

Corporate Governance Report

"Eastern Company"

Company information: The following table shows the basic data of the company

<p align="center">The Company's name</p>	<p align="center">Eastern Company</p>		
<p align="center">Company purpose</p>	<p>* Manufacture and trade of smoke and its products, modern alternatives to smoking and its accessories * Practicing any investment, financial, commercial, industrial, agricultural or service activity (Except for what is related to the regulation of the capital market in accordance with the text of Article of Law 95 of 1992 with the company's commitment to adjust its conditions in accordance with the provisions of Law 120 of 1982) * Owning and constructing real estate, buying and dividing land for the purposes of exploitation, leasing or sale -Import, export and commercial agencies. Establishing or participating in the founding, purchasing or contributing to companies that carry out any of the company's purposes inside or outside the Arab Republic of Egypt or may cooperate in achieving or developing any of its purposes, without prejudice to the provisions of applicable laws, regulations and decisions, and on condition that the necessary licenses are issued to practice these activities.</p>		
<p align="center">The fixed term of the company</p>	<p align="center">Fifty years ending in 1/6/2069</p>	<p align="center">The date of listing in the stock exchange</p>	<p align="center">27/9/1995</p>
<p align="center">Subject Law the company</p>	<p>The company's conditions have been reconciled in accordance with the decisions of the "extraordinary" general assembly of the company on 2/6/2019, within the framework of Law No. 159 of 1981 promulgating the Law of Joint Stock Companies, Partnerships Limited by Shares, Limited Liability Companies, Single Person Companies and its Executive Regulations</p>	<p align="center">The nominal value of the share</p>	<p align="center">one Egyptian pound</p>
<p align="center">The last authorized capital</p>	<p align="center">3,000,000,000 Egyptian Pound (Three billion Egyptian pounds)</p>	<p align="center">The last issued capital</p>	<p align="center">2,250,000,000 Egyptian Pounds (two billion two hundred and fifty million Egyptian pounds)</p>

The last paid up capital	2,250,000,000 Egyptian Pounds (two billion two hundred and fifty million Egyptian pounds)	Number and date of registration in the commercial register	<u>6069</u> on the date 22/7/2019
Contact person's name	Mohamed Abdel Rahman Ahmed –Head of investor relations department		
Head office address	Sixth Industrial Zone - Al-Wahat Road, 6th of October City		
phone numbers	01005140996 -01222208693	fax numbers	38164444(02)
website	www.easternegypt.com		
E-mail	m.abdalahman@easternegypt.com		

General Assembly of Shareholders

structure

 Holders of 5% or more of the company's shares	ultimate beneficiary	Number of shares at the date of the financial statements	The ratio %
Chemical Industries Holding Company	Chemical Industries Holding Company	1,136,250,000	50.50%
Contributing Workers Union	Contributing Workers Union	138,135,692	6.13936 %
Total		1,274,385,600	56.64%

Composition of the Board of Directors:

The last formation of the board of directors elected by the company's shareholders and as stated in the company's articles of association according to the following form:

	member name	Member capacity (executive/non-executive/independent)	Number of shares owned	Joining Date	Representation
1	Eng. Tamer Abdel Aziz Gadallah	Non-executive – Independent	nothing	10/24/2018	
2	Accountant/ Hani Aman Hussein Attia	Executive	10000 shares	10/24/2018	Chemical Industries Holding Company
3	* Mr. Ahmed Saad Al-Laithi Nasif	non-executive	nothing	2/11/2021	
4	Mr. Sameh Ahmed Sayed Khudair	non-executive	nothing	10/24/2018	
5	Mrs. Hebat Allah Ihab Muhammad Abu Rabieh	non-executive	nothing	2/6/2019	
6	Accountant/ Muhammad Jamal Mahmoud Muharram	non-executive	13500 shares	30/11/2008	private sector shareholders
7	Mr. Hussein Saad Zagloul	non-executive	135000 shares	2/6/2019	
8	Mr. Mohamed Samir Abdel Razzaq	Non-executive – Independent	nothing	2/6/2019	
9	The engineer/ Nasr Abdel Aziz	executive	nothing	30/7/2019	Confederation of Employees Shareholders of the Company

- MR. Ahmed Al-Laithi Nassif representative of Chemical Industries Holding Company Beginning of Appointment on the date 2/11/2021 Instead of Mr. Imad El Din Mostafa and The stock exchange has been notified .

Chairman of Board of Directors

- Eng. Tamer Abdel Aziz Jadallah assumes the presidency of the company's board of directors starting from 10/24/2018. He is a non-executive chairman mainly responsible for the good performance of the board in general. He is responsible for guiding and directing the board to ensure the effectiveness of its performance, and he has the required experience, competencies and personal qualities that enable him to fulfill his responsibilities, including the following:

1- Inviting the Board of Directors to convene and setting the agenda for managing its sessions.

- 2- Inviting the Ordinary and Extraordinary General Assembly to convene to consider the agenda presented by the Board of Directors
- 3- Ensuring that sufficient and accurate information is available in a timely manner to Board members and shareholders
- 4- Ensuring that decisions are taken on a sound basis while ensuring the effective implementation of those decisions in a timely manner.
- 5- Receive reports and recommendations from all committees and submit them to the Board on a regular basis to take the necessary action in their regard.
- 6- Ensuring the board's commitment to accomplish its tasks, with the need to avoid conflict of interest.
- 7- Ensuring the effectiveness of the corporate governance system applied, as well as the effectiveness of the performance of the board committees.

Managing Director

- Accountant Hany Aman will assume the top executive management summit in the company starting from 10/24/2018. The company's board of directors determines the duties and powers of the managing director, including:
 - 1- Executing the company's annual strategy and plan set and approved by the Board of Directors.
 - 2- Presiding over the company's executive work and managing its daily affairs, supervising the workflow in all the company's departments, following up on the performance of all activities, and taking what he sees as decisions to ensure the regularity of work and achievement of goals, as well as working to increase customer satisfaction with the company.
 - 3- Working to implement all the company's internal policies, regulations and systems approved by the Board of Directors.
 - 4- Suggesting topics to be raised in the periodic meetings of the Board of Directors in consultation with the Chairman of the Board.
 - 5- Supervising the preparation of periodic financial and non-financial reports on the company's business results and evaluating its performance, as well as the corporate governance report, and reviewing all responses to the auditors' inquiries before preparing these reports.

6- Active participation in building and developing a culture of moral values within the company and proposing reward and motivation systems and mechanisms to follow up on the authority approved by the Board to ensure the loyalty of employees and maximize the value of the company

7- Determining the competencies and responsibilities of all employees of the company in accordance with the applicable work regulations and decisions of the Board of Directors.

Secretary of the Board of Directors

- The secretariat of the Council is assumed by Mr. Khaled Niazi Mahmoud and occupies a position Head of the secretarial sector In the company, and performs the role entrusted to him, which extends to include, but is not limited to, the following:
 - 1- Preparing, preparing and managing the logistics of council and committee meetings, assisting the council chairman in preparing the meeting agenda, preparing information, data and details on these topics and sending them to members in sufficient time before the meeting.
 - 2- Assisting the Chairman of the Board in preparing and preparing for the meetings of the General Assembly of Shareholders and managing its logistics.
 - 3- Follow up on the issuance and implementation of the decisions of the Board of Directors, informing the concerned departments about them, as well as preparing follow-up reports on what has been done in their regard.
 - 4- Keeping and documenting everything related to the Council's decisions and the topics presented to it, while making sure that the Council obtains important information in a timely manner.
 - 5- Coordination with all board committees to ensure effective communication between those committees and the board of directors
 - 6- Coordinating with the concerned committees within the framework of providing the necessary information to support the council president in the process of evaluating council members and committee members.

Board Committees

The company's board of directors sets the rules and procedures necessary for the formation of its committees, and determines their competencies, validity and duration of work. The board also continuously monitors the work of the committees to ensure the effectiveness of their role, with the possibility of merging some committees according to commensurate with their competencies. When forming committees, it is taken into account that the experiences of committee members are related to the tasks assigned to each of them. Especially in terms of regulatory, legal and financial aspects .

Committee formation

The following table shows the composition of the committees emanating from Board of Directors

member name	Committee name					Community Service committee	The position on the committee & Joining Date
	Audit Committee	Wages and benefits	Risks	distribution	investment		
Tamer Abdel Aziz Gadallah	President	member					Chairman of the Audit committee 11/19/2020 Member of the Wages Committee 6/2/2019
Hany Aman Hussein Attia			member	member	member	member	Member of the Risk Committee 6/2/2019 Member of the Investment Committee 11/12/2020 Member of the distribution committee 1/30/2020 Member of the C.S Committee 1/30/2020
Sameh Ahmed Sayed Khudair	member	member	member				Member of the Wages Committee 6/2/2019 Member of the Risk Committee 6/2/2019 Member of the Audit Committee 6/2/2019
Hepat allah, Ehab Muhammad		President				President	Chairman of the Wages Committee 6/2/2019 Head of the C.S Committee 1/30/2020
Muhammad Jamal Muharram	member		member	member	President		Member of the Risk Committee 6/2/2019 Member of the Audit Committee 11/19/2020 Chairman of the Investment Committee 11/12/2020 Member of the distribution committee 1/30/2020
Mohamed Samir	member		President	President			Chairman of the Risk Committee 6/2/2019 Head of the distribution committee 1/30/2020 Member of the Audit committee 11/19/2020
Hussein Saad Zagloul			member			member	Member of the Risk Committee 6/2/2019 member of the C.S Committee 1/30/2020
Nasr Abdel Aziz			member				Member of the Risk Committee 6/2/2019

The conduct of the meetings of the Board of Directors and its committees

The meetings of the Board of Directors and its committees are held periodically, and the following table shows the number of meetings of the Board of Directors and its committees pop up During the fiscal year 2020/2021

Follow-up schedule of Board members' attendance at Board and Committee meetings

member name	Board of Directors	Audit Committee	Wages & benefits committee	Risk committee	Distribution committee	Investment Committee	community service committee
.Engineer/ Tamer Abdel Aziz Jadallah	23/22	4/2	10/10				
Mr. / Emad El Din Mustafa Khaled	23/8						
Mr. / Hani Aman Hussein Attia	23/23			2/2	16/16	5/5	5/5
Mr. Sameh Ahmed Sayed Khudair	23/23	4/2	10/10	2/2			
Mrs. Hebat Allah Ihab Muhammad Abu Rabieh	23/22		10/10				5/5
Mr. / Muhammad Jamal Mahmoud Muharram	23/23	4/4		2/2	16/16	5/5	
Mr. / Nasr Abdel Aziz	23/23			2/2			
Mr. Hussein Saad Zagloul	23/23			2/2			5/5
Mr. Mohamed Samir Abdel Razek	23/22	4/4		2/2	16/16		
Mr. Ahmed Saad Al-Laithi	23/10						

Audit Committee

The Audit Committee is currently composed of three non-executive board members In addition to two external members who are not members of the Board of Directors, In accordance with Article (82) of Law No. 88 of 2003 and Articles (27), (28) of the Executive Regulations for the Rules for Listing Securities in the Stock Exchange, and they have the appropriate experience to ensure achieving the required balance in capabilities, knowledge and sufficient knowledge of financial issues and areas of auditing and accounting. The audit committee was formed during the fiscal year 2018/2019 three times: twice where the audit committee was formed when the company was under the umbrella of Public Business Sector

Law No. (203) of 1991 - and it was re-formed on 6/2/2019 in accordance with the decisions of the extraordinary general assembly held on 6/2/2019 to adopt the new statute in accordance with the provisions of Law 159 of 1981.

The committee met during the fiscal year 2020/2021 In accordance with the periodicity of its meeting prescribed by law, it has undertaken the competencies entrusted to it, and the responsibilities and duties of the Committee are as follows:

- 1- Examining and reviewing the company's internal control procedures and the extent of commitment to their implementation.
- 2- Studying the accounting policies used and the changes resulting from the application of new accounting standards.
- 3- Examining and reviewing internal audit mechanisms and tools, procedures, plans and results, studying internal audit reports and following up on the implementation of its recommendations.

Examine the procedures to be followed in preparing and reviewing the following:

- Periodic and annual financial statements.
- Prospectuses for public and private offering of securities.
- Discretionary budgets, including cash flow statements and estimated income statements.

Examining the draft initial financial statements before submitting them to the Board of Directors in preparation for sending them to the auditor

- Studying the auditor's report on the financial statements, discussing the notes and reservations contained therein, following up on what has been done in their regard, and working to resolve differences in viewpoints between the company's management and the auditor.
- Ensure that a report is submitted to the Board of Directors from one of the unrelated specialized experts on the nature of the operations and deals concluded with the related parties and the extent to which they violate or harm the interests of the company or its shareholders.
- Verify the company's management's response to the recommendations of the auditor and the authority.

The committee submits at least quarterly reports to the company's board of directors directly.

- The company's board of directors may assign the audit committee any work it deems in the interest of the company.

Nominations Committee:

No

Wage ,Remuneration and Benefits :

The Remuneration Committee has been formed and advantages for the first time during the fiscal year 2018/2019 on 6/2/2019 in accordance with the decisions of the extraordinary general assembly held on 6/2ed /2019 to adopt the new statute in accordance with the provisions of Law 159 of 1981.

The wages committee is formed and advantages of three non-executive members of the Board, provided that the terms of reference of the Committee are as follows:

Determine the fees of the managing director.

Studying all the in-kind and cash benefits that all employees of the company obtain and reconsidering how they are distributed.

Risk Management Committee

The Risk Committee was formed twice during the fiscal year 2018/2019. It was formed once when the company was under the umbrella of the Public Business Sector Law No. (203) of 1991 - and it was recently re-formed on 6/2ed/2019 in accordance with the decisions of the extraordinary general assembly held on 6 2ed/2019 with the adoption of the new statute in accordance with the provisions of Law 159 of 1981.

The committee is currently composed of (six) Members of the Board of Directors The majority of the non-executive members of the Board of Directors and the Chairman of the Committee is a non-executive member

the duties and responsibilities of the company's risk committee are:

*Laying down the executive frameworks, procedures, and rules approved by the Board, which are necessary to deal with all types of risks that the company may face, such as strategic risks, operational risks, market risks, credit risks, reputational risks, information systems risks and data protection, and all types of risks that would affect the activity of and company sustainability

* Preparing a report for the Chairman of the Board of Directors, the Managing Director and the Audit Committee, as well as preparing special reports for the Board of

Directors, provided that its main objective is to work to achieve sustainable development for all the various activities of the company, through the following:

- * Accurate identification of risks.
- *risk assessment.
- * Risk control.
- * Regular monitoring and follow-up.

In order to reduce these risks, reduce their effects, transfer them, or take measures that make them acceptable. Examples of risks that the company may face now or in the future, for example, but not limited to (and the Risk Committee works to find the necessary solutions to them) are the following:

- * Credit risk.
- * Liquidity risk.
- * Market risks.
- *Foreign currency risk.
- * Interest rate risk.
- * Employment risks.

Governance Committee

Nothing

other committees

For other committees formed to assist its board of directors, such as:

➤ executive committee : Nothing

➤ **Investment Committee:**

The Investment Committee was re-formed by Board Decision No. (1) of 2019 held on January 22, 2019 to study the investment of the sites that will be evacuated to move to the new company's sites in the Industrial Complex in 6 October. The committee is composed of members of the Board of Directors, members of senior management and a consultant The Company aims to assist the Board in the areas related to the work of the Committee.

Tasks of the Committee:-

- Studying the investment alternatives available to dispose of the sites that will be evacuated by moving to the new industrial complex in the Sixth of October

City, in line with the market needs and achieving the largest return for the company.

- Studying the initial ideas put forward for establishing new investment projects and preparing a report on them in preparation for submission to the Council and to the Holding Company for Chemical Industries to start the necessary procedures, provided that a detailed data brochure is prepared for each of the sites to be evacuated that includes all the data in terms of Location - land area - number of floors - roads - cadastral maps of the site - licenses - empty spaces - technical condition of buildings - ownership documents for the site - utilities "water - electricity - sewage - gas".

➤ Social Responsibility Committee : Nothing

➤ **Occupational Safety and Health Committee:**

the company with monitoring and following up the implementation of the recommendations related to occupational safety and health for workers in the company's factories and field sites.

➤ Environmental Protection Committee: None

➤ Policyholders Protection Committee: None

Regulatory environment

internal control system

- The company has an integrated system of internal control to reduce risks, establish accountability and accountability rules within the company, and achieve complete separation between the responsibilities and authorities of all company employees.
- The Audit Committee evaluates the company's internal control system periodically and makes recommendations to the Board of Directors in this regard .

Internal Audit Department

The company has management for internal audit (Internal Control) It has an independent and objective activity It is administratively affiliated with the Managing Director and technically by the Audit Committee The following table shows the role and scope of the work of the Internal Audit Department:

periodical reports	Name of the internal audit officer / or private external audit firm	Is it a permanent management of the company or a special external audit firm	Scope of work	The role of the audit department and internal control
According to the annual audit plan	MR / Ahmed Al-Tartoushi	Permanent management of the company	"Eastern Company"	<p>Evaluate the efficiency of the company's internal control system and submit reports to the Audit Committee with the observations reached</p> <p>Assessing the extent to which all the company's departments are committed to carrying out their work in accordance with the established work procedures and policies.</p> <p>Assessing the efficiency of procedures and established policies and their compatibility with work and market developments.</p> <p>Follow-up to correct the observations received in the internal and external audit reports and others received from the regulatory authorities</p> <p>Monitors and prepares reports on the risks of non-compliance with laws, regulations, and supervisory instructions issued by various authorities</p> <p>Permanent follow-up and ensure that all employees of the company comply with the binding laws, regulations and supervisory instructions issued by the various authorities.</p> <p>Ensuring and following up on the commitment of all employees to internal regulations, policies and charters, including the Code of Ethics and Professional Conduct.</p> <p>Receive and follow up on customer complaints.</p>

				<p>Assisting in consolidating and establishing the principles of governance, and following up on their application and increasing their effectiveness in order to protect the rights of stakeholders.</p> <p>Monitoring the application of the principle of disclosure and transparency in all the company's business and management.</p> <p>Monitoring the application of the policy of avoiding conflict of interest on all employees of the company.</p> <p>Work to implement the concept of transparency, clarity and justice in dealing with all shareholders.</p> <p>Work to clarify the relationships between them Board of Directors and stakeholders</p>
--	--	--	--	---

Risk Management

The company has a general management for risks, which is one of the most important tools and practices of governance. It sets the policies that govern the rules, systems and procedures for facing the expected risks that are identified and accompanying the various activities of the company. This department sets the long-term strategic plans and the short-term plans necessary to confront these risks that impede the achievement of Strategic and short-term goals.

Auditor

An auditor has been appointed and his fees have been determined alongside the Central Auditing Organization in light of the decision of the Eastern Company's board of directors on 27/5/2019 approving the contract with an external auditor to carry out audit work for the company alongside the Central Auditing Organization according to a technical and financial evaluation, the General Assembly decided Ordinary date on 6/2ed/2019: the appointment of Mustafa Shawky's office (MAZARS) is an external

auditor for the company's accounts alongside the Central Auditing Organization (as the best offers) for an approved fee. The company's management works to provide them with complete independence.

Disclosure and transparency

Material information and financial and non-financial disclosure

Financial and non-financial information, as well as material events, shall be disclosed in a manner that does not affect the company's competitive position in the markets in which it operates, and the Egyptian Stock Exchange shall be informed of such information and publish it on the screens of the Egyptian Stock Exchange.

Providing the Egyptian Financial Supervisory Authority and the Egyptian Stock Exchange with the annual and periodic financial statements attached to the auditor's reports and the Board of Directors' reports on the business results, as soon as the Board of Directors has approved the financial statements.

*The financial statements and the auditor's reports are published at least annually in two Egyptian daily newspapers.

* Provide the Authority and the Stock Exchange with the decisions of the Ordinary and Extraordinary General Assembly immediately after its conclusion and at a maximum before the start of the first trading session following the end of the meeting. The company is also obligated to provide the Stock Exchange within a week at most from the date of the General Assembly meeting with the minutes, provided that they are approved by the Chairman of the Board of Directors.

Providing the Stock Exchange with the minutes of the general assembly meetings approved by the competent body, within a period not exceeding three working days from the date of receiving them.

* Providing the Stock Exchange with a summary of the Board of Directors' meeting decisions, including substantial events, immediately after the meeting ends, and no later than before the start of the first trading session following the meeting.

The company discloses non-financial information of interest to current and prospective shareholders and investors, including: - Inside information that includes the company's objectives, vision, nature of its activity, and the company's future plans and strategy.

* Transactions with related parties and netting contracts.

Investor Relations

The company has an Investor Relations Department, which is the link between its departments, shareholders, investors and financial analysts. It is headed by a skilled and efficient manager whose most prominent tasks are:

- * Responsible for contacting the stock exchange and responding to inquiries from shareholders and investors.
- * Develop an action plan for its management that includes the company's disclosure policy, and adherence to all laws, regulations, listing rules and procedures, disclosure requirements, and decisions issued by the Authority and the Stock Exchange.
- * Be aware of the direction of the senior management, strategic plans and decisions taken, especially the essential, and maintain the confidentiality of essential and internal information that is not in the rule of public knowledge.
- * Disclosure to local financial, current and potential investors about the company's business and plans through meetings and conferences, and follow-up reports issued by the company and their validity.
- * Transferring the market situation to the senior management and assisting in preparing the company's response to the questions and inquiries of investors and financial analysts, and dealing with rumors that may affect the trading of the company's shares.
- * Investor relations also enable the board of directors to understand the reasons for the performance of the company's shares, and the reflection of that performance on its fair value, according to the information provided by the company on its performance, capabilities and future, and the extent of the company's commitment to the rules of disclosure and communication with investors, the clarity of their vision and the investment market's assessment of it.

Disclosure tools

annual report

The company issues an annual report that includes a summary of the Board of Directors' report and the financial statements, in addition to all other information of interest to shareholders, current and prospective investors, and other stakeholders. This report includes the events that took place during the past year and what the company aims to achieve during the coming year. The annual report contains the following:

- * The word of the Managing Director.
- * Vision and purpose

- * Company strategy
- * The history of the company and the most important stations it passed through.
- * Ownership structure.
- * Senior management and the formation of the board of directors.
- * Analysis of the market in which the company operates.
- * The company's current and future projects.
- * Analysis of the company's financial position.
- * Report on governance.
- * Report on the company's social and environmental responsibility.
- * The auditor's report and the comparative financial statements for the same previous periods.

Board of Directors Report

The company issues an annual report to be presented to the general assembly of shareholders and the regulatory authorities, and it is addressed by the chairman of the board to the shareholders.

Disclosure report

The company issues a quarterly disclosure report prepared by the company's management with the assistance of its Investor Relations Department, which includes the following:

- * Company contact information.
- * Investor Relations Officer and his contact details.

The structure of shareholders who own 5% or more of the company's shares.

- * The total shareholder structure showing the freely traded shares.
- * Changes in the company's board of directors and the latest formation of the board.
- * Formation of committees emanating from the Board of Directors.

website

The company's website is available on the international information network in both Arabic and English, through which financial and non-financial information is disclosed in an easy way for the user. www.easternegypt.com

The company's website includes the following:

- * An overview of the company, its vision, mission and strategy.
- * Formation of the Board of Directors, its committees and senior management.
- * Information about the company's activity, products and scope of work.
- * Annual reports of the company.
- * Financial statements and the results of periodic and annual business compared to previous periods.
- * A page for investor relations and how to contact them directly.
- * Governance policy.
- * Social responsibility policy.

charters and policies

Code of Ethics and Professional Conduct

The company has a charter of ethics and professional conduct, which is the policy of managing the rules of professional conduct, which aims to establish professional ethical and behavioral rules that all employees of the company are bound by, and also aims to clarify the violations that employees must avoid.

The human resources sectors are responsible for setting and implementing this policy, and the human resources sectors make sure that this policy is reviewed by all the company's employees.

power succession policy Succession Planning

The Authority's follow-up policy aims to ensure the availability of the required expertise for key and influential positions, and promote and encourage the professional development of employees, by specifying a list of employees nominated to occupy pivotal positions that may affect the company's business continuity.

The human resources sectors implement the policy of following up the authority in all the company's branches.

Whistleblowing Policy Whistleblowing : None

Internal, Related Parties and Associated Parties Dealing Policy

The company has a policy of insider trading, which aims to control the operations of insiders on the company's shares and ensure that insider information is not exploited to achieve illegal personal gains. The policy includes many controls, including obtaining the approval of the Board of Directors before trading and the closed period during which insiders are not allowed to trade.

In addition, all members of the company's board of directors are obligated to disclose their membership in the boards of directors of other companies and any influential contributions to them and their relatives up to the second degree in other companies, in order to avoid exposure of interests and to ensure that the rules for concluding netting contracts are followed in accordance with the rules of the regulatory authorities.

The company discloses the availability of this policy, which aims to control insider trading on the company's shares, regulate relations with related parties, and conclude netting contracts in accordance with the rules of the regulatory authorities. This model is guided to track those processes:

series	member name	Number of shares owned at the beginning of the year	Shares purchased during the year by date (to be added)	Shares sold during the year by date (deducted)	Stock balance at the end of the year
1	Mr. Accountant/ Muhammad Jamal Mahmoud Muharram	13500	-	-	13500
2	Mr. Hussein Saad Zagloul	135000	-	-	135000
3	Mr. Talaat Arabi Ismail Mohamed	3500	-	-	3500
4	Mr. Hani Aman Hussein Atiya	-	10000	-	10000

contribution The company during the year in the development of society (internal and external) and the preservation of the environment:

First: Responsibility towards the environment:

Within the framework of the continuous efforts of the Eastern Company, which it is carrying out in order to achieve the objectives of environmental protection and the preservation of public health, and in compliance with the company's implementation of

the Environmental Regulation No. In its factories and the external surroundings, in order to achieve sustainability and harmonize with its environmental conditions, which are represented in several projects explained in detail in Explanation No. (47/3) From the notes complementing the financial statements, which are considered an integral part of them and to be read with them.

Second: Responsibility towards the employees:

Its responsibility towards its employees is as follows:

The company's management believes in the importance of The human resources as the origin of Company's assets , The company has provided protection and preservation for its employees by covering the personal accident risks that employees are exposed to, about (221) of the company's employees benefits from this insurance program , and the compensation paid to them amounted to about 7.103 million pound .

Eastern Company has added a new coverage by concluding a contract on March 1, 2020 with a company (Allianz) And this document is broader and more comprehensive, as workers benefit from it to add the natural death to that document in addition to the previous benefits in the personal accident document A number of (64) employees of the company benefited from this coverage, and the compensations paid to them amounted to about 9 million pounds until the end of the policy on March 15, 2021, which is the beginning of the conclusion of the contract on a personal accident policy with Misr Insurance Company, as well as a life insurance policy with a company Misr Life Insurance, the two policies expire on March 15, 2022.

Noting that the value of the benefits in kind and services rendered to employees reached this year 462.487 million pounds compared to 405.803 Million pounds for the previous year increase 56,684 million pounds, 14% YoY, as shown in the following table:

(value in thousand pounds)

	2020/2021	2019/2020	the change	% change
Drinks for employees	13129	12666	463	3.7
Treatment in clinics and medical units	299895	237708	62187	26.2
Sports and social activities	7060	15616	(8556)	(54.8)
Religious services in the company's	902	916	(14)	(1.5)
Laundry and clothes unit	1103	1177	(74)	(6.3)
transportation services	140398	137,720	2678	1.9
<u>Total</u>	462487	405803	56684	14

Third: Responsibility towards society:

In the interest of the company's management to fulfill its social responsibilities towards society, which it considered a mandatory responsibility, it participated this year as a sponsor in many different scientific and cultural conferences and symposia, in addition to making many donations to institutions and hospitals, the company's

management also plays its role towards the state by paying customs taxes And the state's share of profits on the legal dates, and below we review the most important conferences, seminars and donations, and what the Eastern Company "Eastern Company" has paid to the state in terms of taxes and customs duties this year, as follows:

1. Conferences, seminars and workshops that Eastern has participated in during the current year 2020/2021:

- Conference of the electronic system of the Egyptian Tax Authority.
- Salary Tax Conference for Law No. (26) issued in 2020.
- An online course on communication skills.
- Certificate of the role of investor relations officials.
- Certified Certificate in Risk Management.
- Export workshop to the European Union.
- The new waste management regulation law.
- Health and safety between reality and application.
- Egyptian taxes and digital transformation technology.
- New provisions in the Insurance and Pensions Law of Law No. (48) of 2019.
- Social media for boosting business

2. Donations:

The company within 2020/2021 has donated about 25 million pounds to many entities, institutions, NGOs and hospitals, as follows:-

- Annual trip for high school seniors for the year 2020.
- Nasser Institute Hospital.
- National Cancer Institute.
- Art academy.
- Medical equipment for Kasr Al-Ainy Hospital.
- Ahl Masr Foundation for the treatment of accidents and burns.
- Long Live Egypt Fund Vaccinations section .
- Implementation of the catheter room at the National Heart Institute.
- Purchasing tomographic devices on the retina for the children Eye Unit, Faculty of Medicine, Alexandria University.

3. Taxes and Customs Duties:-

The company performs its role towards society by performing its obligatory responsibility, as it pays its obligations to the state on its legal dates, such as taxes, customs fees and the state's share in the profits, and the total amount owed to the state during the fiscal year 2020/2021 was 78,058 billion pounds, which represents 260 million pounds per day during the available working days (300 working days).

From all of the above, the company's management hopes to be classified as one of the advanced companies in the areas of environment and society and the application of governance rules.