



# Governance Report





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# Introduction

Emirates Telecommunications Group Company PJSC (“e&” or the “Company”) 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 2023.





# 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:

## 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 includes all the provisions and controls which stipulate the criteria and procedures for such membership. It also explains 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 sets an election mechanism for Board membership and defines the cases of membership expiry/termination and filling the vacant seats of the Board of Directors.

## 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://www.eand.com/en/investors/share-information.html>

## 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.

## 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.

## 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. This Policy can be viewed via the following link:

<https://www.eand.com/en/investors/dividends.html>

## 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 defines the confidential information in terms of its nature and how to be treated and preserved. It further clarifies the bases for the communications with other parties.

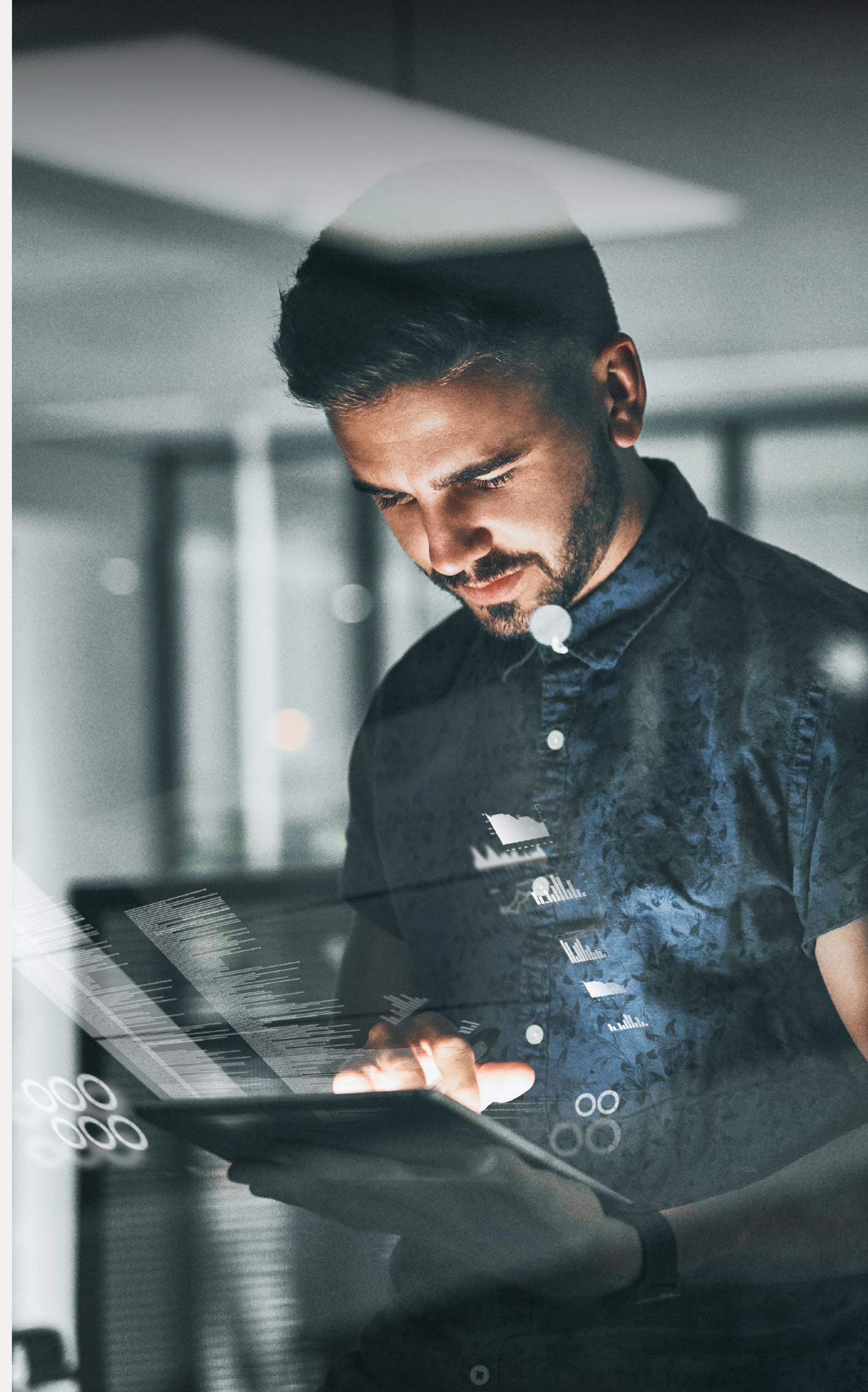
## 7. Policy of Board Members' Conflict of Interest and Related Parties Transactions

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.

## 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 tackles the retainer fees of the Board of Directors and its committees. 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 April 11th, 2023.





# 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.

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. e& Board is distinguished by having none of the executive management in its membership and, according to the Company’s Articles of Association, Group Chief Executive Officer may not, while in position, sit on e& Board. Also, out of e&’s eleven Board members, eight (8) are independent (i.e.73%).

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 effectiveness review is conducted for the Board and its Committees. In 2023, the review was conducted by an international consultancy firm. This review covers the Board composition and structure, its roles and accountability, its culture and dynamics, its process and practices and its relation and interaction with the management. It also looks at the important matters that needs focus and enhancement. Further, training courses and workshops were held for the Board which tackled numerous subjects, among which was a training in Environmental, Social and Governance (ESG) that was attended by seven (7) Board members.

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 Al Mulla	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
Michel Combes	Board Member NRC Chairman IFC Member	Non-Executive & Independent	March 2021
Saleh Abdulla Ahmed Alabdooli	Board Member RC Member	Non-Executive & Independent	March 2021
H.E. Mansoor Ibrahim Ahmed Al Mansoori	Board Member AC Member NRC Member	Non-Executive & Independent	March 2021

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 Al Dhahiri	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 Al Otaiba	Board Member NRC Member	Non-Executive & Independent	March 2015





# Board of Directors (continued)

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, ESG etc. Below are the profiles of the Board members:



**H.E. Jassem Mohamed  
Bu Ataba Alzaabi**  
Chairman, e&

H.E. Jassem Alzaabi has a Master's Degree in Business Administration from London Business School. H.E. Alzaabi currently holds the following positions:

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



**Essa Abdulfattah Kazim Al Mulla**  
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 Smart 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
- 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 - Itissalat Al-Maghrib "IAM" (Maroc Telecom)
- Chairman - Dubai Sports Corporation
- Chairman - Dubai Autism Center
- Board of Trustees - Mohammed Bin Rashid Al Maktoum Global Initiatives "1 Billion Meals Endowment"



**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 and Gulf Capital.

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, National Takaful Co. "Watania" and Zayed University 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.

# Board of Directors (continued)



**Michel Combes**  
Board Member, e&

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

- Executive Vice President – Claire Group
- Board Member - Philip Morris International
- Board Member - Swile
- Board Member – Espace Inc
- Board Member – F5 Inc
- Chairman & CEO – MC Conseil

Further, he previously held the following positions:

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



**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 Al Mansoori**  
Board Member, e&

H.E. Mansoor Al Mansoori 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 currently holds the following positions:

- Member - Abu Dhabi Executive Council
- Chairman - Department of Health in Abu Dhabi
- Board Member - AIQ
- Board Member - Multiply
- Member of Board of Trustees - Mohamed bin Zayed University of Artificial Intelligence (MBZUAI)
- Board Member – Advanced Technology Research Council

Further, he previously held the following positions:

- Group Chief Operating Officer - Group 42 Holding
- Chairman of the Board - Injazat
- Chairman - Bayanat
- Director General - UAE National Media Council
- Board Member - Abu Dhabi Tourism and Culture Authority
- Board Member - Emirates Palace Company



**Sheikh Ahmed Mohd Sultan Al Dhahiri**  
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.



# Board of Directors (continued)



**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.
- 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
- Member - Dubai Collection Steering Committee
- Honorary Chairman of the Board - Ishara Foundation
- Advisory Board Member - New York University, Abu Dhabi



**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

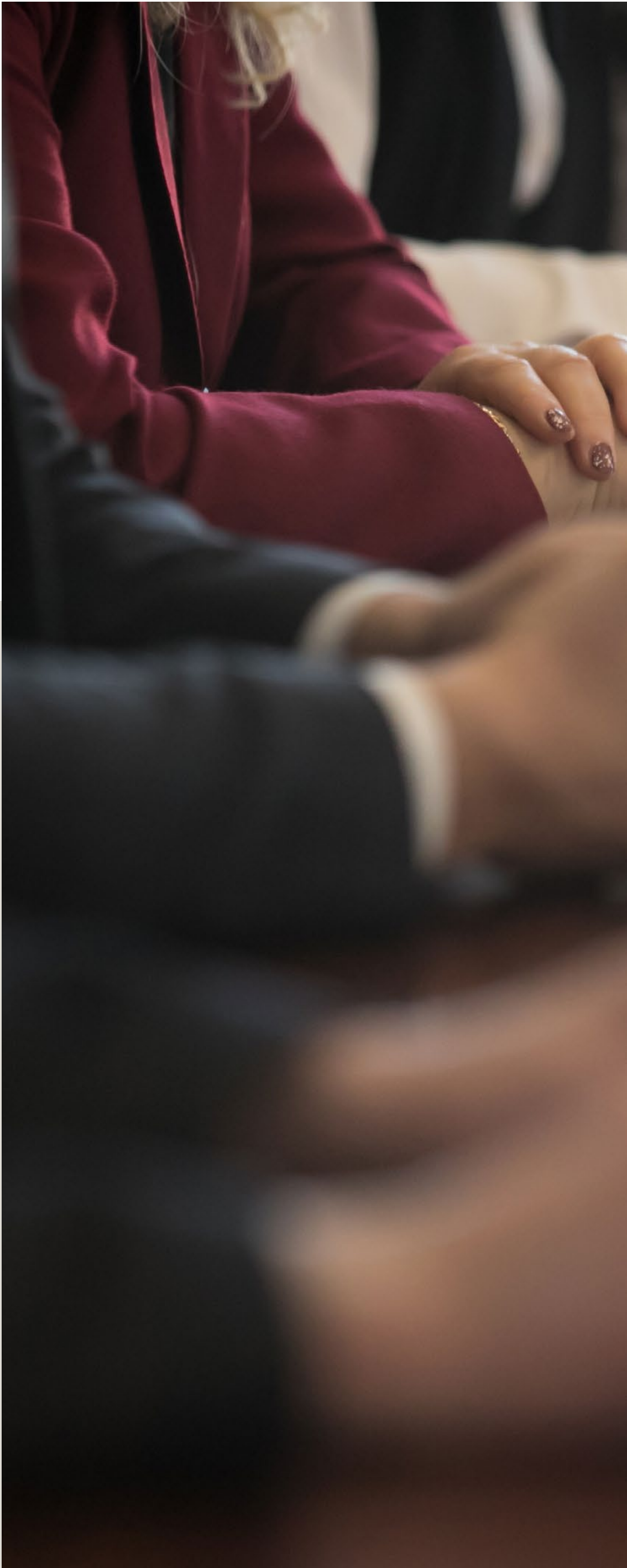


**Otaiba Khalaf Ahmed Al Otaiba**  
Board Member, e&

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.





# Board of Directors (continued)



## Group Corporate Secretary and Board Rapporteur, e&

Mr. Hasan Al Hosani has a vast experience in the legal field spanning more than 24 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 Al Hosani 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.

## Board Members’ Skill & Diversity Matrix

Skills/Experience/ Diversity	H.E.Jassem Alzaabi	Essa Kazim	Hesham Al Qassim	Mariam Ghobash	Michel Combes	Saleh Alabdooli	H.E. Mansoor Al Mansoori	Sheikh Ahmed Al Dhahiri	Abdelmonem Alserkal	Khalid Alrustamani	Otaiba Al Otaiba
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)	3	12	9	6	3	3	3	24	12	9	9
Nationality	UAE	UAE	UAE	UAE	France	UAE	UAE	UAE	UAE	UAE	UAE
Gender	Male	Male	Male	Female	Male	Male	Male	Male	Male	Male	Male
Age (years)	49	64	50	40	61	59	41	52	54	56	49

## Meetings of the Board of Directors

The Board of Directors held six meetings during 2023. The below table shows the Board members’ attendance at these meetings:

Name	6 Mar	28 Mar	2 May	1 Aug	31 Oct	12 Dec
H.E. Jassem Mohamed Obaid Alzaabi	✓	✓	✓	✓	✓	✓
Essa Abdulfattah Kazim Almulla	✓	✓	✓	✓	✓	✓
Hesham Abdulla Qassim Al Qassim	✓	✓	✓	✓	✓	✓
Mariam Saeed Ahmed Ghobash	✓	✓	✓	✓	✓	✓
Michel Combes	✓	✓	✓	✓	✓	✓
Saleh Abdulla Ahmed Alabdooli	✓	✓	✓	✓	✓	✓
H.E. Mansoor Ibrahim Ahmed Almansoori	✓	✓	✓	✓	✓	✓
Sheikh Ahmed Mohd Sultan Aldhahiri	✓	✓	✓	✓	✓	✓
Abdelmonem Bin Eisa Alserkal	✓	✓	✓	✓	✓	✓
Khalid Abdulwahid Hassan Alrustamani	✓	✓	✓	Proxy to Chairman	✓	✓
Otaiba Khalaf Ahmed Alotaiba	✓	✓	✓	✓	✓	✓

\* The Board of Directors passed eight (8) resolutions by circulation in 2023 and it looked at the subjects of these resolutions on the following dates: 25 January, 5 April (two resolutions), 22 May (two resolutions), 19 June (two resolutions) and 7 September.



# 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 an independent and non-executive Board member.

### Audit Committee (“AC”)

To implement the adaptive management structure, an Audit Committee has been constituted. The Committee’s function is to assist the Board of Directors in various sectors, fulfilling its obligations in accordance with its Charter. The Charter serves as a formal directive from the Board, conferring specified duties and responsibilities to the Audit Committee. These duties must be executed in strict compliance with the country’s existing laws and regulations. Moreover, the Charter elucidates the Committee’s powers and roles, its formation process, the conditions for holding its meetings, and the necessary quorum. It also delineates the protocols for the Committee’s decision-making processes.

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&. Further, the Committee assists the Board in monitoring the extent to which the Company abides by code of conduct rules.

Moreover, the AC is responsible for approving and monitoring the implementation of the Internal Audit, and Ethics and Compliance plans. This includes overseeing the audit of data privacy and security, Sustainability review including Environmental Social and Governance (ESG), and supplier compliance. The AC has an oversight and responsibility for issues related to business ethics and ensuring compliance with e&’s Code of Conduct and other Ethics & Compliance

policies. The Code of Conduct is a publicly-facing document which includes various standards, provisions and requirements to ensure adherence to all applicable laws and regulations. The Code of Conduct also sets out e&’s commitment to ensuring all workers receive fair and equal treatment and prohibits the use of any form of forced, bonded, slavery, human trafficking or child labour within our operations or any part of our supply chain. The AC reports all relevant matters including high risks and major control gaps to the Board.

The AC is 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 and one member elected by the General Assembly. The fourth Committee member is an independent external member (Mr. Salem Al Dhaheri). He has over 30 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 imperative to acknowledge that every member of the Committee demonstrates extensive proficiency and specialization in audit, risk, financial, and accounting domains. This proficiency stems from their distinguished academic qualifications, their memberships in the boards of directors of major companies and institutions and the senior administrative and senior administrative or executive roles they occupy, as detailed in their individual profiles.

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.

### AC Meetings

The Committee held nine (9) meetings in 2023. The meetings’ attendance by the Committee members was as follows:

Name	23 Jan*	9 Feb	13 Feb	28 Feb	1 May	28 Jul	23 Oct	30 Oct	11 Dec
Mariam Saeed Ahmed Ghobash (AC Chairperson)	✓	✓	✓	✓	✓	✓	✓	✓	✓
H.E. Mansoor Ibrahim Ahmed Al Mansoori	✓	✓	✗	✓	✗	✗	✓	✓	✓
Sheikh Ahmed Mohd Sultan Al Dhahiri	✓	✓	✓	✓	✓	✓	✓	✓	✓
Salem Sultan Al Dhaheri (External Member)	✓	✓	✓	✓	✓	✓	✓	✓	✓

\*AC-NRC joint meeting

### 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

### RC Meetings

The Committee held four (4) meetings in 2023. The meetings’ attendance by the Committee members was as follows:

Name	31 Jan	10 Apr	11 Jul	26 Oct
Hesham Abdulla Qassim Al Qassim (RC Chairman)	✓	✓	✓	✓
Essa Abdulfattah Kazim Al Mulla	✓	✓	✓	✓
Saleh Abdulla Ahmed Alabdooli	✓	✓	✓	✓
Khalid Abdulwahid Hassan Alrustamani	✓	✓	✗	✓

### 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 or the Committee, according to the adopted authority matrix, approves the compensations and remunerations of the group chief executive officer as well as e& key executives. 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

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 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 Chairperson. 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.

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 NRC assists the Board in 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.



# Committees of the Board of Directors (continued)

## NRC Meetings

The Committee held eight (8) meetings in 2023. The meetings' attendance by the Committee members was as follows:

Name	23 Jan*	21 Feb	6 Mar	4 Apr	18 Jul	26 Sep	21 Nov
Michel Combes (NRC Chairman)	✓	✓	✓	✓	✓	✓	✓
Essa Abdulfattah Kazim Al Mulla	✓	✓	✓	✓	✓	✓	✓
H.E. Mansoor Ibrahim Ahmed Al Mansoori	✓	✓	✓	✓	✗	✗	✓
Otaiba Khalaf Ahmed Al Otaiba	✓	✓	✓	✓	✓	✓	✓

\*NRC held two meetings on 23 Jan. One of them was an AC-NRC joint meeting.

## 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 and technology industry and has a shareholding in many companies such as “Maroc Telecom”, e& UAE, e& Egypt, “Mobily” and many other companies. This necessitated the Board to constitute this Committee to assist it in undertaking its duties pertaining to such 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 management-free and 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.

## IFC Meetings

The Committee held eight (8) meetings in 2023. The meetings' attendance by the Committee members was as follows:

Name	14 Feb	28 Mar	4 Apr	2 May	18 Jul	1 Aug	26 Sept	12 Dec
H.E. Jassem Mohamed Obaid Alzaabi (IFC Chairman)	✓	✓	✓	✓	✓	✓	✓	✗
Hesham Abdulla Qassim Al Qassim	✓	✓	✓	✓	✓	✓	✓	✓
Mariam Saeed Ahmed Ghobash	✓	✓	✓	✓	✓	✓	✓	✓
Michel Combes	✓	✓	✓	✓	✓	✓	✓	✓
Abdelmonem Bin Eisa Alserkal	✓	✓	✓	✓	✓	✓	✓	✓

# 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 the remunerations of the Board of Directors to the Company’s performance where such remunerations are 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 2022 amounted to AED 32,594,000, while the Board remunerations for the year 2023 amounted to AED 28,578,000, which constitute around 0.26% of the net profit after deducting both depreciations and reserves. It is worth mentioning here that the Board members did not receive attendance allowance for Board and its Committees' meetings.

Below are the details of Committee membership fees for each member:

Board Member	IFC	NRC	AC	RC
H.E. Jassem Mohamed Obaid Alzaabi	926	–	–	–
Essa Abdulfattah Kazim Al Mulla	–	463	–	309
Hesham Abdulla Qassim Al Qassim	772	–	–	370
Mariam Saeed Ahmed Ghobash	772	–	370	–
Michel Combes	772	370	–	–
Saleh Abdulla Ahmed Alabdooli	–	–	–	463
H.E. Mansoor Ibrahim Ahmed Al Mansoori	–	463	309	–
Sheikh Ahmed Mohd Sultan Al Dhahiri	–	–	463	–
Abdelmonem Bin Eisa Alserkal	772	–	–	–
Khalid Abdulwahid Hassan Alrustamani	–	–	–	463
Otaiba Khalaf Ahmed Al Otaiba	–	463	–	–

\* All values in thousand dirham  
 \*\* There is no attendance fee for the Committee meetings.



# 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, Vice Chairman and Members of the Board of Directors and their spouses and children since they are subject to the above-mentioned policy given that they are deemed part of the Insiders’ definition including, Chairman, Vice 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 2023 and their holding of such shares as of the end of the year:

Name	Position/ Kinship	Shares Held as at 31/12/2023	Total Sold Shares in 2023	Total Purchased Shares in 2023
H.E. Jassem Mohamed Obaid Alzaabi	Chairman	2,010,357	0	0
Essa Abdulfattah Kazim Al Mulla	Vice Chairman	0	0	0
	Spouse	241,595	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
Michel Combes	Board Member	0	0	0
Saleh Abdulla Ahmed Alabdooli	Board Member	30,184	0	0
H.E. Mansoor Ibrahim Ahmed Al Mansoori	Board Member	0	0	0
Sheikh Ahmed Mohd Sultan Al Dhahiri	Board Member	14,519	0	0
	Spouse	459,224	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 Al Otaiba	Board Member	12,313	0	0

# Executive Management

The Executive Management 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 of 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 remunerate-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 computing the STI. Notably, the Group Chief Executive Officer’s scorecard for 2023 includes several components, including ESG.

## Salaries and Remunerations of Executive Management

The details of e& key Executive Management members, their joining dates and gross salaries and remunerations paid for the year 2023 are outlined below:

Position	Joining Date	Total Salaries & Allowances	Other Benefits¹	Annual Bonus for 2023
Group Chief Executive Officer	27-Sep-2015	5,400,000	169,280	9,801,000
Group Chief Financial Officer	01-Aug-2013	2,808,000	1,131,724	3,700,000
Group Chief Operations Officer	02-Sep-1998	2,700,000	210,058	4,500,000²
Group Chief Legal & Compliance Officer	26-Dec-2010	1,839,999	326,955	1,800,000
Group Chief Human Resource Officer	24-Nov-2020	2,400,000	97,745	3,000,000
Group Chief Strategy Officer	01-May-2023	1,800,000	1,496,374	2,200,000
Chief Executive Officer, e& UAE	29-Aug-2021	3,144,000	232,827	6,000,000
Chief Executive Officer, e& international	01-Mar-2022	2,750,400	29,400	3,100,000
Chief Executive Officer, e& enterprise	03-Nov-2013	3,000,000	194,755	4,200,000
Chief Executive Officer, e& life	19-Jun-1993	2,995,529	110,000	4,250,000²

All values in AED

¹ Other benefits include, as applicable, education reimbursement, vacation allowance, home travel allowance, one-time retention bonus and joining bonus. The employees are also entitled to additional benefits like medical insurance and gratuity or pension (as applicable) and telephone rebate.  
² It includes the deferred compensations paid in 2023 against the Long-Term Incentive Plan (LTIP) for the cycle 2019-2021.



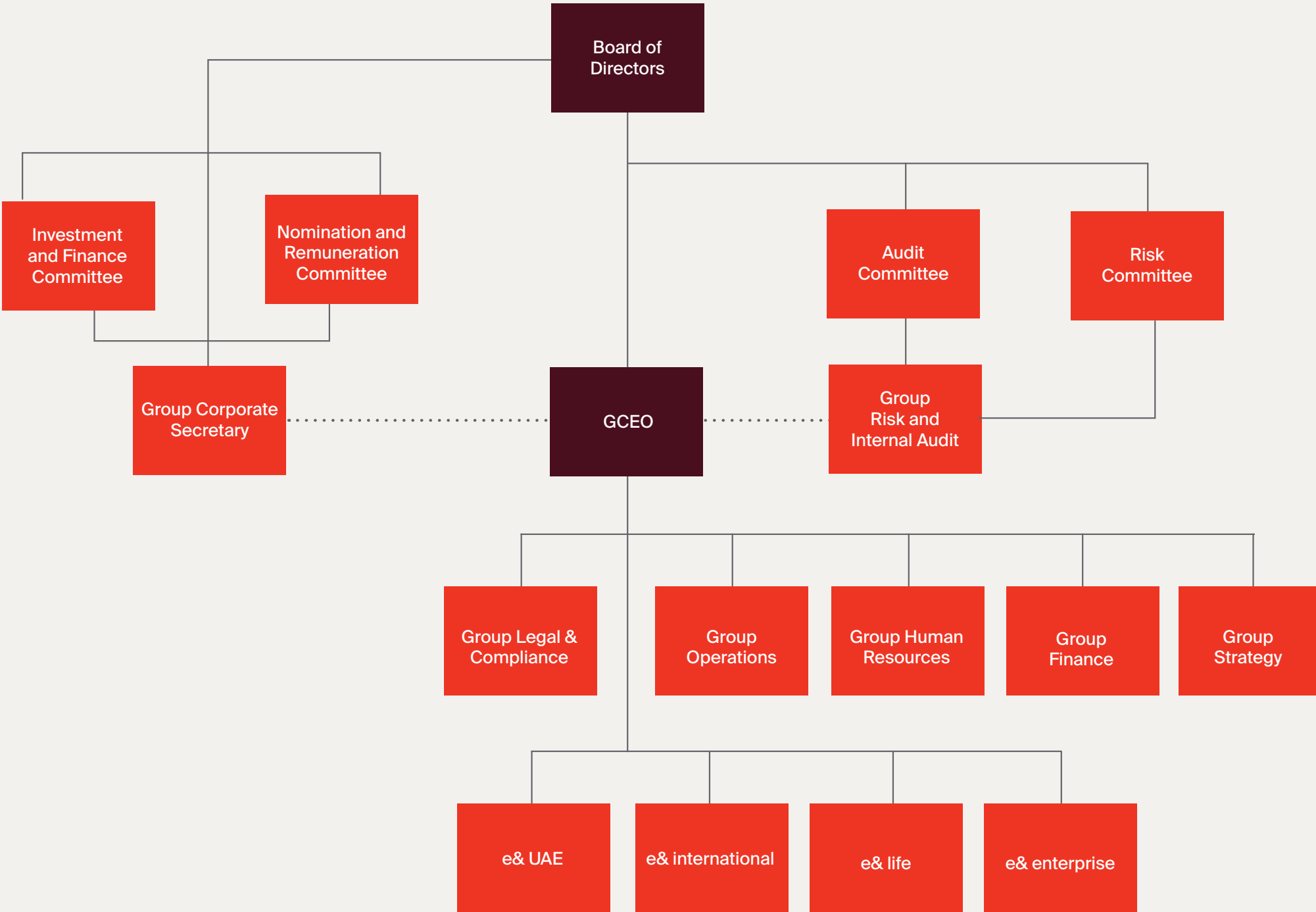
# Executive Management (continued)

### Nationalisation Rate and 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, as it increased from 51.2% in 2021 to 51.5% in 2022 and hit 52.5% in 2023.

In addition to Emiratisation, we also value gender diversity and as an equal opportunities employer we have actively worked to ensure gender equity in our policies and practices. In 2023, the total female cadre increased to 25.8% from 24.6% in 2022.

### e& Organisation Structure



\*AC-NRC joint meeting

# Related Party Transactions

e& did not conduct any transactions with Related Parties in the year 2023 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://www.eand.com/en/investors/annual-reports.html>





# Internal Control and Audit

The Board of Directors is responsible for the Company’s internal control system, its annual review and ensuring its efficiency. Therefore, they oversee designing, implementing, and maintaining the internal control system, and set the governance roles and frameworks to supervise e&’s risk management and assurance and to ensure the adequacy and effectiveness of the internal control system.

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

### 1. First Line of Defence

The frontline business functions, governed by policies, procedures, code of business ethics and delegated mandates as approved by the Board of Directors, are the first line of defence. 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 Defence

#### 2.1 The Enterprise Risk Management

The Enterprise Risk Management (Risk) function constitutes part of the second line of defence and 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. Risk, alongside other specialized oversight functions, shares the common purpose of contributing to a robust control environment.

Risk engages with stakeholders across the business to maintain effective risk management practices in line with the Board-approved Group-wide Risk Charter, Policies, and Frameworks. Risk provides Management 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 e& Management and the Board 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; and
- Create greater risk awareness and enhance the e&’s ability to respond accordingly.

Risk Management reports directly to the e& Board of Directors which, in turn, has authorized the Risk Committee to oversee Risk Management in e&. The aforesaid supervisory duties of the Committee include, but are not limited to, the establishment and maintenance of:

- A Group Risk Profile that fairly represents the significant risks and opportunities across e& and it’s 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 to mitigate unacceptable risk exposures; and
- A risk and compliance culture of continuous improvement in relation to process efficiency and awareness of risk management.

The Group Chief Risk and Internal Audit Officer (GCR&IAO), Mr. Mohamed Dukandar, oversees the functions of Enterprise Risk Management, Internal Audit, Preventative Fraud Risk Management and Special Audit. Mr. Dukandar is a Chartered Accountant (CA), Certified Internal Auditor (CIA) and Certified Control Self Assessor (CCSA) and has experience of over 27 years in the fields of governance, risk management, compliance, insurance and internal audit at reputable companies, especially in telecom industry. Mr. Dukandar is currently a member in the Audit Committees of PTCL, PTML, Etisalat Afghanistan and e& Egypt. Beyond these responsibilities, Mr. Dukandar also plays an integral role in oversight of the governance structure of Etisalat Services Holding. Mr. Dukandar has assumed the role as Group Chief Risk and Internal Audit Officer since 2016.

#### 2.2 Ethics & Compliance

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

The function’s main objective is to foster a culture where ethical values and compliance responsibilities take centre stage in decision-making. This involves the following key initiatives:

- Designing and executing an Ethics and Compliance programme that effectively identifies, evaluates, and mitigates risks related to compliance.
- Formulating and executing e&’s ethics and compliance policies and guidelines.
- Encouraging open communication channels for reporting potential ethical breaches.
- Cooperating with various departments to ensure the enforcement of standards and regulations.
- Offering advice to management on the potential effects of new laws and regulations on e&’s operations.
- Advocating a culture of integrity and ethical conduct throughout e& and its Operating Companies.
- Providing information, training, and awareness to promote and embed a compliance culture.

The function is headed by Ms. Brooke Marie Lindsay. She is a highly experienced professional in telecommunications and legal fields, and has served as the Group Chief Legal and Compliance Officer for e& since December 2021. Before this, she was General Counsel for e& International. Prior to joining e& in 2010, she worked with a number of esteemed independent and global law firms. Brooke holds directorial position at the PTCL Group. She has also served as Director in Khazna Data Centers, the iMENA Group and Thuraya Telecommunications

Company and as a committee member at Etisalat Nigeria. Brooke is an alumna of Bond University in Australia where she earned a Bachelor’s degree in Law and Accounting. Ms. Brooke has been e&’s Compliance Officer since January 2022.

Ethics and Compliance function also reports to the Audit Committee. The supervisory duties of the Committee include, but are not limited to, the establishment and maintenance of:

- 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; and
- Mechanisms to verify adherence to policies and processes for legal and regulatory obligations.

#### 2.3 Preventative Fraud Risk Management

The Preventative Fraud Risk Management (PFRM) team is an essential component of the second line of defence, shouldering the responsibility for identifying and mitigating potential fraud risks across e& while overseeing the verification processes that affirm the efficacy of the internal control environment. The PFRM collaborates closely with other specialized supervisory functions, with the shared objective of strengthening a resilient control environment. The team also sponsors and delivers various initiatives that promote fraud prevention, such as conducting Fraud Risk Assessments across the e& Group, the international fraud awareness week, training and awareness sessions.

### 3. Third Line of Defence

#### 3.1 Internal Audit

Internal Audit, the third line of defence in e&, provides objective assurance and insight on the adequacy and effectiveness of risk management, internal control and governance processes.

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 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. According to the International Professional Practices Framework (IPPF) developed by The Institute of Internal Auditors (IIA), external assessments should be conducted at least once every five years. This is a practice that is adhered to by Internal Audit.

#### 3.2 Special Audit

The Special Audit Team acts as a crucial part of the third line of defence and a critical cornerstone within the corporate defence mechanism, carrying the essential responsibility of investigating and exposing fraudulent activities within e&. An integral part of this team’s function is the establishment and maintenance of a robust whistle-blower program, designed to encourage the reporting of any suspicious activities, guarantee anonymity, and protect whistle-blowers from any form of retaliation. The team collaboratively operates with other specialized oversight entities, with the shared objective of strengthening a fortified and transparent operational environment.

Internal Audit and Special Audit are independent from the Executive Management, reporting directly to the e& Board of Directors which, in turn, authorized the Audit Committee to oversee the Internal Audit and Compliance functions. The aforesaid supervisory duties of the Committee included, but are not limited to:

- Approving the risk-based internal audit plan, activity budget and resource plan;
- Monitoring effectiveness of Internal Audit;
- Studying internal audit reports and follow-up implementation of corrective measures arising from such reports;
- Review and assess internal control and risk management systems in e&;
- Consider the results of primary investigations in internal control issues;
- Review of the auditor’s assessment of the internal control environment; and
- Enable e& staff to confidentially report any potential violations in financial reports, internal control or any other issues and the procedures sufficient for conducting independent and just investigations concerning such violations.

#### Excellence & Recognition

The function maintained its leadership in Internal Audit throughout 2023, with key staff members participating in the global and regional conferences organized by the professional bodies, e.g., ‘IIA’s 2023 International Conference’ in Amsterdam, the ‘IIA’s Regional Conference’ in Dubai, the ‘IIA’s Great Audit Minds conference’ in Abu Dhabi, and the regional conference of the ‘Association of Certified Fraud Examiners’ held in Dubai. In 2022, the function won the ‘Leading Practice Award’ from the IIA-UAE. Furthermore, prior to 2022, the Internal Audit department has been acknowledged with accolades at global and regional professional conferences organised by the IIA. These participations and awards reflect the function’s dedication to excellence, continuous improvement, and its recognition for implementing practices and standards.

It is the vision for Risk and Assurance to become a professional practice leader across the technology industry and the risk and audit profession.



# Internal Control and Audit (continued)

**Reporting to those Charged with Governance**

For 2023, thirteen (13) risk and audit reports have been shared with the Audit Committee, which included; an annual report summarizing the assurance activities for the year, quarterly reports on Internal Audit and Special Audit & Investigation activities. Further, six Risk Management reports have been shared with the Risk Committee, which included; quarterly reports on the company risk profile and a report on the ERM charter and policies. On an annual basis, a risk-based Assurance plan is developed and submitted to Risk and Audit Committees for approval. e& Group Ethics and Compliance team provides timely and reliable confirmation of the viability, efficacy, and effectiveness of controls to ensure compliance with legal and ethical standards. This includes:

- Conducting an annual assessment of the efficiency and effectiveness of the Ethics and Compliance Programme.
- Updating the Management and the Audit Committee on the state of the Ethics and Compliance Programme. This involves reporting significant compliance risks, non-compliances, control issues, and the progress made in rectifying any deficiencies.

In 2023 the Ethics and Compliance Function presented a total of eleven reports to the Audit Committee. These include:

- An annual report summarising the Function's activities for the year.
- Four quarterly Ethics and compliance reports.
- Two compliance review implementation status reports.
- Three ISO 37001 ABMS-2023 – certification audit reports.
- One in-country independent third-party review.

**Key Risk & 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.
- 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&. 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. In 2023, Internal Audit provided assurance over key themes, which included:

- Cyber and information security.
- Data governance.
- Emerging technologies.
- IT governance and compliance.
- Regulatory and compliance.
- Network and technology.
- Human Resources (HR).
- Financial performance and Revenue protection.
- Governance.
- Sustainability.
- Customer Experience.

Risk, Internal Audit and Compliance are not aware of any material misstatements or irregularities faced by the Company that have not been disclosed in 2023 Consolidated Financial Statements.

# 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 11th April 2023 approved the appointment of “KPMG Lower Gulf Limited” as the Company’s external auditor for the year 2023. 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 organization of independent professional services firms providing Audit, Tax and Advisory services across a wide range of industries, Government, public sector agencies and non-profit sectors.

KPMG firms operate in 143 countries and territories and have more than 273,000 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 Limited, an English private company limited by guarantee. KPMG International Limited acts as the coordinating entity for the overall benefit of the KPMG member firms but does not provide professional services to clients.

KPMG is widely represented in the Middle East: along with offices in the UAE and Oman, the firm operates in Saudi Arabia, Bahrain, Kuwait, Qatar, Egypt, Jordan, Lebanon, Palestine and Iraq. The KPMG member firm in the UAE, along with the Oman member firm, are associated with KPMG Lower Gulf Limited. Established in 1973, KPMG Lower Gulf Limited consists of 1,700 staff members, including over 150 partners and directors, across nine offices.

KPMG Lower Gulf Limited 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.

**External Audit Fees, Services & Costs**

Below are the details and breakdowns of the external audit fees and other advisory services fees incurred during 2023 for Emirates Telecommunications Group Company PJSC (i.e. the Parent Company):

- The external audit services' fees for 2023 are amounting to AED 2,510,070. 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 the Parent Company's External Auditor in 2023 other than the audit tasks are amounting to AED 1,945,571. These fees are for updating the Global Medium Term Note (GMTN) & audit of regulatory financial statements for the Parent Company.
- The fees paid/payable for services which were delivered in 2023 by other audit firms– other than the Parent Company's external auditors – are amounting to AED 26,399,728. These fees were against advisory services. The companies which delivered these services were as follows:

- i. Pricewaterhouse Coopers
- ii. Deloitte & Touche Middle East
- iii. Ernst & Young

**External Audit Qualified Opinions on Interim & Annual Consolidated Financial Statements of the Year 2023**

The external auditor did not state any qualified opinions on the interim and annual consolidated financial statements of the year 2023.



# Violations

During the year 2023, the Company received two violation decisions from the Telecommunications and Digital Government Regulatory Authority (TDRA) as follows:

- One violation decision in relation to mobile number portability instructions.
- One violation decision in relation to call spoofing.

The Company allocated resources and carried out enhancements into its systems and processes to address these requirements to TDRA's satisfaction and work is still ongoing to ensure full and continued compliance through implementing adequate controls to eliminate recurrence of any such violations.



# e& UAE Corporate Social Responsibility

In 2023, community development remained a major priority to e& UAE 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. In doing so, e& deployed volunteers in different events and community laid initiatives where 2716 hours of volunteering service were spent. This section tackles in detail the areas in which we reached out to our community.

A summary of CSR activities of the year 2023 is as follows:

### Social & Community Development

- UAE SWAT Challenge - Dubai Police
- Al Madam Shopping Festival
- Fujairah Foundation for regions Development
- Dubai Can Public Water Station
- Ramadan Ajman Activities
- Emirates Labour Awards 2023
- Elderly Persons Day
- UAE National Debts
- e& money Application Volunteers Support
- Emirates Red Crescent Winter Campaign
- Emirates Red Crescent Ramadan Campaign
- e& Network Equipment Support to Turkey Cell
- MBRSC-Second UAEAP Mission
- 1 Billion Meals Endowment
- Make a Wish Foundation
- MBRSC Spacewalk Campaign
- Autism Day
- Zayed Humanitarian Day
- 1st May 2023 International Workers Day
- Africa Day
- Emirati Children Day
- MBRSC - Back to Earth Campaign
- MBRSC - Back to UAE
- Participation in Career Fair
- Back to School Campaign

Contribution value: AED 8.75m

### Innovation, Education & Health

- International Scientific Conference Rare Syndromes Associated with Disability
- Ajman International Education & Training Exhibition

- Etisalat Award for Children Book
- Mohamed Bin Rashed Library
- Bug Bounty Competition
- AUS Alumni Silver Reunion - American University of Sharjah
- MOHAP - Breast Cancer Awareness Month
- Breast Cancer - e& Staff Campaign
- Sharjah International Book Fair
- Code.org
- "I Speak Code&" children's coding bootcamp Campaign
- TDRA Summer Camp
- Dubai Cares "From Crisis to Classrooms Campaign"
- World MS Day
- Virtual Cyber Security Awareness Session
- e& Digital Campaign
- Blood Donation Drive
- Medical Donation Box
- Schools & Universities GITEX visit
- Education and Water Campaigns ERC SMS Campaign

Contribution value: AED 7.23m

### Cultural & Environment Support

- 10th Fujairah International Monodrama Festival and the 36th General Conference of the International Theatre Association
- e& Plant a Mangrove Tree
- Indian Festival
- e& internal Zero Plastic Bottles initiative
- Earth Hour
- Casting call for HR video shoot
- Adha Campaign
- Emirati Women's Day - General Women's Union
- She& Campaign - Volunteer Support
- Tarahum for Gaza Campaign (supported through Internal Communications, Smiles Application & GoCaht Application)
- Fujairah Charity Association addition to Smiles Application
- Awqaf Department addition to Smiles Application
- Bridges of Giving Campaign
- Ras Al Khaimah Plastic Free Campaign

Contribution value: AED 1.34m

### Sports & Youth

- UAE Football Association
- UAE Cycling Team
- 29th Abu Dhabi Chess International Festival
- e& volunteers for 3 SMB business events
- GITEX volunteers
- Industrialist Career Exhibition
- COP28 volunteers
- Formula 1 volunteers

Contribution value: AED 11.84m

Total spending on all CSR activities for the year 2023 is: AED 29.16m



# Investor Relations

In light of the Group’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](mailto: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](mailto: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 report internally for the proper disciplinary actions; and
- k. Carry out a review of the policy on a periodic basis.

During the year 2023, the Committee enhanced its e-services platform and built a rigorous and continuously updated insider trading database.





# General Assembly and Special Resolutions

The General Assembly (GA) is composed of all the shareholders and exercises all the powers granted thereto under the Company's Incorporation Law (Company Law) and its Articles of Association ("AoA"), as amended.

The General Assembly of the Company is in charge of all the matters related to the Company as stipulated in the Company's Incorporation Law and in its Articles of Association, and is entrusted, among other matters, with approving the annual report on the Company's activities, the Company's financial position during the preceding financial year, appointing external auditors, determining their fees and approving their reports and discussing and approving the balance sheet and the profit and loss accounts for the previous year. The GA also has the power to approve the Board of Directors' recommendations with regard to dividend pay-outs and bonus shares, if any.

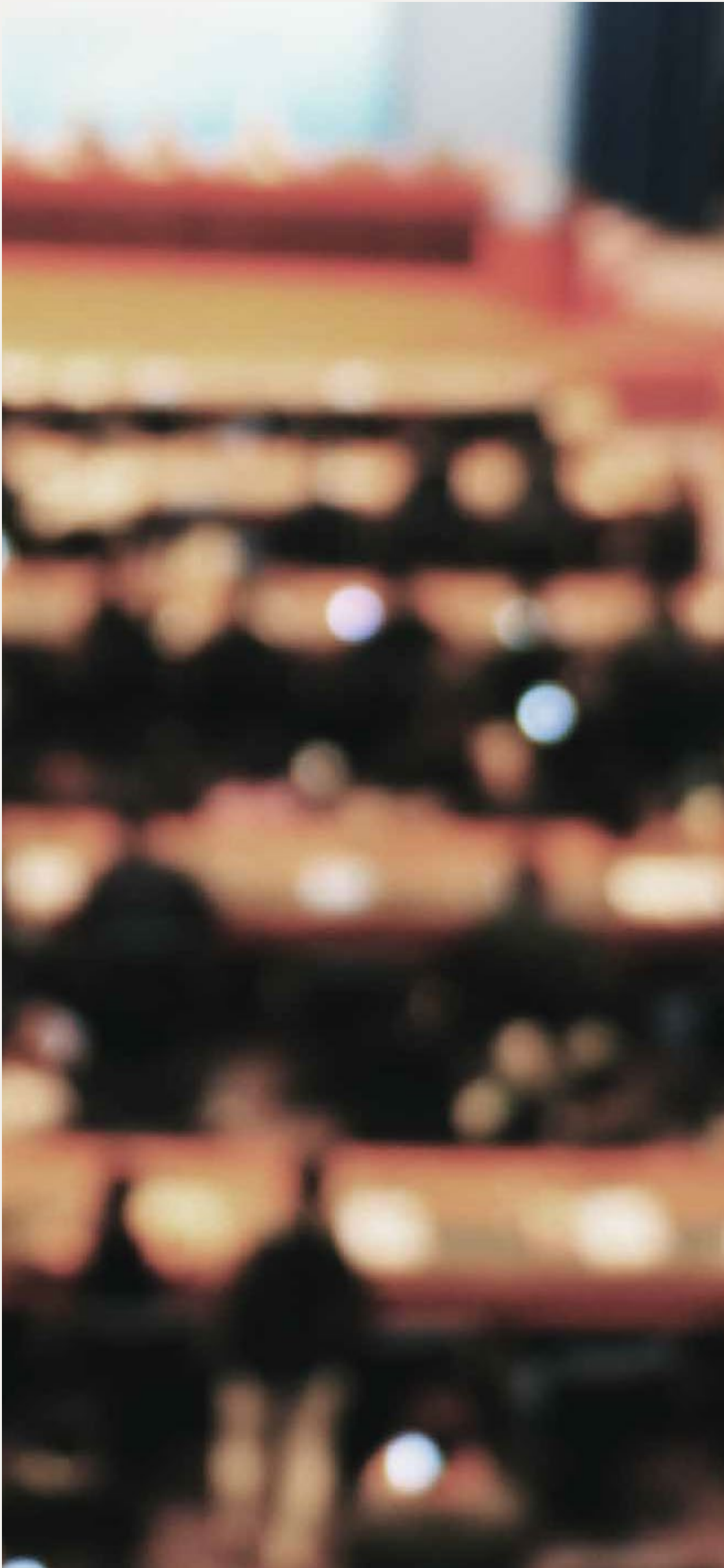
The General Assembly is vested with the authority to elect the Board Members who are not appointed by the Government Shareholder (Emirates Investment Authority "EIA") and to review and set Board members' remunerations. The GA is the authority that absolves Board members and external auditors of liability, discharges them, or files liability lawsuit against them, as the case may be.

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 GA for the fiscal year 2022 was held on 11th April 2023.

## Special Resolutions

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 General Assembly meeting which was held on April 11th, 2023 passed one Special Resolution; namely, "the approval on a budget of not more than 1% of the Company's net profits of the last two years (2021-2022) for voluntary contributions to the community (Corporate Social Responsibility), and to authorize the Board of Directors (with the right to subdelegate) to effect the payments of such contributions to the beneficiaries determined at its own discretion.



# Innovative Initiatives

Innovation is at the heart of what we do in e& UAE and 2023 has been no different. In October we have launched the world's first AI Powered Autonomous Telecom Store but this is just the tip of the iceberg as we have had a stellar year of achievements and initiatives across our whole organization.

We are always striving to exceed our customers' increasing expectations whilst also anticipating future trends and building capabilities to meet future demands. Below is a snapshot of what we have achieved in 2023:

## 1. Internal Innovations:

### Technology Innovation

- 1. Internal Automation of Business Processes and Tasks using RPA** – The Business Department has implemented 100+ use cases related to Robotics Process Automation (RPA), which are anticipated to automate multiple Business Processes and Routine Tasks, and hence, significantly enhance internal operations.
- 2. AI based Use Cases** – The Business Department has delivered multiple Artificial Intelligence (AI) based use cases for CVM (Campaign Value Management), and internal digitalization. These use cases are related to several internal activities – such as Billing Forecast, P&L Forecast, Account Strategy, Customer Segmentation, Target Testing, Discounting Framework, Commissioning, Churn Management, Bad Debt Prediction, and Credit Score – which are anticipated to enhance the workflows, improve accuracy, and uplift the work efficiency through automation of manual processes, and using Machine Learning for more accurate predictions.
- 3. Agile Transformation** – The project is aimed at reducing the Time to Market (TTM). Under this initiative the Agile Delivery Model has been adopted for Prepaid/ Postpaid/ eLife/ CVM, which resulted in TTM Reduction by >30%.
- 4. Bill Explainer** – Postpaid is premium segment of mobile base. One of regular communication with customers is through their monthly bills. Consumer team worked to simplify the in app billing experience of customers.
- 5. EASE - World's 1st AI Powered Autonomous Telecom Store** – Successful launch of the first autonomous Telecom store globally. Powered by AI and using state of the art technologies including computer vision, facial recognition, smart gates, robotics, smart-shelves and smart dispensing machines. The store provides seamless customer experience through Pay & Pick and Pick & Go journeys.
- 6. AI First Strategy** – Initiated a major Corporate Digital AI Transformation program, based on AI technology, as part of corporate AI First strategy that will span over three years. In 2023, more than 400 use cases have been deployed. As part of the program we have also initiated our Citizen X to upskill and empower our workforce to build and deploy AI use cases.
- 7. Global Leadership – Fixed & Mobile:** e& UAE helped UAE maintain its position as the fastest country in Mobile Speeds and the seventh fastest globally and fastest in MENA for Fixed Broadband Speed (according to Ookla Global Index). Dubai was recognized as the fastest city in mobile speeds, while Abu Dhabi was recognized as the fastest city for Fixed.

- 8. 5G mmWave Deployment** – e& UAE is the 1st Telco in the world to have achieved live mmWave deployment. e& UAE has successfully deployed a live mmWave site over 10 Kms providing state of art coverage extension with superior speed. The 5G mmWave is poised to unlock new capabilities for consumers and enterprises with faster speeds, lower latency and deployment flexibility.
- 9. "400G"@ Super C+L" Transport Network Trial** – First world-wide successful completion of "400G@ Super C+L" transport network trial conducted in partnership with Huawei marking a significant milestone in network capacity, efficiency & supporting green development initiatives.

### Channels

- 1. Curated business segment** – Launch of SOHO and Elite Business Segments – targeting both segments including Start-Ups and established businesses with tailored solutions, elevated Customer experience and personalized care
- 2. Trade in Machines** – e& has become the first company in the MENA region to introduce its seamless trade in program. Through e& "Trade-in ATM Machines" customers can easily exchange their old devices against Smiles points. This program not only encourages customer loyalty, but also promotes environmental sustainability by reducing waste and encouraging responsible disposal of electronic devices. The first machines were deployed in our first Autonomous store EASE and COP28 Venue.
- 3. Service Now** – Unified Multicloud Marketplace with self-service onboarding and enabled autoscaling of resources. Achieved business benefits by 60% saving in Time to market, 20% reduction in incident analysis and resolution time, maximize user experience and minimize operational cost.
- 4. BSS Stack Transformation** – Kickstarted a major program to transform and simplify the full business support systems stack. The program aims to enable, Low Code –No Code features, coherent customer management systems, and integrate fulfilment & digital journey management using a unified platform with the ultimate goal of improving agility and customer experience.



# Innovative Initiatives (continued)

Products

1.

**UTAP** - A powerful digital payment solution that empowers businesses of all sizes with access to simplified collections and streamlined automation.
2.

**Microsoft Teams Direct Routing** – A contemporary fixed voice solution replacing the traditional legacy voice services with cloud-based carrier-grade calling functionality by enabling PSTN calling on Microsoft Teams via Direct Routing.
3.

**5G Wireless Line** – Launched in January 2023 enables advanced vertical specific use-cases and provide high end CPEs, backhaul & managed services support to ensure higher uptime & secure connectivity for customers, including businesses, government, industrial and other industries. The solution is already deployed for several Healthcare, Construction and Media verticals.
4.

**Smiles** – Smiles continues to grow at an impressive pace, and received new and exciting additions in 2023:

a.

**Launch of Smiles Market** – Offering a wide selection of products with in-stock guarantee promise to our customers. At the same time, Smiles expands the marketplace to include pharmacies.

b.

**Launch of Home Services** – Following acquisition of Servicemarket by Smiles in early 2023, a broad selection of home services, (45 services to date) were launched on Smiles app, including cleaning, home improvement, laundry, luxury spa and health services.Convenience of the services attracted customers and achieved significant growth in transactions in less than a year.

c.

**Expansion of our dedicated delivery fleet & capabilities** – In order to improve customer experience and to optimize delivery distance, Smile launched food deliveries via its own Smiles-Champions fleet.

2. External Innovations

1.

**National Program for Establishing Businesses** – Launched in Q4 2023 with the program’s objective of empowering 100% local-owned businesses and Emirati Entrepreneurs as e& Channel Partners to unleash their potential and lead the UAE’s Economic Development, in line with the UAE national agenda. Participants will enjoy the privileges of being and Authorized Channel Partner, including access to training, technical and administrative expertise, and being featured on all related marketing collaterals. With more than 10 partners either onboarded or in the pipeline by the end of the year.

2.

**Hello Business Pitch** – We concluded the third iteration of the program that provides our SMB customers the opportunity to grow and scale their business to new heights by pitching their journeys and business model that haven’t commenced operations yet.

3.

**Sustainability**  
The **Climate Action** Projects, implemented by e& UAE in the UAE, include the use of the latest generation of energy-efficient radio equipment with advanced Artificial Intelligence features to optimize energy consumption for different traffic loads while maintaining network performance. e& UAE continued to invest in conversion of indoor sites to outdoor free cooling solutions, reducing the GWP (Global Warming Potential) of refrigerants by recovering, recycling and reusing refrigerant gases, and using on-site renewable energy through solar panels and hybrid power solutions for off-grid sites to replace and reduce the use of diesel generators. Over 25K mtCO2e abatement capacity achieved with focused Initiatives by developing Renewable Energy sources and by introducing Energy Efficient, Energy Optimization solutions across the Network domains, delivering over 23% reduction in emissions with the accelerated de-carbonization program.

1.

**Mobile site sustainability towards net zero vision** – e& UAE through strategic alliance with partners deployed the first net zero 5G Massive MIMO site and Zero-Footprint radio access network (RAN) in the MENA region at Dubai EXPO City, the landmark venue of COP28. The pilot implementation demonstrated a reduction in energy consumption on a site level by 47%, which is equivalent to a 15 tones reduction in carbon (CO2) emissions per year. In line with e&’s sustainability strategy, the Zero Footprint deployment focuses on carbon emission reduction, energy efficiency enhancement and resource conservation, which is aligned with the objectives of UAE Net Zero by 2050 Strategic Initiative.
2.

**Sustainability Through Network Modernization at COP28 EXPO City** – As part of COP28 event preparations, e& UAE upgraded 56 Mobile network sites with the latest sustainability focused features which resulted in reducing space requirements by 66% and improving energy efficiency by between 10%-30%, leading to reduction of 64 tons of CO2 emissions per year.
3.

**Eco SIM Packs** – In alignment with e&’s Sustainability strategy, Eco friendly SIM cards and packs were launched prior to COP28.

# General Information

This part of the report tackles the information related to the holdings of e& shares and its performance in the year 2023.

Price of e& Share in 2023

The below table shows e& share price in 2023:

Date	Open	High	Low	Close
1-2023	25.5	25.8	25.2	25.7
2-2023	25.4	25.6	24.8	25.5
3-2023	22.6	22.7	22.1	22.1
4-2023	24.2	24.5	24.0	24.0
5-2023	23.6	24.1	23.1	23.1
6-2023	22.4	22.4	22.2	22.4
7-2023	22.4	22.4	22.3	22.4
8-2023	19.9	20.1	19.8	19.8
9-2023	20.5	20.9	20.4	20.4
10-2023	18.5	18.6	18.3	18.5
11-2023	19.3	19.6	19.2	19.3
12-2023	19.9	19.9	19.1	19.6

Note: Share price as at the end of each month in AED.

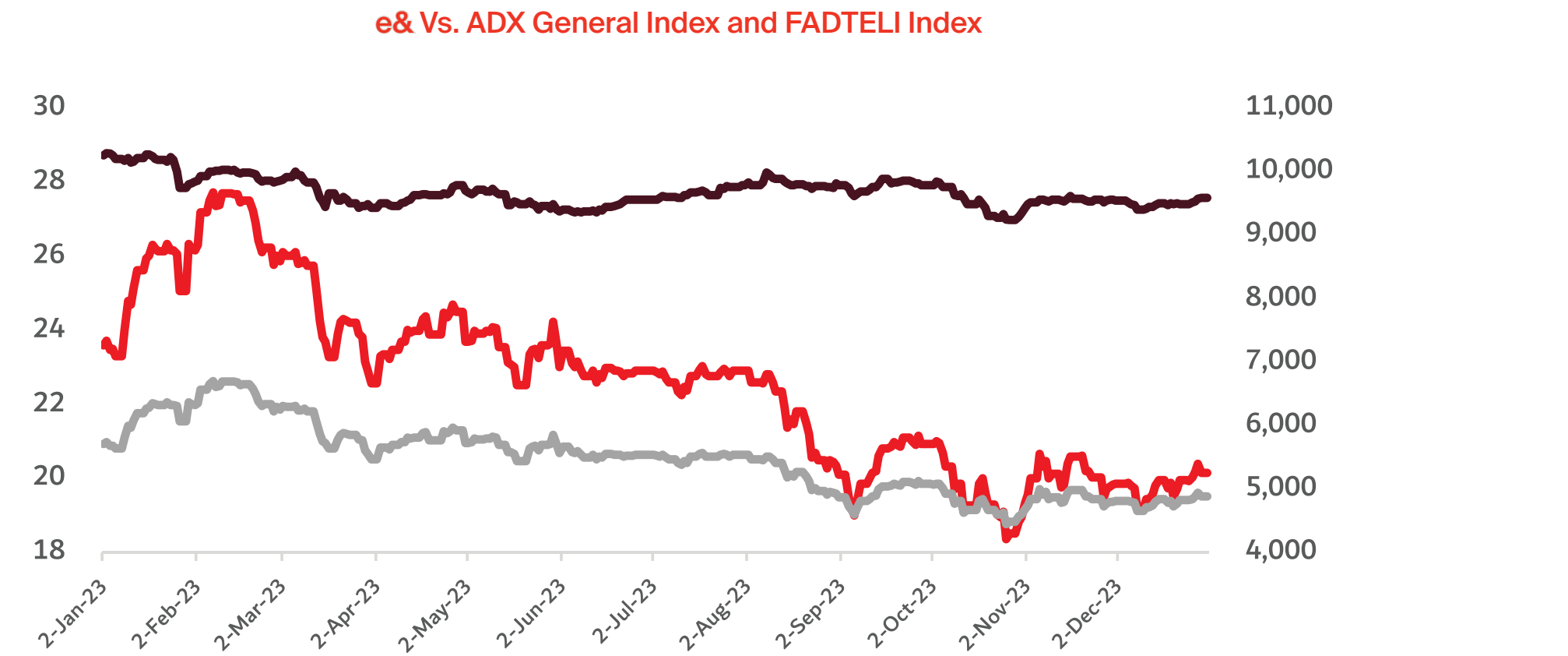
Shareholders Holding 5% and above of e& Shares

The below table shows the details of shareholders holding 5% and above of e& total shares in 2023:

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

e& Share Performance

The below chart show e&’s share performance compared to the General Index and FTSE ADX Telecom in 2023:





# General Information (continued)

## Shareholding Structure at the End of 2023

The below table shows the percentage of shareholding owned by different categories of shareholders as at the end of 2023:

Shareholder	Percentage of the Owned Shares			
	Individuals	Corporate	Government	Total
UAE	25.3%	4.3%	61.5%	91.2%
GCC	0.0%	0.2%	0.0%	0.2%
Arab	0.0%	0.0%	0.0%	0.0%
Foreign	0.0%	8.5%	0.0%	8.6%
Total	25.4%	13.1%	61.5%	100.0%

## Shareholding Volume Details

The below table shows the shareholding percentages to capital during 2023:

Shareholding	Number of Shareholders	Number of Shares	Percentage to Capital
Less than 50,000	11,532	94,546,533	1.1%
50,000 to less than 500,000 shares	2,676	433,142,810	5.0%
500,000 to less than 5,000,000 shares	771	1,121,638,431	12.9%
5,000,000 shares and above	113	7,047,426,226	81.0%
Total	15,092	8,696,754,000	100.0%



# Key Events

e& Group continued to achieve unprecedented levels of growth during this remarkable year which witnessed a strong performance and outstanding achievements. Below are the key events:

## February

### Completed Acquisition of “ServiceMarket”

e& UAE completed the acquisition of 100% of online marketplace Service Souk DMCC “ServiceMarket.” This will complement e&’s UAE existing “Smiles” marketplace services, which already includes online food and grocery delivery, lifestyle offers and the ability to earn and redeem points at more than 10,000 outlets across the UAE.

## March

### Increasing Stake in Vodafone

e& increased its holding in Vodafone Group to 12% in January and then reached 14% in February. This gradual progression suggests e&’s growing confidence in Vodafone’s potential and long-term prospects.

## May

### Forged Strategic Relationship with Vodafone Group across MEA

The Group strengthened its strategic relationship with Vodafone Group to include collaboration across a broad range of growth areas, including enterprise, procurement, CWR, and technology, in order to unlock benefits from each other’s respective operational scale and complementary geographic footprint.

### Launched Joint Venture with Bespin Global

A new joint venture between e& enterprise (65%) and Bespin Global (35%) was launched to offer public cloud managed and professional services in the Middle East, Turkey, Africa and Pakistan (METAP). e& also invested USD 60 million for a ~10% stake in Bespin Global.

## July

### Completed Acquisition of Majority Stake in Beehive

e& enterprise successfully completed the acquisition of 63.3% of Beehive for USD 23.6 million. Beehive leads the crowdfunding platform space in the UAE, with operations in KSA and Oman. It connects creditworthy SMEs seeking finance with investors, both private and institutional, offering conventional as well as Sharia compliant loans.

## August

### Acquired Controlling Stake in PPF Telecom

e& signed a binding agreement with PPF Group to acquire a controlling stake (50% + 1 economic share) in PPF Telecom’s assets in Bulgaria, Hungary, Serbia, and Slovakia.

## November

### Received New Federal Royalty Guidelines for the Period 2024 – 2026

The Ministry of Finance has communicated guidelines that outlines the details of the new Telecom Federal Royalty regime that will be effective from January 2024. This is in addition to the Corporate Tax Law.

## December

### Successfully Signed AED 366 Million Green Loan Agreement

The agreement amounts to AED 366 million (circa USD 100 million) where the proceeds of the loan will be used to finance eligible green projects. This signifies the Group’s commitment to sustainable practices and responsible financial management.

### Completed Acquisition of Careem Super App

e& successfully acquired 50.03% of Careem Technologies (known as Careem Everything App) in exchange for an investment of USD 400 million that will be invested to grow the business.

### PTCL Group to Acquire 100% Stake in Telenor Pakistan

PTCL Group, a subsidiary of e& with effective economic ownership of 23.4%, has signed a Share Purchase Agreement with Telenor ASA (“Telenor”) to acquire a 100% stake in Telenor Pakistan based on an Enterprise Value of PKR 108bn on a cash free, debt free basis.

### e& Terminates Discussions to Increase its Stake in Etihad Etisalat Company (“Mobily”)

e& has concluded discussions regarding a potential increase in its shareholding in Mobily. Despite efforts to reach an agreement, a path forward could not be determined. Consequently, e& has opted not to proceed with the potential transaction.

Group Chief Risk and Internal Audit Officer

Chairman of Audit Committee

Chairman of Nomination & Remuneration Committee

Chairman of the Board of Directors





[eand.com](http://eand.com)