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DISCLAIMER: The English version is a translation of the original in Arabic for information purposes only. In case of a discrepancy, the Arabic original will prevail.



1. An overview

1.1 An introduction

Since inception, we have continuously ensured the application of a multitude of governance rules across the business. By incorporating a broad spectrum of elements such as internal control, enterprise risk management, the social responsibility for sustainability and preserve shareholders' rights, we have established one of the leading corporate governance policies in the Middle East region.

Our corporate governance manual was established on the basis of the model agreed and adopted during our first Board meeting in 2006. It has continuously evolved ever since.

To ensure that we regularly update our approach, in 2014, we conducted a full and comprehensive review of all our Governance systems, taking into consideration the regulatory modifications concerning the related party transactions.

Our manual meets all relevant UAE legislation components for corporate governance and the Commercial Companies Law, and follows international best practice. Our governance compliance and corporate discipline standards have also been affirmed by the Securities and Commodities Authority (SCA). We have exceeded the national requirements in many areas, for example, our inaugural Sustainability Report was published in October 2011, and followed best practice examples and methodology. We were one of the first in the region to issue such a report and as a result, we won many awards both locally and internationally for our efforts.

The governance controls we have in place are fully integrated into the company's operational activities and applied by all levels of the company, the Board of Directors and all employees. Our manual is a comprehensive document that addresses specific issues, actions and disciplines, related to areas of compliance, disclosure and control. It outlines all of our governance controls, ensuring that our company is managed in an effective

and dynamic manner for the benefit of all shareholders and stakeholders concerned. The governance controls to which we are committed include the following:

- Efficient management (the main responsibilities of the company's management)
- Effective management (to provide decision-makers with the needed information and to discuss the provided recommendations before taking any decision)
- Regulatory management (the company must set the objectives to be achieved and determine the necessary actions to be taken)

As per provision (7) of article (12) of Ministerial Decision No.518/2009, we created systems to communicate with shareholders and investors. Our Chief Financial Officer is responsible for delivery of the investor relations function and we have made efforts to ensure the investor relations section on our website is available in both Arabic and English languages. We also endeavor to continuously update the IR website to ensure we are in line and up to date with best practice.

Our executive management, headed by our CEO, strive to provide accurate and relevant financial overviews that truly evaluate the company's performance. They do this through delivery of presentations directly related to the annual and quarterly financial statements.

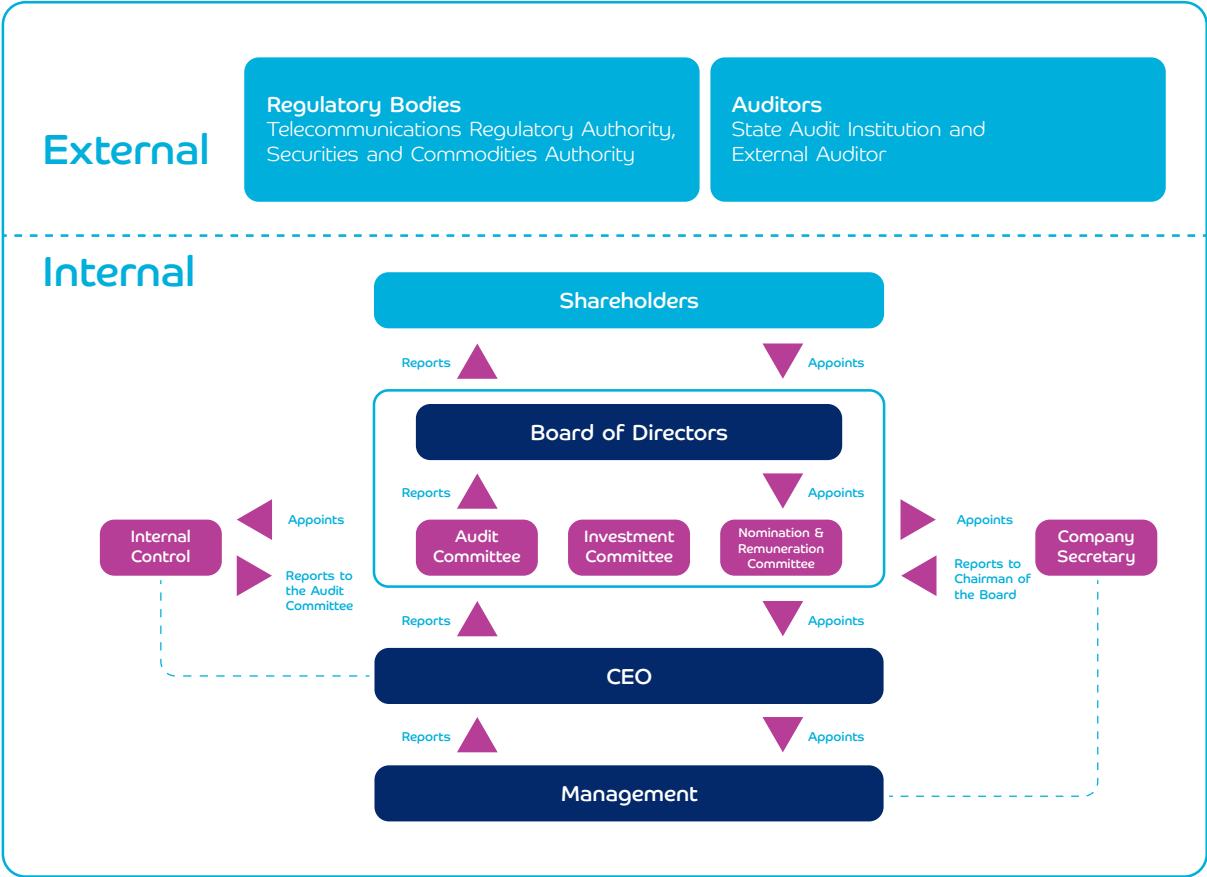
The CEO is responsible for explaining the company's current financial status to key financial analysts who monitor the company's performance. Financial overview documents providing highlights and analysis from management published on our website immediately after the DFM posts the announcement, as per regulatory requirements. Our published financial presentations are delivered to key analysts, investors and media on a quarterly basis to provide each of these key stakeholders with the opportunity to discuss the results and request answers to corresponding questions.

Our Board also plays an important role in revealing the yearly financial results to all shareholders through hosting the Annual General Assembly. Our Board members are contactable through their addresses on the website and available to answer questions and queries received from shareholders, investors and stakeholders as part of our transparency objectives.

Due to the nature of our business, we thrive on finding new, innovative ways of doing things so that we can implement technologies that benefit our customers and provide our employees with a productive and simple work environment. Governance activities are included in this section.

For example, Our 'Boardpad' internal portal for Directors was launched at the beginning of 2013 and feedback so far has been very positive. This tool has improved the accessibility and timelines of information to our Board and its Committees, including key corporate documents, minutes of previous meetings, calendars, agendas, and new releases.

**1.3 Our corporate governance model**  
The effectiveness of our governance model relies on the distribution of duties and responsibilities amongst shareholders, management, and Directors, including the Board of Directors and Committees as illustrated in the chart below:



2. Board of Directors

“ Our Board of Directors dedicates all of its efforts and experience to the advancement of the company’s performance, in line with shareholder and key partner aspirations. These aspirations translate in to decisions that are closely monitored by the Board, so as to ensure sustainability and added value for all stakeholders.

We have continued to develop our governance frameworks to ensure that members of the Board of Directors can effectively perform their tasks and responsibilities, address key issues, motivate and facilitate their valuable contributions. As ever, in 2014, the Board was assisted by various Committees tasked with specific duties and responsibilities. Each Committee reported its results and recommendations to the Board of Directors to ensure accountability and transparency. We have continued to evaluate our own performance to ensure that we provide all the requirements of the decision-making and to improve the company’s performance and activate its financial position ”

Ahmad Bin Byat  
Chairman

2.1 Structure

According to our corporate governance manual, all members of our Board are non-executives, a provision that is consistent with Ministerial Decision No. 518/2009.

Under the Memorandum of Association, the UAE Government, Emirates Communication and Technologies

Company LLC and Mubadala Development Company have the right to jointly appoint eight members of the Board, with two members to be elected by public shareholders.

The Board consists of eight non-executive and independent members and two non-executive members:



First appointment  
2006

Representing  
Emirates Communication  
and Technology Company LLC

Ahmad Bin Byat

Chairman  
(non-executive member)

Ahmad Bin Byat is the founding chairman of our company. He is one of the most prominent business leaders in UAE and he holds a number of high-ranking directorial positions across some of our most prestigious organizations.

His educational background, leadership qualities and technology skills have made him a highly resourceful and inspiring corporate leader and have enabled du to create sustained growth since inception.

He is currently Chief Executive Officer of Dubai Holding,

a member of the Board at Mohammed Bin Rashid School of Government, Vice Chairman of Zayed University, Chairman of the Supreme Committee of Dubai’s Smart City project and Director General of Dubai Technology and Media Free Zone Authority (DTMFZA).

Bin Byat previously held the roles of Executive Chairman of TECOM Investments; a Member of the Board of the Supreme Committee for ICT and Chairman of the Dubai Real Estate Corporation.

He holds a degree in IT management from USA.



First appointment  
2009

Representing  
Emirates Investment Authority

Abdulhamid Saeed

Vice Chairman  
(non-executive, independent member)

Abdulhamid Saeed is the Managing Director and Board Member of First Gulf Bank. He also holds key positions in several governmental organisations, including as a Board Member of the Abu Dhabi Stock Exchange, Emirates Investment Authority (EIA) and Mubadala Development Company.

He is also a Board Member of Sky News Arabia and Managing Director of Reem Investments.

He holds a bachelor degree in Business Administration from Arizona, USA.



First appointment  
2006

Representing  
Mubadala Development  
Company

Waleed  
Al Muhairi

Board Member  
(non-executive, independent member)

Waleed Al Muhairi is Deputy Group CEO at Mubadala Development Company and Chief Executive Officer of the organisation’s Emerging Sectors Department, with oversight of Mubadala’s healthcare, real estate and infrastructure, and capital investment portfolios, as well as the Enterprise Technology & Services unit.

Prior to joining Mubadala, Waleed worked with the UAE Offsets Program Bureau as a Senior Project Manager and previously worked with McKinsey & Company as a commercial and governmental consultant.

He holds a Master degree in Public Policy from Harvard University and a Bachelor degree in Foreign Service from George Town University.



Fadhel Al Ali

Board Member  
(non-executive, independent member)

First appointment  
2009

Representing  
Emirates Communication and Technologies Company LLC

Fadhel Al Ali is Chief Operating Officer at Dubai Holding, a leading investment conglomerate with operations in 24 countries.

He is also currently acting as the Chairman of Dubai International Capital and a Board Member of Jumeirah Group, Dubai Financial Services Authority and Emaar.

Al Ali graduated from the University of South California, USA, with a BSc in Industry Sciences and Engineering Systems, and is a holder of a Certificate of Finance (CFA Level 1), from the American University of Sharjah.



Saeed Rashid Al Yateem

Board Member  
(non-executive, independent member)

First appointment  
2006

Representing  
Emirates Investment Authority

Saeed Al Yateem is the Assistant Undersecretary of Budget and Revenue Affairs at the UAE Ministry of Finance, where he supervises the UAE Federal Government’s budgeting processes and performance and public revenues.

He is also a Board Member for the Gulf Investment Cooperation.

Yateem holds a Bachelor degree in Political Sciences from UAE University



Ziad Galadari

Board Member  
(non-executive, independent member)

First appointment  
2007

Representing  
Public shareholders

Ziad Galadari is the Founder and Chairman of Galadari Advocates & Legal Consultants and Chairman of Galadari Investments Group. He is also the Chairman of the Higher Committee for Dubai’s International Arabian Horse Championship, a Member of the Board at the Emirates Equestrian Federation, Chairman of Jebel Ali Racecourse Council, and is a member of the Dubai World Trade Center and Dana Gas.

Galadari is a member of the International Bar Association, the Chartered Institute of Arbitrators and is on the Tribunal Panel of the Dubai Technology and Media Free Zone.

He Holds a Bachelor degree in Law from UAE University.



Mohammed Al Suwaidi

Board Member  
(non-executive, independent member)

First appointment  
2012

Representing  
Emirates Investment Authority

Mohammed Al Suwaidi is the Executive Director of Asset Management at the Emirates Investment Authority.

Prior to this role, he spent ten years as Executive Director Officer of the Treasury Department at Abu Dhabi’s Investment Authority (ADIA).

Al Suwaidi is a board member of a number of UAE companies including Zayed Higher Organization for Humanitarian Care & Special Needs, Arab Insurance Group (ARIG) and Abu Dhabi Marina Real Estate Investment.

He holds a Bachelor degree in Accounting from UAE University.



Abdulla Al Shamsi

Board Member  
(non-executive, independent member)

First appointment  
2007

Representing  
Public shareholders

Abdulla Al Shamsi is the Chairman of Dubai Properties Group and a member of the Board at Dubai Islamic Bank.

Previously, he worked as General Manager of the United Arab Shipping Agency for 24 years,

and prior to that, he was head of one of Commercial Bank of Dubai’s branches, from 1982-1990.

He holds a bachelor degree of science- Business and Public administration from New York University- USA.



Hana Al Rostamani

Board Member  
(non-executive, independent member)

First appointment  
2013

Representing  
Emirates Investment Authority

Hana Al Rostamani is currently Senior Executive Vice President- Head of Consumer Banking at First Gulf Bank, the leading financial institution in the UAE, where she is mandated with defining the bank’s strategic direction in various fields.

She is the Chairman of Aseel Finance, a subsidiary of First Gulf

Bank, Chairman of Dubai First and Vice Chairman of the Emirates Institution for Banking and Financial Studies.

She holds a Master’s Degree in Information Management and a Bachelor degree in Business Administration from George Washington University, USA.



**First appointment**  
2013

**Representing**  
Mubadala Development Company

Masood Mahmood

**Board Member**  
(non-executive, independent member)

Masood Mahmood was appointed CEO of Yabsat in June 2013 having served as the organisation’s Deputy CEO. He serves as Chairman of Star Satellite Communications Company.

Prior to his current position, he worked as Vice President at Mubadala’s Information and Communications Technology Unit where he was in charge of the organisation’s corporate strategy

and management of its ICT assets. Mahmood has also held the role of Vice President of Dubai Investment Group and a Project Manager in The Executive Office of HH Sheikh Mohamad bin Rashid Al Maktoum.

He holds a Bachelor degree in Computer Systems Engineering from Boston University, Massachusetts and an MBA in Finance from McGill University, Montreal, Canada.

2.2 Board of Directors and Committees meeting

Board of Directors and its Committees’ meetings are held upon a written notice from the Chairman or a written request from at least two members of the Board or Committees. The notice and agenda are sent a week before the set date at the very least. least to allow time for preparation. Detail of the issues discussed and corresponding decisions made are recorded in the minutes, taking into consideration members’ views and reservations.

Any related party transactions or conflicts of interest are declared at the beginning of each meeting, recorded in the minutes of the meeting and approved by the members present, making sure that the member relevant to that resolution is excused from voting.

In the financial year ending on December 31, 2014, eight Board of Directors meetings have been held, eight Audit Committee meetings, and four Nomination and Remuneration Committee meetings, and nine Investment Committee meetings have been held.

Timeline of Board of Directors meetings

No. of Meeting	Date
Board of Directors meeting no. 1	17 February 2014
Board of Directors meeting no. 2	3 March 2014
Board of Directors meeting no. 3	30 April 2014
Board of Directors meeting no. 4	3 June 2014
Board of Directors meeting no. 5	23 July 2014
Board of Directors meeting no. 6	22 September 2014
Board of Directors meeting no. 7	27 October 2014
Board of Directors meeting no. 8	17 December 2014

Please note that the following actions were taken into account regarding resolutions circulated in writing in 2014:

- Approval by majority of members that the situation calls for the issuance of the resolution as an emergency
- Members receive the resolution in writing, accompanied by all documents necessary to review,
- The resolution must be approved by the majority, and;
- The resolution is forwarded to the next meeting of the Board of Directors to be documented in the minutes of the meeting

2.3 Board Committees

Our Board of Directors maintains three Committees to review specific governance issues; The Audit Committee, the Investment Committee and the Nomination and Remuneration Committee.

In addition to the minimum requirements imposed by the Ministerial Decree No. 518 of 2009 on controls and governance standards of institutional discipline, the

Committees are given limited authorities designed to enhance the effectiveness of the Board and to accelerate the speed of issuing decisions.

The Committees are also responsible for ensuring that they adhere to the relevant governance requirements stipulated by the regulator. Each committee comprises a Chairman and three or more Board Members, and holds at least four meetings annually.

1. The Audit Committee

“ The Audit Committee monitors our company’s financial statements, recommends changes to our company’s financial and control systems, recommends the appointment of auditors, and maintain an appropriate relationship with our company’s external auditors. The Committee also oversees the Internal Control and Risk Management department and plays a key role in ensuring the company’s compliance to legal and regulatory requirements, and overseeing its accounting practices. ”

**Ziad Galadari**  
Chairman of Audit Committee

The Audit Committee members are Fadel Al Ali, Abdulla Al Shamsi, Mohammed Al Suwaidi, and Saeed Al Yateem. Paragraph 3.1 describes the details of the financial expertise of the Committee members

The duties of the Audit Committee are summed up as follows:

- Provide recommendations on contracts with external auditor and monitor their independence and objectivity
- Review and report to the Board on the annual financial statements, and accounting policy and practices
- Review and report to the Board of Directors regarding the effectiveness of internal control management, and review and validate the annual plan of internal control
- Review the external auditor letter and corresponding action plan, assuring the timely response of the Board of

Directors and executive management on clarifications and core issues raised in the letter

- Review and monitor the company’s financial applications, internal control, and risk management activities.
- Review company’s Share Dealing Policy
- Review Related Party Transactions policy.
- Ensure coordination between internal and external auditor
- Follow up on any other matters delegated by the Board of Directors for the Audit Committee.

Authority of Audit Committee

The Committee is authorised by the Board of Directors to examine any activity within its terms of reference and is authorised to have unrestricted access to our company’s external auditor and to obtain, at the company’s expense, professional advice on any matter within its terms of reference. The Committee is authorised to seek any information it requires from any employee or Director, and all employees and Directors will be directed to cooperate with any request made by the Committee.

Timeline of Audit Committee meetings

No. of Meeting	Date
Audit Committee meeting no. 1	7 February 2014
Audit Committee meeting no. 2	16 February 2014
Audit Committee meeting no. 3	20 April 2014
Audit Committee meeting no. 4	27 April 2014
Audit Committee meeting no. 5	3 June 2014
Audit Committee meeting no. 6	23 July 2014
Audit Committee meeting no. 7	21 September 2014
Audit Committee meeting no. 8	16 December 2014

2. The Nomination and Remuneration Committee

“ Our role at the Nomination and Remuneration Committee is to set the policy for remuneration of executive management, determine targets for performance related pay and determine the total individual package of each Director (if any); including salary, bonuses and incentive schemes. The Committee is also in charge of the preparation and review of HR policies in accordance with relevant laws and regulations. The Committee also oversees the Board membership nomination procedure. ”

Abdulhamid Saeed  
Chairman of the Nomination and Remuneration Committee

Committee members are Fadhel Al Ali, Saeed Al Yateem, Ziad Galadari, and Masood Mahmood

The duties of the Nomination and Remuneration Committee

- Review the independence status of Board members
- Set and review the remuneration policy for the Board of Directors and executive management
- Identify the company’s level of competencies required at the executive management level
- Organise and oversee the procedures for nominations to the Board of Directors;
- Prepare and review HR policies.

If the Committee discovers that the condition of independence is not fulfilled by any Director who claims to be independent, it shall refer the matter to the Board of Directors, who in turn shall notify the affected Director, by a letter to be sent by registered mail to the Director’s registered address recorded in our company’s files. This letter will detail the apparent reasons for his/her lack of independence.

The Director shall provide clarification to the Board on the matter of his/her independence within fifteen days from the date of the notification.

A Director’s loss of independence does not impact our company’s satisfaction of the requirement for a minimum number of independent Directors on the Board of our company.

Without prejudice to the provisions of Article (102) of the Commercial Companies Law, if a decision taken by the Board which holds that a Director is no longer independent and therefore this impacts on the requirements for a minimum number of independent directors, the Board shall appoint a new independent Director to replace such Director,. The Director subject to this appointment shall stand for re-election at the earliest General Assembly.

Timeline of Nomination and Remuneration Committee meetings

No. of Meeting	Date
The Nomination and Remuneration Committee Meeting No. 1	February 17, 2014
The Nomination and Remuneration Committee Meeting No. 2	April 30, 2014
The Nomination and Remuneration Committee Meeting No. 3	September 22, 2014
The Nomination and Remuneration Committee Meeting No. 4	December 11, 2014





Timeline of Investment Committee meetings:

No. of Meeting	Date
Investment Committe meeting no. 1	February 12, 2014
Investment Committe meeting no. 2	March 3, 2014
Investment Committe meeting no. 3	April 21, 2014
Investment Committe meeting no. 4	June 23, 2014
Investment Committe meeting no. 5	July 6, 2014
Investment Committe meeting no. 6	September 21, 2014
Investment Committe meeting no. 7	October 27, 2014
Investment Committe meeting no. 8	November 25, 2014
Investment Committe meeting no. 9	December 14, 2014

The Investment Committee

“ The role of the Investment Committee is to review and approve our company’s investments strategy relation to core and non-core business in accordance with the approved financial authority matrix. This Committee also reviews both our short term and long term strategies and raise recommendations with the Board of Directors relating to the company’s annual budget. It also reviews all of our investments to ensure a profit is made to deliver solid returns for our shareholders. ”

Waleed Al Muhairi  
Chairman of Investment Committee

The Investment Committee members are Ahmad Bin Byat, Mohamed Al Suwaidi, Hana Al Rostamani and Masood M. Sharif Mahmood.

In particular, the Investment Committee examines all proposals related to financial and strategic investment opportunities, provided that the investment does not exceed AED 100 million.

If the investment does AED 100 million, the Committee is required to submit its recommendations to the Board to seek their approval in relation with strategies and annual budget of the company in accordance with the financial framework approved by the Board.

2.4 Board Members’ meeting attendance:

BOD members	BOD Meetings		AC Meetings		NRC Meetings		IC Meetings	
	8 meetings		8 meetings		4 meetings		9 meetings	
Ahmed Bin Byat	C	8					*	5
Abdulhamid Saeed	*	7			C	4		
Hana Al Rostamani	*	7					*	9
Waleed Al Muhairi	*	7					C	7
Fadhel Al Ali	*	8	*	8	*	4		
Ziad Galadari	*	8	C	8	*	4		
Abdulla Al Shamsi	*	8	*	8				
Saeed Al Yateem	*	8	*	8	*	4		
Mohamed Al Suwaidi	*	8		8			*	9
Masood Mahmood	*	8			*	3	*	9

C = Chairman  
\* = Member



2.5 General Assembly meetings:

The Ordinary Annual General Meeting for our company was convened on 25 March 2014 at our headquarters in Dubai Media City. The agenda included:

- Review and approval of the Board of Directors’ report for the fiscal year ended on 31 December 2013.
- Review and approval of Auditor’s report for the fiscal year ended on 31 December 2013
- Review the company’s balance sheet and profit and loss the fiscal year ending 31 December 2013
- Approve the distribution of cash to dividends of AED AED 0.19 per share for shareholders for the half fiscal year ended on 31 December 2013
- Discharge and release the Board of Directors and the auditors from liability for the fiscal year ended on 31 December 2013.
- Approve the Board of Directors’ remuneration.
- The appointment of the auditors of the

company’s accounts for 2014 and determine the fees

- Approve the appointment of Masood Mahmood as member in Board of Directors instead of Jassem Al Zaabi

On 25 August 2014, we hosted a further General Meeting at which the following agenda was discussed:

- Approve the distribution of cash semi-annual dividends of AED 0.12 per share to shareholders for first half of the financial year 2014

2.6 Directors’ remuneration

The proposal for Board Members’ remuneration is submitted to the Board of Directors by the Nomination and Remuneration Committee. Following the Board’s approval, the proposal is referred to the shareholders at the Annual General Meeting where it is voted on.

Directors remuneration details for the financial year ended 31 December 2014

Board member	Position	Committee position	Annual retainer	No. of Board meetings attended	Board meeting fees	Committee fees	No. of Committee meetings attended	Committee attendance fees	Total (AED)
Ahmad bin Byat	Chairman		1,500,000	8	-	-	5	-	1,500,000
Abdulhamid Saeed	Deputy Chairman	NRC Chairman	500,000	7	147,000	140,000	4	84,000	871,000
Waleed Al Muhairi	Board member	IC Chairman	350,000	7	147,000	140,000	7	147,00	784,000
Ziad Galadari	Board member	AC Chairman & NRC member	350,000	8	168,000	210,000	12	252,000	980,000
Fadhel Al Ali	Board Member	NRC & AC member	350,000	8	168,000	140,000	12	252,000	910,000
Saeed Al Yateem	Board Member	NRC & AC member	350,000	8	168,000	140,000	12	252,000	910,000
Mohammed Al Suwaidi	Board Member	IC & AC member	350,000	8	168,000	140,000	17	357,000	1,015,000
Abdulla Al Shamsi	Board Member	AC member	350,000	8	168,000	70,000	8	186,000	756,000
Hana Al Rostamani	Board Member	IC member	350,000	7	147,000	70,000	9	189,000	765,000
Masood Mahmood	Board Member	NRC & IC member	350,000	8	168,000	140,000	12	252,000	910,000
Total			4,800,000		1,190,000	1,449,000		1,953,000	9,392,000

In 2014, the AGM approved a remuneration total of AED 8,858 million to be distributed among all Board Members, based on the approved policy on fees for 2013. The Board will propose remuneration of AED 9,392 million to be distributed among all Board Members as fees for 2014, based on the approved policy.

To assist in determining the appropriate remuneration policy, Mercer Global Consulting was engaged to conduct a study covering extensive structural issues and levels of rewards. Our Board members are compensated with an annual retainer, Committee Chairman membership fee and meeting attendance fees.

2.7 Delegation of management

The Board’s primary focus is to support and advise the Executive Management on the delivery of our company’s strategy within a clear and transparent governance framework.

Responsibilities held by the Board of Directors In line with Article 11 of the Ministerial Decree No. (518) for the year 2009 of the Code of Corporate Governance (delegation of management), the Board has agreed the Schedule of Matters reserved for the Board and its committees, as set out below.

Our Board is responsible for carrying out these functions but may delegate to a Board committee (in the Terms of Reference of the relevant committee) or to Executive Management in writing.

The responsibilities retained by the Board:

- Review and approve the strategy and the annual budget of the company
- The Board memberships
- Total salaries and bonuses of the executive management
- Structure and capital
- Financial reporting and controls
- Internal controls
- Contracts and expenditure (those which are beyond the powers of the executive management) in accordance with the applicable policy
- Corporate governance matters
- Other policies

2.8 Workshops for Board of Directors:

During 2014, we conducted two strategy workshops for our Board Members. The first workshop, held on 12 January 2014, highlighted the role of Board of Directors in light of governance controls system and the disclosure system as per guidance from the Securities and Commodities Authority.

The second workshop was conducted on 3 November 2014 and presented an overview by the executive management team regarding the latest developments in the global telecommunications sector. The workshop also discussed the long-term strategy of the company to move forward towards a bright future.

2.9 Evaluation of the performance of the Board of Directors and Committees

For 2014, the Board continued its practice of conducting self-evaluations of the performance, composition and practices of the Board and its Committees, together with their integration with key management, control and governance functions. Each year the questionnaires are enhanced to reflect advancements in the governance framework and key events in the Company or its operating environment, whilst retaining sufficient consistency to actively measure improvements against prior evaluation results. Similarly to 2012 and 2013, the annual evaluation for 2014 was facilitated by an external governance advisory firm, providing an independent and unbiased questionnaire design and analysis. The Board has actively incorporated the results and feedback from the evaluations into their development programme and the corporate objectives for 2015.

2.10 Company Secretariat of the Board of Directors:

The Company Secretariat of the Board of Directors unit comprises of three employees, all UAE Nationals. The unit is not restrained by dual roles that would create a potential conflict of interest or the time or resources. Instead, the unit delivers independent advice to the Board of Directors and management of the company.

The Company Secretariat follows the developments in corporate governance and non-financial disclosures in collaboration with SCA. It also reports directly to the Chairman of the Board and the Board, with a commitment to also inform the Board to the HR manager and administrative affairs. The Company Secretariat continually updates their skills and knowledge by participating in formal training programs in corporate governance conducted by external parties.

The office of the Secretariat of the Board of Directors is located in a safe place in order to control access and to ensure the security and confidentiality of all documents.

One of the key members of the Secretariat has since been recognised for her efforts in governance. Ms. Hanan Ahmad, Company Secretary for du was appointed to the Editorial Board of the ‘Journal of Governance’ in 2013, compiled by the Hawkamah Institute of Corporate Governance, due to her role in strengthening the governance systems in place at du. The Editorial Board is responsible for supporting the development of regular, high-quality information to all practitioners of governance at du.

3. Share dealing

Our share dealing policy ensures that our Directors, executive management and other employees (including permanent employees, contractors and trainees) are fully informed on the restrictions, processes and impacts of share dealing by persons who may be in possession of unpublished price-sensitive information.

3.1 Share dealing policy

The share dealing policy applies to all individuals working for us or any of our subsidiaries, at all levels and grades, including members of the Board of Directors, executive management, senior managers, and other employees. This also applies to all those who have access to critical information related to share price (due to a contractual relation or personal relation with any employee).

- Examples of unpublished price-sensitive information are as follows:
- Annual and interim financial results
  - Information about our company's forecasts and trading prospects
  - Dividends the Directors propose to declare and any changes to the dividend policy
  - Expansion plans, including entrance into new markets or the introduction of new technology
  - Strategic alliances or any proposed mergers or acquisitions
  - Corporate restructuring programmes
  - Significant changes in the nature of our company's business
  - Disposal of any shares of our company by a significant shareholder
  - Changes to the Board of Directors' structure or members of the executive management
  - News concerning our company's services, such as regulatory approvals or licensing deals
  - A potential dispute which may result in significant litigation

3.2 Trading restrictions

A closed period is the 15-day period preceding the announcement of yearly, half-yearly and quarterly financial results until the official disclosure of audited financial statements to the Financial Market and to the SCA.

During closed periods, Directors, executive management and other employees are not allowed to deal, directly or through others, in shares of our company (or of any of its subsidiary or affiliated companies) irrespective of whether or not they are in possession of unpublished price-sensitive information.

Directors and executive management must disclose to the Company Secretary of their shareholding in our company annually. The Audit Committee is responsible for reviewing this policy at least annually and shall report to the rest of the Board on its activities under this policy.

All proposed dealings in the company's shares must be submitted to Company Secretary. The applicant is also required to confirm that he/she does not have any sensitive information unpublished relating to the share price, and a date to establish a period of deal must be stipulated. Once the trade has been completed, a notification must be sent to Company Secretary. Members of senior executive management and employees are prohibited in dealing shares of the company until receiving confirmation of authorisation to proceed.



Dealings of Board Members and their immediate relatives in our shares in 2014:

Member	Kinship	Total shares sold	Total share purchased
Ziad Galadari	Wife	-	21,538

No other members of the Board or their immediate relatives traded in our shares in 2014.



# 4. Executive management

Our executive management oversee the day to day dealings of our company. It is headed by the Chief Executive Officer, who is responsible for the overall operations of the company, and strategic development that results in value for our shareholders.

Alongside the CEO, the executive management is also responsible for overseeing planning and investment recommendations, application of strategies, policies and internal control frameworks.

Below are biographies for our executive management team.



Osman Sultan

**Chief Executive Officer**

Osman Sultan was named Chief Executive Officer of du in January 2006, and has played a major role in creating a telecommunications company that has transformed the UAE's industry monopoly.

Under Osman's dynamic leadership, du has become one of the region's leading telecoms companies, with a market share of nearly 50% in mobile subscribers. Osman is one of the industry's most widely-recognised and

influential leaders and is credited with leading one of the region's most vibrant success stories.

Osman joined the telecommunications industry in 1983, and has held leadership positions in some of the world's leading telecommunications companies, including the Egyptian Company for Mobile Services (MobiNil) which he founded in 1998 and served as its CEO and Managing Director for eight years.



Farid Faraidooni

**Chief Operations Officer**

Farid was appointed Chief Operations Officer in 2013, and is responsible for executing and implementing our operational and strategic directives set by the Board of Directors.

Prior to his current role, Farid was

our Chief Commercial Officer, where he was responsible for marketing, sales, brand, customer care, international carrier relations and business development functions. A UAE national, Farid is a Director on the Board for Khazna Data Centers.



Fahad Al Hassawi

**Chief Commercial Officer**

Fahad was appointed Chief Commercial Officer in 2013, stepping up from his role as our Chief Human Resources & Shared Services Officer, a position he held since 2006. Fahad is responsible for our consumer sales and marketing, enterprise business, brand and communications, business development, commercial planning and

strategy, government relations, special projects and customer experience, as well as driving our overall commercial strategy.

Fahad was previously Vice President of Human Resources for Emirates Airline, where he established and executed the group's national career development strategy.







Amer Kazim

Chief Financial Officer

Amer was named Chief Financial Officer in December 2013, and is responsible for overseeing all areas of our financial operations, including raising capital, financial strategy and providing both operational and programmatic support to the organisation, and is also Head of our Investor Relations.

Amer has held senior finance roles for over 18 years, and prior to his current role, he was the Senior Vice President of Group Services at Dubai Airports, where he played a leading role in shaping the organisation's long-term business strategy. Amer also previously spent eight years with Emirates Airline where he held various positions including Senior Vice President of Finance.



Ananda Bose

Chief Corporate Affairs Officer

Ananda is responsible for the Corporate Affairs department, which includes Corporate Strategy, Business Planning, Wholesale, International Carrier Relations, Procurement, Corporate Programme Management, Legal, Regulatory Affairs, Risk Management and External Affairs.

Ananda is a senior professional with over 20 years' experience working in consulting firms and telecommunications

operators, handling diverse areas including finance, strategy, wholesale, regulatory affairs, legal, corporate governance, systems implementation and project management.

Ananda has been working in the telecoms industry since 2003, and prior to this he worked in global management consultancy firms including Arthur Anderson, Ernst & Young and Coopers & Lybrand.



Ibrahim Nassir

Chief Human Capital and Administration Officer

Ibrahim was appointed Chief Human Capital and Administration Officer in 2013, and is responsible for managing our human resources function and implementing best practices in training and development, manpower planning and business excellence.

Prior to his current role, Ibrahim worked as the Director

of Human Resources for the UAE and Overseas at Al Futtaim Automotive, where he managed the HR function for all 10 companies within the automotive division, and was also the Executive Vice President, Human Resources, Organisation Effectiveness and Corporate Services at Dubai Aluminium Company Limited

Total executive management compensation

The following table lists the appointment dates of the members of the executive management of our company, their current positions, and their remuneration at the publication date of this report:

Position	Date of appointment	Total salaries and allowances paid in 2014 (AED)	Total bonuses paid in 2014 (AED)
Chief Executive Officer	1 January 2006	4,585,980.00	8,108,598.00
Chief Operations Officer	1 January 2006	2,010,300.00	1,768,894.00
Chief Commercial Officer	23 April 2006	1,998,024.00	1,982,097.00
Chief Financial Officer	1 December 2014	2,004,00.00	1,761,150.00
Chief Human Resources and Administration Officer	1 June 2014	1,838,290.32	1,749,323.00
Chief Corporate Affairs Officer	1 January 2006	1,878,024.00	1,815,397.00
Chief Executive Officer Advisor	1 January 2006	1,773,101.00	1,457,373.00





5. Related party transactions

Related party transactions are transactions involving any party of our company that has authority or influence over the operational and financial decision making. They can present potential or actual conflicts of interest for our company and may create the appearance that business decisions are based on considerations other than the best interests of our company and its shareholders. There are specific cases where related party transactions can be considered in the best interest of the company and its shareholders, and hence we adopted our related party transactions policy to provide a sound framework for the review and approval of these transactions.

5.1 Related party transactions policy

The related party transactions policy applies to all Directors, executive management and significant shareholders, and any persons or entities related to them. Transactions with related parties are based on terms and conditions approved by our company’s Board of Directors.

At the beginning of each fiscal year, members of the Board disclose their position in other companies. The executive management provides recommendation to the Audit Committee, delegated by the Board, regarding all related parties transactions proposed by the executive management for the fiscal year, along with the total value of these transactions. The Audit Committee introduces

these transactions to the Board in addition to its recommendation to accept or reject the transaction.

The Board is then committed to review, accept or reject any transaction. Also, the executive management is committed to keep the Audit Committee up to date on any change of the transaction.

The Board and General Assembly must approve any related party transactions which amounts to 10% of its assets value. Additionally, the related party cannot vote on the decisions of both; the Board (if he/she is a member) and the general assembly (if he/she is a shareholder).

As a company, we avoid transactions with related parties once a relationship is identified and disclosed. If no other party is capable of providing the same service, then transactions with related parties are executed at commercial prices, and telecommunication services provided at the market value.

5.2 Related party transactions in 2014

When considering a deal with related parties, the Chairman is required to notify the SCA with the necessary information about the related party, and details of the transaction. He should also confirm that the transactions with related parties are based on fair and reasonable terms and conditions.

Description	AED (in thousands)
Payments due from related parties	
Axiom Telecom (LLC)	234,650
TECOM Investments Free Zone (LLC)	831
Payment due from significant shareholders	230,994
Payments due to related parties	There are no payments due to related parties.
Total value of the related party transactions	
TECOM Investments Free Zone (LLC)- office rental and miscellaneous services	55,046
TECOM Investments Free Zone (LLC) - infrastructure development	16,082
Axiom Telecom (LLC)- accredited distributor - net sales	3,163,197
Injazat Data Systems (LLC)-data centre rental and related services	12,735
Investment in Associate (Khazna Data Center)	73,631

6. External auditor

6.1 Overview of external auditor

PricewaterhouseCoopers (PWC) is the one of the largest legal auditing firms,with operations across over 154 countries and with a distinctive presence in the Middle East for nearly 41 years.

Of note, PWC has been present in the UAE for over 25 years and specialises in the field of legal audit and business consulting services and taxes.

6.2 Appointment of an external auditor

Our corporate governance manual stipulates our policy on the appointment of an external auditor. The policy requires the appointment of an external auditor, sets out the powers of the auditor in order to ensure its absolute independence. It also stipulates the requirements that

should be fulfilled by an external auditor, as recommended by the Board of Directors and approved at the AGM. After approval from the Board of Directors based on committee recommendations, the Board and shareholders appointed PWC as its external auditor for the fiscal year 2014 for a fee of AED 1,050,000

Consistent with Article 36 of Decision (3/R) of 2000 Concerning the Regulations as to Disclosure and Transparency, all financial reports of the fiscal year ending 31 December 2014 have been prepared in line with the IFRS standards issued by the International Accounting Standards Board to increase competitiveness in the financial markets, attract foreign investment, and provide liquidity to better support the economy.

External auditor	Service	Value
PWC	Consultancy - accounting structure for capital expenses	2,356,429
	Consultancy - chapter in the task of system (Oracle)	29,597
	Consultancy - taxes	385,718
	Consultancy - Review Mechanism (procure to pay)	1,149,235
	Consultancy - organisational support services	456,530
	Consultancy - Training (IFARS)	55,103
E&Y	(Financial due diligence) Insurance	148,376
	Consultancy - bank settlements	263,530
	Audit Report for the Telecommunications Regulatory Authority	376,534
KPMG	Consultancy - credit collection mechanism	190,876

### 6.3 Our relationship with the external auditor

The Audit Committee supervises the policy of appointing an external auditor, ensuring its absolute independence, and maintaining good relations.

Our interaction with our auditors is governed according to the following Audit Committee responsibilities:

- Adopt a policy for selecting and appointing the external auditor, and present it to the Board of Directors
- Provide the Board of Directors with recommendations on the appointment, re-appointment or dismissal of the external auditor to be considered in the annual meeting of the General Assembly.
- Follow-up and continuously monitor the performance, independence and objectivity of the external auditor and discuss with the external auditor the nature, scope and efficiency of the audit in accordance with IFRS, make sure that there is no conflict of interests in the work of the external auditor
- Review any proposed appointment of the external auditor to provide services (other than audit services) to our company.
- Maintain an appropriate relationship between the internal and external auditors.

In appointing the external auditor, the Committee must adhere to the following:

- Our company must appoint one or more external auditors for a renewable period of one year by the General Assembly who shall determine their remuneration.
- Our company's auditor must be registered in the Register of Accountants and Auditors in accordance with the provisions of Federal Law No. 9 of 1975 regulating the accounting and auditing professionals
- The external auditor must be independent and must not be a partner or an agent of one of our company's founder members or a member of the Board of Directors or any of their relatives up to the fourth degree in accordance with Articles (50 and 51) of the company system.
- Selection of the external auditor shall be based on competence, reputation and expertise.

If the Board of Directors does not agree with the Committee's recommendations on the election, appointment, resignation or dismissal of the external auditor, the Board of Directors shall include in our company's Corporate Governance Report a statement articulating such recommendations and the reason(s) behind the Board of Directors' disapproval.





## 7. Internal control

### Amer Al Gergawi

Internal Control Management is headed by Amer Al Gergawi, a UAE National, who took office as the Senior Vice President of internal control in mid- 2007. He was a Board Member of the Internal Auditors Association (2014-2011), and a member of audit committee in Al Jalila Foundation.	He has more than fourteen years’ financial experience in accounting, internal auditing and banking. He was appointed as Director in the Dubai Government’s Department of Financial Control in 1998, where he remained until 2007.
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### Adnan Sajwani

Adnan Sajwani has been appointed as Compliance Officer and is responsible for the completion of the annual work plan to monitor compliance.	Adnan has more than thirteen years of practical experience.
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#### 7.1 Internal control system

The Board of Directors is responsible for determining the objectives and policies of our company and providing overall strategic direction within a framework of controls.

The Board ensures that management strikes an appropriate balance between promoting long-term and short-term strategies, each appropriately assessed against the risks and commercial objectives of the company. Efficient and effective control and reporting structures must also be implemented to ensure proper oversight and escalation of issues.

Our company’s Board of Directors are responsible for ensuring the efficiency of the Internal Control systems to protect our assets, save the correct financial statements and disclose any wrong-doing.

The Board is committed to reviewing the Audit Committee’s report which is related to the Internal Control activities and its results.

Internal control includes identifying a clear regulatory structure, recording polices and guidelines, and determining the authorities and mechanisms of controls performance which were developed to monitor company’s operations effectively and ensure compliance with corporate governance law.

#### 1. The role of the Board of Directors in internal control

- The Board of Directors has an overall responsibility for ensuring effectiveness of the Internal Control system
- The Board of Directors is accountable for ensuring that executive management designs and implements an effective Internal Control system which provides assurance of effective and efficient operations, accurate financial reporting, and compliance with laws and regulations within Ministerial Decision No. 2009/518.
- The Audit Committee has delegated authority and responsibility from the

Board of Directors to oversee the following:

- Review systems of risk management and internal controls at least once every year to ensure that all risks to achieving business objectives are mitigated by implementing appropriate and effective controls. The review process should include the financial statements controls, operations and risk management.
- Review procedures followed by our management in determining, evaluating and managing significant risks
- The changes since the last review on the nature and extent of major risks and our ability to respond to changes of operations and external environment
- The scope and nature of ongoing control activities over risks, internal control systems and external auditor’s operations
- Review the weaknesses and shortcomings of the control system and unexpected emergencies that have materially affected, or may materially affect, the performance of the financial position of our company, and the procedures we follow to address material control issues;
- Review our compliance with applicable laws and regulations
- Review of our company’s policy on whistleblowing.

Based on Ministerial Decision No. 518/2009 Article(8), the Audit Committee carried out a review of our company’s control system, following delegation by the Board of Directors and the Board approves the results of the review. The Committee asserts that the internal control system of the company is adequately designed and being implemented effectively to accomplish our company’s objectives.

#### 2. Internal control system responsibilities

Internal Control is broadly defined as a process, designed to provide reasonable assurance regarding the achievement of objectives in the following categories:

- Risk management: Ensure identification of risks and controls for achievement of our objectives
- Effectiveness and efficiency of operations: Addresses our basic business objectives, including adherence to performance standards and the safeguarding of resources
- Reliability of financial reports: Ensures that reliable financial statements and other financial information are presented to the Board, shareholders and Executive Management

- Compliance with applicable laws and regulations: This element covers laws and regulations which our company is subject to in order to avoid any damage to reputation or fines/penalties
- The internal control system aims to establish, document, maintain and act consistently with the principles of the internal auditing policy. The system should apply across all departments, with our company integrating the system with its standard activities of corporate governance and risk management.

#### 3. Internal control management process

- Ensure that the control procedures are appropriately designed and effectively applied in accordance with our company’s annual plan, reviewed by the Audit Committee and approved by the Board of Directors.
- The Internal Control Department produces reports for submission to the management and the Audit Committee on the efficiency of the applicable internal control systems. The reports should include any relevant suggestions and recommendations for improving the control systems. However, the department is not responsible for the development or maintenance of internal control systems, which falls under the responsibility of the authorised relevant department.
- Appointment of a compliance officer with clear and independent responsibilities to monitor compliance with laws, legislations and internal procedures. The Internal Control department supervises our activities and ensures its consistency with UAE law and all other internal and external regulations. It may also modify and update the procedures included in the compliance control system in order to ensure that we continue to meet the highest applicable standards.
- Provide reasonable assurance to the Audit Committee, as delegated by the Board of Directors, regarding achievement of the company’s objectives.

4. How internal control management addresses a serious issue:

Internal control management achieves their tasks through the following five divisions:

- Financial Audit;
- Operational Audit;
- Information Systems Audits
- Violations; and
- Compliance.

The Control department investigates serious issues through each of the five divisions according to the nature of the issue, providing the executive management and Audit Committee with effective recommendations and reporting on the follow up and resolution for each issue.

7.2 Risk management

We are committed to adopting, embedding and sustaining risk management as a core competency throughout the organisation. In doing so, we aim to enhance the performance of key activities, in an effort to protect its assets and enrich the organisation's ability to manage uncertainty, in achieving its key corporate objectives and goals.

We deploy a corporate wide approach to the management of risks. The risk management framework is aligned to ISO 31000:2009, the global standard for risk management and the benchmark against which the effectiveness of our approach to risk is compared. Specifically,

a comprehensive process is deployed to identify, analyse, evaluate and treat risks. A systematic, structured and timely Corporate Risk Agenda is undertaken throughout the year the executive management team to determine and evaluate the potential exposures facing our company. This ensures that risk management is closely aligned with the company's strategic themes and objectives, reported to the Audit Committee & Board of Directors, and ensuring that action plans are in place to address the risks identified.

The Corporate Risk Management function is accountable to the Audit Committee and the Board of Directors for developing, maintaining and implementing the Corporate Risk Management framework and communicating the key risks and recommendations for improvement on a quarterly basis

7.3 Whistleblowing policy

Our corporate governance manual includes a whistleblowing policy which sets clear and reliable procedures for employees to disclose any wrong-doing or malpractice of which they become aware.

Compliance with this policy is supervised by the Internal Control Department, which is also responsible for creating a suitable environment for pursuing this policy and reporting to the Audit Committee.

8. Disclosure and communication with shareholders



We continue to publish all the explanatory information that relates to our developments and transactions of our company in order to ensure the transparency of transactions and to reassure our investors.

Based on the Decision No. (44) for the year 2000 set out by the Emirates Securities and Commodities Authority, we have designed and implemented a full disclosure and communication policy.

The Board of Directors notifies the financial market and official authorities of all relevant and

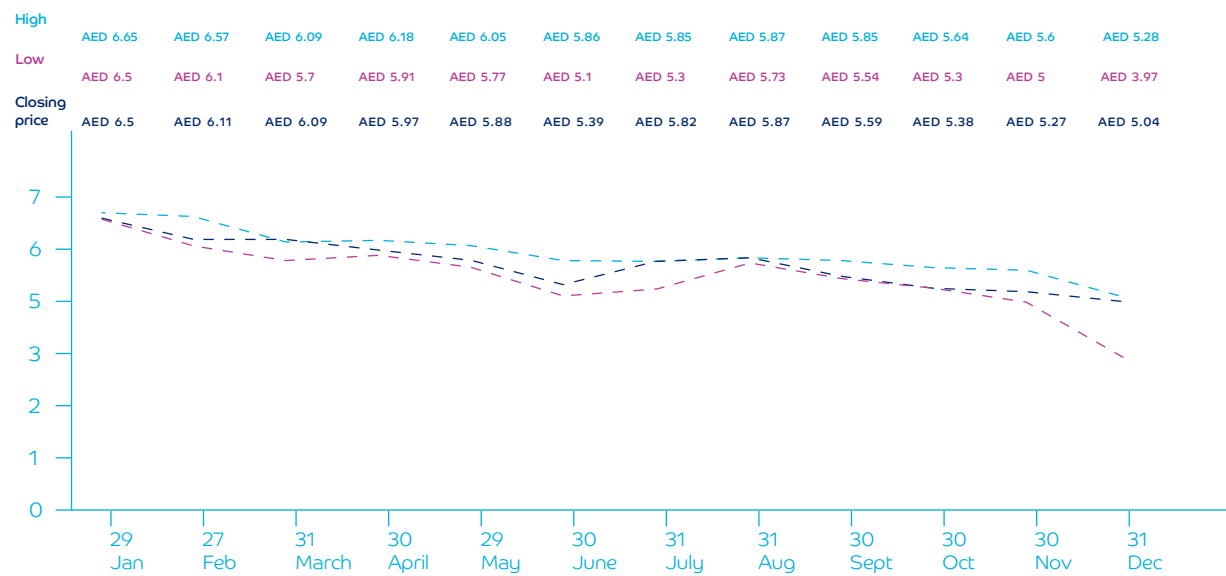
material information that may affect the share price when disclosed to shareholders. The number of shares owned by our Board members and their memberships in other companies are disclosed to SCA at the start of each calendar year.

Board of Directors and Executive Management are committed to devising open channels of effective communication that allow clear and transparent exchange of information. By implementing a wide range of avenues, from general assemblies, to maintenance of an open door policy, as a company, we have ensured that transparency remains a core principle to all.

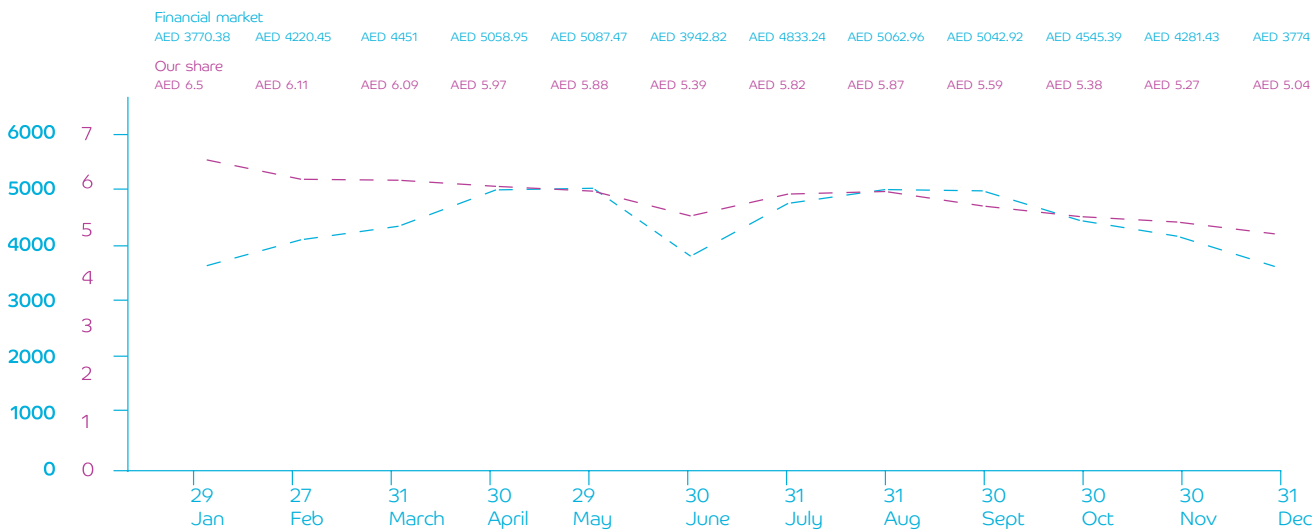


## 9. General information

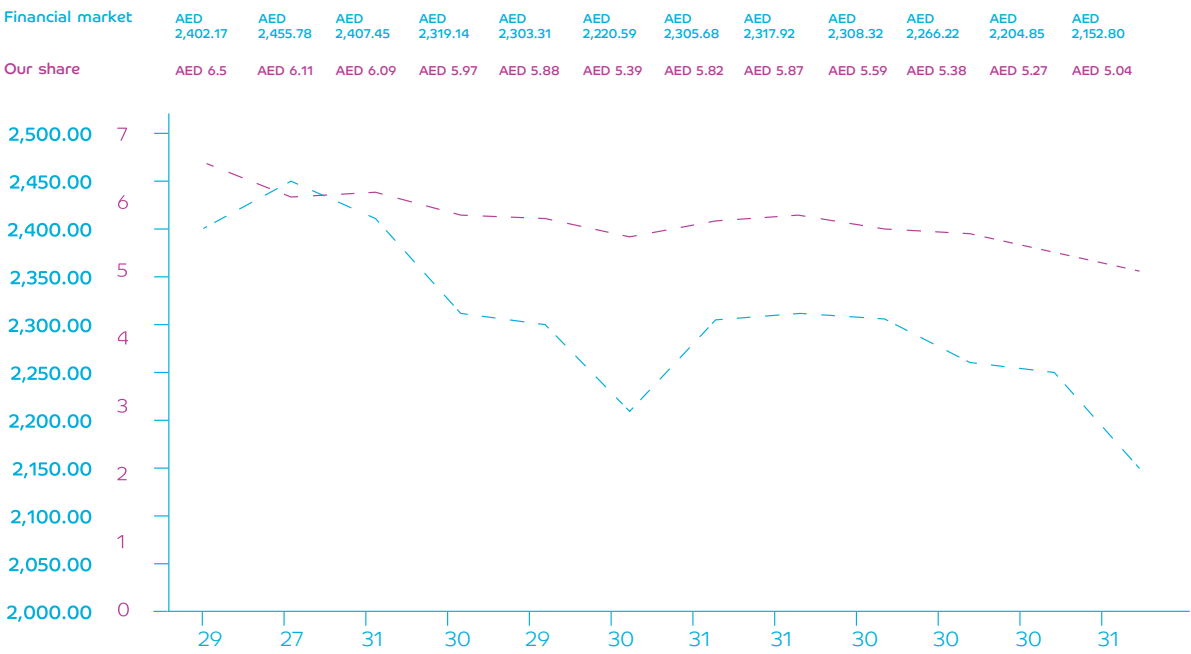
### 9.1. The performance of the company's shares in the market in 2014:



### 9.2. The performance of the company's shares compared to general market index in 2014



### 9.3. The performance of the company's shares compared to telecoms sector in the UAE:



### 9.4. Public shareholders ownership 31/12/2014:

Investor/Shareholder	Type of customer	Number of investors	Percentage
United Arab Emirates	Government	3	0.5842
	Banks	8	0.2179
	Corporate	111	85.1817
	Individuals	99,291	12.8656
GCC countries	Government	-	-
	Commercial	-	-
	Individuals	187	0.3375
Arab Nationals	Government	-	-
	Commercial	-	-
	Individuals	641	0.5897
Other nationalities	Government	-	-
	Commercial	-	-
	Individuals	603	0.2228

### 9.5 Material events the company faced in 2014:

- Consideration of the Board proposals on the distribution of cash dividend of 19 fils per share for the financial year ended on 31.12.2013 and 12 fils per share for the first half of 2014.
- Replacing the external auditor for 2014.

9.6 Any shareholder should not exceed 5% of the shares of the company except for founding shareholders who are the federal government, Emirates Communications and Technology LLC and Mubadala Development Company.

9.7 Our company is 39.5% owned by Emirates Investment Authority, 20.08% by Mubadala Development Company, 19.5% by Emirates Communications & Technology Company LLC and the remaining stake by public shareholders

9.8 No material offence were made during the financial year ended on 31 December 2014 and no violation was made to the Ministerial Resolution No. 518/2009 concerning Governance Regulations and the Criteria for Corporate Discipline standards.

Violations committed by du over the fiscal year ending in 31 December 2013 against other regulatory bodies were as follows:

Violation	Regulatory body	Date	Violation details	Corrective measures
Noticing indiscretions in the sales of mobile phone SIMs depending on the measures taken by the organisational policy on the "private registration requirements for mobile phones" TRA/TDA/14/103	TRA	10-02-2014	The TRA will notify du in such cases of selling mobile SIMs without the verification of the proper supporting documents	All mobile SIMs that have not been committed to regulatory policy of the TRA have been disconnected. There has been several plans on how to further upgrade the process of selling and registering mobile phone SIMs to make it more efficient
Noticing any indiscretions in the sales of mobile phone SIMs depending on the measures taken by the organizational policy on the "private registration requirements for mobile phones" TRA/TDA/14/104	TRA	10-02-2014	The commission has noted that the prohibition is not related to previous figures violation in accordance with the regulatory policy of the TRA	Separation of all mobile phones segments is committed to the regulatory policy of TRA
Resolution No.3 for this year TRA/DG/ TDA/87B42014	TRA	20-02-2014	The commission has estimated a fine of 400,000 dirhams in such cases of selling mobile SIMs without abiding by the obligations of the regulatory policy for TRA's registration requirements on mobile phones	Disconnecting all mobile SIMs that are not committed to the regulatory policy of the TRA. There will be serious measures taken against the sales that are not committed to the company's organisational policy. A warning will be addressed to these ports.
Noticing any kind of indiscretions in the sales of mobile phone SIMs depending on the measures taken by the organisational policy on the "private registration requirements for mobile phones" TRA/TDA/14/200	TRA	18-03-2014	The TRA will notify du in such cases of selling mobile SIMs without the verification of the proper supporting documents	Disconnect all mobile phone SIMs that are not committed to regulatory policy of the TRA as well as issuing out a warning to all the outlets responsible for the breach of the regulatory policy of the body. The company will also retrain all its employees so they are all properly aware of the right process of selling and activating mobile SIMs
Noticing any kind of indiscretions in the sales of mobile phone SIMs depending on the measures taken by the organizational policy on the "private registration requirements for mobile phones" TRA/TDA/14/253	TRA	13-04-2014	The TRA will notify du in such cases of selling mobile SIMs without the verification of the proper supporting documents	Disconnect all mobile phone SIMs that are committed to regulatory policy of the TRA as well as a warning to all the outlets responsible for the breach of the regulatory policy of the body. The company will also go through a comprehensive review of the entire policy relating to the sale and activation of all mobile SIMs to ensure they properly work.
Noticing any kind of indiscretions in the sales of mobile phone SIMs depending on the measures taken by the organizational policy on the "private registration requirements for mobile phones" TRA/TDA/14/705	TRA	26-11-2014	The TRA has notified du of 3 violation cases to the TRA's RPMC Policy and Directive 7 of 2013 -Electronic Registration as the following: • No verification of the copy of the identification document against the original document • Manual registration and activation of Mobile SIM cards	Notifying du's commission in cases of selling mobile SIMs that are against the policy of the regulatory body. Such as, the lack of verification of supporting documents and by not abiding by No. 7 in the policy of activating the mobile phone SIM electronically.
Notice of violation number (097605)	General Administration of Civil Defense- Dubai	04-08-2014	Disconnection of 1 smoke detector in Jumeirah center retail shop , the detector was not reading on mall fire panel.	The errors have been set in the fire alarm system during the inspection of the Civil Defense Apartment.
Notice of violation number (152558)	General Administration of Civil Defense- Dubai	24-09-2014	Al Qusais Warehouse (WH-72 & 73): Fire alarm control panel indicating faults during civil defense inspections.	The errors have been set in the alarm system during the inspection of the Civil Defense apartment. This is one of the company's selling points.

## 10. Our contribution to sustainability and community engagement

We continue to build on our sustainability commitments and enhance our contribution to UAE's development in smarter and more effective ways.

### 10.1 Our community

2014 has been a year of immense learning and achievements. We continued to engage with various segments of UAE's society through a range of initiatives focusing on health, education, environmental preservation and much more.

Our Ramadan project, '30 Days of Sharing' was one of the year's feature projects, which encouraged the UAE to come together and make a difference to those less fortunate. Under this umbrella, our Mawaed Al Rahman initiative meant that, supported by our partner the Khalifa Foundation, and our Emirati plan revenues, we were able to support 36 underprivileged Emirati women to build their entrepreneurial skills in the catering industry. The women were able to prepare thousands of iftar meals for free distribution across a number of mosques. Assessment of the project using an international framework highlighted that for every AED 1 invested, a societal benefit of AED 2 was secured, thus reaffirming the value added by the project. It was the first time we have used such a framework to assess our community engagement investments.

Last year also saw a big boost for 'Every Step Counts', our wellness initiative for our staff, customers, suppliers, business partners and community members. Following our iOS version, in 2014 we also developed and launched our wellness app on the Android platform. We also successfully concluded our partnership with UNICEF, Ministry of Education, Ministry of Health and SEHA that saw the production of a training manual for school nurses and activity coordinators to

deliver health education. We also engaged with the UAE's residents on wellness through social media, competitions and large scale public activations.

A key community-focused achievement was the launch of our corporate volunteering programme allowing staff members one day off to volunteer in community activities of their choice. Our colleagues, community members and business partners volunteered over 2,500 hours towards various social and environmental projects.

As part of our commitment to preserve the traditions of the UAE and spread awareness of Emirati customs, we released several communication campaigns in 2014 to engage with the local community. These campaigns supported key events such as Hag El Laila, Flag Day and National Day. Each campaign received significant appreciation and engagement from our customers and viewers. For example, our National Day video "Narziif" was added to AdWeek's list of top 10 branded videos with over 5.5 million views on YouTube.

### Our people

Providing an excellent working environment for all, and offering first-rate career opportunities to Emirati youth remain a priority for us. We experienced an increase in the level of Emiratisation in our workforce – currently at 35.4%. Our executive management (grade 17 and above) team is made up of 27.69% Emiratis and of our 1606 full-time staff members, almost 30% comprise women.

In 2014, we were the only telecommunications company of 36 global companies to be recognised at the Gallup Great Workplace Awards. This award recognised our key workplace initiatives such as employee wellness, training & career planning framework, innovative ideas and more.





During the year, we were also able to increase employee engagement and reduce grievances through improved communication skills and developing team leaders' skills to manage employee performance.

#### Our customers

With an emphasis on enriching customer experience, we were able to bring to market a number of products and services that set us apart, and makes us a telecom operator of choice for millions of our individual consumers and enterprise customers.

Our key areas of focus in 2014 were; simplification of product portfolio, channel revamp, enrichment of data offers, dedicated service managers to enhance enterprise accounts' service, strengthening our managed services capabilities, improving the customer experience and the continuous progression of our positioning in the high-end segments.

Our business roadshows focused on helping SME's and entrepreneurs meet their telecoms requirements. We also held drives in 'smart' services, improved our entertainment platforms, developed more robust privacy and security measures, and rolled out a number of payment plans tailored to customer demand. These initiatives helped us win a number of awards and accolades, a key one being the best CEM Brand award and Customer Experience Champion of the Year at the Telecoms Middle East Summit.

#### Our environment

Following the launch of our green retail shop in Fujairah, in 2014, our Mirdif City Centre signature shop, our second largest, was awarded a LEED Platinum certification, making it the UAE's greenest telecom retail outlet.

We shifted 41 of our base transceiver stations (250 in all) to hybrid sources of energy, including solar, to reduce our future fossil fuel consumption and energy-related risks. We also updated our Health, Safety and Environment policy to include our commitment to climate change which includes an increased focus on monitoring and evaluation of energy consumption and dedicated green procurement measures to reduce our carbon footprint. supply chain management continues to build upon our commitment to the UN Global Compact principles of labour rights, human rights, anti-corruption and the environment.

For more information on our sustainability commitment and performance throughout 2014, please read our most recent sustainability report available at [du.ae/about-us/sustainability-report](http://du.ae/about-us/sustainability-report).

**Ahmad Bin Byat**  
Chairman