

Corporate Governance Report 2025

Corporate Governance Report 2025

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About the Group

Independent Petroleum Group (KSCP) (hereinafter referred to as the “Company” or the “Group”) is considered one of the leading companies in the field of marketing petroleum products and crude oil in the State of Kuwait and abroad. It was incorporated on 11 September 1976 as a Kuwaiti Closed Shareholding Company, and its shares were listed on the Kuwait Stock Exchange on 10 December 1995, within the framework of its commitment to expanding the shareholder base and enhancing transparency in its transactions.

The principal activities of the Company consist of executing commercial operations related to the marketing and distribution of petroleum products and crude oil, in addition to establishing and developing related infrastructure and logistical facilities, in a manner that achieves its operational and strategic objectives.

In the context of maintaining business continuity during the exceptional circumstances the country underwent during the period of the Iraqi occupation in August 1990, the Group established a wholly owned subsidiary outside the State of Kuwait under the name “Independent Petroleum Group Limited” on 08 August 1990 in the Commonwealth (Bahamas), which became the international trading arm of the Group in global markets.

Pursuant to the requirements of Companies Law No. 25 of 2012 and its amendments by Law No. 97 of 2013, and the Executive Regulations issued under the Minister of Commerce and Industry Resolution No. 425 of 2013, the Company reconciled its legal status through the Ordinary and Extraordinary General Assembly held on 10 March 2014. Whereby, the amendment of the Company’s legal entity to become a Kuwaiti Public Shareholding Company (K.S.C.P) was approved, and this was recorded in the Commercial Register under the Shareholding Companies Department Memorandum No. 207 dated 25 March 2014.

The Company’s issued and fully paid-up capital amounts to KD 18,840,750, distributed over 188,407,500 shares at a nominal value of 100 Kuwaiti Fils per share.

This legal and organizational structure reflects the Group’s keenness to adhere to the best practices of corporate governance and enhance transparency and accountability towards its shareholders and all stakeholders.

Main Shareholders:

Pursuant to the disclosure requirements set forth in the Corporate Governance Rules issued by the Capital Markets Authority of Kuwait, and based on the shareholders’ register as of 31 December 2025, the major shareholders holding 5% or more of the share capital of **Independent Petroleum Group (KSCP)** are as follows:

No.	Shareholder’s Name	Percentage (%)
1	Markaz Energy Fund (Under liquidation)	8.328
2	Al Ahlia Insurance Company	6.759
3	Kuwaiti Financial Company (Markaz) – Clients 1	6.608
4	Ali Muhammad Al-Radwan and his Group (Ali Al-Radwan and Sons General Trading Company) Direct and Indirect	6.239

First: Introduction to the Corporate Governance Framework and its Implementation at Independent Petroleum Group (KSCP)

Independent Petroleum Group (KSCP) (the “Group”) affirms its continuous commitment to developing the governance framework in line with the laws and regulations applicable in the State of Kuwait, particularly those issued by the Capital Markets Authority. Since the issuance of the Corporate Governance Rules, the Group has been keen on the effective implementation of their provisions, stemming from its firm belief in the principles of good governance, and the importance of enhancing transparency, accountability, protection of shareholders’ rights, and achieving a balance between the interests of various stakeholders.

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Second: Commitment to Governance Culture and Practices

The Group strives to entrench a culture of corporate governance at all its operational and administrative levels by adopting best professional and ethical practices and standards, and ensuring the adherence of the Board of Directors and Executive Management to these principles. The Group also conducts continuous and periodic monitoring of updates issued by regulatory authorities, ensuring the compliance of its policies and procedures with approved regulatory amendments, thereby guaranteeing effective internal control and prudent risk management.

Furthermore, the Group is committed to the accurate and transparent disclosure of material information in a timely manner, which enhances the confidence of shareholders, investors, and all stakeholders in its performance and operational efficiency.

Third: Summary of Governance Practices and Mechanisms during the Fiscal Year 2025

Independent Petroleum Group presents below a summary of the governance practices and mechanisms adopted during the fiscal year ended 31 December 2025. This includes the extent of compliance with the governance rule requirements set forth in Module Fifteen of the Executive Bylaws of Law No. 7 of 2010 regarding the Establishment of the Capital Markets Authority and Regulating Securities Activities and their amendments, in addition to the measures taken by the Group to ensure full compliance therewith.

Rule I

Construct a Balanced Board Composition

Brief Outline on the Composition of the Board of Directors:

1. Board of Directors Composition

The current Board of Directors was elected during the Ordinary General Assembly meeting held on March 15, 2025, for a three-year term ending in March 2028, in accordance with the provisions of the Companies Law and the Corporate Governance Regulations issued by the Capital Markets Authority of Kuwait (Book XV). When constituting the Board, adherence to the requirements of Rule I regarding the construction of a balanced Board structure was observed, ensuring effective decision-making and providing independent oversight of executive performance.

Upon election, the Board of Directors comprised ten (10) members distributed as follows:

- **Four (4) Non-Executive Members**, including the Chairman of the Board, to enhance Board independence and the separation of powers.
- **Four (4) Executive Members**, undertaking the daily operational tasks of the Group.
- **Two (2) Independent Members**, meeting the independence criteria stipulated in Book XV (Corporate Governance).

The Board was constituted in compliance with the Capital Markets Authority requirements, whereby:

- The majority of members are Non-Executive.
- The percentage of Independent Members is 20% of the total Board members, which is the regulatory minimum.

2. Objectives of the Board Structure:

This composition aims to:

- Enhance the effectiveness of internal control and supervision over Executive Management.
- Mitigate conflicts of interest and ensure transparency and integrity in decision-making.
- Support the work of committees stemming from the Board, specifically:
 - The Audit and Risk Management Committee.
 - The Remuneration and Nominations Committee.

3. Changes During the Financial Year Ended December 31, 2025:

In line with the disclosure requirements contained in the Annual Corporate Governance Report, the Group announced the following changes:



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3.1 Resignation of the CEO and Reappointment as a Non-Executive Member

Mr. Waleed Jaber Hadeed stepped down from his position as Group CEO effective October 01, 2025, at his request, following a service tenure extending nearly fifty years. Mr. Waleed Jaber Hadeed continued as a Non-Executive Member of the Board of Directors and was appointed as Senior Advisor to the Group.

The Group confirms that this change did not result in any material impact on the financial performance or operational continuity during the financial year.

3.2 Reorganization of Executive Management:

The Group reorganized executive positions and functions to reflect the strategic directions of the Group, and to enhance operational efficiency and compliance with governance requirements.

3.3 Amendment of the Remuneration and Nominations Committee Composition:

The composition of the Remuneration and Nominations Committee was amended to align with best practices and regulatory regulations, taking into account independence standards and diversity of expertise.

The Group confirms that the administrative and organizational changes referred to were conducted in accordance with governance provisions and did not entail any material impact on the Company's performance or its operational processes.

4. Current Composition of the Board of Directors After Changes:

Following the amendments referred to during the financial year, the Board of Directors consists of ten (10) members according to the following distribution:

- **Five (5) Non-Executive Members**, including the Chairman of the Board.
- **Three (3) Executive Members**, undertaking the daily operational tasks of the Group.
- **Two (2) Independent Members**, meeting the professional and regulatory independence requirements:

The following is a list of the Board of Directors' members' names and positions, showing each member's classification, academic qualification and date of election or appointment:

Name	Member Classification	Qualifications and Experiences	Date of Election / Appointment
Ali M. Al-Radwan Founder Chairman of the Board of Directors	Non-Executive	<p>Academic Qualification: Bachelor of Law, Cairo University, 1961.</p> <p>Work Experience: Currently:</p> <ul style="list-style-type: none"> • Founder and partner in Ali Al-Radwan & Partners Law Firm, Kuwait, 1970 – up to date. • Founder and current member of Kuwait Bar Association <p>Formerly:</p> <ul style="list-style-type: none"> • Founder and former Chairman of the Board of Directors of Siemens Kuwait Company. • Former member of the Board of Directors of Kuwait Stock Exchange, Kuwait • Former member of the Board of Directors of the Kuwait Company for Fuel, Gas and Energy Industries • Former Vice Chairman of the Board of Directors of Kuwait National Petroleum Company • Former Secretary General of the Constituent Assembly and National Assembly, Kuwait 	<p>(Election) Joined IPG KSCP Board of Directors on 11 Sep- tember 1976</p> <p>◆◆◆</p> <p>Re-Elected Chairman of the Board of Directors On 15 March 2025</p>

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Name	Member Classification	Qualifications and Experiences	Date of Election / Appointment
<p>Ghazi F. Alnafisi</p> <p>Founder Vice Chairman of the Board of Directors</p>	Non-Executive	<p>Academic Qualification:</p> <ul style="list-style-type: none"> Diploma in Aeronautical Engineering, Chelsea College, University of London, June - 1965. Two-year special training course at British Petroleum on aviation fuel. <p>Work Experience:</p> <p>Currently:</p> <ul style="list-style-type: none"> Founder and Chairman of the Board – Salhia Real Estate Company – Kuwait. Founder and Chairman of the Board – Hotel Owners Union. <p>Formerly:</p> <ul style="list-style-type: none"> Member of the Board of Directors – Arcapita Bank – Bahrain. Founder and Vice Chairman of the Board – Al-Zad Commercial Group Company – Kuwait. Chairman of the Board and Managing Director – National Investments Company – Kuwait. Chairman of the Board – Gulf Investment Company – Bahrain. Member of the Board of Directors – Kuwait National Petroleum Company (KNPC). Chairman of the Board and General Manager – Kuwait Aviation Fueling Company (KAFCO). 	<p>(Election) Joined IPG Board of Directors on 11 September 1976</p> <p>◆◆◆</p> <p>Re-Elected Vice Chairman of Board of Directors On 15 March 2025</p>
<p>Waleed J. Hadeed</p> <p>Founder, Member of the Board of Directors, and Senior Advisor to the Group</p>	Non-Executive	<p>Academic Qualification:</p> <p>Bachelor's degree in economics and mathematics, Central Missouri State University, USA, 1967.</p> <p>Practical Work Experience:</p> <p>Formerly:</p> <ul style="list-style-type: none"> General Manager, International Marketing Department (London), Kuwait National Petroleum Company Manager, Middle East Office (Kuwait), International Marketing Department, Kuwait National Petroleum Company Manager of Middle East Office (Singapore), International Marketing Department, Kuwait National Petroleum Company. 	<p>(Election) Joined IPG Board of Directors on 11 September 1976</p> <p>◆◆◆</p> <p>Re-Elected Member of the Board of Directors On 15 March 2025</p> <p>◆◆◆</p> <p>The position was restruc- tured to be- come Senior Advisor to the Group on 01 October 2025</p>



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Name	Member Classification	Qualifications and Experiences	Date of Election / Appointment
<p>Samir S. Shammas</p> <p>Member of the Board of Directors and Chief Executive Officer</p>	Executive	<p>Academic Qualification: Bachelor's degree in economics, University of California, Los Angeles, USA, 1976</p> <p>Work Experience: Formerly:</p> <ul style="list-style-type: none"> Marketing Development Manager, Independent Petroleum Group, London, 2014-2018. Board Member and Marketing Executive Director, Independent Petroleum Group, Kuwait, 2001-2013. General Marketing Manager, Independent Petroleum Group Company, Kuwait, 1999-2000. Marketing Manager, Independent Petroleum Group, Kuwait, 1993-1998. Office Manager, Independent Petroleum Group, London, 1988-1992. Administrative Director, Kuwait Real Estate Company, London, 1985-1988. Executive Marketing Manager, Middle East Oil Company, London, 1980-1984. Area Coordinator, Kuwait National Oil Company, 1976-1980. 	<p>Joined IPG KSCP on 01 July 1992</p> <p>◆◆◆ Elected Board Member on 09 March 2022</p> <p>◆◆◆ He was re-elected to the Board of Directors on March 15, 2025.</p> <p>◆◆◆ The position was restructured to become Chief Executive Officer on 01 October 2025</p>
<p>Abdullah A. Zaman</p> <p>Founder Member of the Board of Directors</p>	Non-Executive	<p>Academic Qualification: Bachelor's degree in mathematics, California University, Berkeley, USA, 1964.</p> <p>Work Experience: Formerly:</p> <ul style="list-style-type: none"> Member of the Board of Directors of Spanish Kuwait Petroleum Company Member of the Board of Directors of Kuwait Aviation Fueling Company (KAFCO) Deputy Managing Director for Planning, Kuwait National Petroleum Company Planning Director, International Marketing Department (London), Kuwait National Petroleum Company Planning Department, Headquarters, Kuwait National Petroleum Company Systems Analyst, Kuwait National Petroleum Company 	<p>(Election) Joined IPG KSCP Board of Directors on 11 September 1976</p> <p>◆◆◆ Re-Elected Member of the Board of Directors On 15 March 2025</p>

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Name	Member Classification	Qualifications and Experiences	Date of Election / Appointment
<p>Abdullah E. Al-Kandari</p> <p>Member of the Board of Directors and Deputy CEO</p>	Executive / Secretary	<p>Academic Qualification:</p> <ul style="list-style-type: none"> Member of the American Institute of Certified Public Accountants (AICPA), Washington State, USA, 1992 Master's degree in professional accounting from Miami University, 1986 Bachelor's degree in accounting, Kuwait University, 1983. <p>Work Experience:</p> <ul style="list-style-type: none"> Managing Director of Financial Affairs, Independent Petroleum Group (KSCP). Chief Financial Officer (CFO), Independent Petroleum Group (KSCP), Formerly. Executive Director of Financial Affairs, Independent Petroleum Group (KSCP), Formerly. Finance Manager, Independent Petroleum Group (KSCP), Formerly. Cost and Budget Coordinator, Kuwait Petroleum Corporation – International Operations, Formerly. Auditor, Anwar Al-Qatami & Grant Thornton, Formerly. Internal Audit Officer, Burgan Bank, Formerly. Specialized Training Course in Banking (15 months), Burgan Bank, Formerly. 	<p>Joined Independent Petroleum Group K.S.C.C. on 28 March 2001</p> <p>◆◆◆ (Election) On 3 March 2010</p> <p>◆◆◆ He was appointed Secretary of the Board of Directors on March 29, 2022</p> <p>◆◆◆ Re-elected as a Board Member on 15 March 2025</p> <p>◆◆◆ The position has been restructured to become Executive Vice President, effective October 1, 2025.</p>
<p>Mohammad A. Qasim</p> <p>Member of the Board of Directors and Managing Director for Business Development</p>	Executive	<p>Academic Qualification:</p> <ul style="list-style-type: none"> Master's degree in international business, Sofia University, Tokyo, Japan, 1981. Banking Studies Diploma, Banking Studies Institute, Kuwait. Bachelor's degree in economics, Kuwait University, 1972. <p>Work Experience: Formerly:</p> <ul style="list-style-type: none"> Deputy Managing Director (Sales), Kuwait Petroleum Corporation Deputy Managing Director, Marketing (Planning) Kuwait Petroleum Corporation Vice President, KPI-Q8 Member of the board of directors, KPI and KPE Aviation (UK) Ltd. and Kuwait Petroleum, Spain, Kuwait Petroleum Company, France, Kuwait Petroleum Company, Sweden, Kuwait Petroleum Development Company, Thailand, Kuwait National Petroleum Company 	<p>Jointed IPG KPSC On 05 December 2004</p> <p>◆◆◆ Elected on 24 March 2013</p> <p>◆◆◆ He was re-elected to the Board of Directors on March 15, 2025.</p> <p>◆◆◆ The position has been restructured to become Managing Director of Business Development, effective October 1, 2025</p>



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Name	Member Classification	Qualifications and Experiences	Date of Election / Appointment
		<ul style="list-style-type: none"> Vice Chairman, Refinery / Milano, Joint Venture with AGIP, Italy. Chairman of the board of directors, Kuwait Petroleum, Western Hemisphere, USA Member of the Board of Directors, KAFCO, Kuwait Manager, Crude Oil Sales Department, Kuwait Petroleum Corporation Manager, Sales Manager, Q8 Lubricating Oil, Kuwait Petroleum Corporation Sales Management Department, Kuwait Petroleum Corporation Manager, Kuwait Petroleum Corporation (Coordination Office, Singapore) Regional Sales Coordinator, Kuwait Petroleum Corporation Assistant Manager, Tokyo Office, Japan, Kuwait Petroleum Corporation Senior Sales representative, Kuwait National Petroleum Company, London Office Trainee Executive Office, Kuwait National Petroleum Company, Marketing Section Supervisor, Bank of Kuwait and the Middle East 	
<p>Abdulaziz S. Alessa</p> <p>Member of the Board of Directors</p>	Independent	<p>Academic Qualification:</p> <ul style="list-style-type: none"> PhD in Civil Engineering, University of Michigan, USA 1971 <p>Work Experience:</p> <p>Currently:</p> <ul style="list-style-type: none"> Chairman of the Board of Directors, Sultan Holding Company, since 1999 – up to date. Chairman of the Board of Directors, Q International Consultants, since 1991 – up to date. Chairman of the Board of Directors Sultan Education Society, Kuwait since 1979 – up to date. Chairman of the Board of Directors of Kuwait Bottling and Plastic Industries Company since 1976 – up to date. <p>Formerly:</p> <ul style="list-style-type: none"> Chairman and Managing Director – Gulf Bank 1989-1992. Member of the Higher Studies Council, Kuwait 1986 . Member of the Council of Higher Education, Kuwait 1986 – 1988. Member of the National Council for Education Evaluation 1980 – 1984. Member of the Board of Directors, Kuwait National Petroleum Company and Petrochemical Industries Company 1972 – 1975. Engineer, Ministry of Public Works 1963-1972. 	<p>(Election) board of directors member on 09 March 2022</p> <p>♦♦♦</p> <p>He was re-elected to the Board of Directors on March 15, 2025.</p>

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Name	Member Classification	Qualifications and Experiences	Date of Election / Appointment
<p>Ibrahim Y. Alghanim</p> <p>Member of the Board of Directors</p>	Independent	<p>Academic Qualification:</p> <ul style="list-style-type: none"> Bachelor of Science in Business Administration, California State Polytechnic, Pomona, 1980. <p>Work Experience:</p> <p>Currently:</p> <ul style="list-style-type: none"> Chief executive officer and Managing Director, Maseelah World Trading Company. <p>Formerly:</p> <ul style="list-style-type: none"> Chairman of the Board of Directors of Securities House KSCP, 2014-2023. Chairman of the Board of Directors of Aman Investment Company KPSC 2009 – 2010. Chairman of the Board of Directors of YIACO Medical Company 2000 – 2006. Chief Executive Officer of Alghanim Holding Company 1996 – 2000. General Manager, YIACO Medical Company 1991 – 1996. General Manager, Equipment Company 1986 – 1996. Assistant General Manager, Equipment Company 1981 – 1985. 	<p>(Election) board of directors' member on 09 March 2022</p> <p>***</p> <p>He was re-elected to the Board of Directors on March 15, 2025.</p>
<p>Hamad S. Al-Dalali</p> <p>Member of the Board of Directors</p>	Non-Executive	<p>Academic Qualification:</p> <ul style="list-style-type: none"> Bachelor of Mechanical Engineering, Pennsylvania State University State College, Pennsylvania, 1997 – 2002. <p>Work Experience:</p> <p>Currently:</p> <ul style="list-style-type: none"> Sales Manager and Commercial Manager, Baker Hughes, Asia Pacific, October 2023 to date. <p>Formerly:</p> <ul style="list-style-type: none"> Country Manager, Baker Hughes, Kuwait, February 2020-September 2023. Senior Sales Manager, Baker Hughes, A subsidiary of General Electric Corp., from December 2017 - January 2020. Operations Manager, Schlumberger Drilling and Measurement Company, Kuwait, November 2013 - October 2017. Project Manager, Schlumberger Business Consulting Company (Abu Dhabi, Kuwait, Saudi Arabia, Sudan, Pakistan) September 2009 - November 2013. Field Engineer and Field Service Manager, Schlumberger Drilling & Measurement Company (Venezuela, Libya, USA, Saudi Arabia, Kuwait) December 2002 – August 2009. 	<p>Appointment of a representative of the coalition on 09 March 2022</p>



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- **Brief on the Company's Board of Directors' meetings, through the following statement:**

During the fiscal year ending 31 December 2025, IPG Board of Directors has held seven (7) meetings, as below indicated:

Board Meetings Held During the Year 2025

Member Name	Meet. No. (259)	Meet. No. (260)	Meet. No. (265)	Meet. No. (266)	Meet. No. (267)	Meet. No. (268)	Meet. No. (270)	No. Of Meetings
	Held on 15.1.25	Held on 23.2.25	Held on 19.3.25	Held on 14.4.25	Held on 14.4.25	Held on 13.7.25	Held on 12.10.25	
Ali M. Al-Radwan chairman of the Board of Directors. Non-Executive	✓	✓	✓	✓	✓	✓	✓	7
Ghazi F. Alnafisi Vice Chairman of the Board of Directors. Non-Executive.	✓	✓	✓	✓	✓	✓	✓	7
Walid J. Hadid Senior Advisor to the Group Non-Executive as of 01 October 2025	✓	✓	✓	✓	✓	✓	✓	7
Samir S. Shammass Board Member and Chief Executive Officer Executive appointment as of October 1, 2025	✓	✓	✓	✓	✓	✓	✓	7
Abdullah A. Zaman Board Member - Non Executive	✓	✓	✓	✓	✓	✓	✓	7
Abdullah E. Al-Kandari Board Member and Executive Vice President – Secretary Executive appointment dated October 1, 2025	✓	✓	✓	✓	✓	✓	✓	7
Mohammed A. Qasim Board Member - Managing Director for Business Development Executive position as of October 1, 2025	✓	✓	✓	✓	✓	✓	✓	7
Abdulaziz S. Alessa Board Member (Independent)	X	✓	✓	✓	✓	✓	✓	6
Ibrahim Y. Al-Ghanim Board Member (Independent)	✓	✓	✓	✓	✓	✓	✓	7
Hamad S. Al-Dalali Board Member - Non Executive	✓	✓	✓	✓	✓	✓	✓	7

How to apply the requirements for registration, coordination and keeping the minutes of the meetings of the IPG Board of Directors:

The Secretary of the Board assists the Chairman and Members of the Board of Directors in all matters related to the Board of Directors including:

- **Recording and keeping minutes:** Recording and keeping all minutes of the Board meetings, its records, books and reports submitted to and from the Board, provided that the minutes of the meetings shall be signed by the Secretary and all attending members.
- **Meeting Procedures:** Ensuring that all Board members adhere to the procedures established by the Board and that they are being notified of the Board meetings three working days before the dates assigned thereto, taking into account emergency meetings.
- **Access to information:** Ensuring that Board members have full and quick access to all Board meetings' minutes, information, documents and records related to IPG.
- **Distribution of information:** Ensuring proper communication and distribution of information and coordination among the members of the Board and other IPG stakeholders, including shareholders, the various IPG departments and employees, under the supervision of the Chairman.

Attached hereto is a copy of the declaration of the two independent members, both of whom fulfill the controls related to independence.

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Rule II

Establish Appropriate Roles and Responsibilities

Brief on how IPG determines the policy of tasks, responsibilities and duties of each of the Board Members and the Executive Management members and the powers and authorities delegated to the Executive Management:

In accordance with the Memorandum of Association and the Articles of Association, IPG's Board of Directors exercises its functions and duties as follows:

- Devotes sufficient time: devotes sufficient time to its responsibilities and tasks and works to serve the interests of the Group and its shareholders.
- Strengthening relationships: The Board of Directors performs a major role in maintaining a constructive relationship between the Board and the Executive Management and ensures the maintenance of trust among members.
- Exchange of views: The Board seek to exchange of views within the Board to ensure that decisions are taken based on sound foundations and information.
- Task definition: the tasks and duties of the Board members and the Executive Management are determined through a set of regulations established by the Board and the Board committees, as well as the Executive Management's approved table of delegation of authorities.
- Approved job descriptions: IPG has developed specific job descriptions for each Board and Executive Management member, which clearly specifies the tasks and responsibilities of each Board member and each member of the Executive Management.

Board of Directors Responsibilities and Tasks:

- Approving IPG's main objectives, strategies, plans and policies.
- Approving the annual budgets and interim and annual financial statements.
- Overseeing IPG's main capital expenditure and the ownership and disposal of assets and inventory.
- Ensuring IPG's observance to the policies and procedures.
- Ensuring the accuracy and validity of any data and information to be disclosed.
- Establishing effective communication channels to enable shareholders to access periodic and continuous information about IPG's activities and any other major developments related thereto.
- Establishing and overall overseeing and following up the Corporate Governance System.
- Monitoring the performance of each member of the Board of Directors and the Executive Management, using Key Performance Indicators (KPIs).
- Preparing the Annual Report to be presented to the General Assembly and forming specialized committees in accordance with the requirements of the regulatory authorities, defining their responsibilities, rights and obligations.
- Determining the powers and authorities delegated to the Executive Management, the procedures for making decisions and delegation terms.
- Following up the performance of the Executive Management members, ensuring completion of all the tasks assigned thereto.
- Substitution plans approval.
- Determining the policy of regulating the relationship with stakeholders, with a view to protect their rights.
- Preparing a mechanism to regulate dealings with all related parties to avoid conflict of interests.
- Adoption of the key risk indicators, their measurements and the willingness to take risks at IPG to deal with these risks.
- Ensuring that IPG approved policies and regulations are transparent and clear, allowing decision-making process, investigation, and separation of powers and interests between the Board of Directors and the Executive Management.
- Determining remunerations/bonus segments granted to the employees.
- Ensuring the integrity of the financial and accounting systems, including those related to the preparation of financial reports.
- Ensuring the effectiveness of the internal control systems as applied in IPG.



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Key achievements of the Board of Directors during the year 2025:

- Reviewing and approving all internal policies and regulations in compliance with the requirements of the Capital Markets Authority (CMA), including updating regulations related to governance, risk management, and internal controls.
- Regularly monitoring the progress of executive performance to ensure adherence to the implementation of approved policies and procedures and the efficient achievement of the Group's objectives.
- Direct supervision of the work of committees emanating from the Board, including the periodic evaluation of their performance to ensure their effectiveness and independence.
- Conducting periodic reviews of work progress on approved strategic projects, discussing relevant developments and challenges, and taking necessary corrective decisions.
- Following up on the implementation of the Group's strategic plan through Key Performance Indicators (KPIs), ensuring progress toward achieving set objectives and enhancing shareholder value.
- Emphasizing the principle of transparency in the presentation of financial information and integrating operational performance results into the Group's consolidated financial statements up to December 31, 2025.
- Strengthening the Group's relationships with banks and investment institutions to support sustainable growth and achieve long-term strategic objectives.
- Supporting Executive Management by attracting and appointing qualified national cadres, thereby enhancing human capital and increasing added value for shareholders.

Executive Management's Tasks and Duties:

- The Executive Management is the entity responsible for implementing the strategic plans and annual operational plans approved by the Board of Directors, including the application of internal policies and regulations aimed at ensuring the efficiency and effectiveness of the Group's operational processes.
- The Board of Directors selects members of the Executive Management based on strict professional standards to ensure the availability of the competence and experience necessary to supervise the Group's various activities and achieve its objectives.
- In addition to executing strategy, the Executive Management plays a fundamental role in supporting corporate governance practices by adhering to relevant laws and regulations, applying the highest ethical and control standards, and promoting principles of transparency and accountability.
- The Executive Management also bears the responsibility of preparing and submitting periodic reports to the Board of Directors covering financial, operational, and non-financial performance, including the assessment of risks and opportunities, to ensure clarity of vision and informed decision-making.
- The Management strives to develop integrated accounting and administrative systems that ensure the accuracy of financial data and improve operational efficiency, while fully adhering to the authorities granted to it within the supervisory framework of the Board of Directors.
- Generally, the Executive Management is considered a key axis in achieving sustainability and maximizing shareholder value, by working in close coordination and under the direct supervision of the Board of Directors.

Brief on the implementation of formation requirements, issued by the Board, of specialized independent committees, per individual committee:

The Board of Directors has formed specialized independent committees, namely, the Audit and Risk Management Committee and Nomination and Remuneration Committee.

The following is a detailed statement concerning each committee:

Committee Name	Audit and Risk Management Committee
	<p>The Audit and Risk Committee is one of the committees established by the Board of Directors, and it is dedicated to instilling a culture of compliance and sound governance within the Independent Petroleum Group (KSCP). The Committee assumes the responsibility of overseeing the integrity and efficiency of financial reporting, ensuring the effectiveness of internal control systems, and monitoring risk management in accordance with the Group's risk appetite.</p> <p>The Committee's key duties include the following:</p>

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Committee Name	Audit and Risk Management Committee
<p>Committee's Tasks & Achievements during the year ending 31 December 2025</p>	<ul style="list-style-type: none"> • Recommending to the Board of Directors the appointment, reappointment, or change of the External Auditor, determining their fees, and reviewing their engagement letters. • Reviewing the interim and annual financial statements prior to their presentation to the Board of Directors, to ensure their transparency and accuracy. • Studying the applied accounting policies and principles and amendments thereto, and providing necessary recommendations to the Board of Directors. • Reviewing the results of internal and external audit reports, and ensuring that material observations are addressed. • Assessing the adequacy and effectiveness of the internal control systems applied within the Group. • Ensuring compliance with relevant laws and regulations, including the requirements of the Capital Markets Authority and the Commercial Companies Law. • Reviewing the Internal Audit Charter annually, and ensuring the existence of effective communication channels with the internal and external auditors and Executive Management. • Recommending the appointment of the Internal Audit Office and periodically evaluating its performance. • Reviewing and monitoring the implementation of approved internal audit plans. • Preparing and reviewing the risk management strategy, and monitoring the implementation of relevant policies and procedures. • Evaluating the systems and mechanisms used to identify, measure, and monitor risks at the Group level. • Assisting the Board of Directors in determining acceptable risk levels, and reviewing the Group's risk appetite. • Reviewing risk exposure in the countries where the Group operates, and assessing its impact on overall performance. • Reviewing the organizational structure of the Risk Management Unit, and making recommendations regarding it to the Board of Directors. • Reviewing reports related to risk management published in the Group's Annual Report. • Reviewing proposed transactions and deals with Related Parties (if any), and ensuring their compliance with approved policies and regulatory regulations.
<p>Commission's Formation Date and Term</p>	<p>Audit and Risk Management Committee was formed on 11/07/2016 upon the approval of the Capital Markets Authority to merge the Audit Committee and the Risk Management Committee, according to the Authority's letter, dated 27/07/2016, for a term of three years.</p>
<p>Members and Chairman of the Committee</p>	<p>Ghazi F. Alnafisi: Chairman of the Committee / Non-Executive member Abdullah A. Zaman: Committee Member / Non-Executive member Abdulaziz S. Alessa: Committee Member / Independent Member Ibrahim Y. Al-Ghanim: Committee Member / Independent Member</p>
<p>Number of Meetings Held by the Committee During the Year 2025</p>	<p>The Committee meets on a regular basis, at least four times during the year and on a quarterly basis, or whenever required, whether at the invitation of the committee chair or at the request of two of its members, the committee is convened to ensure it performs its duties and responsibilities efficiently and effectively, in accordance with the Corporate Governance Rules issued by the Kuwait Capital Markets Authority. During 2025, the committee held its meetings on the following dates:</p> <p>Dates of Meetings:</p> <ul style="list-style-type: none"> • January 15, 2025 • April 14, 2025 • July 13, 2025 • October 12, 2025



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Committee's Name	Nomination and Remuneration Committee
<p>Committee's Tasks & Achievements during the year ending 31 December 2025</p>	<p>The Nomination and Remuneration Committee is responsible for formulating policies and supervising the procedures for appointment, nomination, and remuneration, in a manner that ensures attracting competencies and maintaining the highest standards of governance. The Committee submits its recommendations to the Board of Directors regarding the appointment and re-appointment of Board members and Executive Management. It also supervises the implementation of remuneration policies, ensuring their fairness and alignment with institutional performance.</p> <p>The key duties of the Committee include the following:</p> <ul style="list-style-type: none"> • Recommending to the Board of Directors the acceptance of nominations and appointments of Board members and Executive Management, including their re-appointment. • Presenting nominations for Board membership to the General Assembly and supervising the course of procedures during the relevant meetings. • Preparing and updating job descriptions for Executive, Non-Executive, and Independent Board members. • Ensuring the continued fulfillment of independence requirements for Independent Board members. • Examining and reviewing employment and appointment practices and procedures adopted within the Group. • Preparing a clear and fair remuneration policy for Board members and Executive Management that aligns with the strategic objectives of the Group. • Reviewing approved remuneration policies and ensuring their compliance with governance requirements and the performance of the concerned entities. • Determining mechanisms for evaluating the performance of the Board of Directors as a whole, as well as the performance of members individually, in addition to evaluating the performance of Executive Management. • Reviewing performance evaluation results and submitting relevant recommendations to the Board of Directors. • Enhancing and developing the skills of Board members through continuous training programs to ensure they keep pace with best professional and regulatory practices.
<p>Commission's Formation Date and Term</p>	<p>The Nomination and Remuneration Committee was formed on 11/07/2016 for a term of three years.</p>
<p>Members and Chairman of the Committee</p>	<p>Ali M. Al-Radwan: Chairman of the Committee / Non-Executive Member Waleed J. Hadeed: Committee Member / Non-Executive Member Ibrahim Y. Al-Ghanim: Committee Member/Independent Member</p>
<p>No. of Meetings Held by the Committee During 2025</p>	<p>The committee meets periodically, at least once a year, and the secretary prepares and properly documents the minutes of its meetings. During 2025, the committee held three meetings, as follows:</p> <ul style="list-style-type: none"> • Ninth meeting: January 15, 2025 • Tenth meeting: February 23, 2025 • Eleventh meeting: July 10, 2025

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Brief on applying the requirements that allow Board Members to obtain accurate and timely information and data:

The Board of Directors has direct access to IPG management and receives all periodic reports as well as any information requested by the Board. Under the supervision of the Chairman, the Secretary of the Board periodically and regularly communicates with all Board members and meets their requests in coordination with the Executive Management and all concerned parties.

Additionally, board members receive agendas for Board meetings, accompanied by all the necessary documents and information, at least **three working days** before the date of the meeting, so that the members would have sufficient time to examine the issues to be deliberated and take appropriate decisions.

Rule III

Recruit Highly Qualified Candidates for the Membership of a Board of Directors and the Executive Management

Brief on the application of formation requirements of the Nominations and Remunerations Committee:

The requirements of the Capital Markets Authority in terms of forming the Nominations and Remunerations Committee were achieved by assigning three Board members to form that Committee, in addition to an independent member. The Committee is chaired by a non-executive Board member.

Report on the remunerations to the Board members, the Executive Management members and the managers for the year 2025:

1. Summary of IPG's Remuneration and Incentives Policy, specifically in terms of the Board members, Executive Management members and director generals:

IPG has adopted a policy approved by the Board of Directors regarding the remuneration of members of the Board of Directors, the Executive Management members, managers and all employees of the Company.

The remuneration of the members of the Board of Directors is based on the IPG performance and in accordance with the provisions of the Companies Law. Remunerations for executive management members, managers and all other employees of the Group, are calculated according to the Group's performance during the year and in accordance with its internal policy as approved by the Board of Directors, by deducting 10% of the annual net profit.

2. Two detailed statements of all remunerations and benefits for the members of the Board of Directors, the Executive Management members and managers:

Board Members Remuneration and Benefits							
Total No. of Members	Remuneration and Benefits by the Parent Company			Remuneration and Benefits by Subsidiaries			
	Fixed Remuneration and Benefits (KD)	Variable Remuneration and Benefits (KD)		Fixed Remuneration and Benefits (KD)		Variable Remuneration and Benefits (KD)	
	Health Insurance	Annual Remuneration	Committees Remuneration	Health Insurance	Monthly Salaries (Total during the year)	Annual Remuneration	Committees Remuneration
10	-	100,000	-	-	-	-	-



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Total remunerations and benefits for five senior executives who received the highest remunerations, in addition to the CEO and the Chief Financial Officer, or his representative, if they are not among them																
Total No. of Executives	Remuneration and Benefits by the Mother Company							Remuneration and Benefits by Subsidiaries								
	Fixed Remuneration and Benefits (KD)							Variable Remuneration and Benefits (KD)	Fixed Remuneration and Benefits (KD)							Variable Remuneration and Benefits (KD)
	Monthly Salaries (Total during the year)	Health Insurance	Annual Tickets	Housing Allowance	Transp. Allowance	Children's Education	Annual Remuneration		Monthly Salaries (Total during the year)	Health Insurance	Annual Tickets	Housing Allowance	Transp. Allowance	Children's Education	Annual Remuneration	
7	893,072	5,880	7,408	-	-	-	256,968	-	-	-	-	-	-	-		

3. Substantial Deviations from the Board-Approved Remuneration Policy:

There are no deviations from the approved Remuneration Policy.

Rule IV

Safeguard the Integrity of Financial Reporting

Board of Directors and the Executive Management Written Declarations of the Soundness and Integrity of the Prepared Financial Reports:

The IPG Board Chairman and members declare and undertake the accuracy and integrity of the financial statements provided to the external audit and that the financial reports of the Group have been properly and fairly presented, in accordance with the international accounting standards applied in the State of Kuwait and approved by the Authority, ensuring that they reflect the financial position of the Group as of 31 December 2025. This is based on the information and reports provided by the executive management and the auditor, with due care taken to verify the integrity and accuracy of these reports.

The Executive Management submitted to the IPG Board of Directors a written undertaking on 15 January 2025 (**the date of the meeting of the Board of Directors**) that the financial reports of IPG provide a proper and fair presentation of all the financial aspects of the company and that these were prepared according to the applicable international accounting standards.

The Annual Report submitted to the shareholders by the Board includes an undertaking and guarantee to the correctness and integrity of all financial statements and reports related to the Group's activity.

Brief on the application of formation requirements of the Audit and Risk Management Committee:

The Audit and Risk Committee has been formed to consist of four members, including two of the independent Board members. The Committee enjoys independence in its work, as its membership does not include the Chairman of the Board of Directors or any of the Board executive members.

The Audit and Risk Management Committee aims to assist the Board of Directors in carrying out its responsibilities related to ensuring financial reports' soundness and integrity, as well as verifying the adequacy and effectiveness of the internal control systems applied in IPG. This is in addition to working on managing the risks the Group may be exposed to and setting the necessary controls to reduce them and identify IPG's appetite to risk and the acceptable ratios thereof in light of the expected benefits, submitting relevant recommendations to the Board of Directors.

In case of any conflicts between the recommendations of the Audit Committee and the resolutions of the Board of Directors:

No conflicts have occurred during the year between the Audit Committee and the resolutions of the Board.

Emphasizing the independence and impartiality of the external auditor:

The Audit and Risk Management Committee recommends the appointment, reappointment and replacement of the external auditor, whose remuneration is determined by the Board of Directors, after assessing his independence and impartiality. External auditor appointment takes place in the annual general assembly meeting, based on a recommendation by the Board of Directors.

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IPG gives high priority to the auditor's integrity and independence, attained by appointing a global company known for its sound professional practices and ethics. Hence, The Audit and Risk Management Committee recommended to the Board of Directors the reappointment of RSM "Al-bazie & Co." as the Group's external auditor for 2025, subject to approval at the Annual General Meeting. This recommendation was subsequently approved at the Ordinary General Meeting held on March 15, 2025, in accordance with the requirements of the Capital Markets Authority.

The Committee also verifies the independence of the external auditor and that they have not provided any services to IPG other than those services required by the audit profession.

Rule V

Apply Sound Systems of Risk Management and Internal Audit

Brief statement on the application of formation requirements for the Risk Management Department/ Office/ Independent Unit:

IPG has a separate Risk Management Department, directly reporting to the Audit and Risk Management Committee. Its objectives are to identify, measure and control risks associated with IPG's activities. Risk management officers in-charge have significant independence and enjoy professional competencies as well as technical capabilities that enable them to perform their tasks efficiently and effectively.

The risk management function includes all methods and processes adopted to manage risks and seize opportunities related to achieving its objectives. It provides a framework for risk management, which usually includes:

- identifying specific events or conditions relevant to the Group's objectives (**risks and opportunities**).
- assessing them in terms of likelihood and magnitude of impact.
- determining a risk response strategy.
- monitoring the progress achieved by identifying and proactively addressing risks and opportunities.

This framework contributes to the protection of the Group and creates value for stakeholders, including owners, employees, customers, regulators, and society at large.

The group has identified financial and operational risks as significant risks that require continuous monitoring and review to ensure effective response to these risks.

Brief Description of the Internal Control and Monitoring Systems:

IPG is keen on adopting internal control and monitoring systems comprehensive of all IPG activities, in order to maintain the financial integrity of the Group and the accuracy of its data. In this regard, IPG has properly identified the powers and responsibilities adopted by its Board of Directors and Executive Management as designed to provide reasonable assurance regarding achieving the following purposes:

- Operations effectiveness and efficiency.
- Maintaining the safety of assets.
- Reliability of financial reports.
- Compliance with applicable laws and regulations.
- Timely detection and prevention of errors and violations.

To achieve these objectives, the Group appointed the office of Mohammed Ahmed Al-Anjari - Certified Public Accountants, an independent member of Baker Tilly International, to review and evaluate the internal control systems and prepare a report in this regard (Internal Control Report) for the financial year ending December 31, 2025. The final report will be provided to the Authority no later than March 31, 2026.

Brief statement on the application of the requirements for the formation of an independent unit for Internal Audit Department/ Office/ Unit:

IPG has appointed an external audit office to perform the internal audit function. Internal auditors enjoy independence through their direct reporting to the Audit and Risk Management Committee. They also have technical expertise that enables them to efficiently perform their tasks.



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The objective of the Internal Audit Department is to guarantee the operational effectiveness of the internal controls systems, in addition to the implementing the IPG policies and procedures, through periodic reporting of the various findings. The internal audit function reports to the Audit and Risk Management Committee directly.

During the year, internal audit covered IPG's departments, pursuant to the Internal Audit Plan approved by the Audit Committee. Regular internal audit reports are presented and submitted to the Audit and Risk Management Committee.

Rule VI

Promote Code of Conduct and Ethical Standards

Brief on business charter, including standards and determinants of the code of conduct and ethical values:

IPG's Board of Directors has adopted the professional, ethical and behavioral standards required to be adhered to by all Board members and employees in their fields of work, regardless of the work place and conditions. The Group is committed to the highest levels of ethical standards that represent Code of Conduct basic values and ethics, which have been prepared for IPG to embrace the following values:

- **Respect.**
- **Financial integrity and faithfulness.**
- **Diversity and equal opportunities.**
- **Health and safety.**

Brief on the policies and mechanisms on reducing conflicts of interest:

IPG exerts due diligence in implementing its policies in order to avoid conflicts of interests, as the Group has adopted an approved policy to minimize such cases. This policy provides for reviewing all transactions with related parties, in accordance with the instructions of the Capital Markets Authority and ensure that any conflict of interests situations are properly addressed, in a timely manner.

Rule VII

Ensure Timely and High-Quality Disclosure and Transparency

Brief on the application of the mechanisms set for presentation as well as accurate and transparent disclosures that define the aspects, areas and characteristics of disclosure:

- IPG is committed to provide accurate and clear disclosures of all substantial information of the Group and its subsidiaries, adopting a Disclosure and Transparency Policy approved by the Board of Directors, with a view to ensure that shareholders can access timely, up-to-date and consistent information.
- IPG undertakes to disseminate full and accurate information, so that stakeholders and investors can take decisions, as it is IPG's policy to provide real information about its business and strategic objectives on a regular basis.
- All reports, financial statements, auditors' reports, Board members holding IPG shares and any material information that allows shareholders to exercise their rights to the fullest and helps stakeholders to be fully aware of IPG's status.

Brief on the application of the Board of Directors, Executive Management disclosures and Directors' disclosure requirements:

- IPG maintains a special record of the disclosures of the members of the Board of Directors, the Executive Management and the managers in the Group, which includes all data and information required to be disclosed in accordance with the laws, instructions and policies adopted by IPG in this regard, where stakeholders are entitled to access that record during working hours.
- IPG's official website includes a record of all its disclosures for the previous five years.

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Brief statement on the application of formation requirements for the Investors Affairs Unit:

- In line with the corporate governance requirements issued by the Capital Markets Authority, the Group established an Investor Relations Unit to ensure an effective and transparent communication mechanism with all shareholders and investors. This unit enables them to obtain essential information and data related to the Group's activities and financial performance in a timely manner. All inquiries from shareholders and investors are received via the unit's dedicated email address.
- The Board of Directors adopted a clear organizational policy for communicating with shareholders and investors. This policy aims to protect shareholders' rights, ensure effective communication, and provide accurate and reliable disclosures in a timely manner, in accordance with the requirements of the Authority and the regulations of the Kuwait Stock Exchange.
- The Investor Relations Unit operates within an internal organizational framework that guarantees its independence and impartiality. It makes important information available through official disclosure channels, including financial reports, the annual report, and official publications on the website www.ipg.com.kw, to ensure that all stakeholders receive information in an organized and transparent manner.

Brief on how to develop information technology infrastructure to be relied on heavily in disclosure processes:

- A dedicated section has been created on IPG's website which includes information, data and news, updated on a regular basis, that helps current shareholders to view and update any information related to the Group.
- IPG's website includes all its disclosures to the market, in addition to key information about results, periodic and annual financial reports, information about the Board of Directors and Executive Management, and an overview of the Group.
- IPG is keen to follow the automated disclosure system through the Boursa Kuwait website by updating its news and announcements regularly.

Rule VIII

Respect the Rights of Shareholders

Brief on the application of the requirements set for the identification and protection of shareholders' general rights, in order to ensure fairness and equality among all shareholders:

IPG is committed to ensuring that all shareholders exercise their rights fairly, pursuant to the Group's Memorandum of Association and Articles of Association, as well as the Companies Law and the resolutions of the Capital Market Authority. These rights include:

- ❖ **Shareholders' rights related to IPG's general assembly:** Sending invitations to attend assembly meetings to all shareholders, informing them of all relevant issues.
- ❖ **Shareholders' voting rights:** Ensuring that all shareholders can exercise their voting rights in person or by proxy without any hindrance.
- ❖ **Shareholders' rights in share ownership and profits attained by the Group:** Providing shareholders with the right to dispose of shares, i.e., registration or transfer of shares ownership. IPG records shareholders' equities in its registers and accounting books.

Brief on creating special record at the Clearing Agency, as part of the requirements for on-going monitoring of shareholders' data:

The Group maintains an accurate and continuously updated register of all shareholders with the Kuwait Clearing Company, including detailed data such as shareholder names, number of shares held, percentage of ownership, and other relevant information.

The Group complied with Capital Markets Authority Resolution No. (111) of 2025, issued on July 3, 2025, which granted the Kuwait Central Securities Depository Company a license to operate as a clearing agency, including the transfer of the shareholder register maintenance agreement in accordance with the approved regulations and procedures.



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Brief on how to shareholders are encouraged to participate and vote at IPG's general assembly meetings:

IPG seeks to maintain a solid relationship with its shareholders and encourages them to attend and constructively participate in all discussions and deliberations at the shareholders' meeting. Ordinary and extraordinary general assemblies are called upon at the request of the Board of Directors pursuant to relevant laws. The Group sends invitations to the shareholders to attend the meeting, enclosing the agenda, time and venue of the meeting, financial data and other attachments, in addition to publishing the invitation on IPG's website and the Kuwait Stock Exchange website, as well as in local daily newspapers.

IPG seeks to protect the rights of its shareholders, including:

- Ensuring the agreed-upon share of dividends.
- Providing a proper share in IPG's assets in case of liquidation.
- Providing regular related data and information on IPG's activities, operations and investment strategies.
- Participating in shareholders' general assembly meetings and voting on the decisions suggested therein.
- Obtaining financial statements for the elapsed financial period, as well as the report of the Board of Directors and the auditor's report.
- Obtaining timely information about Board membership elections.
- Submitting a liability claim against members of the Board of Directors or the Executive Management in case they fail to perform the duties assigned thereto.
- Candidacy for membership of the Board of Directors.

Rule IX

Recognize the Role of Stakeholders

Brief on the conditions and policies that ensure protection and recognition of stakeholders' rights:

IPG is fully responsible for protecting stakeholders' rights and for creating a stable business environment by ensuring that the Group enjoys a sound financial position. As part of the corporate governance framework, IPG has developed a Stakeholder Protection Policy that has been approved by the Board of Directors, with the aim of ensuring respect and protection of stakeholders' rights in accordance with the laws and regulations of the relevant Kuwaiti regulatory authorities.

The compliance officer undertakes monitoring the implementation of this policy, noting that IPG's policy on protecting stakeholders' rights acknowledges all parties as stakeholders, including shareholders, regulatory authorities, customers, employees, suppliers, etc.

The Board of Directors is responsible for the following key responsibilities to protect IPG's stakeholders' rights:

- Appointing an efficient executive management.
- Supervising IPG's affairs effectively and efficiently.
- Adopting effective policies.
- Knowledge of IPG's conditions and performance.
- Maintaining sufficient IPG capital.
- Compliance with laws, regulations and instructions.
- Treating all stakeholders fairly and equally.
- Undertaking independent review of the transactions carried out by IPG with related parties (if any), providing appropriate recommendations in this regard to the Board of Directors.
- Providing reliable and sufficient information to stakeholders on an ongoing basis.
- Providing periodic reports to the Board of Directors on grievances (if any).

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Brief on encouraging stakeholders to follow up on IPG's various activities:

- With a view to encourage stakeholders to participate in following up on its various activities, IPG actively works toward ensuring that stakeholders obtain accurate, sufficient and timely information on the topics raised through the website, including the annual report, governance report, audit and risk management committee report and all IPG's disclosures, as well as other matters that contribute to respecting the rights of stakeholders stipulated by law.
- IPG is committed to the principle of full transparency and disclosure of material information, which is updated on both Kuwait Stock Exchange and IPG's websites.

Rule X

Encourage and Enhance Performance

Brief on the application of the requirements set for developing mechanisms that allow Members of the Board of Directors and Executive Management to continuously attend training programs and courses:

- The Group is committed to developing the capabilities of its Board members and executive management through ongoing training programs, workshops, and international conferences, with the aim of enhancing their skills and knowledge to keep pace with market developments.
- Initiatives include reviewing compliance with Capital Market Authority regulations, along with specialized training programs tailored to the company's operations.
- These efforts aim to ensure that senior staff are prepared to make informed decisions and support efficient corporate performance.

Brief on the evaluation of Board's performance as a whole, as well as the performance of every Member of the Board of Directors and the Executive Management:

- An annual performance evaluation of the Board of Directors, Board members and members of the Committees and Executive Management is carried out according to criteria approved by the Board of Directors.
- The Nominations Committee develops objective and quantitative performance criteria and indicators to evaluate the performance of the Executive Management. approved by the Board of Directors, where the latter evaluates the performance of the Executive Management on an annual basis.

Brief on the Board of Directors efforts to create corporate values (Value Creation) among IPG employees, through achieving strategic goals and improving key performance indicators:

- IPG is directly concerned with the creation of corporate values (Value Creation) by preparing clear strategies and objectives that it seeks to achieve through working with world-class professionalism and providing required human and material resources to achieve such objectives and obtain proper performance rates in line with the Group's plans and the aspirations of its shareholders.
- IPG prepares consolidated reports that provide accurate information to the Board of Directors, helping to achieve the Group's objectives and improve its rates.



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Rule XI

Focus on the Importance of Corporate Social Responsibility

Brief on the development of a policy that ensures a balance between IPG's and society's objectives:

IPG is committed to achieve alignment with its work and strategy, on the one hand, with responsibility towards the environment, society and the main stakeholders, on the other. The objective of this policy is to give the Group, in the context of its management, social responsibility, including achieving sustainable development for society and manpower, by contributing to reducing the level of unemployment and achieving optimal use of available resources. IPG also seeks to enhance and achieve knowledge and awareness among its employees of the importance of social responsibility programs, through various communication programs and means with employees.

Brief on the programs and mechanisms that help highlight IPG's efforts in the field of social work:

Being fully aware of its corporate responsibility toward society and its own employees, IPG has adopted a policy that ensures the achievement of the objectives of both the Group and society by raising the level of knowledge and awareness by its employees of the importance of social responsibility programs and ensuring that the Group employees have a thorough knowledge of the social responsibility goals that IPG actively and continuously seeks to achieve, thereby contributing to enhance the performance of the Group as a whole.

To this end, IPG launches a wide variety of programs in the following areas:

- Appointment of national competencies in IPG and its subsidiaries.
- Responsibility towards society by supporting community initiatives and projects.
- Protection of the environment by adopting environmentally friendly practices.
- Providing a healthy and efficient work environment for its employees at all levels.
- Focusing on the importance of social responsibility and the desire to support donations for real social security initiatives, charitable activities, education programs, etc.
- Working to improve the living conditions for all employees to ensure their well-being and stability.

Ali M. Al-Radwan

Chairman of the Board of Directors