

Mobily's sustainability strategy guides our environmental, social, and corporate governance performance while ensuring that we play a key role in powering the sustainable development of the Kingdom

ESG

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SUSTAINABILITY STRATEGY AND FRAMEWORK

As a responsible corporate leader in Saudi Arabia, Mobily is committed to doing its part to achieving a sustainable future. Through our commitment to high standards of corporate governance, integrity and transparency, we lead by example, share our ambitions, and then engage our Stakeholders in our sustainability journey, as together we are stronger.

We recognize our responsibility to address more than the profitability of our Company and the importance of identifying and addressing the opinions and concerns of all our Stakeholders. We are proud of the support we continue to provide to numerous initiatives that benefit our communities, our customers, and our employees. We are hopeful that our initiatives can impact the lives of people in the Kingdom by innovating and deploying telecommunication solutions and other resources to increase digital access and help those in need.

Our Sustainability Performance at a Glance

Accountable Enterprise

Launched 3-year Mobily Sustainability Strategy

Marketplace and Customers

Achieved zero data breaches

Responsible Employer

Hired 43 new female employees

Positive Community Impacts

Set up more than 13,000 free WiFi Access Points in public places

Safeguarding the Planet

Reduced electricity consumption by 21%



Our Associations and Memberships



Asia-Africa-
Europe 1



Cullen



Global System
for Mobile
Communications



International
Telecommunication
Union



SAMENA
Telecommunications
Council



TM Forum

Our Strategic Focus on Sustainability

Sustainability is incorporated into Mobily's corporate strategy and culture. We strive to embrace sustainability at the core of our operations. We work to operate responsibly and transparently by 'Gaining value. Maximizing returns.' We are committed to having a positive impact on our communities. We are embarking on a progressive trajectory to monitor, benchmark and enhance our economic, environmental and social performance.

Safeguarding our Environment

In 2021, Mobily continued to deliver a range of initiatives to benefit the environment across our operating footprint. These included efforts to drive down our energy consumption through efficiency gains and rationalized consumption of resources, as well as to enhance awareness of environmental issues and best practices throughout our organization.

Supporting our People

The health and wellbeing of our people has long been one of Mobily's foremost priorities. This responsibility to our people was of particular significance during 2021, given the ongoing impact of the COVID-19 pandemic on communities where we live and work across Saudi Arabia.

Caring for our Community and Country

In view of the challenging environment imposed across the world by COVID-19, Mobily redoubled its efforts to support the Kingdom and its people in 2021. Our Investor Relations Department took the lead in putting our ESG strategy and program into action through activities to ensure significant and sustainable positive impact for our communities and country.



Engaging our Stakeholder Community

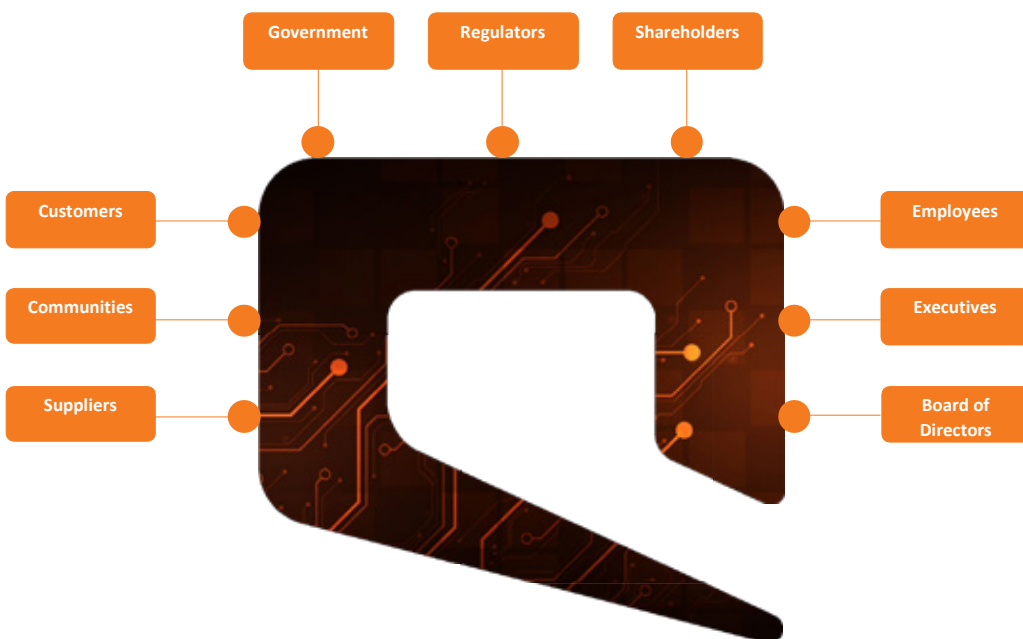
Many people and organizations have an interest in what we do and how we work. Understanding their views and concerns influences our corporate priorities and business practices. For this reason, we continuously engage with our key internal and external Stakeholders through various channels to help shape and drive our sustainability strategy.

Internally our primary Stakeholders are our employees, Executives, and the Board

of Directors. Externally our customers, Shareholders, suppliers and contractors, communities, regulators, and government are key Stakeholders.

In 2021, we engaged all our Stakeholders through bespoke channels to ensure they feel empowered and that their voice is heard. The result of these dialogues is strategic guidance that helps us adjust our business practices and adopt a long-term risk management approach, taking complex sustainability issues into consideration.

MOBILY KEY STAKEHOLDER GROUPS

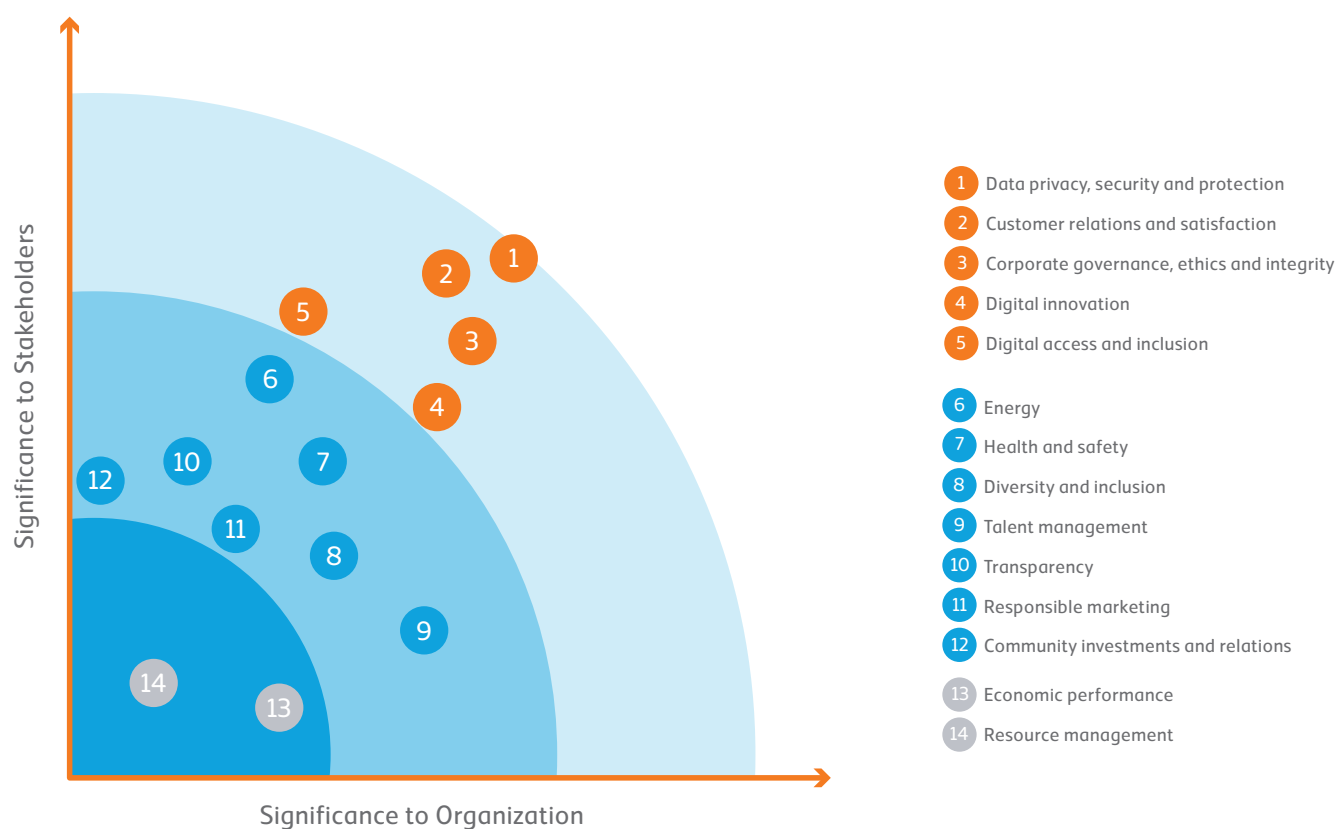


Assessing What Matters Most to our Stakeholders

Our materiality assessment process identified the social, economic, environmental, and governance factors of greatest relevance to our business, Stakeholders and society. Guiding our materiality assessment was our strategy, our values, the wants and needs of our Stakeholders, recent regulatory developments, the Saudi Vision 2030, peer companies, industry standards, and the United Nations Sustainable Development Goals (UN SDGs).

The analysis resulted in the identification of 14 issues considered most material to Mobily and our Stakeholders. We mapped these 14 issues to form the 5 principles of our sustainability framework to frame our overarching priorities.

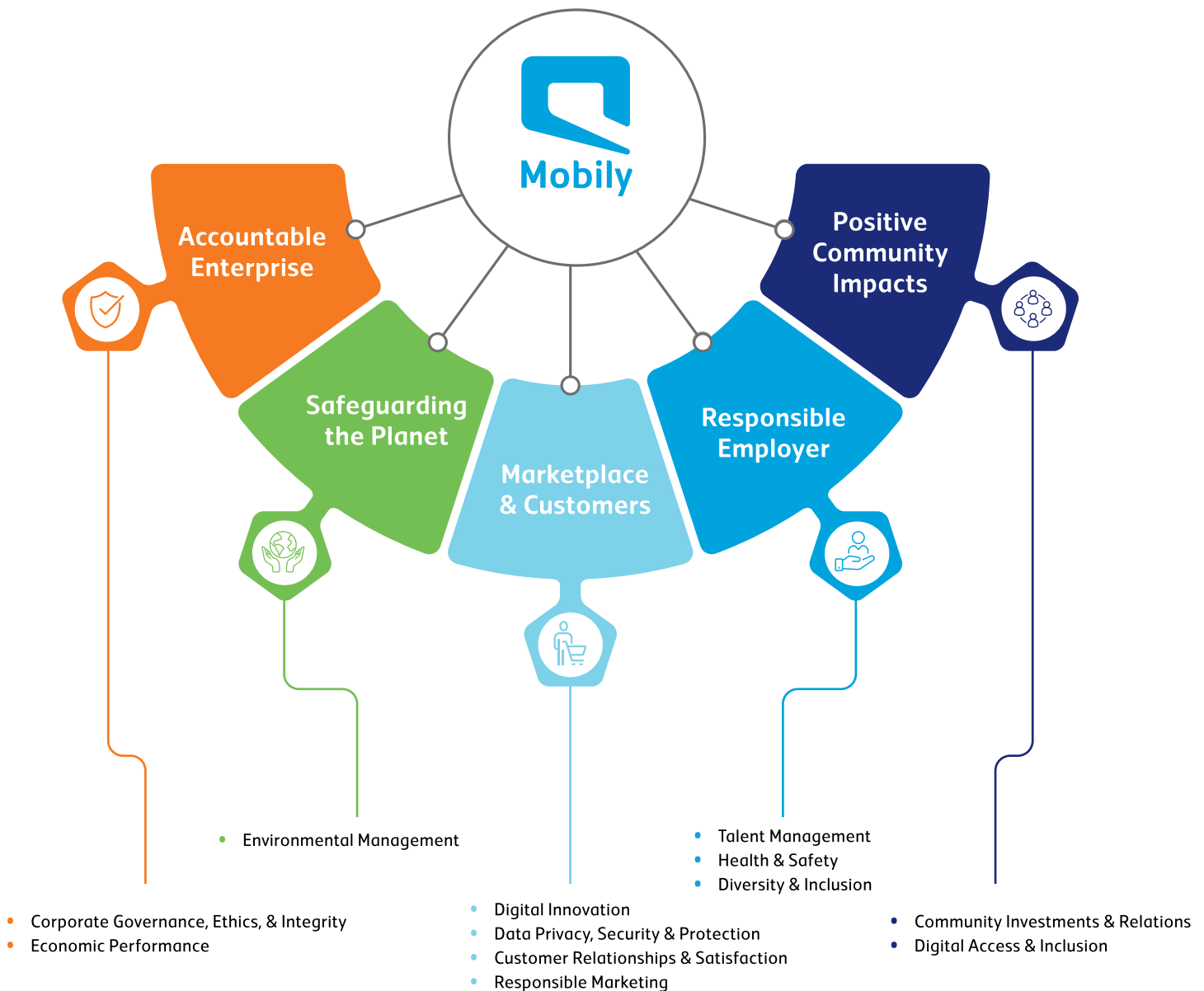
The findings of our materiality assessment are presented in our materiality matrix. We will continue to evaluate these topics annually to reflect the views of our internal and external Stakeholders.



Our Sustainability Framework

Our sustainability framework was created on the basis of the United Nations' Sustainable Development Goals (SDGs), the Saudi Vision 2030 and the Global Reporting Initiative (GRI) to direct our efforts towards maximizing the telecommunication sector's contribution to national and global sustainable development objectives. Our framework is built on 5 pillars: Accountable Enterprise, Marketplace and Customers, Responsible Employer, Positive Community Impacts, and Safeguarding the Planet.

We rely on this framework to conceptualize sustainability at Mobily to implement progressive improvement programs and achieve our strategic business objectives. We have grouped our material topics against the 5 pillars of Mobily's sustainability framework:





Our Sustainability Strategy

Global trends shape our world and impact business, the economy, environment, and society. These global trends can be classified under technological advancements, urbanization, and climate change and resource scarcity.

At Mobily, we recognize the significance of trends and the importance of acting decisively to capture opportunities and mitigate risks to generate social and economic value. For this reason, we are adopting a sustainability strategy to focus our efforts for the coming years in the realm of

sustainability. This strategy will guide Mobily on the path to improving environmental, social, and corporate governance performance, and contribute to the development of the Kingdom, on the basis of key objectives targeted at each pillar of our sustainability framework. The objectives range from the integration of sustainability at the corporate level, to maximizing customer care and satisfaction, and from contributing to the Saudi Green initiative for a sustainable future for the Kingdom to ensuring fair treatment and protection of our people.



Accountable Enterprise	Safeguarding the Planet	Marketplace and Customers	Responsible Employer	Positive Community Impacts
Formally integrate sustainability at the corporate level	Contribute to the Saudi Green Initiative, leading the way to a sustainable future for Saudi Arabia	Enable rapid societal development through well designed and executed digital platforms and services	Ensure high levels of motivation, satisfaction, and commitment to sustainability	Support local communities in which Mobily operates, and positively impact them
Strive for transparency, integrity, and good governance by following international best practices	Follow international best practices to safeguard shared resources	Ensure privacy and security of customer data	Understand our duty of care to protect our employees and contractors from any harm	Work with communities to address issues of opportunity, access, knowledge and skill in relation to using technology
Achieve sustainable growth contributing to a thriving KSA economy, through direct economic activities and infrastructure, platforms, and digital services		Achieve high levels of customer satisfaction with excellent customer care	Ensure everyone has access to the same opportunities and the same, fair treatment	
		Adopt socially responsible elements in our marketing strategies		



Aligning with the UN Sustainable Development Goals

We recognize our role to deliver meaningful contributions to the United Nations Sustainable Development Goals (UN SDGs). We have aligned our sustainability plans and efforts to support these ambitious goals to ensure sustainable development of a robust economy and a motivated society.



Ensure healthy lives and promote well-being for all at all ages



Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all



Achieve gender equality and empower all women and girls



Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all



Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation



Reduce inequality within and among countries



Make cities and human settlements inclusive, safe, resilient and sustainable



Ensure sustainable consumption and production patterns of natural resources and waste



Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels



Strengthen the means of implementation and revitalize the global partnership for sustainable development

AN ACCOUNTABLE ENTERPRISE

Mobily is committed to the highest standards of governance and transparency across our business and the broader Saudi telecommunications sector, as well as to positioning our Company as a leading force for governance, ethics and integrity in our sector, reflecting the Kingdom's commitment to adhering to the highest international governance and compliance standards and practices.

We are committed to maintaining international governance best practices across our operations. Our integrated system of policies and mechanisms, essential to the fast-paced and growing telecommunications sector, allow us to run our operations both effectively and responsibly.

2021 saw the development and implementation of a dedicated Sustainability Strategy that will guide our progress in the coming 3 years. The strategy reflects our deep commitments to global standards of social, environmental, governance, risk management, transparency, integrity and accountability.

The resultant sustainability framework will inform all aspects of our reporting processes going forward, advocates for a more responsible value chain as a fundamental factor in long-term value creation, and presents a central narrative, based on our values, that Mobily and its Stakeholders can support and engage with.

Mobily delivered a broad range of initiatives to enhance our role as an accountable enterprise in 2021. For example, our Treasury and Financing Department (TFD) transitioned its manual processes to leading-edge automated

processes through the implementation of a new Treasury Management System (TMS). The platform enables improved business processes and cash management decisions for both inflows and outflows, as well as integrated real-time financial reporting and reconciliation functions that are linked to robust monitoring, control and compliance tools.

Mobily successfully digitized the entire payments process, removing the need for human intervention for enhanced accuracy and speed, reflecting some of the core environmental and technological development goals of Saudi Vision 2030. It also successfully deployed the Treasury Management System Mobile App to provide efficient approvals for financing and operational payments.

Meanwhile, our Revenue Assurance and Fraud Management Department began monitoring fraudulent SMS bypass activities in March 2021, resulting in the detection and prevention of multiple unauthorized routing requests.

Mobily strives to create an optimal governance environment by integrating sustainability into our systems and processes. Achieving our sustainable development goals requires strong governance, accountability and transparency to ensure support and engagement from our Stakeholders.

Building on our Success in 2022

The focus for Mobily in the coming year will be to expand the formal integration of sustainability policies and ESG metrics at the corporate level, including through the establishment of a dedicated Sustainability Team and Management Committee to oversee and regularly review our practices and performance going forward.

We continue to advance toward our goal to establish best-in-class transparency, business integrity and corporate governance capabilities, in line with international standards and expectations.

This ongoing journey will see the development and implementation of a new Mobily Human Rights policy in 2022, as well as a grievance mechanism that will provide a means for more effective violation reporting and employee complaint handling.

Mobily also aims to publicly disclose anti-money-laundering (AML) and anti-corruption policies and related codes of conduct, as part of its ongoing efforts in this important space, whilst also maintaining its schedule of non-financial sustainability annual reporting products.

We will therefore continue to document the benefits for our Shareholders, community Stakeholders and the Kingdom of our adoption of further sustainability controls, while also

enhancing local content and sourcing to support socio-economic development across the country – particularly among SMEs and female owned businesses.

Our ultimate goal remains to achieve sustainable growth that represents a meaningful contribution to the development of a thriving national economy, leveraging our growing range of advanced infrastructure, platforms and digital services.



Mobily delivered a broad range of initiatives to enhance our role as an accountable enterprise in 2021.

ENVIRONMENT

SAFEGUARDING THE PLANET

As a leading proponent of environmental stewardship in the Saudi telecommunications sector, Mobily has embedded sustainable resource use and best practices throughout our operations with a view to eliminating any negative impacts on the natural world. We remain committed to delivering on the emissions reduction goals of the global community and the collective efforts to mitigate the impacts of climate change.



Our initiatives to manage the environmental impacts of our business require deep employee engagement to achieve alignment with our vision for environmental best practices. To this end, we continue to raise awareness through engagement campaigns and our internal social network platform, mCan, as well as via Safety Surveys carried out by our employees.

We have successfully identified operations and activities that have an adverse impact on the environment through our Hazard Identification and Risk Assessment (HIRA) functions, enabling us to monitor and manage those impacts more effectively.

Mobily's Facilities and Administrations (F&A) unit employs periodical reading analyses as well as measurement and reporting tools to monitor hazard risks and ensure environmental activities are controlled to achieve our goals. We also conduct regular site inspections and generate compliance assurance reports.

Energy and the environment are covered in Mobily's Operations and Maintenance standard operating procedures (SOPs) and policies, which provide for the implementation of methods and techniques to consume power efficiently, as well as special tools to control our cooling systems.

Furthering our environmental efficiency agenda, Mobily continues to automate our financial operations by deploying further enhancements to our ERP system, moving away from hard copy materials and documentation to reduce our paper use.

We have also adopted engineering controls to reduce our energy consumption, such as the replacement of existing conventional lighting with LED bulbs in all Mobily outlets, the installation of air containment solutions in all data centers, and the study of smart meter system deployment to monitor power consumption directly.

Meanwhile, our administrative controls, aimed at engaging our entire workforce, address sustainability measures and initiatives, including the implementation of Mobily environmental policies and procedures, encouraging the participation of all Staff in environment related activities, the enhancement and enforcement of control measures related to the environment, and the implementation of our paperless policy.

2021 Highlights and Achievements

In 2021, we continued to deliver a variety of initiatives to benefit the environment. These included efforts to drive down our energy consumption through efficiency gains and rationalized resource consumption, as well as to enhance awareness of environmental issues and best practices throughout the organization.

Our project to replace conventional lighting with LED bulbs in flagship Mobily locations, resulted in lower carbon emissions. The LED lighting solution also reduces the need for frequent maintenance and brings down ambient indoor temperatures, thereby also minimizing air conditioning demand.

	2021	2020	2019
Electricity consumption (GWh)	202	245	269

Similarly, the installation of air containment systems in our data centers has achieved significant energy and cost savings. The aim of the project is to reduce the temperature of these spaces by separating the cold air supply from the hot air produced by equipment, thereby reducing energy consumption whilst also improving overall equipment performance and efficiency.

Reflecting the growth of the smart energy segment in the Kingdom and the corresponding rise in the deployment of green energy projects, Mobily developed a comprehensive ecosystem of partners and manufacturers in 2021 to support our green energy ambitions going forward.

More broadly, the deployment of our smart metering project is aiding the Kingdom's transition to a low-carbon economy. The project leverages Narrow Band (NB-IoT) technology that consumes less bandwidth and less power to transmit data, while also providing a secure and sustainable energy supply to businesses and communities, as well as a greater visibility of energy consumption and consistency metrics.

Mobily HR has initiated a 3R methodology (Reduce, Reuse and Recycle) that will be promoted extensively among our employees. The 3 elements of the approach seek to: reduce paper use by discouraging the printing of emails and other documents while promoting electronic document archiving; encourage reuse of envelopes and other stationary wherever possible for distributing internal documents; and both develop and promote recycling programs for paper, plastics and printer cartridges.

Through the application of this comprehensive methodology, Mobily is playing its part in protecting the

environment for future generations, complementing our commitments to compliance with environmental advice and regulations, including the prevention of atmospheric and other forms of pollution.

We support the universal view that urgent action is needed to address climate change and have begun to implement measures across our business to reduce greenhouse gas emissions, rationalize energy and resource use, and drive down waste.

Our Commitment to a Cleaner, Greener World in 2022

Through 2022, Mobily will seek to implement additional initiatives to raise employee environmental awareness and reduce our carbon footprint going forward. These will include further advancement toward the goals of our LED lighting project.

We will continue to engage in national level programs and initiatives to lead the transition to a sustainable future for the Kingdom and its people. Most prominently, Mobily is committed to delivering the objectives of the Saudi Green Initiative by incorporating further targets to reduce GHG emissions, establish baseline environmental performance to develop suitable resource targets, and conduct awareness activities to enhance Staff capabilities in the areas of environmental management and protection.

Across all aspects of Mobily's business, we will continue to entrench international best practices to safeguard shared resources, including commitments to reduce the impacts of waste and rationalize water and energy consumption through the implementation of monitoring and reporting systems for increasingly accurate management.

SOCIAL

OUR MARKETPLACE AND CUSTOMERS

As a responsible member of the corporate community, we are steadfastly committed to protecting our customers and their data in a rapidly-evolving digital world, and apply the highest international standards in the areas of customer service, and sustainable marketing.

Mobily maintains robust compliance and risk requirements through ISO 22301 standard Business Continuity Management Systems, which covers all the Company's technical and commercial services and support for our customers.

In keeping with our vision to empower the digital economy and unlock possibilities, Mobily continues to implement a range of customer centric digitization initiatives to deliver increasing efficiency across our processes, including enhancements to our Mobily Business app that provides enhanced digital customer interaction across our range of products and services.

These capabilities are complemented by our robust cybersecurity controls, which are fully aligned with our corporate vision and strategy as a leading digital provider and provide resilience in the face of evolving cyber threats in an increasingly digitized world. All our cybersecurity services are fully compliant with relevant regulations and government standards including the National Cybersecurity Authority (NCA) and the Saudi Data and Artificial Intelligence Authority (SADAIA). Consequently, Mobily did not experience any data breaches in 2021.



Furthermore, Mobily has implemented new regulations approved by the Ministry of Labor and Social Development in 2021 providing for disciplinary action in response to data breaches and non-compliance with information security protocols.

These new regulations adhere to the Saudi Personal Data Protection Law, and are due to take effect from April 2022, complementing our existing Data Leakage Prevention (DLP) and Role-Based database access controls.

As well as ensuring the security of customer data, Mobily continues to enrich our offering to consumers through reduced package prices offering an increasing menu of services, thereby growing value for our clients. We are committed to empowering the digital economy and unlocking opportunities for our Stakeholders by providing excellent customer service and safeguarding the privacy of personal information.

Supporting our Customers in 2022

Complementing our customer centric approach in 2022, Mobily will continue to enable rapid technological development for societies across the Kingdom through well designed and executed digital platforms and services.

Whilst delivering on this promise to our customers and communities, we will continue to engage with local suppliers to boost the national economy whilst also addressing and resolving ESG issues in consultation with national Stakeholders.

We will also explore opportunities to build upon existing e-health initiatives, both directly and via collaborative partnerships, and engage with a growing range of programs to promote local and youth employment across the Kingdom.

Data privacy will remain a key focus area for Mobily in 2022 through our ongoing efforts to identify and eliminate gaps in our data privacy policy, ensuring the security of customer information. These include new data security targets and reporting schemes, as well as a major transparency initiative.

Other improvements scheduled for 2022 include a review of customer policies, the implementation of a new customer strategy, scheduled enhancements to Mobily's customer management system IT architecture integration, and the resumption of our customer satisfaction surveys.

We will also adopt further sustainably focused strategies within our customer messaging and product marketing functions, including through customer information campaigns that promote responsible, efficient, cost effective and environmentally friendly practices.



We are committed to empowering the digital economy and unlocking opportunities for our Stakeholders by providing excellent customer service and safeguarding the privacy of personal information.

SOCIAL

A RESPONSIBLE EMPLOYER

Our people represent Mobily's most prized asset, and we remain dedicated to ensuring the health, wellbeing and professional development of all our employees across the Company. As a responsible member of the business community, we strive to deliver the Kingdom's vision for a dynamic and highly qualified workforce fit for the digital age.



The safety and security of our people is a central theme of our strategy and corporate values. Mobily continues to undertake rolling hazard assessments across our working environments, and to deliver regular training and communication with employees to draw attention to health and safety best practices, reflecting our proactive HSE policies.

Throughout 2021, Mobily's maintained its close cooperation with the Ministry of Health to ensure company employees had direct access to vaccinations offering protection from a number of key health threats, including COVID-19.

Key Performance Indicators	2021	2020	2019
Total number of employees (excluding trainees, students and outsourced staff)	2,316	2,300	2,453
Saudization (organization-wide)	1,975	1,919	2,029
Number of new female employees	43	31	22
Total hours of training for employees	57,243	7,920	80,846

We also maintained the positive momentum of our efforts in the realm of continuous professional development with the launch in 2021 of the fifth edition of our Elite Program, which welcomed 16 new candidates to the scheme. The Elite Program provides skills development opportunities that reflect the increasing pace of global digital transformation, supporting a key aspect of the Kingdom's Vision 2030 in the area of digital education and competency.

The program provides experience and skills through job rotation between departments, advanced training from leading international universities, counseling and guidance sessions, and ongoing evaluations to measure candidate performance.

In 2021, we launched the first phase of our new internal employee portal (mCan), which represents a unique, centralized platform and employee touchpoint providing efficient tracking and follow-up of services.

Testifying to the success of our efforts to gain recognition as an employer of choice in our sector in 2021, Mobily was recognized by CPID for the Best Recruitment and Talent Management Strategy and was shortlisted by Informa for its Best Talent Management Strategy award.

We strive to create an open, diverse and inclusive environment that provides our people with the knowledge and skills to achieve our long-term business objectives. Our ambition is to ensure all our people feel equally valued and

share a common commitment to our corporate ethos. We therefore remain dedicated to developing a workforce that is inspired by innovation, quality and productivity.

Enhancing our Employee Value Proposition in 2022

As we continue to build upon the success achieved in our ongoing journey to deliver an exceptional employee value proposition, Mobily will pursue a variety of new initiatives to ensure our people remain motivated, satisfied and committed to sustainability.

These will include a new training and development policy to further enhance sustainability awareness among our employees through specific company-wide training programs, as well as the rollout of advanced e-learning opportunities with associated targets and KPIs.

Mobily will also continue to develop and update our health and human security policies and protocols, working from new baseline performance benchmarks and targets, while also performing further detailed H&S risk assessments to ensure the safety and wellbeing of our Staff.

Above all, we will continue to strive to ensure a fair and equitable working environment that celebrates diversity and equality through new focused policies, while also raising awareness of key aspects of inclusion within our workforce at all levels.

SOCIAL

POSITIVE COMMUNITY IMPACTS

Across all aspects of our business, we are committed to delivering positive impacts, by applying the highest social standards and investing in the local community that we are a part of. This guiding principle influences all our actions as a Company, an employer and a proactive advocate for sustainable socio-economic development.

Mobily ESG and Sustainability Program aims to develop, deliver and sustain multiple initiatives and create valuable partnerships with our community in a way that benefits all national Stakeholders, including our partners throughout the supply chain.

We retain deep connections with the communities we serve and are committed to investing in the resources they require to thrive and prosper. Leveraging Mobily's dedicated sponsorship policy, we evaluate all opportunities based on their alignment with our sustainability objectives, as well as our strategy and values, target audiences, locations, employees and investment requirements.



We rely on the following principles and priorities when evaluating community investment prospects:

- Supporting education.
- Driving awareness of the importance of sports in community and social development, including through sponsorship activities.
- Protecting the natural environment through waste management, recycling and climate change mitigation strategies.
- Providing technical support, education and awareness concerning evolving technologies.
- Ensuring equal opportunities for women and people with disabilities.
- Increasing awareness of, and providing support for, health issues, such as diabetes and mental health.
- Supporting the needy, including those with special needs, orphans and prisoners.

Throughout 2021, Mobily engaged in a broad program of social responsibility initiatives, including our support for CITC's successful bid to secure the ITU Distinguished Prize at its World Summit on the Information Society. As a key partner in the delivery of the winning project, Mobily installed 13,014 free WiFi hotspots in public places across Saudi Arabia during the year to power tangible progress toward the Kingdom's social development objectives.

Our assistance to national entities with regards to security and public interest campaigns in 2021 included our role in supporting Nazaha, the Oversight and Anti-Corruption Authority, by facilitating a SMS public information campaign, while we also lent support to the Government's efforts to combat the pandemic by offering free data usage for the Tawakkalna tracing app.

We signed a key Agreement with Monsha'at – the General Authority for Small and Medium-sized Enterprises – in April to enable entrepreneurs and owners of SMEs to adopt leading edge technologies leveraging advanced 5G connectivity. Under the agreement, Mobily will offer consulting services to entrepreneurs in the fields of IoT, cybersecurity and AI. We will also provide a dedicated intelligence center, fully equipped with 5G networking capabilities, to support entrepreneurs in testing their related products and services utilizing the network.

Mobily is keen to further support these participating SMEs by evaluating their products and selecting qualifying entries to be featured on the Mobily Business platform to serve our customers. Meanwhile, the Company will also evaluate projects for potential start-up investment opportunities.

We complemented our existing network of education partnerships in 2021 through a memorandum of understanding with Al Yamamah University in November that will strengthen the cooperation between the 2 parties and contribute to the development of our respective workforces. The MoU covers reciprocal training, studies and joint research projects, as well as discounts on tuition fees for the families of Mobily employees to further our aim to advance the digital economy and create opportunities in the field of ICT. Mobily was also invited to sponsor and engage with the Ministry of Education's My School is Programing competition, and provided event support for the King Fahad University of Petroleum and Minerals. Demonstrating our commitments to global efforts to rationalize energy use, Mobily also participated in Earth Hour during 2021, reducing the electricity consumption of our advertising LED display boards by 90% and encouraging individuals and communities to rationalize their electricity consumption by turning off non-essential electric lights.

Our Investor Relations Department has taken the lead in the implementation of our ESG strategy and program, activating our approach by launching a range of activities designed to ensure significant and sustainable positive impacts for our communities and the Kingdom as a whole.

Supporting our Community in 2022

Mobily will continue to establish productive partnerships and implement initiatives in 2022 to benefit the nation and its communities in a variety of key areas, building on our sustainability commitments and policies, and engaging with a growing number of Stakeholders across Saudi Arabia to deliver, monitor and improve our various engagement programs.

In particular, as a leading national partner in Saudi Arabia's digitalization efforts, we will pursue further opportunities to work with communities to address issues relating to technology access, knowledge and skills by breaking down barriers to effective digital technology use across the Kingdom.

GOVERNANCE

BOARD OF DIRECTORS

Members of the Board of Directors



H.E. Dr. Nabeel Mohamed Al Amudi

Chairman – Independent Member

H.E. Dr. Al Amudi is the CEO of the Olayan Financing Company (OFC) and is a Board member for the Olayan Saudi Holding Company (OSHCO) and several other Olayan-related companies. Previous to this role, he was the President of OFC.

Dr. Al Amudi served as the Minister of Transport for the Kingdom of Saudi Arabia between 2017 and 2019. Moreover, Dr. Al Amudi oversaw the activities of the Saudi Ports Authority (SPA) as President and Vice Chairman.

Dr. Al Amudi has had the opportunity to assume several leadership positions in many companies and was a member of the Board of Directors for companies that are among the most prominent and leading companies in the Kingdom of Saudi Arabia. He was also a member of Saudi Aramco's Board as the company went public and was a member of the Risk and Audit Committees. He also served as a Board member on the Sulaiman Alhabib Medical Group, the leading private medical services provider in the Kingdom, Hapag-Lloyd AG, a German listed container shipping company, the Neom Development Company and the Red Sea Development Company. Dr. Al Amudi also chaired the Saudi Railways Company (SAR), United Arab Shipping Company and the Saudi-based Tabadul Company.

Prior to his government appointments, Dr. Al Amudi enjoyed a distinguished career with Saudi Aramco. He joined Saudi Aramco in 1995 and held a series of positions of increasing responsibility in various areas of the company within the Kingdom, particularly in the Law and Corporate Planning functions.

Dr. Al Amudi obtained a Bachelor's degree in Chemical Engineering from Stanford University, earned with distinction in 1995. He also

received a JD (Juris Doctorate) from Harvard Law School in 2001 and is also a graduate of Stanford's Graduate School of Business Executive Program and is a member of the New York State Bar Association.

Current Board memberships

Within Saudi Arabia:

- Olayan Saudi Holding Company – Limited Liability Company
- Imam Abdulrahman bin Faisal University – Government University

Previous Board memberships

Within Saudi Arabia:

- Saudi Aramco – Listed Joint Stock Company
- Dr. Sulaiman Al-Habib Medical Services Group – Listed Joint Stock Company
- Neom Company – Limited Liability Company
- The Red Sea Development Company – Limited Liability Company
- Saudi Railways Company – Limited Liability Company
- General Authority of Civil Aviation – Government Entity
- Saudi Ports Authority – Government Entity
- Transport General Authority – Government Entity
- Tabadul – Limited Liability Company

Outside Saudi Arabia:

- United Arab Shipping Company – Limited Liability Company
- Hapag-Lloyd A.G. – Listed on Frankfurt stock exchange
- Aramco Services Company – Corporation incorporated in Delaware, United States of America
- Motiva Enterprises – Limited Liability Company



Mr. Suliman Abdulrahman Al Gwaiz

Vice Chairman – Non-Executive Member

Mr. Al Gwaiz was the Governor of the General Organization for Social Insurance (GOSI) from 2013 until his retirement in January 2021. He previously held various positions at Riyad Bank from 1992, and the last position he held there was the Deputy CEO from 2002 to 2013. Prior to that, he held various positions at the Saudi American Bank (SAMBA Bank) from 1981 to 1992, and was one of the Corporate Banking Group's Division Heads from 1989 to 1992. Mr. Al Gwaiz has specific experience in the areas of banking operations, finance, credit, and general business management. Mr. Al Gwaiz holds a Bachelor's degree in Business Administration from the University of Portland, USA. He has also completed the 2 Citibank advanced programs in Banking Operations Management (1982) and Corporate Finance (1990).

Current Board memberships

Within Saudi Arabia:

- Saudi British Bank (SABB) – Listed Joint Stock Company
- Almunajem Foods – Listed Joint Stock Company
- Saudi Industrial Investment Group – Listed Joint Stock Company
- Saudi Arabian Mining Company (Maaden) – Listed Joint Stock Company
- SMCG – Limited Liability Company

Previous Board memberships

Within Saudi Arabia:

- Hassana Investment Company (HIC) – Closed Joint Stock Company
- National Company for Glass Industries (ZOUJAJ) – Listed Joint Stock Company
- National Industries Company (NIC) – Listed Joint Stock Company
- Banque Saudi Fransi – Listed Joint Stock Company
- Ajil Financial Services – Closed Joint Stock Company

Outside Saudi Arabia:

- Royal and Sun Alliance Insurance (Middle East) – Closed Joint Stock Company
- MasterCard International (Africa and South Asia) – Limited Liability Company

GOVERNANCE

BOARD OF DIRECTORS (CONTINUED)



Eng. Abdullah Mohammed Al Issa
Vice Chairman – Independent Member

Eng. Al Issa is the Chairman of Assila Investments Company. He is also Chairman of Abdullah Mohammed Al Issa Consulting Engineers Company and of Amias Holding Company. He was previously the CEO of Assila Investment Company and President of the Saudi Construction Company. He has extensive experience in engineering and investment. Eng. Al Issa holds a Master's degree in Engineering Management and a Bachelor's degree in Industrial Engineering from Southern Methodist University, USA.

Current Board memberships

Within Saudi Arabia:

- Riyadh Bank – Chairman of Board – Listed Joint Stock Company
- Dur Hospitality – Chairman of Board – Listed Joint Stock Company
- SABIC – Listed Joint Stock Company
- Assila Investment Company – Chairman of Board – Closed Joint Stock Company
- Amias Holding Company – Limited Liability Company

Outside Saudi Arabia:

- Clarinet Company – Listed Joint Stock Company

Previous Board memberships

Within Saudi Arabia:

- Arabian Cement Co. – Listed Joint Stock Company
- Saudi Arabian Mining Company (Maaden) – Listed Joint Stock Company
- National Medical Care Co. (Care) – Listed Joint Stock Company
- Cement Products Company – Limited Liability Company
- Jadwa Investment – Unlisted Joint Stock Company
- National Chemical Carriers Company – Unlisted Joint Stock Company
- National Shipping Company of Saudi Arabia (Bahri) – Listed Joint Stock Company

Outside Saudi Arabia:

- SABIC Capital – Limited Liability Company



Eng. Khalifa Hassan Al Shamsi
Non-Executive Member

Eng. Al Shamsi is the Chief Corporate Strategy and Governance Officer at Etisalat Group. He previously held the position of Chief Digital Services Officer at Etisalat Group, before which he was the Chief Marketing Officer and Head of Mobile Networks for Etisalat UAE. Eng. Al Shamsi has 28 years of experience in digital transformation, marketing, strategy, technology and telecommunications. Eng Al Shamsi holds a Bachelor's degree in Electrical Engineering from the University of Kentucky, USA.

Current Board memberships

Outside Saudi Arabia:

- Etisalat Afghanistan – Limited Liability Company
- PTCL – Listed Joint Stock Company
- Ufone – Limited Liability Company
- E-Vision – Limited Liability Company
- Etisalat Technology Services (ETS) – Limited Liability Company
- UAE International Investors Council



Eng. Homood Abdullah Al Tuwajiri

Independent Member

Eng. Al Tuwajiri joined Mobyly's Board of Directors in December 2015. He has 30 years of notable experience in the petrochemicals industry, manufacturing, strategic management, economics, financial management, information technology, legal affairs, enterprise risk management, compliance and governance. Previously, Eng. Al Tuwajiri was Saudi Basic Industry Corp.'s (SABIC) Executive Vice President for Strategic Planning and Finance, Petrochemical Strategic Business Units Coordination and Supply Chain Management and last as SABIC's Executive Vice President for Corporate Governance and Control. Eng. Al Tuwajiri held Board memberships in the manufacturing, utilities, banking and insurance sectors, in addition to his memberships on the Boards of Royal commission for Jubail and Yanbu, and Saudi Ports Authority. He is currently a member of the Board of Directors of the Company for Cooperative Insurance (Tawuniya). Eng. Al Tuwajiri holds a Bachelor's degree in Business and Engineering from the University of Washington in 1980, and a Master's degree in Industrial Engineering from Georgia Institute of Technology in 1983.

Current Board memberships

Within Saudi Arabia:

- The Company for Cooperative Insurance (Tawuniya) – Listed Joint Stock Company

Previous Board memberships

Within Saudi Arabia:

- Alinma Bank – Listed Joint Stock Company
- The Company for Cooperative Insurance (Tawuniya) – Listed Joint Stock Company
- Tabuk Cement – Listed Joint Stock Company

Outside Saudi Arabia:

- Aluminum Bahrain (Alba) – Listed Joint Stock Company



Mr. Serkan Sabri Okandan

Non-Executive Member

Mr. Okandan is the CFO of VEON Group headquartered in Amsterdam, the Netherlands, since May 2020. He was Group CFO of Etisalat Group from January 2012 to April 2020 and previously Deputy CEO of Mobyly from 2014 to 2015. He also served as CFO of Turkcell Group from 2006 until 2011. Mr. Okandan is a finance executive with international telecommunication and finance management experience in Eastern Europe, Middle East, Asia and Africa. Mr. Okandan holds a Bachelor's degree in Economics and Administration Science from the Bogaziçi University in Istanbul, Turkey.

Current Board memberships

Outside Saudi Arabia:

- Beeline Russia – Limited Liability Company
- Kyivstar Ukraine – Limited Liability Company
- Jazz Pakistan – Listed Joint Stock Company
- Banglalink Bangladesh – Limited Liability Company

Previous Board memberships

Outside Saudi Arabia:

- PTCL – Limited Liability Company
- Ufone – Limited Liability Company
- Maroc Telecom – Listed Joint Stock Company
- Etisalat Services Holding – Limited Liability Company
- Etisalat Nigeria – Limited Liability Company

GOVERNANCE

BOARD OF DIRECTORS (CONTINUED)



Eng. Saleh Abdullah Al Abdooli
Non-Executive Member

Eng. Al Abdooli is the former CEO of Etisalat Group and previously served as CEO of Etisalat UAE and Etisalat Egypt. Eng. Al Abdooli has experience in engineering, telecommunications and planning. He is a telecommunications expert, an entrepreneur and a well-seasoned CEO with over 28 years of experience in multiple markets in the MENA region in greenfield and legacy operations. He has a proven record in group and portfolio management, operations management, turnaround and transformation, technology evolution and digitization. His accomplishments include successfully transforming Etisalat UAE from a traditional telecommunications company into a digital telecommunications company, and reshaping the Company's vision, strategy, talent and operating model in order to lead in the digital space. Eng. Al Abdooli holds a Master's degree in Telecommunications and a Bachelor's degree in Electrical Engineering from the University of Colorado Boulder, USA.

Current Board memberships

Outside Saudi Arabia:

- Etisalat Egypt – Unlisted Joint Stock Company
- Maroc Telecom – Listed Joint Stock Company
- Khalifa University – Government Entity



Eng. Ali Abdulrahman Al Subaihin
Independent Member

Eng. Al Subaihin is a Founding Partner of Chedid Reinsurance Brokerage Ltd and a member of the Business Advisory Council at the College of Business Administration, Al Faisal University. He was previously the CEO at Tawuniya for Cooperative Insurance and General Manager of Finance and Information Services at Saudi Petrochemical Company. Eng. Al Subaihin has experience in insurance, control engineering and IT, financial management, treasury management, marketing and sales. Eng. Al Subaihin holds a Bachelor's degree in Systems Engineering from King Fahd University of Petroleum and Minerals, Saudi Arabia. He completed the Executive Program in Management and Cost Accounting at the University of Houston, USA, as well as a number of courses at Northwester Harvard, INSEAD and the International Institute for Management Development (IMD).

Current Board memberships

Within Saudi Arabia:

- Astra Industrial Group – Listed Joint Stock Company
- Middle East Financial Investment Company (MIFC Capital) – Unlisted Joint Stock Company

Previous Board memberships

Within Saudi Arabia:

- The Company for Cooperative Insurance (Tawuniya) – Listed Joint Stock Company
- Cooperative Real Estate Investment Company (CREIC) – Government Entity
- WASEEL – Unlisted Joint Stock Company
- Najm for Insurance Services – Unlisted Joint Stock Company
- Council of Cooperative Health Insurance – Government Entity
- Alyusr Leasing and Financing Company – Unlisted Joint Stock Company
- Best Rent A Car Company – Unlisted Joint Stock Company

Outside Saudi Arabia:

- United Insurance Company (Bahrain) – Unlisted Joint Stock Company



Mr. Mohammed Hadi Al Hussaini

Independent Member

Mr. Al Hussaini is an administrative partner at H&H Investment and Development. Previously, he was Chief Executive Officer of Bright Start, and was Managing Director for one of Emirates NBD's branches. He has extensive professional experience in the banking, finance, real estate, telecommunications and investment sectors. Mr. Al Hussaini holds a Bachelor's degree in International Management from Franklin College, Switzerland, and an MBA in International Business from Webster University, Switzerland.

Current Board memberships

Outside Saudi Arabia:

- Emirates Integrated Telecommunications Company – Listed Joint Stock Company
- Emirates NBD – Listed Joint Stock Company
- Emirates Islamic Bank – Listed Joint Stock Company
- Dubai Refreshments – Listed Joint Stock Company
- Emaar Malls – Listed Joint Stock Company
- Investment Corporation of Dubai
- Emirates Investment Authority



Mr. Hussein Ali Al Asmari

Non-Executive Member

Mr. Al Asmari is acting Governor's Assistant for Information Technology at the Public Pension Agency. He previously served as General Manager of Digital Channels, Distribution and Retail Solutions at STC Channels and General Manager of IT Governance and Strategy at Saudi Arabian Mining Company (Maden). Mr. Al Asmari has over 20 years of experience in IT, sales and governance. Mr. Al Asmari holds a Bachelor's degree in Computer Science from King Abdulaziz University, KSA.

GOVERNANCE

BOARD OF DIRECTORS (CONTINUED)



Eng. Mutaz Kusai Al Azzawi
Independent Member

Eng. Al Azzawi is the Managing Director of his group of companies. Eng. Al Azzawi has decades of corporate experience including strategy, governance, mergers and acquisitions, engineering projects, telecommunications and strategic planning. He also has first-hand experience in financial markets, FX markets, money markets, equity markets, asset management, derivatives, and structured products. Eng. Al Azzawi holds a Bachelor's degree in Computer Engineering from King Saud University, KSA.

Current Board memberships

Within Saudi Arabia:

- Riyadh Bank – Listed Joint Stock Company
- Savola Group – Listed Joint Stock Company
- Arabian Cement Company – Listed Joint Stock Company
- Herfy Food Services – Chairman of the Board – Listed Joint Stock Company
- Savola Foods – Unlisted Joint Stock Company
- United Sugar Company – Unlisted Joint Stock Company
- Afia International Company – Unlisted Joint Stock Company
- Saudi Industrial Constructions & Engineering Project Company – Limited Liability Company
- Saudi Technology and Trade Company – Limited Liability Company
- Al Wosata Development Company – Limited Liability Company

Outside Saudi Arabia:

- United Sugar Company (Egypt) – Unlisted Joint Stock Company
- Alexandria Sugar Company – Unlisted Joint Stock Company
- Elmalika Foods – Unlisted Joint Stock Company
- El Farasha Food Industries – Unlisted Joint Stock Company
- Qatrana Cement – Chairman of the Board – Unlisted Joint Stock Company
- Ready Mix Concrete and Construction Supplies Company – Listed Joint Stock Company

Previous Board memberships

Within Saudi Arabia:

- Merrill Lynch Saudi Arabia – Unlisted Joint Stock Company



Dr. Khaled Abdulaziz Al Ghoneim
Independent Member

Dr. Al Ghoneim is the founder of Hawaz, a company specialized in behavioral economics and digitization. He is the Chairman and co-founder of Mozn, a company focusing on artificial intelligence (AI) and data science. He also established Takamol Company and was an executive of Takamol Holding Company. Dr. Khaled has had several leading positions in the fields of information technology (IT) and digital transformation, including the position of the CEO of Saudi Telecom Company (STC). He was also the founding CEO of Elm Information Security Co., which he developed within 10 years, achieving outstanding growth rates and transformed it from a small cost center into a major profit-generating entity. Dr. Al Ghoneim started his career more than three decades ago as an associate professor at King Saud University. In 2001, he was elected as the Chairman of the Saudi Computer Society where he had the opportunity to lead the first IT strategic plan ICT in the Kingdom of Saudi Arabia based on his business transformation skills.

He has experience in the fields of telecommunications, technology, and engineering. Dr. Al Ghoneim holds a BSc degree in Computer Engineering from King Saud University, Riyadh, Saudi Arabia; and a MSc and PhD in Electrical and Computer Engineering from Carnegie Mellon University, Pittsburgh, PA, USA.

Current Board memberships

Within Saudi Arabia:

- The Company for Cooperative Insurance (Tawuniya) – Listed Joint Stock Company
- Al Obeikan – Limited Liability Company
- Bayan Credit Bureau – Limited Liability Company

Previous Board memberships

Within Saudi Arabia:

- King Abdulaziz City for Science and Technology (KACST) – Government Entity
- Etihad Etisalat Company (Mobily) – Listed Joint Stock Company
- Takamol Holding Company – Limited Liability Company
- Unifonic Company – Limited Liability Company
- Saudi Human Resources Development Fund (HADAF) – Government Entity
- THIQAH Business Services – Limited Liability Company
- The Saudi Company for Electronic Information Exchange (TABADUL) – Limited Liability Company
- National Water Company – Public Joint Stock Company
- The Saline Water Conversion Corporation (SWCC) – Government Entity
- Elm Company – Limited Liability Company



Mr. Hatem Mohamed Dowidar
Non-Executive Member

Mr. Dowidar is the Chief Executive Officer of Etisalat Group. He joined Etisalat Group in September 2015 as Group Chief Operating Officer and was appointed as Chief Executive Officer, International Operations in March 2016. He sits on the subsidiaries' Boards in Saudi Arabia, Morocco, Egypt and Pakistan as well as the Abu Dhabi Chamber of Commerce and Industry. Prior to joining Etisalat Group, Mr. Dowidar was the Group Chief of Staff for Vodafone Group based in London, reporting to Vodafone Group CEO. He brings 30 years of experience in multinational companies, and more than 24 years of these within the telecommunications industry across various leadership positions in multinational companies.

Mr. Dowidar has a long track record of achievements in the various leadership positions he held at Vodafone Group and its subsidiaries, including Group Core Services Director, CEO of Vodafone Malta, CEO of Partner Markets with partnerships covering over 45 markets and Regional Director Emerging Markets. He also has extensive Corporate Governance experience from his representation as Chairman and Board Member in several Corporate Boards within and outside the Telecommunications industry.

Mr. Dowidar holds a Bachelor's degree in Communications and Electronics Engineering from Cairo University and an MBA from the American University in Cairo.

Current Board memberships

Outside Saudi Arabia:

- Maroc Telecom – Listed Joint Stock Company
- Etisalat Misr (Etisalat Egypt) – Unlisted Joint Stock Company
- Pakistan Telecommunications Company (PTCL) – Limited Liability Company
- Abu Dhabi Chamber of Commerce and Industry – Government Entity

Previous Board memberships

Outside Saudi Arabia:

- GSMA (Global System for Mobile Communications) – Unlisted Joint Stock Company
- Etisalat Nigeria – Limited Liability Company
- Attijariwafa Bank Egypt – Listed Joint Stock Company
- Barclays – Listed Joint Stock Company
- Vodacom South Africa – Limited Liability Company



Mr. Mohammed Karim Bennis
Non-Executive Member

Mr. Bennis is the Chief Financial Officer of Etisalat Group, a leading company in the telecommunications market within the Middle East, Asia and Africa, where his area of responsibility is the Etisalat Group footprint which includes 16 countries including the United Arab Emirates, Morocco, Egypt, Saudi Arabia and Pakistan. Mr. Bennis has international experience in Europe of various industries including manufacturing, retail and heavy equipment along with his expertise in telecommunications. Mr. Bennis is a member of the Board, Investment/Finance Committee and Audit Committee of Etisalat Egypt and Pakistan Telecommunication Company Ltd (PTCL Group). He also serves on the Board and Audit Committee of Maroc Telecom Group and Atlantique Telecom Holding. In his previous roles, Mr. Bennis served as Deputy Managing Director in charge of Finance at Tractafic Motors Corp. (Optorg Group) and his roles included Finance Controller, Strategic Planning and Subsidiaries Management of Maroc Telecom (7 years as a Seconded of Vivendi Group) and Group Financial Controller European Division of Crown Cork & Seal Company in Paris.

Mr. Bennis holds a Master's degree in Economics and Corporate Finance from Sciences-Po Paris, an MBA from Ecole Nationale des Ponts & Chaussees and a PhD in Economics and Technology from Conservatoire National des Arts & Metiers in Paris. He also successfully completed the Executive Chief Financial Officer Program at Columbia Business School in New York.

Current Board memberships

Outside Saudi Arabia:

- Etisalat Misr – Unlisted Joint Stock Company
- PTCL/Ufone – Limited Liability Company
- Atlantique Holdings – Unlisted Joint Stock Company
- Maroc Telecom – Listed Joint Stock Company

GOVERNANCE

BOARD OF DIRECTORS (CONTINUED)



Eng. Ahmed Abdelsalam Aboudoma
Independent Member

Eng. Aboudoma is a seasoned telecommunications expert with over 27 years in the MICT industry. Through his journey, he was at the helm of many telecommunication operators in exciting startup phases as well as through challenging turnarounds. He overlooked an operations portfolio spanning 14 countries in 3 continents.

As the CEO of Mobily (Etihad Etisalat Company) between 2017 and 2019, he led the successful turnaround of the 2nd largest telecommunications operator in KSA.

Eng. Aboudoma dedicated the following 2 years on a full-time basis volunteering to help the Egyptian Government on a pro-bono basis in the Ministry of Planning and the Suez Canal economic zone as Chief Investment Advisor.

Between 2011 and 2014 Eng. Aboudoma held the positions of Group CEO of Orascom Telecom Holding, "OTH" later Global Telecom, listed on both the London and Cairo stock exchanges, and Group EVP for Asia and Africa Business Unit in Vimpelcom (listed in Nasdaq).

Eng. Aboudoma holds a Bachelor of Science in Electronics and Communication Engineering from Cairo University. He has received the "Telecom Business Planning Award" from the ITU (agency under United Nations) based in Switzerland. He completed the International Executive Program (IEP) from INSEAD Business School in France and Singapore.

Current Board memberships

Outside Saudi Arabia:

- National Bank of Kuwait – NBK, Egypt – Listed Joint Stock Company
- Unimas Capital – Unlisted Joint Stock Company

Previous Board memberships

Outside Saudi Arabia:

- National Telecommunication Regulatory Authority (NTRA) Egypt – Government Entity
- Global Telecom Holding, Egypt – Listed Joint Stock Company
- Orascom Telecom and Media Technology (OTMT), Egypt – Listed Joint Stock Company
- International Telecommunications Consortium Limited, UK – Unlisted Joint Stock Company
- Vimpelcom, Netherlands – Listed Joint Stock Company
- Pakistan Mobile Communications Limited, Pakistan – Unlisted Joint Stock Company
- Orascom Telecom Ventures, Egypt – Unlisted Joint Stock Company
- Orascom Telecom Bangladesh – Unlisted Joint Stock Company
- Oratel International Inc. Limited, Malta – Unlisted Joint Stock Company
- Orascom Telecom Algeria, Algeria – Unlisted Joint Stock Company
- Sotelco Ltd. Cambodia – Unlisted Joint Stock Company
- Millicom Lao Co. Laos Republic – Unlisted Joint Stock Company



Mr. Abdulkarim Ibrahim Al Nafie
Independent Member

Mr. Al Nafie joined the Board of Directors of Mobily in December 2021 and is a Board member of a number of joint stock companies. He has extensive experience in industrial facilities in the public and private sectors. He previously held many different supervisory and leadership positions including the Director General of The Saudi Industrial Development Fund and the CEO of Saudi Ceramic Company.

Mr. Al Nafie is a graduate of Accounting and Management from Whitworth University in 1980. He has completed a number of advanced finance and management studies at several international universities and institutes such as Chase Manhattan Bank, INSEAD, MCE Europe, UCLA and University of Cranfield.

Current Board memberships

Within Saudi Arabia:

- Saudi Ceramic Company – Listed Joint Stock Company
- Astra Industrial Company – Listed Joint Stock Company
- Bawan Industrial Company – Listed Joint Stock Company.
- United Cement Company – Closed Joint Stock Company.
- Ceramic Pipes Company – Closed Joint Stock Company.
- Riyadh Steel Company – Closed Joint Stock Company
- Maan Aljaser & Partners Closets Company – Closed Joint Stock Company

Previous Board memberships

Within Saudi Arabia:

- Saudi National Shipping Company – Listed Joint Stock Company
- Naseej – Listed Joint Stock Company
- United Juices Company – Closed Joint Stock Company

Outside Saudi Arabia:

- Syrian Saudi Company – Government Entity

Mobily



GOVERNANCE

BOARD OF DIRECTORS (CONTINUED)

Board of Directors' Meetings and Attendance

The Company's Board of Directors held 7 meetings during 2021 as shown in the table below. The Board has allocated sufficient time to carry out its duties, including preparing for Board meetings and the meetings of the Company's committees, and ensuring their attendance at meetings.

It is worth noting that on 30 November 2021, the term of the Board of Directors was ended, and then it was reconstituted

for the new term, which began on 1 December 2021 for a period of 3 years ending on 30 November 2024; that was during the Company's Ordinary General Assembly meeting held on 28 November 2021. The Ordinary General Assembly meeting resulted in the election of the members of the Board of Directors for its new term.

The following are the Board's meetings and members' attendance record:

Sr.	Name	Position/ Membership type	15 March	23 May	1 July	19 October	21 October	28 October	24 November
1	Suliman Abdulrahman Al Gwaiz	Chairman – Non-Executive Member	Present*	Present*	Present*	Present*	Present*	Present	Present*
2	Abdullah Mohammed Al Issa	Vice Chairman – Independent Member	Present*	Present*	Present*	Present*	Present*	Present*	Present*
3	Khalifa Hassan Al Shamsi	Non-Executive Member	Present*	Present*	Present*	Present*	Present*	Present	Present*
4	Mohammed Hadi Al Hussaini ¹	Independent Member	Present*	Present*	Present*	-	-	-	-
5	Homood Abdullah Al Tuwaijri	Independent Member	Present*	Present*	Present*	Present*	Present*	Present	Present*
6	Ali Abdulrahman Al Subaihin	Independent Member	Present*	Present*	Present*	Present*	Present*	Present	Present*
7	Serkan Sabri Okandan	Non-Executive Member	Present*	Present*	Not Present	Present*	Not Present	Not Present	Present*
8	Saleh Abdullah Al Abdooli	Non-Executive Member	Present*	Present*	Present*	Present*	Present*	Present*	Present*
9	Hussein Ali Al Asmari	Non-Executive Member	Present*	Present*	Present*	Present*	Present*	Present*	Present*
10	Mutaz Kusai Al Azzawi	Independent Member	Present*	Present*	Present*	Present*	Present*	Present	Present*

* Joined via video call

¹ Member of the Board of Directors, Mr. Mohammed Hadi Al Hussaini, resigned from his position on 30 September 2021.

Below is the composition of the Board of Directors for the new term, which began on 1 December 2021 and will end on 30 November 2024. In its new term during 2021, the Board of Directors held 2 meetings, and the following are the meetings of the Board of Directors and the members' attendance record:

Sr.	Name	Position/ Membership type	6 December	26 December
1	Nabeel Mohamed Al Amudi	Chairman – Independent Member	Present*	Present*
2	Suliman Abdulrahman Al Gwaiz	Vice Chairman – Non-Executive Member	Present*	Present*
3	Khalifa Hassan Al Shamsi	Non-Executive Member	Present*	Present*
4	Ahmed Abdelsalam Aboudoma	Independent Member	Present*	Present*
5	Hatem Mohamed Dowidar	Non-Executive Member	Present*	Present*
6	Mohammed Karim Bennis	Non-Executive Member	Present*	Present*
7	Mutaz Kusai Al Azzawi	Independent Member	Present*	Present*
8	Homood Abdullah Al Tuwaijri	Independent Member	Present*	Present*
9	Khaled Abdulaziz Al Ghoneim	Independent Member	Present*	Present*
10	Abdulkarim Ibrahim Al Nafie	Independent Member	Present*	Present*

* Joined via video call

The Company's Committees

In accordance with the Articles of Association of the Company and the Corporate Governance Regulations issued by the CMA, the following Committees are formed:

Audit Committee

The Audit Committee was formed by the Board of Directors for the current term, which started from 1 December 2018, and will end on 30 November 2021.

The Audit Committee was also formed for the new term on 1 December 2021, until 30 November 2024.

The following are precedent members of the Committee who are not members of the Board of Directors:

Mr. Jameel Abdullah Almulhem

Non-Board Member serving as a member of the Committee (Chairman of the Audit Committee)

Mr. Almulhem previously held several positions at Saudi British Bank before being appointed as CEO of Saudi Telecom Company in Saudi Arabia. He then served as Managing Director of Shaker Group. He currently serves as the Managing Director of Takween Group as well as a member of many Boards and Board committees of joint stock and private companies within and outside Saudi Arabia. Mr. Almulhem has experience in banking, marketing, business, strategic and financial planning, governance and telecommunication. Mr. Almulhem holds a Bachelor's degree in Marketing from King Fahd University of Petroleum and Minerals, Saudi Arabia. He has completed several training courses at a number of specialized institutes in the USA and Europe.

Dr. Abdulrahman Mohammed Al Barrak

Non-Board Member serving as a member of the Committee (Audit Committee)

Dr. Al Barrak is the President of THARA Consultants. He has extensive experience in financial markets, finance and corporate governance, and internal audit and control systems. Dr. Al Barrak served as a member and then Vice President of the Capital Market Authority (CMA) Board of Commissioners for 9 years. He also chaired the Audit Committee of the Capital Market Authority (CMA), the Saudi Organization for Certified Public Accountants (SOCPA) and a number of Executive Committees and Strategic Committees overseeing projects related to the development of the Saudi financial market. In addition, he has previously served as Head of Finance and Dean of Faculty Affairs at King Faisal University. Currently, Dr.

Al Barrak is a Board member for a number of joint stock companies and Chairman and member of a number of their committees. Dr. Al Barrak holds a Bachelor's degree in Accounting and a Master's and a PhD in Finance.

Following are the current members of the Committee who are not members of the Board of Directors:

Mr. Abdulaziz Ibrahim Alnowaiser

Non-Board Member serving as a member of the Committee (Chairman of the Audit Committee)

Mr. Alnowaiser is currently the CEO of Tahakom Investment Co., and he is the Chairman and member of the Boards of Directors and Audit Committees for several listed and unlisted companies. Previously he held a number of leadership and advisory positions in other companies and worked as a lecturer in the Accounting Department at King Saud University in Riyadh.

Mr. Alnowaiser holds a Master's degree in Accounting with 2 majors in Finance and Information Systems from Case Western Reserve University in the United States, a Bachelor's degree in Accounting from King Saud University in Riyadh, as well as a number of professional certificates in accounting, auditing and financial management.

Mr. Mohammed Othman Alsubaie

Non-Board Member serving as a member of the Committee (Audit Committee)

Mr. Alsubaie, retired, has more than 35 years of experience in the areas of internal audit, finance, governance and risk management. His last position was the Auditor General at Saudi Aramco during the period from 2015 to 2018.

He has also held a number of leadership positions in Saudi Aramco from 1993 to 2013. Currently, he is a member and chair of a number of audit committees in joint stock and government companies. In addition, he is active in a number of professional businesses.

Mr. Alsubaie is a graduate of the Executive Management Program from Oxford University in the United Kingdom. He has a Master's degree in Accounting from King Fahd University of Petroleum and Minerals in 1991 and a Bachelor's degree in Management from Columbia College in the United States in 1981.

GOVERNANCE

BOARD OF DIRECTORS (CONTINUED)

The Audit Committee held in its previous term 4 meetings during 2021, below are the meetings of the Audit Committee and the attendance record of members:

Name	Position/ Membership type	20 February	18 April	25 July	18 October
Jameel Abdullah Almulhem ¹	Chairman of the Committee – Non-Board Member	Present*	Present*	-	-
Abdulaziz Ibrahim Alnowaiser ²	Chairman of the Committee – Non-Board Member	-	-	Present*	Present
Homood Abdullah Al Tuwajiri	Independent Member	Present*	Present*	Present*	Present
Abdulrahman Mohammed Al Barrak	Non-Board Member	Present*	Present*	Present*	Present
Mohammed Hadi Al Hussaini ³	Independent Member	Present*	Present*	Present*	-
Serkan Sabri Okandan	Non-Executive Member	Present*	Present*	Present*	Present*

* Joined via video call

¹ Chairman of the Committee, Mr. Jameel Abdullah Almulhem resigned on 20 April 2021.

² Mr. Abdulaziz Ibrahim Alnowaiser was appointed on 23 May 2021.

³ Member of the Audit Committee, Mr. Mohammed Hadi Al Hussaini resigned on 26 September 2021.

Below is the composition of the Audit Committee for the new term, which began on 1 December 2021 and will end on 30 November 2024. It should be noted that the new Committee has not held any meeting since the beginning of its term until the end of 2021:

Name	Position/ Membership type
Abdulaziz Ibrahim Alnowaiser	Chairman of the Committee – Non-Board Member
Mohammed Othman Alsubaie	Non-Board Member
Homood Abdullah Al Tuwajiri	Independent Member
Mohammed Karim Bennis	Non-Executive Member
Ahmed Abdelsalam Aboudoma	Independent Member

The Audit Committee is responsible for monitoring the Company's business and verifying the integrity of its financial statements and reports and internal control systems. The duties and responsibilities of the Committee include:

1- External Auditor and financial reports

- Reviewing, assessing and verifying the qualifications, performance, objectivity and independence of the External Auditor, including the main Shareholder and other senior members of the independent audit team on an annual basis and obtaining an annual acknowledgment of that independence and verifying the effectiveness of the audit work, considering relevant rules and standards
- Reviewing the External Auditor's audit plan, scope, approach and his work
- Ensuring that the External Auditor does not provide any technical or administrative services that are beyond the scope of the audit work, while offering the Committee's insights in this regard
- Reviewing the External Auditor's report and comments on the financial statements and monitoring the actions taken in this regard
- Reviewing the interim and annual financial statements

before their submission to the Board of Directors and providing feedback and recommendations regarding their fairness, integrity and transparency

- At the request of the Board of Directors, the Committee shall provide its technical opinion on whether or not the Annual Report of the Board of Directors and the financial statements are fairly, consistently and understandably presented and contain appropriate information to enable Shareholders and investors to assess Mobily's financial position, results of operations, performance, business models and strategies
- Reviewing with the External Auditors the extent to which the changes or improvements to financial or accounting practices have been implemented
- Regularly reviewing with the External Auditors any problems or difficulties they face during the audit work, including any restrictions on the External Auditor's scope of work or obtaining the required information and Management's response to the same
- Examining the current accounting policies and providing feedback and recommendations to the Board in this regard
- Examining any abnormal or serious matters found in the financial reports or such matters as may be raised by the CFO, any person assuming the CFO's duties, or the

Company's Compliance Officer or Auditor

- Examining the accounting estimates in respect of significant matters that are contained in the financial reports
- Responding to the External Auditor's inquiries
- Reviewing and discussing the quarterly and annual press releases

2- Internal Audit

- Examining and reviewing the Company's internal and financial control systems and risk management system
- Reviewing the Internal Audit reports and monitoring the modification and corrections in regard to the audit observations in these reports
- Monitoring and overseeing the activities and performance of the Company's Internal Auditor and Internal Audit department to ensure the availability of necessary resources and the department's efficiency in carrying out its responsibilities and duties
- Reviewing and submitting written recommendations on such regular internal reports (or their summaries) as may be prepared by Internal Audit, as well as Management's response, and monitoring the implementation of the Committee's recommendations and agreed action steps in this regard

3- Ensuring compliance

- Reviewing the results of any reports or examinations made by regulatory bodies and ensuring that the Company has taken the necessary actions in this regard
- Ensuring that the Company has taken appropriate measures to comply with the relevant laws, regulations, policies and procedures
- Reviewing the contracts and proposed Related Party transactions, and providing its recommendations to the Board in connection therewith
- Reporting to the Board any issues in connection with what it deems necessary to take action on, and providing recommendations as to the steps that should be taken

4-Ethics and anti-fraud

- The Committee shall make arrangements to enable the Company's employees to provide anonymous reports about their concerns and comments regarding financial and other matters. The Committee shall also ensure the effective implementation of measures through appropriate independent investigations into

the size of reported irregularities, errors, infringements, inaccuracies or irregularities and take appropriate follow-up actions

- Ensuring that appropriate measures are taken to respond to any reported allegations or concerns, including obtaining external legal or technical advice where appropriate
- Reviewing and evaluating Mobily's management of the Code of Conduct

5-Reporting to the Board of Directors

- Preparing a report on the opinion and recommendation of the Committee on the adequacy of the internal control systems, the financial controls and risk management and the extent to which the Committee has discharged its responsibilities. The report shall be printed and made available to Shareholders in the headquarter of the Company by the Board of Directors at least 21 days prior to the General Assembly meeting. The summary of the report shall also be read out at the General Assembly meeting. The report shall also be made available on the Company's and Stock Exchange's websites when the call to convene the General Assembly is published. Reporting on issues requiring action with the Committee's recommendations on actions to be taken to the Board of Directors, whenever necessary

6-Coordinating with the Board of Directors' Risk Management Committee

- The Committee shall coordinate with the Risk Management Committee to use the risk assessment outputs and risk management evaluations and to take them into consideration in the Internal Audit plan

7- Other responsibilities

- Reviewing its charter periodically, at least annually, and making recommendations to the Board of Directors of any necessary amendments
- At least 3 months before the end of the year, the Committee shall develop its annual action plan and schedule for the coming year. This shall include the Committee's regular meetings, meetings with Management, External and Internal Auditors, and such other activities in the light of its duties and responsibilities set out in its charter
- Carrying out any other activities in accordance with its charter, Mobily's Articles of Association, the applicable laws and as may be deemed necessary by the Board

GOVERNANCE

BOARD OF DIRECTORS (CONTINUED)

Executive Committee

The Executive Committee was formed by the Board of Directors for the new term after the precedent term was ended on 30 November 2021. The Committee, in its previous term during 2021, held 3 meetings, below are the Committee's meetings and the members attendance record:

Name	Position/ Membership type	29 March	30 September	15 November
Suliman Abdulrahman Al Gwaiz	Chairman of the Committee – Non-Executive Member	Present*	Present*	Present*
Abdullah Mohammed Al Issa	Independent Member	Present*	Present*	Present*
Khalifa Hassan Al Shamsi	Non-Executive Member	Present*	Present*	Present*
Saleh Abdullah Al Abdooli	Non-Executive Member	Present*	Present*	Present*
Mutaz Kusai Al Azzawi	Independent Member	Present*	Present*	Present*

* Joined via video call

Below is the formation of the Executive Committee for the new term, which began on 1 December 2021 and will end at the end of the Board's term on 30 November 2024. It should be noted that the new Committee has not held any meeting since the beginning of its term until the end of 2021:

Name	Position/ Membership type
Nabeel Mohamed Al Amudi	Chairman of the Committee – Independent Member
Suliman Abdulrahman Al Gwaiz	Non-Executive Member
Hatem Mohamed Dowidar	Non-Executive Member
Khalifa Hassan Al Shamsi	Non-Executive Member
Mutaz Kusai Al Azzawi	Independent Member

The duties and responsibilities of the Committee include:

- Exercising the powers entrusted by the Board to manage and direct the business of the Company, with the exception of:
 - Amending the Company's Articles of Association
 - Electing or dismissing members of the Board
 - Approving or amending the budget, except in accordance with the Company's delegation of authority
 - Making substantial structural changes, such as changing the Company's capital, mergers and acquisitions, sale of assets, joint ventures or other similar arrangements, liquidating or suspending the Company's business or dissolving the Company
 - Borrowing any amounts
 - Any powers and responsibilities expressly delegated to other Board Committees
 - Any other matters that cannot be delegated by the Board under the applicable regulations or the Company's Articles of Association
- Following up on the Company's strategic plans for the long, medium and short-term and revising them from time to time and recommending to the Board of Directors any update or modification when deemed necessary.
- Acting as a guide for the Company's Management on emerging issues and investment opportunities.
- Reviewing fundamental legal issues and emerging lawsuits.
- Approving the appointment of advisory bodies in case the appointment exceeds Management's authority in approving such bodies.
- Filing reports to the Board of Directors regarding decisions or procedures taken by the Committee or that require the approval of the Board.
- Such other matter as assigned by the Company's Board of Directors.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee was formed by the Board of Directors for the new term after the precedent term was ended on 30 November 2021. The Committee, in its previous term during 2021, held 7 meetings, and below are the Nomination and Remuneration Committee's meetings and the members attendance record:

Name	Position/ Membership type	1 March	13 March	28 March	31 May	8 July	27 September	4 October
Ali Abdulrahman Al Subaihin	Chairman of the Committee – Independent Member	Present*	Present*	Present*	Present*	Present*	Present*	Present*
Mutaz Kusai Al Azzawi	Independent Member	Present*	Present*	Present*	Present*	Present*	Present*	Present*
Khalifa Hassan Al Shamsi	Non-Executive Member	Present*	Present*	Present*	Present*	Present*	Present*	Present*

* Joined via video call

Below is the formation of the Nomination and Remuneration Committee for the new term, which began on 1 December 2021 and will end at the end of the Board's term on 30 November 2024. It should be noted that the new Committee has not held any meeting since the beginning of its term until the end of 2021:

Name	Position/ Membership type
Mutaz Kusai Al Azzawi	Chairman of the Committee – Independent Member
Khalifa Hassan Al Shamsi	Non-Executive Member
Abdulkarim Ibrahim Al Nafie	Independent Member

The duties and responsibilities of the Committee include:

- Giving recommendations to the Board of Directors regarding nominated members in accordance with the approved policies and criteria, ensuring that nominees have not been charged with any crimes against honor and integrity.
- Recommending to the Board of Directors to nominate and re-nominate members of the Audit Committee.
- Proposing a new member to the Board after consulting with the Audit Committee to appoint him temporarily as a member when the position of the Audit Committee member becomes vacant.
- Proposing clear policies and conditions for the membership of the Board of Directors and Executive Management and developing special procedures to deal with situations when a position of a member of the Board of Directors or Executive Management becomes vacant.
- Annually reviewing the Board's requirements of skill and experience and preparing a description of qualifications and capabilities required in nominees for Board membership and Executive Management.
- Reviewing the Board of Directors' and Executive Management's structure and giving recommendations on proposed changes.
- Determining the strengths and weaknesses of the Board of Directors and proposing solutions that align with the Company's best interests.
- Annually examining and ensuring independence of Independent Board Members and the absence of any conflicts of interest if a Director is at the same time a member of another company's Board of Directors.
- Developing clear policies outlining the remuneration and rewards of members of the Board and its Committees and Executive Management. These policies should be based on performance related criteria and shall be disclosed, verified and submitted to the Board for consideration before being adopted by the General Assembly.
- In selecting nominees for Board membership, the Committee shall consider several factors, including but not limited to:
 - Integrity, honesty and responsibility
 - Proven leadership experience and strong business acumen
 - Future foresight and strategic focus
 - Cooperation
 - Independence and lack of conflicts of interest
 - Ability to devote the time necessary to fulfil the responsibilities of a Board member

GOVERNANCE

BOARD OF DIRECTORS (CONTINUED)

11. Ensuring that there is an induction program for new members of the Board of Directors.
12. The Committee shall provide continuous education and training programs and make sure that the Board of Directors is kept informed of the latest developments in the telecom industry.
13. The above paragraph shall be treated in accordance with the Company's approved policy on training programs and business trips.
14. Checking the stability of the Company's job positions and overseeing the Company's preparation of a succession plan, particularly for the Executive Management.
15. When nominating members of the Board of Directors, the Committee shall consider the terms and conditions of the Corporate Governance Regulations and the requirements set by the Capital Market Authority (CMA).
16. The number of nominees for the Board of Directors whose names are proposed to the General Assembly shall exceed the number of available seats in order to enable the General Assembly to choose from among them.
17. Developing job descriptions for Executive, Non-Executive and Independent Members and Senior Executives.
18. Clarifying the relationship between the remuneration awarded and the applicable remuneration policy and indicating any material deviation from this policy.
19. Regularly reviewing the remuneration policy and evaluating its effectiveness in achieving the intended objectives.
20. Recommending the remuneration of the Board of Directors, the Board Committees and Executive Management in accordance with the approved policy.
21. The Committee shall examine the subjects assigned to it or referred to it by the Board of Directors and submit its recommendations to the Board of Directors for decision, or the Committee shall make decisions if authorized by the Board.
22. The Board report submitted to the General Assembly shall indicate the number of Committee meetings and how many times each member was present at those meetings.

Risk Management Committee

The Risk Management Committee was formed by the Board of Directors for the new term after the precedent term was ended on 30 November 2021. The Committee, in its previous term during 2021, held 4 meetings, and below are the Committee's meetings and the members attendance record:

Name	Position/ Membership type	25 January	26 April	26 July	21 October
Homood Abdullah Al Tuwajiri	Chairman of the Committee – Independent Member	Present*	Present*	Present*	Present
Khalifa Hassan Al Shamsi	Non-Executive Member	Present*	Present*	Present*	Present
Serkan Sabri Okandan	Non-Executive Member	Present*	Present*	Present*	Present*
Hussein Ali Al Asmari	Non-Executive Member	Present*	Present*	Present*	Present*

* Joined via video call

Below is the formation of the Risk Management Committee for the new term, which began on 1 December 2021 and will end at the end of the Board's term on 30 November 2024. It should be noted that the new Committee has not held any meeting since the beginning of its term until the end of 2021:

Name	Position/ Membership type
Homood Abdullah Al Tuwajiri	Chairman of the Committee – Independent Member
Khaled Abdulaziz Al Ghoneim	Independent Member
Mohammed Karim Bennis	Non-Executive Member
Ahmed Abdelsalam Aboudoma	Independent Member

The duties and responsibilities of the Committee include:

- Reviewing and evaluating the safety and efficiency of risk management within the Company
- Monitoring the implementation of the risk management framework and strategy
- Reviewing tolerance levels and risk limits, related reports and the necessary procedures applied, to reduce risks that occur

The Committee's assignment lasts throughout the term of the Board of Directors and expires at the end of this period. The regulations of the Committee include controls to enable the Board to routinely follow up on its work and to verify actions assigned to it. These include Committee meetings, recommendations and how to notify the Board of Directors of such recommendations.

Statement of interest, contractual securities or rights issue of the Board members and their relatives on shares or debt instruments of the Company or its affiliates:

Etihad Etisalat Company (Mobily):

Name	No. of shares at start of 2021	No. of shares at end of 2021	Net change	Percentage change
Nabeel Mohamed Al Amudi ¹	55	55	-	-
Suliman Abdulrahman Al Gwaiz	17,093	17,093	-	-
Abdullah Mohammed Al Issa ²	34,600	34,600	-	-
Khalifa Hassan Al Shamsi	-	-	-	-
Homood Abdullah Al Tuwajiri	217,005	217,005	-	-
Ali Abdulrahman Al Subaihin ²	21,600	21,600	-	-
Mohammed Hadi Al Hussaini ³	-	-	-	-
Serkan Sabri Okandan ²	-	-	-	-
Saleh Abdullah Al Abdooli ²	-	-	-	-
Hussein Ali Al Asmari ²	-	-	-	-
Mutaz Kusai Al Azzawi	500	500	-	-
Ahmed Abdelsalam Aboudoma ¹	-	-	-	-
Hatem Mohamed Dowidar ¹	-	-	-	-
Mohammed Karim Bennis ¹	-	-	-	-
Khaled Abdulaziz Al Ghoneim ¹	20,000	33,500	13,500	67.50%
Abdulkarim Ibrahim Al Nafie ¹	20,109	20,109	-	-

¹ Number of shares at the start of the year is considered since the beginning of his membership on 1 December 2021.

² Number of shares at the end of the year is considered until the end of his membership on 30 November 2021.

³ Board member Mr. Mohammed Hadi Al Hussaini resigned from his position, and the number of shares at the end of the year is considered until the end of his membership on 30 September 2021.

It is worth noting that there are no interests, contractual securities or rights issues for the Board of Directors' members and their relatives in the shares or debt instruments of affiliates.

Assessment of the Board of Directors' Performance

With a view to the continuity and development of the Board of Directors performance, meeting regulatory requirements and implementing best practices, Etihad Etisalat Company

(Mobily) Board of Directors developed procedures to assess its work and emanating committees thereof periodically. Etihad Etisalat Company (Mobily) engaged Governance Compass Company, a specialized consultant, in April 2020, to assess the effectiveness and performance of the Board. Members of the Board and its committees proved transparent and cooperative as they responded to the requirements of the independent consultant.

GOVERNANCE

EXECUTIVE MANAGEMENT

Senior Executives

Eng. Salman Abdulaziz Al Badran

Chief Executive Officer

Eng. Al Badran was appointed as CEO of Kuwait Telecom Company (VIVA) in January 2011 after previously working as the VIVA Chief Technical Officer, where he oversaw the technical and administrative aspects of its GSM network. Before this, he was the General Manager of GSM Network at the Saudi Telecom Company (STC), managing large scale telecommunication projects.

Eng. Al Badran has over 24 years of experience with a proven track record of delivering operational excellence. This includes 19 years of expertise in telecommunications and GSM cellular networks, specifically in infrastructure implementation and operations management. He has a Bachelor's degree in Applied Electrical Engineering, with a specialization in Telecommunications and Power from King Fahad University of Petroleum and Minerals.

Mr. Khalid Abdulrahman Abanami

Chief Financial Officer

Mr. Abanami has over 24 years of experience in academic and professional areas, financial and strategic management, accounting, operation management and telecommunications. He started his career as a Finance Lecturer at the College of Business Administration at King Saud University, then worked in various sectors within Saudi Arabia and the wider Middle East region. He spent 12 years in the telecommunications sector, where he managed the finance, logistics, facility management and contract teams for VIVA, the Kuwait telecommunications subsidiary of Saudi Telecom Company (STC). He headed the reporting, planning and budgeting activities for STC Group.

Formerly, he was Financial Controller at the National Water Company where he managed the consolidation, budgeting and planning of all company operations. Recently, he held the positions of Chief Financial Officer and Vice President (VP) of Shared Services at Saudi Railway Company until 2019. He sits on the Boards and Audit Committees of several companies and government entities. He took part as a speaker in a number of leadership and finance conferences and forums.

Mr. Abanami holds a Bachelor's degree in Finance from King Saud University, and an MBA from Sam M. Walton College of Business, University of Arkansas, USA – Fayetteville.

Mr. Ismail Saeed Al Ghamdi

Chief Consumer Officer

In addition to his current position, Mr. Al Ghamdi is Board Chairman of the National Company for Business Solutions (NCBS), Mobily Digital Financial Company, and Sehati for Information Technology Services. At Mobily, Mr. Al Ghamdi previously served as Chief Business Officer, Chief Corporate Strategy Officer, Chief Customer Care Officer and Chief Wholesales and Carrier Services. Additionally, he was the Operations Director at Cisco Systems and worked as Microsoft's Deputy General Manager. He also served as a Board member of Mobily Ventures and Mobily Infotech, India Private Limited. Mr. Al Ghamdi has experience in telecommunications, information technology, operations management, and strategic management.

Mr. Al Ghamdi holds a Bachelor's degree in Computer Science from King Abdulaziz University, KSA, and has completed the Leadership Development Program at Harvard Business School, USA.

Eng. Majed Abdulaziz Al Otaibi

Chief Business Officer

Eng. Al Otaibi is Chief Business Officer of Mobily. He brings more than 20 years of Executive ICT experience in the leading ICT players of the KSA. He joined Mobily in 2016.

Eng. Al Otaibi is a highly efficient, innovative and methodical business leader with extensive experience of B2C & B2B marketing and sales with an innate ability of attention to detail. He believes in people engagement to get the maximum out of them, and his leadership has been instrumental in putting Mobily on the B2B ICT map in Saudi Arabia. He is especially proficient in managing the high value relationships on an executive level.

Before joining Mobily, Eng. Al Otaibi worked in different positions in STC for 14 years.

Eng. Al Otaibi holds a Bachelor's degree in Electrical, Electronics and Communication Engineering from King Saud University. He has attended executive programs from leading international universities like INSEAD, Hult Ashridge Executive Education and the University of Chicago's Booth School of Business.

Eng. Alaa Abdulhameed Malki

Chief Technology Officer

Prior to joining Mobily, Eng. Malki was team leader at Saudi Telecom Company (STC) and then Network Development Manager at Nokia. Eng. Malki joined the telecommunications sector at the beginning of 2000 and worked at many companies before he joined Mobily in 2005 as Planning and Development Manager. He then progressed through the ranks to become Chief Network Officer in 2015, before being appointed Chief Technology Officer. He has over 22 years of experience in the telecommunications sector. During his 16-year career in the Company, he has gained strategic and operational experience in managing network & IT projects and has contributed to the commercial success of the Company while operating within challenging regulatory conditions.

Eng. Malki held the position of Chairman for Bayanat Co. from 2019 until 2021. He is currently the Chairman of Saudi National Fiber Network (SNFN).

Eng. Malki has a Bachelor's degree in Electrical Engineering from King Fahd University of Petroleum and Minerals, KSA, and a Master of Business Administration from the University of Leicester, UK. He has also completed a Leadership Development Program at Harvard Business School, USA.

Mr. Majed Abdullah Al Shabana

Chief Legal and Corporate Affairs Officer

Prior to joining Mobily, Mr. Al Shabana was the General Manager of Legal Affairs at Saudi Telecoms Company (STC), where he was responsible for overseeing multiple legal practice areas such as litigation, legal advisory and studies, contracts and agreements, investigation, compliance, digitalization, legal strategies, and corporate governance.

He has more than 18 years of excellent legal and corporate affairs experience in the information and telecommunications technology (ICT) industry.

Mr. Al Shabana has a Bachelor's degree in Islamic Studies from Imam Muhammad bin Saud Islamic University, KSA.

Eng. Mohammed Khalil Al Shammari

Chief Human Resources Officer

Eng. Al Shammari has over 15 years of experience in the HR Management fields, including corporate strategy and organizational development, talent management, strategic planning, shared services, leadership coaching and capability building. Early in his career, Eng. Al Shammari worked in

different sectors and successfully contributed and led the HR teams to create business solutions that are not only effective and add value, but also lean and adaptable to the ever-changing needs to any business.

Eng. Al Shammari's outstanding experience started with Saudi Electricity Company before he moved to the banking sector when he joined Bank Al Bilad in the Manpower Planning function. In 2014, Eng. Al Shammari joined Al Faisaliah Group as the Head of HR and Administration. Prior to assuming his role in Mobily, he joined SAR (Saudi Arabian Railway) as the Human Resources and Administration Director, where he efficiently managed and completed projects for large, medium, and small-scale industries. Currently, Eng. Al Shammari is leading the Mobily HR unit and our current transformation project where he has successfully managed to kick-start the transformation efforts with the overall new restructuring project and workforce sizing, along with rolling out the best practices in the HR field.

Eng. Al Shammari holds a Bachelor's degree in Industrial Engineering from King Saud University in Riyadh. He also holds a Mini Master's in Business Administration Management and Strategic Leadership from Harvard Business School, and completed an Executive Education Program in Leadership Development from INSEAD.

Mr. Omar Saud Al Rasheed

Chief Corporate Strategy and Digitalization Officer

Mr. Al Rasheed is Chief Corporate Strategy and Digitalization Officer at Mobily. He has over 20 years' experience in technology, media, and telecommunications (TMT) with a deep visionary spirit and tech mindset and his mission is to pioneer change and innovation towards Mobily's sustainable growth and digital transformation.

Mr. Al Rasheed has experience in the strategy, IT, and business domains. In his 16 years at Mobily, he has had several senior roles such as Chief Digital and Customer Experience Officer, General Manager for Mobily Infotech, and Executive General Manager for Mobily Mega Projects.

Mr. Al Rasheed holds a BSc. in Computer and Information Sciences from King Saud University and several distinguished Executive Education programs from Harvard, Massachusetts Institute of Technology (MIT), London Business School (LBS), and Project Management Institute (PMI).

GOVERNANCE

EXECUTIVE MANAGEMENT (CONTINUED)

Statement of any interest, contractual securities or rights issue of the Senior Executives and their relatives on shares or debt instruments of the Company or its affiliates:

Etihad Etisalat Company (Mobily)

Name	Position	No. of shares at start of 2021	No. of shares at end of 2021	Net change	Percentage change
Eng. Salman Abdulaziz Al Badran	Chief Executive Officer	-	-	-	-
Mr. Khalid Abdulrahman Abanami	Chief Financial Officer	-	-	-	-
Mr. Ismail Saeed Al Ghamdi	Chief Consumer Officer	-	-	-	-
Eng. Alaa Abdulhameed Malki	Chief Technology Officer	-	-	-	-
Mr. Majed Abdullah Al Shabana	Chief Legal and Corporate Affairs Officer	-	-	-	-
Eng. Mohammed Khalil Al Shammari	Chief Human Resources Officer	-	-	-	-
Eng. Majed Abdulaziz Al Otaibi	Chief Business Officer	-	-	-	-
Mr. Omar Saud Al Rasheed	Chief Corporate Strategy and Digitalization Officer	-	-	-	-

It is worth noting that there are no interests, contractual securities or rights issues for the Senior Executives and their relatives in the shares or debt instruments of the affiliates.

GOVERNANCE

RELATED PARTY TRANSACTIONS

During 2021, several related party transactions were conducted by the Company with Emirates Telecommunication Group Company and its subsidiaries, a founding and main Shareholder in Mobily, and there is an indirect interest for the Board members, namely: Eng. Saleh Al Abdooli, Eng. Khalifa Al Shamsi and Mr. Serkan Okandan. It is worth noting that on 30 November 2021, the term of the Board of Directors was

ended, and then it was reconstituted for the new term, which began on 1 December 2021 for a period of 3 years ending on 30 November 2024, and there is an indirect interest for the Board members, namely: Eng. Khalifa Al Shamsi, Mr. Hatem Dowidar and Mr. Mohammed Karim Bennis.

Party	Relationship
Emirates Telecommunication Group Company PJSC	Major Shareholder (Founding shareholder)
Emirates Data Clearing House	Associate to Emirates Telecommunication Group Company
Etisalat Misr S.A.E.	Associate - Subsidiary to Emirates Telecommunication Group Company
Etisalat Afghanistan	Associate - Subsidiary to Emirates Telecommunication Group Company
Etisalat Al Maghrib S.A (Maroc Telecom)	Associate - Subsidiary to Emirates Telecommunication Group Company
Pakistan Telecommunication Company Limited	Associate - Subsidiary to Emirates Telecommunication Group Company
Emirates Cable TV and Multimedia LLC	Associate - Subsidiary to Emirates Telecommunication Group Company
Sehati for Information Service Company	Joint venture

Services rendered to related parties comprise of the provision of telecommunication services, interconnection services and roaming services by the Group based on normal commercial terms. Services received from related parties comprise of telecommunication services, interconnection services and roaming services to the Group based on

normal commercial terms. Management fees and other management expenses are calculated based on the relevant agreements with Emirates Telecommunication Corporation. The balances due to and from related parties are unsecured and will be settled in cash.

GOVERNANCE

RELATED PARTY TRANSACTIONS (CONTINUED)

Following are the details of related party transactions during the financial year ended 31 December 2021:

Major Transactions with Related Parties in 2021 (SAR '000s)

	2021	2020
Interconnection services and roaming services rendered		
Founding shareholder	41,542	40,309
Associate	2,271	3,927
Interconnection services and roaming services received		
Founding shareholder	228,372	216,298
Associate	119,263	111,318
Management fees		
Founding shareholder	120,838	34,250
Other management expenses		
Founding shareholder	6,645	9,571
Other telecommunication services		
Associate	4,294	7,053
Related party balances		
Due from related parties		
Founding shareholder	108,895	85,464
Associate	3,768	3,569
Joint venture	30,666	23,166
	143,329	112,199
Due to related parties		
Founding shareholder	243,675	129,016
Associate	37,888	23,820
	281,563	152,836

Mobily renewed the contract for the establishment of a call center for the Public Pension Agency, which is valued at SAR 4,087,235 for a period of 1 year starting from 11 April 2021, to 10 April 2022, and there is an indirect interest for the Board Vice Chairman Mr. Suliman Al Gwaiz and the Board member Mr. Hussein Al Asmari. In addition, the Company signed a contract with the Public Pension Agency, comprising several services including: installation of backup connections based on MPLS technology, provision of a backup internet connection, execution of professional works and services, technical support and operation in accordance with SLA Agreement, which is valued at SAR 2,770,732 starting from 31 August 2020 (for a period of 36 months), and there is an indirect interest for the Board Vice Chairman Mr. Suliman Al Gwaiz and the Board member Mr. Hussein Al Asmari.

In addition, the Company signed a contract with the Company for Cooperative Insurance (Tawuniya) to provide medical insurance services to Mobily employees at a value of SAR 53,279,897.90 starting from 1 April 2021 until 31 March 2022, where there is an indirect interest for the member of the Board of Directors, Eng. Homood Al Tuwaijri.

Moreover, Mobily has amended and renewed the framework agreement, with Saudi Basic Industries Corp. (SABIC) for the provision of telecommunication services, which is valued at SAR 69,400,222 starting from 25 October 2020 until 31 March 2025, and there is an indirect interest for the Board member Eng. Abdullah Al Issa. The agreement was approved during the Ordinary General Assembly meeting held on 23 May 2021.

GOVERNANCE

COMPENSATION AND REMUNERATION

Compensation Policy and Method of Determining Remunerations of Board Members and Senior Management:

General provisions:

1. The purpose of compensation is to encourage the members of the Board of Directors and the Executive Management to make the Company succeed and develop in the long-term.
2. The compensation shall be determined according to the level of the job concerned, the tasks and responsibilities assigned to the worker, his scientific and practical qualifications, the level of performance, and achievements.
3. This policy must be consistent with the nature of the risks surrounding the Company.
4. The Company's internal regulations must comply with this policy.
5. The practices of other companies should be taken into consideration in determining the compensation, avoiding any unjustified increase in remuneration and compensation.
6. This policy aims to attract, maintain and motivate professional competencies without any exaggeration.
7. Consider any new appointments in coordination with the Compensation and Remuneration Committee.
8. Consider the cases of suspension and refund of the remuneration if it was based on inaccurate information provided by the person concerned, in order to prevent the exploitation of employment status to obtain undeserved compensation.
9. This policy allows, in accordance with the regulations, the granting of shares in the Company to the Board of Directors' members and the Executive Management, whether newly issued or purchased shares.
10. This policy aims to enhance the Company's culture of disclosure and transparency, in accordance with the relevant regulations.

Scope of application

This policy shall be applied to the Board of Directors, its Committees and the Executive Management of the Company. It may be used for application in whole or in part to the general Staff of the Company.

Application responsibility

The Compensation and Remuneration Committee, in coordination with the Executive Management of the

Company, shall follow up the application of this policy, verify the integrity of the procedures taken, evaluate any deviations that may arise in the application, and submit its requests to the Board of Directors for each matter that requires the guidance of the Board.

Remuneration of the Board of Directors and its Committees

1. The Company's Articles of Association shall provide the manner of remuneration to Directors.
2. Such remuneration may be a certain amount or an attendance allowance for meetings, in-kind benefits or a certain percentage of net profits. Two or more of these remunerations may be combined
3. If the bonus is approved as a certain percentage of the profits of the Company, it shall not exceed 10% of the net profits after deducting the reserves decided by the General Assembly in application of the provisions of the Companies Law and the Company's Articles of Association, and after distributing a profit to the Shareholders, not less than 5% of the Company's paid-up capital, so that the remuneration is proportionate with the number of meetings attended by the member, and any other estimate is null and void.
4. In all cases, the sum of the remuneration of any Board member shall not exceed the amount of SAR 500,000 annually.
5. The Compensation and Remuneration Committee shall, upon consideration of the proposed remuneration of the Board and its Committees on an annual basis, verify the annual objectives set for the Company, the objectives achieved and the efforts made by the Board and its Committees during the year.
6. Remuneration of the Board of Directors and its Committees may be approved unevenly, whether at the member or committee level, depending on tasks, responsibilities and achievements.
7. If the reward granted to Board members or one of its Committees is based on inaccurate information or erroneous results, whatever the motivation, then the case shall be submitted to the Board for an appropriate decision; the relevant regulations shall be observed in consideration of the rules and preservation of the Company's Shareholder rights.
8. The decision of the Board of Directors in the preceding paragraph shall be either suspension of the payment, in case it is not paid yet, or it shall be partially or wholly refunded according to the circumstances of the case.

GOVERNANCE

COMPENSATION AND REMUNERATION (CONTINUED)

Remuneration of Executive Management

1. When approving the remuneration of the Executive Management, the policies adopted by the Company in this regard, as well as the achieved objectives set for it, must be considered.
2. The remuneration of each Executive Management officer may vary depending on the results achieved during the year assessed.
3. The remuneration shall take into consideration companies operating in the telecommunications sector as well as companies operating in the Saudi market.
4. The maximum ceiling of Executive Management bonuses may be reviewed annually, and any proposed amendments shall be raised to the Board of Directors and then to the General Assembly, in accordance with the regulations applicable in this area.
5. This policy must be consistent with the Company's strategy and objectives, and in accordance with its performance and evaluation policy in respect of Executive Management remuneration.
6. If the Executive Management's remuneration was based on inaccurate information or wrong results, whatever

the motive was, then the case shall be submitted to the Board of Directors to take appropriate action; the relevant regulations shall be observed in its consideration with the rules and preservation of the Company's Shareholder rights.

7. The decision of the Board of Directors in the preceding paragraph shall result in either suspension of the payment, if it has not yet been paid, or refund it partially or totally, in accordance with the circumstances of the case.

The relationship between remuneration and the applicable remuneration policy:

There is no substantial deviation in the remuneration awarded according to the policy.

The following tables show compensation and remuneration details for Board members, Committee members and 5 Senior Executives who received the highest remuneration from the Company, including the Chief Executive Officer and Chief Financial Officer:

Board of Directors' Members' Compensation and Remuneration (SAR '000s)

	Fixed remuneration							Variable remuneration								
	Specific amount	Allowance for attending Board meetings	Total Allowance for attending Committee meetings	In-kind benefits	Remunerations for technical, managerial and consultative work	Remunerations of the Chairman, Managing Director or Secretary, if a Member	Total	Percentage of profits	Periodic remuneration	Short-term incentive plans	Long-term incentive plans	Granted shares	Total	End-of-service award	Aggregate amount	Expense allowance
First: Independent Members																
Nabeel Al Amudi ²	0	6	0	0	0	0	6	0	0	0	0	0	0	0	6	0
Abdullah Al Issa ¹	0	21	9	0	0	0	30	0	400	0	0	0	400	0	430	0
Homood Al Tuwaijri	0	27	36	6.175	0	0	69.175	0	400	0	0	0	400	0	469.175	0
Ali Al Subaihin ¹	0	21	21	0	0	0	42	0	450	0	0	0	450	0	492	0
Mohammed Al Hussaini ³	0	9	9	0	0	0	18	0	400	0	0	0	400	0	418	0
Hussein Al Asmari ¹	0	21	12	0	0	0	33	0	400	0	0	0	400	0	433	0
Mutaz Al Azzawi	0	27	30	0	0	0	57	0	450	0	0	0	450	0	507	0
Khaled Al Ghoneim ²	0	6	0	11.406	0	0	17.406	0	0	0	0	0	0	0	17.406	0
Abdulkarim Al Nafie ²	0	6	0	7.298	0	0	13.298	0	0	0	0	0	0	0	13.298	0
Ahmed Aboudoma ²	0	6	0	10.771	0	0	16.771	0	0	0	0	0	0	0	16.771	0
Total	0	150	117	35.650	0	0	302.650	0	2,500	0	0	0	2,500	0	2,802.650	0
Second: Non-Executive Members																
Suliman Al Gwaiz	0	27	9	0	0	0	36	0	400	0	0	0	400	0	436	0
Serkan Okandan ¹	0	12	24	0	0	0	36	0	425	0	0	0	425	0	461	0
Saleh Al Abdooli ¹	0	21	9	0	0	0	30	0	400	0	0	0	400	0	430	0
Khalifa Al Shamsi	0	33	42	0	0	0	75	0	425	0	0	0	425	0	500	0
Hatem Dowidar ²	0	6	0	0	0	0	6	0	0	0	0	0	0	0	6	0
Mohammed Bennis ²	0	6	0	0	0	0	6	0	0	0	0	0	0	0	6	0
Total	0	105	84	0	0	0	189	0	1,650	0	0	0	1,650	0	1,839	0

¹His membership expired at the end of the previous Board of Directors term on 30 November 2021.

²He was elected by the Company's General Assembly for the Board of Directors' term that commenced on 1 December 2021.

³Mr. Muhammad Hadi Al-Husseini, member of the Board of Directors, resigned from his position on 30 September 2021.

Board of Directors' members' remunerations are recorded on a cash basis, and includes payments for the previous year.

The above-mentioned amounts reflect cash received in 2021, where the annual remunerations are recorded for 2020 and they were paid during 2021.

GOVERNANCE

COMPENSATION AND REMUNERATION (CONTINUED)

Committees Members' Compensation and Remuneration (SAR '000s)

	Fixed remuneration (except (attendance allowance	Attendance of meetings allowance	Total
Audit Committee			
Jameel Almulhem ⁴	120	6	126
Homood Al Tuwaijri	50	18	68
Serkan Okandan ¹	50	12	62
Abdulrahman Al Barrak ¹	120	18	138
Mohammed Al Hussaini ⁶	50	9	59
Abdulaziz Alnowaiser ⁵	0	12	12
Mohammed Alsubaie ²	0	0	0
Ahmed Aboudoma ³	0	0	0
Mohammed Bennis ³	0	0	0
Total	390	75	465
Executive Committee			
Nabeel Al Amudi ³	0	0	0
Suliman Al Gwaiz	0	9	9
Abdullah Al Issa ¹	0	9	9
Khalifa Al Shamsi	0	9	9
Saleh Al Abdooli ¹	0	9	9
Mutaz Al Azzawi	0	9	9
Hatem Dowidar ³	0	0	0
Total	0	45	45
Nomination and Remuneration Committee			
Khalifa Al Shamsi	0	21	21
Ali Al Subaihin ¹	0	21	21
Mutaz Al Azzawi	0	21	21
Abdulkarim Al Nafie ³	0	0	0
Total	0	63	63
Risk Management Committee			
Homood Al Tuwaijri	0	18	18
Serkan Okandan ¹	0	12	12
Hussein Al Asmari ¹	0	12	12
Khaled Al Ghoneim ³	0	0	0
Ahmed Aboudoma ³	0	0	0
Mohammed Bennis ³	0	0	0
Khalifa Al Shamsi	0	12	12
Total	0	54	54

¹ His membership expired at the end of the previous Board of Directors' term on 30 November 2021.

² He was appointed by the Board of Directors for the term of the Board, which began on 1 December 2021.

³ He was elected by the Company's General Assembly for the Board of Directors' term that began on 1 December 2021.

⁴ The Chairman of the Audit Committee, Mr. Jameel Abdullah Almulhem, resigned from his position on 20 April 2021.

⁵ The Chairman of the Audit Committee, Mr. Abdulaziz Ibrahim Alnowaiser, was appointed on 23 May 2021.

⁶ Member of the Audit Committee, Mr. Mohammed Hadi Al Hussaini, resigned from his position on 26 September 2021.

Committee members' remunerations were recorded on a cash basis and include payments for the previous year.

Senior Executives Compensation and Remuneration (SAR '000s)

Senior Executives' compensation and remuneration details	5 Senior Executives receiving the highest remuneration from the Company (including CEO and CFO)	
Fixed Remuneration	Salaries	7,960
	Allowances	8,959
	In-kind benefits	30
	Total	16,949
Variable Remuneration	Periodic bonuses	9,151
	Earnings	0
	Short-term incentive plans	0
	Long-term incentive plans	0
	Shares awarded (value is entered)	0
	Total	9,151
End-of-service benefits		0
Total Executives' compensation and remuneration for the Board, if any		0
Total		26,100

Senior Executives remunerations were recorded on a cash basis and include payments for the previous year.

GOVERNANCE

ABOUT MOBILY

Organization and Activity

Etiihad Etisalat Company ("Mobily" or the "Company"), a Saudi Joint Stock Company, is registered in the Kingdom of Saudi Arabia under commercial registration number 1010203896 issued in Riyadh on 14 December 2004 (corresponding to Dhul Qa'adah 2, 1425H). The main address for the Company is P.O. Box 23088, Riyadh 11321, Kingdom of Saudi Arabia.

The Company was incorporated pursuant to the Royal decree number M/40 dated 18 August 2004 (corresponding to Rajab I 2, 1425H) approving the Council of Ministers resolution number 189 dated 10 August 2004 (corresponding to Jumada II 23, 1425H) to approve the award of the license to incorporate a Saudi Joint Stock Company under the name of "Etiihad Etisalat Company".

Pursuant to the Council of Ministers resolution number 190 dated 10 August 2004 (corresponding to Jumada II 23, 1425H), the Company obtained the licenses to install and operate 2G and 3G mobile telephone network including all related elements and the provision of all related services locally and internationally through its own network.

Pursuant to the Communication and Information Technology Commission (CITC) resolution number 5125 dated 21 February 2017 (corresponding to Jumada I 24, 1438H), the Company obtained a Unified License to provide all licensed telecommunication services including fixed line voice services and fixed internet.

The authorized, issued and paid-up share capital of the Company is SAR 7,700 million divided into 770 million shares of SAR 10 each.

The Company's main activity is to establish and operate mobile wireless telecommunications networks, fiber optics networks and any extension thereof, manage, install and operate telephone networks, terminals and communication unit systems, in addition to sell and maintain mobile phones and communication unit systems in the Kingdom of Saudi Arabia. The Group commenced its commercial operations on 25 May 2005 (corresponding to Rabi II 17, 1426H).

Details of the breakdown of 2021 results contributions (SAR '000,000s) are as follows:

	Consumer	Business	Wholesale	Outsourcing	Total
Usage	7,671	1,296	1,070	-	10,037
Activation and subscription fees	2,221	535	10	-	2,766
Others	884	750	163	234	2,031
Total	10,776	2,581	1,243	234	14,834

The main activities of the subsidiaries are as follows:

- IT services, applications, billing and testing support, product marketing, process management, support services and call center services.
- Installation and maintenance of wire and wireless telecommunication networks; import, export, sale, and distribution of equipment, machinery, telecommunication systems and smart building systems; in addition to marketing and distributing of telecommunication services and managing the centers related to those services; providing computer services and related programs and equipment and providing consultation services in the telecommunication, computer, software, and media production domains.
- Wholesale and retail trade of computers and electronic equipment, maintenance and operation of such equipment, and provision of related services.
- Establish and own companies specializing in commercial activities.
- Manage its affiliated companies or to participate in the management of other companies in which it owns shares, and to provide the necessary support for such companies.
- Invest funds in shares, bonds and other securities.
- Own real estate and other assets necessary for undertaking its activities within the limits pertained by law.
- Own or to lease intellectual property rights such as patents and trademarks, concessions and other intangible rights to exploit and lease or sub-lease them to its affiliates or to others.
- Have interest or participate in any manner in institutions which carry on similar activities or which may assist the Company in realizing its own objectives in the Kingdom of Bahrain or abroad. The Company may acquire such entities or merge therewith.
- Retail via the Internet.
- Technology in financial services.

Subsidiary Companies

Below is the summary of the Company's subsidiaries and ownership percentage as of 31 December 2021 and 31 December 2020:

Name	Country of incorporation	Country of operation	Capital	Ownership percentage				Initial investment (SAR '000s)
				31 December 2021		31 December 2020		
				Direct	Indirect	Direct	Indirect	
Mobily Infotech India Private Limited	India	India/ Saudi Arabia	INR 20 million	99.99%	0.01%	99.99%	0.01%	1,836
Bayanat Al-Oula for Network Services Company ¹	Saudi Arabia	Saudi Arabia	SAR 150 million	-	-	100%	-	1,500,000
Zajil International Network for Telecommunication Company ²	Saudi Arabia	Saudi Arabia	SAR 10 million	96%	4%	96%	4%	80,000
National Company for Business Solutions ³	Saudi Arabia	Saudi Arabia	SAR 10 million	100%	-	95%	5%	9,500
National Company for Business Solutions FZE	United Arab of Emirates	United Arab of Emirates	AED 180 thousand	-	100%	-	100%	184
Mobily Ventures Holding W.L.L	Bahrain	Bahrain/ GCC/ MENA	BD 250 thousand	100%	-	100%	-	2,510
Etihad Fintech Company	Saudi Arabia	Saudi Arabia	SAR 10 million	100%	-	100%	-	10,000

¹On 17 February 2021, the commercial registration of Bayanat Al-Oula for Network Services Company was cancelled and accordingly the assets and liabilities have been transferred to Etihad Etisalat Company at book value.

²On 15 March 2021, the Board of Directors of Etihad Etisalat Company approved to liquidate Zajil International Network for Telecommunication Company.

³During the year 2021, the Company acquired the remaining 5% owned by Bayanat Al-Oula for Network Services Company.

GOVERNANCE

ABOUT MOBILY (CONTINUED)

Mobily Infotech India Private Limited – LLC

The main activities of the Company include providing IT services, applications, billing, support testing, product marketing, management process, support services and call centers for its group companies.

Bayanat Al Oula for Network Services Company – Single Person Company

The main activities of the Company include construction and maintenance of telecommunications networks and related services, installation and maintenance of computers, and import and marketing services, as well as data services.

During the year 2019, the Company acquired the remaining 1% owned by National Company for Business Solutions.

On 17 February 2021, the commercial registration of Bayanat Al-Oula for Network Services Company was cancelled and accordingly the assets and liabilities have been transferred to Etihad Etisalat Company at book value.

Zajil International Network for Telecommunication Company – LLC

The main activities of the Company include a broad range of wholesale and retail services including computers and electronic devices, maintenance, operation and provision of related services.

On 15 March 2021, the Board of Directors of Etihad Etisalat Company approved to liquidate Zajil International Network for Telecommunication Company.

National Company for Business Solutions – LLC

The main activities of the Company include installation and maintenance of wire and wireless telecommunications networks, import and export, sale and distribution of telecommunications hardware, software and systems, intelligent building systems, marketing and distribution of telecommunications services and management of centers that provide such services, in addition to providing consulting services in the field of telecommunications, computer, software and technical production.

During the year 2021, the Company acquired the remaining 5% owned by Bayanat Al-Oula for Network Services Company.

National Company for Business Solutions owns participation in Ecommerce Taxi Middle East (Luxembourg): 10% (2020: 10%).

National Company for Business Solutions FZE – LLC

The main activity of the Company is the trade, import and export of computer systems.

Mobily Ventures Holding – LLC

It acts as a holding company for the Commercial and Industrial Services Group.

Mobily Ventures Holding owns participation in the following companies:

- Anghami LLC (Cayman Islands): 7.66% (2020: 7.97%)
- Dokkan Afkar (British Virgin Islands): 3.28% (2020: 3.28%)

On 3 February 2022 Anghami Inc. announced that it had completed its business combination with Vistas Media Acquisition Company (“VMAC”) –Special Purpose Acquisition Company. On 4 February 2022 the shares of Anghami Inc. commenced trading on the Nasdaq stock exchange in the USA under the ticker ANGH. As result of that, the Group ownership become 5.1% of the ordinary shares of Anghami Inc.

Etihad Fintech Company – Single Person Company

The main activity of the Company is online retail and financial services technology.

GOVERNANCE

IMPORTANT EVENTS

Appointment of a Chairman and Vice Chairman of the Board of Directors and the formation of committees emanating from the Board of Directors

On 7 December 2021, Mobily announced the decision of its elected Board of Directors for the current term, which began on 1 December 2021 for a period of 3 years ending on 30 November 2024. At its first meeting held on 6 December 2021 Dr. Nabeel Mohamed Al Amudi (Independent Member) was appointed as Chairman of the Board and Mr. Suliman Abdulrahman Al Gwaiz (Non-Executive Member) was appointed as Vice Chairman of the Board of Directors. The Board also formed its committees in accordance with the approved tasks and powers.

Election of members of the Board of Directors and formation of the Audit Committee

Following Mobily's announcement to its Shareholders about commencing submissions for candidacy for membership of its Board of Directors for the period extending from 1 December 2021 for a period of 3 years ending on 30 November 2024, in accordance with the controls in the Companies Law and the Corporate Governance Regulations issued by the Capital Market Authority, the conclusions of the Ordinary General Assembly meeting, which was held on 28 November 2021 included the announcement of the candidates elected by the Company's Shareholders, as follows: Dr. Nabeel Mohamed Al Amudi, Mr. Suliman Abdulrahman Al Gwaiz, Eng. Khalifa Hassan Al Shamsi, Mr. Ahmed Abdelsalam Aboudoma, Mr. Hatem Mohamed Dowidar, Mr. Mohammed Karim Bennis, Eng. Mutaz Kusai Al Azzawi, Eng. Homood Abdullah Al Tuwajiri, Dr. Khaled Abdulaziz Al Ghoneim, and Mr. Abdulkarim Ibrahim Al Nafie. The conclusions of the Assembly also included the approval of the formation of the Audit Committee for the new term for a period of 3 years, extending from 1 December 2021 to 30 November 2024. Its members are: Mr. Abdulaziz Ibrahim Alnowaiser as Chairman of the Audit Committee, Mr. Mohammed Othman Alsubaie, Eng. Homood Abdullah Al Tuwajiri, Mr. Mohammed Karim Bennis, and Mr. Ahmed Abdelsalam Aboudoma.

Resignation of a member of the Audit Committee

On 12 October 2021, Mobily announced the resignation of a member of the Audit Committee, Mr. Mohammed Hadi Al Hussaini, as he submitted his resignation from his position on 11 October 2021, for personal reasons, provided that the resignation will take effect as of 26 September 2021.

Resignation of a member of the Board of Directors

On 3 October 2021, Mobily announced the resignation of its Board member, Mr. Mohammed Hadi Al Hussaini. Mr. Al Hussaini submitted his resignation from his position as a member of the Board of Directors (Independent Member) on 30 September 2021, for personal reasons, provided that the resignation will take effect as of 26 September 2021.

MoU signed with Mobile Telecommunications Company Saudi Arabia (Zain KSA)

On 4 July 2021, Mobily announced the latest developments regarding its signing of a memorandum of understanding on 2 July 2020 with the Mobile Telecommunications Company Saudi Arabia (Zain KSA) to form a joint committee, from both companies, to prepare and offer a request for proposal (RFP) with the option of purchasing the telecommunications towers owned by the 2 parties and merging them into one company with other investors or operating them on their behalf. The Company announced that the direction to form an alliance with the Mobile Telecommunications Company Saudi Arabia (Zain KSA), Raidah Investment Company (Raidah) and IHS KSA Limited (IHS) to acquire the telecommunications towers owned by Mobily and Zain KSA and to merge and unify these towers under a commercial entity registered in the Kingdom of Saudi Arabia "Towers Company" does not align with Mobily's strategy and objectives of achieving financial and operational efficiency, and Etihad Etisalat Company (Mobily) will continue to evaluate other offers in order to achieve the best return for the Company and its investors and raise the participation rate in telecommunications towers, achieving maximum efficiency, and upgrading the telecommunications and information technology system, with the support and supervision of the Saudi Arabia's Communications and Information Technology Commission (CITC).

GOVERNANCE

IMPORTANT EVENTS (CONTINUED)

Appointment of a member of the Audit Committee

The Board of Directors of the Company, in its meeting held on 23 May 2021, approved the recommendation of the Nomination and Remuneration Committee to appoint Mr. Abdulaziz Ibrahim Alnowaiser, as a member of the Audit Committee (Chairman of the Committee as an Independent Member - Non-Board Member) to substitute the resigned Chairman of the Committee, Mr. Jameel Abdullah Almulhem, as of 23 May 2021 until the end of the Audit Committee term, which ended on 30 November 2021. The approval of the Board of Directors is no longer final, and this appointment was presented to the Company's Ordinary General Assembly meeting for approval.

Resignation of the Chairman of the Audit Committee

On 21 April 2021, Mobily announced the resignation of the Chairman of the Audit Committee (Non-Board Member), Mr. Jameel Abdullah Almulhem, due to personal reasons, and the resignation will take effect as of 20 April 2021.

GOVERNANCE

FORWARD-LOOKING STATEMENTS

The progress achieved towards realizing Vision 2030 and Saudi Arabia's ICT Sector Strategy 2023, will offer the ICT sector exceptional and unique opportunities to invest in innovation and digital infrastructure, ensuring the ICT sector's ability to keep pace with the growing national needs, face challenges and seize opportunities. This will be achieved through the ambitious roadmap and path it has outlined towards a new, growing sustainable economy, as well as its continued support for the growth and development of the ICT infrastructure. Under the direction of its Board of Directors, Mobily has updated its strategy, in line with the Government's targets, to grow the Kingdom's ICT sector as part of Vision 2030 and help empower all sectors of the national economy. This will provide the Company with more prospects for growth in 2022 as it accelerates efforts to consolidate its position as a leading innovative player in the Saudi market and the ICT sector.

Mobily will continuously work to keep pace with the rapid developments witnessed by the communications and information technology sector, which will increase the capabilities of technology, and will continue to support the Kingdom's direction towards the development of the tourism, entertainment, sports and culture sectors by investing in the network's infrastructure and the Internet-of-things and expanding the space for faster Internet-of-things deployment. This will contribute to advancing the digital economy in line with the vision of the Kingdom of Saudi Arabia 2030.

Through its continued focus on GAIN strategy and its requirements, Mobily will continue growing core revenues; accelerating digital revenue streams; implementing and optimizing efficient delivery of services; and nurture a positive experience for all. Accordingly, it will ensure executing Mobily's cost-optimization program while continuing to pursue the digital transformation and automation of its services to promote business growth and continue its path towards leadership.

Mobily will also continue to deploy 5G service in the regions of the Kingdom during 2022 and will continue to develop innovative solutions and applications based on the capabilities of the 5G network, in order to support and increase data speed and improve network performance to meet and accommodate the increasing growth in data consumption and provide better services to its growing customer base. Mobily will continue to study and seize new investment opportunities in various projects, to keep pace with technical developments and to support and enable digital transformation, innovation, development, artificial intelligence, and increase the automation of Mobily's operations.

In addition, Mobily will continue to invest in a wide range of areas to apply the latest technologies and deliver high-quality services, in order to raise and improve the level of customer experience, improve its business, strengthen its partnerships, and make a positive change in what it can offer to its customers and Stakeholders.

It should be noted that the telecommunications sector is governed by public regulation, and future expectations may be affected depending on regulatory decisions taken by the relevant authorities.

GOVERNANCE

SOCIAL RESPONSIBILITY ACTIVITIES

In light of the challenging environment and difficult times arising from the COVID-19 pandemic, Mobily maximized its efforts geared towards proactive and effective community support. In cooperation with the Saudi Ministry of Health, Mobily launched multiple COVID-19 awareness campaigns – both internally for its employees and across the Kingdom. By utilizing the full extent and reach of the Company's social media presence, Mobily ensured these important campaigns reached the most people possible across the Kingdom.

Mobily also continued to deliver free browsing and use for all its customers on electronic health platforms, including the (Sehhaty) application, which is an application that provides health services to individuals in the Kingdom of Saudi Arabia, and is delivered under the supervision of the Ministry of Health in the Kingdom of Saudi Arabia to develop the levels of health care provided and its services, as well as the "Tawakkalna" application, which is approved by the Ministry of Health in the Kingdom of Saudi Arabia, in support of the government's efforts to address the emerging COVID-19.

Mobily also continued to host the free and continuous broadcast of daily awareness messages issued by government agencies, which aims to raise awareness of the emerging COVID-19.

Based on its interest in the development of Saudi youth, preparing them for the labor market and supporting the empowerment of Saudi cadres in the ICT sector, Mobily signed a strategic partnership with the Alumni Center at King Saud University to launch the Alumni Portal, which allows KSU students and graduates to benefit from the portal services related to cooperative training and employment opportunities. The Company also continued its efforts throughout the year to support a number of national educational initiatives, such as the on-the-job training initiative (Tamheer) launched by the Human Resources Development Fund, and cooperative training programs for universities, in order to provide Saudi graduates from Saudi and foreign universities with the expertise and skills necessary to prepare them to participate and contribute effectively to the labor market.

During 2021, Mobily launched the Elite program in its fifth version, and about 16 members joined this program. The fifth version of the Elite program comes with changes that keep pace with the rapid pace towards digital transformation, as it is one of the pillars of the Kingdom of Saudi Arabia's Vision 2030. In its design, the program relied on several main axes, including job rotation between departments, advanced

training with the best international universities, counseling and orientation sessions, in addition to continuous evaluation to measure performance progress.

Out of its interest in investing in human capital and developing human cadres, Mobily signed a memorandum of understanding with Al Yamamah University with the aim of enhancing joint cooperation between the 2 parties and contributing to the development of Saudi cadres, Mobily employees, and university students.

In support of charitable work and its interest in making a sustainable impact and achieving a broad social impact, Mobily contributed by donating SAR 1 million to the national campaign for charitable work through the "Ehsan" platform.

Moreover, Mobily maintained its social impact partnership with the Ministry of Housing's Jood Eskin platform, which aims to involve the broader Saudi community in Kingdom-wide efforts to provide housing support to those in need.

In view of the environmental risks caused by electrical and electronic equipment waste, and based on Mobily's broader commitment to work to achieve the goals of the Kingdom's Vision 2030 in the sustainability field, Mobily signed a cooperation agreement with Ericsson to recycle expired electronic devices that are disposed of in a safe and responsible manner in order to protect the environment for future generations. This confirms Mobily's belief in the necessity of playing a leading role in environmental issues in order to reduce the impact of technology on the world around us. From this perspective, the Company will continue its responsible work to develop initiatives that enhance its sustainability and contribute to community service.

As a contribution to strengthening the local economy in various sectors, Mobily continued to support the local content initiative, which resulted in the signing of a cooperation agreement with the Local Content and Government Procurement Authority.

GOVERNANCE

SHAREHOLDERS

General Assembly of Shareholders

During 2021, the Ordinary General Assembly of Shareholders met twice. The first Ordinary General Assembly meeting was held on 23 May, through modern technology means using the Tadawulaty system, to ensure the safety of Shareholders, and to support the efforts and precautionary measures to prevent the spread of COVID-19, and as a further extension to the continuous efforts made by all government agencies in the

Kingdom of Saudi Arabia in taking the necessary preventive measures to prevent its spread. The second Ordinary General Assembly Meeting was held on 28 November, through personal attendance and modern technology means.

Below is the members of the Board of Directors attendance record:

Sr.	Name	Position	23 May	28 November
1	Suliman Abdulrahman Al Gwaiz	Chairman	Present	Present
2	Abdullah Mohammed Al Issa	Vice Chairman	Present	Present
3	Khalifa Hassan Al Shamsi	Member	Present	Present
4	Hussein Ali Al Asmari	Member	Present	Present
5	Mohammed Hadi Al Hussaini ¹	Member	Present	-
6	Mutaz Kusai Al Azzawi	Member	Present	Present
7	Homood Abdullah Al Tuwaijri	Member	Present	Present
8	Ali Abdulrahman Al Subaihin	Member	Present	Present
9	Serkan Sabri Okandan	Member	Absent	Absent
10	Saleh Abdullah Al Abdooli	Member	Present	Present

¹Member of the Board of Directors, Mr. Mohammed Hadi Al Hussaini, resigned from his position on 30 September 2021.

During the Ordinary General Assembly meeting, held on 23 May, the Shareholders voted to approve all items on the agenda. Below are the agenda items:

- Approval on the Company's financial statements for the fiscal year ending on 31 December 2020.
- Approval on the Auditor's report for the fiscal year ending on 31 December 2020.
- Approval on the Board of Directors report for the fiscal year ending on 31 December 2020.
- Approval on releasing the members of the Board of Directors from their liabilities for the fiscal year ending on 31 December 2020.
- Approval on appointing KPMG Al Fozan and Partners Accountants and Auditors to examine, review and audit the (second and third) quarter and annual financial statements, of the fiscal year 2021, and the first quarter of the fiscal year 2022, as well as determine their fees.
- Approval on the businesses and contracts made with Emirates Telecommunications Group Company, noting that the businesses and contracts that were made between the Company and Emirates Telecommunications Group Company during 2020 are as follows: interconnection and roaming services rendered of SAR 44,23,000, interconnection and roaming services received of SAR 327,616,000, management fees of SAR 34,250,000, other management expenses of SAR 9,571,000, and other telecommunications services of SAR 7,053,000, and obtain the approval for the year 2021 without preferential conditions, due to an indirect interest for the Board members, namely:
 - Eng. Khalifa Hassan Al Shamsi
 - Eng. Saleh Abdullah Al Abdooli
 - Mr. Serkan Sabri Okandan
- Approval on the business and contracts made between the Company and the Public Pension Agency to establish a call center, amounting to SAR 4,291,596 for a period of one year starting from 11 February 2020, without preferential conditions, as there is an indirect interest for the Chairman of the Board of Directors, Mr. Suliman Abdulrahman Al Gwaiz, and a member of the Board of Directors, Mr. Hussein Ali Al Asmari.
- Approval on the business and contracts entered between the Company and the Saudi Basic Industries Corporation (SABIC), to amend and renew the framework agreement to provide communication services, of SAR 69,400,222, starting from 25 October 2020 until 31 March 2025, without preferential conditions, as there is an indirect interest to the member of the Board of Directors, Eng. Abdullah Al Issa.
- Approval on delegating the Ordinary General Assembly its authorization powers stipulated in paragraph (1) of Article 71 of the Companies Law to the Company's Board

GOVERNANCE

SHAREHOLDERS (CONTINUED)

of Directors, for a maximum of one year from the date of approval by the General Assembly to delegate its powers, or until the end of the term of the delegated Board of Directors, whichever is earlier, in accordance with the conditions contained in the Regulatory Rules and Procedures issued pursuant to the Companies Law relating to Listed Joint Stock Companies.

10. Approval on the recommendation of the Board of Directors to distribute cash dividends to the Shareholders for the fiscal year ending 31 December 2020 amounting to SAR 385,000,000 at SAR 0.5 per share representing 5% of the nominal value per share. The eligibility of the cash dividend will be to Shareholders who own the Company shares at the end of the trading day of the General Assembly of the Company and enrolled in the Company's registry at the Securities Depository Center Company (Edaa) at the end of the second trading day following the eligibility date. The distribution of the dividend will be starting from 6 June 2021.

During the Ordinary General Assembly meeting, held on 28 November, the Shareholders voted to approve all items on the agenda. Below are the agenda items:

1. Approval on the election of members of the Board of Directors from among the candidates, for the next term, which begins on 1 December 2021 and ends on 30 November 2024, for a period of 3 years. The names of the elected candidates are as follows: Mr. Suliman Abdulrahman Al Gwaiz, Eng. Khalifa Hassan Al Shamsi, Mr. Ahmed Abdelsalam Aboudoma, Mr. Hatem Mohamed Dowidar, Mr. Mohammed Karim Bennis, Eng. Mutaz Kusai Al Azzawi, Dr. Nabeel Mohamed Al Amudi, Eng. Homood Abdullah Al Tuwajiri, Dr. Khaled Abdulaziz Al Ghoneim and Mr. Abdulkarim Ibrahim Al Nafie.
2. Approval on the formation of the Audit Committee, controls and procedures of its work, and remunerations, starting from 1 December 2021 until the end of the term on 30 November 2024. Its members are Mr. Abdulaziz Ibrahim Alnowaiser (Chairman – Non-Board Member), Mr.

Mohammed Othman Alsubaie (Non-Board Member), Eng. Homood Abdullah Al Tuwajiri (Independent Member), Mr. Mohammed Karim Bennis (Non-Executive member) and Mr. Ahmed Abdelsalam Aboudoma (Independent Member).

3. Approval on the Board of Directors' resolution to appoint the members of the Audit Committee; Mr. Abdulaziz Ibrahim Alnowaiser, an Independent Non-Board Member and Chairman of the Audit Committee, starting from 23 May 2021 until the end of the term of the Audit Committee, on 30 November 2021, substitute for the resigned Chairman of the Audit Committee, Mr. Jameel Abdullah Almulhem on 20 April 2021, provided that the appointment takes effect from the date when the resolution issued on 23 May 2021. This appointment is in accordance with the Audit Committee regulations.
4. Approval on the appointment of KPMG Al Fozan and Partners Accountants and Auditors to examine, review and audit the (second and third) quarters and annual financial statements, of the fiscal year 2022, and the first quarter of the fiscal year 2023, as well as determine their fees.

Shareholders' Proposals

Mobily's Investor Relations Department maintains regular communication with the Company's Shareholders through various communication channels. If any proposals are received from Shareholders, they will be reviewed and reported in full to the Board of Directors. Shareholders are also given the opportunity to submit proposals and inquiries directly to members of the Board of Directors during the General Assembly meetings, and sufficient time is dedicated to answering these questions.

Following the announcement of Mobily's interim and annual financial results, the Company's Investor Relations Department conducts an earnings conference call with financial analysts and representatives of investment agencies, to discuss financial results. During the call, the Management discussed the Company's results and performance during the period in question and addressed the queries of the attendees.

Requests for the Shareholders' Register

During 2021, the Company requested the Shareholders register 9 times from the Securities Depository Center (Edaq). The dates and reasons for such requests are listed below:

No. of Requests	Request Date	Reason
1	4 January	For the Company's internal reporting purposes
1	3 February	For the Company's internal reporting purposes
1	23 May	For the Ordinary General Assembly purposes
1	25 May	Dividend file
1	2 September	For the Company's internal reporting purposes
1	22 September	For the Company's internal reporting purposes
1	4 October	For the Company's internal reporting purposes
1	2 November	For the Company's internal reporting purposes
1	28 November	For the Ordinary General Assembly purposes

GOVERNANCE

DIVIDEND POLICY

First: dividend entitlement

1. Shareholders are entitled to receive their share of dividends as per the decision of the General Assembly in respect of the distribution of dividends to Shareholders or the Board resolution on distributing interim dividends. The resolution shall specify the record date and the distribution date, where registered Shareholders are entitled to receive the dividends by the end of the eligibility date, provided that the resolution shall be executed as per the Regulatory Rules and Procedures issued pursuant to the Companies Law related to Listed Joint Stock Companies.
2. If the statutory reserve exceeded 30% of paid-up capital, the General Assembly may decide to distribute the surplus to the Shareholders, during such years when the Company does not achieve enough net profit to distribute the dividends assigned to them in its Articles of Association.

Second: distribution of dividends

The Board of Directors shall recommend the announcement and payment of any dividends, before such dividends are approved by the General Assembly of Shareholders. Such recommendation is linked to a number of factors, including the amount of current and projected profits, as well as cash flows, market data and economic factors, in addition to statutory considerations (such as limitations as set out in the Company's Articles of Association, the Companies Law and Corporate Governance Regulations). The Company's net profits are distributed as follows:

1. 10% of the net profit is to be set aside to form a statutory reserve. The Ordinary General Assembly can discontinue the deduction for the statutory reserve when such reserve reaches 30% of the Company's paid-up capital.
2. The Ordinary General Assembly may, upon the recommendation of the Board of Directors, set aside 5% from the net profit to form a provisional reserve to be allocated for certain purpose or purposes.
3. The Ordinary General Assembly shall have the right to decide on forming other reserves to the extent that it serves the best interests of the Company or to ensure the distribution of fixed dividends, as much as possible, to the Shareholders.
4. A dividend representing a minimum of 5% of the Company's paid-up capital will be distributed from the residuum to the Shareholders.

Third: timing of payment of dividends

The Board must implement the General Assembly resolution with respect to dividend distribution to the Registered Shareholders within 15 working days from the date they become entitled to such dividends as determined in such resolution, or the Board's resolution for the distribution of interim dividends.

Fourth: interim dividend distribution

- The Company may, if so provided and permitted in its bylaws, distribute interim dividends to its Shareholders on a biannual or quarterly basis after fulfilling the following requirements:
 1. The issuance of a resolution by the General Assembly, renewed annually, authorizing the Board to distribute interim dividends.
 2. The Company shall enjoy regular positive profitability.
 3. The Company shall enjoy good liquidity and is able to reasonably foresee the scale of its profits.
 4. The Company shall have distributable profits—according to the latest audited annual financial statements – sufficient to cover the proposed dividend distribution, after deducting the amounts distributed and capitalized, of the profits after the date of these financial statements.
- The Board must include in its annual report, submitted to the General Assembly of the Company, the portion of dividends distributed to Shareholders during different periods of the financial years in addition to the portion of dividends proposed for distribution at the end of the financial year, and the aggregate dividend amounts.
- Dividend distributions must be recorded to the cumulative retained earnings account of preceding years, or the contractual reserves, or both. The Company must take a sequential and consistent approach in determining the manner and percentage of dividend distributions in light of the Company's capabilities and available liquidity. The Board must disclose and announce the portion of regular interim dividends approved for distribution to the Shareholders on the specified dates.
- The Company must, upon resolving to distribute interim dividends, disclose and announce such resolution immediately, and provide the Authority with a copy thereof immediately.

For the year 2021, the Board of Directors recommended, on 24 November 2021, to distribute cash dividends to Shareholders for the fiscal year 2021. The total proposed amount of dividend distribution is SAR 654.5 million, at SAR 0.85 per share. The percentage of dividend to the share par value is 8.5%. The eligibility of cash dividends will be for Shareholders who own Company shares on the eligibility date and enrolled in the Company's register at Securities Depository Center Company (Edaq) by the end of the second trading day of the day of the General Assembly of the Company, which will be announced later. Distribution date will be announced later after the approval of this recommendation by the General Assembly.

GOVERNANCE RISKS

KSA and the rest of the world continued to face the impacts of new and highly transmissible COVID-19 variants during 2021, that impacted macroeconomic conditions and the overall business landscape. In addition to the pandemic related threats, Mobily was also exposed to risks on various other fronts, such as - changing geopolitical environment, uncertain regulatory changes, increased threat of cybersecurity, evolving business models due to innovation and emerging technologies, supply chain disruptions, etc.

To navigate safely through this challenging and ever-changing environment, Mobily has a dedicated Enterprise Risk and Business Continuity Management (ERM&BCM) division, that is responsible for proactively identifying, assessing and mitigating these risks and its impact on the business. The department ensures that all processes are in accordance with international standards such as, ISO 31000 and ISO 22301, and in compliance with Capital Market Authority (CMA) regulations in the Kingdom of Saudi Arabia. The department also assists the Board and Executive Risk Management Committees in identifying new and emerging risks, in order to implement strategic actions to mitigate them. The Management, through the ERM&BCM department has strengthened Mobily's ability to proactively manage risk and to ensure operational resiliency in case of any adverse event/impact.

The following are the top risks that are monitored under the supervision of the Board Risk Management Committee:

1. Enterprise Digital and IT Transformation:

Constraints facing frontline staff — retail store workers, customer support agents and technicians — have led to a greater focus on digital channels for serving customers during the crisis. Transformation Risk was one of the biggest challenges faced by most organizations during 2021. Management addressed this by accelerating the digital and IT transformation initiatives under GAIN strategy. Furthermore, the ERM&BCM department closely assessed and monitored potential risks that could impact the execution of these initiatives through established key risk indicators based on the program's objectives.

2. Regulatory Decisions:

Digital infrastructure's importance during the COVID-19 crisis is leading regulators to increase their focus on issues such as consumer protection, bridging the digital divide and enhanced data privacy. Mobily responded effectively to these regulatory actions and decisions during the year.

The Company ensures full compliance to all regulatory requirements through effective governance and compliance controls implemented within the organization.

3. Increased threat of Cyber Attacks:

Privacy and security concerns among customers are rising. Less than half of the customers feel in control of their personal data, and COVID-19 has heightened these fears including increased cybersecurity threats on infrastructure. This risk continues to be on the top risk profile of multiple global organizations due to the potential to disrupt operations causing reputational damage and financial losses. In this regard, Mobily has strengthened its capacity to deal with such threats by continually upgrading its Network and IT infrastructure and implementing advanced tools for threat monitoring and mitigation.

4. Strategy execution:

Strategy execution is considered the most critical and challenging part of the strategy life cycle. Mobily's Board and Management committees are continuously monitoring and assessing the execution of GAIN strategy, to ensure the achievement of goals and underlying objectives. The strategic direction is also reviewed annually to ensure that ongoing market trends and dynamics are reflected appropriately.

To monitor and report on management of the above risks during the year, various other initiatives were undertaken by Management, to further enhance its Enterprise Risk and Business Continuity program. These included updating of ERM and BCM frameworks, revamped risk appetite and risk assessment methodologies, embedding processes automation and digitalization, and developing business continuity, disaster recovery and operational resiliency plans among others.

The Group also has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

Risk management is carried out by the senior management under policies approved by the Board of Directors. Senior management identifies, evaluates and hedges, when appropriate, financial risks in close co-operation with the Group's operating units.

CREDIT RISK

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group is exposed to credit risk principally from Cash and cash equivalents, accounts receivable, due from related parties, Short term Murabaha and derivative financial instruments.

The carrying amount of financial assets represents the maximum credit exposure.

Cash and cash equivalents and Short term Murabahas

Cash and cash equivalents and Short term Murabaha are held with counterparties with sound credit ratings. The Group regularly updates its cash flow and, where appropriate, places any excess cash on short-term investments with reputable financial institutions.

Accounts receivable

The Group has established a credit policy under which credit assessment is being made to check the credit worthiness of major customers prior to signing the contracts/accepting their purchase orders.

The receivables are shown net of allowance for impairment loss on accounts receivable. The Group applies the simplified approach to calculate impairment loss on accounts receivable and this always recognizes lifetime ECL on such exposures. ECL on these financial assets are estimated using a flow rate based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate. Credit and Collection Operations provide inputs on the aging of financial assets on a periodic basis.

The Group has two major customers representing 34% of total accounts receivable as at 31 December 2021 (31 December 2020: 28%). The rest of the balances do not have significant concentration of credit risk, with exposure spread over large number of counterparties and customers.

The age analysis of net accounts receivable is as follows (SAR '000,000s):

	31 December 2021	31 December 2020
Current	689	786
Within two months	736	600
From two months to three months	180	167
More than three months	2,977	2,342
	4,582	3,895

LIQUIDITY RISK

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Group's approach in managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due without incurring unacceptable losses or risking damage to the Group's reputation.

The management closely and continuously monitors the liquidity risk by performing regular review of available funds, present and future commitments, operating and capital expenditure. Moreover, the Group monitors the actual cash flows and seeks to match the maturity dates of its financial assets and its financial liabilities.

The Group seeks continuously to comply with its legal obligations, including any, relating to its financing agreements.

GOVERNANCE

RISKS (CONTINUED)

The following represents the maturities of financial liabilities at the reporting date based on undiscounted contractual cash flows (SAR '000,000s):

	Less than one year	1 to 5 years	More than 5 years	Total contractual cash flows	Carrying amount
At 31 December 2021					
Loans and notes payable	1,554	9,290	1,592	12,436	10,834
Lease liabilities	1,044	1,620	815	3,479	3,120
Accounts payable	4,606	-	-	4,606	4,606
Due to related parties	282	-	-	282	282
Financial liabilities	-	155	115	270	224
Derivatives financial instruments	46	-	-	46	46
	7,532	11,065	2,522	21,119	19,112
At 31 December 2020					
Loans and notes payable	1,669	6,997	4,476	13,142	11,484
Lease liabilities	898	1,492	534	2,924	2,605
Accounts payable	4,669	-	-	4,669	4,669
Due to related parties	153	-	-	153	153
Financial liabilities	-	155	154	309	250
Derivatives financial instruments	79	-	-	79	79
	7,468	8,644	5,164	21,276	19,240

MARKET RISK

Market risk is the risk that changes in market prices such as foreign exchange rates, profit rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Group's transactions are principally in Saudi Riyals and US Dollars. The Saudi Riyal is pegged to the US Dollar.

The management closely and continuously monitors the exchange rate fluctuations. Based on its experience and market feedback, the management does not believe it is necessary to hedge the effect of foreign exchange risks as most of the transactions of foreign currency risk is relatively limited in the medium term.

Profit rates risk

Profit rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market profit rates. The Group's exposure to market risk for changes in profit rates relates primarily to the Group's borrowings which were acquired to finance working capital requirements and capital expenditure. These borrowings are re-priced on a periodic basis and expose the Group to profit rate risk. The Group's practice is to manage its financing cost through optimizing available cash and minimizing borrowings.

The Group seeks to ensure that on the medium term a significant portion of its borrowings is at a fixed rate. This is achieved partly by entering into fixed rate instruments and partly by borrowing at a floating rate and using profit rate swaps as hedges of the variability in cash flows attributable to movements in profit rates.

The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the reference profit rates, tenors, re-pricing dates, maturities and the notional amounts.

GOVERNANCE

STATEMENT OF COMPLIANCE

These consolidated financial statements comprise the financial information of the Company and its subsidiaries (together referred to as the 'Group').

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) that is endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by Saudi Organization for Chartered and Professional Accountants (SOCPA).

The principal accounting policies applied in the preparation of these consolidated financial statements have been consistently applied to all periods presented.

These consolidated financial statements have been approved for issuance by Board of Directors on 20 February 2022 (corresponding to 19 Rajab 1443H).

GOVERNANCE

SUMMARY OF ASSETS, LIABILITIES AND BUSINESS RESULTS

The following tables summarize the Consolidated Balance Sheet, Consolidated Operating Income and Consolidated Statement of Income as at 31 December 2021, 2020, 2019, 2018 and 2017:

Summary of consolidated balance sheet (SAR '000,000s)

	2021	2020	2019	2018	2017
Current assets	8,272	6,476	6,512	7,101	7,494
Non-current assets	31,091	31,932	32,704	31,461	32,993
Total assets	39,363	38,408	39,216	38,562	40,487
Current liabilities	11,299	10,985	11,367	11,554	11,936
Non-current liabilities	12,868	12,978	14,098	13,139	14,297
Total liabilities	24,167	23,963	25,465	24,693	26,233
Shareholders' equity	15,196	14,445	13,751	13,869	14,254
Total liabilities and equity	39,363	38,408	39,216	38,562	40,487

As at 31 December 2021, total assets amounted to SAR 39,363 million, while total liabilities amounted to SAR 24,167 million and Shareholders' equity amounted to SAR 15,196 million.

Property and equipment represented the majority of assets, amounting to a net book value of SAR 20,380 million, while the majority of liabilities consisted of loans

and notes payable totaling SAR 10,834 million. These have been used towards general purposes, including capital expenses, upgrades and improvements to the Company's infrastructure, in addition to working capital requirements. Employees' end-of-service provisions amounted to SAR 513 million at 31 December 2021.

Summary of consolidated operating income (SAR '000,000s)

	2021	2020	2019	2018	2017
Usage	10,037	9,663	9,347	8,225	8,457
Activation and subscription fees	2,766	2,397	2,308	2,419	2,115
Others	2,031	1,986	1,795	1,221	779
Total revenues	14,834	14,046	13,450	11,865	11,351

Summary of consolidated statement of income (SAR '000,000s)

	2021	2020	2019	2018	2017	Value change 21/20	Percentage change 21/20
Revenue	14,834	14,046	13,450	11,865	11,351	788	5.61%
Cost of sales	(6,163)	(5,894)	(5,650)	(5,283)	(4,821)	(269)	4.56%
Gross profit	8,671	8,152	7,800	6,582	6,530	519	6.37%
Selling and marketing expenses	(1,390)	(1,391)	(1,277)	(1,286)	(1,234)	1	-0.07%
General and administrative expenses	(1,560)	(1,407)	(1,509)	(747)	(1,450)	(153)	10.87%
Depreciation and amortization	(3,927)	(3,970)	(3,917)	(3,809)	(3,626)	43	-1.08%
Profit from operations	1,668	1,366	967	603	19	302	22.11%
Finance expenses	(505)	(561)	(929)	(799)	(678)	56	-9.98%
Finance income	5	21	45	35	12	(16)	-76.19%
Zakat	(78)	(43)	(49)	38	(61)	(35)	81.40%
Net Profit / (Loss)	1,072	783	31	(123)	(709)	289	36.91%

- Net profits for 2021 totaled SAR 1,072 million, compared to a net profit of SAR 783 million in 2020. This improvement is mainly due to the growth of revenues, the Company's efficiency in managing its operations and the decline of financial charges.
- Gross profit in 2021 totaled SAR 8,671 million, compared to SAR 8,152 million in 2020, with the increase of 6.37% resulting mainly from the improvement of revenues.
- Revenues for 2021 were SAR 14,834 million, compared to SAR 14,046 million in 2020, with an increase of 5.61%. This was mainly due to the growth of the Business Unit and Consumer Unit revenues, in addition to the growth of the subscribers' base.
- The earnings before interest, tax, depreciation and amortization (EBITDA) margin reached to 37.7% in 2021, compared to 38.1% in 2020.
- Operational profit (EBIT) in 2021 was SAR 1,668 million, compared to SAR 1,366 million in 2020, reflecting an increase of 22.11%. This was mainly due to the improvement in earnings before interest, tax, depreciation and amortization (EBITDA), through the growth of revenues and the Company's efficiency in managing its operations.



GOVERNANCE

LOANS

Loans and notes payable (SAR `000,000s)

	2021	2020
Long-term loans and notes payable	10,834	11,483
Less: current portion	(1,210)	(1,349)
Non-current	9,624	10,134

a) Maturity profile of loans and notes payable (SAR `000,000s)

	2021	2020
Less than one year	1,210	1,349
Between one to five years	8,180	5,894
Over five years	1,444	4,240

GOVERNANCE

LOANS (CONTINUED)

b) Details of loans and notes payable as at 31 December 2021 are as follows.

It should be noted that the amounts that have been paid during 2021 amount to SAR 1,083* million:

Lender	Borrowing Company	Loan nature	Borrowing Purpose	Issue date	Currency	Principal amount
Local banks Syndicated	Mobily	Long-term refinancing facility agreement Sharia' compliant	Replace the 2017 Syndicate financing	Q4, 2019	SAR	SAR 7,619 million
Export Credit Agency of Finland (Finnvera)	Mobily	Long-term financing agreement Sharia' compliant	Acquiring network equipment from Nokia to upgrade and enhance the infrastructure capabilities, introduce new technologies, and strengthen the Company's competitiveness in the business segment	Q3 2013, Q1 2014 & Q4 2018	USD Dollars	USD 720 million (SAR 2,700 million)
Export Credit Agency of Sweden (EKN)	Mobily	Long-term financing agreement Sharia' compliant	Acquiring network equipment from Ericsson to upgrade and enhance the infrastructure capabilities, introduce new technologies, and strengthen the Company's competitiveness in the business segment	Q3, 2013, Q1, 2014 & Q4, 2018	USD Dollars	USD 652 million (SAR 2,444 million)
Export Development of Canada (EDC)	Mobily	Long-term financing agreement Sharia' compliant	Acquiring a telecommunication devices and equipment from Alcatel-Lucent	Q2, 2014	USD Dollars	USD 122 million (SAR 458 million)
Alinma Bank	Mobily	Long-term financing agreement Sharia' compliant	Replace the December 2016 financing with bank Alinma and for the general corporate purposes including capital expenditure	Q4, 2019	SAR	SAR 3,000 million
Total						

*The amount does not include the Paid-up Amount of the Saudi Investment Bank loan with the amount of SAR 320 million, which represents the last payments of the loan.

Utilized amount	Profit rate	Payment terms	Period	Current portion	Non- Current portion	Total (remaining due amount)	Other terms	Paid-up Amount
SAR 7,619 million	SIBOR plus profit margin	Semi-annual repayments	7 years	SAR 562 million	SAR 6,441 million	SAR 7,003 million	Repayment period of 7 years	SAR 381 million
USD 720 million (SAR 2,700 million)	Fixed rate per annum	Semi-annual repayments	10 years	SAR 326 million	SAR 579 million	SAR 905 million	Utilization period of 1.5 years, repayment period of 8.5 years	SAR 360 million
USD 629 million (SAR 2,358 million)	Fixed rate per annum	Semi-annual repayments	10 years	SAR 281 million	SAR 524 million	SAR 805 million	Utilization period of 1.5 years, repayment period of 8.5 years	SAR 298 million
USD 101 million (SAR 377 million)	Fixed rate per annum	Semi-annual repayments	10.5 years	SAR 41 million	SAR 82 million	SAR 123 million	Utilization period of 2 years, repayment period of 8.5 years	SAR 44 million
SAR 2,000 million	SIBOR plus profit margin	Semi-annual repayments	10 years	-	SAR 1,998 million	SAR 1,998 million	Payable over a period of 10 years with 3 years grace period	-
				SAR 1,210 million	SAR 9,624 million	SAR 10,834 million		SAR 1,083* million

GOVERNANCE

STATUTORY PAYMENTS

Paid and due statutory payments (SAR '000,000s)

Item	Payable to	Paid	2021	
			Due for the end of the fiscal year, not paid	Short description and reason
Zakat	General Authority of Zakat and Tax	43	109	In accordance with the relevant laws and regulations
Tax	General Authority of Zakat and Tax	1,363	309	In accordance with the relevant laws and regulations
GOSI fees	General Organization for Social Insurance	124	12	In accordance with the relevant laws and regulations
Visa and Passport costs	Ministry of Interiors	2	-	In accordance with the relevant laws and regulations
Labor Office fees	Ministry of Labor	10	-	In accordance with the relevant laws and regulations

ZAKAT PROVISION

The Group is subject to zakat according to the regulations of the Zakat, Tax and Customs Authority (ZATCA) in the Kingdom of Saudi Arabia. The Group files its zakat returns on a consolidated basis, starting from the financial year ended 31 December 2009 and thereafter, where it includes the Company and its subsidiaries due to the fact that the Group is one economic entity wholly owned and managed by the Company.

The Group has filed its zakat returns with ZATCA for the years through 2020 and settled its zakat thereon. During the year ended 31 December 2016, the Group submitted adjusted zakat returns for the years 2013 and 2014, as a result of restatement of the consolidated financial statements for the said years.

The Group has finalized its zakat status for the years up to 2009. The Group has received zakat and withholding tax assessments that showed additional zakat liabilities for the year 2010, 2011 and 2014 to 2018 of SR 157 million and additional withholding tax liabilities for the year 2010 and 2011 of SR 155 million, which have been appealed against by the Group at the Preliminary and Higher Appeal Committees. In April 2021, the group received an unfavorable ruling from General Secretariat of tax committees "GSTC" with respect to withholding tax assessments for the years 2010 and 2011 which is not consistent with the previous favorable ruling for 2008 and 2009. Based on that the Group has submitted a reconsideration request to GSTC. On 23 January 2022 GSTC upheld the ruling against the Group. The Group believes that this ruling will not result into any additional provisions.

Zakat Provision (SAR '000,000s)

	31 December 2021
Balance at the beginning of the year	74
Charge during the year	78
Payments during the year	(43)
Balance at the end of the year	109

GOVERNANCE

LAWSUITS AND PENALTIES

The CITC's Violation Committee has issued several resolutions, including penalties against the Company during 2021, which the Company has opposed to in accordance with the Telecom Status and its implementing regulations. The reasons for issuing these resolutions vary between the manner followed in issuing SIM Cards, completing branch requirements, adherence to certain controls and provisions, or other reasons.

The Company aims to avoid recurrence of such penalties through the following procedures:

1. Constantly organizing workshops targeting Mobily employees, especially PoS and Customer Service employees
2. Complying with CITC's resolutions and instructions
3. Raising awareness about new regulations, especially with regards to the establishment of telecommunication cards, as well as meeting the regulatory terms of the service
4. Complying with tariff services' laws and controls

In addition, through the development of the organizational structure of organizational commitment in the sector of regulatory affairs and public policies and allocating the necessary HR resources and policies to address violations within the legal period in compliance with CITC's terms, conditions and regulations.

There are (192) lawsuits filed by some of the Shareholders against the Group before the Committee for the Resolutions of Security Disputes and still being adjudicated by the said committee. As of 31 December 2021, the Company has received (190) final favorable verdicts. Whereas, (2) cases remain ongoing.

GOVERNANCE

ANNUAL REVIEW OF THE EFFECTIVENESS OF INTERNAL CONTROL PROCEDURES

The formulation of the Audit Committee (Referred to below the "Committee") in Mobily, took into consideration the requirements of corporate governance in terms of its composition and direct association with the Board of Directors (Referred to below "BoD") of the Company. The Committee's main contribution was in reviewing the financial statements and accounting policies and the supervision of the work of Internal Audit, External Auditors and Compliance. The Committee held 4 meetings during the year 2021.

Duties of the Audit Committee

The Committee works to assist the BoD in fulfilling its responsibility towards monitoring the financial reports and the internal control system, monitoring the work of the Auditors, reviewing the interim and annual financial statements, reviewing the applied accounting policy and ensuring the Company's compliance with applicable requirements and regulations. The Committee communicates regularly with the Internal Audit Department (IAD), where IAD is tasked with evaluating the effectiveness of the company's internal control framework and functions and reporting on them using a risk-based assessment methodology.

The Committee's Main Contribution during the Year 2021

The Committee carried out various activities within its scope of responsibilities during the year 2021; of which the main activities are the following:

- Review and approve the Internal Audit plan for the year 2021 and ensure that sufficient resources are provided to IAD in a manner that maintains its effectiveness. The Committee also reviewed and approved the Chief Audit Executive performance and objectives.
- Oversee IAD and follow up on the execution of its plan, including overseeing 2 important initiatives; one for internal control framework implementation over financial reporting and another for deployment of continuous auditing mechanisms using modern technologies.
- Review and discuss internal audit reports issued during the year 2021 and the progress made in the implementation of internal audit recommendations by respective departments.
- Supervise the work of External Auditors and meet them periodically.
- Review annual financial statements as of 31 December 2021, and approve quarterly financials and submit its recommendations to the BoD.
- Review of the "Management Letter" on internal controls issued by the External Auditors and the implementation of its recommendations.
- Review bids received from external audit firms with an international experience and knowledge that are approved by the Capital Market Authority and invited to submit their offers. The Committee then recommends the appointment of one of those External Auditors to the BoD to be presented to the General Assembly to choose one of those External Auditors.
- Reviewing a set of new policies and updates on other existing ones, then recommending to the BoD for approval.
- Followed up on different activities and projects geared to strengthen internal controls system of the Company and business continuity, including following up on the project or updating fixed assets, project for disaster recovery data center, and enhancing the level of automation for various aspects of the Company's processes.
- Review Management's proposals regarding doubtful debts provisions and write-offs before providing pertinent recommendations to the BoD for approval.
- Review reports from Management on legal and regulatory compliance requirements and follow up on the implementation of pertinent recommendations.
- Review the necessary arrangements for enabling a mechanism for employees to communicate their concerns in a confidential manner.
- Inform BoD periodically about the Committees' activities, through sharing its minutes of meetings and regular updates during BoD meetings.

The Audit Committee's Opinion on the Effectiveness of Internal Control System

The internal control system is designed to give reasonable assurance on the achievement of the organization's established goals; effectively and efficiently. It includes, but is not limited to issuing reliable financial reports, adequate compliance with laws, regulations and policies, as well as proper management of business risks to minimize their impacts on the achievement of the Company's goals. Internal control system, as well, plays an important role in preventing fraud and protecting the Company's resources. The Management of the Company is responsible for implementing a comprehensive and effective internal control system relative to the risks the Company might be exposed to; with reasonable cost and benefit to give acceptable level of assurances to avoid material errors and related losses.

The Committee reviews the reports that are provided periodically by Internal and External Auditors and by different departments related to internal control within the Company.

The outcomes of annual reviews over the internal control system of the Company did not reveal major weaknesses in the internal control system with the presence of some observations aimed to improve the internal control system. The observations were communicated with Company Management and a plan was set to implement those recommendations. The Committee will follow up on the recommendations with the agreed implementation dates. With the continuous monitoring of internal control system to ensure achieving the internal control objectives with the improvement of the operations' efficiency and effectiveness while complying with relevant regulations.

GOVERNANCE

CORPORATE GOVERNANCE COMPLIANCE

Following the review of the Corporate Governance Regulations issued by the Capital Market Authority (CMA), the Company has adopted the rules and standards pursuant to these Regulations. To illustrate the Company's

compliance with the Regulations, the Company applies all provisions of the Corporate Governance Regulations issued by the Capital Market Authority (CMA), except for the provisions below:

Article/ Paragraph No.	Text of Article/ Paragraph
Article 39 – Paragraph 2	The Company shall pay adequate attention to the training and preparation of the Board members and the Executive Management, and shall develop the necessary programmes required for the same, taking the following into account: 2) developing the necessary mechanisms for Board members and the Executive Management to continuously enroll in training programmes and courses in order to develop their skills and knowledge in the fields related to the activities of the Company.
Article 41 – Paragraph D	The individual assessment of the Board members shall take into account the extent of effective participation of the member and his/her commitment to performing his/her duties and responsibilities, including attending the Board and its committees meetings and dedicating adequate time thereof.
Article 54 – Paragraph B	The Chairman of the Audit Committee shall be an Independent Director.
Article 85 – Paragraph 3	The Company shall establish programmes for developing and encouraging the participation and performance of the Company's employees. The programmes shall particularly include the following: 3) establishing social organizations for the benefit of the Company's employees.
Article 87	The Ordinary General Assembly, based on the Board recommendation, shall establish a policy that guarantees a balance between its objectives and those of the community for purposes of developing the social and economic conditions of the community.
Article 88 – Paragraph 1	The Board shall establish programmes and determine the necessary methods for proposing social initiatives by the Company, which include: 1) establishing indicators that link the Company's performance with its social initiatives and comparing it with other companies that engage in similar activities.
Article 90 – Paragraph 8	
Article 93 – Paragraph A-4-b	Disclose the remuneration of five Senior Executives in detail pursuant to the appended schedule to the Corporate Governance Regulations.
Article 93 – Paragraph b	
Article 90 – Paragraph 19	The Board's report shall include the Board's operations during the last fiscal year and all factors that affect the Company's businesses, such report shall include the following: 19) geographical analysis of the Company's and its affiliates' revenues.
Article 95	If the Board forms a Corporate Governance Committee, it shall assign to it the competences stipulated in Article (94) of these Regulations. Such committee shall oversee any matters relating to the implementation of governance, and shall provide the Board with its reports and recommendations at least annually.

Reasons for Non-Application

This is a guiding article.

There is no fixed program, but training is attended as needed, and specialized international conferences are also attended.

This is a guiding article.

The Board of Directors did not set indicators for individual measurement or evaluation for this year.

This is a guiding paragraph.

The Audit Committee shall be chaired by a member from outside the Board of Directors who enjoys complete independence.

This is a guiding article.

The Company is developing other programs to encourage and motivate the participation and performance of its employees.

This is a guiding article.

The Company works continuously to participate in various social activities with the aim of sustainability and achieving the desired goals, which also aims to develop the social and economic conditions of the community.

This is a guiding article.

The Company is interested in promoting participation in various social activities in order to sustain these activities and achieve the desired goals.

The Company has disclosed the components of the Senior Executives' remuneration collectively in accordance with the statutory requirements contained in subparagraph (b) of Paragraph (4) of Article (93) of the Corporate Governance Regulations. However, to protect the interests of the Company, its Shareholders and its employees, and to avoid any damage that may result due to the disclosure in detail according to the titles and the position, the details were not presented as mentioned in Appendix (1) of the Senior Executives of the Corporate Governance Regulations.

A geographical analysis of the Company's total revenue is not available due to the nature of the sector's business, because the revenue generated by the subscriber is not linked to a single region.

Mobily Infotech Limited (India) is also considered a cost center, and its activity is to develop technical software and provide technical support services for information technology. The UAE-based National Business Solutions Company FZE is a cost center wholly owned by the subsidiary.

This is a guiding article.

The Board of Directors ensures compliance with the Company's governance rules, as well as reviews and updates these rules, and improves the Company's Code of Conduct, and other policies and internal procedures as required. Board members are constantly informed about the latest developments in the area of governance.

GOVERNANCE

CORPORATE GOVERNANCE COMPLIANCE

(CONTINUED)

It should be noted that:

- There is no conflict between the recommendations of the Audit Committee and the Board resolutions as to appointing or dismissing the Company's External Auditor or determining its remuneration, assessing its performance or appointing the Internal Auditor.
- According to Article 68 of RULES ON THE OFFER OF SECURITIES AND CONTINUING OBLIGATIONS, the Company has not been informed of any interest in voting right shares owned by any person (other than Board members and Senior Executives and their relatives).
- No convertible debt instruments, contractual securities, pre-emptive right or similar rights were issued or granted by the Company during the fiscal year.
- No conversion or subscription rights under any convertible debt instruments, contractual based securities, warrants or similar rights were issued or granted by the Company.
- There was no redemption, purchase or cancellation by the Company of any redeemable debt instruments.
- No Shareholder of the Company has waived any rights to dividends.
- No investments or reserves were made or set up for the benefit of the employees of the Company.
- The Auditor's Report does not contain any reservation about the Annual Financial Statements.
- The Board of Directors did not recommend replacing the External Auditor before the end of its term.
- There are no treasury shares retained by the Company.
- There is no inconsistency with the standards approved by the Saudi Organization for Certified Public Accountants.

GOVERNANCE

DECLARATIONS OF THE BOARD OF DIRECTORS

The Board of Directors declares the following:

- Proper books of account have been maintained.
- The system of internal control is sound in design and has been effectively implemented.
- There are no significant doubts concerning the Company's ability to continue its activity.

Board of Directors
Etihad Etisalat Co. (Mobily)
March 2022