

Naseej B.S.C. (c) Commercial Registration No. 72492

Corporate Governance Report for the year 2022

1- Description of the actions taken to complete the Corporate Governance Code during the year 2022 and how they were applied.

Naseej is committed to upholding the highest standards of corporate governance in full compliance with all relevant local governing laws and regulations, and in line with international best practice. The Company has developed a Corporate Governance Framework to ensure adoption of the highest standards of ethical conduct, transparent disclosure and operational effectiveness, while protecting the rights and interests of all stakeholders.

The Framework has been designed in accordance with the 10 Principles of the revised Corporate Governance Code of the Kingdom of Bahrain, which was issued by the Ministry of Industry, Commerce & Tourism in October 2018. Ensuring adoption and implementation of the Code, and adherence to the Company's Corporate Governance Framework, is the direct responsibility of the Board of Directors.

2- Description of the transactions of the directors, their spouses, and sons on the Company's shares during the year 2022 according to the following table:

There were no transactions related to the directors, their spouses, and sons on the Company's shares during the year 2022.

3- Composition of the Board:

a. Description of the current Board composition according to the following table:

#	Name	Type (executive, non-executive or independent)	Experience	Qualification	The period of his term as a director of the Company starting from the date of his first election or appointment	Directorships and positions in other companies	Positions in any other key regulatory, government or commercial entities.
1	Shaikh Hamed Mohamed Al-Khalifa	Chairman of the Board of Directors Independent & Non-Executive	Bahrain's former chief urban planner offering comprehensive background in community-based planning, project management and policy and program development. Formerly the General Director of Urban Planning in the Kingdom of Bahrain (for 9 years), was also an Investment	<ul style="list-style-type: none"> • BS in Systems Analysis Engineering with a minor in Economics from the George Washington University, USA. • Masters in Engineering Management with a concentration in economics, finance, and cost engineering from the George Washington University, USA. 	Since 2018	<p><u>Chairman:</u></p> <ul style="list-style-type: none"> • Sharaka B.S.C • Insaf W.L.L. • Hope Ventures <p><u>Deputy Chairman:</u></p> <ul style="list-style-type: none"> • BQA <p><u>Formerly:</u></p> <ul style="list-style-type: none"> • General Director of Urban Planning. Ministry of Urban Planning & Municipalities • Investment Manager - Real Estate, Mumtalakat • Project Manager, Economic Development Board 	

			Manager at Mumtalakat overlooking the real estate portfolio, and formerly served at the Board of Durrat Al-Bahrain and Southern Tourism Company.			<p>Former Boards:</p> <ul style="list-style-type: none"> • Durrat Al-Bahrain and Southern Tourism Company • Bahrain National Space Science Agency • Telecommunications Regulatory Authority 	
2	Ahmed Abdulrahim Bucheery	Vice Chairman, Non-Independent Non-Executive Member of Audit & Risk Committee	45 years of experience in Managerial role covering Banking, Finance, Strategic Planning, Retail, Human Resources, Information Technology, Operations, Treasury, Internal Audit and Marketing Communications.	<ul style="list-style-type: none"> • MBA from The University of Glamorgan UK. • Executive Diploma in Management from The University of Bahrain. • Diploma in Advance Banking from BIBF. • The Executive Program, Michigan Business School. • Fellow member of the Institute of Financial Accountants, London • Fellow Member of the Institute of Public Accountants, Australia. 	Since 2021	<p>Vice Chairman, Faysal Bank Limited, Pakistan</p> <p>Previously till 2022:</p> <ul style="list-style-type: none"> • CEO - Ithmaar Bank. • CEO - Ithmaar Group. • Vice Chairman, Solidarity Group Holding. • Vice Chairman, Benefit • Vice Chairman, Bahrain Association of Banks. • Vice Chairman, Waqf Fund for Islamic Banks. • Board Member, Ithmaar Development Company <p>Formerly:</p> <ul style="list-style-type: none"> • General Manager Retail Banking – Ithmaar Bank. • Deputy CEO – Al Shamil Bank. • Assistant General Manager – National Bank of Bahrain. • Chief Internal Auditor - National Bank of Bahrain. • FX & Money Market Manager - National Bank of Bahrain. • Head of Financial Control – Chase Manhattan Bank. • Head of Treasury and Banking – ALBA. 	
3	Abdulelah Alqasimi	Non-Independent Non-Executive Director Chairman of Audit & Risk Committee	Over 40 years of experience in Engineering, Finance, Economics, Training and labor & trade union issues.	<ul style="list-style-type: none"> • MSc in Health Facility Planning from University of North London, UK • BSc in Civil Engineering from Queen Mary College, University of London, UK • Diploma in Health Care Management from Royal College of Surgeons in Ireland, Bahrain 	Since 2014	<p>Board Member:</p> <ul style="list-style-type: none"> • Ithmaar Holding • IB Capital (Ithmaar) • Solidarity Group Holding • Faysal Bank Limited (Pakistan) • Ithmaar Bank • Aljazira Takaful Tawaani, KSA. <p>Formerly:</p> <ul style="list-style-type: none"> • Chairman, Saudi Solidarity Takaful Co • CEO, Labour Fund (Tamkeen) 	

						<ul style="list-style-type: none"> Deputy CEO, Labour Fund Project at Bahrain Economic Development Board Undersecretary for Training, Ministry of Labour Director of Engineering, Ministry of Health 	
4	Ahmed AbdulQader Saleh Taqi	<p>Non-Independent Non-Executive Director</p> <p>Member of the Executive Committee</p>	Over 22 years of experience in leadership and management positions at local and international banking firms in the field of Retail & Wholesale Banking.	<p>Master of Business Administration (MBA), University of Glamorgan, UK – Currently known as the University of South Wales. Completed several executive development programs from reputable universities and business schools such as: Harvard Business School – USA, University of Virginia – Darden School of Business – USA, University of London - Cass Business School – UK, and Insead Business School – FRA.</p>	Since 2020	<p>Currently:</p> <ul style="list-style-type: none"> General Manager, Corporate Banking Division, BBK. <p>Board Member</p> <ul style="list-style-type: none"> Credimax – Executive Director. Sharaka for Housing Projects 	
5	Dr. Khalid Abdulla Taqi	<p>Non-Independent Non-Executive Director</p> <p>Chairman of Remuneration, Nomination & Governance Committee</p> <p>Former Member of Executive Committee</p>	Over 42 years of banking and finance experience and infrastructural development in Bahrain. Currently the General Manager at Eskan Bank.	<ul style="list-style-type: none"> Master of Science Degree in Economic Development from the University of East Anglia, UK; Doctorate of Philosophy in Economics from Exeter University, UK. 	Since 2013	<p>Currently:</p> <ul style="list-style-type: none"> General Manager, Eskan Bank <p>Founding Member:</p> <ul style="list-style-type: none"> Bahrain Economic Society <p>Formerly:</p> <ul style="list-style-type: none"> CEO, Inovent BSC CEO, Reef Real Estate Finance Co AGM positions at BBK Assistant Professor and Chairman of Department of Economics & Finance, University of Bahrain 	
6	Maysan Al Maskati	<p>Non-Independent Non-Executive Director</p> <p>Member of Executive Committee</p>	Over 20 years Experience in Private Equity, Real Estate Investments, Infrastructure investments, Fixed Income and Asset Management.	<ul style="list-style-type: none"> BSc in Industrial and Manufacturing Systems Engineering - Kansas State University, USA. 	Since 2021	<p>Currently:</p> <ul style="list-style-type: none"> Head of Asset management – Ithmaar Bank. <p>Board Member:</p> <ul style="list-style-type: none"> Family Microfinance House B.S.C. (C) Dilmunia Development Fund 1 L.P. 	

						<ul style="list-style-type: none"> City View Real Estate Development B.S.C. (C) <p>Formerly:</p> <ul style="list-style-type: none"> • Founder and Managing Director - MASEcap Advisors. • Chief Investment Officer – DUX Capital Limited. • Investment Manager – ASMA Capital Partners B.S.C. • Head, Asset Management – Ithmaar Bank. • Vice President, Infrastructure – Gulf One Investment Bank. • Private Equity Director – Masar Advisory. • Emerging Markets Partnership E.C.
7	Mohammed Khalil Alsayed	<p>Managing Director</p> <p>Non-Independent Executive Director</p> <p>Member of Remuneration, Nomination & Governance Committee</p> <p>Member of Executive Committee</p>	<p>Over 37 years of experience in Engineering, Project Management and Real Estate Development. Currently the Managing Director of Naseej BSC and the Chief Executive Officer of Ithmaar Development Company.</p>	<ul style="list-style-type: none"> • MSc in Structural Engineering from the Southern Methodist University, Texas, USA; • BSc in Civil Engineering from the University of Arkansas, USA; and an Advanced Diploma in Project Management from RMIT University, Australia. 	Since 2009	<p>Currently:</p> <ul style="list-style-type: none"> • Vice Chairman & CEO of Ithmaar Development Company <p>Chairman:</p> <ul style="list-style-type: none"> • Dilmunia Health Island Company • Olive VFM Holding Company • Chase Manara WLL • IDC Properties BSC <p>Directorship:</p> <ul style="list-style-type: none"> • Sharaka for Housing Projects BSC • Naseej Projects Co. S.P.C • Naseej Rabat WLL <p>Managing Director:</p> <ul style="list-style-type: none"> • Naseej BSC • HI One SPC • HI Four SPC <p>Founding Member:</p> <ul style="list-style-type: none"> • Arabian Gulf Chapter of Project Management Institute, USA <p>Member:</p> <ul style="list-style-type: none"> • Bahrain Society of Engineers • American Society of Civil Engineers • Society of American Value Engineers • American Management Association <p>Formerly:</p>

						<ul style="list-style-type: none"> • Undersecretary, Ministry of Works & Housing • Chairman of the Council for Regulating the Practice of Engineering Profession • President of the Bahrain Society of Engineers (for two consecutive terms) 	
8	Sattam Al Gosaibi	<p>Non-Independent Non-Executive Director</p> <p>Chairman of Executive Committee</p>	<p>Over 25 years of experience in Corporate Banking, Islamic Banking, Finance, Credit Control, Human Resources and Marketing.</p>	<ul style="list-style-type: none"> • MBA - DePaul University. • BSc in Accounting – King Fahad University of Petroleum & Minerals, Saudi Arabia. 	Since 2021	<p>Currently:</p> <ul style="list-style-type: none"> • CEO – Khaleeji Commercial Bank. <p>Board Directorships:</p> <ul style="list-style-type: none"> • Gulf Real Estate SSC. • Capital Real Estate. • LOCATA Corporation PTY Limited. • Al Areen Hotels WLL • Gulf Holding Company KSC • Seef Properties, Chairman of Executive Committee. • LAMA Real Estate WLL. • Binaa Al Bahrain BSC. • Bahrain International Golf Course Company. • Al Areen Hotels WLL • INJAZ Bahrain. • Chairman of Board of Trustees – University Technology of Bahrain (UTB) • Board of Trustee: Ibn Khuldoon National School. <p>Former Positions:</p> <ul style="list-style-type: none"> • Group Chief Executive Officer – Bahrain Development Bank. • Executive Manager, Head of Corporate Banking – Kuwait Finance House Bahrain. • Executive Manager, Head of Human Resources – Kuwait Finance House Bahrain. • Credit Department Head – Al Baraka Islamic Bank. • Marketing Section Head – Al Baraka Islamic Bank. • Account Manager – Saudi British Bank. <p>Former Boards:</p> <ul style="list-style-type: none"> • Arabian Taxi Company BSC. • Diyar Al Muharraq. • Miracle Graphics. 	

9	Talal Al Mahroos	<p>Non-Independent Non-Executive Director</p> <p>Member of Remuneration, Nomination and Governance Committee and Audit & Risk Committee</p>	<p>Over 18 years of experience in Portfolio Management, Real Estate Investment, Infrastructure Investment and Corporate International Banking.</p>	<ul style="list-style-type: none"> • BSc in Banking and Finance – University of Bahrain. 	<p>Since 2021</p>	<p>Currently:</p> <ul style="list-style-type: none"> • Senior Executive Director – Real estate Investments at GFH Financial Group <p>Board Member:</p> <ul style="list-style-type: none"> • Balexco. • Falcon Cement Company. • Capital Real Estate Projects Company. • GBCorp • Al Areen Holding Company • Ask Real Estate • Marsa Real Estate • IKNS – Board of Trustees. <p>Formerly:</p> <ul style="list-style-type: none"> • Acting CEO - Infracorp • Assistant General Manager – Khaleeji Commercial Bank. • Acting Head of Corporate and International banking – Khaleeji Commercial Bank. <p>Board Member:</p> <ul style="list-style-type: none"> • KHCB Associates and Subsidiaries Board representation. 	
10	Yousif Al Thawadi	<p>Non-Independent Non-Executive Director</p> <p>Member of Executive Committee</p>	<p>Over 27 years of experience in Real Estate Investment and Development Master Planning and Urban Design, Project Management, Infrastructure and Technical Management, Sales and Marketing, Project Financing, Budgeting and Financial, Asset and Property Management.</p>	<ul style="list-style-type: none"> • MSc. Advanced Officer Staff Course – Augusta, Georgia. • BSc in Mechanical Engineering – University of Texas, USA. 	<p>Since 2021</p>	<p>Currently:</p> <ul style="list-style-type: none"> • CEO – Amlak SIO Development. <p>Chairman:</p> <ul style="list-style-type: none"> • AHQ Holding Company W.L.L • AHQ Cayman Holding Company Limited. <p>Board Member:</p> <ul style="list-style-type: none"> • Bahrain Marina Company Board Member / Managing Director <p>Formerly:</p> <ul style="list-style-type: none"> • Deputy CEO – Diyar Al Muharraq. • Chief Operating Officer – Diyar Al Muharraq. • Director of Telecommunication and Special Projects – Royal Court. • Head of Telecommunication – Crown Prince Court. 	

						• Project management BDF- Military of works Directorate.	
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b. Description of the following:

- Total remunerations paid to the directors for the (last) year 2022.
For the year 2021, Directors' total remuneration was BD 105,000.
- The proposed total remunerations to be paid to the directors for the year 2022, which will be presented at the annual general meeting for approval.
For the year 2022, no Board remuneration will be proposed.
- Description of the sitting fees paid to the directors for attendance of the Board's committees for the financial year 2022 according to the following table:

#	Name	Sitting fees paid for attendance of the Board's committees		
		Name of committee	Sitting fees amount	No. of meetings
1	Hamed Mohamed Al-Khalifa	Board of Directors	BD 14,000	4
2	Ahmed Abdulrahim	Board of Directors Audit & Risk Committee	BD 10,000 BD 3,000	4 4
3	Abdulelah Alqasimi	Board of Directors Audit & Risk Committee	BD 10,000 BD 4,000	4 4
4	Ahmed Abdulqader Taqi	Board of Directors Executive Committee	BD 10,000 BD 4,500	4 6
5	Dr. Khalid Abdulla	Board of Directors Remuneration, Nomination & Governance Committee	BD 10,000 BD 2,500	4 3
6	Maysan AlMaskati	Board of Directors Executive Committee	BD 10,000 BD 4,500	4 6
7	Mohammed Khalil Alsayed	Board of Directors Remuneration, Nomination & Governance Committee Executive Committee	BD 10,000 BD 1,875 BD 4,500	4 3 6
8	Sattam AlGosaibi	Board of Directors Executive Committee	BD 10,000 BD 5,000	4 5
9	Talal AlMahroos	Board of Directors Remuneration, Nomination & Governance Committee Audit & Risk Committee	BD 10,000 BD 1,875 BD 3,000	4 3 4
10	Yousif AlThawadi	Board of Directors Executive Committee	BD 10,000 BD 4,500	4 6

- c. Number and dates of the Board's meetings held during the financial year 2022, in addition to the number of times directors attended in person or by visual communication and a description of the directors present by proxy.

Meeting No.	Board Meeting Date	No. of Directors Attending in person	No. of Directors Attending by phone/Virtual	No. of Directors present by proxy
1	12 May 2022	7	3	None
2	21 June 2022	6	4	None
3	13 September 2022	9	1	None
4	13 December 2022	9	1	None

- d. Description of the Board's duties and competences carried out on its behalf by the Executive Management by delegation of authority, specifying the duration and validity of the delegation.

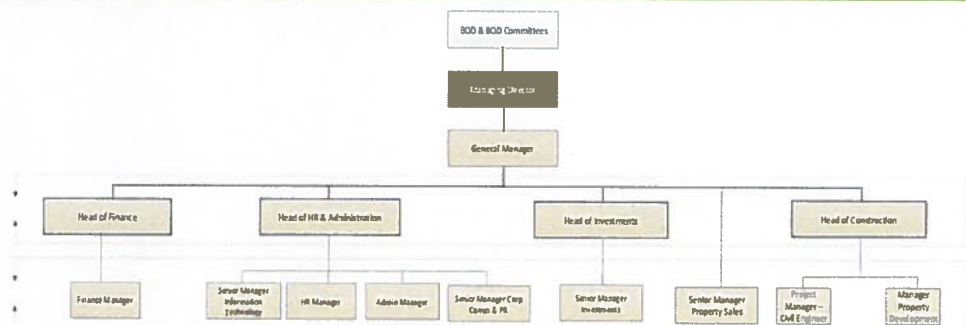
The Board carries its duties and competences as per the Board charter and no duties of the Board have been carried out on its behalf by the Executive Management by delegation of authority.

- e. Details of transactions with related parties (stakeholders), indicating the nature of relationship and type of transaction.

Name	Relationship	Amount	Type of Transaction
BBK	Shareholder	1,007,486	Placements with a financial institution
Mall of Dilmunia	Shareholder related	446,882	Dividends from investment
Dilmunia EduProp	Shareholder related	125,000	50% Share Capital
Dilmunia EduProp	Shareholder related	2,600,000	Shareholder Loan non-interest bearing
Ithmaar Development Company	Shareholder	999	Development management
Olive VFM Company	Shareholder related	57,768	Facility Management for Jumana apartments

- f. The Company's organizational structure, including the first and second grades at a minimum and including the Company's general manager and/or chief executive officer, deputy general manager and managers.

Naseej Organisation Chart



- g. Total remunerations paid to the key executive officers (the top five employees), including salaries, benefits, allowances, increases, stock options, end-of-service benefits, pensions, etc.

BD443,128.359

4- External Auditors:

- a. Providing shareholders with the auditor's profile and overview of its professional performance.

Deloitte & Touche (M.E.), Bahrain are external auditors of the Company. Deloitte in Bahrain was established in 1955 and is part of Deloitte & Touche (M.E.). Deloitte & Touche (M.E.) is a member firm of Deloitte Touche Tohmatsu Limited (DTTL). Through the years the variety of high quality of services delivered by Deloitte Bahrain has been instrumental in the setting up of a wide range of small, medium and large businesses (including some banks and insurance companies) on the island.

- b. Fees and charges for the audit or services provided by the external auditor during the year 2021, in addition to a description of the auditor's years of service as the Company's external auditor. According to the following table:

Name of the audit firm	Deloitte & Touche (M.E.), Bahrain
Years of service as the Company's external auditor	6 years
Name of the partner in charge of the Company's audit	Mr. Irshad Mahmood
The partner's years of service as the partner in charge of the Company's audit	6 years
Total audit fees for the financial statements for the year 2022 (BD)	13,500
Other special fees and charges for non-audit services other than auditing the financial statements for the year 2022 (BD) if any. In the absence of such fees, this shall be expressly stated	5,000

5- Audit & Risk Committee (ARC):

a. Names, competences and duties of the audit committee's members.

#	Name	
1	Abdulelah Alqasimi	Chairman
2	Ahmed Abdulrahim	Member
3	Talal Almahroos	Member

Competencies:

The BOD must satisfy itself that at least a majority of the Committee members have financial literacy qualifications as set out in the Bahrain Corporate Governance Code, which includes:

- an ability to read and understand corporate financial statements including the balance sheet, income statement and cash flow statement and changes in shareholders' equity;
- an understanding of the accounting principles which are applicable to the Company's financial statements;
- experience in evaluating financial statements that have a level of accounting complexity comparable to that which can be expected in the Company's business;
- an understanding of internal controls and procedures for financial reporting; and
- an understanding of the Audit and Risk Committee's function and importance.

Duties:

General Responsibilities:

- Have regard to the Laws of Bahrain and any approved Company policies relative to the matters under consideration;
- Carry out additional functions and adopt additional policies and procedures as may be appropriate in light of changing business, legislative, regulatory, legal or other conditions;
- Carry out any other responsibilities and duties delegated to it by the BOD related to the purposes of the Committee;
- Remain flexible, to best react to changing conditions and to be in the best position to ensure to the BOD and stakeholders of the Company that the Company's governance principles, policies, standards and practices are upheld and maintained in all matters before it, so as to optimally assist the BOD and the Company's Management to effectively and efficiently promote the best interests of the Company by appropriately balancing the interests of its stakeholders;
- May not delegate any of its decision making responsibilities to Management;
- May study or investigate any matter of interest or concern that it deems appropriate or relevant to the matters before it for review;
- Maintain effective working relationships and open avenue for communication between the BOD, Management, and the Internal and External Auditors.
- If necessary, institute special investigations as and when required and hire special counsel or experts to assist; and
- Review any other matter referred to it by either the BOD or the Chairperson.

Internal Control:

- Obtain explanation from management and internal auditors and external auditors on whether NASEEJ's financial and operating controls are adequate and functioning effectively.
- Ensure that the Company's operations, individually and collectively are measured, monitored and controlled by appropriate effective and prudent risk management framework/system that commensurate with the scope of the Company's activities and are supported by an appropriate control environment.

- Monitor and review the standards of risk management and the effectiveness and integrity of internal control systems, including the procedures for ensuring that material business risks, fraud and related matters, are properly identified and managed.
- Review compliance systems to ensure compliance with legislation including relevant filings and compliance with the accounting standards.
- Ensure management is accountable for the security of computer systems and applications, and the business continuity and disaster recovery plans.
- Confirm with the internal and external auditors any fraud, illegal acts, deficiencies in internal control or other similar issues and ensure that audit / control recommendations by internal and external auditors are promptly implemented.

Financial Reporting:

- Examine all formal announcements relating to financial performance including annual and half yearly financial statements, or quarterly, as may be required as a publicly quoted company, and all preliminary financial announcements before submission to the BOD including:
 - Considering the appropriateness and application of accounting policies, compliance with accounting standards, stock exchange, legal and regulatory requirements, including any changes in accounting standards in the period;
 - Considering any significant adjustments proposed by the Auditor during their review and any matters of significant disagreement between Auditor and management;
 - Considering and concluding on the treatment of any other major judgmental items;
 - Considering the appropriateness of the going concern assumption;
 - Reviewing the disclosure of the principal Audits in the business and the associated corporate governance statement regarding internal controls and compliance with the Bahrain Corporate Governance Code;
 - Reviewing the clarity and completeness of disclosures in the financial statements and consider whether the disclosures made are set properly in context; and
 - Considering whether the financial statements provide a true and fair view.
- Prepare a report for inclusion in the Annual Report detailing:
 - A summary of the role of the ARC;
 - The names and qualifications of all members of the ARC during the period;
 - The number of ARC meetings; and
 - The way the ARC has discharged its responsibilities.
- Ensure processes are established and maintained to address critical financial reporting risks and transparency of financial reporting.
- Monitor the integrity of the Company's financial statements (including annual and interim reports, preliminary result announcements and any other formal announcements relating to the Company's financial performance), reviewing significant financial reporting issues and judgments which they contain.
- Review and challenge, where necessary, the consistency of, and any changes to, accounting policies both on a year-on-year basis and across the Company.
- Review proposed professional and regulatory pronouncements regarding accounting policies and financial reporting and assess their impact on the Company's financial statements.
- Discuss with management and the external auditor any correspondence with regulators or governmental agencies and any published reports which raise material issues regarding the Company's financial statements or accounting policies.
- Review any legal matters, which could significantly impact the financial statements.
- Examine the process of preparation of annual and interim financial statements including adherence to accounting standards.
- Review Management's assessment of the effectiveness of the Company's internal control structure and procedures for financial reporting.
- Pay particular attention to complex and/or unusual transactions as well as judgmental areas involving commitments and contingencies.

- Meet with Management and the external auditors to review the financial statements, the results of the audit, management letter and the annual report before its release.
- Determine the appropriateness of the going concern assumption as the basis on which the accounts are prepared.
- Monitor the adequacy of management reporting processes.

External Audit:

- Recommend to the BOD for approval by the shareholders the appointment of the external Auditor and monitor thereafter the relationship including:
 - Considering the audit fee, and fees for non-audit work;
 - Approving their engagement letter, including any issued at the start of an audit;
 - Considering the nature, scope and materiality of the audit, ensure that there are no restrictions on the audit scope;
 - Reviewing the external Auditor's management letter and management's response;
 - Agreeing with the BOD, a policy on the employment of former employees of the Auditor;
 - Monitoring the Auditor's compliance with relevant ethical and professional guidance on the rotation of partners;
 - Seeking reassurance that the auditors and their staff have no financial, business, employment or family and other personal relationship with the company which could adversely affect the auditor's independence and objectivity;
 - Defining a formal policy to specify the types of non-audit work that the Auditor is excluded from; can be engaged without referral to the Committee; and for which a case by case decision is necessary; and
 - Reviewing the effectiveness and objectivity of the audit process on an annual basis, the quality control procedures and consider the expertise and resources of the Auditor. The annual transparency report of the audit firm should also be considered, when published.
- Meet at least annually with the external Auditor, without management being present, to discuss their remit and any issues arising from the audit.
- Consider communications from the external Auditor on audit planning and finds and on any material weaknesses in account and internal control systems that come to the Auditor's attention.
- Assess periodically the Audits associated with the possible withdrawal of the Auditor from the market and consider whether any mitigating action is appropriate.
- Oversee the selection and compensation process for new auditors and if auditors resign, the Committee shall investigate the issues leading to the resignation and decide whether any action is required.
- Consider and make recommendations to the BOD, to be presented to shareholders for approval at the Shareholder Meeting, in relation to the appointment, compensation and re-appointment and removal of the Company's external auditors. The external auditor shall report directly to the Committee.
- Assess independence, accountability and effectiveness of the external auditor.
- Review the external auditors proposed audit scope, plan and approach, engagement letter, letters of representation (giving particular consideration to matters that relate to non-standard issues) as well as ensure there are no unjustified restrictions or limitations on the scope of work and access to requested information.
- Review and ensure that significant findings and recommendations of the audit with the external auditors are received and discussed on a timely basis. This shall include, but will not be limited to, the following:
 - A discussion of any major issues which arose during the audit;
 - Accounting and audit judgments; and
 - Levels of errors identified during the audit.
- Ensure that Management responds to recommendations by the external auditors.
- Review all significant adjustments resulting from the external audit.

- Approve the non-audit services policy for the Company documenting the prohibited and pre-approved non-audit services that may be provided by the external auditors.
- Ensure that the external auditors do not carry out any non-audit services which may affect their impartiality or independence.
- Ensure that the external auditors attend the AGM to read their report to the Shareholders and answer their questions and queries regarding the financial statements for the year end.

Internal Audit:

- Monitor and review the company's internal controls and Audit management including:
 - Reviewing the internal control and Audit management systems; and
 - Considering reports from the management on the effectiveness of the systems they have established and the conclusion of any test carried out by internal or external auditors.
- Monitor and review the effectiveness of the company's internal audit function including:
 - At least annually, reviewing and approving the internal audit programme;
 - Approve the appointment, replacement, reassignment or dismissal of the Head of Internal Audit or outsourced service provider.
 - Considering the terms of reference for internal audit;
 - Reviewing internal audit reports and procedures to ensure implementation of recommendations including management responses thereto;
 - Assessing the adequacy of resourcing of the internal audit function;
 - Considering the terms of the outsourcing arrangements for the conduct of the internal audit programme; and
 - Meeting at least annually with the head of the internal audit function without management being present to discuss their remit and any issues arising from audits they have carried out. Notwithstanding that the head of the internal audit function will have direct access to the Chairmen of the Committee at all times.
- Set up an internal audit function, whether in-house or outsourced, which shall report directly to the Committee, with an administrative reporting line to the MD/GM for day to day matters as deemed appropriate.
- Review the qualifications and effectiveness of internal audit personnel.
- Review and approve the internal audit strategy, annual internal audit plan (preferably risk based) and the audit methodologies adopted by the internal audit function, and to ensure that adequate resources and budget are available for its successful completion.
- Review the activities and performance of the internal audit function and ensure there are no unjustified restrictions or limitations on the scope of work.
- The Committee is responsible for approving all reports and documentation pertaining to the Internal Audit function.
- Review internal audit and its relationship with the external auditors, including plans, performance and co-ordination of activities.
- Review the activities, resources and the operational effectiveness of internal audit, and where appropriate, make recommendations to the BOD.
- Meet separately with the Head of Internal Audit to discuss any matters that ARC or auditors believe should be discussed privately.
- Review and discuss the internal audit findings, recommendations that have been reported to management and the progress of the related corrective actions and management's responsiveness.
- Ensure audit recommendations / corrective actions are implemented by Management promptly.
- Evaluate the performance of internal audit function [internal audit assessment and external quality assurance review process at least once every 5 years] and any recommendations with respect to improving the performance of or strengthening of the internal audit function.

Risk Management:

- Consider, review, amend and recommend to the BOD, the Company's Risk management strategy and policy, financial policies and procedures, delegated authority levels, expenditure and tender policies.

- Consider, review, amend and recommend to the BOD, the Company's credit risk, debt levels, interest risk, liquidity risk and operational risk exposure in relation to the BOD's risk appetite and the Company's capital adequacy.
- Identify, consider and report to the BOD and thereafter inform the Management of the Company of the investment, equity and risk criteria for the Company's business and investment activities.
- Undertake Risk management audits and assessments of specific business activities of the Company both on pre and post commitment, as may be requested by the BOD from time to time.
- Review and be satisfied that the Company's risk management strategy and policies are fairly represented in the Company's Annual Report.
- Be responsible for selecting and appointing any risk management consultants who advise the Committee.

Compliance with Corporate Policies:

- Evaluate the adequacy and effectiveness of the Company's procedures and systems for ensuring compliance with legal and regulatory requirements and internal policies.
- The Committee shall review annually with the Internal Auditor the adequacy and appropriateness of the Company's compliance with the Corporate Policies issued from time to time as well as the Code of Conduct.
- Receive and discuss reports from management on an annual basis and/or as needed basis relating to:
 - Compliance, including regulatory and fiduciary compliance;
 - Significant reported ethics violations;
 - Fraud and operating loss;
 - Technology and information security;
 - The Company's insurance; and
 - Any other reports or documents the Committee considers appropriate.
- Ensure compliance with laws, regulations, ethical and other issues including:
 - Reviewing with the group's lawyer and others any legal, tax or regulatory matter that may have a material impact on the group's operations or financial statements;
 - Ensuring that the Company maintains suitable arrangements for its employees to raise concerns, in confidence, about possible wrongdoings in financial report, or other matters and that these arrangements provide for independent investigation, appropriate follow up action and appropriate escalation to the Committee for its review;
 - Considering fraud or ethical issues;
 - In areas where the ARC has responsibility for monitor compliance with internal policies and procedures review the relevant policies annually or when there is a significant change and assess compliance with those policies on an annual basis;
 - Considering other topics as defined by the BOD;
 - Monitoring and evaluate the performance of the ARC and make recommendations to the BOD with regard to any necessary adjustments; and
 - Reporting its activities to the BOD on a regular basis and review these terms of reference on an annual basis.

Whistle Blowing Programme:

- ARC must review and oversee the implementation of whistle blowing programme and, ensure that whistle-blowers are heard and their rights are safeguarded.
- Review the whistleblowing complaints/allegations received by the designated contact.
- Substantiate whistleblowing complaints/allegations reported by the Designated Contact and decide on the course of action.
- Depending on the nature of investigation required, approve the internal or outsourced team to perform the investigation.
- Review the investigation report submitted and decide on the course of action to be taken, and inform the BOD, if necessary.

- Communicate to the Designated Contact and Whistle-blower, on the decision taken on the complaint/allegation after investigation, to be updated in the whistleblowing log.
- Review of Legal and Regulatory Compliance
- The Committee shall periodically review with management, including the Legal Advisor and the Internal Auditor any correspondence with, or other action by, regulators or governmental agencies and any employee complaints or published reports that raise concerns regarding the Company's financial statements, accounting or auditing matters or compliance with the laws, particularly the Environmental Law, Commercial Company Law and Labour Laws.
 - Monitor whether regulatory returns etc., are submitted on time.
 - Review the effectiveness of the system for monitoring compliance with legal and regulatory requirements and the results of management's investigations and follow-up (including disciplinary action) of any fraudulent actions or non-compliance.
- b. Number and dates of meetings held by the audit committee during the year to discuss issues related to financial statements and any other matters and the number of times members attended the meetings in person.

Meeting No.	Meeting Date	No. of Directors Attending in person	No. of Directors Attending by phone	No. of Directors present by proxy
1	28 April 2022	3	0	None
2	14 June 2022	3	0	None
3	6 September 2022	3	0	None
4	6 December 2022	3	0	None

6- Remuneration Nomination and Governance Committee (RNGC):

- a. Names, competences and duties of the RNGC committee's members.

#	Name	
1	Dr. Khalid Abdulla	Chairman
2	Mohammed Khalil Alsayed	Member
3	Talal Almahroos	Member

Duties:

General Responsibilities

- Have regard to the Laws of Bahrain and any approved Company policies relative to the matters under consideration;
- Carry out additional functions and adopt additional policies and procedures as may be appropriate in light of changing business, legislative, regulatory, legal or other conditions;
- Carry out any other responsibilities and duties delegated to it by the BOD related to the purposes of the Committee;
- Remain flexible, to best react to changing conditions and to be in the best position to ensure to the BOD and stakeholders of the Company that the Company's governance principles, policies, standards and practices are upheld and maintained in all matters before it, so as to optimally assist the BOD and the Company's Management to effectively and efficiently promote the best interests of the Company by appropriately balancing the interests of its stakeholders;
- May not delegate any of its decision making responsibilities to Management; and

- May study or investigate any matter of interest or concern that it deems appropriate or relevant to the matters before it for review.

Nomination responsibilities

- Evaluate and make recommendations to the BOD about:
 - The BOD's and its Committees motivations as a fiduciary of the Company, including the attendance of the members of same to the BOD's and its Committees meetings;
 - The BOD's and its Committees relevant knowledge and proficiency to be effective in its role;
 - The BOD's independence from management and other stakeholders and its accountability to the Shareholders;
 - The BOD's diligence and attentiveness in applying governance best practices and responding to the requirements of the business;
 - The BOD's oversight and monitoring of management and planning for management succession;
 - The BOD's focus on strategic critical success factors such as its most critical issues and risks;
 - The appropriateness and clarity of allocated roles and responsibilities between the BOD and management;
 - The committee TORs and their ongoing evaluation;
 - The performance of the committees relative to their TORs;
 - The BOD's performance;
 - The improvements based on findings from all BOD and BOD committee performance assessments; and new or special committees of the BOD that may be necessary to properly address ethical, legal and/or other matters that may arise.
 - The adequacy of the constituent documents of the Company;
 - The attendance at meetings by members of the BOD and their Committees and the establishment of a minimum attendance requirement to provide for such continuing attendance of any of these meetings;
 - Consider, amend and review the Company's HR policies, HR Documents, employment code of ethics mandates, employment grading structure and others such related documents relating to employment and thereafter approve such documents;
 - Consider, amend and review the Company's HR budgets, recruitment strategies, recruitment procedures, recruitment programmes and organisation charts relative to the Company's business and establishment plans and others such related documents and thereafter approve such documents;
 - Interview all proposed Grade B employees recommended by the MD/GM for such positions within the Company as may be required from time to time and instruct the MD/GM, as appropriate, to appoint or decline the employment of such Grade B employees;
 - Interview all proposed temporary individual consultants, equivalent to Grade B employment status, recommended by the MD/GM for such positions within the Company as may be required from time to time and instruct the MD/GM, as appropriate, to appoint or decline the employment of such Consultants; and
 - Evaluate the MD/GM's performance in light of corporate goals and objectives; and performance of all other officers of the company in consultation with the MD/GM and the Chairperson of the Board.
- Review and recommend changes to the Board size, structure, composition, duties or meeting frequency.
- Establish and supervise the Board's criteria, materiality thresholds and process for selecting new Directors including Independent Non-Executive Directors.
- Each Shareholder for their respective nominee seats will identify and nominate to the Board, individuals qualified to serve as Board members of the Company, consistent with Board criteria (subject to approval of shareholders).
- Implement procedures to secure adequate succession of Board members and the MD/GMs.

- Provide stringent criteria for re-appointment of a Director considering performance evaluation results and independence of the Director.
- Assess and articulate the minimum time and availability commitments to fulfil the roles, including Chairperson and non-executive directors. This should consider the maximum number of directorships on the boards of other companies that may be held by an individual.
- Establish the decision-making process of the Board concerning potential conflicts of interest.
- Ensure that the Secretary, on behalf of the Board, has written to all new appointees, detailing their role and time commitments, providing Charters for each committee to which they are being appointed, to undertake an induction programme and, as necessary, training, that has been produced in consultation with the Chairperson.
- Ensure each new Director has signed their Letter of Appointment.

Remuneration responsibilities

- Review and recommend to the BOD for their approval any salary increments and bonus awards for all levels of the staff;
- Review and approve any unusual or special increments and/or promotions throughout the year for any member of staff;
- In relation to any bonus scheme operated by the Company, determine annual targets and key performance indicators for, and assess performance against targets and key performance indicators by (i) the Company and (ii) the MD/GM and all grade B employees;
- Approve the grant of long term incentive awards, such as share appreciation rights and performance shares, including the monitoring of any performance conditions subject to which any long term incentive awards may be granted under any schemes adopted by the Company;
- Consider and recommend to the BOD the broad policy for the remuneration and incentivisation of the MD/GM, Directors of the BOD, members of the Leadership Team of the Company's business units and corporate units and employees of the Company including the scope of annual salary increments, bonus schemes, share option schemes, termination payments and pension arrangements;
- Review the design of all share incentive schemes, including the setting of performance conditions, to be put forward for approval by the BOD and shareholders;
- Agree the policy for authorising claims for expenses from the MD/GM and the Chairperson;
- Review and be satisfied that the Company's remuneration practices and policies are fairly represented in the Company's Annual Report;
- Be responsible for selecting and appointing any remuneration consultants who advise the Committee;
- Review and recommend to the shareholders for approving the compensation policy guidelines and working instructions of the Company in particular for the Board and Executive Directors;
- Ensure that the recruitment policies of the organisation are designed to attract and retain quality staff whilst providing appropriate accountability for performance;
- Review recommendations made by the MD/GM of the Company regarding the remuneration arrangements of the Company's senior management. Specifically, in consultation with the MD/GM, the Board will:
- Review and determine the terms of the service contracts of the Company's senior management (primarily direct reports of MD/GM);
- Review any other matters related to the remuneration, long term incentives and benefits of the Company's senior management and make recommendations to the Board accordingly;
- Evaluate the MD/GM's performance in light of corporate goals and objectives; and performance of all other officers of the company in consultation with the MD/GM and the Chairperson of the Board; and
- Ensure that the employment costs of the organisation remain within agreed budgetary guidelines.

Corporate Governance responsibilities

- Develop and recommend written corporate governance policy / guidelines covering the matters stated in the Bahrain Corporate Governance Code and other corporate governance matters deemed appropriate by the BOD;
- Recommend to the BOD, appointment of a suitable candidate as the Secretary of the BOD and Corporate Governance Officer (“CGO”) for the Company, and the job description for the positions;
- Oversee and monitor the implementation of the governance policy framework by working together with the CGO;
- Provide the BOD with reports and recommendations, based on its findings, in the exercise of its duties;
- Review the annual Corporate Governance Report prepared by the CGO, and recommend to the BOD for approval;
- Ensure that all weaknesses identified during governance audits by, the Company’s internal auditor or external auditors, are rectified immediately;
- Ensure that the BOD and relevant employees of the Company are provided with training on Corporate Governance, periodically;
- Review on an annual basis the Company’s compliance with the respective corporate governance rules and regulations issued by the Ministry of Industry, Commerce and Tourism and ensure that proper action is taken to implement the necessary measures to close any gaps identified;
- Review and recommend to the BOD, for submission to the Shareholders for approval, the Related Party Transactions Policy for the Company;
- Approve the related party transactions, as per the delegation of authority in place.
- The establishment of corporate governance guidelines that keep abreast of developments with regard to corporate governance to enable the Committee to make recommendations to the BOD as may be appropriate, with particular relevance to developing and recommending to the BOD a Code of Conduct that complies with (applicable) values, standards and rules, that:
 - Shall address at least the following subjects: conflicts of interest; corporate opportunities; confidentiality; fair dealing; protection and proper use of company assets; compliance with laws, rules and regulations; encouraging the reporting of any illegal or unethical behavior;
 - Incorporate such issues related to the Company’s senior financial officers as required by (applicable) rules;
 - At least annually, review the Code of Conduct and take such actions, as the Committee deems necessary or appropriate.
- Approving or disapproving all transactions involving the Company and any director, executive officer, senior financial officer or any related party and other questions of actual and potential conflicts of interest or appearances of impropriety or involving the Company’s directors, executive officers or senior financial officers or any related party as they may arise and, when determined necessary or appropriate, to issue to such persons instructions on how to conduct himself/herself in such matters so as to ensure that the best interests of the Company are protected;
- Review the related party transactions details that will be incorporated in the Annual Report/ financial statements of the Company;
- Ensure that the external auditors perform their obligations towards related party transactions during their audit the following year;
- Review on an annual basis the Company’s compliance with the BOD and BOD Committees’ approved charters; and
- The Committee shall direct the Internal Auditor to conduct an annual review of compliance with the Corporate Governance Code. Any findings arising there from shall be reported by the Committee to the BOD / Shareholders.

b. Number and dates of meetings held by the committee during the financial year and the number of times members attended the meetings in person.

Meeting No.	Meeting Date	No. of Directors Attending in person	No. of Directors Attending by phone/Virtual	No. of Directors present by proxy
1	10 May 2022	2	1	None
2	20 June 2022	2	1	None
3	29 November 2022	1	2	None

7- Executive Committee (ExCom):

a. Names, competences, and duties of the governance committee's members.

#	Name	
1	Sattam Algosaibi	Chairman
2	Mohamed Alsayed	Member
3	Ahmed Taqi	Member
4	Maysan Almaskati	Member
5	Yusuf Althawadi	Member

Duties:

General Responsibilities

- Have regard to the Laws of Bahrain and any approved Company policies relative to the matters under consideration.
- Carry out additional functions and adopt additional policies and procedures as may be appropriate in light of changing business, legislative, regulatory, legal or other conditions.
- Carry out any other responsibilities and duties delegated to it by the BOD related to the purposes of the Committee.
- Remain flexible, to best react to changing conditions and to be in the best position to ensure to the BOD and stakeholders of the Company that the Company's governance principles, policies, standards and practices are upheld and maintained in all matters before it, so as to optimally assist the BOD and the Company's Management to effectively and efficiently promote the best interests of the Company by appropriately balancing the interests of its stakeholders.
- May not delegate any of its decision making responsibilities to Management.
- May study or investigate any matter of interest or concern that it deems appropriate or relevant to the matters before it for review.

Key Responsibilities

- Consider those transactions put before it for review by the Company's management and officers and thereafter advise the Management to treat with such transactions as follows:
 - Recommend Management to proceed as the Committee may decide and direct;
 - Advise Management to amend, change, resubmit or disregard those transactions as the Committee may direct or conclude.
- Approve and instruct Management, as the Committee may decide and direct, any cash investment with the Company's shareholder banks that require a tenure greater than a particular number of calendar months as stipulated in PPM4 Delegation of Authority.

- Consider those transactions put before it for approval by the Company's Management and Officers that as being compliant with the BOD's approved business and investment Equity IRR benchmarks and thereafter action such transactions as follows:
 - Approve and instruct Management to proceed with, as the Committee may decide and direct, those transactions that do not require a transaction or a financial obligation (Project Size) greater than the amount stipulated in PPM4 Delegation of Authority;
 - Recommend to the BOD for approval, as the Committee may decide and direct, those transactions that will require a transaction or a financial obligation (Project Size) greater than the amount stipulated in PPM4 Delegation of authorities;
 - Refer those transactions back to Management in the event that the Committee requires further confirmation that a proposed transaction is in accordance with the BODs approved business and investment IRR benchmarks.
 - NASEEJ Group Management's performance evaluation on all matters and assignment of accountability and any incentive or reward program;
 - Oversight on Management's implementation of the Company's strategy and monitoring of actual financial, operational and administrative performance of the Group against plans;
 - Review, as delegated, matters requiring decisions between BOD meetings, the outcome of which would be binding on the BOD;
 - Review any urgent matter which, in the opinion of the Chairperson of the BOD, does not permit the calling of a regular or special meeting of the BOD, and also approve the transactions as specifically delegated by the BOD on a case-to-case basis, and submit for BOD re approval and/or ratification at the BOD next meeting;
 - Partial or full asset write-offs within its delegated financial authorities;
 - Product Pricing;
 - Capital and project or other significant overhead expenditure / procurement / tender award;
 - Material issues relating to the organisational structure of the Company;
 - Treasury activities and performance;
 - Acquisitions and disposals, where delegated by the BOD;
 - Investment diversification in terms of products and markets; and
 - Disaster Recovery, Business Continuity and Crisis Management plans.
- Corporate Social Responsibility
- Allocate funds allotted for Corporate Social Responsibility (CSR) activities for each cause supported by the Company;
 - Develop an annual plan for CSR activities detailing the specific identified causes that it will support during the year to be approved by the BOD;
 - Evaluate donation/sponsorship proposals in line with the criteria provided in the CSR policy; and
 - Ensure a thorough due diligence is performed on beneficiary organizations

b. Summary of the committee performance report during the year 2022.

Meeting No.	Meeting Date	No. of Directors Attending in person	No. of Directors Attending by phone/Virtual	No. of Directors present by proxy
1	17 January 2022	3	2	None
2	26 January 2022	3	2	None
3	8 May 2022	4	1	None
4	13 June 2022	3	2	None
5	5 September 2022	4	1	None
6	4 December 2022	3	1	None

8- Corporate governance officer's name, qualifications, date of appointment, and contact details.

Name:	Ahmed Alhammadi
Qualifications:	Ahmed Al Hammadi has over 35 years' experience in management, finance and accounting in the Kingdom of Bahrain. Prior to joining Naseej, he was Country Director – Bahrain for Majid Al Futtaim Group. Ahmed's previous career experience includes 13 years at Gulf Air, where he held the positions of Head of Accounts, Vice President - Finance, and Acting President and Chief Executive. He started his career as Budget Coordinator in the Ministry of Finance & National Economy, rising to the position of Chief Accountant. A Fellow member of the UK Chartered Institute of Certified Accountants, Ahmed is a Business Studies graduate of the University of Bahrain. He was a visiting lecturer for four years at the British Council, assisting students to prepare for MBA studies in Strathclyde University; and also for 15 years at the Bahrain Institute of Banking & Finance, guiding students for accreditation to the UK Chartered Institute of Bankers.
Date of Appointment:	25/7/2018
Contact Details:	Office No.16557988 Mobile No. 39699799 Email: ahmed.alhammadi@naseej.bh

9- Details of any irregularities committed during the financial year, their causes (if any), and the plan to address them in order to avoid future recurrence.

None.

1- Description of the cash and in-kind contributions made by the Company during the year 2022 for the purpose of community development and environment preservation (In the absence of contributions, it should be stated that the Company did not make any contributions), indicating the recipients of these contributions.

During 2022, Naseej continued to contribute to the sustainable economic prosperity and social well-being of the Kingdom of Bahrain through its comprehensive corporate social responsibility (CSR) program. This provided financial and practical support for beneficiaries including the Zakat Fund of the Ministry of Justice, Shaikh Ebrahim Centre for Culture and Research under The Ministry of Culture, sponsorship of The Bahrain Institute of Banking & Finance for its new Hybrid classroom programs, The Bahrain Handball Federation, Bahrain's charitable food bank, and Bahrain's Breast Cancer Society. Naseej also continued its cooperation with the University of Bahrain to conduct regular internship programs for Bahraini students who would join the organization for real-life work experience in several areas of the business. Additionally, Naseej continued its support to the Royal Humanitarian Foundation to help Bahraini families in need by providing social support. In 2022, it extended support to the Good Word Society, to support schoolchildren with school items and stationery. The Good Word Society is headed by HH Shaikh Isa bin Ali Al Khalifa, as the honorary president. Additionally, Naseej supported HE Dr. Mustafa Al Sayed's children's book entitled "My Beautiful Country" as proceeds were gathered and raised for his esteemed charity and foundation. Naseej also extended support to the BIBF's-Bangor outstanding students award program by sponsoring the awards to the students who overachieved with the highest scores.

During 2022, Naseej participated at the first Cityscape Expo to take place in the Kingdom of

Bahrain, whereby Naseej showcased its flagship project CanalView, in Dilmunia and was among other top real estate developers presenting their offering. In the earlier part of the year, Naseej sponsored the Bahrain Society of Engineer's Golden Jubilee Event & Conference, which was held under the Patronage of HH Deputy Prime Minister Shaikh Khalid bi Abdulla Al Khalifa, an event that was attended by Ministers, Delegates, VIPS, High Net Worth Individuals, Dignitaries, ambassadors and distinguished guests from the public and private sectors. Prior to 2022, Naseej invested heavily in its sponsorship and participations at numerous real state trade shows. To sight a few examples, Naseej sponsored the Gulf Property Show, The Bahrain Real Estate & Investment Expo, BIPEX, Jewellery Arabia and many other real estate and development events and industry specific conferences. Naseej takes pride in supporting these national and regional level events as it works towards enhancing Bahrain's position for trade, commerce, and real estate tourism.

Moving forward, Naseej will be broadening its CSR corporate strategy by adopting a more integrated approach to an ESG-led framework, a framework that will have a greater scope in relation to initiatives that fall under the areas of Environmental, Social, and Corporate Governance responsibilities and compliance.

- a. Statement of shareholders' equity as of 31/12/2022 (individuals, corporate, government or organizations) to be classified as follows: Local, Gulf, Arab, and foreign.

#	Shareholder classification	Shareholding %			
		Individuals	Corporate	Government or Organizations	Total
	Local	4.69%	62.39%	13.94%	81.02%
	Arab	2.14%	4.17%	-	6.31%
	Foreign	-	12.67%	-	12.67%
	Total	6.83%	79.23%	13.94%	100%

- b. Description of the shareholders who hold 5% or more of the Company's share capital, indicating the name of the natural person who holds the shares, the final beneficiary, as at 31/12/2022 as follows:

#	Name	Number of shares held	Shareholding %	Name of the natural person, the final beneficiary
1	Ithmaar Holding B.S.C.	161,579,576	18.70%	
2	BBK B.S.C.	130,909,096	15.15%	
3	Ithmaar Development Company Ltd	103,605,024	11.99%	Ithmaar Holding B.S.C.

4	Social Insurance Organisation	94,254,552	10.91%	
5	GFH Finance Group BSC	56,518,672	6.54%	
6	Khaleeji Commercial Bank B.S.C.	54,084,320	6.26%	
7	Alfateh Investment	52,363,640	6.06%	
8	Ibdar Capital	51,598,061	5.97%	

c. Description of how shareholders are distributed according to their respective shareholding as at 31/12/2022 as follows:

#	Shareholding (share)	No of shareholders	Number of shares held	Shareholding %
1	<50,000	0	0	0
2	50,000 to 500,000	1	117,240	0.01%
3	500,000 to 5,000,000	7	11,522,203	1.33%
4	>5,000,000	19	852,360,565	98.66%

h. Description of the significant events that occurred during the year 2022.

- Changes in the shareholding of Naseej which has been disclosed in our EGM dated 28 February 2023.
- All administrative work to update has been done accordingly with share registrar and updated on the government database www.sijilat.bh.

2- Compliance with the provisions of the Corporate Governance Code, as follows:

	Principle	Not Compliant	Partially Compliant	Fully Compliant	Explanation of Non-Compliance
1	The Company shall be headed by an effective, qualified, and expert Board.			✓	
2	The Directors and Executive Management shall have full loyalty to the Company.			✓	

3	The Board shall have rigorous controls for financial audit and reporting, internal control, and compliance with law.	✓			ARC & RNGC do not have Independent Directors
4	The Company shall have effective procedures for appointment, training, and evaluation of the Directors.			✓	
5	The Company shall remunerate Directors and Senior Officers fairly and responsibly.			✓	
6	The Board shall establish a clear and efficient management structure for the Company and define the job titles, powers, roles and responsibilities.			✓	
7	The Company shall communicate with Shareholders, encourage their participation, and respect their rights.			✓	
8	The Company shall disclose its corporate governance.			✓	
10	The Board shall ensure the integrity of the financial statements submitted to Shareholders through appointment of External Auditors.			✓	
11	The Company shall seek through social responsibility to exercise its role as a good citizen.			✓	
9*	Companies which offer Islamic services shall adhere to the principles of Islamic Shari'a.				Not Applicable to Naseej

* Applicable only to the companies offering Islamic services.

3- Any disclosures required by the regulatory authorities.

There are no further disclosures.



Chairman Signature



NASEEJ
C.R. 72492 P.O. Box: 1383
Manama, Kingdom of Bahrain

Official Seal of the Company

Date: 20/07/2023