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To: Boursa Kuwait Company

المحترمين

السادة / شركة بورصة الكويت

Subject: Sustainability Report for the  
year 2025

الموضوع: تقرير الإستدامة  
لعام 2025

With reference to the above, and pursuant to the provisions of the CMA Executive Bylaws Chapter 1, Module 12 "Listing Rules" of the Law No. 7 of 2010 regarding the establishment of the Capital Market Authority and regulating Securities Activities and it's amendments, kindly find attached Kuwait Real Estate's Sustainability Report for the year 2025.

بالإشارة إلى الموضوع أعلاه، وعملا بأحكام الفصل الأول من الكتاب الثاني عشر "قواعد الإدراج" من اللائحة التنفيذية للقانون رقم 7 لسنة 2010 بشأن إنشاء هيئة أسواق المال وتنظيم نشاط الأوراق المالية وتعديلاتهما، مرفق لكم طيه تقرير الإستدامة لعام 2025 والخاص بشركة عقارات الكويت

Best Regards,

وتفضلوا بقبول فائق الاحترام والتقدير،

\*CC:

CMA – Disclosure Dept.

لغات

طلال جاسم البحر  
نائب رئيس مجلس الإدارة  
والرئيس التنفيذي

\* نسخة الى:

السادة / هيئة أسواق المال – إدارة  
الافصاح

AQARAT  
عقارات

شركة عقارات الكويت ش.م.ك.ع. Kuwait Real Estate Company K.P.S.C.

تأسست عام 1972 Established in

أخ

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CR No. 64 سجل تجاري



AQARAT  
عقارات

# AQARAT SUSTAINABILITY REPORT 2025

Sustainable by Design



# TABLE OF CONTENTS

## ABOUT THIS REPORT

04

Vice Chairman Statement

05

## ABOUT AQARAT

07

Our Journey of Growth

10

Business Model

12

Operational Excellence and Service Delivery

23

Sustainable Operations

28

Certifications and Associations

## FINANCIAL PERFORMANCE AND VALUE CREATION

29

Key Metrics

30

Investment and Growth Strategy

32

## SUSTAINABILITY STRATEGY

33

Ambitions and Alignment

34

Stakeholder Engagement

36

Materiality Assessment

37

## CREATING SOCIAL VALUE

39

Human Capital

40

Workforce Profile

41

Health, Safety, and Wellbeing

43

Corporate Social Responsibility

45

## ENVIRONMENTAL RESPONSIBILITY

48

Energy and Emissions

49

Water Management

51

Waste Management

51

## GOVERNANCE AND ETHICS

52

Board Structure and Oversight

53

Risk Management

56

Policies and Procedures

58

Digital Resilience

59



**01**

**ABOUT THIS REPORT**



## ABOUT THIS REPORT

This report covers Environmental, Social, and Governance (ESG) areas for the period from 1 January to 31 December 2025, unless otherwise stated. The report reflects how sustainability is embedded within AQARAT's strategy, operations, and investment approach, and how the Company creates long-term value for its stakeholders while contributing to economic, environmental, and social development.

Throughout this report, "AQARAT" and "the Company" refer to Kuwait Real Estate Company K.P.S.C. The report aims to provide a transparent and balanced overview of ESG performance, covering both progress achieved and areas requiring further development. This report should be read alongside the Annual Report 2025 to provide a comprehensive view of the Company's overall performance.

### External Assurance

The information disclosed in this report has not been subject to external assurance.

### Reporting Scope and Boundaries

This report presents AQARAT's ESG-related activities, initiatives, and performance across the areas most relevant to its business and stakeholders. The scope of disclosure varies by topic depending on data availability, operational relevance, and the level of AQARAT's control or influence over the activity being reported.

Corporate, workforce, governance, and community-related disclosures generally relate to AQARAT at the company level. Environmental performance data, including energy, water, waste, and greenhouse gas emissions, primarily relates to AQARAT's owned and managed properties in Kuwait, unless otherwise stated. Certain asset-level initiatives and case examples from international properties or hospitality operations are included where relevant to demonstrate broader ESG practices across the portfolio.

Comparative information is provided where available, and any material limitations in scope, methodology, or data availability are disclosed where relevant.

### Reporting Standards and Frameworks

AQARAT aligns its sustainability disclosures with recognized international and local frameworks to ensure consistency, transparency, and comparability. These include the Global Reporting Initiative (GRI) Standards, the United Nations Sustainable Development Goals (UN SDGs), the Boursa Kuwait ESG Reporting Guide, and Kuwait Vision 2035.

These frameworks guide the identification of material topics, the structure of disclosures, and performance measurement. The Company continues to enhance its reporting approach by enhancing internal data collection processes and aligning disclosures with evolving stakeholder expectations and regulatory developments.

### Materiality and Methodology

AQARAT applies a structured methodology to identify and prioritize ESG topics that are most relevant to the Company and its stakeholders. The process ensures that disclosures focus on areas with the greatest impact on business performance, risk exposure, and stakeholder value.

The assessment begins with the identification of actual and potential impacts of the Company's operations across financial, economic, environmental, and social dimensions. This includes evaluating both positive contributions, such as economic development and community engagement, and potential risks associated with the Company's activities.

This is followed by stakeholder engagement and prioritization, where input is gathered from key stakeholder groups, including employees, investors, customers, suppliers, regulators, and community representatives. These insights are combined with internal risk assessments, strategic priorities, and regulatory considerations to determine the significance of each topic.

The identified topics are then reviewed and validated by management to ensure alignment with AQARAT's strategy and long-term objectives. The outcome is a defined set of material ESG topics that form the basis of the Company's sustainability disclosures and strategic focus areas.

Materiality remains an ongoing process. The Company periodically reviews and updates its material topics to reflect changes in business operations, stakeholder expectations, and the external environment.



## VICE CHAIRMAN STATEMENT

Dear Stakeholders,

It is my pleasure to present AQARAT's Sustainability Report 2025, where we share our progress and the steps we are taking to build on our foundations and further embed sustainability into how we operate, invest, and grow.

Our direction remains closely aligned with Kuwait Vision 2035, particularly in supporting infrastructure development, private sector growth, and the creation of well-planned, future-ready communities. Through our projects, we contribute to economic diversification, job creation, and urban development. We also align with the UN SDGs, focusing on areas where we can make a practical and measurable impact, including sustainable cities, economic growth, and responsible use of resources.

AQARAT operates in a constantly evolving environment shaped by economic cycles, market shifts, and geopolitical developments. These factors directly influence capital flow, asset values, and investment timing, requiring well-informed decision-making. In response, the Company relies on a robust governance framework, supported by comprehensive policies, structured oversight, and active risk management processes that allow us to identify, assess, and respond to risks in a timely and consistent manner.

AQARAT's international presence further supports this approach. By maintaining a geographically diversified portfolio across Kuwait, the region, and global markets, we reduce exposure to any single market cycle and create greater flexibility in capital allocation. This diversification supports stable performance which enables us to capture opportunities across different economic conditions and enhances the overall resilience of the business.

AQARAT's impact extends beyond financial performance, shaped by how we operate, manage the Company's assets, and engage with the surrounding communities. Safety is a core consideration across our developments and day-to-day operations, supported by structured processes, ongoing oversight, and continuous improvements in our standards. In parallel,

we work to create meaningful value beyond our assets by supporting initiatives in health, education, and youth development, focusing on areas where we can contribute in a practical and sustained way.

Internally, AQARAT recognizes that its human capital is central to the Company's long-term performance. We continue to invest in building a professional and inclusive work environment that supports development, encourages collaboration, and provides clear opportunities for growth. Through training, engagement, and a focus on workplace well-being, we aim to enhance our organizational capabilities and ensure that our teams are equipped to support the Company's evolving priorities.

Environmental considerations are increasingly shaping how AQARAT approaches investment, development, and asset management decisions. Given the long lifecycle of real estate assets, the choices made at the planning and design stages have a lasting impact on performance, efficiency, and overall value. As a result, we are placing greater focus on integrating sustainability factors early in the decision-making process, ensuring that our developments are designed and managed with a clear view on resource use, operational efficiency, and long-term resilience.

This approach is supported by aligning our projects with recognized frameworks and improving how we manage energy, water, and materials across our portfolio. We also continue to adopt digital solutions that enhance operational efficiency and optimize resource consumption.

On behalf of the Board, I would like to thank our shareholders, partners, employees, and stakeholders for their continued trust. We are building on a solid foundation and remain focused on steady, long-term growth. I invite you to read the report and share your feedback as we continue moving forward.



**Talal Jassim Al-Bahar**  
Vice Chairman and CEO



**02**

**ABOUT AQARAT**



## ABOUT AQARAT

AQARAT is one of Kuwait's established real estate companies, with a track record of pioneering developments in the local market. The Company was the first real estate entity to be listed on the Kuwait Stock Exchange, the first to develop mixed-use projects combining retail, office, and parking facilities, and the first adopter of the Build-Operate-Transfer model prior to the introduction of formal regulations in Kuwait.

AQARAT maintains strong presence in Kuwait, where it owns, develops, and manages a portfolio of prominent and long-standing assets. Beyond its home market, the Company has expanded its geographical footprint across the GCC, MENA region, Europe, and the United States, with investments spanning residential, hospitality, and income-generating real estate assets.

The Company follows a diversified real estate and investment strategy focused on delivering value through a fully integrated platform that spans the entire property lifecycle, from identifying opportunities and acquiring land, to development, operations, and asset management for sustained value creation. This approach is supported by ongoing evaluation of investment opportunities, portfolio diversification, and a focus on maintaining consistent quality and operational standards.

AQARAT also engages in strategic partnerships and joint ventures with regional and international operators and developers, including collaborations with reputable hospitality and real estate partners across its key markets. These partnerships support the Company's ability to access new opportunities, enhance asset performance, and expand its presence across global real estate sectors.

## OUR PURPOSE



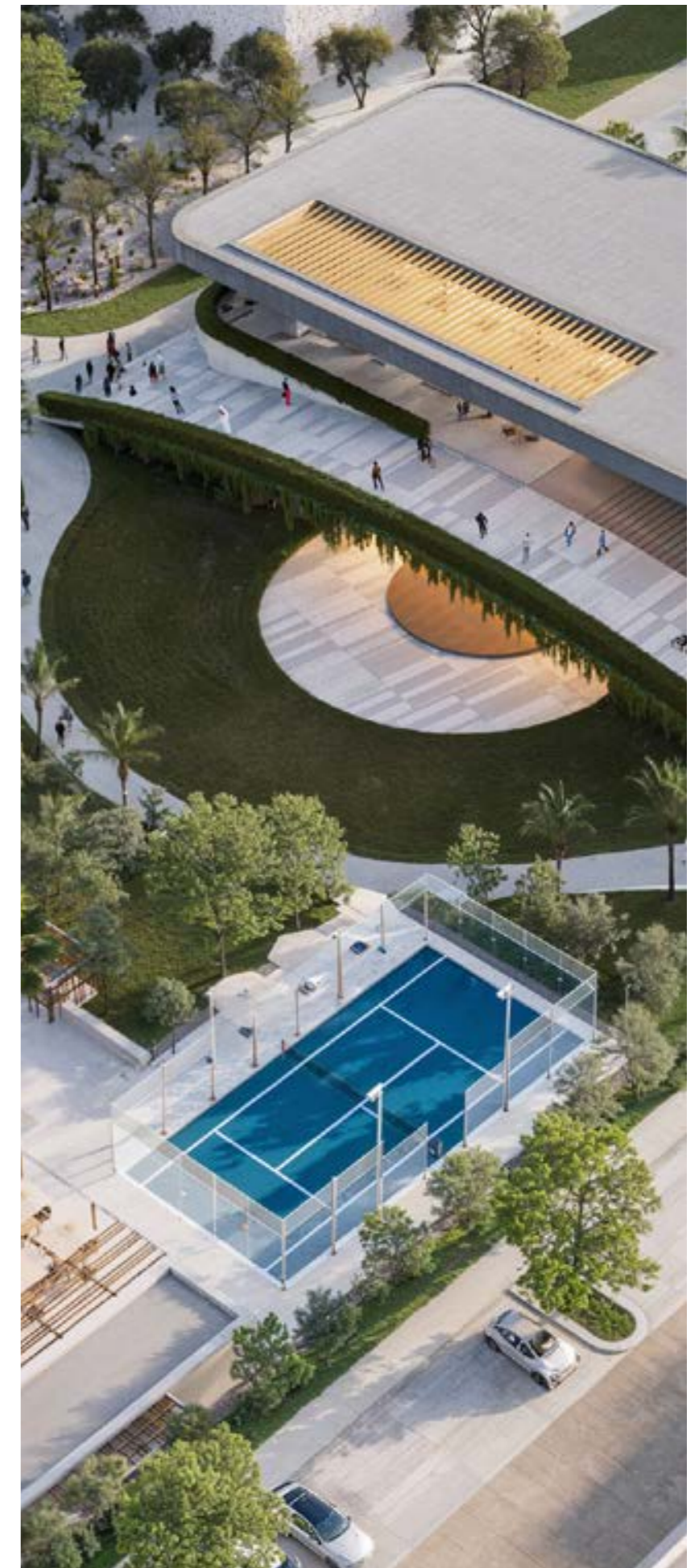
AQARAT’s mission is to create long-term value through disciplined real estate investment, strategic development, and the active management of high-quality, income-generating assets. We are committed to delivering superior risk-adjusted returns by leveraging our industry expertise, strong partnerships, and unwavering dedication to operational excellence.

We build lasting relationships with a broad network of stakeholders, including investors, government agencies, business partners, communities, and employees aligning our goals to drive sustainable growth, profitability, and social impact. At the core of our mission is a culture of integrity, innovation, and performance, where our people are empowered to lead, excel, and exceed industry standards.

## OUR AMBITION



To be a regionally rooted, globally recognized real estate leader, creating long-term value through innovative development, disciplined growth, and a commitment to integrity and sustainability across diverse markets.



## CORE VALUES



### Excellence

We take all the necessary steps to provide the highest level of service to our stakeholders. Excellence is our goal, providing exceptional service and thorough execution from start to finish in every transaction.

### Innovation

AQARAT recognizes and embraces the latest design methodology and technology in every aspect of the Company to increase productivity and provide increased rewards for our stakeholders. Stakeholders of the Company can feel secure knowing that we continuously research and implement cutting-edge strategies.

### Talent

We recognize the exceptional skills of all our team members and act to cultivate and encourage them. We invest in team members, making sure each one can develop the tools they need to succeed.

### Community

We envision ourselves as an integral part of our community both locally in Kuwait as well as regionally in the MENA region. We participate in volunteer activities and pro-bono community improvement efforts at the Company level, and we encourage all our team members to volunteer their time and energy to causes close to their hearts.

### Integrity

Integrity is the foundation of AQARAT's corporate value structure. We rely on honesty and virtuous ethics in the everyday workings of the Company. We live up to our commitments, responsibilities, and promises. We focus on honest communication and building long-term relationships in which trust is essential.

### History

We honor the Company's storied past as a pioneer in the local real estate market by constantly striving to adhere to the highest standards set forth by our predecessors. We recognize the innovation that led to the Company's growth and stand as one of the premier real estate companies in the region and strive to improve it to not merely maintain, but to grow the Company's legacy.

### Collaboration

We believe that everyone we work with will be more successful in a collaborative environment and strive to develop a real sense of teamwork and partnership in our relationships with all our stakeholders.



## OUR JOURNEY OF GROWTH

1970

### 1970s - Foundation and Local Pioneer

AQARAT was established in 1972 as a public shareholding company in Kuwait, marking the beginning of its role in the local real estate sector. In 1984, it became the first real estate company listed on the Kuwait Stock Exchange (now Boursa Kuwait), reinforcing its early leadership. The Company also pioneered the Build-Operate-Transfer (BOT) model in Kuwait through landmark mixed-use developments ahead of formal regulatory frameworks.

1990

### 1990s - Local Growth and Early Diversification

AQARAT expanded beyond traditional leasing into mixed-use developments integrating retail, office, and parking components. In parallel, it began exploring investment opportunities outside Kuwait, positioning the business for geographic diversification and laying the groundwork for future regional expansion.

2000

### 2000s - International Expansion and Hospitality Entry

AQARAT entered a new phase of growth through international partnerships and investments, including early exposure to the YOTEL platform in the United States. The Company expanded across the U.S., Europe, and MENA, transitioning into a more geographically diversified real estate platform.

2010

### 2010 - 2019 Portfolio Transformation and Strategic Investments

AQARAT Capital accelerated its international expansion and income-generating strategy through a series of key transactions:

#### 2010 :

- Acquisition of YOTEL New York, marking a significant step into international hospitality.

#### 2014:

- Acquisition of Arabella land and development in Kuwait
- Acquisition of Flats at Atlantic Station, Multi Family Student Housing Property.
- Establishment of a joint venture with Aria Development Group for YOTEL Miami, a mixed-use development comprising a hotel and branded residential units (YOTELPAD)

#### 2015-2017:

- Portfolio optimization through selective asset disposals and reinvestment into income-generating assets.

#### 2018-2019:

- Acquisition of International Resorts Company (IRC).
- Expansion into UAE real estate through land acquisitions.

#### 2019:

Acquisition of Th8 Palm Jumeirah, a mixed-use beachfront development comprising a hotel apartment component and branded residential units.

2020

### 2020 - 2023 Scaling a Diversified Real Estate Platform

#### 2020-2021: Platform Build-Out

- AQARAT Capital has entered a phase of accelerated execution, successfully delivering and operationalizing key assets across its target markets:
- Delivery of income-generating assets in Kuwait, including residential developments in Al Riggae.
- Launch and scaling of the Domus staff housing platform in Dubai
- Completion and operational launch of YOTEL Miami, a mixed-use development comprising a hotel and YOTELPAD residential units, with strong sales performance of the residential component.

- Launch of 501 First Residences, a 40-storey residential development in Miami.
- Th8 Palm Jumeirah became operational (2021), offering a hospitality component alongside residential units within a mixed-use beachfront development.
- Promotion to the Premier Market of Boursa Kuwait.

#### 2022: Diversification and New Growth Verticals

AQARAT Capital continued to expand into new sectors and enhance its recurring income base:

- Signing of a 20-year BOT agreement with the Ministry of Finance for the Sabhan staff housing project in Kuwait.
- Entry into the health and fitness sector through Active Holding (NOW brand).
- Continued development of the Domus platform (Domus 3 and 4).
- First full year of operations for YOTEL Miami, with residential units largely sold and hotel operations contributing to recurring income.
- Strong operational performance across Th8 (hospitality and residential offering), YOTEL Miami, and Domus assets.
- Continued progress on 501 First Residences, with a high level of pre-sales achieved.

#### 2023: Expansion and Strategic Positioning

AQARAT Capital further expanded its platform through new initiatives and partnerships:

- Expansion of the Active Holding platform across Kuwait.
- Establishment of a Sharia-compliant real estate platform (Eradat JV with Sanam).
- Opening of the Riggae Tower Hotel.
- Commencement of development for the Sabhan staff housing BOT project.
- Continued expansion across international real estate investments.

2024

## 2024 - 2025 - Flagship Developments and Platform Scaling

AQARAT Capital advanced its growth strategy through large-scale developments and strategic capital deployment:

- Launch of Al Tay Hills (Sharjah), an AED 3.5 billion master-planned community spanning over 6 million sq. ft.
- Continued scaling of the Domus platform, including the introduction of a fund structure to expand the model.
- Investment into residential platforms through strategic partnerships (including AIM Residential Fund).
- Expansion of BRCM (U.S. real estate investment platform).
- Completion of 501 First Residences (Miami).
- Relaunch of Arabella Complex, including the opening of Arabella Beach Hotel (Vignette Collection)
- Successful capital increase significantly oversubscribed, reinforcing investor confidence and supporting future growth.

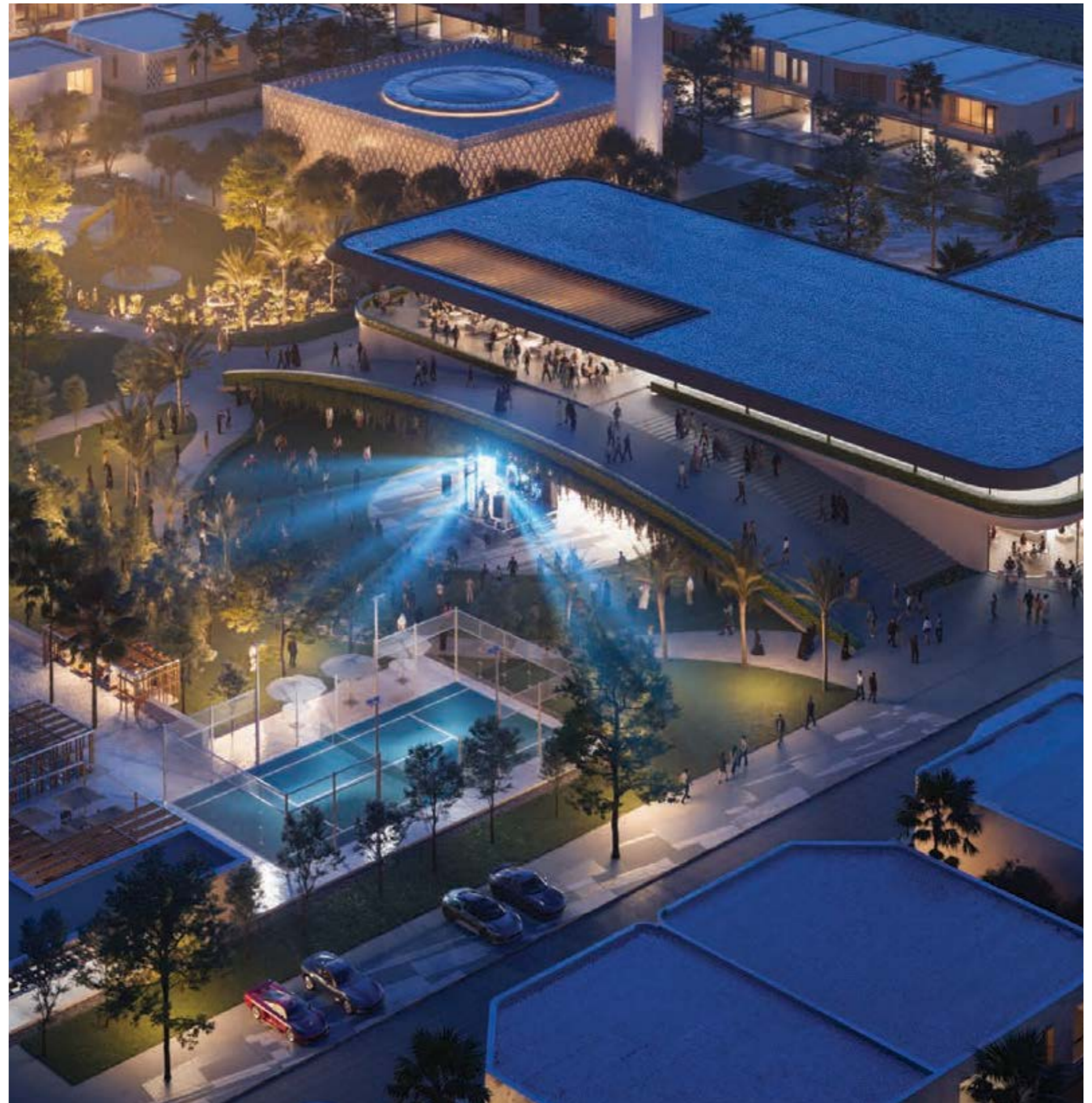
### Looking Ahead: Sustainable Growth and Value Creation.

AQARAT continues to build on its momentum by expanding into high-growth segments, including master-planned communities, branded residences, and alternative residential solutions.

### The Company Remains Focused on:

- Scaling income-generating platforms such as Domus.
- Expanding its geographic footprint across the GCC, U.S., and Europe.
- Enhancing asset performance and operational efficiency.
- Deploying capital into high-impact real estate opportunities.

This approach supports AQARAT's long-term objective of delivering sustainable value creation while maintaining a balanced and resilient real estate platform.



## BUSINESS MODEL

AQARAT operates an integrated real estate model focused on the acquisition, development, and management of income-generating assets. The Company captures value across the full property lifecycle by combining strategic investment decisions with in-house development and operational capabilities. This integrated approach allows for control over asset performance, cost efficiency, and long-term value creation.

The model is anchored in long-term asset ownership, with a focus on generating stable and recurring income through leasing across residential, commercial, and hospitality segments. Development activities are selective and aligned with market demand, including mixed-use and built-to-suit projects supported by long-term tenancy arrangements. Portfolio diversification across geographies further supports resilience and exposure to different growth cycles.

Value is enhanced through active asset management, strategic partnerships, and ongoing portfolio optimization, including repositioning and capital recycling. Sustainability considerations are integrated into investment, development, and operational decisions, supporting efficiency, compliance, and long-term asset performance.

## Value Creation Model

Stage	Activities	Value Outcome	Key Enablers
<b>Investment and Acquisition</b>	Identify and acquire land and properties in strategic locations.	Access to assets with long-term potential.	Market knowledge, local expertise, strategic investment decisions.
<b>Development</b>	Develop residential, commercial, and mixed-use projects, including tailored developments for specific market demands.	Increase asset value and create new income opportunities.	Development experience, project delivery, quality standards.
<b>Asset Management</b>	Lease properties, manage tenants, and maintain buildings.	Stable occupancy and steady rental income.	Close tenant management, efficient operations, integrated platform.
<b>Operations</b>	Generate income through leasing and hospitality partnerships.	Projected and recurring cash flows.	Long-term leases, partnerships with experienced operators.
<b>Portfolio Optimization</b>	Upgrade, sell, or reinvest in assets as needed.	Improved returns and a balanced portfolio.	Strategic planning, disciplined capital management.

## Our Platform

### Integrated Real Estate Expertise

At AQARAT, we operate across the entire real estate lifecycle, from identifying opportunities and analyzing emerging market trends, to conducting rigorous due diligence, developing new assets from the ground up, and managing mature investments for sustained performance.

Our integrated platform spans the full spectrum of capabilities, development, investment, operations, and asset management, ensuring that every project we undertake benefits from a unified vision and seamless execution. Whether transforming land into thriving communities or repositioning existing assets for renewed growth, AQARAT delivers end-to-end real estate solutions built on decades of experience and local insight.



### Diverse Real Estate Portfolio

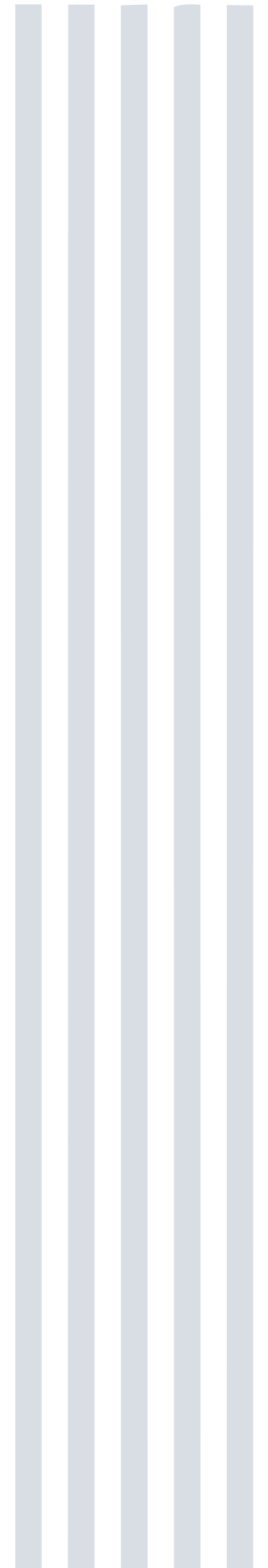
Our portfolio is defined by balance, breadth, and resilience. It spans residential developments, hospitality assets, commercial and retail properties, office space, and specialized housing solutions, alongside integrated mixed-use destinations. This diversified platform supports recurring income generation and long-term value creation.

Our holdings span Kuwait, the UAE, and select international markets, providing our shareholders and partners with institutional-grade assets, long-term leases, and predictable, risk-adjusted returns across economic cycles.



### Development Leadership

With more than five decades of shaping skylines and communities, AQARAT is recognized as a pioneer in the evolution of Kuwait's modern real estate sector. Our legacy includes the delivery of landmark residential, commercial, and hospitality projects that combine functionality, design excellence, and sustainable value creation. From large-scale mixed-use destinations to specialized housing platforms, our developments reflect both ambition and precision.



## Land and Asset Transactions

Our expertise extends deep into the land cycle, from acquisition and zoning analysis to project structuring, development, and eventual disposition. AQARAT's approach combines local market intelligence with strategic foresight, enabling us to identify high-potential sites, navigate regulatory processes, and optimize land value through thoughtful design and timing. Whether acquiring land, executing complex buy-sell transactions, or consolidating strategic holdings, AQARAT plays a central role in the land development process, creating opportunities that generate long-term impact and measurable financial outcomes.



## Strategic Partnerships and Global Reach

Partnership is at the core of AQARAT's success. We collaborate with renowned developers, hospitality operators, financial institutions, and global investment partners to deliver distinctive real estate experiences and unlock access to new markets. Through these alliances, we bring together international capital, local expertise, and operational excellence, creating a platform where ideas, innovation, and opportunity converge. AQARAT's partnerships go beyond joint ventures; they represent a shared vision for growth and value creation that transcends borders, building a bridge between Kuwait and the global real estate community.



## Built-to-Suit Services

AQARAT has a long history of delivering built-to-suit developments that meet the specialized needs of institutional and governmental clients. As one of the first developers to create government-tailored ministry complexes, we continue to lead in providing purpose-built environments that combine functionality, efficiency, and longevity. This commitment extends to our Domus platform in the UAE, a market-leading model for community-driven, purpose-built housing for the hospitality and service workforce. Each project is designed with scalability, sustainability, and comfort in mind, backed by long-term tenancy agreements with some of the region's most reputable organizations.

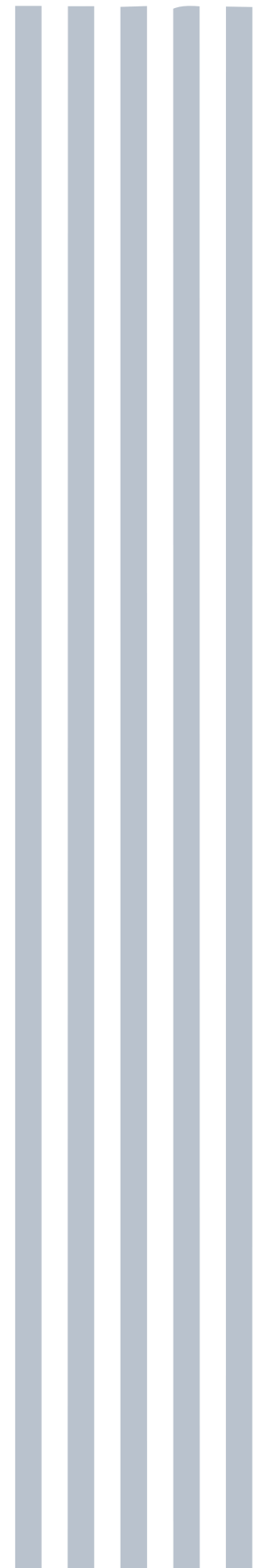


## Geographic Presence

### Our Reach Spans Some of the World's Most Dynamic and Opportunity-rich Real Estate Markets:

- Kuwait - Core commercial and residential assets, B.O.T. developments, and community landmarks that form the foundation of our legacy.
- United Arab Emirates - Built-to-suit residential and staff housing platforms, supported by master-planned development expertise.
- Europe and United States - Strategic investments in hospitality, branded residences, and real estate funds that diversify and strengthen our international footprint.

Together, these markets form a balanced portfolio geographically diversified, strategically curated, and responsive to long-term growth trends.



## OUR PORTFOLIO

AQARAT maintains a diversified real estate portfolio across Kuwait and international markets, including residential, commercial, hospitality, and mixed-use assets. The portfolio reflects a combination of long-standing assets in Kuwait and selective investments across regional and global markets.

## KUWAIT

Kuwait represents the Company's core market, with a portfolio of established residential and commercial assets generating stable income and long-term value.

### Residential Assets

## DURRAR COMPLEX

Durrar Complex is a large-scale residential development comprising multiple blocks, offering spacious three-bedroom apartments. The complex includes integrated recreational and commercial facilities, supporting long-term occupancy and community living.



### Residential Assets

## PEARL MARZOUQ

Pearl Marzouq is a residential complex located in Ras Al-Salmiya, overlooking the Arabian Gulf. The property benefits from a prime coastal location with proximity to key amenities, including educational institutions, retail centers, and healthcare facilities. Originally developed in the 1970s, the complex has undergone redevelopment to enhance its structural integrity, residential offering, and overall tenant experience.



### Residential Assets

## BLOCK 107 AND 107 NEW

Located near Kuwait's 4th Ring Road, Block 107 is a prime residential development featuring two modern towers designed for comfortable, convenient urban living. With functional layouts and strong connectivity, the property serves as an ideal address for families and working professionals. Situated minutes from 4th Ring Road, Block 107 offers excellent access to Kuwait's major districts, business hubs, schools, retail centers, and essential services. Its central positioning makes daily commuting fast and convenient.



**Residential Assets****BUILDINGS 84-87**

This cluster of residential and commercial buildings is in Al Riggae and comprises four similar blocks. The properties include residential units with ground-floor retail, supporting mixed-use functionality and steady tenant demand.

**Residential Assets****PEARL FINTAS**

Pearl Fintas is a residential complex offering studio apartments in the Fintas area. The property includes basic recreational facilities and benefits from accessibility to major road networks and nearby amenities.

**Commercial and Mixed-Use Assets****SOUK AL KUWAIT**

Souk Al Kuwait is a landmark mixed-use development located in Kuwait City's financial district. Developed as one of the first Build-Operate-Transfer projects in Kuwait, the asset includes retail, office, and multi-level parking facilities. The property continues to undergo phased upgrades to maintain its positioning and operational performance.

**Commercial and Mixed-Use Assets****SOUK AL KABEER**

Souk Al Kabeer is a large-scale commercial complex with retail, office, and parking components. The asset shares similar characteristics with Souk Al Kuwait and remains a key commercial destination with ongoing redevelopment and high occupancy levels.



**Commercial and Mixed-Use Assets****AL MANAR COMPLEX**

Al Manar is a commercial building located in Farwaniya, comprising retail units on lower floors and office spaces above. The property supports a diverse tenant mix and provides accessible commercial space within a high-traffic area.

**Commercial and Mixed-Use Assets****IBN KHALDOUN COMPLEX**

Located in Hawally, Ibn Khaldoun Complex is a well-established commercial property comprising retail and office spaces. The asset benefits from strong footfall and long-standing tenant demand.

**Commercial and Mixed-Use Assets****SABHAN STAFF HOUSING**

In 2022, AQARAT signed a 20-year BOT (Build-Operate-Transfer) agreement with the Ministry of Finance to develop and manage the Sabhan Staff Housing Project a purpose-built community spanning 40,000 sqm. The development delivers organized, high-quality accommodation designed to support Kuwait's growing expatriate workforce. Sabhan Staff Housing underscores AQARAT's role as a key partner in national development, offering an integrated, well-planned environment that combines residential comfort, essential services, and recreational facilities contributing to Kuwait's social stability and long-term economic growth.

**Commercial and Mixed-Use Assets****SOUK AL SAFAT**

Situated in the heart of Kuwait City, Souk Al Safat is a landmark BOT development owned by the Ministry of Finance. Built in 1979, the complex spans 18,384.50 sqm and remains a central commercial destination featuring retail, service, and office spaces. Known as one of Kuwait's oldest textile markets, Souk Al Safat offers a wide variety of fabrics for both men and women, with tailors located on the mezzanine floor, making it a long-standing hub for traditional and contemporary textile shopping. The development includes ground and mezzanine retail areas, a service floor for mechanical and electrical operations, and three upper floors dedicated to commercial use. AQARAT (IRC) holds a 10-year BOT contract, awarded in 2014, for the management, development, operation, and maintenance of the complex.

## BLOCK A - RIGGAE

AQARAT has transformed Block A of the former Ministry of Justice Complex into a modern mixed-use destination spanning 14,125 sqm. The development brings together hospitality, residential accommodation, retail, and commercial spaces in a centrally connected location. Situated in Riggae, Block A offers immediate access to Kuwait’s major transport routes, enabling efficient commuting for residents, staff, and visitors. Its central location strengthens its appeal as a hub for long-stay hospitality, staff accommodation, and neighborhood services. Block A showcases AQARAT’s commitment to innovative mixed-use development bringing together hospitality, housing, wellness, retail, and commercial offerings within one integrated destination.

## ARABELLA

Arabella is a waterfront retail and lifestyle destination located on the Al-Bidaa coastline. The development includes a range of dining, retail, and leisure offerings, supported by its coastal location and integrated indoor and outdoor spaces.



### Hospitality and Lifestyle Assets

## ARABELLA BEACH HOTEL

Relaunched in 2024 as part of AQARAT’s redevelopment of the Arabella Complex, the Arabella Beach Hotel is a five-star luxury property positioned at the heart of Al-Bidaa’s premier seaside destination. The hotel is part of the Vignette Collection and is professionally managed by United Hospitality. Ideally located along the Arabian Gulf, the hotel offers a tranquil beachfront experience while being steps away from Arabella’s vibrant dining promenade, making it the perfect blend of privacy, lifestyle, and convenience. A standout luxury destination in Kuwait.



### Hospitality and Lifestyle Assets

## DURRAR SOCIAL AND ATHLETIC CLUB

The Durrar Social and Athletic Club is a recreational facility serving residents of the Durrar Complex. It includes sports, leisure, and event facilities, supporting community engagement and resident well-being.



## UNITED ARAB EMIRATES

### FAIRMONT THE PALM (PALM JUMEIRAH)

AQARAT owns units within Fairmont the Palm hotel, a mixed-use development located on Palm Jumeirah in Dubai. The development includes residential, retail, and office components, with access to key business districts and leisure destinations.



### Th8 PALM JUMEIRAH - DUBAI

Inspired by the eighth phase of the moon, Th8 Palm Dubai Beach Resort is a boutique luxury development that blends art-deco elegance with modern coastal living. Located on the crescent of Palm Jumeirah, the resort offers a serene beachfront escape with uninterrupted views where the sea meets the sky. Its location balances exclusivity with connectivity, ideal for residents, business travelers, and international visitors. With its boutique scale, art-inspired design, curated amenities, and exceptional beachfront setting, Th8 Palm Jumeirah redefines contemporary seaside living, serving as a standout asset within AQARAT's international hospitality and residential portfolio.

### DOMUS STAFF HOUSING

Domus is a purpose-built staff accommodation development designed to serve hospitality operators in Dubai. The project provides large-scale housing with supporting amenities, targeting long-term tenancy from institutional clients.



### AL-TAY HILLS - SHARJAH

Al-Tay Hills is AQARAT's most ambitious UAE development an AED 3.5 billion, master-planned community spanning over six million sq.ft. in Sharjah. Designed around principles of sustainability, wellbeing, and modern urban living, the project redefines community-centered residential development in the Emirate. Al Tay Hills is designed around nature and wellbeing, these amenities create a vibrant, holistic lifestyle environment. Al-Tay Hills embodies AQARAT's commitment to sustainable development and green urban planning. Through integrated landscapes, smart infrastructure, and wellness-focused amenities, the project supports Sharjah's vision for environmentally conscious, community-driven growth.

## LEBANON

### AL ABADIYAH HILLS

Al Abadiyah Hills is a gated residential development located in the mountains of Lebanon, comprising villas, townhouses, and apartments. The project includes hospitality-operated residences and leisure facilities within a resort-style setting.



### TWO PARK AVENUE

AQARAT owns office space within a commercial building located in Beirut's Solidere district. The asset forms part of the Company's commercial portfolio in Lebanon.



## UNITED STATES

### YOTEL MIAMI

YOTEL Miami is a mixed-use hospitality asset located in Downtown Miami, comprising a 222-key hotel and 233 residential units. The development achieved a significant milestone as all residential units were sold within just over one year, making it one of the fastest-selling projects in the Miami market over the preceding decade.

Strategically positioned near Miami's business, tourism, and waterfront districts, the asset benefits from diversified revenue streams and exposure to one of the United States' fastest-growing real estate and hospitality markets. YOTEL Miami supports AQARAT's strategy of investing in high-quality mixed-use developments that create long-term value and enhance portfolio diversification.



### YOTEL NEW YORK

YOTEL New York is a flagship hospitality asset located in Midtown Manhattan, one of New York City's most vibrant tourism and business districts. The property comprises 668 guestrooms and a range of hospitality amenities.

As the first city-center hotel under the YOTEL brand, the asset represents a landmark development that expanded the brand beyond its airport hotel origins. Its prime location and diversified revenue streams contribute to AQARAT's strategy of maintaining a geographically diversified portfolio of high-quality, income-generating assets.



## THE FLATS AT ATLANTIC STATION

The Flats at Atlantic Station is a purpose-built student housing asset located in Midtown Atlanta, Georgia, near several major universities, including Georgia Tech, Georgia State University, Morehouse College, Spelman College, and Clark Atlanta University. The property comprises 86 residential units and 281 beds, serving one of the largest higher education markets in the United States.

As part of AQARAT's strategy to diversify its income-generating portfolio geographically and by asset class, the property provides stable recurring rental income supported by consistent demand from the student housing sector. Its strategic location and resilient occupancy profile contribute to AQARAT's long-term objective of maintaining a diversified portfolio of high-quality, income-producing assets.

## 501 FIRST RESIDENCES - MIAMI, USA

501 First Residences is AQARAT's newest landmark U.S. investment, developed in partnership with Aria Development Group and Commercial Real Estate Company (Al Tijaria). Valued at USD 172 million, the project builds on the success of YOTEL Miami and reinforces AQARAT's strategy of delivering high-value residential developments in key U.S. markets. Rising 40 stories, the tower features 472 smart-enabled residential units, situated just west of Biscayne Boulevard. 501 First Residences is positioned to set a new benchmark for downtown Miami living. Strong sales momentum, robust investor confidence, and a forward-thinking design highlight AQARAT's ability to deliver international assets that combine lifestyle appeal with enduring investment performance.

## 944 MARKET STREET - SAN FRANCISCO, USA

944 Market Street is a landmark mixed-use property located in the historic Mid-Market district of San Francisco. As part of AQARAT's international portfolio, the asset reinforces the company's strategy of investing in globally recognized urban centers with strong long-term growth potential. The development consists of 8 units across 44,000 sq.ft. of mixed-use space flexible office floors and ground-level retail spaces. 944 Market is positioned directly on Market Street, one of San Francisco's most prominent thoroughfares, this prime location ensures high visibility, excellent connectivity, and strong demand from local and international tenants. The acquisition of 944 Market Street expands AQARAT's footprint in the U.S. commercial real estate sector, complementing its residential, hospitality, and mixed-use holdings in Miami, New York, and other key cities. The property represents a resilient, long-term investment in a world-renowned technology, financial, and cultural hub.

## GERMANY COURTYARD BY MARRIOTT HAMBURG AIRPORT

AQARAT's European hospitality portfolio includes the Courtyard by Marriott Hamburg Airport, a long-established hotel that blends convenience, comfort, and renowned Marriott service. Located just 600 meters (0.4 miles) from Hamburg International Airport, the hotel offers travelers seamless access to air travel while maintaining a calm, welcoming environment. The property features spacious, well-appointed guestrooms designed for both business and leisure guests. As part of AQARAT's international hospitality holdings, the Courtyard by Marriott Hamburg Airport exemplifies the company's strategy of investing in high-quality, income-generating assets in strategic European locations. The hotel's combination of accessibility, brand strength, and consistent demand ensures long-term value for both guests and investors.

## INVESTMENTS

AQARAT maintains a diversified investment portfolio across real estate platforms and other sectors.

### BEACON RIDGE CAPITAL MANAGEMENT (BRCM) - USA (FUND)

AQARAT holds a strategic investment in Beacon Ridge Capital Management (BRCM), a U.S. based fund manager specializing in the Single-Family Rental (SFR) sector one of the fastest-growing real estate segments in the United States. Since AQARAT's entry in 2021, BRCM has become a leading platform for acquiring, renovating, and operating high-quality SFR properties across multiple U.S. markets. BRCM has demonstrated strong performance, consistently outperforming industry benchmarks through robust net asset value growth, strategic exits from non-core assets, refinancing activities enhancing liquidity, and expansion of its investor base. These achievements have strengthened investor confidence and positioned BRCM for sustained growth.

### WEST PALM BEACH - FLORIDA, USA

AQARAT has expanded its U.S. presence with a strategic investment in West Palm Beach, one of the fastest-growing real estate markets in the Southeastern United States. This investment reflects AQARAT's ongoing focus on high-growth urban centers supported by strong economic, demographic, and lifestyle fundamentals. The development is a multifamily residential community designed to meet West Palm Beach's rising demand for modern, connected living. AQARAT's investment in West Palm Beach strengthens its U.S. portfolio by targeting a high-demand, high-growth residential market. The asset enhances diversification, builds recurring income potential, and aligns with the company's strategy of investing in resilient, income-generating real estate across key American cities.



## OPERATIONAL EXCELLENCE AND SERVICE DELIVERY

AQARAT adopts a structured and integrated approach to managing its properties, ensuring consistent service delivery, operational efficiency, and long-term asset value. Through standardized processes and clearly defined governance mechanisms, the Company maintains high levels of reliability across maintenance, tenant services, and contractor management.

### Ensuring Asset Performance and Reliability

The Company implements systematic maintenance practices across its portfolio, covering both planned and reactive activities. These processes are designed to ensure that properties remain functional, safe, and aligned with quality standards throughout their lifecycle.

Maintenance activities follow defined workflows that include inspection, issue identification, execution, and final verification. This structured approach minimizes operational disruptions, extends asset lifespan, and supports the delivery of consistent tenant experiences.

### Enhancing Tenant Experience

Delivering high-quality tenant experience remains a core priority for AQARAT. The Company has established formal channels for receiving and addressing tenant requests and complaints, ensuring that all issues are handled in a timely and transparent manner.

Requests are logged, assessed, and resolved through coordinated efforts between internal teams and service providers. Continuous follow-up and resolution tracking contribute to improved service responsiveness and tenant satisfaction.

### Responsible Partner and Contractor Management

AQARAT works closely with a network of service providers and contractors to deliver maintenance and refurbishment services. The Company applies structured selection and evaluation processes to ensure that partners meet required technical, financial, and operational standards.

Contractor performance is regularly monitored against predefined criteria, including quality of work, adherence to timelines, and responsiveness. This ongoing evaluation process supports accountability and fosters long-term partnerships with high-performing service providers.



## SUSTAINABLE OPERATIONS

### YOTEL MIAMI

YOTEL Miami integrates operational efficiency, resource management, and community engagement into the day-to-day management of the property. Sustainability initiatives across the hotel focus on reducing energy and water consumption, improving operational controls, supporting responsible waste management practices, and contributing to the surrounding urban community through local partnerships and engagement programs.

#### Energy Management and Operational Efficiency

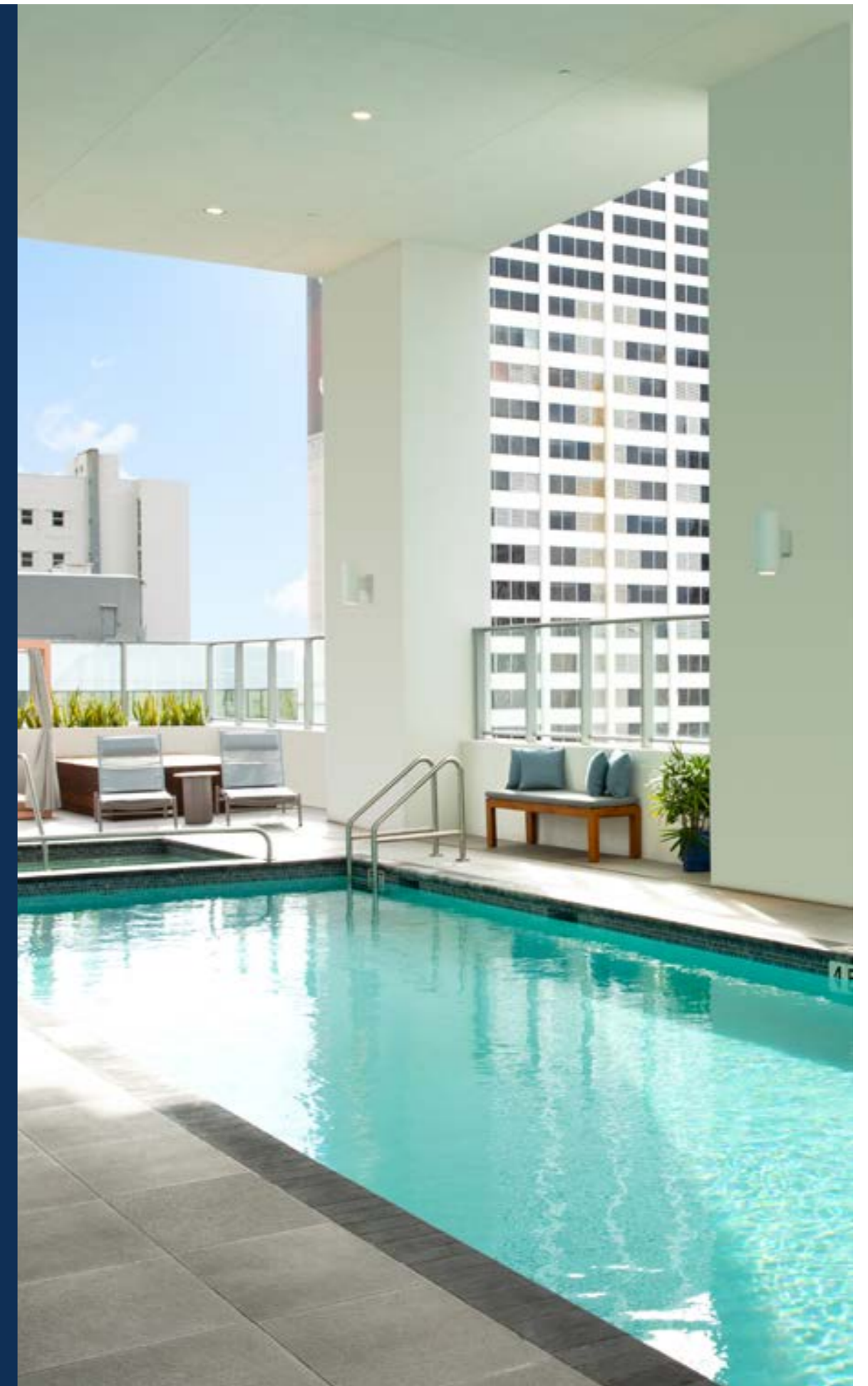
Energy efficiency measures across the property are supported through the installation of lighting sensors and optimized lighting schedules designed to reduce unnecessary electricity consumption during lower occupancy periods. HVAC systems are centrally managed and remotely controlled to improve operational performance and maintain efficient climate regulation across guest and operational areas.

Additional building design features, including impact-resistant glass systems, contribute to improved internal climate efficiency by reducing air and dust infiltration while supporting more stable indoor temperature control. Electricity consumption is closely monitored in coordination with Florida Power and Light, allowing the property to track usage trends and identify operational improvement opportunities.

Fuel and resource optimization measures are also incorporated into operational planning. Seasonal gas consumption management practices, including the temporary closure of one kitchen during lower-demand summer periods, help reduce unnecessary fuel usage. Backup generators are maintained through regular testing and fuel management procedures to ensure operational reliability while minimizing excessive diesel dependence. Chemical usage, including pest control materials, is managed through controlled purchasing policies rather than routine overstocking practices, supporting more efficient resource use and inventory management.

#### Water Efficiency and Resource Conservation

Water conservation measures at YOTEL Miami include the installation of low-flush toilets and reduced water-fill fixtures across the property to minimize water consumption while maintaining operational and guest service standards. These measures contribute to more efficient resource management and support broader environmental performance objectives within the hotel's operations.





### **Waste Management Practices**

Waste management practices focus on responsible disposal and recycling processes through collaboration with specialized waste management vendors. Internal segregation procedures are implemented throughout the property, including designated collection systems for paper, plastics, and other recyclable materials. These measures support improved waste handling practices while encouraging operational accountability and more sustainable day-to-day operations.

### **Community Engagement and Local Partnerships**

YOTEL Miami also maintains an active role within the surrounding community through partnerships and collaborative local initiatives. The property works alongside nearby educational institutions to support community development and innovation-focused initiatives, including collaboration with academic departments involved in emerging technologies and robotics applications related to building operations.

The hotel also engages with the Downtown Development Authority (DDA) and local authorities, including police and fire departments, on neighborhood monitoring and cleanup initiatives aimed at supporting the surrounding urban environment. In addition, the property collaborates with Miami-Dade County on redevelopment efforts intended to transform nearby vacant areas into accessible community and social spaces for residents.

## DOMUS INDIGO BUILDINGS

Domus Indigo Buildings are operated with a focus on efficient building management, resident wellbeing, and long-term operational performance. Sustainability measures are integrated into the day-to-day management of the property through energy optimization systems, water conservation initiatives, preventive maintenance programs, and structured health and safety practices.

### Operational Efficiency

Energy efficiency measures across the property include the use of LED lighting systems, motion sensors in common areas, room management systems, and keycard controls that automatically reduce electricity usage in unoccupied rooms. These systems help optimize operational performance, reduce unnecessary energy consumption, and improve overall building efficiency.

Water conservation initiatives include low-flow aerators, automated irrigation systems, and the reuse of HVAC condensate water for landscaping purposes. Together, these measures support more responsible resource management while reducing operational waste.

### Health, Safety, and Risk Management

Operational safety is managed through structured preventive maintenance programs, regular inspections, permit-to-work procedures, and ongoing risk assessments across critical systems and activities. The property achieved zero Lost Time Injuries (LTIs) during 2024 and 2025, reflecting the effectiveness of its health and safety controls and operational oversight.

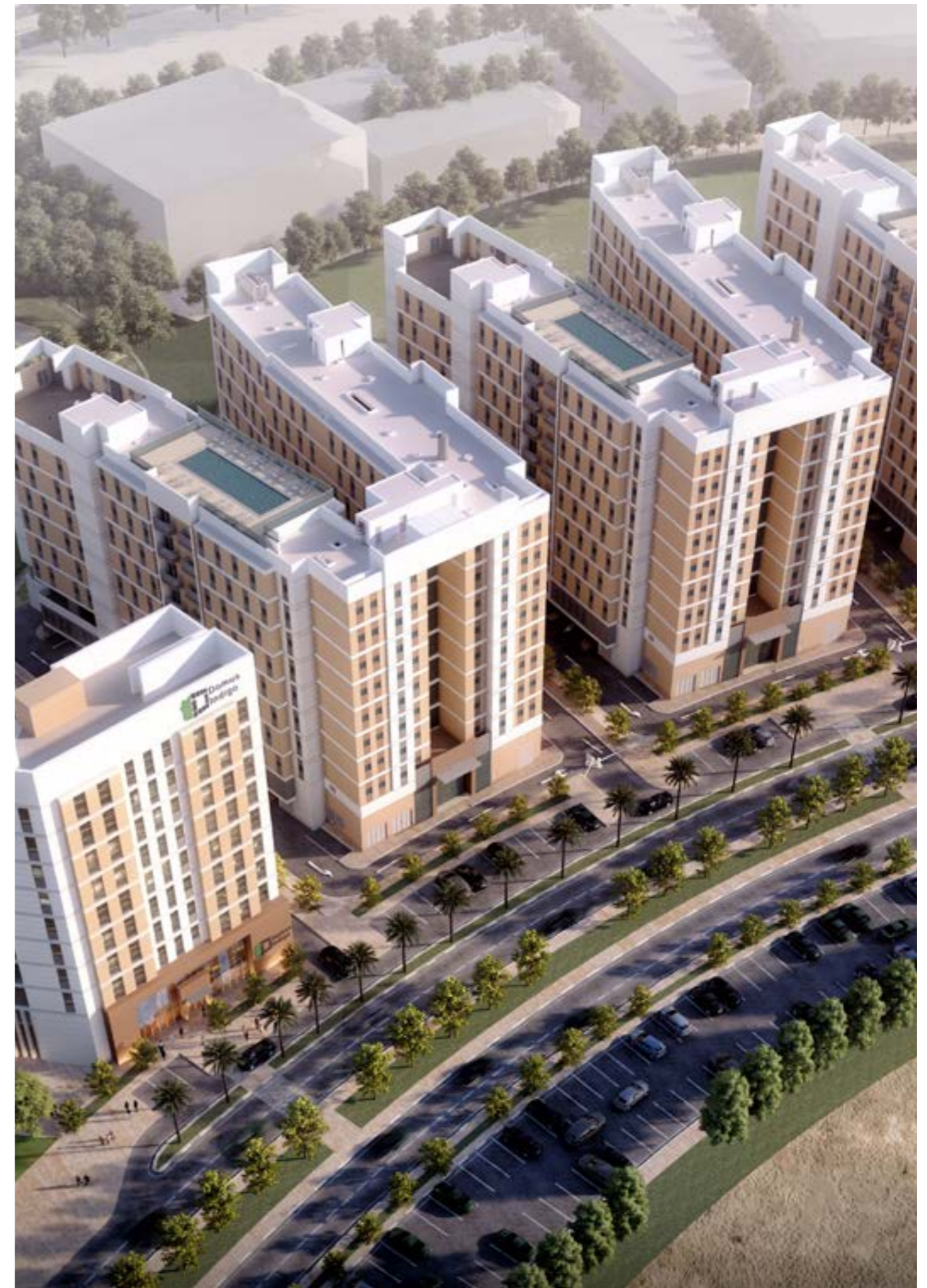
Additional measures, including continuous HSE training, emergency preparedness drills, and enhanced electrical safety systems within low-voltage rooms, further support safe working environments for employees, contractors, and service teams.

### Resident Wellbeing and Community Environment

The property incorporates amenities designed to support resident comfort, wellbeing, and community engagement, including fitness facilities, swimming pools, sports courts, and indoor and outdoor social spaces. These facilities contribute to a more balanced residential environment while encouraging physical activity, social interaction, and overall quality of living.

### Governance and Operational Standards

Operations at Domus Indigo Buildings are aligned with internationally recognized management standards, including ISO 9001 for Quality Management, ISO 14001 for Environmental Management, ISO 45001 for Occupational Health and Safety, and ISO 41001 for Facility Management. These frameworks support operational consistency, regulatory compliance, and continuous performance improvement across the property.



## TH8

Th8 combines luxury hospitality operations with sustainability-focused building management practices designed to improve operational efficiency while maintaining high guest experience standards. The property integrates environmental controls, resource management initiatives, and health and safety systems into its daily operations to support long-term asset performance and responsible hospitality management.

### Sustainable Hospitality Operations

Energy management systems across Th8 include LED lighting, motion sensors, smart room controls, and solar-powered outdoor lighting systems that help optimize electricity usage across operational and guest areas. These technologies contribute to lower energy demand while maintaining hospitality and service standards expected within a premium beachfront development.

Water conservation initiatives include low-flow fixtures, condensate water recovery systems, and automated irrigation controls designed to improve water efficiency and reduce unnecessary consumption across landscaped and operational areas.

### Health, Safety, and Operational Controls

Health and safety practices at Th8 are supported through preventive maintenance programs, routine inspections, operational audits, and structured risk management procedures. Permit-to-work systems, incident reporting mechanisms, corrective action procedures, and emergency response planning are implemented across operational activities to maintain safe and reliable operations.

The property achieved zero Lost Time Injuries (LTIF) during 2024 and 2025, reflecting the effectiveness of its operational controls, HSE procedures, and ongoing staff training programs.

### Guest Wellbeing and Lifestyle Experience

Th8 incorporates a range of amenities and recreational facilities designed to support guest wellbeing and enhance the overall hospitality experience. These include fitness facilities, swimming pools, outdoor recreational areas, and community-oriented social spaces that promote relaxation, active living, and social engagement within the property environment.

### Governance and Operational Standards

Operations at Th8 are aligned with internationally recognized standards, including ISO 9001 for Quality Management, ISO 14001 for Environmental Management, ISO 45001 for Occupational Health and Safety, and ISO 41001 for Facility Management. These frameworks support operational governance, environmental management, regulatory compliance, and continuous improvement across the property's hospitality operations.



## CERTIFICATIONS AND ASSOCIATIONS

AQARAT is committed to maintaining high standards across its operations through the adoption of internationally recognized management systems and best practices. The Company has implemented an Integrated Management System aligned with global standards to enhance operational efficiency, ensure regulatory compliance, and promote a safe and sustainable working environment.

**As Part of This Commitment, AQARAT has Obtained the Following Internationally Recognized Certifications:**

### ISO 9001:2015 - Quality Management System

Ensuring consistent service quality and continuous improvement across operations.



### ISO 14001:2015 - Environmental Management System

Supporting effective environmental management practices and compliance with environmental regulations.



### ISO 45001:2018 - Occupational Health and Safety Management System

Fostering the Company's focus on maintaining a safe and healthy workplace.



### ISO/IEC 27001 - Information Security Management System

Ensuring the protection of information assets and data security across the organization.



### ISO/IEC 20000-1 - IT Service Management System

Enhancing the efficiency and reliability of IT service delivery.



## LEED GOLD CERTIFICATION - SOUK AL-KUWAIT AND SOUK AL-KABEER

Souk Al-Kuwait and Souk Al-Kabeer have both achieved LEED Gold Certification under the Building Operations and Maintenance (O+M) framework, positioning them among the first heritage and existing retail assets in Kuwait to attain LEED certification under this rating system. The certifications reflect the implementation of structured operational and maintenance practices aimed at enhancing energy efficiency, optimizing water consumption, and improving overall building performance. They further demonstrate the integration of internationally recognized sustainability and asset management standards, supporting operational excellence, efficient resource utilization, and the long-term value and resilience of AQARAT Capital's retail portfolio.





03

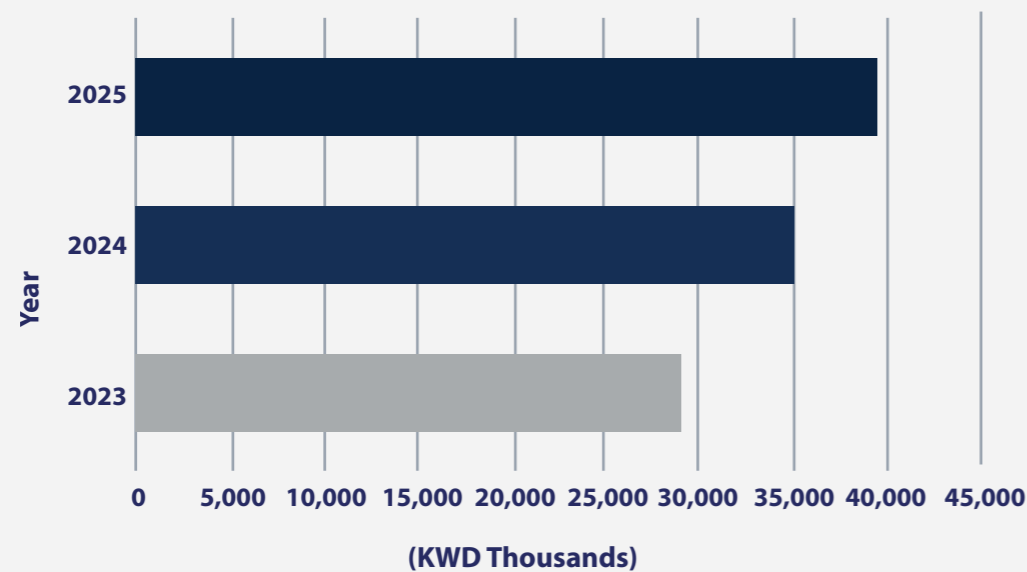
**FINANCIAL PERFORMANCE  
AND VALUE CREATION**

## KEY METRICS

AQARAT’s financial performance is underpinned by a diversified portfolio that generates recurring income while maintaining exposure to long-term growth opportunities. The stability of cash flow is primarily supported by income-generating assets across residential, commercial, and hospitality segments, complemented by contributions from strategic investments and development activities. This balance between recurring income and capital appreciation enables consistent performance while retaining flexibility to reposition and grow the portfolio over time.

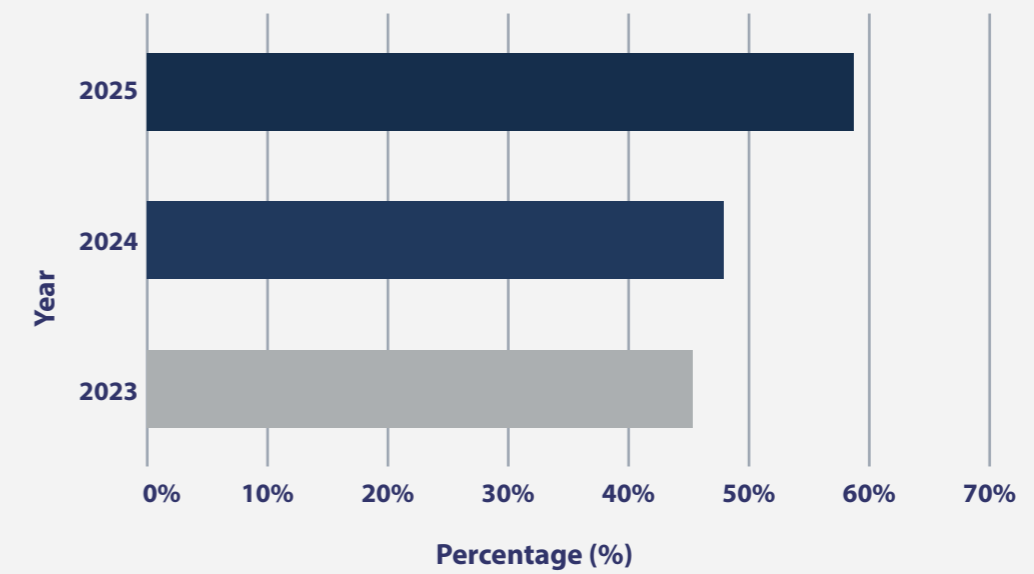
Capital allocation remains focused on asset quality, operational efficiency, and risk-adjusted returns. The portfolio is actively managed to enhance performance, improve occupancy and tenant quality, and selectively deploy capital into opportunities aligned with long-term priorities. In parallel, a prudent financial structure supports liquidity, enables reinvestment, and positions the Company to navigate changing market conditions while sustaining long-term value creation.

### Revenues Generated



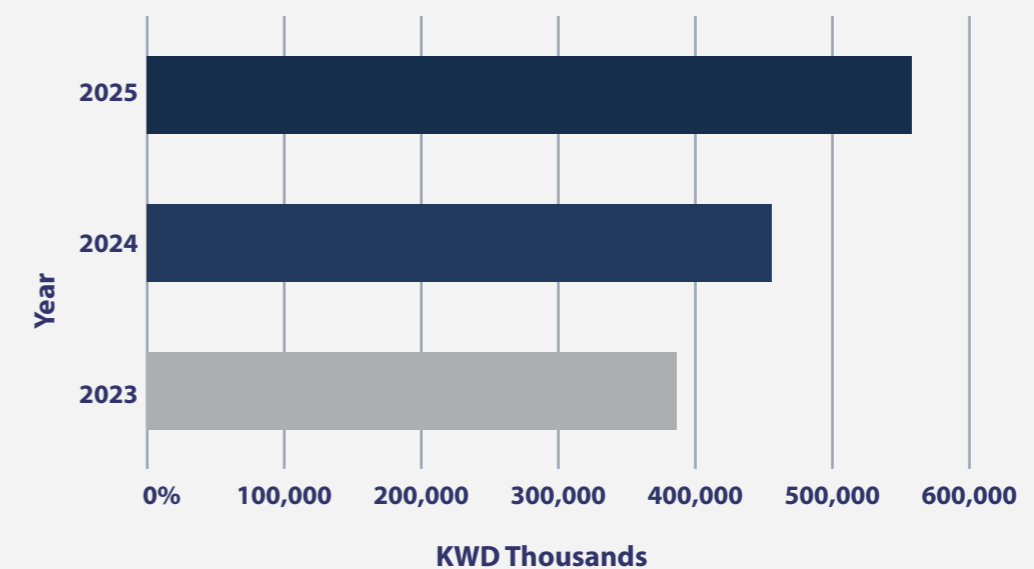
Revenue increased over the period, reaching KWD 39.4 million in 2025, reflecting the contribution of income-generating assets alongside additional revenue from development and investment activities. The trend highlights the role of recurring income streams in supporting visibility of cash flows and maintaining consistency in performance.

### Net Profit Margin (%)



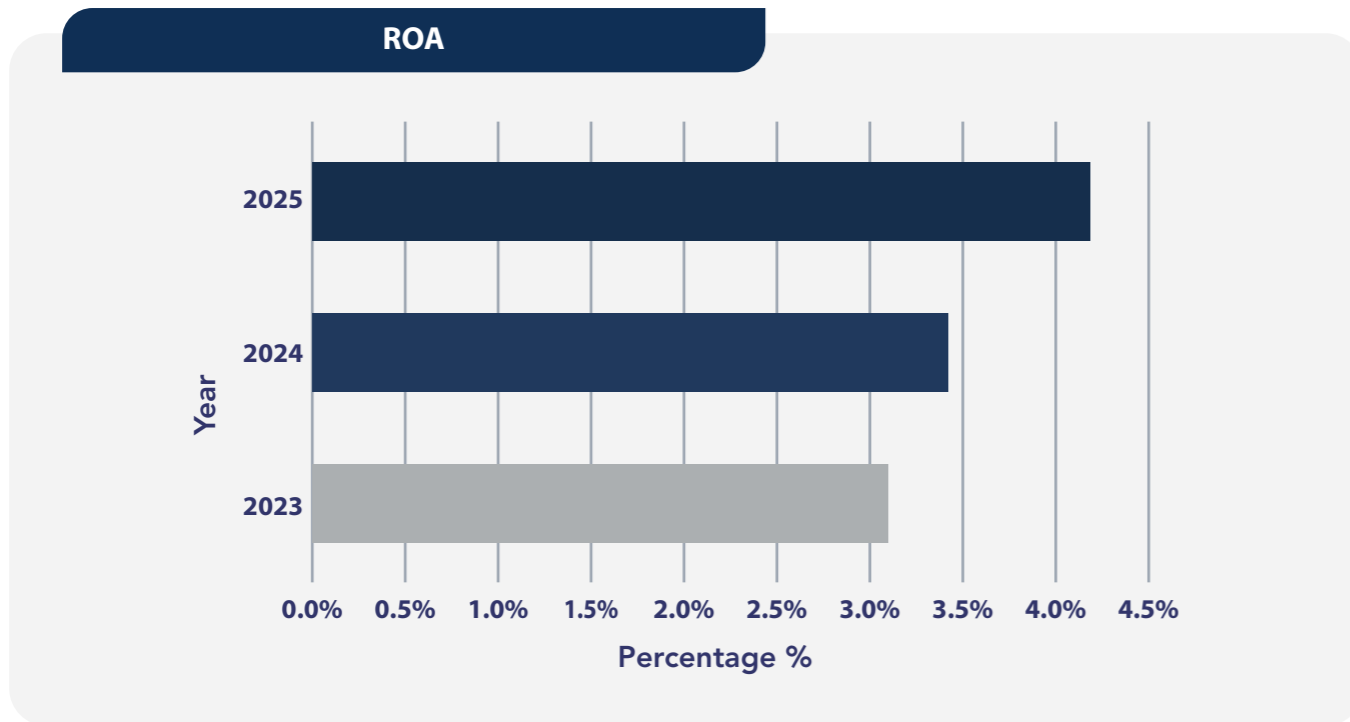
Net profit margin increased to 59% in 2025. This reflects a combination of operational efficiency, cost control, and the contribution of higher-margin income streams within the portfolio.

### Total Assets

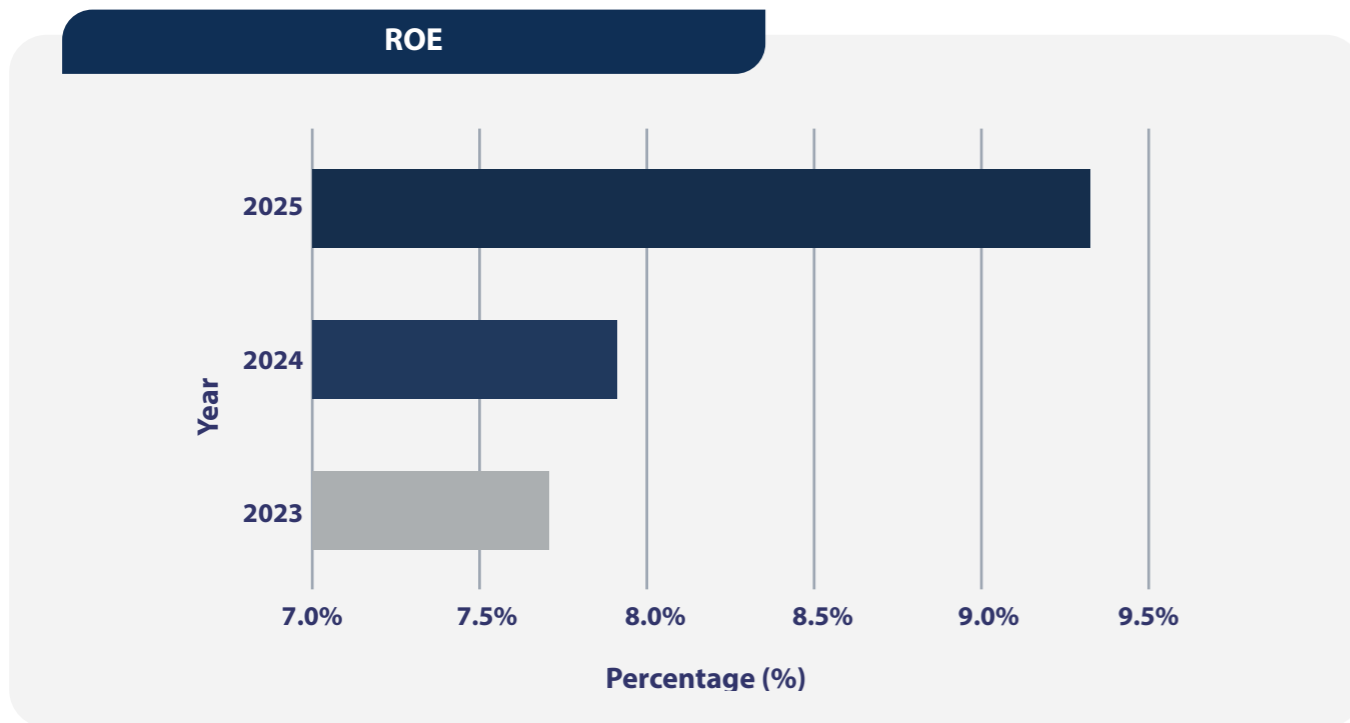


Total assets increased to KWD 551.6 million in 2025, driven by continued investment and portfolio expansion. The growth in assets reflects an increase in the scale of operations and supports future income generation through a larger base of income-producing properties and investments.





ROA increased to 4.2% in 2025, reflecting improved efficiency in the use of assets to generate income. As the asset base expands, maintaining and improving this ratio indicates more effective asset management and operational performance.



ROE increased to 9.3% in 2025, reflecting higher returns generated on shareholders' equity. This improvement indicates more effective use of capital and remains a key measure of the company's ability to generate value from its equity base.



## INVESTMENT AND GROWTH STRATEGY

AQARAT's investment and growth strategy is guided by a research-driven approach focused on creating long-term value through high-quality real estate investments. The Company seeks to generate attractive risk-adjusted returns by maintaining a diversified portfolio, actively managing assets throughout their lifecycle, and integrating ESG considerations into its investment processes.

### Investment Approach and Portfolio Strategy

AQARAT adopts a balanced investment approach that combines income generation with capital appreciation. The Company prioritizes assets that offer stable cash flow, strong tenant profiles, and long-term growth potential, while selectively pursuing opportunities that enable value creation through development, repositioning, and active asset management.

Investment activities are structured across multiple strategies, including core and core-plus investments focused on stabilized, income-generating assets, as well as value-add and opportunistic investments aimed at enhancing asset performance or capitalizing on market opportunities. In addition, AQARAT utilizes real estate debt investments to diversify its portfolio and optimize risk-adjusted returns.

### Geographic and Sector Diversification

AQARAT supports its growth through diversification across geographies and sectors, enabling the Company to mitigate risks and capture opportunities in different market environments. The Company targets regions with strong economic fundamentals, favorable demographic trends, and supportive regulatory frameworks, including the Middle East, Europe, the Americas, and Asia.

Sector allocation is guided by market dynamics, with a focus on resilient and high-growth segments such as residential, logistics, and selected commercial assets. In parallel, AQARAT explores niche sectors that offer diversification benefits and long-term value potential.

### Asset Lifecycle Management

AQARAT actively manages its investments across the full asset lifecycle, from acquisition and development to operation and optimization. This integrated approach ensures that assets are effectively positioned to generate stable income while enhancing long-term value.

The Company undertakes selective acquisition of land and income-generating properties, followed by the development of residential, commercial, and mixed-use assets aligned with market demand. Through active leasing, operations, and tenant management, AQARAT maintains asset performance and occupancy levels, while continuously evaluating opportunities to upgrade, reposition, or divest assets to optimize portfolio returns.

### Performance Measurement and Value Creation

AQARAT monitors investment performance through defined key performance indicators, including net operating income yield, total return, occupancy rates, and debt service coverage ratios. These metrics enable continuous evaluation of asset performance and support data-driven decisions related to portfolio optimization and capital allocation.





**04**

**SUSTAINABILITY STRATEGY**

## AMBITIONS AND ALIGNMENT

AQARAT aligns its long-term strategy with Kuwait Vision 2035, which aims to transform Kuwait into a diversified, sustainable economy and a regional financial and commercial hub. Vision places strong emphasis on infrastructure development, private sector growth, environmental responsibility, and social development. As a real estate company with a significant domestic impact, AQARAT contributes to these national priorities through the development of integrated urban projects, the enhancement of existing assets, and the delivery of infrastructure that supports economic activity and community well-being. The Company's investments in mixed-use developments, hospitality, and residential communities contribute to urban expansion, job creation, and the improvement of living standards, while maintaining alignment with regulatory frameworks and national development goals.



At the international level, AQARAT aligns its sustainability approach with the United Nations Sustainable Development Goals (SDGs), which provide a global framework for addressing environmental, social, and economic challenges. The Company contributes to these goals through its core business activities, including sustainable development practices, efficient resource management, and the creation of inclusive and accessible spaces. Through its investments across regional and global markets, AQARAT supports responsible urban development, promotes economic growth, and enhances community value. This alignment ensures that the Company's growth strategy remains consistent with both national priorities and international sustainability standards, while contributing to long-term value creation across its portfolio.



# STAKEHOLDER ENGAGEMENT

Stakeholder engagement is a fundamental component of AQARAT's sustainability approach, ensuring that the Company remains aligned with the expectations, priorities, and concerns of those it impacts and depends on. Through continuous and structured engagement, AQARAT gathers insights that inform its strategic decisions, enhance transparency, and foster long-term relationships. This process allows the Company to better understand emerging risks and opportunities across environmental, social, and governance dimensions, while supporting its approach to responsible growth and long-term value creation.

AQARAT engages with a broad range of stakeholders including employees, shareholders, customers, partners, suppliers, regulators, and the communities in which it operates. Engagement is conducted through formal and informal channels such as meetings, surveys, operational interactions, and ongoing communication platforms. This approach ensures that stakeholder perspectives are integrated into business planning, operational improvements, and sustainability priorities, while maintaining alignment with both market expectations and regulatory requirements.



## Stakeholders Engagement Model

Stakeholder Group	Key Interests	Engagement Methods	Engagement Frequency
<b>Employees</b>	Well-being, development, safe workplace.	Internal meetings, training programs, engagement initiatives.	Ongoing
<b>Shareholders and Investors</b>	Financial performance, transparency, risk management.	Investor meetings, disclosures, annual reporting.	Quarterly/ Annually
<b>Customers and Tenants</b>	Service quality, safety, sustainability	Direct interactions, feedback channels, tenant communication.	Ongoing
<b>Partners</b>	Operational performance, shared value creation.	Strategic meetings, ongoing coordinator.	Ongoing
<b>Suppliers</b>	Fair practices, sustainability standards.	Procurement processes, supplier communicator.	As required
<b>Communities</b>	Social impact, environmental responsibility.	Community initiatives, outreach programs.	Periodic
<b>Regulators</b>	Compliance, governance, reporting.	Regulatory filings, compliance engagement.	As required



# MATERIALITY ASSESSMENT

AQARAT applies a structured and multi-step approach to identify and prioritize its material ESG topics. This process ensures that the Company focuses on the issues that are most significant to both its stakeholders and its long-term business performance.

The assessment begins with the identification of key impacts across environmental, economic, social, and governance dimensions. These include both positive contributions, such as job creation and community development, and potential risks, such as resource consumption and environmental impact.

These impacts are then evaluated and prioritized based on stakeholder input, internal risk assessments, regulatory considerations, and alignment with AQARAT strategic objectives. This structured prioritization ensures that the most significant topics are integrated into decision-making, reporting, and performance management.

## Materiality Identification Process

Step	Description
<b>Impact Identification</b>	Identification of environmental, social, and economic impacts across operations.
<b>Stakeholder Engagement</b>	Gathering input from key stakeholder groups.
<b>Risk and Opportunity Assessment</b>	Evaluation of financial, operations, and reputational risk and opportunities
<b>Prioritization</b>	Ranking topics based on significance to stakeholders and business.
<b>Validation and Alignment</b>	Alignment with strategy, regulatory requirements, and ESG frameworks.

## Materiality Matrix



Importance to Business



Category	Materiality Topic	Importance to Business	Importance to Stakeholders
Environmental	Energy Management	Medium	Medium
	Water Management	Medium	Medium
	Land Use and Biodiversity	High	Medium
	Sustainable Design and Construction	Medium	Medium
	Circular Economy	Low	Low
Social	Employee Health and Well Being	Medium	High
	Kuwaitization	High	High
	Diversity, Equity & Inclusion (DEI)	Medium	Medium
	Community Engagement & Social Investment	High	Low
	Employee Engagement & Development	High	High
Governance	Corporate Governance	Medium	Medium
	ESG Governance & Leadership	High	Medium
	Risk Management	Medium	Medium
	Digital Advancement	High	Medium
	Business Conduct	High	High





**05**

**CREATING SOCIAL VALUE**



## HUMAN CAPITAL

AQARAT manages its human capital through a structured policy framework that governs the full employee lifecycle, ensuring alignment with business needs, regulatory requirements, and internal standards. The HR Policy Manual establishes clear guidelines across workforce planning, recruitment, performance management, training, compensation, and employee relations, providing consistency in how people are managed and developed across the organization.

### Workforce Planning and Talent Acquisition

Workforce planning is conducted on an annual basis to align human capital requirements with business strategy and operational needs. This process assesses organizational structure, capability gaps, and future workforce demands, ensuring that the Company maintains the right mix of skills and resources to support growth.

Recruitment follows a structured and merit-based approach, guided by defined eligibility criteria, standardized selection processes, and clear approval mechanisms. The Company prioritizes internal candidates and Kuwaiti nationals where applicable, while maintaining equal opportunity and transparency throughout the hiring process. This approach supports both workforce stability and national workforce development objectives.

### Performance Management and Career Progression

AQARAT applies to a formal performance management framework that enables regular evaluation of employee performance against defined objectives. The process supports alignment between individual contributions and organizational goals, while identifying areas for development and progression.

Performance outcomes are directly linked to key human capital decisions, including promotions, compensation adjustments, and training plans. Career progression is based on merit and performance, supported by structured evaluation criteria and clear approval processes, ensuring fairness and consistency across the organization.

### Learning and Development

Employee development is supported through a structured training framework designed to enhance skills, capabilities, and overall performance. Training needs are identified annually through performance evaluations and departmental requirements, forming the basis of the Company's training plan.

AQARAT provides a range of development opportunities, including on-the-job training, in-house programs, and external learning initiatives, ensuring continuous capability building across all levels. The effectiveness of training is monitored through evaluation and feedback mechanisms, supporting continuous improvement in learning outcomes.

### Compensation, Benefits, and Employee Value Proposition

The Company maintains a defined grading and reward structure to ensure fair and competitive compensation aligned with employee roles, responsibilities, and performance. Compensation includes fixed and variable components, supported by allowances and benefits designed to attract and retain talent.

Salary progression, incentives, and benefits are governed by transparent policies and linked to performance outcomes, reinforcing a performance-driven culture while ensuring internal equity and market alignment.

### Employee Relations and Workplace Practices

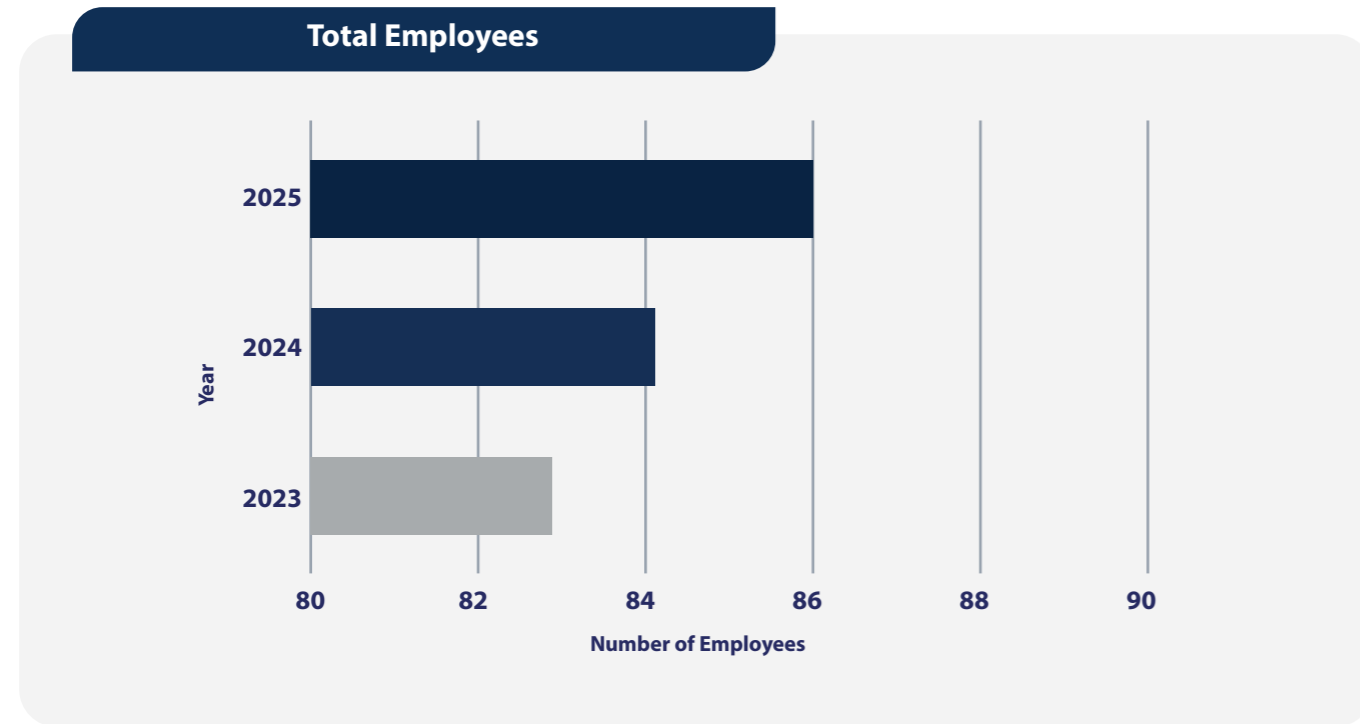
AQARAT promotes a structured and respectful work environment through clear policies governing employee conduct, grievance handling, and disciplinary procedures. Employees are provided with formal channels to raise concerns, ensuring that issues are addressed in a fair and confidential manner.

Workplace practices are further supported by policies covering working hours, leave entitlements, and employee wellbeing, ensuring compliance with Kuwait Labor Law and promoting a balanced and stable work environment. These frameworks contribute to maintaining employee trust, operational consistency, and organizational integrity.

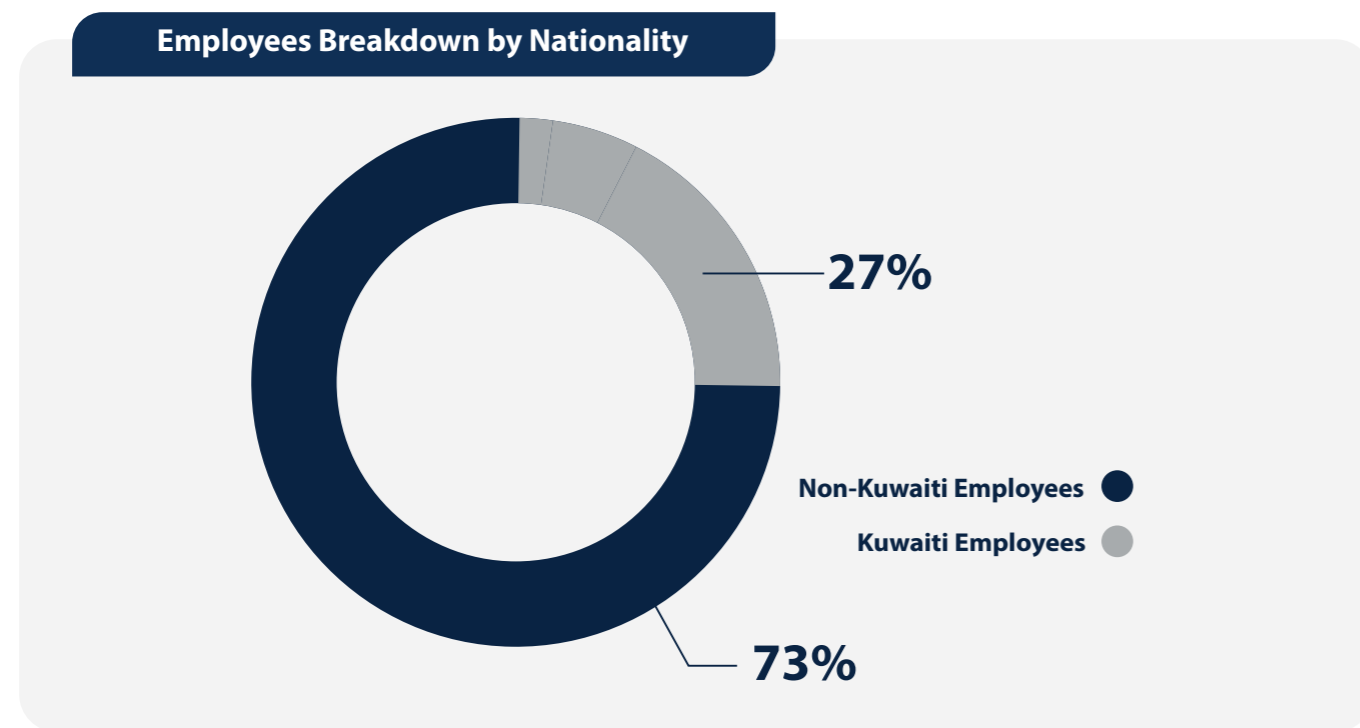


# WORKFORCE PROFILE

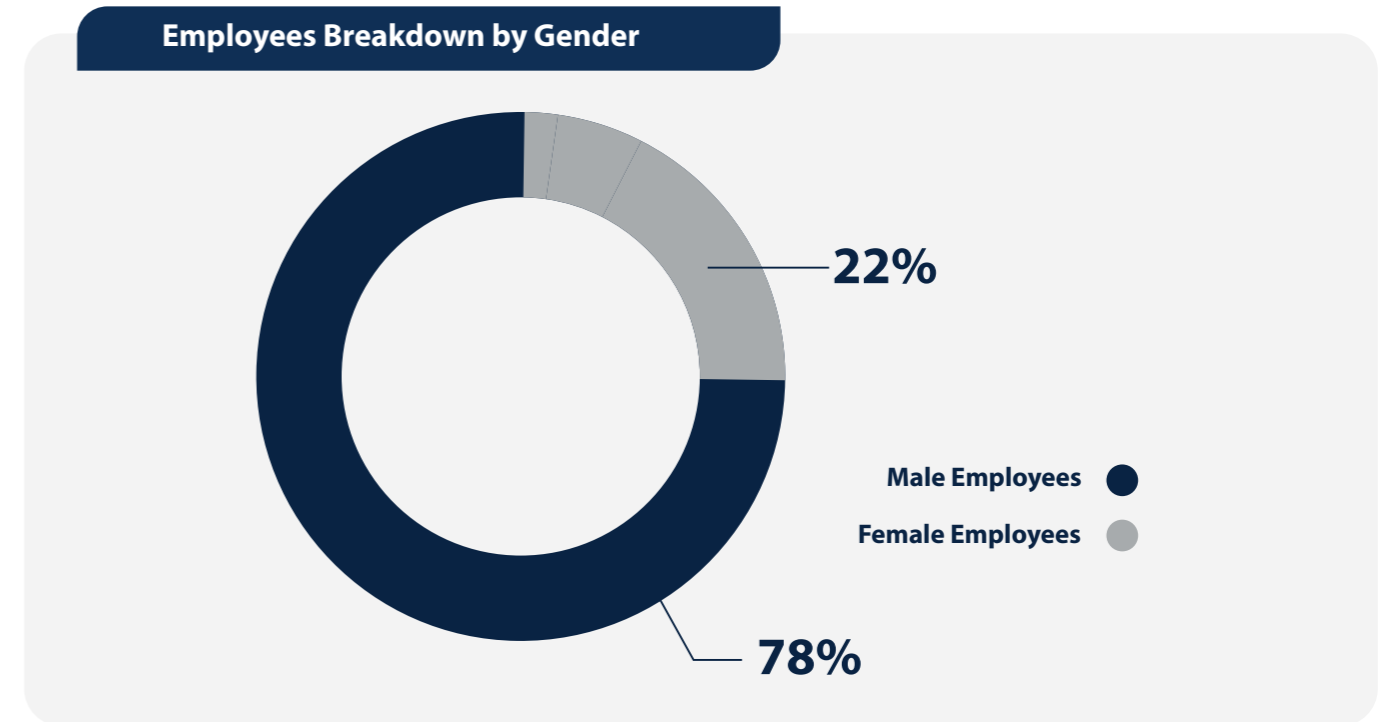
AQARAT’s workforce reflects a structured organizational composition aligned with its operational requirements and growth objectives. The Company maintains a balanced workforce across different functions and levels, ensuring the availability of the necessary skills and capabilities to support its activities.



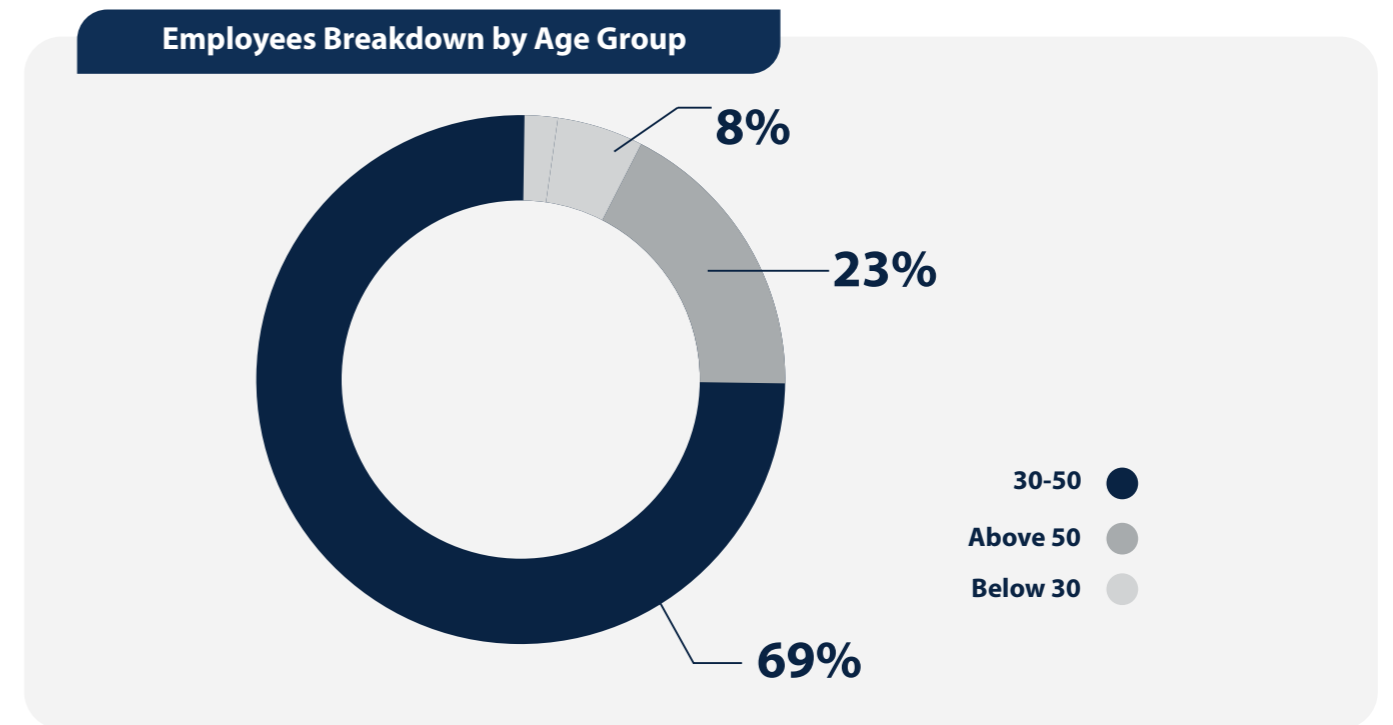
The total workforce shows a steady upward trend, increasing from 83 in 2023 to 86 in 2025.



Out of the total workforce, Kuwaiti Employees represents 27%.



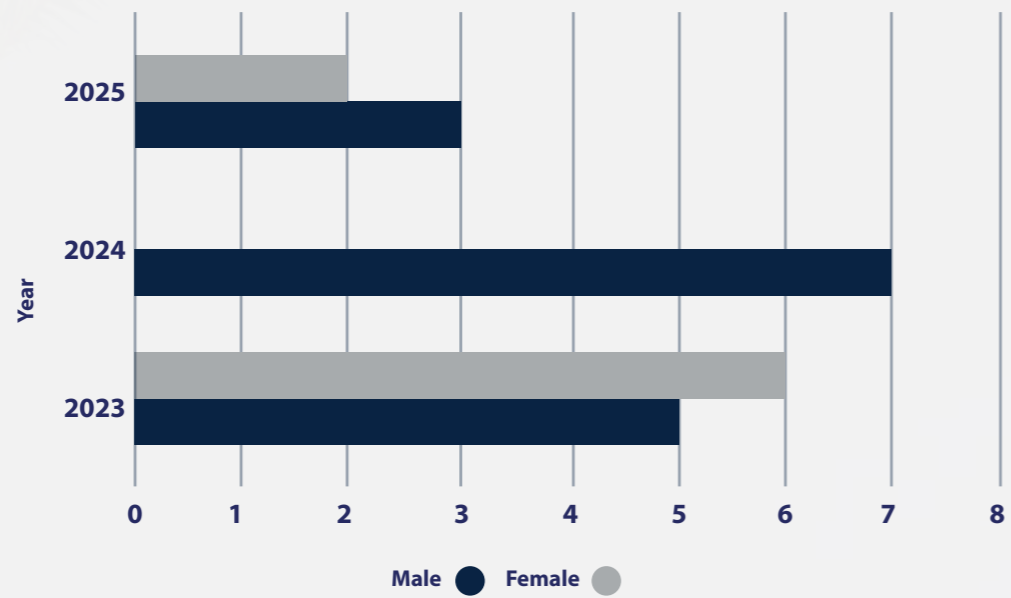
AQARAT supports gender diversity across its workforce through ongoing recruitment and development initiatives.



The majority of employees fall within the 30-50 age group, representing the largest segment of the workforce.



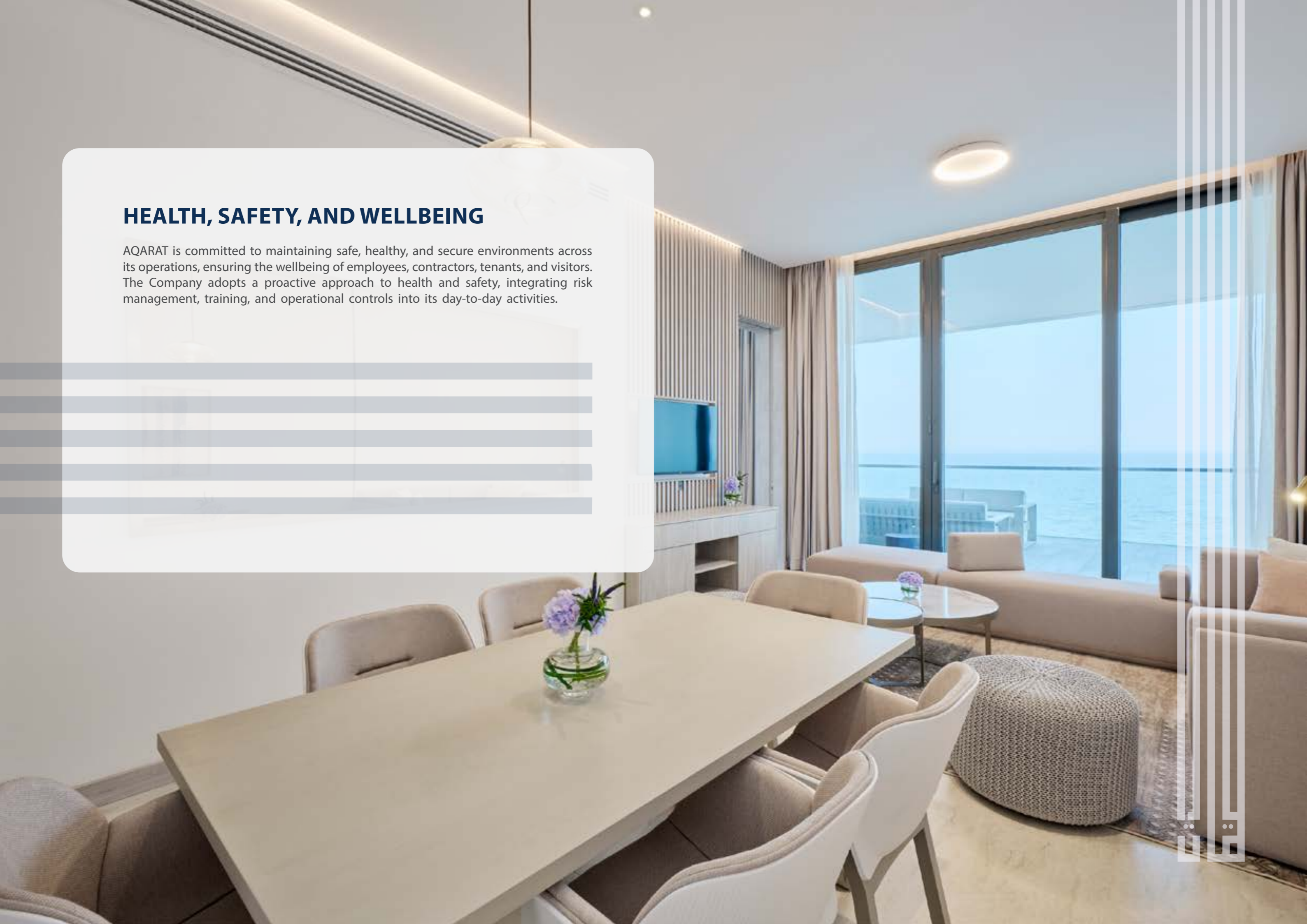
### New Hires by Gender



New hires reflect continued workforce growth and ongoing efforts to enhance gender diversity across the organization.

## HEALTH, SAFETY, AND WELLBEING

AQARAT is committed to maintaining safe, healthy, and secure environments across its operations, ensuring the wellbeing of employees, contractors, tenants, and visitors. The Company adopts a proactive approach to health and safety, integrating risk management, training, and operational controls into its day-to-day activities.



### Health and Safety Approach

Health and safety at AQARAT is guided by structured policies, standardized procedures, and continuous monitoring practices. The Company's approach focuses on identifying potential risks, implementing preventive measures, and ensuring that all operations are conducted in compliance with applicable regulatory and international standards.

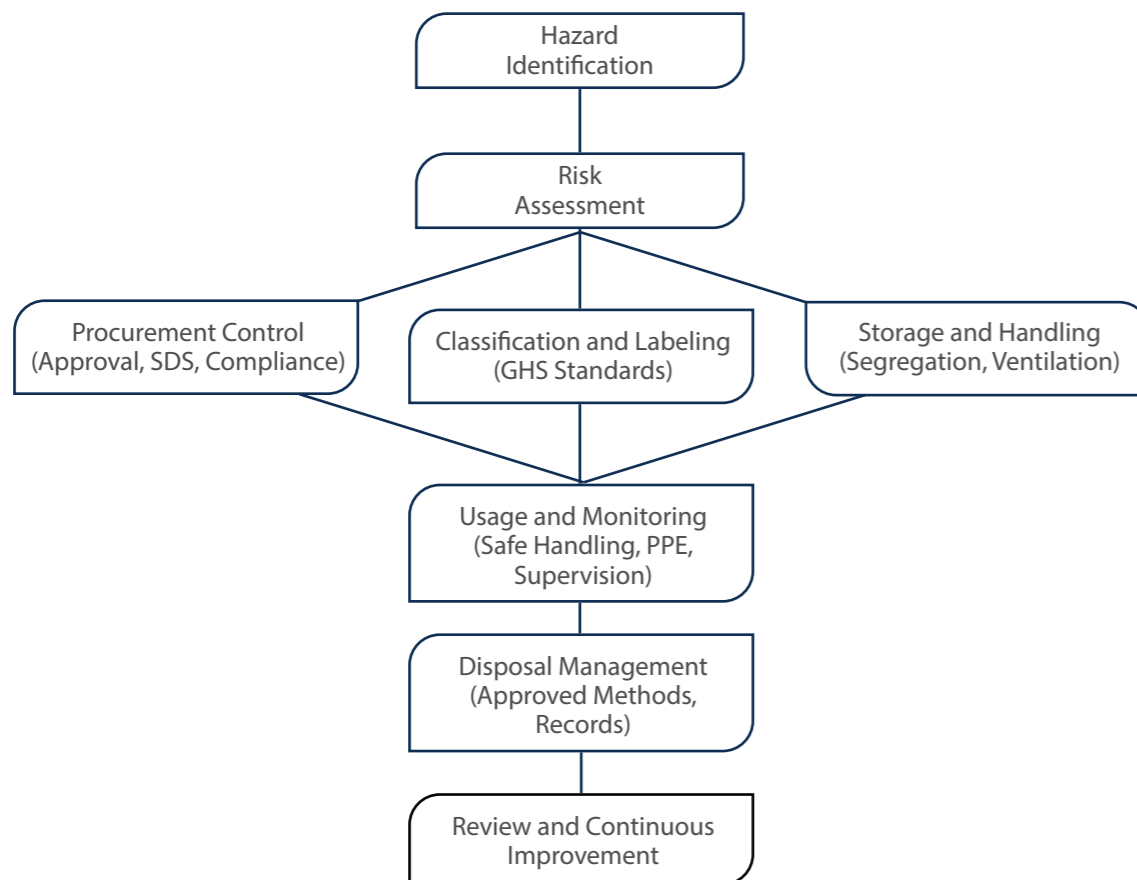
Risk assessments are systematically conducted to identify hazards associated with operational activities, enabling the implementation of appropriate mitigation measures. This proactive approach reduces incidents and supports a culture of safety across all assets.

### Risk Management and Hazard Control

AQARAT implements robust mechanisms to manage operational risks, particularly those associated with maintenance activities and hazardous materials. All hazardous substances are subject to strict controls covering procurement, storage, handling, and disposal.

Hazardous materials are classified, labeled, and managed in accordance with international standards such as the Globally Harmonized System (GHS), ensuring clear communication of risks and safe handling practices. Comprehensive risk assessments are conducted prior to the introduction of new substances, with a focus on minimizing exposure and identifying safer alternatives where possible.

Storage and handling procedures are designed to prevent incidents such as chemical reactions, spills, or exposure. Materials are segregated based on hazard classification, and storage environments are controlled to eliminate ignition sources and ensure proper ventilation. These measures significantly reduce the likelihood of operational hazards and environmental impacts.



### Safety Training and Awareness

AQARAT places strong emphasis on building a safety-conscious workforce through continuous training and awareness programs. Employees and contractors receive training in hazard identification, safe handling of materials, emergency response procedures, and the proper use of personal protective equipment (PPE).

Training programs cover key areas such as chemical classification, hazard communication, and safe storage practices, ensuring that personnel are equipped to manage both routine and non-routine risks effectively. This structured approach enhances competency levels and reinforces accountability across all operational roles.

### Incident Prevention and Emergency Preparedness

Preventing incidents and ensuring rapid response capabilities are central to AQARAT's health and safety strategy. The Company maintains clear procedures for reporting, recording, and investigating incidents, including spills, accidental releases, and workplace hazards.

Emergency preparedness measures include the availability of safety equipment, clear signage, and access to Safety Data Sheets (SDS) for all hazardous substances. These systems enable personnel to respond effectively to emergencies and minimize potential impacts on people and assets.

### Monitoring, Compliance and Continuous Improvement

Health and safety performance is continuously monitored through inspections, audits, and compliance checks. Regular reviews of procedures and practices ensure alignment with evolving regulatory requirements and operational needs.

Records related to training, risk assessments, hazardous materials, and incident reporting are maintained systematically, supporting transparency and accountability across operations. Insights from these records are used to identify areas for improvement and enhance overall safety performance.

### Promoting a Culture of Safety

AQARAT fosters a culture where safety is a shared responsibility. Employees are encouraged to report risks, raise concerns, and actively participate in safety initiatives. This inclusive approach strengthens awareness, improves compliance, and contributes to safer working environments across the Company's portfolio.



## CORPORATE SOCIAL RESPONSIBILITY

AQARAT remains focused on delivering meaningful social impact through targeted community investments, strategic partnerships, and initiatives that address key societal needs. During the reporting period, the Company invested KWD 15,000 in community initiatives, including contributions to INJAZ Kuwait and Bayt Abdullah Children's Hospice, as part of its broader KWD 41,300 in charitable donations and sponsorships in the reporting year.

**KWD 15,000**

Focused Expenditure on  
Community Initiatives

**KWD 41,300**

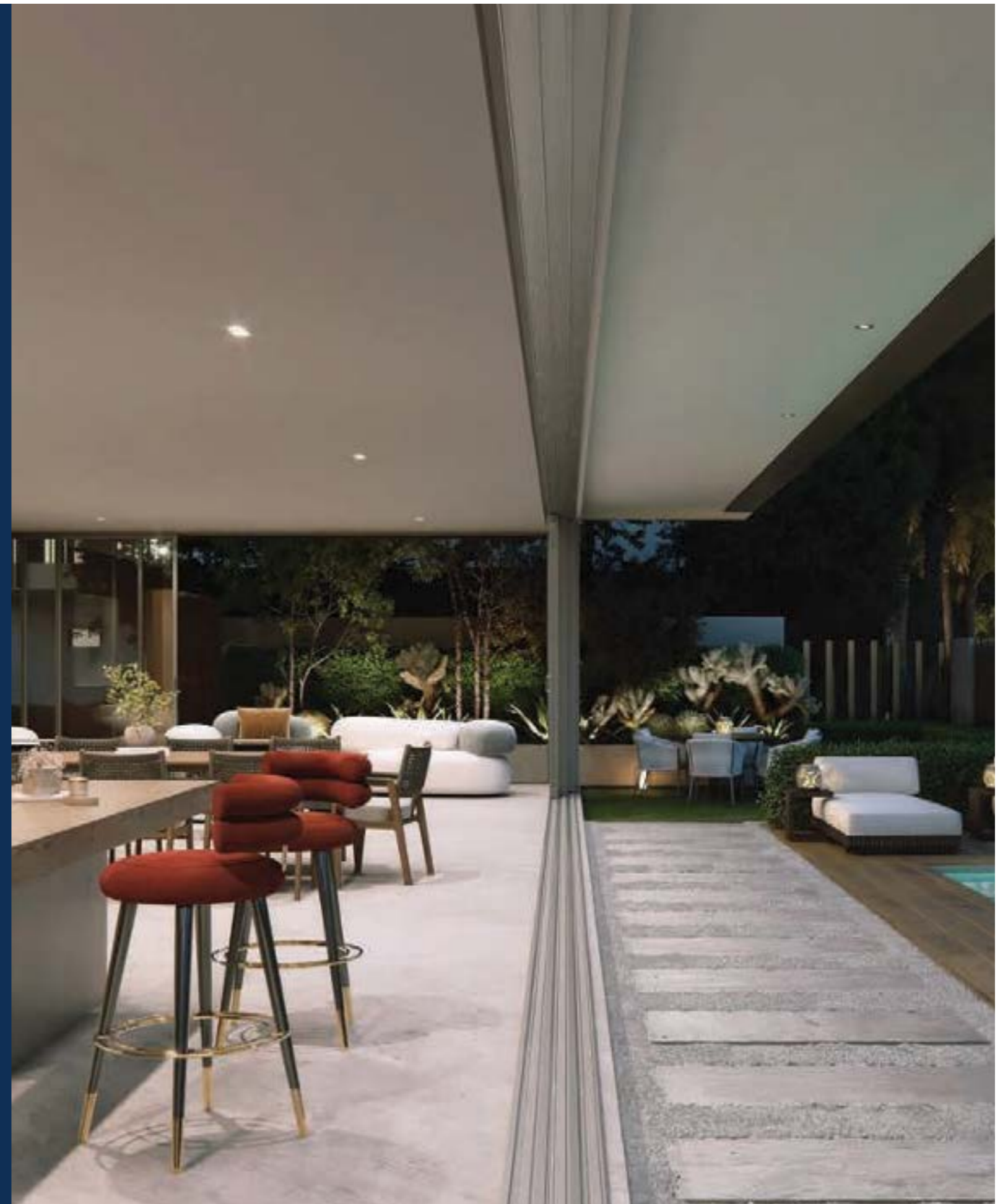
Total Charitable Donations

All CSR investments are focused locally, supporting communities and national development in Kuwait. The Company's initiatives focus on key areas including youth empowerment, healthcare support, and community wellbeing, ensuring alignment with both stakeholder expectations and societal needs.

AQARAT implemented a total of 10 CSR initiatives during 2025, addressing a diverse range of community segments. While the total number of beneficiaries is pending confirmation, these initiatives collectively supported youth, patients, employees, individuals with disabilities, and the wider community across Kuwait.

**10 CSR**

Initiatives Implemented



### Strategic Partnerships

AQARAT’s CSR efforts are delivered through strong partnerships with reputable organizations, including INJAZ Kuwait, Bayt Abdullah Children’s Hospice, and the Kuwait Heart Foundation. These collaborations enable the Company to deliver impactful programs in areas such as education, healthcare, and social inclusion.

Through its partnership with INJAZ Kuwait, AQARAT supports youth development by contributing to programs focused on entrepreneurship, financial literacy, and career readiness. Contributions to Bayt Abdullah Children’s Hospice support specialized care for children with life-limiting illnesses, while collaboration with the Kuwait Heart Foundation promotes preventive healthcare and public awareness



### CSR Governance and Approach

CSR activities at AQARAT are managed through a structured internal process led by the CSR function. Initiatives are identified based on their alignment with the Company’s priorities and community needs, and all proposed investments are subject to internal review and management approval.

Projects are evaluated based on their relevance, expected social impact, and alignment with strategic objectives. Once approved, AQARAT works closely with its partners to implement initiatives and monitor their outcomes, ensuring effective delivery and meaningful impact.



### Community and Health Initiatives

During the reporting period, AQARAT supported a range of community-focused initiatives reflecting its commitment to social responsibility and community well-being. In collaboration with the Kuwait Heart Foundation, the Company facilitated free health screenings for both the public and employees, promoting preventive healthcare and raising awareness of cardiovascular health.

AQARAT also contributed to the “Ishraqat Amal” initiative, supporting individuals with special needs through participation in art exhibitions that promote inclusion and showcase creative talent. In addition, the Company supported national youth development through contributions to INJAZ Kuwait and participation in the INJAZ Career Fair, aimed at enhancing employability, entrepreneurship, and financial literacy among young talent.

Further reinforcing its community engagement, the Company contributed to charitable initiatives, including a Ramadan Iftar campaign, and organized public activations such as Gulf Cup match screenings and “Arabella Music Nights,” creating inclusive and engaging experiences for visitors and residents. Internally, AQARAT also conducted employee-focused initiatives, including health awareness campaigns and social activities, to promote well-being and strengthen engagement across its workforce.





**06**

**ENVIRONMENTAL RESPONSIBILITY**



## ENVIRONMENTAL RESPONSIBILITY

Environmental responsibility forms a significant component of AQARAT's operational and asset management approach. Through the efficient use of resources, compliance with environmental requirements, and the implementation of initiatives that support sustainability objectives, the Company seeks to integrate environmental considerations into its day-to-day operations and decision-making processes. Monitoring key environmental indicators enables AQARAT to assess performance, identify improvement opportunities, and support the long-term sustainability of its operations and assets.

# ENERGY AND EMISSIONS

Electricity consumption is a key aspect of environmental performance within AQARAT's Kuwait portfolio, reflecting the energy requirements of commercial, residential, and mixed-use properties under the Company's defined reporting boundary. Consumption data includes both common area operations and tenant usage, providing a comprehensive view of energy demand across the assets. Monitoring this data enables AQARAT to evaluate building performance, support operational decision-making, identify efficiency opportunities, and manage the environmental impacts associated with property operations.

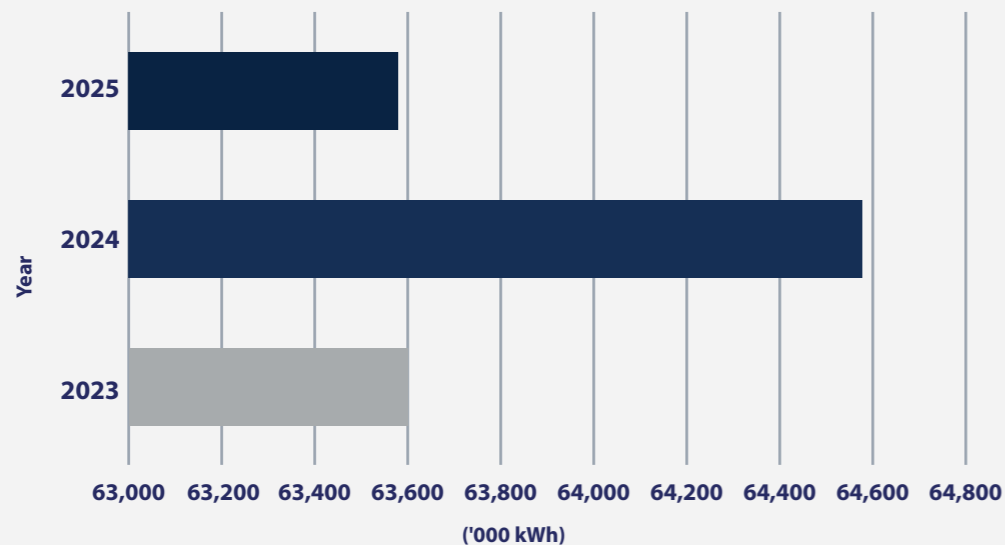
Energy demand across the portfolio is primarily driven by building services and infrastructure, including air-conditioning systems, lighting, elevators, water systems, and tenant activities. To improve energy performance, AQARAT continues to implement initiatives aimed at optimizing resource use and enhancing operational efficiency. These efforts include LED lighting upgrades, HVAC optimization measures, preventive maintenance programs, utility metering, cooling tower improvements, and leak detection and repair initiatives. Together, these measures support more efficient building operations while maintaining tenant comfort and service quality.

During 2025, total electricity consumption across the reporting boundary amounted to 63.6 million kWh, compared to 64.6 million kWh in 2024. Over the same period, estimated annual energy savings increased from 2.30 million kWh in 2023 to 2.45 million kWh in 2025, reflecting the cumulative impact of efficiency measures implemented across the portfolio.

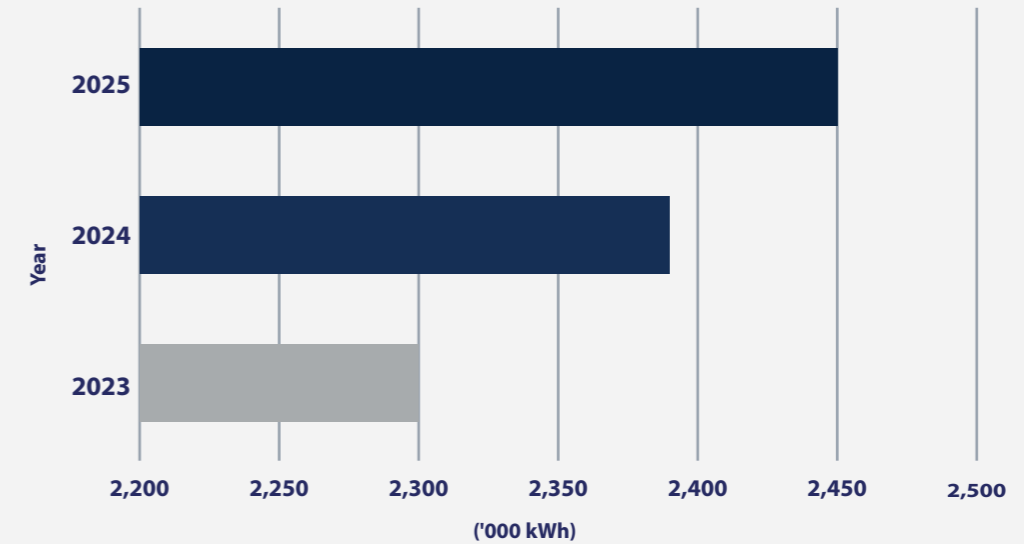
In addition to electricity consumption, AQARAT monitors fuel consumption associated with company-owned vehicles. During 2025, petrol consumption totaled 108,900 litres. Although representing a smaller component of the Company's overall energy footprint, fuel consumption remains an important contributor to operational greenhouse gas emissions and is therefore included within environmental performance monitoring.

## Energy Performance and Efficiency

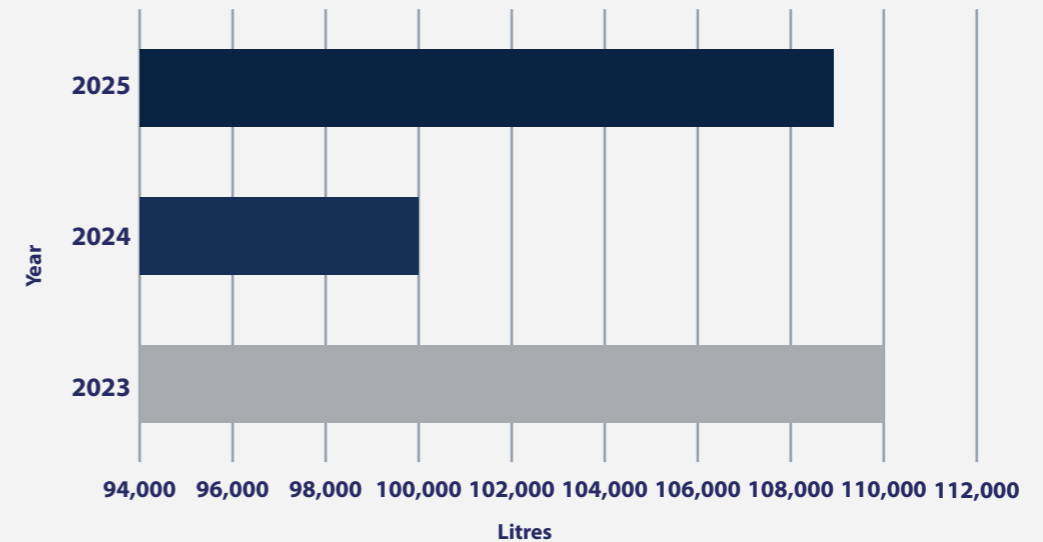
### Electricity Consumption



### Estimated Energy Savings



### Petrol Consumption (Owned Vehicles)



## GREENHOUSE GAS EMISSIONS

AQARAT quantifies greenhouse gas emissions associated with activities within its reporting boundary in accordance with the Greenhouse Gas Protocol. Emissions are categorized into direct emissions (Scope 1) and indirect emissions from purchased electricity (Scope 2).

The Company's greenhouse gas inventory incorporates emissions sources relevant to its operations, including fuel consumption, electricity consumption, refrigerants, and fire suppression systems.

### Scope 1 Emissions

**3,058**  
tCO<sub>2</sub>e

### Scope 2 Emissions

**38,771**  
tCO<sub>2</sub>e

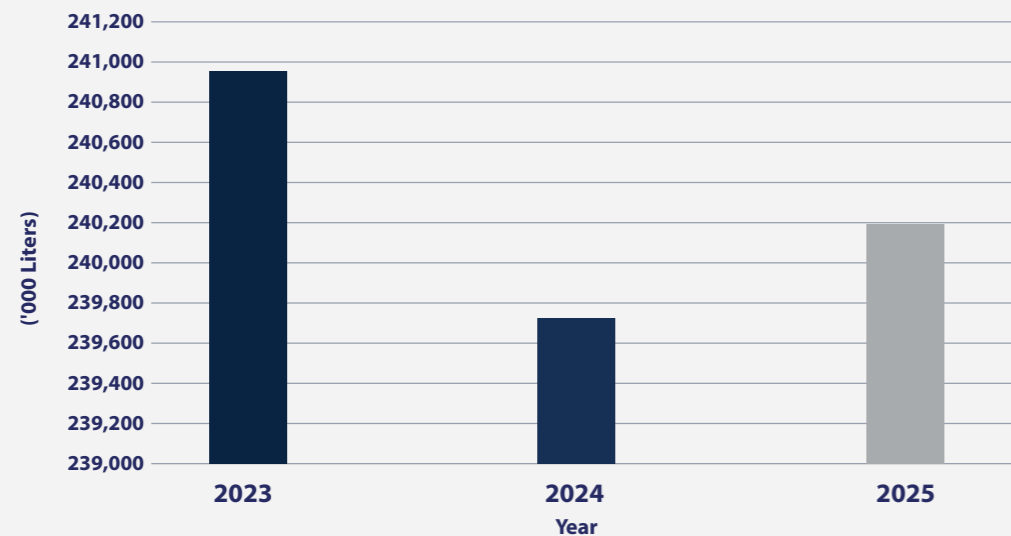


## WATER MANAGEMENT

Water consumption is associated with the operation of AQARAT's commercial, residential, and mixed-use properties, where water is used to support tenant activities, common area services, cooling systems, landscaping, and other building operations. The Company monitors water consumption across properties within its defined reporting boundary to support responsible resource management, identify efficiency opportunities, and assess the environmental impacts associated with water use.

AQARAT implements various measures aimed at improving water efficiency across its portfolio. These initiatives include the optimization of cooling tower operations, upgrades to water-efficient plumbing fixtures, routine inspections, and proactive leak detection and repair programs. Together, these measures contribute to optimizing water consumption while maintaining operational reliability and service quality.

**Total Water Consumption**



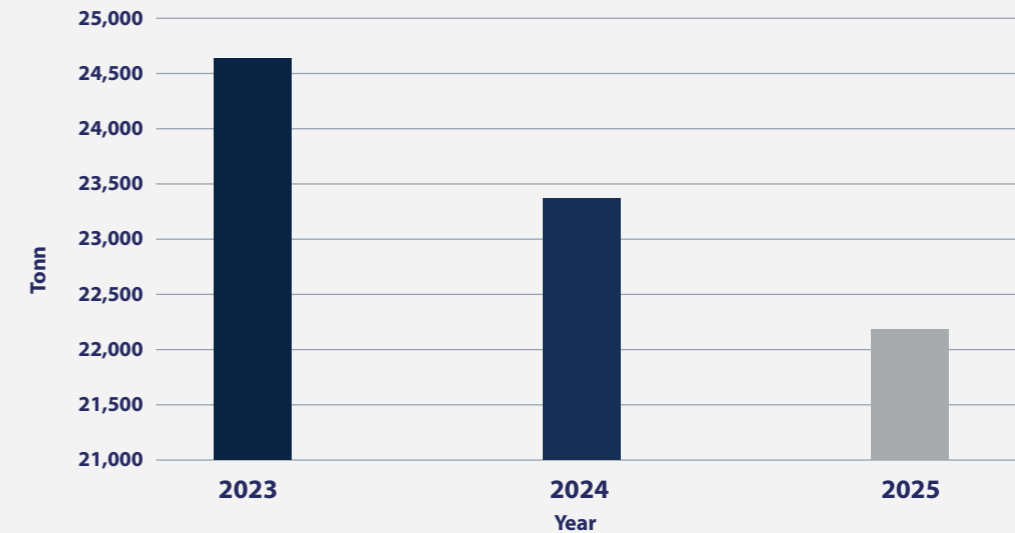
## WASTE MANAGEMENT

Waste generation is an inherent aspect of operating commercial, residential, and mixed-use properties, arising from tenant activities, common area operations, maintenance activities, and routine building services. AQARAT monitors waste generated across its Kuwait properties to support responsible waste management practices, maintain safe environments, and identify opportunities to improve resource efficiency.

The Company has established waste collection and handling arrangements across its properties to facilitate the timely removal and disposal of waste. Waste is collected through a network of designated collection points, including 660-litre waste containers distributed across various sites and larger collection containers located at key property locations. Waste is collected daily and transferred to authorized waste management contractors for off-site handling and disposal.

During 2025, total waste generated across AQARAT's reporting boundary amounted to 22,235 tons, representing a 5% decrease compared to 23,406 tons in 2024. This reduction reflects the continued implementation of waste management and collection practices across the portfolio, supporting efficient property operations and responsible waste handling.

**Total Waste Generated**





# 07

## GOVERNANCE AND ETHICS

## BOARD STRUCTURE AND OVERSIGHT

AQARAT's Board of Directors comprises eight members, including one executive member, two independent members, and five non-executive members. The Board brings together a range of professional experience, skills, and knowledge relevant to the Company's activities. Its composition supports effective oversight and enables the formation of the required Board committees.

### Committee Members



**Ibrahim S. Al-Therban**  
Chairman



**Talal Jassim Al-Bahar**  
Vice-Chairman & CEO



**Naser Abdullatif Al-Manea**  
Board Member



**Mohammad Issam Al-Bahar**  
Board Member



**Khaled Saeed Esbaita**  
Board Member



**Marzouq Jassim Al-Bahar**  
Board Member



**Mishari Abdullah Al-Dakhil**  
Board Member



**Ahmad Faisal Al Qatami**  
Board Member

The Board of Directors is responsible for setting the Company's strategic direction and overseeing its performance, governance, and compliance. Its key responsibilities include:

### Strategy and Financial Oversight

- Approve the Company's objectives, strategies, plans, and key policies.
- Approve annual budgets and review periodic and annual financial disclosures.

### Governance and Compliance

- Establish and oversee the corporate governance framework and monitor its effectiveness.
- Ensure compliance with applicable laws, regulations, and internal policies.
- Safeguard the accuracy and integrity of disclosures in line with transparency requirements.

### Oversight and Performance Monitoring

- Monitor the performance of executive management and ensure effective implementation of responsibilities.
- Evaluate the performance of Board members and executive management.

### Structure and Committees

- Establish specialized Board committees and define their roles, responsibilities, and authorities.
- Ensure clear segregation of duties between the Board and executive management.

### Reporting and Accountability

- Prepare an annual report to the General Assembly on compliance with corporate governance requirements.
- Ensure that approved policies and procedures support effective decision-making and transparency.

### Risk Committee

The Risk Committee supports the Board in overseeing the Company's risk management framework, ensuring that risks are identified, assessed, and managed in line with the Company's activities and risk appetite.



**Ahmad Faisal Al-Qatami**

Chairman of the  
Committee, Independent



**Mohammad Issam Al-Bahar**

Committee Member,  
Non-executive



**Marzouq Jassim Al-Bahar**

Committee Member,  
Non-executive

## Roles and Responsibilities

### Risk Strategy and Oversight

- Review risk management strategies and policies and recommend them to the Board for approval.
- Ensure the implementation of approved risk strategies and their alignment with the Company's activities.

### Risk Governance and Framework

- Review the risk management structure and provide recommendations prior to Board approval.
- Verify the independence of risk management functions from operational activities.

### Risk Monitoring and Control

- Support the Board in defining the Company's risk appetite and ensure it is not exceeded.
- Review key risk-related issues raised by the Audit Committee.

### Resources and Risk Culture

- Ensure adequate resources, systems, and processes are in place for effective risk management.
- Promote awareness of risk management practices and ensure employees understand the risks relevant to their roles.



## Nomination and Remuneration Committee



**Ibrahim S. Al-Therban**

Chairman of the  
Committee, Non-executive



**Mohammad Issam Al-  
Bahar**

Committee Member,  
Non-executive



**Mishari Abdullah Al-  
Dakhil**

Committee Member,  
Non-executive

The Nomination and Remuneration Committee supports the Board in overseeing Board composition, succession planning, and remuneration practices, ensuring alignment with the Company's strategy and governance requirements.

## Roles and Responsibilities

### Board and Executive Nominations

- Recommend the nomination and re-nomination of Board members and executive management
- Assess required skills and competencies for the Board on an annual basis
- Review and evaluate applications for executive positions

### Remuneration Framework

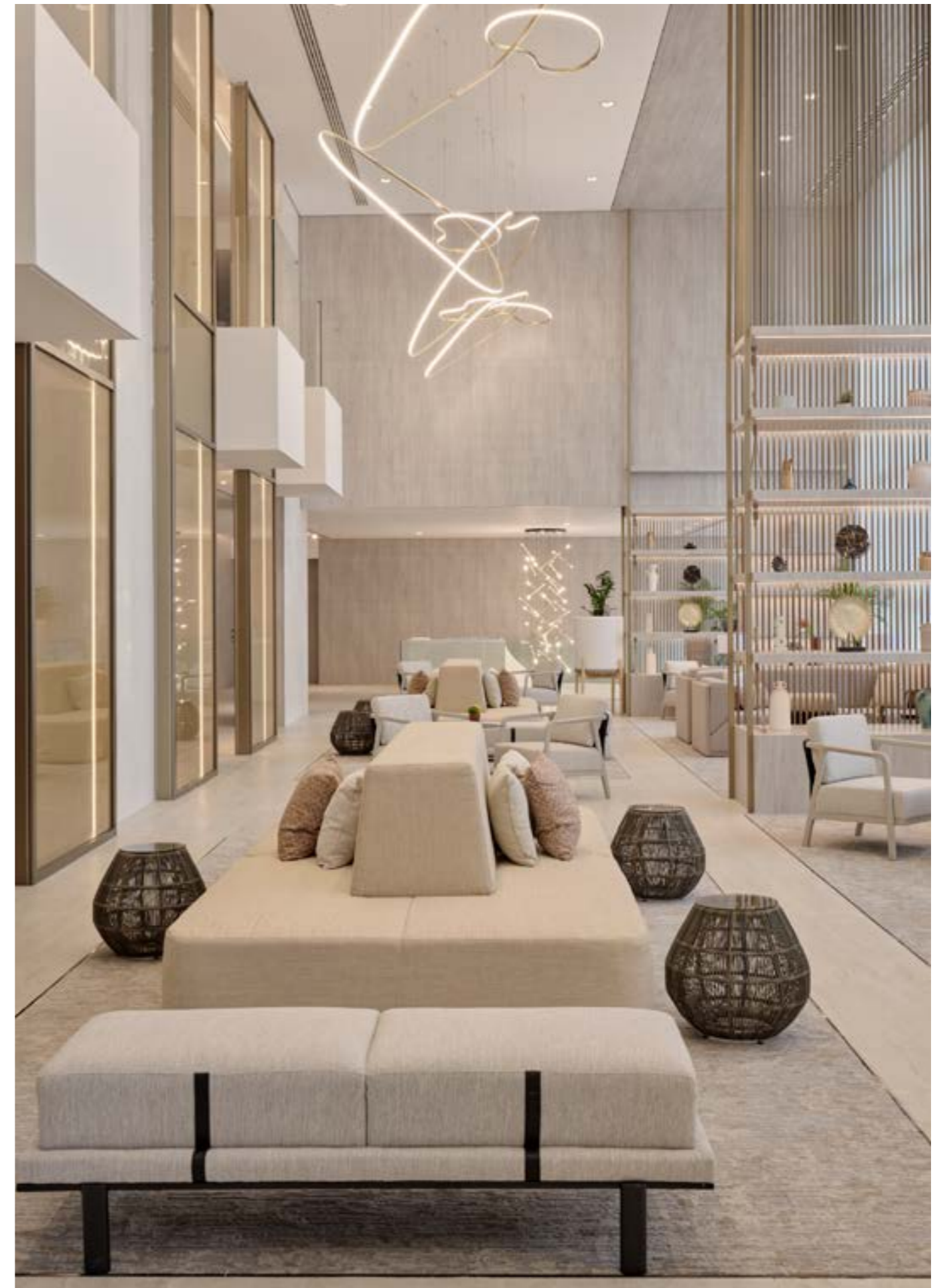
- Establish and review the remuneration policy for Board members and executive management.
- Approve grading and salary structures across the organization.
- Define remuneration categories, including salaries, benefits, and incentives.

### Governance and Independence

- Develop job descriptions for executive, non-executive, and independent Board members.
- Ensure the independence of independent Board members.

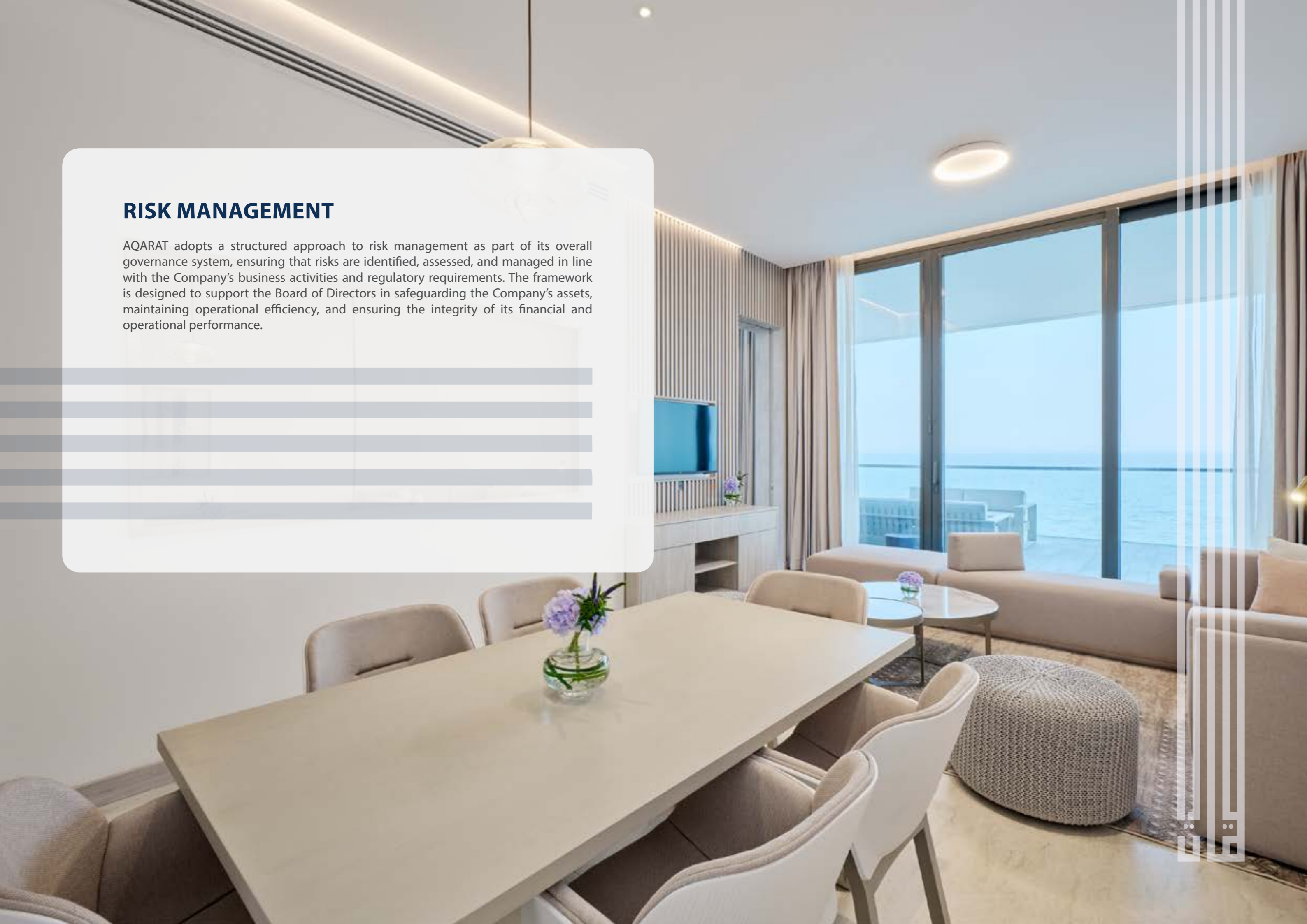
### Reporting and Disclosure

- Prepare an annual report detailing all remuneration granted to Board members and executive management, including salaries, benefits, and other privileges.



## RISK MANAGEMENT

AQARAT adopts a structured approach to risk management as part of its overall governance system, ensuring that risks are identified, assessed, and managed in line with the Company's business activities and regulatory requirements. The framework is designed to support the Board of Directors in safeguarding the Company's assets, maintaining operational efficiency, and ensuring the integrity of its financial and operational performance.



**Governance and Oversight**

The Board of Directors is responsible for overseeing the Company’s risk management framework, supported by the Risk Management Committee. The Committee reviews risk management strategies and policies prior to their approval by the Board and ensures their implementation and alignment with the nature and size of AQARAT's activities.

It also supports the Board in determining the Company’s acceptable level of risk and ensures that the Company operates within this defined risk appetite.

**Risk Identification and Monitoring**

AQARAT has established systems and mechanisms to identify, measure, and monitor various types of risks to which the Company may be exposed. These include evaluating risk management processes, reviewing risk assessment reports, and identifying any shortcomings in existing controls to ensure timely corrective action.

The Company regularly reviews and discusses risk assessments and mitigation measures with management to ensure that major risks are effectively managed.

**Risk Identification and Monitoring Framework**

Component	Description
<b>Identification</b>	Systematic identification of potential financial, operational, and strategic risks across activities
<b>Measurement</b>	Use of defined methodologies and criteria to assess likelihood and impact of risks
<b>Monitoring</b>	Continuous tracking of risk exposure and changes in risk profile over time
<b>Assessment Review</b>	Periodic review of risk assessment reports to evaluate key risk exposures
<b>Control Evaluation</b>	Assessment of existing controls to identify gaps or weaknesses
<b>Corrective Actions</b>	Implementation of timely mitigation measures to address identified shortcomings
<b>Management Engagement</b>	Regular discussions with management to review risk assessments and mitigation plans

**Risk Management Function**

The Company maintains a dedicated Risk Management function responsible for overseeing risk-related activities. This function operates with a degree of independence from operational activities and is supported by adequate resources and systems to perform its role effectively.

In addition, AQARAT ensures that risk management staff possess a clear understanding of the Company’s risk exposure and promotes awareness of risk culture across the organization.

**Internal Control Integration**

Risk management is integrated within AQARAT'S internal control systems, which cover all company activities and departments. These systems are designed to ensure the accuracy of financial data, safeguard assets, and enhance operational efficiency. The Company applies structured control measures, including clear segregation of duties, defined authorities, and regular oversight, to support effective risk management.

**Reporting and Continuous Oversight**

The Risk Management Committee prepares periodic reports on the nature of risks faced by the Company and submits them to the Board of Directors. These reports support ongoing oversight and enable informed decision-making at the Board level.



## POLICIES AND PROCEDURES

AQARAT has established a comprehensive framework of policies and procedures to support ethical conduct, regulatory compliance, and effective governance. These policies provide clear guidance on expected behaviors, decision-making processes, and accountability mechanisms across all levels of the organization, ensuring alignment with applicable laws, regulatory requirements, and leading governance practices.

### Code of Business Conduct and Ethics

AQARAT's Code of Business Conduct and Ethics serves as the foundation of its governance framework, setting out the principles and standards that guide the conduct of employees, executive management, and the Board of Directors. The Code promotes a culture of integrity, professionalism, and accountability, requiring all employees to act in the best interests of the Company and its stakeholders.

It establishes expectations related to compliance with laws and regulations, integrity in business practices, protection of confidential information, and responsible use of company resources. The Code also outlines clear responsibilities for management and employees in maintaining ethical conduct and provides mechanisms for addressing breaches. It is subject to periodic review and approval to ensure continued alignment with regulatory developments and organizational requirements.

### Data Privacy and Confidentiality

AQARAT maintains a Data Privacy and Confidentiality Policy to ensure the protection of sensitive information across its operations. The policy applies to all individuals with access to company data, including Board members, executive management, employees, and external stakeholders where applicable.

The policy requires that confidential business, financial, and personal information is handled with the highest level of care, preventing unauthorized access, disclosure, or misuse. It establishes controls over the use, storage, and transmission of information, while requiring employees to take reasonable steps to safeguard data and report any suspected breaches. These measures support compliance with regulatory requirements and reinforce trust with stakeholders.

### Whistleblowing and Ethical Reporting

AQARAT has implemented a Whistleblowing Policy to foster transparency and accountability by enabling employees and stakeholders to report concerns related to unethical conduct, regulatory breaches, or other irregularities.

The policy provides confidential reporting channels, including the option for anonymous disclosures, and ensures that all concerns are handled in a fair, timely, and objective manner. It also establishes protection for whistleblowers against retaliation, reinforcing a culture where individuals are encouraged to raise concerns without fear. Reported matters are subject to structured investigation processes, with findings escalated to senior management and appropriate corrective actions implemented where required.

### Conflict of Interest

AQARAT has adopted a Conflict-of-Interest Policy to ensure that decisions are made objectively and in the best interests of the Company. The policy requires Board members, executive management, and employees to disclose any actual or potential conflicts and to avoid situations where personal interests may interfere with their professional responsibilities.

The policy establishes clear procedures for disclosure and review, including documentation of conflicts in Board deliberations and the requirement for individuals to abstain from decision-making where conflicts exist. It also prohibits the misuse of position, confidential information, or company assets for personal benefit, thereby safeguarding the integrity of business operations.

### Anti-Corruption and Ethical Conduct

AQARAT's approach to anti-corruption is embedded within its Code of Business Conduct and Ethics and related governance policies, which collectively promote integrity, transparency, and fair dealing in all business activities.

The Company prohibits all forms of bribery, fraud, and improper advantage, including the acceptance of gifts, benefits, or commissions that may influence business decisions or create conflicts of interest. Employees are expected to conduct their duties with honesty and professionalism, ensuring that all transactions are carried out in a transparent and ethical manner.

### Policy Governance and Review

AQARAT ensures that all policies are subject to periodic review and continuous improvement to reflect changes in regulatory requirements, internal processes, and the external operating environment. Policy updates are reviewed by executive management and approved by the Board of Directors, ensuring appropriate oversight and accountability.

The Company also emphasizes the communication and implementation of policies across the organization, ensuring that employees understand their responsibilities and that compliance is monitored through internal controls and oversight functions.

## DIGITAL RESILIENCE

AQARAT maintains a robust digital resilience framework designed to ensure the continuity, security, and reliability of its operations. This framework integrates business continuity planning, cybersecurity controls, redundancy infrastructure, and internationally recognized management systems to safeguard critical systems and data.



### Business Continuity and Disaster Recovery

AQARAT operates a structured IT Service Continuity Management framework, supported by defined procedures for backup, recovery, and system restoration. Critical business systems, including enterprise resource planning (ERP), financial systems, databases, and file servers, are continuously protected through a combination of backup and replication technologies.

#### AQARAT Implements a Multi-layered Backup Architecture, Including:

- Daily automated backups of all virtual machines and databases.
- Real-time replication to a disaster recovery (DR) environment.

This layered approach enhances resilience against data loss, system failure, and cyber threats.

To validate its resilience capabilities, AQARAT conducts periodic disaster recovery and failover testing. During a full outage simulation of the head office domain controllers, systems remained operational through the DR environment, with uninterrupted user authentication, internet access, and email connectivity. Additionally, full system and file-level restoration tests from backup systems were successfully completed, confirming the integrity and recoverability of business data.

### IT Infrastructure Reliability

#### AQARAT's IT Infrastructure is Designed for High Availability and Operational Reliability. Regular System Assessments Confirm:

- Core servers, storage systems, and network components are performing optimally.
- High availability (HA) configurations for storage and virtual environments are functioning effectively.
- Backup, replication, and monitoring systems are fully operational and regularly tested.

Across both primary and disaster recovery sites, infrastructure components, including servers, storage systems, network switches, and backup platforms, are maintained under continuous monitoring, with no critical system errors identified during recent checks.

ZERO
Critical System Errors

Additionally, uninterrupted power supply (UPS) systems and controlled server room environments further support operational continuity and minimize downtime risks.

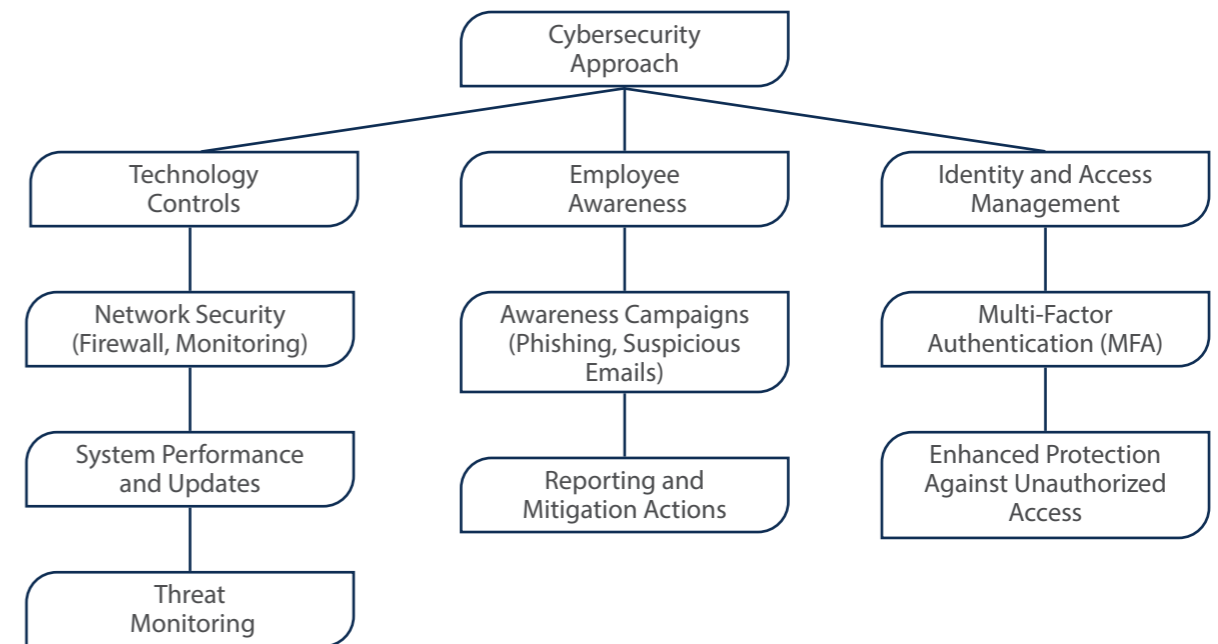
### Cybersecurity and Data Protection

AQARAT adopts a proactive approach to cybersecurity, combining technology controls with employee awareness initiatives.

Network security is maintained through enterprise-grade firewall solutions, and intrusion monitoring, with all systems operating under optimized performance and regularly updated firmware. Security monitoring reports confirm no significant intrusion or threat events during the reporting period.

ZERO
Cybersecurity Incidents

At the organizational level, employees are regularly informed of emerging cyber risks. For example, internal communications are issued to raise awareness of phishing attempts and suspicious emails, with clear guidance on reporting and mitigation actions. In parallel, AQARAT is implementing identity and access management controls, including multi-factor authentication (MFA) across its systems, enhancing protection against unauthorized access.



**System Availability and Monitoring**

**AQARAT’s digital environment is supported by continuous monitoring and automated management tools, enabling:**

- Real-time tracking of system performance and availability
- Automated backup and replication job execution
- Proactive identification and resolution of technical issues

Core business applications and IT services operate under structured monitoring platforms, ensuring high system uptime and operational transparency.

**Governance and Certifications**

**AQARAT’s approach to digital resilience is aligned with internationally recognized standards. The company maintains:**

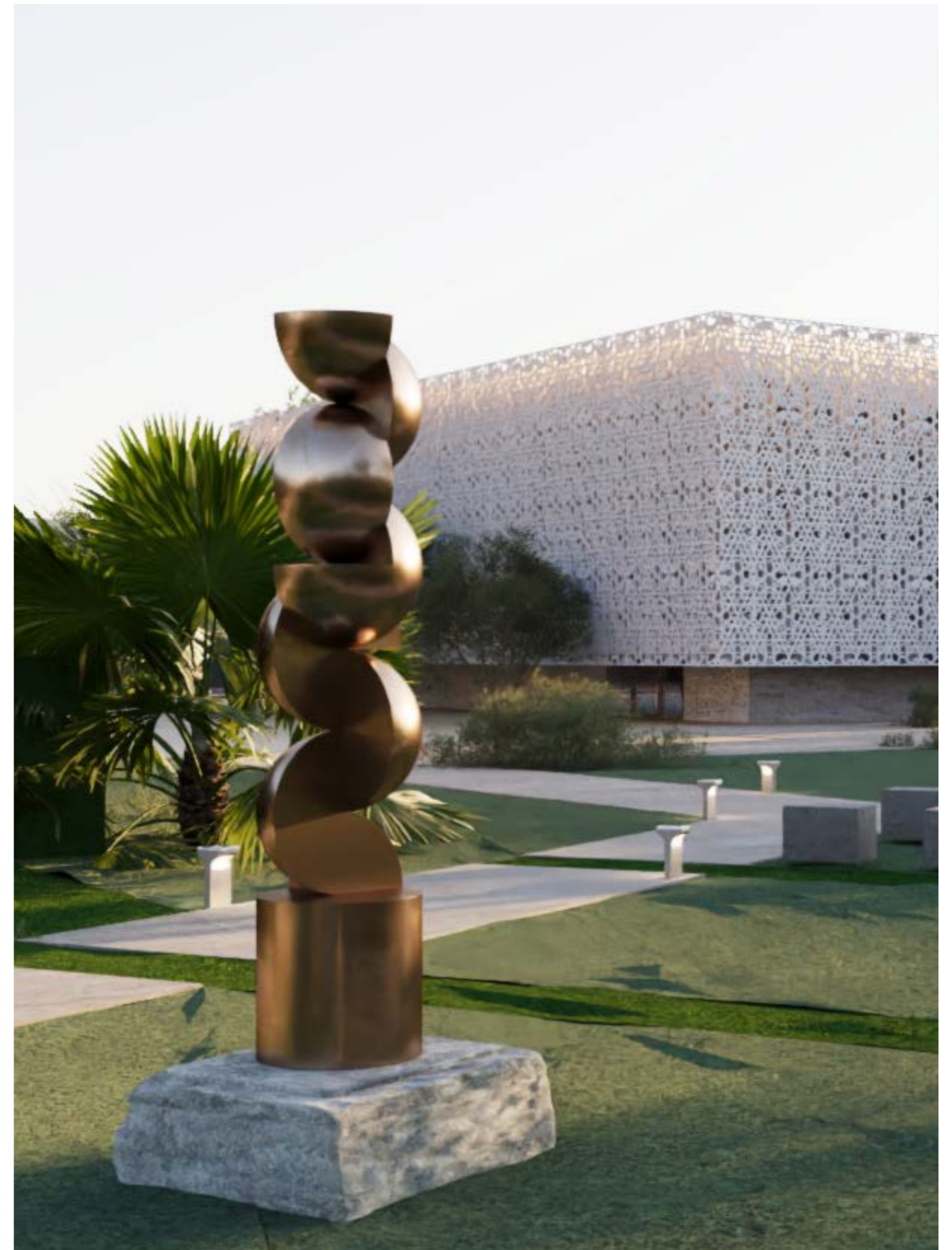
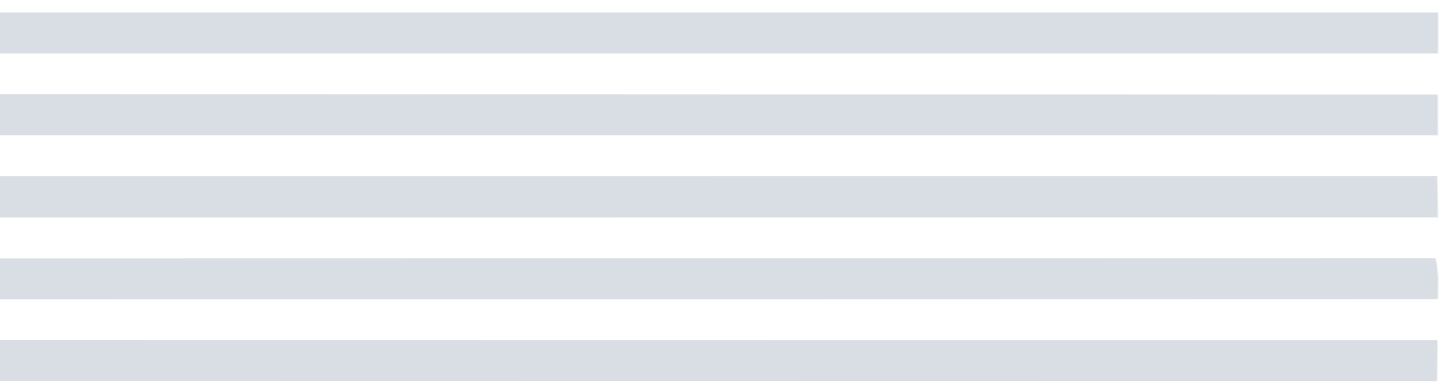


ISO/IEC 20000-1:2018 certification for IT Service Management Systems



ISO/IEC 27001:2022 certification for Information Security Management Systems

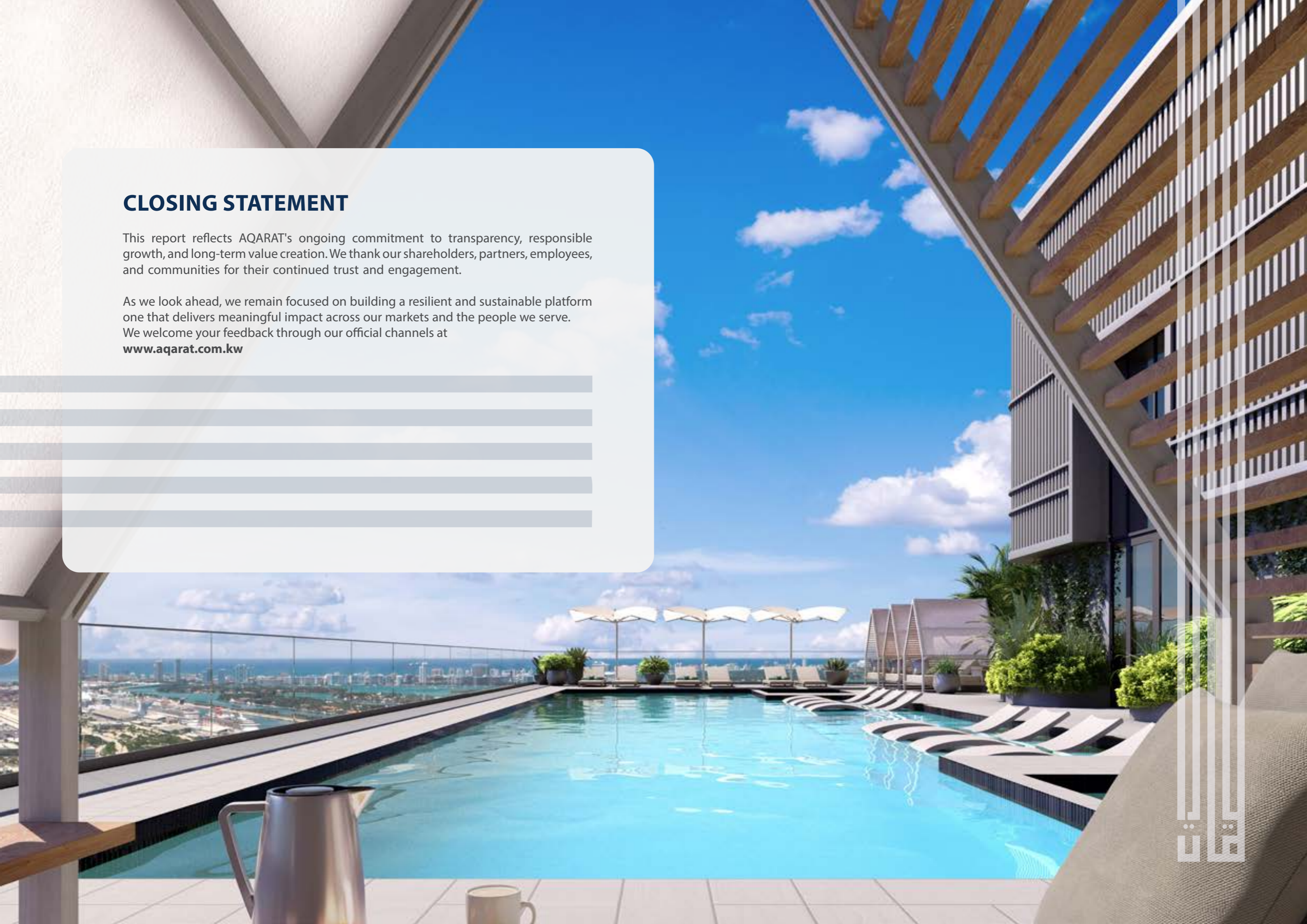
These certifications demonstrate AQARAT’s commitment to structured governance, continuous improvement, and adherence to global best practices in IT service delivery and information security.



## CLOSING STATEMENT

This report reflects AQARAT's ongoing commitment to transparency, responsible growth, and long-term value creation. We thank our shareholders, partners, employees, and communities for their continued trust and engagement.

As we look ahead, we remain focused on building a resilient and sustainable platform one that delivers meaningful impact across our markets and the people we serve. We welcome your feedback through our official channels at [www.aqarat.com.kw](http://www.aqarat.com.kw)





08

APPENDIX



# GRI INDEX

For the Content Index – Essentials Service, GRI Services reviewed that the GRI content index has been presented in a way consistent with the requirements for reporting in accordance with the GRI Standards, and that the information in the index is clearly presented and accessible to the stakeholders.

<b>Statement of Use</b>	Aqarat has reported in accordance with the GRI Standards for the period 2025/1/1 to 2025/12/31
<b>GRI 1 Used</b>	GRI 1: Foundation 2021

GRI Standard (General Disclosures)	DISCLOSURE	PAGE NUMBER AND/OR DIRECT ANSWER	OMISSION	
			REASON	EXPLANATION
<b>GRI 2: General Disclosures 2021</b>	2-1 Organizational details	About Aqarat (Pages 7-14)		
	2-2 Entities included in the organization's sustainability reporting	About this Report (Page 4)		
	2-3 Reporting period, frequency and contact point	About this Report (Page 4)		
	2-4 Restatements of information	About this Report (Page 4)		
	2-5 External assurance	This report has not been externally assured		
	2-6 Activities, value chain and other business relationships	About Aqarat (Pages 7-14)		
	2-7 Employees	Workforce Profile (Pages 41-42)		
	2-8 Workers who are not employees	Workforce Profile (Pages 41-42)		
	2-9 Governance structure and composition	Board Structure and Oversight (Pages 53-55)		
	2-10 Nomination and selection of the highest governance body	Board Structure and Oversight (Pages 53-55)		
	2-11 Chair of the highest governance body	Board Structure and Oversight (Pages 53-55)		
	2-12 Role of the highest governance body in overseeing the management of impacts	Board Structure and Oversight (Pages 53-55)		
	2-13 Delegation of responsibility for managing impacts	Board Structure and Oversight (Pages 53-55)		



GRI Standard (General Disclosures)	DISCLOSURE	PAGE NUMBER AND/OR DIRECT ANSWER	OMISSION	
			REASON	EXPLANATION
	2-14 Role of the highest governance body in sustainability reporting	Board Structure and Oversight (Pages 53-55)		
	2-15 Conflicts of interest	Policies and Procedures (Page 58)		
	2-16 Communication of critical concerns	Board Structure and Oversight (Pages 53-55)		
	2-17 Collective knowledge of the highest governance body	Board Structure and Oversight (Pages 53-55)		
	2-18 Evaluation of the performance of the highest governance body	Board Structure and Oversight (Pages 53-55)		
	2-19 Remuneration policies	Board Structure and Oversight (Pages 53-55)		
	2-20 Process to determine remuneration	Board Structure and Oversight (Pages 53-55)		
	2-21 Annual total compensation ratio	Omitted	Confidentiality Constraints	Omitted due to employee privacy and personal data protection considerations.
	2-22 Statement on sustainable development strategy	Ambitions and Alignment (Pages 34-35)		
	2-23 Policy commitments	Policies and Procedures (Page 58)		
	2-24 Embedding policy commitments	Policies and Procedures (Page 58)		
	2-25 Processes to remediate negative impacts	Ambitions and Alignment (Pages 34-35)		
	2-26 Mechanisms for seeking advice and raising concerns	Policies and Procedures (Page 58)		
	2-27 Compliance with laws and regulations	Policies and Procedures (Page 58)		
	2-28 Membership associations	Certifications and Associations (Page 28)		
	2-29 Approach to stakeholder engagement	Stakeholder Engagement (Page 36)		
	2-30 Collective bargaining agreements	Omitted	Not Applicable	Collective Bargaining Agreements are not applicable in the main country of operations



GRI Standard (General Disclosures)	DISCLOSURE	PAGE NUMBER AND/OR DIRECT ANSWER	OMISSION	
			REASON	EXPLANATION
<b>Material Topics</b>				
<b>GRI 3: Material Topics 2021</b>	3-1 Process to determine material topics	Materiality Assessment (Pages 37-39)		
	3-2 List of material topics	Materiality Assessment (Pages 37-39)		
<b>Energy Management</b>				
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Materiality Assessment (Pages 37-39)		
<b>GRI 302: Energy 2016</b>	302-1 Energy consumption within the organization	Energy and Emissions (Pages 49-50)		
	302-3 Energy intensity	Energy and Emissions (Pages 49-50)		
	302-4 Reduction of energy consumption	Energy and Emissions (Pages 49-50)		
<b>Water Management</b>				
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Materiality Assessment (Pages 37-39)		
<b>GRI 303: Water and Effluents 2018</b>	303-1 Interactions with water as a shared resource	Water Management (Page 51)		
	303-3 Water withdrawal	Water Management (Page 51)		
	303-4 Water discharge	Water Management (Page 51)		
	303-5 Water consumption	Water Management (Page 51)		
<b>Land Use and Biodiversity</b>				
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Materiality Assessment (Pages 37-39)		
<b>GRI 304: Biodiversity 2016</b>	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value	Sustainable Operations (Pages 24-27)		
	304-2 Significant impacts of activities, products, and services on biodiversity	Sustainable Operations (Pages 24-27)		



GRI Standard (General Disclosures)	DISCLOSURE	PAGE NUMBER AND/OR DIRECT ANSWER	OMISSION	
			REASON	EXPLANATION
	304-3 Habitats protected or restored	Sustainable Operations (Pages 24-27)		
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Sustainable Operations (Pages 24-27)		
<b>Sustainable Design and Construction</b>				
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Materiality Assessment (Pages 37-39)		
<b>GRI 302: Energy 2016</b>	302-1 Energy consumption within the organization	Sustainable Operations (Pages 24-27)		
	302-5 Reductions in energy requirements of products and services	Sustainable Operations (Pages 24-27)		
<b>GRI 305: Emissions 2016</b>	305-1 Direct (Scope 1) GHG emissions	Greenhouse Gas Emissions (Page 50)		
	305-2 Energy indirect (Scope 2) GHG emissions	Greenhouse Gas Emissions (Page 50)		
	305-5 Reduction of GHG emissions	Greenhouse Gas Emissions (Page 50)		
<b>Circular Economy</b>				
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Materiality Assessment (Pages 37-39)		
<b>GRI 306: Waste 2020</b>	306-2 Management of significant waste-related impacts	Waste Management (Page 51)		
	306-3 Waste generated	Waste Management (Page 51)		
	306-4 Waste diverted from disposal	Waste Management (Page 51)		
	306-5 Waste directed to disposal	Waste Management (Page 51)		
<b>Employee Health and Well Being</b>				
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Materiality Assessment (Pages 37-39)		
<b>GRI 403: Occupational Health and Safety 2018</b>	403-1 Occupational health and safety management system	Health, Safety, and Wellbeing (Pages 43-44)		



GRI Standard (General Disclosures)	DISCLOSURE	PAGE NUMBER AND/OR DIRECT ANSWER	OMISSION	
			REASON	EXPLANATION
	403-2 Hazard identification, risk assessment, and incident investigation	Health, Safety, and Wellbeing (Pages 43-44)		
	403-3 Occupational health services	Health, Safety, and Wellbeing (Pages 43-44)		
	403-6 Promotion of worker health	Health, Safety, and Wellbeing (Pages 43-44)		
	403-9 Work-related injuries	Health, Safety, and Wellbeing (Pages 43-44)		
	403-10 Work-related ill health	Health, Safety, and Wellbeing (Pages 43-44)		
<b>Kuwaitization</b>				
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Materiality Assessment (Pages 37-39)		
<b>GRI 202: Market Presence 2016</b>	202-2 Proportion of senior management hired from the local community	Workforce Profile (Pages 41-42)		
<b>GRI 401: Employment 2016</b>	401-1 New employee hires and employee turnover	Workforce Profile (Pages 41-42)		
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Human Capital (Page 40)		
<b>Diversity, Equity &amp; Inclusion (DEI)</b>				
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Materiality Assessment (Pages 37-39)		
<b>GRI 405: Diversity and Equal Opportunity 2016</b>	405-1 Diversity of governance bodies and employees	Workforce Profile (Pages 41-42)		
	405-2 Ratio of basic salary and remuneration of women to men	Workforce Profile (Pages 41-42)		
<b>GRI 406: Non-discrimination 2016</b>	406-1 Incidents of discrimination and corrective actions taken	No incidents of discrimination reported.		
<b>Community Engagement &amp; Social Investment</b>				
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Materiality Assessment (Pages 37-39)		
<b>GRI 413: Local Communities 2016</b>	413-1 Operations with local community engagement, impact assessments, and development programs	Corporate Social Responsibility (Pages 45-46)		

GRI Standard (General Disclosures)	DISCLOSURE	PAGE NUMBER AND/OR DIRECT ANSWER	OMISSION	
			REASON	EXPLANATION
	413-2 Operations with significant actual and potential negative impacts on local communities	Corporate Social Responsibility (Pages 45-46)		
<b>GRI 203: Indirect Economic Impacts 2016</b>	203-1 Infrastructure investments and services supported	Corporate Social Responsibility (Pages 45-46)		
	203-2 Significant indirect economic impacts	Corporate Social Responsibility (Pages 45-46)		
<b>Employee Engagement &amp; Development</b>				
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Materiality Assessment (Pages 37-39)		
<b>GRI 404: Training and Education 2016</b>	404-1 Average hours of training per year per employee	Human Capital (Page 40)		
	404-2 Programs for upgrading employee skills and transition assistance programs	Human Capital (Page 40)		
	404-3 Percentage of employees receiving regular performance and career development reviews	Human Capital (Page 40)		
<b>GRI 401: Employment 2016</b>	401-1 New employee hires and employee turnover	Workforce Profile (Pages 41-42)		
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Human Capital (Page 40)		
	401-3 Parental leave	Human Capital (Page 40)		
<b>Corporate Governance</b>				
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Materiality Assessment (Pages 37-39)		
<b>GRI 2: General Disclosures 2021</b>	2-9 Governance structure and composition	Board Structure and Oversight (Pages 53-55)		
	2-10 Nomination and selection of the highest governance body	Board Structure and Oversight (Pages 53-55)		
	2-11 Chair of the highest governance body	Board Structure and Oversight (Pages 53-55)		
	2-12 Role of the highest governance body in overseeing the management of impacts	Board Structure and Oversight (Pages 53-55)		
	2-13 Delegation of responsibility for managing impacts	Board Structure and Oversight (Pages 53-55)		



GRI Standard (General Disclosures)	DISCLOSURE	PAGE NUMBER AND/OR DIRECT ANSWER	OMISSION	
			REASON	EXPLANATION
<b>ESG Governance &amp; Leadership</b>				
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Materiality Assessment (Pages 37-39)		
<b>GRI 2: General Disclosures 2021</b>	2-14 Role of the highest governance body in sustainability reporting	Board Structure and Oversight (Pages 53-55)		
	2-22 Statement on sustainable development strategy	Ambitions and Alignment (Pages 34-35)		
<b>Risk Management</b>				
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Materiality Assessment (Pages 37-39)		
<b>GRI 205: Anti-corruption 2016</b>	205-1 Operations assessed for risks related to corruption	Risk Management (Pages 56-57); Policies and Procedures (Page 58)		
	205-2 Communication and training about anti-corruption policies and procedures	Risk Management (Pages 56-57); Policies and Procedures (Page 58)		
	205-3 Confirmed incidents of corruption and actions taken	Risk Management (Pages 56-57); Policies and Procedures (Page 58)		
<b>GRI 206: Anti-competitive Behavior 2016</b>	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Policies and Procedures (Page 58)		
<b>Digital Advancement</b>				
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Materiality Assessment (Pages 37-39)		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Digital Resilience (Pages 59-61)		
<b>Business Conduct</b>				
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Materiality Assessment (Pages 37-39)		
<b>GRI 205: Anti-corruption 2016</b>	205-1 Operations assessed for risks related to corruption	Policies and Procedures (Page 58)		
	205-2 Communication and training about anti-corruption policies and procedures	Policies and Procedures (Page 58)		
	205-3 Confirmed incidents of corruption and actions taken	Policies and Procedures (Page 58)		
<b>GRI 206: Anti-competitive Behavior 2016</b>	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Policies and Procedures (Page 58)		
<b>GRI 2: General Disclosures 2021</b>	2-23 Policy commitments	Policies and Procedures (Page 58)		
	2-26 Mechanisms for seeking advice and raising concerns	Policies and Procedures (Page 58)		
	2-27 Compliance with laws and regulations	Policies and Procedures (Page 58)		



# BOURSA KUWAIT INDEX

Metric	Description	Page Number and/or Direct Answer
<b>Environmental Metrics</b>		
<b>Greenhouse Gas (GHG) Emissions (Scope 1 &amp; 2)</b>	Total direct (Scope 1) and energy-indirect (Scope 2) GHG emissions, in tonnes of CO2 equivalent. A core climate metric indicating the company's carbon footprint.	"Scope 1: 3,058 tCO <sub>2</sub> e   Scope 2: 38,771 tCO <sub>2</sub> e   Total: 41,829 tCO <sub>2</sub> e (p. 50 - Greenhouse Gas Emissions section)"
<b>GHG Emissions - Scope 3</b>	Total indirect GHG emissions from the value chain (Scope 3), if significant, such as supply chain or product use emissions. Indicates broader climate impact beyond operations.	Scope 3 emissions are not included within the current reporting boundary.
<b>Emissions Intensity</b>	GHG emissions intensity, e.g., tonnes CO2 per output unit, revenue, or BOE. Normalizes emissions relative to business size or activity.	"Electricity consumption is 63.6 million kWh against KWD 39.4 million revenue (2025). (p. 49 - Energy and Emissions; p. 30 - Key Metrics)"
<b>Energy Consumption</b>	Total energy used, including direct energy (fuels) and indirect energy (electricity/steam) consumed, in MWh or GJ. Indicates the company's overall energy footprint.	"Electricity: 63,600 MWh (63.6 million kWh)   Petrol (owned vehicles): 108,900 litres Estimated annual energy savings: 2.45 million kWh (p. 49 - Energy and Emissions)"
<b>Energy Intensity</b>	Energy intensity, e.g., energy consumed per unit output or revenue. Measures energy efficiency of operations.	(p. 49 - Energy and Emissions)
<b>Energy Mix (Renewables %)</b>	Breakdown of energy sources used, including percentage from renewable sources versus fossil fuels. Shows transition to cleaner energy.	"Renewable energy consumption is not currently quantified; energy-efficiency initiatives include solar-powered outdoor lighting and LED deployment. (p. 27 - Th8 Sustainable Hospitality Operations)"
<b>Water Usage</b>	Total water withdrawn or consumed and water recycled or reclaimed, in cubic meters. Reflects the company's water footprint and conservation efforts.	"Approximately 241 million litres (241,000 m <sup>3</sup> ) in 2025. Water recycling: HVAC condensate water reused for landscaping at Domus Indigo Buildings. (p. 51 - Water Management; p. 26 - Domus Indigo Buildings)"
<b>Environmental Policy &amp; Management</b>	Existence of formal environmental management policies and systems, including policies on waste, water, energy, recycling, or energy management systems such as ISO 50001.	"Yes. ISO 14001:2015 Environmental Management System certified. LEED Gold certification for Souk Al-Kuwait and Souk Al-Kabeer. Initiatives include LED upgrades, HVAC optimization, leak detection, and cooling tower improvements. (p. 28 - Certifications and Associations; p. 49 - Energy and Emissions)"
<b>Climate Governance and Risk Mitigation</b>	Whether the Board or executive management explicitly oversees climate-related risks and opportunities. Indicates if climate change is integrated into governance structures.	"Yes. Board of Directors oversees ESG strategy and risk management. Risk Management Committee reviews climate-related risks. ESG Governance & Leadership is a material topic rated High importance to business. (p. 53-57 - Board Structure and Oversight; Risk Management; p. 38 - Materiality Assessment)"
<b>Climate Risk Mitigation Investments</b>	Annual investment, CAPEX, or R&D spend in climate change mitigation or adaptation projects, such as renewable energy, energy efficiency, climate-resilient infrastructure, or low-carbon product development.	"Green building initiatives (LEED Gold), energy efficiency CAPEX (LED upgrades, HVAC improvements), and water conservation measures are implemented. (p. 49 - Energy and Emissions; p. 28 - Certifications)"



Metric	Description	Page Number and/or Direct Answer
<b>Social Metrics</b>		
<b>Employee Turnover</b>	Annual employee turnover rate, typically broken out by employee type such as full-time, part-time, and contractors. Indicates retention and stability of the workforce.	"Workforce turnover is monitored through internal HR systems. (p. 41-42 - Workforce Profile)"
<b>Gender Diversity (Workforce Composition)</b>	Gender breakdown of employees at different levels, including total workforce, entry/mid-level roles, and senior/executive positions. Shows representation of women across the organization.	"Total workforce: 78% Male, 22% Female   Senior/Board level: 0 female board members New hires 2025: approximately 3 male, 2 female. (p. 41-42 - Workforce Profile)"
<b>Training and Learning</b>	Average training hours per employee, total investment in training and development, percentage of employees receiving performance/career development reviews, and qualitative summary of key programs.	"Training programs exist (on-the-job, in-house, external) but average training hours and total investment are not quantitatively disclosed. 100% of employees participate in annual performance reviews. (p. 40 - Human Capital - Learning and Development)"
<b>Temporary &amp; Contract Workers</b>	Proportion of workforce on non-permanent contracts, including part-time, contractor, or seasonal workers. Indicates reliance on contingent labor.	Reported workforce metrics cover employees within the reporting boundary.
<b>Non-Discrimination Policy</b>	Whether the company has a formal policy against discrimination and sexual harassment. Reflects commitment to equal opportunity and a safe workplace.	"Yes. Non-discrimination policy embedded in HR Policy Manual and Code of Business Conduct & Ethics. Equal opportunity and merit-based recruitment explicitly stated. (p. 40 - Human Capital; p. 58 - Policies and Procedures)"
<b>Injury Rate (Health &amp; Safety)</b>	Work-related injury rate, such as Lost Time Injury Frequency Rate (LTIFR), indicating workforce health and safety performance.	"No reported fatalities or lost time injuries in AQARAT. Also, Zero Lost Time Injuries (LTIs/LTIF) recorded at Domus Indigo Buildings and Th8 Palm Jumeirah during 2024 and 2025. (p. 26 - Domus Indigo Buildings; p. 27 - Th8; p. 43-44 - Health, Safety and Wellbeing)"
<b>Occupational Health &amp; Safety Policy</b>	Whether the company has a formal occupational health and/or safety policy in place. Shows systematic management of employee health and safety.	"Yes. ISO 45001:2018 Occupational Health and Safety Management System certified. Formal OHS procedures including risk assessments, permit-to-work systems, PPE requirements, and emergency response plans. (p. 28 - Certifications; p. 44 - Health, Safety and Wellbeing)"
<b>Human Rights Policy</b>	Whether the company has a formal human rights policy and whether it extends to suppliers/vendors. Covers commitments to fair labor practices, community impact, and respect for human rights.	"Equal opportunity, fair labor practices, and compliance with Kuwait Labor Law are referenced. (p. 40 - Human Capital; p. 58 - Policies and Procedures)"
<b>Nationalization (Kuwaitization)</b>	Percentage of the workforce that are Kuwaiti nationals and qualitative information on local hiring initiatives, including direct and indirect local job creation.	"27% of total workforce are Kuwaiti nationals (2025). (p. 41 - Workforce Profile; p. 38 - Materiality Assessment)"
<b>Community Investment</b>	Total investment in community programs and initiatives contributing to social, environmental, or economic development, expressed as a percentage of company revenues where applicable.	"KWD 41,300 total charitable donations and sponsorships   KWD 15,000 focused community initiative expenditure   10 CSR initiatives implemented in 2025. Partners: INJAZ Kuwait, Bayt Abdullah Children's Hospice, Kuwait Heart Foundation. All investments focused locally in Kuwait. (p. 45-46 - Corporate Social Responsibility)"



Metric	Description	Page Number and/or Direct Answer
<b>Governance Metrics</b>		
<b>Board Diversity</b>	Gender composition of the Board of Directors, including percentage of board seats and board committee chairs held by women versus men.	"8 board members total: 0 female (0%), 8 male (100%). (p. 53 - Board Structure and Oversight)"
<b>Board Independence &amp; CEO/Chair Separation</b>	Independence of the Board, including whether the company separates the CEO and Board Chair roles and the percentage of independent board seats.	"CEO and Board Chair roles are separated: Chairman is Ibrahim S. Al-Therban (Non-executive); Vice-Chairman & CEO is Talal Jassim Al-Bahar (Executive). Board: 1 executive, 2 independent, 5 non-executive members. Independent directors: 25% of board (2/8). (p. 53-54 - Board Structure and Oversight)"
<b>Supplier Code of Conduct</b>	Whether suppliers/vendors are required to adhere to a Code of Conduct covering ethics, labor, and environmental standards, and the percentage of key suppliers with certified compliance.	"Suppliers and contractors are evaluated against defined technical, financial, and operational criteria as part of the procurement and contractor management process. (p. 23 - Operational Excellence and Service Delivery - Responsible Partner and Contractor Management)"
<b>Ethics &amp; Anti-Corruption</b>	Whether the company has a formal ethics and/or anti-corruption policy and the percentage of employees who have certified compliance through training or annual sign-off.	"Yes. Code of Business Conduct and Ethics prohibiting bribery, fraud, and improper advantage. Whistleblowing Policy with confidential and anonymous reporting channels. Anti-corruption approach embedded in governance framework. (p. 58 - Policies and Procedures)"
<b>Data Privacy</b>	Policies and procedures to comply with data protection and information security requirements, including security measures, user consent mechanisms, and breach response plans.	"Yes. Data Privacy and Confidentiality Policy in place. ISO/IEC 27001:2022 Information Security Management System certified. ISO/IEC 20000-1:2018 IT Service Management certified. (p. 58 - Policies and Procedures; p. 61 - Digital Resilience)"
<b>External Assurance of ESG Data</b>	Whether sustainability disclosures are assured or verified by an independent third party, either for selected metrics or for the whole report.	"ESG data has not been subject to external assurance for the 2025 reporting period. (p. 4 - About This Report - External Assurance)"

