

governance report

Emirates Telecommunications Group Company PJSC ("Etisalat Group")

2021



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etisalat group is now called e&



We are proud that Etisalat Group has changed its brand identity to **e&**, effective from 23 February 2022. This is a defining moment in our history as we embrace our transformation into a global technology and investment conglomerate that adds greater value and creates limitless possibilities.

e& evolved out of our origins, driven by a relentless dedication to achieving more. We have reached this moment in time due to our robust financial performance year after year, where we witnessed exponential business growth, monumental expansion into new markets and unparalleled success. Despite the constant change the business landscape has seen, we have stayed resilient and agile in charting the course towards our ambitious goals - to empower new possibilities for our customers and stakeholders across all segments by delivering life-transforming and value-added digital experiences.

Our strategy is aimed at accelerating growth through the creation of a resilient business model that is representing the Group's main business pillars.

- **Telecom** will currently maintain the previous branding identity while upholding the Group's rich telecoms heritage, bolstering our strong telecoms network and maximising value for its customer segments, in the UAE and internationally.
- Ramping up the digital services for individual customers in order to elevate their digital-first lifestyle, **e& life** will bring next-generation technologies through smart connectivity platforms in entertainment, retail and financial technology.
- In order to enable the digital transformation of governments, large-scale enterprises and corporates, **e& enterprise** focuses on maximising value through its end-to-end solutions in cybersecurity, cloud, Internet of Things (IoT) and Artificial Intelligence (AI), as well as deploying mega projects.
- **e& capital** will allow the Group to focus our efforts on driving new mergers and acquisitions while maximising shareholder value and strengthening global presence.

The evolution of **e&** comes at the heels of the Group's strong financial performance as well as several milestones that contributed to the transformation. More recently, e& ranked first in the Forbes MENA Top 10 most valuable listed companies in the UAE. The Group was also named the strongest telecoms brand in the world. Accumulating success year on year has taken place in light of the considerable investments the Group has made in maintaining its 5G network prowess, investing in breakthrough technologies, aggressive market penetrations, deploying megaprojects, driving smarter connectivity, and pursuing strong partnerships.



Introduction

Emirates Telecommunications Group Company (“Etisalat Group”) PJSC created an optimal governance environment for its business and activities by committing itself to the best local and international governance rules throughout its operations. Etisalat Group 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, Etisalat Group 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 Etisalat 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, the internal control, the external audit, the Investor Relations Department, the Company’s financial indicators, the innovative initiatives and the important events during 2021.



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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, Etisalat Group 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 Guidelines) 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 Etisalat Group operates:

2.1 Board Membership Policy

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

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

2.2 External Auditor Policy

Etisalat Group 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 all affairs of the External Auditor in full harmony with the requirements and rules stipulated in the relevant governance and corporate discipline standards in UAE.

This policy regulated all matters related to the External Auditor including the mechanism of its engagement, its dismissal, its resignation, its requisite qualities, its obligations and duties, the functions it is prohibited to undertake and the consultancies and works it is allowed to engage in.

2.3 Insiders' Security Trading Policy

Etisalat has introduced this policy to set out the controls governing the trading in Etisalat 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.

2.4 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 set a policy that defines the General Assembly's competencies, jurisdictions, the rules and procedures that govern the call for its convention and the controls that govern its valid functionality in terms of quorum, mechanism of voting, mechanism of passing resolutions and any other matters that relate to the General Assembly and control its functionality. Under the aforesaid policy, the Company was able to call for and convene its General Assemblies with proficiency and transparency.

2.5 Dividend Policy

In Company's constant endeavor to create a transparent habitat for shareholders, the Company set 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.

2.6 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 or the body which he represents in the Board 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 fulfills the requirements of SCA Governance Guidelines in this connection.

2.7 Board Confidential Information Disclosure Policy

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



03

Board of Directors

The Board of Directors (“the Board”) is the authority that enjoys all the powers required for carrying out Etisalat business, except those reserved by Law or Etisalat Articles of Association for the General Assembly.

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 the General Assembly.

It is worth mentioning here that Etisalat 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 Etisalat 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 table below shows the names, roles and capacities of the current Board members:

Name	Role	Capacity
H.E. Jassem Mohamed Obaid Alzaabi	Chairman of the Board Chairman of Investment and Finance Committee	Non-Executive & Independent
Essa Abdulfattah Kazim Al Mulla	Vice Chairman of the Board Chairman of Audit Committee Member of Nominations and Remunerations Committee Member of Risk Committee	Non-Executive & Non-Independent
Sheikh Ahmed Mohd Sultan Al Dhahiri	Board Member Member of Audit Committee	Non-Executive & Non-Independent
Hesham Abdulla Qassim Al Qassim	Board Member Chairman of Risk Committee Chairman of Nominations and Remunerations Committee Member of Investment and Finance Committee	Non-Executive & Independent
Mariam Saeed Ahmed Ghobash	Board Member Chairperson of Audit Committee Chairperson of Nominations and Remunerations Committee Member of Investment and Finance Committee	Non-Executive & Independent
Saleh Abdulla Ahmed Alabdooli	Board Member Member of Risk Committee	Non-Executive & Non-Independent
Mansoor Ibrahim Ahmed Al Mansoori	Board Member Member of Audit Committee Member of Nominations and Remunerations Committee	Non-Executive & Independent
Michel Combes	Board Member Chairman of Nominations and Remunerations Committee Member of Investment and Finance Committee	Non-Executive & Independent
Abdelmonem Bin Eisa Alserkal	Board Member Member of Investment and Finance Committee Member of Nominations and Remunerations Committee	Non-Executive & Non-Independent
Khalid Abdulwahid Hassan Alrustamani	Board Member Member of Risk Committee Member of Audit Committee	Non-Executive & Independent
Otaiba Khalaf Ahmed Al Otaiba	Board Member Member of Nominations and Remunerations Committee Member of Investment and Finance Committee	Non-Executive & Independent

* The section that tackles the Board Committees sets out the period of Directors' membership in each committee.

The table below shows the names, roles and capacities of the Board members whose membership expired on 20th March 2021:

Name	Role	Capacity
H.E. Obaid Humaid Matar Al Tayer	Chairman of the Board Chairman of Investment and Finance Committee	Non-Executive & Independent
Saleh Abdulla Ahmad Lootah	Board Member Member of Investment and Finance Committee	Non-Executive & Independent
Juan Villalonga	Board Member Member of Investment and Finance Committee	Non-Executive & Independent
Samer Saleh Mah'd Halawa	Board Member Member of Audit Committee	Non-Executive & Independent

* Their memberships in the Committees expired along with the end of their Board tenure.

The table below shows the names and accession dates of the Board members appointed by the Government Shareholder:

Name	Date of Accession to the Board
H.E. Jassem Mohamed Obaid Alzaabi	March 2021
Essa Abdulfattah Kazim Al Mulla	June 2012
Hesham Abdulla Qassim Al Qassim	March 2015
Mariam Saeed Ahmed Ghobash	March 2018
Michel Combes	March 2021
Saleh Abdulla Ahmed Alabdooli	March 2021
Mansoor Ibrahim Ahmed Al Mansoori	March 2021

The table below shows the names and accession dates of the Board members whose term ended on 20th March 2021:

Name	Date of Accession to the Board
H.E. Obaid Humaid Matar Al Tayer	November 2019
Saleh Abdulla Ahmad Lootah	March 2018
Juan Villalonga	September 2018
Samer Saleh Mahmood Halawa	January 2019

The table below shows the names of the Board members elected by General Assembly and the starting dates of their Board memberships:

Name	Date of Accession to the Board
Sheikh Ahmed Mohd Sultan Al Dhahiri	April 2000
Abdelmonem Bin Eisa Alserkal	March 2012
Khalid Abdulwahid Hassan Alrustamani	March 2015
Otaiba Khalaf Ahmed Al Otaiba	March 2015

3.1 Board of Directors

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

H.E. Jassem Mohamed Bu Ataba Alzaabi

Chairman, e&

His Excellency Jassem Mohammed Bu Ataba Alzaabi is the Chairman of e&, overseeing the effective implementation of the Group's strategy, business priorities and governance standards.



H.E. is also Chairman of the Abu Dhabi Department of Finance, Secretary General of the Supreme Council for Financial and Economic Affairs, Member of the Abu Dhabi Executive Council, Vice Chairman of the Board of Directors of Abu Dhabi Holding Company and Vice Chairman of the Central Bank of the United Arab Emirates.

In his role as Chairman of the Abu Dhabi Department of Finance, H.E. Al Zaabi is responsible for driving a culture of fiscal sustainability throughout all government-related entities and maintaining the robust balance sheet of the Emirate.

As a member of the Abu Dhabi Executive Council, H.E. Al Zaabi holds the position of Vice Chairman of the Executive Committee. In this role, he is responsible for overseeing the strategic and executive plans of all entities affiliated to the Abu Dhabi Government as well as monitoring and assessing their performance.

H.E. Al Zaabi holds a Master's Degree in Business Administration from London Business School and a Bachelor's Degree in Business Administration from Ajman University of Science and Technology.

Sheikh Ahmed Mohd Sultan Al Dhahiri

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.



Essa Abdulfattah Kazim Al Mulla

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 - Rochester Institute of Technology.
- Member of the Board of Governors - Hamdan Bin Mohammed E-University.
- Board Member - NASDAQ Inc.



Hesham Abdulla Qassim Al Qassim

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

- Vice Chairman - Dubai Real Estate Corporation.
- Chief Executive Officer - Wasl Asset Management Group.
- Vice Chairman and Managing Director - Emirates National Bank of Dubai PJSC.
- Chairman - Emirates Islamic Bank PJSC.
- Chairman - Emirates NBD S.A.E (Egypt).
- Chairman – DenizBank A.S (Turkey).
- Board Member - Dubai International Financial Centre Authority (DIFCA).
- Board Member - DIFC Investments.
- Chairman - Emirates Institute for Banking and Financial Studies (EIBFS).
- Board Member - the National Human Resources Development Committee of the Banking and Financial Sector.
- Board Member - the International Humanitarian City.
- Board Member – Itissalat Al-Maghrib (IAM) Maroc Telecom
- Chairman – Dubai Sports Corporation
- Vice Chairman – Dubai Autism Centre



Saleh Abdulla Ahmed Alabdooli

A telecom professional, an entrepreneur, and a well-seasoned CEO with over 28 years of experience in multiple markets in MENA region in greenfield and legacy operations, with a proven record in group & portfolio management, operations management, turnaround & transformation, technology evolution, and digitization.



Mr. Alabdooli is an expert in telecom industry as he has held many key positions like Etisalat Group Chief Executive Officer, CEO of Etisalat UAE and Managing Director & Chief Executive Officer of Etisalat Misr.

He Chaired the technical committees that negotiated and won operation licenses for Etisalat in Saudi Arabia and Egypt. He launched Etisalat Egypt operations in 7 months only and successfully led the turnaround and digital transformation of Etisalat UAE. During his tenure, he expanded the fibre and LTE networks coverage, hence, positioning the UAE as the first globally in terms of fibre penetration and amongst the leaders in mobile coverage. He launched the first 5G network in MENA region and has in his portfolio many other recognizable accolades.

Mr. Saleh was a Board Member in Maroc Telecom Group, Board Member in Mobily and Deputy Chairman & Member of the Executive Committee of Etisalat Misr. He was also the Chairman of Thuraya, Chairman of Etisalat Services Holding and Board Member in Khalifa University.

Mr. Saleh received many rewards in recognition of his achievements like the Best CEO of the Year 2010 by DG Group, Second "Most Powerful" Executive among top 50 Executives in Arab companies for the year 2015 by Forbes Global 2000, Best New Entrant of 2007 by CommsMEA, etc.

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.



Khalid Abdulwahid Hassan Alrustamani

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.

Michel Combes

Michel Combes joined SoftBank Group International as President in April 2020. He serves on several Boards of Directors of SoftBank portfolio companies, as well as the Boards of Philip Morris International and Etisalat.



Prior to joining SoftBank, Michel was President and Chief Executive Officer of Sprint. He also served on the Sprint Board of Directors. As CEO, Michel oversaw day-to-day operations, including building America's first mobile 5G network, offering customers the best value proposition, enhancing retail and digital distribution, improving the customer experience, and ensuring Sprint is a great place to work.

Michel joined that company in January 2018 as President and Chief Financial Officer, responsible for leading the company's financial operations, strategy and continued cost transformation. He is a proven veteran in the telecommunications industry with 30 years of experience.

He serves on the board of CTIA, a national trade association representing the wireless communications industry in the United States.

Before Sprint, Michel was CEO – and previously Chief Operating Officer – of Altice, as well as Chairman and CEO of SFR Group. Prior to joining Altice in September 2015, Michel was CEO of Alcatel-Lucent, beginning in April 2013. Other leadership positions included CEO of Vodafone Europe, chairman and CEO of TDF Group, and chief financial officer and senior executive vice president of France Telecom.

Michel is a graduate of École Polytechnique, Télécom ParisTech and Paris Dauphine University.

Mariam Saeed Ahmed Ghobash

Ms. Ghobash is currently a Vice Chairperson of ALDAR Properties and serves as a board member of Abu Dhabi National Oil Company for Distribution (ADNOC Distribution), Emirates Telecommunications Group Company "Etisalat", Emirates Development Bank and Zayed University.

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

Ms. Ghobash holds a Bachelor of Science in Economics degree 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.



Mansoor Ibrahim Ahmed Al Mansoori

Mansoor is a prominent leader in the UAE and has had a diverse range of professional experiences in senior leadership positions across sectors including telecommunications, energy and government; with a proven track record of setting up strategies, building institutional structures and capabilities and performance-based management systems.



At G42, Mansoor is responsible for the Group and operating business units on strategic partnerships, innovation, capacity building, business efficiencies and transformation, revenue optimization, brand development, organizational culture and identifying and mentoring talent to develop future leaders of G42.

Prior to joining G42, Mansoor served as Director General of the UAE National Media Council and was responsible for transforming the Council's offerings across regulatory services, media policies, UAE's national media wire services and strategic

communications. He contributed towards UAE's brand and reputation management, locally, regionally and internationally and introduced policies and frameworks to further the country's media and digital communication capabilities and to foster innovation and development for the industry.

Mansoor is currently the Chairman of Injazat and Bayanat, and serves as a board member of Etisalat, AIQ and Multiply, as well as a member of the Board of Trustees of MBZUAI. In the past, he held several board positions including Abu Dhabi Tourism and Culture Authority and Emirates Palace Company.

Mansoor 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).

Otaiba Khalaf Ahmed Al Otaiba

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.

Abdelmonem Bin Eisa Alserkal

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

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



3.2 Profile of Etisalat Group Corporate Secretary and Board Rapporteur

Mr. Hasan Al Hosani has a vast experience in the legal field spanning more than 22 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 Etisalat Group Corporate Secretary ("GCS") since 2012, he serves as an advisor to the Board in all legal and governance related matters. In doing so, the GCS ensures providing an independent legal opinion to the Board and adopting the applicable rules and regulations in the UAE as well as the best-in-class corporate governance practices that are related to the Board, its committees and the Board members such as the conflict of interest, related party transactions and non-competition. Also, he takes care of the periodical disclosures related to the afore-mentioned matters to ensure integrity, transparency and compliance with the applicable rules and regulations. The GCS further observes the legal requirements for General Assembly meetings such as their quorum, running their proceedings, casting the votes on their resolutions, following up the implementation of such resolutions as well as the rules of elections. Moreover, Mr. Hasan ensures applying the rules that govern the Board directorships and Board members' replacement in the event of a director's resignation or vacating a seat. Besides, he serves as an interface between the Board and each of the Group's Executive Management, SCA/ADX, shareholders, public authorities and other stakeholders.

3.3 Meetings of the Board of Directors

The Board of Directors held nine meetings during 2021. The below table shows the Board members' attendance at these meetings:

Name	20 Jan	22 Feb	15 Mar	31 Mar	28 Apr	21 Jun	29 Jul	31 Oct	13 Dec
H.E. Jassem Mohamed Obaid Alzaabi	-	-	-	✓	✓	✓	✓	✓	✓
Essa Abdulfattah Kazim Al Mulla	✓	✓	✓	✓	✓	✓	✓	✓	✓
Sheikh Ahmed Mohd Sultan Al Dhahiri	✓	✓	✓	✓	✓	✓	✓	✓	✓
Hesham Abdulla Qassim Al Qassim	x	✓	✓	✓	✓	✓	✓	✓	✓
Mariam Saeed Ahmed Ghobash	✓	✓	✓	✓	✓	✓	✓	✓	✓
Saleh Abdulla Ahmed Alabdooli	-	-	-	✓	✓	✓	✓	✓	✓
Mansoor Ibrahim Ahmed Al Mansoori	-	-	-	✓	✓	✓	✓	✓	x
Michel Combes	-	-	-	✓	✓	✓	✓	✓	✓
Abdelmonem Bin Eisa Alserkal	✓	✓	✓	✓	✓	✓	✓	✓	✓
Khalid Abdulwahid Hassan Alrustamani	✓	✓	✓	✓	✓	✓	✓	✓	Proxy to Chairman
Otaiba Khalaf Ahmed Al Otaiba	✓	✓	✓	✓	✓	✓	✓	✓	✓

* The Board passed fifteen resolutions by circulation during the year 2021, as the Board looked at their subject matters on the following dates: 7 Feb 2021, 21 Apr 2021, 30 Aug 2021, 31 Aug 2021, 9 Sept 2021, 15 Sept 2021 (two resolutions), 16 Sept 2021, 27 Sept 2021, 4 Oct 2021, 14 Oct 2021, 10 Nov 2021, 14 Dec 2021 and 21 Dec 2021 (two resolutions).

The below table shows the attendance of Board members whose term ended on 20th March 2021 at Board meetings in 2021:

Name	20 Jan	22 Feb	15 Mar	31 Mar	28 Apr	21 Jun	29 Jul	31 Oct	13 Dec
H.E. Obaid Humaid Matar Al Tayer	✓	✓	✓	-	-	-	-	-	-
Saleh Abdulla Ahmad Lootah	✓	✓	✓	-	-	-	-	-	-
Juan Villalonga	✓	✓	✓	-	-	-	-	-	-
Samer Saleh Mah'd Halawa	x	✓	✓	-	-	-	-	-	-



04

Committees Of The Board Of Directors

The Board of Directors of Etisalat Group 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.

4.1 Audit Committee (“AC”)

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

The functions of the Audit Committee include, among other things, monitoring the soundness and integrity of the Company’s financial statements, developing & implementing a policy for contracting with the external auditor and ensuring such auditor’s independence as well as reviewing the systems of internal audit and risk management. In addition, the Committee reviews/checks the implementation of internal audit systems and policies and supervises the functions of Internal Control and Audit Department to ensure sound performance of its duties.

The Committee consists of four non-executive members; three of them are independent. Among its four members, the Committee has one external member who holds qualification in finance and vast experience in this area. Also, all the Committee members are well-versed in financial and accounting matters. The Committee convenes periodically and whenever necessary. Ms. Mariam Saeed Ahmed Ghobash, Chairman of the Committee, commits that she is responsible for the Committee’s steering system, reviewing its functions’ mechanism and ensuring its efficiency.

4.1.1 Meetings of the Audit Committee

The Committee held eight meetings in 2021. The meetings’ attendance by the current Committee members was as follows:

Name	25 Jan	14 Feb	21 Feb	26 Apr	27 Jul	19 Oct	28 Oct	13 Dec
Mariam Saeed Ahmed Ghobash (AC Chairperson from 12 Sept 2021)	-	-	-	-	-	✓	✓	✓
Sheikh Ahmed Mohd Sultan Al Dhahiri	✓	✓	✓	✓	✓	✓	✓	✓
Mansoor Ibrahim Ahmed Al Mansoori (AC Member from 1 Apr 2021)	-	-	-	✓	✓	✓	✓	x
Salem Sultan Al Dhaheri (External Member)	✓	✓	✓	✓	✓	✓	✓	✓

The meetings’ attendance by the Committee members whose membership in the Committee ended during 2021 was as follows:

Name	25 Jan	14 Feb	21 Feb	26 Apr	27 Jul	19 Oct	28 Oct	13 Dec
Essa Abdulfattah Kazim Al Mulla (AC Chairman until 11 Sept 2021)	✓	✓	✓	✓	✓	-	-	-
Samer Saleh Mah’d Halawa (AC Member until 20 Mar 2021)	✓	✓	✓	-	-	-	-	-
Khalid Abdulwahid Hassan Alrustamani (AC Member until 31 Mar 2021)	✓	✓	✓	-	-	-	-	-

4.2 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 UAE. The Committee’s Charter also sets out, in detail, the functions and powers granted to the Committee, its constitution, the conditions governing the convention of its meetings & its quorum and the Committee’s decision-making mechanism.

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

The committee is 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 two 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 steering system, reviewing its functions’ mechanism and ensuring its efficiency.

4.2.1 Meetings of the Risk Committee

The Committee held four meetings in 2021 and they were attended by the members as follows:

Name	13 Apr	27 Jul	31 Aug	26 Oct
Hesham Abdulla Qassim Al Qassim (RC Chairman)	✓	✓	✓	✓
Essa Abdulfattah Kazim Al Mulla	✓	✓	✓	✓
Saleh Abdulla Ahmed Alabdooli	✓	✓	✓	✓
Khalid Abdulwahid Hassan Alrustamani	✓	✓	x	✓

4.3 Nominations and Remunerations Committee (“NRC”)

The Nominations and Remunerations 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 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 Etisalat 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. 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 Etisalat strategy of attracting and retaining the talented staff in order to achieve the best results.

The Committee consists of four non-executive members from the Board of Directors, of whom three 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 steering system, reviewing its functions' mechanism and ensuring its efficiency.

4.3.1 Meetings of the Nominations and Remunerations Committee

The Committee held six meetings in 2021. The meetings' attendance by the current Committee members was as follows:

Name	25 Jan	14 Mar	21 Apr	15 Jun	4 Oct	22 Nov
Michel Combes (NRC Member from 1 April 2021 until 11 Sep 2021 and he has been NRC Chairman since 12 Sep 2021)	-	-	✓	✓	✓	✓
Essa Abdulfattah Kazim Al Mulla (NRC Member from 12 Sep 2021)	-	-	-	-	✓	✓
Mansoor Ibrahim Ahmed Al Mansoori (NRC Member from 1 Apr 2021)	-	-	✓	✓	✓	✓
Otaiba Khalaf Ahmed Al Otaiba	✓	✓	✓	✓	✓	✓

The meetings' attendance by the Committee members whose membership in the Committee ended during 2021 was as follows:

Name	25 Jan	14 Mar	21 Apr	15 Jun	4 Oct	22 Nov
Hesham Abdulla Qassim Al Qassim (NRC Chairman until 31 Mar 2021)	✓	✓	-	-	-	-
Mariam Saeed Ahmed Ghobash (NRC Member until 31 March 2021 and NRC Chairperson from 1 April 2021 to 11 September 2021)	✓	✓	✓	✓	-	-
Abdelmonem Bin Eisa Alserkal (NRC Member until 31 March 2021)	✓	x	-	-	-	-

4.4 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 Etisalat Group is one of the major companies investing in telecom industry and has a shareholding in many companies such as Maroc Telecom, Etisalat Misr, Mobily and many other companies. This necessitated the Board to constitute such a Committee to assist it in undertaking its duties pertaining to such Group's investments along with other financial matters that are fundamental for the Company's success and progress.

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

The Investment and Finance Committee consists of five non-executive members, of whom four are independent, from within the Board of Directors and convenes periodically and whenever necessary. H.E. Jassem Mohamed Obaid Alzaabi, Chairman of the Committee, commits that he is responsible for the Committee's steering system, reviewing its functions' mechanism and ensuring its efficiency.

4.4.1 Meetings of the Investment and Finance Committee

The Committee held eleven meetings in 2021. The meetings' attendance by the Committee members was as follows:

Name	20 Jan	3 Feb	21 Feb	10 Mar	21 Apr	23 Jun	12 Jul	18 Jul	23 Sep	29 Nov	12 Dec
H.E. Jassem Mohamed Obaid Alzaabi (IFC Chairman from 1 Apr 2021)	-	-	-	-	✓	✓	✓	✓	✓	✓	x
Hesham Abdulla Qassim Al Qassim (IFC Member from 1 Apr 2021)	-	-	-	-	✓	✓	✓	✓	✓	✓	✓
Mariam Saeed Ahmed Ghobash	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Michel Combes (IFC Member from 1 Apr 2021)	-	-	-	-	✓	✓	✓	✓	✓	✓	✓
Abdelmonem Bin Eisa Alserkal (IFC Member from 1 Apr 2021)	-	-	-	-	✓	✓	✓	✓	✓	✓	✓

The meetings' attendance by the Committee members whose membership in the Committee ended during 2021 was as follows:

Name	20 Jan	3 Feb	21 Feb	10 Mar	21 Apr	23 Jun	12 Jul	18 Jul	23 Sep	29 Nov	12 Dec
H.E. Obaid Humaid Matar Al Tayer (IFC Chairman until 20 Mar 2021)	✓	✓	✓	✓	-	-	-	-	-	-	-
Saleh Abdulla Ahmad Lootah (IFC Member until 20 Mar 2021)	✓	✓	✓	✓	-	-	-	-	-	-	-
Juan Villalonga (IFC Member until 20 Mar 2021)	✓	✓	✓	✓	-	-	-	-	-	-	-
Otaiba Khalaf Ahmed Al Otaiba (IFC Member until 31 Mar 2021)	✓	✓	✓	✓	-	-	-	-	-	-	-



05 Board Remunerations

The remunerations of Board members are lump sums submitted to the General Assembly for approval via Board recommendation. Etisalat Group's Articles of Association, which was promulgated by virtue of Cabinet Resolution No. 29 of 2015, linked the remunerations of the Board of Directors to the net profit that the Company generates and set a ceiling for such remunerations so as not to exceed 0.5% of last financial year's net profit after deducting the amortizations and reserves.

The total remunerations of the Board members for the year 2020 amounted to AED 17,985,000, while the Board remunerations for the year 2021 amounted to AED 17,980,522 covering membership in the Board and its Committees along with the allowances for attendance of the Board Committees' meetings.

Such remunerations constitute 0.1956% of the net profit after deducting the amortizations and reserves.

The table below shows Committee meetings' attendance fees for the AC Members:

Audit Committee	
Name	Attendance Fee
Mariam Saeed Ahmed Ghobash	21,000
Sheikh Ahmed Mohd Sultan Al Dhahiri	56,000
Mansoor Ibrahim Ahmed Al Mansoori	28,000

The table below shows Committee meetings' attendance fees for the AC Members whose Committee membership ended during the year:

Audit Committee	
Name	Attendance Fee
Essa Abdulfattah Kazim Al Mulla	35,000
Samer Saleh Mah'd Halawa	21,000
Khalid Abdulwahid Hassan Alrustamani	21,000

The table below shows Committee meetings' attendance fees for the RC Members:

Risk Committee	
Name	Attendance Fee
Hesham Abdulla Qassim Al Qassim	28,000
Essa Abdulfattah Kazim Al Mulla	28,000
Saleh Abdulla Ahmed Alabdooli	28,000
Khalid Abdulwahid Hassan Alrustamani	21,000

The table below shows Committee meetings' attendance fees for the NRC Members:

Nominations and Remunerations Committee	
Name	Attendance Fee
Michel Combes	28,000
Essa Abdulfattah Kazim Al Mulla	14,000
Mansoor Ibrahim Ahmed Al Mansoori	28,000
Otaiba Khalaf Ahmed Al Otaiba	42,000

The table below shows Committee meetings' attendance fees for the NRC Members whose Committee membership ended during the year:

Nominations and Remunerations Committee	
Name	Attendance Fee
Hesham Abdulla Qassim Al Qassim	14,000
Mariam Saeed Ahmed Ghobash	28,000
Abdelmonem Bin Eisa Alserkal	7,000

The table below shows Committee meetings' attendance fees for the current IFC Members:

Investment and Finance Committee	
Name	Attendance Fee
H.E. Jassem Mohamed Obaid Alzaabi	42,000
Hesham Abdulla Qassim Al Qassim	49,000
Mariam Saeed Ahmed Ghobash	77,000
Michel Combes	49,000
Abdelmonem Bin Eisa Alserkal	49,000

The table below shows Committee meetings' attendance fees for the IFC Members whose Committee membership ended during the year:

Investment and Finance Committee	
Name	Attendance Fee
H.E. Obaid Humaid Matar Al Tayer	28,000
Saleh Abdulla Ahmad Lootah	28,000
Juan Villalonga	28,000
Otaiba Khalaf Ahmed Al Otaiba	28,000



06

Etisalat Securities Trading

This report tackles Etisalat Securities 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' tradings in the Company's securities in compliance with the governance and disclosure requirements applicable in UAE.

This section of the report provides for the tradings in Etisalat shares effectuated by the Chairman and Members of the Board of Directors and their spouse and children since they are subject to the above-mentioned policy given that they are deemed part of the Insiders' definition; namely, 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 Etisalat securities, hence; affect investors' decisions towards buying or selling such securities

The below table shows the tradings in the Company's shares conducted by the Board Members, their spouses, and children in 2021 and their holding of such shares as of the end of the year:

Name	Position/ Kinship	Owned Shares	Total Sold Shares	Total Pur- chased Shares
H.E. Jassem Mohamed Obaid Alzaabi	Chairman	0	0	0
Essa Abdulfattah Kazim Al Mulla	Vice Chairman	0	0	0
	Spouse	241,595	0	0
Sheikh Ahmed Mohd Sultan Al Dhahiri	Board Member	14,519	0	0
	Spouse	459,224	0	0
Hesham Abdulla Qassim Al Qassim	Board Member	0	0	0
	Spouse	110,000	0	0
	Son	4,202	0	0
	Son	5,302	0	0
	Daughter	5,302	0	0
	Daughter	5,852	0	0
	Daughter	4,202	0	0
	Daughter	4,752	0	0
Mariam Saeed Ahmed Ghobash	Board Member	0	0	0
Saleh Abdulla Ahmed Alabdooli	Board Member	30,184	0	0
Mansoor Ibrahim Ahmed Al Mansoori	Board Member	0	0	0
Michel Combes	Board Member	0	0	0
Abdelmonem Bin Eisa Alserkal	Board Member	2,688,561	0	0
Khalid Abdulwahid Hassan Alrustamani	Board Member	319,983	0	0
Otaiba Khalaf Ahmed Al Otaiba	Board Member	12,313	0	0



07

Executive Management

The Executive Management carries out Etisalat's day-to-day activities and exercises the authorities delegated to it by the Board of Directors of the Company pursuant to the customary practice and the governance rules and regulations. The Executive Management, in undertaking its functions, abides by a performance mechanism and ambitious targets approved by the Board of Directors and grounded on linking remunerations and incentives with the level of performance. The Company set a clear policy, approved by the Board, with well-defined limits to ease the mission of the Executive Management in exercising its role and tasks . The authorities granted to the Management under this power of attorney include, but are not limited to, executing documents, transactions, warranties, contracts and agreements as well as signing bank documents, appointing employees and setting their roles, establishing companies and representing the company before official and quasi-official bodies. In addition, the Company established clear rules that set the limits within which the Management may act in regard with the above. The current authorization ends on 21st March 2024.

7.1 Salaries and Remunerations of Executive Management

The details of Etisalat Group’s key Executive Management members with the positions they hold, their joining dates and their gross salaries and remunerations paid for the year 2021 are set out below:

Position	Date of Joining	Annual Gross Salary & Allowances ¹	Bonus 2021
Group Chief Executive Officer	27-Sep-2015	4,690,000	15,072,480
Group Chief Financial Officer	01-Aug-2013	2,201,000	3,500,000
Group Chief Operations Officer	02-Sep-1998	2,625,925	4,200,000*
Acting Group General Counsel	26-Dec-2010	1,186,047	650,000
Group Chief Human Resource Officer	24-Nov-2020	2,280,000	3,700,000
Chief Executive Officer- UAE ²	29-Aug-2021	1,073,355	1,750,000
Acting Chief Executive Officer- International	04-Oct-2016	1,940,400	2,000,000
Chief Executive Officer- Enterprise Digital	03-Nov-2013	3,062,226	5,900,000*
Chief Executive Officer- Consumer Digital	19-Jun-1993	3,110,681	3,750,000*

All values in AED

*The amount includes bonus and deferred compensation.

1. Includes allowances for additional assignments.

2. Appointed to role effective 29th August 2021.

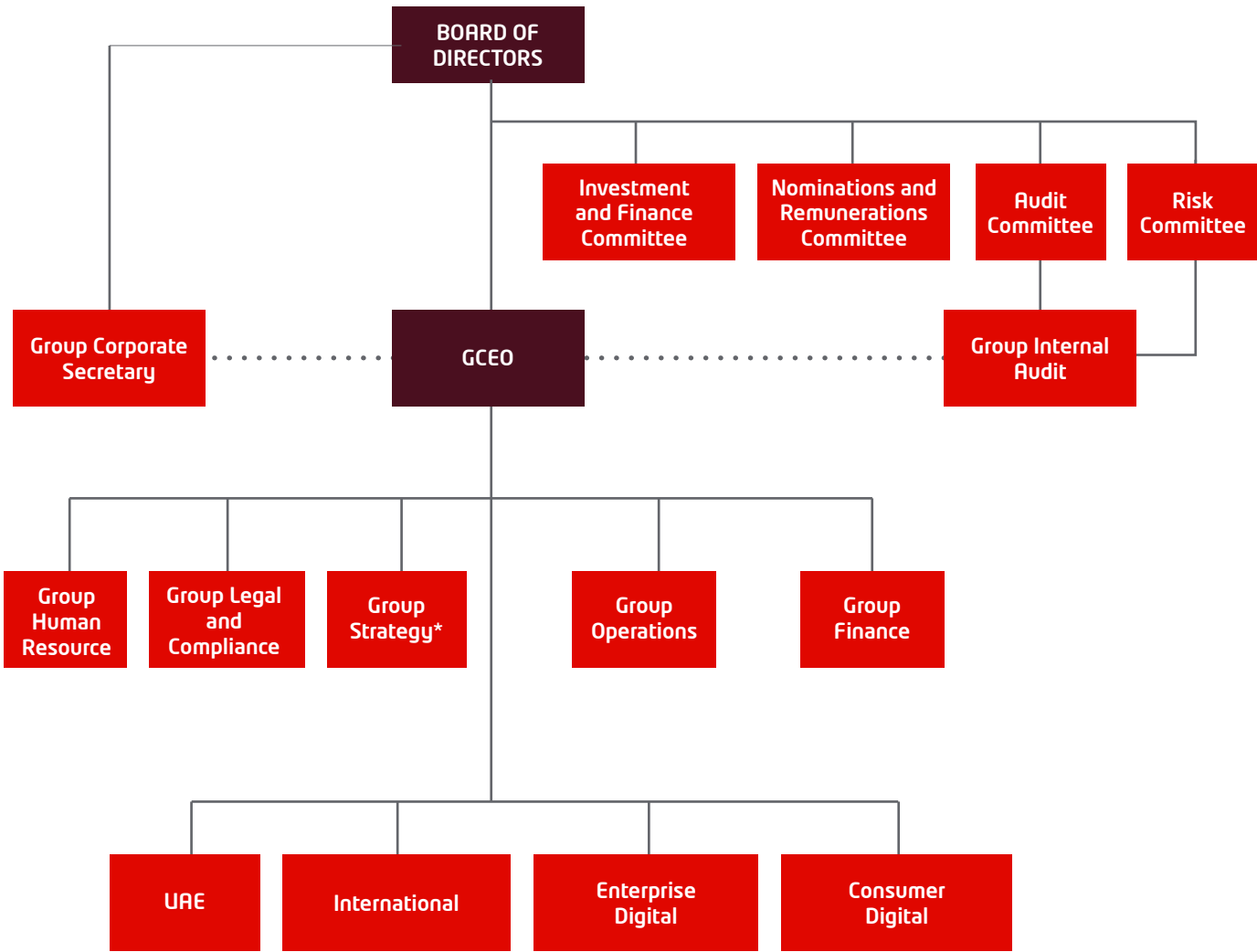
7.2 Nationalization rate and gender diversification

Nurturing our Emirati talent and empowering our future leaders have always been a priority for our organisation. As a result, our Emiratization percentage has grown in the last three years, from 47.8% in 2019 to 49.5% in 2020, and is now at a record 51.26% in 2021. We also have a strong leadership bench with 65% of UAE Nationals currently in senior leadership roles.

In addition to Emiratization, we also value gender diversity and as an equal opportunities employer we have actively worked to ensure gender equity in our policies and practices. Currently, the percentage of women at Etisalat is at a record level, increasing 1.89% since 2020 to 24.2% in 2021. In addition, we diversified our leadership with a 50% increase last year in women in senior leadership roles.

7.3 Organization Structure of Etisalat Group

Below is the Organization Chart of Etisalat Group:



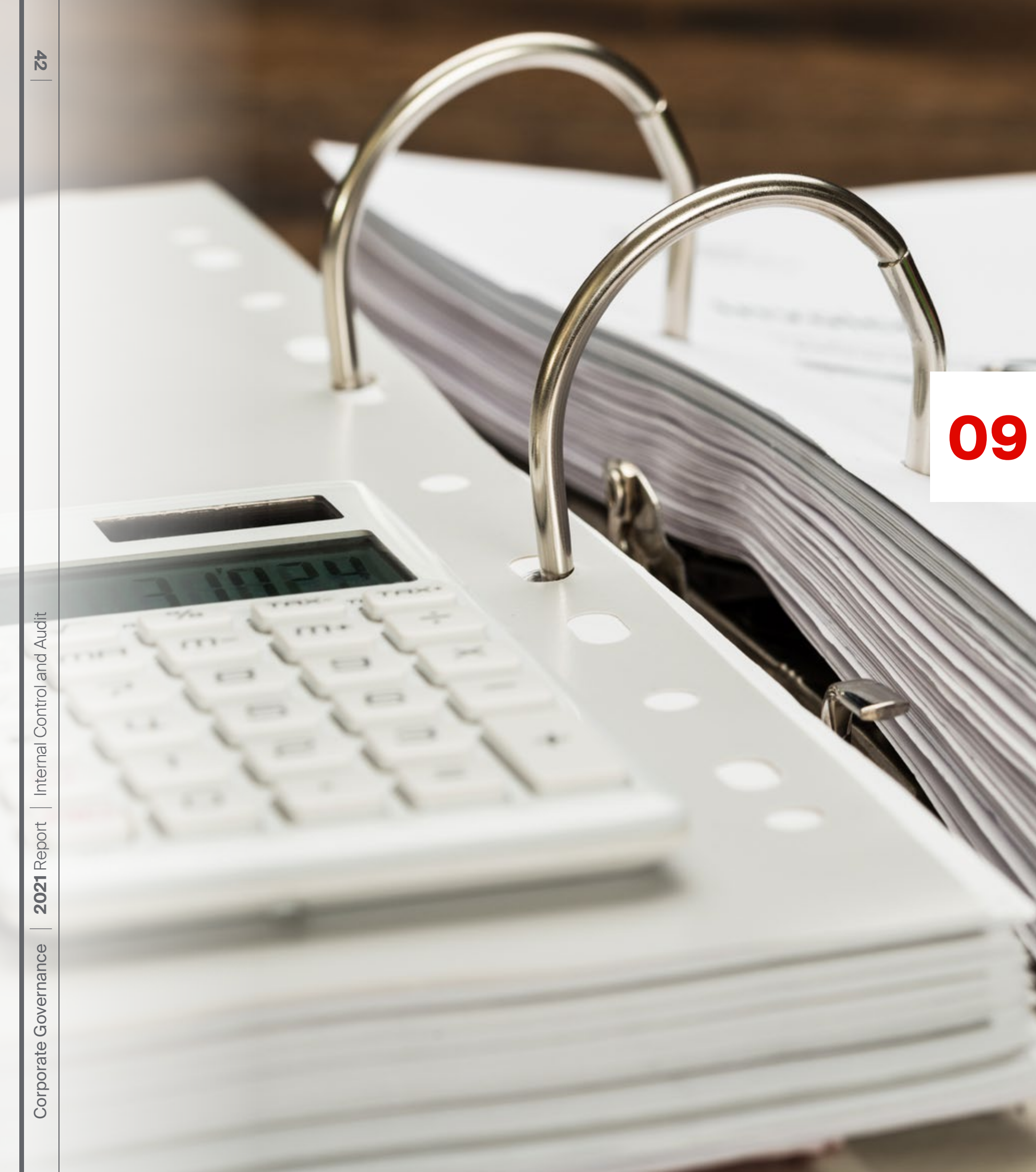
*Recently restructured function



08

Related Party Transactions

Etisalat Group did not conduct any transactions with Related Parties in the year 2021 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.



09

Internal Control and Audit

The Board of Directors is responsible for the Company's internal control system, its annual review and ensuring its efficiency. Hence, the Board approved certain governance functions and structures that achieve the goal of effectively undertaking the internal control functions and ensuring the efficiency and effectiveness of internal control aspects within the Company. In order to ensure the optimal application for the internal control and audit requirements, Etisalat has adopted the internationally recognized "three lines of defense" model. Thus, the system of internal control and audit in Etisalat consists of the following three elements:

1- Frontline Business Functions

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

2- The Internal Control Function

The Internal Control function, comprising Enterprise Risk Management (ERM) and Compliance, constitutes part of the second line of defense. The Internal Control function is responsible for the overseeing and monitoring of enterprise wide risks as well as the overall Corporate Compliance requirements.

3- The Internal Audit Function

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

The Internal Control and Internal Audit functions are headed by Mr. Mohamed Dukandar who has wide experience of over 25 years in the fields of governance, risk management, compliance, insurance and internal audit at reputable companies, especially in telecom industry.

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

The Internal Control and Audit Department is completely independent from the Executive Management, reporting functionally to the Etisalat Board of Directors which, in turn, has authorized two committees, the Audit Committee to supervise the functions of Internal Audit and Compliance units and the Risk Committee, to supervise the functions of Enterprise Risk Management unit of the Internal Control and Audit department.

9.1 Internal Control

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

The function helps the Management and the Risk Committee to:

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

The function helps the Management and the Audit Committee to:

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

The scope of work of Internal Control is to implement and maintain:

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

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

9.2 Internal Audit

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

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

The function evaluates and reports on the effectiveness and efficiency of Etisalat'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.

The function continued its leadership in Internal Audit during 2021 with its key staff participating at the 'UAE IIA 3D Virtual Conference' and the '14th Annual Internal Auditors Conference' as panel members/speakers. The function has previously won awards at the 'International IIA Conference' and the '9th Regional Chief Audit Executive conference' in 2020. It was declared as '2019 Leading Practices in Internal Audit – Overall Winner' in the Private Category at the 'IIA Annual Regional Conference' in 2019, the overall 'Best Practice Award' at the '5th Chief Audit Executive Conference' in 2015 and again in the Governance, Risk & Compliance (GRC) Private Sector category at the '7th Chief Audit Executive Conference' in 2017. These participations and awards are a reflection of the function's drive towards excellence and continuous improvement and a recognition of practices and standards implemented.

9.3 Key Control/Audit Matters

The Internal Control 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 and compliance breaches, if any. Such plans are to identify the responsible persons along with timelines for completion;
- Monitoring progress in completing agreed actions with regular reporting on their status to Audit Committee; and
- Performing follow-up reviews, as needed.

The function provides the Audit Committee with an annual assessment on the efficiency and effectiveness of the internal control environment across Etisalat Group. In addition, the Internal Control 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.

For 2021, twelve Internal Control & Audit reports have been shared with the Audit Committee, which included (i) an annual report summarizing the Internal Control & Audit Department's activities for the year (ii) four quarterly reports on Internal Audit (iii) one Internal Control Report on Compliance (iv) one report on Special Audit & Investigation activities (v) three reports on Group Compliance status.

In addition, for 2021, six Enterprise Risk Management reports have been shared with the Risk Committee, which included (i) three reports on the company risk profile (ii) one internal control report (iii) one report on Risk Appetite Framework and the Group Risk Appetite.

The Internal Control and Audit Department is not aware of any material problems faced by the Company that have not been disclosed in 2021 Consolidated Financial Statements. The function updates its annual plan as required in line with its risk-based internal audit planning approach to reflect changes in the Company's risk profile.





10

The External Auditor

10.1 A Glance

KPMG Lower Gulf Limited has been assuming the External Auditor's role in the Company since the beginning of 2018. The Audit Engagement Partner is Mr. Mobeen Chaudhri since 2021. KPMG is a global network of professional firms providing Audit, Tax and Advisory services across a wide range of industries, Government and non-profit sectors.

KPMG firms operate in 145 countries and territories and have more than 236,000 people working in member firms around the world. Member firms in the KPMG organization are members in, or have other legal connections to, KPMG International, an English private company limited by guarantee. KPMG International acts as the coordinating entity for the overall benefit of the KPMG member firms but does not provide professional services to clients.

The KPMG member firm in the UAE, along with the Oman member firm, are associated with KPMG Lower Gulf. Established in 1973, KPMG Lower Gulf consists of 1,300 staff members, including approximately 100 partners and directors, across six offices. KPMG Lower Gulf provides audit, tax and advisory services to a broad range of domestic and international clients across all sectors of business and economy. They work closely with their clients, assisting them in mitigating risks and highlighting opportunities.

KPMG values diversity and inclusion, fostering a positive and encouraging culture. As a result, it attracted passionate individuals who share a common purpose of Inspiring Confidence and Empowering Change for their clients and the communities in which they live and work. Amid times of economic change, technology advancement and industry disruption, KPMG has the depth of expertise, global reach, clarity of insight and strength of purpose to work shoulder to shoulder with its clients – now and into the future. With a worldwide presence, KPMG continues to build on member firms' successes; with its clear vision and maintained values, and clients.

10.2 External Audit Fees, Services & Costs

Below are the details and breakdowns of the external audit fees and other advisory services fees incurred during 2021:

- The external audit services' fees for 2021 are amounting to AED 2,371,517. 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 Etisalat's External Auditor in 2021 other than the audit tasks are amounting to AED 1,168,296. These fees cover regulatory audit and other assurance engagements.
- The fees paid/payable for services which were delivered in 2021 by other audit firms – other than the Company's external auditors – are amounting to AED 11,761,835. These fees were against advisory services. The companies which delivered these services were as follows:
 1. Pricewaterhouse Coopers
 2. Deloitte & Touche Middle East
 3. Ernst & Young
 4. Grant Thornton
 5. Ardent Advisory & Accounting LLC

10.3 External Audit Qualified Opinions on Interim & Annual Consolidated Financial Statements of the Year 2021

The external auditor did not state any qualified opinions on the interim and annual consolidated financial statements of the year 2021.





11 Violations

During the year 2021, Etisalat received ten violation decisions from the Telecommunications and Digital Government Regulatory Authority (TDRA) and one violation decision from Securities and Commodities Authority (SCA) as follows:

1. One violation decision was in relation to mobile number portability.
2. One violation decision was in relation to telephone number spoofing.
3. One violation decision was in relation to the instructions of preventing the thefts of mobile devices.
4. Two violation decisions were in relation to mobile registration requirements.
5. Five violation decisions were in relation to spam and mobile marketing electronic messages.
6. One violation decision for not disclosing about a Board meeting date two business days prior to its convention.

Etisalat has allocated resources to address these requirements to the satisfaction of the concerned authorities and work is still ongoing on TDRA requirements. This includes implementing adequate controls to eliminate recurrence of any such violations.



12

Corporate Social Responsibility

Etisalat has always played a critical role in supporting and empowering communities by connecting them with advanced solutions along with maximising its social impact by driving innovation and entrepreneurship. Social integration and equal opportunities are key for the development of this ecosystem.

Our activities in 2021 have extended to technological development, education, social and cultural engagement, and employee wellness, while also placing significant focus on encouraging innovation and creative thinking.

Community investments fall under the categories of:

- 1) Social and community development;
- 2) Culture and environment;
- 3) Innovation, education, and health;
- 4) Sports and youth.

More than 1,000 employees volunteered to support our dedicated teams managing these programmes. Etisalat's contributions targeted various segments of the society: children, youth, women and people with special needs. With the impact and importance of sports among the youth today, Etisalat worked with UAE Football Association and Professional League Committee making a positive contribution to the society.

A summary of Etisalat CSR activities of the year 2021 is as follows:

12.1 Social & Community Development

- The Global Forum for Human Fraternity.
- Emirati Children Day partnership with ESAAD.
- The Fujairah Foundation for Regions Development.
- World Autism day introduction of web plug-in “Etisalat Wider Web”.
- Emirates Red Crescent Ramadan Campaign.
- MBRGI 100 million meals campaign.
- Family Development Foundation (Barkitna card).
- Sign language animations for Sign Language Day.
- The Board Summit 2021.
- Abu Dhabi Police Flagship Events.
- Career Fair 2021 (AUH, DXB & SHJ).
- Aqdar World Summit.

12.2 Cultural & Environment Support

- Earth Hour Initiatives.
- Dubai International Holy Quran Award.
- Al Murabaa Arts Festival, Ajman.
- Sharjah City for Humanitarian Services partnership
- Zayed Heritage Festival 2021 Camel Race Association.
- UAE National Day celebrations.
- The “Zayed Tolerance Trail” and “Ride For Life” initiatives.

12.3 Innovation, Education & Health

- Etisalat Award for Children Book 2021.
- Neglected Tropical Diseases Day.
- Hope Probe Mission to Mars Support.
- Aqdar Internet Safer Day Campaign.
- UAE Innovation Month.
- MBRSC Satellite launch “DMSAT-1”.
- Education Interface Exhibition 7th Edition at the Expo 2020.
- World Blood Donor Day 2021.
- Ajman International Fair for Education and Training 2021.
- Emirates Red Crescent fund for the needy students.
- ADNEC Hackathon.
- Sharjah Bookfair 2021.
- Arab Health Congress.
- National Day Celebrations (Ajman).
- Partnership to support 109 Students through Emirates Red Crescent, Al Ihsan Charity and Sharjah Charity.
- Operation Smiles added to Etisalat Smiles Application.
- Etisalat CSR support through Etisalat Volunteers at GITEX.

12.4 Sports & Youth

- Sponsorship of the Professional League Committee (PLC).
- Sponsorship of UAE Football Association.
- 3rd Labour Sports Tournament

Total CSR Value is: AED 24.35 million

13

Investor Relations

13.1 Communications with Shareholders and Investors

In light of the Company's endeavors to create the best means of communication with its shareholders, it established the Investor Relations department to serve as the main interface with its shareholders. This Department functions through various platforms such as the Company's website, the Investor Relations App, the Abu Dhabi Securities Exchange (ADX) website and newspapers, 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 the Resolution of Securities and Commodities Authority Chairman No. (3 /Chairman) of 2020 regarding the Adoption of Public Joint Stock Companies Governance Guideline.

The Investor Relations department is headed by Mr. Nazih Ramez El Hassanieh whose experience in the financial and respective sectors exceeds twenty-three years, of which eleven years were in the investor relations field at Etisalat Group. Mr. Nazih holds a Master of Science in Management from Babson College in the USA.

Below are communication channels for the shareholders and investors:

Investor Relations Contact:

Etisalat Investor Relations

Etisalat Head Office, P.O. Box 3838, Email: ir@etisalat.ae

Website: <https://www.etisalat.com/en/index.jsp>

Shareholders Affairs Contact:

Ms. Engy Zaki, Phone: +971 2 618 2661, Email: shares@etisalat.ae

13.2 Insiders Trading Supervisory Committee

In an endeavor to ensure the implementation of Etisalat’s Insider Trading Policy, which governs the insiders’ trading and compliance with the respective applicable rules and regulations in the country, Etisalat Group 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 security while in possession of inside information related to the Company, its subsidiaries, its sister companies or other companies with which the Company has contractual relationships or may be negotiating transactions.

Similarly, the policy prohibits insiders from trading in security 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 the SCA and the ADX 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 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 and subject to pre-authorization of the trade by ADX.

The members of Etisalat’s Board of Directors are aware of their obligations for disclosure of their trading in the Company’s shares, and are fully committed to all requirements set by the SCA and the ADX.

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 the Group Chief Financial Officer, the Group Chief Internal Control and Audit Officer, the Corporate Secretary and the Vice President of Investor Relations.

The committee plays an important role in overseeing and managing the insiders’ matters within Etisalat. 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 for their details, ownership and trading in Etisalat securities and the relevant disclosures and approvals;
- f. Monitor and oversee the trading;
- g. Communicate with the SCA and ADX on relevant matters;
- h. Support awareness campaigns to all staff, executives and board members regarding the importance of insider trading, procedures and best practices;
- i. Ensure compliance with applicable rules and regulations.
- j. Review violations of the policy and recommend disciplinary actions; and
- k. Carry out a review of the policy on a periodic basis.

During the year 2021, the committee ensured that all insiders were registered with ADX through its e-services platform. In addition, the committee supervised the development and rollout of insider trading management system to automate most of the insider trading processes.

14

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 defined and specified in the Company's Articles of Association, which are also in conformity with the relevant laws and regulations taking effect in UAE. The company held two General Assembly meetings during 2021 and passed the following Special Resolutions:

General Assembly Meeting on 17th March 2021

- 1- To approve a budget of not more than 1% of the Company's net profits of the last two years (2019-2020) for voluntary contributions to the community (Corporate Social Responsibility), and to authorize the Board of Directors to effect the payments of such contributions to the beneficiaries determined at its own discretion.
- 2- To approve amending the Company's Articles of Association whereby:
 - a. The current 20% ownership limit for the non-UAE national shareholding in Etisalat Group will be increased to 49%.
 - b. The three consecutive years limit of the External Auditor appointment will be amended to be in line with the amended Commercial Companies Law which increased the limit to six consecutive years.
- 3- To approve cancelling the Share Buyback program.

General Assembly Meeting on 8th December 2021

- 1- To approve the amendment to the Borrowing Cap as follows:

"The Borrowing Cap shall be 1.5 times (150%) of consolidated Net Debt to EBITDA for the last 12 months as per IFRS compliant consolidated financial statements of Etisalat Group. This Borrowing Cap includes debentures, financial obligations, facilities, bonds or sukuks, whether convertible or non-convertible to shares in the company."
- 2- To approve the amendments to Articles 1, 18 (1/f), Article 22 (1/d), 32, 35, 40, 41, 46, 47 (1 & 7), 48, 51, 64 (4) and 71 of Etisalat Group's Articles of Association to reflect the recent amendments to Federal Decree by Law No. 2 of 2015 Concerning Commercial Companies and the amendment to the definition of Borrowing Cap.



15

General Information

This part of the report tackles the information related to the holdings of Etisalat shares and its performance in the year 2021.

15.1 Price of Etisalat Share in 2021

The below table shows Etisalat share price in 2021:

Date	Open	High	Low	Close
01-2021	19.74	19.82	19.70	19.76
02-2021	19.90	20.34	19.88	20.34
03-2021	21.58	21.74	21.30	21.64
04-2021	21.32	21.56	21.16	21.18
05-2021	22.00	22.00	21.64	21.66
06-2021	22.16	22.26	22.00	22.00
07-2021	22.68	22.80	22.64	22.80
08-2021	23.60	23.72	23.38	23.60
09-2021	24.02	24.20	23.94	24.02
10-2021	25.60	25.78	25.52	25.60
11-2021	31.02	31.94	29.80	31.94
12-2021	30.90	31.70	30.80	31.70

Note: Share price as at the end of each month

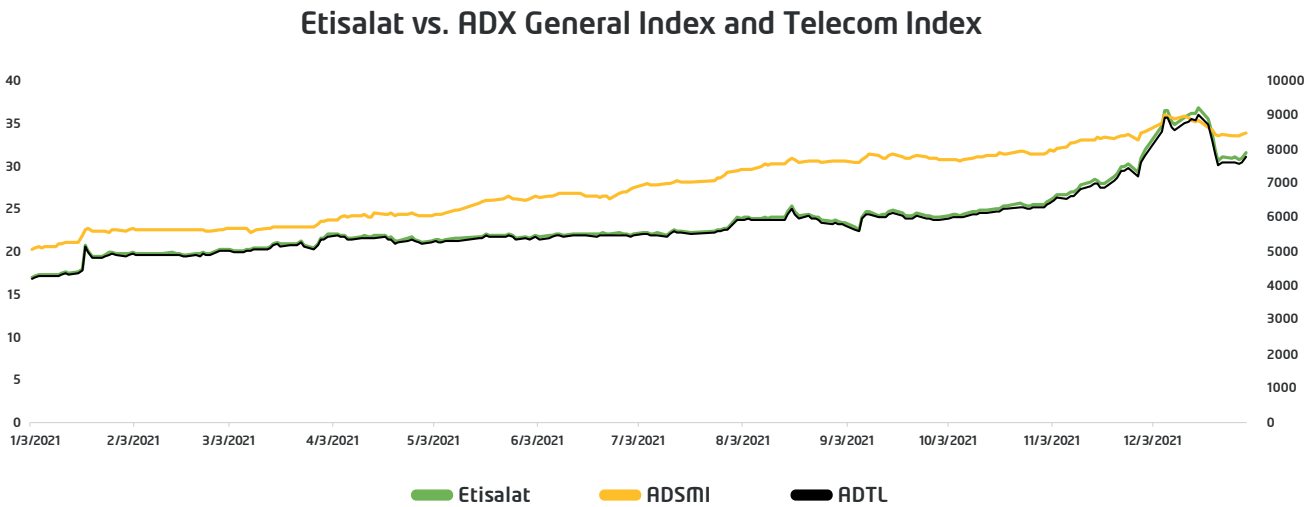
15.2 Shareholders Holding 5% and Above of Etisalat Shares

The below table shows the names of shareholders holding 5% and above of Etisalat total shares and the percentage of their shareholdings in 2021:

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

15.3 Etisalat Shares Performance

The below chart show Etisalat share’s performance compared to the General Index and Telecommunication Index in 2021:



15.4 Shareholding Structure at the End of 2021

The below table shows the percentage of shareholding owned by different categories of shareholders as at the end of 2021:

Shareholder	Percentage of the Owned Shares			
	Individuals	Corporate	Government	Total
UAE	26.1%	4.4%	61.9%	92.4%
GCC	0.0%	0.1%	0.0%	0.2%
Arab	0.0%	0.0%	0.0%	0.0%
Foreign	0.0%	7.4%	0.0%	7.4%
Total	26.1%	11.9%	61.9%	100.0%

15.5 Shareholding Volume Details:

The below table shows the shareholding percentages to capital during 2021:

Shareholding	Number of Shareholders	Number of Shares	Shareholding percentage
Less than 50,000	9,683	90,054,323	1.04%
50,000 to less than 500,000 shares	2,673	431,292,448	4.96%
500,000 to less than 5,000,000 shares	776	1,113,794,746	12.81%
5,000,000 shares and above	106	7,061,612,483	81.20%
Total	13,238	8,696,754,000	100.00 %



16

Innovative Initiatives

Every day, our customers help change lives, teach, care for others, and stay close to their loved ones. Every day they conduct their business, collaborate across the globe, learn and play. Every day our customers expect to do so effortlessly and seamlessly, and with the best experience possible.

Our awareness of the vital role we play in our customers' lives is a responsibility that we in Etisalat has proudly embraced since inception, and for this, we have long embedded innovation in Etisalat's DNA. Etisalat continues to innovate, look for better ways to conduct its operation, enhance its network and maximize the benefits for its customers and stakeholders.

Etisalat continuously expands its portfolio of products and services it offers. In 2021, Etisalat focused on unlocking more value for its customers by blending traditional and innovative digital services, adapting to the new normal environment that the COVID-19 pandemic had created.

16.1 Internal Innovation

16.1.1 Process Innovation

1. Deployment of Artificial Intelligence (AI), Machine Learning (ML) and Robotic Process Automation (RPA) technologies:

- i. Etisalat Finance has deployed RPA in several Revenue Assurance processes to increase coverage; speeding up the process to obtain validation reports in less than 1 minute.
 - ii. Automated Invoice processing, another deployment in Etisalat Finance; where supplier's details are extracted from Emails by RPA, and updated in ERP system automatically to accelerate invoices validation, online processing and payment.
 - iii. Fixed Products Bundling Framework: enabling the creation of customized products for business and fixed services without IT involvement. The framework also empowers customers to customize devices and other SaaS services.
 - iv. Zero-touch Network Cognitive Planning: extending network zero-touch capabilities with cognitive network capacity planning and expansion.
 - v. Etisalat Customer Care functions received additional RPA capabilities centered around service recovery, back-office operations, support and contact experience.
2. **Online Supplier Payment Processing:** Etisalat Finance has automated the supplier payment process via the iSupplier portal, with real-time integration with banks to accelerate payments.
 3. **Deployment of Insider Trading Management System:** Developed to help Etisalat Group manage the regulatory requirements of insider trading. The platform automates most processes and communications to insiders related to obligations and timelines. The platform also facilitates maintaining an up-to-date list of insider's records.
 4. **Etisalat Voices:** Etisalat HR launched an AI-enabled engagement survey, enabling and equipping leaders and people managers with real-time dashboards.
 5. **Group Organisation Leadership Development Programme (GOLD):** Launched in the UAE in collaboration with world-class education providers such as Cornell University, MT, Wharton and Columbia Business School.
 6. **Talent Acquisition:** Etisalat has participated at the 'Together Apart Hackathon', to select candidates for Etisalat AI Graduate Programme; a 9-month expert-led AI developmental journey, built to arm our future leaders with the technical, digital and power skills required for the future of work.
 7. **Procurement Processes Digitalization:** Adoption of new technologies in Procurement allowed Etisalat to reduce the S2C, and P2P timelines by more than 55% in 2021 compared to 2020.
 8. **Supplier Risk Assessment and Due Diligence Processes:** In order to protect Etisalat's brand, and shareholders' interests, Etisalat implemented several enhancements and implemented new tools to streamline and accelerate Supplier Risk Assessment and Due Diligence processes. These enhancements allow Etisalat to identify commercial and compliance risks from supplier's onboarding and after.

16.1.2 Network Innovation

1. **Mobile Network Intelligence Platform:** Etisalat extended the in-house built Mobile Networks Analytics, Automation and AI (A3) platform for access by group OPCOs, leveraging AI and open-source tools to allow efficient and smart network planning, provisioning, optimization, capacity management and preventive maintenance capabilities.
2. **Fibre-Equivalent Triple Play Services for Remote Areas with 5G:** Etisalat utilized its state-of-the-art 5G network to offer fiberr-equivalent Triple Play (Internet, TV and landline) services where Fiberr is not feasible or available yet.
3. **Industrial 4.0 Applications over 5G:** Etisalat conducted several key Industry 4.0 use cases over 5G, partnering with key partners in the Oil & Gas and Ports sectors. Industry 4.0 use cases rely on Etisalat enterprise private 5G network model, packaged as a network-in-a-box solution.

16.1.3 Channels Innovation

1. **Accelerating Rollout of Etisalat Revamped Digital Stores:** Etisalat accelerated the rollout of its revamped digital stores across the UAE with more than 50 stores converted to the new design empowering more customers to explore and subscribe to Etisalat products and services interactively and effortlessly utilizing multiple digital touchpoints and self-assisted stations.
2. **Improvements in Etisalat Digital Channels:** Uptake on Etisalat digital channels and apps continue to increase, thanks to in functionalities and look and feel. In 2021, Etisalat continued to highlight the benefits of Etisalat's digital channels via its 'Online is better' awareness campaign. UAE Mobile App exceeded the mark of 3 million monthly active users,
3. **Business Mobile Service Centre:** Launched in 2020 to empower business customers with self-service capabilities and real-time usage visibility; in 2021 Etisalat Mobile Service capabilities expanded with a subscription recommendation engine based on customer usage behavior.
4. **Wholesale Online Portal:** Etisalat launched an online portal for wholesale customers, enabling them to order services, view usage reports and bills and raise and track support tickets.

16.1.4 Product Innovation

1. **eLife Ultra:** A new eLife range with ultra-fast speeds and superior TV content, bundled with additional digital benefits such as on-demand video streaming, gaming, & Smiles subscription.
2. **Emirati Freedom Plans:** Offering Emirati customers premium services bundled with unlimited calling allowances and additional digital & lifestyle benefits.
3. **Wasel Flexi:** A new prepaid plan built for White Collar and single professionals, providing customers with the flexibility to mix and match data and minutes to build their own plans, in addition to unlimited calling to one preferred Etisalat mobile number and unlimited Internet Calling using GoChat Messenger mobile app.
4. **Youth Music On & Game On' Add-ons:** Offering young customers entertainment benefits bundled with data.

5. **Five-All-Rounder:** New packs to the Blue Collar workers, with rich data, international calling, cricket content, gaming and VOIP calling.
6. **Smiles:** Etisalat added food order and delivery service as part of continuous efforts to create additional value to 'Smiles' users and partners. As a result, 'Smiles' surpassed the mark of 2.6 million users and got awarded – based on the UAE people's votes – as the "Best Discount Program" in the "Bayut Your Home Your Choice awards". Etisalat also extended the Blockchain powered rewards exchange by including new partners, such as GEMS, ADNOC, Emirates Islamic, and Shukran Loyalty Programs, enabling consumers to keep track of their loyalty currencies and exchange points from one to another.
7. **GoChat Messenger:** Etisalat unveiled its new VoIP app, GoChat Messenger, with voice & video calls, instant messaging and digital content features, including rewards, in-app payments, as well as international remittances.
8. **Insurance Services:** Etisalat expanded its insurance portfolio by introducing 'Easy Insurance', providing simple, flexible and affordable health, travel and auto insurance options offered instantly via Etisalat UAE Mobile app.
9. **Arena Mobile:** An exciting mobile gaming platform, offering an ad-free mobile gaming experience with more than 850 titles and inclusive of mobile data.
10. **Wi-Fi 6:** Etisalat successfully launched the next generation Wi-Fi 6 services for business customers in the UAE, enabling businesses to enjoy a hassle-free managed experience, with faster speeds and higher bandwidth.
11. **Multi-Cloud Managed Service:** Etisalat cloud propositions has evolved towards a multi-cloud managed service provider as cloud-computing adoption continues to be key in the post COVID world. Etisalat cloud propositions are enabled by state-of-the-art platforms and infrastructure, partnerships with global hyper-scale cloud service providers and with strong consulting and operations capabilities. In 2021, Etisalat has signed new agreements with Oracle and Accenture, extending Professional Services capabilities with Oracle services, to accelerate enterprises digital transformation efforts, offered in various cloud-powered business models.
12. **CloudTalk Enterprise:** First launched in 2019, CloudTalk Enterprise is Etisalat first integrated cloud and network offer utilizing Unified Communication and Collaboration. Updated in 2021 with the major remote collaboration tools, it helps customers transform their legacy voice communication platforms into agile, digital and modern fully-featured collaboration tools.
13. **Digital Internet:** Etisalat introduced a new connectivity proposition for enterprise and business customers, providing faster Internet with managed SD-WAN, vCPE and several advanced security features offered as VFNs. Etisalat also introduced Digital Premium Internet with dedicated high-speed internet, with built-in redundancy to ensure business continuity, and additional networking and reliability features.

14. **Expansion of Etisalat SmartHub facilities:** Etisalat expanded SmartHub with a third datacenter in Dubai 2021, to accommodate the growing requirements of hyper-scalers, telecom and other customers.
15. **Caller Name Presentation:** A major step in preventing fraud, Etisalat launched 'Caller Name' presentation, where the name of the calling entity is displayed on the receiver's mobile device instead of the 'number'.
16. **5G Roaming Network:** Etisalat continues to expand its 5G roaming network, availing to its customers one of the largest 5G roaming network with more than 100 operators around the globe

16.2 External Innovations

1. **Expo2020:** Etisalat is providing a range of services to the 190-plus countries pavilions in EXPO2020 state-of-the-art site, offering visitors the experience of a lifetime. As the official telecommunications partner, Etisalat deployed a range of telecom infrastructure including fibre, 5G and Wi-Fi coverage, in addition to various digital solutions, and with more than 100+ experts on the ground. Etisalat hospitality lounge in EXPO2020 hosted more than 140 customers in 2021; demonstrating the latest technology breakthroughs deployed in EXPO2020 site.
2. **Etisalat Co-creation Lab:** after the success of Etisalat Co-Creation lab in Dubai, Etisalat Co-Creation lab increased its reach by opening a design lab in Abu Dhabi, and by adapting the length and type of design engagements with Government and Enterprise customer's needs. In 2021, the lab produced several successful engagements in healthcare and customer experience use cases.
3. **FutureNow Calls:** Etisalat continues to leverage disruptive scale-ups and IoT companies to drive digital transformation in the MENA. In 2021, Etisalat has launched eight new challenges focusing on AI, Cloud, Fintech, Robotics, AR and digital payments.
4. **Open Innovation Centre:** Etisalat Open Innovation Centre has hosted more than 1,000 virtual and physical visits in 2021. Additionally, after a successful journey in Dubai, Etisalat has launched another center in Abu Dhabi in September 2021, allowing our customers in the emirate to experience the latest technologies & innovations.



17

Key Events

January

- Etisalat was crowned the strongest brand in the MEA region across all categories.
- Etisalat and Cisco announced they are building the region's first open, autonomous and secured network.

February

- Etisalat launched the Smiles food order and delivery services in the UAE.
- Etisalat collaborated with Smart Dubai to provide cyber security services to Dubai Government entities.

March

- Etisalat partnered with Rakuten to accelerate its adoption of OpenRAN technology.
- Etisalat partnered with Etihad Airways' to provide mobile and digital solutions for the small and medium businesses (SMB) and startups community.
- As part of its commitment to support and empower People of Determination, Etisalat partnered with Ministry of Community Development to launch a web extension to make accessing the web autistic friendly.

April

- Etisalat Digital launched the UAE Trade Connect (UTC), a new blockchain platform to help financial institutions combat fraud and duplication, in partnership with seven UAE banks and Avanza Innovations.
- Etisalat’s Digital Financial Services (eWallet) partners with AI-Futtaim and Lulu among others to enable contactless payment

May

- Etisalat Group successfully completed a 1 billion Euro bonds issuance that was 6 times oversubscribed.
- E-Vision launches new Television Audience Measurement (TAM) system in the UAE to give industry professionals access to viewership data.

June

- S&P Global and Moody’s affirm Etisalat Group’s Credit Ratings (AA-/Aa3) with stable outlook.
- Etisalat and Ericsson partner to commercially deploy 5G high-band in the UAE offering subscribers faster speeds and lower latency.
- Etisalat highlighted plans to accelerate OpenRAN realisation as part of its cloud native NaaS transformation.

July

- Etisalat Digital launched cloud-based Electronic Medical Record platform to enable UAE healthcare establishments to share data instantly.
- Etisalat partnered with Yale Middle East to provide a full range of its smart door locking solutions.

August

- Etisalat partnered with Orange to establish an inter-network packet exchange (IPX) point at Etisalat’s smart data switch (SmartHub) in the UAE.

September

- Foreign ownership limit to 49% became effective after completing all the necessary steps for increasing.
- Etisalat was named the best regional SMS service provider at the fifth annual Carrier Community Global Awards ceremony in Berlin.
- Etisalat UAE named the world’s fastest mobile network by Ookla for the second consecutive year.

October





- Etisalat Group and G42 signed an agreement to create the largest data center provider in the UAE by combining their data centers.
- Etisalat Digital and Accenture joined forces to offer Oracle enterprise cloud services.
- Etisalat partnered with Sharjah Roads and Transport Authority (SRTA) to provide smart services and products to enhance sustainable transport in the emirate.
- Etisalat partnered with Microsoft’s Digital Crimes Unit to secure the UAE’s digital borders.

November

- Etisalat signed an agreement to acquire 100% of the online groceries’ marketplace ElGrocer.
- Etisalat Group was awarded the “Best Wholesale and Service Provider in the Middle East” during the Global Carrier Awards 2021.
- Etisalat Group launched the Business App Store, the first software-as-a-service platform of its kind in the region that integrates all business applications for small and medium-sized companies.

December

- Etisalat launched the Business Edge Healthcare platform, a plethora of services dedicated to enhance and empower hospitals, ambulatory practices and medical staff.
- Etisalat recognized for its unwavering commitment to Abu Dhabi’s digital transformation journey at the Abu Dhabi Digital Authority ICT Leaders Meeting and received three awards: ‘Government Services’ award, the ‘Information Security’ and the ‘Shared Government Solutions’ award.

		
Chairman of Nominations & Remunerations Committee	Chairman of Audit Committee	Group Chief Internal Control and Audit Officer
		
Chairman of the Board of Directors		