



BUILDING A BETTER
TOMORROW

SUSTAINABILITY REPORT 2021/2022



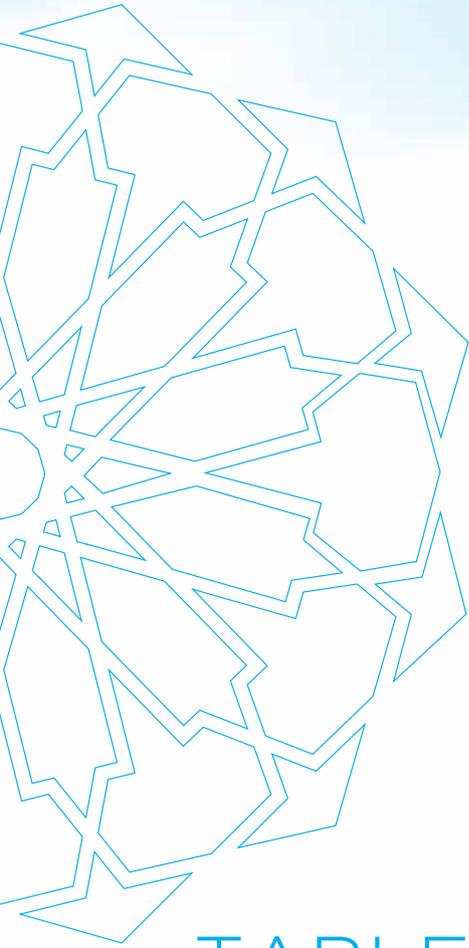


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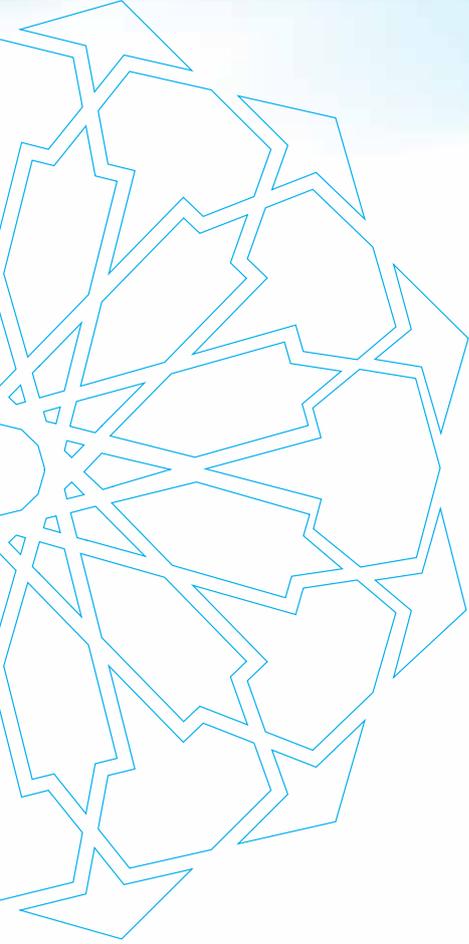
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OVERVIEW

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1.1. About This Report

Reporting Standard and Principles

This report is the second Sustainability Report of Al-Tijaria - The Commercial Real Estate Company K.P.S.C. (hereafter referred to as “Al-Tijaria” and the “Company”). The reporting period is from January 1, 2021 to December 31, 2022, covering the sustainability-related progress over the last two calendar years. The report has been developed in accordance with the Global Reporting Initiative (GRI) Standards 2021, highlighting our strategies to tackle some of the key business sustainability issues. The report complies with the reporting principles of the GRI Standards, namely: Accuracy, Balance, Clarity, Comparability, Completeness, Sustainability context, Timeliness, and Verifiability.

During the development process of this Sustainability Report, we have frequently interacted with our internal and external stakeholders for their input and feedback regarding the identification of Al-Tijaria’s key significant material topics via suitable digital communication channels, on-ground meetings, consultation sessions, etc. To reflect Al-Tijaria’s alignment to the globally renown sustainability enablers, we have also mapped our initiatives against the Kuwait Boursa Index, showing our commitment to the New Kuwait Vision 2035.



Reporting Boundary

The report has been prepared for the Commercial Real Estate Development Company (Al-Tijaria). The Head Office is located in Kuwait. The sustainability performance disclosed throughout the report refers to the Al-Tijaria Group and Al-Tijaria Standalone, as well as the following.

Table: Al-Tijaria Subsidiaries & Branches

Name of Subsidiary	Country of Incorporation	Report Inclusion Type (Direct/Indirect)
Al Salmiya Group for Enterprise Development Company	Kuwait	Direct
Al Mutajara Real Estate Company	Kuwait	Direct
The Commercial Real Estate Development Company	Bahrain	Indirect
Altijaria Real Estate Development Morocco Company	Morocco	Indirect
Name of Branch/(es)	Country of Incorporation	Report Inclusion Type (Direct/Indirect)
Symphony Style Hotel	Kuwait	Direct

Table: Al-Tijaria Associates

Name of Associates	Country of Incorporation	Report Inclusion Type (Direct/Indirect)
Kuwait Resorts Company K.S.C.C.	Kuwait	Indirect
Hajar Tower Real Estate Company K.S.C.C.	Kuwait	Indirect
Kuwait Commercial Markets Complex Company	Kuwait	Indirect
Afkar Holding Company	Kuwait	Indirect
Gulf Opportunities Company	Kuwait	Indirect
Al Jahraa Touristic Company	Kuwait	Indirect
Bayan Realty Company	Saudi Arabia	Indirect
Mozon Investment Holdings Company	Morocco	Indirect
Vacation Club Venture Company	United Arab Emirates	Indirect
Waves Budaiya Development Company WLL	Bahrain	Indirect
The Commercial Resorts Real Estate Development Company	Bahrain	Indirect

Contact Information

For any queries related to the contents of this report, please contact us by phone, fax, email or online:

- Tel: +965 2290-2900
- Fax: +965 2290-2901
- Email: info@altijaria.com
- Website: www.altijaria.com

1.2 Message from The **Chairman**



“ I am delighted to present our second Sustainability Report to our stakeholders. The report is considered to be an open communication tool for communicating with our internal and external stakeholders - whether local, regional, and global – on matters related to Environmental, Social and Governance (ESG) aspects of Al-Tijaria’s sustainable business practices. ”

Throughout this report, we set out the various sustainability-related impacts that we have had on our range of internal and external stakeholders – shareholders, community, customers, employees, suppliers, government, and others. Additionally, our Sustainability Report reflects our values and principles, as we believe in the 5T's: Teamwork, Task, Trust, Time Management, and Transparency.

For Environmental sustainability, we have been working on assessing the Company's overall carbon footprint resulting from the operation of our buildings. We measured our emissions due to electricity consumption, business travel, and waste generation. 74.1% of our total GHG emissions in 2022 are due to the use of purchased grid electricity. For a real estate business like ours, it is important to focus on the emissions footprint resulting from our owned and leased buildings and for future projects. In this regard, we plan to optimize the environmental footprint to be in line with the United Nations Sustainable Development Goals (UN SDGs) and the New Kuwait Vision 2035 related targets and goals.

For Social sustainability, we focused on vital stakeholders – from employees, customers, and investors, to local communities, vendors, regulatory bodies, and shareholders, amongst others. We have promoted societal progress through our own operations providing functional training to our workforce. Steps have been taken so that the workplace is collaborative, diverse, non-discriminating and inclusive, allowing an ecosystem for our employees to flourish. Around 8.3% of the management positions are occupied by women, and 38.5% of the managers are local, i.e. from Kuwait. The employee satisfaction survey resulted in an 83.1% satisfaction rate in 2022 and the employee turnover rate was 12% in 2022. Giving back to the community is an important aspect of our business. These values are manifested through our Corporate Social Responsibility (CSR), initiatives, engagements and donations. A total amount of KWD 8,703.5 has been

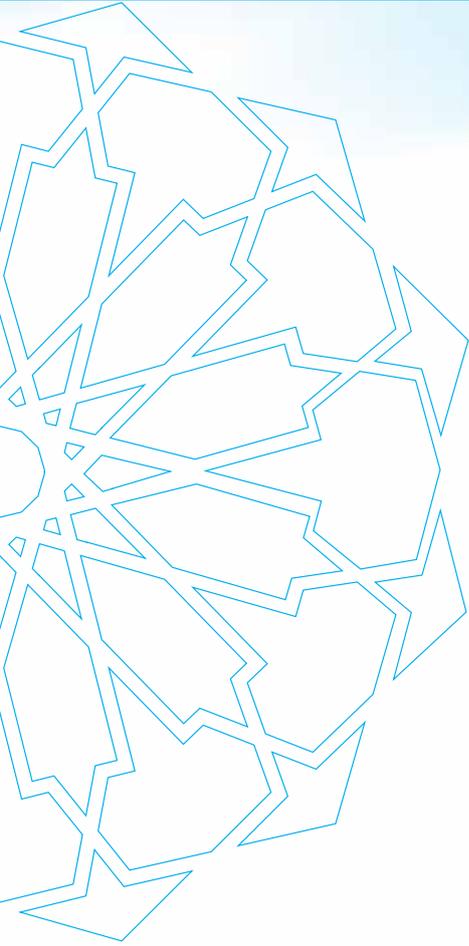
invested in CSR activities in 2022 alone.

For Governance sustainability, we ensure that the business is ethical and transparent. We have highlighted in the report our Board performance, procedures and policies, and risk management. 100% of our Board of Directors are Kuwaiti nationals, with a target of 20% independent Directors by 2024. There were no incidents of discrimination, violation of human rights, corruption or money-laundering in the reporting period.

I am confident of achieving our sustainability goals and having a significant role in sustainable development because of our highly motivated workforce, advanced technology, and the support and trust of our stakeholders. This Sustainability Report 2021/2022 is a balanced representation of our continued efforts, performance highlights and commitment from an ESG perspective. We seek active engagement of our stakeholders and their contribution towards ensuring Al-Tijaria's commitment and seek your suggestions and valuable views to further improve our ESG performance.



Abdulfatah M.R. Marafie
Chairman



ABOUT **Al-Tijaria**



The Commercial Real Estate Company, K.P.S.C (Al-Tijaria) was established in 1968 and restructured in 2000. The Company has been in business for over 52 years and was listed in the Kuwait Stock Exchange (KSE) towards the end of 2004. The Company is considered one of the largest real estate companies in the State of Kuwait with regards to paid-up capital. The main focus of Al-Tijaria is directed towards commercial property investment in the State of Kuwait, GCC and MENA regions, and internationally. It is a multi-faceted organization. All financial aspects are governed by the Islamic Sharia (laws).

Vision:

“Delivering the highest level of excellence and enriching the real estate market in the state of Kuwait, expanding globally through iconic designs and maximum quality standards. Governance and Company expertise are our key elements to creating and maximizing shareholders’ wealth.”

Mission:

“Developing a business strategy to reach the optimal income to achieve consistent growth rates, returns, and cash flows; which in return increases the value of each project to deliver optimum results to our stakeholders and shareholders. This is in addition to the acquisition of good assets and maintaining the balance and diversity of real estate portfolios in the local, regional, and global markets.”

Values:

- **The 5T’s Model:** Time Management, Trust, Transparency, Teamwork, and Task Cognition
- **Sustainability:** Al-Tijaria operates its business to best serve the interests of our economy shareholders and stakeholders by maintaining revenue and driving prosperity.
- **Innovation:** We are committed to continually enhancing our services by embracing creativity and encouraging the pursuit of new opportunities.
- **Integrity:** Honesty is essential to the way we do business and how we interact with stakeholders, clients, and tenants.
- **Governance:** Governance is the conscience within everyone. It grows and matures to the extent of compliance with the laws and instructions issued by the Company and regulators and it has a positive impact reflected positively on both personal and professional levels.
- **Ethics:** Respect for the work and colleagues, and discipline

Table 1.1: Snapshot of 2021 Financial Performance

Amount (KWD)	Al-Tijaria Group	Al-Tijaria Standalone	Al Mutajara Real Estate Co.	Al Salmiya Group	Symphony Style Hotel
Total amount of shareholder dividends	10,932,783	8,902,613	2,030,170	N/A	N/A
Contribution to the Kuwait Foundation for the Advancement of Science (KFAS)	119,764	90,578	19,564	9,622	N/A
Contribution to National Support Labor Support Tax (NLST)	388,792	388,792	N/A	N/A	N/A
Contribution to Zakat	161,061	129,901	18,643	12,517	N/A
Total payment amount to government entities	276,110	55,425	28,972	191,713	N/A

Table 1.2: Snapshot of 2022 Financial Performance

Amount (KWD)	Al-Tijaria Group	Al-Tijaria Standalone	Al Mutajara Real Estate Co.	Salmiya Group	Symphony Style Hotel
Total amount of shareholder dividends	14,725,115	10,894,945	2,030,170	1,800,000	N/A
Contribution to the Kuwait Foundation for the Advancement of Science (KFAS)	119,694	77,008	24,285	18,401	N/A
Contribution to National Support Labor Support Tax (NLST)	277,854	277,854	N/A	N/A	N/A
Contribution to Zakat	115,914	72,799	22,425	20,690	N/A
Total payment amount to government entities	257,506	49,603	16,851	191,052	N/A



Al Tijaria Group's Market Capitalization is KWD 230,087,468 in 2021 and KWD 182,045,205 for 2022.



2.1. A Reflection on our ESG Performance

GOVERNANCE



0
Incidents of discrimination in 2021 and 2022



0
Incidents of corruption or money laundering in 2021 and 2022



0
Incidents of violations involving rights of indigenous peoples in 2021 and 2022



0
Incidents of involvement in anti-competitive and business ethics controversies in 2021 and 2022



0
Incidents of non-compliance on product and service information and labeling in 2021 and 2022

SOCIAL



83.1%
employees satisfied with Al-Tijaria as per survey conducted in 2022



94%
employees received Objective and Key Results (OKR) based performance feedback in 2022, and 88% received it in 2021



10%
employee turnover rate in 2021, and 12% in 2022



152,439 KWD
spent towards employee retirement and indemnity in 2021, and KWD 141,407 in 2022



8.3%
female managers in 2021 and 2022



38.5%
local managers in 2022, and 23.1% in 2021



13,138 KWD
invested for employee training in 2021, and KWD8,646 in 2022



19 hours
average training per employee during 2021, and 17 hours in 2022

SOCIAL

0
 health and safety incidents occurred during 2021 and 2022

5,149.5 KWD
 spent on health and safety during 2021, and KWD 4,879 in 2022

417,007 KWD
 invested in digitization and automation in 2021, and KWD 179,436 in 2022

3,325,171 KWD
 discount provided to tenants in 2021, and KWD 2,519,320 in 2022

11,577 KWD
 spent on CSR activities in 2021, and KWD 8,703.5 in 2022

88.6%
 local suppliers in 2021, and 90.3% in 2022

ENVIRONMENTAL

950,012 KWD
 paid towards electricity and water management in 2021, and KWD 875,697 in 2022

0.08 mtCO₂e
 employee air travel emission intensity in 2021, and 0.6 mtCO₂e/employee in 2022

71.7%
 of the total GHG emissions in 2022 from grid electricity usage, and 74.1% of total emissions in 2022

7.6 KWD
 million green investment in 2021 and KWD 9.4 million in 2022



Case Study: Al-Tijaria's commitment to the United Nations Global Compact (UNGC)

The Commercial Real Estate Company (Al-Tijaria) is a prominent leading company in the real estate industry, specializing in residential and commercial property investment in the State of Kuwait, GCC & MENA regions as well as internationally. On May 31st, 2022, Al-Tijaria joined the UNGC, pledging to uphold and commit to the ten principles of the UNGC related to human rights, labor, environment, and anti-corruption. Through our participation in the UN Global Compact, Al-Tijaria engaged with a wide range of stakeholders, shareholders, potential investors, employees, and local communities. This engagement developed transparency, trust, and accountability, leading to stronger relationships and better understanding of stakeholders' expectations. The commitment promotes sustainability and benefits both society and the company's long-term success while aligning its way of doing business with the 17 Sustainable Development Goals of the UN.

• Human Rights:

Al-Tijaria incorporates human rights principles throughout its activities. The company ensures equal opportunities, non-discrimination, and respect for human rights within its workforce. The company engaged with local communities by conducting social impact assessments and incorporating community input into its projects to respect the rights and interests of all stakeholders and shareholders.

• Labor:

Recognizing the importance of labor rights, Al-Tijaria implements fair labor practices. The company ensures compliance with local labor laws, promotes diversity and inclusion in its workforce, and provides a safe and healthy working environment for employees. The company fostered employee development and well-being through training programs, performance evaluations, employee satisfaction surveys, and competitive yearly compensation packages.

• Environment:

Al-Tijaria prioritizes sustainable practices in Kuwait and across its real estate investment portfolio. Al-Tijaria has launched the "plant a tree in my country" campaign on a yearly basis, which aims at increasing awareness about the effectiveness of planting trees in the country resulting in reducing global warming and promoting a healthier environment. In addition, Al-Tijaria has invested in sustainable buildings globally, which focuses on minimizing their environmental impact while optimizing resource efficiency. Sustainable buildings are known to be environment-friendly providing a range of benefits while resulting in a positive impact on the environment. The company also plans to adopt waste management strategies, adopting recycling and responsible waste disposal to decrease environmental impact in the near future.

• Anti-Corruption:

To combat corruption, Al-Tijaria is committed to stringent anti-corruption measures in alignment with the UNGC and local anti-corruptions laws. It implements transparent governance structures, clearly defined policies, and ethical guidelines for its employees and business partners. The company encourages the reporting of misconduct and ensures compliance with anti-corruption laws and regulations.



Al-Tijaria's commitment to the UNGC has yielded several positive outcomes that include:

• Positive Reputation and Value:

By aligning with the UNGC, Al-Tijaria enhanced its reputation both locally and globally. Its commitment to corporate social responsibility and responsible practices initiatives attracted global investors who value ethical real estate development.

• Reduced Environmental Footprint:

Through its adherence to the UNGC principles, Al-Tijaria plans to reduce its environmental footprint even more effectively in the near future. The company plans to focus on global sustainable investments, renewable energy sources, and responsible waste management which will contribute to lower carbon emissions and resource consumption.

• Enhanced Stakeholder Engagement:

By integrating the UNGC principles, the company fostered beneficial engagement with stakeholders. Al-Tijaria actively engaged with local and global communities, addressing their concerns and incorporating their input into decision-making processes. This approach facilitated stronger relationships with investors, employees, and regulatory bodies, promoting transparency and trust.

• The Social and Governance Aspect:

Aligning with the UNGC enabled Al-Tijaria to impact society by implementing principles of good governance, in which societies experience positive transformations, increased social responsibility cohesion, and sustainable development. Al-Tijaria's leadership, corporate policies, transparency, and accountability promises to protect shareholder and stakeholder rights, provide annual executive rewards, and adherence to ethical standards. As part of our belief of building the education foundation in the country, Al-Tijaria provides sponsorships to Kuwait University (KU) Engineering students and their graduation projects thus promoting youth development. The university sponsorships initiative was launched in 2008 and is ongoing. Sharing and enhancing our commitment towards sustainability, Al-Tijaria also initiated the Ishraqat Amal campaign, that is held on an annual basis as a means to support the kids of special needs and appreciate people with disabilities to integrate into the community. Moreover, the company launched the "donate a toy campaign which started in 2019 and aims to collect children's toys and donate them for the benefit of the less fortunate children in Kuwait.

Al-Tijaria's alignment with the United Nations Global Compact demonstrates its commitment to sustainable and responsible corporate practices in the market. Through the integration of UNGC principles, the company has enhanced its reputation, reduced environmental impact, positively impacted the community, increased employee satisfaction, and engaged with local and global stakeholders in order to raise awareness in relation to corporate social responsibility and sustainability. Our commitment to the UNGC serves as an inspiration for other companies to implement the Sustainable Development Goals in their ways of approaching business. Through collective efforts, the real estate industry can play a significant role in addressing social and environmental challenges, contributing to a sustainable and inclusive future.

2.2. Stakeholder Engagement

In accordance with the GRI 3: Materiality approach, we have identified the topics that have or can have a potential impact on Al-Tijaria's operations. The significance of each preliminary identified topic was assessed through the stakeholder engagement process. Then, the material topics were prioritized through consultations with experts, the Company's internal and external stakeholders and through benchmarking with leading industry practices. The topics are identified such that they are aligned to the organizational strategy, goals, type of business and our relationships with different stakeholders. The organizational context is assessed in terms of business relationship and engagement.

After the identification of the organizational context, Al-Tijaria undertook engagement activities with its relevant stakeholders to understand the impact on the economy, environment, and people, including the impact on their human rights, across the organization's activities and business relationships. The assessment of the impact was from two perspectives – one was the positive/negative impact on Al-Tijaria's operations, and the second was the impact caused on the environment and society due to Al-Tijaria's activities. In this regard, the topics or issues that were discussed in stakeholder meetings were individually assessed in terms of their connection to the impact – where the issue causes/contributes to/is directly linked to the actual or potential impact.

At Al-Tijaria, stakeholder relationship is one of the key drivers for long-term business sustainability. To effectively engage with our key stakeholders, we have developed a collaborative approach that sees these relationships as reciprocal, evolving, and mutually defined in nature. We value their feedback as this helps us recognize important developments in society and markets and align our business strategy accordingly for long-term value creation. We continue to engage with relevant stakeholders through various modes and platforms throughout the year. While some of these interactions are periodic in nature, some discussions are ad-hoc depending on the type of stakeholders we are interacting with. The overall objective is to ensure meaningful and effective communication with our stakeholders, meet their demands and sustain a long-lasting and effective engagement, and partnerships.

Table 2.1: Stakeholder Engagement Framework

	Material topic alignment	Selected method of engagement	Frequency
Shareholders and investors	<ul style="list-style-type: none"> · Sustainable buildings · Corporate governance · Business ethics 	<ul style="list-style-type: none"> · Annual General Meeting · Annual Reports · Emails · Meetings · Phone calls · Quarterly reports · Website disclosures 	Quarterly / annually
Customers and tenants	<ul style="list-style-type: none"> · Health, safety, and security · Tenant experience 	<ul style="list-style-type: none"> · Meetings · Website · Social media · Press releases · Phone calls · Emails · Contracts 	Throughout the year
Suppliers	<ul style="list-style-type: none"> · Business ethics 	<ul style="list-style-type: none"> · Meetings · Phone calls · Emails · Annual Reports · Website · Contracts 	Throughout the year
Employees	<ul style="list-style-type: none"> · Corporate governance · Training and development · Health, safety, and security · Labor management · Demographic representations 	<ul style="list-style-type: none"> · Training · Meetings · Phone calls · Emails · Employee initiatives · Website · Social media · Contracts 	Daily
Governmental entities	<ul style="list-style-type: none"> · Corporate governance · Business ethics · Labor management · Environmental performance 	<ul style="list-style-type: none"> · Compliance with rules and regulation · Meetings · Website · Phone calls · Quarterly reports · Annual Reports 	When required
Local communities	<ul style="list-style-type: none"> · Business ethics · Social impact and awareness 	<ul style="list-style-type: none"> · Social media · CSR initiatives · Annual Reports · Phone calls · Emails · Press releases · Website 	Throughout the year

2.3. Communicating our Materiality

Through stakeholder engagement, we were able to identify the top priority material topics that are having a significant impact on both the business and stakeholders. We consider all these topics as relevant and important for our business operations. The material topics were sent to internal and external stakeholders to rate the topics in relation to degree of influence and importance. We received six responses from external stakeholders, and 16 from internal stakeholders. We then assigned priority levels to these material topics based on the extent of their impact and worked to devise suitable time-bound action plans and to disclose our performance to stakeholders.

The materiality matrix's axes were: Significance of Al-Tijaria's economic, environmental and social aspects (X-axis), and Influence of stakeholder assessment and decisions (Y-axis). Each axis was divided into three segments – low, medium and high. Based on the materiality assessment outcomes, the topics were classified into: Medium-medium, High-Medium and High-High. As per the assessment, all the material topics were rated as High-High for 2021/2022.

Materiality Matrix

AlTijaria's 2021 / 2022 Materiality Matrix

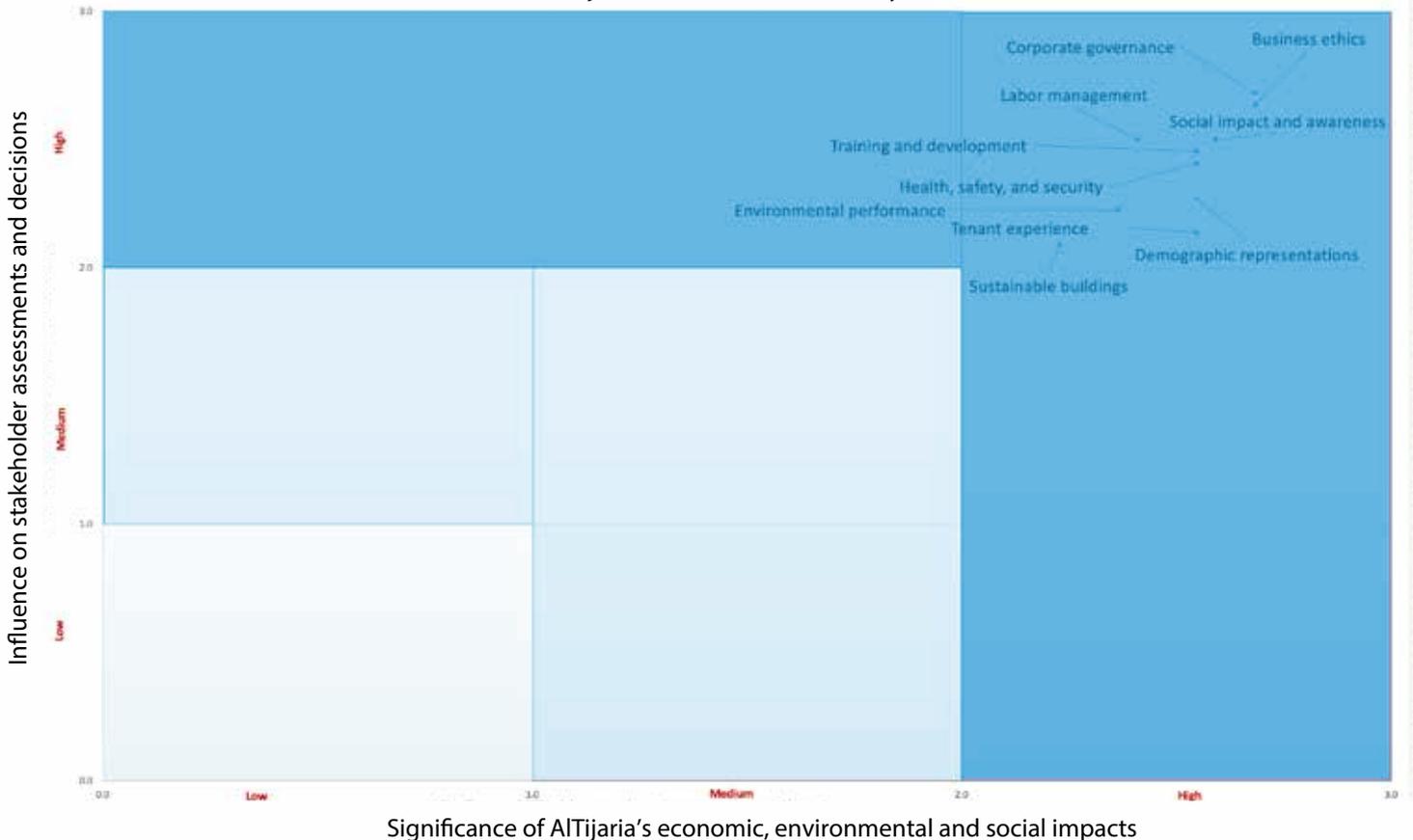


Table 2.2: List of Material Topics

Materiality topics	Rating
Sustainable buildings	High-High
Social impact and awareness	High-High
Corporate governance	High-High
Business ethics	High-High
Training and development	High-High
Health, safety, and security	High-High
Tenant experience	High-High
Environmental performance	High-High
Labor management	High-High
Demographic representations	High-High

Reflection on 2021/2022 Materiality Assessment Results

It is interesting to note both the differences and similarities between Al-Tijaria's 2021/2022 and 2020 Sustainability Reports, which are further illustrated as follows. The biggest difference is the 2020 materiality matrix had an additional classification for the frequency and impact, called "Very High". Hence there were four classifications: Low, Medium, High, and Very High. In 2021/2022 the classifications were changed to Low, Medium and High. The comparison of each material topic in 2021/2022 and their related material topic in 2020 is highlighted in the next table.

Table 2.3: Comparison of Material Topics

#	2022 material topic	2021/2022 material topic rating	Related 2020 material topic	2020 material topic rating
1	Sustainable buildings	High-High	Green projects and investments	Moderate
2	Social impact and awareness	High-High	Community impact	High
3	Corporate governance	High-High	Corporate governance	Very High
4	Business ethics	High-High	Business ethics	Very High
5	Training and development	High-High	Training and development	Very High
6	Health, safety, and security	High-High	Health, safety and security	Very High
7	Tenant experience	High-High	Tenant relations and experience	High
8	Environmental performance	High-High	Energy reduction and resource management Greenhouse gas (GHG) emissions	High
9	Labor management	High-High	Employee retention and turnover	High
10	Demographic representations	High-High	Workplace diversity	High

Al-Tijaria Material Topics list	Material topic's actual and potential, negative and positive impacts on the economy, environment, and people, including impacts on Al-Tijaria's human rights	Al-Tijaria involvement with negative impacts through its activities or as a result of its business relationships	Policies or commitments regarding the material topic	Actions taken to prevent or mitigate potential negative impacts
Corporate governance	Provided in Section 3.2	One cybersecurity breach incident was recorded in 2021	Corporate Governance Manual	Provided in Section 3.2
Business ethics	Provided in Section 3.3	Al-Tijaria is not involved with negative impacts regarding this topic	Code of Conduct	Provided in Section 3.3
Training and development	Provided in Section 4.3	Al-Tijaria is not involved with negative impacts regarding this topic	No defined policy	Provided in Section 4.3
Health, safety, and security	Provided in Section 4.4	Al-Tijaria is not involved with negative impacts regarding this topic	Code of Conduct	Provided in Section 4.4
Labor management	Provided in Section 4.1	Al-Tijaria is not involved with negative impacts regarding this topic	Code of Conduct	Provided in Section 4.1
Demographic representations	Provided in Section 4.2	Al-Tijaria is not involved with negative impacts regarding this topic	No defined policy	Provided in Section 4.2
Social Impact and awareness	Provided in Section 4.6	Al-Tijaria is not involved with negative impacts regarding this topic	Code of Conduct	Provided in Section 4.6
Environmental performance	Provided in Section 5.1	Al-Tijaria is not involved with negative impacts regarding this topic	Code of Conduct	Provided in Section 5.1
Sustainable buildings	Provided in Section 5.2	Al-Tijaria is not involved with negative impacts regarding this topic	No defined policy	Provided in Section 5.2

Actions taken to address actual negative impacts	Actions taken to manage actual and potential positive impacts	Processes used to track the effectiveness of the aforementioned actions	Goals, targets, and indicators used to evaluate progress of the aforementioned actions	Effectiveness of the actions, including progress toward the goals and targets
The security system has been updated to make more robust	Provided in Section 3.2	Provided in Section 3.2	Provided in Section 3.2	Provided in Section 3.2
No negative impact was recorded	Provided in Section 3.3	Provided in Section 3.3	Provided in Section 3.3	Provided in Section 3.3
No negative impact was recorded	Provided in Section 4.3	Provided in Section 4.3	Provided in Section 4.3	Provided in Section 4.3
No negative impact was recorded	Provided in Section 4.4	Provided in Section 4.4	Provided in Section 4.4	Provided in Section 4.4
No negative impact was recorded	Provided in Section 4.1	Provided in Section 4.1	Provided in Section 4.1	Provided in Section 4.1
No negative impact was recorded	Provided in Section 4.2	Provided in Section 4.2	Provided in Section 4.2	Provided in Section 4.2
No negative impact was recorded	Provided in Section 4.6	Provided in Section 4.6	Provided in Section 4.6	Provided in Section 4.6
No negative impact was recorded	Provided in Section 5.1	Provided in Section 5.1	Provided in Section 5.1	Provided in Section 5.1
No negative impact was recorded	Provided in Section 5.2	Provided in Section 5.2	Provided in Section 5.2	Provided in Section 5.2



3. Safeguarding Shareholder Value



0 Incidents of discrimination in 2021 and 2022



0 Incidents of violations involving rights of indigenous peoples in 2021 and 2022



0 Incidents of corruption or money laundering in 2021 and 2022



0 incidents of non-compliance on product and service information and labeling in 2021 and 2022



0 Incidents of involvement in anti-competitive and business ethics controversies in 2021 and 2022



SDG 8: DECENT WORK AND GROWTH



SDG 9: INNOVATION AND INFRASTRUCTURE



SDG 11: SUSTAINABLE CITIES AND COMMUNITIES



KUWAIT VISION



PUBLIC ADMINISTRATION



ECONOMY

Al-Tijaria's Shareholders and Investors Affairs Section pays close attention to our shareholders, in collaboration with the rest of Al-Tijaria's departments. This involves overseeing the quality of services provided to them, preserving shareholders' rights, responding to their inquiries clearly, and being transparent in all our dealings with them. The Shareholders Affairs Section is the entity entrusted with providing data, information and reports to shareholders in many ways, whether through official correspondence or through means of disclosure and the Company's website. Al-Tijaria responds to all shareholders' inquiries, is in frequent communication with them and pays ongoing attention to them. We ensure that financial dues are delivered to shareholders in the easiest way and invite the shareholders to attend the Company's general assemblies to express their opinions and suggestions. The documents and records are kept confidential till their transactions are complete with the Company in coordination with the Kuwait Clearing Co. (KCC)

Al-Tijaria complies with the regulatory standards for implementing sound governance according to the instructions issued by the supervisory authorities. Transparency towards Al-Tijaria's shareholders is crucial, without neglect or omission, in order to protect the rights of shareholders. The work and commitment to the principle of "transparency" is carried out seriously and continuously. In order to implement this principle, the management works to communicate with shareholders by various available means on an ongoing basis. Al-Tijaria works to contribute to social responsibility initiatives to implement strategic goals, and launches permanent and continuous social programs and activities.

Accurate and transparent presentation and disclosure mechanisms are in place. Al-Tijaria adopts a policy of transparent disclosures for the shareholders on one hand, and towards the concerned supervisory authorities, in compliance with the laws and regulations applicable in the State of Kuwait, on the other hand. The Company realizes the need to adhere to accurate, organized and appropriate internal and external disclosure of financial matters and material information. A statement of the financial position, performance, ownership and practices related to controlling the Company or its decisions is disclosed publicly. Such transparency is expected to create an atmosphere of trust and reassurance, both internally and externally, and eliminate conflict of interests. Transparency also ensures clear communication between shareholders, the Board of Directors and the executive management fosters an atmosphere of credibility in the work environment. Al-Tijaria is committed to following all laws, regulations and instructions related to disclosure issued by the various regulatory and supervisory authorities in a timely manner and maintaining the Company's reputation in the markets in which it operates.

Shareholders' Rights Protection Policy

The Company respects and protects the rights of shareholders in accordance with the relevant laws, guidelines and regulations. The current shareholders of Al-Tijaria are those who are registered in the books and records of KCC, and each shareholder, regardless of their ownership percentage, is entitled to the following:

1. Recording the value of the ownership share in the Company's records
2. Disposal of the shares from the registration, transfer and/or transfer of ownership
3. Obtaining the prescribed share in the distribution of cash dividends and bonus shares in accordance with the recommendations made by the Board of Directors and approved by the General Assembly
4. The right to participate in the meetings of the General Assembly and to vote on its decisions, with the same treatment
5. Announcement in the daily newspapers seven days before the date of the approved and scheduled General Assembly meeting and approval by the concerned authorities, with all data, reports and information related to the agenda
6. Being provided with information on all the rules governing voting procedures and all information related to voting rights

Stock Performance

Al-Tijaria had a strong stock performance during 2021. The share price at the beginning of the year was 118 fils, and during 2021 the share price reached 140 fils. The total number of shares traded during the year 2021 was 915,400,212 shares, and the total value of shares traded during the year 2021 reached 101,994,023 Kuwaiti dinars.

The performance of the shares of the Commercial Real Estate Company in 2022 was good, and the share price at the beginning of the year was 124 fils, and during the year 2022 the share price reached 129 fils. The total number of shares traded during the year 2022 was 848,386,730 shares, and the total value of shares traded during the year 2022 reached 91,269,116 Kuwaiti dinars.

Al-Tijaria attracts foreign investors by ensuring sustainable yearly dividend yields backed up by a strong business model and a global real estate and investment portfolio.

Shareholder Voting Rights

Al-Tijaria has a well-defined procedure in place to uphold the rights of shareholders. Requirements to define and protect the general rights of shareholders are as follows:

1. Once the date of the General Assembly has been decided and approved by the concerned authorities, announcing it in the daily newspapers five working days before the event, with the provision of all data, reports and information related to the agenda
2. Not imposing any fees in return for any class of shareholders attending the meetings of the General Assembly or granting a preferential advantage to any class over other classes of shareholders
3. Informing shareholders of all the rules governing voting procedures and providing all information regarding voting rights for both current shareholders and prospective investors on a continuous and permanent basis for all classes of shareholders

Government Ownership

The Government owns shares in Al-Tijaria, and the percentage of ownership is less than 20%.

In the event of receiving a written request from shareholders owning 5% or more before the start of the General Assembly session, the requested subject will be added to the agenda, voted on and presented for voting by the shareholders. The percentage of shares required to requisition a resolution at the AGM meeting is 5%. The Extraordinary General Assembly convenes at the invitation of the Board of Directors or based on a reasonable request from shareholders representing 15% of the Company's issued capital or from the Ministry, and the Board of Directors must invite the Extraordinary General Assembly to convene within 30 days from the date of submitting the application. If the Board of Directors did not invite the assembly within the period stipulated, the Ministry shall invite the meeting within a period of 15 days from the date of the expiry of the period.

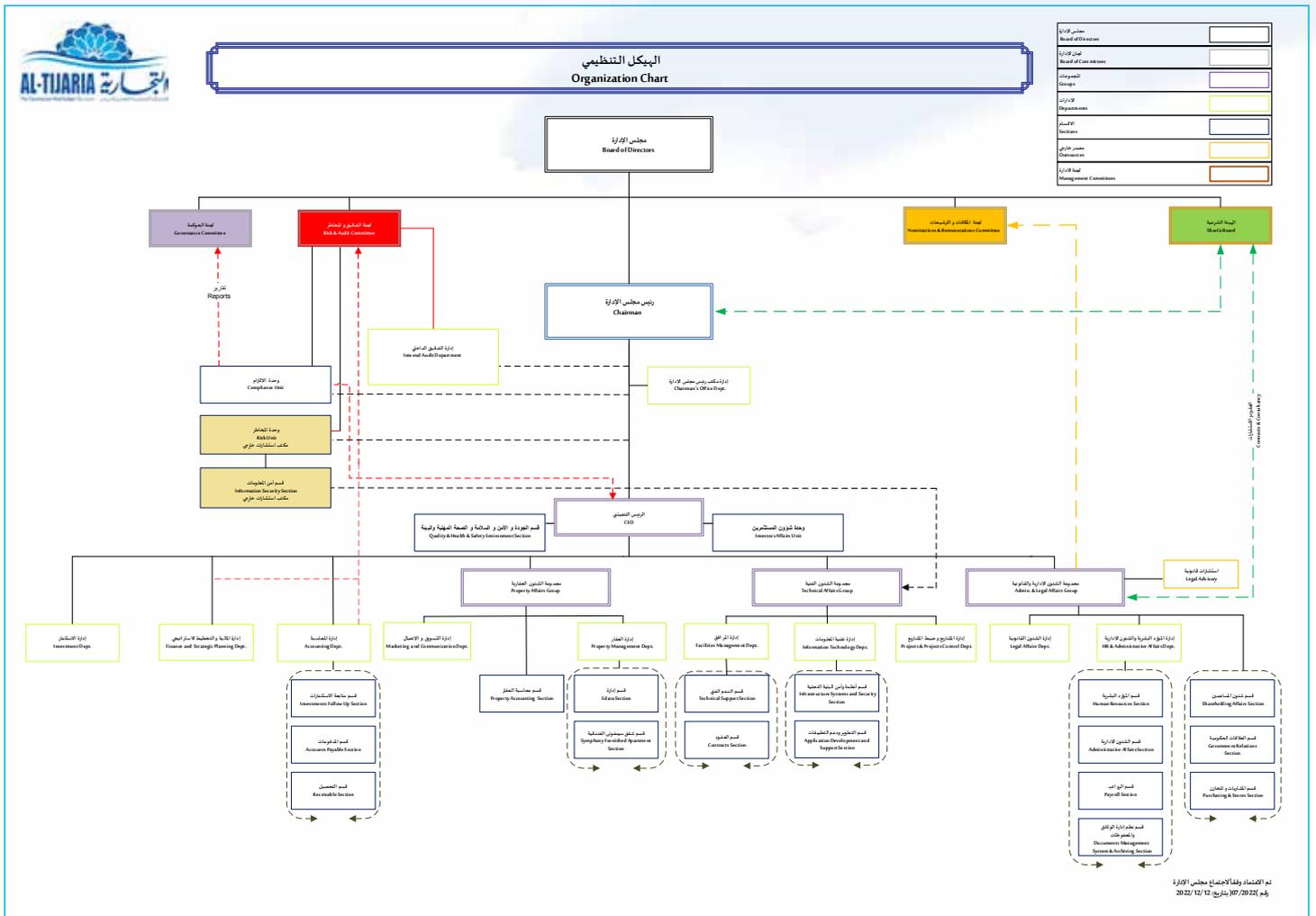
Al-Tijaria's potential dilution to traded shares of 10% or greater depends on the supply and demand of the Company shares. To amend Al-Tijaria's bylaws / articles of association, the Board needs the approval of the shareholders. The shareholders' decision to make changes at the Company needs to be in line with the Ministry of Commerce and regulatory authorities' rules and regulations. The shareholders have the right to dismiss any member, including the Chairman, or to dissolve the Board of Directors, based on a proposal submitted by several shareholders who own no less than 25% of the Company's capital.

3.1. Organizational Structure

The Company's organizational structure has been established to facilitate the effectiveness of decision-making in a transparent and accountable manner and to reflect the ability to define authority limits with clear sets of defined key responsibilities and duties of the Board of Directors, executive management and heads of supervisory and control functions in Al-Tijaria. The Company's organizational structure complies with the necessary regulations in Kuwait.

The following diagram represents the organizational hierarchy and governance structure of Al-Tijaria.

Al-Tijaria's Organizational Structure



3.2. Corporate Governance

Board of Directors (BoD) and Executive Management

The Board of Directors (BoD) is responsible for reviewing and approving the Company's strategic plan, setting the budget, comparing targets with actual results and setting business priorities. The Board monitors the implementation of such strategies. It also sets and approves the policies that govern Al-Tijaria's various activities, which are annually reviewed for enhancement and improvements. The BoD is aware of the Company's vision, mission, objectives and general strategy to achieve shareholders' and other stakeholders' expectations. The BoD further works to avoid any conflict of interest, provided that the priority is always to be for the benefit of the Company. The BoD is further responsible for monitoring the Company's vulnerabilities, ensuring that proper structures, internal controls and frameworks are in place for managing and mitigating risks. There is no executive body responsible for water management strategy and performance, but it will be structured within the Management Strategy plan during 2023.

The BoD, in cooperation with the executive management, reviews the policies and regulatory controls on a regular basis, including internal control and supervisory functions, in order to identify and tackle weaknesses and risk areas. It ensures that the control and supervisory functions are operating effectively and independently with satisfactory support as needed. All members of the BoD have expertise in industry, finance and risk management and are Kuwaiti nationals. More details on the Company's BoD members are given below.

The Board Chairman is not the CEO of the Company. The Chairman and Deputy Chairman are both elected by the BoD, and both of them alongside all employees and board members are subject to the Conflict of Interest and Related Party Transaction procedures. There is only one Executive Director, which represents 12.5% of the BoD. The present share of Independent Directors on the Board is 12.5%, which is expected to go up to 20% by the next election. There are more than four Non-Executive Directors on the BoD. The following table shows the BoD over 2021 and 2022.

Table 3.1: 2021 Board of Directors

Name of each Board member	Position	Independence Status	Industrial expertise	Financial expertise	Risk expertise	Non-industry expertise	Gender	Nationality	Years tenure	Executive or Non-Executive Status	Attendance rate
Mr. Abdulfatah Mohamad Rafe Marafe	Chairman		Yes	Yes	Yes	Yes	Male	Kuwaiti	43	Non Executive	100%
Mr. Adwan Mohammad Adwani	Vice Chairman		Yes	Yes	Yes	Yes	Male	Kuwaiti	46	Non Executive	100%
Eng. Ibrahim Mohammad Al Ghanim	Board Member		Yes	Yes	Yes	Yes	Male	Kuwaiti	43	Non Executive	100%
Mr. Hussain Abdulla Johar	Board Member		Yes	Yes	Yes	Yes	Male	Kuwaiti	40	Non Executive	100%
Mr. Abdul Aziz Mubarak Al Hasawi	Board Member	Independent	Yes	Yes	Yes	Yes	Male	Kuwaiti	35	Non Executive	100%
Eng. Abdulmutaleb A.M. Marafe	Board Member		Yes	Yes	Yes	Yes	Male	Kuwaiti	22	Executive	100%
Mr. Talal Jasim Al Bahar	Board Member		Yes	Yes	Yes	Yes	Male	Kuwaiti	16	Non Executive	100%
Mr. Yousef Yagoub Al Awadhi	Board Member		Yes	Yes	Yes	Yes	Male	Kuwaiti	16	Non Executive	100%

Table 3.2: 2021 Executive Management

	2021			
	Name of each executive management (EM) member	Position	Gender	Nationality
Executive Management	Eng. Abdulmutaleb A M Marafie	Chief Executive Officer (CEO)	Male	Kuwaiti
	Mr. Saleh Ahmad Al Aryan	CEO Admin & Legal Affairs Group	Male	Kuwaiti
	Eng. Yousef Ghazi AlSaqabi	CEO Technical Affairs Group	Male	Kuwaiti
	Mr. Fuad Hassan Zaarour	Accounting Department Manager	Male	Jordanian
	Mr. Mansour Muhsen Kamal	Internal Audit Department Manager	Male	Canadian
	Mr. Essam Mohamed Refaat	Legal Affairs Department Manager	Male	Egyptian
	Mr. Ahmed Esmaeil Aly Elkalshy	HR & Administrative Affairs Department Manager	Male	Egyptian
	Eng. Nisanth Kondiara Chandran	Facilities Management Department Manager	Male	Indian
	Mr. Emad Mahmoud Odeh Alhaniny	IT Department Manager	Male	Jordanian
	Mrs. Iman El Mokaddem	Chairman's office Dept. Manager	Female	Lebanese
	Mr. Khaled Enad Mustafa A Kanaaneh	Projects and Projects Control Department Manager	Male	Jordanian
	Mrs. Eva Saeed Sabri Awwad	Property Management Department Deputy Manager	Female	Jordanian
	Mr. Ahmad Abbas Shakib	Investment Department Deputy Manager	Male	Iranian

Table 3.3: 2022 Board of Directors

Name of each Board member	Position	Independence Status	Industrial expertise	Financial expertise	Risk expertise	Non-industry expertise	Gender	Nationality	Years tenure	Executive or Non-Executive Status	Attendance rate
Mr. Abdulfatah Mohamad Rafie Marafie	Chairman		Yes	Yes	Yes	Yes	Male	Kuwaiti	44	Non Executive	100%
Mr. Adwan Mohammad Adwani	Vice Chairman		Yes	Yes	Yes	Yes	Male	Kuwaiti	47	Non Executive	100%
Eng. Ibrahim Mohammad Al Ghanim	Board Member		Yes	Yes	Yes	Yes	Male	Kuwaiti	44	Non Executive	100%
Mr. Hussain Abdulla Jowhar	Board Member		Yes	Yes	Yes	Yes	Male	Kuwaiti	41	Non Executive	86%
Mr. Abdul Aziz Mubarak Al Hassani	Board Member	Independent	Yes	Yes	Yes	Yes	Male	Kuwaiti	36	Non Executive	100%
Eng. Abdulmutaleb A.M. Marafie	Board Member		Yes	Yes	Yes	Yes	Male	Kuwaiti	23	Executive	100%
Mr. Talal Jasim Al Bahar	Board Member		Yes	Yes	Yes	Yes	Male	Kuwaiti	17	Non Executive	100%
Mr. Yousef Yagoub Al Awadhi	Board Member		Yes	Yes	Yes	Yes	Male	Kuwaiti	17	Non Executive	86%

Table 3.4: 2022 Executive Management

	2022			
	Name of each executive management (EM) member	Position	Gender	Nationality
Executive Management	Eng. Abdulmutaleb A Marafie	Chief Executive Officer (CEO)	Male	Kuwaiti
	Mr. Saleh Ahmad Al Aryan	CEO Admin & Legal Affairs Group	Male	Kuwaiti
	Eng. Yousef Ghazi AlSaqabi	CEO Technical Affairs Group	Male	Kuwaiti
	Mr. Mohammad Haider Ghadhanfari	Deputy CEO Admin & Legal Affairs Group	Male	Kuwaiti
	Eng. Homoud Oqlah AlEnezi	Deputy CEO Property Group	Male	Kuwaiti
	Mr. Fuad Hasan Zarour	Accounting Department Manager	Male	Jordanian
	Mr. Walid Wizani	Finance & Strategic Planning Department Manager	Male	Lebanese
	Mr. Ahmed Abbas Shakib	Investment Department Deputy Manager	Male	Iranian
	Mr. Essam Mohamed Refaat	Legal Affairs Department Manager	Male	Egyptian
	Eng. Nisanth Kondiara Chandran	Facilities Management Department Manager	Male	Indian
	Mrs. Iman El Mokaddem	Chairman's office Dept. Manager	Female	Lebanese
	Ms. Nadyah A A Haraish	HR & Administrative Affairs Department Manager	Female	Non Kuwaiti
	Mr. Hosam Samir Naeem Habib	Internal Audit Department Manager	Male	Egyptian

Board Committees

The Board of Directors has established three Board-level committees and each has a well-defined set of responsibilities assigned to them to ensure the oversight of the Company's specific matters, with more details given in the following table. The respective committees are established in line with the strategies of the Company and the applicable regulatory requirements. Critical concerns are communicated to the highest governance body through risk reports, prepared by risk management unit through the Risk and Audit Committee, and training and awareness sessions on new updates. The measures taken to advance the collective knowledge, skills and experience of the highest governance body on sustainable development are to be structured within the training plan during 2023 and onwards.

Further information about Board Committees can be found in the Annual Report, 2022, Pages 19-32; <https://www.altijaria.com/annual-reports>.

Table 3.5: Board Committees

Name of committee	Members	Memberships
Risk and Audit Committee	Mr. Ibrahim Al Ghanim	Chairman - Non-Executive
	Mr. Adwan Al Adwani	Vice-Chairman - Non-Executive
	Mr. Abdulaziz Al Hassawi	Independent Member
	Mr. Youssef Al Awadhi	Non-Executive Member
Nomination and Remuneration Committee	Mr. Talal Al Bahar	Chairman - Non-Executive
	Mr. Hussain Jowhar	Vice-Chairman - Non-Executive
	Mr. Abdulaziz Al Hassawi	Independent Member
Corporate Governance Committee	Mr. Abdulfatah Marafie	Chairman - Non-Executive
	Mr. Hussain Jowhar	Vice-Chairman - Non-Executive
	Mr. Adwan Al Adwani	Non-Executive Member
	Mr. Youssef Al Awadhi	Non-Executive Member

There are no Company executives serving on the Risk and Audit Committee. The committee comprises members with general expertise in accounting and financial management, and with substantial industry knowledge. The Nomination and Remuneration Committee consists of one Independent Director and two Non-Executive Directors. The committee Chair is non-executive and subject to the rules of conflict of interests by the CMA. There are three Directors of the committee in total (only one Director is independent and the other two Directors are non-executive).

Table 3.6: Board Committee Meeting Attendance

Name of each committee	Members	Membership	Attendance rate	Required number of meetings	Actual number of meetings held	Attendance rate	Required number of meetings	Actual number of meetings held
Risk and Audit Committee	Mr. Ibrahim Al Ghanim	(Chairman - NonExecutive)	100%	4	7	100%	4	7
	Mr. Adwan Al Adwani	(Vice-Chairman - Non-Executive)	100%			100%		
	Mr. Abdulaziz Al Hassawi	(Independent Member)	67%			86%		
	Mr. Youssef Al Awadhi	(Non-Executive Member)	100%			71%		
Nomination and remuneration Committee	Mr. Talal Al Bahar	(Chairman - Non-Executive)	100%	2	2	100%	2	2
	Mr. Hussain Jowhar	(Vice-Chairman - Non-Executive)	100%			100%		
	Mr. Abdulaziz Al Hassawi	(Independent Member)	100%			100%		
Corporate Governance Committee	Mr. Abdulfatah Marafie	(Chairman - Non-Executive)	100%	2	2	100%	2	2
	Mr. Hussain Jowhar	(Vice-Chairman - Non-Executive)	100%			100%		
	Mr. Adwan Al Adwani	(Non-Executive Member)	100%			100%		
	Mr. Youssef Al Awadhi	(Non-Executive Member)	50%			100%		

Board Performance

The BoD is the highest governance body for reviewing the effectiveness of the organization's processes. The BoD approves strategies, policies, authorities, limits, and reviews reports and recommendations of the Risk and Audit Committee and other consultants' reports. From the economic point of view, it approves the strategies and budgets for the Company's goals and objectives. For environmental and social aspects, the Corporate Governance Committee and the BoD are responsible for defining the Corporate Social Responsibility (CSR) plan, budget activities and related campaigns. The plans are prepared yearly and approved by the BoD. Senior executives or other employees report back to the highest governance body on economic aspects six to eight times a year. For environmental and social aspects, the report frequency is once a year.

Criteria for selection of the highest governance body

Al-Tijaria's criteria in selecting the highest governance body is:

1. Al-Tijaria's compliance with Capital Markets Authority (CMA) regulations and The Executive Bylaws Module Fifteen: Rules I, II & III
2. Al-Tijaria's Article of Association rules 16 & 17, commercial registration 16-7-2020
3. Commercial law 1-2016

Evaluations of the Board's performance and actions taken in response to the evaluations are the responsibility of the Strategy and Governance Committee and included in the BoD meeting's agenda during 2023-2024. Currently the BoD evaluations are done once per year. In terms of remuneration, the Company adopts effective stock ownership guidelines for the Chief Executive Officer (CEO). The CEO's annual incentives are in line with Al-Tijaria's annual performance. In the reporting period, Al-Tijaria did not receive any negative vote in excess of 10% on its pay policies and practices.

Al-Tijaria is committed to submitting all required reports to the CMA and the Kuwait Stock Exchange (KSE), and all related disclosures, treasury shares, and governance reports. It also submits necessary subjects as per Assembly General Meeting (AGM) and Extraordinary General Meeting (EGM) in compliance with regulatory requirements in a timely manner. The appointment of external auditors is recommended by the Audit and Risk committee and the BoD and approved by the Assembly General Meeting (AGM). Periodic evaluation is undertaken on the roles and responsibilities of the highest governance body and senior executives. The Remuneration Policy for members of the highest governance body and senior executives relates to their objectives and performance in relation to the management of the organization's impact on the economy.

Audit Tenure

Al-Tijaria commits to rotation of audit partners every three years.

Al-Tijaria's policy for responsible business conduct includes adherence to laws and regulations set by the CMA, Boursa, and Kuwait Labor Law, among others. We embed each of our commitments for responsible business conduct in our policies and procedures, such as our internal and external regulations, Corporate Governance (CG) Manual, Employment Contracts, Declarations and Acknowledgement (Code of Conduct - Disclosures - Confidentiality - Workshops and Training - Key Persons' Directions). The Company seeks advice on implementing the organization's policies and practices by consulting with higher management and the Legal Department, and takes seriously any issues raised through whistleblowing.

3.3. Business Ethics and Compliance

It is imperative to reinforce strong ethical values for a sustainable business, and non-compliance can lead to loss of the trust of investors, employees, and other stakeholders alike. Al-Tijaria has formulated several Company-wide policies that reflect our fundamental principles, and the practices that follow these ideals. The employee policies include an Internal Policy, Disciplinary Policy, Code of Conduct, Business Ethics Policy, and Health and Safety Policy. It is our duty to ensure that our behavior, attitude, and decisions live up to the principles and core values that govern this code. To help employees familiarize themselves and abide by the policies, we have developed a comprehensive Employee Handbook. Additionally, the policies are communicated through email announcements and circulars.

Grievance Reporting Mechanism

Al-Tijaria has a formal grievance reporting and escalation procedure in place. The starting point is to raise an official complaint to the HR & Administrative Affairs Department. Then the team starts the investigation and follows up on the case as per the Company policy. Procedures are in place for higher levels of escalation if required. The executive management and department managers, who are overseen by the BoD, are responsible for the management of business ethics, including conflict of interest, and corruption issues.

Record of Ethical Cases

 <p>0 Incidents of discrimination</p>	 <p>0 Incidents of violations involving rights of indigenous peoples</p>
 <p>0 Incidents of regulatory warnings given</p>	 <p>0 Incidents of corruption</p>
 <p>0 Incidents of money-laundering</p>	 <p>0 Incidents of non-compliance on product and service information and labeling</p>
 <p>0 Incidents of involvement in anti-competitive and business ethics controversies</p>	

Compliance Mechanism

Al-Tijaria's internal mechanisms for ensuring compliance rely on the Corporate Governance Manual, and the policies and the procedures we have in place, including the Whistleblower Policy. The Legal Department investigates any concerns raised about ethical and lawful behavior. The Legal Department is also responsible for overseeing the external mechanisms such as compliance with the CMA regulations, Kuwaiti Laws, other such regulations. The Whistleblower Policy is available on the Company's website and is highlighted in our Annual Report. In the event of substantiated claims of non-compliance, appropriate actions are taken after investigation by the Legal Department.

Anti-corruption and Fraud

Ethical conduct and anti-corruption / fraud are embedded in the annual audit procedures. These include, in general, compliance with the four eyes principles, authority limits, segregation of duties and other compliance with approved policies and procedures.

As per Company policies, it is prohibited to use Company resources for any illegal activities. Any activity involving bribes or gifts in any form is also prohibited. Al-Tijaria's anti-corruption, anti-bribery, and anti-fraud clauses are covered in the Code of Conduct Policy. The policy document elaborates on the acceptable practices and encourages staff to avoid any personal benefits or arrangements with external parties. The Anti-corruption and Bribery Policy does not include direct or indirect political contributions.

Review of Code of Conduct

- The frequency of Al-Tijaria's Code of Conduct review is on an on-need basis every three to five years.
- The frequency of reviewing Al-Tijaria's policies is usually every two years, unless in the case of major changes.
- The last time the Code of Conduct was updated was in 2021 and 2022.

3.4. Risk Management

Al-Tijaria adopts a holistic and integrated approach to risk management, and proactively assesses risks to ensure that effective mitigation strategies are employed. The latter enables the Company to protect the interests of its stakeholders while maximizing its capability to realize its objectives. The primary purpose of risk management at Al-Tijaria is to ensure the long-term financial sustainability and operational resilience of the Company by endeavoring to implement international best practices while fostering a sound and prudent risk culture across the business lines. The highest governance body in reviewing the effectiveness of Al-Tijaria's risk management is the BoD through the Audit and Risk Committee and the Risk Management function that submits periodic reports.

Al-Tijaria has developed an Enterprise Risk Management (ERM) model to manage the risks – from identification and assessment to monitoring of the risk. According to the ERM model, the different responsibilities are highlighted as:

1. Identify the objectives
2. Identify the risks
3. Identify the controls
4. Assess the residual risks
5. Identify action plans and risk mitigation
6. Monitoring and evaluation on periodic basis

Once the risk has been identified and assessed, an appropriate strategy is developed to address each risk. Categorization of the risk allows for appropriate planning and actions to manage them. Al-Tijaria's risk strategy depends on the following categorization:

- Avoid: Eliminate the cause of risk
- Mitigate: Reduce the risk probability or impact
- Transfer: Third party to take responsibility for the risk
- Accept: Risk within the appetite

Risk Monitoring

The risks are monitored periodically through risk reports, which were reported quarterly during 2021. In 2022, the risks were reported semi-annually to the Audit and Risk Committee. Al-Tijaria's services are assessed for risks related to corruption, ethical conduct and anti-corruption and fraud. The risk register covers various functions of the Company, including: Property Management, Investment, Facilities Management, IT, Information Security, Legal, Accounts, and Finance amongst others. The Company has policies in place to address the risks identified and to ensure efficient management of the same. The risk policies are based on ISO 31000.

ESG Risks

Currently, no environmental-related risk factors are included within our risk management approach. The social-related risk factors included are compliance with Kuwait Labor Laws and related regulations, internal HR policies, training plans and performance evaluations. The governance-related risks are compliant with applicable CMA regulations and laws related to the Board composition, meetings, responsibilities, and performance disclosures.

Al-Tijaria's risk control

The Company has set up an effective and organized risk control mechanism to channel each identified risk as necessary for appropriate action. The controls are categorized as preventive, detective, corrective or directive depending on their nature. The following is a description of how major controls are classified.

Preventive: eliminates the possibility of occurrence, e.g. system access control and preapprovals

Detective: helps to identify risk occurrences, e.g. security cameras and exception reports

Corrective: helps to repair damage or restore resources and capabilities, e.g. system backups and training programs

Directive: helps to cause or encourage a desirable event



4. Contributing to Stakeholders



83.1%

employees satisfied with Al-Tijaria as per survey conducted in 2022



19 hours

average training per employee during 2021, and 17 hours in 2022



94%

employees received Objective and Key Results (OKR) based performance feedback in 2022, and 88% received it in 2021



0

health and safety incidents occurred during 2021 and 2022



10%

employee turnover rate in 2021, and 12% in 2022



5,149.5 KWD

spent on health and safety during 2021, and KWD 4,879 in 2022



152,439 KWD

spent towards employee retirement and indemnity in 2021, and KWD 141,407 in 2022



417,007 KWD

invested in digitization and automation in 2021, and KWD 179,436 in 2022



8.3%

female managers in 2021 and 2022



3,325,171 KWD

discount provided to tenants in 2021, and KWD 2,519,320 in 2022



38.5%

local managers in 2022, and 23.1% in 2021



11,577 KWD

spent on CSR activities in 2021, and KWD 8,703.5 in 2022



13,138 KWD

invested for employee training in 2021, and KWD 8,646 in 2022



88.6%

local suppliers in 2021, and 90.3% in 2022



SDG 1: No Poverty



SDG 3: Good health and Well Being



SDG 4: Quality Education



SDG 5: Gender Equality



SDG 8: Decent Work and Growth



SDG 9: Innovation and infrastructure



SDG 11: Sustainable Cities and Communities



SDG 17: Partnerships



KUWAIT VISION



HUMAN CAPITAL

4.1. Labor Management

Employee Training and Complaints

Al-Tijaria understands that our employees have a strong influence on our organization's growth and success. We recognize employee development as an important focus area and run several engagement activities to foster a positive and cordial work environment. This is in line with our efforts to ensure that our people feel motivated and are aligned with our goals and commitment. Al-Tijaria's talent pipeline development strategy for the year 2021 was focused on maintaining sufficient manpower during the pandemic. The Company continued employee development through the e-learning training that continued until April 2022. From April to December 2022, Al-Tijaria worked on attracting appropriate talent and providing them with the required training plan.

An important part of employee development is ensuring their voices are heard and corrective actions are taken as appropriate in relation to any issues they raise. The HR & Administrative Affairs Department is responsible for overseeing employee grievance issues. The Company does not have any major employee complaints in the reporting period. The few general complaints received regarding appraisal were resolved in three business days.

Employee Performance Management

Our approach towards career development and promotion has included the development of resources such as career trajectory, training plan, and scheme of evaluation for each member of staff. The scheme of evaluation is based on Objectives and Key Results (OKR), department-specific Key Performance Indicators (KPIs) and year-long performance.

Employee recognition and awards are provided to Al-Tijaria's employees in the form of promotions, increments, and yearly bonuses. These are awarded after the assessment of employee performance through the following:

- % Quarterly Individual KPI 2021
- % Quarterly Objectives and Key Results (OKR) 2022
- % Quarterly Department KPI
- % Yearly appraisal

The frequency of employee performance evaluations is quarterly. 138 employees received appraisals in 2021 and 147 employees in 2022. The performance evaluation is not limited to employees but also includes the executives. Executive performance evaluation is undertaken yearly. During 2021, 88% of employees received a regular performance and career development review that was based on quarterly individual KPIs. The percentage increased during 2022 to 94%, which was based on quarterly employee Objectives and Key Results (OKR).

Talent Attraction and Retention

As an integral part of labor management, the Company focusses on attracting talented individuals for suitable roles every year. The following table indicates the hiring across the Company for 2021 and 2022. In 2022, the hiring was majorly across the 30-50 year age group with only seven employee addition in two of the other categories.

Table 4.1: Number of Employees Per New Hires

Gender	New employees	
	2021	2022
Female	3	5
Male	19	21
Total	22	26
Age Group		
Under 30	5	6
30-50	15	19
Over 50	2	1
Total	22	26

Fresh Graduates Hiring

The hiring strategy of the Company also focused on empowering young people and providing them with opportunities to work. The Company supports young people and provides them with lucrative employment opportunities. The following table highlights the fresh graduates employed by Al-Tijaria over the last two years.

Table 4.2: Number of Fresh Graduates Employed by Al-Tijaria

Year	2021	2022
Fresh Graduates	3	1

Turnover Rate

As per the Company's policy and procedures, the HR & Administrative Affairs Department conducts an exit interview with any expected or resigned employees as part of the retention strategy. In addition, the Department monitors and tracks employee turnover monthly. Our recruitment approach ensures that employees are carefully matched with positions that align with their qualifications and expertise. Attraction and retention of the right talent is important for efficient labor management. Each employee's performance is evaluated and monitored for this purpose through regular feedback. The following table highlights the employee turnover for 2021 and 2022. The turnover rate was 10.4% (in 2021) and 11.7% (in 2022), which shows a sense of trust and empowerment in our Company over both years.

Table 4.3: Turnover Rate

Year	2021	2022
Number of employees on Jan 1	155	153
Number of employees on Dec 31	153	155
Turnover of employees	16	18
Turnover rate	10.4%	11.7%

Employee Compensation and Remuneration

During the pandemic, the Company made additional efforts to ensure that employees received their wages adequately. Also, for employees who were outside the country, Al-Tijaria made arrangements to help keep their residency status active.

The following table represents the employee compensation and remuneration provided over the last two years to the employees – in terms of amount paid towards certain aspects. This includes remuneration to the BoD and consolidated compensation including a bonus.

Table 4.4: Employee Compensation and Remuneration

Year	Amount type	Al-Tijaria Group	Al-Tijaria Standalone	Al Mutajara Real Estate Co. (in KWD)	Al Salmiya Group	Symphony Style Hotel
2021	Total amount paid towards BoD remuneration	144,000	128,000	16,000	-	N/A
	Total amount paid towards compensation (consolidated) - Bonus	216,455	216,455	N/A	-	N/A
	Total compensation and remuneration	360,455	344,455	16,000	-	N/A
2022	Total amount paid towards remuneration for the BoD	144,000	128,000	16,000	-	N/A
	Total amount paid towards compensation (consolidated) - Bonus	247,660	226,917	-	4,225	16,518
	Total compensation and remuneration	391,660	354,917	16,000	4,225	16,518

Employee Benefits

Al-Tijaria provides several benefits so that our employees feel happy working with us. Such considerations are made keeping the best interests of our employees in mind and to make them feel valued. Some of the benefits provided to our employees include life, health, and workmen's compensation insurance, budgeted training plan including certified training programs, and a discount rate for some of the brand stores of the Company's tenants, amongst others. Additionally, employees are informed of operational changes at least one week prior to implementation. The following table highlights the amount invested in employee benefits.

Table 4.5: Employee Benefits

Year	Amount type	Al-Tijaria Group	Al-Tijaria Standalone	Al Mutajara Real Estate Co. (in KWD)	Al Salmiya Group	Symphony Style Hotel
2021	Amount granted to employees (health insurance covering basic wages and salaries and vacations, and retirement plans)	1,453,202	867,333	N/A	173,583	412,286
	Amount granted to members of the Board of Directors and executive management (health insurance– covering basic wages and salaries and vacations)	509,700	357,453	N/A	152,247	N/A
	Total amount spent on employee health insurance	53,698	43,718	N/A	6,834	3,146
	Total amount spent on employee flight tickets	13,819	10,073	N/A	-	3,746
	Total amount spent on employee retirement and indemnity	152,439	89,216	N/A	31,591	31,632
	Total amount spent on any other benefits provided, not mentioned above	14,999	9,551	NA	3,801	1,647
	Total spending	2,197,857	1,377,344	N/A	368,056	452,457
2022	Amount granted to employees (health insurance, covering basic wages and salaries and vacations, and retirement plans)	1,742,950	852,187	N/A	202,508	688,255
	Amount granted to members of the Board of Directors and executive management (health insurance, covering basic wages and salaries and vacations)	597,627	361,803	N/A	235,824	N/A
	Total amount spent on employee health insurance	53,117	38,247	N/A	10,246	4,624
	Total amount spent on employee flight tickets	43,576	17,657	N/A	-	25,919
	Total amount spent on employee retirement and indemnity	141,407	84,486	NA	44,425	12,496
	Total amount spent on any other benefits provided, not mentioned above	16,803	11,757	N/A	2,289	2,757
	Total spending	2,595,480	1,366,137	N/A	495,292	734,051

Employee Satisfaction Measurement

The Company carries out engagement activities on a periodic basis to ensure that our workforce feels supported and motivated. Due to the importance of the work environment in positively affecting employee motivation and their productivity level, we adopted a methodology to measure the level of employee satisfaction and their impression of the Company. Al-Tijaria conducted an employee satisfaction survey, with the results for the year 2022 shown below:

Employee Satisfaction Measurement

I am generally satisfied with the company as an employer and considered it a good opportunity for career development and growth

● Satisfied	123
● Not Satisfied	6
● Somewhat satisfied	19



The number of responses recorded = 148

The percentage of satisfied respondents to the survey = 83.1%

Fair Compensation

The Company provides fair compensation and a supportive work environment for the workforce. Al-Tijaria's compensation scheme / policy abides by the Kuwait Labor Law. There is no discrimination in salary based on an employee's gender. The wage structure is overseen to ensure it complies with the national regulations on entry level wages, as highlighted in the following table.

Table 4.6: Standard Entry Level Wage

Amount (KWD)	2021	2022
Average standard entry level wage (per month) (male)	300	300
Average standard entry level wage (per month) (female)	300	300
Average standard entry level wage (per month) (both male and female)	300	300

Table 4.7: National Standard Entry Level Wage

Amount (KWD)	2021	2022
National minimal legal wage (per month) (male)	300	300
National minimal legal wage (per month) (female)	300	300
National minimal legal wage (per month) (male and female)	300	300

4.2. Demographic Representations

We recognize the importance of diversity management to maintain a healthy and positive work atmosphere. Employees’ similarities and differences are valued in our organization. For us, the word “diversity” entails several meanings, which are along the lines of different demographic representation, including religion, race, beliefs, marital status, gender, age, nationality, and ethnicity, among various others. All our employees were provided with full-time employment in 2021 and 2022. Al-Tijaria empowers women within its workforce by implementing gender equality in wages and training programs. We ensure career growth for women through fair promotion to senior-level positions. Additionally, in terms of benefits and wellbeing, health insurance for women covers maternity insurance.

Parental Leave

During 2021 only one female took maternity leave and returned to work during the same year, with a 100% work return retention rate, while no maternity or paternity leaves were taken during 2022.

Employees per Gender Age Group

The breakdown of our employees in terms of gender and age group in 2021 and 2022 is provided below. The percentage of female employees show a reduction of 10% in 2022 in comparison to that in 2021. In terms of age representation, the breakdown was fairly constant over the last two years.

Table 4.8: Number of Employees per Gender

Year	2021	2022
 Men	123	128
 Women	30	27
Total	153	155

Special needs employees

The number of special needs employees at Al-Tijaria was two in 2022, an increase from one in 2021.

Table 4.9: Number of Employees Per Age Group

Year	2021	2022
Under 30	18	17
30-50	102	103
Over 50	33	35
Total	153	155

Employment Opportunities

The Company advocates for equal employment opportunities including fair remuneration. This is seen in senior management positions, as highlighted in the following table. The female managers in both 2021 and 2022 were 8.33% of the total managerial positions.

Table 4.10: Number of Managers and Above per Gender

Year	2021	2022	% Allocation
 Male managers and above	11	11	91.67
 Female managers and above	2	2	8.33
Total managers and above	13	13	100

Nationalization

An important aspect of nationalization is evident in the number of local managers out of the total number of managers in the Company. In 2021, the proportion of local managers was 23.1% and in 2022, the share increased to 38.5%, which is a steady growth of 15.4% percentage points over the last two years.

Table 4.11: Number of Managers and Above Per Nationality

Scope	2021	2022
 Local managers and above	3	5
 Foreign managers and above	10	8
Total managers and above	13	13
% Local managers out of total managers	23.1%	38.5%

In 2022, the HR & Administrative Affairs Department has put effort into supporting the Kuwaitization plans and has provided job opportunities throughout the year at various administrative levels, with a focus on the importance of attracting qualified national talent to undertake leadership positions. Al-Tijaria ensures we attract national talent through showing the Company's attractive benefits scale and highlighting the stability of the Company in the market and our reputation.

This interest resulted in the increase in the Kuwaitization rate in the Company. The Kuwaitization rate in 2022 increased by 1.3 percentage points in comparison to that of 2021. The following table highlights the increase in Kuwaiti employees in the Company.

Table 4.12: Number of Employees Per Nationality

Year	2021	2022
 Kuwaiti	8	10
 Non-Kuwaiti	145	145
Total	153	155
Kuwaitization rate	5.2%	6.5%

4.3. Training and Development

Continuous learning is important in a sustainable organization. At Al-Tijaria, training topics are focused both on enhancing functional/technical skills and on developing the leadership abilities of our workforce.

The amount invested in employee training decreased by 34.2% in 2022 in comparison to the amount invested in 2021 for both Al-Tijaria Group and Al-Tijaria Standalone.

Table 4.13: Amount Invested in Training Employees (KWD)

Year	Al-Tijaria Group	Al-Tijaria Standalone	Al Mutajara Real Estate Co.	Al Salmiya Group	Symphony Style Hotel
2021	13,138	13,138	NA	-	NA
2022	8,646	8,646	NA	-	NA

Training needs are identified based on feedback provided by departmental heads and from this an annual training calendar is prepared. Training is carefully selected and allocated to ensure it matches the employee level, department needs and business requirements. More details on the conducted training and relevant performance figures are presented throughout this section. The average training hours per employee during 2021 was 19 hours, which decreased by 10.5% in 2022 to 17 hours.

The following table describes the functional and behavioral training (including training category and targeted group) that was conducted in the last two years to empower our employees by improving their skillsets.

Table 4.14: List of Employee Training in 2021

Training course	Hours per employee	Number of employees trained	Total training hours per course	Department	Employee level	Virtual / Physical	Training area
Effective Teamwork	3	29	87	All departments	Non-managerial level	Physical	Job-specific development training programs
Supervising others	3	7	21	N/A	Non-managerial level	Physical	Job-specific development training programs
Tenant Management Experience	3	8	24	Property Group	Non-managerial level	Physical	Job-specific development training programs
Presentation Skills	4	9	36	N/A	Non-managerial level	Physical	Job-specific development training programs
Project Management	45	9	405	Property Group Projects Facilities	Managerial & Non-managerial	Physical	Job-specific development training programs
Quality HSE Internal Audit	6	7	42	N/A	Managerial & Non-managerial	Physical	Occupational health and safety
Contracts, Quantitative calculation & work receiving	NA	2	N/A	Projects	Non-managerial level	Physical	Job-specific development training programs
Structural Design & Facilities	N/A	2	NA	N/A	Non-managerial level	Physical	Job-specific development training programs
LEED	N/A	1	N/A	Projects	Non-managerial level	Physical	Job-specific development training programs
Excel part 1 & 2	15	2	30	All departments	Non-managerial level	Physical	Job-specific development training programs
General Assembly	N/A	11	N/A	N/A	Managerial & Non-managerial	Physical	Job-specific development training programs

Training course	Hours per employee	Number of employees trained	Total training hours per course	Department	Employee level	Virtual / Physical	Training area
PHRi	108	2	216	HR	Non-managerial level	Physical	Job-specific development training programs
Certified Facility Manager	N/A	1	N/A	N/A	Non-managerial level	Physical	Job-specific development training programs
Firefighting & First Aid	8	12	96	All departments	Non-managerial level	Physical	Other
IFRS update	10	3	30	Internal Audit	Managerial & Non-managerial	Physical	Consumer financial protection
Marketing Strategy Fundamentals	N/A	2	N/A	Marketing	Non-managerial level	Physical	Job-specific development training programs
Emotional Intelligence	4	8	32	All departments	Managerial & Non-managerial	Physical	Job-specific development training programs
Iphonography	N/A	2	N/A	Marketing	Non-managerial level	Physical	Job-specific development training programs
CFA Part 1	N/A	1	N/A	Finance	Non-managerial level	Physical	Job-specific development training programs
Proptech	N/A	13	N/A	Property Group	Managerial & Non-managerial	Physical	Job-specific development training programs
Information Security Awareness	N/A	148	N/A	All departments	Managerial & Non-managerial	Physical	Job-specific development training programs
Total training hours			1019				

Table 4.15: List of Employee Training in 2022

Training course	Hours per employee	Number of employees trained	Total training hours per course	Department	Employee level	Virtual / Physical	Training area
(Value Of One) Corporate Culture, Institutional Awareness	2	77	154	All departments	All Levels	Physical	e) Anti-corruption and business ethics standards
5T's Operational Skills (Task & Time Management, Teamwork, Trust & Transparency)	2	21	42	All departments	All Levels	Physical	a) Job-specific development training programs
NEBOSH Certification Program Health & Safety	65	4	260	Projects & Projects Control	Engineers	Virtual	g) Occupational health and safety
IOSH Certification Health & Safety	6	14	84	Facilities Management Human Resources	Facilities managerial and supervisors	Physical	g) Occupational health and safety
CFM Certification Program	35	3	105	Finance Department Accounting Department	Accounting & Finance	Physical	d) Consumer financial protection
CBCA Commercial Banking & Credit Analyst	40	3	120	Finance Department	Finance analyst	Virtual	d) Consumer financial protection
CISI CMA Kuwait Rules and Regulations	14	14	196	Executives, managers, Executive assistants, Admin Assistants	Managerial & Non-Managerial level	Physical	a) Job-specific development training programs
IFRS International Financial Reporting Standards	10	3	30	Accounting Department	Managerial & Non-Managerial	Physical	d) Consumer financial protection
PMP Project Management Professional	60	5	300	Property Group Human Resources Projects & Projects Control	property managers Projects Managers Training & Development	Virtual	a) Job-specific development training programs
CISSP Certified Information Systems Security Professional	40	1	40	IT Department	Cybersecurity employee	Virtual	a) Job-specific development training programs
Compliance Roles & Responsibilities In Listed companies	12	39	468	All departments	Managerial & Non-Managerial	Physical	a) Job-specific development training programs
Transparency & Disclosure	3	5	15	N/A	Managerial & Non-Managerial	Physical	a) Job-specific development training programs

Training course	Hours per employee	Number of employees trained	Total training hours per course	Department	Employee level	Virtual / Physical	Training area
Real Estate Appraisal	9	2	18	Property Group	Properties Managers	Virtual	a) Job-specific development training programs
Administrative Management	8	12	96	Property Group	N/A	Physical	a) Job-specific development training programs
Cybersecurity Workshop Conference	10	2	20	Technical Affairs Group IT Department	Managerial & Non-Managerial	Physical	a) Job-specific development training programs
Cybersecurity at Work	5	7	35	All Departments	All employees	Physical	a) Job-specific development training programs
Microsoft Excel Intermediate Level	8	13	104	Accounting Dept. Finance Dept. Real Estate Dept. HR Dept. Property Dept. Shareholders Section	non-managerial	Physical	a) Job-specific development training programs
Microsoft Excel Advanced Level	8	10	80	Accounting Dept. Finance Dept. Real Estate Dept. HR Dept. Property Dept. Shareholders Section	non-managerial	Physical	a) Job-specific development training programs
Microsoft Outlook	3	10	30	Accounting Dept. Finance Dept. Real Estate Dept. HR Dept. Property Dept. Shareholders Section	non managerial	Physical	a) Job-specific development training programs
Changing Paradigms in Economic Policy and the Threat of Persistent Inflation	3	2	6	Investment Department	Investment staff managerial	Physical	a) Job-specific development training programs
Legal investment in human resource management	4	1	4	Admin & Legal Affairs Group	Managerial	Physical	c) Training on human rights polices and procedures
Total training hours			2207				

4.4. Health, Safety, and Security

As a responsible employer, Al-Tijaria regards the health and safety of our employees as being of utmost importance. Over the years we have developed an effective management system for health and safety across our operating facilities. Al-Tijaria has a group-wide Quality, Health, Safety, Environment (QHSE) Policy that sets out our expectations from our employees. Our internal systems are International Organization for Standardization (ISO) certified and regular audits are undertaken to add credibility to our processes and policies. Health and safety are important parameters in executive and non-executive compensation. Al-Tijaria has an executive body responsible for overseeing health and safety related strategy and performance.

The Occupational Health and Safety Services at the Company include a fully equipped workplace with necessary safety measures, employee compensation insurance, and training programs. Health and safety targets are achieved through Third Party Liability (TPL) and fire insurance implementation strategy. Al-Tijaria is free from concerns related to controversial workplace accidents over the entire reporting period.

Health and Safety Incidents in 2021/2022



0

Occupational injury incidents



0

Incidents with respect to workplace illness



0

Health and safety incidents

Al-Tijaria has invested a significant amount of money to enhance the health and safety measures in the Company. The following table indicates the amount invested over the last two years. In 2022 the investment decreased by 5.2% from that in 2021.

Table 4.16: Investment in Health and Safety

	2021	2022
Amount spent on health and safety (KWD)	5,149.5	4,879

Al-Tijaria’s approach towards ensuring health and safety is by managing our owned properties with an outsourced contractor. The Company ensures that the contractors are following the health and safety norms to prevent unforeseen incidents. The Company has undertaken the following ISO certifications for the management of occupational health and safety (OH&S), environmental systems and quality management systems.

ISO Certifications

- ISO-9001- Quality management systems
- ISO-14001-Environmental management systems
- ISO-45001-Occupational health and safety management systems



Data Security and Technology

Al-Tijaria recognizes the power of technology and the enormous potential for improvement and up-scaling by leveraging the same. This section talks about the initiatives taken by the Company to foster positive environmental and social outcomes and impacts. Digitization and technological enhancement make an impact on the operational efficiency and overall security standards. The following are the technological enhancements in the reporting period.

Table 4.17: Technological Enhancements

Name / Type	Description / Purpose of use	Department
Open Text	Provides employees with access to data from any location and also provides automated leasing and facility management contract payment process services with workflow	All departments
Zoom/ MS Teams	Enables online meetings from any location along with a host of features for collaboration remotely	All departments
Intranet (Share Point)	Allows data-sharing and accessibility for employees on the Company portal Daily newsletters, important information, special event notifications are also available on the intranet	All departments
Send Blaster	Aids in publishing marketing promotions (Symphony Style Hotel)	Internal / Customers
Travel Click	Enables hotel bookings from anywhere by providing online services for our guests and clients	Symphony Style Hotel
Al-Tijaria Elite Application	Marketing application (IOS/Android) for the Company	Symphony Style Hotel
Website	Company website (www.Al-Tijaria.com) has Company-related information for current and prospective investors/subsidiaries/customers	Al-Tijaria
Opera	Hotel Property management system (PMS) used for reservation, check-in, check-out, sales and catering services online. The revenue is recorded in this system for rooms and point of sale (POS) in restaurants.	Symphony Style Hotel Front Office / Reservation / Finance / Housekeeping
Micros	Used as a point of sales in revenue outlets. The revenue will be transferred to Iscala application, via Opera	Symphony Style Hotel Food & Drinks Departments
Iscala Application	It's a financial application, used for General ledger (GL), Accounts payable (AP) and reporting. It takes input from different subsidiary systems such as Payroll, Store System, property management system (PMS).	Symphony Style Hotel Finance Department - Finance Controller
CSOC	Monitor, control, and apply security policies and controls for network and systems.	Al-Tijaria

In 2021, Al-Tijaria faced a cybersecurity incident. However, the Company took legal action and the case was tried in Kuwait. Al-Tijaria requested the Kuwait Ministry of Interior (MOI) cybercrime department and Ministry of Justice (MOJ) to act and informed the Boursa Kuwait Stock Exchange. Al-Tijaria is following up with the authorities in Dubai for this incident. Additionally, cyber forensics consultants were appointed to brief on the incident. Following this incident, Al-Tijaria enhanced security levels as per best practice to avoid future incidents. The upgraded security measure resulted in zero breaches in 2022.

Al-Tijaria mitigates data breach incidents by upgrading its network security. The Company conducted periodic penetration tests to identify any gaps. After the incident in 2021, Al-Tijaria enhanced the system and network, and information security is currently managed by the Cyber Security Operations Center (CSOC). CSOC clients monitor and detect 24X7 Al-Tijaria network and prevent any breaches. The Company also has the Next Generation firewall installed with Endpoint Detection and Response (EDR) clients. A daily, weekly, and monthly backup response plan is in place to prevent any future data breach/incident. Al-Tijaria further has privacy-enhancing technology and initiative through daily backups.

IT Audits and Certification

Regular audits are conducted on information security policies and systems by consultants. Al-Tijaria IT certification standards during the reporting period are:

- ISO 27001:2013



Security Enhancement

Al-Tijaria's role in improving information security for both internal and external stakeholders is done by conducting security awareness programs for employees. The accreditations and certifications available to our employees are:

- Certified Information Security Manager (CISM)
- Microsoft Certified Professional (MCP)
- Cisco Certified Network Associate (CCNA)
- Microsoft Certified Solutions Expert (MCSE)
- Microsoft Certified Solutions Associate (MCSA)
- Computing Technology Industry Association (CompTIA) Server
- Project Management Professional (PMP)
- VMWare Certified Associate (VCA)

Al-Tijaria' recognizes that cyber threats are increasing in both frequency and severity. We understand that cybercriminals are always looking for new ways to exploit vulnerabilities in IT systems, which is why we have taken proactive steps to mitigate against these risks.

Initiatives:

AL Tijaria has implemented several initiatives to enhance IT security and protect our systems. Some of these initiatives include:

- Regularly IT security awareness emails for employees to ensure they understand how to identify, report, and respond to potential security threats.

- The use of multi-factor authentication to add an extra layer of security to our systems. This reduces the risk of unauthorized access, especially in cases where passwords may have been compromised.
- Conducting regular vulnerability assessments and penetration testing to identify any weaknesses in our IT systems. This helps us to identify and address potential security threats before they can be exploited by cybercriminals.
- Regularly updating our IT security policies and procedures to stay current with the latest threats and best practices.

Al-Tijaria’s IT Department monitors and supports all properties by installing high-end firewalls. In the Head Office (HO), latest technology-based applications are installed for network & system monitoring as well as next generation firewall, anti-virus , email security gateway are in place.

The information on the rights provided to individuals regarding the control of their data is based on business requirements. Over the last two years, the Company has made investments towards digitization and automation as highlighted in the following table.

Table 4.18: Investment Towards Digitization and Automation (KWD)

Year	Al-Tijaria Group	Al-Tijaria Standalone	Al Mutajara Real Estate Co.	Al Salmiya Group	Symphony Style Hotel
2021	417,007	383,641	NA	-	33,366
2022	179,436	140,044	NA	1,908	37,484

4.5. Tenant Experience

Al-Tijaria attracts and retains tenants by providing competitive rent pricing, excellent service, good relationships with tenants, and marketing campaigns for vacant units, amongst other benefits. The Company is enhancing tenant experience by expanding its loyal tenant base through satisfactory service. Vacating requests due to unsatisfactory service are acted upon to improve the customer experience.

Products and services

The products and services provided to Al-Tijaria’s tenants are:

- Air conditioning (A/C) maintenance
- Furnished and semi-furnished apartments
- Cleaning services
- Laundry services
- Security services
- Gym
- Swimming pool
- Landscaping

Properties of Al-Tijaria

The following table represents the properties of Al-Tijaria – some of which are directly owned, and some are managed, while others belong to Al-Bahrain. The properties have received accreditations from Chartered Institute for Securities & Investment (CISI) and abide by the rules and regulations issued by the Capital Markets Authority (CMA) of Kuwait.

Table 4.19: Properties of Al-Tijaria

	Owned properties	Managed by Tijaria	Al-Tijaria Bahrain
SN	Property		
1	Abo Helifa Entertainment	Boulevard	Remal Plaza
2	Mahbula 1,2,3	Rehab	Jawahara Plaza
3	Salwa	Sandy Complex	Janusan Complex
4	Lozan	Lubna Complex	Meena 7
5	Sharq 1	Hend Complex	Sitra Showroom
6	Gulf Plaza	Talal Complex	
7	Al-Manar	Sixty Complex	
8	Al-Shorouq Tower 1	Mariam Complex	
9	Al-Bdour Tower	Al Oqili – Garage Shuwaikh	
10	Al-Shorouq Tower 2	Al Summit – Jabriyah -94	
11	Al-Shawafat	Al Sheikh Mohammad Al-Sabah - Hawali	
12	Al Dome		
13	Al-Tijaria Tower		
	Al-Tijaria Mall		
14	Symphony Offices		
	Symphony Mall		
15	Juman		
16	Thatcher		
17	Villa 5,6,7		
18	Lights		
19	Dine Zone		

Tenant Discount

Al-Tijaria offers compelling discounts for customers. Tenants receive a discount for a three-, six-, or 12-month period. In case of any violation to the property, Al-Tijaria sends an official letter/ warning and goes on to take legal action, if deemed appropriate. The details of the tenant discounts for the years 2021 and 2022 are provided in the following table.

Table 4.20: Money Forfeit from Tenant Discounts (KWD)

Year	Al-Tijaria Group	Al-Tijaria Standalone	Al Mutajara Real Estate Co.	Al Salmiya Group	Symphony Style Hotel
2021	3,325,171	1,715,750	31,750	1,577,671	N/A
2022	2,519,320	1,504,572	0	1,014,748	N/A

4.6. Social Impact and Awareness

The Company sees community development as an important focus area for the sustainability of the organization. Therefore, several community development initiatives – including youth programs, women empowerment programs, health and wellbeing programs, charity work, and donations – have been undertaken by Al-Tijaria, as highlighted in this section.

Al-Tijaria utilizes its marketing channels by using social media, digital marketing, emails, and outdoor ads for spreading awareness about such community initiatives. The yearly Corporate Social Responsibility (CSR) plans are approved by the management. Several events have been organized, ranging from sponsorships and beach cleaning to wellness campaigns and cultural events, amongst others. The following table highlights the events undertaken by the Company over the reporting period.

Table 4.21: Community Initiatives in 2021

Event name	Month	Event details	Cost (KWD)
Charity Fundraising Campaign	November	Raising awareness of a chosen community issue and conducting fundraising to aid donations for the cause	3,000
Marafie Foundation - Rehabilitation center in Lahore	June	Supporting the rehabilitation center by treating and managing patient cases Sponsoring the expenses of the center including the salaries of the employees	5,200
Palestine donations	May	Supporting more than 5000 people in Gaza, in collaboration with Al Rahmaa charity, with medical supplies, food and rebuilding houses that have been destroyed	5,000
Total spending			11,577

Table 4.22: Community Initiatives in 2022

Event name	Month	Event details	Cost (KWD)
Ramadan Food Packing	April	Raising awareness to help the needy families in Kuwait, and also preparing food boxes for distribution before Ramadan to the families	2,993.50
Blood Drive	June	Raising awareness of voluntary donation of blood in coordination with the Central Bank of Kuwait (CBK). The event was held in one of Al-Tijaria's malls, with invitations sent to mall tenants, our office towers and the public	150
Plant A Tree In My Country	November	Planting seedlings at Boulevard Park	2,360
Charity Fundraising Campaign	December	Raising awareness of a chosen community issue and conducting fundraising to aid donations for the cause	3,200
Total spending			8,703.50

Supply Chain Management

A crucial aspect of the Company's strategy is to give preference to local suppliers wherever possible and ensure that supplier rights are upheld. The engagement method with Al-Tijaria's suppliers is through phone calls, meetings, and emails. The vendors are procured for providing hotel supply, cleaning, and printing services, amongst others. In terms of our local procurement, 88.6% of suppliers were local in 2021, and 90.3% of suppliers were local in 2022.

Supplier Screening

Al-Tijaria's supplier screening depends on a variety of factors including pricing, quality, consistency, official documents and level of service. ESG criteria are yet to be included in vendor screening. In the reporting period, there were no instances of negative impact in the supply chain. In the case of such instances, actions would be taken by blacklisting the supplier and forwarding the matter to the Legal Department.

The following table highlights our expenditure with our suppliers in 2021 and 2022. The expenditure of Al-Tijaria Group and Al-Tijaria Standalone decreased in 2022 in comparison to that in 2021, unlike the other group companies which experienced an increase in expenditure.

Table 4.23: Expenditure with Suppliers

Year	Amount (KWD)	Al-Tijaria Group	Al-Tijaria Standalone	Al Mutajara Real Estate Co.	Al Salmiya Group	Symphony
2021	Total expenditure with local suppliers	4,631,604	3,529,826	83,529	736,300	281,949
	Total expenditure with foreign suppliers	594,154	594,154	-	-	-
	Total spending 2021	5,225,758	4,123,980	83,529	736,300	281,949
2022	Total expenditure with local suppliers	3,950,123	2,380,399	84,067	807,573	678,084
	Total expenditure with foreign suppliers	424,475	391,711	-	-	32,764
	Total spending 2022	4,374,598	2,772,110	84,067	807,573	710,848



5. Reporting On Our Environmental Impact



875,697 KWD
paid towards electricity and water management in 2022, and KWD 950,012 in 2021



0.08 mtCO2e
employee air travel emission intensity in 2021, and 0.6 mtCO2e/employee in 2022



71.7%
of the total GHG emissions in 2022 from grid electricity usage, and 74.1% of total emissions in 2022



9.4 KWD
million green investment in 2022 and KWD 7.6 million in 2021



SDG 11: Sustainable Cities and Communities



SDG 12: Responsible Consumption and production



SDG 13: Climate Action



KUWAIT VISION



LIVING ENVIRONMENT

Uncontrolled development over the past century has led to environmental degradation, including the loss of natural resources and a shift in weather patterns. Countries across the globe have united in taking action, disseminating knowledge, and sharing tools to combat climate change and aid in a positive environmental impact. It is the collective responsibility of all businesses, including ours at Al-Tijaria, to be mindful of environmental issues and accordingly embed environmentally friendly considerations across our internal operations and decision-making practices. This section showcases our environmental considerations with regards to electricity consumption, water consumption, business travel, waste, and the associated greenhouse gas (GHG) emissions. Additionally, it highlights the environmental management system in place and relevant international certifications. Al-Tijaria has an environmental policy in place and the Environmental Management System is ISO 14001 certified.

5.1. Environmental Performance

Al-Tijaria's Building Management System (BMS) can control equipment effectively, which helps reduce energy consumption and monitor equipment remotely. Al-Tijaria has set a target to reduce the energy consumption, especially by reducing air conditioning use during winter seasons. We have taken the initiative to inform our subcontractors to operate on minimum equipment load in our properties. Preliminary audits have been conducted on prime properties to optimize energy consumption. Our generators are only used for testing monthly and are not used to feed electricity to buildings.

Electricity

The following describes the electricity consumption across all our buildings over the last two years. In 2022, the total electricity consumption for all the buildings experienced a 22.5% increase in comparison to the consumption in 2021. This increase can be attributed to a 397.8% increase in Dine Zone, followed by 82.3% increase in Abo Halifa Entertainment, and 71.8% increment in Al Rehab Complex. The buildings Mahboula, Salwa, and Thatcher were the ones that witnessed a decrease in electricity consumption in 2022 by 6.53%, 43.2% and 12.2% respectively over the consumption in 2021.

Table 5.1: Electricity Consumption

	2021	2022
Building	Electricity consumption (kWh)	Electricity consumption (kWh)
Abo Halifa Entertainment	980,649	1,787,893
Mahboula 55,56,57	1,291,176	1,206,781.4
Salwa	381,036	216,230.2
Lozan	870,931	1,127,911.2
Sharq H.office	1,282,200	1,522,100
Galf Plaza	459,004	511,893.4
Manar	4,584,400	5,189,722.2
Shrooq 1	1,024,220	1,104,740
Al- Boudor	1,192,800	1,366,700
Shrooq 2	1,183,170	1,384,190
Shawfaat 2-3	2,246,840	3,429,006
AL Dome	2,382,270	3,731,220
Al-Tijaria	13,619,300	17,196,100
Symphony	3,050,770	3,416,790
Juman	9,098,110	9,649,830
Thatcher	9,973,950	8,759,750
Light	2,110,100	2,796,450
Villa Abou Helefa	98,372.8	153,579.2
AL Rehab Complex	9,817,592	16,857,161
Dine Zone	664,130	3,306,454.4
Boulevard	25,191,780	27,410,730
Total consumption	91,502,800.8	112,125,232

Water

Regarding water consumption, Al-Tijaria has given directions to set the pumps at minimum pressure to reduce the consumption. Currently water recycling is not applied; however, it will be considered for upcoming projects. The water consumption across all our buildings has been provided below. The total consumption increased by 13.4% in 2022 over that in 2021. The greatest rises in consumption were witnessed in Lozan, Sharq H.office, Shrooq 2, Mahboula and Al Dome with 91.2%, 54.6%, 50.2%, 47.3%, and 63% increase respectively. Water consumption decreased significantly in Thatcher and Abo Halifa Entertainment, by 78.8% and 74.7% respectively in 2022 over that in 2021. Other buildings such as Salwa, Manar, and Al-Boudor also experienced a decrease in consumption, by 37.8%, 31.9% and 3% respectively. Currently Al-Tijaria does not have any targets towards improving water consumption performance but we are continuously monitoring and taking proactive actions as necessary. Al-Tijaria is free from concerns related to water conflict controversies.

Table 5.2: Water Consumption

	2021	2022
Building	Water consumption (Gallon)	Water consumption (Gallon)
Abo Halifa Entertainment	269,785	68,453
Mahboula 55,56,57	1,098,408	1,617,790
Salwa	831,440	517,902.5
Lozan	745,000	1,424,931.5
Sharq H. office	1,016,000	1,571,000
Galf Plaza	1,470,100	1,881,218
Manar	4,227,324	2,880,117
Shrooq 1	373,571	560,160
Al- Boudor	628,000	609,000
Shrooq 2	720,980	1,083,590
Shawfaat 2-3	3,078,104	5,271,890
AL Dome	2,108,000	3,434,000
Al-Tijaria	18,903,270	20,722,360
Symphony	25,344,800	28,119,925
Juman	16,160,428	17,438,040
Thatcher	4,924,474	1,044,321
Light	3,659,839	4,376,408
Villa Abou Helefa	0	0
AL Rehab Complex	13,708,500	16,163,900
Dine Zone	0	6,200,297.5
Boulevard	44,026,100	47,547,400
Total consumption	143,294,123	162,532,703.5

Spending

The following highlights the amount spent by Al-Tijaria on electricity and water consumption over the years 2021 and 2022. For Al-Tijaria Group, the spending decreased by 7.8% and for Al-Tijaria Standalone, the decrease was by 17.8%. An increase in spending was observed for Al Mutajara and Symphony, by 29.5% and 8.6% respectively.

Table 5.3: Amount Spent on Water and Electricity (KWD)

Total amount paid towards water and electricity consumption	Al-Tijaria Group	Al-Tijaria Standalone	Al Mutajara Real Estate Co.	Al Salmiya Group	Symphony
2021	950,012	606,407	103,276	195,535	44,794
2022	875,697	498,235	133,760	195,039	48,663

Waste

Reduction in waste generation and efficient disposal are key factors for Al-Tijaria. The waste generation is tracked across all the buildings. The total amount of waste generated during 2021 was 38,800 cbm, and 42,000 cbm during 2022. Hence the waste generation increased by 8.2% in 2022 in comparison to that in 2021. Al-Tijaria's waste reduction efforts are comparatively hard to implement due to properties being managed by outsourced services.

Greenhouse Gas (GHG) Emissions

In our efforts to be transparent and accountable for our environmental impact, we use greenhouse gas (GHG) emissions as an important indicator of how much we are impacting the environment through the emission of certain gases, such as carbon dioxide equivalent (CO₂e). Our GHG emissions analysis is further broken down into three areas- scope 1, scope 2, and scope 3. Each of these are further defined and explained below, together with Al-Tijaria's performance in each area.

Scope 1 GHG Emissions

Scope 1 GHG emissions are direct emissions from sources that an organization owns and controls, often being from sources that include generators and owned cars. However, in the reporting period, owing to the pandemic, we transitioned to virtual modes of engagement which did not require us to consume fuel for the generators. Also, we do not have owned cars. Therefore, our scope 1 emissions are zero.

Scope 2 GHG Emissions

Scope 2 GHG emissions are indirect emissions from sources that Al-Tijaria controls in terms of usage but does not own at the source - in this case, grid electricity. The following table describes the scope 2 GHG emissions of the Company in the reporting period. It also shows the emission intensity per employee and property. These indicators signify the electricity consumption per employee and property respectively.

Table 5.4: Scope 2 GHG Emissions

	2021	2022
GHG Scope 2 Electricity (mtCO ₂ eq)	57,646.77	70,638.90
Intensity per employee (mtCO ₂ eq/employee)	376.78	455.73
Intensity per property (mtCO ₂ eq/property)	2,745.08	3,363.76

Scope 3 GHG Emissions – Air Travel

Scope 3 GHG emissions are indirect emissions in the Company's supply chain. For Al-Tijaria, the scope 3 emissions comprise the business air travel and waste generated. The scope 3 emissions experience a significant increase in 2022 in comparison to that in 2021. For both business-class air travel and economy-class air travel, the total GHG emissions increased in 2022. The combined air travel GHG emissions in 2022, comprising both the business and economy class travel, increased significantly in 2022 in comparison to that in 2021.

Table 5.5: Scope 3 GHG Emissions – Air Travel

	2021		2022	
	Business class trips	Economy class trips	Business class trips	Economy class trips
Total GHG emissions (mtCO ₂ e)	0.06	0.01	0.35	0.26
Total GHG emissions (mtCO ₂ e) for all trips	0.08		0.60	

Scope 3 GHG Emissions – Waste Generated

The waste generated due to Al-Tijaria's operations increased in 2022 in comparison to that in 2021. Despite adequate measures to store the waste safely, a significant amount of GHG emissions occurred. The following table highlights that the GHG emission from waste increased in 2022. This increase can be attributed to the additional waste generated in 2022.

Table 5.6: Scope 3 GHG Emissions – Waste Generated

	2021	2022
Waste generated (cbm)	38,800	42,000
Total GHG emissions (mtCO ₂ e / Kg)	22,731.29	24,606.04

Total GHG Emissions

The following table captures the total GHG emissions of Al-Tijaria, including scope 1, scope 2 and scope 3 emissions. The scope 3 emission figure is the total of the emissions from air travel and waste generated. The Intensity figure represents the total emissions (Scope 1 + Scope 2 + Scope 3) per unit employee or property. The major source of GHG emissions is from the consumption of grid electricity both in 2021 and 2022. The overall GHG emission intensity (per employee) increased in 2022 in comparison to that in 2021. The GHG emission intensity (per property) over the same period also increased.

Table 5.7: Total GHG Emissions

GHG Emissions Scope	2021	2022	Sources of emission
Scope 1 (mtCO ₂ e)	0.00	0.00	N/A
Scope 2 (mtCO ₂ e)	57,646.77	70,638.90	Grid electricity
Scope 3 (mtCO ₂ e)	22,731.37	24,606.64	Air travel & waste
Total scopes (mtCO ₂ e)	80,378.13	95,245.54	All of the above
Intensity (mtCO ₂ e/employee)	525.35	614.49	All of the above
Intensity (mtCO ₂ e/property)	3,827.53	4,535.50	All of the above

5.2. Sustainable Buildings

Al-Tijaria utilizes the surplus generated from real estate activities to invest in diversified assets and properties concentrating on commercial, retail, healthcare, educational, agricultural, food and beverage, entertainment, and industrial sectors inside Kuwait and abroad. Some of these investments are advised and managed by specialized advisors. The main focus of Al-Tijaria is directed towards commercial property investment in Kuwait, followed by the Gulf Cooperation Council (GCC) region, the Middle East and North Africa (MENA) region, and internationally.

Given the nature of our business and the reliance on real estate, sustainable buildings are an integral part of our sustainability strategy. We ensure our existing and upcoming buildings are made considering the best interests of the environment and society.

Al-Tijaria's new plans and projects

- Rihab Complex extension project-Kuwait
- Tijaria Tower extension project-Kuwait
- Symphony - traditional car park - Salmiya -Kuwait
- Symphony Residential Tower - Bahrain
- C17 Due Diligence - Dubai – UAE

Environmental Impact Assessment

Al-Tijaria conducted environmental impact studies, as per government regulations, prior to starting the design process of the new plans and projects. The criteria considered are mostly environmental, relating to the treatment of H2S gas found in underground water. Use of refrigerant gases is banned, and thorough review of underground services and infrastructure was undertaken. The Company follows Law No.42 of 2014 Promulgating The Environment Protection Law that was set by Kuwait Environment Public Authority (KEPA). We ensure efficiency within project execution and operations through deployment of professional staff and by adopting international follow-up procedures for monitoring.

Considerations during building construction

The following issues are taken into consideration across various phases of construction to comply with the government regulations:

- Energy efficiency - MEW regulations on building insulation
- KFF Code 2020
- Health & Safety - Law No. 6/2010 concerning Labor in the Private Sector
- Water Management - Law No. 12/1964 on the pollution of water by oil, segregation of sewer network from the rainwater network
- Special needs access, Kuwaiti Society for the Guardians of Disabled
- Ramps, elevators, dock levelers, escalators, and platforms

Investments

Al-Tijaria’s Investment Department aims to enhance the income stream of the Company by prudently diversifying the real estate portfolio (pre-dominantly located in Kuwait) of the Company. They do so by investing in recurring income investment opportunities across developed geographies such as the USA and Europe. When considering ESG due diligence, Al-Tijaria, Al Mutajara, and Al Salmiya Group assess the corporate governance in detail as a priority, while environmental criteria is an added value to the decision.

Al-Tijaria’s green investments were Building Research Establishment Environmental Assessment Methodology (BREEAM) certified, and Al-Tijaria has also invested in properties which are considered environment-friendly. Furthermore, Al-Tijaria invested in food and beverage (F&B) factories in Turkey which are zero-waste factories and all the agricultural lands have Global Good Agricultural Practices (GGAP) certificate. The properties are:

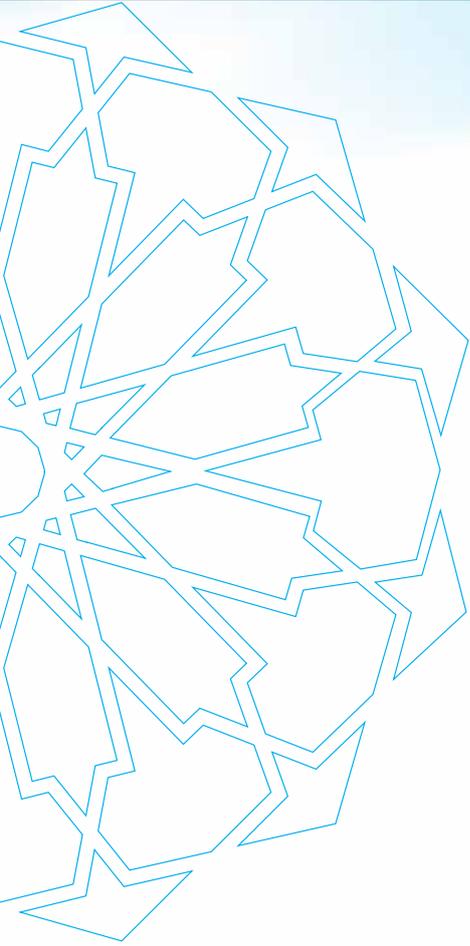
- The Green
- NEM (this property has electronical charging for green cars)
- Goknur
- Topsu

Al Mutajara has few investments which were BREEAM certified, and Al Mutajara also invested in properties which are considered environmentally friendly. Those properties are:

- Empolis Office Building
- Italian Office Portfolio
- 175 Park Realogy
- Altais Tower

Table 5.8: Amount Invested in Green Investments

	2021	2022
Al-Tijaria Group	KWD 16.7 million	KWD 20.8 million
Al-Tijaria Standalone	KWD 7.6 million	KWD 9.4 million
Al Mutajara Real Estate Company	KWD 7.4 million	KWD 8.7 million
Al Salmiya Group	KWD 1.7 million	KWD 2.7 million



APPENDIX

06



6.1 GRI Standards Index

Statement of use	Al-Tijaria has reported in accordance with GRI Standards for the period 1st January 2021 to 31st December 2022.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standards(s)	N/A for the Real Estate Sector

5.4: Scope 2 GHG Emissions

GRI STANDARD/ OTHER SOURCE	Standard Disclosure	LOCATION	OMISSION			DISCLOSURE
			Requirement(s) omitted	Reason	Explanation	
	GRI 2: GENERAL DISCLOSURES					
GRI 2 used	2-1: Organizational details * The organization shall: a. report its legal name; b. report its nature of ownership and legal form; c. report the location of its headquarters; d. report its countries of operation.		-	-	-	a. About This Report b. About This Report c. About Al-Tijaria d. About Al-Tijaria
	2-2: Entities included in the organization's sustainability reporting * The organization shall: a. list all its entities included in its sustainability reporting; b. if the organization has audited consolidated financial statements or financial information filed on public record, specify the differences between the list of entities included in its financial reporting and the list included in its sustainability reporting; c. if the organization consists of multiple entities, explain the approach used for consolidating the information, including: i. whether the approach involves adjustments to information for minority interests; how the approach takes into account mergers, acquisitions, and disposal of entities or parts of entities; ii. whether and how the approach differs across the disclosures in this Standard and across material topics.		-	-	-	a. About This Report b. Entity are same c. Qualitative consolidation for Group performance, as well as quantitative breakdowns in case of certain differences among entities.

	<p>2-3: Reporting period, frequency and contact point * The organization shall: a. specify the reporting period for, and the frequency of, its sustainability reporting; b. specify the reporting period for its financial reporting and, if it does not align with the period for its sustainability reporting, explain the reason for this; c. report the publication date of the report or reported information; d. specify the contact point for questions about the report or reported information.</p>				<p>a. About This Report b. Financial Report (Annual Report) for each of 2021 and 2022 years separately c. Publication date 2023 d. About This Report</p>	
	<p>2-4: Restatements of information * The organization shall: a. report restatements of information made from previous reporting periods and explain: i. the reasons for the restatements; ii. the effect of the restatements.</p>		-	-	-	<p>No restatement of information from 2020 Sustainability Report</p>
	<p>2-5: External assurance * The organization shall: a. describe its policy and practice for seeking external assurance, including whether and how the highest governance body and senior executives are involved; b. if the organization's sustainability reporting has been externally assured: i. provide a link or reference to the external assurance report(s) or assurance statement(s); ii. describe what has been assured and on what basis, including the assurance standards used, the level of assurance obtained, and any limitations of the assurance process; iii. describe the relationship between the organization and the assurance provide</p>		-	-	-	<p>No external assurance done on the report.</p>

ACTIVITIES AND WORKERS						
GRI 2 used	<p>2-6: Activities, value chain and other business relationships The organization shall: a. report the sector(s) in which it is active; b. describe its value chain, including: i. the organization’s activities, products, services, and markets served; ii. the organization’s supply chain; iii. the entities downstream from the organization and their activities; c. report other relevant business relationships; d. describe significant changes in 2-6-a, 2-6-b, and 2-6-c compared to the previous reporting period.</p>	-	-	-	-	<p>a. About Al-Tijaria b. About Al-Tijaria c. N/A since no other relevant business relationship d. No change</p>
	<p>2-7: Employees The organization shall: a. report the total number of employees, and a breakdown of this total by gender and by region; b. report the total number of: i. permanent employees, and a breakdown by gender and by region; ii. temporary employees, and a breakdown by gender and by region; iii. non-guaranteed hours employees, and a breakdown by gender and by region; iv. full-time employees, and a breakdown by gender and by region; v. part-time employees, and a breakdown by gender and by region; c. describe the methodologies and assumptions used to compile the data, including whether the numbers are reported: i. in head count, full-time equivalent (FTE), or using another methodology; ii. at the end of the reporting period, as an average across the reporting period, or using another methodology; d. report contextual information necessary to understand the data reported under 2-7-a and 2-7-b; e. describe significant fluctuations in the number of employees during the reporting period and between reporting periods.</p>	-	-	-	-	<p>a. Labor Management b.i) Labor Management b.ii) N/A since no temporary employee c. Labor Management d. Labor Management e. Labor Management</p>

	<p>2-8: Workers who are not employees The organization shall: a. report the total number of workers who are not employees and whose work is controlled by the organization and describe: i. the most common types of worker and their contractual relationship with the organization; ii. the type of work they perform; b. describe the methodologies and assumptions used to compile the data, including whether the number of workers who are not employees is reported: i. in head count, full-time equivalent (FTE), or using another methodology; ii. at the end of the reporting period, as an average across the reporting period, or using another methodology; c. describe significant fluctuations in the number of workers who are not employees during the reporting period and between reporting periods.</p>		-	-	-	<p>a. N/A since no temporary worker b. Labor Management c. N/A since no temporary worker</p>
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	Governance					
<p>GRI 2 used Governance</p>	<p>2-9: Governance structure and composition The organization shall: a. describe its governance structure, including committees of the highest governance body; b. list the committees of the highest governance body that are responsible for decision making on and overseeing the management of the organization’s impacts on the economy, environment, and people; c. describe the composition of the highest governance body and its committees by: i. executive and non-executive members; ii. independence; iii. tenure of members on the governance body; iv. number of other significant positions and commitments held by each member, and the nature of the commitments; v. gender; vi. under-represented social groups; vii. competencies relevant to the impacts of the organization; viii. stakeholder representation.</p>					<ul style="list-style-type: none"> a. Organizational Structure b. Corporate Governance c. i. Board of Directors c. ii. Board of Directors c.iii. Board of Directors c.iv. Other significant position c. v. Board of Directors c. vi. No one from underrepresented social groups c. vii. Competencies relevant c. viii. Board of Directors
	<p>2-10: Nomination and selection of the highest governance body The organization shall: a. describe the nomination and selection processes for the highest governance body and its committees; b. describe the criteria used for nominating and selecting highest governance body members, including whether and how the following are taken into consideration: i. views of stakeholders (including shareholders); ii. diversity; iii. independence; iv. competencies relevant to the impacts of the organization.</p>					<ul style="list-style-type: none"> a. Corporate Governance b. Corporate Governance

	<p>2-11: Chair of the highest governance body The organization shall: a. report whether the chair of the highest governance body is also senior executive in the organization; b. if the chair is also a senior executive, explain their function within the organization’s management, the reasons for this arrangement, and how conflicts of interest are prevented and mitigated.</p>		-	-	-	<p>a. Board of Directors b. Board of Directors</p>
	<p>2-12: Role of the highest governance body in overseeing the management of impacts The organization shall: a. describe the role of the highest governance body and of senior executives in developing, approving, and updating the organization’s purpose, value or mission statements, strategies, policies, and goals related to sustainable development; b. describe the role of the highest governance body in overseeing the organization’s due diligence and other processes to identify and manage the organization’s impacts on the economy, environment, and people, including: i. whether and how the highest governance body engages with stakeholders to support these processes; ii. how the highest governance body considers the outcomes of these processes; c. describe the role of the highest governance body in reviewing the effectiveness of the organization’s processes as described in 2-12-b and report the frequency of this review.</p>		-	-	-	<p>a. Corporate Governance b. Stakeholder Engagement c. Stakeholder Engagement</p>

<p>2-13: Delegation of responsibility for managing impacts The organization shall: a. describe how the highest governance body delegates responsibility for managing the organization’s impacts on the economy, environment, and people, including: i. whether it has appointed any senior executives with responsibility for the management of impacts; ii. whether it has delegated responsibility for the management of impacts to other employees; b. describe the process and frequency for senior executives or other employees to report back to the highest governance body on the management of the organization’s impacts on the economy, environment, and people.</p>		-	-	-	a. Corporate Governance b. Corporate Governance
<p>2-14: Role of the highest governance body in sustainability reporting The organization shall: a. report whether the highest governance body is responsible for reviewing and approving the reported information, including the organization’s material topics, and if so, describe the process for reviewing and approving the information; b. if the highest governance body is not responsible for reviewing and approving the reported information, including the organization’s material topics, explain the reason for this</p>		-	-	-	a. Yes b. N/A as the CEO is involved in the Sustainability Reporting process.
<p>2-15: Conflicts of interest The organization shall: a. describe the processes for the highest governance body to ensure that conflicts of interest are prevented and mitigated; b. report whether conflicts of interest are disclosed to stakeholders, including, at a minimum, conflicts of interest relating to: i. cross-board membership; ii. cross-shareholding with suppliers and other stakeholders; iii. existence of controlling shareholders; iv. related parties, their relationships, transactions, and outstanding balances.</p>		-	-	-	a. Corporate Governance b. No conflict-of-interest issues recorded in 2022.

<p>2-16: Communication of critical concerns The organization shall: a. describe whether and how critical concerns are communicated to the highest governance body; b. report the total number and the nature of critical concerns that were communicated to the highest governance body during the reporting period.</p>		<p>b is not disclosed</p>	<p>Confidentiality constraints</p>		<p>a. Stakeholder Engagement</p>
<p>2-17: Collective knowledge of the highest governance body The organization shall: a. report measures taken to advance the collective knowledge, skills, and experience of the highest governance body on sustainable development.</p>					<p>a. Sustainable development related matters are indirectly part of the Board’s roles and responsibilities</p>
<p>2-18: Evaluation of the performance of the highest governance body The organization shall: a. describe the processes for evaluating the performance of the highest governance body in overseeing the management of the organization’s impacts on the economy, environment, and people; b. report whether the evaluations are independent or not, and the frequency of the evaluations; c. describe actions taken in response to the evaluations, including changes to the composition of the highest governance body and organizational practices.</p>			<p>-</p>	<p>-</p>	<p>a. Corporate Governance b. Independent evaluations that are held yearly c. Not applicable as none of the evaluation results warranted change in structure of BoD</p>
<p>2-19: Remuneration policies The organization shall: a. describe the remuneration policies for members of the highest governance body and senior executives, including: i. fixed pay and variable pay; ii. sign-on bonuses or recruitment incentive payments; iii. termination payments; iv. clawbacks; v. retirement benefits; b. describe how the remuneration policies for members of the highest governance body and senior executives relate to their objectives and performance in relation to the management of the organization’s impacts on the economy, environment, and people.</p>				<p>-</p>	<p>a. The Company addresses shareholders voting in the AGM on BoD remuneration. b. Bonus of CEO is based on the Company’s sustainability performance related to the economy</p>

<p>2-20: Process to determine remuneration The organization shall: a. describe the process for designing its remuneration policies and for determining remuneration, including: i. whether independent highest governance body members or an independent remuneration committee oversees the process for determining remuneration; ii. how the views of stakeholders (including shareholders) regarding remuneration are sought and taken into consideration; iii. whether remuneration consultants are involved in determining remuneration and, if so, whether they are independent of the organization, its highest governance body and senior executives; b. report the results of votes of stakeholders (including shareholders) on remuneration policies and proposals, if applicable</p>			<p>Confidentiality constraints</p>	<p>b. confidential</p>	<p>Corporate Governance</p>
<p>2-21: Annual total compensation ratio The organization shall: a. report the ratio of the annual total compensation for the organization’s highest-paid individual to the median annual total compensation for all employees (excluding the highest-paid individual); b. report the ratio of the percentage increase in annual total compensation for the organization’s highest-paid individual to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual); c. report contextual information necessary to understand the data and how the data has been compiled.</p>		<p>a, b and c are not disclosed</p>	<p>Confidentiality constraints</p>	<p>A, b and c are confidential</p>	
<p>2-22: Statement on sustainable development strategy The organization shall: a. report a statement from the highest governance body or most senior executive of the organization about the relevance of sustainable development to the organization and its strategy for contributing to sustainable development.</p>		<p>-</p>	<p>-</p>	<p>-</p>	<p>a. Message from the Chairman</p>

<p>2-23: Policy commitments The organization shall: a. describe its policy commitments for responsible business conduct, including: i. the authoritative intergovernmental instruments that the commitments reference; ii. whether the commitments stipulate conducting due diligence; iii. whether the commitments stipulate applying the precautionary principle; iv. whether the commitments stipulate respecting human rights; b. describe its specific policy commitment to respect human rights, including: i. the internationally recognized human rights that the commitment covers; ii. the categories of stakeholders, including at-risk or vulnerable groups, that the organization gives particular attention to in the commitment; c. provide links to the policy commitments if publicly available, or, if the policy commitments are not publicly available, explain the reason for this; d. report the level at which each of the policy commitments was approved within the organization, including whether this is the most senior level; e. report the extent to which the policy commitments apply to the organization's activities and to its business relationships; f. describe how the policy commitments are communicated to workers, business partners, and other relevant parties.</p>					<p>a. Corporate Governance b. Corporate Governance c. Highlights of the Policies are available on Al-Tijaria's website: AlTijaria.com d. Policies are approved by BoD Corporate Governance Policy commitments are communicated to stakeholders through communication channels .</p>
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<p>2-24: Embedding policy commitments The organization shall: a. describe how it embeds each of its policy commitments for responsible business conduct throughout its activities and business relationships, including: i. how it allocates responsibility to implement the commitments across different levels within the organization; ii. how it integrates the commitments into organizational strategies, operational policies, and operational procedures; iii. how it implements its commitments with and through its business relationships; iv. training that the organization provides on implementing the commitments.</p>					<p>a. i. Corporate Governance ii. The policies are integrated into the Code of Conduct of the organization iii. Stakeholder Engagement iv. Trainings List</p>
<p>2-25: Processes to remediate negative impacts The organization shall: a. describe its commitments to provide for or cooperate in the remediation of negative impacts that the organization identifies it has caused or contributed to; b. describe its approach to identify and address grievances, including the grievance mechanisms that the organization has established or participates in; c. describe other processes by which the organization provides for or cooperates in the remediation of negative impacts that it identifies it has caused or contributed to; d. describe how the stakeholders who are the intended users of the grievance mechanisms are involved in the design, review, operation, and improvement of these mechanisms; e. describe how the organization tracks the effectiveness of the grievance mechanisms and other remediation processes, and report examples of their effectiveness, including stakeholder feedback.</p>		<p>e. is not disclosed</p>	<p>Confidentiality constraints</p>	<p>E is confidential</p>	<p>a. Corporate Governance b. Corporate Governance c. Corporate Governance d. Corporate Governance</p>

	<p>2-26: Mechanisms for seeking advice and raising concerns The organization shall: a. describe the mechanisms for individuals to: i. seek advice on implementing the organization’s policies and practices for responsible business conduct; ii. raise concerns about the organization’s business conduct.</p>		-	-	-	a. Corporate Governance
	<p>2-27: Compliance with laws and regulations The organization shall: a. report the total number of significant instances of non-compliance with laws and regulations during the reporting period, and a breakdown of this total by: i. instances for which fines were incurred; ii. instances for which non-monetary sanctions were incurred; b. report the total number and the monetary value of fines for instances of noncompliance with laws and regulations that were paid during the reporting period, and a breakdown of this total by: i. fines for instances of non-compliance with laws and regulations that occurred in the current reporting period; ii. fines for instances of non-compliance with laws and regulations that occurred in previous reporting periods; c. describe the significant instances of non-compliance; d. describe how it has determined significant instances of non-compliance</p>					a. 0 cases of non compliance b. N/A since no compliance issue recorded. c. N/A since no incidents of non-compliance d. N/A since no incidents of non-compliance
	<p>2-28: Membership associations The organization shall: a. report industry associations, other membership associations, and national or international advocacy organizations in which it participates in a significant role</p>					a.UN Global Compact

GRI 2 used	STAKEHOLDER ENGAGEMENT				
	<p>2-29: Approach to stakeholder engagement The organization shall: a. describe its approach to engaging with stakeholders, including: i. the categories of stakeholders it engages with, and how they are identified; ii. the purpose of the stakeholder engagement; iii. how the organization seeks to ensure meaningful engagement with stakeholders</p>	-	-	-	a. Stakeholder Engagement
	<p>2-30: Collective bargaining agreements The organization shall: a. report the percentage of total employees covered by collective bargaining agreements; b. for employees not covered by collective bargaining agreements, report whether the organization determines their working conditions and terms of employment based on collective bargaining agreements that cover its other employees or based on collective bargaining agreements from other organizations.</p>	-	-	-	N/A since no collective bargaining agreements
	MATERIAL TOPICS				
	<p>3-1: Process to determine material topics * The organization shall: a. describe the process it has followed to determine its material topics, including: i. how it has identified actual and potential, negative and positive impacts on the economy, environment, and people, including impacts on their human rights, across its activities and business relationships; ii. how it has prioritized the impacts for reporting based on their significance; b. specify the stakeholders and experts whose views have informed the process of determining its material topics.</p>				a. Communicating our Materiality b. Stakeholder Engagement
	<p>3-2: List of material topics * The organization shall: a. list its material topics; b. report changes to the list of material topics compared to the previous reporting period.</p>	-	-	-	a. Communicating our Materiality b. Communicating our Materiality

	<p>3-3: Management of material topics For each material topic reported under Disclosure 3-2, the organization shall:</p> <ul style="list-style-type: none"> a. describe the actual and potential, negative and positive impacts on the economy, environment, and people, including impacts on their human rights; b. report whether the organization is involved with the negative impacts through its activities or as a result of its business relationships, and describe the activities or business relationships; c. describe its policies or commitments regarding the material topic; d. describe actions taken to manage the topic and related impacts, including: <ul style="list-style-type: none"> i. actions to prevent or mitigate potential negative impacts; ii. actions to address actual negative impacts, including actions to provide for or cooperate in their remediation; iii. actions to manage actual and potential positive impacts; e. report the following information about tracking the effectiveness of the actions taken: <ul style="list-style-type: none"> i. processes used to track the effectiveness of the actions; ii. goals, targets, and indicators used to evaluate progress; iii. the effectiveness of the actions, including progress toward the goals and targets; iv. lessons learned and how these have been incorporated into the organization’s operational policies and procedures; f. describe how engagement with stakeholders has informed the actions taken (3-3-d) and how it has informed whether the actions have been effective (3-3-e) 			-	-	a-f. Communicating our Materiality
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TOPIC STANDARDS

Topic	Explanation		
ECONOMIC PERFORMANCE 2016		Material Topic	Location/ Disclosure
201-1	Direct economic value generated and distributed	No direct material topic	N/A
201-2	Financial implications and other risks and opportunities due to climate change	No direct material topic	N/A
201-3	Defined benefit plan obligations and other retirement plans	Labor Management	Employee Benefits
201-4	Financial assistance received from government	No direct material topic	N/A

Topic	Explanation		
MARKET PRESENCE 2016 (202)		Material Topic	Location/ Disclosure
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Labor Management	Labor Management
202-2	Proportion of senior management hired from the local community	Demographic Representation	Demographic Representation

Topic	Explanation		
INDIRECT ECONOMIC		Material Topic	Location/ Disclosure
203-1	Infrastructure investments and services supported	Sustainable Buildings	Sustainable Buildings
203-2	Significant indirect economic impacts	Social Impact and Awareness	Social Impact and Awareness

Topic	Explanation		
PROCUREMENT PRACTICES 2016 (204)		Material Topic	Location/ Disclosure
204-1	Proportion of spending on local suppliers	Social Impact and Awareness	Supply Chain Management

Topic	Explanation		
ANTI-CORRUPTION 2016 (205)		Material Topic	Location/ Disclosure
205-1	Operations assessed for risks related to corruption	Business Ethics	Business Ethics and Compliance
205-2	Communication and training about anti-corruption policies and procedures	Training and Development	Trainings List
205-3	Confirmed incidents of corruption and actions taken	Business Ethics	Business Ethics and Compliance

Topic	Explanation		
ANTI-COMPETITIVE BEHAVIOR 2016		Material Topic	Location/ Disclosure
206	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Business Ethics	Business Ethics and Compliance

Topic	Explanation		
TAX 2019 (207)		Material Topic	Location
207-1	Approach to tax	No direct material topic	N/A
207-2	Tax governance, control, and risk management	No direct material topic	N/A
207-3	Stakeholder engagement and management of concerns related to tax	No direct material topic	N/A
207-4	Country-by-country reporting	No direct material topic	N/A

ENVIRONMENTAL MATERIALS 2016 (301)		Material Topic	Location/ Disclosure
301-1	Materials used by weight or volume	Environmental Performance	N/A
301-2	Recycled input materials used	Environmental Performance	N/A
301-3	Reclaimed products and their packaging materials	Environmental Performance	N/A for the type of operation
ENERGY 2016 (302)		Material Topic	Location/ Disclosure
302-1	Energy consumption within the organization	Environmental Performance	Greenhouse Gas emissions (scope 2 electricity consumption)
302-2	Energy consumption outside of the organization	Environmental Performance	Scope 2 and 3 GHG emissions
302-3	Energy intensity	Environmental Performance	723,388.5 KWh/employee
302-4	Reduction of energy consumption	Environmental Performance	Electricity Consumption (No reduction)
302-5	Reductions in energy requirements products and services	Environmental Performance	N/A
WATER AND EFFLUENTS 2018 (303)		Material Topic	Location/ Disclosure
303-1	Interactions with water as a shared resource	Environmental Performance	Water
303-2	Management of water discharge-related impacts	No direct material topic	N/A
303-3	Water withdrawal	No direct material topic	N/A
303-4	Water discharge	No direct material topic	N/A
303-5	Water consumption	Environmental Performance	Water

BIODIVERSITY 2016 (304)		Material Topic	Location/ Disclosure
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	No direct material topic	N/A
304-2	Significant impacts of activities, products, and services on biodiversity	No direct material topic	N/A
304-3	Habitats protected or restored	No direct material topic	N/A
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	No direct material topic	N/A
EMISSIONS 2016 (305)		Material Topic	Location/ Disclosure
305-1	Direct (Scope 1) GHG emissions	Environmental Performance	Scope 1 emissions
305-2	Energy indirect (Scope 2) GHG emissions	Environmental Performance	Scope 2 emissions
305-3	Other indirect (Scope 3) GHG emissions	Environmental Performance	Scope 3 emissions
305-4	GHG emissions intensity	Environmental Performance	Total emissions
305-5	Reduction of GHG emissions	Environmental Performance	N/A
305-6	Emissions of ozone-depleting substances (ODS)	Environmental Performance	N/A
305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	Environmental Performance	N/A

WASTE 2020 (306)		Material Topic	Location/ Disclosure
306-1	Waste generation and significant waste-related impacts	Environmental Performance	Waste
306-2	Management of significant waste-related impacts	Environmental Performance	Waste
306-3	Waste generated	Environmental Performance	Waste
306-4	Waste diverted from disposal	No direct material topic	N/A
306-5	Waste directed to disposal	No direct material topic	N/A
SUPPLIER ENVIRONMENTAL ASSESSMENT 2016		Material Topic	Location/ Disclosure
308-1	308-1 New suppliers that were screened using environmental criteria	Corporate Governance	None
308-2	308-2 Negative environmental impacts in the supply chain and actions taken	Corporate Governance	None
SOCIAL EMPLOYMENT 2016		Material Topic	Location/ Disclosure
401-1	New employee hires and employee turnover	Labor Management	Labor Management
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Labor Management	N/A as Al-Tijaria has no part time employees
401-3	Parental leave	Labor Management	Labor Management

LABOR/MANAGEMENT RELATIONS 2016 (402)		Material Topic	Location/ Disclosure
402-1	Minimum notice periods regarding operational changes	Labor Management	Labor Management
OCCUPATIONAL HEALTH AND SAFETY 2018 (403)		Material Topic	Location/ Disclosure
403-1	Occupational health and safety management system	Health, Safety and Security	Health, Safety and Security
403-2	Hazard identification, risk assessment, and incident investigation	Health, Safety and Security	Health, Safety and Security
403-3	Occupational health services	Labor Management	Employee Benefits
403-4	Worker participation, consultation, and communication on occupational health and safety	Health, Safety and Security	Health, Safety and Security
403-5	Worker training on occupational health and safety	Training and Development	Trainings List
403-6	Promotion of worker health	Health, Safety and Security	N/A
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	No direct material topic	N/A
403-8	Workers covered by an occupational health and safety management system	No direct material topic	N/A
403-9	Work-related injuries	Health, Safety and Security	Health, Safety and Security
403-10	Work-related ill health	Health, Safety and Security	Health, Safety and Security

TRAINING AND EDUCATION 2016 (404)		Material Topic	Location/ Disclosure
404-1	Average hours of training per year per employee	Training and Development	Training and Development
404-2	Programs for upgrading employee skills and transition assistance programs	Training and Development	Training List
404-3	Percentage of employees receiving regular performance and career development reviews	Labor Management	Performance Management
DIVERSITY AND EQUAL OPPORTUNITY 2016 (405)		Material Topic	Location/ Disclosure
405-1	Diversity of governance bodies and employee	Labor Management	Demographic Representations
405-2	Ratio of basic salary and remuneration of women to men	Business Ethics	No discrimination in salary between men and women
NON-DISCRIMINATION 2016 (406)		Material Topic	Location/ Disclosure
406-1	Incidents of discrimination and corrective actions taken	Business Ethics	Business Ethics
FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING 2016 (407)		Material Topic	Location/ Disclosure
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	No direct material topic	None
CHILD LABOR 2016 (408)		Material Topic	Location/ Disclosure
408-1	408-1 Operations and suppliers at significant risk for incidents of child labor	No direct material topic	None

FORCED OR COMPULSORY LABOR 2016 (409)		Material Topic	Location/ Disclosure
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	No direct material topic	None
SECURITY PRACTICES 2016 (410)		Material Topic	Location/ Disclosure
410-1	Security personnel trained in human rights policies or pr	No direct material topic	None
RIGHTS OF INDIGENOUS PEOPLES 2016		Material Topic	Location/ Disclosure
411-1	Incidents of violations involving rights of indigenous peoples	No direct material topic	None
LOCAL COMMUNITIES 2016 (413)		Material Topic	Location/ Disclosure
413-1	Operations with local community engagement, impact assessments, and development programs	Social Impact and Awareness	Community Initiatives
413-2	Operations with significant actual and potential negative impacts on local communities	Social Impact and Awareness	Community Initiatives
SUPPLIER SOCIAL ASSESSMENT 2016 (414)		Material Topic	Location/ Disclosure
414-1	New suppliers that were screened using social criteria	Corporate Governance	None
414-2	Negative social impacts in the supply chain and actions taken	Corporate Governance	None
PUBLIC POLICY 2016 (415)		Material Topic	Location/ Disclosure
415-1	Political contributions	Corporate Governance	None

CUSTOMER HEALTH AND SAFETY 2016 (416)		Material Topic	Location/ Disclosure
416-1	Assessment of the health and safety impacts of product and service categories	Sustainable Buildings	Environmental Impact assessment
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Sustainable Buildings	None
MARKETING AND LABELING 2016 (417)		Material Topic	Location/ Disclosure
417-1	Requirements for product and service information and labeling	No direct material topic	N/A
417-2	Incidents of non-compliance concerning product and service information and labeling	Sustainable Buildings	None
417-3	Incidents of non-compliance concerning marketing communications	Sustainable Buildings	None
CUSTOMER PRIVACY 2016		Material Topic	Location/ Disclosure
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Tenant Experience	Tenant Experience

6.2. Bursa Kuwait Sustainability Disclosures

Metric	Calculation	Disclosure / Page Number (for 2022)
Environmental		
GHG Emissions	E1.1) Total amount, in CO2 equivalents, for Scope 1 (if applicable)	Scope 1 GHG emissions
	E1.2) Total amount, in CO2 equivalents, for Scope 2 (if applicable)	Scope 2 GHG emissions
	E1.3) Total amount, in CO2 equivalents, for Scope 3 (if applicable)	Scope 3 GHG emissions
Emissions Intensity	E2.1) Total GHG emissions per output scaling factor	GHG emissions
	E2.2) Total non-GHG emissions per output scaling factor	N/A
Energy Usage	E3.1) Total amount of energy directly consumed	Electricity
	E3.2) Total amount of energy indirectly consumed	NA
Energy Intensity	Total direct energy usage per output scaling factor	GHG emissions
Energy Mix	Percentage: Energy usage by generation type	Scope 2 GHG emissions
Water Usage	E6.1) Total amount of water consumed	Water
	E6.2) Total amount of water reclaimed	None
Environmental Operations	E7.1) Does your company follow a formal Environmental Policy? Yes, no	No
	E7.2) Does your company follow specific waste, water, energy, and/or recycling polices? Yes/No	Indirectly embedded into our policies
	E7.3) Does your company use a recognized energy management system? Yes/No	No
Environmental Oversight	Does your Board/Management Team oversee and/or manage climate-related risks? Yes/No	No. The risk management framework does not include ESG risks at present
Environmental Oversight	Does your Board/Management Team oversee and/or manage other sustainability issues? Yes/No	Yes.
Climate Risk Mitigation	Total amount invested, annually, in climate-related infrastructure, resilience, and product development?	Green Investment

Gender Pay Ratio	Ratio: Median male compensation to median female compensation	1 to 1
Employee Turnover	S3.1) Percentage: Year-over-year change for full-time employees	Labor Management
	S3.2) Percentage: Year-over-year change for part-time employees	N/A since Al-Tijaria has no part time employees
	S3.3) Percentage: Year-over-year change for contractors and/or consultants	Not recorded
Gender Diversity	S4.1) Percentage: Total enterprise headcount held by men and women	Labor Management
	S4.2) Percentage: Entry- and mid-level positions held by men and women	Not recorded
	S4.3) Percentage: Senior- and executive-level positions held by men and women	Labor Management
Temporary Worker Ratio	S5.1) Percentage: Total enterprise headcount held by part-time employees	N/A since Al-Tijaria has no part time employees
	S5.2) Percentage: Total enterprise headcount held by contractors and/or consultants	Not recorded
Non-Discrimination	Does your company follow a sexual harassment and/or non-discrimination policy? Yes/No	Yes. The Code of Conduct.
Injury Rate	Percentage: Frequency of injury events relative to total workforce time	None
Global Health and Safety	Does your company follow an occupational health and/ or global health and safety policy? Yes/No	Yes. Quality Health, Safety, and Environment (QHSE)
Child and Forced Labor	S9.1) Does your company follow a child and/or forced labor policy? Yes/No	Yes
	S9.2) If yes, does your child and/or forced labor policy also cover suppliers and vendors? Yes/No	Yes
Human Rights	S10.1) Does your company follow a human rights policy? Yes/No	Yes
	S10.2) If yes, does your human rights policy also cover suppliers and vendors? Yes/No	Yes.
Nationalization	S11.1) Percentage of national employees	Demographic Representation
	S11.2) Direct and indirect local job creation	2 Kuwaiti employees

Board Diversity	G1.1) Percentage: Total board seats occupied by men and women	Corporate Governance
	G1.2) Percentage: Committee chairs occupied by men and women	Corporate Governance
Board Independence	G2.1) Does your company prohibit its CEO from serving as board chair? Yes/No	Yes
	G2.2) Percentage: Total board seats occupied by independents	Corporate Governance
Incentivized Pay	Are executives formally incentivized to perform on sustainability? Yes/No	Yes, related to economy performance
Collective Bargaining	Percentage: Total enterprise headcount covered by collective bargaining agreement(s)	0
Supplier Code of Conduct	G5.1) Are your vendors or suppliers required to follow a Code of Conduct? Yes/ No	No
	G5.2) If yes, what percentage of your suppliers have formally certified their compliance with the code?	NA
Ethics and Anti-Corruption	G6.1) Does your company follow an Ethics and/or Anti-Corruption policy? Yes/No	Yes
	G6.2) If yes, what percentage of your workforce has formally certified its compliance with the policy?	100%
Data Privacy	G7.1) Does your company follow a Data Privacy policy? Yes/ No	Yes
	G7.2) Has your company taken steps to comply with GDPR rules? Yes/No	No
Sustainability Reporting	G8.1) Does your company publish a sustainability report? Yes/No	Yes
	G8.2) Is sustainability data included in your regulatory filings? Yes/No	Not directly
Disclosure Practices	G9.1) Does your company provide sustainability data to sustainability reporting frameworks? Yes/No	Yes
	G9.2) Does your company focus on specific UN Sustainable Development Goals (SDGs)? Yes/No	Yes
	G9.3) Does your company set targets and report progress on the UN SDGs? Yes/No	No
External Assurance (Recommended)	Are your sustainability disclosures assured or validated by a third party? Yes/No	No

6.3. Material Topics Alignment with SDGs

Material Topic	UN Sustainable Development Goals (SDGs)																	
	1 No Poverty	2 Zero Hunger	3 Good Health and Well-being	4 Quality Education	5 Gender Equality	7 Affordable and Clean Energy	8 Decent Work and Economic Growth	9 Industry, Innovation and Infrastructure	10 Reduced Inequalities	11 Sustainable Cities and Communities	12 Responsible Consumption and Production	13 Climate Action	16 Peace, Justice and Strong Institutions	17 Partnerships for the Goals				
Sustainable buildings						●				●	●	●						
Social impact and awareness	●	●		●					●			●						●
Corporate Governance							●											●
Business ethics							●											●
Training and development				●			●	●										
Health, safety, and security			●															
Tenant experience																		
Environmental performance						●				●	●	●						
Labor management					●													●
Demographic representations					●			●										●

6.4 Material Topics Alignment with UN Global Compact

Material Topic	UN Global Compact									
	Human Rights		Labor				Environment			Anti-corruption
	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights	Principle 2: Make sure that they are not complicit in human rights abuses	Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargainingHuman Rights	Principle 4: The elimination of all forms of forced and compulsory labour	Principle 5: The effective abolition of child labour	Principle 6: The elimination of discrimination in respect of employment and occupation	Principle 7: Businesses should support a precautionary approach to environmental challenges	Principle 8: Undertake initiatives to promote greater environmental responsibility	Principle 9: Encourage the development and diffusion of environmentally friendly technologies	Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery
Sustainable buildings							●	●		
Social impact and awareness	●	●	●	●	●	●				
Corporate Governance		●								●
Business ethics		●		●	●					●
Training and development	●	●		●						
Health, safety, and security	●	●								
Tenant experience									●	
Environmental performance							●	●	●	
Labor management	●	●	●	●	●					
Demographic representations	●									●



The Commercial Real Estate Co. K.P.S.C. الشركة التجارية العقارية ك.م.ش.ع.



The Commercial Real Estate Co. K.P.S.C.

C.R. 239 - Capital: KD 184,069,975
Tel.: (+965) 1805252, 22902900 - Fax: (+965) 22902901
State of Kuwait - P.O.Box: 4119 Safat 13042
E-mail: crc@altijaria.com

www.altijaria.com