

# #02

## Corporate Governance Report

# Corporate Governance Practices During 2024

**A**

Gulf Navigation Holding PJSC (referred hereafter as "GULFNAV" or "Company") has fully adopted and implemented the relevant corporate governance rules as set out by Securities and Commodities Authority (SCA), And the Chairman of the Authority's Board of Directors' Decision No. (3/ Chairman) of 2020 Concerning Approval of Joint Stock Companies Governance Guide (and its amendments).

**B**

Adopting and implementing the corporate governance framework is a primary objective of both the Board of Directors (BoD) and the executive management, which helps to ensure compliance with the applicable rules, and regulations, transparency, disclosures, increase shareholder value, protect/safeguard the interest of stakeholders and mitigating business risks appropriately.

**C**

GULFNAV is fully committed to apply the corporate governance standards and other related best practices which have been diligently compiled and documented via 'Corporate Governance Manual', duly approved by the executive management and BoD. This manual governs the activities/ functions of the Company and lays down clear framework, roles and responsibilities of the BoD and its Committees, relationship between the BoD and executive management including the delegations/powers to run the business, code of conduct, external auditors, internal controls environment, investor relations, etc.

**D**

GULFNAV rigorously adopts the required procedures/steps which bolsters the corporate governance mechanism within the group, such as (excerpts):

1. Amendment of Articles of Association (AoA), where applicable.
2. Implementation of Corporate Governance Manual.
3. Board Committees as per the corporate governance requirements.
4. The Board and its Committees have adhered to the required number of meetings (including the duties and responsibilities) as the Chairman of the Authority's Board of Directors' Decision No. (3/ Chairman) of 2020 Concerning Approval of Joint Stock Companies Governance Guide (and its amendments).
5. Procedures pertaining to the trading of Company's securities have also been developed and followed in-line with the SCA guidelines.
6. Code of conduct for the BoD and employees have been developed and implemented.
7. Confidential reporting policy exists whereby staffs can directly communicate potential misconducts/ malpractices.
8. Annually, each board member acknowledges/declares his independency, board positions held in other companies and GULFNAV shares trading transactions.
9. Company website exists with dedicated 'investor relations sections', where all the financial statements, disclosures, press releases, etc. are readily available for the stakeholders.



## Corporate Governance Practices During 2024



### Board of Directors

The appointment, roles and responsibilities of the Board of Directors of Gulf Navigation Holding PJSC (the "Board" or "Board of Directors") are outlined in DSI's Articles of Association ("AoA").



### Investment Committee

The role of the Investment Committee is to assist the Board in monitoring and reviewing the economics and financial returns of investments and commitments, debt and equity financing transactions and financial risk management programs of the Company.



### Insiders' Trading, Follow-Up and Supervision Committee

The Board of Directors formed the "Insiders' Trading, Follow-Up and Supervision Committee, for the purpose of maintaining records and submitting periodic statements and reports to the market.



### Board Committees

The Board is empowered to establish Board committees and to delegate powers to such committees as necessary or appropriate. The Board delegates certain functions to well-structured committees but without abdicating its own responsibilities. Board committees are an effective way to distribute work between Board members and allow for more detailed consideration of specific matters. All Board committees are functioning on behalf of the Board and the Board will be responsible for constituting, assigning, co-opting and fixing terms of service for Board committee members..



### Nomination and Remuneration Committee

The Nomination and Remuneration Committee assists the Board in discharging its responsibilities in relation to qualifications, compensation, appointment and succession of the Company's directors and key management personnel. The Committee oversees the Company's nomination process for the Board of Directors and continuously monitors the independency of the independent members of the Board.



### Policy for securities issued by Gulf Navigation Holding (Insider Trading)

At GULFNAV, there are set of guidelines for Board Members and employees with respect to transactions in GULFNAV shares as well as securities of the parent company, subsidiaries and associate companies (where applicable). This policy is reviewed periodically as part of Company's Corporate Governance Manual and revised in accordance with the latest/ updated versions of the SCA's "Regulations as to Disclosure and Transparency" (where applicable).

As per the policy, an employee who is familiar with the important, confidential/ undisclosed information which may have an impact on the market share price has been classified under the category of "Restricted Person". Accordingly, Board Members and Company employees are not allowed to trade in GULFNAV securities during blackout period (or restricted period) as defined by the SCA rules and regulations.