



# SUSTAINABILITY REPORT 2020

AL-TIJARIA - CONSTRUCTING A SUSTAINABILITY FOUNDATION

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# OVERVIEW

# ABOUT THIS REPORT



This is Al-Tijaria's first sustainability report, titled "Al-Tijaria – Constructing a Sustainability Foundation." The report covers a range of non-financial, sustainability, and Environmental, Social, and Governance (ESG) information, which is disclosed in accordance with the Global Reporting Initiative (GRI) reporting standards-Core option. The reporting period of our sustainability report is from January 1, 2020 to December 31, 2020. Any mention of "Al-Tijaria" refers to the Commercial Real Estate Company K.P.S.C., and any mention of "Al-Tijaria Group" refers to the Commercial Real Estate Company K.P.S.C., along with its subsidiaries and associates, which will often be listed by name.

This Al-Tijaria sustainability report was developed under the guidance and supervision of RSM Consulting W.L.L.

# 2020 Key Sustainability Highlights





**3**  
ISO certifications accredited



**6,568,000** KWD  
Social impact through rent discounts during COVID-19



**10,000** KWD  
Investment into health and safety



**0**  
Number of health and safety incidents



**106,545** KWD  
Investment into digitization



**640** hours  
Training hours provided



**18%**  
Females in executive management



**0**  
Number of employee complaints



**23.5%**  
Kuwaitization at management level



**9** million KWD  
Investment into green projects



**9**  
Number of community initiatives



**61,617** MT CO2e  
Total greenhouse gas (GHG) emissions



**-4%** ↓  
Decrease in electricity consumption



**305**  
Total Number of Employee



**-10%** ↓  
Decrease in water consumption



**52** Years  
Total Year of Experience

# Message from The **Chairman**



“

*We are proud to follow this advanced trend of sustainability reporting, which has been developed in accordance with the Global Reporting Initiative (GRI) standards.* ”

**To our stakeholders:**

Greetings on behalf of Al-Tijaria and the Board of Directors (BoD). We warmly welcome you to our first baseline Sustainability Report 2020, titled "Al-Tijaria – Constructing a Sustainability Foundation."

Our reporting practice is also closely aligned to our strategy, namely our vision and mission statements. Throughout this report, we set out the various sustainability-related impacts that we have had on our range of internal and external stakeholders—shareholders, community, customers, employees, suppliers, government, and others.

Additionally, our Sustainability Report 2020 reflects our values and principles, as we believe in the 5T's: Teamwork, Task, Trust, Time Management, and Transparency. To expand on a few of these, Teamwork is expressed by the various ways we manage our workforce, as well as the many collaborations internally among departments and externally among third parties, in working together to overcome the many challenges presented by COVID-19. Trust is seen both ways between our stakeholders and Al-Tijaria itself, as we trust in the mutual value among parties—monetary or otherwise—that is interchanged. We believe that our stakeholders may each benefit from our impacts and contributions. Next is Transparency, which is the embodiment of this report, where Al-Tijaria is transparent with its stakeholders regarding its performance across areas that include its economy and marketplace, governance and risk, workplace, social, and environmental aspects.

Overall, our performance can be summed up under Environmental, Social, and Governance (ESG). For each factor, our performance was assessed and reported against set indicators, for example as follows.

**Environment (E):**

In terms of our environmental performance, we have recorded a 10% decrease in water consumption, and a 4% decrease in our electricity consumption. Our investment into green projects had been recorded at 9 million KWD value. In addition, we have calculated our carbon footprint in terms of scope I, II, and III greenhouse gas (GHG) emissions—with a total of 61,617 MT CO<sub>2</sub>e.

**Social (S):**

During 2020, we have conducted 5 community initiatives, ranging from youth engagement and educational activities to health and charitable contributions. Some of our other social indicators and performance include, decreasing Al-Tijaria's turnover by 52%-, providing 640 total hours of training, recording 18% females in the workforce, and having a 23.5% Kuwaitization rate in the management level. Furthermore, we have reported on the social impact of providing many of our tenants with rent discounts during the COVID-19, aiding in reducing some of their challenges.

**Governance (G):**

Indicators relating to our governance and economic aspects include recording 22,955,070 KWD of economic impact towards stakeholders, provision of tenant discounts valued at 6,568,000 KWD, investing 10,000 KWD into our stakeholders' health and safety, abiding by 3 ISO standards, and recording zero (0) incidents of health and safety or security, and employee complaints. We further reported on our risk management practices, including risk registers; preventative, detective, and corrective controls; and our business continuity approach to COVID-19.

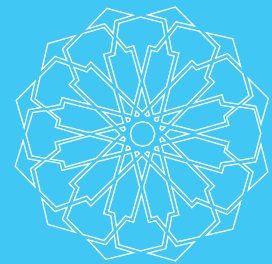
Overall, I would like to thank you for the time you will spend going through our Sustainability Report 2020. We are excited to start this journey by adopting this practice of sustainability reporting, having first established our baseline in this report. We plan to further tackle, assess, and report on our future non-financial performance through upcoming sustainability reports.

We hope that you will find the information presented interesting and useful for you as a valuable stakeholder.



**Abdulfatah M.R. Marafie**  
Chairman

# ABOUT **Al-Tijaria**





## A.4 About Al-Tijaria

The Commercial Real Estate Company (K.P.S.C) (Al-Tijaria) was incorporated as a Kuwaiti Shareholding Closed Company under Articles of Association No. 104/ M/ Vol.1 on 4 February 1968 under Commercial register No. 11329 and re-enrolled on 21 December 1981 under No. 239 in accordance with provision of the Commercial Companies Law. The main objectives of Al-Tijaria are performing various real estate, agricultural, industrial and commercial activities, carrying out contracting, road and building constructions including sale, purchase and lease of land and real estate properties and construction of buildings, utilize the company's surpluses through investment portfolios managed by specialized companies and financial institutions. Al-Tijaria may have interests or participate in any suitable way with entities that engage in similar business activities or that may help the Company achieve its objectives inside Kuwait and abroad. Al-Tijaria may also purchase such entities or affiliate them, or as stated in Al-Tijaria's Articles of Association, article No. 5 and Memorandum of Association, article No. 4. Al-Tijaria's management shall carry out all its objectives for which it has been established in accordance with the Noble Islamic Sharia principles.

Al-Tijaria has been established since February 4, 1968, and has been in business for over 44 years now. We were listed in the Kuwait Stock Exchange (KSE) towards the end of 2004. Al-Tijaria is considered one of the largest real estate companies in the State of Kuwait, namely with regards to paid-up capital.

Our headquarters and contact details are as follows:



### Primary address:

- Building: The Commercial Real Estate Company K.P.S.C Building
- Street: Jaber Al Mubarak Street
- Area: Al Sharq Area
- City: Safat
- City Suffix: 13042
- Region: Al Assimah
- P.O. Box: 4119
- Country: Kuwait

### Contact address:

- Tel: +965 2290-2900
- Fax: +965 2290-2901
- Email: [info@altijaria.com](mailto:info@altijaria.com)
- Website: [www.altijaria.com](http://www.altijaria.com)



# Value Creation Methodology of The Company

Our approach is guided by our Vision, Mission, Values and Principles, business strategy, future plans, and our statement of optimal income. Each of these is covered in further detail below.

## **Vision:**

"The Commercial Real Estate Company is in the ranks of the first and largest companies operating in the real estate industry in the State of Kuwait and the regional and global markets". We seek to maintain a leading position among the best companies in the real estate sector at the local, regional and global levels by creating a competitive and ambitious work environment and providing ideas and projects that support the growth and development of the company and the real estate sector in general.

## **Mission:**

"Increasing the profits of the company in order to maximize shareholder rights and serve the Kuwaiti community".

The Company is committed to following a low-risk strategy that ensures the alignment of cost and value added and the sustainability of returns and cash flows to meet the company's commitments and shareholder aspirations and translate them into actionable annual work plans and follow up the process of implementation and verification of the completion of tasks in accordance with the plans, powers and responsibilities.

## **The Business Strategy:**

Our business strategy involves the acquisition of good assets and maintaining the balance and diversity of our real estate portfolio between income-generating properties and strategic assets in the local, regional and global markets—in addition to maximizing the share of the company in the provision of real estate services and facilities management. This is with the aim of increasing growth and creating sustainable added value for our shareholders, partners, and other stakeholders.

## **Future Plan:**

Al-Tijaria is keen to continue to diversify its real estate investments both in terms of sectors and markets, especially in light of the economic situations, conditions and changes experienced by the world in general and the Middle East countries in particular. We plan to maintain investments with profitable operational returns by the local market and politically and economically stable markets, and markets working on their development. We aim to continue with our dedicated and continuous tracking of economic conditions and changes, and the extent of their implications on the markets, so that the plans and strategies of the company are updated and amended in a timely manner-in parallel with the support and development of the management of third-party property and the provision of facilities services to ensure the provision of excellent services to customers.

## **Optimal Income:**

Our optimal income involves implementing an active internal mechanism to ensure optimum profitability from Al-Tijaria assets through effective management of assets and resources, to enhance the optimal income of the company's assets, and obtain good returns to ensure cash dividends-considering that the rates of returns and distributions are subject to increased revenue and profitability.

# OUR VALUES And Principles

**we**  
**BELIEVE IN THE**  
**5T's**  
OUR RECIPE FOR SUCCESS



With my best regards  
Abdulfatah Marafie

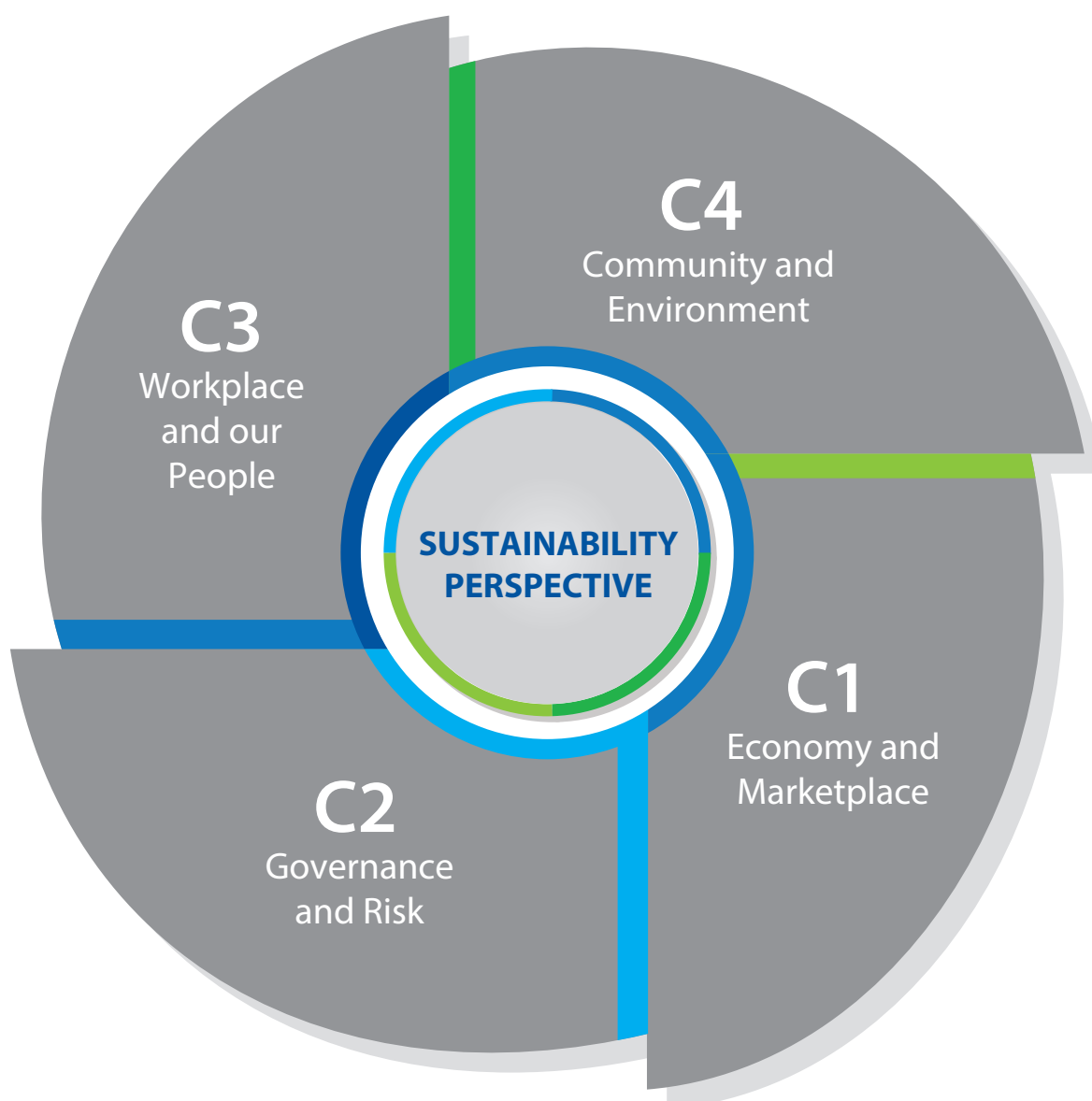
# Introducing our Sustainability **Perspective**





## B Introducing our Sustainability Perspective

Our sustainability journey starts with first introducing our sustainability perspective, which forms our basis and baseline before moving into more specific areas of our related performance. We have implemented various sustainability practices directly into our operations, including the way we deal and engage with our external and internal stakeholders. In this section, we will highlight the importance of our various internal and external stakeholders, and link this to the materiality assessment conducted with our stakeholders to identify the most significant topics for them. As part of the materiality assessment, we further cement this baseline through an illustration of the alignment between our topics and other national and international goals in the domain of sustainability. As a foundation for our report and sustainability perspective, we have considered the overall framework of Environment, Society, and Governance (ESG), as is widely adopted worldwide in sustainability / ESG reporting and practices.



## Introduction

### B.1 Sustainability Impact (102-15,102-29,102-44)

Our report has been developed from the perspective of sustainability, from which we assess and report various aspects of Al-Tijaria performance covering non-financial matters, Environment, Social, and Governance (ESG) matters, as well as any matters related to the 4 dimensions of sustainability: workplace, marketplace, community, and environment.

We believe this is an important reporting process with a range of value outcomes, including, among others, transparency to and responsibility for our varied stakeholders, diagnosis of our sustainability performance, and comparability among other businesses concerning these related issues, whether in our industry or otherwise. In addition, through our sustainability reporting practice, we cater to the various criteria and indicators analyzed by ESG raters globally.

Accordingly, throughout this report, we disclose our sustainability impact through a number of indicators, including, among others, materiality of topics to stakeholders, greenhouse gas (GHG) emissions to evaluate environmental impact, demographic percentages to assess our workforce management, and sustainability return on investment (SROI) to quantitatively analyze the sustainability of our various aspects and initiatives. Sustainability impact through SROI is a method to proportionally realize how much sustainability value (whether tangible or non-tangible) was produced in relation to the investment into said initiative. Throughout our Sustainability Report 2020, we have analyzed 16 Impact Topics. The Impact Topics are listed in **Figure B.1a**, and each Impact Topic is covered in our report follows a scale that ranges according to the legend in **Figure B.1b**.

**Figure B.1a: List of Impact Topics**

			
Rent discounts to tenants	Special needs employment	Training	Water reduction
			
Internship	Employee compensation	Employee events	
			
Employee health insurance	Employee retirement and indemnity	Female employment	
			
New employee hires	Nationalization in managerial level	Open Day event	
			
GHG scope I reduction (generator and owned cars)	GHG scope II reduction (electricity)	Investment into health and safety	

**Figure B.1b: SROI Scale Range**

Moderate Impact %: 1-50%	High Impact %: 51 – 200%	Very High Impact %: >200%
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**B.2 Stakeholder Engagement (102-40, 102-42, 102-43)**

Engagement with our stakeholders is a central theme in our sustainability perspective. We define stakeholders as those individuals, groups or organizations who can affect or be affected by Al-Tijaria business activities.

We believe that running a sustainable business requires healthy and constant engagement and communication channels and practices with our varied stakeholders. To highlight this, we present in **Figure B.2** our approach to engaging with our stakeholders, whether internal stakeholders within Al-Tijaria (i.e. employees, and shareholders and investors), or external stakeholders outside of Al-Tijaria (i.e. customers and tenants, suppliers, government entities, and local communities).

**Figure B.2: Stakeholder Engagement Table**

Stakeholder	Approach to Stakeholder Engagement	Stakeholders' Priorities*	Frequency of Engagement
Shareholders and investors	We engage and communicate with our shareholders, and respond to all their inquiries in all transparency through: <ul style="list-style-type: none"> <li>Publishing our financial statements quarterly, and annual report every year</li> <li>Holding the ordinary and extraordinary annual general meeting (AGMs)</li> <li>Investor relations section in our website</li> </ul>	<ul style="list-style-type: none"> <li>Investor relations</li> <li>Business ethics</li> <li>Corporate governance</li> <li>Economic impact</li> </ul>	Quarterly / annually
Customers and Tenants	We engage with our customers and tenants through a number of methods that include: <ul style="list-style-type: none"> <li>Markets study research</li> <li>Marketing</li> <li>Website</li> <li>Social media</li> <li>Press releases</li> <li>Creation of better services</li> <li>Response to complaints</li> <li>Communication with our tenants through calls, emails and contracts</li> </ul>	<ul style="list-style-type: none"> <li>Tenant relations and experience</li> <li>Economic impact</li> <li>Health, safety and security</li> </ul>	Ongoing throughout the year
Suppliers	We engage with our suppliers by evaluating our suppliers yearly, and there is a Code of conduct for them to follow. We communicate with our suppliers through: <ul style="list-style-type: none"> <li>Meetings</li> <li>Calls</li> <li>Emails</li> </ul>	<ul style="list-style-type: none"> <li>Responsible procurement</li> <li>Economic impact</li> <li>Business continuity and risk management</li> </ul>	Ongoing throughout the year, when required and depending on contract /purchase order follow up
Employees	We engage with employees by: <ul style="list-style-type: none"> <li>Providing all employees with training and development</li> <li>Active utilization</li> <li>Health Insurance</li> <li>Advancement of occupational health and safety</li> <li>Employee initiatives, etc.</li> </ul> There is high engagement and communication among employees and departments. The HR Department provides full support for all staff.	<ul style="list-style-type: none"> <li>Training and development</li> <li>Workplace diversity</li> <li>Corporate governance</li> <li>Employee retention and turnover</li> <li>Health, safety and security</li> </ul>	Ongoing throughout the year
Governmental entities	We engage with governmental entities through: <ul style="list-style-type: none"> <li>Compliance with regulations</li> <li>Providing any requirements as per the jurisdiction</li> </ul>	<ul style="list-style-type: none"> <li>Corporate governance</li> <li>Business continuity and risk management</li> <li>Nationalization</li> <li>Energy reduction and resource management</li> <li>Economic impact</li> </ul>	Throughout the year when required
Local communities	We engage with the local community through: <ul style="list-style-type: none"> <li>Social media</li> <li>Social contribution</li> <li>CSR activities</li> </ul>	<ul style="list-style-type: none"> <li>Community impact</li> <li>Business ethics</li> <li>Economic impact</li> </ul>	Ongoing throughout year depending on initiative

\*Note: These are derived from material topics discussed further in section 2.3: Materiality Assessment

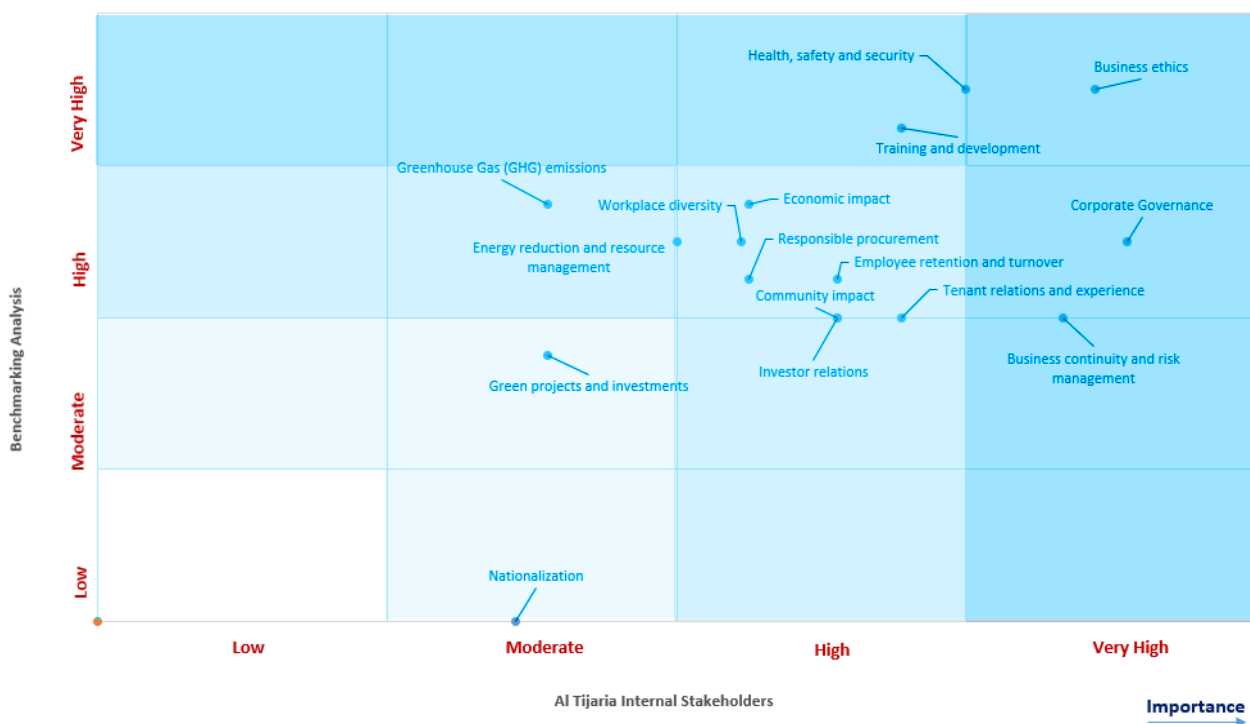
### B.3 Materiality Assessment (102-44 ,102-47 ,102-49 ,102-21 ,103-1)

Our sustainability perspective involves the building of a foundation through conducting a materiality assessment. Materiality assessment-in other words, assessing our most important material topics-is a form of stakeholder engagement, where a range of topics are discussed and prioritized in order to guide the direction of our sustainability reporting practice. This is not only done to align with Global Reporting Initiative (GRI) practice, but also to ensure that our report communicates the most significant matters that concern our stakeholders-articulating our output.

As for our input of materiality assessment, this came from our internal stakeholders within Al-Tijaria, as well as benchmarking analysis conducted against 4 other entities in the real estate and property development industry-broken down by international, regional, and local scopes. As a result, 16 material topics were identified, ranging in materiality level from Moderate to Very High, plotted in a materiality matrix comparing the benchmarking results (Impact) with the Importance inputs from internal stakeholders. See the materiality matrix in **Figure B.3a** for the result.

The material topics marked as Very High (which eventually would be strongly reflected in this sustainability report), are: Corporate governance, Business ethics, Business continuity and risk management, Training and development, and Health, safety and security. The full 16 material topics, along with the materiality level of each, are listed in **Figure B.3b**, as follows.

**Figure B.3a: Materiality Matrix**





**Figure B.3b: Material Topics Materiality Level**

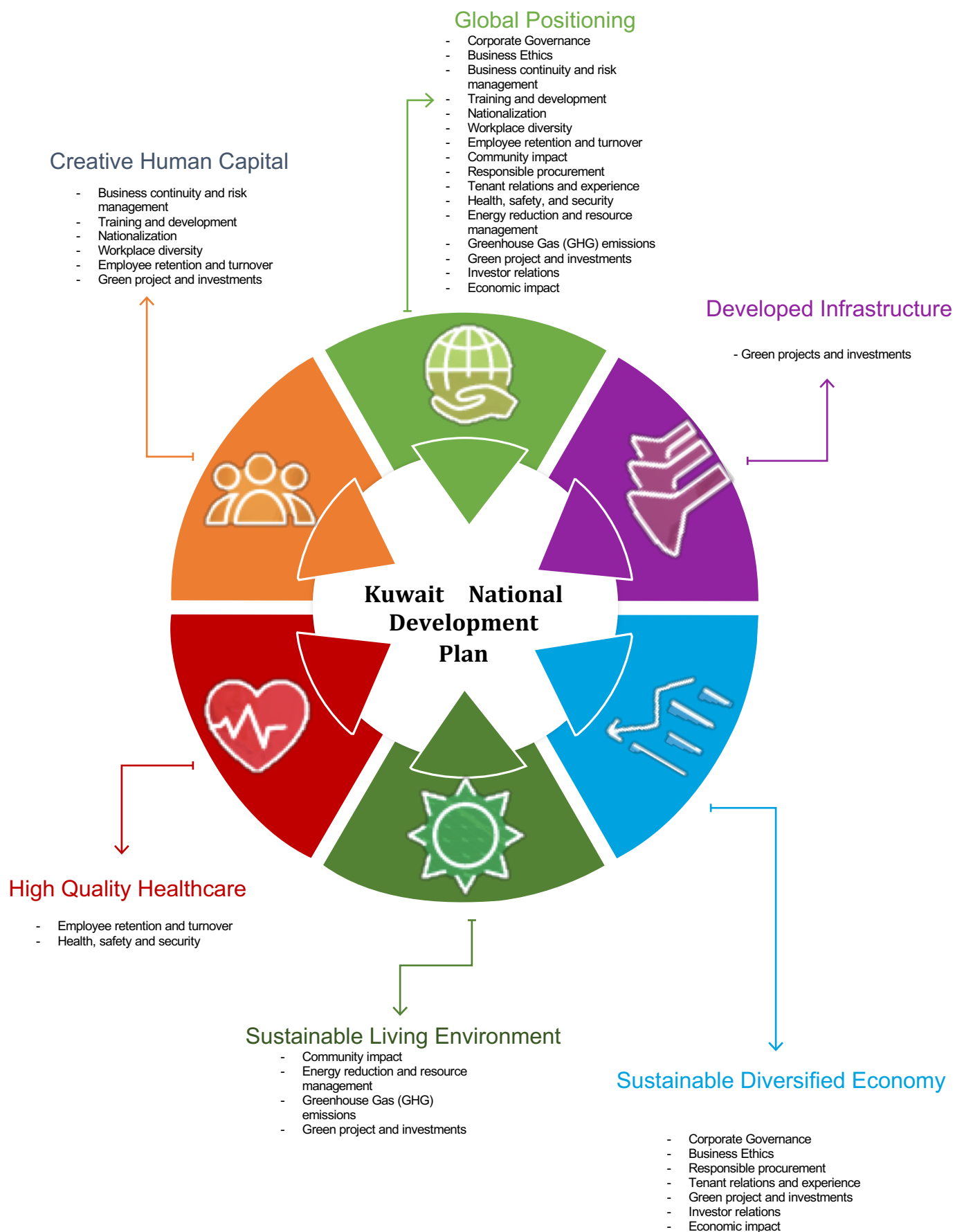
#	Material Topic	Level (Importance/Impact)
1	Corporate governance	Very High
2	Business ethics	Very High
3	Business continuity and risk management	Very High
4	Training and development	Very High
5	Nationalization	Moderate
6	Workplace diversity	High
7	Employee retention and turnover	High
8	Community impact	High
9	Responsible procurement	High
10	Tenant relations and experience	High
11	Health, safety and security	Very High
12	Energy reduction and resource management	High
13	Greenhouse gas (GHG) emissions	High
14	Green projects and investments	Moderate
15	Investor relations	High
16	Economic impact	High

## B.4 Supporting National and Global Goals(103-1,102-12)

In demonstrating the linkage of our sustainability report, materiality assessment, and overall sustainability performance in Al-Tijaria, we have aligned our stakeholders' 16 resulting material topics to national and global sustainability goals and frameworks—namely: the Kuwait National Development Plan (KNDP) / New Kuwait Vision 2035 covering the national scope in Kuwait, and the United Nations Sustainable Development Goals (SDGs) covering the international scope. Note that the KNDP is Kuwait's plan and vision to achieve a set of sustainability goals, grouped into 6 themes, by 2035; however, the SDGs are a set of Global Goals related to 17 sustainability matters, set by the UN to be achieved by 2030. Accordingly, we have found alignment of our material topics to the SDGs displayed in **Figure B.4a**, while we found alignment of our material topics to all 6 of the KNDP themes, as per **Figure B.4b**, as follows.

**Figure B.4a: UN Sustainable Development Goals (SDGs) Alignment to Material Topics**



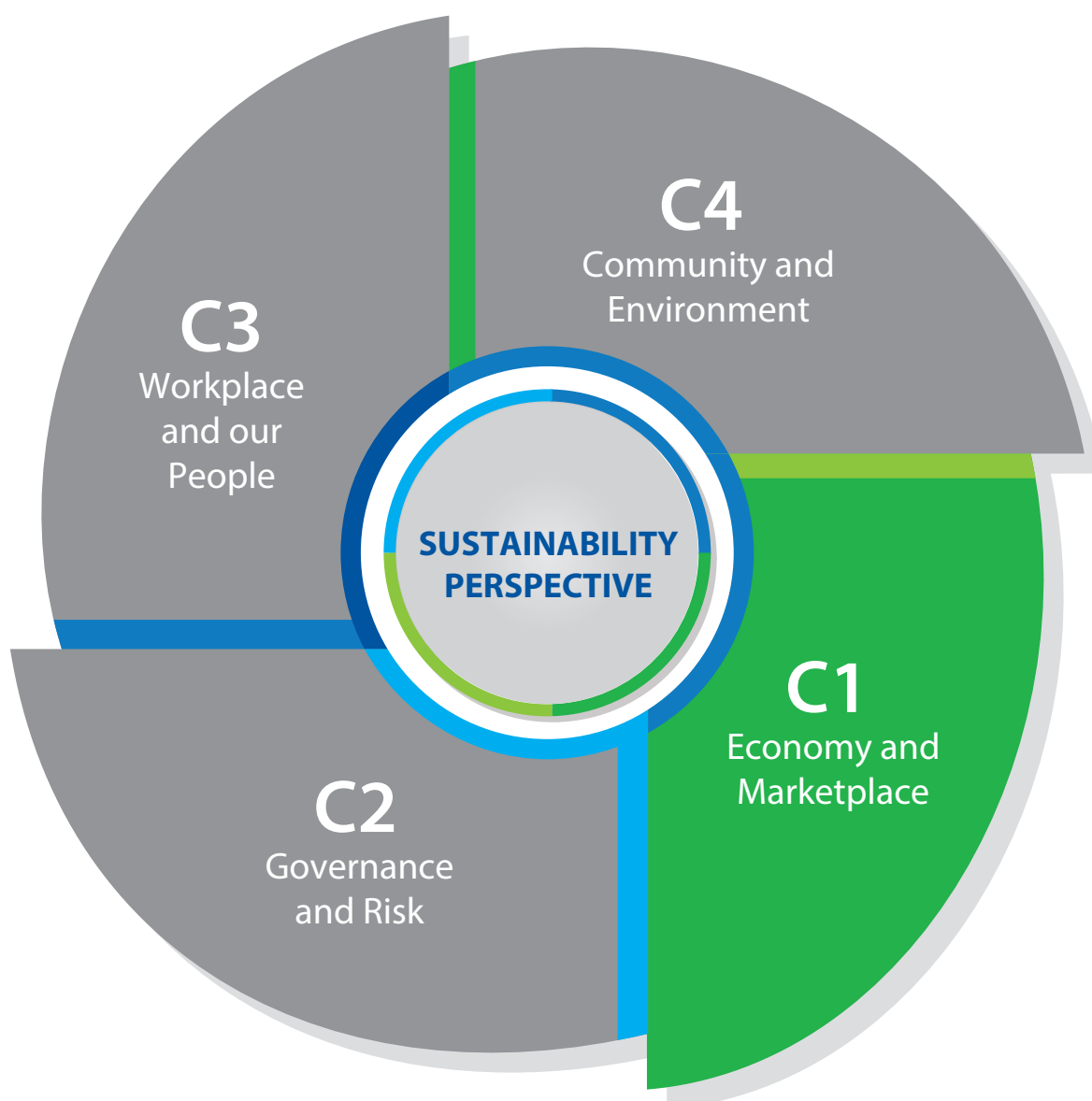
**Figure B.4b: Kuwait National Development Plan (KNDP) Alignment to Material Topics**

# Economy and **Marketplace**



### C.1 Economy and Marketplace

Having established our sustainability perspective, we move in our journey towards the Economy and Marketplace, which exhibits our sustainable performance in terms of the services we provide, the way we deal with tenant / customers, our use of technology, relations with investors, and our procurement practices, among others. Disclosure of our economic aspects and services is a vital part of evaluating how sustainable our business operations are, and how sustainable our impacts are on our customers. A theme that is reflected across our operations has been health and safety, in light of the COVID-19 crisis, where we had put much effort into safeguarding the wellbeing of both our internal and external stakeholders.



### C.1.1 Operations and Presence (102-2,102-6,203-1,417-2,416-1)

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

Al-Tijaria is composed of a number of subsidiaries and associates. **Figure C.1.1a** lists our 4 subsidiaries, while **Figure C.1.1b** lists our 11 associates.

**Figure C.1.1a: Al-Tijaria Subsidiaries**

Logo	Name	Location
	Al Salmiya Group for Enterprise Development Company	Kuwait
	Al Mutajara Real Estate Company	Kuwait
	The Commercial Real Estate Development Company	Bahrain
	The Commercial Real Estate Development Company	Morocco

Figure C.1.1b: Al-Tijaria Associates

Logo	Name	Location
	Kuwait Resorts Company K.S.C.C.	Kuwait
	Hajar Tower Real Estate Company K.S.C.C.	Kuwait
	Kuwait Commercial Markets Complex Company	Kuwait
	Afkar Holding Company	Kuwait
	Gulf Opportunities Company	Kuwait
	Al Jahraa Touristic Company	Kuwait
	Bayan Real Estate Company	Saudi Arabia
	Mozon Investment Holding	Morocco
	Vacation Club Venture Company	United Arab Emirates
	Waves Budaiya Development Company WLL	Bahrain
	The Commercial Resorts Real Estate Development Company	Bahrain

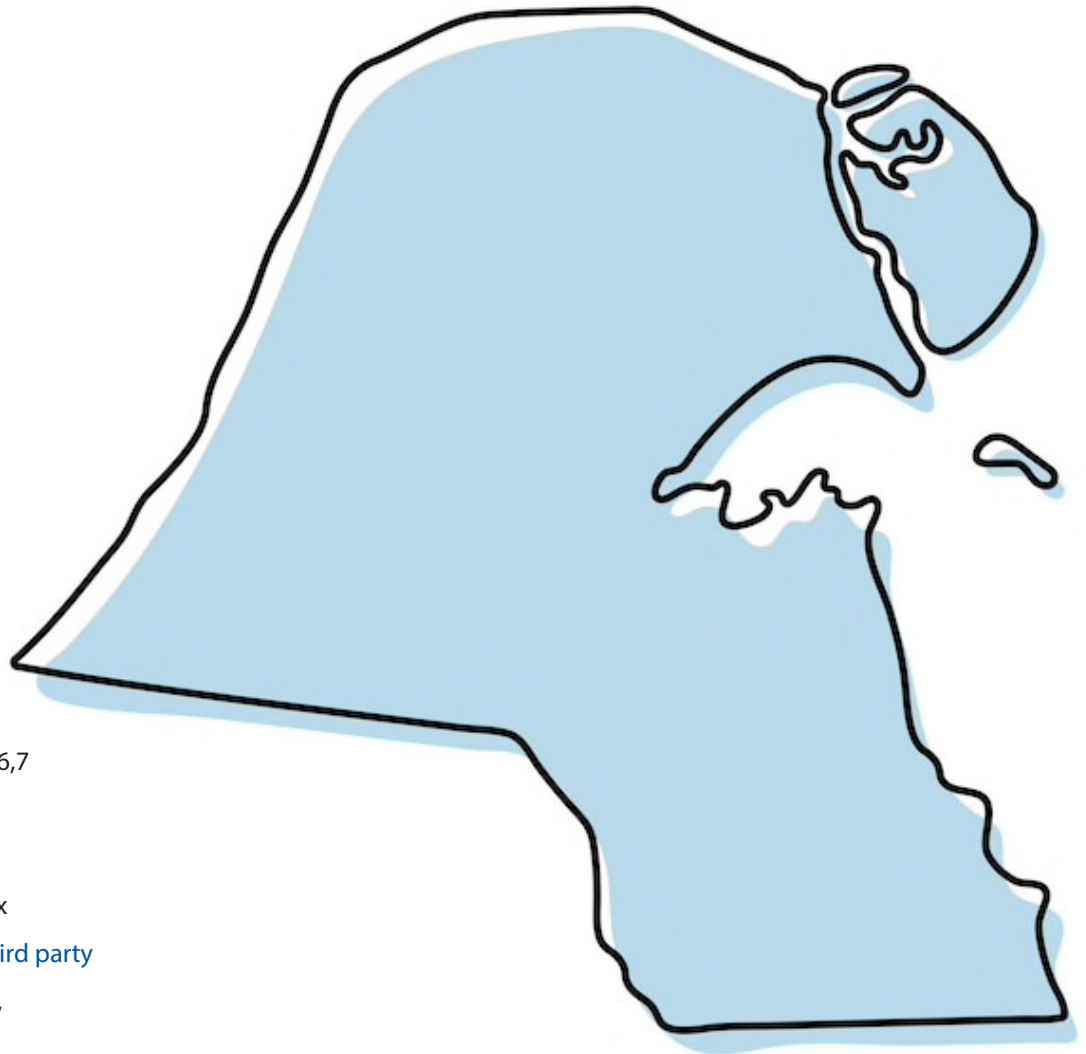
**Figure C.1.1c: Kuwait Properties Footprint**

In Kuwait, Al-Tijaria manages a total of 35 properties, which are listed in **Figure C.1.1c**. Properties managed in Bahrain are listed in **Figure C.1.1d**.

1. Abo Helifa Entertainment
2. Mahbula 1 ,2, 3
3. Salwa
4. Lozan
5. Sharq 1
6. Gulf Plaza
7. Al Manar
8. Al Shroq Tower 1
9. Al Bdour Tower
10. Al Shroq Tower 2
11. Al Shawafat
12. Al Dome
13. Al-Tijaria Tower
14. Symphony
15. Juman
16. Thatcher
17. Lights
18. Villa Abo Helifa 5,6,7
19. Dine Zone
20. Boulevard
21. Al Rehab Complex

**Properties managed for third party**

22. Maryam property,
23. Hend property,
24. Talal property,
25. Sandy property,
26. Lubna property,
27. 60 complex
28. Al-Oqali (Garage)
29. Al-Sumait (residential property)
30. Hawali - Mosa ben Nosair (Residential property)





**Figure C.1.1d: Bahrain Properties Footprint**

- 1 Remal Plaza
- 2 Jawahara Plaza
- 3 Janusan Complex
- 4 Meena 7
- 5 Sitra Showroom

Al-Tijaria's operations include a number of residential and commercial projects, and some of our selected commercial projects are shown in **Figure C.1.1e**.





### Al-Tijaria Tower

Al-Tijaria Tower is one of the most important projects of Al-Tijaria.

It is a distinctive and unique real estate property showcasing a modern architectural style and is the first of its kind in Kuwait. It is built on an area of 4,200 square meters, consisting of 36 office floors and 4 commercial shops floors with a total height of 218 meters and a total cost of 37 million KWD. Al-Tijaria Tower has received the Excellence Award from the American Institute of Concrete- Kuwait Branch; this award is usually granted for outstanding work in the field of design, construction, and execution of concrete in Kuwait.





بوليفارد  
boulevard

### **Boulevard Green Mall**

At the heart of Salmiya, Kuwait's vibrant district, Boulevard Green Mall stands as a unique urban hub for recreational, social, commercial, natural, and touristic attractions. The project also includes variety of entertainment, ballroom and SPA. Boulevard Green Mall is the one-stop shopping destination that includes a diverse array of retailers, cafés and restaurants. The entire mall is equipped with a full range of facilities that guarantees convenience for both its visitors and tenants.

It is spreads over a total area of 353,529 square meters, and has in total more than 148 units on 2 levels: ground floor and first floor. It also has 1,958 parking bays.

Boulevard Green Mall has Boulevard Park, comprising 80% of the project's total area. It features a lake, a fountain, world-class gardens, water streams, fully equipped sports fields, a unique restaurant village and children's playgrounds with special games for those with special needs.

Boulevard Green Mall has a "Lobby" concept which aims to target young Kuwaiti entrepreneurs and Kuwaiti SMEs.





### Symphony Style Mall

The Symphony Style project is one of the most prominent projects owned by Al-Tijaria in Kuwait. The land area of the project is 11,749 square meters and the building area exceeds 95,000 square meters.

Symphony Style consists of 3 parts:

- Commercial offices tower
- Symphony Style Mall
- Symphony Style Hotel

The Symphony Style Mall is a modern shopping center that hosts the rarest brands in Kuwait. It contains more than 52 shops with unique ideas from small entrepreneurs under a combined title called "The Lobby."

Symphony Style Hotel Kuwait is an exceptional and unique lifestyle hotel located in the vibrant area of Salmiya, Kuwait. Our 5 star hotel in Kuwait is designed to provide all its guests with a remarkable experience with its magnetic and elegant designs blended flawlessly with its authentic local warm culture and hospitality. Located 20 minutes from the Kuwait International Airport and just a stone's throw away from the gleaming shopping malls and the Arabian Gulf.



Al-Tijaria also has new plans and projects, and Figure C.1.1f highlights 4 upcoming projects located in Kuwait, Bahrain, and the United Arab Emirates (UAE).



**Figure C.1.1f: New Plans and Projects**

#	Name	Location
1	Al-Manar Residential Complex Extension	Bnaid al Qar, Kuwait
2	Symphony - Smart underground parking system	Salmiya, Kuwait
3	Symphony Residential Tower	Bahrain
4	C17 Due Diligence	Dubai, UAE

An overall view of the geographic allocation of Al-Tijaria's investments is illustrated in **Figure C.1.1g**. This shows our investments spread across a total of 12 countries internationally, located in the Middle East, Africa, Europe, and the USA.

**Figure C.1.1g: Al-Tijaria Investments Geographically**

In terms of COVID-19, the impact of the pandemic was very significant on almost every economic sector around the world, and real estate companies—whether internationally or locally—felt the impact as well. However, due to Al-Tijaria's well-diversified portfolio across the global and various sectors, the impact was bearable. We also exhibited proper compliance with the government rules and regulations imposed in light of COVID-19. Although the market was relatively tough due to the pandemic situation, we were able to successfully exit from some of our international investments at capital gains, and continued to invest into other lucrative deals.

Looking at our Investment portfolio, we aim to enhance the income stream of Al-Tijaria by prudently diversifying our real estate portfolio of companies, which are pre-dominantly located in Kuwait due to being a Kuwait-based company. However, we have well-diversified income streams by expanding our exposure internationally, spread across different countries and sectors. We are investing in recurring income investment opportunities over the developed nations in Europe and the Americas. Those investments have further elements of diversification and income sustainability in terms of the type of clients. Al-Tijaria further participated in private equities in the MENA region.

Additionally, Al-Tijaria puts effort into ensuring efficiency within our project execution and operations. This is specifically ensured through the deployment of professional staff and adoption of international follow-up procedures through project execution and operation.



### C 1.2 Strategic Business Units (102-2 ,102-6 ,203-1 ,417-2 ,416-1)

Al-Tijaria has a number of strategic initiatives, including The Lobby, Edara, and the Symphony Furnished Apartments (SFA). Starting with The Lobby, this project is in line with Al-Tijaria's vibrant role in corporate social responsibility (CSR) and our commitment to encouraging young people with small unique businesses. The Lobby initiative provides rent-friendly units in small spaces for young entrepreneurs to start their projects, eventually helping them establish their commercial activities and achieve their ambitions.



Our next initiative is Edara, a strategic business unit under Al-Tijaria's wide umbrella. Edara is responsible for providing professional real estate management services to fulfill the clients and market needs also providing all real estate services covering Leasing, marketing, rental, collections, legal, commercial, residential and more.

Edara's businesses implements the highest quality standards, and these are adhered to by a qualified and competent team in the field of real estate management. It is characterized by first-class real estate consulting services, backed up by years of experience acquired by the company over a period of more than 15 years of success and peerless technical and market knowledge.

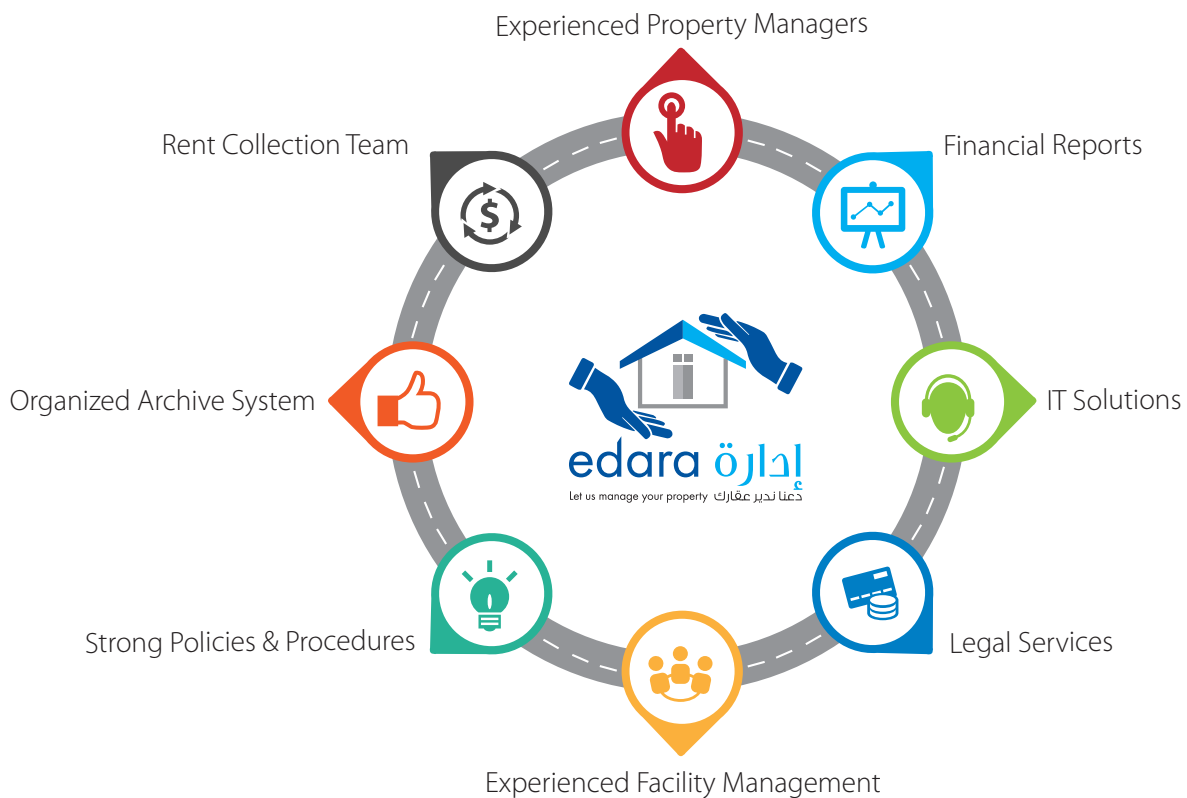
Edara is very keen on assisting our clients to achieve the optimal level for their real estate value, income, assets, and reducing the risk factors.

Al-Tijaria has the ambition that through Edara it will create additional value for property and real estate owners in Kuwait, serving every person that wishes to gain integrity, comfort, safety, quality and ease of mind.

Edara's services involve following up and managing all the aspects of the property by implementing our accumulated competent experience and we are dedicated to working for our clients benefit irrespective of the size of the property portfolio. Al-Tijaria's wide experience covers decades of managing its own and Third party properties of all different kinds, including residential, commercial, industrial, offices and entertainment.

Amongst the distinguished property's that were previously or are still currently managed by Edara are Kuwait's Cube Mall, Boulevard and several Vip client's residential portfolio

**Edara's various activities and services are listed in Figure C.1.2 below**





Additionally, our Symphony Furnished Apartments (SFA) initiative is the latest offering from Al-Tijaria, providing world-class furnished apartments with quality service and amenities. SFA provides premium luxury apartments, furnished to an outstanding standard geared for tenants who appreciate peace of mind and prefer high class accommodation.

In Kuwait, SFA is currently located in Thatcher Residential Complex, Mahboula. Thatcher consists of furnished apartments with a fully serviced system. The total land area is 5,373 square meters. The project consists of 3 partially connected towers, each consisting of 16 floors with 77 apartments and a commercial store. These apartments are served by 6 elevators, in addition to one multi-purpose service elevator, swimming pools for adults and children, a Jacuzzi, and a squash court. The complex also has 6 villas, each consisting of 2 floors and a basement. The project has been equipped with electronic smart systems, operating and management services, guards, and 24/7 security services.

In the Kingdom of Bahrain, SFA consists of 10 floors of luxurious furnished apartments at Symphony Tower – Bahrain. Symphony Tower is one of the tallest residential towers in Bahrain, comprising 46-stories. It is located at the heart of the capital, Manama, opposite to the Diplomatic Area. The tower consists of 10 floors of luxurious furnished apartments.



### C 1.3 Economic Impact (203-2)





Al-Tijaria has a range of direct and indirect economic impacts on its varied stakeholders, whether internal or external to the organization, through its financial payments and contributions. To reflect this, we report in Figure C.1.3 a number of economic impacts on our stakeholders, broken down into the economic impact type, the KWD amount, the related impacted stakeholder, and the scope applying to which specific entity in Al-Tijaria. As a result, there was an estimated amount of **22,955,070 KWD** of economic impact towards stakeholders across **13 areas** of economic impact. These stakeholders include shareholders, community, management, employees, suppliers, tenant customers, and others.





**Figure C.1.3: Economic Impact on Stakeholders**





#	Economic Impact	Amount (KWD)	Related Stakeholder	Scope
1	Total amount of shareholder dividends (distributed to 6,678 shareholders)	Cash Dividends KD 5,302,833 & Bonus shares KD 3,994,801	Shareholders	Al-Tijaria
2	Contribution to National Labor Support Tax (NLST)	53,301	Community	Al-Tijaria
3	Total amount paid towards remuneration	70,000	Management	Al-Tijaria
4	Total amount paid towards compensation	2,889,788	Employees	Al-Tijaria
5	Fixed benefits granted to members of the Board of Directors (BOD) and executive management for the year 2020 (including health insurance, basic wages, salaries, and vacations)	753000	Management	Al-Tijaria
6	Total amount paid towards employee events	15,000	Employees	Al-Tijaria
7	Total investment into community initiatives and contributions	25,732	Community	Al-Tijaria
8	Amount invested this year in providing training to employees	5,135	Employees	Al-Tijaria, Al Salmiya Group
9	Amount invested towards digitization and automation	106,545	Various internal and external stakeholders	Al-Tijaria, Symphony Hotel, Al Mutajara Real Estate Company
10	Total expenditures towards local suppliers	3,067,385	Local suppliers	Al-Tijaria, Symphony Hotel, Al Mutajara Real Estate Company, Al Salmiya Group
11	Total amount spent towards employee health insurance	38,799	Employees	Al-Tijaria, Al Salmiya Group
12	Total amount spent on employee retirement and indemnity	64,751	Employees	Al-Tijaria, Symphony Hotel, Al Salmiya Group
13	Total amount forfeit from tenant discounts during COVID 19, in KWD	6,568,000	Tenant customers	Al-Tijaria, Al Mutajara Real Estate Company, Al Salmiya Group
-	<b>Total</b>	<b>22,955,070</b>	-	-



Our economic impact that directly affects our employees have been analyzed through Sustainability Return on Investment (SROI) perspective, to measure the intangible impact of the financial contribution spent on our employees from events, health insurance and retirement and indemnity. As shown below, the value outcomes were different values for employees.

 Impact Topic	 Amount Paid (KD)	 SROI	 Value Outcomes
Employee Events	15,000	Very High	* Employee support value for 304 employees

 Impact Topic	 Amount Paid (KD)	 SROI	 Value Outcomes
Employee health insurance	38,799	Very High	*Good health impact value 304 employees

 Impact Topic	 Amount Paid (KD)	 SROI	 Value Outcomes
Employee retirement and indemnity	64,751	High	* Financial comfort value for 10 turnover employees

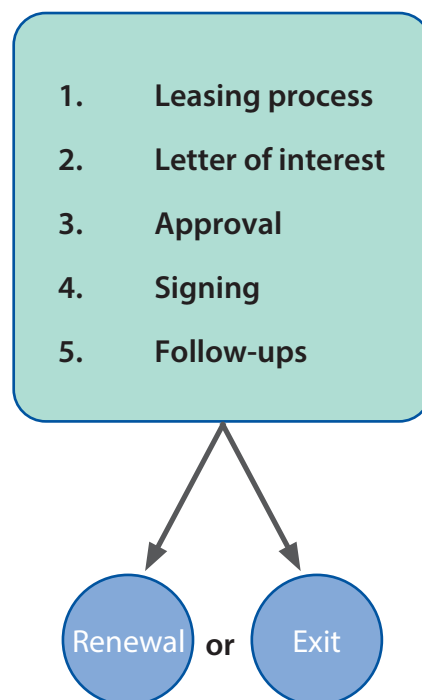
### C 1.4 Property Management and Tenants' Experience (417-2,418-1)

The management of our properties and associated tenants' experience is conducted mainly by our Property Management Department. The main focus of this function is to generate income from the management of properties. This is achieved by coming up with different plans to reduce the number of vacant units, maintaining our tenants, and finding new ways to generate additional income. This includes having bulk leasing deals in residential properties, selecting attractive brands for our malls, taking into consideration their financial stability, merging small property units into one big property unit, or segregating one big unit into smaller units to fast track the leasing process. Another method of maintaining our income streams includes tracking our contracts renewal process to generate extra income after 5 years of the contract. This is a part of the tenant retention plan, which we conduct with the aim of continuously maintaining our tenants. As for collection, we have different strategies to fast-track the monetary collection process, such as sending letters to our tenants. We also contact tenants through meetings, calls to remind them to pay rent before day 20 to avoid fill in legal consequences.

In addition, we conduct market studies and research to ensure that our rents match the surrounding properties, helping us facilitate and expedite the leasing process.

Our tenants' experience is illustrated in the form of a 6-stage tenant journey from the leasing process to the tenant's renewal or exit, and this is shown in further detail in **Figure C.1.4a**. This tenant journey had continued throughout the COVID-19 pandemic, though there were challenges that included documentation, and collections due to changing lockdown / activity regulations.

**Figure C.1.4a: Tenant's Journey**



Al-Tijaria puts good effort into enhancing our tenants' experience and satisfaction with us, and this has been particularly highlighted during the challenges of the COVID-19 pandemic. Despite the challenges associated with COVID-19, Al-Tijaria was able to successfully navigate towards the optimal solutions, and manage them on a case-by-case basis. Some of the challenges faced and to overcome due to COVID-19 were in some operational aspects, which included, the time frame of operation, rent collection, our operational hours, discounts and exemptions, vacating ratio, and turnover. We supported our customers with certain discounts and leasing arrangements in light of the economic repercussions arising from the COVID-19 pandemic.

COVID-19 initially impacted Al-Tijaria when the malls closed on March 15, 2020, based on Council of Ministers' decision in response to the first case of COVID-19 discovered in Kuwait in February 2020. In compliance with the Council of Ministers' decisions, we had to close our malls during the lockdowns, though we remained ready for the re-opening stage during the closed periods. In preparation for re-opening, we had prepared a full set of safety guidelines for customers, and had coordinated with our Facilities Management Department to install thermal cameras and sanitization machines. We had also coordinated with the Marketing Department to install stickers and banners communicating our safety guidelines in different areas around our properties.

Al-Tijaria's Property Management Department has coordinated with a number of other departments and functions with the aim of mitigating the COVID-19 impacts. Through coordination between the Marketing and Human Resource (HR) functions, Al-Tijaria has done social initiatives, including the "We Care for Al-Tijaria Family" campaign. This campaign was launched to distribute COVID-19 prevention and sanitization measures to all tenants of Al-Tijaria's residential, commercial, and office properties. Additionally, in coordination with the Legal Department, settlements were made with the tenants about the rent payments. Meetings and negotiations were done with the tenants in order to reduce tenants' liabilities and debts against paying pending rents. Al-Tijaria was also very flexible in terms of rent payment as we developed tailored installment plan, case by case, and accepted postponed cheques in some other cases.

Al-Tijaria granted full rent exemption to mall tenants starting from the mall closing date of March 15, 2020 until the mall reopening date of June 30, 2020, spanning a total of 3.5 months as follows. As for office property tenants, in response to the full lockdown periods, Al-Tijaria granted a 65% rent discount in May, and a 25% rent discount in June 2020. Then, following the re-opening period, in July and August, the government had decreased malls' working hours; Al-Tijaria responded to this change and considered the economic repercussions of it on its mall tenants by providing a 50% mall rent discount in July, and a 25% mall rent discount in August. Al-Tijaria continued in granting full exemption until end of 2020 for some activities like entertainment.

As a result, out of Al-Tijaria's 1,867 tenants, 1,100 of our tenants received rent discounts as support for COVID-19 challenges accounting for 59% of our tenants, as per **Figure C.1.4b**. This applied to both Kuwait and Bahrain tenants, though Kuwait tenants who received discounts had been only commercial properties, while Bahrain tenants who received discounts had been both commercial and residential properties. As for the KWD amounts of rent discounts, this was a total of 3,461,869 KWD forfeit to Al-Tijaria due to rent discounts. This amount has been allocated between 35% provided during the full lockdown period, while the remaining 65% had been for other periods throughout 2020. However, the discounts provided to tenants overall from Al-Tijaria Group had amounted to a financial value of 6,568,000 KWD. The amount of rent discounts provided from the Al-Tijaria entity itself had amounted to 3,461,869 KWD, while the total amount of rent discounts provided from Al-Tijaria Group, including the other Al-Tijaria entities in Kuwait, had amounted to 6,568,000 KWD. And the amount of rent discount provided to Bahrain tenants has amounted to KD 28,494, As shown in **Figure C.1.4c**.




**Figure C.1.4b: Rent Discounts to Tenants (in # of tenants)**

	# of Tenants
Tenants who received rent discounts	1,100
Total tenants	1,867
% of tenants who received discounts	59%

**Figure C.1.4c: Rent Discounts to Tenants (in KWD)**

Entity	Total amount of rent discounts (KWD)
Al-Tijaria Group (CRC) tenants	3,461,869
Al-Tijaria Group (CRC) tenants including Rehab and Boulevard tenants	6,568,000
Bahrain tenants	28,494

Our rent discounts to tenants have been analyzed through Sustainability Return on Investment (SROI) perspective, to measure the intangible impact of supporting our tenants during COVID-19 crisis. As shown below, the value outcome was the financial comfort value for 1,867 tenants. The investment was a total 6,568,000 KD exempted from the tenant rents. In calculation of the outcomes in relation to the rent discounts to tenants, the result was an SROI percentage that was High impact

 Impact Topic	 Rent Discount Amount (KD)	 SROI	 Value Outcomes
Rent discounts to tenants	6,568,000	High	*Financial comfort value for 1,867 tenants



### Actions by Al-Tijaria to support tenants' experience during COVID-19

The COVID-19 pandemic has driven many challenges to many sectors, and Al-Tijaria has played a major role in supporting all commercial tenants. Full rent exemption was granted to mall tenants starting from the closing date of March 15, 2020 until the re-opening date of June 30, 2020, totaling a 3-and-a-half-month period. For the following re-opening period in July and August, the Kuwait government has decreased malls' working hours; Al-Tijaria has considered the negative economic effects of malls' working hours on the tenants and granted them a 50% discount in July, and 25% in August. During the full lockdown period in May 2020, Al-Tijaria also granted office tenants a 65% discount, and a 25% discount in June 2020. In addition, Al-Tijaria continued in granting full exemption for some activities like entertainment until end of 2020.

Al-Tijaria has granted tenants of the sectors listed below exemption in different periods:

- Offices
- Entertainment
- Retail
- Food and beverages (F and B)
- Institutes and nurseries
- Gyms
- Salons and spa
- Travel agencies
- Clinics

In addition to the above, Al-Tijaria still continues to grant discounts for tenants who have their activities impeded due to Council of Ministers' decisions included bans and lockdowns. Al-Tijaria has been supportive during the COVID-19 pandemic; tenants were in a challenging situation facing economic issues, and some tenants even considered shutting down their businesses aiming to stop the hemorrhaging of money due to continuous losses and lack of sales. At that critical time, Al-Tijaria did not hesitate to stand by its tenants and considered them as partners.

The aim of the granted exemptions to tenants was to support our tenants, prevent them from shutting down their business or vacating, and maintaining them in our properties.

The major outcome of the exemptions granted was enhanced tenant retention, where tenants were able to keep their businesses going in the face of COVID-19, having some of their monetary challenges alleviated through reduced rent payments. We were able to avoid potential shutdowns or vacation of tenants' properties, build customer loyalty with our tenants, and ensure our tenants' ability for contract renewals.

In addition, Al-Tijaria's initiative has indirectly supported the society by enabling tenants - through discounts - to manage their cash flow and meet obligations such as salaries and wages of the tenants' employees. Al-Tijaria also postponed most of rent increment for some units to deal with COVID-19 driven challenges.

Another way of enhancing tenants' experience is by properly tracking and measuring any tenants' feedback and complaints. We, at Al-Tijaria, believe that successful and effective customer service means solving customers' problems in a short period of time and with high quality. So all our employees must do their utmost to prioritize their duties towards customers, in an organized and successful manner. Our employees are instructed to manage tenant complaints and feedback immediately and effectively, aiming to gain the respect and satisfaction of the customer.

Tenant feedback and complaints are communicated through a number of channels, which include an official letter through the email, or direct contact. The turnaround time for handling tenant complaints depends on the type of complaint, though this is, on average, ranges from about 3 days to 2 weeks. The type of tenant complaints received include service, rent, exemptions, maintenance, etc.

An aspect of managing our properties and tenants includes compliance with policies and standards. This is mainly governed by our Customer Service Policy. What Al-Tijaria believes is that its professional success depends on satisfying and retaining our customers, meeting their requirements, and providing high-quality services to support operations. Therefore, Al-Tijaria has developed a set of principles and standards for the application of customer service, which include:

- Forecasting the needs and requirements of customers and tenants before they appear
- Being ready to meet the needs of customers and tenants
- Listening to customers and tenants
- Dealing with customers and tenants honestly
- Facilitating the communication process
- Building strong relationships with customers and tenants

Al-Tijaria follows up with tenants to ensure their compliance to policies and standards, namely those related to services, documentation, unit visits, etc. In case any tenants do not comply with the set policies and standards, we communicate with them through a set escalation process. The process starts with a verbal notification, followed by sending official letters / warnings if the non-compliance continues. In cases where the non-compliance continues, legal action is taken as a last resort.

### **C 1.5 Health, Safety and Security (102-2 ,410-1 ,418-1 ,416-1)**

Caring for our stakeholders means that we provide them with a healthy, safe, and secure environment-the importance of which has been even more heightened due to the advent of the COVID-19 pandemic.

At Al-Tijaria, we implemented a number of actions and activities geared towards enhancing the health and safety of our stakeholders, with many of the activities implemented by the Facilities Management Department, among others. Our main objective was to keep occupants and the public safe from the COVID-19 pandemic situation in Al-Tijaria's properties-reducing and controlling COVID-19 impacts by applying various procedures in line with Kuwait authorities' requirement. A selection of the COVID-19-related activities and measures we implemented are listed in **Figure C.1.5a** below. In total, Al-Tijaria invested 10,000 KWD into ensuring stakeholders' health and safety, as displayed in **Figure C.1.5b**, ultimately resulting in zero (0) health and safety incidents incurred for Al-Tijaria throughout 2020, as per **Figure C.1.5c**.

**Figure C.1.5a: COVID-19 Related Activities and Measures**

- Thermal camera screening, and temperature monitoring equipment
- Sanitizers installed as per Ministry of Interior (MOI) and Ministry of Health (MOH) regulations
- Increase of cleaning cycle
- Putting up banners, social distancing stickers, and other precautions for public health awareness
- Sanitization of offices on a weekly basis.
- Creation of post-COVID-19 operation plan
- Collaboration with other business units and outsourced contractors to implement mask-wearing and social distancing
- Gate closures
- Compliance of operating hours as per regulations
- Distribution of hygiene boxes to all Al-Tijaria residential and office properties

**Figure C.1.5b: Investment into Health and Safety**

- 10,000 KWD

**Figure C.1.5c: Health and Safety Incidents**

- Zero (0)

While we put many efforts into safeguarding our stakeholders' health, we put further efforts into ensuring their security within our properties. We ensure security throughout properties by implementing closed-circuit television (CCTV) cameras monitoring through a unified system, currently having more than 2,000 CCTVs monitoring our properties, as per Figure C.1.5d as follows.

**Figure C.1.5d: Closed-Circuit Television (CCTV) Cameras**

- 2,000 +

**C 1.6 Technology (203-1 ,102-2)**

Our efforts towards the use of technology, automation of process, and innovation are impactful in the realm of sustainability, and have been shown to be vital for Al-Tijaria's business continuity and success throughout the 2020 COVID-19 year. To face these challenges, we had enhanced our IT operations, including our servers, users, applications, network, and security, among others. Al-Tijaria's IT function was supportive in collaborating with other business units during the COVID-19 restrictions, allowing our daily operations to run smoothly without material lag. This includes the provision of user laptops for remote connectivity.

Al-Tijaria has used a range of technologies, channels, and programs, whether internal technologies for use by internal stakeholders within the company (ie. employees), or external technologies for use by external stakeholders (ie. customers). The former is listed and described in further detail in **Figure C.1.6a**, while the latter is listed and described in further detail in **Figure C.1.6b**. In case of any IT complaints, these are managed by Al-Tijaria's IT function; IT complaints are now being done digitally and conveniently through the installation of the Service Help Desk.

**Figure C.1.6a: Technologies for Internal Use**

Name / type	Description / Purpose of Use	In House / Outsourced	Related Outcomes
Share point	All the company network resources, required data, and documents are accessible for employees. The company portal is electronically shared. A daily newsletter is published on the Intranet, as well as important information, special event notifications for all personnel, etc.	In House	Enhanced employee engagement, less resource consumption (ie. paper, trash waste, and printing), associate cost and time savings
Opentext	IT provides employees with access to their required data from any location. It also allows for processing automated leasing, as well as to build workflows for Facilities Management contract services and property leasing contract process.	In House	Less paper usage, more time saving, more cost savings, and positive associated environmental impacts
Virtual conferencing tools	Channels to conduct meetings and discussions, as well as participate in any classes and training.	Outsourced (Subscription)	Enhanced engagement among teams, easy participation with the ability to attend meetings from anywhere, and the ability to continue smooth operations during COVID-19 restrictions and lockdowns

**Figure C.1.6b: Technologies for External Use**

Name / type	Description / Purpose of Use	In House / Outsourced	Related Outcomes
Travel Click	Travel Click allows for hotel bookings from anywhere, provided as an online service for guests / vendors.	Outsourced (Subscription)	Enhanced guest booking experience, reduced resource consumption, more cost savings, and more efficiency
Al-Tijaria Elite Application	This is a valuable marketing application for Al-Tijaria was available on both IOS and Android operating systems. This is currently being revamped.	In House	Enhanced tenant relations, efficiency, resource savings, and cost savings
Official website	This is Al-Tijaria's official company website (www.altijaria.com), which includes much company-related information and is a useful source for finding out more about us. It is tailored for current and prospective investors, subsidiaries, customers, and other stakeholders.	Mix (Outsourced development, and In House controlling administration panel)	Resource savings, efficiency, and enhanced engagement with stakeholders

### IT support during COVID-19

With the current COVID-19 pandemic around the world, many companies have had to implement their own versions of working-from-home policy, including Al-Tijaria. This was done in a close collaboration and support from HR department in providing laptops and our IT function, which allowed us to work remotely while maintaining matters like data security, workplace productivity, and the provision of IT support to virtually manage remote workers during the crisis, etc. Therefore, we adopted methods and capabilities to combat these challenges.

The objectives of these efforts included:

- Ensuring that Al-Tijaria was able to run operations smoothly while having employees working remotely.
- Evaluating the effectiveness of using virtual private network (VPN) to connect and work from home during the pandemic and related lockdowns and curfews.
- Assessing the profit/ loss incurred by the company after adopting work-from-home guidelines.
- Ensuring data security while maximizing employee productivity at the same time.
- Assisting users remotely through tools such as remote assistance tools.

As a result of these efforts, Al-Tijaria was able to run its operations smoothly during the pandemic, while managing other elements like data security and the remote working of employees. The majority of laptop users have been prepared for VPN connectivity, and were able to access the network resources necessary to accomplish their daily tasks remotely from their homes.

In conclusion, with all these appropriate measures taken, we could run the company smoothly, while employees were able to complete all their assigned duties even while working from home, with no breaches occurring into the data security.

Looking at IT security, Al-Tijaria has good and best standard security devices installed to protect our entire network. We have installed high-end firewalls within our IT infrastructure, and we have begun developing a network monitoring project.

In AL Tijaria network, we follow standard protocols and implement best in class technologies to protect and secure AL Tijaria network, we periodically conduct VAPT (black box) to ensure that all gaps are identified and fixed accordingly.

In addition, we ensure that we follow a number of international standards for systems, listing 3 from the International Standards Organization (ISO) in **Figure C.1.6c**, as follows.

#### Figure C.1.6c: ISO Certifications

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



### C 1.7 Responsible Procurement

(102-9,102-10,204-1,308-1,308-2,407-1,408-1,409-1,414-1,414-2)

Exhibiting responsible procurement practices is integral in the domain of sustainability, encompassing areas that include evaluation, due diligence, emphasis on local procurement, human rights, etc. As we are a real estate company and we manage our own properties and others under Edara, maintenance related materials is a major part of our procurement. So, our key suppliers are mainly providing spare parts, sanitation, electricity, in addition to other departments' requests, like office furniture, IT equipment, stationery, printing, etc. Throughout the COVID-19 pandemic, our behavioral approach to suppliers evolved. In case of any limitations because of the full curfew, we were able to adapt through cash payment rather than credit invoice.

Al-Tijaria's Purchasing and Stores section is the main business unit that deals with our suppliers. During the 2020 pandemic year, this department was instrumental in providing other departments with their needs, without material delays, and with the optimal price in the market without sacrificing the quality.

Al-Tijaria itself contracts with 55 suppliers, all of whom are local in Kuwait (100% local). As for Symphony Style Hotel, there were 177 suppliers contracted, which are allocated among 168 local suppliers and 9 foreign suppliers (95% are local). These procurement figures are displayed in **Figure C.1.7** as follows.

#### Figure C.1.7: Local Procurement

- Al-Tijaria
  - 100% local suppliers
- Symphony Style Hotel:
  - 95% local suppliers

In an effort to ensure the quality of suppliers' goods and services, we evaluate our suppliers on a yearly basis. If we have any feedback or observations, we communicate with our suppliers immediately. When selecting our suppliers, we approve them in accordance with a range of criteria that include quality, delivery reliability, price, company profile, etc. Throughout the contract with our suppliers, we make sure that our suppliers are following the appropriate human rights and labor standards / working conditions. In case of any non-compliance with the standards, we take action (from our CEO level), to either remediate the issue with our suppliers, or halt the contract with our suppliers.

### C 1.8 Investor relations

As Al-Tijaria is a listed company on the Kuwait Stock Exchange (KSE), the importance of supporting our shareholders and investors through good relations, services, and engagement is heightened. In Al-Tijaria, this responsibility is handled by the Shareholders Affairs section. This section pays attention to shareholders, ensures the quality of services provided to them, preserves their rights, makes sure that all financial dues are delivered to shareholders in a convenient manner, invites the company's shareholders to the annual general meetings (AGMs) to express their opinions and suggestions, and responds to all their inquiries with full disclosure and transparency. The section is also responsible for providing the necessary data, information and reports to current shareholders and potential investors, as well as keeping a copy of the company's shareholder register, documents, and records, and following up on updates of the records in coordination with the Kuwait Clearing Company K.C.C. (Maqasa) to update the shareholder information or any of their transactions. Throughout this process, the section makes sure to safeguard the confidentiality of shareholders' information. The frequency of engagement with investors and shareholders is done on a continuous basis, and more specifically depends on the frequency of their queries or feedback.

A main theme that is highlighted in our investor relations activities is transparency. Transparency towards Al-Tijaria's shareholders is considered a substantial matter, and there is no neglect or omission in it to protect the rights of shareholders. The work and commitment to the principle of transparency is done in a serious and continuous manner. In order to implement this principle, the management works to communicate with shareholders by various available means and on an ongoing basis in line with the following:



1. Following up on the delivery of invitations and documents for the ordinary and extraordinary annual general meetings (AGMs), ensuring that cash distributions are delivered by the applicable means, as well as inviting shareholders and encouraging them to exercise their rights through communication and follow-up or any other available means.
2. Having an open door policy for receiving any suggestions, participations, or complaints, which aims to urge shareholders and other stakeholders to contribute to the management of the company; this is always announced within the message of the Chairman of the Board of Directors during the AGMs.
3. Sending periodicals and invitations to participate and/or view the activities and events held by Al-Tijaria.
4. Providing data, disclosures, and relevant information on the company's official website.

The Governance Guide stipulates the need to adhere to accurate, organized and appropriate internal and external disclosure of all financial matters and material information related to Al-Tijaria, including a statement of the financial position, performance, ownership and any practices related to control of the company or its decisions. Such transparency creates an atmosphere of confidence and reassurance both internally and externally. Transparency further eliminates conflict of interest with related parties. It ensures clear and knowledgeable communication between shareholders, the Board of Directors, and the executive management, creates an effective climate of credibility in the work environment, and exhibits a responsibility that all parties bear to achieve the following:

1. Protecting all shareholder rights, despite their share percentages, and disclosing their rights in the financial statements.
2. Disclosing the risks of ownership concentration.
3. Disclosing transactions with related parties, including major shareholders.
4. Exhibiting the right to obtain information on exceptional transactions and activities that could impact Al-Tijaria.

As 2020 was a COVID-19 pandemic year, this further heightened the need to continuously engage with our shareholders and investors, and assure them that their investments were in safe hands. As a listed company, one indicator of the company's sustainability that shareholders look at is the stock price on the KSE. While many companies worldwide suffered economic repercussions due the pandemic, Al-Tijaria's share price during 2020 had performed relatively well. At the beginning of 2020, the share price had been 96.9 fils per share (noting that all currencies are in KWD). Throughout 2020, the total trading was high, and the highest share price reached 129 fils on November 19, 2020. This was a 33.1% increase in the share price, as per

**Figure C.1.8.** In December 31, 2020, the share price reached 117 fils-still being an increase from 96.9 fils per share at the beginning of the year, by around 20% increase.

**Figure C.1.8: Highest Change in Share Price**

- 33.1% increase
  - (Highest change was in November 19, 2020)

# Governance and **Risk**



## C 2 Governance and Risk

We have provided information about our economy and marketplace, yet we recognize that solid governance within Al-Tijaria is crucial to drive us throughout our sustainability journey. Governance is the set of relations between Al-Tijaria's Board of Directors, its shareholders and other stakeholders, and it also provides the structure through which the company's goals and means of achieving them are set. It involves different parties to monitor performance and strategically guide towards improvement. Therefore, good governance is what provides both the Board of Directors and the executive management with appropriate incentives to reach their goals and overall company goals. Proper governance is further in the interest of the company's shareholders and various stakeholders, and it facilitates the creation of an effective business evaluation process, thus helping the company utilize its resources efficiently and effectively in line with the objectives of the shareholders and other valuable stakeholders. Within this section, we discuss these matters further, in addition to our approach to risk management, mitigating COVID-19 related risks and others.



## C2.1 Board of Directors (102-18,102-22,102-32,102-23,102-24,102-26,102-27,102-20)

The Board of Directors (BoD) is accountable to the general assembly of shareholders and is responsible for protecting the interests of Al-Tijaria, developing its business and achieving its strategy. The BoD is fully responsible and aware of the company's vision, mission, objectives and general strategy to achieve shareholders' and other stakeholders' expectations. The BoD further works to avoid any conflict of interest, provided that the priority is always to be for the benefit of the company. Al-Tijaria's BoD is composed of a total of 8 members, composed of the Chairman, Vice Chairman and 6 other members. This is in full compliance with Al-Tijaria's board size policy stating that the BoD shall be no less than 5 members—specifically complying with the company's Article of Association rule #14, the Commercial Registration dated on 5-5-1998, and Al-Tijaria's bylaws. More details about the BoD's members, positions, and membership type are provided in **Figure C.2.1a**, as follows.

**Figure C.2.1a: Board of Directors (BoD)**

Name	Position	Membership Type
Mr. Abdulfatah M.R. Marafie	Chairman	Non-Executive
Mr. Adwan Mohammed Al-Adwani	Vice Chairman	Non-Executive
Mr. Ibrahim Mohammed Al-Ghanim	Member of the BoD	Non-Executive
Mr. Hussein Abdullah Jowhar	Member of the BoD	Non-Executive
Mr. Abdulaziz Mubarak Al-Hasawi	Member of the BoD	Independent
Mr. Faisal Ibrahim Al-Musallam	Member of the BoD	Independent
Eng. Abdulmutaleb A.M. Marafie	Member of the BoD	Executive
Mr. Talal Jassim Al-Bahar	Member of the BoD	Non-Executive

The membership types include a mix of executive, non-executive, and independent members-comprising a total of 2 independent BoD members: Mr. Abdulaziz Al Hassawi and Mr. Faisal Al Musallam. Expressed in independence percentage of the BoD, this is calculated as 25% independence out of the 8 BoD members, as per **Figure C.2.1a**. Currently, our BoD consists of 8 male members; however, we have a female Board Secretary. We further disclose that our BoD is in compliance with Kuwait Capital Markets Authority (CMA) regulations.

As stipulated by Al-Tijaria's policies, the maximum number of years a BoD member may be on the Board is 3 years, though members are able to renew membership based on AGMs and shareholder elections. Al-Tijaria's policies further stipulate that the BoD should convene at least 6 times per year, and this was met by actually meeting 6 times in 2020. This is in compliance with Al-Tijaria's Article of Association rule #22, the Commercial Registration dated on 16-7-2020, and the Kuwait Commercial Companies Law 1-2016. A number of governance-related disclosures are provided in **Figure C.2.1b**.

#### **Figure C.2.1b: Board Independence**

- Board Independence
  - 25%

Our BoD includes 3 committees handling different areas, and we also have our Shari'a Supervisory Board (or Shari'a Board). The Shari'a Board supervises Al-Tijaria's activities from the perspective of Islamic Shari'a principles. It is directly reporting to the BOD and provide consultation in coordination with the Chairman and the Administration and Legal Affairs Group, as per the organizational structure. The Shari'a Board is composed of 3 members, listed in **Figure C.2.1c**.

As for Al-Tijaria's BoD, it is composed namely of the Audit and Risks Committee, the Nominations and Remunerations Committee, and the Governance Committee. More details on each are provided in **Figure C.2.1d**, as follows.

#### **Figure C.2.1c: Shari'a Board Members**

Sayed Mohammed Al-Tabtaba'i, PhD. (Chief)	Badr Abdel-Razzaq Al-Mas, PhD (Member)	Sheikh: Yousef Mahmoud Ali (Member)
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Figure C.2.1d: Board Committees

Committee	Description	Members	Directly Related Units / Departments
Audit and Risks Committee	The Audit and Risks Committee aims to assist the BoD in carrying out its responsibilities to ensure compliance with auditing standards and the effective application of the various policies of the company, identify weaknesses and work to take corrective measures in this regard. As well as working to manage the risks that the company may be exposed to, the committee sets the necessary controls to work to reduce them, determines the risk tendency of the company and the acceptable proportions of it against the expected benefits and submits the related recommendations to the Board.	<p>The committee has 3 members:</p> <ul style="list-style-type: none"> <li>• Mr. Ebrahim Mohammad Alghanim (Chairman- Non-Executive)</li> <li>• Mr. Adwan Mohammad Aladwani (Vice)</li> <li>• Mr. Faisal I. Al Musallam (Independent Member)</li> </ul>	<ul style="list-style-type: none"> <li>• Risk and Compliance Unit</li> <li>• Internal Audit Department Consultation related to financial matters with:</li> <li>• Finance and Strategic Planning Department</li> <li>• Accounting Department</li> </ul>
Nomination and Remuneration Committee	The Nomination and Remuneration Committee aims to assist the Board to carry out its supervisory responsibilities and duties to ensure the nomination of the necessary competencies for the membership of the BoD and the executive management and administrative positions in the company, and to verify that they are carried out according to an institutional framework characterized by efficiency and full transparency and mainly in the interest of the company and then achieve the goals of the shareholders. This is in addition to supervisory tasks to ensure the integrity and correctness of the policy of calculating the rewards and allocations that the company applies to members of the board and executive management and to verify that it is fair and contributes mainly to attracting candidates with the necessary professional competence and high technical capabilities.	<p>The committee has 4 members:</p> <ul style="list-style-type: none"> <li>• Mr. Talal J. Al Bahar (Chairman- Non-Executive)</li> <li>• Mr. Hussain Abdulla Jowhar (Vice)</li> <li>• Mr. Adwan Mohammad Aladwani (Member)</li> <li>• Mr. Abdulaziz M. A. Al Hasawi (independent Member)</li> </ul>	<ul style="list-style-type: none"> <li>• Admin and Legal Affairs Group</li> </ul> <p>For HR matters</p>
Governance Committee	The Governance Committee aims to achieve the policies, regulations and procedures applied in the company for these instructions and to take corrective and preventive actions and steps when necessary, in order to achieve balance and harmonization between the powers of the company's management and the protection of the rights of shareholders and stakeholders in the interest of the company.	<p>The committee has 3 members:</p> <ul style="list-style-type: none"> <li>• -Mr. Abdulfatah M.R. Marafie (Chairman)</li> <li>• -Mr. Hussain Abdulla Jowhar (Vice)</li> <li>• -Mr. Faisal I. Al Musallam (Independent Member)</li> </ul>	<ul style="list-style-type: none"> <li>• Risk and Compliance Unit</li> </ul> <p>Related to compliance functions</p>



Looking at ESG-related matters, a variety of environmental, social, and governance related aspects can be identified.

#### Governance:

Governance matters are under the scope of the BoD and the Governance Committee. The Governance Committee and the BoD are further responsible for following-up and ruling on the following ESG-related areas, Corporate Social Responsibility (CSR) plan, related CSR campaigns for this area based on the prepared yearly plan approved by the BoD.

#### Social:

Moreover, social aspects are considered within our employment practices, which are directed at the BoD level through our Nomination and Remuneration Committee.

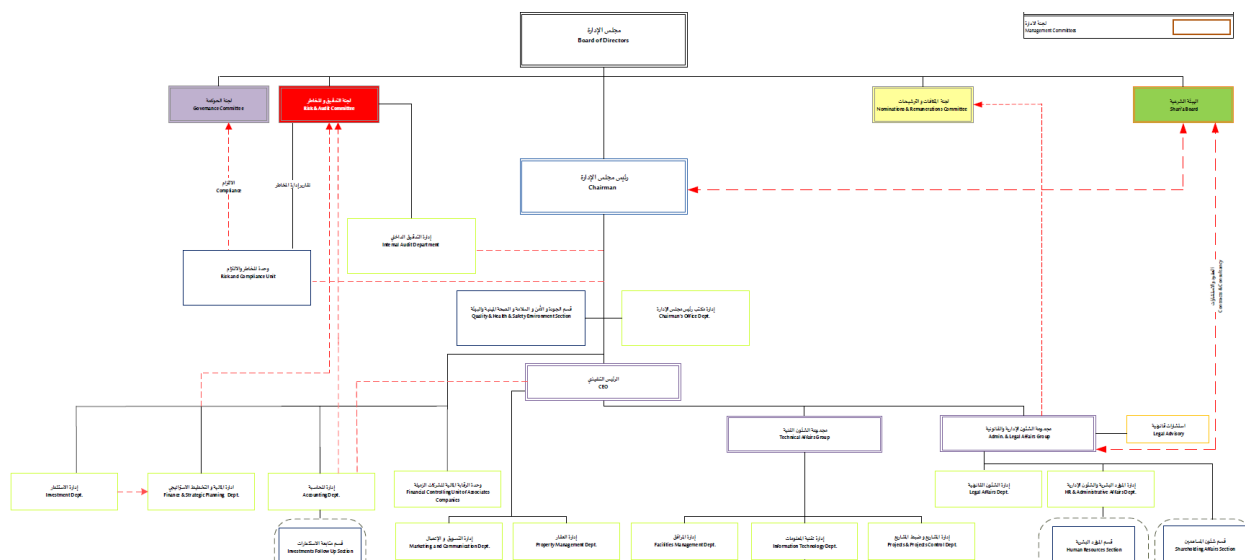
#### Environmental:

Some environmental campaigns approved by the BOD include Plant a Tree in my Country, and Beach Cleaning,

### C2.2 Organizational Structure

Governance is an essential part of the ESG framework, and our organizational structure chart is a way for us to visually organize and illustrate this—displaying our internal parties and bodies, their authorities, and their relations with other departments and units. Accordingly, our organizational structure is illustrated in further detail in **Figure C.2.2a**, showing the cascades of functions, authorities, and oversights from top to bottom. Al-Tijaria's organizational structure is topped by the Board of Directors (BoD), branching into the Chairman and 3 committees. Below the Chairman and the BoD are the Chief Executive Officer (CEO) and the rest of the executive management, in a number of different groups, departments, sections, and outsourced functions.

**Figure C.2.2a: Organizational Structure**



Looking at Al-Tijaria's executive management, this is composed of 14 executive management positions, listed with their names and associated position in **Figure C.2.2b**, as follows.

**Figure C.2.2b: Executive Management**

Name	Position
Mr. Saleh Ahmad Al-Aryan	C.E.O Administrative and Legal Affairs Group
Eng. Abdulmutaleb A.M. Marafie	C.E.O Technical Affairs Group and Properties Group
Eng. Yousef Ghazi Al Saqabi	Assistant C.E.O Technical Affairs Group
Mr. Tamer Said Mansour	Finance and Strategic Planning Department Manager
Mr. Fuad Hassan Zaarour	Accounting Department Manager
Mr. Mansour Mohsen Kamal	Internal Audit Department Manager
Mr. Essam Mohamed Refaat Mahmoud	Legal Affairs Department Manager
Mr. Ahmed Esmaeil Elkalshy	HR and Administrative Affairs Department Manager
Mr. Nisanth Kondiara Chandran	Facilities Management Department Manager
Mr. Emad Al Haniny	IT Manager
Mrs. Eman Muqadem	Chairman's Office Department Manager
Eng. Fatemah Amin Marafie	Projects and Project Control Department Deputy Manager
Mrs. Eva Saaed Awwad	Property Management Department Deputy Manager
Mr. Ahmad Abbas Shakib	Investment Department Deputy Manager

### C2.3 Business Continuity and Risk Management (102-30 ,207-2 ,102-11 ,102-15)

Al-Tijaria prioritizes risk management as a means of ensuring that our operations continue in the present and into the future in a sustainable manner—being an even more critical area in 2020 due the COVID-19 crisis. Part of our risk management approach is business continuity, where various efforts were implemented to ensure that our operations would continue and remain successful despite the pandemic's challenges, and adapting to the various closures, lockdowns, and curfews. Accordingly, our business continuity approach is communicated internally via meetings with individual departments, and general meetings with the executive management. It is communicated with external stakeholders upon request.

Our risk management approach is derived from the Enterprise Risk Management (ERM) model from the Committee of Sponsoring Organizations of the Treadway Commission (COSO). As per ERM, different types of risks considered include hazard, financial, operational, and strategic risks. Our risk management approach involves 6 steps, listed in **Figure C.2.3a**, as well as any of the 4 risk responses listed in **Figure C.2.3b**, as part of our risk strategy depending on the type of risk and our risk appetite. As well as the adherence to the CMA requirements, Al-Tijaria also appointed a consultant to handle various risk management responsibilities.

#### Figure C.2.3a: Risk Management Steps

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

#### Figure C.2.3b: Risk Responses

- Avoid: - Eliminate the cause of the risk
- Mitigate: - Reduce the risk probability or impact
- Transfer: - Transfer the risk to a third party to take responsibility of the risk (ie. insurance)
- Accept: - Accept the risk within our risk appetite

Risk management at Al-Tijaria is overseen by the Board of Directors (BoD) and specifically the Risk and Audit Committee. This committee discusses risk matters and sets out outlines, guidelines, and recommendations, which are approved by the BoD and then directed to the executive management for implementation and consideration of all recommendations to correct any deviations. This same procedure was conducted to handle the COVID-19 crisis from a risk management perspective, closely involving the BoD and executive management in the crisis mitigation within our company.

Other functions who report to the Risk and Audit Committee are the Risk and Compliance Unit and Internal Audit Department. While a coordination / consultation takes place with Finance and Strategic Planning Department, and Accounting Department-reflecting the direct integration of risk elements within our various compliance, internal audit, finance, strategic planning, and accounting functions. Quarterly reports are developed in order to periodically monitor risk. Our Internal Audit function involves periodically reviewing internal controls, risk management and governance processes, as well as multiple non-financial elements, and follow up on the necessary action resulting from any observations with respective management teams.

Furthermore, in response to COVID-19, Al-Tijaria identified all of its critical functions, and ensured their ability to continue functioning during the crisis and related lockdowns and curfews. Some actions done and maintained to ensure business continuity in the face of the COVID-19 challenges include:

- Accessing the company network and work files to enable working from home.
- Availability of laptops to key functions to ensure business continuity.
- Using secured communication to avoid cyber security risks.
- Using virtual meeting channels to conduct and monitor business performance.
- Closing (or partially closing) business lines according to government directions.
- Implementing precautionary measures for safety and minimizing business interruptions.
- Developing an action plan to ensure the continuity of work, whether by partial attendance or working from home.
- Developing an action plan to ensure the continued provision of services to shareholders and the company's clients.
- Developing and implementing a plan for the safe return to the company's workplace in accordance with the requirements of the Kuwait Ministry of Health (MoH).
- Developing an action plan for holding the company's annual general meetings (AGMs) in accordance with the requirements of the MoH.
- Developing plans and preparing to deal with any other potential circumstances and risks.

A tool within our risk management approach includes risk registers. Accordingly, we disclose having 4 operational, 1 technology related, and 1 health and safety risk registers.

Another approach to our risk management is controls, where we ensure that there are appropriate preventative, detective, and corrective controls in place to manage the risks. Our preventative controls aim to eliminate the possibility of the occurrence of the risk, which we do through system access controls and pre-approvals. Our detective controls help us identify the risk occurrences once occurred, which we have through our closed-circuit television (CCTV) security cameras and the generation of exception reports. Our corrective controls are in response to the risk once it has occurred, helping us to repair any damage or restore resources and capabilities impacted, which we do by having system back-ups and providing adequate training to our employees.

In terms of ESG, a number of Environmental, Social, and Governance aspects are considered within our risk approach, though not directly necessarily in line with formal ESG indicators. We consider a number of environment-related risk factors, which include used water disposal, disposal of chemicals, used lead-acid battery, etc. For any social-related risk factors, these are mitigated by complying with rules and regulations related to the Kuwait Labor Law, corporate social responsibility (CSR), etc. Similarly, governance-related risks are mitigated by complying with the relevant rules and regulations, including the Kuwait Capital Markets Authority (CMA) law, various ministerial decisions, and various policies and procedures.

#### **C2.4 Business Ethics, Compliance and Transparency (307-1, 419-1, 102-25, 102-35, 102-17, 205-1, 205-3, 206-1)**

Aspects of business ethics, compliance, and transparency are vital to ensuring that Al-Tijaria continues doing its business in a sustainable and proper manner. We conduct our business in adherence to a set of policies and procedures approved by our Board of Directors (BoD), our Corporate Governance Manual, and in compliance with the Kuwait Capital Markets Authority (CMA). In case of any new regulations from government authorities, these are immediately assessed for their impact on Al-Tijaria, and circulated through email to all concerned staff and the BoD.

The special focus of these changes is further addressed through training to the concerned staff and the BoD. Al-Tijaria depends on a group of internal policies in order to ensure and maintain the level of performance, and control the operational and financial operations that cover all the activities and departments through adopting a group of policies, procedures and organizational structures. These include policies related to the segregation of duties, investigation, and performance follow-up reports. In addition, the BoD follows up with all the internal policies through periodical reports issued by the following committees and controlling departments:

- Shari'a Board (through an Annual Report)
- Internal control review (ICR) (through an Annual Report)
- Risk and Audit Committee
- Risk and Compliance Unit
- Internal Audit Department

To report grievances or seek advice on any ethical or legal aspects, we have a number of mechanisms, which include reporting to the HR Department (which may take action with the support of the CEO), management request to the Legal Department / external outsourced legal advisory, as well as whistleblowing-as set out in our Whistleblowing Policy.

As per our Whistleblowing Policy, we encourage and enable employees to report their concerns about any breaches and violation of the laws within the company to the concerned persons without speaking or disclosing these issues or violations outside the company. The BoD is committed to the highest possible standards of integrity, transparency, accountability and justice, and in line with the principle, channels and mechanisms that have been identified to help employees and the parties we deal with to express any serious concerns about the occurrence of any violations.

The aim of our Whistleblowing Policy is:

1. To encourage a sense of confidence and raise the level of diligence and commitment in a framework of seriousness and loyalty to work and the company.
2. To provide appropriate means and channels and the best procedure for expressing and disclosing concerns or doubts in order to protect the work and the company.
3. To ensure receiving appropriate support and direct follow-up to verify these claims and prove their validity.
4. To ensure that the claimer is protected from any reprisals or reactions resulting from reporting to reveal any violations.
5. To take the necessary measures regarding any violations of the laws to ensure that they are not repeated and to serve as an example and to avoid suspicions in the future.

We further ensure that conflicts of interest are avoided and managed. This is done through a transaction report for related parties that is announced to the shareholders during the AGM yearly, in compliance with regulations. We also ensure regulatory compliance by rotating our auditors / audit partners, as per regulations.

We manage our workforce in proper compliance with the Kuwait regulations (Kuwait Labor Law), safeguarding their human rights and labor rights. This continued to be ensured amidst the COVID-19 challenges.

Our employees abide by a Code of Conduct, as articulated in our Governance manual. We review and update this Code every 2 years along with other policies and procedures. In cases where there is deviation from the Code, any identified cases are raised with the HR Department, with support from the Legal Department if required.

Transparency is something we value with our stakeholders. Accordingly, Al-Tijaria adopted a policy of disclosure and transparency towards its BoD, shareholders, and other stakeholders. This transparency is extended to the concerned and supervisory government authorities, in compliance with Kuwait laws and regulations. We adhere to regulations that stipulate accurate, organized, and appropriate internal and external disclosure of all financial matters and material information related to the company, including a statement of financial position, performance, ownership, and any practices related to the control of the company or its decisions. Such transparency creates an atmosphere of confidence and reassurance internally and internally among stakeholders. Transparency ensures clear communication among shareholders, BoD, and executive management, and it creates an effective environment of credibility in the work environment, as these are responsibilities that many parties bear. Al-Tijaria is committed to following all laws, regulations and instructions related to disclosure issued by the various regulatory and supervisory authorities in a timely manner, reflecting the importance of transparency in enhancing the confidence of shareholders and stakeholders, and maintaining the company's reputation in the markets in which it operates.

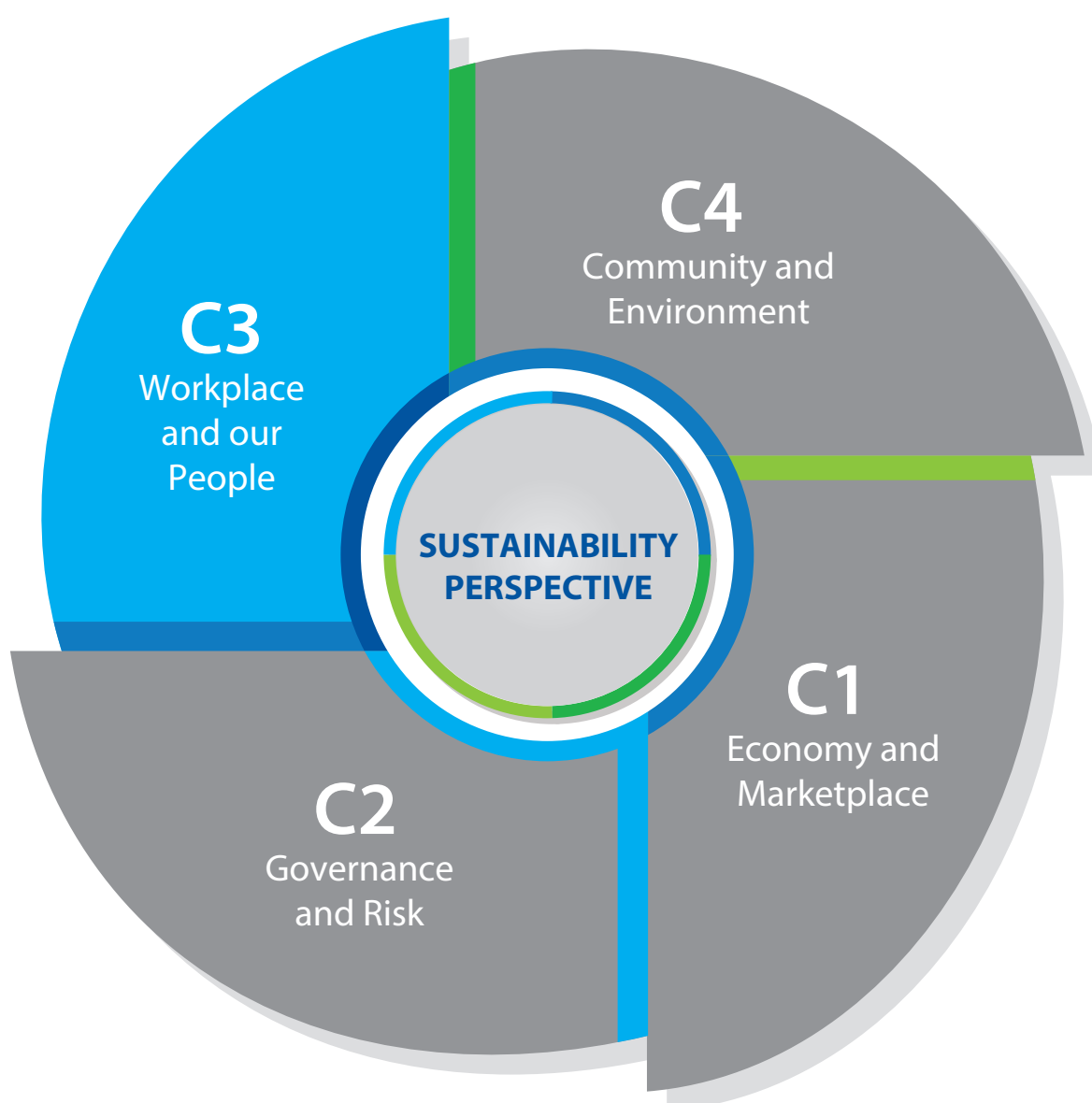
# Workplace and **our People**





### C3 Workplace and our People

Having reported on our economy, marketplace, governance, and risk aspects, the next milestone in our sustainability journey involves examining our workplace and our relations and engagement with our people. Throughout this section, we explore HR matters that include, among others, workplace diversity and inclusion, training and development, employee retention and turnover, nationalization, and employee engagement. When considering diversity, we look at a number of demographic elements that include gender, age, and special needs. We also disclose the various ways that we have been investing in and ensuring occupational health and safety, putting our efforts into safeguarding the health and wellbeing of our employees throughout the COVID-19 crisis and in general.



### C 3.1 Occupational Health and Safety (403-3 ,416-2)

A high-priority aspect of our workplace during 2020 was occupational health and safety—in light of the COVID-19 crisis challenges. We implemented a number of measures and prevention standards, ensuring a healthy workplace on premises, while facilitating remote working to further socially distance our employees. For our reference, we were following International Standards Organization (ISO)-45001 standard—Occupational Health and Safety, as per **Figure C.3.1a**.

#### Figure C.3.1a: Health and Safety Standard Followed

Al-Tijaria followed a number of precautionary measures to confront the COVID-19 pandemic, which are listed as follows:



- Complied with all government decisions issued by the official authorities regarding the number of working hours and the percentage of employees that were approved in each of the 4 stages that were applied to the transition to a normal life
- Coordinated with the Ministry of Health (MoH) to conduct a Polymerase Chain Reaction (PCR) test for all company employees to prove that they were free of the COVID-19 virus on October 17, 2020
- Sent an email to all Al-Tijaria employees covering the most important recommendations and instructions necessary to be followed by the employees to reduce infection of COVID-19
- Alerted and followed-up on a daily basis with all company employees about the necessity of wearing a mask while they are present inside the company's premises, in order to preserve the safety of everyone and limit the spread of the virus
- Emphasized to employees the need to follow the preventive measures of washing hands and proper sterilization, especially when receiving papers or documents from other personnel
- Placed posters indicating the importance of adhering to preventive measures, such as social distancing, and obligating the number of people in an elevator to be a maximum of 2 at the same time
- Implemented remote work in coordination with the rest of the departments, where more reliance was placed on meetings via the online conferencing applications-e.g. Zoom. our operations are running smoothly by following circulated memos and communications
- Followed up and organized continuously with our Facilities Management Department in relation to the importance of sterilizing the floors, the offices, and electronic devices in the event of the emergence of an infection with COVID-19 among the company's employees. The Department also arranges to have daily and weekly cleaning for our premises
- Changed the fingerprint system of verifying attendance and leaving, replacing it with electronic attendance cards to avoid using the hand
- Followed up on the commitment of the company's employees to undertaking the special periods of home quarantine when positive COVID-19 testing is proven, and that period was considered as sick days leave
- Forbade employees from starting work again without a certificate indicating that they completed the isolation period as per government directions.

In total, an estimated 10,000 KWD was invested into occupational health and safety across 2020. As a result, we recorded zero (0) number of occupational injury / incidents in 2020, while the number of COVID-19 cases and then recoveries within our company were recorded and disclosed at an estimated 37 employees. These are displayed in **Figure C.3.1b**.

#### Figure C.3.1b: Health and Safety Performance

• Investment into occupational health and safety:	- 10,000 KWD
• Number of COVID-19 cases then recoveries:	- Estimated 37 cases then recoveries

Our investment into occupational health and safety have been analyzed through Sustainability Return on Investment (SROI) perspective, to measure the intangible impact of creating a safer working environment to our employees. As shown below, the value outcome was the health impact value for 304 employees. The investment was a total 10,000 KD. In calculation of the outcomes in relation to the occupational health and safety, the result was a SROI percentage that was Very High impact.

Impact Topic	Occupational Health and Safety Investment Amount (KD)	SROI	Value Outcomes
Investment into occupational health and safety	10,000	Very High	*Health impact value for 304 employees

### Employee-wide PCR test

Al-Tijaria organized a PCR test to detect the emerging COVID-19 virus for all employees of the company, its subsidiaries, and associates. This campaign was carried out under supervision of the MoH in the Boulevard Ballroom in the Salmiya area, while adhering to all safety standards. Accordingly, all decisions and instructions issued by the competent official authorities were complied with. Some of the precautionary measures taken by Al-Tijaria to confront the emerging COVID-19 pandemic included the following:

1. The medical masks recommended by the MoH and hand gloves were purchased, and types of hand sterilizations were purchased and distributed to all departments and offices across Al-Tijaria, subsidiaries, and associates.
2. The warning posters related to social distancing were purchased, distributed and placed in all the Al-Tijaria premises and its malls.
3. The latest temperature measuring devices (thermal scanning) were purchased and placed at the entrance of Al-Tijaria premises and its complex properties, implementing a standard where no person would enter the premises unless they met the thermal scanning requirements.

The goal of the employee-wide PCR test was to provide a safe and healthy work environment, raise the level of reassurance among employees at the workplace, and contribute to monitoring cases of those who do not show symptoms of the COVID-19, in order to speed treatment and limit its spread. By emphasizing our health, we maintain a bright future for our employees.

As a result, the PCR test was conducted for all employees of Al-Tijaria, subsidiaries, and associates, with the support of the MOH medical staff. There was a sense of reassurance among employees after receiving the results of their medical swab tests.

This helped to identify and isolate infected cases to help in the efforts of minimizing the spread of the virus and maintain high level of health and safety across the workforce of Al-Tijaria and the community interacting with us.

### C 3.2 Workplace Diversity and Inclusion (102-8, 405-1, 405-2, 406-1)

Sustainably managing our workforce means that we encourage diversity and inclusion in the workforce, embracing demographic aspects that include gender, age, special needs, etc. To guide this directly, we support equal opportunities and fair pay, and adoption of Non-Discrimination Policy. Throughout our practices, we ensure that company activities and aspects deal with each gender fairly, whether in terms of hiring, promotion, development, health, safety, Kuwait Labor Law benefits, etc. Al Tijaria's Non-Discrimination Policy had been set with the purpose of establishing uniform guidelines to promote a work environment at Al-Tijaria that is free of discrimination and harassment, and to affirm the company commitment to equal opportunity and affirmative action. Our Non-Discrimination Policy states the following:





- Al-Tijaria does not discriminate in admissions, employment, or in any of the activities on the basis of race, color, national or ethnic origin, ancestry, age, religion or religious creed, disability or handicap, or gender (including pregnancy, sexual harassment and other sexual misconduct).
- Al-Tijaria also prohibits retaliation based on protected activity, such as the filing of complaint of discrimination or participation in the investigation of such claim. Any witness complainant or respondent involved in an investigation should not be retaliated against due to their participation in the fact-finding process.
- Al Tijaria personnel who are responsible for hiring, promoting and managing employees and/or company programs are required to promptly escalate all potential violations of this policy to a manager, supervisor, or any senior member of the company administration.

The total number of employees is given for Al-Tijaria, Symphony Style Hotel, and Al Salmiya Group in **Figure C.3.2a** below, with comparisons between 2020 and 2019. As a result, we see a workforce increase for Al-Tijaria and Salmiya Group (2% and 13% respectively), though there was a decrease for Symphony Style Hotel. The overall workforce among the 3 entities decreased by 30%.

**Figure C.3.2a: Total Workforce**

Entity	2020	2019	%-Change
Al-Tijaria	155	152	2%
Symphony Style Hotel	98	235	-58%
Al Salmiya Group	51	45	13%
Total	304	432	-30%

Employee compensation have been analyzed through Sustainability Return on Investment (SROI) perspective, to measure the intangible impact and non-financial benefits that provided to the employees. As shown below, the value outcome was the employment value for 304 employees. The total compensation was 2,889,788 KD. In calculation of the outcomes, the result was an SROI percentage that was High impact.

 Impact Topic	 Employee compensation Amount (KD)	 SROI	 Value Outcomes
Employee compensation	2,889,788	High	*Employment value for 304 employees

Starting with gender, in analyzing the gender diversity implications of our executive management, we have 3 female and 11 male executive managers-calculated at 18% female executive managers versus 78.6% male executive managers, as per **Figure C.3.2b**. The 3 female managers include 1 department manager and 2 deputy managers. Looking at Al-Tijaria's workplace overall, **Figure C.3.2c** presents the number of employees per year per gender. Comparison to previous year figures show that the overall workforce increased by 2%, broken down into a 1% increase in male employees, and a 9% increase in female employees. Furthermore, as displayed in **Figure C.3.2d**, the allocation of gender among our employees consists of 84% male and 16% female employees.

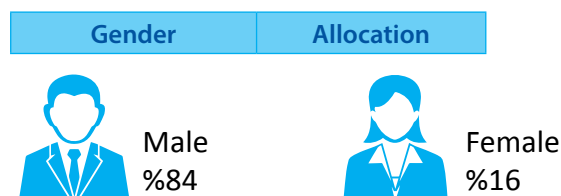
**Figure C.3.2b: Gender Diversity of Executive Management**

- Female executive managers:  
- 18%
- Male executive managers:  
- 78.6%

**Figure C.3.2c: Workplace per Gender – Al Tijaria**

Gender	2020	2019	%Change
Men	130	129	1%
Women	25	23	9%
Total	155	152	2%

**Figure C.3.2d: Gender Allocation in Workplace (2020) – Al Tijaria**



Female employment has been analyzed through Sustainability Return on Investment (SROI) perspective, to measure the intangible impact of empowering women through employment and gender diversity and equality. As shown below, the value outcomes were the employment value in general and the female employment value for 25 female employees. The total amount was 162,525 KD paid into compensation. In calculation of the outcomes in relation to female employment, the result was an SROI with High impact.

Impact Topic	Female employment amount paid (KD)	SROI	Value Outcomes
Female employment	162,525	High	*Employment value for 25 female employees *Female employment value for 25 female employees

In addition, we analyze these similar gender implications among our other entities. The workforce and gender breakdowns are shown for Al Salmiya Group in **Figure C.3.2e** and for Symphony Style Hotel in **Figure C.3.2f**. Al Salmiya Group has seen a 13% increase in the total number of employees, with no change in females and 14% increase in male employees. On the other hand, Symphony Style Hotel has seen a 58% decrease in the number of employees, broken down into a 60% decrease in female and 58% decrease in male employees.

**Figure C.3.2e: Workplace per Gender – Al Salmiya Group**

Gender	2020	2019	%Change
Men	50	44	14%
Women	1	1	0%
Total	51	45	13%

**Figure C.3.2f: Workplace per Gender – Symphony Style Hotel**

Gender	2020	2019	%-Change
Men	84	200	-58%
Women	14	35	-60%
Total	98	235	-58%

Besides gender, another demographic aspect examined for workplace diversity is age diversity. We believe that having a workforce composed of a diverse range of age groups allows us to benefit from the skills, experience, and background provided across generations. It allows us to give back to and empower employees no matter their age range. We record this age diversity in 3 age groups-Under 30, between 30 and 50, and Over 50 years old. The workplace breakdown among the 3 age groups is provided in **Figure C.3.2g** for Al-Tijaria itself, and 2 subsidiaries- Al Salmiya Group and Symphony Style Hotel-ending with the combined numbers. As a result, for Al-Tijaria itself, we see increases in the Under 30 and 30-50 age groups, while there was no change in the Over 50 age group. On the other hand, combined results considering all 3 entities across all 3 age groups show overall decreases in each age group.




**Figure C.3.2g: Age Diversity – Al-Tijaria, Al Salmiya Group, and Symphony Style Hotel**

Entity	Age Group	2020	2019	%Change
Al-Tijaria	Under 30	32	30	7%
	30-50	99	98	1%
	Over 50	24	24	0%
Symphony Style Hotel	Under 30	24	120	-80%
	30-50	60	88	-32%
	Over 50	14	27	-48%
Al Salmiya Group	Under 30	35	34	3%
	30-50	12	7	71%
	Over 50	4	4	0%
Combined	Under 30	91	184	-51%
	30-50	171	193	-11%
	Over 50	42	55	-24%

A third demographic aspect we consider in diversity is special needs. Accordingly, we are disclosing having 1 special needs employee, as per **Figure C.3.2h**.

**Figure C.3.2h: Special Needs Employment**

- 1 employee 

Special needs employment has been analyzed through Sustainability Return on Investment (SROI) perspective, to measure the intangible impact of hiring special needs from the local community. As shown below, the value outcomes were employment value, good health impact value and financial comfort value. The total investment amount was 3,000 KD of getting standard salary, for 1 employee. In calculation of the outcomes in relation to special needs employment, the result was an SROI with High impact.

Impact Topic	Special Needs Employment Investment Amount (KD)	SROI	Value Outcomes
Special needs employment	3000	High	*Employment value, health impact value, and financial comfort for 1 employee.

### C3.3 Training and Development (102-8, 404-1 , 404-2, 404-3)

At Al-Tijaria, we put various efforts into ensuring that we have a sustainable workplace, and, as such, we hired a specialized training supervisor which demonstrates that we prioritize training and development, ensuring that our organizational performance and productivity is enhanced while our employees are equipped with the skills necessary to grow within their careers. Based on employee, departmental, and operational needs, we identify the training and development needs. Where the needs are for soft skills, we are conducting this internally. In cases where the needs are more technical, we are conducting this externally, outsourcing training from a well-known training company and trainer. We are then collecting the feedback from the training (whether internally or externally), and considering the results with each department head. The full list of training courses provided to our employees in 2020 is listed in the following Figure C.3.3a. To sum up the table, we provided 13 training courses in 2020 to various departments, all of which were done virtually. We recorded an estimated total training hours of 640 training hours provided, to a total of 70 trainees (noting that the 70 may include overlaps if 1 employee took more than 1 training course). This is summed up in **Figure C.3.3b**.

**Figure C.3.3a: List of Employee Training (2020)**





#	Training course	Virtual/ Physical training	Time period (Hours)	Number of trainees	Department
1	Certified Management Accountant (CMA)	Virtual training	-Hours: 114 -Period: 25/11/2019 - 06/04/2020	1	Finance and Strategic Planning Department
2	General English	Virtual training	-Hours: 37 -Period: 08/01/2020 - 20/02/2020	1	Accounting Department
3	Financial Modeling and Valuation Analyst	Virtual training	-Hours: 66 -Period: 10/01/2020 - 27/03/2020	2	Risk and Compliance Unit
4	Professional in Human Resources – International (PHRI)	Virtual training	72	2	Al Salmiya Group
5	Human Resources (HR) Diploma	Virtual training	250	1	Admin and Legal Affairs Group
6	Microsoft (MS) Office	Virtual training	30	12	HR Department
					Purchasing Section
					Legal Affairs Department
					Documents Management System (DMS) and Archiving Section
					Property Management Department
7	Risk, Compliance, and Anti-Money Laundry (AML) Workshop	Virtual training	25	10	Chairman's Office Department
					Internal Audit Department
					Shareholder Affairs Section
					Risk and Compliance Unit
					Legal Department

8	Time Management (Group 1)	Virtual training	8	8	Investment Department
					DMS and Archiving
					Shareholders Affairs
					Property Department
9	Guest Service Excellence	Virtual training	8	9	Symphony Style Hotel
10	Time Management (work-life) (Group 2)	Virtual training	8	6	DMS and Archiving
					Legal Department
					Accounting Department
					Property Department
11	Mindset of a Sales Guru	Virtual training	10	8	Property Department
12	Leading with Trust	Virtual training	4	5	Investment Department
					DMS and Archiving
					Property Department
13	Time Management (work-life) (Group 3)	Virtual training	8	5	Legal Department
					Accounting Department
					Property Department
13	Total		640	70	N/A

**Figure C.3.3b: Summary of Training**

- Training courses:
  - 13 courses
- Training hours:
  - 640 hours
- Trainees:
  - 70 employees

Our training activities have been analyzed through Sustainability Return on Investment (SROI) perspective, to measure the intangible impact of empowering our employees through the planned and needed training. As shown below, the value outcomes were training value in consideration of 70 trainees who received 640 training hours across 13 training courses. The investment was a total of 5135 KD paid into training. In calculation of the outcomes in relation to the training amount paid, the result was an SROI percentage that was Very High percentage.

<div>     </div>			
Impact Topic	Training Amount Paid (KD)	SROI	Value Outcomes
Training for employees	5135	Very High	*Training value for 70 trainees who received 640 training hours across 13 courses.

### C3.4 Employee Retention and Turnover (102-8, 102-38, 401-1)

Al-Tijaria assesses the overall healthiness and sustainability of its workforce through retention and turnover indicators, and continuous performance management. Accordingly, we record the number of new employee hires and the number of turnover employees for each of the 3 entities-Al-Tijaria, Al Salmiya Group, and Symphony Style Hotel-displayed in **Figure C.3.4a**, **Figure C.3.4b**, and **Figure C.3.4c** respectively. As a result of comparison by number of employees from 2019 to 2020, we see that Al-Tijaria had decreased both new hires and turnover, Al Salmiya Group had increased new hires with decreased turnover, and Symphony Style Hotel had decreased new hire and applied some termination of contracts due to COVID-19 and its impact on the hotel industry which resulted in a high turnover rate. To sum up the turnover, **Figure C.3.4d** calculates the 2020 turnover rate per entity, showing 7% turnover rate for Al-Tijaria itself and a 46% turnover rate across the 3 entities.

**Figure C.3.4a: Al-Tijaria New Hires and Turnover**

Entity	Year	2020	2019	%-Change
Al-Tijaria	Number of new hires employees	10	21	-52%
	Number of turnover employees	10	15	-33%

**Figure C.3.4b: Al Salmiya Group New Hires and Turnover**

Entity	Year	2020	2019	%-Change
Al Salmiya Group	Number of new hires employees	8	7	14%
	Number of turnover employees	2	6	-67%





**Figure C.3.4c: Symphony Style Hotel New Hires and Turnover**

Entity	Year	2020	2019	%-Change
Symphony Style Hotel	Number of new hires employees	24	39	-38%
	Number of turnover employees	157	103	52%

**Figure C.3.4d: 2020 Turnover Rates**

Entity	2020	2019	Average Employees	Turnover (number of employees) - 2020	Turnover Rate (%) - 2020
Al-Tijaria	155	152	153.5	10	7%
Al Salmiya Group	51	45	48	2	4%
Symphony Style Hotel	98	235	166.5	157	94%
<b>Total</b>	<b>304</b>	<b>432</b>	<b>368</b>	<b>169</b>	<b>46%</b>

New employee hires have been analyzed through Sustainability Return on Investment (SROI) perspective, to measure the intangible impact of creating jobs and hiring new employees. As shown below, the value outcome was employment value in consideration of 24 new hires. The total amount was 106,128 KD based on standard salary. In calculation of the outcomes in relation to the New employee hires, the result was an SROI with High impact.

 <b>Impact Topic</b>	 <b>New Hires Investment Amount Paid (KD)</b>	 <b>SROI</b>	 <b>Value Outcomes</b>
New employee hires	106,128	High	*Employment value for 24 newly hired employees

Apart from retention and turnover indicators, we report on our performance management activities. These aspects are inter-related, as we continuously aim for good performance in terms of our employee retention and turnover rates, being supported by positive and fair performance management activities. At Al-Tijaria, performance evaluations / appraisals are conducted on a yearly basis. These are based on quarterly review of departmental key performance indicators (KPIs). These department KPIs are set between the HR Department and the department heads on a yearly basis, based on company budget and departments' tasks, followed by approval by the Board of Directors (BOD).

The performance management process starts with a self-appraisal by the employee, going next to the department manager for review and his/her own appraisal. Then, the process involves the HR Department and the CEO.

Depending on the appraisal results, employee achievements, and company needs, employees are accordingly developed and promoted according to a career path plan, contingency plan, and succession plan. Employee compensation matters are applied and governed by the HR policies and procedures. We are also proud to announce that Al-Tijaria remained adherent to employee rights despite the various COVID-19 related challenges, seeing no compensation impacts like salary cuts.

Al-Tijaria complies with the Kuwait Labor Law in safeguarding our employees' rights and benefits; in addition to this compliance, Al-Tijaria provides our employees with a range of additional benefits, which include: life insurance, private medical insurance, vacation as per grades, advance salaries, vacation encashment, and the provision of bonuses and commissions. We believe that our range of benefits have a role in enhancing our employees' satisfaction, reducing and managing employee turnover, and ultimately retaining our employees and their valuable talents and experiences.



### C3.5 Nationalization (102-8, 202-2)

Al-Tijaria reports on nationalization as a reflection of the way we are giving back to the local community in which we operate, by attracting, employing, and maintaining national employees- ie. employment of Kuwaiti nationals. Starting with managerial level, we have 4 Kuwaiti citizens as managers out of 17 managerial level positions, reaching a total of 23.5% Kuwaitization rate in managerial level, as per **Figure C.3.5a**. Looking at our overall workforce, **Figure C.3.5b** breaks down our workforce per nationality (Kuwaiti and non-Kuwait) per year and per each of the 3 entities, and also reporting the overall Kuwaitization rate in 2020. As a result of comparison between 2019 and 2020, we see that the Kuwaitization rate remained constant in Al-Tijaria and Al Salmiya Group, though there was a decrease in Symphony Style Hotel reaching an overall decrease in Kuwaitization. As for the 2020 Kuwaitization rate, this is provided for each of the entities, resulting in an overall 6% Kuwaitization rate across the entities in 2020.

**Figure C.3.5a: Nationalization in Managerial Level**

- 23.5%

**Figure C.3.5b: Nationalization per Entity per Entity and Kuwaitization Rate**

Entity	Year	2020	2019	%-Change	Kuwaitization Rate (2020)
Al-Tijaria	Kuwaiti	12	12	0%	4%
	Non-Kuwaiti	143	140	2%	
Al Salmiya Group	Kuwaiti	2	2	0%	16%
	Non-Kuwaiti	49	43	16%	
Symphony Style Hotel	Kuwaiti	3	8	-63%	3%
	Non-Kuwaiti	95	227	-58%	
Total	Kuwaiti	17	22	-23%	6%
	Non-Kuwaiti	287	410	-30%	

Nationalization in managerial level have been analyzed through Sustainability Return on Investment (SROI) perspective, to measure the intangible impact of the proportion of senior management hired from the local community. As shown below, the value outcomes were employment value and financial comfort value in consideration of 4 Kuwaiti executive managers new. The total amount was estimated to be above KD 225480. In calculation of the outcomes in relation to nationalization in managerial level, the result was an SROI with High impact.

Impact Topic	Investment into Nationalization in Management Amount Paid (KD)	SROI	Value Outcomes
Nationalization in managerial level	Around KD 225480	Medium	*Employment value and financial comfort value for 4 national employees.

### C3.6 Employee Engagement (401-2)

As stakeholder engagement is a central sustainability approach, it is important to keep engaging with employees, as a main stakeholder, through various methods and communication channels. These channels are also available for receiving any complaints, noting that Al-Tijaria received none of these during 2020, as per **Figure C.3.6a**. In case of any employee complaint cases, the turnaround time for resolution is usually the same day, though it would generally depend on the case. As part of employee engagement, we conduct staff open day events every year. In 2020, Al-Tijaria conducted the staff open day (along with a sports tournament) at Boulevard Park in February 2020. This activity was arranged in collaboration with an outsourced company, in which 15,000 KWD was invested. As a result, 800 persons attended the event, including Al-Tijaria employees and their family members. Details are given in **Figure C.3.6b**. Furthermore, we have a Creativity Committee that is in charge of employee engagement matters. As part of employee engagement, Al-Tijaria had launched its Employee Wellbeing Program. More details are provided on this later on.





#### Figure C.3.6a: Employee Complaints

- Zero (0)

#### Figure C.3.6b: Al-Tijaria Staff Open Day

- Attendees:  
- 800 persons
- Investment:  
- 15,000 KWD

Our open day event has been analyzed through Sustainability Return on Investment (SROI) perspective, to measure the intangible impact of engaging our employees through the events obtained. As shown below, the value outcome was the employee support value for 304 employees. The investment was a total of 15,000 KD paid into the event. In calculation of the outcomes in relation to the amount paid, the result was an SROI with Very High impact.

<div>     </div>			
Impact Topic	Amount Paid for the Open Day event (KD)	SROI	Value Outcomes
Open Day event	15,000	Very High	*Employee support value for 800 attendees.

### Creativity Committee

Al-Tijaria has a Creativity Committee, which is a group that focuses on tangible, real, and creative shared ideas among employees. The committee is composed of members from various positions. It is defined by knowledge rather than by an individual task, and exists because participation has value to its members. The Creativity Committee is different from other committees since it reviews, evaluates and recommends creative ideas shared by employees and facilitate the direction of implementation to achieve potential benefits. It is important to remember that people belong to the committee at the same time as they belong to other organizational structures. In their business units, they shape the organization. In their teams, they take care of projects. In their networks, they form relationships. In their committees, they develop the knowledge.

The objectives of Al-Tijaria's Creativity Committee are the following:

- Increasing revenue
- Improving work cycle / performance
- Increasing employee productivity
- Exploring employee talent
- Opening new challenges / multitasks
- Ensuring the principle of trust among employees and the company
- Ensuring the principle of team work among employees / departments
- Encouraging sharing ideas and giving constructive feedback to ensure the principle of transparency
- Supporting positive atmosphere

Results of the Creativity Committee have been the following:

- The creation of a crisis team management, in response to the COVID-19 related challenges
- The implementation of a more paperless environment
- The launching of Learning and Development Platforms
- The ease and facilitation in the process of many departments by generating new ideas
- Taking an important role in relation to corporate social responsibility (CSR)
- The launch of the Cultural Newsletter

### Al-Tijaria Employee Wellbeing Program

At Al-Tijaria, we believe that our human resources are our main pillar of success, and that our employees' well-being is directly tied to our overall business health. Accordingly, the Learning and Development function - under the HR Department - was proactive in designing this program. The Employee Wellbeing Program was designed and launched amidst the exceptional period of the COVID-19 crisis to address all the emotional, physical, and working-from-home pressures that this pandemic has caused. The sessions were held through our online platform and face-to face, abiding to all social distancing restrictions. The program consisted of the following customized content in the form of 9 components:

1. Work – Life Balance
2. Working Under Pressure
3. Embracing Uncertainty
4. Meditation
5. Stress Management
6. Mental Health Tips / One- to-One Coaching
7. Emotional Intelligence – Impact on Mental and Physical Health
8. Resilience
9. Adapting to Change

The aim of our Employee Wellbeing Program was to boost the wellbeing of our employees and arm them with the needed tools and techniques to cope with all the difficulties, restrictions and uncertainty this pandemic has caused. Due to our belief that the wellbeing of our employees has direct impact on the quality of our services, Al-Tijaria reassured its employees that they are being supported during this tumultuous time.

The Employee Wellbeing Program maintained the sustainable level of employee engagement and resilience. This reflected positively on their performance, target achievements, innovation, and the customer experience.

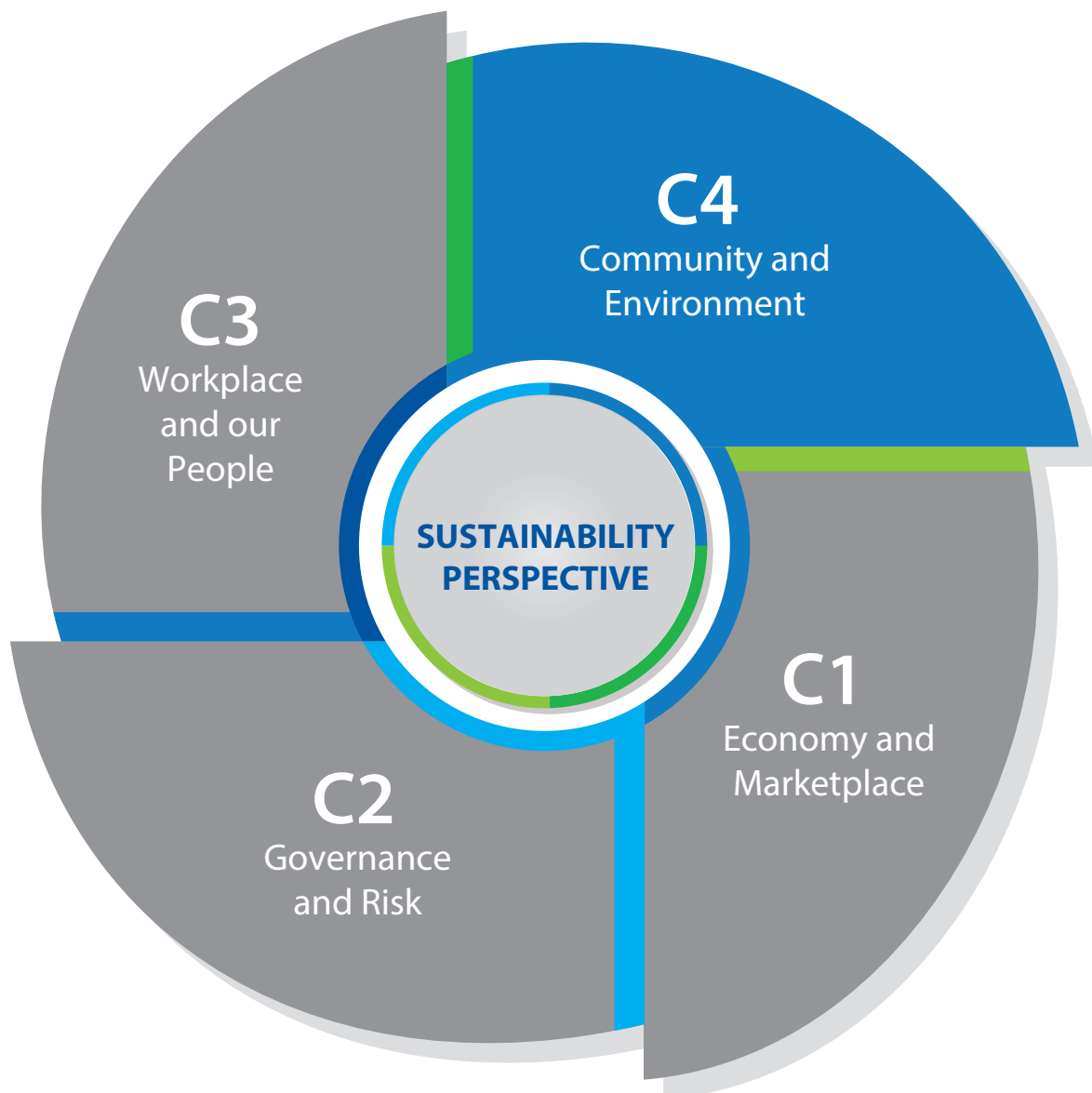
# Community and **Environment**





## C4 Community and Environment

In adopting a more holistic approach to our business practices, we examine and report on Al-Tijaria's impacts on the community in which we operate, as well as the impacts we have on our overall environment. So far in our report, we launched with our sustainability perspective, going on to explain a number of matters that involved our economic impacts, marketplace, governance, risk, and workplace. Now, we reach the final milestone of our sustainable journey, which is called Community and Environment, and is in alignment with the S and G of ESG (Environment, Social, and Governance). The community aspects reported in this section encompass our social responsibility, awareness, and impact through the various initiatives conducted. In addition, several environmental aspects of our performance are examined, including our green projects and investments, our energy consumption and resulting reduction, our analysis of our greenhouse gas (GHG) emissions, and our overall approach to resource management-including waste and water resources.



#### C4.1 Social Responsibility, Awareness and Impact (203-2,413-1)

Al-Tijaria engages with the community as a means of exhibiting our social responsibility, having an impact on the community while raising their awareness about certain matters. The methods through which this is undertaken are mainly through social media and corporate social responsibility (CSR) initiatives. Besides CSR, we exhibit our social responsibility and impact through the provision of rent discounts to several of our tenants, aimed at alleviating some of their COVID-19 challenges. This shows that we have the mindset of being a responsible citizen contributing positively to the community on a human level.

Our CSR activities are governed and guided by our CSR Policy. As per the policy, the importance of social responsibility has increased for Al-Tijaria in recent years, until it has become one of the basic performance standards for us, deeming social responsibility as a basic matter needed for long-term success through different activities, including charity, cultural, scientific, health, environmental and social activities. These activities are further guided by our alignment with Shari'a Islamic principles. As per our CSR Policy, standards of conducting these activities by Al-Tijaria include:

- Respect and responsibility, which means respecting the internal stakeholders of the company (the employees) and the external stakeholders (society)
- Supporting and assisting society
- Protecting the environment through initiatives that provide a service to society, and improve other environmental aspects
- Using programs and the mechanisms that help show the efforts by the company in the field of social work
- Developing programs and mechanisms in order to guarantee the continuity of social responsibility policies, such as:
  1. An approved annual CSR plan that has been agreed by the BoD with all the contributions, events and activities planned during the year
  2. An annual special approval that has been put in place in order to implement the CSR plan
  3. Continuous supervision by the Governance Committee on the implementation of the CSR plan
  4. The presentation of periodic reports to the Governance Committee about the CSR activities conducted, in addition to periodic news circulation that shows the events that were implemented by Al-Tijaria, and the nature of the contributions.

Accordingly, a number of community initiatives and their related budgeting implications are listed in more detail in **Figure C.4.1a**, as follows. General themes in our community initiatives included environment, charitable contributions and poverty alleviation, health and wellness, education and youth, and international humanitarian aid. For 2020, Al-Tijaria had planned a CSR budget that encompassed 9 initiatives. In terms of actual implementation, some additional initiatives were included (based on special approval from the Chairman), while others were cancelled / postponed due to the COVID-19 crisis, resulting in 5 community initiatives actually conducted. Budget-wise, Al-Tijaria planned to invest 66,340 KWD into CSR initiatives; after adding and removing initiatives due to COVID-19, a total of 25,732 KWD was actually invested into the community in **Figure C.4.1a**.

**Figure C.4.1a: Al-Tijaria Community Initiatives and Budgeting**

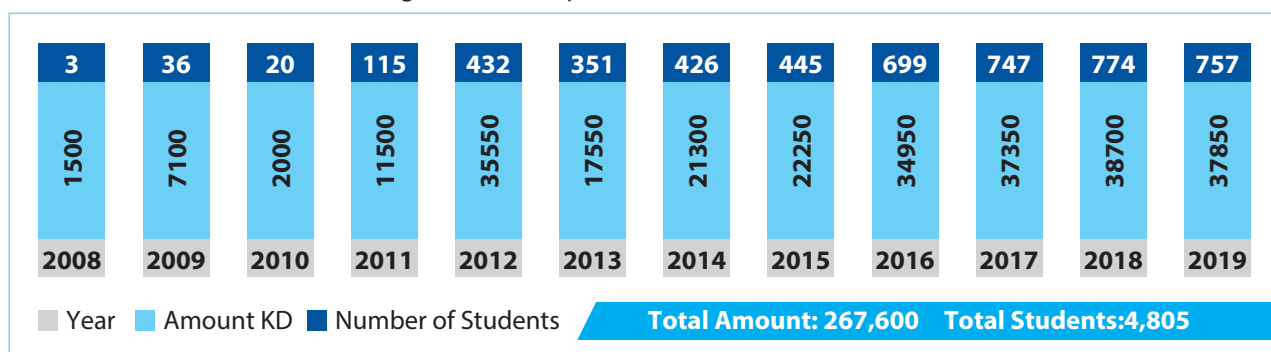
Month	Event name	Objectives	Event Details	Cost	Actual Spending	Variance	Status
<b>All Year Around</b>	Sponsoring Graduation Projects of Kuwait University students - Engineering Department	Al Tjaria Real Estate Company is keen on developing youth and encouraging them to give their best through financially supporting them all year around.	Sponsoring 300 students + 22 students for the unreceived cheques from 2019	16,100	-	16,100	Cancelled due to Covid 19
<b>Jan</b>	Kuwait Heart Foundation	Educate new generation and create new saviors	Sponsoring Students training sessions for heart revitalization campaign	10,000	10,000	-	done
<b>Jan</b>	Beach Clean Up	To engage people around Kuwait to remove trash from beaches and to change behaviors that cause pollution	In collaboration with Trash Tag group, and other local volunteering groups along with Al Tijaria Employees for cleaning Kuwait beaches	750	320	430	It was ongoing but got cancelled due to covid
<b>March</b>	Ishraqat Amal Event	support special needs and showcase their Talent by displaying their arts and craft to Public, also by giving them the chance to show their talents on stage.	A full day fun Program for the special needs schools along with general public to be invited to ishraqat amal which will be held at Boulevard Ballroom.	15,000	-	15,000	cancelled due to Covid 19
<b>April</b>	Ramadan Food Packing	Raise awareness and engage our community to Help the Needy Families in Kuwait	preparing food boxes filled with an essential F&B items to be distributed before Ramadan to the needy families in Kuwait	3,400	-	3,400	cancelled due to Covid 19
<b>June</b>	Wellness Campaign	To let people know the amazing health benefits of Wellness activities. Also to reduce health problems and spread peace in the world	A fitness event that Includes Yoga sessions and many other activities to celebrate world wellness day on June 13th At Boulevard Park	750	-	750	cancelled due to Covid 19
<b>October</b>	Plant A Tree In My Country	Creating Brighter Future !	planting seedlings at Boulevard Park	7,000	-	7,000	cancelled due to Covid 19
<b>November</b>	Charity Fundraising Campaign	Raising Awareness of an chosen community issue and fixing it.	Holding fundraising event to collect donations for a Cause	3,000	-	3,000	cancelled due to Covid 19
<b>December</b>	Run &Fun Event	Run with others can turn exercises into enjoyable social occasion, Sport reduces risk of heart diseases and it improves and maintain overall health	A Run &Fun Events for kids	6,000	-	6,000	cancelled due to Covid 19
<b>Total</b>				62,00		62,000	
<b>Contingency 7%</b>				4,340		4,340	
<b>Grand Total</b>				<b>66,340</b>	<b>10,320</b>	<b>56,020</b>	

Extra Expenses based on Internal Special Approvals					
Month	Event	Objectives	Details	Cost	Notes
March	Sponsorship for Kuwait club (Miami university)	aims to support Kuwati scholarship students in all terms of academia, culture and entertainment	help Kuwaiti scholarship students in Kuwait club (Miami university) for their activities.	1000	done based on Special approval from Mr. Chairman
March	Hygiene Boxes Campaign	To develop good personal hygiene habits	distributing Hygiene boxes to all Al Tijaria Residential and office towers	3,601	done based on Special approval from Mr. Chairman
April	Food meals distribution	part of Al Tijaria CSR to help the needy people affected by Covid 19 crisis	In cooperation with Marafie foundation 10,000 meals have been distributed to the less fortunate and affected workers.	10,000	done based on Special approval from Mr. Chairman
April	Bahrain Red Crescent society	to enhance the psychosocial well-being of the people affected by conflict and emergencies	Ramadan Donations	811	done based on Special approval from Mr. Chairman
<b>Total</b>				<b>15,412</b>	

**Figure C.4.1b: Summary of Community Initiatives**

• Initiatives planned:	- 9 initiatives
• Initiatives conducted:	- 5 initiatives
• Allocated budget for Investment into community initiatives:	- 66,340KWD
• CSR budget realization percentage:	- 88%

Al Tijaria supported Kuwaiti students' graduation projects since 2008 as a part of social responsibility initiatives and its beliefs in supporting future leaders. The chart below shows the highlights of the initiative since 2008. The initiative was not conducted during the Covid 19 period.



On top of the community initiatives, several communication channels, including social media, digital marketing, and emails, are used to engage with the community. In 2020, some community aspects communicated through social media included COVID-19 awareness and guidelines, as well as other CSR-related initiatives. On Instagram, there are 5 accounts distributed among Al-Tijaria Group, Al-Tijaria Tower, Boulevard, Symphony Style Hotel and Symphony Style Mall. Each of these is listed in **Figure C.4.1c**, along with the number of followers for each.

**Figure C.4.1c: Instagram Followers per Account**

• Al-Tijaria Group account:	- Number of followers 2,722
• Al-Tijaria Tower account:	- Number of followers: 4,812
• Boulevard account:	- Number of followers: 45,600
• Symphony Style Mall account:	- Number of followers: 10,300
• Symphony Style Hotel account:	- Number of followers: 32,800
• Total followers:	- 96,234 followers

One of the ways that Al-Tijaria gives back to the community is through its internship program. Internships are usually possible for students within any of the company's departments. The HR Department makes necessary arrangements with the intern, and deals with other procedures with the relevant department head. In 2020, there was 1 intern onboarded, as per **Figure C.4.1d**, as opportunities had been relatively limited due to the COVID-19 pandemic.

**Figure C.4.1d: Internship (2020)**

- 1 intern



## C4.2 Green Projects and Investment

Being positioned as one of the leaders in the real estate sector, Al-Tijaria is exposed to a number of industry-specific sustainability and environmental aspects of real estate projects and investments—which we may either abide by or aspire to depending on the area or standards.

Al-Tijaria has invested in certain properties that have environmentally friendly qualities, namely in terms of their energy consumption, water consumption, waste management, etc. A few of these properties are further certified by the Building Research Establishment Environmental Assessment Method (BREEAM). Al-Tijaria has portion in food & beverage (f&b) factories in Turkey that is a zero-waste factory, and all agricultural lands are Global Good Agricultural Practices (GLOBALGAP) certified. Al-Tijaria owns stake of NEM Energy BV property in the Netherlands is environmentally friendly with, for example, electronic charging stations for green cars. Al-Tijaria notable environmentally friendly Investments include: The Green, Hereema, Goknur, and Topsu. In total, the amount invested into green projects is KWD 9 million, as per **Figure C.4.2** as follows.

### Figure C.4.2: Investment into Green Projects

- 9,000,000 KWD

In all of our projects, environmental impact studies are conducted prior to starting the design, which comply with government regulations, such as Law No. 42 of 2014 concerning Promulgating the Environment Protection Law. Environmental matters include the control and treatment of hydrogen sulfide (H<sub>2</sub>S) gas sometimes found in underground water tables, and banning some of the refrigerant gases. Furthermore, we consider energy efficiency when insulating the properties, complying with the Kuwait Ministry of Electricity and Water (MEW) regulations. Our water management complies with Law No. 12/1964 concerning the pollution of water by oil, and the segregation of the sewer network from the rainwater network. Our health and safety practices comply with Law No. 6/2010 concerning labor in the private sector. We embed environmental aspects further by having our Environmental Policy in adherence to ISO 14001 – Environmental Management Systems.

### • ISO 14001 – Environmental Management Systems

Al-Tijaria's properties are also in compliance with standards by the Kuwait Society for the Guardians of Disabled, or Kuwait Society for the Handicapped (KSH). Accordingly, our special needs accommodation includes the installation of ramps, elevators, escalators, platforms, etc.

To ensure that our properties remain functional now and into the future, we have a planned preventive maintenance (PPM) schedule following up with our properties on a monthly basis, implementing any repairs or maintenance needs identified. The frequency of implementing our preventative maintenance is done weekly, monthly, quarterly, semi-annual, and annually. During preventative maintenance, we can proactively observe any possible faults, in order to rectify them immediately, which especially helps avoid the breakdown of equipment.

Al Tijaria is concerned in planting trees, as most of our properties contain gardens full of trees, which has positive impact on the environment. On average, a thousand meter of trees absorbs 2.6 tons of carbon dioxide while the same space produces enough oxygen for 18 persons annually. An average person consumes 740 kilos of oxygen annually that is roughly produced by 7 trees.

### C4.3 Energy Consumption and reduction (302-1 ,302-2 ,302-3 ,302-4 ,302-5)

As part of being a positive environmental steward, we report on our energy consumption and put efforts into reducing our energy consumption. Our main focus was to reduce electricity and cooling during the COVID-19 crisis and curfew time. We have taken further initiatives to inform our subcontractors about operating minimum equipment in our properties. We examine opportunities to implement further energy efficiencies, while considering matters such as the tariff rates and the return on investment (ROI). One of the initiatives implemented was replacing our lights with light-emitted diode (LED) lighting, which we have already been doing and is an ongoing process.

Our top management often gives guidance on reducing energy consumption, and encouraging initiatives for solar energy, since our building were constructed 10 years ago. Implementing solar energy is under study in terms of commercial and technical viability, for the benefit of our establishments.

In 2020, a total of 482,983 KWD was spent on electricity consumption from 21 properties, recorded at 96,596,571 kWh, as per **Figure C.4.3a**, as follows. The figure further shows intensity figures, estimating the energy consumption intensity per property. Furthermore, **Figure C.4.3b** compares our energy consumption between 2019 and 2020, in terms of total energy consumption (kWh), as well as energy consumption intensity per property (kWh/property). As a result, we have recorded a 4% decrease in overall energy consumption-and analysis per property shows energy intensity decreasing by 4%. Supplementary to this data, we have provided a full list of Al-Tijaria's electricity consumption per property per year in **Annex D.3**.

#### Figure C.4.3a: Energy Consumption and Intensity (2020)

- Payment:
  - 482,983KWD
- Consumption:
  - 96,596,571 kWh
- Consumption intensity:
  - 4,599,837 kWh / property

#### Figure C.4.3b: Energy Consumption Comparison (2019 to 2020)

Energy Indicator	2020	2019	%-Change
Energy consumption (kWh)	96,596,571	100,194,251	-4%
Energy consumption intensity (kWh / property)	4,599,837	4,771,155	-4%

Moreover, Al-Tijaria uses Building Management System (BMS) software, which is managing all the equipment in our building management, including heating, ventilation, and air conditioning (HVAC), electricity, and fire-fighting capabilities, monitoring its status and control. This includes monitoring the use of equipment with the aim of reducing energy consumption. There is also a facilities management (FM) software development that is in progress.

### **The Facilities Management Department's role in reducing electricity consumption**

Reducing energy consumption related to our properties is essential for cost reduction. We are doing this by implementing suitable technology for energy consumption reduction in Al-Tijaria properties. There are many different ways to reduce electricity usage, ranging from replacing metal halide lights to LED lights, having daylight sensors, replacing light poles to solar energy, ensuring HVAC consumption reduction during the winter, and periodically maintaining our equipment.

Our main objectives were:

- To reduce electricity consumption and, as a result, to reduce the Ministry of Electricity (MEW) consumption cost
- To reduce equipment failures, which affect the operation of the building technically and economically
- To avoid customer complaints to certain levels
- To initiate the installation of solar light panels
- To conduct an energy audit of our prime properties

As a result of these efforts, we were able to reduce the energy consumption to a certain extent, especially by installing LED lights instead of metal halide lights. Therefore, our MEW electricity cost became relatively stable. Since we have some relatively old properties, we have some limitations to reduce the consumption. Solar light installation is being studied. Energy preliminary auditing has been conducted. We are trying to put good efforts into helping our environment.

#### C4.4 Greenhouse Gas (GHG) Emissions (305-1 ,305-2 ,305-3 ,305-4,305-5 ,305-7)

In our efforts to be transparent and accountable for our environmental impact, we use greenhouse gas (GHG) emissions as an important indicator of how much we are impacting the environment through the emission of certain gases, such as carbon dioxide equivalent (CO<sub>2</sub>e), nitrogen oxide (NO<sub>x</sub>), and sulfur oxide (SO<sub>x</sub>). Our GHG emissions analysis is further broken down into 3 areas-being scope I, scope II, and scope III. Each of these are further defined and explained below, together with Al-Tijaria's performance in each area.

##### Scope I GHG Emissions

Scope I GHG emissions are direct emissions from sources that Al-Tijaria owns and controls, being in this case, a generator and rented vehicles. Starting with our generator, we have 1 in Thatcher Complex, and it has seen a decrease in both its year-wide consumption and year-wide expenditure in terms of diesel, as per **Figure C.4.4a**, reflecting further a decrease in GHG emissions. Specifically, we noted a 59%-change decrease in diesel consumption and CO<sub>2</sub>e.

**Figure C.4.4a: Scope I - Generator Fuel Consumption**

	2020	2019	%-Change
Number of generators	1	1	0%
Diesel consumption (liters)	650	1602	-59%
CO <sub>2</sub> e (MTCO <sub>2</sub> e)	1.2	3.0	

Another part of scope I emissions are Al-Tijaria's owned cars, which had remained constant at 2 cars between 2019 to 2020. Both the year-wide expenditure and petrol consumption had decreased from 2019 to 2020, with more details provided in **Figure C.4.4b**, as follows, again reflecting a decrease in associated GHG emissions. We noted a 14%-change decrease in fuel consumption and CO<sub>2</sub>e.

**Figure C.4.4b: Scope I - Owned Cars Fuel Consumption**

	2020	2019	%-Change
Number of cars	2	2	0%
Fuel consumption (liters)	5123	5922	-14%
CO <sub>2</sub> e (MTCO <sub>2</sub> e)	9.5	10.9	

GHG scope I reduction has been analyzed through Sustainability Return on Investment (SROI) perspective, to measure the intangible impact of reducing emission from fuels consumed from the generator and our owned cars. As shown below, the value outcome was the greenhouse gas (GHG) emissions savings and cost savings. The amount saved from generators was 88 KD with 1.4 MT CO<sub>2</sub>e and from owned cars was 123 KD with 1.8 MTCO<sub>2</sub>e. In calculation of the outcomes in relation to the reduction taking in consideration Kuwait's price of carbon, the result was an SROI with High impact.



Impact Topic	Generator and Vehicles Fuel Amount Saved (KD)	SROI	Value Outcomes
GHG Scope I reduction (generator and owned cars)	Generators: 88 KD Owned cars: 123 KWD	High	*Greenhouse gas (GHG) emissions savings and cost savings from generator and cars fuel reduction

### Scope II GHG Emissions

Scope II GHG emissions are indirect emissions from sources that Al-Tijaria controls in terms of usage but does not own at the source-in this case, grid electricity. Details of our grid electricity consumption are provided in **Figure C.4.4c**, showing a decrease of 3,597,680 kWh from 2019 to 2020. Based on annual electricity consumption in kWh, Scope II GHG emissions has been calculated in MTCO<sub>2</sub>e, that articulates Al-Tijaria's contribution through Scope II emissions.





Scope II GHG emissions had accordingly decreased as well, as shown. As a result, we report a 4%-change decrease in electricity consumption and scope II GHG emissions. In terms of intensity, there was similarly a 4% decrease in electricity consumption per property, and 4% decrease in scope II GHG emissions intensity per property. We interpret this decrease in grid electricity consumption and scope II GHG emissions to be attributable to COVID-19, as shifts to remote working would use less of the premises' resources. In future years, we plan to continue to measure, report, and compare electricity consumption and GHG scope II emissions, in order to control the negative impacts of emissions on the environment.

**Figure C.4.4c: Scope II – Electricity Consumption**

Indicator	2020	2019	%-Change
Electricity consumption (kWh)	96,596,571	100,194,251	-4%
Energy consumption intensity (kWh / property)	4,599,837	4,771,155	-4%
Scope II GHG emissions (MTCO <sub>2</sub> e)	61,563	63,855	-4%
Scope II GHG emissions intensity (MTCO <sub>2</sub> e / property)	2,932	3,041	-4%

GHG scope II reduction has been analyzed through Sustainability Return on Investment (SROI) perspective, to measure the intangible impact of reducing emission from electricity consumption. As shown below, the value outcome was the greenhouse gas (GHG) emissions savings and cost savings. The amount saved from reducing electricity consumption was 7,035 KD with 2,292 MTCO<sub>2</sub>e. In calculation of the outcomes in relation to the reduction taking in consideration Kuwait's price of carbon, the result was an SROI with High impact.



 Impact Topic	 Electricity Amount Saved (KD)	 SROI	 Value Outcomes
GHG scope II reduction (electricity)	7,035	High	*Greenhouse gas (GHG) emissions savings and cost savings from electricity reduction of 3,597,680 kWh

### Scope III GHG Emissions

Finally, scope III GHG emissions are indirect emissions from sources that Al-Tijaria neither owns nor controls—in this case, rented cars and business air travel. Details about our rented cars are provided in **Figure C.4.4d**, showing a decrease in the number of cars, fuel expenditure, fuel volume, and resulting GHG emissions between 2019 and 2020. The results show that there was a 7%-change decrease in the number of cars, while there was a further 22%-change decrease in the fuel consumption and CO<sub>2</sub>e.

**Figure C.4.4d: Scope III – Rented Cars**

	2020	2019	%-Change
Number of cars	14	15	-7%
Fuel consumption (liters)	22884	29169	-22%
CO <sub>2</sub> e (MTCO <sub>2</sub> e)	42.3	53.9	

As for **Figure C.4.4e**, this shows information about our business air travel, with a decrease in the number of trips and resulting GHG emissions between 2019 to 2020. Analysis shows a 87%-change decrease in the number of business air trips, and a 91%-change decrease in scope III GHG emissions from air travel. This is largely attributable to the COVID-19 restrictions and limitations for air travel.

**Figure C.4.4e: Scope III – Business Air Travel**

	2020	2019	%-Change
Number of business air trips	6	45	-87%
GHG emissions (MTCO <sub>2</sub> e)	1.24	14.14	-91%

### Total Scope I, II, and III

Overall, Al-Tijaria has recorded its GHG emissions in scope I, II, and III categories, seeing decreases in each of these. As a result, the total GHG emissions across all scopes had decreased from 2019 and 2020, with details provided in **Figure C.4.4f**, as follows. It is evident that the large majority of our GHG emissions come from scope II sources (electricity consumption), followed by scope III, then scope I emissions.

**Figure C.4.4f: Total GHG Emissions**

GHG Scope	MT CO <sub>2</sub> e	% Allocation
Scope I	11	0.02%
Scope II	61,563	99.91%
Scope III	44	0.07%
<b>Total</b>	<b>61,617</b>	<b>100%</b>

### C4.5 Resource Management (301-1 ,301-2 ,306-1 ,306-2 ,306-3 ,306-4 ,306-5 ,303-5)

As part of our efforts to be more transparent about our environmental impact, we report here on our resource management activities-including waste and water usage-and also our efforts to try to reduce our resource consumption throughout our activities.

Starting with our water management, all of our equipment, including water taps and water showers, are in compliance with regulations from the Kuwait Ministry of Electricity and Water (MEW). We rectify any water leakages immediately. We report in **Figure C.4.5a** our total water consumption (in cubic meters), as well as the analyzed water consumption intensity per property (in cubic meters / property-further compared between 2019 and 2020. As a result, we have seen that our overall water consumption had decreased by 10%, and there was a similar decrease of 10% in water intensity per property. As for our payment for water usage, this was calculated at 311,111 KWD in 2020. Our reduction of water was calculated at 16,966,115 cubic meters, as illustrated in **Figure C.4.5b**.





**Figure C.4.5a: Water Consumption and Intensity (2019 to 2020)**

Water indicator	2020	2019	%-Change
Water consumption (cubic meters)	154,365,249	171,331,364	-10%
Water intensity (cubic meters/property)	7,350,726	8,158,636	-10%

**Figure C.4.5b: Water Reduction (2019 to 2020)**

- 16,966,115 cubic meters

Our water consumption reduction has been analyzed through Sustainability Return on Investment (SROI) perspective, to measure the intangible impact of reducing emissions from water consumption. As shown below, the value outcome was the greenhouse gas (GHG) emissions savings and cost savings. The amount saved from reducing water consumption was 34,193 KD with 2,528 MTCO<sub>2</sub>e and the volume saved was 16,966,115 cubic meters. In calculation of the outcomes in relation to the reduction taking in consideration Kuwait's price of carbon, the result was an SROI with High impact.

 Impact Topic	 Water Consumption Amount Saved (KD)	 SROI	 Value Outcomes
Water reduction	34,193	High	*Greenhouse gas (GHG) emissions savings and cost savings from water reduction of 16,966,115 cubic meters.

Another part of resource management includes how we manage our waste consumption. Every year, we generate around 38,800 cubic meters of waste. This is handled by having 40 waste bins, each being 6 cubic-meters. These details are provided in **Figure C.4.5c**.

**Figure C.4.5c: Waste Management**

- Waste bins:
  - 40 bins (6 cubic-meters each)
- Waste generated:
  - 38,800 cubic meters of waste

# Disclosures



## D.1. GRI Standards Index

GRI Standard Disclosure Number	Individual Disclosure Items	Information	Section
<b>General Disclosures:</b>			
102-1	Name of the organization	The Commercial Real Estate Company, K.P.S.C	
102-2	Activities, brands, products, and services		A.4-C1.1
102-3	Location of headquarters		A.4
102-4	Location of operation		A.4-C.1.1
102-5	Ownership and legal form	Kuwait Capital Real Estate Co. Direct 8.70% Al-Mazaya Co. Direct 5.26% Kuwait Commercial Market Complex Co. Indirect 5.15%	
102-6	Markets served		C.1.1
102-7	Scale of the organization	Annual Report <a href="https://www.altijaria.com/annual-reports.html">https://www.altijaria.com/annual-reports.html</a>	
102-8	Information on employees and other workers		C 3
102-9	Supply chain		C1.7
102-10	Significant changes to the organization and its supply chain	No significant changes	
102-11	Precautionary principles or approach		C2.3
102-12	External initiatives	UN Sustainable Development Goal, Kuwait National Development Plan (New Kuwait Vision 2035)	
102-13	Membership of associations	-	
<b>Strategy</b>			
102-14	Statement from senior decision-maker		A.3
102-15	Key impacts, risks and opportunities		C2.3
<b>Ethics and Integrity</b>			
102-16	Values, principles, standards, and norms of behavior		A.4-C2.4
<b>Governance</b>			
102-18	Governance structure		C2.1-C2.2
102-20	Executive-level responsibility for economic, environmental, and social topics		C.2
102-21	Consulting stakeholders on economic, environmental, and social topics		B.2
102-22	Composition of the highest governance body and its committees		C.2.1
102-23	Chair of the highest governance body		C.2
102-24	Nominating and selecting the highest governance body	Annual Report <a href="https://www.altijaria.com/annual-reports.html">https://www.altijaria.com/annual-reports.html</a>	C2.1
102-26	Role of highest governance body in setting purpose, values, and strategy	Annual Report <a href="https://www.altijaria.com/annual-reports.html">https://www.altijaria.com/annual-reports.html</a>	
102-27	Collective knowledge of highest governance body	Annual Report <a href="https://www.altijaria.com/annual-reports.html">https://www.altijaria.com/annual-reports.html</a>	
102-29	Identifying and managing economic, environmental, and social impacts		B
102-30	Effectiveness of risk management processes		C2.3



102-33	Communicating critical concerns	B.2	
102-35	Remuneration policies	Annual Report <a href="https://www.altijaria.com/annual-reports.html">https://www.altijaria.com/annual-reports.html</a>	
102-38	Annual total compensation ratio	Annual Report <a href="https://www.altijaria.com/annual-reports.html">https://www.altijaria.com/annual-reports.html</a>	
Stakeholder Engagement			
102-40	List of stakeholder groups		B.2
102-41	Collective bargaining agreements		
102-42	Identifying and selecting stakeholders		B.2
102-43	Approach to stakeholder engagement		B.2
102-44	Key topics and concerns raised		B.3
Reporting Practice			
102-45	Entities included in the consolidated financial statements	Annual Report <a href="https://www.altijaria.com/annual-reports.html">https://www.altijaria.com/annual-reports.html</a>	
102-46	Defining report content and topic boundaries		A.1
102-47	List of material topics		B.3
102-48	Restatements of information		A.1
102-49	Changes in reporting		A.1
102-50	Reporting period	1 January -31 December 2020	
102-51	Date of most recent report	This is ALTijaria first sustainability report	
102-52	Reporting cycle	Annual	
102-53	Contact point for questions regarding the report	A.4	
102-54	Claims of reporting in accordance with the GRI Standards	A.1	
102-55	GRI content index	D.1	
Management Approach – Material Topics			
103	Management Approach: Corporate governance		C2
103	Management Approach: Business ethics		C2.4
103	Management Approach: Business continuity and risk management		C2.3
103	Management Approach: Training and development		C3.3
103	Management Approach: Nationalization		C3.5
103	Management Approach: Workplace diversity		C3.2
103	Management Approach: Employee retention and turnover		C3.4
103	Management Approach: Community impact		C4.1
103	Management Approach: Responsible procurement		C1.7
103	Management Approach: Tenant relations and experience		C1.4
103	Management Approach: Health, safety and security		C1.5
103	Management Approach: Energy reduction and resource management		C4.3
103	Management Approach: Greenhouse gas (GHG) emissions		C4.4

103	Management Approach: Green projects and investments		C4.2
103	Management Approach: Investor relations		C1.8
103	Management Approach: Economic impact		C1.3
Topic Specific Standards			
GRI 200: Economic			
201: Economic Performance			
201-1	Direct economic value generated and distributed		C1.3
201-2	Financial implications and other risks and opportunities due to climate change	No financial implication and other risks registered	
201-4	Financial assistance received from Government	No financial assistance received from government	
202: Market Presence			
202-2	Proportion of senior management hired from the local community		C3.5
203: Indirect Economic Impacts			
203-1	Infrastructure investments and services supported		C4.1
203-2	Significant indirect economic impacts	Sustainability Return on investment (SROI) has been calculated for different areas throughout the report	
204: Procurement Practices			
204-1	Proportion of spending on local suppliers		C1.7
205: Anti-corruption			
205-1	Operations assessed for risks related to corruption	0	
205-2	Communication and training about anti-corruption policies and procedures	C3.3	
205-3	Confirmed incidents of corruption and actions taken	0	
206: Anti-competitive Behavior			
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Annual Report <a href="https://www.altijaria.com/annual-reports.html">https://www.altijaria.com/annual-reports.html</a>	
207: Tax			
207-2	Tax governance, control, and risk management	No tax applied in Kuwait, more information in Annual Report <a href="https://www.altijaria.com/annual-reports.html">https://www.altijaria.com/annual-reports.html</a>	
GRI 300-Environmental			
302: Energy			
302-1	Energy consumption within the organization		C4.3
302-3	Energy intensity		C4.3
303: Water and Effluents			
303-5	Water consumption		C4.5
304: Biodiversity			
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Not relevant to Altijaria	

305: Emissions			
305-1	Direct (Scope 1) GHG emissions		C4.4
305-2	Energy indirect (Scope 2) GHG emissions		C4.4
305-3	Other indirect (Scope 3) GHG emissions		C4.4
305-4	GHG emissions intensity		C4.4
305-5	Reduction of GHG emissions		C4.4
306: Waste			
306-1	Waste generation and significant waste-related impacts		C4.5
307: Environmental Compliance			
307-1	Non-compliance with environmental laws and regulations	0	
GRI 400: Social			
401: Employment			
401-1	New employee hires and employee turnover		C3.4
403: Occupational Health and Safety			
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities		C3.1
404: Training and Education			
404-1	Average hours of training per year per employee		C3.3
404-2	Programs for upgrading employee skills and transition assistance programs		C3.3
404-3	Percentage of employees receiving regular performance and career development reviews	100%	
405: Diversity and Equal Opportunity			
405-1	Diversity of governance bodies and employees	C3.2	
406: Non-discrimination			
406-1	Incidents of discrimination and corrective actions taken	C3.2	
407: Freedom of Association and Collective Bargaining			
407-1	Operations and suppliers in which the right to freedom of association and bargaining may be at risk	Not relevant	
408 Child Labor			
408-1	Operations and suppliers at significant risk for incidents of child labor	0	
209: Forced or Compulsory Labor			
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	0	

410: Security Practices			
410-1	Security personnel trained in human rights policies or procedures	Not applied yet in AlTijaria but planned to be conducted	
411: Rights of Indigenous People			
411-1	Incidents of violations involving rights of indigenous peoples	0	
412: Human Rights Assessment			
412-1	Operations that have been subject to human rights reviews or impact assessments	0	
413: Local Communities			
413-1	Operations with local community engagement, impact assessments, and development programs		C4.1
413-2	Operations with significant actual and potential negative impacts on local communities	0	
414: Supplier Social Assessment			
414-2	Negative social impacts in the supply chain and actions taken	No negative social impacts found in the supply chain	
415: Public Policy			
415-1	Political contributions	No political contribution	
416 Customer Health and Safety			
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	0	
417: Marketing and Labeling			
417-2	Incidents of non-compliance concerning product and service information and labeling	0	
417-3	Incidents of non-compliance concerning marketing communications	0	
418: Customer Privacy			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	0	C1.6
419: Socioeconomic Compliance			
419-1	Non-compliance with laws and regulations in the social and economic area	0	

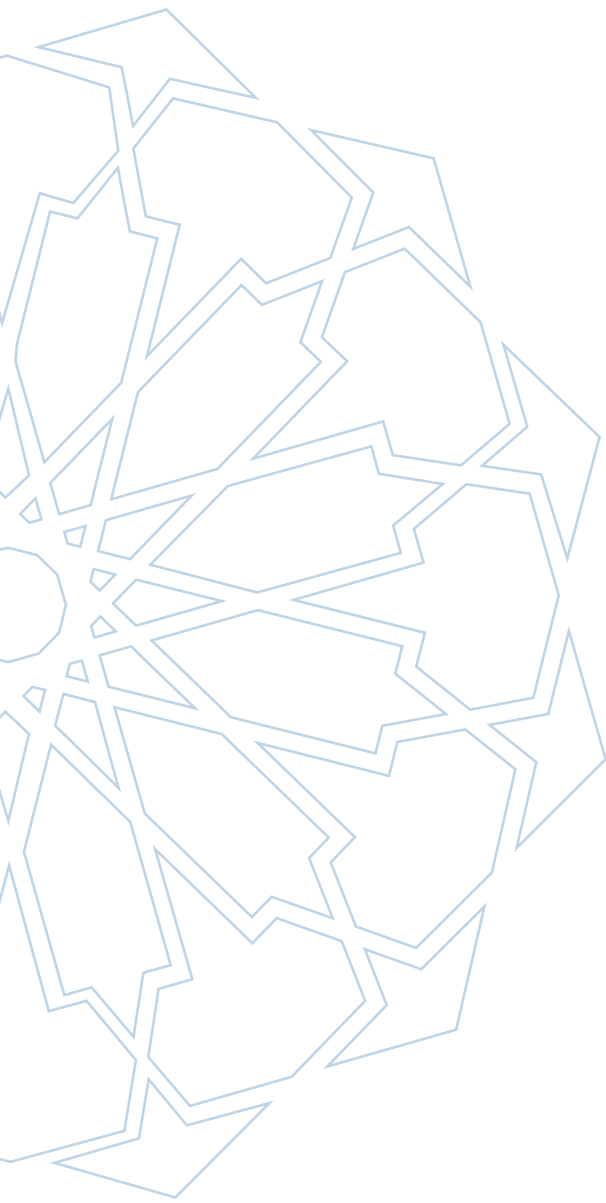
## D2. Boursa Kuwait Sustainability Disclosures

Sustainability Dimensions	Sustainability Topics	Sustainability Indicators	Disclosure	Section
Economy	<ul style="list-style-type: none"> <li>Market efficiency</li> <li>Economic contribution</li> <li>Local economy</li> <li>Workforce</li> </ul>	1. Annual report	Yes	
		2. Sustainability report	Yes	
		3. Local procurement spending (%)	Yes	C1.7
		4. Full-time employees	Yes	C3
		5. Employee wages and benefits (KWD)	Yes	C3.6-C1.3
Environment	<ul style="list-style-type: none"> <li>Environmental management</li> <li>Energy management</li> <li>Atmospheric emissions</li> <li>Water management</li> <li>Waste management</li> </ul>	6. Environmental Policy	No	
		7. Energy use	Yes	C4.3
		8. Carbon emission	Yes	C4.4
		9. Water use	Yes	C4.5
		10. Waste generated	Yes	C4.5
		11. Waste recycled (%)	No	
Social	<ul style="list-style-type: none"> <li>Kuwaitization</li> <li>Employment</li> <li>Health and Safety</li> <li>Diversity and inclusion</li> <li>Training and development</li> <li>Human rights</li> <li>Business integrity</li> <li>Community initiatives</li> </ul>	12. Kuwaitization (%)	Yes	C3.5
		13. Youth employment (%)	Yes	C3.2
		14. Injury rate	Yes	C3.1
		15. Women in the workforce (%)	Yes	C3.2
		16. Training hours per employee	Yes	C3.3
		17. Employee turnover (%)	Yes	C3.4
		18. Human rights policy	No	No specific human rights policy, though Al-Tijaria has a related non-discrimination policy.
		19. Code of ethics	Yes	C2.4
		20. Community investment	Yes	C4.1
Governance	<ul style="list-style-type: none"> <li>Board of Directors</li> <li>Audit and internal controls</li> <li>Shareholder rights</li> <li>Executive remuneration</li> </ul>	21. Board independence (%)	Yes	C2.1
		22. Risk management committee at the board level	Yes	C2.1
		23. Non-audit fees (%)	No	
		24. Voting results	No	
		25. Links between executive pay and performance	Yes	In the Annual Report
		26. Compliance with the CMA's Corporate Governance regulatory requirements	Yes	C2.4



**D.3. Al-Tijaria's Electricity Consumption**

#	2020		2019	
	Building	Electricity Consumption (kWh)	Building	Electricity Consumption (kWh)
1	Abo Halifa Entertainment	994,564	Abo Halifa Entertainment	1,420,094
2	Mahboula 55,56,57	1,105,632	Mahboula 55,56,57	1,279,201
3	Salwa	160,036	Salwa	280,555
4	Lozan	925,151	Lozan	986,281
5	Sharq H.Office	1,456,600	Sharq H.Office	1,668,764
6	Gulf Plaza	479,710	Gulf Plaza	798,524
7	Manar	4,824,602	Manar	5,030,384
8	Shorooq-1	1,307,140	Shrooq 1	1,574,297
9	Al Boudor	1,249,000	Al- Boudor	1,398,664
10	Shrooq 2	1,259,390	Shrooq 2	1,408,347
11	Shwafat 2-3	3,107,421	Shawfaat 2-3	4,277,236
12	Al Dome	2,553,750	AL Dome	2,795,090
13	Al-Tijaria Tower	16,544,118	Al-Tijaria	13,024,986
14	Symphony	3,063,137	Symphony	3,746,831
15	Juman	8,888,000	Juman	9,585,420
16	Thatcher Complex	9,166,159	Thatcher Complex	8,911,445
17	Light	2,105,200	Light	3,147,400
18	Villa Abou Helefa	112,450	Villa Abou Helefa	241,637
19	Al Rehab Complex	10,944,510	Al Rehab Complex	8,130,202
20	Dine Zone	2,336,502	Dine Zone	2,528,748
21	Boulevard	24,013,497	Boulevard	27,960,145
-	<b>Total:</b>	<b>96,596,571</b>	<b>Total:</b>	<b>100,194,251</b>



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