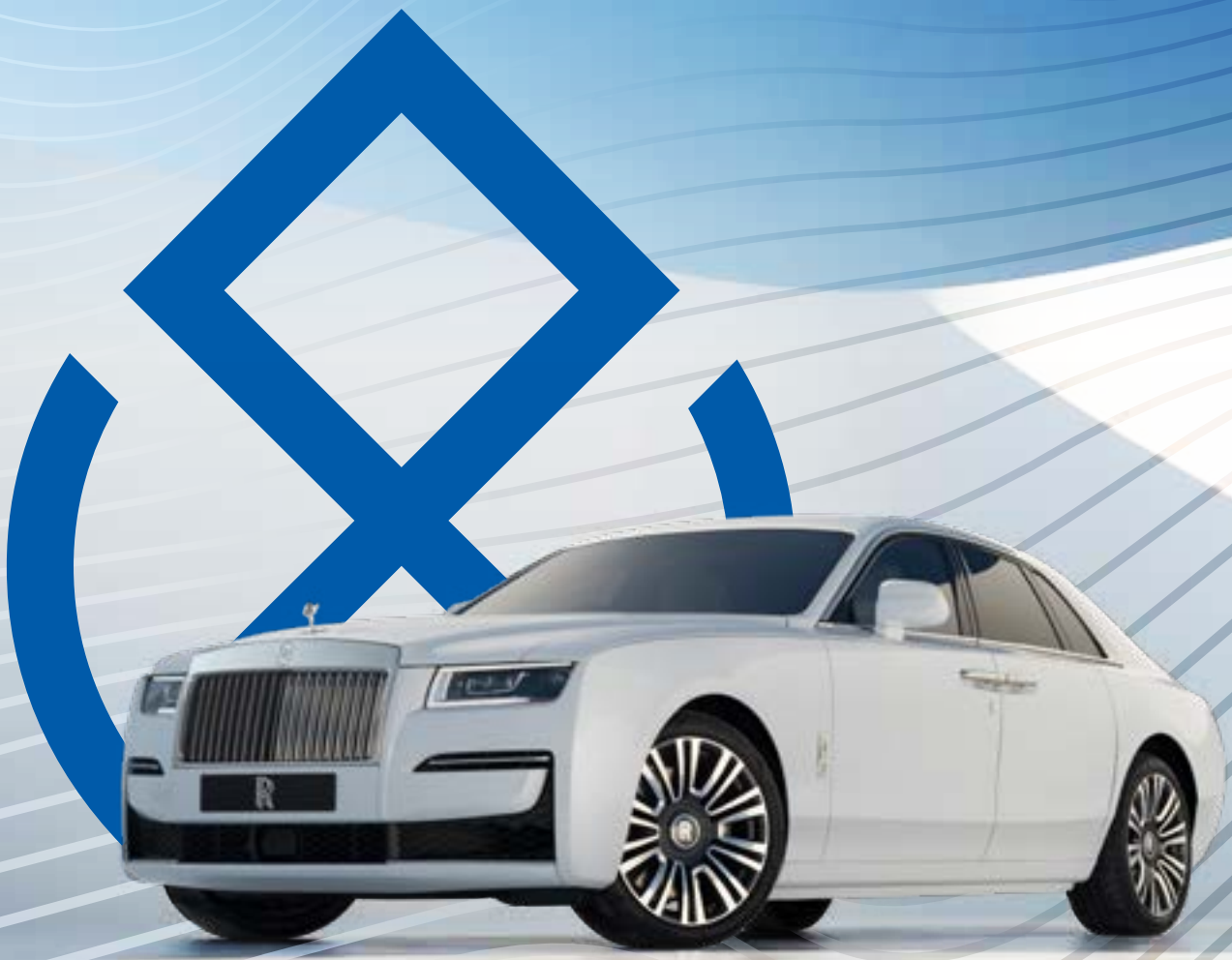
Governance Report



Introduction

Ali Alghanim Sons Automotive Company seeks, through the implementation of sound corporate governance practices, to embed advanced institutional frameworks that ensure decisions are taken in a prudent and effective manner, while upholding the highest standards of transparency and accountability.

The Company focuses on building a balanced institutional environment that integrates operational innovation with organizational stability, thereby strengthening its ability to achieve sustainable growth.

The Company's governance practices are grounded in a firm conviction that effective governance goes beyond mere regulatory compliance to become a core pillar of risk management, value protection, and the reinforcement of trust with shareholders, customers, and business partners. This approach supports business continuity and enhances the Company's capacity to adapt to economic and operational changes.

Within this context, Ali Alghanim Sons Automotive Company places increasing emphasis on environmental, social, and governance considerations as an integral extension of its corporate governance framework. Environmental and social factors are incorporated into operational policies and decision-making mechanisms in a manner consistent with the nature of the Company's activities in the automotive and related services sector.

This orientation supports the proactive management of long-term risks, enhances operational efficiency, safeguards the Company's institutional reputation, and ensures responsiveness to stakeholder expectations, thereby preserving institutional value and reinforcing long-term sustainability.

The Board of Directors oversees the implementation of this approach through an established governance framework, by setting strategic directions, approving policies and regulatory frameworks, supervising financial and operational performance, and ensuring the effectiveness of internal control, risk management, and compliance systems. The Board also ensures a clear separation between its supervisory responsibilities and the roles of executive management, which enhances the quality of decision-making and mitigates conflicts of interest.

This Governance Report provides a comprehensive overview of the governance practices adopted by the Company. It has been prepared in accordance with the applicable laws and regulations in the State of Kuwait, as well as the relevant directives issued by supervisory and regulatory authorities. The report reflects the Company's commitment to applying the highest standards of integrity, accountability, and sound governance, in support of long-term value creation and the strengthening of stakeholder confidence.

Rule One

Building a Balanced Board Structure

The Board of Directors of Ali Alghanim Sons Automotive Company adopts a balanced organizational structure that is consistent with the size of the responsibilities assigned to it. Each member possesses the knowledge, skills, and experience required to enable the Board to perform its duties efficiently and effectively, in addition to having a comprehensive understanding of the company's activities, which contributes to enhancing the quality of decision-making.

The Board of Directors was elected at the Annual General Assembly held on 28 March 2024 for a period of three years.

The Board is responsible for leadership, supervision, and oversight of the executive management.

The Board consists of a sufficient number of members that allows the formation of committees derived from it. It includes seven members, most of whom are non-executive members, in addition to two independent members and one executive member.

Overview of the Board of Directors' Composition

Summary of the Board Composition

Name	Member Classification (Executive / Non-Executive / Independent / Board Secretary)	Academic Qualification	Election / Appointment Date
Eng. Fahad Ali Alghanim	Chairman of the Board Non-Executive	Bachelor's Degree in Civil Engineering – Kuwait University	**28/03/2024**
Mr. Yousef Abdullah Al-Qatami	Vice Chairman of the Board Chief Executive Officer	Bachelor of Science in Business Administration, Finance & International Management – Boston University, USA	**28/03/2024**
Eng. Ali Marzouq Ali Alghanim	Board Member Non-Executive	Bachelor of Science in Industrial & Systems Engineering – University of Southern California, USA	**28/03/2024**
Mr. Mohammad Khaled Alghanim	Board Member Non-Executive	Bachelor's Degree in Finance – Loyola Marymount University, USA	**28/03/2024**
Mr. Ali Abduljaleel Behbehani	Board Member Non-Executive	Master's Degree in Business Administration & Finance – Kuwait University Bachelor's Degree in Business Administration & Finance – University of California, USA Master's Degree in Hospitality & Hotel Management – University of Lausanne	**28/03/2024**
Mr. Jehad Mohammad Ahmed Al-Qabandi	Board Member Independent	Master's Degree in Business Administration – City University London, UK Bachelor's Degree in Engineering & Computer Science – California State University, Long Beach, USA	**28/03/2024**
Mr. Ahmed Meshari Al-Fares	Board Member Independent	Master's Degree in Business Administration – Kuwait Maastricht School of Management Bachelor's Degree in Accounting – Kuwait University Higher Diploma in Islamic Finance – Kuwait University	**28/03/2024**
Mr. Ahmed Zumrawi Hassan	Board Secretary	Bachelor's Degree in Commerce (Accounting) – Ain Shams University, Egypt	**28/03/2024**

Profiles of the Board of Directors

Eng. Fahad Ali Alghanim

Chairman of the Board of Directors

Bachelor's degree in Civil Engineering from Kuwait University

Mr. Alghanim has 28 years of experience in commercial business management in the automotive field and in the banking, financial and commercial sectors.

He currently holds Director of German Automotive Holding Limited Company (DIFC), and he has held many prominent leadership positions including CEO of Ali Mohammed Thunayan Alghanim & Sons Automotive Company, CEO of Al-Ahlia Heavy Vehicles Selling and Import Company, CEO of Ali Al Ghanim Sons Automotive Company (K.S.C.C) and CEO of Ali Alghanim & Sons Group of Companies.

Currently, Mr. Fahad Alghanim is the Chairman and member of the Nominations and Remuneration Committee at Ali Alghanim Sons Automotive Company (K.S.C.P), In addition, he holds memberships in many board of directors in banking, financial and commercial institutions, currently he holds member of the Board of Directors of Kuwait Finance House, Chairman of the Investment Committee and member of the Executive Committee, and Audit and Compliance Committee of KFH (K.S.C.P), Board Member of Kuwait Finance House - UK, Board Member of Kuwait Finance House – Egypt. Chairman of Global Auto S.A.E- Egypt, and Chairman of Auto Mobility LLC, Egypt, and Vice Chairman of Ali Alghanim Sons Holding Company. Additionally, he is Vice Chairman of A'ayan Leasing & Investment Co. (K.S.C.P), Chairman of Milton Keynes Dons Football Club (London), and Chairman of Al-Ahlia Heavy Vehicles Selling and Import Company, member of Kuwait Building Materials Manufacturing Company, Board Member of Kuwait Society of Engineers, and Board Member and Treasurer of Kuwait Sporting Club, in addition to his membership in the Board of Directors of the Young Arab Leaders – Dubai.

Mr. Fahad Alghanim previously was Chairman of the Merger Committee of Kuwait Finance House - Ahli United Bank, Member of the Board of Directors of the Representatives of McLaren Motors global Agents (Middle East Representatives), Chairman of the Board of Directors and Chairman of the Restructuring Committee of A'ayan Leasing and Investment Company, Vice Chairman of Ali Al Ghanim Sons Automotive Company (K.S.C.C), Vice Chairman of the Board of Directors of Al-Ahlia Heavy Vehicles Selling and Import Company, Member of the Board of Directors of the Universal Payment Services Company (UPS), and Board Member of Alowla Slaughtering Co.

Mr. Yousef Abdullah Al Qatami

Vice Chairman and Chief Executive Officer

Bachelor of Science in Business Administration, Finance & International Management, Boston University, United States of America.

Mr. Yousef Al Qatami has approximately 24 years of experience in business management for global automotive brands in the automotive sector, business management and investment sectors. He is currently the Chief Executive Officer of Ali Alghanim Sons Automotive Company (K.S.C.P) and previously held the position of General Manager of Ali Mohammed Thunayan Alghanim & Sons Automotive Company and a Manager in the Asset Management Department at Global Investment House.

Mr. Al Qatami currently holds the position of Vice Chairman, Chief Executive Officer and a member of the Nomination and Remuneration Committee of Ali Alghanim Sons Automotive Company (K.S.C.P(, additionally, he is the Vice Chairman of A'ayan Leasing Holding Company. He held a Board Member of Boubyan Bank, and a Board Member of Boubyan Capital Investment Company.

Mr. Ali Abduljaleel Behbehani

Board Member

Master's degree in Business Administration & Finance from Kuwait University, a Bachelor's degree in Business Administration & Finance from the University of California, USA, a Postgraduate Certificate from the University of Liverpool, & a Master's degree in Hospitality & Hotel Management from the University of Lausanne

With over 20 years of commercial business management experience, primarily in the automotive sector, as well as in investment and risk management. Mr. Behbehani has held multiple leadership positions. These include Director of Shared Services and Business Development at Ali Mohammed Thunayan Alghanim & Sons Automotive Group; General Manager of Dwaliya Technical Inspection Company; Manager of the Direct Investment Department and Portfolio/Risk Management Analyst at Kuwait International Bank; Vice President of Project Management and Corporate Finance at Arab Investment Company; and Head of the Corporate Responsibility Unit at Gulf Bank.

Mr. Behbehani currently serves as a Board Member, Member of the Audit Committee, and Chairman of the Risk Committee at Ali Alghanim Sons Automotive Company K.S.C.P. He is also a Board Member at A'ayan Leasing Holding Company, as well as a Board Member, Chairman of the Audit Committee, and Member of the Nomination and Remuneration Committee at Arab Investment Company.

Eng. Ali Marzouq Alghanim

Board Member

Bachelor of Science degree in Industrial and Systems Engineering from the University of Southern California, USA.

Mr. Ali Marzouq Alghanim currently holds the Position of General Manager of MAKFM Company since 2018 and the position of Public Relations and Operations Consultant of Kuwait Sports Club.

Mr. Ali Marzouq Alghanim has been a member of the Board of Directors of Ali Alghanim Sons Automotive Company (K.S.C.P) since 2020, member of the Audit Committee and Risk Management Committee, and Board member of Ali Alghanim Sons Holding Company.

Mr. Mohammad Khaled Alghanim

Board Member

Bachelor degree in Finance from Loyola Marymount University, USA.

Mr. Mohammad Khaled Alghanim currently holds the position of General Manager of ALG Insurance Broker Company, He also occupied General Manager of the Al-Ahlia Heavy Vehicles Selling and Import Company and the position of Director of Sports Talents and Youth at Kuwait Sports Club.

Mr. Mohammad Khaled Alghanim has been a member of the Board of Directors of Ali Alghanim Sons Automotive Company K.S.C.P since 2020, and a member of the Risk Management Committee. Additionally, he is the Vice Chairman of the Board of Directors of Al-Ahlia Heavy Vehicles Selling and Import Company.

Mr. Jehad Mohammad Ahmed Al-Qabandi

Independent Board Member

Master's degree in Business Administration from City University London, UK, a Bachelor's degree in Engineering and Computer Science from California State University - Long Beach- USA, and has completed the Middle East Senior Executive Program from Harvard Business School, USA

Mr. Al-Qabandi has more than 35 years of experience in commercial business, finance, investment and banking in Kuwait's leading institutions.

He currently serves as an Independent Board Member and Chairman of the Audit Committee at Ali Alghanim Sons Automotive Company (K.S.C.P.), and an Independent Board Member and Chairman of the Risk Committee at Kuwait International Bank (KIB).

He is also a Member of the Board of Trustees at Kuwait College of Science and Technology, a Board Member at the National Bureau for Academic Accreditation and Education Quality Assurance, and the Vice Chairman of the Board at Afrah Al Khaleej General Trading & Contracting Company.

Mr. Al-Qabandi has distinguished banking and finance experience; he previously held the position of Chief Executive Officer at the Bank of Bahrain and Kuwait - Kuwait Branch, and Executive Director at the Kuwait National Fund for the Development and Welfare of Small and Medium Enterprises. Additionally, he has extensive experience in the field of investment, and founded Al Retag Investment Company and held the position of CEO and Managing Director.

Mr. Jehad also held several other leadership positions in prestigious international companies - Solomon Brothers International and the Kuwait Investment Office in London, and in local companies such as Investment Dar Company and Al Imtiaz Investment Group.

Mr. Ahmed Meshari Al-Fares

Independent Board Member

Master's degree in Business Administration and a Postgraduate Diploma in Business Administration from the Kuwait Maastricht School of Management, a Bachelor's degree in Accounting from the College of Administrative Sciences at Kuwait University, and a Higher Diploma in Islamic Finance from the College of Graduate Studies at Kuwait University

Mr. Al-Fares holds several professional certifications including Certified Compliance Officer (CCO), Certified Merger and Acquisition Specialist (CMAS), Certified Professional Internal Auditor (CPIA) from USA, Certified Risk Based Auditor (CRBA) and Certified Risk Analyst (CRA) from Hong Kong. In addition, he has several executive programs in management, leadership, and strategic planning from INSEAD Business School.

Mr. Al Fares has more than 21 years of experience in banking, supervisory business and other fields, he is currently the Secretary of the Board of Directors of Kuwait Telecom Company since 2019, and the Treasurer of the Board of Directors of the Kuwait Transparency Society.

Furthermore, he currently holds the position of an independent board member and Chairman of Nomination and Remuneration Committee of Ali Alghanim Sons Automotive Company (K.S.C.P) and a member of the Board of Directors of Kuwait Finance House (KFH).

He started his career as a Banking Inspector in the Supervision Sector at the Central Bank of Kuwait, and then held several positions at Kuwait Finance House, the last of which was the position of Governance Manager in the Regulatory Compliance Department, then joined Kuwait Telecom Company and held both the position of Director of the Regulatory Compliance Department and the position of Head of Internal Audit Department, and previously served as Assistant Undersecretary of the Ministry of Commerce and Industry for Corporate Affairs and Commercial Licensing, Chairman and Secretary of the Board of Directors of the Kuwait Accountants and Auditors Association, Board Member of the Public Authority for Industry, and Board Member of Central Bank of Kuwait.

Overview of the Board of Directors' Meetings During 2025

Member Name	Member Classification	Meeting (1)	Meeting (2)	Meeting (3)	Meeting (4)	Meeting (5)	Meeting (6)	No. of Meetings
		20/02/2025	14/05/2025	10/08/2025	16/10/2025	05/11/2025	29/12/2025	
Eng. Fahad Ali Alghanim	Chairman of the Board Non-Executive	✓	✓	✓	✓	✓	✓	6
Mr. Yousef Abdullah Al Qatami	Vice Chairman of the Board Chief Executive Officer	✓	✓	✓	✓	✓	✓	6
Eng. Ali Marzouq Ali Alghanim	Board Member Non-Executive	✓	✓	✓	✓	✓	✓	6
Mr. Mohammad Khaled Alghanim	Board Member Non-Executive	✓	✓	✓	✓	✓	✓	6
Mr. Ali Abduljaleel Behbehani	Board Member Non-Executive	✓	✓	✓	✓	✓	✓	6
Mr. Jehad Mohammad Ahmed Al-Qabandi	Board Member Independent	✓	✓	✓	✓	✓	✓	6
Mr. Ahmed Meshari Al-Fares	Board Member Independent	✓	✓	✓	✓	✓	✓	6

Summary of How the Requirements for Recording, Documenting, and Maintaining Minutes of the Company's Board of Directors' Meetings Are Implemented

Ali Alghanim Sons Automotive Company ensures that the activities of the Board of Directors are documented in a systematic and organized manner to accurately reflect the discussions and decisions issued by the Board, while ensuring the integrity of institutional records and compliance with governance requirements.

The Board Secretary supervises the implementation of Board duties in accordance with the company's approved governance manual and serves as the main link between the Board, executive management, and all stakeholders.

The Secretary organizes and distributes information, coordinates between parties, and ensures that Board members have full and timely access to documents, records, and meeting minutes related to the company.

The Secretary also prepares the meeting minutes and ensures they accurately reflect the Board's performance of its duties. Meeting records include:

- Meeting number
- Meeting location
- Date of the meeting
- Start and end times

The Secretary also ensures that members are notified of meetings at least three working days in advance, except in emergency meetings that require shorter notice.

The minutes include the discussions, deliberations, and voting results, and they are signed by the Secretary and all attending members to ensure their completeness and accuracy.



Independent Director Declaration

The Independent Directors hereby declare that they meet the independence requirements in accordance with Article (3-2) of Chapter Five (Corporate Governance) of the Executive Bylaws of Law No. (7) of 2010 regarding the establishment of the Capital Markets Authority and the regulation of securities activities, as amended, as detailed below:

Independent Board Member Acknowledgement Ali Alghanim Sons Automotive Company

I / Jehad Mohammad Ahmed Al-Qabandi, hereby acknowledge the below as an independent member in ALG's Board of Directors, that I have the controls of the Independency stipulated in Article No (2-3) of Corporate Governance book of the executive bylaws of law No.7 of 2010 regarding the establishment of the Capital Markets Authority and the regulating securities activities and its amendments. According to the following:

1. I do not hold 5% or more of ALG's shares.

2. I do not have a first degree relation with any of the Members of a Board of Directors or Executive Management Members in the Company or any other company in its Group or the main related parties.

3. I am not a Member of a Board of Directors in any 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 who own control shares in the Company.

6. I have the qualifications, experience and technical skills commensurate with the company's activity.

7. I undertake to immediately notify the company's Board of Directors in the event of any change that may affect my independence as an independent member of the Board of Directors.

Name: Jehad Mohammad Ahmed Al-Qabandi
Signature:



Date: 31 December 2025

Independent Board Member Acknowledgement Ali Alghanim Sons Automotive Company

I/ Ahmed Meshari Al-Fares, hereby acknowledge the below as an independent member in ALG's Board of Directors, that I have the controls of the Independency stipulated in Article No (2-3) of Corporate Governance book of the executive bylaws of law No.7 of 2010 regarding the establishment of the Capital Markets Authority and the regulating securities activities and its amendments. According to the following:

1. I do not hold 5% or more of ALG's shares.

2. I do not have a first degree relation with any of the Members of a Board of Directors or Executive Management Members in the Company or any other company in its Group or the main related parties.

3. I am not a Member of a Board of Directors in any 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 who own control shares in the Company.

6. I have the qualifications, experience and technical skills commensurate with the company's activity.

7. I undertake to immediately notify the company's Board of Directors in the event of any change that may affect my independence as an independent member of the Board of Directors.

Name: Ahmed Meshari Al-Fares
Signature:



Date: 31 December 2025

Rule Two

Proper Definition of Duties and Responsibilities

Overview of How the Company Defines the Policy for Assigning Duties, Responsibilities, and Obligations of Each Member of the Board of Directors and Executive Management, as well as the Authorities Delegated to Executive Management

The Board of Directors of Ali Alghanim Sons Automotive Company plays a central supervisory role to ensure the sustainability of the company's business and the soundness of its strategic direction.

The Board's main responsibilities include:

- Setting the general direction of the company
- Approving key strategies and policies
- Supervising financial and operational performance
- Ensuring compliance with applicable laws and regulations
- Establishing a culture of integrity and sound governance practices within the company

The Board also oversees risk management, internal control systems, and compliance, ensuring the protection of the company's interests and those of its stakeholders while creating sustainable long-term value.

In contrast, executive management is responsible for implementing the strategies and plans approved by the Board of Directors, managing the company's daily operations, and achieving operational objectives within the delegated authorities and in accordance with approved policies and the company's values.

The powers and responsibilities of the Board are clearly defined in the company's Articles of Association and the Authority Matrix, in accordance with the corporate governance regulations issued by the Capital Markets Authority, while taking into account the authorities of the General Assembly.

The Board delegates certain authorities to executive management within a clear framework that defines the scope of delegation, its limits, and mechanisms for accountability and follow-up, while maintaining the Board's full supervisory role.

This integrated approach reflects the company's commitment to best governance practices and ensures balance between the supervisory role of the Board and the executive role of management, thereby enhancing institutional discipline and supporting business continuity.

Board of Directors' Achievements During the Year

The Board of Directors continued to play its role in strategic oversight and strengthening institutional performance. The following outlines the most significant achievements of the Board during 2025:

01 Approval of the annual financial statements and the external auditor's report for the financial year 2024, as well as the interim financial statements for 2025, and review of the management representation letters confirming the integrity and accuracy of the financial statements.

02 Approval of the distribution of interim cash dividends to shareholders.

03 Approval of the increase of the Company's capital through the distribution of bonus shares.

04 Approval of the Board of Directors' report on the Company's activities and financial position for the financial year ended 31/12/2024.

05 Approval of the Corporate Governance Report and the Audit Committee Report for the financial year ended 31/12/2024.

06 Approval of amendments to the Company's Articles of Association and Memorandum of Association.

07 Approval of the remuneration and benefits report for members of the Board of Directors, Board committees, and executive management for the financial year ended 31/12/2024.

08 Approval of the report on related party transactions conducted during the financial year ended 31/12/2024, and the transactions expected to be undertaken during 2025.

09 Reappointment of the external auditor for the financial year 2025, determination of its fees, and review of the appointment engagement letter.

10 Approval of the payment of annual remuneration to members of the Board of Directors and the Board Secretary.

11 Approval of the payment of annual bonuses to executive management and Company employees.

12 Approval of the evaluation of the performance of the Board of Directors as a whole, each Board member individually, the Board committees, and executive management for the year 2024.

13 Approval of the agenda of the Ordinary and Extraordinary General Assembly meetings and the issuance of the invitation to convene the General Assembly.

14 Approval of the Company's estimated (proposed) budget.

15 Review and approval of the authority and responsibility matrix and determination of its scope.

16 Review and approval of the Board of Directors' Charter.

17 Review and approval of the Corporate Governance Policies.

18 Approval of the Charter of the Nomination and Remuneration Committee.

19 Review and approval of the Risk Management Policies and Procedures Manual.

20 Review and approval of the Business Continuity Plan and the Emergency (Crisis) Plan of the Company.

21 Approval of the Internal Audit Strategy and the Internal Audit Charter.

22 Approval of the Risk Register report, risk assessment, and determination of the acceptable level of risk for the Company.

23 Approval of Internal Audit reports.

24 Approval of the report on the evaluation and review of the Internal Control Systems for the financial year ended 31/12/2024.

25 Approval of the Internal Audit Quality Assessment report.

26 Acceptance of the resignation of the Head of the Financial Sector and approval of the appointment of a new Head of the Financial Sector within the Company.

27 Approval of the appointment of an advisory firm to prepare the Sustainability Report for the year 2025.

28 Approval of the appointment of the advisory firm assigned to Risk Management functions for the year 2025.

29 Review of the Sustainability Gap Assessment Report.

30 Review of the evaluation of the performance of the External Auditor for the year 2024, and review of the External Auditor's report relating to non-assurance services.

31 Review of the declarations submitted by independent Board members and verification of their compliance with independence requirements.

32 Review of the Legal Position Certificate issued by the Capital Markets Authority regarding compliance with integrity and financial soundness requirements, in addition to the Criminal Record Certificates of Board members, the Chief Executive Officer, and executive positions reporting directly within the organizational structure.

33 Review of the Company's Integrated Report for the financial year ended 31/12/2024.

34 Approval of the training plan for members of the Board of Directors and executive management for the year 2025.

35 Approval of the evaluations of the advisory firms assigned during the year 2024 to perform the following:

- Internal Audit functions.
- Risk Management functions.

Audit Committee

Committee Responsibilities and Achievements During 2025

01 Approval of the External Auditor's Report, the annual financial statements for the year 2024, and the interim financial statements for the year 2025.

02 Review of executive management's written representations confirming the integrity and accuracy of the financial statements for the financial year ended 31/12/2024.

03 Discussion of the Internal Audit Strategy and amendment of the Internal Audit Charter.

04 Review of Corporate Governance Policies.

05 Approval of Internal Audit Reports for the year 2025.

06 Approval of the report on the evaluation and review of Internal Control Systems for the year 2024.

07 Approval of the Audit Committee's annual report for the year 2024.

08 Approval of the Compliance Department's work plan for the year 2026.

09 Approval of non-assurance services provided by the External Auditor and confirmation of the auditor's independence.

10 Evaluation of the performance of the Company's External Auditor for the year 2024.

11 Evaluation of the performance of the advisory firm assigned to carry out Internal Audit functions for the year 2024.

12 Recommendation to reappoint the External Auditor for the year 2025, determine its fees, and review the engagement letter.

13 Recommendation to appoint an advisory firm to prepare the evaluation and review report of Internal Control Systems for the financial year ending 2025.

14 Discussion and approval of the Internal Audit Quality Assessment Report covering the three-year period (2022–2023–2024).

Committee Members

- Mr. Jihad Mohammad Ahmed AL-Qabandi – Chairman of the Committee – Independent
- Mr. Ali Abduljaleel Behbehani – Committee Member – Non-Executive
- Mr. Ali Marzouq Ali Alghanim – Committee Member – Non-Executive

Number of Committee Meetings During 2025

5 meetings

Committee Formation Date

The Board of Directors reconstituted the Committee on 28/03/2024.

Committee Term

Three years, provided that the Committee's term does not exceed the duration of Board membership.

Risk Management Committee

Committee Responsibilities and Achievements During 2025

01 Recommendation to approve the updated Risk Management Policies and Procedures Manual.

02 Recommendation to approve the Company's amended Business Continuity Plan and Emergency Plan.

03 Recommendation to approve the Risk Register and the Risk Management Report.

04 Recommendation to approve the acceptable level of risk for the Company (Risk Appetite).

05 Recommendation to appoint an advisory firm to prepare the Sustainability Report for the financial year ending 2025.

06 Recommendation to approve the report on Related Party Transactions for the financial year ended 31/12/2024, and the related transactions planned to be executed during 2025.

07 Evaluation of the performance of the advisory firm assigned to carry out Risk Management functions for the year 2024.

08 Recommendation to appoint the advisory firm responsible for Risk Management functions for the year 2025.

09 Review of the Sustainability Gap Assessment Report.

Committee Members

- Mr. Ali Abduljaleel Behbehani – Chairman of the Committee – Non-Executive
- Mr. Ali Marzouq Ali Alghanim – Committee Member – Non-Executive
- Mr. Mohammad Khaled Alghanim – Committee Member – Non-Executive

Number of Committee Meetings During 2025

5 meetings

Committee Formation Date

The Board of Directors reconstituted the Committee on 28/03/2024.

Committee Term

Three years, provided that the Committee's term does not exceed the duration of Board membership.

Nomination and Remuneration Committee

Committee Responsibilities and Achievements During 2025

01 Review and approval of the Nomination and Remuneration Committee Charter.

02 Approval of the evaluation of the Board of Directors' performance as a whole, each individual Board member, the Board committees, and executive management for the financial year ended 2024.

03 Approval of the annual remuneration payment for Board members and the Company Secretary for the financial year ended 2024.

04 Approval of the annual remuneration payment for executive management and Company employees for the financial year ended 2024.

05 Approval of the remuneration and benefits report for Board members, Board committees, and executive management who received the highest remuneration for the financial year ended 2024.

06 Approval of the training plan for Board members and executive management for the year 2025.

07 Approval of the independent members' declarations and confirmation of their compliance with independence requirements.

08 Review of the Legal Standing Certificate issued by the Capital Markets Authority, particularly with respect to integrity and financial soundness standards, in addition to the criminal record certificates for Board members, the Chief Executive Officer, and positions reporting directly to the organizational structure.

09 Recommendation to accept the resignation of the Head of Finance and appoint a new Head of the Financial Sector at the Company.

Committee Members

- Mr. Ahmad Meshari Abdulwahab Al-Fares – Chairman of the Committee – Independent
- Mr. Fahad Ali Alghanim – Committee Member – Non-Executive
- Mr. Yousef Abdullah Al - Qatami – Committee Member – Executive

Number of Committee Meetings During 2025

3 meetings

Committee Formation Date

The Board of Directors reconstituted the Committee on 28/03/2024.

Committee Term

Three years, provided that the Committee's term does not exceed the duration of Board membership.

Implementation of Requirements Enabling Board Members to Obtain Accurate and Timely Information and Data

During the financial year 2025, executive management ensured that members of the Board of Directors were able to obtain the information and data required in a timely manner through periodic reports covering both financial and non-financial matters, including audit, risk, and compliance reports.

Board members are also provided with supporting documents prior to meetings, enabling thorough review of agenda items and informed decision-making, while maintaining full compliance with information confidentiality requirements.

In addition, the Company enhanced its information technology infrastructure and Board documentation systems to ensure the delivery of high-quality, accurate data, facilitate decision-making, and reduce reliance on paper-based processes.



Rule Three

Selection of Competent Individuals for Membership of the Board of Directors and Executive Management

Implementation of the Requirements for the Formation of the Nomination and Remuneration Committee

During 2025, the Nomination and Remuneration Committee reviewed and amended its charter, which was subsequently approved by the Board of Directors.

The committee consists of three members, chaired by an independent Board member.

Summary of the Remuneration and Incentives Policy

The performance of the Board of Directors is evaluated annually both:

- At the level of the Board as a whole, and
- At the level of each individual Board member and Board committees

This evaluation is based on approved and objective Key Performance Indicators (KPIs) to ensure measuring the effectiveness of the Board and enhancing its efficiency.

Based on the results of the evaluation, the annual remuneration of Board members is determined in accordance with Law No. (1) of 2016 issuing the Companies Law and its Executive Regulations and amendments, and such remuneration is subject to approval by the Annual General Assembly, based on the recommendation of the Board of Directors and the Nomination and Remuneration Committee.

The General Assembly may approve exempting an independent Board member from the maximum remuneration limit in accordance with applicable regulations.

With regard to executive management, the remuneration structure is determined based on a clear framework balancing fixed and variable components as follows:

Fixed Compensation

Includes:

- Salaries
- Benefits
- Other employment advantages

Variable Compensation

Includes:

- Annual bonuses linked to performance evaluation
- Achievement of short-term and long-term objectives.

Report on Remuneration Granted to Members of the Board of Directors, Executive Management, and Senior Management:

Remuneration and Benefits for Members of the Board of Directors							
Total number of members	Remuneration and Benefits Through the Parent Company			Remuneration and Benefits Through Subsidiaries			
	Fixed Remuneration and Benefits (KWD)	Variable Remuneration and Benefits (KWD)		Fixed Remuneration and Benefits (KWD)		Variable Remuneration and Benefits (KWD)	
	Health Insurance	Annual Bonus	Committee Fees	Health Insurance	Monthly Salaries (Total for the Year)	Annual Bonus	Committee Fees
7	---	85,000	---	1,890	133,097	148,288	---

Report on Remuneration Granted to Members of the Board of Directors, Executive Management, and Senior Management:

Total remuneration and benefits granted to the five senior executives who received the highest remuneration, in addition to the Chief Executive Officer and the Chief Financial Officer (or their equivalents, if not included among them), and senior management.

Total remuneration and benefits granted to the five senior executives who received the highest remuneration, in addition to the Chief Executive Officer and the Chief Financial Officer (or their equivalents, if not included among them), and senior management.															
Total Number of Executive Positions and Senior Management	Remuneration and Benefits Through the Parent Company							Variable Remuneration and Benefits (KWD)	Remuneration and Benefits Through Subsidiaries						Variable Remuneration and Benefits (KWD)
	Monthly Salaries (Total for the Year)	Health Insurance	Annual Air Tickets	Housing Allowance	Transportation Allowance	Children's Education Allowance	Travel Allowance	Annual Bonus	Monthly salaries (total of the year)	Medical Insurance	Annual Air Tickets	Housing Allowance	Transportation Allowance	Children's Education Allowance	Annual Bonus
7	35,464	630	604	-	-	-	-	12,468	226,274	2,835	-	-	-	-	836,796

Any material deviations from the remuneration policy approved by the Board of Directors:

There are no material deviations from the remuneration policy approved by the Board of Directors.

Rule Four

Ensuring the Integrity of Financial Reporting

Written Representations by the Board of Directors and Executive Management on the Integrity and Accuracy of the Financial Reports

Both the Board of Directors and the Executive Management provide written representations confirming their joint responsibility for the integrity and accuracy of the financial reports.

The Executive Management provides written assurances to the Board of Directors confirming that the Company's financial statements are presented fairly and accurately, reflect all material financial aspects of the Company including financial position and results of operations, and have been prepared in accordance with the International Financial Reporting Standards (IFRS) approved by the Capital Markets Authority.

In turn, the Board of Directors provides written assurances to the shareholders regarding the integrity and accuracy of the Company's financial statements. These representations reinforce the principles of accountability and oversight through the Executive Management, the Audit Committee, and the Board of Directors.

Overview of the Implementation of Audit Committee Formation Requirements

The Audit Committee has established a charter approved by the Board of Directors, in compliance with the requirements of Chapter Five of Book Fifteen of the Executive Bylaws of Law No. (7) of 2010 regarding the establishment of the Capital Markets Authority and the regulation of securities activities, as amended.

The Audit Committee is composed of three members, including one independent member. In accordance with regulatory requirements, neither the Chairman of the Board nor any executive Board members serve on the Audit Committee.
The term of the Audit Committee is three years. At least one member of the Committee possesses academic qualifications or practical experience in accounting or financial fields.

The Committee meets on a regular basis no fewer than four times annually, on a quarterly basis. It also holds periodic meetings with the external auditor. During the year 2025, the Audit Committee held four meetings with the internal auditor.

In the Event of Any Conflict between the Audit Committee's Recommendations and the Board of Directors' Resolutions

During the year 2025, there were no instances of conflict between the recommendations of the Audit Committee and the resolutions of the Board of Directors.

Confirmation of the Independence and Objectivity of the External Auditor

The Ordinary General Assembly, in its meeting held on 31 December 2024 for the financial year ended on that date, approved the reappointment of Mr. Bader Adel Al-Abduljader of Ernst & Young – Al-Aiban, Al-Osaimi & Partners as the Company's independent external auditor for the year 2025.

This appointment was made from among the list of auditors approved by the Capital Markets Authority, based on the recommendation of the Board of Directors and the Audit Committee.

The Company confirms, through the Audit Committee, that the external auditor is independent from the Company and its Board of Directors, and does not perform any additional services that may conflict with the services prescribed under auditing and review standards.

Rule Five

Establishing Sound Risk Management and Internal Control Systems

Brief Statement on the Application of the Requirements for Establishing an Independent Risk Management Office / Unit

Ali Alghanim Sons Automotive Company established an independent Risk Management function that reports to the Risk Management Committee and the Board of Directors, in accordance with the approved organizational structure adopted by the Board.

During 2025, and based on the recommendation of the Risk Management Committee, the Board of Directors approved the appointment of a new independent external consultancy firm with qualified human resources to perform risk management functions. In addition, the Risk Management Policies and Procedures Manual was reviewed and approved.

Based on the recommendation of the Risk Management Committee, internal control systems and effective risk management procedures were implemented to measure and monitor the risks faced by the Company. The Board of Directors also approved the acceptable risk appetite level for the Company.

Overview of the Application of the Requirements for Forming the Risk Management Committee

The Board of Directors, during its meeting held on 28/03/2024, approved the reconstitution of the Risk Management Committee and reviewed and adopted its charter.

The Committee is composed of three non-executive members, taking into consideration that the Chairman of the Board shall not be a member of the Committee. The Committee's term is three years.

The role of the Risk Management Committee focuses on ensuring the implementation of the strategies and policies approved by the Board of Directors in a manner that is commensurate with the nature and scale of the Company's activities.

The Committee also supports the Board of Directors in identifying and assessing the Company's acceptable risk levels, in addition to monitoring and reviewing risk measurement indicators on a periodic basis.

Internal Control and Internal Oversight Systems

The Company applies a comprehensive set of internal control and internal oversight systems covering all of its activities and operations. These systems aim to safeguard the Company's financial position and ensure the accuracy and integrity of financial data. They also reflect the Company's organizational structure through the implementation of dual control mechanisms.

The Board of Directors has approved a clear authority and responsibility matrix, which has been reviewed and updated in line with the nature of the Company's operations. The Board is committed to reviewing periodic reports issued by the Audit Committee regarding the results of internal control activities.

Based on the recommendation of the Audit Committee, the Board of Directors appointed an independent external consultancy firm to review the Company's internal control systems and issue an evaluation report for the financial year ended 31 December 2025. During 2025, the Board also approved the internal control systems evaluation report for the financial year ended 31 December 2024, based on the Audit Committee's recommendation.

Brief Statement on the Application of the Requirements for Establishing an Independent Internal Audit Office / Unit

The Company established an independent Internal Audit function reporting to the Audit Committee and, ultimately, to the Board of Directors. The Internal Audit activities are performed by an independent external consultancy firm, which was reappointed by the Board of Directors based on the Audit Committee's recommendation.

The independence of the Internal Audit function is considered essential to ensure the effectiveness and success of internal audit responsibilities. The role of Internal Audit includes assessing the adequacy and effectiveness of internal control systems applied within the Company, identifying weaknesses in procedures and operations, and issuing the necessary recommendations and corrective guidance.

The Internal Audit function also ensures the Company's compliance with applicable laws, regulations, and internal control frameworks. This is achieved through the issuance of periodic reports by the external firm to the Audit Committee, based on the Internal Audit plan approved by the Committee and the Board of Directors.

Rule Six
Promoting Professional Conduct and Ethical Values

Summary of the Code of Conduct, Including Standards and Guidelines for Professional Conduct and Ethical Values:

The Company considers professional conduct and ethical values to be an integral part of its institutional culture and the governing framework for all its operations and dealings.

The Board of Directors has approved the Code of Professional and Ethical Conduct, under which the Board and executive management commit to acting independently and refraining from exploiting their positions or the Company's resources for personal interests, while ensuring integrity and avoiding conflicts of interest. The Board of Directors, executive management, and all employees of the Company are committed to complying with the provisions of this Code as part of the Company's day-to-day business operations.

The Code also regulates the whistleblowing policy available to employees and stakeholders to report any improper practices that may conflict with applicable laws, regulations, policies, or internal systems of the Company. This is done while ensuring good faith reporting and providing confidentiality and protection for whistleblowers against any negative consequences or harm that may result from submitting such reports.

Summary of Policies and Mechanisms to Limit Conflicts of Interest:

The Code of Professional and Ethical Conduct approved by the Board of Directors includes a set of policies and procedures designed to limit conflicts of interest and safeguard the rights of shareholders and stakeholders. A key component of these policies is the availability of effective procedures and controls to identify potential conflicts of interest and determine how they should be managed, in accordance with the requirements of the Capital Markets Authority and Companies Law No. (1) of 2016 and its amendments.

These policies also define the roles of the Board of Directors, executive management, and the General Assembly in cases where conflicts of interest arise.

Rule Seven

Disclosure and Transparency in an Accurate and Timely Manner

Summary of the Implementation of Disclosure and Accurate and Transparent Reporting Mechanisms that Define the Aspects, Scope, and Characteristics of Disclosure

Disclosure

The Company is committed to providing accurate, reliable, and timely information to shareholders, investors, and stakeholders, in a manner that enhances transparency and supports informed decision-making. In this regard, the Board of Directors has approved policies and procedures governing disclosure and transparency, which define the mechanisms for disclosing financial and non-financial information and data related to the Company.

Accurate and reliable information enables shareholders and investors to effectively assess the Company's performance, strengthens confidence, supports investment attraction, and enhances understanding of the Company's activities and operations. It also contributes to strengthening relationships with shareholders and stakeholders and achieving the highest levels of trust with all relevant parties. The Company further ensures an appropriate balance between maintaining the confidentiality of the Company's sensitive information and fulfilling disclosure requirements toward shareholders, investors, and stakeholders.

The Compliance Department assumes responsibility for overseeing the disclosure process and information dissemination, in coordination with executive departments and relevant functions within the Company, to ensure full compliance with the requirements of the Capital Markets Authority, Boursa Kuwait, and other regulatory authorities.

Overview of the Implementation of the Requirements of the Register of Disclosures of Board Members, Executive Management, and Managers

The Company maintains a dedicated register for disclosures related to the Board of Directors, executive management, and managers, covering their transactions in the Company's shares listed on Boursa Kuwait. The register also includes details of salaries, incentives, allowances, and other financial benefits, whether granted directly or indirectly by the Company or its subsidiaries.

All shareholders of the Company are entitled to review this register without any fees or charges.

Summary Statement on the Implementation of the Requirements for the Establishment of the Investor Relations Unit

The Company has established an independent Investor Relations Unit reporting directly to the Chief Executive Officer. The Board of Directors has also approved the policies and procedures governing the operation of the Investor Relations Unit.

The Unit is responsible for facilitating access to data, information, and reports required by shareholders and potential investors in an accurate and timely manner, through recognized disclosure channels, including the Company's official website. The Unit further contributes to enhancing credibility and trust between the Company and its shareholders, and ensuring equal treatment of all shareholders, by responding to inquiries and communications through approved communication channels.

Overview of the Development of the Core Information Technology Infrastructure and Its Extensive Use in Disclosure Processes

The Company maintains an advanced and efficient corporate website that meets the requirements of shareholders and relevant stakeholders. The website includes a dedicated corporate governance section covering all Company disclosures, data, and information that assist shareholders and investors in accessing information easily, exercising their rights, and assessing the Company's performance.

In addition, the Company's website includes a dedicated sustainability section, enabling shareholders to follow the Company's achievements and performance across environmental, social, and governance (ESG) domains.

Rule Eight

Respecting Shareholders' Rights

Summary of the Application of Requirements for Defining and Protecting Shareholders' General Rights, Ensuring Fairness and Equal Treatment Among All Shareholders

The Company's Articles of Association guarantee the rights and obligations of shareholders, particularly the right to receive dividends decided for distribution by the Company, the right to participate in the management of the Company through membership of the Board of Directors, and the right to attend General Assembly meetings. Shareholders also have the right to participate in deliberations and vote on resolutions, in addition to other rights stipulated in the Company's Articles of Association, in alignment with the Corporate Governance Rules issued by the Capital Markets Authority and the Companies Law.

In this regard, the Company has adopted a "General Assembly and Shareholders' Rights Policy", which was approved by the Board of Directors. The Company is committed to protecting shareholders' rights and enabling the exercise of their fundamental rights in a fair and equitable manner, ensuring equal treatment among shareholders holding the same class of shares without discrimination. The Company also provides shareholders with adequate means to access the minutes of General Assembly meetings.

Summary of the Establishment of a Special Register Maintained by the Clearing Agency, as Part of the Ongoing Requirements for Shareholders' Data

The Company has entered into an agreement with the KCSD Kuwait Central Securities Depository to establish and maintain a dedicated register, through which the names of shareholders, their nationalities, places of residence, and the number of shares owned by each shareholder are recorded. The Kuwait Clearing Company provides the Company with daily updates on any changes made to the data and information recorded in the shareholders' register.

Shareholders and any concerned parties are entitled to request information from this register, in accordance with the applicable laws and instructions issued by the relevant regulatory authorities.

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

The Company's Articles of Association and the Shareholders' Guide set out the provisions governing General Assembly meetings and shareholders' rights. These provisions include the procedures and safeguards necessary to ensure that all shareholders are able to exercise their rights to participate and vote in General Assembly meetings.

The Company complies with the requirements of the Capital Markets Authority regarding the convening of General Assemblies and the implementation of electronic voting systems, enabling shareholders to exercise their voting rights in cases where they are unable to attend meetings in person. The Company also encourages its shareholders to attend General Assembly meetings or to appoint proxies to attend and vote on their behalf in the event of non-attendance.

The Company ensures that shareholders are duly notified of all General Assembly invitations and related disclosure materials well in advance of the meeting date. Such notifications are made through the electronic system of the Kuwait Clearing Company, the Company's official website, and the website of Boursa Kuwait.

In addition, invitations to attend the General Assembly, including the agenda, date, time, and method of participation, are announced through two local daily newspapers. Shareholders are given the opportunity to actively participate in General Assembly discussions, raise questions, and engage in deliberations on the matters presented. The Company is committed to enabling all shareholders to exercise their voting rights without any restrictions or obstacles.

Rule Nine

Recognizing the Role of Stakeholders

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

The Company affirms its commitment to protecting and respecting the rights of all stakeholders, recognizing that their contributions represent a fundamental element in enhancing the Company's competitiveness and long-term profitability. This commitment forms an integral part of the Company's corporate governance framework.

Accordingly, the Board of Directors has approved clear policies to safeguard stakeholders' rights. These policies apply across the Company, including the Board of Directors, executive management, and employees, reinforcing a culture of shared responsibility and partnership with stakeholders across the Group.

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

Below are the key responsibilities and practices adopted to encourage stakeholders' engagement and effective participation in monitoring the Company's activities:

- Engaging with stakeholders on equal terms, applying the same conditions and standards without discrimination.
- Building strong and sustainable relationships with customers and suppliers while maintaining the confidentiality of their information.
- Ensuring that contracts concluded with stakeholders include clear mechanisms for addressing any potential disputes or disagreements.
- Compensating stakeholders in cases where their contractual or legally recognized rights are violated.
- Providing clear reporting, complaint-handling, and dispute-resolution mechanisms for issues that may arise between the Company and its stakeholders.
- Selecting qualified executive management members capable of effectively managing stakeholder relationships.
- Developing employee performance to ensure meaningful participation in management processes and decision-making.
- Supporting initiatives that contribute to economic and social development.
- Providing accurate and timely information to enable stakeholders to make informed decisions, through recognized communication channels and within the applicable legal framework.
- Overseeing the Company's affairs with efficiency and integrity, while respecting the values and culture of each stakeholder.
- Complying with laws and regulations issued by the Capital Markets Authority, the Ministry of Commerce and Industry, and other relevant regulatory bodies.
- Upholding commitments toward banks and financial institutions with which the Company deals, ensuring adherence to contractual obligations and agreed terms.
- Creating sustainable added value for shareholders by optimizing their investments and achieving reasonable financial returns, while safeguarding their rights as stipulated in the Company's Articles of Association.

Rule Ten

Enhancing and Improving Performance

Summary of the Application of Requirements for Establishing Mechanisms Enabling Board Members and Executive Management to Participate in Continuous Training and Development Programs

The Company is committed to developing the capabilities of the members of the Board of Directors and Executive Management by keeping them informed of the latest developments in relevant fields. During 2025, members of the Board of Directors and Executive Management participated in specialized training programs, including training on artificial intelligence, as part of the Company's ongoing efforts to enhance professional knowledge and competencies.

Overview of the Methodology for Evaluating the Performance of the Board of Directors as a Whole, and the Performance of Each Board Member and Executive Management

The Board of Directors, through the Nomination and Remuneration Committee, adopts a set of performance indicators to assess the performance of the Board as a whole, as well as the performance of each individual Board member and Executive Management. These indicators are directly linked to the responsibilities of the Board and Executive Management and the extent to which strategic objectives are achieved.

The Company conducts periodic performance evaluations of the Board of Directors, its committees, and Executive Management to measure efficiency and effectiveness, identify areas of improvement, and determine the necessary training needs.

Overview of the Board of Directors' Efforts in Creating Institutional Value (Creation Value) for the Company's Employees

The Board of Directors places significant emphasis on promoting institutional values and building a motivating work environment in which rewards are linked to performance based on clear and objective criteria. This approach supports innovation, teamwork, compliance with laws and professional codes of conduct, and contributes to achieving the Company's strategic objectives while strengthening stakeholder confidence.

During 2025, the Board approved and issued the Company's integrated annual report for the financial year ended 31/12/2024, reflecting its commitment to transparency, performance improvement, and sustainable value creation.

Rule Eleven

Emphasis on the Importance of Social Responsibility

Summary of the Policy Ensuring Balance Between the Company's Objectives and Community Goals

The Company is committed to adopting a policy that ensures an appropriate balance between its strategic objectives and the interests of the community. This is achieved through integrating the principles of corporate social responsibility and sustainability into its operational plans.

This policy aims to reinforce the Company's role in economic and social development, while adhering to responsible practices towards the environment, employees, and stakeholders, thereby creating sustainable value and reflecting the Company's commitment to the community in which it operates.

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

The Company adopts a range of programs and mechanisms that contribute to showcasing its efforts in the field of social responsibility. These include the implementation of community-focused initiatives, supporting education, health, and environmental programs, and issuing periodic reports on its social contributions through its website and official disclosure channels.

The Company also documents its participation in community initiatives and cooperates with relevant stakeholders, reflecting its commitment to social responsibility and strengthening its corporate image among the community and stakeholders.

Al Ghanim Padel Tournament – Youth Category / Sports Activities

Al Ghanim supports the sports sector in the State of Kuwait through the organization of an annual padel tournament, aimed at providing an engaging, inclusive, and competitive environment suitable for different age groups. The tournament offers an opportunity for broad community participation through multiple categories, including:

- Youth under 16 years (male and female),
- Youth aged 16 to 30 years (male and female),
- Adults aged 30 years and above (male and female),
- In addition to a special Parent & Child category.

The tournament also includes cash prizes awarded to first- and second-place winners, encouraging participation and excellence. This initiative reflects the Company's commitment to promoting sports engagement, physical activity, and healthy lifestyles across the community.

FPL Esports Tournament – Youth Category

In line with the rapid growth of Esports and digital entertainment, Al Ghanim organized an annual Esports tournament through the Fantasy Premier League (FPL) platform. The initiative provides football enthusiasts with an opportunity to participate in an online competitive experience focused on selecting and managing virtual teams, with the objective of identifying the best-performing manager throughout the season.

The tournament aims to support football fans by offering an interactive experience that promotes strategic thinking, decision-making, and long-term team management across the season. Participants compete to achieve the highest point totals, with valuable prizes awarded to top-ranking teams in the overall standings.

This initiative reflects the Company's commitment to engaging youth through innovative digital platforms, encouraging healthy competition, and supporting modern forms of sports and entertainment that align with evolving community interests.

Al Ghanim Hosts an Employee Open Day Event

Al Ghanim hosted an Employee Open Day at the company level, aimed at bringing employees together in an engaging and interactive environment that fosters communication, strengthens team spirit, and recognizes employees outside the formal work setting.

The event featured a variety of activities, including group games, social interaction opportunities, food offerings, and entertainment programs. These activities were designed to boost morale, enhance professional relationships among employees, and express appreciation for their contributions and ongoing efforts.

This initiative reflects the Company's commitment to employee engagement, well-being, and the creation of a positive workplace culture that values collaboration, recognition, and mutual respect.

World Heart Day Initiative

On the occasion of World Heart Day, Al Ghanim organized a health awareness initiative that included the provision of free heart health screenings, along with general medical check-ups for employees and visitors.

This initiative reflects the Company's commitment to promoting healthy lifestyles and supporting community well-being, as part of its ongoing efforts in the field of corporate social responsibility. By encouraging preventive healthcare and raising awareness about cardiovascular health, Al Ghanim continues to contribute positively to public health and community development.

Supporting People of Determination

In celebration of the International Day of Persons with Disabilities, the Company organized a dedicated event in collaboration with the Kuwait Down Syndrome Association. The initiative included a range of creative and recreational activities, designed to provide an inclusive and engaging experience for participants.

This initiative reflects the Company's commitment to fostering inclusion, empowerment, and equal opportunities, while actively supporting people of determination and reinforcing its role in serving and uplifting the wider community.

Educational Support

The Company participated in the 18th Annual Charity Carnival organized by the American Bilingual School (ABS), held on April 12, 2025, at the school campus.

The event aimed to raise donations in support of the Kuwait Center for Autism, while also providing a safe, engaging, and enjoyable environment for children. The initiative contributed to promoting a culture of giving, social responsibility, and humanitarian values among students, reflecting the Group's ongoing commitment to supporting educational and community-based initiatives.

Geely Graduation Campaign

Building on the success of previous initiatives, the Company launched one of the largest graduation campaigns in Kuwait last year. As part of the campaign, six Geely Coolray vehicles were awarded as prizes to top-performing high school graduates across the country.

The initiative aimed to celebrate academic excellence, recognize outstanding student achievement, and motivate young graduates to continue pursuing their educational and professional ambitions. This campaign reflects the Company's commitment to supporting youth development, rewarding merit, and investing in future generations as a cornerstone of its social responsibility efforts.

Conclusion

In concluding this report, Ali Alghanim Sons Automotive Company K.S.C.P. reaffirms that effective governance represents the fundamental pillar for achieving sustainable growth, safeguarding shareholders' rights, and strengthening confidence in the Company's institutional performance.

Accordingly, the Company remains committed to continuously enhancing its governance framework and developing its oversight and compliance mechanisms, ensuring flexibility and responsiveness to regulatory, operational, and organizational developments, while supporting the achievement of its long-term strategic objectives.

Governance at the Company is not viewed merely as a regulatory or structural obligation, but rather as a daily practice and an embedded corporate culture that guides decision-making, promotes sustainability, and creates long-term value for all stakeholders. The Company further renews its ongoing commitment to transparency, accountability, and the application of best governance practices, reinforcing its role as a responsible and sustainable corporate institution.

Yours sincerely,

Eng. Fahad Ali Alghanim
Chairman of the Board of Directors


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