

Governance report

Emirates Telecommunications Group Company PJSC

2022



etisalat and



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01

Introduction

Emirates Telecommunications Group Company PJSC (“e&”) created an optimal governance environment for its business and activities by committing itself to the best local and international governance rules throughout its operations. e& reinforced the principles of transparency, accountability, responsibility and equity, and determined the rights and responsibilities of every stakeholder. The Company also established grounds for cooperation with external auditors to produce reliable reports that are consistent with the International Financial Reporting Standards (IFRS). By this, e& was able to create a workplace environment that ensures the integrity of its operations and protects the interests of its shareholders.

The governance report is one of the most important platforms for transparency and interaction with the public given the fact that the governance is embodied in an array of rules and measures under which the Company is run and controlled and it regulates the relations between the Board of Directors, executive management, shareholders and other stakeholders. Moreover, governance handles corporate social responsibility with due attention. This report works on bringing the foregoing to limelight and enabling the shareholders to get acquainted with what the Company does in these aspects.

This report tackles the charters, policies and mechanisms that govern the Company’s work in the field of governance. It also touches on e& Board of Directors, the Board’s Committees, the duties assumed by the Board and by its committees, the Board members’ remunerations and their trading in the Company’s securities. Further, it makes mention of the executive management, the related party transactions, internal control and audit, the Investor Relations Department, the Company’s financial indicators, the innovative initiatives and the important events during 2022.



02

Implementation of Governance Rules

The corporate governance has witnessed an overwhelming attention and has become one of indispensable substantial requirements for the public joint stock companies. Thus, e& pioneered in adopting effective governance criteria and measures and is now running its different operations with an integrated system of policies and mechanisms that aim to achieve transparency and to ease and accelerate achievement of its operations while keeping pace with the fast-growing developments in the telecommunications industry.

The Company, in developing these policies and mechanisms, took into account the legislations in force in UAE, especially the Resolution of Securities and Commodities Authority Chairman No. (3 /Chairman) of 2020 regarding the Adoption of Public Joint Stock Companies Governance Guidelines (SCA Governance Rules) in addition to best international governance practices that are compatible with the said SCA resolution.



Below is a brief for some of the policies under which e& operates:

2.1 Board Directorship Policy

Board membership is deemed one of the crucial elements for Company's well-established governance and defining Company's path towards success and advancement. Therefore, the Company introduced a full-fledged policy to govern Board membership.

This policy included all the provisions and controls which stipulate the criteria and procedures for such membership. It also explained how the Board is formulated, its term and the provisions related to the Board's Chairman and Vice-Chairman as well as the category of the directorship, be it executive, non-executive, dependent or independent. The policy further set an election mechanism for Board membership and defined the cases of membership expiry/termination and filling the vacant seats of the Board of Directors.

2.2 Insider Security Trading Policy

The Company has introduced this policy to set out the controls governing the trading in e& securities by Insiders whom the policy defines as the persons who gain access to material information relating to the Company. This policy also clarified the nature of material information, the mechanism that governs the insiders' trading and the prohibition periods during which insiders cannot buy or sell the Company's securities. You may access the Policy through the below link:

<https://eand.com/en/investors/share-information.jsp>

2.3 Policy of Holding Shareholders' General Assembly

The General Assembly is the supreme apparatus of the Company where the shareholders congregate to resolve the Company's most essential matters. Therefore, the Company sets a policy that defines the General Assembly's competencies, jurisdictions, the rules and procedures that govern the call for its convention and the controls that govern its valid functionality in terms of quorum, mechanism of voting, mechanism of passing resolutions and any other matters that relate to the General Assembly and control its functionality. Under the aforesaid policy, the Company was able to call for and convene its General Assemblies with proficiency and transparency.

2.4 External Auditor Appointment Policy

e& has always considered the audit function as one of the fundamental control aspects for ensuring integrity of its business. Hence, the Company established a set of rules that regulates the appointment of the External Auditor in full harmony with the requirements and rules stipulated in the relevant governance and corporate discipline standards in UAE. The Policy tackled all the provisions and controls that govern the appointment the external auditor. This Policy regulated all matters related to the External Auditor including the mechanism of its engagement, its dismissal, its resignation, its requisite qualities, its obligations and duties, the functions it is prohibited to undertake and the consultancies and works it is allowed to engage in.

2.5 Dividend Policy

In Company's constant endeavor to create a transparent habitat for shareholders, the Company sets a policy for the dividends that mirrors all its provisions and procedures.

The policy defines the principles that govern all Company's procedures in relation to all dividends' matters including the resolutions related to specifying the quantum of the dividends and the procedures related to the pay-out of dividends. This policy also indicates in details how and why relevant resolutions are made and the grounds on which the value of dividends to be paid out to shareholders is decided. In addition, this policy stipulates other requirements that the Company should observe and take into consideration to preserve the interests of the Company and its shareholders with regard to dividends. This policy was presented to the General Assembly meeting held on March 24th, 2020.

2.6 Board Confidential Information Disclosure Policy

The Company sets this policy to prescribe additional criteria to regulate the Board members' communications with stakeholders when such communications involve confidential information. This also aims to keep the confidential information under the seal of secrecy and to prevent its abuse. Thus, this policy defined the confidential information in terms of its nature and how to be treated and preserved. It further clarified the bases for the communications with other parties.

2.7 Policy of Board Members' Conflict of Interest and Related Parties Transactions

Viewing the soundness of the Company's operations and adoption of governance best practices and transparency as highly crucial, the Company introduced a policy that controls the cases where Board members have conflict of interest or related party transactions.

This policy prescribes a framework explaining how to treat the deals and transactions where a Board member has an interest that conflicts with the Company's interest or to which the conditions of related party transactions conditions are applicable. This Policy also functions as a guide for the Board members on how to handle such deals and transactions and on the responsibility of the Board members in recognizing and making disposals on such cases, if any, so as to be treated in a way that observes the best interest of the Company and its shareholders and fulfils the requirements of SCA Governance Rules in this connection.

2.8 Board Remuneration Policy

This policy sets clear rules, which provide the basis for remunerations of Chairman and Board Members of e&. These rules are tailored in a way that complies with relevant provisions of the Company's Articles of Association and SCA Governance Rules. It took into consideration the competitive, challenging and evolving nature of telecom sector. The policy tackled the retainer fees of the Board of Directors and its committees and the allowances for attending the Board committee meetings. The Board remunerations are linked to the Company's performance as they are capped at 0.5% of the net profit after deducting reserves and depreciation. This policy was approved by the General Assembly held on March 17th, 2021.

03

The Board of Directors

The Board of Directors is the authority that enjoys all the powers required for carrying out **e&** business, except those reserved by Law or **e&** Articles of Association for the General Assembly. The Board oversees the corporate governance of the Company and how the GCEO and executive management manage it.

None of the executive management is member in **e&** Board and, according to the Company's Articles of Association, group chief executive officer may not, while in position, sit on **e&** Board nor assume a managing director role.

The Board of Directors comprises of eleven members. The Government Shareholder (Emirates Investment Authority "EIA" or any other body constituted as government representative in the Company by virtue of a Cabinet Resolution) appoints seven (7) Board Members in proportion to its shareholding in the Company while the remaining four (4) Board seats are filled by members elected by other shareholders at election run during the General Assembly once every three years. The last election was held on March, 17th 2021.

It is worth mentioning here that **e&** pays incessant attention to female engagement in all aspects of its business including encouraging their nomination to the Board. Since 2018, the female has accessed **e&** Board and the feminine percentage in the current Board is 9.1% of the total number of the Board members (i.e., one member out of eleven).

The Board constantly works on enhancing its performance; therefore, an annual effectiveness review is conducted for the Board and its Committees. Also, training courses and workshops were held in 2022 for the Board and its secretary which covered numerous subjects. It is worth mentioning here that seven Board members received training in Environmental, Social and Governance (ESG).



The table below shows the names of the Board members who were appointed by the Government Shareholder, their membership capacity, the date of their accession to the Board, and their roles in the Board and Committees:

Name	Roles in the Board & Committees	Membership Capacity	Date of Accession to the Board
H.E. Jassem Mohamed Obaid Alzaabi	Chairman of the Board Chairman of Investment and Finance Committee (IFC)	Non-Executive & Independent	March 2021
Essa Abdulfattah Kazim Almulla	Vice Chairman of the Board Member of Nomination and Remuneration Committee (NRC) Member of Risk Committee (RC)	Non-Executive & Non- Independent	June 2012
Hesham Abdulla Qassim Al Qassim	Board Member RC Chairman IFC member	Non-Executive & Independent	March 2015
Mariam Saeed Ahmed Ghobash	Board Member Chairperson of Audit Committee (AC) IFC member	Non-Executive & Independent	March 2018
Saleh Abdulla Ahmed Alabdooli*	Board Member RC Member	Non-Executive & Independent	March 2021
H.E. Mansoor Ibrahim Ahmed Almansoori	Board Member AC Member NRC Member	Non-Executive & Independent	March 2021
Michel Combes	Board Member NRC Chairman IFC Member	Non-Executive & Independent	March 2021

*Mr. Saleh Abdooli was non-independent Board Member until 18th May 2022 (i.e. after the lapse of two years from his resignation from Etisalat Group CEO position on 19th May 2020, he became independent Board member).

The table below shows the names of the Board members who were elected by the shareholders during the AGM, their membership capacity, the date of their accession to the Board, and their roles in the Board and Committees:

Name	Roles in the Board & Committees	Membership Capacity	Date of Accession to the Board
Sheikh Ahmed Mohd Sultan Aldhahiri	Board Member AC Member	Non-Executive & Non-Independent	April 2000
Abdelmonem Bin Eisa Alserkal	Board Member IFC Member	Non-Executive & Non-Independent	March 2012
Khalid Abdulwahid Hassan Alrustamani	Board Member RC Member	Non-Executive & Independent	March 2015
Otaiba Khalaf Ahmed Alotaiba	Board Member NRC Member	Non-Executive & Independent	March 2015

3.1 Profiles of the Board

The Company's Board has an array of expertise, skills and qualifications in various fields like telecom, information technology, banking, finance, investment, oil and gas, real estate, aviation, insurance, hospitality, etc. Below are the profiles of the Board members:



**H.E. Jassem Mohamed Obaid
Bu Ataba Alzaabi**

Chairman, e&

H.E. Jassem Alzaabi has a Master's Degree in Business Administration from London Business School and a Bachelor's Degree in Business Administration from Ajman University of Science and Technology. H.E. Alzaabi currently holds the following positions:

- Chairman - Abu Dhabi Department of Finance
- Secretary General - Supreme Council for Financial and Economic Affairs
- Member - Abu Dhabi Executive Council
- Vice Chairman - Abu Dhabi Holding Company (ADQ)
- Vice Chairman - Central Bank of the United Arab Emirates
- Chairman - Abu Dhabi Pension Fund
- Chairman - MODON Properties
- Board Member - Abu Dhabi Investment Authority
- Board Member - Abu Dhabi National Oil Company (ADNOC)
- Board Member - First Abu Dhabi Bank
- Member of the Committee of the Education and Human Resources Council



**Essa Abdulfattah
Kazim Almulla**

Vice Chairman, e&

Mr. Essa Kazim holds Honorary Doctorate from Coe College (USA), Master Degree in Economics from the University of Iowa (USA), Master Degree in Total Quality Management from the University of Wollongong and a Bachelor Degree in Mathematics, Economics and Computer Science from Coe College. He is currently holding the following positions:

- Governor - Dubai International Financial Center
- Chairman - Borse Dubai
- Member - Higher Board of Directors of Dubai International Financial Center (DIFC)
- Member - Securities and Exchanges Higher Committee
- Member - Supreme Fiscal Committee in Dubai
- Deputy Chairman - Supreme Legislation Committee in Dubai
- Chairman - DIFC Authority Board of Directors
- Chairman - DIFC Investments Board of Directors
- Board Member - Free Zones Council
- Board Member - NASDAQ Dubai
- Board Member - NASDAQ Inc.
- Board Member - Rochester Institute of Technology
- Member of the Board of Governors - Hamdan Bin Mohammed E-University



**Hesham Abdulla Qassim
Al Qassim**

Board Member, e&

Mr. Hesham Al Qassim holds a Bachelor's Degree in Banking and Finance and Master's Degree in International Business Management & in Executive Leadership Development. He is currently assuming the following positions:

- Vice Chairman - Dubai Real Estate Corporation
- Chief Executive Officer - wasl Asset Management Group
- Vice Chairman and Managing Director - Emirates National Bank of Dubai PJSC
- Chairman - Emirates Islamic Bank PJSC
- Chairman - Emirates NBD S.A.E (Egypt)
- Chairman - DenizBank A.S (Turkey)
- Board Member - Dubai International Financial Center Authority (DIFCA)
- Board Member - DIFC Investments
- Board Member - the International Humanitarian City
- Board Member - Itissalat Al-Maghrib "IAM" (Maroc Telecom)
- Chairman - Dubai Sports Corporation
- Chairman - Dubai Autism Center



**Sheikh Ahmed Mohd Sultan
Aldhahiri**

Board Member, e&

Sheikh Ahmed Al Dhahiri graduated with Bachelor Degree in Civil Engineering from U.A.E. University - Al Ain in 1993. He is currently holding the following positions:

- Vice Chairman - Abu Dhabi National Hotels Company (ADNH)
- Vice Chairman - Abu Dhabi Aviation (ADA)
- Board Member - First Abu Dhabi Bank (FAB)
- Board Member - Al Dhafra Insurance Co.



Mariam Saeed Ahmed Ghobash

Board Member, **e&**

Mariam Ghobash has substantial corporate governance experience with both publicly listed and private companies. Ms. Ghobash currently serves as a board member of Abu Dhabi National Oil Company for Distribution (ADNOC Distribution), Emirates Development Bank, Gulf Capital and Zayed University.

Previously, she was Vice-Chairperson of Aldar Properties and Invest AD. She also served on the boards of National Bank of Abu Dhabi, Al Hilal Bank and National Takaful Co. “Watania” and was a Director in the Global Special Situations Department at the Abu Dhabi Investment Council.

Ms. Ghobash holds a Bachelor of Science in Economics from The Wharton School, University of Pennsylvania in the United States of America. She has also successfully completed the General Management Program at Harvard Business School.



Saleh Abdulla Ahmed Alabdooli

Board Member, **e&**

Mr. Saleh has graduated from the University of Colorado in Boulder (USA) with a Master’s Degree in Telecommunications and a Bachelor’s Degree in Electrical Engineering. He held the following positions:

- Group Chief Executive Officer – Etisalat Group
- Chief Executive Officer - Etisalat UAE
- Managing Director & Chief Executive Officer - Etisalat Misr
- Deputy Chairman & Member of the Executive Committee - Etisalat Misr
- Board Member - Maroc Telecom Group
- Board Member - Etihad Etisalat Company (Mobily)
- Chairman - Thuraya Telecommunications Company (Thuraya)
- Chairman - Etisalat Services Holding (ETS)
- Board Member - Khalifa University



H.E. Mansoor Ibrahim Ahmed Almansoori

Board Member, **e&**

H.E. Mansoor Almansoori holds a Master’s degree in Strategic Security Studies and National Resources Management from the National Defense College (UAE). He is a University of Toledo (Ohio, USA) graduate in Computer Science, and holds several specialized certificates including a Leadership Certificate from London Business School (UK), Innovation Strategy Leadership from Massachusetts Institute of Technology (USA) and International Institute for Management Development (Switzerland). H. E. Mansoor Al Mansoori holds/held the following positions:

- Member - Abu Dhabi Executive Council
- Chairman - Department of Health in Abu Dhabi
- Chairman of the Board - Injazat
- Board Member - AIQ
- Board Member - Multiply
- Member of Board of Trustees - Mohamed bin Zayed University of Artificial Intelligence (MBZUAI)
- Group Chief Operating Officer (former) - Group 42 Holding
- Chairman (former) - Bayanat
- Director General (former) - UAE National Media Council
- Board Member (former) - Abu Dhabi Tourism and Culture Authority
- Board Member (former) - Emirates Palace Company



Michel Combes

Board Member, **e&**

Mr. Michel is a graduate of École Polytechnique, Télécom ParisTech and Paris Dauphine University. He currently holds/held the following positions:

- Chairman & CEO – MC Conseil
- President and CEO (former) - SoftBank Group International
- Board Member - Philip Morris International
- Board Member - CTIA, a national trade association representing the wireless communications industry in the United States
- President and CEO (former) – Sprint
- Board member (former) – Sprint
- CEO (former) – Altice
- Chief Operating Officer (former) – Altice
- Chairman and CEO (former) - SFR Group
- CEO (former) - Alcatel-Lucent, beginning in April 2013
- CEO (former) - Vodafone Europe
- Chairman and CEO (former) - TDF Group
- Chief Financial Officer and Senior Executive Vice President (former) - France Telecom



Abdelmonem Bin Eisa Alserkal

Board Member, **e&**

Mr. Abdelmonem Al Serkal graduated from Point Loma Nazarene University - San Diego, California, United States in 1993 with a Degree of Bachelor in Business Administration (emphasis on Economics). He currently holds the following positions:

- Founder - Alserkal Avenue
- Managing Director - Nasser Bin Abdullatif Alserkal Est.
- Board Member - Al Burj Real Estate Ltd.
- Advisory Board Member - Tharawat Family Business Forum
- Board of Patrons - Art Dubai
- Member - The British Museum's Contemporary and Modern Middle Eastern Art Acquisition Group
- Member -Tate's Middle East and North Africa Acquisition Committee
- Member - Guggenheim's Middle Eastern Circle
- Member - Center Pompidou International Circle Middle East
- Patron - Peggy Guggenheim Collection



Khalid Abdulwahid Hassan Alrustamani

Board Member, **e&**

Mr. Khalid Alrustamani holds a Bachelor's Degree in Finance from George Washington University, Washington D.C., U.S.A. He is currently holding the following positions:

- Chairman and CEO - AW Rostamani Group
- Board Member & Member of Executive Committee - Commercial Bank of Dubai
- Board Member - Dubai Insurance Company



Otaiba Khalaf Ahmed Alotaiba

Board Member, **e&**

Mr. Otaiba holds a Bachelor of Laws from the University of Damascus in 2001, and a license to practice law (before the First Instance Courts, Courts of Appeal and Supreme Court) from the Ministry of Justice in the United Arab Emirates in 2004.

Mr. Otaiba participated in numerous legal seminars and committees at the local and international level, among the most prominent of these activities is the participation as a member on the National Committee of Lawyers in the UAE. He was also the Head of the Legal Suits Division of the Legal Department at National Bank of Abu Dhabi for two years.

Otaiba bin Khalaf Al Otaiba is a partner in "Al Otaiba & Hamdan Budebes Advocates & Legal Consultants Office", which was founded by him in 2004, headquartered in the city of Abu Dhabi and has expanded and grown to offer its legal services through a number of branches in the United Arab Emirates, including a branch in Dubai and a branch in Al Ain.





3.2 Group Corporate Secretary and Board Rapporteur, e&

Mr. Hasan Alhosani has a vast experience in the legal field spanning more than 23 years, during which he has held a number of positions in the public and private sectors. He began his career in the oil and gas sector where he worked for nine years during which he served as a legal advisor to the National Petroleum Construction Company (NPCC) known as one of the largest oil construction companies in the region and the Middle East.

Mr. Hasan then moved to the public sector of the Emirate of Abu Dhabi where he assumed the position of General Counsel for the Department of Municipal Affairs as well as the Head of Regulations and Legislations Department.

Mr. Hasan Alhosani holds a Bachelor’s degree in Law from the United Arab Emirates University and is a lawyer registered in the Registry of Non-working Lawyers at the Ministry of Justice. He is also a commercial arbitrator accredited by Abu Dhabi Commercial Conciliation and Arbitration Centre (ADCCAC) and was Member of Arbitration/ADR Steering Committee of ICC UAE.

As Group Corporate Secretary (“GCS”) since 2012, he serves as an advisor to the Board in all legal and governance related matters. In doing so, the GCS ensures providing an independent legal opinion to the Board and adopting the applicable rules and regulations in the UAE as well as the best-in-class corporate governance practices that are related to the Board, its committees and the Board members such as the conflict of interest, related party transactions and non-competition. Also, he takes care of the periodical disclosures related to the afore-mentioned matters to ensure integrity, transparency and compliance with the applicable rules and regulations. The GCS further observes the legal requirements for General Assembly meetings such as their quorum, running their proceedings, casting the votes on their resolutions, following up the implementation of such resolutions as well as the rules of elections. Moreover, Mr. Hasan ensures applying the rules that govern the Board directorships and Board members’ replacement in the event of a director’s resignation or vacating a seat. Besides, he serves as an interface between the Board and each of the Group’s Executive Management, SCA/ADX, shareholders, public authorities and other stakeholders.

3.3 Board Members’ Skill & Diversity Matrix

Skills/Experience/ Diversity	H.E. Jassem Alzaabi	Essa Kazim	Sheikh Ahmed Aldhahiri	Hesham Al Qassim	Mariam Ghobash	Saleh Alabdooli	H.E. Mansoor Almansoori	Michel Combes	Abdelmonem Alserkal	Khalid Alrustamani	Otaiba Alotaiba
Board of Directors experience	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Telecom Experience	✓					✓	✓	✓			
IT/Digital/Cyber Experience	✓					✓	✓	✓			
CEO/Business Head	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓
International Experience				✓		✓	✓	✓		✓	
Human Capital Management/ Compensation				✓	✓	✓		✓			
Finance/Capital Allocation/ Business Finance	✓	✓		✓	✓	✓	✓	✓	✓	✓	
Financial Literacy/ Accounting (Audit Committee or Financial Expert)	✓	✓		✓	✓		✓	✓	✓	✓	
Risk Management	✓	✓		✓	✓		✓	✓	✓	✓	
Government/ Public Policy	✓	✓		✓	✓		✓	✓			✓
Marketing/Sales				✓		✓	✓	✓		✓	
Environmental Science/Policy/ Regulation		✓									
Corporate Governance	✓	✓		✓	✓		✓	✓			
ESG Experience		✓									
Academia/ Education Experience		✓		✓	✓	✓	✓				
Business Ethics	✓	✓		✓			✓			✓	
Real Estate				✓	✓	✓			✓	✓	
e& Board Tenure (years)	2	11	23	8	5	2	2	2	11	8	8
Nationality	UAE	UAE	UAE	UAE	UAE	UAE	UAE	France	UAE	UAE	UAE
Gender	Male	Male	Male	Male	Female	Male	Male	Male	Male	Male	Male
Age (years)	48	63	51	49	39	58	40	60	53	55	48

3.4 Meetings of the Board of Directors

The Board of Directors held six meetings during 2022. The below table shows the Board members' attendance at these meetings:

Name	24 Feb	25 Apr	24 May	1 Aug	1 Nov	13 Dec
H.E. Jassem Mohamed Obaid Alzaabi	✓	✓	✓	✓	✓	✓
Essa Abdulfattah Kazim Almulla	✓	✓	✓	✓	✓	✓
Sheikh Ahmed Mohd Sultan Aldhahiri	✓	✓	✓	✓	✓	✓
Hesham Abdulla Qassim Al Qassim	✓	✓	✓	✓	✓	✓
Mariam Saeed Ahmed Ghobash	✓	✓	✓	✓	✓	✓
Saleh Abdulla Ahmed Alabdooli	✓	✓	✓	✓	✓	✓
H.E. Mansoor Ibrahim Ahmed Almansoori	✓	✓	✓	✓	✓	✓
Michel Combes	✓	✓	✓	✓	✓	✓
Abdelmonem Bin Eisa Alserkal	✓	✓	✓	✓	✓	✓
Khalid Abdulwahid Hassan Alrustamani	✓	✓	Proxy to Chairman	✓	✓	✓
Otaiba Khalaf Ahmed Alotaiba	✓	✓	✓	✓	✓	✓

* The Board of Directors passed twelve resolutions by circulation in 2022 where it look at subjects of these resolutions on the following dates: 3 February, 9 February, 25 February, 1 March, 14 March, 24 March, 28 March, 10 May, 10 June (2 resolutions), 29 June, 26 August.



04

Committees of the Board of Directors

e& Board of Directors has a flexible and streamlined management system that facilitates the undertaking of its duties. This system is based on sub-constituting four Board Committees namely: Audit Committee, Nominations & Remunerations Committee, Risk Committee and Investment & Finance Committee. An essential role is being played by each Committee in assisting the Board to effectively assume its roles & responsibilities of running the Company. It is worth mentioning here that all the Board committees are management-free and chaired by independent and non-executive Board member.



4.1 Audit Committee (“AC”)

To mould and attain the above-mentioned flexible management system, Audit Committee has been constituted to help the Board of Directors in various fields and to undertake its duties in accordance with its Charter which serves as an authorization by the Board of Directors to the Audit Committee for undertaking the functions mentioned therein in compliance with the laws and regulations taking force in the country. Such Charter also sets out, in detail, its functions and powers, the mechanism of its constitution, the conditions governing the convention of its meetings and the quorum for the same, in addition to how it shall take its decisions.

The Audit Committee assists the Board in overseeing the Company through, among other things, monitoring the soundness and integrity of the Company’s financial statements, developing & implementing a policy for contracting with the external auditor ensuring such auditor’s independence as well as reviewing the systems of internal audit and Compliance. In addition, the Committee reviews/checks the implementation of internal audit and Compliance systems and policies and supervises the functions of IA (Internal Audit) and Compliance Departments to ensure sound performance of its duties. The AC also oversees the performance and independence of the external auditors and recommends their appointment or service termination to the Board. In fulfilling its role, the Audit Committee maintains free and open communications with the Board, the external auditors, the internal auditors, compliance staff, and the senior members of the finance department of e&.

Moreover, the Committee assists the Board in monitoring the extent to which the company abides by code of conduct rules.

The AC is a management-free and is comprised of four members. Three of the Committee members were selected from the non-executive Board members out of whom two, including the Chairperson, are independent. The fourth Committee member is an independent external member (Mr. Salem Al Dhaheri). He has over 28 years of experience in auditing and leading audit functions, as well as extensive and in-depth knowledge of investment products.

Mr. Salem graduated with a BA in Accounting from Metropolitan State College in Denver, USA, and he is a Certified Public Accountant (CPA). He is also a member of the Illinois CPA Society, the American Institute of Certified Public Accountants and the Institute of Leadership & Management (UK). He has gained the 2015 Lifetime Achievement Award by the Institute of Internal Auditors (IIA-UAE). The Committee also has a member elected by the General Assembly, Sheikh Ahmed Al Dhaheri. It is worth mentioning that all Committee members have knowledge and know-how in audit, risk, financial and accounting matters through either their academic backgrounds, their memberships in the boards of directors of major companies and institutions and the senior administrative or executive roles they occupy, which were mentioned in their profiles.

The AC is responsible for approving and monitoring the implementation of the Internal Audit, Enterprise Risk Management and Ethics and Compliance plans. This includes overseeing the audit of data privacy and security, Green House Gases (GHG), gender pay gap and supplier compliance. The AC also oversees business ethics issues and the compliance with e&’s Code of Conduct which includes, among its provisions, prohibition of child labour, and compliance with applicable rules and regulations. The AC reports all relevant matters including high risks and major control gaps to the Board.

The Committee convenes periodically and whenever necessary. Ms. Mariam Saeed Ahmed Ghobash, Chairperson of the Committee, commits that she is responsible for the Committee’s framework, reviewing such framework’s functionality and ensuring its efficiency.

4.2 AC Meetings

The Committee held eight meetings in 2022. The meetings’ attendance by the Committee members was as follows:

Name	8 Feb	14 Feb	23 Feb	21 Apr	28 Jul	20 Oct	27 Oct	12 Dec
Mariam Saeed Ahmed Ghobash (AC Chairperson)	✓	✓	✓	✓	✓	✓	✓	✓
Sheikh Ahmed Mohd Sultan Aldhahiri	✓	✓	✓	✓	✓	✓	✓	✓
H.E. Mansoor Ibrahim Ahmed Almansoori	✓	✓	✓	✓	✓	✗	✓	✓
Salem Sultan Al Dhaheri (External Member)	✓	✓	✓	✓	✓	✓	✓	✓

4.3 Risk Committee (“RC”)

The Risk Committee has been constituted from within the Board of Directors to assist the Board in performing its duties diligently and effectively as per the Committee’s charter which serves as an authorization by the Board of Directors to it for undertaking the functions mentioned therein in compliance with the laws and regulations taking force in the UAE. The Committee’s Charter also sets out, in detail, the functions and powers granted to the Committee, its constitution, the conditions governing the convention of its meetings & its quorum and the Committee’s decision-making mechanism.

The Committee undertakes many roles including overseeing the Company’s Risk Management systems, assessing the effectiveness and mechanisms for determining, measuring & monitoring risks and determining areas of inadequacies. The Committee also gives advice to the Board in relation to determination of overall risk appetite, tolerance, and strategy, taking into account the Company’s values and public interest purpose, as well as the current and prospective regulatory, macroeconomic, technological, environmental and social developments and trends that may be relevant to the Company’s risk policies. Further, the RC regularly reassesses the Company’s capacity to take on risks and be exposed to such risks by overseeing the monitoring of the Company’s risk exposure against the Risk Appetite Framework and recommend mitigation actions as appropriate to ensure that the Company does not go beyond such level.

The Committee is a management-free and it is comprised of four members with a wealth of expertise and business experience in telecommunications industry and in the field of Risk Management. All the Committee members were selected from the non-executive Board members, of whom three, including the Chairman, are independent Board members. The Risk Committee meets at least once every three months and may convene additional meetings, when the need arises or upon a call for convention by the Board of Directors or its Chairman. Mr. Hesham Abdullah Qassim Al Qassim, Chairman of the Committee, commits that he is responsible for the Committee’s framework, reviewing such framework’s functionality and ensuring its efficiency.

4.4RC Meetings

The Committee held four meetings in 2022. The meetings’ attendance by the Committee members was as follows:

Name	31 Jan	7 Apr	4 Jul	3 Oct
Hesham Abdulla Qassim Al Qassim (RC Chairman)	✓	✓	✓	✓
Essa Abdulfattah Kazim Almulla	✓	✓	✓	✓
Saleh Abdulla Ahmed Alabdooli	✓	✓	✓	✓
Khalid Abdulwahid Hassan Alrustamani	✓	✓	✓	✓

4.5 Nomination and Remuneration Committee (“NRC”)

The NRC has been constituted from within the Board of Directors to assist the Board in performing its duties diligently and effectively as per the Committee’s charter which serves as an authorization by the Board of Directors to it for undertaking the functions mentioned therein in compliance with the laws and regulations taking force in UAE. The Committee’s Charter also sets out, in detail, the functions and powers granted to the Committee, its constitution, the conditions governing the convention of its meetings & its quorum and the Committee’s decision-making mechanism.

Whereas the Company’s cadre is deemed fundamental for the Company’s advancement and for achievement of its targeted goals, the Committee assumes, as part of its key roles, setting the policies which define e& requirements of talents at the levels of Executive Management and staff as well as setting the policies pertaining to the compensations, incentives and salaries of the members of Executive Management and staff of the Company as well as the remunerations of the Board of Directors in a manner that ensures meeting the Company’s objectives and that is commensurate with its performance. The Board and Committee approve the compensations and remunerations of the group chief executive officer and e& key executives, respectively. In performing its functions, the Committee takes into account maintaining the competitive and fair nature of the compensations, which is to be in line with e& strategy of attracting and retaining the talented staff in order to achieve the best results. The Committee also reviews the Company’s initiatives in the field of gender equality as well as diversity at the level of the board of directors and employees of the company. Furthermore, it monitors human capital related risks.

Moreover, the Board assigned more duties to NRC, in 2022, to assist it the Environmental, Social, and Corporate Governance (ESG) matters. Among these duties are providing guidance to the Board on programs that relate to ESG matters, overseeing the sustainability strategy and the progress against achieving sustainability targets, supervising climate risks and the plans on environment and climate action. It further oversees e& material business risks in relation to ESG as well as risk management strategies and the controls of these risks. Also, e& has established Sustainability Steering Committee from the Management to ensure the implementation of all relevant initiatives.

The Committee is management-free and consists of four non-executive members from the Board of Directors, of whom three, including the Chairman, are independent. The NRC convenes periodically and whenever necessary. Mr. Michel Combes, Chairman of the Committee, commits that he is responsible for the Committee’s framework, reviewing such framework’s functionality and ensuring its efficiency.

4.6NRC Meetings

The Committee held nine meetings in 2022. The meetings’ attendance by the Committee members was as follows:

Name	14 Feb	21 Feb	18-20 Apr*	25 Apr	14 Jun	28 Jul	25 Oct	24 Nov	13 Dec
Michel Combes (NRC Chairman)	✓	✓	✓	✓	✓	✓	✓	✓	✓
Essa Abdulfattah Kazim Almulla	✓	✓	✓	✓	✓	✓	✓	✓	✓
H.E. Mansoor Ibrahim Ahmed Almansoori	✓	✓	✓	✓	✓	✓	✓	✓	✓
Otaiba Khalaf Ahmed Alotaiba	✓	✓	✓	✓	✓	✓	✓	✓	✓

* This meeting was held in three separate sessions.

4.7 Investment and Finance Committee (“IFC”)

The IFC was formed to assist the Board in the investment-related business at the local and international levels given that Company is one of the major companies investing in telecom industry and has a shareholding in many companies such as Maroc Telecom, Etisalat Misr, Mobily and many other companies. This necessitated the Board to constitute this Committee to assist it in undertaking its duties pertaining to such Group’s investments along with other financial matters that are fundamental for the Company’s success and progress.

A charter for this Committee has been composed and has defined its functions and duties, the cases in which the Committee is entitled to make the decisions which it deems appropriate and the cases in which it is only empowered to make recommendations for the Board to pass the appropriate resolutions thereon. This Charter serves as an authorization by the Board for the Committee to carry out the functions and responsibilities stipulated therein.

The Committee is a management-free and it consists of five non-executive members, of whom four, including the Chairman, are selected from independent Board members. It convenes six times per year and whenever necessary. H.E. Jassem Mohamed Obaid Alzaabi, Chairman of the Committee, commits that he is responsible for the Committee’s framework, reviewing such framework’s functionality and ensuring its efficiency.

4.8 IFC Meetings

The Committee held nine meetings in 2022. The meetings’ attendance by the Committee members was as follows:

Name	7 Feb	5 Apr	25 May	28 Jun	26 Jul	21 Sept	22 Sept	18 Oct	29 Nov
H.E. Jassem Mohamed Obaid Alzaabi (IFC Chairman)	✓	✓	✓	✓	✓	✓	✓	✓	✓
Hesham Abdulla Qassim Al Qassim	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mariam Saeed Ahmed Ghobash	✓	✓	✓	✓	✓	✓	✓	✓	✓
Michel Combes	✓	✓	✓	✓	✓	✓	✓	✓	✓
Abdelmonem Bin Eisa Alserkal	✓	✓	✓	✓	✓	✓	✓	x	✓



05

Board Remunerations

The remunerations of Board members are lump sums submitted to the General Assembly for approval via Board recommendation. e& Articles of Association, which was promulgated by virtue of Cabinet Resolution No. 29 of 2015, as amended, linked such remunerations to the Company's performance as it is capped at 0.5% of ended financial year's net profit after deducting the depreciations and reserves.

The total remunerations of the Board members for the year 2021 amounted to AED 17,980,522, while the Board remunerations for the year 2022 amounted to AED 32,594,000, which constituted around 0.33% of the net profit after deducting both depreciations and reserves. The latter amount covered the fees paid against the membership in the Board and the additional duties and responsibilities assumed at the Board Committees.



Below are the amounts received by each Committee member against such additional duties and responsibilities:

Board Member	Board Committees			
	IFC	NRC	AC	RC
H.E. Jassem Alzaabi	1,056,000			
Essa Kazim		528,000		352,000
Hesham Al Qassim	880,000			422,000
Mariam Ghobash	880,000		422,000	
Saleh Alabdooli				528,000
H.E. Mansoor Al Mansoori		528,000	352,000	
Michel Combes	880,000	422,000		
Sheikh Ahmed Al Dhahiri			528,000	
Abdelmonem Alserkal	880,000			
Khalid Alrustamani				528,000
Otaiba Al Otaiba		528,000		

All values are in AED.

- Due to the volume of work and time spent at the IFC, each member receives AED 880,000.
- The member in other Board Committee receives AED 528,000 against the additional duties and responsibilities assumed at such Committees.
- If a Committee member sits in more than one Committee, such member is entitled to AED 352,000 against this additional duty.
- 20% premium is paid to the Chairman of the Committee.
- No Committee meetings’ attendance fees are paid.



06

e& Securities Trading

This report tackles Insider Security Trading Policy in another context where it articulates the policies set to implement the governance rules and corporate disciplines. The afore-said policy controls the Insiders' trading in the Company's securities in compliance with the governance and disclosure requirements applicable in UAE as well as international best practices.

This section of the report provides for the trading in e& shares effectuated by the Chairman and Members of the Board of Directors and their spouse and children since they are subject to the above-mentioned policy given that they are deemed part of the Insiders' definition including, Chairman, Board members, the top Management and any person who has access to Company's material information prior to publishing it.

The Material Information is defined by the above-mentioned Policy as any information, positive or negative, that may impact the price of e& securities, hence; affect investors' decisions towards buying or selling such securities.



The below table shows the trading in the Company's shares conducted by the Board Members, their spouses, and children in 2022 and their holding of such shares as of the end of the year:

Name	Position/ Kinship	Shares Held as at 31/12/2022	Total Sold Shares in 2022	Total Purchased Shares in 2022
H.E. Jassem Mohamed Obaid Alzaabi	Chairman	2,010,357	69,537	2,079,894
Essa Abdulfattah Kazim Almulla	Vice Chairman	0	0	0
	Spouse	241,595	0	0
Sheikh Ahmed Mohd Sultan Aldhahiri	Board Member	14,519	0	0
	Spouse	459,224	0	0
Hesham Abdulla Qassim Al Qassim	Board Member	0	0	0
	Spouse	110,000	0	0
	Son	4,202	0	0
	Son	5,302	0	0
	Daughter	5,302	0	0
	Daughter	5,852	0	0
	Daughter	4,202	0	0
Daughter		4,752	0	0
Mariam Saeed Ahmed Ghobash	Board Member	0	0	0
Saleh Abdulla Ahmed Alabdooli	Board Member	30,184	0	0
H.E. Mansoor Ibrahim Ahmed Almansoori	Board Member	0	0	0
Michel Combes	Board Member	0	0	0
Abdelmonem Bin Eisa Alserkal	Board Member	2,688,561	0	0
Khalid Abdulwahid Hassan Alrustamani	Board Member	319,983	0	0
Otaiba Khalaf Ahmed Alotaiba	Board Member	12,313	0	0



07

Executive Management

The Executive Management team carries out the company's day-to-day activities and exercises the authorities delegated to it by e&'s Board of Directors as per the customary practice and the governance rules and regulations. To facilitate exercising its duties, the Management was granted a power of attorney, which authorised it, among other matters, to sign bank documents, appoint employees, and represent the company before official and quasi-official bodies. In addition, the Board authorized the Management the ability to executing contracts, agreements and transactions. Moreover, e& has established clear rules, approved by the Board, setting the limits within which the Management members may act in respect of the above. The current power of attorney ends on March 21st, 2024.

Further, e& has adopted a pay-for-performance philosophy, where all e& employees including the executives, are eligible for a bonus (STI) based on the associated policy. Each executive has a scorecard with ambitious targets approved by the Board or NRC, as applicable. Achievement against these scorecards forms the basis for the overall performance rating and annual bonus payout. Notably, the Group Chief Executive Officer's scorecard for 2022 includes several components, including ESG.



7.1 Salaries and Remunerations of Executive Management

The details of e& key Executive Management members, their joining dates and gross salaries & remunerations paid for the year 2022 are outlined below:

Position	Joining Date	Annual Gross Salary & Allowances ¹	Other Allowance ²	Bonus 2022
Group Chief Executive Officer	27-Sep-2015	5,653,892	342,195	9,200,000
Group Chief Financial Officer	01-Aug-2013	3,239,616	149,504	2,920,000
Group Chief Operations Officer	02-Sep-1998	2,840,429	195,940	3,720,000 ³
Group Chief Legal & Compliance Officer	26-Dec-2010	1,629,496	16,955	990,000
Group Chief Human Resources Officer	24-Nov-2020	2,477,967	97,745	2,740,000
Chief Executive Officer, etisalat by e&	29-Aug-2021	3,144,000	296,000	5,830,000
Chief Executive Officer, e& international ⁴	01-Mar-2022	2,747,390	-	2,290,000
Chief Executive Officer, e& enterprise	03-Nov-2013	3,094,113	273,425	4,215,000
Chief Executive Officer, e& life	19-Jun-1993	3,600,117	110,000	3,870,000 ³

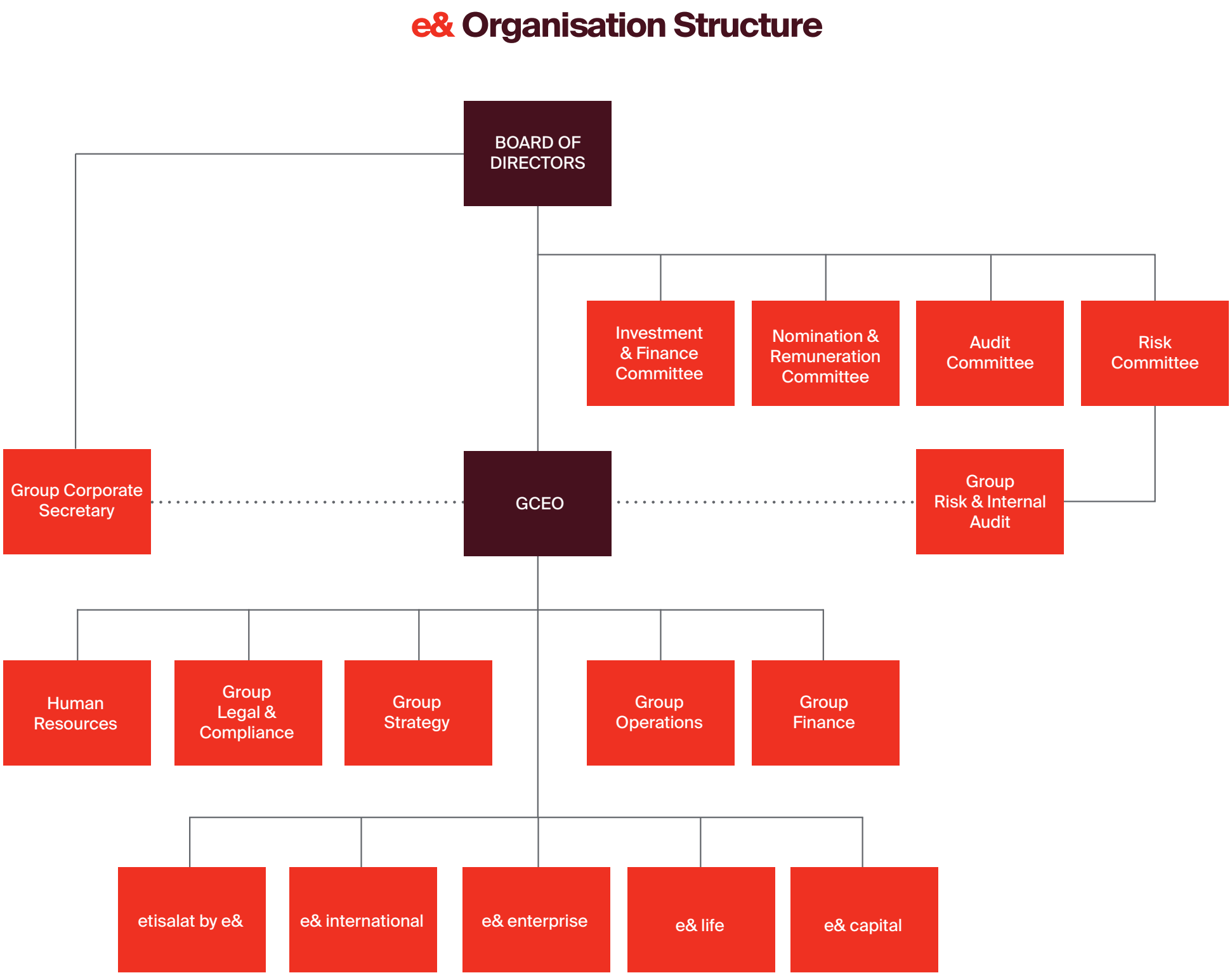
All values in AED

1. The employees are also entitled to other additional benefits like medical insurance and gratuity or pension (as applicable) and telephone rebate. The amounts in this column include the allowances for additional assignments.
2. It includes education reimbursement, vacation allowance and home travel allowance.
3. It includes deferred compensation payment.
4. Chief Executive Officer of e& international joined in March 2022.

7.2 Nationalisation Rate & Gender Diversification

Nurturing our Emirati talent and empowering our future leaders have always been a priority for our organisation. As a result, our Emiratisation percentage has grown in the last three years, year over year, as it increased from 50% in 2020 to 51% in 2021 and reaching 52% in 2022.

In addition to Emiratisation, we also value gender diversity and as an equal opportunity employer we have actively worked to ensure gender equity in our policies and practices. This has seen gender diversity grow in the last three years, year over year as well. The percentage of women at e& reached a record level of 25% in 2022.



08

Related Party Transactions

e& did not conduct any transactions with Related Parties in the year 2022 in accordance with the provisions governing transactions and Related Parties stipulated under the Resolution of Securities and Commodities Authority Chairman No. (3 /R.M.) of 2020 regarding the Adoption of Public Joint Stock Companies Governance Guideline.

For the Related Party Transactions in accordance with International Financial Reporting Standards (IFRS), please refer to e& annual report on the below link:

<https://eand.com/en/investors/annual-reports.jsp>



09

Internal Control and Audit

The Board of Directors is responsible for the Company's internal control system, its annual review and ensuring its efficiency. Hence, the Board approved certain governance functions and structures that achieve the goal of effectively undertaking the ERM functions and ensuring the efficiency and effectiveness of internal control aspects within the Company.

In order to ensure the optimal application for the internal control and audit requirements, e& has adopted the internationally recognized “three lines” model. Thus, the system of internal control and audit in e& consists of the following three elements:



1. Frontline Business Functions

This is first line of defense, governed by policies, procedures, code of business ethics and delegated mandates as approved by the Board of Directors and signed by all staff. The business functions are responsible for having adequate skills, operating procedures, systems and controls in place to comply with policies and mandates and to exercise sound risk management.

2. Second Line of Defense

2.1 The Enterprise Risk Management

The Enterprise Risk Management (ERM) function, constitutes part of the second line of defence and it is responsible for the identification and monitoring of key enterprise-wide risks as well overseeing the assurance processes that ensure the effectiveness of the internal control environment. ERM sits alongside other specialized oversight functions that share the common purpose of contributing to a robust control environment.

2.2 Ethics & Compliance

The Ethics and Compliance function oversees and monitors ethics and compliance regulations and requirements.

The function supports all initiatives aimed at fostering a culture within which ethical values and compliance obligations are a central component for decision-making including, but not limited to, the following:

- Promoting a culture of integrity and ethical conduct throughout e& and its operating companies;
- Designing and implementing an Ethics and Compliance programme that effectively identifies, assesses and mitigates compliance-related risks;
- Providing information, training, and awareness to promote and embed a compliance culture; and
- Providing advice and expertise to e& on ethics and compliance matters.

The function is headed by Ms. Brooke Marie Lindsay, an expert in the telecommunications and legal fields. Ms. Lindsay has served as the Group Chief Legal and Compliance Officer of e& since December 2021. Prior to that, Brooke served as the General Counsel for e& International. Before joining e& in 2010, Brooke worked with highly regarded independent and international law firms. Ms. Lindsay is currently a Director of Khazna Data Centers and the iMENA Group. She was a director of Thuraya Telecommunications Company and a Director and committee member of Etisalat Nigeria. Ms. Lindsay holds a Bachelor of Law and Accounting from Bond University in Australia. Brooke has been e&'s Compliance Officer since January 2022.

3. The Internal Audit Function

Internal Audit, the third line, provides objective assurance and insight on the effectiveness and efficiency of risk management, internal control and governance processes.

The ERM and Internal Audit functions are headed by Mr. Mohamed Dukandar who has wide experience of over 26 years in the fields of governance, risk management, compliance, insurance and internal audit at reputable companies, especially in telecom industry.

Mr. Dukandar is a Chartered Accountant (CA), Certified Internal Auditor (CIA) and Certified Control Self Assessor (CCSA). It is noteworthy that Mr. Dukandar assumes the role as Group Chief Risk and Internal Audit Officer since joining the Company in 2016.

The ERM and Audit Department is completely independent from the Executive Management, reporting functionally to e& Board of Directors which, in turn, has authorized two committees, the Audit Committee to oversee the functions of Internal Audit and Compliance and the Risk Committee to oversee Enterprise Risk Management function. The aforesaid supervisory duties of the Committees included, but not limited, to the below:

- A Group Risk Profile that fairly represents the significant risks across e& Group and OpCos in line with defined risk tolerance and appetite levels;
- A risk reporting framework that regularly provides updates to Management and the Risk Committee. These reports help to drive appropriate actions in order to mitigate unacceptable risk exposures;
- A compliance reporting framework that regularly provides updates to the Management and the Audit Committee. These reports help to drive appropriate actions in order to mitigate unacceptable compliance exposures;
- Appropriate compliance policies and processes to meet corporate legal and regulatory obligations;
- Mechanisms to verify adherence to policies and processes for legal and regulatory obligations, and
- A risk and compliance culture of continuous improvement in relation to process efficiency and awareness of risk management.

The function continued its leadership in Internal Audit during 2022 with its key staff participating at the 'UAE IIA 3D Virtual Conference' and the '14th Annual Internal Auditors Conference' as panel members/speakers. The ERM/IA Department won the Leading Practice Award from the IIA – UAE during 2022. Also, the function has previously won awards at the 'International IIA Conference' and the '9th Regional Chief Audit Executive conference' in 2020. It was declared as '2019 Leading Practices in Internal Audit – Overall Winner' in the Private Category at the 'IIA Annual Regional Conference' in 2019, the overall 'Best Practice Award' at the '5th Chief Audit Executive Conference' in 2015 and again in the Governance, Risk & Compliance (GRC) Private Sector category at the '7th Chief Audit Executive Conference' in 2017. These participations and awards are a reflection of the function's drive towards excellence and continuous improvement and a recognition of practices and standards implemented.

Internal Control

The ERM function engages with teams across the business to maintain risk management practices in line with the Board-approved Group-wide ERM Charter, Policies, and frameworks. The function provides the Management, the Audit Committee and the Risk Committee with reasonable assurance that the significant risks affecting the organization are identified, assessed and appropriately mitigated to remediate the same.

The function helps the Management and the Risk Committee to:

- Focus on key risks that could affect the delivery of operational, financial, compliance and strategic objectives;
- Minimize surprises through ongoing identification and management of existing and emerging risks;
- Deal more effectively with changing economic and competitive environments;
- Increase efficiency and effectiveness of operations;
- Make decisions in the pursuit of opportunities that could lead to reward;

The function helps the Management and the Audit Committee to:

- Create greater risk and compliance awareness and enhance the Company's ability to respond accordingly;
- Increase efficiency and effectiveness of operations;
- Meet their legal, regulatory and social responsibilities, and
- Effectively coordinate regulatory and compliance matters.

The scope of work of ERM is to implement and maintain:

- An effective ERM Framework;
- An appropriately resourced and skilled team to ensure key risks are identified and managed;

Internal Audit

The Internal Audit function role is to provide independent and objective assurance and consulting services, which are designed to add value and improve the operations of e&. The function helps e& accomplish its objectives by creating a comprehensive approach to anticipate, identify, prioritize, monitor and facilitate the management of e&'s key business risks, and facilitate implementation of cost-effective internal controls and compliance.

The function is governed by adherence to the mandatory elements of The Institute of Internal Auditors' (IIA) International Professional Practices Framework (IPPF), including the Core Principles for the Professional Practice of Internal Auditing, the Code of Ethics, and the International Standards for the Professional Practice of Internal Auditing.

The function evaluates and reports on the effectiveness and efficiency of e&'s operations, systems, and controls, in line with the internationally recognized Internal Audit framework.

The function has had the privilege of being the first UAE-listed company to successfully pass an External Quality Assessment by the IIA Global with the highest rating for General Conformance to the three areas: Attributes Standards, Performance Standards, and Code of Ethics. The function was re-certified in 2019 by the IIA and achieved 100% conformance to all applicable Internal Auditing Standards.

Key Control/Compliance/Audit Matters

The ERM and Audit Department addresses key issues or risks identified in the annual reports and accounts, which include but are not limited to the following:

- Ensuring establishment of remediation or action plans for all key risks, if any. Such plans are to identify the responsible persons along with timelines for completion;
- Monitoring progress in completing agreed actions with regular reporting on their status to Audit Committee; and
- Performing follow-up reviews, as needed.

The function provides the Audit Committee with an annual assessment on the efficiency and effectiveness of the internal control environment across e& Group. In addition, the ERM and Audit Department report to the Management and the Audit Committee, at least quarterly, on the status of the internal control environment, including the reporting of any significant control issues and the status of actions to address deficiencies.

Examples of audit assurance provided/will be provided by the IA function during 2022:

a. Governance of data privacy & security

- Internal Audit is participating in the implementation of Data Protection and Customer Privacy program to comply with the UAE Data protection law. This program is currently in progress.
- Corporate Information Security Steering Committee (CISSC) conducts regular measurements of the security program effectiveness for continuous improvement and facilitate the implementation of information security policies. The Head of Internal Audit is a standing invitee to the CISSC meetings as an observer.
- The Audit Committee approves internal Audit's annual plan that includes coverage of security policy implementations. Every year Internal Audit performs multiple audits of security management systems across e&. Internal Audit monitors and tracks the implementation of agreed control actions arising out of these audits and Audit Committee oversees the progress on quarterly basis to ensure timely implementation of actions to mitigate risks related information and privacy.

b. Audit of ESG

Internal Audit is Planned to conduct ESG audit in 2023 and part of the scope we will cover the gender diversity pay and promotion process as well as audit of the greenhouse gases.

c. Other Reports

For 2022, twelve ERM & Audit reports have been shared with the Audit Committee, which included (i) an annual report summarizing the ERM & Audit Department's activities for the year (ii) four quarterly reports on Internal Audit and (iii) one report on Special Audit & Investigation activities. Also, six Enterprise Risk Management reports have been shared with the Risk Committee, which included (i) four reports on the company risk profile (ii) one internal control report and (iii) one report on Risk Appetite Framework and the Group Risk Appetite.

Ethics and Compliance provides an independent, timely and reliable confirmation on the viability, efficacy and effectiveness of controls to ensure adherence to legal and ethical standards including but not limited to:

- Providing an annual assessment on the efficiency and effectiveness of the Ethics and Compliance Programme.
- Reporting to Management and the Audit Committee on the status of the Ethics and Compliance Programme including the reporting of any significant compliance risk, non-compliances and control issues, and the status of actions taken to address deficiencies.

For 2022, Ethics and Compliance Function shared eight reports with the Audit Committee, including:

- (i) an annual report summarizing the Function's activities for the year;
- (ii) four quarterly Ethics and compliance reports;
- (iii) two compliance programme review reports; and
- (iv) one compliance country risk report.

The ERM and Audit Department and Compliance departments are not aware of any material problems faced by the Company that have not been disclosed in 2022 Consolidated Financial Statements.

10

The External Auditor

A Glance

The applicable rules and regulations vests with the General Assembly the approval authority of the external auditor's annual appointment and fixing its fees and stipulates that the same external auditor may not be appointed for six consecutive years unless the audit partner is replaced after the lapse of three years. Therefore, e& General Assembly annually approves the appointment of the external auditor and determines its fees, based on a recommendation from e& Board after tendering process led by Internal Audit and Enterprise Risk Management Department. Hence, the AGM meeting held on 5th April 2022 approved the appointment of "KPMG Lower Gulf Limited" as the Company's external auditor for the year 2022. This firm has been assuming these duties since 2018 and Mr. Mobeen Chaudhry has been e& auditing partner since changing the former partner in 2021.



KPMG is a global network of professional firms providing Audit, Tax and Advisory services across a wide range of industries, Government and non-profit sectors.

KPMG firms operate in 143 countries and territories and have more than 265,000 people working in member firms around the world. Member firms in the KPMG organization are members in, or have other legal connections to, KPMG International, an English private company limited by guarantee. KPMG International acts as the coordinating entity for the overall benefit of the KPMG member firms but does not provide professional services to clients.

The KPMG member firm in the UAE, along with the Oman member firm, are associated with KPMG Lower Gulf. Established in 1973, KPMG Lower Gulf consists of 2,160 staff members, including approximately 190 partners and directors, across six offices.

KPMG Lower Gulf provides audit, tax and advisory services to a broad range of domestic and international clients across all sectors of business and economy. They work closely with their clients, assisting them in mitigating risks and highlighting opportunities. KPMG values diversity and inclusion, fostering a positive and encouraging culture. As a result, it attracted passionate individuals who share a common purpose of Inspiring Confidence and Empowering Change for their clients and the communities in which they live and work. Amid times of economic change, technology advancement and industry disruption, KPMG has the depth of expertise, global reach, clarity of insight and strength of purpose to work shoulder to shoulder with its clients – now and into the future. With a worldwide presence, KPMG continues to build on member firms’ successes; with its clear vision and maintained values, and clients.

External Audit Fees, Services & Costs

Below are the details and breakdowns of the external audit fees and other advisory services fees incurred during 2022:

- The external audit services’ fees for 2022 are amounting to AED 2,439,771. These fees are against audit of the annual and interim consolidated financial statements and services related to SCA Review (XBRL).
- The fees pertaining to services delivered by e& External Auditor in 2022 other than the audit tasks are amounting to AED1,477,555. These fees are for updating the Global Medium Term Note (GMTN) & audit of regulatory financial statements.
- The fees paid/payable for services which were delivered in 2022 by other audit firms- other than the Company’s external auditors – are amounting to AED 8,137,187. These fees were against advisory services. The companies which delivered these services were as follows:
 1. Pricewaterhouse Coopers
 2. Deloitte & Touche Middle East
 3. Ernst & Young
 4. Ardent Advisory & Accounting LLC

External Audit Qualified Opinions on Interim & Annual Consolidated Financial Statements of the Year 2022

The external auditor did not state any qualified opinions on the interim and annual consolidated financial statements of the year 2022.



11

Violations

During the year 2022, the Company received five violation decisions from the Telecommunications and Digital Government Regulatory Authority (TDRA) as follows:

- Two violation decisions in relation to call spoofing.
- Two violation decisions in relation to mobile registration requirements.
- One violation decision in relation to Consumer Protection Regulation.

The Company allocated resources to address these requirements to TDRA's satisfaction and work is still ongoing on requirements. This includes implementing adequate controls to eliminate recurrence of any such violations.



12

Etisalat by e& Corporate Social Responsibility

Delivering on our Environment, Social and Governance (ESG) commitments is paramount to providing an enhanced customer experience, maximising value creation for our shareholders and looking after the communities where we operate.

As a global technology and investment conglomerate, we are reiterating the Group's commitment to our ESG principles, spearheading digital transformation and connectivity for a sustainable and inclusive future for all.

e&'s sustainability strategy amplifies and raises awareness of its sustainability agenda, and Corporate Social Responsibility is a key pillar in our operations. We believe that it is important to empower communities by connecting them with advanced digital solutions while maximising our social impact by driving innovation and entrepreneurship.

In 2022, community development remained a major priority as we delivered on our commitment to education empowerment, support for the UAE national agenda programmes and to empower charities and non-governmental organisations in both the public and private sector. We conducted a country-wide blood donation campaign, the first time since the start of the pandemic.



e& aims to support various segments of the society: children, youth, women, and People of Determination. We participated in an event organised by the Community Development Authority to mark International Day for Older Persons, which aims to raise public awareness about the opportunities and challenges presented to the ageing populations and to mobilise the families, community groups and stakeholders to address the difficulties faced by older people.

As in previous years, e& deployed volunteers at its GITEX stand at the Dubai World Trade Centre. During GITEX Global 2022, more than 45 e& volunteers were assigned to different verticals of e&'s stand, and presented demos to the VVIPs, corporate visitors, business partners and to the general public.

Our sports and youth partnerships this year reinforced our deep commitment to major sporting events in the UAE and internationally, and to our growing customer base.

Our community investments fall under these categories:

- 1) Social and Community Development
- 2) Culture and Environment
- 3) Innovation, Education, and Health
- 4) Sports and Youth

A summary of CSR activities of the year 2022 is as follows:

Social & Community Development

- SWAT Challenge for Dubai Police
- Dubai Can Public Water Station
- Bread for All, an MBRGI Endowment Consultancy initiative
- Noor Dubai
- Supporting Emirates Red Crescent (ERC)
- 1 Billion Meals Smiles Ramadan Campaign
- Autism awareness webinar for e& staff
- Wider Web Extension plug in refresher video
- Zayed Humanitarian Day
- Fujairah Foundation for Regions Development
- Make A Wish Foundation
- Inclusive Employment Ecosystem
- 60 percent discount for Barakat Al Dar Cardholders
- e& HSE, technology and admin teams (FM, UNOC, Mobile Planning) worked round the clock to ensure continued services despite heavy rain and flash floods hit the Northern Emirates

- Smiles UAE NFTs
- International Day for Older Persons
- Participation in Career Fair
- Emirates Red Crescent Winter ‘Be Their Warmth’ campaign

Contribution value: AED 3.1m

Cultural & Environment Support

- Al Bateah Fourth Cultural Festival Sharjah
- Ajman 6th International Environment Conference
- Ajman Ramadan Festival
- Dubai International Holy Quran Award
- Sharjah Heritage Day
- FutureNow Hackathon with UOWD
- Sharjah City of Humanitarian Services Zakat Campaign
- Adha Campaign
- Emirati Women’s Day
- Urgent Relief and Humanitarian provisions through an aid package to Pakistan, complementing PTCL’s efforts
- Al Murabaa Arts Festival
- Emirates Nature added to Smiles application
- 27th Conference of the Parties of the UNFCCC (COP 27)
- e& enterprise’s environmental Initiatives with Goumbook such as tree planting and sustainability awareness sessions

Contribution value: AED 1.3m

Innovation, Education & Health

- Innovation Month program
- Artificial intelligence overview session.
- Etisalat Award for Children Book Fair
- Ajman International Exhibition for Education & Training
- BETT Exhibition 2022
- Eid and UAE Doctors Day greeting.
- Blood donation Drive across UAE.
- Cyber security virtual awareness session
- SMS of the Crown Prince Court Office congratulating Frontline Heroes and their families on the occasion of Eid Al Adha to appreciate their contribution during the pandemic
- ERC 'With Knowledge We Empower' campaign
- ERC Soqia campaign
- Schools and universities GITEX visit
- GEMS Awareness Day
- Sharjah International Book Fair 2022
- Academic and Industry Collaborative Partnership with University of Wollongong
- Educational Awareness for People of Determination Partnership with Behaviour Enrichment, an institute for determined children
- UAE Codes Day
- Breast Cancer Awareness Day
- Hackathon weekend to train students and introduce CPaaS platform capabilities
- 'Bread For All' added to Smiles application

Contribution value: AED 4.4m

Sports & Youth

- The Professional League Committee
- UAE Football Association
- Football Tournament for Ajman Government Department.
- HH Sheikh Mansoor Bin Zayed Al Nahyan Racing Festival
- UAE Cycling Team Season 2022

Contribution value: AED 17m

Total spending on all CSR activities for the year 2022 is: AED 25.8m



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Investor Relations

In light of the Company's endeavors to create the best means of communication with its shareholders and the investment community, the Group established the Investor Relations Department to serve as their main interface. This Department functions through various platforms such as the Company's website, Investor Relations App and Abu Dhabi Securities Exchange (ADX) website, in which it publishes company-related information such as its financial disclosures, corporate events and developments, Board of Directors' reports, governance reports, sustainability reports and shareholding structure. In doing so, the Company keeps abreast with the best international practices in this field and complies with the provisions of SCA Governance Rules.

The Investor Relations department is headed by Mr. Nazih Ramez El Hassanieh whose experience in the financial and respective sectors exceeds twenty-four years, of which twelve years were in the Investor Relations field at e&. Mr. Nazih holds a Master of Science degree in Management from Babson College in the USA and is a CFA® charterholder.

Below are communication channels for investors:

Investor Relations Contact:

e& Investor Relations

e& Head Office, P.O. Box 3838, Email: ir@eand.com

Website: <https://eand.com>

Shareholders Affairs Contact:

Ms. Engy Zaki,

Phone: +971 2 618 2661 (The voice mail feature is activated after official working hours and during public holidays)

Email: shares@eand.com



Share Trading Compliance Committee

In an endeavor to ensure the implementation of the e& Insider Trading Policy, which governs the insiders' trading and compliance with the respective applicable rules and regulations in the country, e& is in constant engagement with managing, following up and supervising insiders' trading and ownership through the Share Trading Compliance Committee.

The policy provides guidelines to those who have access to inside information (material and non-public information that has an effect on the share price) from amongst all employees as well as members of the Board of Directors and Audit Committee and their relatives with respect to transactions in the Company's securities. It identifies the Company's procedures on all important matters relating to insider trading while in possession of inside information. The policy aims at preserving the reputation and integrity of the Company as well as that of all persons affiliated with the Company.

The policy prohibits trading in the Company's securities while in possession of inside information related to the Company, its subsidiaries, its sister companies or other companies which the Company has contractual relationships or may be negotiating transactions.

Similarly, the policy prohibits insiders from trading in securities of any other company while in possession of material non-public information about that company that was obtained in the course of their involvement with the Company. In addition, insiders may not communicate such information to any other person, including relatives and friends. Under this policy, insiders are prohibited from trading in the Company's shares during the blackout periods as imposed by SCA and ADX, as well as the applicable regulations as per Euronext Dublin where e&'s bonds are listed, and in specific events, such as negotiation of mergers, acquisitions or dispositions, litigation, regulatory decisions, or other material events.

All insiders must obtain pre-approval from the Share Trading Compliance Committee prior to trading shares or bonds of the Company.

Insiders may trade in the securities of the Company when the trading window is open after obtaining written consent from the Share Trading Compliance Committee.

The members of e&'s Board of Directors and senior management are aware of their obligations for disclosure of their trading in the Company's shares, and are fully committed to all requirements set by SCA, ADX and Euronext Dublin.

The Share Trading Compliance Committee works on establishing procedures, monitoring adherence to the rules of insider trading, monitoring trades and implementing the policy under the overall supervision of the Board of Directors of the Company. The committee consists of Group Chief Financial Officer, Group Chief Risk and Internal Audit Officer, the Group Corporate Secretary and the Vice President of Investor Relations. Mr. Mohamed Karim Bennis, Chairman of the Committee, commits that he is responsible for the Committee's framework, reviewing such framework's functionality and ensuring its efficiency.

The Committee plays an important role in overseeing and managing the insiders' matters within e&. The principal responsibilities of the committee are as follows:

- a. Develop and supervise the overall insider trading practice within the Company;
- b. Oversee the effectiveness of controls and assessments to validate insider trading best practices and policies;
- c. Conduct periodic reviews of insider trading practices;
- d. Endorse remediation actions to address unforeseen deficiencies;
- e. Ensure the development and maintenance of a special and comprehensive insiders' register that provides insiders' details, ownership and trading in e& securities and the relevant disclosures and approvals;
- f. Monitor and oversee the trading;
- g. Communicate with SCA and ADX on relevant matters;
- h. Support awareness campaigns to all staff, executives and board members regarding the importance of insider trading, procedures and best practices;
- i. Ensure compliance with applicable rules and regulations.
- j. Review violations of the policy and recommend disciplinary actions; and
- k. Carry out a review of the policy on a periodic basis.

During the year 2022, the Committee enhanced its e-services platform and built a rigorous and continuously updated insider trading database.

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Special Resolutions

All shareholders of the Company have the right to vote on all decisions of the General Assembly, whether ordinary or special. The Company provides the shareholders with the mechanism for voting on these decisions in the invitation announcement. The Law and Articles of Association of the company also detail some decisions that also require the approval of the Special Shareholder.

The special resolution, as defined in the Company's Articles of Association, is the resolution that requires approval of the Company's General Assembly by votes of a majority of three fourths of the shares represented in the Company's General Assembly. Special Resolutions are passed for specific matters as defined and set forth under the Company's Articles of Association and applicable rules and regulations. The Company held a General Assembly meeting on April 5th, 2022 and passed the following Special Resolutions:

1. The AGM approved on a budget of not more than 1% of the Company's net profits of the last two years (2020-2021) for voluntary contributions to the community (Corporate Social Responsibility), and to authorize the Board of Directors to effect the payments of such contributions to the beneficiaries determined at its own discretion.
2. The AGM approved amending some provisions of Company's Articles of Association in line Federal Decree by Law No. 32 of 2021 Concerning Commercial Companies Law.



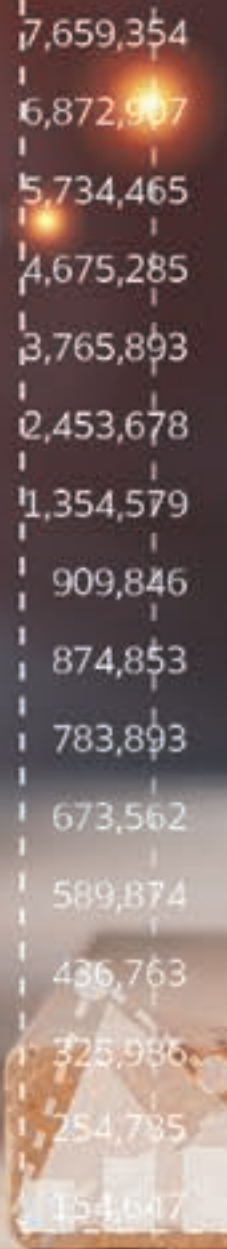
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Innovative Initiatives

etisalat by e& recognizes the importance of innovation for the growth and development of all industries and organizations. Hence, etisalat by e& has embodied an innovation culture in order to remain competitive by introducing new products, processes, and technologies that improve efficiencies, increase agility and increase revenue.

The post-Covid telecom ecosystem has as undergone significant and permanent changes, as businesses and consumers alike continue to opt for digital-first experiences; increasing the demand for reliable, high quality, and innovative mobile and broadband services.

In 2022, etisalat by e& lived up to its innovative promise, by accelerating its innovation drive across all parts of its operation. This was achieved by keeping in mind that an innovative strategy is not only about adopting technologies, but it is also about adopting an innovation culture and mindset across the organization. Going forward, etisalat by e& continues to seek better ways to operate, communicate and deliver value to its customers and shareholders.



Internal Innovations

Process Innovation

- etisalat by e& continues to utilize advanced technologies** to optimize its operations. In 2022, AI and advanced automation applications became a centre stage for etisalat by e&'s AI-first drive
 - etisalat by e& Business has deployed RPA and AI technologies to better manage account cessation and verification activities.
 - etisalat by e& Business also launched a fraud detection system utilizing AI to analyse historical information such as bad debt, payments patterns and customer tenure to avoid fraud in cases related to new subscriptions and SIM replacement.
 - For Consumer Sales and Customer Care, etisalat by e& expanded utilization of automated, AI-driven applications:
 - More than 400 processes covering 120 use cases are now managed by RPA bots, managing repetitive high-volume manual tasks in both Customer Care and Sales.
 - Scaled up the AI-powered Virtual Assistant in customer care operations
 - Launched etisalat by e& WhatsApp customer care channel, serving our customers faster and more efficiently, with notable enhancements in end-to-end interaction completion rates and satisfaction ratings.
 - Enablement of Disaster Recovery to further improve the robustness of our RPA platform.
- Bundling Framework:** a new bundling framework platform for business products, reducing time to market for launching core business bundles by up to 90%.
- Introduction of SOHO Segment:** etisalat by e& has introduced the Small Office Home Office (SOHO) segment to specifically target very small customers and start-ups with customized propositions.

At a group level, we have launched HSE Center of Excellence; first of its kind in the region, offering Augmented Reality (AR) Fire Fighting solution with VR Evacuation experience for staff and contractors VR, mapping of e& High-Rise buildings for staff and Fire warden training purpose. We continue expanding the use of RPA across the organisation in order to improve efficiency. This year RPA was introduced to validate and certify over 2000 utility accounts. During the pandemic we introduced an RPA-Enabled PCR Validation & Access Control Integration with Al Hosn, which enabled seamless direct integration and access data based on staff's COVID and Monkey Pox status in Government's database.

When it comes to fleet management of e& corporate vehicles, we introduced an automated process for vehicle booking and implemented vehicle access through RFID installed in corporate fleet of vehicles, allowing staff to access vehicles using their e& employee ID cards. This automation has eliminated manual key issuance and improved vehicle safety. System reads the RFID number of e& employee and authenticates with authorized user data in e& system, before allowing access to the vehicles. Pre-authorization Trips, an automated process that allows users to pre-register their trip, thereby enabling better management of vehicles and trips by users of corporate vehicles.

Network Innovation

- Global Network leadership:** Fixed & Mobile: etisalat by e& maintained UAE's position amongst the top 2 globally in Mobile Ookla Speed Ranking, and boosted UAE's position to Number 4 globally along with being the 1st in MENA, for the first time in Fixed Broadband Speed Ranking.
- Multi-Vendor 5G Voice over New Radio (VoNR):** launch of multi-vendor 5G Voice over New Radio (VoNR) technology that further enhances customer experience by ensuring better voice continuity and quality.
- Fiber-To-The-Yacht:** etisalat by e& deployed the 1st commercial FTTY (Fiber-To-The-Yacht) project, in collaboration with Yas Marina authority as part of the F1 event requirement.
- Autonomous network fulfilment for transport (DWDM) links:** drastically reduced provisioning time for nodes and links.

Channels Innovation

- Integration and adoption drive of UAE Pass:** UAE Pass provides consumer and business customers with an additional layer of security. Further, the seamless integration of UAE Pass allows customers to securely access self-service digital channels, which is also an instrumental driver in enhancing experience for customers seeking to renew their registration.
- Expanding 'My etisalat' app features and capabilities:** 'My etisalat' app gained new payment methods and a new customized 'deals for you' section. Additionally, etisalat by e& customers can now complete a significantly wider array of tasks via their smartphones. Of note, 'My etisalat' app reached record levels in terms of both penetration and satisfaction.
- Exponential adoption of digital sales channels:** driven by various campaigns such as 'Online is better', resulting in ~4x YoY growth in the penetration of digital sales.
- Expansion of the personalized deals section 'Make your own offer' (MYOO):** Providing customers with more options and flexibility to configure personalised postpaid deals in real-time and enjoy them instantly. MYOO utilizes advanced Machine Learning across the whole experience.
- Continued the roll-out of Next Generation stores:** 75 next-gen stores have been deployed across UAE by end of 2022. The stores provide a brand-new retail experience with a strong focus on self-service.
- Increased Adoption of Self-Assisted Stations (SAS):** The adoption of SAS channels increased by 15 p.p YoY.
- Business Unified Helpdesk:** A unified helpdesk for bespoke business customers was launched, offering round the clock support through email, a dedicated toll-free number and a dedicated team of service advisors.
- Business Global Helpdesk:** An end-to-end support helpdesk for etisalat by e& global customers was launched, available round the clock.

Product Innovation

Etisalat by e& maintained its commitment to introduce the best and latest products for its customers. In 2022 etisalat by e& increased its digital drive by expanding its portfolio of digital services to serve the modern lifestyle needs of its customers.

1. **The commercial launch of GoChat Messenger:** an all-in-one free voice and video calling app, providing users with the flexibility of accessing unique features within one application. Adoption of GoChat quickly skyrocketed, reaching 2.5 million registered users by end of 2022.
2. **Smiles:** etisalat by e& continued to expand its presence into the highly engaging 100% online marketplace. Last year was another key year for Smiles with:
 - a. Accelerated footprint expansion in the food delivery space, registering relentless growth since the launch of Online Food ordering in 2021.
 - b. Expanding into the online grocery space via the acquisition of elGrocer and its integration into Smiles via a “shop-in-shop” concept, allowing a fully operational, Smiles-branded grocery experience for all UAE residents.
 - c. Consequently, Smiles registered users exceeded 3.3 million by end of 2022.
3. Entry to the Metaverse with the **launch of ‘e& universe’** at GITEX Global 2022, starting with Smart Home Zone, Arena Zone, Concert Arena & GITEX.
4. **Launch ‘GoWell’ fitness and wellness platform:** etisalat by e&’s first phase of the eHealth program launched with key features such as ‘know your health status’, ‘set your goals’ and ‘get rewarded for your achievements’.
5. **Launch of our Arena eSports OTT platform:** built around community engagement, competition for all levels and gaming content consumption, available via both free and paid subscription packages featuring a wide range of benefits, such as a lag-less low latency capability.
6. **Introduction of Easy Insurance:** etisalat by e&’s new innovative insurance platform hosting various digital insurance products and providing a state-of-the-art experience, and instant policy issuance. The platform is in continuous portfolio expansion mode via the addition of new categories, such as Health, Motor & Travel insurance products.
7. **Smart Living Spaces:** etisalat by e& teamed up with Samsung & Amazon in the smart living space technologies sector. This allowed etisalat by e& to become the master distributor for the entire range of Samsung smart devices, and to offer Amazon range of eero 6 & eero Pro 6 Wi-Fi mesh devices, as well as Echo smart home devices for the first time in the UAE. The Smart Living Spaces range is available across all etisalat by e& retail stores.
8. **eLife Ultra:** etisalat by e&’s next-generation portfolio of home internet plans, designed to meet UAE families’ home connectivity and digital needs. Within a few months from its launch, ‘eLife Ultra’ has become our flagship fixed plan accounting for more than 85% of all new fixed subscriptions.
9. **Expansion of the ‘New Freedom’ portfolio of plans:** introducing a new non-stop data plan along with unlimited local data & flexible call plans.
10. **Content Passes on Postpaid:** a new lifestyle bundle that offers customers dedicated data for their favourite content across four categories: Music, Gaming, Video and Connect (for social media).

11. **Emirati Wasel:** enabling our Emirati customers to create personalised plans digitally with exclusive connectivity and digital benefits.
12. **Business ON:** etisalat by e&’s first Plug-and-Play and cost-efficient broadband solution for Business customers, leveraging our 5G network.
13. **Business Pro:** etisalat by e&’s next-generation end-to-end internet solution, launched to aid SMBs in their digitization efforts. Business Pro bundles high-speed smart and secure connectivity with video and voice communications and advanced network security services.
14. **Private 5G Networks:** etisalat by e& has deployed the UAE’s first private 5G network in 2022 for a key business customer.
15. **SMB Digital Products and Services:** etisalat by e& expanded and launched several new propositions for the SMB sector in 2022, including:
 - a. **SMB Digital services:** including VAT filing, Digital Signage, and Digital Security.
 - b. **Office Presence:** offering a Unified Communication-as-a-service (UCaaS) based voice service for SMBs, replacing the legacy voice service. The service is bundled with domain name and eStore features.
 - c. **SaaS Marketplace:** Expansion of the Software as a Service (SaaS) portfolio; on-boarded over 30 Individual Software vendors (ISVs), and with over 159 cloud-based pay-as-you-go subscription offerings.
 - d. **Digital Marketing:** a managed services offering to manage customers’ social media campaigns across main social media platforms.
 - e. **Video Surveillance 2.0:** expanded the Video Surveillance-as-a-Service (VSaaS) product proposition with new models of high-specification cameras with advanced security and smart detection features.

At e& enterprise, we have expanded our portfolio with cutting-edge advanced business solutions. In 2022, we launched the best-of-breed Contact Center as a Service (CCaaS) in partnership with NICE (world’s leading AI-powered CCaaS) to help our enterprise customers cope with their contact centre technology challenges and improve customer experience. Additionally, we have launched Engage X unit under e& enterprise cloud, which offers Communication Platform as a Service (CPaaS) to customise end-user customer experience journey, providing seamless, multi-channel communications.

During the same year, we entered into a strategic alliance with DataRobot to exclusively launch the first Enterprise AI as a Service (AlaaS) offering in the MENA region. The AlaaS is an end-to-end cloud offering for building, training, deploying, and managing AI and machine learning solutions and scaling AI life cycle at a fraction of the cost compared to in-house AI arrangements. AlaaS enables government and private enterprises to implement use-case driven AI solutions and creates business value with minimal investment in AI expertise.

Our cybersecurity arm, Help AG, powered by e& enterprise has launched a fully cloud-delivered Digital Risk Protection (DRP) service, providing comprehensive risk detection, incorporating deep and dark web modality, with market-lead remediation that lowers digital risk for organizations by identifying unwanted exposure and protecting against external threats. Furthermore, Help AG recently launched Cloud SOC to modernize security operations of large enterprise infrastructures in the region with analytics-powered solutions, uncovering unknown threats, provide powerful anomaly detection, and user & entity risk profiling, to ultimately defend attacks on enterprise assets.

At e& money, we have digitised our app onboarding journey with a 100% digital experience, customers can register for e& money app very fast. Rapid know your customer (KYC) data gathering and clearance infrastructure allows customers to complete all KYC needs without requiring a visit to a physical store. We have also enriched our payments ecosystem by adding gift voucher purchase including 30 different gaming vouchers with competitive prices, and also new biller institutions (ex. DEWA, ADDC, AADC), and enabling customers to add money using debit card and open banking, which is being widely accepted and growing at a phenomenal rate month-on-month.

At evision, we partnered with BeIN sports and ifland to broadcast FIFA World Cup on the metaverse, a first of its kind in the market bringing immersive experience into premium sports. Acquisition of Stazplay by evision leveraged the synergies on content & technology and is rolling out the white-labelled platform solutions with advanced capabilities through the launch of Shoq in Pakistan, Twist TV in Egypt, and re-launch of MobilyTV in Saudi. evision's newly launched emasala Simply South is already in the top 5 most watched channels by Etisalat UAE customers, which broadcasts South Asian Movies directly after theatrical release. Starzplay, supported by evision and ADM, acquired the rights for Italian football Series A exclusively and launched the "Starzplay Sports" channels across the MENA stepping into direct Sports acquisition and changing media landscape in the region. evision also acquired T20 World Cup and Asia Cup strengthening its position to become exclusive "Home of Cricket" in the MENA region through its dedicated Cric Life channels hosting over 50 cricket boards. evision further extended the rights to Starzplay and into the MENA region.

External Innovations

Etisalat by e& continues to acknowledge its role as an innovation enabler in the UAE. In 2022, etisalat by e& partnered with leading public and private institutions to democratize access to technology and innovation, including:

- 1. Emirati Start-ups Program:** A program launched in collaboration with the Ministry of Economy in celebration of UAE's 51st National Day, offering exclusive benefits to Emirati start-ups on internet bundles, mobile plans, Microsoft 365 and much more.
- 2. Strategic partnerships with Ministry of Industry and Advanced Technology:** with a strong contribution by etisalat by e&, the partnership aims to support and enable UAE manufacturers in their digitization and deployment of 4.0 Industrial Revolution applications.
- 3. Collaboration with Artificial intelligence office:** etisalat by e& collaborated with the Artificial Intelligence Office to digitally transform coders in the UAE throughout their start-up journey.

e& enterprise continues to grow innovation & accelerate digital adoption in the community with fruitful collaborations and partnerships through its FutureNow Open Innovation Programme.

Under FutureNowCalls, we have launched 35 challenges to scout and collaborate with scaleups that provide industry solutions on top of closing major partnerships with Dubai Future Accelerator, Fintech Hive, HUB 71 and Plug&Play. We have also extended the FutureNowCalls through our collaboration with HUB71 to launch the first AI Center of Excellence (AI CoE) in Abu Dhabi. The AI CoE will provide a platform for AI solutions to be built and scaled from Abu Dhabi. By offering resources and expertise, the center will transform the future of AI, support a thriving innovation ecosystem, foster local talent, and boost the country's socio-economic growth.

In year 2022, we launched 10 Workshops for developers and entrepreneurs and two Hackathons in collaboration with University of Wollongong and University of Manipal. The aim of these workshops is to support the community of coders and developers in the universities, while we promote and encourage the use of e& capacities through our Engage X platform.

Carrier and Wholesale Services (C&WS) launched a state-of-art Tier III SmartHub data center facility in Kalba, UAE. This data center will be connected to two new sub-sea telecom cable systems providing diverse and reliable connectivity to Africa, Middle East and Europe. Hyper-scalers and other global customers from various industry verticals will enjoy more direct access to additional international connectivity using the SmartHub Kalba facility for their global network requirements. Furthermore, Kalba data center will provide disaster recovery to the existing SmartHub facilities in Fujairah and Dubai. With the possibility of more sub-sea cables landing in Kalba in the future, this SmartHub facility is positioned to become another connectivity hub for the region, together with Fujairah, which will solidify e&'s position as the leading digital connectivity hub in the region.

The Smart CPaaS is a carrier-grade cloud-ready API platform that supports various customer engagement use cases through SMS, voice, and vide calls. The platform enables business customers to integrate its functionalities to engage and interact with their customer base while maintaining better full control. The Smart CPaaS platform offering, which is developed through partnership, is built to support high-volumes for both operators and enterprises.

Other Innovations

We have redesigned our office workspace to drive collaboration as well as provide quieter corners to conduct activities requiring focus and concentration.

Stock write-off automation - Warehouse & Material Management teams automated fixed assets end-to-end write off process through Oracle. Through automation and re-engineering of write-off process, the liquidation/sale of scrap can be conducted much quicker and enables better price during sale of stock.

We have launched e& capital, the technology investment arm of e&, to support transformation and expand beyond e& core businesses. e& capital stays in tune with emerging global trends and invests in and supports innovation tech start-ups, which hold the potential to define the digital economy of future.

16

General Information

This part of the report tackles the information related to the holdings of e& shares and its performance in the year 2022.

16.1 Price of e& Share in 2022

The below table shows e& share price in 2022:

Date	Open	High	Low	Close
1-2022	33.0	33.2	32.7	33.1
2-2022	33.0	35.0	33.0	35.0
3-2022	36.0	37.0	35.9	37.0
4-2022	35.0	35.8	34.8	35.0
5-2022	30.0	30.3	29.7	30.3
6-2022	27.1	27.4	26.0	26.1
7-2022	27.5	27.9	27.2	27.9
8-2022	25.9	26.1	25.7	25.7
9-2022	23.4	23.8	23.0	23.4
10-2022	25.4	25.8	25.0	25.8
11-2022	24.5	25.8	24.1	25.8
12-2022	23.4	23.4	22.8	22.9

Note: Share price as at the end of each month



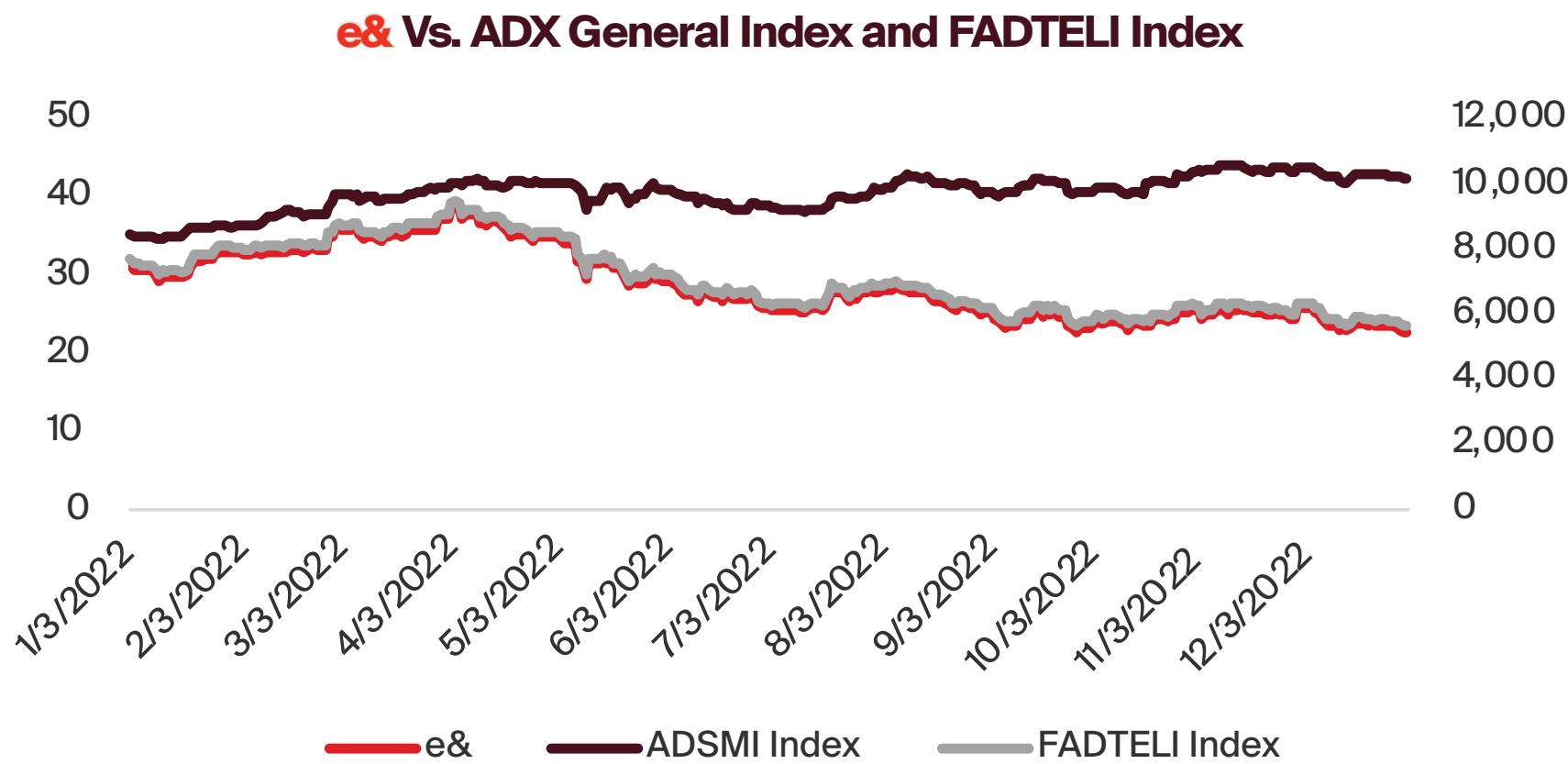
16.1 Shareholders Holding 5% and above of e& Shares

The below table shows the details of shareholders holding 5% and above of e& total shares in 2022:

Shareholder	Number of Shares	Shareholding Percentage
Emirates Investment Authority (EIA)	5,218,052,400	60%

16.2 e& Share Performance

The below chart show e&'s share performance compared to the General Index and FTSE ADX Telecom in 2022:



16.3 Shareholding Structure at the End of 2022

The below table shows the percentage of shareholding owned by different categories of shareholders as at the end of 2022:

Shareholder	Percentage of the Owned Shares			
	Individuals	Corporate	Government	Total
UAE	25.6%	4.3%	61.5%	91.4%
GCC	0.02%	0.2%	0.00%	0.2%
Arab	0.03%	0.00%	0.00%	0.03%
Foreign	0.01%	8.3%	0.00%	8.3%
Total	25.7%	12.9%	61.5%	100.0%

16.4 Shareholding Volume Details

The below table shows the shareholding percentages to capital during 2022:

Shareholding	Number of Shareholders	Number of Shares	Percentage to Capital
Less than 50,000	10,553	92,324,670	1.1%
50,000 to less than 500,000 shares	2,681	433,305,318	5.0%
500,000 to less than 5,000,000 shares	757	1,108,240,925	12.7%
5,000,000 shares and above	113	7,062,883,087	81.2%
Total	14,104	8,696,754,000	100.0%

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Key Events

e& Group continued to achieve unprecedented levels of growth during this remarkable year which witnessed a strong performance and outstanding achievements. In it, e& revealed its new brand and moved ahead in strengthening its international presence and nurturing its investment in the future. In addition, the Company achieved a strategic progress in all its business units and added sustainable value to all stakeholders.



January

Etisalat Crowned Strongest Telecom Brand in the World
Etisalat became the first brand from the MEA region to achieve this global recognition by Brand Finance among 500 global brands. With a telecom portfolio brand value of over USD 12.5 billion, Etisalat also retained its position as both MEA's most valuable telecom portfolio as well as strongest brand across all categories.

Acquisition of eIGrocer
e& completed the acquisition of eIGrocer, strengthening its Smiles online marketplace.

February

Unveiling of New 'e&' Brand Identity
The new brand demonstrates the Group's commitment to become a global technology and investment conglomerate that accelerates the digital transformation journey while empowering societies.

Launch of 'Wio' Digital Bank
e& partnered with ADQ, Alpha Dhabi Holding and First Abu Dhabi Bank (FAB) to launch a new digital banking platform 'Wio'.

May

Investment in Vodafone
e& acquired 9.8% equity stake in Vodafone Group plc ("Vodafone"), in line with the Group's ambition to enhance and develop its international exposure.

UAE Maintains Global Lead in Fibre to the Home Penetration
Supported by e&'s continuous investment in fibre and telecom infrastructure, the UAE ranked number one for the highest Fibre to the Home (FTTH) penetration, maintaining its position atop the rankings that it has held since 2016.

June

Formation of Khazna
e& and G42 completed the transaction to combine their data centres in the UAE, creating the Middle East's largest data centre provider through a new JV under the brand 'Khazna'.

Launch of 'GoChat Messenger'
etisalat by e& launched its GoChat Messenger in the UAE, an all-in-one free voice and video calling app.

July

Rebranding of 'eWallet' as 'e& money'
e& money, a financial super app, is an innovative, end-to-end technology solution serving the financial needs of banked, under-banked and unbanked segments as well as merchants and businesses.

September

Partnership with FORMULA 1 ABU DHABI GRAND PRIX
e& announced a multi-year strategic partnership with Abu Dhabi Motorsports Management, as a founding partner of FORMULA 1 ETIHAD AIRWAYS ABU DHABI GRAND PRIX, the biggest sporting event in the Middle East, bringing the best in entertainment and digital experiences for residents and motorsport enthusiasts alike.

October

Acquisition of Starzplay Arabia
E-Vision and ADQ, an Abu Dhabi-based investment and holding company, successfully completed the acquisition of 57% of Starzplay Arabia, a subscription video on demand (SVSOD) and streaming service provider in the Middle East and North Africa.

Acquisition of Smartworld
e& enterprise announced it has completed its acquisition of 100% of Smartworld, one of the UAE's leading technology solutions providers and systems integrators, which will operate under e& enterprise and be rebranded as 'e& enterprise iot and ai'.

Announcement of e& capital's VC Fund and Latest Deals
e& capital disclosed its latest deals and provided insights into how e& plans to further progress its aspirations as a global technology and investment conglomerate through its USD 250 million e& capital Venture Capital (VC) fund.

November

Etisalat Named 'Most Valuable Emirati Brand' for 2022
e&, formerly known as Etisalat, was named the most valuable UAE brand of the year by the world's leading marketing data and analytics company, topping the list across all categories in the UAE.

Creation of 'GoWell' Rewards-Based Wellness app
e& announced its foray into the consumer digital health space with the launch of 'GoWell,' a fitness and wellness platform designed to empower subscribers to achieve their health and wellness goals while receiving a series of rewards and cashback incentives.

Commitment to Net Zero at COP27
e& committed to achieving a net zero operation by 2030 during its participation at COP27, becoming the first UAE private sector entity to join the UAE's Independent Climate Change Accelerators to expedite its climate to accelerate its climate action efforts and support the UAE's net zero strategy.

December

Increased Investment in Vodafone Group plc
e& announced that it increased its stake in Vodafone Group to 11% of the company's issued share capital.

e& enterprise Enhances Capabilities in Cloud Management
e& enterprise formed a joint venture with Bespin Global to offer cloud managed and professional services in the METAP region.

e&'s Investment Grade Rating Affirmed
S&P Global affirmed e&'s high investment grade credit rating at AA-/Stable Outlook, attributed to the company strong fundamentals.


Group Chief Risk and Internal Audit Officer


Chairman of Audit Committee


Chairman of Nomination & Remuneration Committee


Chairman of the Board of Directors

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