital competencies while strengthening the pipeline of technical talent emerging from Kuwait's universities.



## Impact Across Our Portfolio – Championing Social Responsibility (Silver Award) - SADAFCO

### CASE STUDY



Saudia Dairy and Foodstuff Company (SADAFCO) was recognized nationally at the Corporate Social Responsibility Awards organized by the Ministry of Human Resources and Social Development, where the company received the Silver Category Award for its contributions to social responsibility initiatives in Saudi Arabia.

The recognition reflects a range of programs focused on education, youth development, and community engagement. Initiatives such as the Future Makers program support young talent, while collaborations with schools across the

Kingdom contribute to educational development. Community partnerships with Modon have also supported projects aimed at enhancing shared spaces through tree planting and the development of public parks.

Collectively, these initiatives contribute to educational access, improved community spaces, and opportunities for youth development across the Kingdom, reflecting a growing role for private sector participation in advancing social priorities aligned with Saudi Arabia's Vision 2030.

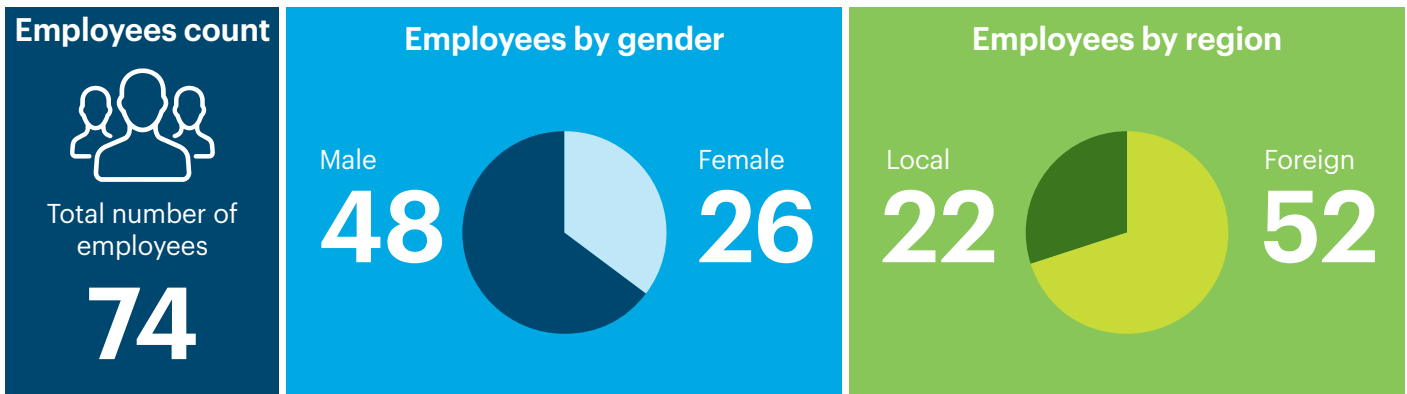
### 3.2 Workforce Profile

A clear understanding of workforce composition is fundamental to responsible people management and forms an important part of how KIPCO monitors workforce sustainability indicators such as diversity, employment stability, and equitable workforce participation. Maintaining visibility over workforce demographics allows leadership to assess representation across various groups, while keeping employment practices aligned with the Holding’s expectations for fairness and inclusive opportunity.

Responsible workforce practices extend beyond overall headcount and also include the extent to which leadership opportunities are accessible to local talent. KIPCO monitors senior leadership representation in order to maintain visibility over how leadership roles are distributed across the workforce.

Employee data is compiled on an FTE headcount basis at the end of the reporting period, reflecting individuals on payroll at year-end. Workforce distribution across characteristics such as gender provides insight into representation across KIPCO, while information on nationality contributes to understanding local workforce participation and the Holding’s broader contribution to employment markets.

#### Employment Breakdown



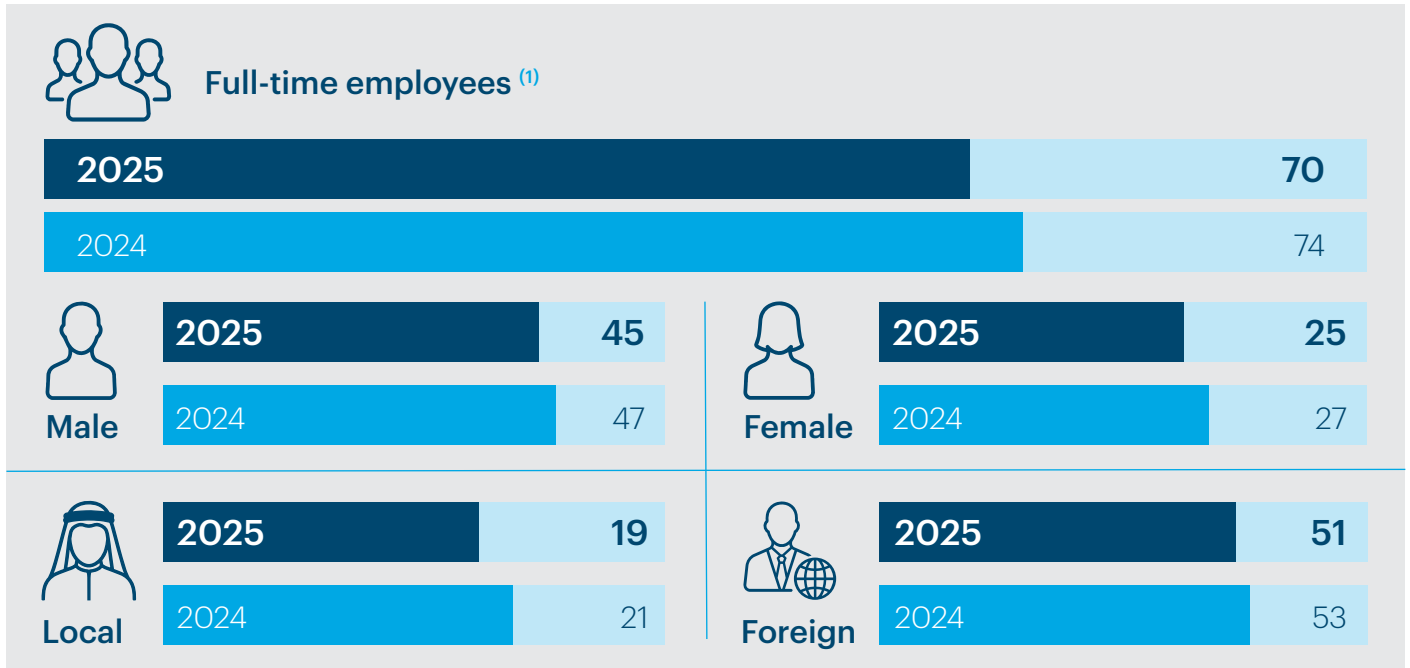
#### ESG Strategy Spotlight (Holding Level)



Employment stability is another key factor representing workforce sustainability. KIPCO maintains a workforce structure primarily composed of full-time and permanent employees, which supports continuity of institutional knowledge, long-term professional development, and stable working arrangements within significant locations of operation amidst turbulent economic landscapes and talent acquisition challenges.

Significant locations of operation are defined based on operational relevance and meaningful employee presence rather than workforce size alone. Within these locations, the Holding prioritizes the development and retention of local talent, supporting broader workforce sustainability objectives such as local capacity building and knowledge continuity.

## Employment Type and YOY Comparison



## Recruitment and Workforce Movement

Tracking workforce movement provides insight into how the employee base evolves over time and supports responsible workforce planning. KIPCO monitors both hiring activity and employee turnover to maintain visibility over workforce renewal and retention trends.

Hiring and turnover data can also be analyzed internally across demographic categories such as age, gender, and nationality, allowing leadership to better understand workforce dynamics and identify potential areas for improvement in recruitment or retention practices.

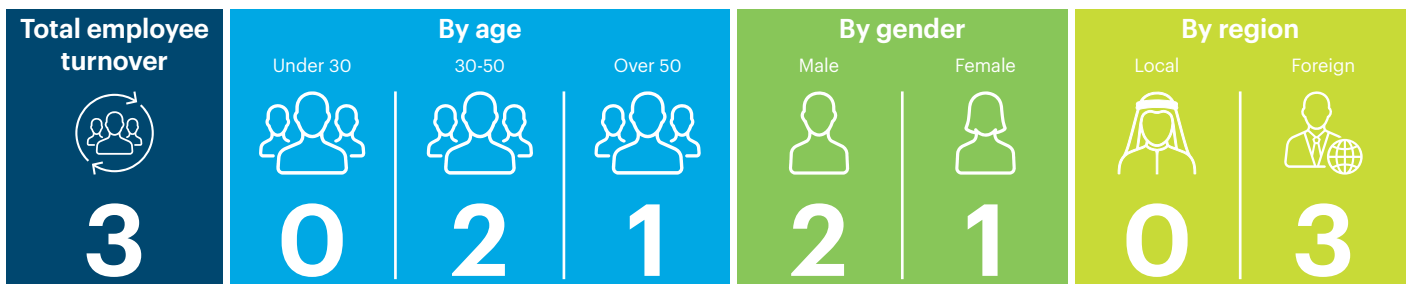
Within this context, workforce transitions are managed in a manner that reflects our approach to responsible employment practices, supporting employees leaving through clear communication and fair processes.

Workforce movement during the reporting period displayed limited change, as showcased in the following tables, reflecting the stability of our workforce.

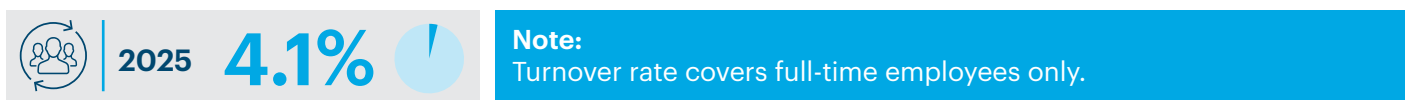
### New Employee Hires Breakdown



### Employee Turnover



### Turnover Rate



(1) All full-time employees represent permanent employees.

### 3.3 Development and Well-being

#### Learning, Capability Building, and Career Development

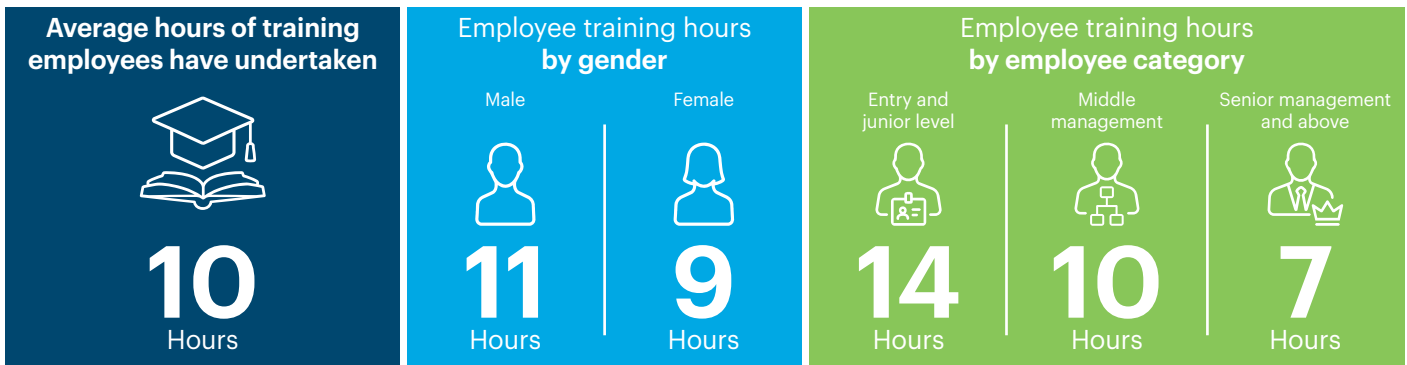
Continuous learning is central to how KIPCO supports employee growth and strengthens workforce capability. Employees are encouraged to develop through on-the-job learning, coaching, personal development discussions, and targeted training opportunities tailored to role requirements. This approach is underpinned by the belief that continuous learning contributes not only to employee growth and stronger performance, but also to greater job satisfaction and leadership readiness.

A key enabler of this learning culture is the Holding’s online training initiative through LinkedIn Learning. This platform covers broader efforts to provide industry-specific training and leadership development opportunities that help employees stay current with evolving sector expectations and strengthen their ability to lead teams and projects effectively. Development programs may also include functional training and role-based learning, while transition support is handled on a case-by-case basis where needed.

Training and development participation is tracked internally, with coverage described as generally high at the Holding level given the broad availability of the online learning platform to almost all staff. Additionally, training data can be broken down internally by job level, function, gender, age group, or nationality where meaningful and appropriate from a confidentiality perspective. Training can also be extended to contractual staff where relevant, helping promote inclusivity and consistent expectations across the workforce. Although the quantitative business impact of these programs is not typically disclosed publicly, their contribution is reviewed internally through performance outcomes.

Capability development is further supported by practical efforts to improve internal promotion and recruitment efficiency through lean approvals, timely decisions, and careful selection aimed at strengthening fit and retention. This broader approach positions development not as a standalone HR activity, but as an important contributor to capability, continuity, and long-term organizational readiness.

#### Training Hours



#### Annual Average Training Hours



#### Training Expenditure



#### Performance, Progression, and Recognition

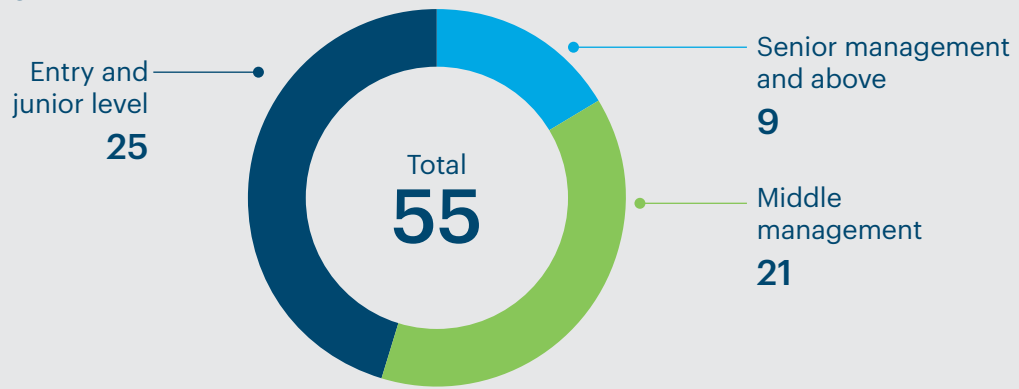
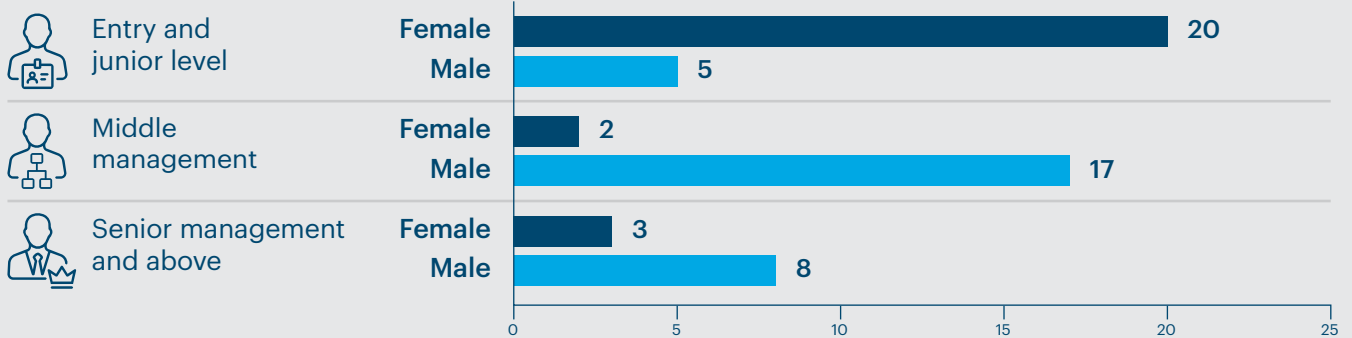
Development is also shaped by the extent to which employees receive clear performance feedback and understand how their contributions connect to broader priorities. At KIPCO, performance is managed through individual appraisals supported by regular performance conversations, creating an approach that combines formal review with ongoing dialogue on an annual basis. The appraisal process is primarily objectives-based, supported by continuous feedback and practical conversations, rather than complex performance systems.

Individual objectives are linked to the Holding’s priorities, governance responsibilities, and management expectations, ensuring that performance discussions are connected to the direction of the business rather than operating in isolation. Where applicable, many non-officer and non-sales roles may also receive performance-based recognition or bonuses, depending on results, role scope, and individual contribution. Employee stock ownership is available for senior executives at the Holding level, while long-term incentives follow a three-year vesting or payout period.

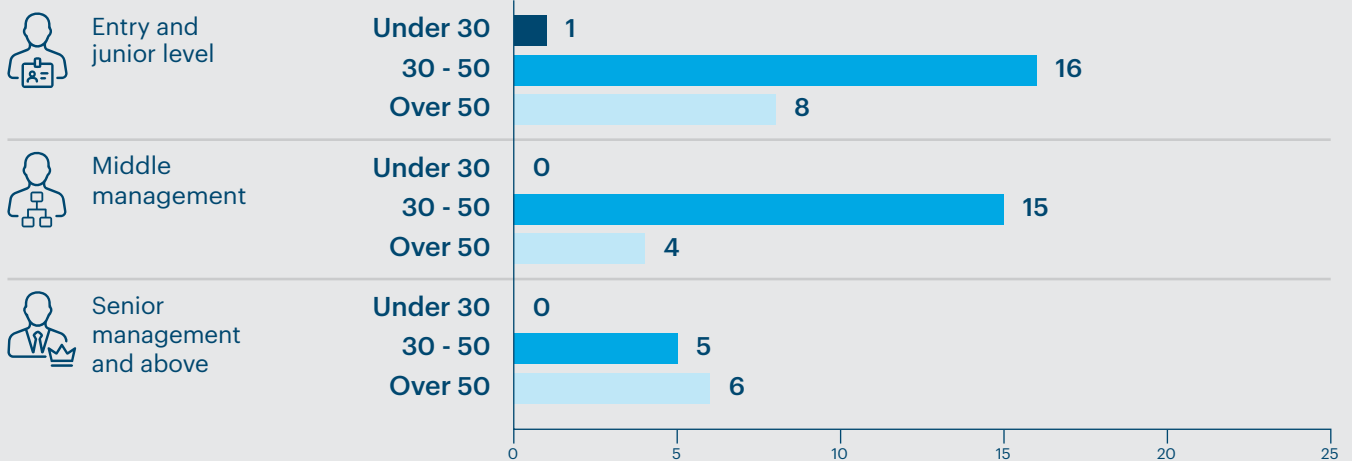
The following figures provide an overview of performance evaluations conducted during the reporting period focused on several diverse attributes, illustrating how the appraisal process applies across employee levels as well as the composition of governance body members by gender and age group.

## Performance Evaluations and Management Breakdown

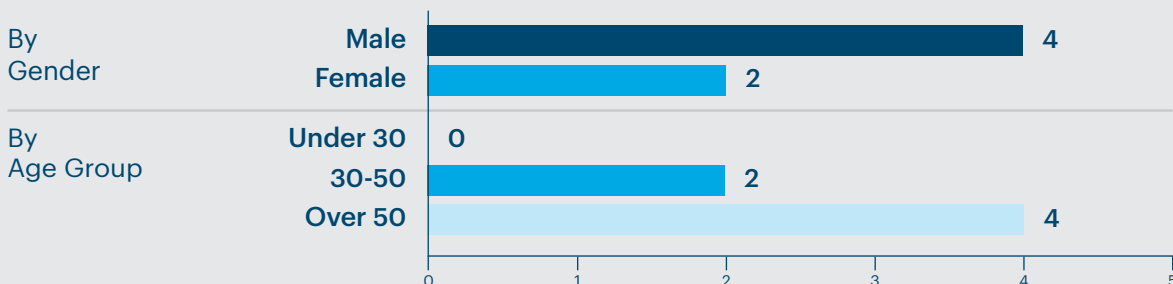
## By Employee Level

By Gender and By Level <sup>(2)</sup>

## By Age Group and By Level



## Individuals within KIPCO's governance bodies



<sup>(2)</sup> Senior management refers to employees within the senior or vice-president bands as well as C-level executives who report directly to the Group CEO. Within this context, "local" refers to individuals who are citizens or long-term residents of the country in which the operation is based.



Performance  
Evaluation rate

95%



## Well-being and Ongoing Support

Well-being at the Holding is supported not only through formal benefits, but also through practical flexibility and a workplace culture intended to respond to employees' needs with pragmatism and care. KIPCO supports health, well-being, and work-life balance through a combination of medical coverage, wellness guidance, manager support, and a culture that allows many initiatives to remain informal and responsive to the needs of a relatively lean organization.

Flexible arrangements may be provided on a case-by-case basis, including flexible hours and limited remote work where the role allows, helping employees navigate personal responsibilities alongside work commitments. Family support is also available through leave entitlements, flexibility, and case-specific support depending on circumstances, with parental leave aligned to local legal requirements and internal practices. At the Holding level, fathers are provided with two days of paid paternity leave, while additional care leave may also be granted based on circumstances and operational needs.

Outside work-related health and safety matters, employees are also supported through private medical insurance covering general healthcare needs, while wellness initiatives focus on awareness, preventive care, and healthy work habits. These measures contribute to an environment in which support for our people is not confined to formal policy statements, but is reflected in practical choices that help employees manage both professional responsibilities and personal well-being.

## Leave and Retention

Supporting employees during major life events is instilled as an important aspect of KIPCO's people practices. Parental leave entitlements are provided in accordance with internal policies and applicable Kuwait Labor Law, enabling employees to balance professional responsibilities with family commitments.

Access to parental leave is extended across the workforce within the bounds of applicable regulations, with both male and female employees utilizing this entitlement, reflecting a balanced approach to supporting employees during key life stages, while maintaining continuity in workforce participation following periods of extended leave.

### Parental Leave Entitlements and Utilization

#### Employees who took parental leave

Total number of employees who took parental leave, as well as those who returned to work after parental leave in the reporting period, and lastly, employees who returned to work after parental leave ended and who were still employed 12 months after their return to work

Category <sup>(3)</sup>

 **1**  
Male

Observing how employees return to work after parental leave and continue their employment contributes to a broader understanding of workplace inclusiveness and our ability to support employees through different stages of their careers.

## Rewards and Benefits

Our approach to employee well-being is also reflected in how we support employees financially and practically across different stages of employment. Retirement-related obligations, including end-of-service indemnity commitments, are met through general company resources, with liabilities reflected in booked provisions and supported by contingent liability reserves. For Kuwaiti nationals, employer and employee social security contributions follow applicable national requirements and are communicated clearly to employees.

Entry-level wages also exceed legal minimum requirements and are applied fairly for both men and women with no discrimination, reflecting a remuneration approach that combines regulatory compliance with equitable practice.

(3) No female employees utilized parental leave during the reporting period.

## Ratio of the Basic Salary and Remuneration of Women to Men

### Ratio of Women to Men Pay



Equal pay principles are supported through internal review, with no reported difference between men and women in mean or median pay gaps, nor in mean or median bonus gaps, reflecting the use of the same salary scale, pay rise mechanisms, and incentive schemes. Part-time employees, by contrast, are generally provided with a predetermined monthly salary without the broader benefit package offered to full-time employees.

Support extends further through a broad package of benefits available to full-time employees. These include:



1. Paid vacation days, holidays, and personal leave for employees to rest, recharge, and attend to personal matters.



2. Support for professional development, including reimbursement for courses, workshops, or conferences to enhance skills and knowledge.



3. Discounts on company products or services, as well as partnerships with external vendors.



4. Medical, dental, and vision coverage provided by the employer.



5. Life insurance.



6. Paid time off for new parents to care for a newborn or adopted child.



7. Free parking is provided to every employee at KIPCO.

When major changes occur, employees are informed as early as possible, with notice periods aligned to legal requirements and communicated directly. Altogether, these provisions reflect an employee support model that extends beyond compensation alone, helping foster stability, trust, and continuity across the employee experience.

## Employee Rights and Protection

A supportive workplace depends in part on whether employees feel able to raise concerns and trust that these concerns will be addressed fairly. At KIPCO, formal grievance reporting and escalation procedures are in place to enable employees to report concerns relating to the work environment, performance reviews, or interactions with colleagues in a safe and confidential manner. The process is as follows:



1. The employee can submit any complaint relating to the work environment, performance review or fellow employees within KIPCO directly to HR. Furthermore, HR shall review the complaints submitted and refer them to the appropriate party for investigation as deemed necessary.

2. Under the provisions of this policy, no employee shall suffer any detriment because of the fact that he/she has presented a grievance or complaint.

3. An employee who has a complaint or grievance should inform his/her Department Head.

4. If the employee's complaint is not resolved to the satisfaction of the employee, he/she may refer it to HR.

5. All grievances are treated as highly confidential and shall not be discussed with parties other than those involved in the grievance procedure.

6. If a grievance is not resolved, then the dispute may be taken up to an ad-hoc Grievance Committee comprising the Group Chief HR & Admin Officer (chairperson), Legal or Internal Audit and concerned Department Head.

In this context, an inclusive workplace is further reinforced through training on discrimination and harassment prevention delivered through onboarding and periodic refreshers, together with practical guidance for managers on maintaining a respectful working environment. Incidents are addressed through established reporting and escalation channels, with cases documented and handled in line with defined procedures. Corrective actions may include coaching, warnings, reassignment, termination, and escalation to authorities where required, depending on severity. During the reporting period, no controversies related to discrimination or workforce diversity were recorded.

Protection from adverse treatment forms part of this process, with escalation channels designed to support consistent handling and full resolution of grievances. Beyond the mechanism itself, remediation is supported through internal reviews, corrective action plans, stakeholder engagement, and collaboration with external experts where appropriate, enabling KIPCO to address negative impacts while also strengthening practices over time. Employees and other relevant stakeholders also contribute to the refinement of these mechanisms through feedback, consultation, and periodic review, helping keep grievance channels accessible and effective.

Effectiveness is assessed through close follow-up on individual cases, timeliness of resolution, and direct feedback from those involved, allowing the Holding to evaluate how concerns are addressed and resolved in practice. Combined, this range of arrangements reinforces a workplace culture in which employee concerns are acknowledged, addressed, and used to strengthen people practices more broadly.

Understanding employee perspectives is an important component of maintaining a supportive workplace environment. At KIPCO, engagement and well-being are primarily assessed through direct conversations, regular check-ins, and open feedback rather than relying exclusively on formal survey mechanisms.

This approach allows concerns and themes to surface quickly, enabling leadership to respond with practical actions where needed. While improvement efforts are monitored internally through leadership accountability and ongoing dialogue, results are not typically disclosed publicly at the Holding level.

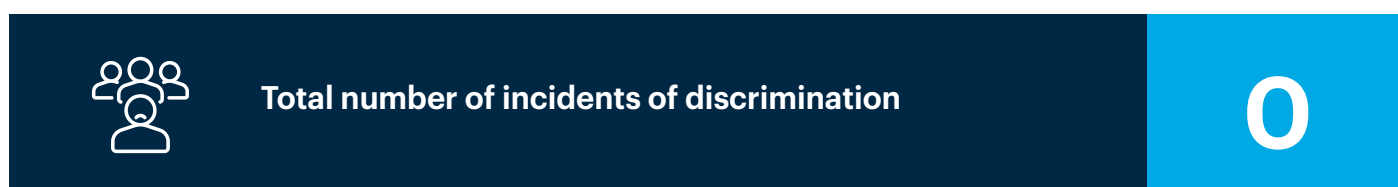
This more conversational model reflects the Holding's scale and operating culture, while still supporting responsiveness to employee concerns and workplace needs.

## Sustaining an Inclusive Workplace

An inclusive workplace is further reinforced through training on discrimination and harassment prevention delivered through onboarding and periodic refreshers, together with practical guidance for managers on maintaining a respectful working environment. Employees may report incidents to Human Resources, line leadership, or senior leadership, with cases handled confidentially, documented, and escalated as appropriate. Corrective actions may include coaching, warnings, reassignment, termination, and escalation to authorities where required, depending on severity. During the reporting period, no controversies related to discrimination or workforce diversity were recorded.

In addition, respectful workplace conduct is reinforced through internal policies, reporting channels, and oversight practices that allow concerns related to discrimination or unequal treatment to be raised and reviewed where necessary. During the reporting year, no matters of this nature were brought forward, as presented in the following figure. Most importantly, the absence of such incidents reflects the workplace standards KIPCO seeks to maintain, where employees operate within an environment defined by professionalism and mutual respect.

### Inclusive Workplace









## Occupational Health and Safety Governance

Health and safety practices within the Holding are guided by an established Occupational Health and Safety (OHS) Policy designed to ensure that employees, contractors, clients, and visitors operate within safe and hygienic working environments. This policy reflects both KIPCO's legal obligations and its broader commitment to providing workplaces that support employee welfare and responsible operational practices.

Under this policy, the Holding commits to maintaining several OHS aspects, as summarized in the following:




## Actions Taken Regarding OHS

					
Complying with all relevant legislation and other requirements pertaining to health and safety.	Maintaining work locations in a clean and hygienic condition, providing suitable lighting, and supplying potable water and adequate toilet facilities.	Making available sufficient first aid cabinets supplied with the necessary resources at work locations.	Eliminating smoking from all work areas.	Circulating OHS instructions in Arabic and English as deemed necessary.	Making available and maintaining safe systems of work and safe work premises, including: implementing systems to adequately manage emergency response and ensuring an adequate supply of fire extinguishers and fire detectors.

The OHS Policy applies to all employees and contractors operating under the Holding's supervision, reinforcing consistent safety standards across our activities. Governance oversight of this policy is provided through the Board of Directors, which endorses the Holding's commitment to maintaining appropriate workplace safety standards, helping ensure that health and safety considerations are integrated into day-to-day practices.

Moreover, considerations also extend beyond KIPCO's direct workforce to include contractors and external partners engaged in its activities. Safety expectations are communicated to contractors through clear contractual provisions and ongoing engagement, ensuring that individuals working alongside the Holding's employees operate under appropriate workplace safety standards.

### Occupational Health & Safety (OHS) Management System Coverage

	<b>70</b>		<b>0</b>		<b>0</b>
Employees and workers not employed but controlled by the Holding covered by an OHS system		Employees and workers not employed but controlled by the Holding covered by an Internally Audited OHS Management System		Employees and workers not employed but controlled by the Holding covered by an Externally Audited / Certified OHS Management System <sup>(4)</sup>	

## Hazard Identification and Management

Given the nature of the Holding's activities as an investment holding company, exposure to work-related hazards is relatively limited. Nevertheless, potential risks are identified and managed through established health and safety procedures and routine workplace monitoring practices designed to maintain safe office environments.

Within this office-based operating environment, the most relevant workplace hazards are generally associated with:



Ergonomic strain



Slips and trips



Electrical safety



Fire risks



Commuting-related incidents

These hazards are identified through a combination of workplace walkthroughs, incident reporting, insurance reviews, and employee feedback, as well as the assessment of potential scenarios such as road traffic accidents, fire emergencies, or electrical faults that could affect workplace safety.

Where risks are identified, they are reviewed internally and addressed in accordance with the Holding's established OHS policy and operational procedures, allowing corrective actions to be implemented where necessary. Preventive measures are distinguished from reactive responses by their focus on minimizing risks before incidents occur, and include compliance with fire and building safety standards, routine maintenance, safety awareness initiatives, and the use of engineering and administrative controls designed to reduce workplace exposures and support safe day-to-day operations. In parallel, reactive arrangements are in place to respond effectively should incidents arise, with practical safety measures implemented across office locations to maintain a secure working environment. These arrangements include emergency preparedness procedures, evacuation planning, fire detection systems, and access to fire extinguishers and first aid provisions across work locations. These safeguards are complemented by occupational accident insurance coverage and internal oversight mechanisms designed to ensure that safety provisions remain accessible and effective across the workforce.

<sup>(4)</sup> No employees or workers not directly employed by the Holding but under its control were covered by either internally audited or externally audited/certified OHS management systems during the reporting period.

+Results from these assessments contribute to ongoing improvements in workplace safety practices, supported by periodic updates to safety guidance, policy communication, and awareness of relevant health and safety standards. Occupational health and safety indicators are compiled in line with local labor law, insurance reporting standards, and internal HSE practices, with injury rates calculated based on 200,000 working hours. All employees are included within the scope of the disclosure, while external contractors are excluded where operations are not directly controlled by the Holding.

Consistent attention to these safety considerations helps reinforce a workplace environment where employees can carry out their responsibilities with confidence that basic health and safety conditions are actively maintained.

### Workplace Safety

	Work-related injuries and ill health for all employees		Work-related injuries and ill health for all workers who are not employees	
	- Number of fatalities as a result of work-related injury and ill health	0	- Number of fatalities as a result of work-related injury and ill health	0
	- Number of high-consequence work-related injuries and ill health (excluding fatalities)	0	- Number of high-consequence work-related injuries and ill health (excluding fatalities)	0
	- Number of recordable work-related injuries and ill health	0	- Number of recordable work-related injuries and ill health	0

### ESG Strategy Spotlight (Holding Level)



**Health and safety incidents**

**0** incidents

### Employee Participation and Reporting Mechanisms

To support continuous improvement of our health and safety measures, employees are encouraged to report potential hazards or unsafe conditions through established grievance reporting channels and direct engagement with HR. Reports are handled confidentially and reviewed through defined internal processes, ensuring that employees can raise concerns without fear of adverse treatment under applicable policies. While the Holding does not maintain formal health and safety committees due to the relatively small size of its operations, safety matters are regularly discussed through direct engagement between employees, management, and HR. Beyond safety-specific discussions, employee engagement and well-being are also assessed through open dialogue, including direct conversations, informal discussions, and periodic verbal feedback channels, rather than formalized survey mechanisms. Informal feedback, workplace discussions, and regular communications such as newsletters and internal notices help ensure that employees stay informed about safety practices and emerging workplace considerations.

Feedback raised through these channels, including workplace concerns, well-being considerations, and operational inputs, is reviewed internally and addressed through timely actions where necessary. While related improvement objectives are monitored through leadership accountability and ongoing dialogue, these are not publicly disclosed at the Holding level. Collectively, these participation channels contribute to maintaining an open workplace culture in which employees can actively contribute to identifying and addressing safety concerns.

### Safeguarding Employee Health Information

Confidential handling of employee health information is another important element of responsible workplace management. Health-related records are managed with strict confidentiality and accessed only by authorized HR personnel. Participation in health-related programs or the disclosure of health information does not influence employment decisions such as performance evaluations, promotions, or disciplinary actions.

Maintaining these safeguards helps ensure that employees can engage with health-related services and workplace safety programs with confidence that their personal information will be handled responsibly and without prejudice.



# 04

# ENVIRONMENTAL CONSERVATION

**4.1** Resource Use

**4.2** GHG Emissions



## 4.1 Resource Use

Operating within an office-based setting, KIPCO's activities are not associated with material environmental deterioration in terms of waste generation, resource consumption, or resulting GHG emissions. The nature of the Holding's operations limits direct environmental impact when compared to operationally intensive sectors; however, environmental responsibility remains embedded in day-to-day practices, with continued attention given to managing resource use and minimizing waste where possible.

### Waste Streams

Within KIPCO's office-based environment, waste generation is primarily associated with typical workplace materials such as:



While the environmental footprint of such activities is comparatively limited when measured against operationally intensive industries, responsible waste management remains part of our broader environmental stewardship efforts.

Office waste is generally managed through the building's centralized waste management system, with disposal services handled by third-party contractors operating within the tower. In parallel, we seek to gradually reduce waste generation through workplace practices that limit unnecessary material use and encourage more responsible handling of office resources. Alongside this, initiatives aligned with the principles of reducing, reusing, and recycling are applied within day-to-day operations, while portfolio companies are encouraged to adopt climate-conscious practices that contribute to long-term sustainability and operational resilience.



### Efficient Practices

#### CASE STUDY



Efforts to optimize resource use also extend to the management of office equipment and printing infrastructure. During the reporting period, KIPCO implemented measures to recycle older printers, copiers, and personal scanners that had reached the end of their operational lifecycle. In parallel, the Holding reduced reliance on individual user printers, helping streamline printing practices across the workplace.

These actions contributed to lowering toner consumption while ensuring that outdated equipment was handled through appropriate recycling channels. KIPCO continues to support more responsible management of electronic waste and promotes more efficient use of operational resources within its office environment.

In addition to managing waste generated through office operations, we also focus on reducing material consumption before it becomes waste. Efforts to digitalize workflows and streamline internal documentation processes help limit reliance on paper while supporting more efficient use of workplace resources. The following initiatives illustrate a range of practices implemented to encourage a more paper-conscious and digitally enabled working environment.

- 

**Digital Document Management:**  
We implemented a digital document management system to store and organize files electronically, allowing for easy access, searchability, and sharing without the need for printing or physical storage.
- 

**Electronic Communication:**  
We encourage the use of electronic communication methods, such as email and instant messaging, to reduce paper-based communication. Digital signatures are utilized whenever possible.
- 

**Online Collaboration and File-Sharing:**  
We utilize online collaboration platforms and file-sharing services to facilitate teamwork and document sharing, eliminating the need for printing multiple copies.
- 

**Electronic Forms and Workflow:**  
We continuously replace paper-based forms with electronic forms and implemented digital workflows to automate processes and reduce manual paperwork.
- 

**Digital Notetaking and Documentation:**  
We encourage the use of digital note-taking tools and explore digital annotation and documentation tools for marking up documents digitally.
- 

**Print Management and Policies:**  
We implemented print management software and set up print policies to encourage responsible printing practices, such as double-sided printing, print preview, and default settings for black-and-white printing.
- 

**Education and Awareness:**  
We provide education and training to employees on the benefits of a paperless office and promote awareness about the environmental impact of paper usage.
- 

**Recycling and Responsible Disposal:**  
We implemented recycling programs for paper waste and established protocols for the responsible disposal of electronic devices.
- 

**Continuous Improvement and Monitoring:**  
We regularly assess our progress towards a paperless office, monitor paper usage, and identify areas for improvement.

## Digitalization and Paper Reduction

CASE STUDY



KIPCO continues to enhance operational efficiency while reducing the environmental footprint associated with office-based activities through the introduction of digital management systems. During the reporting period, the Holding implemented a Human Resources management system alongside an Enterprise Resource Planning (ERP) platform, enabling previously paper-based administrative processes to transition to fully digital workflows. These systems support coordination across internal administrative processes, allow secure storage and retrieval of information, and reduce reliance on printed documentation across departments. Through digitizing internal processes and strengthening data management practices, the initiative contributes to lower paper consumption and reduced office waste while supporting more efficient governance and administrative oversight.



## Impact Across Our Portfolio – Green Certification – JKB

### CASE STUDY



Jordan Kuwait Bank (JKB) obtained the ISO 50001:2018 certification for its energy management system, reflecting the Bank's efforts to enhance energy efficiency and integrate structured energy management practices into its operations. The certification recognizes the implementation of internationally recognized standards aimed at improving energy performance, optimizing consumption, and supporting the reduction of operational carbon emissions.

Achieving ISO 50001 requires the establishment of systematic processes for monitoring, managing, and continuously improving energy use across

organizational activities. Through this framework, JKB strengthens oversight of energy consumption while identifying opportunities to improve efficiency within its facilities and operations.

The certification complements a broader portfolio of international accreditations previously obtained by the Bank across areas including energy management, green building practices, environmental management, and occupational health and safety. Adoption of these standards contributes to reinforcing operational discipline while supporting more responsible resource use across the Bank's activities.

## Plastic and Paper Consumption and Recycling

Efforts to strengthen resource efficiency during the reporting period also included the introduction of recycling practices for commonly used office materials. A recycling initiative introduced during the latter part of the year focused on the collection and responsible handling of scrap paper and plastic materials generated through day-to-day office activities.

Although these materials represent a relatively small portion of the Holding's overall operational footprint for this year, the initiative reflects a broader effort to encourage responsible waste management practices moving forward and increase employee awareness of recycling within the workplace, contributing to larger volumes of recycled waste in future periods.



Recycled Waste Scrap Paper  
in 2025

**39.5 KG**



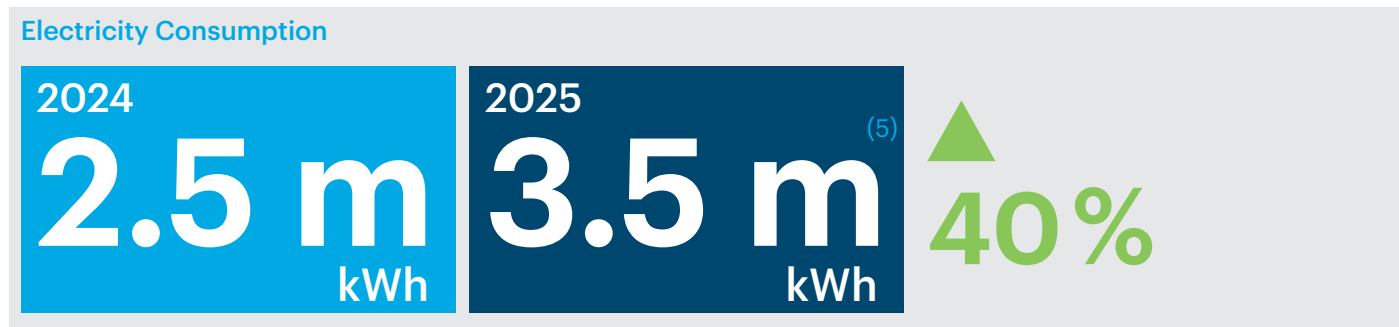
Recycled Waste Plastic  
in 2025

**65.5 KG**

## Electricity Consumption

Energy use within KIPCO is primarily linked to our office operations. Electricity consumption is largely associated with building services such as lighting, information technology systems, office equipment, ventilation, and air-conditioning within our office space. In line with our broader ESG direction, efforts are being shaped toward improving energy efficiency over time, including the intention to establish clearer reduction initiatives and intensity-based targets that better reflect consumption per employee.

During the reporting period, changes in recorded electricity consumption reflect expanded monitoring of operational space following the inclusion of an additional office floor within the reporting boundary compared to the previous reporting period. This adjustment provides a more comprehensive view of energy use across our workplace environment as environmental monitoring practices may expand. Concurrently, ongoing enhancements to data collection approaches are being pursued to support more consistent, comparable, and reliable tracking of utility consumption over time, while reducing the risk of misstatement or overestimation.



## Water Consumption

Water use at KIPCO is largely associated with general office requirements such as sanitary facilities and shared building services. Supply is provided through municipal systems and managed operationally through tower management arrangements. Alongside broader environmental considerations, there is a growing focus on managing water use more efficiently, with future efforts expected to include the development of reduction initiatives and the gradual introduction of intensity-based metrics to better monitor consumption patterns.

As with electricity consumption, the reporting boundary for water use expanded during the year to include additional office floors, contributing to a significant increase in reported consumption. This shift reflects a move toward more inclusive environmental monitoring; however, it also highlights the importance of strengthening underlying data collection methodologies to ensure consistency and comparability across reporting periods, particularly where estimations may influence reported figures, which KIPCO is determined to apply and carry forward.



### ESG Strategy Spotlight (Holding Level)



(5) Electricity consumption is estimated based on the cost of electricity included within utility charges of KIPCO's operational space.  
 (6) Water consumption is estimated based on the cost of water included within utility charges of KIPCO's operational space.

## 4.2 GHG Emissions

### Expanding our Horizons

As KIPCO continues to refine its approach, greater attention is being placed on strengthening how environmental information is captured and monitored across the Group. Efforts are underway to gradually broaden the scope of available environmental data, enabling the Holding to better understand the environmental implications of its activities while supporting more structured oversight of key indicators such as energy use and Greenhouse Gas emissions. (Refer to Section 1.2: ESG Strategic Outlook).

These developments reflect a wider shift toward improving the depth and consistency of sustainability-related information available to us. Over time, such efforts are expected to support a more comprehensive view of environmental performance across the Group's operations, while considering differences in sectoral context and business requirements of different portfolio companies.

### Boundaries

Greenhouse Gas emissions reported in this section relate exclusively to KIPCO Holding's office-based operations. The reporting boundary therefore covers emissions associated with the Holding's administrative activities, including office energy use, company vehicles, employee commuting, and other operational activities directly linked to the Holding's workplace environment.

This boundary does not extend to portfolio companies or other Group entities, as the purpose of this disclosure is to present emissions generated by the Holding's own operational footprint. Nonetheless, average Group-level emissions intensity figures can be found in Section 1.2: ESG Strategic Outlook for reference. Looking ahead, and in parallel with ongoing ESG Working Group data consolidation efforts, there may be scope to progressively expand reporting boundaries over time to support more comprehensive coverage and greater consistency in data and methodologies across the Group, ultimately, extending to GHG accounting.

### Approach

KIPCO quantifies and reports its Greenhouse Gas emissions in accordance with the widely recognized Greenhouse Gas Protocol Corporate Accounting and Reporting Standard and its associated Corporate Value Chain (Scope 3) Standard. Following this methodology helps ensure that emissions are assessed using internationally accepted methodologies, calculation factors, and reporting principles for completeness, consistency, transparency, and accuracy.

Applying this standard enables the Holding to measure emissions across relevant sources of emissions while providing a reliable basis for tracking changes in operational and value chain emissions over time. This approach also supports the ongoing development of environmental monitoring practices in coordination with the ESG Working Group and helps strengthen transparency around the Holding's environmental footprint.

### Scope 1 GHG Emissions

Scope 1 emissions arise from GHG emissions sources that are directly owned or controlled by KIPCO. Within the Holding's activities, these emissions are primarily associated with fuel consumption from company vehicles used for operational activities, for a total of 10 cars.

Variations observed when comparing against the previous reporting period largely reflect changes in the number of vehicles used across the Holding's fleet. Additionally, due to the absence of direct measurement, fuel consumption and distance travelled are derived based on the full monthly fuel allowance allocated to each vehicle.

#### Scope 1 GHG Emissions

Activity	Total GHG (tCO <sub>2</sub> e) 2024	Total GHG (tCO <sub>2</sub> e) 2025	%Change
Mobile Combustion	112.43	87.72	-22%

### Scope 2 GHG Emissions

Scope 2 emissions represent indirect Greenhouse Gas emissions associated with the generation of purchased electricity consumed to power office operations. Electricity is used to support building services such as lighting, office equipment, information technology systems, ventilation, and air-conditioning within the Holding's workspace.

While electricity remains essential to maintaining business continuity, there is an increasing focus on managing consumption levels more steadily over time, with the intention of avoiding unnecessary increases as operational monitoring matures and efficiency opportunities are identified.

Changes observed during the reporting period reflect an expansion in the reporting boundary following the inclusion of an additional office floor within the monitored operational space consistent with the change observed in electricity consumption as previously described. This adjustment provides a more comprehensive view of electricity-related emissions across the Holding's workplace environment.

### Scope 2 GHG Emissions

Activity	Total GHG (tCO <sub>2</sub> e) 2024	Total GHG (tCO <sub>2</sub> e) 2025	%Change
Purchased Electricity	1,559.90	2,167.17	+39%

### Scope 3 GHG Emissions

Scope 3 emissions capture indirect emissions associated with activities occurring within the broader value chain of the Holding's operations. For KIPCO, these emissions primarily arise from operational activities such as employee commuting, courier services, business travel, and selected purchased goods or services.

Variations observed between reporting periods reflect both changes in operational activities and adjustments in the scope of emissions sources included in the calculation. In particular, certain emissions previously accounted for within financed activities were not included during the current reporting period, resulting in a significant change in reported emissions. Additionally, earlier data related to courier services was restated after obtaining more accurate information from the supplier.

Given the breadth of Scope 3 and its reliance on a wide range of categories, the coverage of emissions sources is expected to evolve over time as monitoring practices develop. As such, fluctuations between reporting periods emerge as likely, and direct year-on-year comparisons may not always provide a fully consistent basis for assessment, particularly in earlier stages of data maturity. Since Scope 3 emissions are derived from activities across the value chain, our estimation relies on data obtained from external parties. In this regard, KIPCO continues to work with relevant stakeholders to improve the accuracy, completeness, and reliability of the underlying data used for Scope 3 emissions accounting.

### Scope 3 GHG Emissions

Category	Activity	Total GHG (tCO <sub>2</sub> e) 2024	Total GHG (tCO <sub>2</sub> e) 2025	%Change
Category 1 Purchased Goods and Services	Water supply	0.001	0.002	+144%
Category 4 <sup>(7)</sup> Upstream Transportation and Distribution	International courier services	3.53	3.51	-1%
Category 5 <sup>(8)</sup> Waste Generated in Operations	Treatment of waste material generated in operations	1.60	0.49	—
Category 6 Business Travel	Air trips taken by KIPCO personnel for business purposes	75.11	51.96	-31%
Category 7 Employee Commuting	KIPCO personnel travel between their residence and work locations	67.32	92.52	+37%
Category 15 <sup>(9)</sup> Investments	Financed projects and entities	2,011.47	Not Available	—
<b>Total</b>		<b>2,159.03</b>	<b>148.48</b>	<b>-93%</b>

(7) Previous emissions data for Category 4 - 2024 has been restated due to obtaining accurate numbers from the supplier.

(8) Not directly comparable due to changes in waste treatment methods between reporting periods - 2024 and 2025 (landfill vs. recycling for plastic and paper).

(9) Burgan Bank financed emissions were not accounted for in the reporting period 2025, hence the % change.

## Total GHG Emissions and Intensity

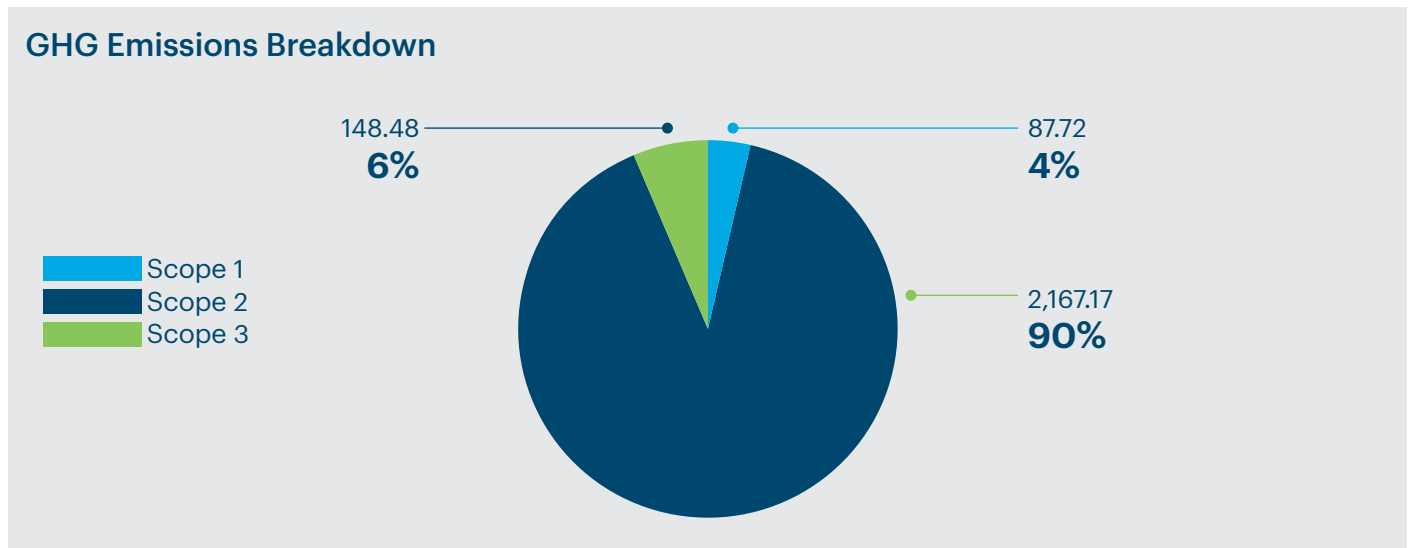
The combination of Scope 1, Scope 2, and Scope 3 emissions provides a consolidated view of the GHG footprint associated with KIPCO Holding's operational activities. Monitoring emissions across these categories allows us to better understand the relative contribution of different scopes and sources of emissions and how calculation and data boundaries as well as operational changes influence the overall emissions profile.

In addition, to complement this view, emissions are also presented on an intensity basis relative to the workforce, providing additional context when observing emissions trends across reporting periods.

### Total GHG Emissions

Activity	2024	2025	%Change
Scope 1 Emissions (tCO <sub>2</sub> e)	112.43	87.72	-22%
Scope 2 Emissions (tCO <sub>2</sub> e)	1,559.00	2,167.17	+39%
Scope 3 Emissions (tCO <sub>2</sub> e)	2,159.03	148.48	-93%

### GHG Emissions Distribution



### GHG Emissions Intensity

GHG Emissions Intensity (tCO <sub>2</sub> e/employee)	2024	2025	%Change
Scope 1	1.52	1.25	-18%
Scope 2	21.08	30.96	+47%
Scope 3	30.84	2.12	-93%
<b>Total GHG Emissions Intensity</b>	<b>61.15</b>	<b>34.33</b>	<b>-44%</b>





# 05 APPENDICES

- 5.1 Global Reporting Initiative (GRI) Index
- 5.2 Other ESG Disclosures
- 5.3 Bursa Kuwait and GCC Stock Exchange Indices



## 5.1 Global Reporting Initiative (GRI) Index

Statement of use	KIPCO has reported in accordance with GRI Standards for the period from 1 January 2025 to 31 December 2025
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standards(s)	Not Applicable

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			Requirement(s) omitted	Reason	Explanation
GRI 2 – General Disclosures	GRI 2: General Disclosures 2021				
	2-1: Organizational details	a. Located in About the Report b. Located in About the Report c. Located in About the Report d. Located in Section 1.1			
	2-2: Entities included in the organization's sustainability reporting	Refer to Section: About the Report			
	2-3: Reporting period, frequency and contact point	For a., b., c., and d. Refer to Sections: About the Report, Reporting Boundaries, and Contact Us			
	2-4: Restatements of information	Refer to Section 4.2 in relation to GHG emissions			
	2-5: External assurance		(a-b) External Assurance	(a-b) Not applicable	(a-b) Not applicable as KIPCO's Sustainability Report was not assured by an independent third-party.
GRI 2 – General Disclosures	ACTIVITIES AND WORKERS				
	2-6: Activities, value chain and other business relationships	a. Located in Section 1.1 b. Located in Section(s) 1.1 and 3.1 c. In addition to its value chain, KIPCO maintains relationships with joint venture partners, strategic co-investors, outsourced service providers, external asset managers, and professional advisory firms supporting legal, audit, and risk functions. d. No significant changes in the above material to report here.			
	2-7: Employees	a. Located in Section 3.2 b. Located in Section 3.2 c. Located in Section 3.2 d. Located in Section 3.2 e. Located in Section 3.1			

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			Requirement(s) omitted	Reason	Explanation
GRI 2 – General Disclosures	ACTIVITIES AND WORKERS				
	2-8: Workers who are not employees	<p>a. 9 workers from United Facilities Co., assigned for Cleaning Services / Kitchen Staff / Security.</p> <p>b. Headcount (employees on payroll FTE equivalent) and end of reporting period (31 December 2025)</p> <p>c. No significant fluctuations occurred during the reporting year.</p>			
	Governance				
GRI 2 – General Disclosures	2-9: Governance structure and composition	(a-c) Located in Section 2.1			
	2-10: Nomination and selection of the highest governance body	(a-b) Located in Section 2.1			
	2-11: Chair of the highest governance body	(a-b) Located in Section 2.1			
	2-12: Role of the highest governance body in overseeing the management of impacts	(a-c) Located in Section 2.1			
	2-13: Delegation of responsibility for managing impacts	(a-b) Located in Section 2.1			
	2-14: Role of the highest governance body in sustainability reporting	(a-b) Located in Section 2.1			
	2-15: Conflicts of interest	<p>a. Located in Section 2.1</p> <p>b. KIPCO discloses such matters on the website and via our Corporate Governance report, and controlling stakeholders are listed on KIPCO's page on the Kuwait Boursa. As for transactions, they are disclosed as per the CMA.</p> <p>More information related to the above is located in Section 2.2</p>			
	2-16: Communication of critical concerns	(a-b) Located in Section 2.2			
	2-17: Collective knowledge of the highest governance body	a. Located in Section 2.1			

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			Requirement(s) omitted	Reason	Explanation
GRI 2 – General Disclosures	Governance				
	2-18: Evaluation of the performance of the highest governance body	(a-c) Located in Sections 2.1 and 2.2			
	2-19: Remuneration policies	a. Located in Section 2.1	b. How the remuneration policies for members of the highest governance body and senior executives relate to their objectives and performance in relation to the management of the organization's impacts on the economy, environment, and people	b. Information not available	b. Information on how the remuneration policies for members of the highest governance body and senior executives relate to their objectives and performance in relation to the management of the organization's impacts on the economy, environment, and people is not available.
	2-20: Process to determine remuneration	a. Located in Section 2.1	b. Reporting on the results of votes of stakeholders on remuneration policies and proposals	Not applicable	Information about reporting on the results of votes of stakeholders on remuneration policies and proposals is not applicable to KIPCO.
	2-21: Annual total compensation ratio		(a-c) Annual total compensation ratio	(a-c) Confidential	(a-c) The information required is confidential.
	Strategy				
	2-22: Statement on sustainable development strategy	a. Located in Section 1.2			
	2-23: Policy commitments	a. Located in Section 2.1 b. Located in Section 2.2 d. Located in Section 2.1 e. Located in Section 2.1 f. Located in Section 2.1	c. Links to the policy commitments regarding responsible business conduct and human rights	c. Information not available	c. Information on links to the policy commitments regarding responsible business conduct and human rights is not disclosed publicly.
	2-24: Embedding policy commitments	Located in Section 2.1			
	2-25: Processes to remediate negative impacts	(a-e) Located in Section 2.2 and 3.3			
	2-26: Mechanisms for seeking advice and raising concerns	a. Located in Section 3.3			
	2-27: Compliance with laws and regulations	(a-d) Located in Section 2.1			
	2-28: Membership associations	a. Located in Section 1.1			

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			Requirement(s) omitted	Reason	Explanation
GRI 2 – General Disclosures	STAKEHOLDER ENGAGEMENT				
	2-29: Approach to stakeholder engagement identified	Located in Section 1.4			
	2-30: Collective bargaining agreements	(a-b) Located in Section 2.2			
GRI 3 - Material Topics	GRI 3: Material Topics 2021				
	3-1: Process to determine material topics	Located in Section 1.5			
	3-2: List of material topics	Located in Section 1.5			

**Economic Performance**

	GRI 3-3 Topic Management Disclosures	Refer to the latest financial statements and our Annual Report, as well as to Sections 2.1 and 3.3			
GRI 201 - Economic performance	201-1 Direct economic value generated and distributed	a. Refer to the latest KIPCO financial statements for revenue figures, as well as total economic value generated and distributed (EVG&D); also, refer to our Annual Report. b. Refer to the latest financial statements, as well as to our Annual Report.			
	201-2 Financial implications and other risks and opportunities due to climate change		a. Financial implications and other risks and opportunities due to climate change	a. Not applicable	a. As an investment holding company, our direct environmental risk is relatively low. However, KIPCO encourages climate-conscious practices within its investment portfolio companies and implements sustainable initiatives within its own operations.
	201-3 Defined benefit plan obligations and other retirement plans	(a-e) Located in Sections 2.1 and 3.3			
	201-4 Financial assistance received from government	KIPCO receives 0 financial assistance from the government.			

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			Requirement(s) omitted	Reason	Explanation
<b>Market Presence</b>					
<b>GRI 3 - Material Topics</b>	GRI 3-3 Topic Management Disclosures	Located in Sections 2.2 and 3.2			
<b>GRI 202 - Market Presence</b>	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	a. Located in Section 3.3 b. No specific actions are undertaken in this regard, as KIPCO does not have a significant proportion of non-employee workers whose compensation is subject to minimum wage rules. c. Located in Section 3.3 d. Located in Section 2.2			
	202-2	a. Located in Section 2.2 b. Located in Section 3.2 c. Located in Section 3.2 d. We define senior management as senior/vice presidents band, and C-level executives band and those who typically report directly to the Group CEO.			
<b>Economic Impacts</b>					
<b>GRI 3 - Material Topics</b>	GRI 3-3 Topic Management Disclosures	Located in Section(s) 1.1, 3.1, and 3.3			
<b>GRI 203 - Indirect Economic Impacts</b>	203-1 Infrastructure investments and services	(a-c) Located in Sections 1.1, 3.1, and 3.3			
	203-2 Significant indirect economic impacts	(a-b) Located across the report depending on the various stakeholders impacted. Moreover, throughout the report, several initiatives and practices carry a significant indirect economic impact.  For further details, refer to Section 3.1			
<b>Anti-Corruption Policy</b>					
<b>GRI 3 - Material Topics</b>	GRI 3-3 Topic Management Disclosures	Located in Section 2.2			
<b>GRI 205 - Anti-corruption</b>	205-1 Operations assessed for risks related to corruption	(a-b) All operations are assessed for risks, including those related to corruption, as part of KIPCO's broader risk management framework.			
	205-2 Communication and training about anti- corruption policies and procedures	(a-d) Located in Section 2.2			
	205-3 Confirmed incidents of corruption and actions taken	(a-d) Located in Section 2.2			

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			Requirement(s) omitted	Reason	Explanation
<b>Energy Use</b>					
<b>GRI 3 - Material Topics</b>	GRI 3-3 Topic Management Disclosures	Located in Sections 4.1 and 4.2			
<b>GRI 302 - Energy</b>	302-1 Energy consumption within the organization	(a-g) Located in Section 4.1			
	302-2 Energy consumption outside of the organization		(a-c) Energy consumption outside of the organization	(a-c) Information unavailable	(a-c) Information on energy consumption outside of the organization is not available at the moment and has not been included.
	302-3 Energy intensity	(a-d) Located in Section 4.2			
	302-4 Reduction of energy consumption	(a-d) Located in Section 4.1			
	302-5 Reductions in energy requirements Products and services		(a-c) Reductions in energy requirements Products and services	Not applicable	(a-c) Reductions in energy requirements Products and services are not applicable to KIPCO since it does not sell products and services as a holding company.
<b>Water and Effluents</b>					
<b>GRI 3 - Material Topics</b>	GRI 3-3 Topic Management Disclosures	Located in Section 4.1			
<b>GRI 303 - Water and effluents</b>	303-1 Interactions with water as a shared resource	a. Located in Section 4.1 (b-d) KIPCO has not conducted water impact assessments to evaluate its interactions with water as a shared resource; accordingly, information related to this is not available.	(b-d) Interactions with water as a shared resource	Information unavailable	(b-d) Information on KIPCO's interactions with water as a shared resource is not available.
	303-2 Management of water discharge- related impacts		a. Management of water discharge-related impacts	a. Not applicable	a. Management of water discharge-related impacts is not applicable to KIPCO due to the nature of its operations.
	303-3 Water withdrawal		(a-d) Water withdrawal	(a-d) Not applicable	(a-d) Water withdrawal is not applicable to KIPCO since it does not directly withdraw water but rather relies on government supplied water.

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			Requirement(s) omitted	Reason	Explanation
<b>Water and Effluents</b>					
<b>GRI 303 - Water and effluents</b>	303-4 Water discharge		(a-e) Water discharge	(a-e) Not applicable	(a-e) Water discharge is not applicable to KIPCO since it does not directly discharge water but rather relies on existing public water infrastructure for water discharge.
	303-5 Water consumption	a. Located in Section 4.1 b. Not assessed at holding level; water-stress classification is not applied to holding-company office utility data. c. KIPCO Holding does not operate material water storage with significant water-related impact at office locations.			
<b>Emissions</b>					
<b>GRI 3 - Material Topics</b>	GRI 3-3 Topic Management Disclosures	Located in Section(s) 4.1 and 4.2			
<b>GRI 305 - Emissions</b>	305-1 Direct (Scope 1) GHG emissions	(a-g) Located in Section 4.2			
	305-2 Energy indirect (Scope 2) GHG emissions	(a-g) Located in Section 4.2			
	305-3 Other indirect (Scope 3) GHG emissions	(a-g) Located in Section 4.2			
	305-4 GHG emissions intensity	(a-d) Located in Section 4.2			
	305-5 Reduction of GHG emissions	(a-e) Located in Section 4.2			
	305-6 Emissions of ozone-depleting substances		(a-d) Emissions of ozone-depleting substances (ODS)	(a-d) Not applicable	(a-d) Information on emissions of ozone-depleting substances (ODS) is not applicable due to the nature of the KIPCO operations as an office-based organization.
	305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions		(a-c) Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	(a-c) Not applicable	(a-c) Information on nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions is not applicable due to the nature of the KIPCO operations as an office-based organization.

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			Requirement(s) omitted	Reason	Explanation
<b>Waste</b>					
GRI 3 - Material Topics	GRI 3-3 Topic Management Disclosures	Located in Section 4.1			
GRI 306 - Waste	306-1 Waste generation and significant waste- related impacts	a. Located in Section 4.1			
	306-2 Management of significant waste- related impacts	a. Located in Section 4.1			
	306-3 Waste generated	(a-b) Located in Section 4.1			
	306-4 Waste diverted from disposal	(a-e) Located in Section 4.1			
	306-5 Waste directed to disposal	(a-e) Located in Section 4.1			
<b>Employment</b>					
GRI 3 - Material Topics	GRI 3-3 Topic Management Disclosures	Located in Section(s) 3.2 and 3.3			
GRI 401 - Employment	401-1 New employee hires and employee turnover	(a-b) Located in Section 3.2			
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	(a-b) Located in Section 3.3			
	401-3 Parental leave	(a-e) Located in Section 3.2			
<b>Labor/Management Relations</b>					
GRI 3 - Material Topics	GRI 3-3 Topic Management Disclosures	Located in Section 3.3			
GRI 402 - Labor/management relations	402-1 Minimum notice period regarding operational changes	(a-b) Located in Section 3.3			
<b>Occupational Health and Safety</b>					
GRI 3 - Material Topics	GRI 3-3 Topic Management Disclosures	Located in Section 3.3			
GRI 403 - Occupational health and safety	403-1 Occupational health and safety management system	(a-b) Located in Section 3.3			
	403-2 Hazard identification, risk assessment, and incident investigation	(a-d) Located in Section 3.3			

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			Requirement(s) omitted	Reason	Explanation
<b>Occupational Health and Safety</b>					
<b>GRI 403 - Occupational health and safety</b>	403-3 Occupational health services	a. Located in Section 3.3			
	403-4 Worker participation, consultation, and communication on occupational health and safety	(a-b) Located in Section 3.3			
	403-5 Worker training on occupational health and safety	a. Located in Section 3.3			
	403-6 Promotion of worker health	(a-b) Located in Section 3.3			
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	a. Located in Section 3.3			
	403-8 Workers covered by an occupational health and safety management system	(a-c) Located in Section 3.3			
	403-9 Work-related injuries	(a-e) Located in Section 3.3			
	403-10 Work-related ill health	(a-d) Located in Section 3.3			
<b>Training and Education</b>					
<b>GRI 3 - Material Topics</b>	GRI 3-3 Topic Management Disclosures	Located in Section(s) 3.3			
<b>GRI 404 - Training and Education</b>	404-1 Average hours of training per year per employee	a. Located in Section 3.3			
	404-2 Programs for upgrading employee skills and transition assistance programs	(a-b) Located in Section 3.3			
	404-3 Percentage of employees receiving regular performance and career development reviews	a. Located in Section 3.3			

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			Requirement(s) omitted	Reason	Explanation
<b>Diversity and equal opportunity</b>					
GRI 3 - Material Topics	GRI 3-3 Topic Management Disclosures	Located in Sections 2.1, 3.2, and 3.3			
GRI 405 - Diversity and equal opportunity	405-1 Diversity of governance bodies and employee	(a-b) Located in Section(s) 2.1 and 3.2			
	405-2 Ratio of basic salary and remuneration of women to men	(a-b) Located in Section 3.3			
<b>Non-discrimination</b>					
GRI 3 - Material Topics	GRI 3-3 Topic Management Disclosures	Located in Section 3.3			
GRI 406 - Non-discrimination	406-1 Incidents of discrimination and corrective actions taken	(a-b) Located in Section 3.3			
<b>Child Labor</b>					
GRI 3 - Material Topics	GRI 3-3 Topic Management Disclosures	Located in Section 2.2			
GRI 408 - Child Labor	408-1 Operations and suppliers at significant risk for incidents of child labor	(a-c) Located in Section 2.2			
<b>Forced or Compulsory Labor</b>					
GRI 3 - Material Topics	GRI 3-3 Topic Management Disclosures	Located in Section 2.2			
GRI 409 - Forced or Compulsory Labor	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	(a-b) Located in Section 2.2			
<b>Security Practices</b>					
GRI 3 - Material Topics	GRI 3-3 Topic Management Disclosures	100%			
GRI 410 - Security Practices	410-1 Security personnel trained in human rights policies or procedures	(a-b) 100%			

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			Requirement(s) omitted	Reason	Explanation
<b>Local Communities</b>					
<b>GRI 3 - Material Topics</b>	GRI 3-3 Topic Management Disclosures	Located in Section 3.1			
<b>GRI 413 - Local Communities</b>	413-1 Operations with local community engagement, impact assessments, and development programs	a. Located in Section 3.1			
	413-2 Operations with significant actual and potential negative impacts on local communities	a. None			
<b>Customer Privacy</b>					
<b>GRI 3 - Material Topics</b>	GRI 3-3 Topic Management Disclosures	Located in Section 2.4			
<b>GRI 418 - Customer Privacy</b>	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	(a-c) Located in Section 2.4			

## 5.2 Other ESG Disclosures

Independence of the Chair of the Board from management or other interests	He represents the majority stakeholder bloc
Presence of a combined CEO and Chair role within the organization	No
Concerns about excessive influence by a leader	No concerns have been identified regarding excessive influence by any individual within KIPCO's leadership structure. This includes considerations related to executive and non-executive roles, former executives serving on the Board, cross-directorships within the Group, founders or cofounders remaining on the Board, or unregistered individuals providing leadership direction.
Majority of directors independent of other interests, based on defined benchmarks or criteria	Executive and non-executive Board members hold Board positions within KIPCO Group.
Disclosed related-party transactions (RPTs) in either of the two most recently reported financial years	As reported in the financial statements
Presence of Board members identified as flagged directors based on relevant benchmarks or criteria	No
Non-executive Board members serving on the boards of three or more additional issuers	Yes
Executive Board members serving on the boards of two or more additional issuers	Yes
Directors receiving a negative or withheld shareholder vote exceeding 10% in the most recent election	No
Board size suggesting potential obstacles to effective oversight and decision-making	No
Board tenure profile indicating potential Board entrenchment concerns	It does not pose a problem.
Board members with tenure of 15 years or greater exceeding 35% of the board	Yes, 60%
Board members with tenure of 15 years or greater exceeding 22% and directors aged 70 or above exceeding 15%	Yes, 60% have a tenure of more than 15 years and the same 60% are above the age of 70.
Presence of more than four directors with tenure of 15 years or greater	Yes
Board composition including more than 30% currently active corporate CEOs from other companies	No - only one (who is the GCEO of KIPCO)
Presence of at least one non-executive Board member with general expertise in risk management based on defined benchmarks or criteria	Yes
Presence of organization executives serving on the audit committee or audit board	No
Audit committee or audit board membership including at least one non-executive member with expertise in accounting or financial management	Yes
Audit committee or audit board membership including at least one non-executive member with substantial industry knowledge	Yes
Audit committee members serving on multiple additional company boards beyond defined thresholds	No
Composition of the pay committee in relation to directors who are not independent of management	The Nomination & Remuneration Committee (RNS) has no executive director as a member.
Concerns raised regarding the treatment of security holders in relation to the raising and/or return of capital	No
Allegations that investors were not given access to certain basic facts about the organization, or allegations of breaches of investor protection requirements	No
Current breach of continuing obligations applicable to the listing of securities that may threaten continued listing or trading	No

Current or recent Board member or senior executive alleged failure to act with honesty and integrity, breach of trust, criminal action, or action causing reputational damage	None
Situations distracting the board from business operations and strategic matters, questions regarding the quality of past board decisions, or evidence of governance failures	No
Clawback policy applicable to annual and long-term incentives where the organization offers variable or incentive pay	No
Public criticism from stakeholders of golden hellos provided to the CEO or other senior executives	No
Adverse public comment from stakeholders regarding the organization's pay policies or practices	No
Negative vote in excess of 10% on pay policies and practices, or withdrawal or adjournment of relevant proposals, in the most recently reported period	No
Pension contribution rate made by the organization on behalf of the CEO in relation to the organization's pay peer group	All pensions for Kuwaitis (which the CEO is) are in line with the requirements of the Kuwaiti Pensions Law.
Shareholder or shareholder bloc controlling more than 30% of voting shares or able to elect more than 50% of the organization's board	As listed on KIPCO's page on Bursa Kuwait, Al Futtooh Holding Co. holds 31.91% of the company shares and United American Holding Co. & Group holds 19.77% of shares. As per Kuwait Companies Law, this gives them the right to seats on the BOD.
Ownership structure or governance arrangements indicating special concerns for minority public shareholders	KIPCO is a listed company and adheres to all governance regulations as per the Kuwait Companies Law and requirements of the Capital Markets Authority and Bursa Kuwait.
Involvement in a series of cross-shareholdings with other related or unrelated companies	As a holding investment company, KIPCO holds majority stakes in its portfolio companies, which in turn exercise cross-shareholdings where synergies can be achieved.
Whether at least 5% of the group's revenue comes from Variable Interest Entities (VIEs) where the organization holds less than 10% voting rights	No
Board's unilateral right to amend the organization's bylaws or Articles of Association without shareholder approval	Kuwait Companies Law requires General Assembly approval
Whether shareholders are limited in their ability to make changes at the organization due to governing document provisions	No
Implementation of regular say-on-pay votes	KIPCO (Holding) does not currently implement regular "say-on-pay" votes at the Holding level.
Implementation of confidential voting, barring reasonable exceptions	No
Whether qualified shareholders may nominate directors for election at the annual general meeting and have such nominees included in the circulated meeting agenda	Yes
Shareholder-elected directors standing for re-election at intervals greater than one year	The tenure is three years and they can run for re-election.
Classified or staggered Board combined with other limitations on shareholder rights that limit shareholders' ability to affect Board composition	We adhere to Kuwait Companies Law and the regulations of the Capital Markets Authority and Bursa Kuwait.
Shareholders' right to remove individual directors without cause	No
Evidence of material weakness in the organization's internal control systems	No
Current reporting delay or late filing of quarterly, half-year, annual reports, or annual proxy/notice of annual meeting of shareholders	None
Formal policy on bribery and anti-corruption and the scope of the policy	No
Involvement in anti-competitive and business ethics controversies	None
Involvement in ongoing tax-related controversies	No
External recognition as an employer of choice within the past three years	None

Involvement in labor-management controversies	KIPCO (Holding) is not aware of material labor-management controversies at the holding level during the reporting period; any concerns are handled through direct engagement and timely resolution.
Recognition as a top employer or for labor practices	KIPCO (Holding) has not pursued or disclosed external employer awards at the holding level in the past three years.
Employee training programs related to consumer financial protection and ethical selling practices	Training on consumer financial protection is typically delivered within regulated operating entities rather than at the Holding level. At KIPCO (Holding), staff receive ethics and conduct guidance relevant to their roles.
Programs to improve financial literacy	Employees can apply for programs based on their needs
Portfolio company fraud or billing controversies	None
Participation or signatory status to responsible investment initiatives (PRI, SIF, IIGCC, IGCC, INCR or other)	No
Integration of ESG factors in investment process – Corporate fixed income	Not at this point
Integration of ESG factors in investment process – Non-corporate fixed income	Not at this point
Integration of ESG factors in investment process – Hedge funds and alternatives	Not at this point
Integration of ESG factors in investment process – Listed equity	Not at this point
Integration of ESG factors in investment process – Private equity	Not at this point
Integration of ESG factors in investment process – Real estate	Not at this point
Responsibility for oversight regarding the integration of ESG considerations in financing and investment activities	Deputy Group CFO and Deputy Group Chief Investment Officer
Water-related controversies	None reported.
Involvement in clean technology activities	No direct program at Holding level; exposure may exist at portfolio company level
Restrictions on financial or advisory relationships between independent directors and the organization and summary of those rules	According to the CMA's executive regulations, the approval of the Audit Committee must be obtained when appointing an external auditor for a consultancy role at the company.
Restrictions related to family relationships, significant suppliers or portfolio companies, charitable affiliations, or affiliations with the external auditor affecting Board independence	If the conflict is at the Board member level, the said member does not vote on any decision related to the conflict and must, of course, disclose this conflict. The same applies for executives.
Board independence disclosure status and rationale where disclosure requirements are not met	Reported in the Corporate Governance Report and on Boursa Kuwait website.
Public reporting of chairperson or lead director structure and independence status	Reported in the Corporate Governance Report and on Boursa Kuwait website.
Presence of a formal Board diversity policy and where the policy is publicly disclosed	No
CEO succession planning and its role in supporting Board oversight and continuity	A Deputy CEO is in place as a contingency plan.
Board accountability mechanisms and the current approach where public reporting is not provided	The General Assembly holds the BOD accountable
Method used to calculate Board tenure based on the Board structure	The tenure figure is calculated based on a one-tier Board structure, and includes the service period of all Board members, covering executive, non-executive, and independent directors.
Applicability of Board industry experience to the organization	Board expertise is diversified across multiple sectors rather than industry-specific given KIPCO's diversified portfolio.
Existence of a clawback policy for CEO compensation and details of its scope and application	No clawback policy
Whether the CEO and other executive committee members hold organization shares	Yes
CEO's name(s) and shareholding expressed as a multiple of base salary, and the reference to the public or internal disclosure	Disclosed in Annual Report.

Average shareholding names and shareholding as a multiple of base salary across other executive committee members who hold shares, and the supporting reference	Any KIPCO or affiliate shares bought or sold by executives are disclosed on Bursa Kuwait as per regulatory requirements.
Current approach and rationale where management share ownership information is not disclosed	Management share ownership is publicly disclosed as per Kuwait Companies Law and the regulations of the Capital Markets Authority and Bursa Kuwait.
Specific stock ownership requirements for the CEO and other members of the executive committee	No
Whether any governmental institutions own more than 5% of the organization's total voting rights and whether golden shares exist for them	No
Total percentage of government ownership	0%
Presence of golden shares for governmental institutions and source of disclosure	No
Whether founding individuals or family members individually own more than 5% of the organization's voting rights	The founding members own Al Futtoh Holding Co., which in turn holds shares in excess of 5% in KIPCO
UN Global Compact participation	No
Group-wide anti-bribery and anti-corruption policy and its public availability	KIPCO does not maintain a standalone group-wide anti-bribery and anti-corruption policy. However, principles related to ethical conduct, integrity, and the prevention of bribery and corruption are embedded within the Code of Conduct, where expectations around appropriate behavior, including matters such as gifts, conflicts of interest, and responsible business practices, are formally articulated. These provisions are supported through internal processes and oversight mechanisms that guide conduct and address potential breaches where relevant.
Whether the policy includes provisions to prevent bribery and corruption	
Whether the policy provides guidelines for gifts	
Whether the policy provides guidelines for political contributions	
Whether the policy provides guidelines for charitable contributions or sponsorships	
Whether the policy includes training on anti-bribery and anti-corruption	
Whether the policy establishes procedures for handling breaches	
Highest decision-making body that endorses the policy	
Public reporting of breaches of the Code of Conduct	
Number of reported breaches related to corruption or bribery during the reporting year	
Number of reported breaches related to conflicts of interest during the reporting year	None
Number of reported breaches related to money laundering or insider trading during the reporting year	None
Reporting of breaches in a combined format for all Code of Conduct areas	None
Reporting of breaches in a combined format for only some Code of Conduct areas	None
Reporting that no Code of Conduct-related breaches occurred in the reporting period	None
Amount of fines related to corruption and bribery cases in the latest reporting year and currency used	Zero
Number of convictions related to corruption and bribery in the latest reporting year	Zero
Program aligning lobbying with Paris Agreement	No
Climate policy position	KIPCO follows the State of Kuwait directives on climate matters.
Group-wide tax strategy and governance policy publicly available	No
Commitment to complying with the spirit and letter of tax laws	Yes
Commitment to not transferring value to low-tax jurisdictions	Yes
Commitment to avoiding tax structures without commercial substance	Yes
Application of arm's-length principle in transfer pricing	Yes

Commitment to not using secrecy jurisdictions or tax havens for tax avoidance	Yes
Tax policy approval at Board level	Not yet; policy currently being finalized in relation to Pillar 2 taxation and will be presented to the Board for approval.
Public reporting of group-wide tax strategy	No
Reporting key financial and tax information per jurisdiction	Given that we operate in over 30 jurisdictions, detailed reporting per jurisdiction would be complex and may create confusion; consolidated reporting is used instead.
Disclosure of resident entities per jurisdiction	Yes
Reporting primary activities for each tax jurisdiction	Primary activities are disclosed in financial statements; jurisdiction-level reporting is not feasible due to diversified subgroup operations.
Reporting employees per jurisdiction	Reported through Organization for Economic Co-operation and Development (OECD) Country-by-Country Reporting (CbCR) reporting.
Reporting revenue per jurisdiction	Reported through OECD CbCR reporting.
Reporting profit before tax per jurisdiction	Reported through OECD CbCR reporting.
Reporting income tax accrued per jurisdiction	Reported through OECD CbCR reporting.
Reporting income tax paid per jurisdiction	Reported through OECD CbCR reporting.
Earnings before tax (two years)	2024: KD 104,801 thousand
Income tax expense (two years)	2024: KD 34,411 thousand
Effective tax rate	33% in 2024 at consolidated Group level.
Cash taxes paid	2024: KD 32,383 thousand
Cash tax rate	31% in 2024
Application of cumulative acceptable tax adjustments	No adjustments applied.
Anticipated impacts from OECD Pillar 2	Assessments are ongoing.
Public reporting of jurisdictional ETR	Jurisdiction-level ETR not disclosed due to complexity of operating across 30+ jurisdictions.
Information security awareness training	None
Operation in asset management and custody activities	The Holding Company does not operate in asset management and custody activities.
Undertaking of project finance activities	The organization does not directly undertake project finance activities.
Policy outlining approach to sustainable investment and public availability	The company does not have a dedicated sustainable investment policy. Investments are managed through holding-company oversight rather than under a formal sustainable investment policy framework.
Incorporation of ESG factors into the investment process	The company does not have a dedicated sustainable investment policy. ESG factors are incorporated qualitatively into investment assessments through governance, risk review, and board oversight processes.
Identification and measurement of sustainability-related outcomes	Sustainability-related outcomes are not formally measured at the holding-company level.
Publicly available policy outlining engagement with investee companies	The policy is not public
Publicly available voting policy and assets covered	Voting policy follows guidelines of the Kuwait Companies Law
Voting policy criteria for ESG resolutions and decision-making processes	Not available at this time
Public disclosure of percentage of ESG resolutions supported	Not available at this time
Sustainable advisory services related to fixed-income underwriting or securitization	No
Public reporting and verification of energy data	Not publicly verified at Holding-company level.
Third-party verification of water data	None at Holding-company level.

Application or ongoing application of the TCFD framework to manage climate-related risks and opportunities, and its public availability	KIPCO does not currently apply the TCFD (Task Force on Climate-related Financial Disclosures) framework, nor is it in the process of formally adopting it. Given the nature of its activities as an investment holding company and the relatively low direct environmental risk at the Holding level, adoption of the TCFD framework is not required.
Climate-related risks and opportunities identified across short, medium, and long term	Given the nature of its activities as an investment holding company, KIPCO has not identified climate-related risks or opportunities across the short, medium, or long term at the Holding level.
Assessment of strategy resilience under different climate scenarios including 2°C	KIPCO does not currently conduct formal climate scenario analysis, including 2°C or lower scenarios, given the nature of its activities as an investment holding company.
Targets established to manage climate-related risks and opportunities	KIPCO has not established specific quantitative targets to manage climate-related risks and opportunities at the Holding level.
Reasons for not applying the TCFD framework and whether an alternative framework or approach is used	KIPCO does not apply the TCFD framework, as the direct environmental risk is relatively low at the Holding level given the nature of its activities as an investment holding company.
Provision of incentives related to the management of climate change issues, including the attainment of environmental or climate-related targets	KIPCO (Holding) does not typically use formal climate-linked incentives at the Holding level; environmental responsibility is managed through practical actions, oversight, and accountability.
Roles or levels of personnel eligible for climate-related incentives	KIPCO (Holding) does not typically use formal climate-linked incentives at the Holding level; environmental responsibility is managed through practical actions, oversight, and accountability.
Investment in thermal coal and presence of a coal investment restriction policy	The organization does not invest in thermal coal and does not have a publicly available policy about it
Investment in unconventional oil and gas activities and presence of an exclusion policy	The organization does not have a publicly available unconventional oil and gas investment policy.
Coverage of workforce data reported as a percentage of total FTEs	Above 75% of total FTEs
Workforce breakdown by race, ethnicity, or nationality	KIPCO (Holding) typically tracks nationality rather than race or ethnicity, consistent with local practices and data privacy considerations.
Coverage of nationality data reporting	Coverage for nationality data is generally high; exact coverage can be confirmed internally.
Confirmation that race or ethnicity workforce breakdown is not monitored	KIPCO (Holding) does not typically monitor race or ethnicity; it monitors nationality where appropriate.
Rationale for not reporting workforce breakdown by race or ethnicity	Race and ethnicity reporting may be limited by local norms and data protection considerations; nationality is used as the primary diversity breakdown where needed.
Third-party verification of the organization's equal pay assessment and supporting evidence	Third-party verification is not typically applied at the Holding level for these disclosures.
Coverage reported on for the organization's monitoring and disclosure of gender pay gap analysis results (as a % of FTEs)	100%
Third-party verification of the organization's gender pay gap assessment and supporting evidence	Third-party verification is not typically applied at the Holding level for these disclosures.
Qualitative evidence where the organization conducts gender pay assessments but does not disclose the results	Where assessments are conducted without public disclosure, KIPCO (Holding) can provide qualitative evidence such as policy statements, internal review steps, and governance oversight.
Status of human rights due diligence assessments	KIPCO (Holding) does not conduct a formal human rights due diligence assessment.
Percentage of operations assessed for human rights risks where risks were identified	None
Planned initiatives to establish a human rights assessment process	No current plans to establish a human rights assessment process considering the nature of KIPCO (Holding) business.
Public reporting of Human Capital Return on Investment (HC ROI) metric	KIPCO (Holding) does not publicly report a standardized human capital return on investment metric at the Holding level.
HC ROI metric values for the past four fiscal years	KIPCO (Holding) does not publicly report a standardized human capital return on investment metric at the Holding level.
Long-term incentive programs for employees below the senior management level	KIPCO (Holding) generally does not offer long-term incentive programs for employees below senior management at the Holding level.

Type of long-term incentives provided and the categories of employees eligible for the program	Deferred phantom stock
Percentage of the organization's workforce below senior management level covered by long-term incentive programs	0%
Rationale where the organization does not offer long-term incentives for non-executive employees, including whether alternatives exist	This reflects a small, relationship-based structure where recognition is typically delivered through salary progression, discretionary bonuses, and direct acknowledgment rather than multi-year incentive schemes.
Public reference to performance management process	Not publicly disclosed at the Holding level.
Tracking of absentee rates for employees and/or contractors	Absence is tracked internally for employees. Contractor absence tracking depends on contract structure and supervision scope.
Method used to calculate the absentee rate	Absenteeism can be calculated as total days absent divided by total scheduled workdays, expressed as a percentage.
Public reporting of absentee rate data and supporting references or links	Not publicly reported at the Holding level.
Third-party verification of absentee data, including the year and verification body if applicable	Third-party verification is not typically applied at the holding level.
Third-party privacy audits	None
Public disclosure of privacy systems	None
Artificial intelligence policy	Not available as of now
Rationale where People Analytics is not considered applicable to the organization	People analytics is limited mainly due to organization size and the effectiveness of direct, relationship-based management.
Use of People Analytics as part of Strategic Workforce Planning	KIPCO (Holding) does not formally label its approach as people analytics-based workforce planning, but uses workforce records and leadership judgment.
Rationale for using People Analytics for workforce planning	The rationale is to keep the organization lean while ensuring the right capabilities are in place to support governance and oversight responsibilities.
Reason why People Analytics may not be relevant to workforce planning	People analytics may not be relevant at the holding level due to small size, simple structure, and direct leadership oversight.
Climate-related incentive mechanisms and their linkage to performance outcomes, including associated KPIs and how performance is measured, monitored, and integrated into appraisal and compensation structures.	KIPCO (Holding) does not typically use formal climate-linked incentives at the Holding level; environmental responsibility is managed through practical actions, oversight, and accountability.

## 5.3 Bursa Kuwait and GCC Stock Exchange Indices

Bursa Kuwait Metrics	Description	GCC Stock Exchange Index Mapping	Description	Disclosure / Section Number
<b>Environmental</b>				
Greenhouse Gas (GHG) Emissions (Scope 1 & 2)	Total direct (Scope 1) and energy indirect (Scope 2) GHG emissions, in tonnes of CO <sub>2</sub> equivalent. A core climate metric indicating the company's carbon footprint.	E1. GHG Emissions	E1.1) Total amount in CO <sub>2</sub> equivalents, for Scope 1  E1.2) Total amount, in CO <sub>2</sub> equivalents, for Scope 2 (if applicable)	Located in Section 4.2
GHG Emissions – Scope 3	Total indirect GHG emissions from the value chain (Scope 3), if significant (e.g., supply chain, product use). Indicates broader climate impact beyond operations.	E1. GHG Emissions	E1.3) Total amount, in CO <sub>2</sub> equivalents, for Scope 3 (if applicable)	Located in Section 4.2
Emissions Intensity	GHG emissions intensity, e.g., tonnes CO <sub>2</sub> per output unit (product, revenue, or BOE for oil/gas). Normalizes emissions relative to business size or activity.	E2. Emissions Intensity	E2.1) Total GHG emissions per output scaling factor  E2.2) Total non-GHG emissions per output scaling factor	Located in Section 4.2
Energy Consumption	Total energy used: direct energy (fuels) and indirect energy (electricity/steam) consumed (in MWh or GJ). Indicates the company's overall energy footprint.	E3. Energy Usage	E3.1) Total amount of energy directly consumed  E3.2) Total amount of energy indirectly consumed	Located in Section 4.1
Energy Intensity	Energy intensity, e.g., energy consumed per unit output or revenue. Measures energy efficiency of operations.	E4. Energy Intensity	Total direct energy usage per output scaling factor	Information unavailable
Energy Mix (Renewables %)	The breakdown of energy sources used (e.g., % from renewable sources vs. fossil fuels). Shows transition to cleaner energy.	E5. Energy Mix	Percentage: Energy usage by generation type	Information unavailable
Water Usage	Total water withdrawn/consumed and water recycled or reclaimed (in cubic meters). Reflects the company's water footprint and conservation efforts.	E6. Water Usage	E6.1) Total amount of water consumed  E6.2) Total amount of water reclaimed	Located in Section 4.1
Environmental Policy & Management	Existence of formal environmental management policies and systems. For example: Does the company have an environmental policy? Are there specific policies on waste, water, energy, recycling? Is an energy management system (e.g., ISO 50001) in place? (Yes/No for each).	E7. Environmental Operations	E7.1) Does your company follow a formal environmental policy? Yes/No	No environmental policy developed No specific policies on waste, water, energy, and recycling developed No energy management system available
—	—	E8. Environmental Oversight	Does your Management Team oversee and/or manage sustainability issues? Yes/No	Yes
—	—	E9. Environmental Oversight	Does your Board oversee and/or manage sustainability issues? Yes/No	Yes, Located in Section 2.1
Climate Governance and Risk Mitigation	Whether the Board or executive management explicitly oversees climate-related risks and opportunities (Yes/No). Indicates if climate change is integrated into governance structures.	—	—	No

Boursa Kuwait Metrics	Description	GCC Stock Exchange Index Mapping	Description	Disclosure / Section Number
<b>Environmental</b>				
Climate Risk Mitigation Investments	Climate Risk Mitigation Investments Annual investment (CAPEX or R&D spend) in climate change mitigation or adaptation projects – e.g. renewable energy, energy efficiency, climate-resilient infrastructure, low-carbon product development (in KD).	E10. Climate Risk Mitigation	Total amount invested, annually, in climate-related infrastructure, resilience, and product development	None
<b>Social</b>				
—	—	S1. CEO Pay Ratio	S1.1) Ratio: CEO total compensation to median Full Time Equivalent (FTE) total compensation  S1.2) Does your company report this metric in regulatory filings? Yes/No	Confidential No
—	—	S2. Gender Pay Ratio	Ratio: Median male compensation to median female compensation	Located in Section 3.3
Employee Turnover	Annual employee turnover rate – e.g., percentage of workforce leaving the company over the year, typically broken out by employee type: S2.1 Full-time, S2.2 Part-time, S2.3 Contractors. Indicates retention and stability of the workforce.	S3. Employee Turnover	S3.1) Percentage: Year-over-year change for full-time employees  S3.2) Percentage: Year-over-year change for part-time employees  Percentage: Year-over-year change for contractors/consultants	S2.1) Located in Section 3.2  S2.2) Located in Section 3.2  S2.3) Information is unavailable
Gender Diversity (Workforce Composition)	Gender breakdown of employees at different levels – e.g., S3.1% of total workforce that is female vs male; S3.2 % of entry/mid-level positions held by women; S3.3% of senior/executive positions held by women. Shows representation of women across the organization.	S4. Gender Diversity	S4.1) Percentage: Total enterprise headcount held by men and women  S4.2) Percentage: Entry- and mid-level positions held by men and women  S4.3) Percentage: Senior- and executive- level positions held by men and women	S3.1) Located in Section(s) 3.2  S3.2) Located in Section(s) 3.2  S3.3) Located in Section(s) 2.1 and 3.2
Training and Learning	Average training hours per employee (by gender and employee category). Total investment in training and development. Percentage of employees receiving regular performance and career development reviews. Qualitative summary of key programs.	—	—	Located in Section 3.3
Temporary & Contract Workers	Proportion of workforce on non-permanent contracts – e.g., % of total employees who are part-time; % who are contractors/seasonal. Indicates reliance on contingent labor.	S5. Temporary Worker Ratio	S5.1) Percentage: Total enterprise headcount held by part-time employees  S5.2) Percentage: Total enterprise headcount held by contractors and/or consultants	Located in Section 3.2

Boursa Kuwait Metrics	Description	GCC Stock Exchange Index Mapping	Description	Disclosure / Section Number
<b>Social</b>				
Non-Discrimination Policy	Whether the company has a formal policy against discrimination and sexual harassment (Yes/No). Reflects commitment to equal opportunity and a safe workplace.	S6. Non-Discrimination	Does your company follow a non-discrimination policy? Yes/No	Yes, within Code of Conduct
Injury Rate (Health & Safety)	Work-related injury rate, e.g., Lost Time Injury Frequency Rate (LTIFR) – number of injuries per million hours worked (or similar). Indicates workforce health and safety performance.	S7. Injury Rate	Percentage: Frequency of injury events relative to total workforce time	Located in Section 3.3
Occupational Health & Safety Policy	Whether the company has a formal occupational health and/or global safety policy in place (Yes/No). Shows if the company systematically manages employee health and safety.	S8. Global Health & Safety	Does your company follow an occupational health and/or global health & safety policy? Yes/No	Yes, Located in Section 3.3
—	—	S9. Child & Forced Labor	S9.1) Does your company follow a child and/or forced labor policy? Yes/No  S9.2) If yes, does your child and/or forced labor policy also cover suppliers and vendors? Yes/No	No
Human Rights Policy	Whether the company has a formal human rights policy (Yes/No) and if it extends to suppliers/vendors (Yes/No). Broadly covers commitments to respect human rights (fair labor practices, community impact, etc.).	S10. Human Rights	S10.1) Does your company follow a human rights policy? Yes/No  S10.2) If yes, does your human rights policy also cover suppliers and vendors? Yes/No	No
Nationalization (Kuwaitization)	Percentage of the company's workforce that are Kuwaiti nationals, and qualitative information on local hiring initiatives. E.g., S10.1% of total employees who are Kuwaiti; S10.2 contribution to direct and indirect local job creation (e.g., via training, outsourcing to local firms).	—	—	S10.1) Located in Section 3.2  S10.2) Located in Section 3.2
Community Investment	Total investment in community programs and initiatives that contribute to social, environmental, or economic development, expressed as a percentage of company revenues.	—	—	Located in Section 3.1
<b>Governance</b>				
Board Diversity	Gender composition of the Board of Directors – e.g., % of board seats occupied by women vs men; % of board committee chairs held by women vs men. Indicates gender diversity at the highest governance level.	G1. Board Diversity	G1.1) Percentage: Total Board seats occupied by men and women  G1.2) Percentage: Committee chairs occupied by men and women	Located in Section 2.1
Board Independence & CEO/Chair Separation	Independence of the Board: Does the company prohibit the CEO from also being Board Chair? (Yes/No). Percentage of board seats that are independent (per CMA definition). Reflects checks and balances in governance.	G2. Board Independence	G2.1) Does your company prohibit CEO from serving as Board chair? Yes/No  G2.2) Percentage: Total Board seats occupied by independent Board members	Yes, Located in Section 2.1

Boursa Kuwait Metrics	Description	GCC Stock Exchange Index Mapping	Description	Disclosure / Section Number
Governance				
—	—	G3. Incentivized Pay	G3.1) Are executives formally incentivized to perform on sustainability?	No
Supplier Code of Conduct	Whether the company requires its suppliers/vendors to adhere to a Code of Conduct (covering ethics, labor, environmental standards) (Yes/No), and if yes, what percentage of key suppliers have formally certified compliance. Shows how the company manages ESG risks in its supply chain.	G4. Supplier code of conduct	G4.1) Are your vendors or suppliers required to follow a code of conduct? Yes/ No  G4.2) If yes, what percentage of your suppliers have formally certified their compliance with the code?	Yes, 100%
Ethics & Anti-Corruption	Whether the company has a formal Ethics and/or Anti-Corruption policy (Yes/No), and if yes, what percentage of employees have formally certified compliance with it (e.g., via training or annual sign-off).	G5. Ethics & Prevention of Corruption	G5.1) Does your company follow an Ethics and/or Prevention of Corruption policy? Yes/No  G5.2) If yes, what percentage of your workforce has formally certified its compliance with the policy?	Yes, 100%
Data Privacy	Policies and procedures in place to comply with GDPR or similar global data protection and information security awareness standards (e.g., data security, user consent mechanisms, breach response plans).	G6. Data Privacy	G6.1) Does your company follow a Data Privacy policy? Yes/No  G6.2) Has your company taken steps to comply with GDPR rules? Yes/No	Located in Section 2.4
—	—	G7. Sustainability Reporting	G7.1) Does your company publish a sustainability report? Yes/No	Yes
—	—	G8. Disclosure Practices	G8.1) Does your company provide sustainability data to sustainability reporting frameworks? Yes/No  G8.2) Does your company focus on specific UN Sustainable Development Goals (SDGs)? Yes/No  G8.3) Does your company set targets and report progress on the UN SDGs? Yes/No	Yes
External Assurance of ESG Data	Whether the company's sustainability disclosures are assured or verified by an independent third party (Yes/No). Assurance can apply to certain metrics (e.g., GHG emissions) or the whole report. (This is a recommended best practice.)	G9. External Assurance	G9.1) Are your sustainability disclosures assured or verified by a third-party audit firm? Yes/No	No

P.O. Box 23982, Safat 13100, Kuwait  
Tel: +965 2294 3400  
Fax: +965 2294 3479

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