

The background of the page features a photograph of a rocky coastline with calm water. Overlaid on this image are numerous semi-transparent green triangles of various sizes and shades, creating a complex, abstract geometric pattern that covers most of the page.

Governance

With the development of governance standards, Humansoft is committed to following and adopting these standards and continuously complying with them through high standards of transparency and integrity, and proper regulation of the relationships between the board of directors and the executive management with stakeholders and compliance with the laws and regulatory guidelines by the Capital Markets Authority. The company's aim is to implement the principles of governance and considers making sound decisions as the foundation for this.

Governance Report of Humansoft Holding Company (KSCP)

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Governance Framework

Construction of a Balanced Board composition

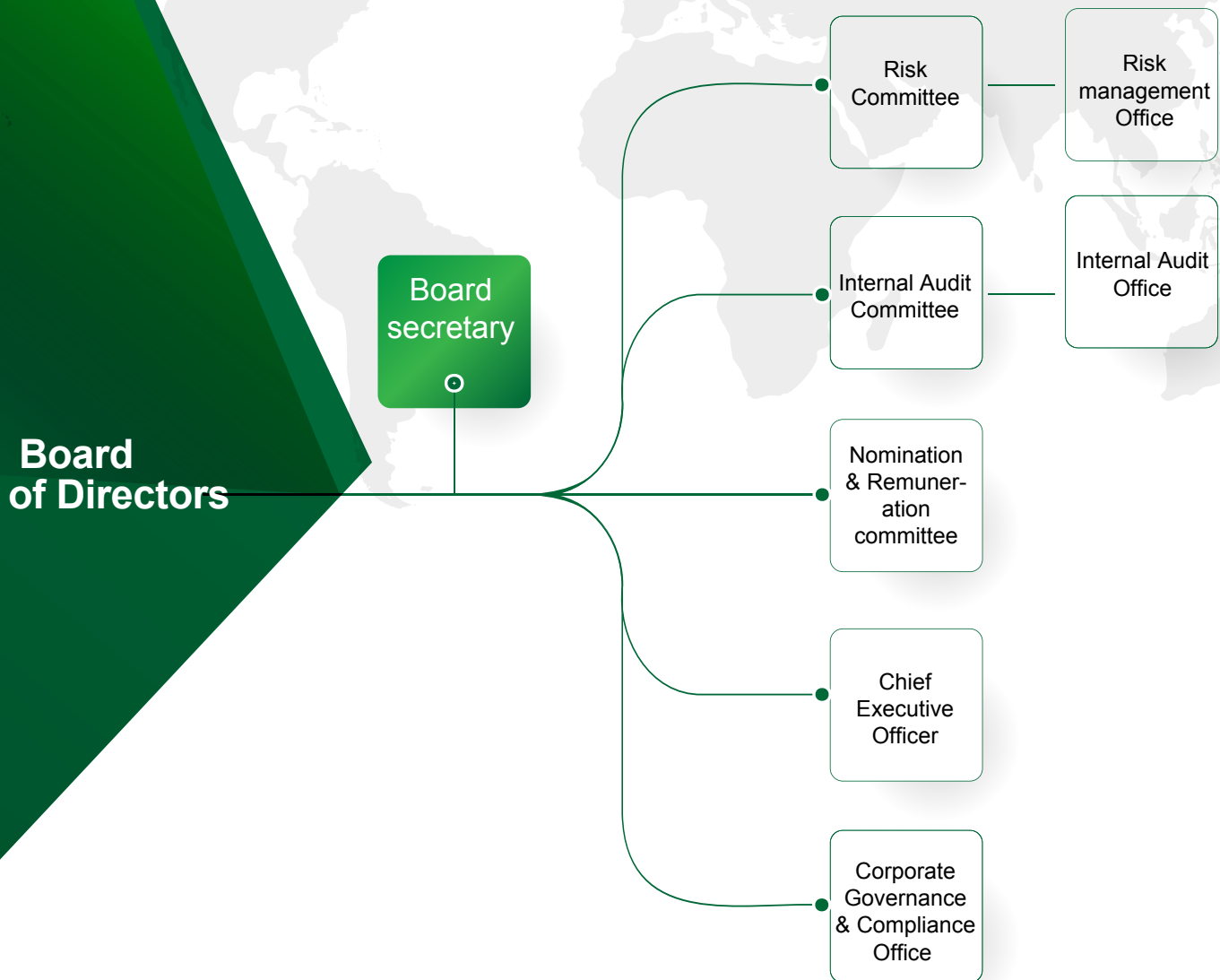
•Brief on the formation of the Board of Directors:

•During the year 2022, a new board of directors, chairperson, and a vice-chairman were elected, and a new board secretary was appointed

The company's Board of Directors consists of five members, who are elected and appointed by the company's General Assembly for a period of three years. The five members have academic qualifications and professional experience in the investment and economic sector and are listed hereunder:

Name	Classification	Qualification and Practical Experiences	Date Of Election /Appointment
Ms. Dalal Hasan Al Sabti	Non-executive	- University degree - Bachelor in Management Information System - More than 19 years of experience	20 March 2022
Mr. Tareq Fahad Al Othman	Non-executive	- University degree - Bachelor in Accounting - More than 16 years of experience	20 March 2022
Mr. Mayank Hasmukhlal Baxi	Non-executive	- University degree - Bachelor in Commerce - Chartered Accountant (CA) - More than 27 years of experience	20 March 2022
Mr. Abdulrazzaq Abdullah Mohammad	Independent	- University degree - Master in Law - More than 42 years of experience	20 March 2022
Mr. Hasan Qasem Al Ali	Non-executive	- University degree - Bachelor of Business Commerce - More than 22 years of experience	20 March 2022
Mrs. Nisreen Yasser Rashid	Board's Secretary	- University degree - Bachelor of Science in Computer Science and Mathematics - More than 17 years of experience	28 March 2022

✔ Organizational Structure and Committees



Summary of the Board's meetings as follows:

The Board of Directors held 11 meetings during the year of 2022

	Ms. Dalal Hasan Al Sabti (Chairperson of Board of Directors)	Mr. Tareq Fahad Al Othman (Vice Chairman of Board of Directors)	Mr. Mayank Hasmukhlal Baxi (Member)	Mr. Abdulrazzaq Abdullah Mohammad (Independent member)	Mr. Hasan Qasem Al Ali (Member)
Meeting No.(1) Date: 16/01/2022	✓	✓	✓	✓	✓
Meeting No.(2) Date: 07/02/2022	✓	✓	✓	✓	✓
Meeting No.(3) Date: 16/02/2022	✓	✓	✓	✓	✓
Meeting No.(4) Date: 28/03/2022	✓	✓	✓	✓	✓
Meeting No.(5) Date: 06/04/2022	✓	✓	✓	✓	✓
Meeting No.(6) Date: 11/05/2022	✓	✓	✓	✓	✓
Meeting No.(7) Date: 01/06/2022	✓	✓	✓	✓	✓
Meeting No.(8) Date: 16/06/2022	✓	✓	✓	✓	✓
Meeting No.(9) Date: 27/07/2022	✓	✓	✓		✓
Meeting No.(10) Date: 19/09/2022	✓	✓	✓	✓	✓
Meeting No.(11) Date: 31/10/2022	✓	✓	✓	✓	✓
No. of Meetings	11	11	11	10	11

*The sign (✓) when the board member attends the board's meeting.

*Ensure the scheduling of all board meetings during the year.

A summary on Modality of Implementation of the Requirements of Registration, Coordination and Archiving Board Meeting Minutes:

It is considered one of the company's obligations to be always keen to implement the requirements for saving and coordinating minutes' meetings, as well as keeping these minutes of meeting in a way that enables the members of the Board of Directors to revert back to them. The minutes of meetings are considered official records, and it is the responsibility of the board secretary in preserving these records and minutes and any decision related to them. Additionally, it is the responsibility of the board secretary to ensure the availability of these records upon request by members of the Board of Directors. Therefore:

1. The company maintains a special register of the minutes of Board meetings. As well as all reports related to the minutes of meetings.
2. Numbering the minutes of the meetings. A serial number, date, place and time of start and end of the meeting, In a way that allows sufficient time to discuss all clauses of the minutes and the names of members present in the meeting and absent members with excuse or without excuse are documented in the Board minutes.
3. Sending Invitations to the members of Board of Directors regarding the Board meetings no less than three working days.
4. Board members present at the meeting sign the minutes of the meeting.
5. Classifying the minutes of board meetings, recording its decisions and storing them in the Company's records, and enabling the Board members to obtain and view them at any time.
6. Adopting a policy that ensures compliance with the requirements of the Authority's regulations in this regard.
7. Ensure that concerned departments obtain the decisions of the Board of Directors and work to implement them.

The declaration of the independent member that it fulfills the controls of independence:

The independent member declares, through an acknowledgement issued by them, that they have nothing to prevent their independence as specified by the executive regulations of the Capital Markets Authority, as they:

1. Do not hold 5% or more of the company Shares or a representative of them.
2. Are not first degree relatives with any of the Members of the Board of Directors or Executive management members in the company or any other company in its Group or other relevant main parties.
3. Are not a member of the Board of Directors in any other company of the Group.
4. He is not an employee in the company or any company in the Group or for any of the Stakeholders.
5. He is not an employee for corporate entities who own Control shares in the company.

(A copy of the declaration is attached).

Acknowledgment and undertaking of the independent member

I, Abdul Razzaq Abdullah Muhammad, as an independent member of Humansoft Holding. I declare I have nothing to prevent my independence as specified by the executive regulations of the Capital Markets Authority:

1. I Do not hold 5% or more of the company Shares, neither does or a representative of mine.
2. I am not a first-degree relatives to any of the Members of the Board of Directors or Executive management members in the company or any other company in its Group or other relevant main parties.
3. I am not a member of the Board of Directors in any other company of the Group.
4. I am not an employee in the company or any company in the Group or for any of the Stakeholders.
5. I am not an employee for corporate entities that own Control shares in the company.

I also confirm that in the event of any change affecting my independence, I will notify the company in writing without any delay.

Abdulrazzaq Abdullah Mohammad

Establishment of Appropriate Roles and Responsibilities

An overview of how the company determines the policy of duties, responsibilities, and responsibilities of each of the members of the Board of Directors and the executive management, as well as the authorities and powers delegated to the executive management:

Among the tasks to the chairman of the board of directors is to chair the board and coordinate with the committees. Among the duties of the board of directors is to regularly attend meetings. Everyone must prioritize the interest of shareholders and stakeholders. The chairman of the board must chair the meetings in a way that ensures hearing all discussions and encourages active participation from members for the benefit of the company and shareholders. The leadership responsibility of the company rests with the board of Directors in terms of making important and effective decisions that contribute to raising the value of the company in a profitable and steady manner. And permanent monitoring of the company's performance

The Company's Board of Directors has adopted a policy that clarifies how to define the tasks, responsibilities, duties and powers of both the chairman and members of the board of directors and executive management in accordance with the Company's Articles of Association and the Rules of governance in the fifteenth Module of the Executive bylaws of Law No. 7 of 2010 for establishment of the Capital Markets Authority and their amendments and the Companies Law No. 1 of 2016. The Board of Directors, through a written authorization documented in the Minutes of the Board may delegate any of its powers to any member of the Board. The CEO exercises the functions and powers as specified in the policy in pursuance to the Board of Directors authorization.

The Board of Directors has the task of appointing the executive management by selecting competencies and setting performance standards for this department in line with the company's strategy and future goals.

In addition, specialized committees are formed to be appointed by the board of directors and to carry out the tasks assigned to them with a continuous evaluation of the work of these committees and their members by the board.

The Board of Directors also has the authority to approve the quarterly and annual financial reports and all operations of the Company.

The company is committed to the principles of governance in order to achieve its strategic goals and preserve the interests of shareholders through the

practical experiences of the Board of Directors and the Executive Management.

We present to you the most prominent achievements during this year:

The Company made a profits of 50,669,086 KD (Fifty Millions six hundred sixty nine thousands eighty six Kuwaiti dinars only), in the fiscal year 2022.

We also highlight the most important tasks that the Board of Directors carried out during this year:

- 1-Newly elected members of the board of directors were appointed by the general assembly and committees were formed by the board of directors (internal audit committee, risk committee, nominations and remuneration committee).
- 2-Approval of the company's annual and quarterly Financial Statements.
- 3- Approval of the governance report In line with the requirements of the Capital Markets Authority.
- 4- Discussing the Audit committee's recommendation for appointment of the auditors for the fiscal year ending on 31/12/2022.
- 5- Approving the annual report for the remuneration of the members of the Board of Directors and the Executive Management of the company submitted by the Remuneration and Nominations Committee to submit them to the General Assembly.
- 6-Approval of assigning an audit office to prepare the ICR report (Internal Control Report) for the year 2021 to be submitted to the Capital Markets Authority.
- 7- Approval of the key performance indicators (KPIs) for evaluating the Board of Directors and each of its committees.
- 8- Approving the Board of Directors' report for the annual general assembly on the company's activities and financial position for the fiscal year ending on December 31, 2021 and following up on the implementation of the approved strategies and plans.
- 9- Approval of the general framework for risk management and the risk register submitted to the Board of Directors by the Risk Management Committee.
- 10-Discussing and approving the risk appetite and studying any potential effects on the company.

11- Approval of the of the budget plan for the year 2022.

12- Discussing the progress report of the Risk Management Office submitted to the Board of Directors by the Risk Management Committee.

13- The Board of Directors recommended to the Annual General Meeting distribution of cash dividends for the fiscal year ending 31 December 2021 at the rate of 400 % of the nominal value of the share (i.e. 400 fils per share).

Brief overview of fulfillment of the requirements for the formation of independent Board's committees:

Internal Audit Committee	Risk Committee	Nomination & Remuneration Committee
Members of the Committee	Members of the Committee	Members of the Committee
Mr. Tareq Fahad Al Othman Chairman	Mr. Abdulrazzaq Abdullah Mohammad Chairman/ Independent	Mr. Tareq Fahad Al Othman Chairman
Mr. Hasan Qasem Al Ali Member	Mr. Tareq Fahad Al Othman Member	Ms. Dalal Hasan Al Sabti Member
Mr. Abdulrazzaq Abdullah Mohammad Member / independent	Mr. Mayank Hasmukhlal Baxi Member	Mr. Abdulrazzaq Abdullah Mohammad Member/ Independent
Committee's Secretary: Nisreen Rashid	Committee's Secretary: Nisreen Rashid	Committee's Secretary: Nisreen Rashid
Number of meetings-9	Number of meetings-5	Number of meetings-1

Name of the Committee: The Internal Audit Committee**-The tasks and achievements of the committee during the year:**

The committee consists of three members. The committee held nine meetings during the past year. Its role is to assist the Board of Directors in carrying out supervisory and control tasks. The company's internal regulations stated the responsibilities and powers of the Audit Committee include implementing internal control systems, the integrity of accounting reports and internal audit reports, preparing reports and providing appropriate recommendations and plans and submit them to the Board of Directors for approval. The committee achievements include:

1. The Committee reviewed the quarterly and annual financial statements and expressed its opinion and recommendation before submitting it to the Board of Directors for approval.
2. Meeting with the external auditors and follow up of their work, to ensure the accuracy of the financial statements.
3. Meeting with the Head of the Internal Audit Office and discussing with him the submitted reports.
4. Reviewing and approving the results of the internal audit office's report, in implementation of the approved internal audit work plan, and submit them to the Board of Directors.
5. Recommending to the Board of Directors the reappoint the external auditor.
6. Approving of the internal work plan of the year 2023.
7. Evaluate the internal office manager and ensure that his role is performed effectively.
8. Discussing the internal control report issued by the Independent Audit office, and recommending it to the Board of Directors.
9. Discussing the report to evaluate the performance of the internal audit department / office / unit every three years, and submitting its recommendation to the Board of Directors.
10. A new name was proposed for the position of the Head of the Internal Audit Office and the recommendation was made to the board of directors.
11. Preparing the Audit committee report to be read to the annual general assembly.

Date of formation of the committee: 28/3/2022 and its term ends with the end of the term of membership of board of directors.

2-The Name of the Committee: The Risk Management Committee**- The tasks and achievements of the committee during the year:**

The committee consists of three members. The committee held five meetings during the past year. One of its most important tasks is to review the reports issued by the Risk Management Office , as well The responsibilities of this committee include ensuring that the company does not exceed the risk tolerance levels set by the Board of Directors, and of its achievements:

1. The Committee approved the progress report of the risk management office and referred it to the company's Board of Directors for discussion and approval.
2. The Committee approved the general framework of the risk management office Including risk propensity and referred it to the company's Board of Directors.
3. The Committee approved the risk management office register and referred it to the company's Board of Directors.
4. Confirmation of adherence to international standards and procedures for work and the efficiency of resources and information systems.
5. Nominating a new name for the position of Head of the Risk Management Office and submitting its recommendation to the Board of Directors.

Date of formation of the committee: 28/3/2022 and its term ends with the end of the term of membership of board of directors.

3- Name of the Committee: The Nomination and Remuneration Committee

The committee consists of three members, and the committee held one meeting during the past year .The responsibilities and tasks of this committee include nomination and re-nomination for the positions of members of the Board of Directors and Executive Management and the annual evaluation of their competencies and skills..During the fiscal year, it was the following:

1. Approving the annual report for the remunerations of members of the Board of Directors and the executive management of the company.
2. Review the Key performance indicators (KPIs) for evaluating the company's Board of Directors of the company.
3. The Committee prepares the annual governance report and submits it to the Board of Directors.

Date of formation of the committee: 28/3/2022 and its term ends with the end of the term of membership of board of directors.

• **A brief overview modality of fulfillment of implementation of the requirements that allow members of the Board of Directors to have access to information and data accurately and in a timely manner.**

Board Members may ask for any information from the Board's Secretary. The Secretary is committed to providing the information and required documents precisely and in an appropriate time.

Recruitment of Highly Qualified Candidates for Members of the Board of Directors and the Executives Management

• **A brief overview of composition of the Nomination and Remuneration Committee:**

The Board of Directors established the Nomination and Remuneration Committee from three members, among whom one is an independent member of the Board of Directors. The committee is chaired by a non-executive member. The Secretary of the Committee register and keeps the minutes of the meetings in addition to carrying out the administrative works of the committee.

As mentioned in the first rule, the five members of the Board of Directors possess the academic qualifications and practical experience in the investment and economic sectors and the required competence in order to achieve the desired goals. The Nominations and Remunerations Committee is responsible for conducting the annual evaluation of these members.

The committee also reviewed the objective performance indicators (KPIs) to evaluate the Board of Directors and each of its committees.

1 Summary of the company's policy of compensations and incentives, specifically that related to Members of a Board of Directors, the Executive Management and the managers:

With regard to the remuneration of members of the Board of Directors, the Board of Directors, in its meeting held to discuss the annual financial statements, estimates the remuneration amount for each member of the Board, which is calculated based on the profits achieved and in accordance with the regulations of the law and Article 46 of the company's articles of association regarding the upper limit of the remuneration, which is 10% of the remainder of the profits

The Board recommends the amount of the remuneration at its meeting. Then, the recommendation gets submitted to the annual general assembly for approval. As for the remunerations of the executive management and managers, there are no variable remunerations given to the executive management and managers, and if any, this requires the approval of the Board of Directors.

2- Include the following two statements as follows:

In pursuance to the resolution of the annual general assembly, held on March 20 2022, the approved remuneration of the members of the board of directors for the fiscal year 2021, were distributed in the amount of K.D 50,000 for each member of the Board and with the total amount of K.D 250,000.

Remunerations and benefits of Members of Board of Directors							
Total number of members	Remunerations and benefits through the parent company				Remunerations and benefits through the subsidiaries		
	Fixed remuneration and benefits (Kuwaiti Dinar)		Variable remuneration and benefits (Kuwaiti Dinar)		Fixed remuneration and benefits (Kuwaiti Dinar)		Variable remuneration and benefits (Kuwaiti Dinar)
	Health insurance	Annual remuneration	Committees' remuneration		Health insurance	Monthly salaries (total of the year)	Annual remuneration Committees' remuneration
5		250,000					

* Details of the segments and types of remuneration and benefits mentioned are examples without limitation.

Total remunerations and benefits granted to five senior executives who have received the highest remunerations. This is in addition to the Chief Executive Officer and the financial manager or their deputy, if not included *														
Total executive positions	Remunerations and Benefits through the parent company							Remunerations and Benefits through the subsidiaries						
	Fixed remuneration and benefits (Kuwaiti Dinar)						Variable remuneration and benefits (Kuwaiti Dinar)	Fixed remuneration and benefits (Kuwaiti Dinar)						Variable remuneration and benefits (Kuwaiti Dinar)
	Monthly salaries (total of the year)	Health insurance	Annual tickets	Housing allowance	Transportations allowance	Children's education allowance	Annual remuneration	Monthly salaries (total of the year)	Health insurance	Annual tickets	Housing allowance	Transportations allowance	Children's education allowance	Annual remuneration
5	257,092	1,282	9,847	16,200	5,101	2,853	Nil	69,731	514	16,000	Nil	Nil	Nil	Nil

* Details of the segments and types of remuneration and benefits mentioned are examples without limitation.

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

Nil

Safeguard of the Integrity of Financial Reporting

- **A written undertaking of safety, integrity and accuracy of the financial reports.**

please refer to the financial statements section in the 2022 annual report .

- **A Brief Overview of the Implementation of the Requirements of the Formation of the Audit Committee:**

The Board of Directors formed the Audit Committee from three members from among its members. The Committee is chaired by a non-executive member. All members have academic qualifications and practical expertise. The Secretary of the Committee registers and keeps the minutes of the meetings, and carries out the administrative work of the Committee. The committee meets regularly on a quarterly basis. The committee met nine times over the past year.

As explained in the second rule, the responsibilities of the internal audit committee include monitoring the implementation of internal control systems and the integrity of accounting and internal audit reports and making recommendations in order to submit them to the Board of Directors for approval. All these responsibilities come within the framework of ensuring and ensuring the integrity of the quarterly and annual financial reports.

In the event of a conflict between the recommendations of the Audit Committee and the decisions of the Board of Directors (if any), a statement is included detailing and clarifying the recommendations and the reasons of the decision of the Board of Directors not to abide by them.

Occurrence: Not occurred

- **Emphasizing the Independence and Neutrality of the External Auditor:**

The responsibilities of the company's accountants in auditing financial reports and

data are among their most critical responsibilities, and the neutrality of these auditors is considered a fundamental requirement.

An independent external auditor is appointed annually with independence and impartiality from the Board of Directors. The Board of Directors makes sure that the external auditors do not provide any services to the company other than the services required for auditing and reviewing.

Nomination to appoint or reappoint the external auditors is part of the task of the audit committee.

The Audit Committee submits their names to the Board of Directors, which in turn recommends them to the General Assembly for approval. The General Assembly re-appointed Deloitte & Touche as auditors for the company for the fiscal year 2022.

Applying Sound Systems of Risk Management and Internal Audit

- **A brief statement of the implementation of the requirements for the establishment of an independent department / office / unit for risk management:**

A company's Risk Management Office was established on 29/6/2016. The office has a full technical independence according to regulatory requirements and reports directly to the Risk Committee. A new Head of Risk Management Office has been appointed on September 19, 2022.

- **A Brief Overview on the Implementation of the Requirements of Forming the Risk Management Committee:**

The Board of Directors formed a Risk Management Committee consisting of three Board members. The Committee is chaired by a non-executive (independent) member. All members also possess academic qualifications and practical expertise. The Secretary of the Committee is entrusted with registering and keeping the minutes of the Committee's

meetings, and carrying out the administrative works of the Committee. The Committee meets regularly on a quarterly basis. The committee met five times during the year.

One of the main tasks of the committee is to assess the degree and levels of risk tolerance that the company can avoid and all possibilities to reduce potential risks, as mentioned in the second rule.

It performs its role in reviewing the progress reports of the Risk Management Office and ensures compliance with global standards for risk management.

• **Brief Overview of Control and Internal Audit Systems**

The Company maintains a control and internal audit systems that cover all of its activities. Internal control systems aims at maintaining the integrity and accuracy of the company's financial statements and the efficiency of all its operations. It also aims to protect the rights of shareholders and raise the company's status. The principles of internal control are based on the dual control process (Four eyes Principles), through full separation of duties, dual inspection and control, and dual signature. The Company also developed an independent internal audit process as follows:

- The Internal Audit Office reports directly to the Audit Committee.
- The Board of Directors determines the duties and responsibilities of the internal audit; and the Audit Committee is responsible for monitoring the internal audit systems and their adequacy.

One of the company's goals is its keenness to implement internal management systems and ensure the commitment of all authorities directed to protect companies from any risks and to maintain the accuracy and integrity of the financial statements to help protect shareholders, rights.

The dual control process is an internal means of applying control systems. The Internal Audit Office affiliated to the Audit Committee is one of the entities responsible for monitoring the internal audit systems and ensuring its effectiveness.

• **A brief statement of the implementation of the requirements for the establishment of the independent department / office / unit for internal auditing.**

The Board of Directors formed an internal audit office on 29/6/2016. The office has a full technical independence and reports directly to the Audit Committee and indirectly subordinate to the Board of Directors. Based on the recommendation of the Audit Committee, a head of the Internal Audit Unit was appointed by the Board of Directors. The head of the Internal Audit Office is evaluated by the Audit Committee and ensures that his role is performed effectively. A new Head of the Internal Audit office has been appointed on September 19, 2022.

Promoting Code of Conduct and Ethical Standards

• **A Brief Overview of the Business Charter including standards and determinants of code of conduct and ethical standards:**

The Board of Directors has approved and adopted a Business charter of joint work conduct and its implementation for the Company. The Business Charter emphasizes a culture of professional and ethical behavior that enhances investor confidence in the company's financial integrity and safety. The Charter includes the commitment of all employees of the Company to the laws and internal policies of the Business Charter, and not to exploit their positions for personal gains. Maintaining confidentiality and maintaining information. The Business Charter stresses that necessity of following the standards and requirements for professional conduct and ethical standards,

in accordance with the Capital Market Authority's executive bylaws. It also deals with the Conflicts of interests, prohibiting bribery, and regulating the relationship of employees with each other on the one hand and between them and the company's clients on the other hand. The Charter also regulates reporting on violations of laws, policies and regulations of the company and the investigation process. This is in order to avoid violations that the company may be exposed to.

• **Summary of Policies and Mechanisms for Reducing Conflict of Interest Cases:**

A member of the Board of Directors is obligated to report to the Company's Board of Directors any personal interest he may have in any activity or contract of the company, provided the reporting is registered in the minutes of the meeting and that member has no right to discuss and vote in the matters in which has any personal interest. The Chairman of the Board of Directors must declare at the General Assembly meeting any conflict of interests of any member of the Board who has a personal interest in the activities and contracts of the company. This declaration must be accompanied by a special report from the auditor. The Board deals with these cases in an appropriate manner in line with regulatory requirements. The Conflict of Interest policy also prohibits the employees of the Company from working for a client or competitor of the company during their employment.

Timely and High Quality Disclosure and Transparency

• **A brief overview of the implementation of accurate and transparent presentation and disclosure mechanisms that define aspects, areas and characteristics of disclosure:**

The Company's Board of Directors has approved and adopted a disclosure and transparency policy, according to which the Company is committed to accurate and transparent

disclosure in accordance with the mechanisms set out in the executive bylaws of the Capital Markets Authority Law No. 7 of 2010 in Module 15 "Corporate Governance", Chapter 8 and Module 10 "Transparency and Disclosure". Disclosure aspects include material information, a list in the names of insiders, beneficiaries, remunerations for members of the Board of Directors, and any other disclosures required by the executive bylaws, quarterly and annual financial statements, any material information, any changes in the list of insiders, and the board of directors and executive management.

The Corporate Governance Office is responsible for supervising the disclosure process in order to ensure that the company adheres to the instructions and laws, and it is considered the authority responsible for communicating with the Capital Markets Authority or any regulatory authority, He must abide by the disclosure dates within the regulatory deadlines.

• **A brief overview on the Implementation of the Requirements of Maintaining Record of Disclosures by the Board of Directors , Executive Management and the managers :**

The existence of a disclosure register for the company ensures transparency and credibility. The Company maintains a special record for the disclosures made by members of the Board of Directors and executive management. The record is made available to all shareholders of the company. The Company updates the contents of this records periodically.

These disclosures can also be viewed through the Board of Directors' Disclosures Register on the company's website

• **A brief statement on the implementation of the requirements for forming Investor Relations Unit:**

The Company regulates the Investors' Relations by making available and providing the necessary data and information to investors in a timely and

accurate manner, through the recognized disclosure methods, including the company's website for receiving inquiries.

Also, these data and information are available to shareholders through the annual report, quarterly analysts' conference call, periodic reports, and others.

The analyst conference call is considered one of the important conferences in which shareholders are contacted directly, receiving all their inquiries and questions and answering them.

Also, one of the objectives of the Investor Relations Management Office who have competence and experience is to communicate with shareholders and investors on a permanent and continuous basis, with the aim of improving the company's position in the local and international market and attracting the largest number of investors and shareholders .

The company is also always keen to deal with all shareholders with honesty and equality and not to favor any personal interests at the expense of other interests.

• **A brief overview developing information technology infrastructure, and relying heavily on it for disclosures:**

The company adopts the use of information technology for communication with shareholders, investors and stakeholders. A page dedicated to corporate governance has been created on the website of the Company, through which all recent information and data that may assist shareholders, current and potential investors to exercise their rights and evaluate the company's performance are displayed. It also includes all the disclosures and results of the periodic financial reports, and the company's information is updated on the Boursa Kuwait website. The Governance Department also communicates with the Capital Markets Authority through e-mail and the Authority's website.

Respect of the Rights of Shareholders

• **A summary of the implementation of the requirements for defining and protecting the general rights of shareholders, in order**

to ensure justice and equality among all shareholders:

The Company follows its policy of "the General Assembly Guide and the Rights of Shareholders in the Company", which was approved by the company's Board of Directors in pursuance to Module 15, Chapter 9 ("Respecting the Rights of Shareholders"). The Company's policy guarantees in its activities to all shareholders, protection of their rights and equality and protecting their investments from misuse, whether by the CEO, the Company's Board of Directors or major shareholders.

All shareholders have equal rights to obtain their share of the dividends, attend the general assembly meetings of the Company and vote on its decisions, discuss financial statements, run for membership in the Board of Directors, elect members of the board of directors, monitor the company's performance and the work of the Board of Directors and questioning them if they neglect to carry out their tasks or exceed the powers entrusted to them.

The company holds an analysts' conference on a quarterly basis, in which it discusses the financial results with shareholders and answers their inquiries. The company's management is always keen to respond and communicate the shareholders' questions and inquiries.

The disclosure register, through which the shareholders can view all developments in the company, is a means through which they obtain all information.

• **A summary of establishing a special register to be kept with the clearing agency, as part of the requirements for continuous monitoring of shareholders' data:**

The Company has a special register for its shareholders with the Kuwait Clearing Company. The Company is notified on a daily basis on trades during the day, the names of the shareholders, their numbers and the percentage of ownership of each of them. This Shareholders register is updated on a daily

Basis, and coordination is made with the Kuwait clearing in order to prepare all shareholders' invitations for the general assembly.

- **A brief overview of encouraging shareholders to participate and vote in the assembly meetings of the company:**

The good financial performance of the company encourages the shareholders to attend the assembly meetings. Also, opening discussion and answering questions of the shareholders and enriching the discussions for the topics of the agenda encourages the shareholders represented in the meeting to participate in the discussion and enrich the meeting and to cast their vote on the decisions of the general assemblies of the Company. The company also sends an invitation to all shareholders to attend the General Assembly through a disclosure that can be viewed on the company's website on the stock exchange, with prior determination of the agenda, its items, and the place and time of the meeting so that the shareholders can attend the meeting and discuss all items with the members of the Board of Directors and vote on them. The invitation is also published on the Kuwaiti daily newspapers and the company's website.

Recognizing the Role of Stakeholders

- **An overview of the systems and policies that ensure protection and recognition of the rights of stakeholder:**

The Company recognizes stakeholders in conformity with the definition of the CMA Executive Bylaws which includes all persons who have an interest with the company, including employees, clients, suppliers, creditors, etc. In its dealings with stakeholders, the Company acknowledges their legal and contractual rights and is committed to perform of those rights in their due dates.

Any event that can occur, must be taken into consideration by the Board of Directors, the Executive Management and the affiliated committees so as not to affect the interests of shareholders

- **A brief overview on how to encourage stakeholders to participate in following up the company's various activities:**

The Company strives to provide better working conditions for its employees, build a relationship of trust and respect between the employee and the company, and involve them in decision-making matters related to improving their work and discusses their suggestions. The company's policies also obligated the employees to report any of the violations, and sets out a mechanism for reporting and protecting the reporter who reported in good faith but his report was found not to be correct.

The company adopts a policy of reporting violations and a policy for complaints in order to guarantee the rights of stakeholders and increase their trust in the company.

The Company also strives to build constructive relationships with clients and suppliers based on mutual trust and respect and commitment to its contractual obligations as good faith requires. The Company welcomes any complaint submitted by any of the stakeholders and will study it carefully and respond to it accordingly.

Encouragement and Enhancement of Performance

- **Summary of the implementation of the requirements for setting mechanisms enabling the members of the Board of Directors and the Executive Management to obtain continuous programs and training courses:**

The company has a policy for training of the members of the Board of Directors and Executive Management. This policy regulates the introduction of induction programs for new members and continuous training for the members of the Board of Directors and the Executive Management through attending training programs, workshops and conferences related to their training needs. The aim behind this is to help members of the Board of Directors to make their decisions at a level of high professionalism.

• **Summary of evaluating the performance of the Board of Directors as a whole, and the performance of each member of the Board of Directors and Executive Management:**

According to the policy adopted by the company, the evaluation is based on the Key Performance Indicators (KPIs) connected with extent of achieving the strategic goals of the company, the quality of risk management and the sufficiency of the internal control systems and that in accordance with the approved procedures, standards and models for the evaluation of the Board of Directors, each of the members of the Board, the Board Committees and Executive Management of the Company.

One of the most important tasks of the annual nominations and remunerations committee is to review the key performance indicators (KPIs) to evaluate the Board of Directors of the company.

• **A brief overview of the efforts of the Board of Directors to create corporate values (Value Creation) for employees in the Company, through achieving strategic goals and improving performance rates:**

The Board of Directors strives to create the corporate values of the Company through serious and continuous work to achieve the strategic goals of the Company and improve performance and full compliance with the applicable laws and regulations and in particular the Governance Rules. The Company's culture contributes greatly to improving the work environment and the performance of its employees, as the company's culture strives to qualifying employees and increasing their knowledge and creating optimal working environment. It also encourages teamwork and cooperation among employees and appreciate initiatives and creative work. The company also strives to enhance the employees' feeling of belonging to the Company.

Humansoft's commitment to Corporate Social Responsibility

HumanSoft's always highlights two main topics:

- Environment
- Social

Through its subsidiaries, HumanSoft has been keen to organize many initiatives, activities and programs related to above topics:

Environment

- AUM, one of the largest affiliates of HumanSoft, is a member of the Principles of Responsible Management (PRME) of the United Nations Global Compact.
- AUM has been ranked as the most sustainable University in Kuwait, and #237 worldwide by UI GreenMetric World University Ranking.
- AUM celebrated "Sustainability Day" by organizing a workshop for its students, titled "Paper Recycling Workshop" with the aim of introducing them to how to recycle, and to make them aware of the importance of this process to protect natural resources and preserve the environment.
- AUM collaborated with Schlumberger (SLB) to launch "The Sustainability Village" on campus; a project that aimed to highlight the importance of the 17 sustainable development goals of the United Nations, plus the local sustainability goals for modern Kuwaiti families.
- AUM hosted the THE MENA Universities Summit 2022, as the first event of its kind in Kuwait, in the presence of professionals and academics from various international and regional universities and educational institutions. The summit mainly aimed to exchange experiences on building and developing a comprehensive vision for higher education sector in the region for a more sustainable future. In addition to discussing how universities can better collaborate with various companies and other educational institutions to develop relationships, address skills gaps, and explore how to stimulate the transition to a knowledge-based and sustainable economy through the adoption and inclusion of new educational models such as micro-accreditation and lifelong learning miles.

- The Chemistry Department and Young Inventors Club at AUM launched the "The Chemistry Souq" to introduce students to chemistry and its importance, not only within the university, but in life generally. The event included seminars and workshops related to environmental sustainability topics. In addition to a range of fun activities related to chemistry.
- AUM organized a panel discussion entitled "United for Sustainable Development" for faculty members. The lecture included many discussions about the role of higher education in sustainable development and the 2030 Agenda. And how AUM faculty members are keen to reflect the concept of "sustainability" in their education, with AUM providing them with appropriate resources that would help in presenting it properly to their students.

Social

- In an initiative to encourage safe driving among its students, AUM collaborated with Kuwait Oil Company (KOC) to launch "Safe Driving" campaign to spread awareness of safe driving among them.
- Participation of AUM and ACM students in various sports competitions in order to create a healthy environment for its positive effects on the student's athletic and academic performance.
- AUM participated as a strategic sponsor in RoadRush, Kuwait's largest event for professional female racers; as part of the university's social responsibility to empower women and support talents.
- To introduce its students to new cultures and celebrate diversity, AUM organized a special Japanese evening for its students and alumni.