



STAKEHOLDERS' PROTECTION POLICY

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Version 1.0

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Mushrif Trading and Contracting Company

Glossary

Term	Definition
Mushrif or the Company	Mushrif Trading and Contracting Company
CMA	Capital Markets Authority
BOD	Board of Directors
CEO	Chief Executive Officer
the Policy	Stakeholders' Protection Policy

1. Introduction

Mushrif Trading and Contracting Company (hereinafter referred to as "Mushrif" or "the Company") is committed to protecting the rights of all stakeholders and creating wealth, jobs and sustainability through a financially sound enterprise. As part of the Company's corporate governance framework.

This policy has been prepared in line with the Corporate Governance related regulations issued by Capital Markets Authority (CMA) and other related regulatory requirements. The policy is considered as part of the Company's Corporate Governance Framework.

1.1 Purpose

The purpose of the Stakeholders' Protection Policy (hereinafter the "Policy") is to assure that the rights of stakeholders as stated by relevant laws and regulations are respected and protected by the Company.

Therefore, the Company's Board of Directors is responsible for setting the standards for the protection of the rights of all stakeholders and for updating these standards as and when appropriate.

1.2 Scope

This Policy applies to the Company and its subsidiaries, Board of Directors, Executive Management and employees as each party has the duty of protecting the rights of stakeholders of the Company. It is essential that all BOD members, management and employees thoroughly understand the requirements of this Policy and applicable laws and regulatory requirements and comply with its contents.

Wherever the provisions of this Policy contradict with any newly issued statutory or regulatory requirements, the statutory and regulatory requirements will take precedence over the provisions of this Policy till the policy is properly updated and approved.

1.3 Custodian

The Board Secretary shall have the custody over the master copy of this policy. The contents of this Policy, other than areas to be disclosed on the Company's website, are confidential and are intended for internal use of the Company only.

This Policy document should always be kept in a read-only status and must not be copied or revealed to third parties without the expressly written permission of the Board.

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Requests for circulation of soft copies of this Policy are to be made only to designated personnel.

1.4 Responsibility for Implementing the Policy

The Compliance Function shall have the responsibility to ensure compliance with the terms of this policy, the Function shall monitor the implementation of this policy. The contents of this Policy, other than areas to be disclosed on the Company's website, are confidential and are intended for internal use of the Company only

1.5 Policy Revisions

The Compliance Function is Responsible for reviewing the policy on an annual basis and when needed, taking into account the extent of compliance with laws and regulations issued by CMA and others regulatory authorities, in addition to the need to amend the policy approved by the Board of Directors. The Function will submit its proposals for amendment on the policy to the CEO for review, the Board of Directors shall be the ultimate approving authority of this policy. Once the changes are incorporated in the Policy, the relevant page (or pages) will be updated by the version and the date.

The table below tracks the manual revision and changes made. In the "Page Number" section, links will direct the user to the mentioned page to promptly trace such changes.

Sr.	Version No.	Version Date	Section	Page Number	Approval
1					
2					
3					
4					
5					

Acknowledged and approved by Board of Directors on (date): _____

General Responsibilities

An effective Board oversight and supervisory role is the mainstay of a sound corporate governance framework. Therefore the Company's Board of Directors has the key responsibility of protecting the rights of its stakeholders. The major responsibilities of the Company's Board towards its stakeholders are:

- **To appoint a competent Executive Management** – Executive Management, headed by the Company CEO, is responsible for the day-to-day management of the Company's operations and for the implementation of the Company's strategy, therefore it is the Board's responsibility to appoint Executive Management personnel that are capable of performing these tasks competently.
- **To effectively and efficiently supervise the Company's affairs** – The Company's Board of Directors carries overall responsibility for the Company, including approving and overseeing the implementation of strategic objectives, risk strategy and corporate governance standards. Moreover, the Board is responsible for overseeing the Executive Management.

The Board of Directors administers its supervisory duties either directly through the Board or indirectly through its Committees (Board Risk Committee, Board Audit Committee, Board Nomination and Remuneration Committee).

- **To adopt sound policies** – The Board must provide the Executive Management with a clear framework for managing the Company's operations. This is achieved by overseeing the key policies followed within the Company.
- **To remain abreast of the Company's conditions and performance** – It is vital that the Board is informed of any developments that occur in the Company's internal or external environment. This enables the Board to intervene promptly when the need arises.
- **To maintain reasonable capitalization of the Company** – One of the main measures of a Company's financial health is its Capital Adequacy. Therefore, it is the responsibility of the Board to ensure that the Company remains reasonably capitalized taking into account regulatory requirements and the Company's strategic objectives.
- **To observe laws, by-laws and instructions** – The Company is governed by a set of regulations that it must comply with. It is the ultimate responsibility of the Board to ensure that laws, by-laws and instructions are not violated.

2. The Company's Stakeholders

3.1 Shareholders

the Company's primary objective is to create and maximize shareholders' wealth due to their contribution to the Company. To accomplish this, the Company exercises prudence, diligence and care in conducting all its operations, including maximum use of the Company's resources to maximize shareholder's benefits. Additionally, the Company is committed to protect its shareholders' rights as required by law and as part of its corporate governance framework, also to effectively communicate with shareholders and understand their views on various topics concerning the Company (for more information, refer to *Shareholders Protection Policy*).

3.2 Regulators

The Company is committed to adhering to the laws, by-laws and instructions issued by Capital Markets Authority (hereinafter "CMA"), and any other applicable instructions by relevant authorities. The Company has always had a positive relationship with regulatory entities, and is committed to maintain this relationship through the following:

1. Ensuring compliance with applicable laws, by-laws and instructions.
2. Monitoring the Company's risk exposures and ensure that they fall within CMA and other regulatory authorities limits.
3. Preparing financial reports in a timely manner and in accordance with CMA and other regulatory authorities requirements.
4. Fully cooperating with CMA and other regulatory authorities during inspections and submitting information and data or records, and as requested by inspectors.
5. Submitting to CMA and other regulatory authorities all data, information and statistics requested.
6. Making timely and accurate disclosures as per CMA and other regulatory authorities' requirements.
7. Ensuring compliance of all Company's investments with applicable CMA and other regulatory authorities' instructions.

3.3 Customers

It is the Company's mission to deliver quality products and services to its customers. The Company's regional and international growth is mainly driven by customers' trust in the Company and by the Company's continued effort to deliver excellent customer service experience to its customers.

The Company recognizes that customers are crucial to the success of its operations. Accordingly, the Company ensures customers' satisfaction by offering

high-quality services that meet their needs and expectations in a fair and professional manner. The Company is also committed to investing in information technology to improve alternative delivery channels and e-services capabilities to boost the Company's customer service experience.

Recognizing their importance, the Company gives its customers the professional experience and the attention they deserve, protects their confidentiality and foster their trust. Customers' confidential information is well protected and can only be revealed if required by law, regulatory authorities and after consulting the concerned parties.

Furthermore, the Company is always keen to address customers' concerns and complains. This is achieved through improved customer communications and enhanced customer complaints handling processing. Moreover, customer communication is enhanced through adding new communication channels enabling customers to reach support at any time.

The Company is committed to maintain equal and fair treatment of its customers. This is reflected through services/ products quality controls and effective communication channels.

3.4 Employees

3.1.1 Professional Development, Security and Compensation

The Company is deeply committed to the employment of Kuwaiti nationals and developing the professional skills and talents of all of its employees. The Company is focused on implementing professional development and training programs while focusing on the training and development of high performing employees. The Company's commitment to its employees is demonstrated through the following:

- Promoting a positive culture and atmosphere in the workplace and ensuring that all employees are treated fairly and without discrimination.
- Providing welfare and security to employees with benefits that provide motivation to employees to effectively perform their job.
- Organizing social/ family events for employees including outings and sports days so that all employees and their families get together and relax.
- Organizing mentoring workshops to facilitate knowledge transfer from experienced leaders to the Company's employees.

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- Developing initiatives and programs targeted at training employees and developing their professional skills.
- Developing training and development programs focused on providing tools for managers to share best practices and challenges with each other and promote leadership skills, change management techniques, performance management and measurement tools in addition to effective communication skills.
- Organizing workshops covering a wide range of areas with the purpose of training employees on the skills necessary for them to provide the highest level of customer service to the Company's customers.
- Complying with the government's Kuwaitization percentage by employing both junior and senior Kuwaiti staff.
- Developing and regularly reviewing succession plans.
- Spreading the Company's culture, professionalism and standards to its branches and affiliates across the region.
- Establishing remuneration and compensation standards and protocols focused on rewarding superior performance from employees based on key performance indicators and talent management.
- Developing human resources policies that reflect the Company's commitment to its employees.

3.1.2 Code of Conduct

The Company's Board approved Code of Conduct is intended to provide guidance and help in recognizing and dealing with ethical issues and to help foster a culture of honesty and accountability. Each Employee is expected to comply with rules and standards of the approved Code of Conduct.

The role of the Company's employees is not limited to compliance with applicable laws, rules and regulations, but also to promote honest and ethical conduct of the business set forth in the Company's Code of Conduct. (for more information, refer to *Code of Conduct*).

3.2 Society and Community

The Company's commitment to corporate social responsibility is evident in the numerous cultural, community, social activities and contribution to the society, community, environment and more. The Company aims at diversifying its

corporate social responsibility initiatives in multiple areas such as Social care, Professional development, Healthcare, Education, Environment and more.

The Company shall develop an annual Social Responsibility Report representing the Company's key initiatives (for more information, refer to *Corporate Social Responsibility Policy*).

3.3 Counterparties

The Company conducts business affairs with its partners, competitors, vendors, and other counterparties in accordance with the contracted trading terms and conditions in a fair and ethical manner. The Company aims at avoiding any dishonest actions that may infringe upon the rights of the Company's counterparties as established by law or through mutual agreements.

The Company treats its counterparties equally and fairly through protecting their interests and ensuring they receive fair returns. The Company shall avoid any situation that might lead to conflicts of interest and/or will dishonor any binding commitment with any counterparty.

The Company shall adopt an internal policy governing the Company's operations and covering the tendering and contracting process with counterparties to ensure that the Company is/will be dealing transparently with counterparties and without discrimination.

Contracts with counterparties shall specify the relationship between the Company and counterparties, contracts shall also define the process to follow in case of any breach or violation to the terms set in formed contracts.

3. Stakeholders Rights

The Company shall ensure that all stakeholders' rights are well protected by guaranteeing the following:

1. All stakeholders shall be treated fairly. The Company deals will ensure that the BOD, Related Parties and Stakeholders are treated fairly without any discrimination or preferential terms.
2. Stakeholders shall be granted access to information and data related to their activities in order to be able to obtain and refer to such information on a timely and regular basis.

4. Stakeholders Obligations

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As the Company ensures that Stakeholders rights are protected, it is expected that all stakeholders fulfill their obligation governed by their contracts and related laws and bylaws of regulatory authorities (such as CMA, MOCI, etc.).