

Sustainability  
Report

2022/3

Capitalizing on Opportunities,  
Leveraging ESG Principles



Sheikh Abdullah Al Salem Cultural Centre

**The Sheikh Abdullah Al-Salem Cultural Centre (ASCC)**, named after the late Amir Sheikh Abdullah Al Salem Al Sabah (1950 - 1965), is a unique cultural center inaugurated in 2018 in Kuwait, making it one of the largest museum complexes in the world. ASCC consists of six main components; The Natural History Museum, Science and Technology Museum, Space Museum, Arabic Islamic Science Museum, Fine Arts Center, and the external spaces known as the Public Realm.

Markaz's selection to feature ASCC in its 2022-2023 sustainability report aligns with the sustainable and cultural impact it reflects, resonating with the shared values upheld by both organizations.




Website




Disclaimer



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His Highness  
**Sheikh Meshal Al-Ahmad Al-Jaber Al-Sabah**  
The Amir of the State of Kuwait



His Highness  
**Sheikh Sabah Khaled Al-Hamad Al-Sabah**  
Crown Prince of the State of Kuwait

# About the Report

*Kuwait Financial Centre K.P.S.C. (Markaz) continues its commitment to sustainability through the publishing of Markaz's fourth Sustainability Report. This report has been prepared in accordance with the Global Reporting Initiative (GRI) standards and contains information on aspects of our Environmental, Social and Governance (ESG) performance. The report is aligned to United Nations Sustainability Development Goals (SDG's), the New Kuwait Vision, Boursa Kuwait, and selected ESG indicators, among others.*

*Through the publishing of this report, we aim to have an open and transparent relationship with all our stakeholders.*

## **Scope**

Throughout this report, any mentions of "Markaz" or "we" or "our" or "the Company" refer to Kuwait Financial Centre K.P.S.C. The report is focused on our Kuwait operations, unless otherwise stated.

## **Reporting Period**

In this report, we cover the reporting period from January 1, 2022, until December 31, 2023. Therefore, Markaz's reporting follows a biennial reporting period cycle.

## **Support**

Our 2022-2023 Sustainability Report development was supported by RSM Albazie Consulting W.L.L.

## **Contact**

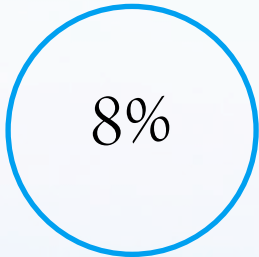
We welcome your feedback and questions about this report. Contact us by telephone, email or via our website:

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# Key ESG Performance Highlights



Increase in female employment from 2022 to 2023



Females in managerial positions



Total employee training hours for 2022 and 2023



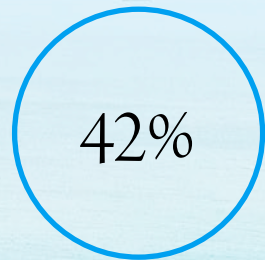
Total anti-money laundering (AML) training hours for 2022 and 2023



Total amount of paper recycled in 2022 and 2023

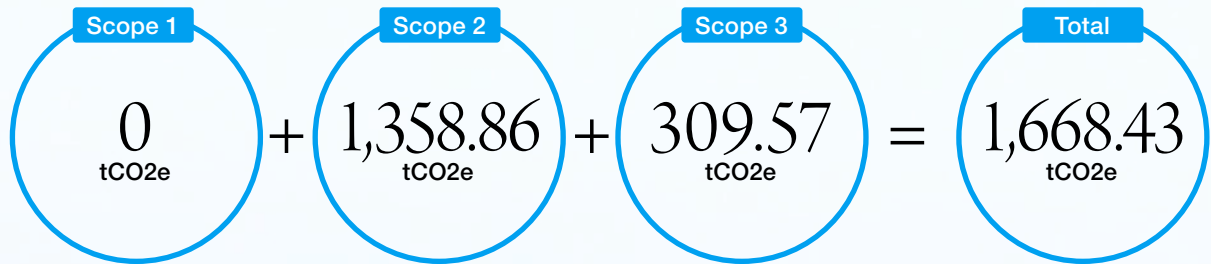


Greenhouse gas (GHG) emissions related to paper and plastic recycled in 2022 and 2023

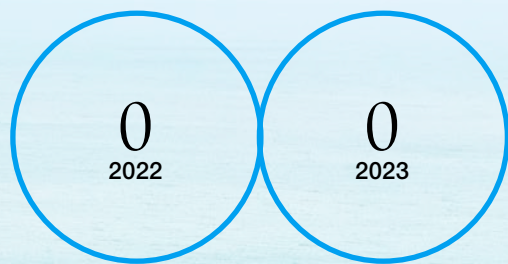


Percentage of youth offered employment after Markaz Graduate Development Program

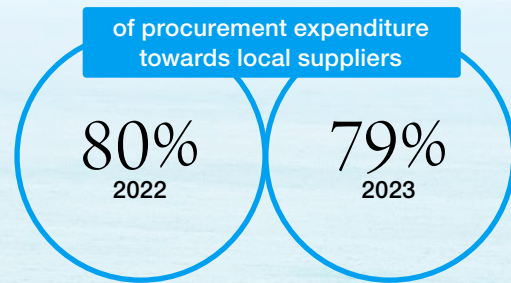




Total greenhouse gas (GHG) emissions in 2022 and 2023



Number of identified leaks, loss of customer data, or breaches of customer privacy



Supporting local suppliers



## Message from the Chairman



In our journey towards realizing ESG objectives, Markaz has steadfastly committed itself to fostering a bright future for our people, our communities, the economy, and the environment. As a vanguard in asset management and investment banking, we embrace the significant responsibility that comes with our position.

Leveraging half a century of experience, we are advantaged to identify and seize emerging opportunities that promise, not only economic prosperity, but also the betterment of communities and lives across the region. The recent years have seen the GCC economies flourish and gain ground in realizing their diversification targets from non-oil sectors, notably propelled by momentum in Saudi Arabia and the United Arab Emirates, even as the global economic landscape faces the headwinds of inflation, rising interest rates, and ongoing geopolitical conflict. Through these defining times, Markaz has demonstrated its prowess in navigating challenges and seizing opportunities, a testament to the depth of our experience and strategic foresight.

A milestone in this strategic journey was our move in 2023 to the new headquarters at Burj Alshaya. This transition is more than a change of location; it signifies a leap in our growth and adaptability, enhancing departmental integration, operational efficiency, and employee well-being. Our state-of-the-art premises incorporates digitized and automated systems, enhanced security and has inspired new cyber initiatives in our operations, marking a pivotal step in our journey towards innovation and excellence in productivity.

*“Our commitment to Corporate Social Responsibility and community engagement remains unwavering, as demonstrated by our continued collaborations with several local organizations and non-profits.”*

Driven by the advent of Artificial Intelligence and data analytics in asset management, we believe that a seismic shift is currently underway, enabling informed decision-making, portfolio management, and risk management, among other outcomes.

Our commitment to Corporate Social Responsibility and community engagement remains unwavering, as demonstrated by our continued collaborations with several local organizations and non-profits. Our partnerships with community partners - such as LOYAC, AC Milan Soccer School in Kuwait, the Kuwait Association for the Care of Children in Hospital, Bayt Abdullah Children’s Hospice, and the Children’s Cancer Center of Lebanon - are reflective of our dedication to building human capacity and fostering societal growth. As we navigate forward, we aim to continue rooting our journey in ESG principles, ensuring that our path towards growth and value creation is both sustainable and impactful. With these foundations, we are set not only to achieve but to redefine our vision of long-term success.

In closing, I am filled with optimism about the future we are creating together - a future characterized by responsible wealth creation, sustainable growth, technological advancement, and a deep-seated commitment to our communities.

**Diraar Y. Alghanim**  
Chairman



# Message from the CEO



With immense pride, we unveil to you the latest chapter in our journey - Markaz's fourth Sustainability Report. This document is a testament to our dedication to fostering positive change and delivering value through integrating ESG principles into our core business. Reflecting on 2022-2023, Markaz has taken significant strides in asset management and investment banking, capitalizing on emerging opportunities and steering while adopting ESG values.

The year 2022 marked the beginning of a transformative journey. Our BOD's approved a new growth strategy with a comprehensive plan setting our course until 2030. Central to this vision was revamping our company-wide Key Performance Indicators (KPIs), embedding sustainability and operational efficiency at the heart of everything we do at all levels of the organization, ensuring that we grow responsibly and sustainably.

Our embrace of digitization is changing the way we conduct business, incorporating smart and automated systems. This digital leap is not just about operational efficiency but about setting new environmental stewardship standards. In response, Markaz launched the Technology Champion Initiative in March 2023, aiming to amplify our technological and digital capabilities through a combination of investment in infrastructure and empowerment of our talented workforce to lead the charge in innovation and digital transformation. Our commitment extends beyond operations and the environment to the very heart of our organization - our people. Our sustainability efforts prioritize human development, fostering career progression, enhancing collaboration, and deepening employee engagement. Through succession planning and comprehensive sustainability KPIs, we're preparing our team for the future, ensuring leadership continuity and alignment with our strategic goals.

*“Our efforts were rewarded. In 2022, Markaz was honored with nine prestigious awards in wealth and asset management, investment banking, digital solutions, and corporate social responsibility.”*

In 2023, we continued to innovate, launching the GCC Momentum Fund and introducing market lending services along with securities lending and borrowing services. Looking ahead, we remain keen to explore and continue to provide best-in-class investment products and services to our clients both regionally and internationally.

These initiatives are designed to give our investors unique opportunities in the GCC market, emphasizing our commitment to innovation and excellence.

Our efforts were rewarded. In 2022, Markaz was honored with nine prestigious awards in wealth and asset management, investment banking, digital solutions, and corporate social responsibility. These awards were given by Global Finance, EMEA Finance, including “Best Local Investment Bank in Kuwait” and “Best Asset Manager in Kuwait” by EMEA Finance, and “Best Investment Bank in Kuwait” by Global Finance magazine. Moreover, in 2023, we won ten awards in the same categories in addition to the investment research and excellence in real estate investment categories. These accolades are a tribute to our nearly 50-year legacy in investment banking and our efforts to weave ESG principles into our business fabric. Our commitment to advancing these principles within Markaz and across our region remains robust. We are dedicated to working collaboratively to support the development of a sustainable global financial community.

We extend our deepest gratitude for your continued support and partnership as we continue this exciting journey towards sustainable wealth creation together.

**Ali. H. Khalil**  
Chief Executive Officer (CEO)



# 1

## *Markaz at a Glance*



### UN Sustainable Development Goal (SDGs)

- 8 Decent Work and Economic Growth
- 16 Peace, Justice and Strong Institutions



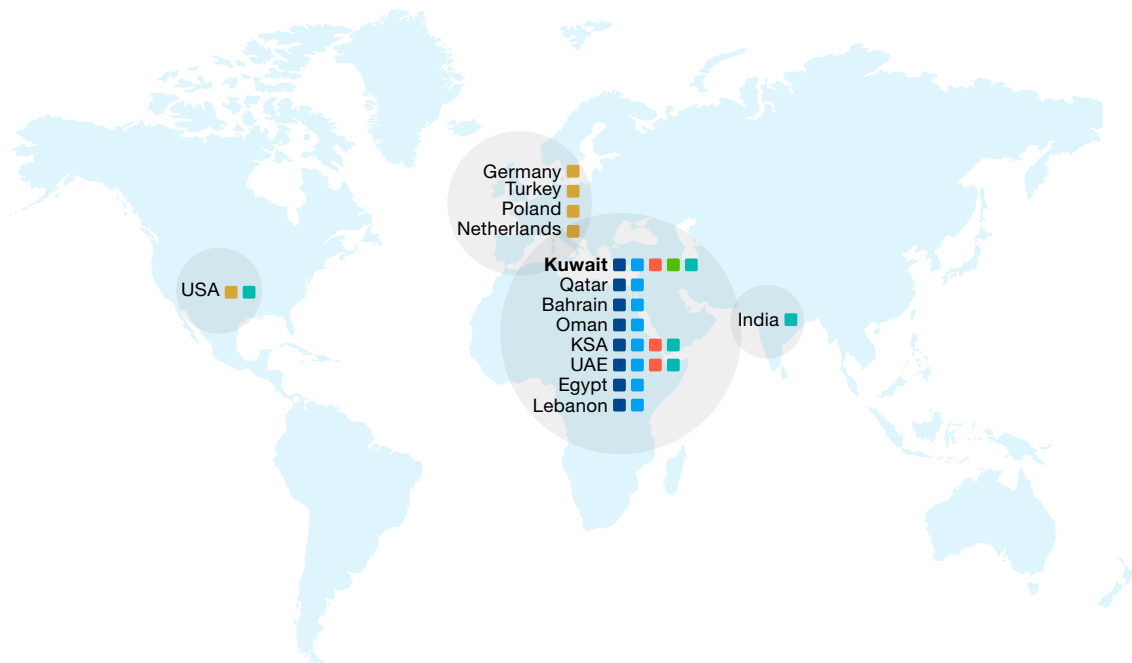
### New Kuwait Vision

- Sustainable Diversified Economy
- Global Positioning
- Sustainable Living Environment

### 1.1 About Us

Markaz is one of the leading asset management and investment banking institutions in the MENA region. Established in 1974 and listed on the Boursa Kuwait in 1997, Markaz has attracted and retained a strong client base of high-net-worth individuals (HNWI), governments, quasi-government institutions, and corporations. With our headquarters in Kuwait, we have an operational presence in various countries.

**FIGURE:**  
Our Operational Presence



- Equity    ■ Fixed Income    ■ MENA Real Estate
- Offices    ■ Investment Banking Advisory    ■ International Real Estate

Markaz proudly participates in prestigious national and international associations, collaborating significantly with various esteemed groups, such as: Union of Investment Companies (UIC), Boursa Kuwait, Gulf Bond and Sukuk Association Dubai, Kuwait Financial Markets Association (KFMA), and the United Nations-supported Principles for Responsible Investment during 2022-2023



## 1.2 Our Journey

### The 70s

- 1974**
  - Establishment of Kuwait Financial Centre
- 1977**
  - Establishment of the first merchant bank in South Korea in partnership with Hyundai Engineering and Construction
- 1978**
  - Launch of real estate investment activity in Los Angeles, USA
- 1979**
  - Acquisition of a significant share in Lebanon and Kuwait Bank
  - Establishment of the International Trade Finance Department

### The 80s

- 1982**
  - Overcoming the crisis of the unofficial stock market - (Almanakh)
- 1983**
  - Launch of share and bond trading in Kuwait
  - Commencement of Portfolio Management

### The 90s

- 1990**
  - Surviving the Iraqi Invasion of the State of Kuwait
- 1997**
  - Public listing of Markaz on the Kuwait Stock Exchange
  - Launch of Asset Management Function and Investment Banking Function
  - Launched the International Private Equity Funds program
- 1999**
  - Establishment of the first Kuwaiti money market fund known as the Markaz Idikhar Fund
  - Establishment of the first equity fund known as Markaz Fund for Excellent Yields

### The 2000s

- 2000**
  - Launched the Markaz Hamilton Lane Technology Fund of Funds
- 2001**
  - Establishment of the Markaz Investment & Development Fund
- 2002**
  - Establishment of the Markaz Real Estate Fund which was the first REIT in the region
  - Establishment of the Forsa Financial Fund, the first options market maker in the Middle East
  - Establishment of the Risk Management and Compliance Department
- 2003**
  - Establishment of the Markaz Islamic Fund
  - Lead manager to first BOT-backed Bonds in Kuwait
  - Lead manager to first high yield bonds in Kuwait
- 2004**
  - Establishment of the Client Relations and Marketing Department
  - Launch of the Atlas ETFs Portfolio, the first ETF product in Kuwait
- 2006**
  - Establishment of published financial and economic research department
  - Establishment of the Markaz Energy Fund
  - Joint Lead Manager to First Sukuk issued by Kuwaiti Entity
  - Launch of KSA real estate development
- 2007**
  - Establishment of a representative office in Beirut, Lebanon
  - Markaz completed a successful issuance of USD 100 million five-year bond
- 2008**
  - Launch of real estate activities in Lebanon and Jordan
- 2009**
  - Launch of the GCC Fixed Income investment program

### The 2010s

- 2010**
  - Launch of UAE real estate development
  - Establishment of Marmore MENA Intelligence incorporated in India as a majority-owned research subsidiary of Markaz
- 2011**
  - Launch of the Markaz Fixed Income Fund
  - Markaz completed a successful issuance of KD 22 million five-year bond
- 2012**
  - Markaz manages part of the National Real Estate Portfolio, with a value up to KD 250 million
- 2014**
  - Establishment of Markaz Gulf Real Estate Fund
- 2015**
  - Establishment of the Mawazeen ETF International Fund
- 2016**
  - Markaz completed a successful issuance of KD 25 million five-year bond
- 2017**
  - Markaz expanded its international real estate activities in Germany
  - Launch of the Markaz Graduate Development Program
- 2018**
  - Markaz expanded its international real estate activities in Poland
- 2019**
  - Launch of the Dividend-yield and Opportunistic Portfolios

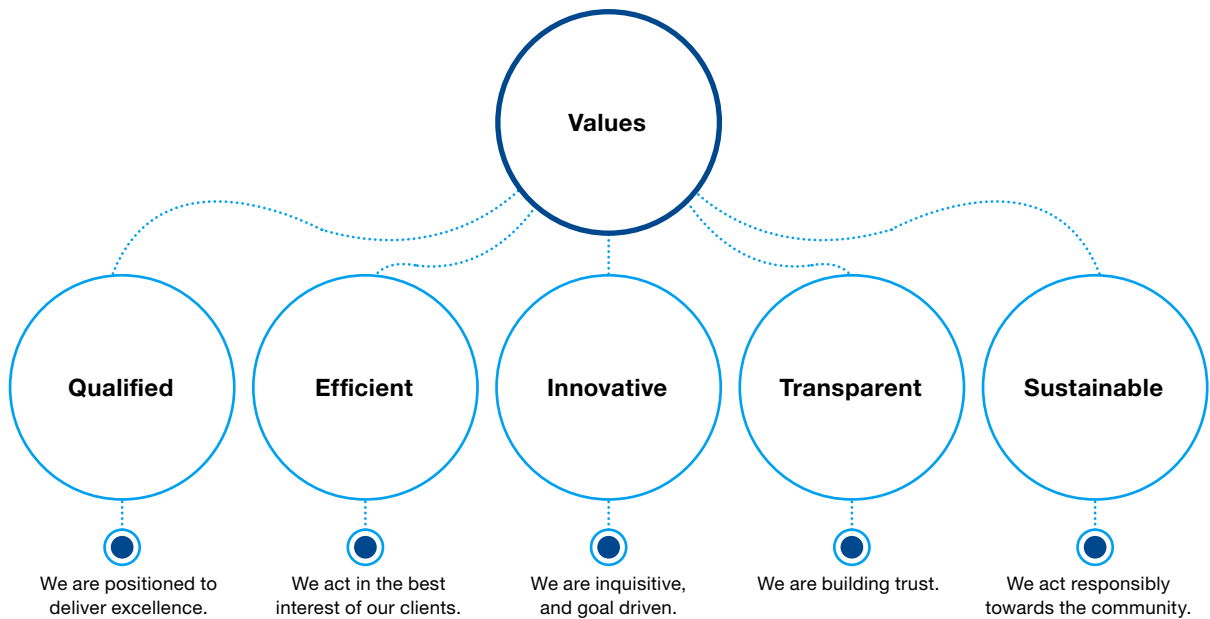
### The 2020s

- 2020**
  - Launch of iMarkaz
  - Markaz completed a successful issuance of KD 35 million five-year bond
  - Markaz expanded its international real estate activities in the Netherlands
- 2021**
  - Launch of the Market Maker and Margin Lending services
  - Installation of electric vehicle charging stations in two of Markaz's residential real estate projects in Kuwait
- 2023**
  - Lead Manager & Structuring Advisor to First KD-Denominated convertible bonds issued by Kuwaiti entity
  - Launch of Securities Lending & Borrowing Service
  - Establishment of the GCC Momentum Fund



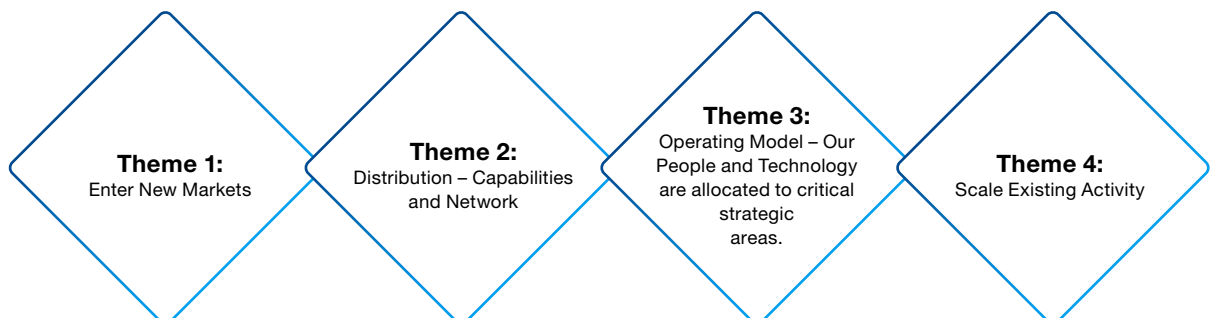
### 1.3 Our Vision, Mission, and Future Directions

Our vision, mission and core values form the foundation of our operations. They give us a shared identity and the motivation needed for the successful execution of our strategy.



#### Future Directions

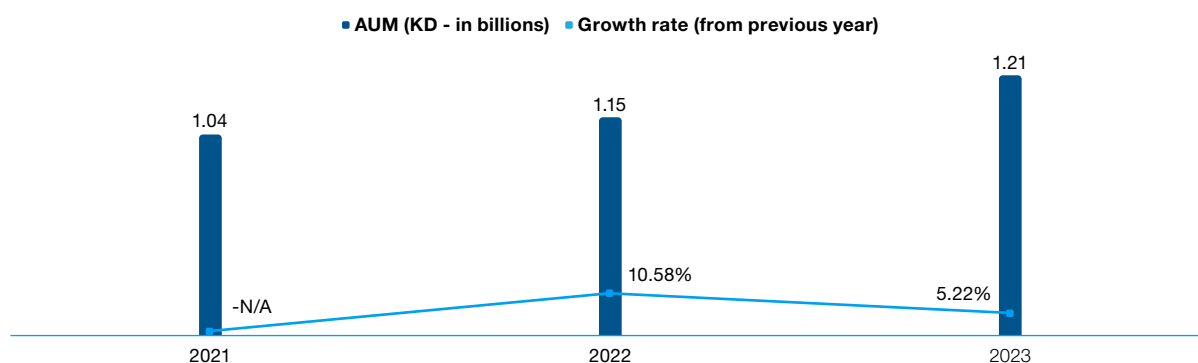
A strong strategy is the foundation for expanding our leadership position, being a preferred employer and ensuring profitable growth by providing superior, research-driven investment solutions for our clients. The Strategic Planning Department prepared a growth strategy, complete with clearly delineated strategic drivers and objectives and pinpointed four pivotal themes aligning with these strategic drivers, empowering Markaz to realize its predetermined objectives, as detailed below:



### 1.4 Striving for Marketplace Superiority

For 50 years, Markaz has built a strong reputation in the marketplace by attracting and retaining a client base of HNWI's, governments, quasi-government institutions, and investment arms of corporations in the GCC and globally. As of December 31, 2023, our Assets Under Management (AUM) stands at KD 1.21 billion, showcasing a growth rate of 10.58% in 2022 and 5.22% in 2023.

**FIGURE:**  
Assets Under Management (AUM) from 2021-2023



**FIGURE:**  
Markaz's Business Principles




Markaz's business principles underpin the plethora of services and products that we offer, including investment banking solutions across equity capital markets and debt capital markets, IPOs, listings, credit rating advisory, capital structure advisory, restructuring, disposition services and mergers and acquisitions advisory. The following sections give more detail about some of our key functions.

#### 1.4.1 Asset Management


The Asset Management services offered by Markaz include diverse proprietary and customized investment solutions. These services are composed of informed stock selection by our managers and supported by quantitative analysis and qualitative research undertaken by our team of experts. We have an investor-first approach, and we endeavor to provide our clients with the optimal opportunities for sustainable wealth creation. Under our Portfolio Management services, we include discretionary, non-discretionary and advisory services. Shown in the following figure are our various portfolio categories that are offered to both institutional and individual clients.


Markaz seeks to develop distinctive investment solutions for our clients across mutual funds and through diligent portfolio management. We aim to achieve our targets by working to maximize profits and to create value for our stakeholders within regulations. This is an overview of the key funds that Markaz offers, covering tailored investment shareholders for each:


 **Forsa Fund**  
The Fund aims to achieve stable returns with low volatility by investing in the shares of companies listed on Boursa Kuwait, issuing and selling derivative instruments (Call Options) on Boursa Kuwait listed stocks.

 **GCC Momentum Fund**  
The Fund, launched in 2023, is the first passive fund of its kind in Kuwait and across the GCC that follows the momentum methodology. This methodology involves investing in shares that have sustained high momentum score over the past 12 months and tracks the S&P Momentum GCC Composite Index, according to their relative weight in the index, with the aim of following its performance and providing a mechanism for investors to have a momentum methodology exposure in the GCC stock markets.

This process is supported by the index provider's commitment to follow transparent rules in the stock selection process while ensuring a reasonable level of liquidity and turnover

 **Midaf Fund:**  
The Fund aims to achieve long-term capital appreciation by investing in listed companies in Boursa Kuwait.

 **Markaz Mumtaz Fund:**  
The Fund prioritizes long-term capital appreciation by investing in blue-chip companies listed on Boursa Kuwait.

 **Markaz Islamic Fund:**  
The Fund aims to obtain returns through investments in Islamic Sharia equities in Boursa Kuwait.

**FIGURE:***Markaz's Portfolio Management Services***CASE STUDY***Markaz as Market Maker*

Market making has been identified as a crucial mechanism for enhancing market liquidity and efficiency. We believe that it enables Markaz to engage actively in the market for a selected security by offering liquidity through the provision of "bid and

ask" quotes. The CMA awarded Markaz the "Market Maker" license in 2020. In 2022, Markaz has broadened its Market Maker portfolio and took part in the Market Maker seminar organized by Boursa Kuwait.

In 2022, Markaz began looking into alternative investments, which are inherently higher on the risk spectrum. Notably, our venture capital funds demonstrated positive gains, while our private credit funds delivered regular and consistent income. Furthermore, strategic decisions included subscribing to a flagship private credit fund, investing in the largest Private Equity (PE) fund at the time, and acquiring a world-renowned tech-focused private equity manager.

In 2023, Markaz expanded its involvement in flagship leveraged buyout funds from leading PE firms, enhancing our risk-to-reward ratio with carefully selected managers and asset classes.

#### CASE STUDY

##### *Selected Achievement – Investment Advisory*

In 2022, Markaz established MKZ GPA, a foreign fund with a CMA marketing license that targets professional and qualified investors. It was commenced to provide Separately Managed Accounts in collaboration with a UK-based Swiss Bank, boasting over USD 1

trillion of AUM, and to deliver top-tier offerings via a wide range of best-in-class products to clients at very competitive fees, similar to those typically seen in investment banking, rather than the higher rates often associated with retail clients.

### 1.4.2 Investment Banking



Markaz's Investment Banking (IB) Team offers capital markets, financial advisory and merger & acquisition services to clients, providing financing and advisory solutions tailored to our clients' objectives. Our team's track record spans equity and debt capital markets, Initial Public Offerings (IPOs) and listings, and capital structuring advisory, restructuring, disposition services and M&A advisory mandates.

Markaz prides itself on delivering a track-record of solid returns and creating avenues of asset growth for clients through its array of services, products and responsible business conduct. We ensure that complete and accurate information is relayed to clients through the offering materials prepared for each transaction. These include prospectuses, offering memorandums, feasibility studies, opinion of value reports, and investor presentations. Through a diligent marketing process, Markaz ensures that clients receive and are empowered with all the required information to reach their own conclusions. Since 1997, Markaz has successfully executed IB transactions of over USD 6.3 billion across the region. Each client has unique requirements, and we adopt a consultative approach to formulate and advise optimal solutions. Over the period of 2022 and 2023, Markaz's capital markets successfully executed five transactions as lead manager and subscription agent for a total value of KD 254.55 million.

The success of Markaz's IB Team is attributed to our wealth of experience, technical skillset, and profound industry insight. Comprising dedicated professionals, our IB Team demonstrates proven expertise across diverse sectors, including financial services, real estate, light and medium manufacturing, retail, oil and gas, and logistics, among others.

#### Investment Banking Services:

- Acquisition financing (debt & equity) particularly in light of financing transactions
- Assisting clients in buying or selling assets
- Assisting clients in developing corporate and financing strategies
- Assisting foreign obligors in meeting their offset obligations
- Assisting Markaz in preparing to participate either independently or as part of a consortium in Public Private Partnership (PPP) projects
- Business valuations and investment appraisals
- Corporate and financial restructuring
- Corporate and financing strategies
- Financial feasibility studies
- Mergers and acquisitions (buy-side and sell-side advisory)
- Optimal capital solutions
- Structuring transactions to meet investor needs
- Providing financial and commercial due diligence services
- Valuation services



### 1.4.3 Real Estate Investment

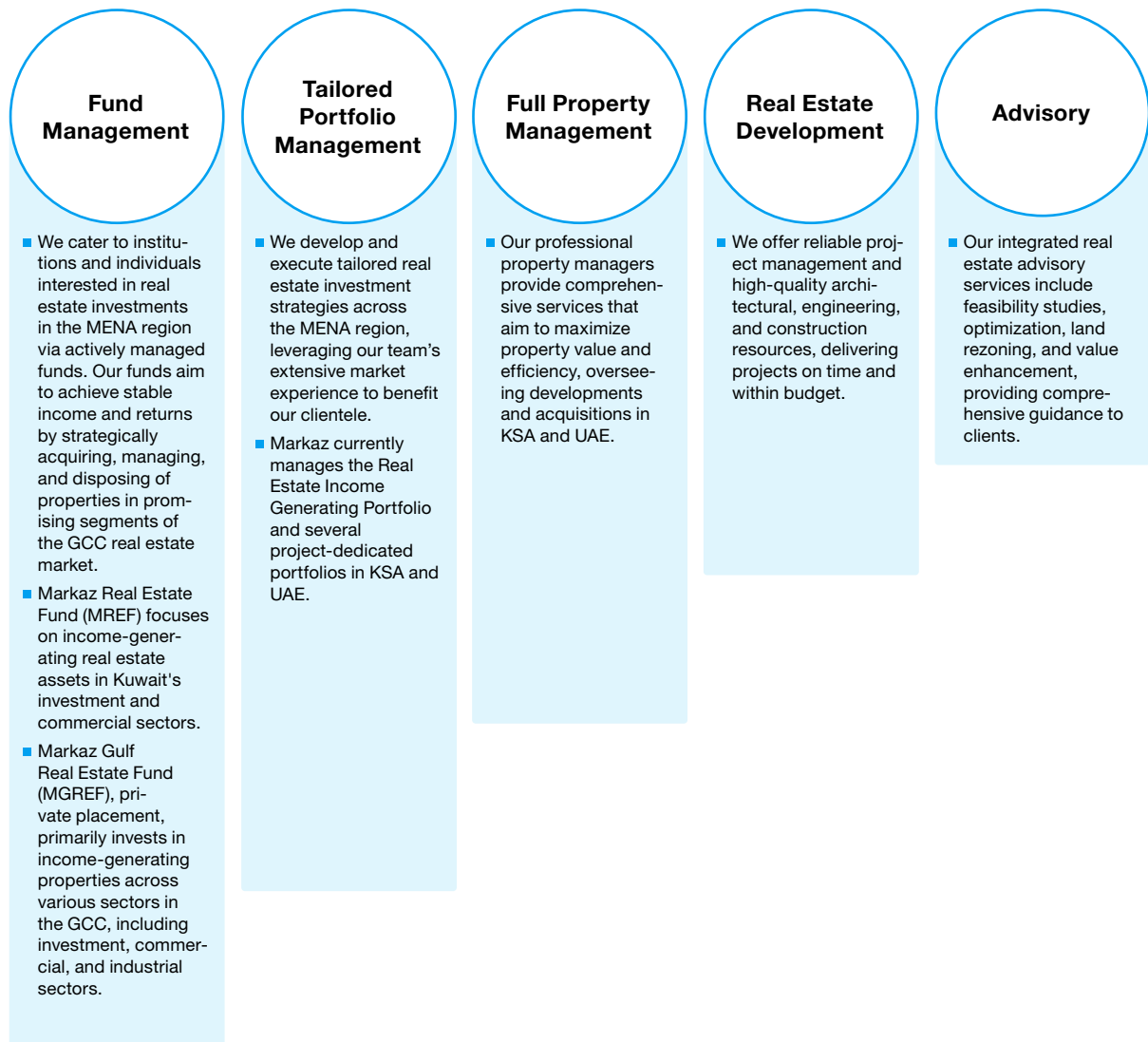
#### 1.4.3a MENA Real Estate



With a stellar reputation in real estate investment, Markaz channels capital into portfolios spanning the MENA region, delivering sustained returns to our esteemed institutional and high-net-worth clientele. Our committed Real Estate Team sources opportunities, conducts due diligence, and secures debt financing to acquire prime assets across residential, commercial, and industrial sectors. Markaz has curated a robust portfolio of real estate assets across dynamic markets within its home region through the dedicated MENA Real Estate department. Supported by regional offices in KSA and UAE, our team of seasoned professionals offers unparalleled local market expertise.

#### FIGURE:

#### MENA Real Estate Services



Our strategic goals are aimed at expanding our client, while fostering growth in the Markaz Real Estate Fund (MREF) and Markaz Gulf Real Estate Fund (MGREF), a private-placement fund. Our focus extends to investing in Build-Operate-Transfer/Public-Private Partnership (BOT/PPP) projects and logistics assets, primarily in Kuwait, UAE, and KSA.

In 2023, MENA Real Estate won an award from MEED for “Excellence in Real Estate Investment”. MEED awards highlight outstanding performance across asset management, custody, fund administration, wealth management, and transition management, among many others. Our achievement was in recognition of Markaz’s excellence in serving institutions and individuals seeking to unlock the investment potential of real estate asset classes in the region, operating at high industry standards, under the oversight of the Central Bank of Kuwait (CBK), Capital Markets Authority (CMA) and Boursa Kuwait.

### 1.4.3 b International Real Estate

Markaz collaborates with established partners and asset managers to structure real estate products internationally, particularly in the USA and Europe. Currently, we manage international real estate portfolios spanning across the USA, Germany, Netherlands, and Poland. Our focus extends to development projects with Building Research Establishment Environmental Assessment Method (BREEAM) or equivalent ratings, ensuring energy-efficient standards are met. For older buildings, renovation programs are implemented to comply with energy efficiency regulations.

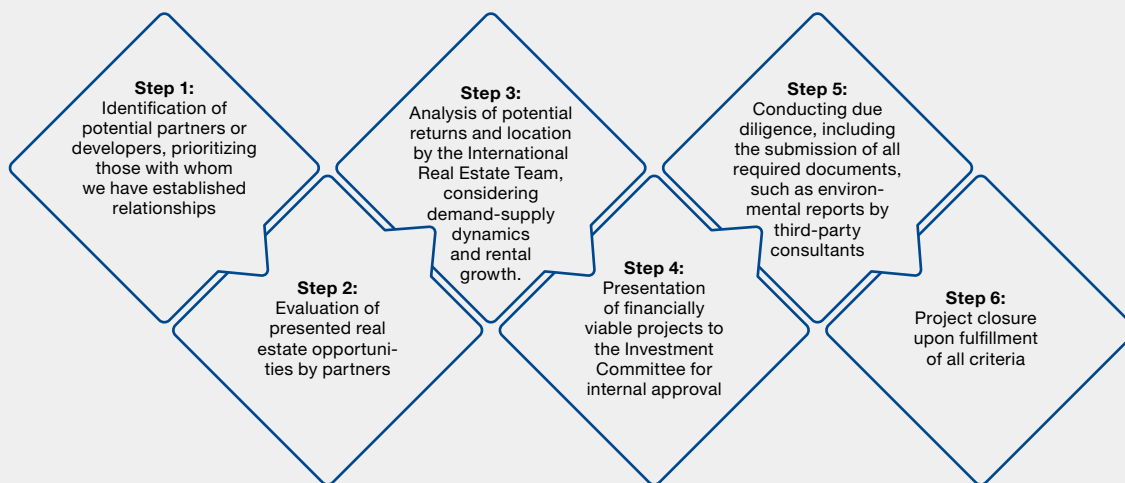
When undertaking projects, Markaz conducts thorough due diligence, including environmental assessments provided by sponsors, partners, or developers. Typically, a phase I environmental study determines the need for further investigation, such as a phase II.

**SIDEBAR:**

*Management of Risk due to Global Affairs at Markaz*

In pursuit of our objective to deliver favorable investment returns to clients, the International Real Estate Department rigorously selects real estate assets for investment while ensuring alignment with ethical standards. Each project undergoes risk assessment, with comprehensive discussions held with the Risk and Compliance Team. Monthly progress reports are disseminated to evaluate investment performance.

**Project screening and selection criteria at Markaz involve several steps:**



From 2022 to 2023, Markaz invested USD 160 million in nine projects across the U.S., two of which were in new sectors (Senior housing and Mezzanine debt). This demonstrates that we continue to focus on diversification and seek new opportunities that align with our investment strategies. In 2022, despite strong economic headwinds, we achieved sales on two multi-family and four industrial developments in the U.S., generating a net weighted average IRR of 20.4%. Further, in 2023, we partially exited one industrial project and sold a multifamily project in the US, and in Europe we sold our industrial project in the Netherlands. We generated a net weighted average IRR of 13.5% in 2023. At Markaz, we remain selective in projects, with an inherent competitive advantage.

#### 1.4.4 Wealth Management and Business Development



Markaz's Wealth Management and Business Development Team delivers premium wealth management solutions with a personalized approach, leveraging our expertise in asset analysis and allocation. Our certified wealth managers build trust-based relationships, ensuring effective capital management and security for our clients. We aim for a comprehensive wealth management approach, addressing various financial aspects and aligning strategies with client objectives. Services include investment management, financial planning, and estate planning. Our approach towards attracting clients has been to initially screen the market, conduct a process of due diligence and secure an introductory meeting with the prospective client. Wealth managers at Markaz utilize a variety of methods and tools to screen the market and identify the right investment opportunities for their clients. Their approach typically involves a mix of qualitative and quantitative analysis, market research, and an understanding of their clients' individual needs and goals. Tailored solutions prioritize clients' unique goals and preferences. We craft fully integrated wealth management plans based on individual needs, offering optimal asset allocation models and investments across equities, fixed income, currencies, commodities, and real estate. We also provide advisory services for Islamic portfolios and structured products tailored to market trends.

Our Wealth Management Team collaborates closely with clients to design customized portfolios and investment solutions across all asset classes, ensuring alignment with financial goals. Through "iMarkaz", clients access investment advice, have the option to open an account, and monitor their portfolio, while enjoying a user-friendly digital platform for investment convenience.

#### 1.4.5 Research



Markaz's commitment to research excellence forms the cornerstone of our performance strategy. We prioritize delivering timely and insightful information to inform our investment strategies. By thoroughly examining current and projected trends in both local and global economies and markets, we derive comprehensive insights. Clients rely on us for dependable and impartial analysis, empowering them to make informed decisions and stay updated on the latest developments.

We believe knowledge and insights on market-related topics, especially ESG and sustainable investing, allow investors to stay abreast of global trends and opportunities. This effort is supported by the Investment Research arm and subsidiary of Markaz, known as Marmore MENA Intelligence. Its rigorous research practices, publishing its reports via the Marmore website and the Bluematrix platform, have enabled Markaz to amass a substantial database of regional enterprises, allowing us to meet the specific and bespoke research needs of our clients effectively. Clients can also engage with our research professionals through email correspondence and face-to-face meetings.

Throughout 2022, Marmore collaborated with numerous clients across the GCC, offering tailored solutions to address their diverse challenges. This proactive approach not only facilitated the expansion of Marmore's consulting clientele across the region but also ensured the retention of existing clients by consistently delivering value to their businesses. With over 51 reports published on its research web portal and nearly 50 customized engagements with entities across the GCC, Marmore demonstrated its commitment to providing actionable insights and solutions. In 2023, Marmore's client engagement further flourished, particularly in Kuwait. The company undertook numerous consulting assignments for prominent financial institutions in Kuwait while actively reaching out to regional businesses to offer research-based consulting services. Additionally, Marmore broadened its client base in the MENA region. On the research front, Marmore remained vigilant of market trends and regularly published research content in various formats, including thematic reports, infographics, and insights. Markaz updated its stakeholders with insights on sustainable investing in our half-yearly publication, Engage H1-2023. In this issue, Marmore discussed "Ten emerging investment product themes," with majority of the themes having ESG significance, such as climate change, carbon credit, alternative energy, hydrogen economy and electric vehicle among others. Over the span of 2022 and 2023, Marmore published more than 75 reports and research insights, demonstrating its continuous dedication to providing valuable intelligence to its clients.



Access to Marmore's published research and reports is available at:  
<https://www.marmoremna.com/en/reports/>

### 1.4.6 Awards and Accolades

Markaz has a history of having been recognized as a leading asset manager and investment service provider for clients across the MENA region for almost 50 years, with over 80 awards won.

In 2022, Markaz was named the “Best Investment Bank in Kuwait” by Global Finance, an honor achieved for the 11<sup>th</sup> time in 12 years - along with “Best Local Investment Bank” and “Best Asset Manager”, for ten consecutive years by EMEA Finance. Markaz also won awards for Corporate Social Responsibility and Diversity & Inclusion from Euromoney Market Leaders.

In 2023, Markaz attained two prestigious awards from MEED, showcasing our excellence and leadership in the industry. The first accolade was for “MENA Investment Bank of the Year”, highlighting our commitment to delivering top-notch financial services. The second award was for “Excellence in Real Estate Investment”. This recognizes our exceptional performance across various sectors, including asset management, custody, fund administration, wealth management, and transition management.

# 9

Awards won in 2022:



**Investment Banking Market Leader – Euromoney**



**Diversity and Inclusion by Euromoney Market Leaders**



**Market Leaders' Digital Solutions by Euromoney Market Leaders**



**Corporate Social Responsibility by Euromoney Market Leaders**



**Best Investment Bank in Kuwait for 2022**  
by Global Finance – 11<sup>th</sup> time in 12 years



**Best Local Investment Bank by EMEA Finance**  
10<sup>th</sup> consecutive year



**Best Asset Manager by EMEA Finance**  
10<sup>th</sup> consecutive year



**Kuwait Wealth Manager for 2022” by Global Investor**



**“Best Private Bank or Wealth Manager Servicing the State of Kuwait” by WealthBriefing**

# 10

Awards won in 2023:



**Diversity and inclusion by  
Euromoney Market Leaders  
Ranking**



**Investment banking by  
Euromoney Market Leaders  
Ranking**



**Corporate Social  
Responsibility Euromoney  
Market Leaders Ranking**



**Digital Solutions Euromoney  
Market Leaders Ranking**



**Best Domestic Private Bank by  
Euromoney**



**Best Investment Research by  
Euromoney**



**MENA Investment Bank of the  
Year by Middle East Economic  
Digest (MEED) Banking  
Excellence Awards 2023**



**Excellence in Real Estate  
Investment by MEED Banking  
Excellence Awards 2023**



**Private Bank or Wealth  
Manager Servicing the State  
of Kuwait by WealthBriefing  
Awards 2023**



**Best Private Bank award by  
Global Finance**

## Other Selected Market Achievements in 2022-2023:

- Launch of Margin Trading services
- Launch of Securities Lending and Borrowing services
- Capital Intelligence Ratings affirmed the “BBB” issue rating assigned to Markaz’s KD 35 million 5-Year Senior Unsecured Bond
- Participation in the “Market Maker” seminar, organized and led by Bursa Kuwait



# 2

## ESG at Markaz



### UN Sustainable Development Goal (SDGs)

- 8 Decent Work and Economic Growth
- 16 Peace, Justice and Strong Institutions



### New Kuwait Vision

- Sustainable Diversified Economy
- Global Positioning

## 2.1 Stakeholder Engagement

Stakeholder engagement is an integral component of achieving exceptional ESG performance. Markaz, at its core, seeks to foster transparency, trust, and ensure that stakeholders feel valued and informed about Markaz's decisions and strategies. We believe effective engagement provides foresight that can also help mitigate risks and manage potential conflicts leading to a stable reputation and long-term sustainability.

We have been actively involved in the process of stakeholder engagement with various groups who have a vested interest in our operations and outcomes. From a regulatory perspective, the primary stakeholders with whom we continuously engage include the Capital Markets Authority (CMA), the Central Bank of Kuwait (CBK), Boursa Kuwait, and various governmental and quasi-governmental bodies. Other stakeholders that we regularly engage with fall under the following categories: shareholders, employees, clients, loaners, suppliers and community members.

### Stakeholder Communication Channels

We collaborate with each of these groups of stakeholders through various methods of engagement that are tailored to meet their specific expectations, such as website, emails, phone calls, physical and virtual meetings, events, systems, social media platforms, surveys, and reports, among others.

## 2.2 Materiality Assessment

For 2022-2023, we conducted an extensive process of materiality assessment. This assessment enabled us to identify and differentiate between topics that have the most significant actual and potential negative and positive impacts on the economy, environment, and people. In this reporting cycle, we applied the "double materiality" approach, through which we considered both financial materiality and impact materiality perspectives to assign significance to the selected topics.

Our materiality assessment consisted of four steps. The first step was to identify a selection of material topics. We used GRI as the baseline to identify impacts and develop the initial list of topics. These topics were then aligned to indicators such as United Nations Sustainable Development Goals (UN SDGs), New Kuwait Vision and Boursa Kuwait. The second step was to engage a sample of stakeholders to prioritize the identified material topics. Meetings and a detailed survey were conducted among various identified internal and external stakeholder groups to understand the priority level they would assign for each of the selected material topics.

In the third step, we used the results derived from the stakeholder engagement and industry peer analysis as the basis of finalizing Markaz's material topics list, resulting in a total of 11 topics. Finally, as the fourth step, a double-materiality matrix was developed to reflect the sampled inputs. The y-axis of the materiality matrix represents the significance of each material topic according to its financial impact, whereas the x-axis represents the significance of the material topics to internal/external stakeholders. The color-coded chart area illustrates the Low, Medium, and High materiality levels of the topics.

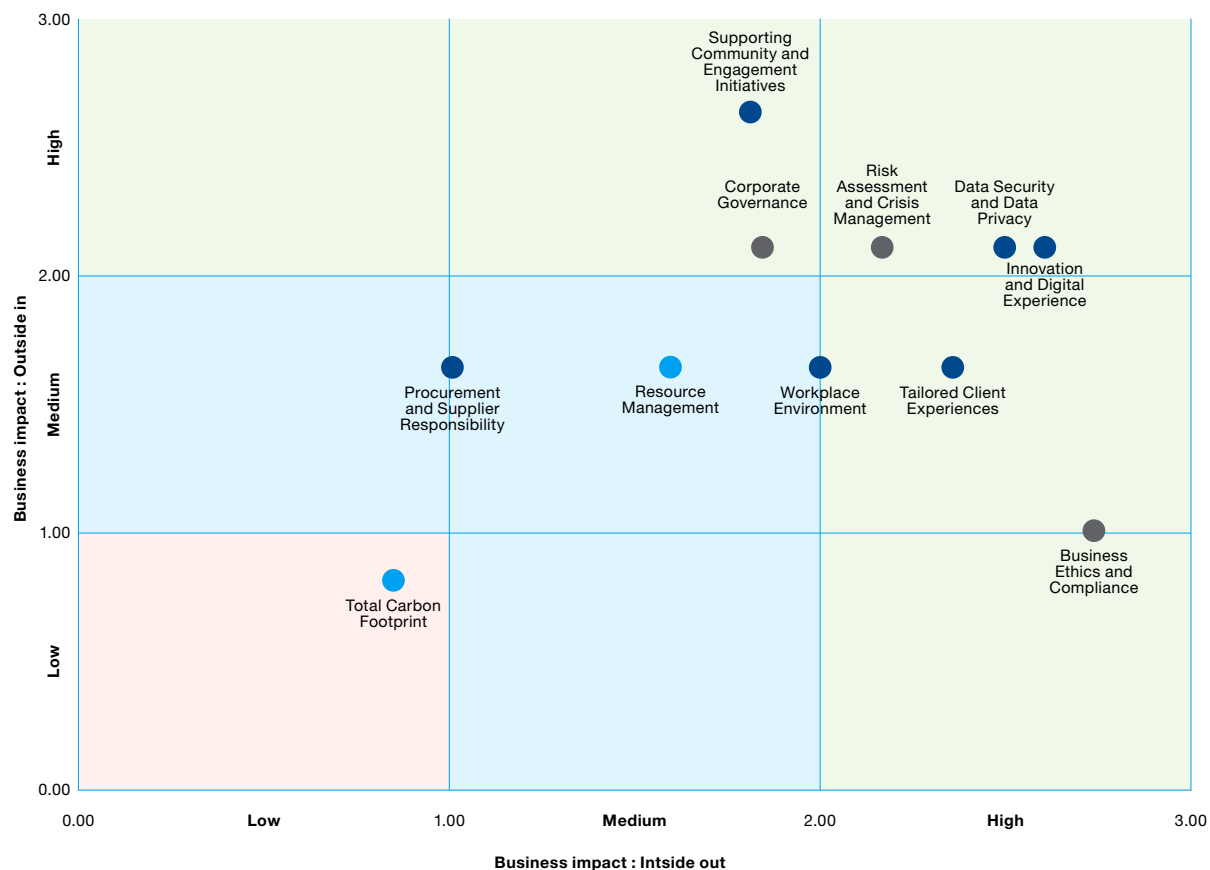
As shown in the matrix, the topics of Innovation and Digital Experience, Supporting Community and Engagement Initiatives, Data Security and Data Privacy, Corporate Governance and Risk Assessment and Crisis Management rate at the top of both financial impact and internal and external stakeholder priorities. Meanwhile, the topics of Resource Management, Workplace Environment, Procurement and Supplier Responsibility, Tailored Client Experiences and Business Ethic and Compliance are at a medium level of priority.

**FIGURE:**  
*Material Topics' Significance*

Category	Material Topics	Level of Significance	Comparison to 2020-2021*
Environment	Resource Management	Medium	Medium
Environment	Total Carbon Footprint	Low	Medium
Social	Innovation and Digital Experience	High	High
Social	Workplace Environment	High-Medium	High-Medium
Social	Supporting Community and Engagement Initiatives	Medium-High	High
Social	Procurement and Supplier Responsibility	Medium	High-Medium
Social	Data Security and Data Privacy	High	NA
Social	Tailored Client Experiences	High-Medium	High
Governance	Corporate Governance	Medium-High	High
Governance	Risk Assessment and Crisis Management	High	High-Medium
Governance	Business Ethics and Compliance	High-Medium	High-Medium

\*2020-2021 assessment was a traditional materiality matrix rather than a double materiality matrix

**FIGURE:**  
*Materiality Matrix*





## 2.3 An ESG Outlook

At Markaz, we are committed to embedding sustainability and ESG principles at the heart of our operations and strategic planning. Recognizing the significant benefits that high ESG performance offers to society, the environment, and the economy, we understand that these advantages ultimately contribute positively to Markaz itself and our stakeholders in extension. Given the global focus on climate change, we expect it to become a pivotal element of investment strategies in the near future. To align with this trend, we plan to conduct a survey aimed at understanding our clients' interest in sustainable investing and decarbonizing their portfolios - particularly among institutional investors.

### Ethical Investments

Our investment approach is characterized by an exclusionary philosophy, avoiding any categories that fail to meet ethical, legal, or moral standards. By establishing minimum standards for our products, services, and business practices, this strategy not only guides Markaz in maintaining high integrity, but also ensures compliance with regulatory requirements. Showcasing this commitment to responsible investment.

#### CASE STUDY

#### *Signatory to UN supported - Principles for Responsible Investment (PRI)*

In 2022, Markaz had become a signatory of the UN- supported PRI to solidify our dedication to integrate ESG considerations in our investment strategies. As one of the first Kuwaiti firms to have joined this global network of institutional investors committed to responsible investment, Markaz aimed to align its business environment with sustainable development principles, as part of our Corporate Social Responsibility (CSR) strategy.

The year-long partnership with PRI entailed a pledge to adhere to its regulations and rigorous reporting processes, reflecting Markaz's ongoing efforts to serve the interests of its clients. By incorporating sustainability principles into our investment decisions and practices, Markaz seeks to enhance transparency

and accountability, while keeping stakeholders informed through transparent reporting and ESG disclosures. This initiative is also in alignment with Markaz's commitment to promoting good governance and building human capacity within our business environment.

The PRI collaboration underscored Markaz's commitment to transparent reporting and ESG disclosures, fostering positive outcomes for clients, shareholders, and the community, while contributing to global sustainability conversations.

### New Growth Strategy

In 2022, the Markaz Board of Directors (BOD) approved the new Growth Strategy, outlining long-term objectives for 2030 alongside interim shorter-term goals. This strategy led to a revision of company-wide Key Performance Indicators (KPIs) across our departments and staff levels, including the CEO, to align with the pillars of the Strategy, emphasizing sustainability and operational efficiency.

Daily operations now incorporate various innovative technology initiatives and embrace circular principles in materials and waste management. Markaz is steering towards a comprehensive digital transformation aimed at reducing resource consumption and enhancing cost and operational efficiency, thereby aiming to mitigate our environmental footprint.

Sustainability KPIs prioritize people-centric initiatives over environmental concerns, focusing on career development, employee collaboration, and engagement. One way this approach is reinforced is by robust succession planning at the Board Nomination and Remuneration Committee (BNRC) and BOD levels, with management providing one update in 2022 and two in 2023 to both entities. Progress on Strategy and Digitization implementation is reported periodically, with one update presented in 2022 and three updates in 2023.

### Commitment to ESG Principles

Markaz sees ESG principles as key to fostering customer loyalty and achieving marketplace excellence. Aiming to guarantee transparency and engagement, we actively communicate our ESG initiatives to our stakeholders via various channels. Our biennial digital Sustainability Report further outlines Markaz's ESG efforts, underscoring our commitment to sustainability.

Markaz has not only played a pivotal role in our local economy, but also in expanding our economic impact beyond the boundaries of Kuwait. Firstly, this is reflected by outsourcing research and support services to Marmore and other providers in developing countries, and secondly, by making significant investments in real estate, supporting job creation in the MENA region and internationally. We believe that these selected initiatives, among others, contribute to economic activity abroad while incorporating sustainability values particularly in governance, social, and workplace practices.

Markaz holds a firm stance on ethics and accountability, expecting every employee to uphold the highest standards of integrity. Our comprehensive anti-corruption policies and procedures are communicated and enforced. In addition, we have a mandatory training course on Financial Crime – Anti-Money Laundering, with over 1,200 hours of course training in 2022 and 2023 combined.

Through these actions, Markaz not only strives for operational and financial excellence but also seeks to make a positive impact on the environment, society, and governance within the regions we operate. Our holistic approach to business, underscored by a commitment to transparency, governance, and ethical conduct, positions Markaz as a leader in sustainable and responsible investment.



# 3

## *Our Environmental Impact*



### UN Sustainable Development Goal (SDGs)

- 6 Clean Water and Sanitation
- 12 Responsible Consumption and Production
- 13 Climate Action



### New Kuwait Vision

- Sustainable Living Environment

### 3.1 Resource Management

Markaz has consistently demonstrated a commitment to responsible business practices and the efficient utilization of resources. We have implemented various sustainable practices, including the collection and recycling of paper waste and the mindful reduction of single-use plastics. These initiatives are part of our ongoing efforts to innovate within our daily operations and processes, aiming to achieve a positive environmental impact and judicious management of our resources. This approach underscores our dedication to environmental stewardship and reflects our broader commitment to sustainability and responsible corporate conduct.

#### Innovative Technologies - Maximizing our Resources

Markaz is aiming to scale up the technology and digital ecosystem within the organization. The Technology Champion Initiative is a new initiative by Markaz designed to empower our employees by equipping them with optimal platforms, thereby driving innovation. Markaz has been leveraging innovative digital technologies, to streamline daily operations and significantly reduce paper usage. By adopting electronic platforms, digital client onboarding systems, and electronic workflow and payment processing systems, we are enhancing operational efficiency and contributing to environmental sustainability. The use of digital automation minimizes the need for physical documentation. These advancements not only aim to optimize workflow and reduce costs but also align Markaz with UN SDG's by minimizing paper waste.

#### 3.1.1 Reducing our Paper Consumption

In 2022 and 2023 we have recycled a combined amount of 0.45 metric tonnes. In 2020, only 0.53% of our used paper was recycled, and recycling rates in 2021 were down to 0.33%. However, the most significant surge has occurred in 2022 and 2023, with 18% of all paper used being recycled in each year. This increase in recycling can be attributed to waste management efforts undertaken by Markaz during the relocation of our headquarters to Burj Alshaya from our previous premises. We have also reduced our paper consumption by limiting the printing of our annual report. Instead, we have chosen to publish the report on our corporate website and send an e-letter to all clients and stakeholders containing a QR code and link to direct them to the online report, for ease of access. For a detailed breakdown of Markaz's paper use and recycling savings statistics, during 2022-2023, refer to Section 3.2.2.

#### 3.1.2 Handling of Plastic Waste

Markaz has increased efforts in 2022 and 2023 to reduce the use of single use plastics and increase recycling for produced plastic waste. As a part of our ongoing effort to champion the value of sustainability, we celebrated World Environment Day under the theme of "Beat Plastic Pollution" by publishing an insightful infographic that spread awareness on the magnitude of the plastic pollution in Kuwait. Internally, the Markaz family have also continued to limit our use of single use plastic by using reusable mugs.



During 2022 and 2023, Markaz used 108 Kg of plastic, exclusively from PET water bottles. Through proactive office recycling initiatives, 70% of this plastic was diverted from disposal to recycling each year. For a detailed breakdown of Markaz's plastic consumption and disposal, during 2022-2023, refer to Section 3.2.2.

### 3.2 Total Carbon Footprint

In this section, we look at the total carbon footprint for Markaz through its greenhouse gas (GHG) emissions covering Scope 1, 2 and 3. For 2022 and 2023, we have disclosed data for Scope 2, which are indirect emissions from the generation of purchased energy, and Scope 3, which cover indirect emissions that are a result of our operations but are not directly owned or controlled by Markaz. Notably, we disclose that Scope 1 emissions are zero for Markaz, as we do not directly own or control sources of emissions, such as owned vehicles or owned generators.

#### CASE STUDY

##### Our HQ moves to Burj Alshaya



In a landmark move in June 2023, Markaz transitioned its headquarters to the iconic Burj Alshaya in Kuwait City, a dazzling embodiment of modern architecture on Soor Street. This move to a complex marked by its two towering glass structures not only elevates Markaz's business backdrop with bold design and prestigious modern architecture but also aligns with its sustainability ethos. Designed by leading global architects, the towers' innovative diamond lattice façade design significantly reduces solar heat gain, enhancing the complex's environmental efficiency and lowering cooling demands for its occupants, including Markaz.

This strategic relocation underscores Markaz's commitment to growth, adaptability, and excellence in the financial services sector, providing a dynamic and invigorating workspace that fosters collaboration, innovation, and employee well-being. The new premises feature an open floor plan that not only boosts productivity and engagement but also sets a new standard for working environments conducive to creativity and efficiency.

Markaz's move to Burj Alshaya, a notable addition to Kuwait City's skyline, reflects its readiness to capture new opportunities, and its dedication to creating a nurturing environment that promotes the well-being of its employees, stakeholder experience and the continuous evolution of its operations.

#### 3.2.1 Scope 2 Emissions

##### Electricity Consumption

Markaz has disclosed Scope 2 greenhouse gas (GHG) emissions for the 2022 and 2023 reporting cycle. Scope 2 emissions are the indirect emissions generated from our purchased/used energy. This data has been extrapolated according to Markaz's office area as utilities are being operated through a third party. The detailed breakdown for electricity usage can be seen in the following table. We expect to benefit from efficient electricity consumption in the coming periods; this is because Markaz's new premises are designed to have less cooling loads per cubic meter due to a thermally attuned façade design provided by Burj Alshaya.

#### FIGURE:

##### Electricity Consumption and Scope 2 Emissions in 2022-2023

	2022	2023	Percent Change
Electricity consumption (kWh)	1,257,199.47	1,422,506.86	13.1%
GHG emissions (tCO <sub>2</sub> e)	637.52	721.34	13.1%
Intensity (tCO <sub>2</sub> e/employee)	4.06	4.57	12.4%

As part of our move towards sustainable living, Markaz continues its commitment to environmental stewardship by maintaining the electric vehicle charging stations at Al Maha and Al Nada Towers in Kuwait. These facilities, part of our initiative to promote energy-efficient transportation, are available to residents at no charge, reinforcing our dedication to sustainable practices. The operational stations, located in dedicated parking spaces, not only aim to enhance convenience for electric vehicle owners but also to underscore Markaz's ongoing efforts to foster a culture of sustainability among its tenants.

### 3.2.2 Scope 3 Emissions

#### Water Consumption

Markaz has disclosed Scope 3 GHG emissions due to water consumption for the 2022 and 2023 reporting cycle. This data has been extrapolated according to Markaz's office area as utilities are operated through a third party. The detailed breakdown for water usage and resulting Scope 3 emissions can be seen in the following table.

**FIGURE:**

*Water Consumption and Scope 3 Emissions in 2022-2023*

	2022	2023	Percent Change
Water consumption (m3)	4,272.36	4,834.13	13%
GHG emissions (t CO2e)	2.14	2.42	13%
Intensity (t CO2e/employee)	0.014	0.015	12%

#### Air Travel

At Markaz, we have endeavored to reduce our total GHG emissions, as can be seen in the following figure. It is commendable that even after the resumption and total recovery of normal business activity and increased growth, Markaz has limited its air travel emissions in 2023 to 17.18 tCO2e, which is a 63% reduction from 2022 air travel emissions. The total GHG emissions intensity per employee has decreased between 2022 and 2023 from 0.30 tCO2e/employee to 0.11 tCO2e/employee respectively. The following table shows further details as follows.

**FIGURE:**

*Scope 3 Emissions from Air Travel 2022-2023*

	2022	2023	Percent Change
Number of Trips	66	50	-24%
Total air travel GHG emissions (tCO2e)	46.38	17.18	-63%
Intensity (tCO2e/employee)	0.30	0.11	-63%

#### Non-Owned Cars

Markaz's emissions due to rented cars have been recorded to be 120.6 tCO2e in both 2022 and 2023 respectively. The intensity per employee of Scope 3 non-owned cars' GHG emissions in 2022 to 2023 has remained almost constant, with only a slight decrease from 0.77 tCO2e/employee to 0.76 tCO2e/employee respectively.

**FIGURE:**

*Scope 3 Emissions from Non-Owned Cars 2022-2023*

	2022	2023	Percent Change
Rented cars GHG emissions (tCO2e)	120.63	120.63	0%
Volume consumption (Litres)	53,142.86	53,142.86	0%
Intensity (tCO2e/employee)	0.77	0.76	-1%

#### Consumption of Paper and Plastic

GHG emissions as a result of consumption of paper and plastic for office use can be categorized as Scope 3 GHG emissions. Refer to the given table for details, with breakdown per year.

**FIGURE:**

*Emissions from Paper 2022-2023*

	2022	2023	% Change
A4 paper consumed (Kg)	1,168.75	1,381.25	18.18%
A4 paper recycled (Kg)	206.25	243.75	18.18%
Percentage of paper recycled	18%	18%	0%
Total GHG emissions due to paper (tCO2e)	0.0056	0.0066	18.18%
Intensity (tCO2e/employee)	0.00004	0.00004	17.43%
Total GHG emissions related to recycling(tCO2e)	0.0010	0.0012	18.18%

**FIGURE:***Emissions from Plastic 2022-2023*

	2022	2023	% Change
Number of plastic bottles used (bottles)	1,960	4,040	106%
Weight of plastic consumed (Kg)	35.28	72.72	106%
Number of plastic bottles recycled (bottles)	1372	2828	106%
Weight of plastic recycled (Kg)	24.7	50.9	106%
Percentage of recycled plastic	70%	70%	0%
Total GHG (tCO2e)	0.058	0.119	106%
Intensity per employee (tCO2e)	0.00037	0.00076	105%
Total GHG emissions related to recycling(tCO2e)	0.0406	0.0836	106%

**3.2.3 Markaz Total GHG Emissions in 2022-2023**

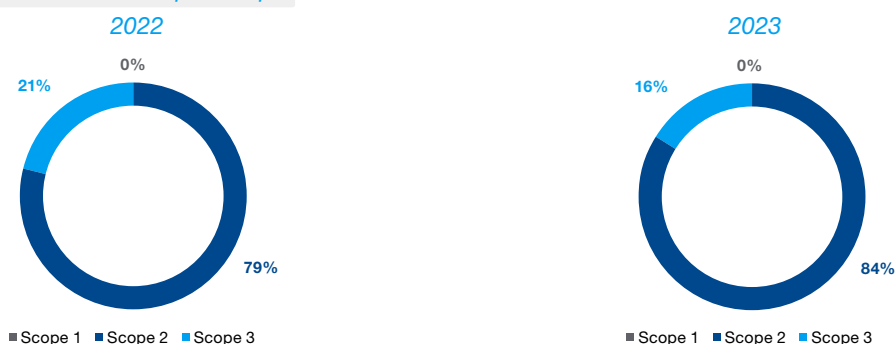
In this section, we have aggregated all reported GHG emissions to calculate the final totals and intensities. Notably, for the first time, Markaz has reported its Scope 2 GHG emissions due to electricity and Scope 3 GHG emissions due to water consumption through extrapolating data according to our office area. The disclosure of additional data has resulted in a more comprehensive understanding of Markaz's total carbon footprint. Seen in the figures are the total GHG emissions, with a detailed breakdown of Scope 2 and 3 emissions for 2022-2023, as well as intensity figures per employee per year.

**FIGURE:***Total GHG Emissions 2022-2023*

Scopes	2022	2023	Percent change	Sources of emissions
Scope 1 (tCO2e)	0	0	NA	None
Scope 2 (tCO2e)	637.52	721.34	13%	Electricity
Scope 3 (tCO2e)	169.21	140.36	-17%	Water, Rented cars, Air travel, Paper, Plastic
Total GHG emissions (tCO2e)	806.73	861.70	7%	Electricity, Water, Rented cars, Air travel, Paper, Plastic

**FIGURE:***Total GHG Intensities 2022-2023*

Scopes	2022	2023	Percent change	Sources of emissions
Scope 1 intensity (tCO2e/employee)	0	0	NA	None
Scope 2 intensity (tCO2e/employee)	4.061	4.565	12%	Electricity
Scope 3 intensity (tCO2e/employee)	1.078	0.888	-18%	Water, Rented cars, Air travel, Paper, Plastic
Total GHG emissions intensity (tCO2e/employee)	5.138	5.454	6%	Electricity, Water, Rented cars, Air travel, Paper, Plastic

**FIGURE:***Distribution of GHG emissions per Scope*



# 4

## Our People and Community



### UN Sustainable Development Goal (SDGs)

- 3 Good Health and Well-Being
- 4 Quality Education
- 5 Gender Equality
- 8 Decent Work and Economic Growth
- 10 Reduced Inequalities
- 11 Sustainable Cities and Communities



### New Kuwait Vision

- Creative Human Capital
- Global Positioning
- Sustainable Diversified Economy



## 4.1 Workplace Environment

We consider our employees to be one of our most valuable assets and believe that our success in the marketplace depends on their knowledge, skills, experience and commitment. We are wholly invested in building a workplace environment that is diverse, equitable and inclusive and that would help attract and retain skilled talent. Through continuous employee growth initiatives, equitable compensation linked to our business performance, appealing benefits, and prioritizing health and safety, Markaz's objective is to support the well-being and success of our employees, both within our organization and in their personal lives.

### 4.1.1 Our People – Diversity and Nationalization

#### Employee Profile

As of December 31, 2022, Markaz employed 157 full-time employees and as of December 31, 2023, our full-time employees count is at 158 - showing an overall increase of 0.64%. We also offer internship opportunities for students who wish to experience investments at a top tier asset management firm. During the reporting period, Markaz had seven interns in 2022 and 17 interns in 2023.

#### FIGURE:

Total Number of Employees Per Gender

	Male	Female	Total
Total number of employees per gender in 2022	107	50	157
Total number of employees per gender in 2023	104	54	158
Percent change (2023 vs 2022)	-2.8%	8%	0.64%

#### Gender Diversity at Markaz

Gender diversity in the workforce is one of the demographic aspects we assess and report on. As shown in the table above, we saw an increase in the number of female employees and a slight decrease in the number of male employees between 2022 and 2023. In terms of allocation, the total percentage of females in the workforce has been showing a steady climb from 27% to 30% between 2020 and 2021, to 31.8% in 2022 and 34.2% in 2023. In terms of management levels, there were 13 female managers in 2022, and this increased to a total of 14 managers in 2023, recording an 7.69% increase of females in managerial roles.

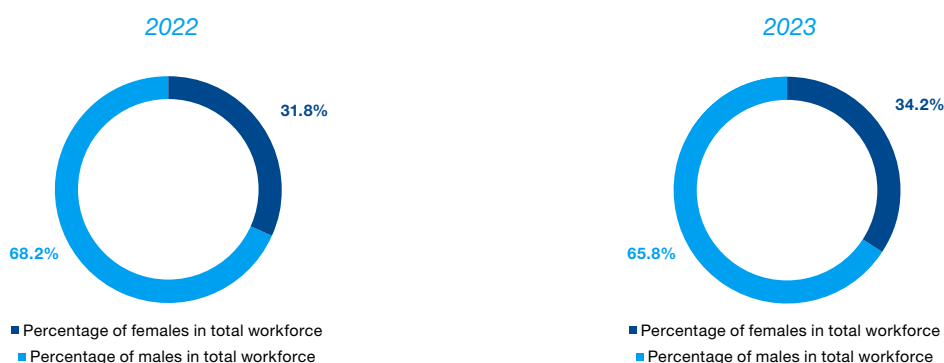
#### FIGURE:

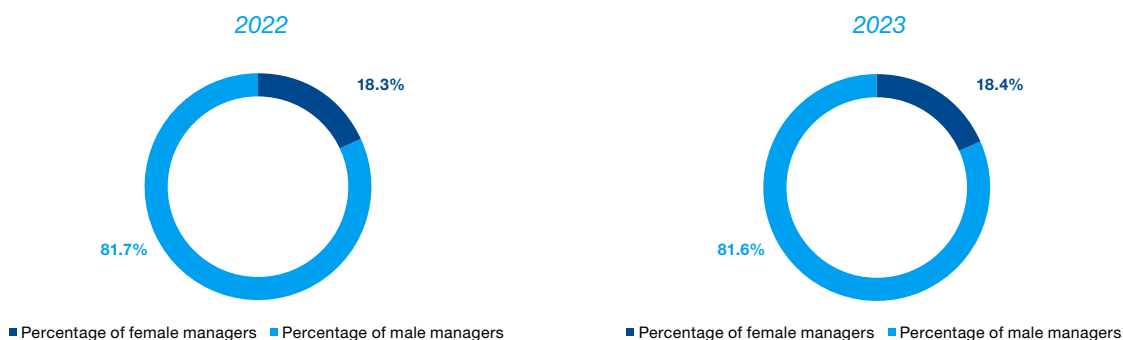
Management per Gender

	2022	2023	Percent Change
Number of management - male	58	62	7%
Number of management - female	13	14	8%
<b>Total number of management</b>	<b>71</b>	<b>76</b>	<b>7%</b>

#### FIGURE:

Gender Breakdown of the Workforce



**FIGURE:***Gender Breakdown of Management*

We prioritize gender diversity and inclusion, which is evident in the significant representation of women in key leadership positions across Markaz departments. Our commitment to fostering female talent is demonstrated through various initiatives aimed at supporting their professional growth and well-being. In 2022, we organized a seminar focusing on resilience in career management, specifically tailored for our female high-potential employees and managers. Building on this initiative, in 2023, we conducted health program sessions exclusively for women, addressing their unique wellness needs. Moreover, we ensure equal participation of women in all training programs to further enhance their skills and competencies.

**Generational Diversity**

We aim to have a workplace culture comprising employees from diverse age groups. The following table shows our largest age category is 30-50 years, followed by employees over 50. During 2023, we have seen a slight rise in the numbers of employees under 30, achieving a balance in numbers with the senior age group.

**FIGURE:***Number of Employees Per Age Group*

	2022	2023	Percent Change
Employees under 30	26	30	15.4%
Employees between 30-50	95	93	-2.1%
Employees over 50	36	35	-2.78%
<b>Total employees</b>	<b>157</b>	<b>158</b>	<b>0.64%</b>

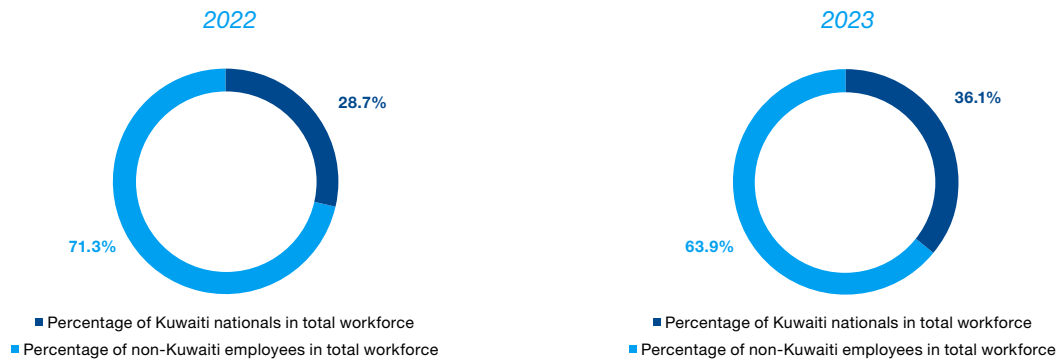
**Nationalization**

Markaz has been committed to employing Kuwaitis at various corporate levels as we consider it crucial to our community service goals. The following presents this breakdown in our workforce - where we specifically see a significant increase in our Kuwaiti employees, amidst a slight decrease in our non-Kuwaiti employees.

**FIGURE:***Number of Employees Per Nationality*

	2022	2023	Percent Change
Number of employees - Kuwaitis	45	57	26.7%
Number of employees - non-Kuwaitis	112	101	-9.82%
<b>Total number of employees</b>	<b>157</b>	<b>158</b>	<b>0.64%</b>

**FIGURE:**  
*Breakdown per Nationality of Workforce*

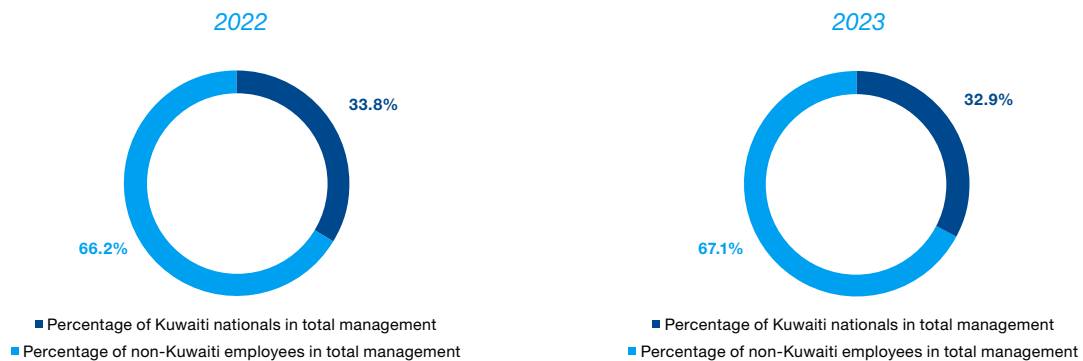


Markaz not only focuses on hiring local talent, but we are also invested in developing and promoting both Kuwaiti nationals and non-Kuwaiti employees. Accordingly, in comparison, our executive management members grew from 2022 to 2023, seeing increases in both Kuwaiti and non-Kuwaiti managers.

**FIGURE:**  
*Nationalization at Management Levels*

	2022	2023	Percent Change
Number of management - Kuwaitis	24	25	4.12%
Number of management - non-Kuwaitis	47	51	8.5%
<b>Total number of management</b>	<b>71</b>	<b>76</b>	<b>7%</b>

**FIGURE:**  
*Breakdown per Nationality of Management*

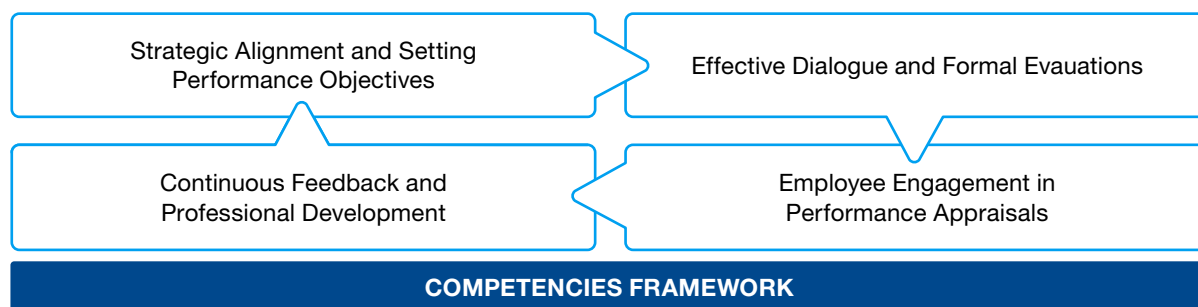


#### 4.1.2 Maximizing Performance Performance Management Process

Our Competencies Framework is foundational in identifying the essential Technical, Behavioral, and Leadership Competencies for each role. This framework serves as a benchmark to empower our employees, fostering their development to excel in their current roles while complying with regulatory standards. It is designed to support personal career growth, ensuring our business remains sustainable and continuous. Performance management at Markaz follows a four-step process (as seen in the following figure). This four-step process ensures that employees at Markaz are well-informed about the competencies framework and are actively engaged in its implementation, leading to improved performance and organizational success.

**FIGURE:**

*Performance Management Process*



Aligned with our strategic goals, performance objectives are established at the beginning of the year, with mid-year reviews to adjust objectives as necessary. This cycle ensures that our staff, from executive to non-executive levels, are aligned with our strategic vision and business plans. Performance evaluations for executives, involve direct appraisal by the CEO, Chairman, and the BOD, ensuring accountability across all levels of the organization. There are Key Performance Indicators (KPIs) in place covering the performance of the CEO and BOD specifically for the management of the organization’s impacts on the economy, environment, and people. These also cascade into the relevant objectives of senior executives and their departments.

Our approach to performance management integrates both informal and formal mechanisms. Leaders and managers are expected to engage in continuous dialogue with their teams, offering guidance, coaching, and feedback to steer performance. Formally, our internal performance management system, overseen by Human Resources, sets annual objectives by January 31 each year. Both executive and non-executive level employees have in-person appraisals conducted mid-year and year-end to review and adjust goals and assess contributions.

Employees initiate their appraisal process through self-assessment, providing a basis for discussion with their managers to reach a consensus on the final rating. In instances of disagreement, the manager’s assessment prevails. Department heads are expected to ensure consistency across evaluations. Department head evaluations are carried out with the CEO or as per reporting lines. For specific roles, such as CMA-registered positions that include the Internal Audit Officer and the Risk Management Officer, evaluations are directly conducted by the Board Audit Committee (BAC) and the Board Risk Management Committee (BRMC), respectively. In 2022 and 2023, the percentage of Markaz employees who received performance appraisals is detailed in the following figure. The remaining staff were either graduate trainees who do not receive performance appraisals within the mainstream process as they receive continuous feedback or other staff who were not applicable for appraisal.

**FIGURE:**

*Performance Appraisal for Employees*

	2022	2023	Percent Change
Percentage of employees appraised	84%	89%	5%
Employees who received performance appraisals	132	140	6%
Executive level employees who received feedback on their performance appraisals	5	6	20%
Non-executive level employees who received feedback on their performance appraisals	127	134	6%

Markaz emphasizes continuous feedback across all levels, with a focus on maximizing employee potential and aligning performance with organizational goals. Our performance management framework, restructured to reflect our strategic drivers, is supported by clear and transparent communication from the Human Resources, Strategic Planning, and Corporate Communications Departments. This ensures a meritocratic work environment that values professional development and recognizes individual and team successes. Through these structured yet flexible approaches to performance management and competency development, Markaz commits to fostering a culture of excellence, accountability, and continuous improvement, underpinning our leadership in the marketplace.

### Compensation and Remuneration

Markaz conducts regular salary and benefits surveys within the local market, supplemented by formal assessments from external consultants every two to three years. Adjustments to salary ranges within our grading structure are facilitated through the BNRC and BOD when necessary. Both employee salary ranges and benefits undergo scrutiny by the BNRC and BOD, with executive management remuneration detailed in the Remuneration Register, subject to approval at the Annual General Meeting (AGM) assembly by shareholders.

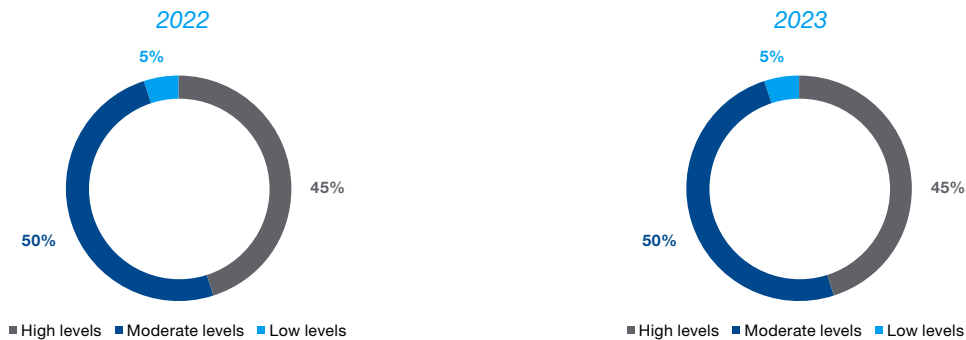
Aiming to ensure competitiveness and regulatory compliance, external consultants are engaged in employee-level market surveys and guidance on salary and benefit structures. Similarly, advice on top executive and board remuneration is sought from external consultants, aligning with industry standards and regulatory requirements set by the Capital Markets Authority (CMA) of Kuwait.

All remuneration policies and proposals are vetted, with executive management remunerations reviewed by BNRC and approved at the AGM without objections, underscoring the alignment with stakeholder expectations. Markaz’s transparent pay policies and practices have garnered favorable feedback from stakeholders, with no adverse comments reported. Incentives, typically awarded annually, are contingent upon achievement of objectives, with specific schemes tailored to performance outcomes, such as sales-related incentives, adjusted based on investment results. Variable pay, awarded as multiples of monthly salary, is tied to individual and business area performance, reinforcing contributions to overall organizational success. In accordance with ESG principles, we make certain that there is no gender pay gap at Markaz.

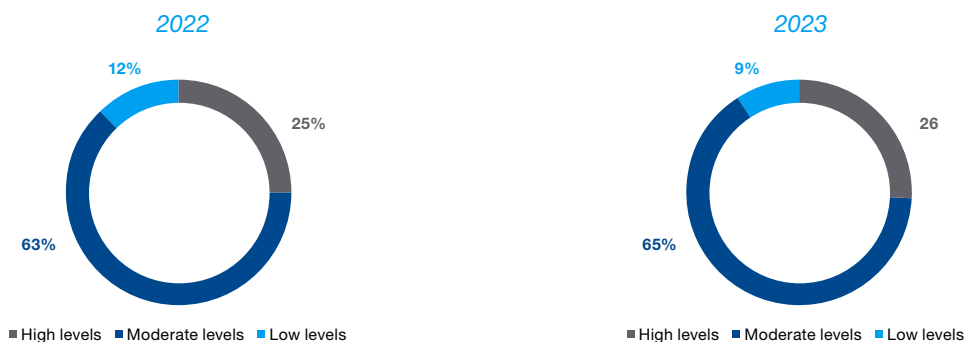
The following figure depicts a breakdown of our operations according to business segments as per employee specialization, education and qualification and our operations according to business segments with varying levels of compensation.

**FIGURE:**  
*Breakdown per Business Segments*

Operations in business segments with levels of employee specialization, education and qualification needs.



Operations in business segments with levels of compensation.



Parental leave is considered a priority at Markaz. In 2022, five of our employees (four male and one female) took parental leave and in 2023, seven of our employees (six male and one female) took parental leave. All these employees have returned to work and have been retained. Markaz not only preserves the basic rights of our employees but endeavors to adopt best practice by providing additional benefits.

Looking specifically at one of our retirement and indemnity benefits, the amounts spent per year are shown in the figure below.

**FIGURE:**

*Retirement and Indemnity at Markaz*

	Amount spent in KD in 2022	Amount spent in KD in 2023	Percent Change
<b>Total amount spent on employee retirement and indemnity</b>	<b>607,775.14</b>	<b>496,983.95</b>	<b>-18.2%</b>

**Talent Attraction, Retention and Turnover**

Markaz focuses on managing turnover and employee retention rates, as these are vital metrics of our sustainability progress. Recognizing the significance of this, we proactively monitor and evaluate employee retention and turnover metrics.

According to data collected for 2022, turnover rate stands at 4.62% and hiring levels have stayed consistent through 2022 and 2023 with an 11% increase. There has been a sharp increase in turnover rate in 2023, climbing to 12.06%. Further information is given in the following figure.

**FIGURE:**

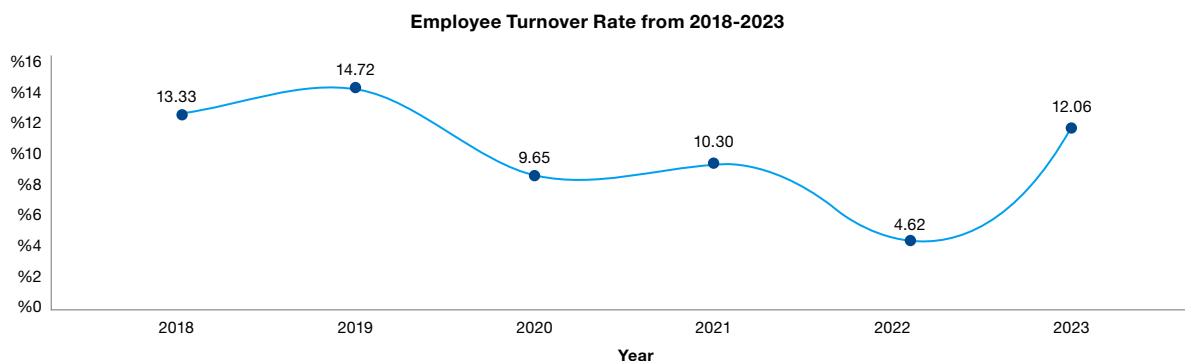
*Employee Turnover Rate and New Hires in 2022 and 2023*

Employees	2022	2023	Percent Change
New hires	18	20	11%
Turnover rate	4.62%	12.06%	161%

From 2018-2023, we can see that an overall downward trend has been recorded for turnover rates. Markaz continues to direct efforts towards maximizing employee retention and minimizing turnover in the future.

**FIGURE:**

*Employee Turnover Rates from 2018-2023*



Markaz prioritizes continuing employee satisfaction and effective turnover management, and to this end, we rely on honest engagement at all stages of an employee’s journey with us. Our Human Resources (HR) Department conducts comprehensive employee engagement surveys every two to three years, tailored to our organizational scale. These surveys also focus on service quality and identifying areas of improvement. The results of these surveys

are shared with executive managers, followed by employee briefings and feedback sessions. Furthermore, this information is communicated transparently to the BOD, emphasizing our commitment to continuous improvement and employee well-being. We also conduct exit interviews to gather valuable insights that inform improvements in our operations. It is notable that in 2022-2023 we have received zero employee related complaints.

Transparency is a cornerstone of our organizational culture, and we keep our employees informed of operational changes through various channels, including internal memos, announcements, newsletters, emails, WhatsApp groups, and visual graphics, ensuring timely communication. As a result of such endeavors and continuous improvement in the workplace environment, Markaz has maintained relatively high retention rates in 2022 and 2023.



### Talent Development

Among our various initiatives in talent development and in maximizing the potential of our human resources, we focus on bringing in new and young talent. The following table gives more details on the fresh graduates hired by us in 2022-2023.

#### FIGURE:

#### Intake of Fresh Graduates

Hired Fresh Graduates	2022	2023	Percent Change
Male	3	4	33%
Female	7	6	-14%
<b>Total</b>	<b>10</b>	<b>10</b>	<b>0%</b>

Another key initiative is the Markaz Graduate Development Program (MGDP), first inaugurated in 2017 and continuing strong with the intake of its fifth and sixth batches of graduates in 2022 and 2023, respectively. MGDP by Markaz is a primary pillar of our talent attraction/development efforts and is designed for graduates to gain a year-long immersive experience that will equip them with essential skills. The program, which commences in February each year, combines on-the-job training at Markaz with supplementary training sessions, ensuring a holistic development approach over 12 months. Eligibility is decided by a series of qualifying tests and interviews. Upon acceptance, graduates undergo a two-month rotation across all departments to gain comprehensive exposure before being assigned to a specific department for the remaining ten months. During this tenure, they engage in business activities, case studies, financial analysis, and research projects.

Throughout the program, emphasis is placed on refining general business acumen and interpersonal skills, covering areas like business etiquette, negotiation, presentation, planning, organizing, and problem-solving. Markaz views this initiative as an opportunity to mentor fresh graduates, providing insights into the investment banking industry and fostering independence.

This program is specifically tailored to nurture leadership competencies such as critical thinking, innovative thinking, and managing change and complexity. Graduates completing the program not only gain valuable experience in a leading investment institution but also develop meaningful connections with leaders and colleagues. They receive a letter of experience and a course completion certificate as tangible acknowledgments of their journey.

MGDP is a part of our ongoing Corporate Social Responsibility (CSR) initiative to build human capabilities and promote youth development. This is one of our primary corporate social responsibilities since this is in line with helping Kuwait maintain its role as a regional financial hub, which is vital to Kuwait Vision. Since establishing MGDP, Markaz has trained 57 graduates in total through this program, hiring 42% of the program’s participants.

### 4.1.3 Investing in Our People

#### Employee Training and Skills Upgradation

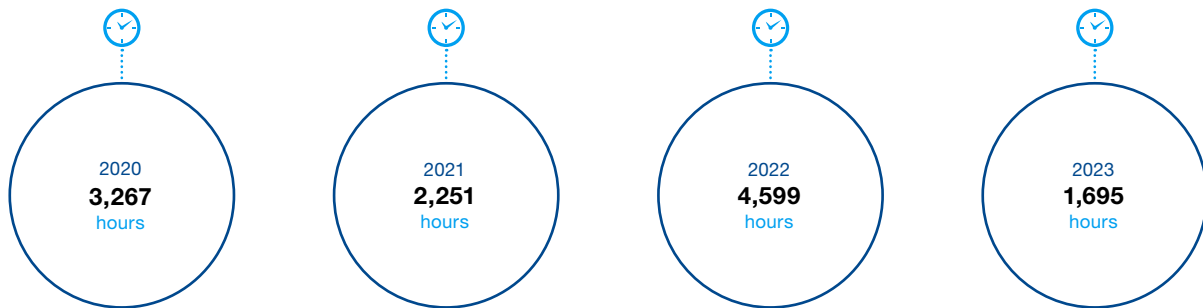
Every year, in October, we review employee competency frameworks and identify specific development needs. Then, in November/December, we set training plans and budgets for the following year. Finally, in January/February, we finalize the training calendar. This structured approach ensures that our team members are equipped with the necessary skills for the financial year. For instance, recognizing the increasing need of our employees to engage with the press and speak publicly, we organized a week-long media training. This initiative aimed to empower them and present our brand to clients in a more efficient manner. As a result, participants culminated their training by taking part in a public speaking event.

Since developing our people is a key factor attributed to Markaz’s growth, we see training and skills upgradation as a non-negotiable element. In 2022, for our corporate employees, Markaz recorded the highest in total training hours since 2018 with an average of 29.3 hours clocked per employee. However, these figures were recorded at 29.3 training hours per employee in 2022 and 10.7 training hours per employee in 2023. 100% of our employees have received training in both 2022 and 2023, with an average of 3.9 days of training in 2022 and 1.4 days of training in 2023 per employee - all of which assume 7.5 working hours per day.

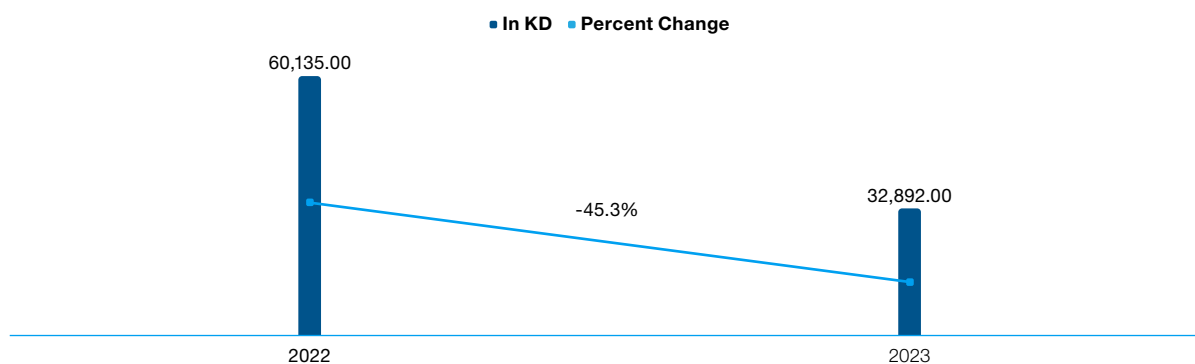
In terms of total amount spent on training, there has been a significant increase in KD amount from 39,074 in 2021 to 60,135 in 2022 and we record a drop to 32,892 in 2023. A variety of topics were presented; notably, topics covered in our job-specific development training programs include a masterclass on Business Valuation, Mergers & Acquisitions, Derivatives and Balance Sheet Management, Know Your Client (KYC), Power BI and Advanced Excel Training workshops, Real Estate Investment and Real Estate Financial Modeling, among others. It is also worth noting that attendance for the Financial Crime Course for Anti-Money Laundering was made mandatory and was attended by 100% of our employees in both 2022 and 2023. For a detailed list of all training programs held, see Annex 7.1.

**FIGURE:**

*Total Training Hours Trend*





**FIGURE:***Total Amount Spent on Employee Training***Webinars in 2022-2023**

Markaz holds webinars throughout the year covering matters related to market trends and opportunities and innovations in technology among others. In 2022, Markaz attended a webinar held by Doha Bank under the theme “Bilateral and Synergistic Opportunities between Qatar and Kuwait”. Markaz also hosted Markaz House Views, an investment webinar on navigating markets. In 2023, six sessions of Technology Hour were held, where Markaz presented insights to employees on a plethora of tech-related topics that aid in operational processes and financial crime prevention. The GCC Emerging Markets Webinar was presented by Marmore, discussing key attributes that differentiate the GCC from other emerging markets and highlighting how it stands out as an attractive investment opportunity.

**Occupational Health and Safety**

As Markaz places importance on employee well-being, we provide employee benefits such as health insurance coverage for employees and their families, including spouses and up to two children under the age of 22, round-trip economy/business class tickets, and life insurance coverage for staff members. 100% of our employees are covered by an occupational health and safety management system. There were three incidents in total regarding workplace injuries in both 2022 and 2023 combined. Further information and breakdowns are found as follows.

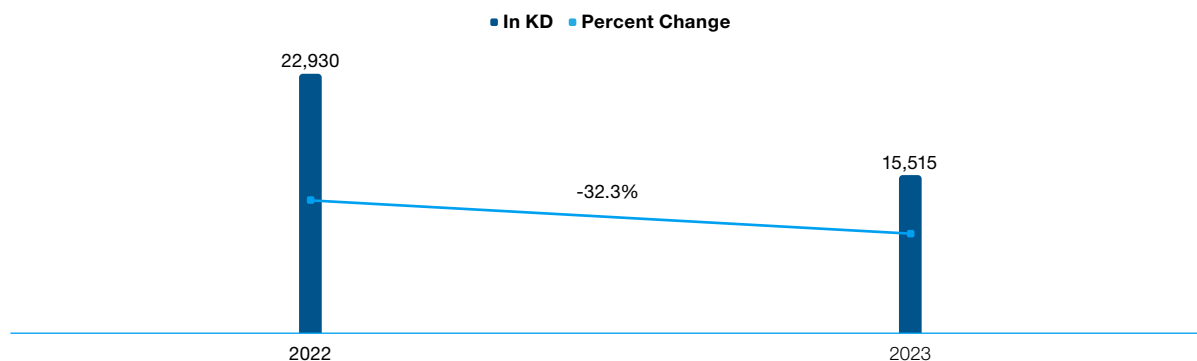
**FIGURE:***Total Training Hours Trend*

	Amount spent in KD in 2022	Amount spent in KD in 2023	Percent Change
Total amount spent on occupational health and safety	95,389.70	104,320.00	9.4%
Total amount spent on insurance premiums	163,344.09	183,751.50	12.5%

## Employee Engagement

Markaz values employee engagement and understands its positive impact on our people. The following table highlights the breakdown of our expenditure for employee engagement activities in 2022-2023.

Figure: Expenditure for Employee Engagement Events



### SIDEBAR:

#### Marmore's Rewards and Recognition



Marmore started an employee rewards and recognition program and upskilling support program as a part of the initiatives to reward and retain talent.

### FIGURE:

#### Selected Employee Engagement Events in 2022 and 2023

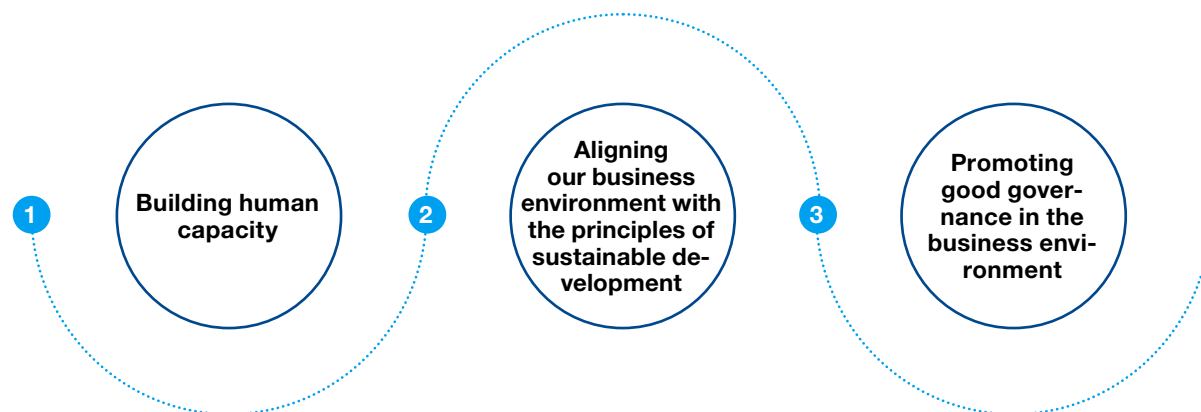
Events held in 2022	Brief description of the event	Event category
International Women's Day	Internal initiative in which all women at Markaz were shown gratitude and given gifts	CSR
Breast Cancer Awareness Seminar	Seminar and Q&A in collaboration with a doctor from Taiba Hospital	CSR - Health
Padel Tournament	Padel tournament aiming to boost employee engagement and bring them closer together	Sport and Wellness
Graish Gathering	Annual Ramadan traditional celebration	Culture
Ghabgha Gathering	Annual Ramadan traditional celebration	Culture
Year End	Annual celebration	Culture
Markaz Graduate Development Program Welcome	Welcoming the new batch of trainees	Training
Environmental Day	Mini awareness campaign and plant-able giveaways	Environment
Karting	Go karting event for employees	Team Building
Escape Room Event	Team-building event in which teams had to solve puzzles to escape a room	Team Building

Events held in 2023	Brief on the event	Event category
International Women's Day	Internal initiative in which all women of Markaz were shown gratitude and given gifts	CSR
Breast Cancer Awareness Seminar	Seminar and Q&A in collaboration with a doctor from Taiba Hospital	CSR and Health
Embracing Change with Dr. Zaina Al Zabin	Seminar provided to employees by psychologist Dr. Zaina Al Zabin	Wellness
Wellness Event by DISC	Event focused on proper desk posture given by physiotherapists at DISC	Health and Wellness
Open Day	Event held for Markaz staff and their family members	Culture
Graish	Annual Ramadan traditional celebration	Culture
Markaz Journey of Evolution	Event focused on Markaz's journey since inception to date	Culture
Year End	Annual celebration	Culture
Markaz Graduate Development Program Farewell	Graduation of trainees and congratulating the selected employees-to-be	Training
Markaz Talks - Media Training	Training and public speaking event	Training
UIC Padel	Padel sporting event with the Union of Investment Companies (UIC)	Team Building
Virtual Reality Event	Team-building event playing on Virtual Reality (VR)	Team Building

## 4.2 Community Engagement

### Our Corporate Social Responsibility (CSR)

It has been our constant priority to actively participate in community service and contribute to building a strong and sustainable economy in Kuwait. We have adopted a corporate social and economic responsibility strategy aimed at fulfilling Markaz's responsibilities to society and the national economy. Markaz's CSR Strategy is key in realizing these efforts, and it falls under three main pillars:



In this section we focus on Markaz's first strategy pillar of building human capacity. This pillar is founded on our belief that a long-term and sustainable future for Kuwait rests upon the skills and capabilities developed in each individual, especially the youth. Here we delve deeper into the various ways we have worked with and supported some key non-profit organizations to achieve this end.

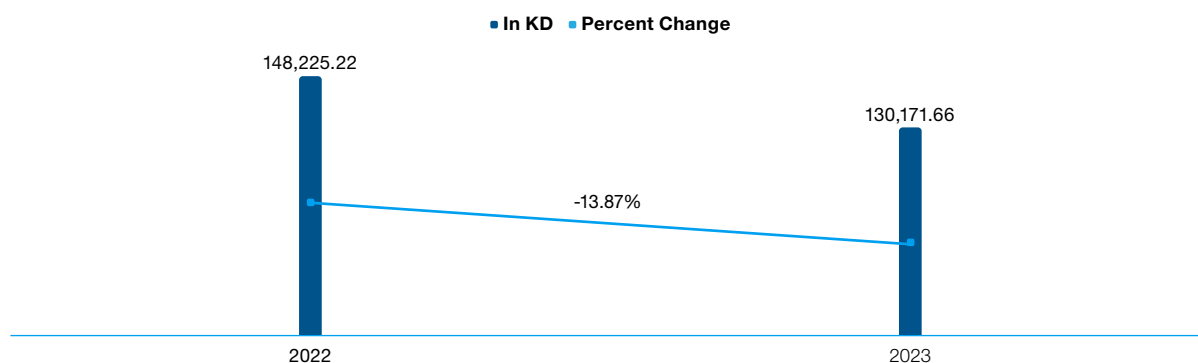
### Creating Impact in Our Community

We understand that education and knowledge form the bedrock to achieving sustainable success as a community, in alignment with UN Sustainable Development Goals (SDG's), Bursa Sustainability Indicators, and New Kuwait Vision pillars, among others. We focus our efforts on contributing to society through community empowerment, engagement, investment, sponsorship, etc. We do so by collaborating with HR to provide training courses to our youth and people. We also organized an introductory seminar on the stock lending service at Bursa Kuwait,

and our Markaz Graduate Development Program (MGDP) is a part of our ongoing CSR initiative to build human capabilities and promote youth development. Engaging the community in our work is one of our primary corporate social responsibilities since this is in line with helping Kuwait maintain its role as a regional financial hub, which is vital to Kuwait Vision 2040.

Following is a brief overview of our main accomplishments for 2022- 2023. Aligning with the building human capacity pillar of our CSR strategy, Markaz extended its partnerships with several local organizations and non-profits. Markaz contributed KD 278,397 towards community engagement over the reporting period of 2022-2023. This expenditure includes supporting events, charitable donations, and sponsorships in support of youth, children and other deserving strata of society. For a yearly breakdown, the following provides a brief overview of Markaz's community involvement, segmented by social categories according to each partnering organization.

**FIGURE:**  
*Expenditure for Community Engagement Events*



**FIGURE:**  
*Brief Overview of Community Engagement Initiatives in 2022*

Social Category	Partnering Organization	Brief Summary
Youth	Deep Consultancy	Provided sponsorship for Public Speaking workshop - Speak Up Kuwait. It aimed to enhance public speaking skills for senior university students and fresh graduates through a multi-week mentorship scheme.
	Loyac Al Jawhar Program	Supported its annual activities that aim to empower youth and build their skills through workshops, training programs, internships and other activities.
Sport, Youth	Loyac AC Milan Soccer School	Contributed to its soccer youth academy, which has lasted for 13 years and led to the training of more than 360 young players across the country.
Healthcare	Kuwait Association for the Care of Children (KACCH) and Bayt Abdullah Children's Hospice (BACCH)	Provided healthcare for children in need by contributing to the Kuwait Association for the Care of Children in Hospital (KACCH), supporting nearly 30,000 Child Life-related services across 8 hospitals and 2,500 similar services in Bayt Abdullah Children's Hospice (BACCH).
	Children's Cancer Center of Lebanon (CCCL)	Renewed our Gold Sponsorship of the CCCL, a non-profit organization that provides free treatment and psychosocial support to children and families affected by cancer.
	Panattoni - Cycling	Involved in Panattoni – as five riders from Panattoni Team (one of our real estate partners) participated in the 1,000 km, five-day journey from Paris to the Marche International des Professionnels l'Immobilier (MIPIM) world real estate conference in Cannes by bike, to promote a healthy lifestyle and raise funds for the Institute Curie, a leading player for combatting cancer.
	The Gulf Federation for Cancer Control (GFCC)	Made a donation to the GFCC.

Good Governance in Business	Arab British Chamber of Commerce - Arab British Economic Summit	Promoted bilateral trade and investment between Britain and the Arab countries.
	Rahhala	Sponsored Valuation and Investor Pitchbook.
	Al Iktissad Wal-Aamal Co. - the 28 <sup>th</sup> Arab Economic Forum (AEF)	Participated in a forum to discuss mobilizing investments needed to fund the exploration and production of oil and gas, marketing, building the national supply chain for oil and gas, establishing good governance to safeguard expected revenues from exports.
	Soroptimist International Kuwait Society-Corporate Directors Program	Supported professional women who seek societal growth and development.
	MoneyTech by Al-Jarida	Participated as a “Strategic Partner” in the first edition of the MoneyTech Summit.
Education	Indian English Academy School (IEAS)	Donated to the IEAS supporting students in need.
	Society of Engineering and Petroleum (SPE) - Kuwait University (KU)	Sponsored the KU SPE graduation event.
Charity	United Nations High Commissioner for Refugees (UNHCR)	Involved in Ramadan Sponsorship for Winter Campaign and Support.
	Kuwait Red Crescent Society (KRCS)	Supported activities as a “Humanitarian Partner – Gold” with the KRCS.

**FIGURE:***Brief Overview of Community Engagement Initiatives in 2023*

Social Category	Partnering Organization	Brief Summary
Youth	Loyac Al Jawhar Program	Supported its annual activities that aim to empower youth and build their skills through workshops, training programs, internships and other activities.
	Deep Consultancy	Sponsored the Public Speaking workshop - Speak Up Kuwait - which aimed to enhance public speaking skills for senior university students and fresh graduates through a multi-week mentorship scheme.
	Watheefti	Participated as a primary sponsor for the first Watheefti careers fair. Attracting more than 20,000 visitors, it showcased Markaz as one of the key Kuwaiti companies attracting national talent and future leaders.
	L'Institut Francais du Koweit	Support and promote cultural cooperation between France and Kuwait for the youth.
Healthcare	KACCH/BACCH	Renewed our contribution to the Kuwait Association for the Care of Children in Hospital (KACCH), supporting nearly 30,000 Child Life-related services across eight hospitals and 2,500 similar services in Bayt Abdullah Children's Hospice (BACCH).
	Children's Cancer Center of Lebanon (CCCL)	Renewed our Gold Sponsorship of the CCCL, a non-profit organization that provides free treatment and psychosocial support to children and families affected by cancer.
	The National Anti-Drugs Media Project (Ghiras)	Supported anti-drugs initiatives with Ghiras.
	Fawsec Medical Company	Sponsored a charity marathon where funds go to healthcare.
Sport, Youth	Loyac AC Milan Soccer School	Contributed to its soccer youth academy, which has lasted for 13 years and led to the training of more than 360 young players across the country.
	The English School (TES)	Made a donation to improve their school playground to contribute to the students' skills development.

	Arab British Chamber of Commerce - Arab British Economic Summit	Promoted bilateral trade and investment between Britain and the Arab countries.
	Al Iktissad Wal-Aamal Co. - The 29 <sup>th</sup> Arab Economic Forum (AEF)	Participated in a forum to discuss mobilizing investments needed to fund the exploration and production of oil and gas, marketing, building the national supply chain for oil and gas, establishing good governance to safeguard expected revenues from exports.
Good Governance in Business	Soroptimist International Kuwait Society-Corporate Directors Program	Supported this program, which provided participants with tools to positively impact good governance practices, procedures and sustainable growth by improving corporate governance practices and highlighting importance of gender diversity in boardrooms.
	Public Private Partnership (PPP) Conference	Supported the second Kuwait Public Private Partnership (PPP) Conference – conducted to facilitate mega projects in line with the state’s directives and efforts towards achieving the sustainable development goals.
	Business France	Participated as a Gold Sponsor of the Golfe Vision 2023 conference, a new platform aimed at fostering greater business collaboration between France and countries within the Gulf Cooperation Council (GCC).
	MoneyTech by Al-Jarida	Participated as a “Strategic Partner” in the second edition of the MoneyTech Summit.
Education	Indian English Academy School (IEAS)	Made a donation to the IEAS supporting the students in need.
	Australian University (AU)	Sponsored the Spring Engineering Graduation on-campus project exhibition at AU.
	Loyac for National Training and Consulting Co.	Provided media training for employees.
Charity	UNHCR	Donated to extend support for its humanitarian missions.
	Kuwait Red Crescent Society (KRCS)	Supported activities as a “Humanitarian Partner – Gold” with the KRCS.



# 5

## *Integrity in Our Leadership*



**UN Sustainable Development Goal (SDGs)**

- 8** Decent Work and Economic Growth
- 16** Peace, Justice and Strong Institutions



**New Kuwait Vision**

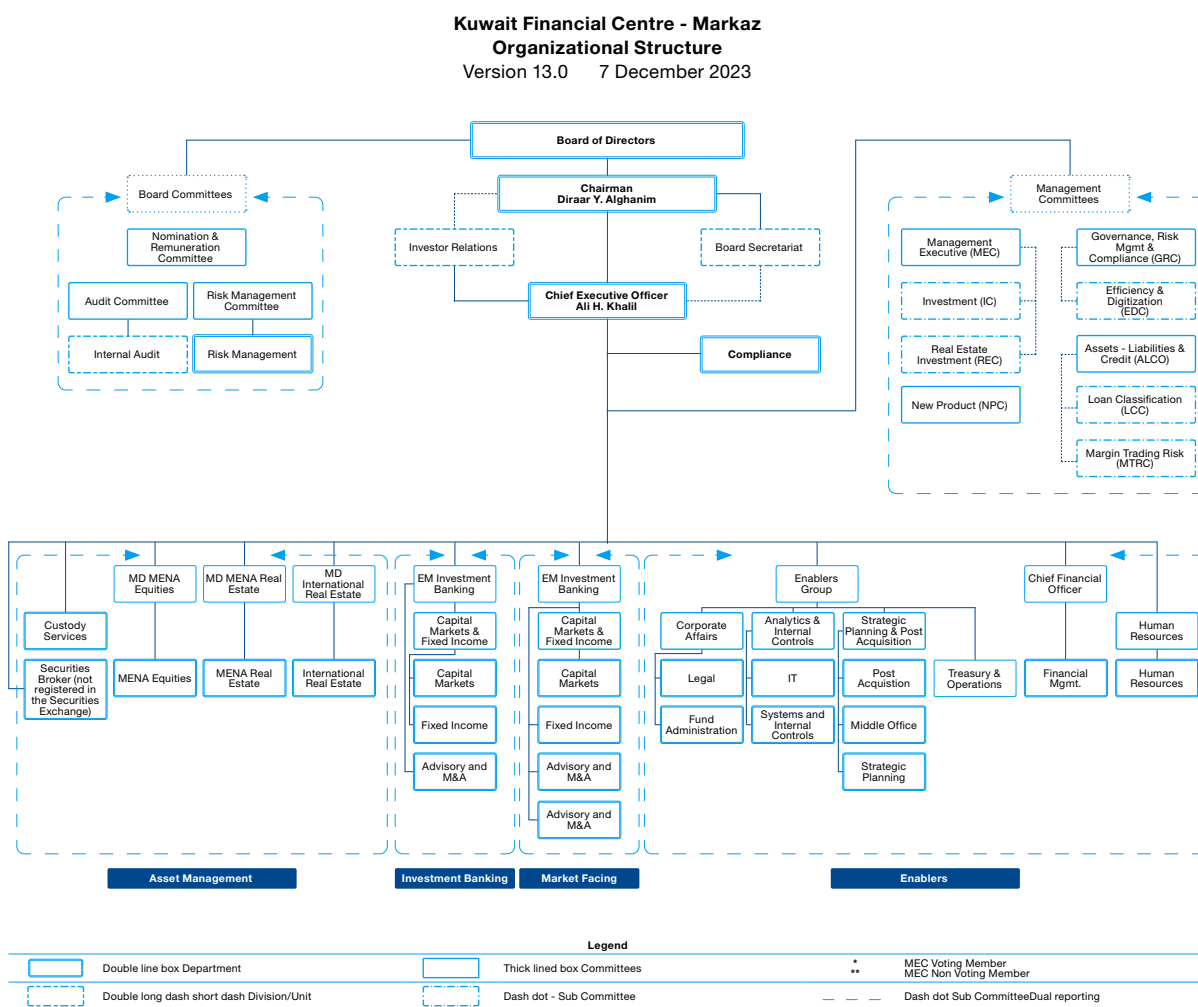
- Global Positioning**

### 5.1 Corporate Governance

Markaz’s corporate governance has a framework that is an integrated system of values and principles reflected in our organizational structure, policies, and procedures. We aim to promote transparency and accountability through sound governance systems that involve ample internal controls and set risk tolerances. We are committed to continued value creation for shareholders within a collaborative and ethical culture driving growth and performance while being cognizant of the Company’s obligations to its stakeholders, the financial community and society. In this section, we take a comprehensive look at Markaz’s organizational structure, Executive Management (EM), Board and Management committees and shareholder rights.

As shown in the following figure, Markaz’s organizational structure has the Board of Directors (BOD) and Executive Management at the helm, with the BOD committees reporting directly to the Board, and Management committees comprising Executive Management members. The structure functions under the principles of responsible and sound corporate governance. The roles and responsibilities of the BOD and Executive Management have been well defined, along with the powers and authorities held by the Executive Management.

**FIGURE:**  
*Organizational Structure*





## Board of Directors (BOD)

The BOD comprises seven members, of which three are independent directors as per Kuwait Capital Markets Authority (CMA) Bylaws and Markaz's criteria, while four are non-independent. The following members were elected by Markaz's General Assembly for a tenure of three years, with all our BOD members having relevant industry experience.

The following figure displays some details per BOD member. Our BOD members have had an average attendance rate of 89% over nine meetings in 2022 and 87% over 14 meetings in 2023. Looking at demographic aspects, we have also noted that 100% of the BOD are of local Kuwaiti nationality, and we disclose that 100% of the BOD is composed of male members at this time.

**FIGURE:**  
*BOD Details*

Board Member	Status of Independence	Gender	Age	Nationality	Attendance Rate for 2022	Attendance Rate for 2023
Diraar Alghanim	Chairman	Male	81	Kuwaiti	100%	93%
Faisal Al Jallal	Vice Chairman	Male	80	Kuwaiti	89%	64%
Ayman Alshaya	Non-executive	Male	65	Kuwaiti	67%	71%
Fahed Al Jouan	Non-executive	Male	55	Kuwaiti	100%	93%
Adel Al Ghannam	Independent	Male	56	Kuwaiti	100%	93%
Omran Hayat	Independent	Male	57	Kuwaiti	89%	93%
Fahad Aldalali	Independent	Male	43	Kuwaiti	78%	100%

## Markaz's Board Committees

In 2023, Markaz had three active Board committees. The BOD follows established procedures to nominate and approve all members of Board committees. Additionally, the BOD is responsible for defining and endorsing the charters for each committee, establishing corporate-wide policies and procedures, determining authorities and their corresponding limits, as well as implementing suitable systems and internal control mechanisms. The following table provides a brief description of each committee and its members.

**FIGURE:**  
*Markaz's Board Committees*

Committee Name	Main Responsibilities	Committee Representative	Independence Status
Board Audit (BAC)	<p>The BAC oversees regulatory compliance, financial reporting, and audit processes, ensuring Markaz maintains a robust compliance culture.</p> <p>It is tasked with fostering a compliance culture within Markaz, safeguarding the independence of external auditors, and reviewing the Company's financial reports. Additionally, the BAC is responsible for confirming that internal controls are both adequate and effective.</p> <p>Key responsibilities include reviewing accounting policies, examining financial statements, and coordinating meetings with internal and external auditors to ensure thorough internal control reviews. The Committee is also involved in issuing reports to the Annual General Meeting (AGM), discussing internal audit reports and their follow-ups, and overseeing the appointment of the internal audit (IA) firm, including the planning, status updates, and observations of internal audits. Furthermore, it evaluates the performance of the internal audit officer, setting Key Performance Indicators (KPIs), addresses regulatory inspections, and reviews periodic reports on compliance, complaints, and loans, ensuring comprehensive oversight and follow-up on all matters related to Markaz's audit and compliance.</p>	Chair: Faisal Al Jallal	1 Independent Member (Fahad Aldalali)

Board Risk Management (BRMC)	The Committee assists the BOD in overseeing Markaz's risk management by identifying, evaluating, monitoring, and mitigating risks. It is responsible for establishing the organization's risk strategy, appetite, policies, and comprehensive risk management framework, including setting and periodically reviewing the Risk Framework and Anti-Money Laundering (AML) Key Risk Indicators (KRIs). Additionally, the Committee ensures the independence of the Risk Department and oversees the development and implementation of risk policies and procedures.  Key responsibilities also involve the preparation and review of various reports: the Quarterly Risk Report, the issuance of a Risk Report to the BOD, a Semi-annual Risk Report for the CMA, and reports on AML KRIs, Risk Control Self-Assessment (RCSA), legal issues, staff turnover, succession planning, operational concerns, and breaches.	Chair: Fahed Al Jouan	2 Independent Members (Adel Al Ghannam Omran Hayat)
Board Nomination and Remuneration (BNRC)	The BNRC is responsible for reviewing Markaz's organizational chart, succession plan, salary scales, formulating policies and making recommendations to the BOD on nominations of BOD members and Executive Management members. The Committee also handles remuneration systems and policies. Additionally, the committee issues the Corporate Governance (CG) Report including a summary of the remuneration schedule.	Chair: Diraar Alghanim	1 Independent Member (Adel Al Ghannam)

### Markaz's Management Committees

The BOD has established four Management committees, which have under their jurisdiction sub-committees to assist with the oversight of various Markaz operations and supervise decision-making. Each Management committee fulfills its roles as defined by the BOD Policies. The following table provides an overview of the responsibilities of each committee and its associated sub-committees.

#### FIGURE:

#### Markaz's Management Committees

Committee Name	Main Responsibilities	Chairman	Sub-committees
<b>Management Executive Committee (MEC)</b>	The MEC is tasked with deliberating on strategic matters, such as strategy, budgets, business plans, and asset allocation, as well as endorsing products and services suggested by different business units.	Ali Khalil	<ul style="list-style-type: none"> <li>■ Investment (IC) Real</li> <li>■ Estate Investment (REC)</li> </ul>
<b>New Product Committee (NPC)</b>	The role of the NPC is to expedite the advancement of new products while also enhancing their implementation processes.	Abdullatif Al-Nusif	N/A
<b>Governance, Risk Management &amp; Compliance Committee (GRC)</b>	The primary function of the GRC involves evaluating the framework for Governance, Compliance, and Risk Management. Additionally, it oversees IT, legal, and compliance matters, approves software, and fulfills the functions of the Governance and Ethics Committee.	Pradeep Rajagopalan	<ul style="list-style-type: none"> <li>■ Efficiency &amp; Digitization (EDC)</li> </ul>
<b>Assets – Liabilities &amp; Credit Committee (ALCO)</b>	The responsibilities of ALCO include approval of borrowings and loans other than loans granted to groups, staff, loans granted to related party or loans with exceptions to covenants which need BOD approvals, also ALCO is monitoring cash and loan positions, and overseeing the diverse risk factors linked to Markaz's assets and liabilities.	Ali Al-Shamali	<ul style="list-style-type: none"> <li>■ Loan Classification (LCC)</li> <li>■ Margin Trading Risk (MTRC)</li> </ul>

### Markaz's Shareholder and Stakeholder Rights

Markaz is dedicated to safeguarding shareholders' rights, as evidenced by the approval of BOD policies aimed at ensuring the protection of all shareholders' rights. These policies, an important aspect of ESG, grant shareholders the ability to exercise their rights as outlined in the Companies Law and the CMA directives. Key provisions include the right to:

- Be treated on par with other shareholders
- Record the value of shares owned in the Company's records
- Transact in shares by assigning and/or transferring the ownership of shares
- Receive their share of dividend distribution and bonus shares
- Receive their share of Company's assets, in case of liquidation
- Receive information and data related to the Company's activities and its operational and investment strategies on a regular and timely basis

- Participate in the General Assembly meetings of shareholders and voting on decisions
- Elect members to the BOD
- Monitor the Company's performance in general and the BOD in particular
- Hold the BOD and the Executive Management of the Company accountable and to file claims if they fail to perform their entrusted duties
- View the Company's Articles and Memorandum of Association, General Assembly minutes, and the shareholder and bondholder registers at the registered address of the Company
- Dispose of the shares owned by the shareholder and to exercise pre-emption rights to subscribe for new shares and bonds or sukuk in accordance with the provisions of the Companies Law and the Company's Articles and Memorandum of Association

In addition to the aforementioned, the shareholders hold specific rights relating to General Assembly, such as the right to:

- Request a general assembly meeting if the shareholder holds a minimum of 10% of the Company's capital
- Grant power of attorney in writing to another shareholder to attend the general assembly meeting
- Discuss the matters listed in the agenda and to question the BOD and External Auditors on the same
- Receive information on the voting rights, rules and procedures

The Company shall not bar any of these rights for any class of shareholders or lay down criteria, which may discriminate between the classes of shareholders in order to establish such rights.

In 2014, Markaz established the Investor Relations (IR) Unit to enhance transparency and communication with stakeholders. This unit is tasked with providing timely information to shareholders, addressing investor complaints, and responding to inquiries from ESG raters. Additionally, the IR Unit manages the Shareholders' and Bondholders' Registers, ensuring access for shareholders and maintaining open lines of communication through quarterly earnings presentations, investor briefings, competitor analyses, and market intelligence reports.

## 5.2 Risk Integration

Considering a global context, which has shown volatile tendencies in recent times, Markaz has adopted a comprehensive risk management framework, which positions us to assess, mitigate and manage various risk categories, the foremost being ESG. The primary aim of Markaz is to help boost our market performance and profit targets by maximizing opportunities and minimizing the impacts of adverse situations. We have implemented an Enterprise Risk Management (ERM) based approach towards risk management at the corporate level.

### **Risk Management Framework**

A well-defined ERM framework has enabled us to ensure risk integration across operations and establish consistency in processes. Our Risk Management Department is fully independent and reports to the BRMC. The implementation of the ERM-based framework and review of periodic Risk Management reports are directly supervised by the BRMC and are presented to the BOD. As an integral part of sustainable development, Markaz has in place a robust Business Continuity Plan, which outlines a series of actions to undertake to prevent or recover when untoward events disrupt normal business operations. Based on the risk assessment and its level of criticality, appropriate risk mitigations are defined with the responsibilities assigned to the respective departments.

**FIGURE:**  
ERM based Risk Management Processes (ISO 31000)



The Risk Management Department’s primary role is to detect, assess, track and communicate enterprise-wide risks inherent in Markaz’s business operations. Our comprehensive risk management framework ensures that Markaz’s risks are governed with appropriate risk management systems and internal controls. As a part of a risk integration approach, all the business units, Risk Management Department and the Internal Audit Unit are considered as key pillars for the effectiveness of the overall risk management framework. The Risk Management Department evaluates the critical risks through the defined Key Risk Indicators and monitors the adherence to the risk tolerance set by the BOD reporting quarterly to the Board Risk Management Committee (BRMC) and semi-annually to the BOD. The Department not only conducts periodic risk control and monitoring activities, and sets the appropriate internal policies, procedures, and control mechanisms, but is also in a continuous process to enhance its risk monitoring abilities through appropriate tools and systems. The Risk Management Department employs qualified individuals who have technical and professional experience in the field for these tasks and the Risk Officer is registered with the CMA.

### Risk Management Strategy

Risk management in investments and liquidity is a critical aspect of financial planning and portfolio management, aimed at minimizing potential losses without significantly compromising returns. Effective risk management in investments and liquidity is not about eliminating risk altogether but managing it in a way that aligns with the investor's goals, risk tolerance, and investment horizon. By employing these strategies, investors at Markaz are navigating market uncertainties and enhancing the resilience of their portfolios against adverse events. An essential component of Markaz’s comprehensive risk management strategy is that it aligns with a strategy review. We incorporate this dynamic process and employ a structured approach to maintain sustainable positioning and alignment amidst evolving market dynamics.

### Summary of Selected Types of Risks

Markaz’s activities are exposed to a variety of financial risks, namely: market risks (including foreign currency risk, interest and profit rate risk, and equity price risk), credit risk and liquidity risk. The most significant selected financial risks to which Markaz is exposed are described as follows.

### A. Market Risk

Markaz operates across various regions including the GCC, the USA, Europe, and the Middle East, and faces foreign currency risk primarily related to the US Dollar, Saudi Riyal, UAE Dirhams, Euro, and other currencies. This risk arises from future transactions, assets, liabilities, and net investments in foreign operations. To mitigate this risk, Markaz monitors non-Kuwaiti Dinar cash flows and utilizes forward exchange contracts, particularly for significant long-term exposures. Short-term cash flows are distinguished from longer-term ones, and hedging is only pursued when significant imbalances exist.

Interest and profit rate risk stem from potential fluctuations in interest and profit rates, impacting future profitability and financial instrument valuations. Markaz's exposure includes deposits, investments, bonds, and bank borrowings with commercial rate interest and profit. The volatility of rates are monitored for assessing and managing this risk.

Equity price risk pertains to fluctuations in financial instrument values due to market price changes. Markaz's exposure primarily involves listed equity investments in Kuwait, the USA, and GCC markets. These investments are categorized as "financial assets at fair value through profit or loss." To mitigate this risk, Markaz diversifies its portfolio within predetermined limits.

### B. Credit Risk

Markaz continually monitors its credit policy and exposure to credit risk, which arises from the possibility of one party failing to fulfill a financial obligation, leading to potential financial losses for the other party. To mitigate this risk, Markaz diversifies its activities to prevent excessive concentrations of risk with specific customers or groups in particular locations or business sectors. Additionally, it acquires security when deemed necessary.

### C. Liquidity Risk

Liquidity risk refers to the inability to meet financial obligations as they fall due. Markaz aims to maintain sufficient liquidity to meet these obligations, mitigating liquidity risk under normal and stressed conditions. Responsibility for liquidity risk management lies with the BOD, overseeing a framework covering short, medium, and long-term funding needs. Strategies include maintaining reserves, banking facilities, and monitoring cash flows to match asset and liability maturity profiles. Our key functions include optimizing liquidity management and ensuring adequate funding and banking requirements for Markaz are met efficiently by our Treasury.

### Markaz's Policy on Product Fee and Debts

Markaz's Policy on the collection of product-wise management and other applicable fees contributes to managing the liquidity risk. It also encompasses the collection of loans and interest repayments from clients. We manage the risk within this process by generating a periodic outstanding fee and ageing analysis reports according to the nature of the transaction. Depending on the terms defined in the Articles of Association of the Fund and the client agreements, the management fees are receivable due within specified number of days from the date of the issuing of the net asset value (NAV) of the managed fund or as prescribed in the agreement. Management fees for international real estate projects will be after exiting the project and rental income is dependent on the specific contract clause as agreed upon with the tenant.

#### SIDEBAR:

#### *Management of Risk due to Global Affairs at Markaz*

As an integral aspect of its operational scope, the Risk Management Department actively monitors emerging risks stemming from geopolitical shifts and economic fluctuations, providing detailed reports to both the BRMC and the BOD itself. In the year 2022, particular attention was devoted to assessing the escalation of the Ukraine-Russia conflict, with comprehensive analyses presented to the Committee and the BOD.

Similarly, in 2023, meticulous evaluations were conducted regarding the US Banking crisis, aiming to discern both direct and indirect impacts on the organization's operations. These assessments were meticulously reported to the BRMC and

the BOD, ensuring a thorough understanding of potential repercussions.

Furthermore, proactive measures were undertaken to fortify the organization's resilience, particularly in the face of such disruptions. The Business Continuity Plan (BCP) underwent rigorous testing, conducted in collaboration with IT and Business Units, both before and after the relocation of Markaz's headquarters. This strategic initiative was implemented to safeguard the seamless operation of business activities, ensuring minimal disruption and uninterrupted functionality.

As part of our ESG risk mitigation process and prioritizing ethical considerations, Markaz ensures that a complete view of negative consequences of any investment decisions undertaken by the client are communicated to them; additionally, we strive to avoid any investments in morally conflicting stocks, such as arms, to avoid any future repercussions. Markaz's due diligence measures include conducting comprehensive background checks, Reuters AML check, and legal due diligence via our law firms in the relevant markets. Information on business ethics and compliance aspects related to our performance is given in the following sub-section.

**SIDEBAR:***Risk Monitoring and Controls*

In 2023, Markaz launched several technology projects aimed at enhancing risk management practices. These initiatives included the development of enhanced risk metrics and monitoring tools, as well as the implementation of automated follow-up controls for

audit and control observations. These projects have facilitated the measurement of risks using appropriate risk assessment tools and have improved controls for tracking and promptly resolving observations.

### 5.3 Business Ethics and Compliance

#### Markaz's Code of Conduct – Policies and Procedures

Markaz has established a Code of Conduct to govern its business activities and Standards of Professional Conduct to delineate expected behavior from staff. Additionally, we have instituted policies aimed at implementing corporate governance and best practices. All employees undergo training on these policies and are informed of the necessity to adhere to these principles, which are deeply ingrained in our corporate policies and conduct.

Markaz also conducts periodic awareness sessions and updates on recent market developments, covering events and best practices to ensure staff remain informed. Moreover, the business unit relevant to the subject of the policy must sign off the policy prior to its approval. Annexes and process flow charts serve as supplements to the policies, facilitating the delegation of roles and responsibilities within the organization.

Training is provided upon the implementation of new processes or procedures, with additional sessions offered as needed.

#### Policy Implementation at Markaz

The Compliance, Board Secretariat, and Risk Management Departments collaborate to develop and implement corporate governance policies and frameworks in accordance with regulatory requirements and best practices. The Analytics and Internal Controls Department ensures the implementation of adequate internal controls, and that policies and procedures are implemented. The Compliance and Risk Management Departments review and provide feedback on all policies before approval. If users require advice on policy requirements or implementation, they are instructed to contact the relevant officer or the Compliance Department. If conflicts or contradictions arise between policies, users are advised to seek feedback from the Risk Management Department.

Strong business ethics integrated into Markaz's adopted ESG practices form the foundation of responsible business conduct, influencing decision-making and interactions with stakeholders. To maintain ethical standards, Markaz has implemented clear policies and procedures, including the Anti-Fraud, Bribery and Corruption (ABC) Policy and Stakeholder Policy condemning any anti-competitive or unethical practices. Employees can seek guidance on ethical behavior from the Compliance Department or the Risk Management Department. The Company also has policies and processes in place to address internal reporting of non-compliance with policies.

#### Whistleblower and Complaints Procedures

Markaz has established channels for receiving and addressing complaints and whistleblowing concerns. The Compliance and Board Secretariat Departments handle client and shareholder complaints, respectively, alongside regulatory and internal reporting. Stakeholders can report concerns about ethical behavior or organizational integrity through the whistleblowing mechanism, with all cases promptly escalated to the Chairman and discussed with the BOD.

The Board Secretariat is responsible for receiving shareholder complaints, along with the Kuwait Clearing Company (KCC), and for addressing the complaints and conducting internal reporting. The Compliance Department is responsible for receiving and addressing all client complaints, and for the related regulatory and internal reporting. Anti-Corruption Measures and Conflict of Interest Policies

Markaz upholds stringent anti-corruption measures, successfully navigating Regulatory Inspections in 2023 without penalties. The Company maintains policies against bribery, corruption, and fraud, aligned with its values, standards for employee conduct and Kuwait's rules and regulations. It has been updated to reflect the most recently released Corruption Relevant Indicators by the Kuwait Financial Intelligence Unit (KFIU). Markaz is not exposed to business activities or geographies facing a higher incidence of corruption and involvement in ongoing corruption-related controversies. We have implemented strict due diligence procedures for client and counterparty onboarding as per approved policies and best practice. Additionally, the Conflict-of-Interest Policy requires disclosure from relevant parties, with measures in place to address and report conflicts that are BOD-approved. Our implemented policy for conflict of interest requires the BOD, Executive Management, officers, and counterparties to disclose any potential or actual conflict of interest. These conflicts are addressed and disclosed to the appropriate authorities in line with the BOD approved policies.

### **Grievance Mechanisms and Compliance**

At Markaz, we understand that a robust grievance mechanism is crucial for enhancing ESG performance as it provides stakeholders with a platform to voice concerns and feedback, fostering transparency and accountability. By promptly addressing grievances, Markaz can demonstrate our commitment to responsible business practices, thus building trust and credibility among investors, customers, and communities. Various departments, including Compliance, Risk Management, Internal Audit, Analytics and Internal Controls, and the Board Secretariat, are responsible for implementing effective grievance mechanisms. Client, investor, and whistleblower policies adhere to regulatory requirements and best practices, with contact points provided on Markaz's website. The client complaints, investor complaints, and whistleblower policies, procedures, and processes are implemented in adherence to regulatory requirements and best practices.

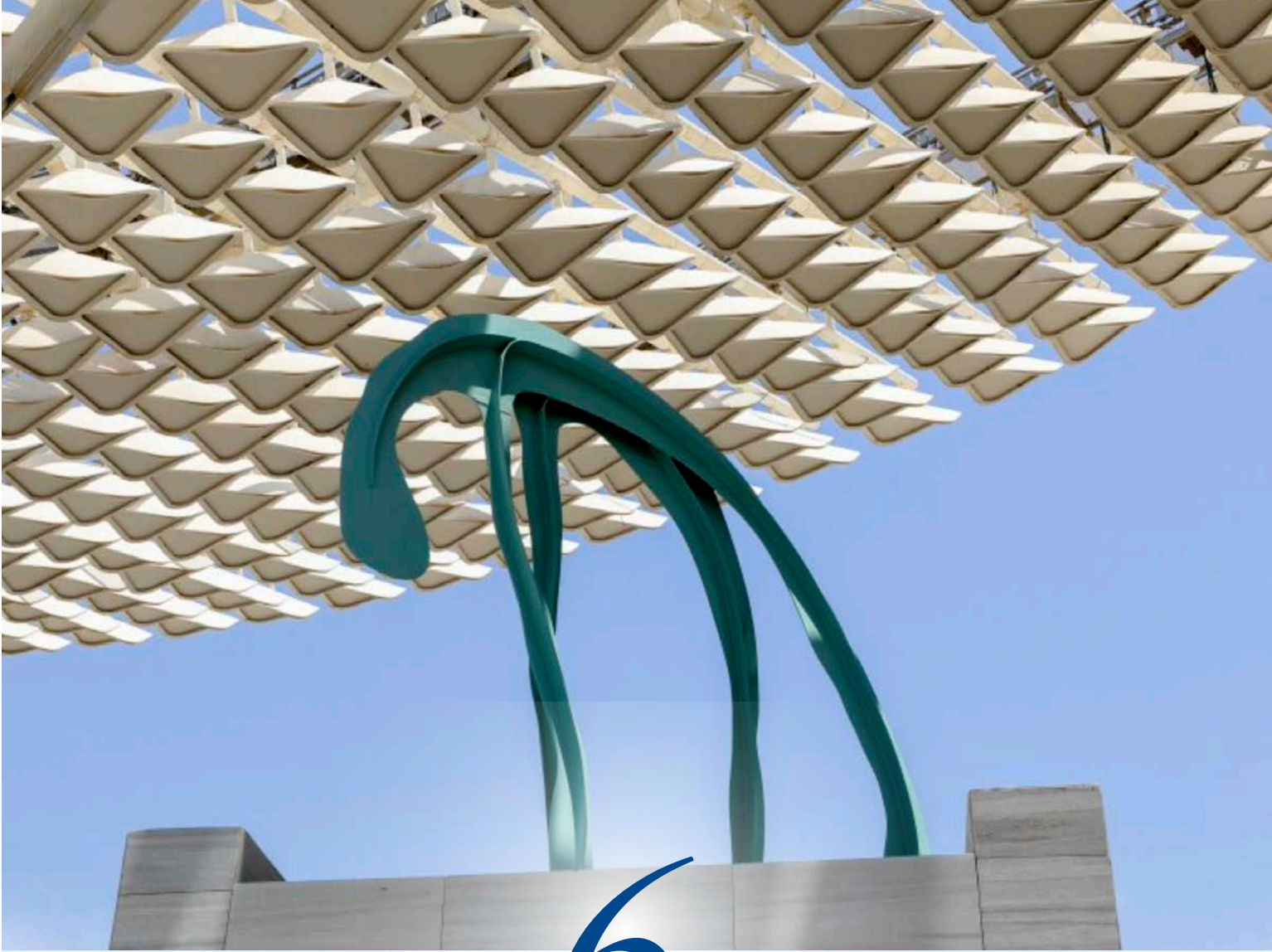
### **Employee Incidents**

There is a defined process for identifying and assessing risks and there are processes in place for investigating employee incidents by HR, Legal, Risk Management and the relevant business units. There is also a whistleblowing mechanism implemented where any employee can report concerns about ethical and lawful behavior, and organizational integrity. All whistleblowing concerns/complaints are immediately reported to the Chairman and the resolution is discussed with the BOD.

#### **SIDEBAR:**

#### *Enhanced Monitoring Measures at Markaz*

1. Enhanced transaction monitoring procedures including alert and transactions review management through automation and internal controls
2. Increased company-wide awareness of compliance issues through presentations at Sunday morning meetings, Technology Hour, and one-on-one sessions with relevant departments
3. Revised client onboarding and ongoing review procedures to reduce turnaround time while maintaining quality control checks



# 6

## *Elevating ESG Across Our Business*



### UN Sustainable Development Goal (SDGs)

- 8 Decent Work and Economic Growth
- 9 Industry, Innovation and Infrastructure
- 12 Responsible Consumption and Production
- 16 Peace, Justice and Strong Institutions



### New Kuwait Vision

- Global Positioning
- Sustainable Diversified Economy



## 6.1 Tailored Client Experiences

### 6.1.1 Success with Clients

In this sub-section, we look at some of Markaz's selected success stories with clients for the reporting period of 2022-2023.

#### CASE STUDY

##### *Preserving Generational Wealth*

A client, entrusted with a substantial inheritance accumulated over generations, sought to preserve and grow this wealth by establishing an internationally recognized trust and ensure optimal returns on investment. To fulfill this objective, Markaz initiated a comprehensive Request for Proposal (RFP) process, leveraging our extensive network to engage leading investment managers worldwide. These managers were carefully shortlisted based on their responses to a detailed risk profile questionnaire, drawn up by Markaz.

Following the selection of five potential candidates, our Investment Advisory Department (IAD) conducted a thorough analysis of each proposal. With a keen eye on the client's specific requirements and

investment objectives, the IAD Team evaluated each manager's approach. Throughout this process, the client remained actively involved, providing valuable insights and feedback.

After careful consideration, the IAD Team identified the preferred manager, justifying their selection to the client through transparent and comprehensive communication. Subsequently, the IAD Team assumed responsibility for managing all logistical aspects, including account opening procedures and legal due diligence. Additionally, they actively participated in the asset allocation process, ensuring that the investment strategy aligned seamlessly with the client's long-term financial aspirations and risk tolerance.

#### SIDEBAR:

##### *We Respond Fast*

Markaz's Treasury Department received a request from a business unit to secure funding for one of the funds managed by Markaz. Demonstrating exceptional efficiency, the Department promptly

evaluated multiple offers from various banks and successfully obtained the necessary facility line within a month to address the urgent funding needs of the fund.

#### SIDEBAR:

##### *Markaz's Notable Client Successes*

In 2022, Markaz's Capital Markets Department effectively managed two transactions totaling KD 144.9 million:

- A prominent industrial company's KD 104.9 million Equity Placement, where Markaz served as the Joint Lead Manager and Subscription Agent
- A prominent industrial company's KD 40 million Bond Issuance, with Markaz acting as the Joint Lead Manager and Subscription Agent

In 2023, Markaz's Capital Markets Department successfully handled three transactions totaling KD 109.65 million:

- Lead Manager and Subscription Agent for a large local retail chain's KD 9.65 million Convertible Bond
- Lead Manager and Subscription Agent for a leading local bank's KD 50 million First Tranche of Program Issuance
- Joint Lead Manager and Subscription Agent for a leading local bank's KD 50 million Bond Issuance

In 2022, Markaz's Advisory Department successfully completed four transactions:

- Assisted a family office in conducting valuations for various portfolio companies
- Assisted a client in conducting a valuation for a facilities management company
- Assisted a client in conducting a valuation and fundraising for an online grocery platform
- Assisted a client in assessing the fair value of an e-commerce beauty platform

In 2023, Markaz's Advisory Department successfully completed five transactions:

- Conducted the valuation of an upcoming university (Greenfield)
- Assisted a client in the valuation and sale of a local consumer electronics company
- Conducted the valuation of a leading financial institution
- Assisted a leading insurance provider by conducting a valuation of the business as part of a mandatory tender offer (closed in 2024)
- Conducted the valuation of a local real estate company (closed in 2024)

#### Ongoing

- Assisting a client in facilitating a merger between two local contracting companies
- Assisting a client in conducting a valuation of leading chain of pharmacies
- Assisting a construction company in its debt restructuring.
- Assisting a client in conducting a valuation of a local parking solutions provider
- Assisted a client in facilitating a merger between two local professional services firms
- Assisting a design consulting firm in its debt restructuring
- Conducted the valuation of a leading healthcare provider and are currently assisting its management for a partial/full divestment of the operations

### 6.1.2 Communication with Clients and Addressal of Grievances

Markaz meets with clients regularly (at least semi-annually) to address market volatility. Monthly market commentary is provided, with quarterly updates for clients. Clients invested in third-party funds alongside Markaz receive all commentary and reports from the original manager. The involvement of the UK-based Swiss Bank has led to increased client meetings, along with more RFPs and Bespoke Portfolios, enhancing client engagement in both pre-assessment and post-care stages.

#### Streamlining Operations and Complaint Handling

Our complaint-handling process involves understanding the complaint, explaining the nature of the work, proposing a solution, and making necessary changes based on client acceptance. An escalation matrix and communication plan are devised and communicated to clients, ensuring resolution aligns with contractual agreements. For instance, in the Investment Advisory Department, complaints are relayed from relationship managers to product specialists, and if necessary, to portfolio managers, with a focus on addressing performance-related concerns transparently and effectively. We believe that successful grievance management not only addresses the immediate concerns of clients but also provides insights into service gaps or operational weaknesses that Markaz can improve upon. We believe that it is a critical component of our client relationship management and contributes to client retention and trust.

#### Enhancing Client Experience and Performance Management

Given the bespoke nature of investment products, efforts have been made to work closely with managers to address client complaints regarding performance metrics more directly. Markaz strives for transparency and ongoing communication with clients to explain performance outcomes and ensure alignment with client objectives, especially for services such as Investment Advisory. In 2023, Markaz intensified collaboration with managers to address client concerns, emphasizing the importance of meeting client expectations while optimizing investment performance.

#### SIDEBAR:

##### *Creation of Markaz Hub*

The establishment of the Markaz Hub and consolidation of the Operations Team have streamlined communication channels between Wealth Management and Middle Office/Back Office within Markaz. We believe that this has not only led to more direct resolution of client complaints with the assistance of the Wealth Management Support Team and additional technical support staff focused on Management Information Systems (MIS). As part of the Wealth Management umbrella, an official support team has been structured to enhance workflow efficiency, easing operational processes, and facilitating smoother operations. This support unit is integral to optimizing the wealth management process, offering specialized services, such as administration, technical and analytical assistance, technology and operations support, and

client service and communication. By providing these services, the support unit allows wealth managers to focus on core activities like client relationship management and investment advisory, ultimately improving client outcomes and departmental efficiency. Complaints are addressed more directly with the support of the Wealth Management Support Team and additional technical support staff focused on Management Information Systems. Client needs and expectations are effectively communicated, and grievances are promptly addressed, with clients encouraged to provide feedback through surveys after each transaction. Acting as the backbone of the Wealth Management Department, the support unit ensures the infrastructure and resources are in place to effectively meet the complex needs of wealthy clients.

#### Client Satisfaction and Retention

At Markaz, measuring client satisfaction in the context of wealth management or any investment decision involves gathering, analyzing, and interpreting data on how well our services met or exceeded client expectations. Several effective methods are employed to measure client satisfaction including surveys, client retention rate, and client feedback through one-to-one meetings. By employing a mix of these methods, we gain a comprehensive understanding of client satisfaction, which we believe enables us to make informed decisions to improve our services and client relationships.

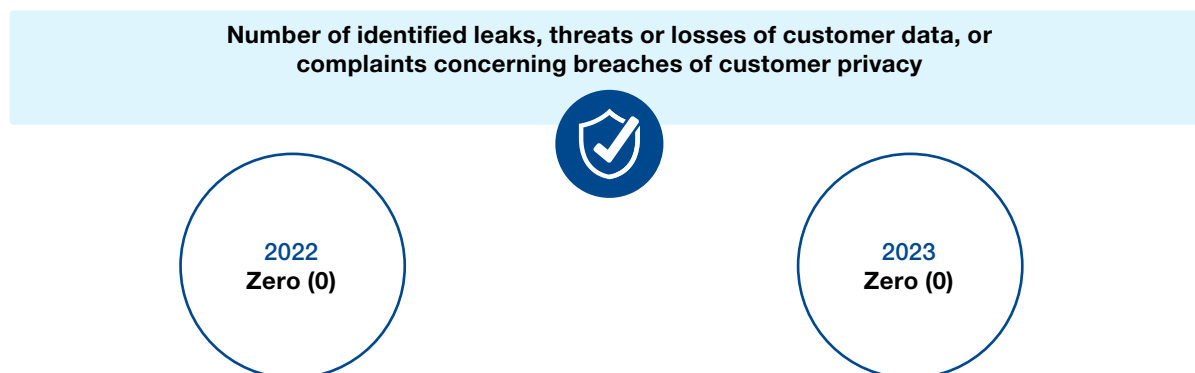
Measuring client retention is crucial for us as an investment company specializing in wealth management, as we believe that it directly impacts revenue stability and growth potential. We measure client retention through similarly calculating the client retention rate, analyzing customer lifetime value, and tracking revenue retention rate. By consistently monitoring and striving to improve our client retention metrics, Markaz aims to better understand our client base, predict revenue streams, and tailor our strategies to meet and exceed client expectations.

## 6.2 Data Security and Data Privacy

Our data security and data privacy framework are based on a comprehensive set of policies, standards and best practices. The policies that form an integral part of this framework have been approved by the BOD as part of Markaz's IT Security Policy. The Governance, Risk Management and Compliance Committee (GRC) is a management-level committee formed and delegated to monitor the IT systems and implementation of our IT security framework, which includes overseeing the client data security and privacy at Markaz - among other responsibilities of this Committee. Our Risk Management Department monitors compliance by conducting internal and external audits of information security policies and systems along with access rights, reviews, and procedure testing. As per our organizational structure, information security forms part of the responsibilities of the Executive Management, with the head of the Information Technology (IT) Department coming under the overview of the Chief Operating Officer (CEO).

### Data Protection

High standards of controls have been put in place for applications hosting the data. Encryption of data has been implemented on critical systems and services to ensure confidentiality, security, and privacy. If there is a need for third parties to access personal data, it is done after non-disclosure agreements (NDA) are executed and in consultation with the Risk Management Department. In the event of a data breach, the Security Incident Management Team compiles all pertinent information regarding the Data Breach Incident Response, documentation of the event, lessons learned, awareness and training to be held, and prevention measures.



### Accessibility

According to our Access Management Policy, access to data on the network is via a corporate account, and access to sensitive data on systems is via an application login. All accesses provided are based on the role and responsibility of the employee within Markaz. To ensure customers' data confidentiality and privacy, there are high standards of controls on applications hosting the data. Measures undertaken include network security management, anti-malware management and email and internet security protocols. Access rights and access controls which are in place for all data-related access are regularly reviewed and tested by Markaz's Risk Department. Markaz has tools in place to detect data leakage and to provide data protection functions. Access and control to the data has been provided based on the manager's review and approval. The business-critical information and its confidentiality are determined by the business units and adequate measures are in place for the protection of the data confidentiality. The Information Security policy covers measures for protecting data confidentiality, integrity, and availability, such as access controls, encryption, and secure storage. Markaz has guidelines in place for data sharing, transfer, and disposal, as well as requirements for employee training and awareness regarding data security and privacy practices.

### Building Awareness

In pursuit of Markaz's objective to brief employees on IT risks and trends, the Analytics & Internal Controls Department, in collaboration with the IT Team, conducts Technology Awareness sessions. Additionally, Markaz disseminates periodic IT awareness emails to employees, elaborating on the significance of data security and privacy risks, as well as communicating the necessary actions to be followed.

### 6.3 Innovation and Digital Experience

Markaz strongly believes technological innovation and digitization is critical to the future of asset management. In such a rapidly evolving field it can be a key differentiating factor in driving efficiency, competitiveness, and client satisfaction. With the advent of advanced analytics, cloud computing, artificial intelligence and the Internet of Things we are experiencing a paradigm shift in our daily operations and management of investments. These innovations also offer unprecedented opportunities to improve speed and efficiency by streamlining and digitizing processes, mitigate risks, enhance decision making capabilities and deliver personalized services tailored to the evolving needs of our clients.

**SIDEBAR:**

*Technology Champion Initiative*

Markaz's introduced the Technology Champion Initiative in March 2023 with the objective of scaling up the technology and digital ecosystem within Markaz.

We firmly believe that our passionate and capable people are the key resource for scaling up the technological ecosystem, innovation, and digitization within the organization instead of solely investing in IT tools and infrastructure.

The continuous development of the initiative enabled our Technology Champions across their respective departments to adopt a goal-setting mindset, following four key KPIs, enabling a regular progress check with the Strategic Planning

Department. Since the launch of the Program, we have seen enhanced collaboration between the teams, continuous learning with several training courses provided on applications such as Microsoft Power BI and others, and promising improvements when it comes to automation of manual tasks.

Although in its early stages, with an optimistic outlook, this initiative will continue to be a centralized part of Markaz's journey towards overall strategic alignment. In addition, Markaz continuously ensures that employees are aligned behind the strategic drivers and initiatives through decentralizing implementation and engaging various internal stakeholders.

Through digitization and automated services, Markaz aims to reduce paper waste and streamline processes across various systems, including office document processing and client report generation. Implementation of e-signatures further supports this initiative, aligning with the organization's sustainability goals and commitment to operational excellence. Markaz has had an exceptional track record in digital innovations with Markaz e-catalogue, iMarkaz and Online Client Onboarding. This is an overview of launched and upgraded digital platforms and systems for 2022-2023:

**eSignature Platform - an eSignature tool**

In 2022, Markaz implemented an eSignature tool to streamline electronic signature collection, which we believe to have saved around 6,900 documents, along with considerable time efficiencies. Adopting such an effective system enhanced our document signing processes, digitized our documentation workflows, in turn significantly contributing to overall efficiencies.

**Enhancements to our Wealth & Asset Management software**

We introduced a Shares & Cash reconciliation model for Operations and implemented a Market making module for MENA Equities. Such enhancements have proved to improve efficiencies across the respective departments.

**Automated Payment Processing**

Markaz has embraced an automated process for Payment Processing for invoices, resulting in what we believe are notable efficiency improvements and resource savings. This Payment Processing system has streamlined our payment processes and played a vital role in enhancing overall organizational efficiency.

**Property Management Solution**

Markaz implemented a property management solution aimed at streamlining reporting and consolidating financial data. In 2023, we expanded its usage within the team via training sessions, enabling the extraction of operational, maintenance, and legal reports. We firmly believe that this system has significantly improved the efficiency and overall experience of managing MENA Real Estate projects and properties.

**Facilities Management Tool**

This tool serves as a platform to manage tenant maintenance requests, contributing to efficient property management operations and tenant satisfaction.

**Department Automated Workflows**

Introduced in 2023, online and automated workflows at Markaz have significantly enhanced our business processes, leading to what we believe is greater efficiency within teams and improved resource utilization. Such a strategic investment in digital technology has had a positive impact on our operational workflows and productivity. These automations also appear to be beneficial for a future Intranet project and as a Document Management System.

**SIDEBAR:***Online Platform for Investors*

Markaz's Strategic Planning Department has developed an online platform where investors can view quarterly updates on their respective portfolios. The online platform enables investors to delve into key financial metrics, stay updated on market information, and

track development progress effortlessly through this streamlined interface. A major highlight of the online platform for investors is its seamless provision of digitized real estate progress reports for their International Real Estate portfolios, available quarterly.

**CASE STUDY***iMarkaz*

Markaz remains committed to leveraging the iMarkaz mobile app and website by providing updates and enhancing its features to provide clients with a seamless and intuitive investment experience. The main features of this innovative platform include:

- **User-Friendly Interfaces:** It offers intuitive web and mobile interfaces for easy account management and investment monitoring.
- **Cost Efficiency:** With fees deemed lower compared to traditional wealth managers, iMarkaz offer cost-effective investment solutions.

Our main goals through the utilization of iMarkaz are to:

- **Simplify Investment Management:** iMarkaz aims to simplify investment processes, and accordingly aims to reduce complexity and time commitments for clients.
- **Enhance Efficiency:** By automating investment management tasks, iMarkaz platforms aim to increase operational efficiency and scalability while also aiming to reduce costs for clients.

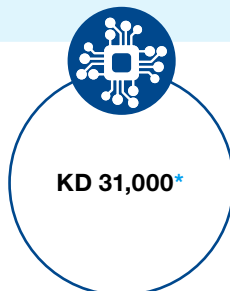
**SIDEBAR:***Meeting Solution for Board and Executive Committees*

In 2023, Markaz implemented an online meeting platform designed to facilitate accessibility to meeting materials. We believe that this adoption has significantly reduced resource utilization and supported the organization's paper-saving initiatives. The platform facilitates immediate access to information and archives for BOD members, ensuring swift delivery of meeting packs before or during regulatory periods. By transitioning from traditional paper-based methods to digital processes, Markaz has aimed to minimize costs associated with paper consumption and the

time required for printing and preparing physical files. Notably, five out of seven directors now utilize iPads instead of physical files, further contributing to paper-saving efforts.

Since its implementation in October 2023, the platform has resulted in a paper saving of 20,500 pages for meetings conducted by the BOD and Board committees. For the Information Committee (IC) and Management Executive Committee (MEC), this transition has been effective throughout 2023.

Markaz has initiated the implementation of digital workflows for press releases and CSR initiatives to minimize paper usage and streamline processes for enhanced efficiency, in line with sustainability objectives. We have also transitioned 50-70% of advertising campaigns to digital platforms, reflecting the evolving online-centric business landscape. Each campaign is tailored to meet departmental and brand objectives, focusing on metrics such as reach, awareness, and lead generation. Notable examples include the digital campaigns for the Markaz Real Estate Fund in 2022 and the GCC Momentum Fund in 2023.

**Total investment into selected technologies in 2022 and 2023:**

**\*Note:** Covers eSignature platform, Online and Automated payment processing, Meeting Solution for Board and Executive Committees, and Department Automated Workflows.

## 6.4 Procurement and Supplier Responsibility

As part of our commitment to responsible and sustainable business practices, we hold our suppliers to high standards. Data protection and privacy are safeguarded through legally binding agreements that enforce confidentiality and adherence to a prescribed code of conduct. Among various standards and regulations, ensuring that our supply chain respects the UN's Universal Declaration of Human Rights is paramount, with strict measures in place to prevent any instances of forced, compulsory, or child labor throughout production processes. In our general procurement of supplies and services, we adhere to the contractual and applicable regulatory requirements in our relevant jurisdictions.

Embracing sustainable procurement, Markaz prioritizes local suppliers as we aim to incorporate numerous ESG benefits, such as supporting local economy, achieving cost efficiency, and reducing emissions and ecological impacts associated with sourced goods. Opting for local suppliers also grants us increased flexibility, control, and fosters closer collaboration opportunities with our partners. As a testament to this objective, between 2022 and 2023, there was a 16.29% increase in expenditure towards local suppliers and 23.1% increase in foreign suppliers expenditure. It is noteworthy that 80% of procurement expenditure in 2022 and 79% in 2023 by Markaz can be attributed to local suppliers.

### FIGURE:

*Markaz's Total Expenditures on Local and Foreign Suppliers*

	2022	2023	% Change
Total expenditure to local suppliers (KD)	9,291,251.005	10,804,662.8	16.29%
Total expenditure to foreign suppliers (KD)	2,296,963.998	2,827,657.2	23.10%
Total procurement expenditure (KD)	11,588,215	13,632,320	17.64%

7

*Annex*

## 7.1 List of Employee Training Courses Provided During 2022-2023

Training Courses in 2022	Employee Level	Department
Business Valuation Masterclass	Junior	Advisory
Mergers & Acquisition	Junior	Advisory
Fundamentals of Financial Services	All	All
Introduction to Securities and Investments	All	All
CMA Rules & Regulations	All	All
Corporate Governance (Online) Program from Columbia Business School Executive Education	Senior	Fund Administration
Online Corporate Directors Program	Senior	Capital Markets Fund Administration Compliance
Derivatives and Balance Sheet Management	Junior	Capital Markets Treasury
Exchange Traded Funds	Senior	Fund Administration
How to Improve Innovation, Creativity, and Performance in a Digital Age	Senior	Wealth Management
AML- MOCI	Senior	Compliance
Excel for Finance	Senior	Real Estate
Business Etiquette	Trainees	MGDP
Investment Management Course	Trainees	MGDP
Presentation and Communication Skills	Trainees	MGDP
Know your Client (KYC)	All	Wealth Compliance/Risk
Strategic Marketing	All	All
Market Participants Training for Asset Managers	Junior	Capital Markets
Navigating the Changes to IFRS 2023	Senior	Financial Management
Sustainable bond market-ICMA	Junior	Capital Markets
Innovation & Creativity	Trainees	MGDP
Real Estate Investment	Junior	Real Estate
Planning & Organizing Skills	Mid	Wealth Management
Wealth Management CISI	Mid	Real Estate
Global Finance for Future Leaders 2022	Mid	MENA Equities
Certified Human Resources Professional	Junior Mid Senior	Human Resources
Fundamentals of Project Management	Mid	Wealth Management
Planning & Organizing Skills	Mid	Wealth Management
Developing the mechanism of participation in the general assemblies of companies listed on Boursa Kuwait	Senior Mid	Fund Administration Management
LIBOR Transition	Mid	Treasury
Sustainable Financing	Senior	Real Estate
Human Resources Business Partner	Junior Mid Senior	Human Resources
Certified Executive Board Secretary	Senior	Fund Administration
General Assemblies for Shareholding Companies	Senior	Fund Administration Management



Strategic Investment Management	Mid	Wealth Management
ASAR Seminar 2022 - Competition Law and the Rise of IPOs in Kuwait' on Monday	Senior Mid	Fund Administration Legal
Liquidity and Treasury Risk Measurement and Management	Mid	Treasury
Financial Crime Course 2022 AML	All	All Markaz Staff
Power Query	Junior	Middle Office
Inclusive Leadership and the Way Forward	Junior Mid Senior	Human Resources
Annual IFRS Update	Senior	Financial Management
Digital Business Workshop	Senior	Human Resources
Growth Mindset	Mix	Mix
Emotional Intelligence	Trainees	MGDP
Corporate Governance	Junior Mid Senior	Fund Administration Compliance
Resilience, Women Empowerment and Self-Management in Investment Banking and Asset Management	Mix	Mix

Training Courses in 2023	Employee Level	Department
Emotional Intelligence	Trainees	MGDP
Mergers and Acquisition (M&A)	Senior	Advisory
Budgeting, Planning & Management Reporting	Senior/Middle	MENA Real Estate
Corporate Directors Program	Senior/Junior	Fund Administration Risk
The Fight Against Financial Crime Continues Regional & International Perspectives	Senior	Compliance MIS
Kuwait Annual Tax Seminar 2023 Registration Form	Senior	Financial Management
Board Secretary (Arabic)	Junior	Fund Administration
Power BI and Advanced Excel Training Workshops	All	All
International Securities & Investments	Mid	Real Estate
CMA Rules and Regulation	Senior	Real Estate
Leadership Reimagined: Women Forum	Executive	Capital Markets Fund Admin Wealth Management
Data Privacy updates in Kuwait, KSA and UAE	Senior	Compliance
NASDAQ Training	Mix	Mix
Wealth Tech Forum & Awards, Dubai	Senior	Wealth Management Strategic Planning
International Financial Reporting Standards (IFRS 9)	Executive	Financial Management
Investment Management Online Training	Trainees	MGDP
Business Etiquette	Trainees	MGDP
Presentation and Communication Skills	Trainees	MGDP
Media Training	Mix	10 selected from each department
Time Management	Trainees	MGDP
Fintech Financial Technology	Senior	Compliance
Annual AML Financial Course	Mix	All Markaz Staff
Leadership Accelerator	Senior	Treasury

Real Estate Financial Modeling	Junior	Post Acquisition
Legal Tech Fundamentals	Senior	Fund Administration
NLI conference 2023 – Breaking Barriers	Executive	Fund Administration Capital Markets
Investment Management Online Training	Trainees	MGDP
IFRS update	Executive	Financial Management
Building an efficient unit for investor relations in companies in accordance with regulatory requirements	Executive	Fund Administration
Executive Leadership by INSEAD	Senior	Advisory
Fintech Kuwait Conference	Senior	Strategic Planning MIS
Digital Transformation in partnership with the Central Agency for Information Technology	Executive/Senior/Mid	MIS IT
Integrating ESG into your Business	Senior	Fund Administration
Corporate Secretary Program	Executive	Fund Administration
Cayman AML Training	Mix	Mix
CSR Talk	Senior/Junior	Corporate Communications
AI, a revolution in technology.	Senior	Strategic Planning
Perspectives on Change – Influence of mindset and discipline on motivation and performance	Mix	Staff Wellness

## 7.2 GRI Content Index

**Statement of use** Markaz has reported in accordance with GRI Standards for the period starting from January 1<sup>st</sup>, 2022, to December 31<sup>st</sup>, 2023

**GRI 1 used** GRI 1: Foundation 2021

**Applicable GRI Sector Standards(s)** Not Applicable

GRI STAN- DARD/OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF NO
			Require- ment(s) omitted	Reason	Explanation	
GRI 2: General Disclosures 2021	2-1 Organiza- tional details	<ul style="list-style-type: none"> <li>a. Markaz's legal name is disclosed in Section 1.1</li> <li>b. Markaz's nature of ownership and legal form is disclosed in Section 1.1</li> <li>c. Location of operations has been mentioned in Section 1.1</li> <li>d. Countries of operation has been mentioned in Section 1.1</li> </ul>				N/A
	2-2 Entities included in the organization's sustainability reporting	<ul style="list-style-type: none"> <li>a. Entities included in sustainability reporting are mentioned in Section 1.1</li> <li>b. Markaz discloses audited consolidated financial statements in its Annual Report</li> <li>c. Location of operations as a focus of this Report has been mentioned in Section 1.1</li> </ul>				N/A
	2-3 Report- ing period, frequency and contact point	<ul style="list-style-type: none"> <li>a. The reporting period is from January 1, 2022, to December 31, 2023 (every 2 years).</li> <li>b. The Annual Report is published annually, and the Sustainability Report is published every two years.</li> <li>c. Publication year:2024</li> <li>d. Contact information provided in "About this Report" Section</li> </ul>				N/A
	2-4 Restate- ments of information	No restatements of information				N/A
	2-5 External assurance	No external assurance has been conducted on this report				N/A
GRI 2: Ac- tivities and Workers	2-6 Activities, value chain and other business relationships	<ul style="list-style-type: none"> <li>a. Sectors in which Markaz is active is disclosed in Section 1.4</li> <li>b. Customers and markets served are disclosed in Section 1.1</li> </ul>				N/A

<b>GRI 2: Activities and Workers</b>	2-7 Employees	<ul style="list-style-type: none"> <li>a. The total number of employees, and a breakdown of this total by gender and by region is disclosed in Section 4.1</li> <li>b. i) Permanent employees are disclosed in Section 4.1</li> <li>b. ii) Temporary employees are disclosed in Section 4.1</li> <li>c. The process used to calculate headcount is based on Markaz's own employee records.</li> <li>d. Contextual information on the above is represented in Section 4.1</li> <li>e. Significant fluctuations in the number of employees during the reporting period and between reporting periods can be found in Section 4.1</li> </ul>	N/A
<b>GRI 2: Activities and Workers</b>	2-8 Workers who are not employees	<ul style="list-style-type: none"> <li>a. Information about total number of workers who are not employees – No such workers</li> <li>b. Methodologies and assumptions used to compile the data presented in Section 4.1</li> <li>c. Significant fluctuations in the number of workers who are not employees during the reporting period and between reporting periods – None.</li> </ul>	N/A
<b>GRI 2: Governance</b>	2-9 Governance Structure and Composition	<ul style="list-style-type: none"> <li>a. Governance structure is disclosed in Section 5.1</li> <li>b. Board committees are presented in the Section 5.1</li> <li>c. i. Composition of the highest governance body and its committees by executive and non-executive members is reported in Section 5.1</li> <li>c. ii. Board independence is reported in Section 5.1</li> <li>c. iii. Tenure of members on the governance body is reported in Section 5.1</li> <li>c. iv. number of other significant positions and commitments held by each member is reported in Section 5.1</li> <li>c. v. Gender is disclosed in Sustainability Report: Corporate Governance</li> <li>c. vi. No employee is from under-represented social groups</li> <li>c. vii. Competencies relevant to the impacts of the organization are disclosed in Section 5.1</li> <li>c. viii. stakeholder representation is disclosed in Section 5.1</li> </ul>	N/A

2-10 Nomination and selection of the highest governance body	<ul style="list-style-type: none"> <li>a. Nomination and selection processes for the highest governance body and its committees is reported in Section 5.1</li> <li>b. Criteria is based on academic qualifications, years of relevant experience, (CMA requirements, independence</li> </ul>	N/A
2-11 Chair of the highest governance body	<ul style="list-style-type: none"> <li>a. The chair of the highest governance body and senior executives of the organization are disclosed in Section 5.1</li> </ul>	N/A
2-12 Role of the highest governance body in overseeing the management of impacts	<ul style="list-style-type: none"> <li>a. The role of the highest governance body and of senior executives in developing, approving, and updating the organization's purpose, value or mission is disclosed in Section 1.3</li> <li>b. 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 are disclosed in Section 5.3</li> <li>c. The role of the highest governance body in reviewing the effectiveness of the organization's processes are disclosed in the Section 5.2</li> </ul>	N/A
2-13 Delegation of responsibility for managing impacts	<ul style="list-style-type: none"> <li>a. The highest governance body's delegation of responsibility for managing the organization's impacts on the economy, environment, and people is disclosed in Section 5.2 and Section 5.3</li> <li>b. 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 is disclosed in Section 5.2 and Section 5.3</li> </ul>	N/A
2-14 Role of the highest governance body in sustainability reporting	<ul style="list-style-type: none"> <li>a. Reporting and periodic updates of i) implementation of sustainability KPI's are disclosed in Section 2.3 Markaz's Corporate Communication team spearheads the effort for sustainability reporting assigning ESG champions in every department for data collection and collation.</li> <li>b. Prevention or mitigation of impacts and reporting of critical concerns are disclosed in Section 5.3</li> </ul>	N/A

2-15 Conflicts of interest	a. The processes for the highest governance body to ensure that conflicts of interest are prevented and mitigated are disclosed in Section 5.3					N/A
2-16 Communication of critical concerns	a. Conflicts of interest and communication of critical concerns are disclosed in Section 5.3 b. Total number of critical concerns that were communicated to the highest governance disclosed in Section 5.3					N/A
2-17 Collective knowledge of the highest governance body	a. Information is provided in Markaz's Annual Report 2023 accessible via this link: <a href="#">Markaz-AR-23-English_1.pdf</a>					N/A
2-18 Evaluation of the performance of the highest governance body	a. Evaluation consists of a 360-degree review, based on KPI's and a qualitative criterion, which includes - self, peers, committees and BOD. The evaluation method has changed in April 2023 to numerical score. b. Evaluation is conducted once annually	c. Actions taken in response to the evaluations, including changes to the composition of the highest governance body and organizational practices.	c. Not applicable as none of the evaluation results warranted change in structure of the Board of Directors	c. Not applicable		N/A
2-19 Remuneration policies	a. Remuneration policies are disclosed in Section 4.1 b. Remuneration policies and KPI's for members of highest governance body and executive members are mentioned in Section 4.1					N/A
2-20 Process to determine remuneration	a. Remuneration policies are disclosed in Section 4.1 b. Approval of remuneration policies are disclosed in Section 4.1					N/A

2-21 Annual total compensation ratio	<p>a. The ratio of the annual total compensation for Markaz's highest-paid individual to the median annual total compensation for all employees (excluding the highest-paid individual) is N/A</p> <p>b. The ratio of the percentage increase in annual total compensation for the Markaz's highest-paid individual to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual);</p> <p>c. Report contextual information necessary to understand the data and how the data has been compiled.</p>	<p>a. Information is confidential to Markaz</p> <p>b. Information is confidential to Markaz</p> <p>c. Not applicable</p>	<p>a. Information is confidential to Markaz</p> <p>b. Information is confidential to Markaz</p> <p>c. Not applicable</p>	N/A
2-22 Statement on sustainable development strategy	a. Statement from the highest governance body is provided in Sustainability Report: Message from our CEO Section			N/A

2-23 Policy commitments	<p>a. Policy commitments for responsible business conduct are reported in Section 5.3</p> <p>b. Specific policy commitment to respect human rights is the Code of Conduct.</p> <p>d. Policies approval process is reported in Section 5.3</p> <p>e. The extent to which the policy commitments apply to the organization's activities and to its business relationships are provided in Section 5.3</p> <p>f. Communication of Policy commitments to workers, business partners, and other relevant parties are reported in Section 5.3</p>	c. Links to the policy commitments if publicly available, or, if the policy commitments are not publicly available, explain the reason for this.	c. Not available	c. Policy documents are considered confidential documents to Markaz and for internal use only	N/A
2-24 Embedding policy commitments	Embedding policy commitments, are reported in the Section 5.3				N/A
2-25 Processes to remediate negative impacts	<p>a. Commitments to provide for or cooperate in the remediation of negative impacts that the organization identifies it has caused or contributed to is described in Section 5.3</p> <p>b. Details on grievance mechanisms for internal and external stakeholders are provided in Section 6.1</p> <p>c. Other processes for the remediation of negative impacts identified are disclosed in Section 5.3 and Section 6.1</p> <p>d. How the stakeholders who are the intended users of the grievance mechanisms are involved in the design, review, operation, and improvement of these mechanisms are described in Section 4.1</p> <p>e. How Markaz tracks effectiveness of mentioned processes is reported in Section 5.3 and Section 6.1</p>				N/A
2-26 Mechanisms for seeking advice and raising concerns	Mechanisms for seeking advice on implementing policies and practices for responsible business conduct and raising concerns are disclosed in Section 5.3				N/A
2-27 Compliance with laws and regulations	The total number of significant instances of non-compliance with laws and regulations during 2022-2023 is zero.				N/A
2-28 Membership associations	Industry and membership associations are disclosed in Section 1.1				N/A
2-29 Approach to stakeholder engagement	A. Approach and details of stakeholder engagement are disclosed in Section 2.1 and Section 4.1				N/A



	2-30 Collective bargaining agreements		a. The percentage of total employees covered by collective bargaining agreements	a. Not Applicable	a. Not applicable as Markaz operations do not require employee collective bargaining agreements	N/A
<b>Material Topics</b>						
<b>GRI 3: Material Topics 2021</b>	3-1: Process to determine material topics *		a. Process followed to determine material topics is provided in Section 2.2 b. The stakeholders and experts whose views have informed the process of determining its material topics are listed in Section 2.1			N/A
<b>GRI 3: Material Topics 2021</b>	3-2: List of material topics *		a. List of material topics: Resource Management, Total Carbon Footprint, Innovation and Digital Experience, Workplace Environment, Supporting Community and Engagement Initiatives, Procurement and Supplier Responsibility, Data Security and Data Privacy, Tailored Client Experiences, Corporate Governance, Risk assessment and Crisis management, Business Ethics and Compliance b. Changes to the list of material topics compared to the previous reporting period are disclosed in Section 2.2			N/A
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics for each material topics reported under Disclosure 3-2		Information disclosed in the subsequent GRI 3-3 Table.			N/A
<b>Economic Impact</b>						
	203-2 Indirect economic impact		Indirect economic impact- significant identified economic impacts - Indirect economic impact through real estate investments, providing training for youth in community, and outsourcing of research team Marmore. Markaz's indirect economic impacts and initiatives have varying degrees of sustainability elements, especially governance, social and workplace related.			N/A
<b>Resource Management</b>						
<b>GRI 301: MATERIALS 2016</b>	301-1 Materials used by weight or volume		Plastic and paper waste generated disclosed in Section 3.1			N/A
<b>GRI 301: MATERIALS 2016</b>	301-2 Recycled input materials used			Recycled input materials used	Not available	No information was available

GRI 301: MATERIALS 2016	301-3 Reclaimed products and their packaging materials		Reclaimed products and their packaging materials	Not available	No information available	N/A
GRI 306: WASTE 2020	306-1 Waste generation and significant waste related impacts	Section 3.1				N/A
GRI 306: WASTE 2020	306-2 Management of significant waste related impacts	Section 3.1				N/A
GRI 306: WASTE 2020	306-3 Waste generated	Section 3.1				N/A
GRI 306: WASTE 2020	306-4 Waste diverted from disposal	Section 3.1				N/A
GRI 306: WASTE 2020	306-5 Waste directed to disposal	Section 3.1				N/A
<b>Total Carbon Footprint</b>						
GRI 302: ENERGY2016	302-1 Energy consumption within the organization	Section 3.2.1				N/A
GRI 302: ENERGY2016	302-2 Energy consumption outside of the organization	Section 3.2.2				N/A
GRI 302: ENERGY2016	302-3 Energy Intensity	Section 3.2.1				N/A
GRI 302: ENERGY2016	302-4 Reduction of energy consumption	Section 3.2.1				N/A
GRI 302: ENERGY2016	302-5 Reductions in energy requirements, products and services		Reductions in energy requirements, products and services	Not available	Data is not available	N/A
GRI 303: WATER AND EFFLUENTS 2018	303-1 Interactions with water as a shared resource		Interactions with water as a shared resource	Not available	Data is not available	N/A
GRI 303: WATER AND EFFLUENTS 2018	303-2 Management of water discharge related impacts		Management of water discharge related impacts	Not available	Data is not available	N/A
GRI 303: WATER AND EFFLUENTS 2018	303-3 Water withdrawal		Water withdrawal	Not available	Data is not available	N/A

GRI 303: WATER AND EFFLUENTS 2018	303-4 Water discharge		Water discharge	Not available	Data is not available	N/A
GRI 303: WATER AND EFFLUENTS 2018	303-5 Water con- sumption	Section 3.2.2				N/A
GRI 305: EMISSIONS 2016	305-1 Direct (Scope 1) GHG emissions	Section 3.2				N/A
GRI 305: EMISSIONS 2016	305-2 Energy indirect (Scope 2) GHG emissions	Section 3.2				N/A
GRI 305: EMISSIONS 2016	305-3 Other indirect (Scope 3) GHG emissions	Section 3.2				N/A
GRI 305: EMISSIONS 2016	305-4 GHG emissions intensity	Section 3.2				N/A
GRI 305: EMISSIONS 2016	305-6 Reduction of GHG emissions	Section 3.2				N/A
GRI 305: EMISSIONS 2016	305-6 Emissions of ozone deplet- ing substances		Emissions of ozone deplet- ing substances	Not available	Data is not available	N/A
<b>Procurement and Supplier Responsibility and Business Ethics and Compliance</b>						
GRI 308: SUP- PLIER ENVI- RONMENTAL ASSESS- MENT 2016	308-1 New suppli- ers that were screened using environmen- tal criteria		New suppli- ers that were screened using environmen- tal criteria	Not available	No specific environmental criteria is used for screening new suppliers	N/A
GRI 308: SUP- PLIER ENVI- RONMENTAL ASSESS- MENT 2016	308-2 Negative environmen- tal impacts in the supply chain and actions taken	None				N/A
GRI 204: PROCUE- MENT PRAC- TICES 2016	204-1 Proportion of spending on Local Suppliers	Section 6.4				N/A
GRI 408: CHILD LABOR 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Section 6.4				N/A
GRI 409: FORCED OR COM- PULSORY LABOR 2016	409-1 Operations and suppliers at significant risk for incidents of forced or com- pulsory labor	Section 6.4				N/A

<b>Workplace Environment</b>			
<b>GRI 401: EMPLOY- MENT 2016</b>	401-1 New employee hires and em- ployee turnover	Section 4.1.2	N/A
<b>GRI 401: EMPLOY- MENT 2016</b>	401-2 Benefits provided to full time employ- ees that are not provided to temporary or part time employees	Section 4.1.2	N/A
<b>GRI 401: EMPLOY- MENT 2016</b>	401-3 Parental Leave	Section 4.1.2	N/A
<b>GRI 402: EMPLOY- MENT 2016</b>	402-1 Minimum notice periods regarding oper- ational changes	There are no set minimum notice periods regarding operational changes	N/A
<b>GRI 403: OC- CUPATIONAL HEALTH AND SAFETY 2018</b>	403-1 Approach towards hazard identification, risk assess- ment, and incident investigation	Section 5.2	N/A
<b>GRI 403: OC- CUPATIONAL HEALTH AND SAFETY 2018</b>	403-6 Promotion of worker health	Section 4.1.3	N/A
<b>GRI 404: TRAINING AND EDUCA- TION 2016</b>	404-1 Average hours of training per year per employee	Section 4.1.3	N/A
<b>GRI 404: TRAINING AND EDUCA- TION 2016</b>	404-2 Programs for upgrading employee skills and transition assistance pro- grams (includes severance pay)	Disclosed in Sustainabil- ity Report: Annex 7.1	N/A
<b>GRI 404: TRAINING AND EDUCA- TION 2016</b>	404-3 Percentage of employees re- ceiving regular performance and career development reviews	Section 4.1.2	N/A

<b>Community Engagement</b>			
<b>GRI 413: LOCAL COMMUNITIES 2016</b>	413-1 Operations with local community engagement, impact assessments, and development programs	Section 4.2	N/A
<b>GRI 413: LOCAL COMMUNITIES 2016</b>	413-2 Operations with significant actual and potential negative impacts on local community	There are no operations with significant, actual or potential negative impact on local community.	N/A
<b>Business Ethics and Compliance</b>			
	415-1 Total monetary value of financial and in-kind political contributions made directly or indirectly	No financial or in-kind political contributions were made	N/A
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	No incidents of non-compliance concerning the health and safety impacts of products and services	N/A
	417-1 Product and Service Information Labelling	Markaz ensures complete information is provided in the offering material of any transaction, and that is provided in prospectuses/offering memorandums, investor presentations, and other offering material.	N/A
	417-2 Incidents of non-compliance concerning product and service information labelling	Zero incidents of non-compliance concerning product and service information labelling	N/A
	205-1 Operations assessed for risks related to corruption	Section 5.3	N/A
	205-2 Communication and training about anti-corruption policies and procedures	Section 5.3 Details of AML training in Annex 7.1	N/A

205-3 Confirmed incidents of corruption and actions taken	No incidents of corruption	N/A
<b>Data Security and Data Privacy</b>		
418-1 b Number of incidents (identified leaks, thefts, data breaches or losses of customer data)	Section 6.2	N/A
418-1 c Has Markaz identified any substantiated complaints of data breaches or loss of customer data	Section 6.2	N/A

### 7.3 GRI 3-3 : Impacts, Actions and Policies per Material Topic

Material topic	Actual and potential, negative and positive impacts	Markaz involvement with the negative impacts through its activities or business relationships	Policies/ Commitments and Actions taken to prevent or mitigate negative impacts regarding the material topic	Actions taken to address actual negative impact	Actions taken to manage actual and potential impacts	Processes used to track progress and effectiveness of action, including goals and targets, their effectiveness and lessons learned
Resource Management	Positive Impact: Reduced GHG Emissions. Balanced use of resources. Refer Section 3.1, 3.2	Potential contribution to negative environmental impacts due to office consumption of paper and plastic. Refer section 3.1	Recycling efforts and awareness building are conducted within Markaz. See details in Section 3.1 and 3.2	Adopting digital innovations to conserve paper usage. Adopting use of reusable mugs to conserve on single use plastics. Refer Section 3.1	Increasing efforts to promote recycling and reduce consumption. Refer Section 3.1	Tracking and reporting actions taken through Sustainability Report.
Total Carbon Footprint	Impacts on GHG Emissions Refer Section 3.2	Potential contribution to negative environmental impacts due to scope 2 and 3 emissions. See Details in Section 3.2	Markaz is mindful of its contribution to total carbon footprint through electricity and water consumption as provided in Section 3.2	Moving to a more environmentally friendly building, see case study in Section 3.2 Minimizing scope 3 emissions	Taking efforts to reduce electricity and water consumption. Minimizing use of air travel and car travel as is possible. See Sections 3.2.3 and 3.2.4	Tracking and reporting actions taken and consumption data through Sustainability Report.
Workplace Environment	Building a workplace environment that is diverse, equitable and inclusive will help attract the best and retain talent. Through continuous employee growth initiatives, equitable compensation linked to our business performance, appealing benefits, and prioritizing health and safety, Markaz's objective is to support the well-being and success of our employees. Refer Section 4.1	NA	Code of Conduct Whistleblowing Policy Recording of incidents by HR. Performance Management Procedure. Refer Section 4.1	Measuring employee satisfaction Employee engagement and communication. Refer Section 4.1	Efforts towards talent attraction, retention and managing turnover through exit interviews. Refer Section 4.1	Conducting Surveys Exit Interviews. Refer Section 4.1

<p><b>Community Engagement</b></p>	<p>Supporting various segments of the community through events, sponsorships, and donations. See Section 4.2</p>	<p>No, we make sure that all organizations we partner with undergo an evaluation including AML checks and any potential controversies.</p>	<p>Ensuring that Markaz's resources (time and money) are spent on activities giving the greatest benefit to both Markaz and society. All potential collaborations undergo an evaluation including AML checks and any potential controversies. An evaluation form is then viewed and approved or rejected by the CEO and Chairman.</p>	<p>Evaluate and attend the sponsored event, press and media monitoring both online and offline.</p>	<p>Attending events, monitoring media, and asking for feedback and updates.</p>	<p>Check if all post event/ sponsorship promises in the initial request such as branding opportunities etc. have been met. Any failed attempt gets refunded</p>
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Corporate Governance	<p>Positive outcome: No shareholders, stakeholders, and counterparties' confidence in Markaz practices (Reputation)</p> <p>Fairness, gender equality, business activities are not harmful to environment, move to digitization.</p> <p>- Negative impact, if any: delay in processing clients' requests due to internal requirements (mitigated by process improvements and automation)</p>	<p>Adequate organizational structure delineating delegation of powers and allocation of human resources.</p> <p>Sound governance systems comprising adequate internal controls and risk management</p> <p>The Governance Framework is an integrated system of values and principles reflected in the company's organizational structure, and policies and procedures that promote transparency and accountability; shareholder value creation; a collaborative and ethical culture driving growth and performance within set risk tolerance, while being cognizant of the company's obligations to its stakeholders, the financial community and society-at-large.</p> <p>Actions taken include</p> <p>- Fairness in dealing.</p> <p>gender equality</p> <p>no activities that are harmful to environment (moved to smart building) (digitization efforts to streamline operations)</p>	<p>Continuous update to policies and procedures, to address any probable negative impact.</p> <p>Awareness sessions to staff members on various aspects of compliance, digitization, CMA regulations.</p> <p>Digitization and systems update to improve operational efficiency are ongoing.</p> <p>Evaluation through the updated KPIs reflecting the Strategy pillars.</p> <p>Compliance reporting on breaches is made to CEO and GRC (Governance, Risk &amp; Compliance Committee).</p>	<p>Compliance testing.</p> <p>Compliance breaches reporting.</p> <p>Risk reporting.</p> <p>Evaluation against KPIs.</p> <p>Internal Audits.</p> <p>External Assurances.</p> <p>RCSA (Risk Controls Self Assessments) for individual departments</p>	<p>Actions are set against timelines and deadlines; and monitored accordingly.</p>
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<p><b>Risk Integration</b></p>	<p>The implemented policies help Markaz continue to remain a pioneer and premier asset management and investment banking institution</p>	<p>NA</p>	<p>Markaz has a well-defined ERM Framework, which elaborates on the risk assessment. BCP defines the policies for addressing any untoward incidents that disrupts the business operations.</p>	<p>Based on the risk assessment and its criticality, appropriate risk mitigations are defined with the responsibilities assigned to the respective departments.                  Risk Reporting:                  Risk tolerance limits.                  Compliance:                  number of internal branches.                  Results of CMA inspection.                  Internal Audit observations trackers and continuous follow up.                  Follow up on various results of:                  Compliance testing, RCSA, performance evaluation and objectives.</p>	<p>NA</p>	<p>NA</p>
<p><b>Business Ethics and Compliance</b></p>	<p>Culture of work ethics and Compliance, while balancing business needs: Negative impact, if any: delay in processing clients' requests due to internal requirements (mitigated by process improvements and automation) balance profitability and impact of investments on environment</p>	<p>No</p>	<p>Code of conduct and code of professional conduct enshrine business ethics principles</p>	<p>Balance profitability and environment concerns, enhance brand image at increased cost.                  employment: favor nationalization of jobs</p>	<p>Ongoing continuous improvements to systems, as and when any incident/issue occurs (small or big): high level of engagement by the systems and digitization team in all operational areas; providing immediate support.</p>	<p>Actions are set against timelines and deadlines and monitored accordingly.</p>

Tailored Client Experiences	Providing our clients with positive investment returns, achieved through a robust selection process on real estate assets we choose to invest in.	No	At Markaz we are committed to offering high quality client experiences and it is documented in our policies. Having senior members attend client meetings and assist the junior level employees. A risk register is maintained on each project; this is discussed in detail with the risk & compliance team. Markaz does a complete background check and legal check on any potential partner. Reuters AML check as well as legal due diligence using a law firm on retainer in New York. Maximize profits, create value for the shareholders, achieve the target of the company within the regulations.	Developing investment solutions across mutual funds and portfolio management	NA	Weekly RM meeting one to one with the head of the department to track how effective is the RM.
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<b>Data Security and Privacy</b>	In today's world and age, data can be easily accessible if not properly secured. Since we are moving with technology, digital data is used more and more. Some or most of the data must be secured well to keep it private and use it only when intended. To do so, the data must be secured well sometimes with multiple tools or layers of security to protect it from unintended use.	The business handles client data and personal identifiable information and we as an organization must keep client information private and secured	Policies are in place for information security and regular reviews and audits are engaged to check the security controls in place. Security assessments, VAPTs and review of controls take place regularly to look for vulnerabilities or weaknesses in infrastructure	No major negative impacts took place, but proper procedures being followed as per the policies and procedures for least negative impacts.	Having stricter control checks and improvements for better controls.	Seeking advice from assessments and audits and learning what is industry best practice and standards for such controls. Minimizing audit observations and immediately rectifying any observations and assessment points. Updating baselines once industry standards are realized.
<b>Innovation and Digital Experience</b>	Positive impact related to higher efficiency while negative impacts lie in resistance to change for users who need lots of awareness and educational content	With trend in technological change, we get involved with arranging awareness and training sessions for the users so that they can have the necessary knowledge on introduction of new technological innovation and digital experiences.	Organization has a commitment to include digital transformation. Activities are ongoing towards a complete digital environment both for internal and external stakeholders. Awareness notifications and training sessions are held regularly or when needed to inform our internal stakeholders on latest news etc.	Awareness notifications and training sessions are held regularly or when needed to inform our internal stakeholders on latest news etc.	Feedback and or requirements gathering, along with market study on benchmarks for introducing new technology or tools to improve the user experience.	ROI study/exercise to realize the introduction of new tools. Evaluation is done by realizing positive value on ROI. If positive value is not realized, actions are taken by reviewing the goals of the activity. Updating baselines once industry standards are realized.
<b>Procurement and Supplier Responsibility</b>	Supporting Local suppliers and thereby local economy	NA	Suppliers must follow the code of conduct according to the contract with Markaz. Markaz ensures suppliers are free of child labor and forced labor in supply chain.	NA	NA	NA

## 7.4 Selected ESG Performance

Indicator	Performance	Related Section
Business or assets mix (property and casualty insurance, life and health insurance, reinsurance, asset management, other)	Markaz business is summarized through the following activities: 1) Assets Management to earn management fees and commission income. 2) investment income from its investments in investments at fair value through profit or loss. 3) Real estate activities mainly through earning rental income and gain from sale of investment properties.	Section 1.4 - Striving for Marketplace Superiority
Involvement in high-risk lending or investment products	Not involved in high-risk lending or investment products	Section 1.4 - Striving for Marketplace Superiority
Activities in financing climate-related environmental projects	Not involved in financing climate related environmental projects	Section 1.4 - Striving for Marketplace Superiority
Oversight of financial product or service reviews	The financial services provided are set in the mandate letter that the client and Markaz signs. The oversight is from the CEO who reviews the mandate letter before signing.	Section 1.4 - Striving for Marketplace Superiority
Involvement in lending or underwriting activities	Loans provided include Consumer and installment loans, Personal loans and Commercial loans.	Section 1.4 - Striving for Marketplace Superiority
Involvement in microfinance/ microinsurance	Microfinance – Client inquiries are managed through Cinet, and financial analysis is performed to determine collateral value. They are approved by the Assets - Liabilities & Credit Committee (ALCO) and final approval by BOD if unsecured loan, related party loan or any loan with exceptions to ts	Section 1.4 - Striving for Marketplace Superiority
Loans to small and medium-size enterprises (SMEs)	Commercial loans are provided to Small and medium-size enterprises	Section 1.4 - Striving for Marketplace Superiority
Debt collection policy	Depending on the nature of the transaction an accounts receivable (AR) is generated, for example the management fees receivable is due within 30 days from the date of issuing the NAV of the managed fund. Management fees from real estate international projects will be charged after exiting from the project and rental income is collected based on the nature of the contract with the tenant if any.	Section 5.2 - Risk Integration
Controversial investment controversies	None	Section 5.2 - Risk Integration
Involvement in ongoing tax-related controversies if any	No involvement in ongoing tax-related controversies	Section 5.3 - Business Ethics and Compliance
Exposure to business activities or geographies facing a higher incidence of corruption and involvement in ongoing corruption-related controversies	Markaz has no exposure to geographies with a higher incidence of corruption. Markaz is not involved in any ongoing corruption controversies.	Section 5.3 - Business Ethics and Compliance
Policy on bribery and anti-corruption	Markaz has documented its stance on anti-bribery, corruption and fraud in its policies in alignment with Markaz values and standards on staff behavior	Section 5.3 - Business Ethics and Compliance
Involvement in anti-competitive and business ethics controversies.	Markaz has implemented a ABC policy and stakeholder policy to document its non-tolerance to anti-competitive or unethical practices	Section 5.3 - Business Ethics and Compliance
Whistleblower policy that provides whistleblowers with protection from retaliation.	Whistleblower policy is in place	Section 5.3 - Business Ethics and Compliance
Scope of the bribery and anti-corruption policy in place for suppliers.	Scope described in Bribery and anti-corruption policy and Fraud policy	Section 5.3 - Business Ethics and Compliance
Data protection and/or privacy programs cover suppliers and business partners	Data protection and privacy are ensured through enforced legal obligations of contractual agreement with suppliers and business partners for the preservation of confidentiality.	Section 6.2 - Data Security and Data Privacy


















Training on data security and/or privacy-related risks and procedures to your employees	The MIS Department, in coordination with the IT team, conducts a Technology Awareness sessions briefing on the IT risks and trends.	Section 6.2 - Data Security and Data Privacy
Executive body responsible for privacy and data security	BOD and management level committee "Governance risk Management and compliance committee"	Section 6.2 - Data Security and Data Privacy
Audits on information security policies and systems	Vulnerability Assessment and Penetration Testing along with Network Assessment conducted to check our network related applications and controls	Section 6.2 - Data Security and Data Privacy
Access control and protection of personal/sensitive data	Access to data on network via corporate account and access to sensitive data on systems via application login. All accesses are provided based on role and responsibility	Section 6.2 - Data Security and Data Privacy
Scope of data protection and information security policy	Markaz has Information Security Policies and Procedures in place.	Section 6.2 - Data Security and Data Privacy
Privacy-enhancing technologies and initiatives	Access rights and access controls are in place for all data-related access, and these are regularly reviewed and tested by the Risk department.	Section 6.2 - Data Security and Data Privacy
Privacy and data security controversies	None	Section 6.2 - Data Security and Data Privacy
Rights provided to individuals regarding the control of their data	Access and control to the data has been provided based on managers' review and approval. Tools are in place to detect data leakage and data protection functions.	Section 6.2 - Data Security and Data Privacy
Data breach/incident response plan	Security Incident Management lists all points regarding Incident Response, documentation of the event, learnings, awareness and training, prevention, etc.	Section 6.2 - Data Security and Data Privacy
Audits of information security policies and systems	Internal and External Audit activities along with access rights reviews and procedure testing done by Risk Management Dept.	Section 6.2 - Data Security and Data Privacy
Transfer of personal data to third parties and consent requirement	If there is a need for third parties to access personal data, it is done after NDAs are engaged and in consultation with Risk Management department.	Section 6.2 - Data Security and Data Privacy
Innovation in mobile/ online / branch-less distribution channels	Innovation through the following selected applications: Markaz e-Catalogue, Online Client Onboarding, iMarkaz Monitor Your Wealth	Section 6.3 - Innovation and Digital Experience
Traded as a tracking stock or similar trading-based entity	Yes	Section 5.1 - Corporate Governance
Negative vote in excess of 10% on pay policies and practices	No, the negative vote was not in excess of 10% on pay policies and practices.	Section 5.1 - Corporate Governance
Shareholder or shareholder bloc control	No, largest shareholder owns 29.7%	Section 5.1 - Corporate Governance
Company's ownership structure or governance arrangements accommodating special concerns for minority public shareholders	No special concerns for minority public shareholders	Section 5.1 - Corporate Governance
Principal shareholders or other large-bloc holders	Largest shareholder owns 29.7%	Section 5.1 - Corporate Governance
Cross-shareholdings with other (related or unrelated) companies	No crossholdings with other companies	Section 5.1 - Corporate Governance
Issuance of more than one class of equity shares and their voting rights	No difference in voting class	Section 5.1 - Corporate Governance
Extra voting rights for a single share class	No extra voting rights for any single share class	Section 5.1 - Corporate Governance
Capping of voter rights	No capping of voting rights at any percentage of share ownership	Section 5.1 - Corporate Governance
Voting rights for foreign or non-resident shareholders	No difference in voting rights based on nationality	Section 5.1 - Corporate Governance
"Golden share" provision in capital ownership structures or government nominated representatives on BOD.	No such provisions	Section 5.1 - Corporate Governance

Plans or provisions as takeover defense	No such plans or provisions	Section 5.1 - Corporate Governance
The right of shareholders to requisition an extraordinary general meeting (EGM)	15% can justifiably request an EGM, to be held within 30 days, as per Companies Law and Articles of Association	Section 5.1 - Corporate Governance
Shareholders ability to make changes at the company	The right to make changes at EGM can be called if 15% of voters agree.	Section 5.1 - Corporate Governance
Implementation of regular say-on-pay votes?	We have implemented regular say-on-pay votes. The regulation in Kuwait is limited to presenting the board and executive compensation to the shareholders within the corporate governance report	Section 5.1 - Corporate Governance
Confidential voting	Board election is confidential, as per company's law and articles.	Section 5.1 - Corporate Governance
Nomination of directors for election at the annual general meeting by qualified shareholders and inclusion of such nominees in the circulation of meeting agenda.	Both are allowed as per the law and articles of Markaz	Section 5.1 - Corporate Governance
Interval for re-election of shareholder-elected directors	BOD tenure is 3 years per companies' law and the articles	Section 5.1 - Corporate Governance
Limitations on shareholder rights such as staggered Board in combination with other limitations.	No such limitations	Section 5.1 - Corporate Governance
Binding majority voting in the election of directors	BOD election is done with majority voting	Section 5.1 - Corporate Governance
Plurality vote standard for director elections and cumulative voting	As per the law and articles, voting is on the basis of plurality; however, any shareholder or group of shareholders with ownership more than 1/7 can nominate a BOD member for each block of 1/7	Section 5.1 - Corporate Governance
Rights of shareholders to remove individual directors without cause	Shareholders do not lack the right.	Section 5.1 - Corporate Governance
Treatment of security holders in relation to the raising and/or return of capital?	No concerns have been raised in the treatment of security holders.	Section 5.1 - Corporate Governance
Public criticism from stakeholders of golden hellos provided by the company to its CEO or other senior executives	No criticism incurred	Section 5.1 - Corporate Governance
BOD's right to amend the company's bylaws / Articles of Association without shareholder approval	No, any change to Articles of Association requires convening an Extraordinary General Meeting	Section 5.1 - Corporate Governance
Independence of chair	We have a non-independent chair, yet a vice-chairman who is non-executive and is independent of management and independent of other interests.	Section 5.1 - Corporate Governance
Independence of non-executive chair	Non-executive chair is independent of management and independent of other interests	Section 5.1 - Corporate Governance
Labor management controversies	No controversies	Section 4.1 - Workplace Environment
Merger & Acquisition (M&A) activity in the last three years that affect more than 10% of workforce or more than 1,000 employee	No M&A activity	Section 4.1 - Workplace Environment
Talent pipeline development strategy	Markaz hiring is strategic, specific and sparing, as we are a high skills organization; we plan each budget according to business plan requirements, and the staff needed to fulfill these and/or add organizational strengths. Further details can be found in the sustainability report	Section 4.1 - Workplace Environment
Employee stock ownership plan (ESOP) or employee stock purchase plan (ESPP)	None	Section 4.1 - Workplace Environment

<b>Employee benefits and work/life balance</b>	1- Health insurance for staff and family (employee, spouse and two children up to 22 years of age) 2- Round trip economy/business class tickets 3- Life insurance for staff	Section 4.1 - Workplace Environment
<b>Performance management practices, performance appraisals and feedback processes</b>	We set performance objectives with KPI's in Jan/ Feb linked to strategy and business plans. Midyear appraisals track progress and realigned objectives June - Aug. Year-end appraisals in Nov- Dec.	Section 4.1 - Workplace Environment
<b>Remuneration policies for members of the highest governance body and senior executives</b>	BOD Remuneration is a policy that meets regulatory standards under the Capital Markets Authority (CMA) of Kuwait.	Section 4.1 - Workplace Environment
<b>Monitoring employee satisfaction</b>	Internal surveys are run by enablers departments to obtain service feedback and identify improvements. HR runs a full employee engagement survey every 2-3 years, which is suitable for our scale.	Section 4.1 - Workplace Environment
<b>Adverse public comments from stakeholders regarding pay policies or practices</b>	None	Section 4.1 - Workplace Environment
<b>Clawback policy for variable or incentive pay</b>	Incentives are not vested but paid on annual achievements. One specific scheme which is sales related provides for reduced incentives according to investment outcomes.	Section 4.1 - Workplace Environment
<b>Variable Pay component</b>	Variable pay takes the form of multiples of monthly salary awarded upon achievement of objectives calibrated with contribution to overall Markaz and business area results.	Section 4.1 - Workplace Environment
<b>Discrimination and workforce diversity controversies</b>	None	Section 4.1 - Workplace Environment
<b>Job-specific development training programs</b>	Business Valuation Masterclass Mergers & Acquisition Derivatives and Balance sheet management Know your Client (KYC) Real Estate Investment Power BI and Advanced Excel Training Workshops Real Estate Financial Modeling	Section 4.1 - Workplace Environment
<b>Leadership training and talent management programs</b>	Ongoing attendance at external executive education programs, events and conferences. Individual training plans for employee	Section 4.1 - Workplace Environment
<b>Employee training on consumer financial protection</b>	Annual AML Financial Crime Course	Section 4.1 - Workplace Environment



## 7.5 Alignment with UN SDG's

No.	Material Topic	Selected Aligned UNSDG'S
1	Resource Management	 
2	Total Carbon Footprint	
3	Workplace Environment	  
4	Community Engagement	
5	Corporate Governance	 
6	Risk Integration	
7	Business Ethics and Compliance	
8	Tailored Client Experiences	 
9	Data Security and Data Privacy	 
10	Innovation and Digital Experience	
11	Procurement and Supplier Responsibility	

## 7.6 Boursa Kuwait Sustainability Disclosures Index

Metric	Calculation	Disclosure / Page Number
<b>Environmental</b>		
GHG Emissions	E1.1) Total amount, in CO2 equivalents, for Scope 1 (if applicable)	Zero
	E1.2) Total amount, in CO2 equivalents, for Scope 2 (if applicable)	Section 3.2
	E1.3) Total amount, in CO2 equivalents, for Scope 3 (if applicable)	Section 3.2
Emissions Intensity	E2.1) Total GHG emissions per output scaling factor	Section 3.2
	E2.2) Total non-GHG emissions per output scaling factor	Not disclosed
Energy Usage	E3.1) Total amount of energy directly consumed	Section 3.2
	E3.2) Total amount of energy indirectly consumed	Section 3.2
Energy Intensity	Total direct energy usage per output scaling factor	Section 3.2
Energy Mix	Percentage: Energy usage by generation type	Section 3.2
Water Usage	E6.1) Total amount of water consumed	Section 3.2
	E6.2) Total amount of water reclaimed	N/A
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 policies? Yes/No	No
	E7.3) Does your company use a recognized energy management system? Yes/No	N/A
Environmental Oversight	Does your Board/Management Team oversee and/or manage climate-related risks? Yes/No	N/A
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	N/A
Gender Pay Ratio	Ratio: Median male compensation to median female compensation	Ratio 1:1
Employee Turnover	S3.1) Percentage: Year-over-year change for full-time employees	Section 4.1
	S3.2) Percentage: Year-over-year change for part-time employees	N/A
	S3.3) Percentage: Year-over-year change for contractors and/or consultants	N/A
Gender Diversity	S4.1) Percentage: Total enterprise headcount held by men and women	Section 4.1
	S4.2) Percentage: Entry- and mid-level positions held by men and women	Section 4.1
	S4.3) Percentage: Senior- and executive-level positions held by men and women	Section 4.1
Temporary Worker Ratio	S5.1) Percentage: Total enterprise headcount held by part-time employees	N/A
	S5.2) Percentage: Total enterprise headcount held by contractors and/or consultants	N/A
Non-Discrimination	Does your company follow a sexual harassment and/or non-discrimination policy? Yes/No	Markaz has in place a code of conduct for their employees, Section 5.3
Injury Rate	Percentage: Frequency of injury events relative to total workforce time	1 incident in 2022, 2 incidents in 2023
Global Health and Safety	Does your company follow an occupational health and/or global health and safety policy? Yes/No	Yes
Child and Forced Labor	S9.1) Does your company follow a child and/or forced labor policy? Yes/No	Markaz is not involved in any forced/child labor
	S9.2) If yes, does your child and/or forced labor policy also cover suppliers and vendors? Yes/No	Yes

<b>Human Rights</b>	S10.1) Does your company follow a human rights policy? Yes/No	N/A
	S10.2) If yes, does your human rights policy also cover suppliers and vendors? Yes/No	N/A
<b>Nationalization</b>	S11.1) Percentage of national employees	Section 4.1
	S11.2) Direct and indirect local job creation	Section 4.1
<b>Governance</b>		
<b>Board Diversity</b>	G1.1) Percentage: Total board seats occupied by men and women	Section 5.1
	G1.2) Percentage: Committee chairs occupied by men and women	Section 5.1
<b>Board Independence</b>	G2.1) Does your company prohibit its CEO from serving as board chair? Yes/No	Section 5.1
	G2.2) Percentage: Total Board seats occupied by independents	Section 5.1
<b>Incentivized Pay</b>	Are executives formally incentivized to perform on sustainability? Yes/No	Not disclosed
<b>Collective Bargaining</b>	Percentage: Total enterprise headcount covered by collective bargaining agreement(s)	N/A
<b>Supplier code of conduct</b>	G5.1) Are your vendors or suppliers required to follow a code of conduct? Yes/ No	Section 6.4
	G5.2) If yes, what percentage of your suppliers have formally certified their compliance with the code?	Section 6.4
<b>Ethics and Anti-Corruption</b>	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?	N/A
<b>Data Privacy</b>	G7.1) Does your company follow a Data Privacy policy? Yes/No	Section 6.2
	G7.2) Has your company taken steps to comply with GDPR rules? Yes/No	N/A
<b>Sustainability Reporting</b>	G8.1) Does your company publish a sustainability report? Yes/No	Yes
	G8.2) Is sustainability data included in your regulatory filings? Yes/No	N/A
<b>Disclosure Practices</b>	G9.1) Does your company provide sustainability data to sustainability reporting frameworks? Yes/No	N/A
	G9.2) Does your company focus on specific UN Sustainable Development Goals (SDGs)? Yes/No	Not officially, nevertheless, various UN SDG's are covered through Markaz initiatives as indicated throughout this Report.
	G9.3) Does your company set targets and report progress on the UN SDGs? Yes/No	N/A
<b>External Assurance (Recommended)</b>	Are your sustainability disclosures assured or validated by a third party? Yes/No	No

## 7.7 GCC Cooperation Council (GCC) Stock Exchange Index

Category	Metric	Calculation	Corresponding GRI Standard	Notes	Location/ Disclosure
	E1. GHG Emissions	E1.1) Total amount in CO2 equivalents, for Scope 1 E1.2) Total amount, in CO2 equivalents, for Scope 2 (if applicable) E1.3) Total amount, in CO2 equivalents, for Scope 3 (if applicable)	GRI 305: Emissions 2016	Actual or estimated atmospheric emissions produced as a direct (or indirect) result of the company's consumption of energy.  Please refer to the WRI/ WBCSD GHG protocol.	E 1.1) Zero E 1.2) Section 3.2 E 1.3) Section 3.2
	E2. Emissions Intensity	E2.1) Total GHG emissions per output scaling factor E2.2) Total non-GHG emissions per output scaling factor	GRI 305: Emissions 2016	Dividing annual emissions (numerator) by relevant measures of economic output (denominator).  Scaling factors set by reporting company. Examples include revenues, sales, production units, employee headcount, and physical floor space.	E 2.1) Section 3.2 E 2.2) Not disclosed
<b>Environment</b>					
	E3. Energy Usage	E3.1) Total amount of energy directly consumed E3.2) Total amount of energy indirectly consumed	GRI 302: Energy 2016	Typically measured in megawatt-hours (MWh) or gigajoules (GJ).  Direct energy produced and consumed on company-owned or operated property.  Indirect energy is produced elsewhere (i.e., utilities).	E 3.1) Section 3.2. E 3.2) Section 3.2
	E4. Energy Intensity	Total direct energy usage per output scaling factor	GRI 302: Energy 2016	Dividing annual consumption (numerator) by relevant measures of physical scale (denominator).  Examples include revenues, sales, production units, employee headcount, and physical floor space.	Section 3.2
	E5. Energy Mix	Percentage: Energy usage by generation type	GRI 302: Energy 2016	Quantifying the specific energy sources most directly used by the Company. "Generation type" set by reporting company; examples include renewables, hydro, coal, oil, and natural gas.	Section 3.2
	E6. Water Usage	E6.1) Total amount of water consumed E6.2) Total amount of water reclaimed	GRI 303: Water and Effluents 2018	Water consumed, recycled, and reclaimed annually, in cubic meters (m3).	E 6.1) Section 3.2.2 E 6.2) N/A
	E7. Environmental Operations	E7.1) Does your company follow a formal environmental policy? Yes/No E7.2) Does your company follow specific waste, water, energy, and/ or recycling polices? Yes/No E7.3) Does your company use a recognized energy management system?	GRI 103: Management Approach 2016*	Publish a commitment, position statement, or a policy document that covers this subject.  Examples of management systems: ISO14001: Environmental management system. ISO 50001: Energy management system.	E 7.1) No E 7.2) Not officially, Section 3.1 E 7.3) No

	E8. Environmental Oversight	Does your Management Team oversee and/or manage sustainability issues? Yes/No	GRI 102: General Disclosures 2016	Does your company cover sustainability issues in senior management (as part of the official agenda), or does it have a management committee dedicated to sustainability-related issues?	No
	E9. Environmental Oversight	Does your Board oversee and/or manage sustainability issues? Yes/No	GRI 102: General Disclosures 2016	Does your company cover sustainability issues in Board meetings (as part of the official agenda) or has a Board committee dedicated to sustainability-related issues?	Yes
	E10. Climate Risk Mitigation	Total amount invested, annually, in climate-related infrastructure, resilience, and product development		Companies measure the total AED amount invested in climate-related issues, including R&D spend, if any.	N/A
Social	S1. CEO Pay Ratio	S1.1) Ratio: CEO total compensation to median Full Time Equivalent (FTE) total compensation S1.2) Does your company report this metric in regulatory filings? Yes/No	GRI 102: General Disclosures 2016	As a ratio: the CEO Salary & Bonus (X) to Median (FTE - Full Time Equivalent) Salary, is usually expressed as "X:1"  Use total compensation, including all bonus payments and incentives.	S 1.1) N/A S 1.2) N/A
	S2. Gender Pay Ratio	Ratio: Median male compensation to median female compensation	GRI 405: Diversity and Equal Opportunity 2016	As a ratio: the median total compensation for men compared to the median total compensation for women.  Reported for Full Time Equivalent (FTEs) only; Use total compensation, including all bonus payments and incentives.	Ratio 1:1
	S3. Employee Turnover	S3.1) Percentage: Year-over-year change for full-time employees  S3.2) Percentage: Year-over-year change for part-time employees  S3.3) Percentage: Year-over-year change for contractors/consultants	GRI 401: Employment 2016	Percentage of total annual turnover, broken down by various employment types.  Turnover includes all job changes, whether due to dismissal, retirement, job transition, or death.	S 3.1) Section 4.1 S 3.2) Section 4.1 S 3.3) N/A
	S4. Gender Diversity	S4.1) Percentage: Total enterprise headcount held by men and women S4.2) Percentage: Entry- and mid-level positions held by men and women S4.3) Percentage: Senior- and executive- level positions held by men and women	GRI 102: General Disclosures 2016 GRI 405: Diversity and Equal Opportunity 2016	Percentage of male-to- female metrics, broken down by various organizational levels.	S 4.1) Section 4.1 S 4.2) Section 4.1 S 4.3) Section 4.1
	S5. Temporary Worker Ratio	S5.1) Percentage: Total enterprise headcount held by part-time employees S5.2) Percentage: Total enterprise headcount held by contractors and/or consultants	GRI 102: General Disclosures 2016	Percentage of Full-Time (or FTE-equivalent) positions held by non-traditional workers in the value chain.	S 5.1) None S 5.2) N/A
	S6. Non-Discrimination	Does your company follow a non- discrimination policy? Yes/No	GRI 103: Management Approach 2016*	Publish a commitment, position statement, or a policy document that covers this subject.	Code of conduct covers non-discrimination in its scope

S7. Injury Rate	Percentage: Frequency of injury events relative to total workforce time	GRI 403: Occupational Health and Safety 2018	Total number of injuries and fatalities, relative to the total workforce.	2022 – 0 injuries, 2023 – 2 injuries, 2 deaths.
S8. Global Health & Safety	Does your company follow an occupational health and/or global health & safety policy? Yes/No	GRI 103: Management Approach 2016*	Publish a commitment, position statement, or a policy document that covers this subject.	Yes
S9. Child & Forced Labor	S9.1) Does your company follow a child and/or forced labor policy? Yes/No  S9.2) If yes, does your child and/or forced labor policy also cover suppliers and vendors? Yes/No	GRI 103: Management Approach 2016*	Publish a commitment, position statement, or a policy document that covers this subject.	S 9.1) Markaz is not involved in child/forced labor.  S 9.2) Markaz ensures suppliers and vendors follow code of conduct and is not involved in child/forced labor.
S10. Human Rights	S10.1) Does your company follow a human rights policy? Yes/No  S10.2) If yes, does your human rights policy also cover suppliers and vendors? Yes/No	GRI 103: Management Approach 2016	Publish a commitment, position statement, or a policy document that covers this subject.	S 10.1) N/A  S 10.2) N/A
<b>Governance</b>				
G1. Board Diversity	G1.1) Percentage: Total Board seats occupied by men and women  G1.2) Percentage: Committee chairs occupied by men and women	GRI 405: Diversity and Equal Opportunity 2016	Percentage of women at the board. Percentage of committee chairs held by women.	G 1.1) Section 5.1 G 1.2) Section 5.1
G2. Board Independence	G2.1) Does your company prohibit CEO from serving as Board chair? Yes/No  G2.2) Percentage: Total Board seats occupied by independent Board members		Highlight the separation of the role of Chairman and CEO. Disclose the percentage of independent Board members.	G 2.1) Yes G 2.1) Section 5.1
G3. Incentivized Pay	Are executives formally incentivized to perform on sustainability?		Describe links between executive performance and sustainability performance, if any.	N/A
G4. Supplier code of conduct	G4.1) Are your vendors or suppliers required to follow a code of conduct? Yes/No G4.2) If yes, what percentage of your suppliers have formally certified their compliance with the code?		Publish a commitment, position statement, or a policy document that covers this subject.	G 4.1) Yes G 4.2) N/A
G5. Ethics & Prevention of Corruption	G5.1) Does your company follow an Ethics and/or Prevention of Corruption policy? Yes/No  G5.2) If yes, what percentage of your workforce has formally certified its compliance with the policy?		Publish a commitment, position statement, or a policy document that covers this subject.	G 5.1) Yes G5.2) N/A

G6. Data Privacy	G6.1) Does your company follow a Data Privacy policy? Yes/No G6.2) Has your company taken steps to comply with GDPR rules? Yes/No		Publish a commitment, position statement, or a policy document that covers this subject.	G 6.1) Yes G 6.2) N/A
G7. Sustainability Reporting	Does your company publish a sustainability report? Yes/No		The company can publish a stand-alone sustainability report or integrate sustainability information in our annual report.	Yes
G8. Disclosure Practices	G8.1) Does your company provide sustainability data to sustainability reporting frameworks? Yes/No  G8.2) Does your company focus on specific UN Sustainable Development Goals (SDGs)? Yes/No  G8.3) Does your company set targets and report progress on the UN SDGs? Yes/No		Does your company publish a GRI, CDP, SASB, IIRC, or UNGC based report?	G 8.1) Yes G 8.2) Yes G 8.3) Not officially
G9. External Assurance	Are your sustainability disclosures assured or verified by a third-party audit firm? Yes/No	* GRI 103: Management Approach 2016 is to be used in combination with the topic--specific standards	Please specify whether your sustainability data has been verified by a third party. Please highlight the Key Performance Indicators (KPIs) that have been verified, if any.	No



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