



Sustainability at EITC

EITC is committed to serve as a responsible corporate citizen, while delivering the benefits of ICT to everyone, and making our people and communities happier.

We are the official strategic partner of the Smart Dubai Office and the platform provider for Smart Dubai. Among many other partnerships and associations, we are a signatory to the UN Global Compact, and are also a member of the Dubai Chamber of Commerce & Industry's Chamber for Responsible Business.

Our sustainability pillars

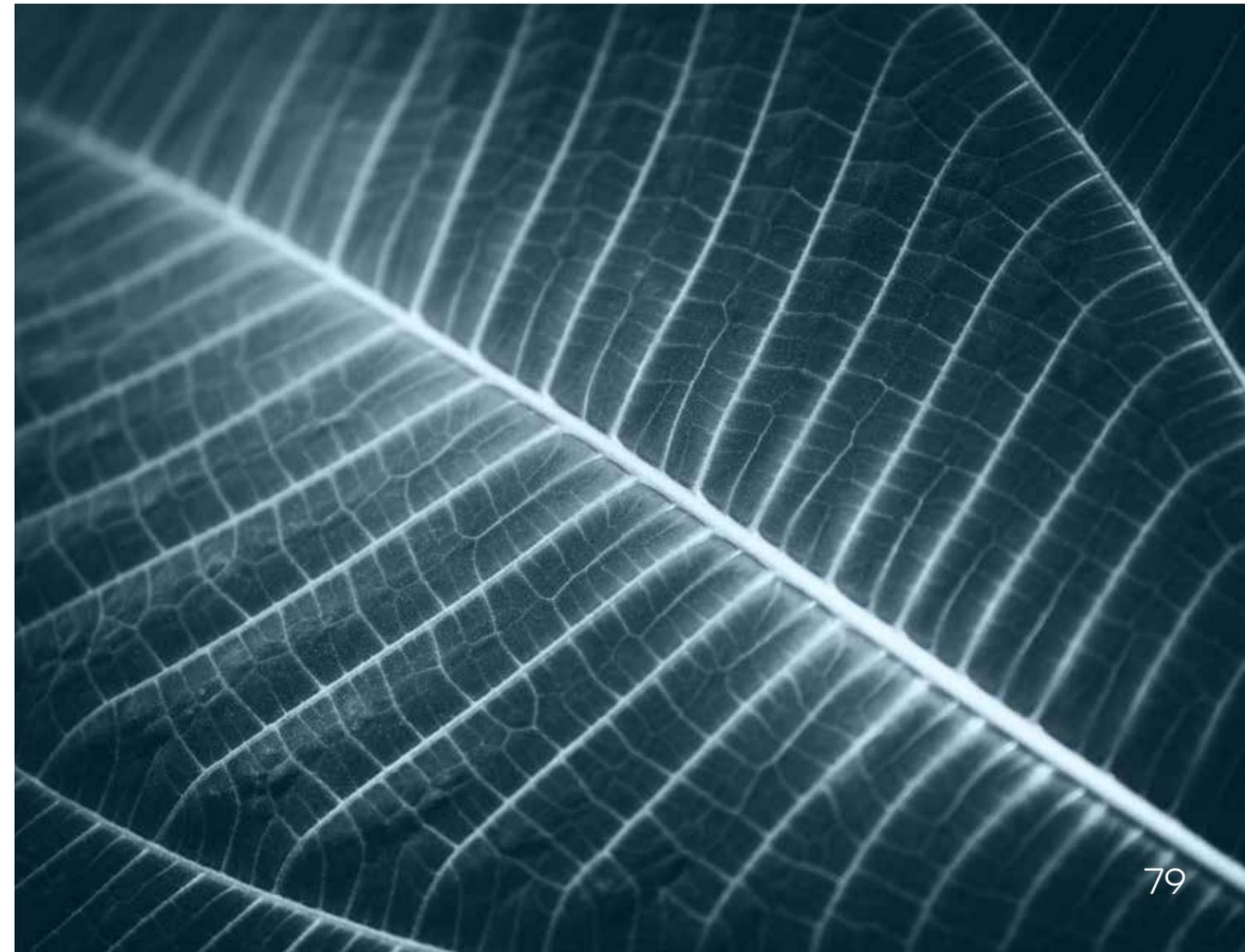


Our sustainability pillars help us develop strategies to make our business more innovative and responsible.

- **Pillar 1** relates to our core business and what we do to enhance people's lives every day.
- **Pillar 2** is about making our staff and the community we operate in happier.
- **Pillar 3** relates to our operations, and the spirit of strong governance and transparency.

These sustainability pillars have been established to address sustainability issues that have been identified and deemed material by our internal and external stakeholders, and of course, to our existing business strategy and operations, as well as the UAE Government's directives.

We engage with a range of stakeholders – our employees, investors, customers, media and others – to understand their concerns and requirements. During 2018, we conducted a stakeholder engagement study to re-evaluate our material issues. The topics in the materiality matrix help us determine the topic boundaries and the content of our annual sustainability report.

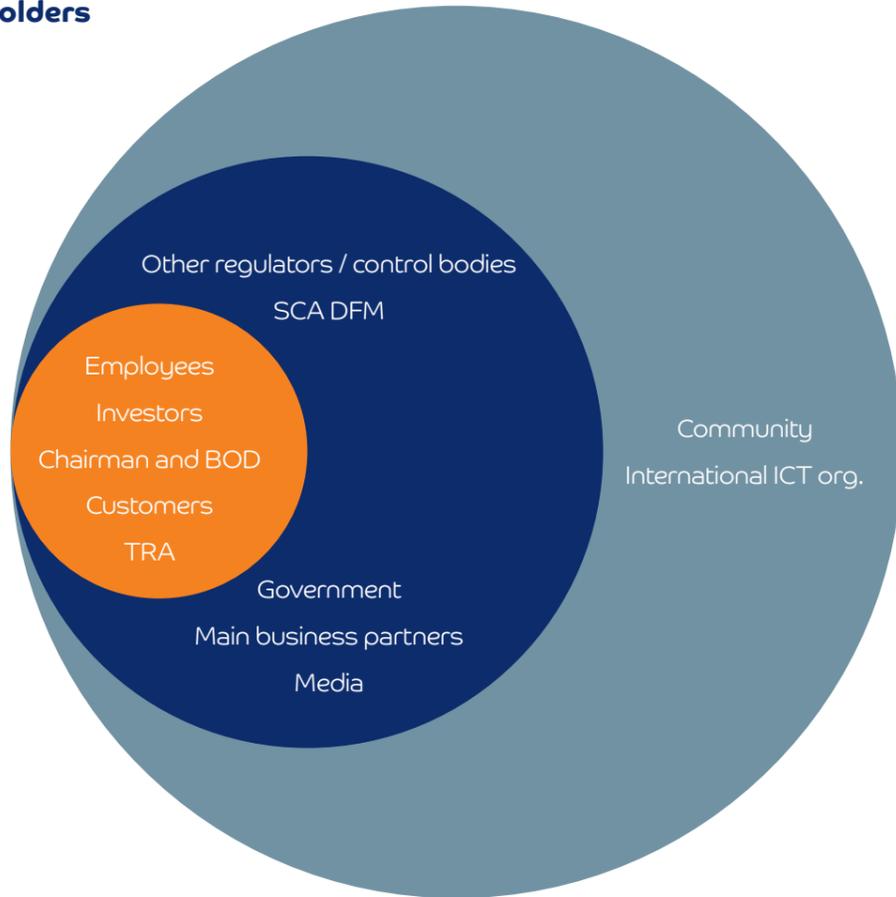


The material issues that have been identified as part of our stakeholder engagement process help us to prioritise the Sustainable Development

Goals to which we are in a position to influence and contribute. Our goal is to continue engaging with stakeholders and strengthening

our performance with regards to the prioritised material issues and SDGs.

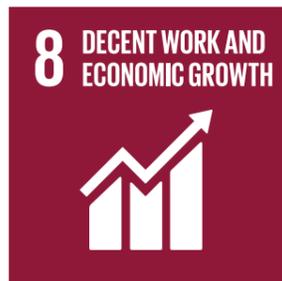
Our stakeholders



This document was prepared in accordance with the GRI G4 Standards: 'Comprehensive' option, and attempts to capture our

performance against our sustainability pillars, material sustainability issues and the prioritised Sustainable Development Goals.

The most important SDGs for our business are:



Our contribution towards employment and the UAE's economic growth



ICT has the potential to reduce inequality through services that benefit everyone



Our responsibility towards developing ICT infrastructure for the UAE's development



ICT and Smart services can deliver embedded sustainability benefits to the UAE

Materiality matrix

Level of concern to stakeholders	Most important			Privacy and security of customer data	Customer satisfaction & happiness Innovative products & technical services
	Very important	Management of our electronic and hazardous waste	Health impact of our base transceiver stations/signal towers Energy-efficiency measures and/or increase in usage of renewable energy sources	Employee wellness, happiness and safety Employee training and development opportunities	Good corporate governance and business ethics
	Important	Management of our greenhouse gas emissions Management of our office waste	Equal opportunities for all Digital inclusion of all society members Human and labour rights principles	Efficiency in use of materials for our products and packaging Community needs and social development Education and capacity building initiatives	Marketing and advertising that is clear and not misleading Financial performance that delivers shareholder value
	Somewhat important	Water conservation measures	Fair play in sourcing of goods and services, including use of local & SME suppliers	Entrepreneurs and SME development	
		Somewhat important	Important	Very important	Most important

Current / potential impact on business

Delivering the benefits of ICT to everyone

#PostWisely

With the resounding success of our public service announcements in 2016 - 17, we launched the second phase of #PostWisely, our campaign to raise awareness around conscientious social media usage, under the theme, If it were your pain, would you share it.

Through a series of hard-hitting videos, based on true stories, the campaign focuses on the negative impact of posting people's misfortunes online and questioned the motives of the people behind the camera lens.

These videos illustrated the harmful and unethical nature of sharing pictures and videos of negative situations such as accidents, bullying, pranks, and other ill-fated incidents on social media – a behaviour that has become increasingly prevalent.

As part of this campaign, and in line with the Ministry of Education's recently launched anti-bullying programmes in schools across the UAE, we arranged a number of sessions during the year to speak to hundreds of students at schools and universities in the UAE.

We also partnered with Disney's "Ralph Breaks The Internet" to educate children of the UAE about cybersecurity. This was done by inviting a number of children to the opening screening of the animated movie.

BabNoor

We continued our initiative to assist the ongoing development of communication skills for children of determination in the UAE. We distributed the BabNoor app to a number of special needs centres across the UAE, benefiting more than 2,600 students with special needs.

Through specialist monitoring of students' progress and teachers' feedback, we will continue to measure the impact that the app is having on the lives of its users, and continue to train teachers and parents to allow children to benefit from BabNoor.

The BabNoor app features include an Arabic interface and vocabulary – enhanced by provision for localised dialects; cloud-based libraries of content and picture cards – with the ability for users to personalise or create their own cards; as well as ongoing updates to improve the app based on monitored case studies.

BabNoor's impact helped us win 2018's Gulf Sustainability & CSR Awards in the 'People of Determination' category

“Putting simplicity and transparency at the heart of the app redesign”

Customer experience

Customer experience at centre of app redesign

During the year, we launched our revamped mobile app with superior design and functionality for an enhanced user experience. The app delivers instant access to a number of features including biometric payments on Android and iOS, balance reports, itemised bills, online support, ID renewal and much more.

It also allows users to consolidate multiple du accounts under a single ID, pay for family and friends' bills using one account, access improved roaming features, and book appointments at du stores through the online portal.

“You Know What You Pay, You Know What You Get”

We focused on how our customers were understanding the products and services they were purchasing from us, and as a result redesigned the customer experience to improve transparency and trust by applying the principles of “You Know What You Pay, You Know What You Get.”

Under this campaign, we revamped all our product cards to simplify the presentation of our product, detailing benefits, tariffs and charges in an easy-to-understand format.

We are the first telco in the region to receive the Crystal Mark certification. This seal of excellence recognises our commitment to customers by providing clearer, simpler information in English across documents on all channels.

During the year, we also invested a significant amount of work into revamping the mobile on-boarding experience. New customers now receive an SMS and an email containing details about the service they signed up for, complete with commitments, benefits, and how early cancellation fees are calculated.

We also introduced a new tool to allow customer-facing agents to view and explain a customer's data consumption / behaviour (such as messaging, web browsing, social media, email, etc.), thus helping customers understand how they used their mobile data.

Innovative offerings

WeCare™ Programme

To encourage our front-end agents to ensure that they effectively engage with all our customers and enhance their experience at our shops and contact centre, we launched the WeCare™ Programme.

This programme is built around six pillars: Reward, Transparency, Performance Review, Training & Coaching, Employee Engagement and Mystery Observations.

The programme has seen significant results in customer experience – Transactional Net Promoter Score (TNPS) improvement of 32% for retail shops and 12% at the contact centre.

Presenting the GOV2071 Guidebook Experience

We strengthened our strategic relationship with the World Government Summit by unveiling the much-anticipated 'Government in 2071' Guidebook Experience at GITEX Technology Week 2018.

The 'Government in 2071' experience invited individuals to explore reflections of what the future may hold, based on societal and technological megatrends. Visitors to the experience were invited to step into the shoes of a fresh graduate, a young family or a retired couple and see first-hand how the projected changes will influence the lives of individuals over the years. Future generations both in the UAE and globally can expect to see communities living in space and under water, amongst other eye-opening illustrations.

Making eSIM a reality in the UAE

We launched our eSIMs for our customers making us one of the first telecommunications service providers in the Middle East region to offer eSIM services to our customers over smartphones.

With the launch of eSIMs, our customers are appreciating the simplified user experience such as a shorter time required to connect a device to the du network. Users can also expect overall simplified handling and more reliability since the eSIM is embedded in the device itself.

Business Complete Plan – the all-in-one solution for enterprises

We launched our Business Complete Plan which will allow UAE enterprises to benefit from higher network speeds and free voice minutes in addition to the many bundled features du's enterprise customers already enjoy.

This one-stop-shop solution which includes faster broadband speeds, a business device with a discount worth up to AED 2,200, unlimited national calls, the latest Microsoft Office 365 tools (including business-class email, the latest versions of Office Online applications and 1 TB of cloud storage in OneDrive) and 24/7 customer support.

Strengthening SME payment solutions The EITC Idea Hub

During the year, we announced a significant strategic partnership with leading payment solutions provider Network International to introduce innovative payment solutions to serve business customers across the UAE.

This agreement will facilitate our rapid digital change and solidifies its market presence as a credible, reliable contributor to business growth in the UAE. Like us, Network International is dedicated to curating best-in-class payment solutions and we welcome the enrichments to the UAE's digital transformation expected to come as a direct result of this union.

H.E. Omar Sultan AlOlama, UAE Minister of State for Artificial Intelligence inaugurated the "EITC's Idea Hub" at our company's headquarters which aims to showcase integrated ICT services, connecting people, knowledge, devices and information to support the UAE Artificial Intelligence Strategy 2031.

The EITC Idea Hub will showcase futuristic technologies, smart city use cases and real-life applications from EITC and its partners. The current showcases represent the upcoming and current projects in the areas of Smart City, IoT, Blockchain, AI & Machine Learning etc.

Innovation thru Infra-Idol

During the year, we organised the company's Infra-Idol competition – an internal campaign designed to engage network infrastructure employees in crafting ideas and solutions to address real world issues.

With the help of the Infra-Idol competition, myriad thought-provoking ideas were presented with the aim of improving time-to-market, process interfaces, network design, infrastructure quality and the efficiency and morale of the EITC infrastructure division's human capital.

The Infra-Idol competition was built into three phases from project idea generation to presentation and finally, project implementation under the support of EITC's management. Under the theme "Program 200", this internal competition was celebrated with a healthy number of new project ideas from our full-time employees, full-time contractors and Edara business divisions.

Providing affordable 4G smartphone devices

Continuously striving to provide services for businesses in the UAE, we announced our new Budget Smartphone Offer to allow companies to buy affordable devices for their employees through easy interest-free instalment plans of 12 or 24 months, starting from AED 10 per month and with zero upfront payments on selected budget 4G smartphones.

With this special offer, we aim to provide innovative products that enable productivity and mobility at an affordable price, catering to the needs of business owners in the UAE.

"We are proud to partner with du to bring this future-forward experience to life here in the UAE. The Government in 2071: Guidebook aims to help both government and private sector leaders, such as du, align their strategies with projected dramatic shifts in the coming decades. After all, with proper planning and agile decision making, leaders today can play a positive role in shaping the future of their companies or countries."

His Excellency Omar Sultan Al Olama,
Minister of State for Artificial Intelligence
and Managing Director of the
World Government Summit.

Network infrastructure

Fast making 5G a reality

In line with the vision of the UAE's Telecom Regulatory Authority (TRA), we are actively working with our partners Nokia to trial 5G technology, and subsequently deploy live 5G sites in selected areas in the UAE.

5G – expected to be commercially available by 2019 – will enable extreme broadband for industrial applications and use-cases such as Augmented Reality (AR), Virtual Reality (VR), e-health, Machine-to-Machine (M2M) communications and critical communications to enable smart cities and the Internet of Things (IoT) and many more previously-inconceivable use cases.

We also recently expanded our growing infrastructure by launching a new teleport facility designed to accommodate up to 50 earth station antenna systems in order to meet the growing demand of our customers locally and internationally. The new site has larger antennas, ensuring robust signal levels in transmission and reception.

U5GIG Innovation lab

U5GIG is a pioneering consortium of technical and academic organisations in the UAE, as well as global telecom vendors. Collectively, the consortium aims to pool their expertise to define and develop a global 5G network and IoT/AI use cases and services.

U5GIG allows universities and technical organisations across the UAE to work together and participate in the development of the 5G ecosystem. It also exists for academia and industry players to test applications and technologies in a real-world setting.

Global recognition for our network infrastructure

We proved our position as a leading global provider of broadcast services according to the World Teleport Association (WTA) as it ranked our teleport in the top ten in its most recent annual rankings, the Top Teleport Operators of 2017.

According to these rankings, we improved our position in two of the rankings' listings: The Independent Top Twenty (9th) and the 'Fast Twenty' (9th). Through our teleport, we serve regional and international broadcasting customers, and being located in Dubai, we are in the prime location for satellite visibility covering five continents, enabling near global coverage.

We also received the 'Satellite Services Innovation of the Year' award during the 2018 Digital Studio Awards in Dubai for seamlessly integrating satellite, fibre networks, digital asset management and over-the-top (OTT) services to remove the limits on delivering content, providing a critical link between customers and end users no matter what device, platform or technology they are using.



Digital transformation

We are focusing on providing services beyond connectivity that can digitally transform the UAE and enable its residents to live a smarter and happier life that is aligned with the UAE Vision 2021. To facilitate the fast-paced

disruption, we are concentrating on building the economy and businesses with technologies that include IoT, data science, blockchain platform as a service and artificial intelligence.

Major initiatives we have been involved in aiding the digital transformation and creating a Smart City include:

Dubai Pulse – the digital backbone of Dubai

One of our important roles as the Strategic Partner for Smart Dubai Office is to deploy the central operating system for the city; this will help connect all the private, public and government entities in one place for high security. It will benefit everyone with open and shared city data, effective decision making and cost savings.

Dubai Pulse is now providing services to government entities like the Dubai Department of Economic Development, Dubai Health Authority and Community Development Authority, who were signed by du during the year to help them benefit from the full suite of solutions that include customised live dashboards and analytics tools in a real-time app environment.

National Customer Relationship Management (NCRM) Platform

NCRM is another initiative in which du is playing a major role with the TRA. It consists of creating a CRM platform that will integrate all federal authorities in the UAE. This will act as a one stop platform for all federal entities.

Combining the best of next-generation technology to the UAE's leadership and Federal Government Entities (FGEs) to anticipate and deliver, du will be supporting the UAE's Smart Government transformation journey seeking to make government services personalised for people and increase their happiness.

Dubai Silicon Park – the first truly Smart District in the UAE

This project is being developed by Dubai Silicon Oasis Authority which is powered by du, where we are acting as a master systems integrator. The development aims to build sustainable and innovative initiatives that enrich communities and individual lives, promote environmentally friendly living and enable Smart Dubai's vision.

Silicon Park is a mixed-use development comprising of residential, commercial and hospitality buildings. We will be offering solutions across a wide spectrum – government services, public services, smart parking, smart metering and many more.

Blockchain Platform as a Service (BPaaS)

Playing a leading role to meet and support the UAE Blockchain Strategy, du has launched an initiative to build the first Blockchain Platform as a Service (BPaaS) in the UAE, to improve the everyday life of the citizens of Dubai and acknowledge the Government of Dubai's pioneering blockchain vision. Document attestation facilitates and automates governmental entities' processing of attesting documents and Patient Safety validates medicines and vaccines before use.

These are a few cases that have been built on the BPaaS. Estimated to produce AED 5.5 billion in annual savings for document processing alone, du is proud to lead the fruition of this immense incentive for the betterment of all sectors of the UAE, supporting the Paperless Economy Vision of the country.

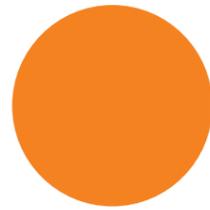
WiFi UAE

WiFi UAE is our country-wide initiative to provide WiFi access to the public, in line with UAE Vision 2021. It is available to all users with a WiFi-enabled device, including smartphones, laptops and tablets.

During the year, WiFi UAE contributed in a big way to the UAE community and its connectivity – the total usage sessions for 2018 increased by 53% over 2017, to 26.3 million. The number of unique users throughout the year totalled 1.33 million, representing 14% of the UAE population.

At GITEX, we also signed a deal with Dubai's Roads and Transport Authority (RTA) to install the free Wi-Fi service in all of Dubai's 10,800 taxis – a move that aims to make clients' mobility on board Dubai taxis an enjoyable experience. This is in addition to the availability of WiFi UAE in the Dubai Metro, Dubai Tram and Dubai Smart Bus Shelters.

In order to allow users to enjoy connecting with family and friends, we boosted the WiFi speed during Eid Al Fitr, Eid Al Adha and National Day holidays. We also extended WiFi coverage to seven mosques during Ramadan, allowing both volunteers and visitors free connectivity during the distribution of free Iftar and Suhoor meals.



Making our people and communities happier

Volunteering

#duVolunteers continued to make their mark by volunteering in a range of community and environmental initiatives. During the year, hundreds of our staff and their friends and family members contributed their time and skills towards activities ranging from training community organisations, planting trees, engaging with children of determination, speaking to students about their career pathways and more.

Mawaed Al Rahman was once again our flagship volunteering activity this year, through which we packed and supplied food to thousands of families across the UAE, fed people visiting the mosques and distributed gifts to a children's hospital.

In celebration of World NGO Day and to raise awareness about the importance of health and safety in the workplace, we collaborated with the Dubai Chamber's Center for Responsible Business to host a health and safety session for local community organisations and charitable foundations.

This was our fifth installment in a series of free-of-cost workshops led by our staff volunteers for community organisations, with previous sessions focusing on social media, strategic communication and PR, brand protection, and driving organisational

performance in the community sector. The health and safety workshop is designed for people working in human resource management or related fields within community organizations.

With the help of some of our colleagues, we also organised a fun and educational power workshop for children of EITC staff members during the year and spoke about issues such as fitness, cyber safety, sustainability, positive thinking and more.



Youth empowerment

Through our youth council, du Football championships, partnership with Emirates Foundation and other initiatives, we continue to encourage the youth to contribute to the UAE's economic and social development.

We partnered with Nokia to enable the youth in the UAE to better understand and leverage technological trends and their impact. This collaboration with Nokia will help us drive the UAE's smart future by encouraging the youth to contribute to digital transformation, and help make the UAE the best country in the world in line with the goals of UAE Vision 2021 and the UAE Centennial Plan 2071.

Our du Football Champions international youth scouting platform helps provide football talents across the UAE with a unique opportunity to receive the highest standard of football training, equivalent to the level of training and development they would receive from La Liga in Spain. During the year, we selected our top talents for the 2017-2018 season, who visited Spain for the coveted annual 21-day Scouting Camp.

Education and awareness

Upholding our commitment to add life to life, we joined the UAE's largest employers at the Fair for Future Jobs 2018 hosted by the Ministry of Finance under the theme of #ShapeYourFuture. At the event, we illustrated how a progressive ICT solutions provider such as EITC is best placed to harness the digital tsunami sweeping across all aspects of society.

The audience were updated on the known and unknown potential of the digital revolution and were urged to remain open minded and agile in their approach to learning and professional development.

We also organised a Telecom Knowledge Series session titled "Breaking Down the Blockchain Barricade" for our media stakeholders. This educative session demystified blockchain, a technology that is consuming strategic planning cycles of decision makers across various industries.

The session further demonstrated best practices of how this technology can be used to address the challenges of trust, accountability and transparency in our smart city future, and the next steps industries must take in the adoption of this technology.

Mawaed Al Rahman

Throughout the Holy Month of Ramadan, we encouraged volunteers from all walks of life to join our Mawaed Al Rahman initiative and distribute food items to thousands of underprivileged families across the UAE. Additionally, we supported the Community Development Authority's "Their Suhoor On Us" initiative and connected loved ones through surprise air tickets.

We called on people from all over the UAE to join our flagship annual Mawaed al Rahman volunteer initiative which brings volunteers together to distribute boxes of essential food items to thousands of underprivileged families across the UAE so they can enjoy hearty and home cooked Iftars throughout the holy month.

Our volunteers, as well as those from other companies, helped pack Suhoor meals, which were delivered to mosques across the Emirates for the UAE labour community. WiFi UAE was also made available at these locations to enhance communications between labourers and their loved ones here and abroad. #duvolunteers also visited Al Jalila Children's Hospital where we engaged with the children and distributed Eid gifts.

UAE heritage and culture – #UAEBlessings

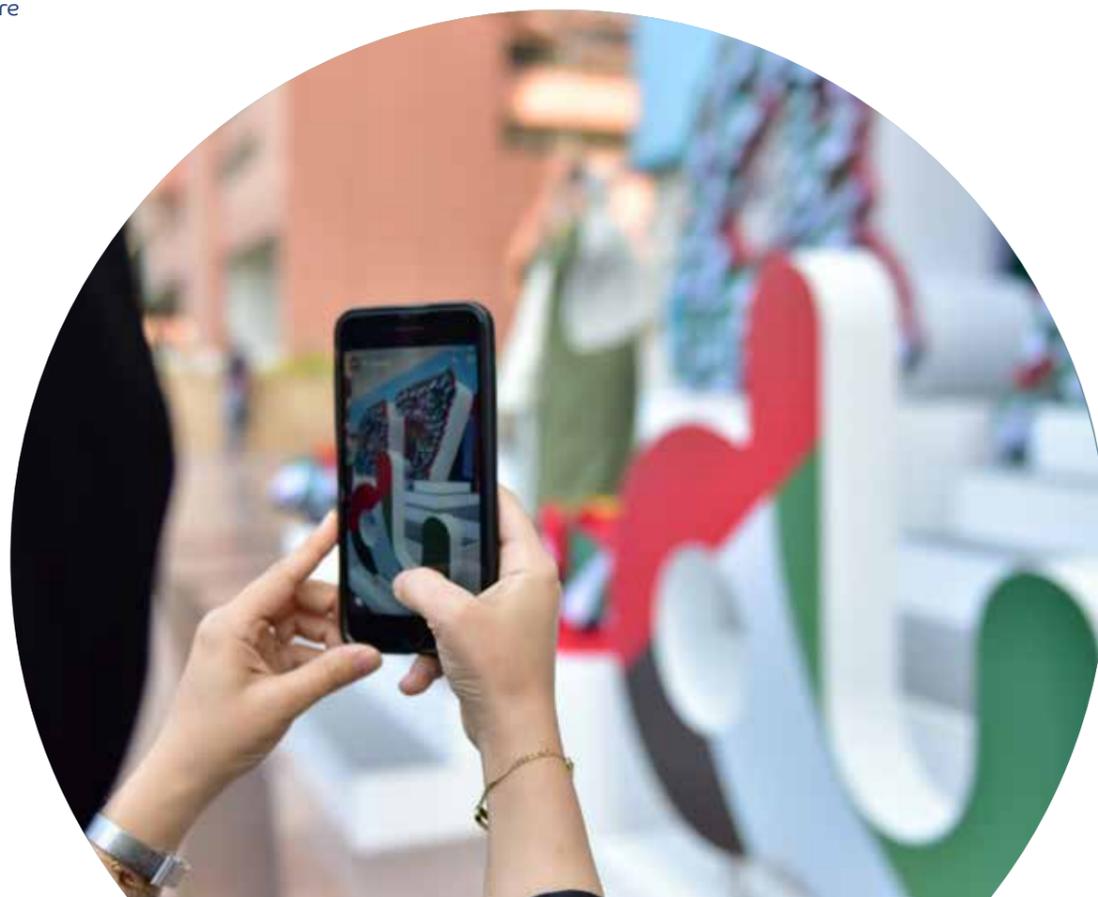
We take immense pride in celebrating the UAE's heritage and culture by marking events of national importance. One of our key campaigns was to invite people from all over the UAE to recount their blessings ahead of the country's national day.

Centring on the four key pillars of Happiness, Harmony, Safety and Opportunity, our campaign restated how lucky the people of the UAE are to live and thrive in a land of endless opportunity.

Ahead of the 47th National Day, we also hosted an inspiring session for our employees to hear from H.E Mohammed Abdul Jalil Al Fahim, the current Chairman of Al Fahim Group. Mr. Fahim shared memorable and colourful stories, including anecdotes about his life and career experience, his relationship and past involvement with Sheikh Zayed, and his hopes and future advice for the UAE's next generation of Emiratis.

We also partnered with the Emirates Foundation and their volunteers to distribute 5,000 UAE flags to help residents of the UAE celebrate Flag Day. These flags were distributed to our customers, schools, homes and businesses.

We ended the year by setting a Guinness Record for creating the world's largest mosaic in partnership with the Sharjah University. The mosaic was a monumental Year of Zayed logo made from 50,000 du-branded envelopes, with recharge cards inserted inside them. These recharge cards will be distributed free-of-cost to labour camps in the country as part of our CSR initiatives.



Emiratisation

We take immense pride in giving opportunities and helping to develop the careers of UAE nationals. Our Roeya Graduate Trainee programme – which took in 25 Emiratis this year – is an initiative that supports a number of young UAE nationals to kickstart their career at one of the best places to work in the UAE.

During the year, we also launched a part-time employment programme for UAE Nationals and continued our partnership with a number of local universities for internships and summer trainee opportunities. We also partnered with KPMG in a secondment programme to build the capacity of two Emirati employees from our Finance team.

These initiatives and much more helped us receive the "Emiratisation Award 2018" by the Ministry of Human Resources and Emiratisation in the category of "Higher Technology Establishments". Currently, 34% of our entire staff and 40% of our senior management (Vice President and above) are Emiratis.

The Emirati call centre that we launched in 2011 in the Emirate of Fujairah continues to be operated by UAE nationals for UAE Nationals (89% of the workforce here is female).

All our UAE & GCC National employees are entitled to the Statutory Pension Scheme. UAE National Employees contribute 5% and du contributes a further 15% from the total of the employee's basic salary, living allowance and UAE National allowance. This is paid to the UAE Pension Authority which administers the scheme.



Employee wellness

The role of health and wellness is central for the engagement of our colleagues. It is a platform that allows colleagues to strengthen their bonds with each other as they participate in various fitness activities and events together.

In 2018, we participated in more than 30 events and initiatives ranging from the Standard Chartered Marathon to the Ajman Run, from the Spartan Race in Hatta to the Shaikha Hend tournament for women. Our passion for fitness was also evident in the Dubai Fitness Challenge with 70% of our staff actively participating and logging in nine million

moves during the 30-day event – helping us achieve second place in the main private corporate category.

Our engagement for wellness also observed an increase in the year as our internal survey scores for employee engagement around fitness related initiatives rose from 4.6 in 2017 to 4.66 in 2018. The impact of our wellness initiatives is also evident in our reduced medical insurance premiums.

Employee engagement

Our focus in the year was to continue building a work culture that is engaging and fosters high performance, innovation and opportunities for everyone to grow and excel in their respective areas. Our efforts in 2017 helped us receive the Gallup Great workplace award for the fifth consecutive year in 2018.

In addition to our annual employee engagement survey – which covered all EITC employees including Virgin Mobile UAE – we also conducted a baseline survey for our outsourced employees (i.e. our approximately 4,000 front line and customer facing staff).

The survey was one of the indicators that influenced the revamp of our rewards and recognition incentive schemes, system and process improvements, training focus, all of which result in an enhanced experience for our customers.

Key fitness-related highlights during the year include:

- Mental wellbeing and positivity training for our retail staff
- More than 50 female colleagues (biggest team from private sector) participating across 10 different sports at the Shaikha Hend tournament
- More than 150 female colleagues participating for a full day of fitness and relaxation activities on Women's Day
- 200 colleagues losing more than 1000 kg in total for our "Biggest Winner Weight Loss Challenge"
- 16 teams across du, Virgin Mobile and Edara participating in our Ramadan Football Tournament



Training and development

Investing in our people is critical to our success. Each of our colleagues undergoes formal performance development reviews and are encouraged to nurture their skills through our various training opportunities.

Our EITC University offers a range of corporate learning programmes such as the School of Leadership, the Sales Executive Development Programme, the School of Technology and more. In 2018, we launched our Marketing Academy to further enhance the skills of our Enterprise teams. We also facilitated a unique "Walk in their shoes" programme that gives our executives and senior managers the experience to spend time in our retail stores as "trainees".

Moving forward, the MoU's signed with the University of Manchester and the Hult International Business School will greatly enhance the range of corporate training we offer to our colleagues.

During the year, we placed a lot of emphasis on product and technical learning by creating educational templates to be used in releasing marketing products and offers. We also conducted training and knowledge audits for our offshore teams to ensure that any gaps were addressed effectively.

In 2018, we focused on developing and engaging with our workforce by offering access to internal and external coaches. A number of our HR colleagues were trained on the ORSC™ (Organization and Relationship Systems Coaching) model, giving them skills to effectively manage conflicts at the workplace. This training will also help us formulate our coaching framework for this organisation.

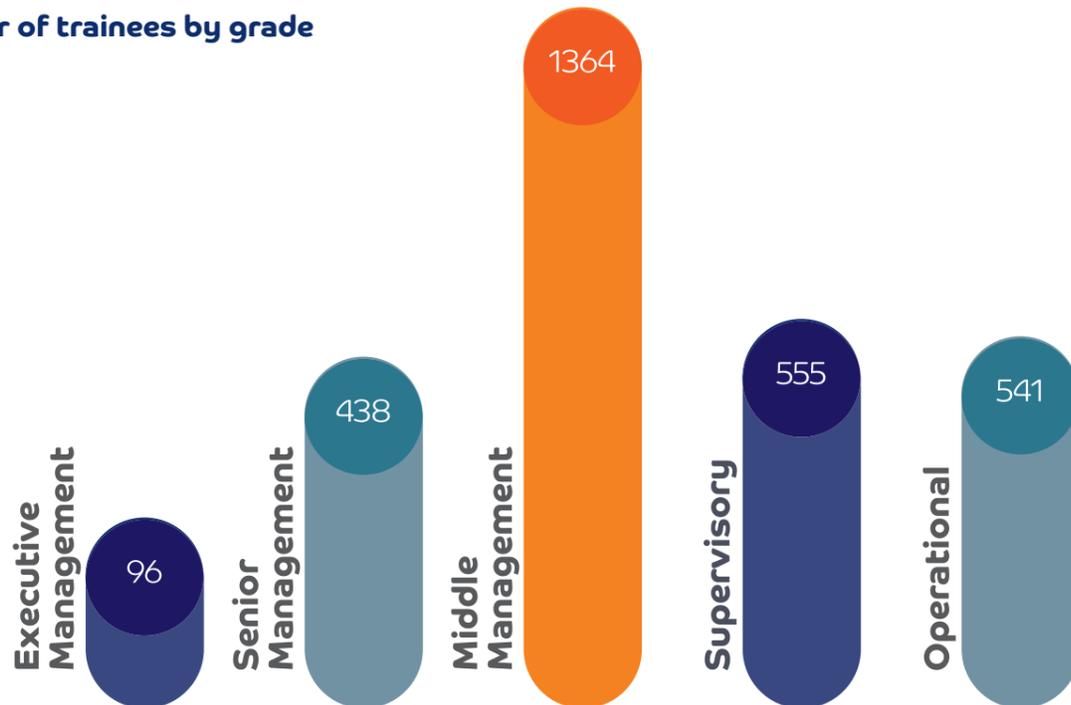
Our expat colleagues benefited from 2,291 training days and our Emirati colleagues benefited from 1,100 training days during the year. A total of nearly 3,000 employees benefited from our 220 online courses. A breakdown of these trainees based on their grade can be found below:

Event experiences

du Live!, our music and live performances platform, provides a number of memorable VIP experiences to the UAE across all genres and audiences. Last year, this included performances by Dave Chappell, one of the leading stand-up comedians, The Weeknd, Post Malone, Sam Smith and Guns and Roses at our own venue, du Arena. Our association with Dubai Opera also brought in amazing shows; this association has helped cement du Live! as a leader for live entertainment in the UAE.

du Tuesday, our 2-for-1 cinema experience, continued to wow our customers, not only by providing value, but also offering a number of fantastic premieres and money-can't-buy experiences such as international trips to attend international premieres.

Number of trainees by grade



Diversity

EITC is committed to creating amazing career opportunities for both Emiratis and expats. The company endeavours to be an equal opportunity employer and displays no discrimination regarding age, gender, colour or religion in its decisions to recruit or develop careers.

We support a gender balanced workforce and equal opportunities at all levels. This helps us achieve a vibrant workforce with diverse experiences, strengths and perspectives that help drive innovation and engagement across the organisation.

To strengthen our commitment to empowering women at the workplace, in 2018, we launched the UAE telco sector's first Women's Council. The launch of this council puts us in a healthier position to empower our female employees, which make up 29% of our workforce. This is complemented by that fact that that 40% of our new recruits are female.

We recognise that there are valuable and productive abilities in people of various abilities. We support people of determination to build long-term opportunities at our organisation. We currently have colleagues that have special physical needs at du:

- Two are working normal working hours similar to the rest of their du colleagues

We also recognise that there are various requirements for people with families, and offer generous maternity leave to our female colleagues three months (90 calendar days) covering the period before and after delivery. On expiry of maternity leave and in the event of an illness related to pregnancy or delivery,

an employee may avail unpaid leave for a maximum period of one hundred consecutive or intermittent calendar days.

There was one case whereby the concerned colleague opted to resign from the organisation two months after returning from her maternity leave.

- One is working on reduced working hours
- One has been provided with visual aid to support the disability

Diversity of staff in the three organisations

du				Edara				Virgin Mobile			
Permanent		Fixed Term Contract		Permanent		Fixed Term Contract		Permanent		Fixed Term Contract	
1620		272		859		0		61		2	
M	F	M	F	M	F	M	F	M	F	M	F
1149	471	213	59	665	194	0	0	33	28	2	0

New hires by gender

du		Edara		Virgin Mobile	
M	F	M	F	M	F
95	60	63	241	13	5

New hires by age

Age	du	Edara	Virgin Mobile
Below 25	26	11	1
25 - 35	67	193	7
35 - 45	54	90	10
45 - 55	8	9	0
Above 55	0	1	0
Grand Total	155	304	18

Leavers by gender

du		Edara		Virgin Mobile	
M	F	M	F	M	F
114	38	91	56	8	11

Leavers by age

Age	du	Edara	Virgin Mobile
Below 25	1	6	0
25 - 35	51	95	11
35 - 45	74	45	5
45 - 55	22	1	3
Above 55	4	0	0
Grand Total	152	147	19

Employee benefits

Our employee benefits are focused on building a workplace that is engaging, inclusive, and one that gives our employees the trust to believe in our vision. During the year, we have reviewed and maintained our employee benefits across all levels and grades to stay in line with the local market that has helped us remain an employer of choice.

Our employee benefits enable employees to achieve a positive work-life balance by offering them flexible timings, in-house facilities such as a gym, pool and clinics, as well as monetary benefits such as telecom discounts, airfare, and education allowance. Rewards schemes such as spot awards are regularly exercised to engage and motivate employees.

Keeping our focus on the transformational objectives and to take us to higher success in the long term, we have revised our existing rewards accelerators to raise the bar to reward stretched performance. Further to this, strengthening our pay for performance framework, variable pay scheme was launched for our Retail colleagues.

We also redefined our long-term incentive plan that helps guide our leadership to achieve high targets for the organisation. This plan will be launched in 2019 and will deliver significant improvements in how we incentivise our senior management.

Our employee benefits are focused on building a workplace that is engaging, inclusive, and one that gives our employees the trust to believe in our vision.

Operating ethically and responsibly



Energy efficiency in our network

As in the case of most telecommunications service providers, our network – with its base transceiver stations and data centres continues to be the biggest consumer of energy for our services.

To address this key sustainability issue, we have invested in a number of energy-efficient technologies that reduce our consumption of energy, either through the grid or through diesel generators. These technologies not only help us cut costs, but also reduce our dependence on fossil fuels and help us mitigate our greenhouse gas emissions.

As of 2018, we have 190 sites (previously running on diesel generators) that now run on smart energy hybrid systems. This system helps reduce diesel consumption by up to 50%.

At the start of 2018, we had 460 of our Base Transceiver Station (BTS) sites running on generators (56% on diesel generators and 44% on hybrid generators). However, over the course of year, we connected 103 BTS sites to the main grid. A further 90+ generator-run sites have been shifted from 30 KVA generators to 12 KVA.

Today, we have a total of 350 BTS sites running on generators and, of these, 190 run on hybrid generators and the remaining on diesel generators.

All this has helped us reduce diesel consumption in our generators from more than 8.9 million litres to 7.3 million litres – equating to savings of more than 18%.

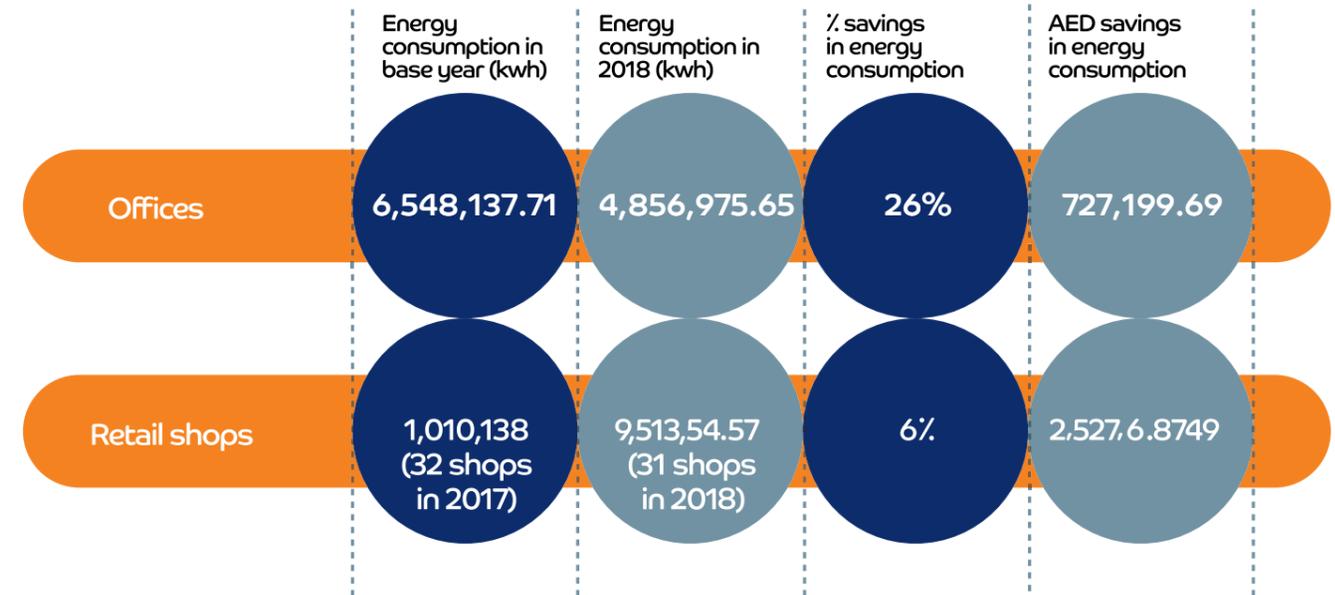
We have added 500 new sites in 2018 with free cooling systems – in cold seasons, this system pulls in cooler air inside the shelters and extracts hot air to reduce our energy bill by 15% per site (equivalent to 5700kWH per site per year).

We also have 17 sites that run completely on solar panels – six new solar sites were installed in our network in Abu Dhabi's Western region in 2018. These six sites will result in total diesel savings of approximately 90,000 litres per year (a carbon footprint reduction of 225 tonnes).

Energy efficiency in our non-technical sites

In addition to the energy consumed by our network infrastructure, we also operate a number of shops, offices, warehouses and call centres that consume electricity and diesel. To minimise our environmental impact in these sites, we have a number of electricity reduction strategies.

In 2018, our energy-efficiency strategies at the office have mainly focused on replacing current lights with LEDs in almost all places – resulting in immediate savings. We even replaced the high wattage lights in our huge 'du' logo at our head office in Salam Tower with LED lights.



In addition to the savings mentioned in the table above, we have saved close to 433,000 kilowatts of energy at our three LEED Platinum Certified stores, saving us close to AED 178,000 to date in terms of energy spending.

We are in the process of recertifying our retail store under LEED certification's new rating system for existing interiors. We are pursuing highest rating-LEED platinum for Fujairah City Center, Mirdiff City Center and Me'aisem City Center stores.

The new rating system (called LEED v4.1 O+M) includes additional credits that address sustainable operations and best practices that further improve the performance of LEED projects.

Our other retail stores (in Dubai Mall and Mall of the Emirates) our Khazna data centre as well as our Fujairah call centre all experienced savings in energy consumption by changing the CFL lamps and Halogen lights to LED fittings. We also reduced consumption of petrol in our office vehicles by 9% (from more than 200,000 litres to 182,000 litres).

In 2018, we launched our Environmental Efficiency Index which focuses on improving the energy-efficiency of our core technology sites, through determining our Power Usage Effectiveness Index.

This allowed us to apply specific energy reduction initiatives to better optimise various sites. During the year, we identified two specific data centres where we aim to reduce energy consumption by 30 to 50%.

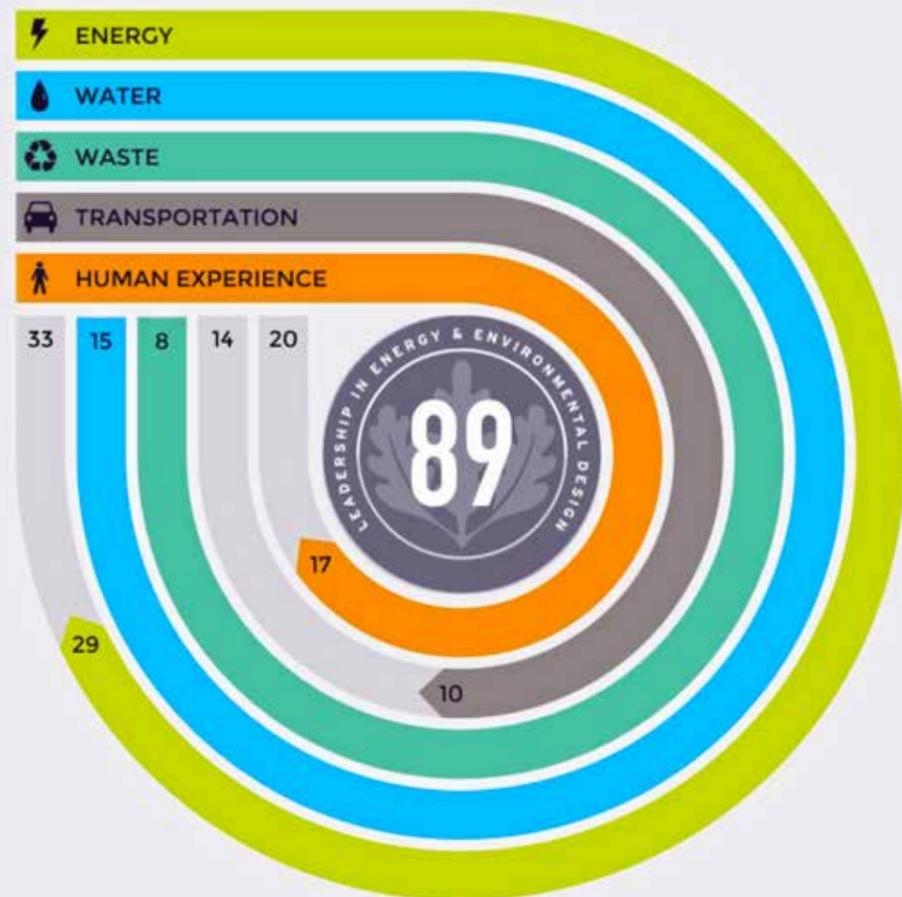
Further in 2018, our operations – which includes both our technical and non-technical sites – consumed a total of 30 million litres of water. The waste water is discharged as per the existing sewage distribution networks by the relevant utility provider, which is then treated at the local municipality water treatment plants.

Greenhouse gas emissions

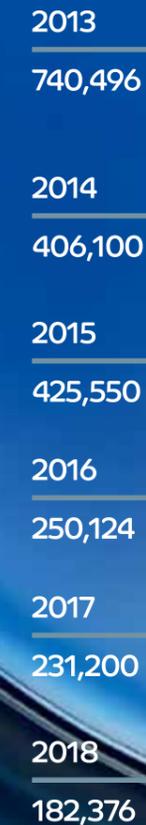
Through our various energy-efficiency measures, we are committed to reducing our greenhouse gas emissions. In 2018, our Scope 1 emissions – from our diesel generators and fleet vehicles – resulted in 35,897.73 tCO₂e. A slight increase from 2017 which was mainly attributed to the refrigerant gas replacement that was undertaken in 2018. Even though we have had significant fuel savings, our gas emissions due to cooling demands increased.

Our Scope 2 emissions which captures our indirect energy emissions – from our grid connected mobile and fixed sites, offices, shops and other subsidiaries, to our energy intensive data centres, have resulted in 299,223.78 tCO₂e. The slight increase was attributed to expansion of our network and services within the region. We have added more mobile sites to provide better coverage. New data centres and POP sites have also been added to the fixed services network.

Latest LEED score of our retail store in Fujairah City Center



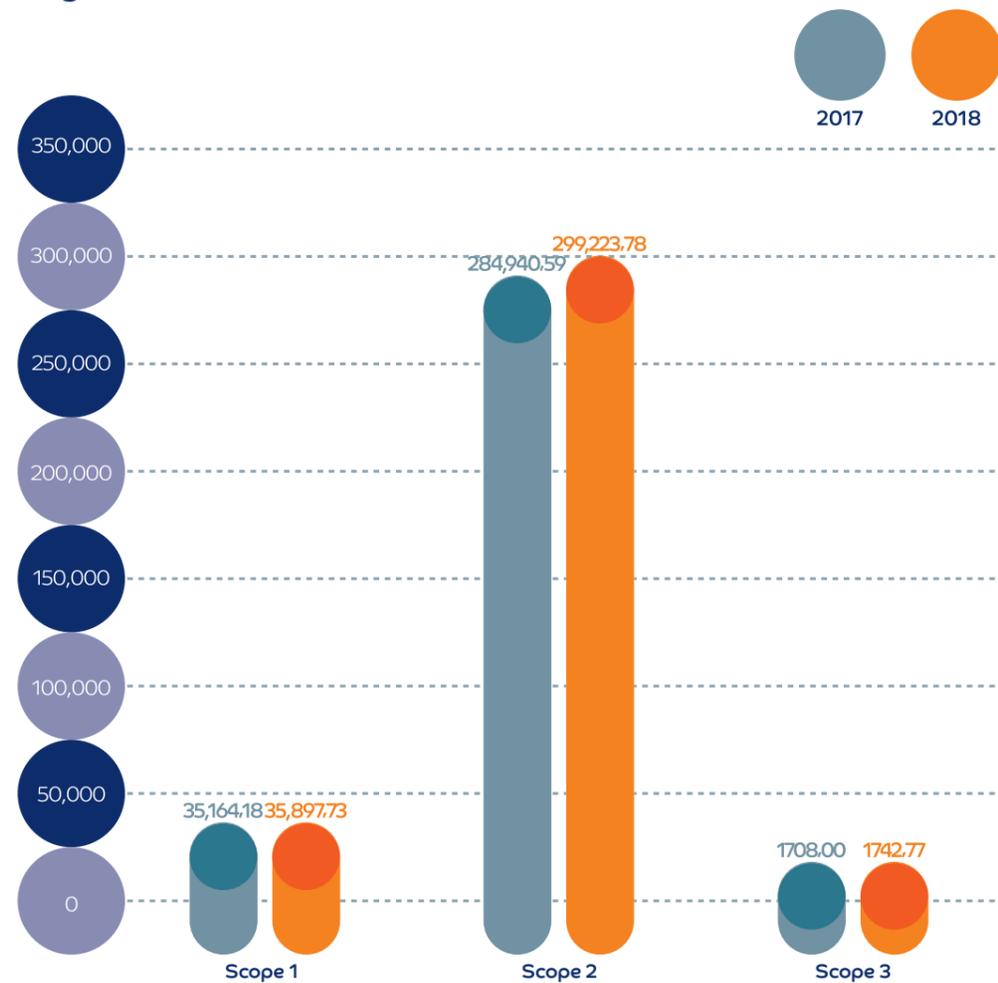
Reduction in petrol consumption (litres)



Finally, our Scope 3 emissions – from our office waste, business consumables, third-party electricity, water and business travel – resulted in a slight increase from 2017 to 1,742.77 tCO₂e. Our overall GHG emission intensity is 0.035 tCO₂e per customer which is attributed to our progress and momentum on our sustainable practices.

We tested 30 sites running on generators for ozone depleting substances or NO_x, SO_x and other significant air emissions. 90% of the sites had all parameters within the limits. There were also no major spillages, except for two minor vehicle spills – these had no impact the environment (land or water systems).

Greenhouse gas emission data in tCO₂e



Waste management

We aim to minimise waste across our operations; and one of the most important initiatives in this aspect has been the waste management of key materials that we consume (i.e. paper, plastic and cardboard).

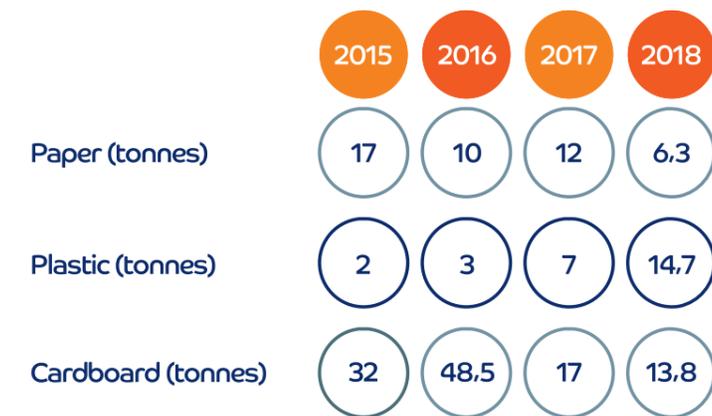
During the year, we launched an awareness campaign of our recycling efforts – this resulted in an increase of about 50% in the overall recycled plastic materials. Compared to 2017, we have collected more than double the amount of plastic for recycling.

We used a total of 23 tonnes of paper for our office use. 98% of this paper was from recycled sources (virgin paper is used only for external communication).

We have also designed our SIM cards as well as scratch cards to reduce their size to ensure they consume less material.

We continue our e-billing initiative to reduce printing and paper consumption. Since 2015, we have consistently decreased the consumption of our printed bills. Compared to 2017, the printing of our bills in 2018 has decreased by 21%.

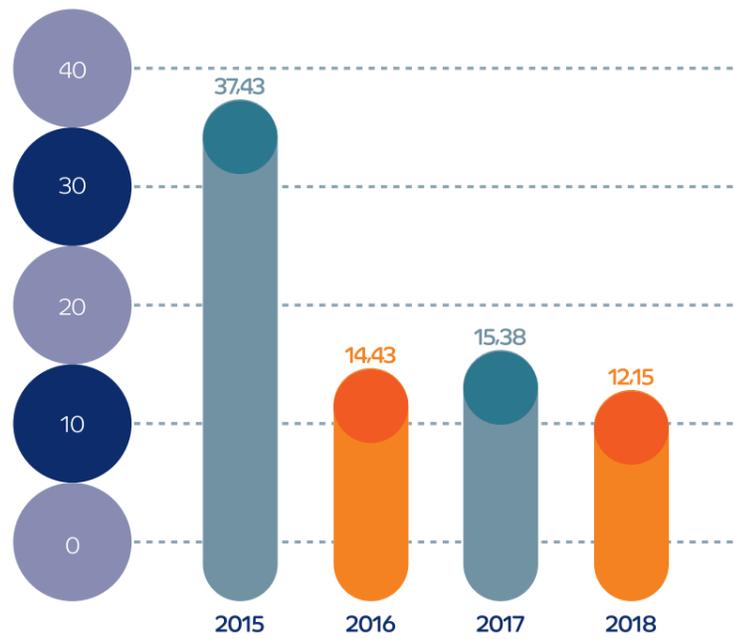
Paper, plastic and cardboard recycled (tonnes)



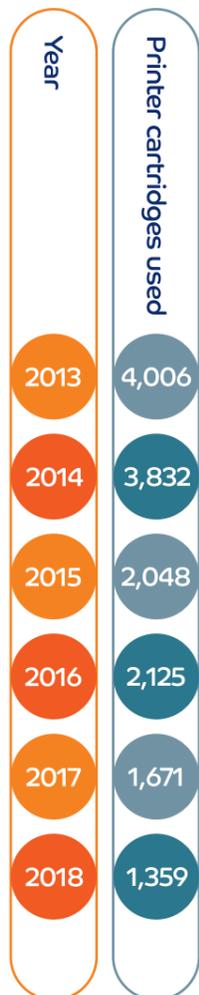
Paper used for our office use (tonnes)



Paper used for bills (tonnes)



Printer cartridges used



In 2018, we used a total of 1,359 printer cartridges – a reduction of 66% from 2013, mainly due to efficiencies such as black and white printing and reducing print demand. Our target is not only to reduce our printer cartridge usage, but also to recycle all used cartridges. Our efforts on reduction initiatives from our printing practices has seen a decrease in the consumption patterns for 2018.

We continue to recycle our hazardous material used in our operations. In 2018, we saw a significant increase in batteries (from 152 tonnes to 495 tonnes) and other hazardous waste (from 152 tonnes to 637 tonnes), which was either recycled or safely disposed.

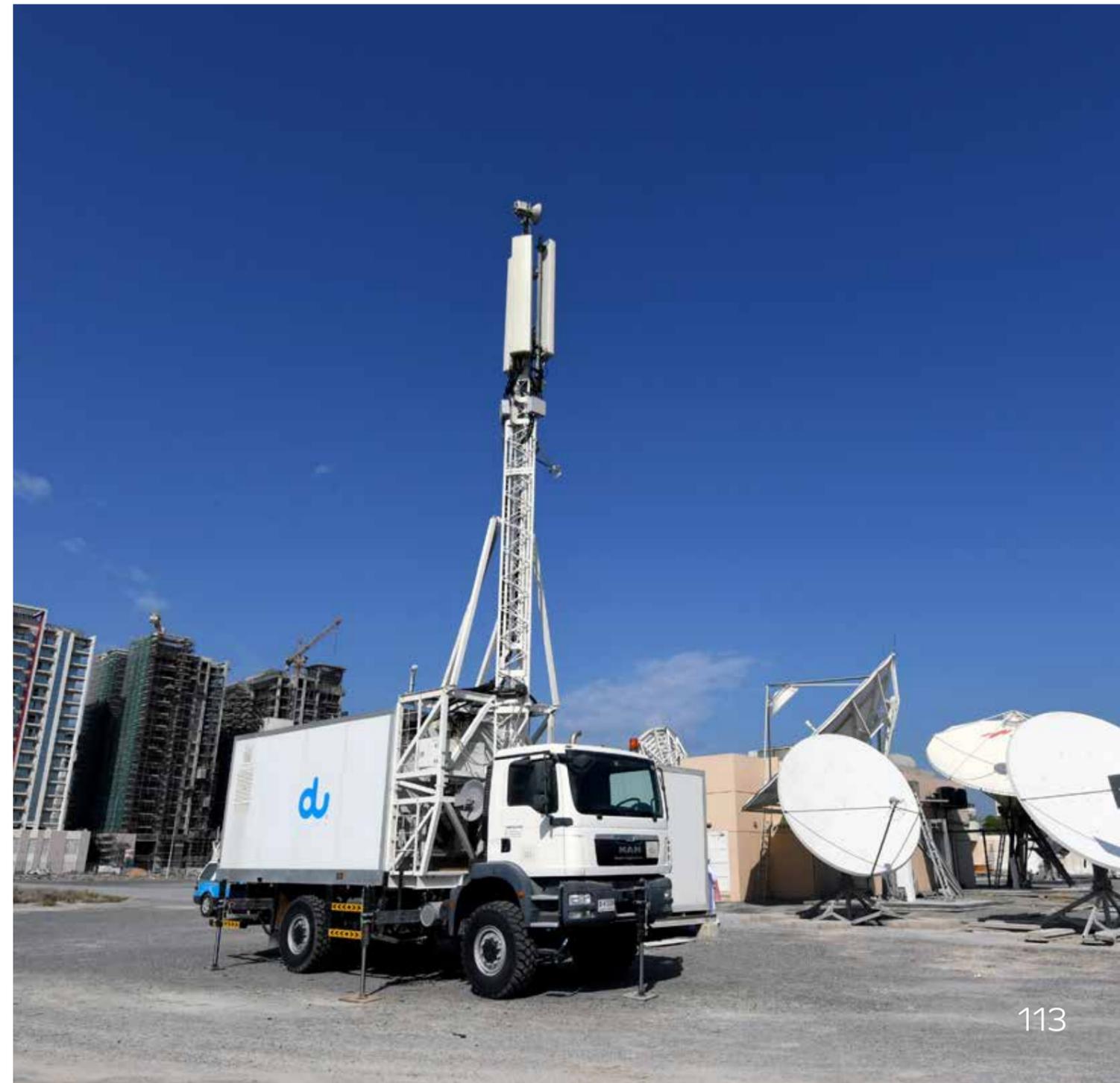
We also minimise our waste footprint through our Equipment Donation Policy – this allows us to donate our used assets, whether IT equipment or otherwise, to registered charities. As part of this policy, we have previously donated furniture, computers and other IT equipment to a number of charities and community organisations in the UAE.

Environmental impact of ICT

During the year, we continued with our target to recycle all the e-waste that is generated through our approved waste vendors. Through our e-waste recycling practices, we were able to generate income of approximately AED 1.43 million.

The perception of the health impact of our base transceiver stations is an issue of concern for some residents in the UAE. People living or working close to our mobile towers have nothing to worry about as our network fully complies with the strict regulations for emission guidance by the International Commission on Non-Ionising Radiation Protection (ICNIRP).

We also have a mandate from the TRA to periodically measure the electric field of our towers and never have we measured any emission level that even exceeded a mere 1.3% of threshold level allowed by the ICNIRP.



Grievance mechanisms

In 2018, we documented 12 employee grievances, nine of which were related to performance appraisals while the remainder related to personal issues. There were no employee grievances reported on the basis of harassment or discrimination of any kind, whether gender, race, colour, religion or social origin.

With regards to the grievance escalation process, we are automating the grievance application process through our ERP, whereby an employee will no longer be required to fill in a manual form and submit it to HR.

All grievances are automatically updated on the system database with details related to the case, the involved individuals, internal committee review and conclusion. Any relevant disciplinary actions are also attached as part of the grievance file. In 2019, all grievances will be handled by a dedicated team within HR in order to avoid any favouritism and ensure process compliance.

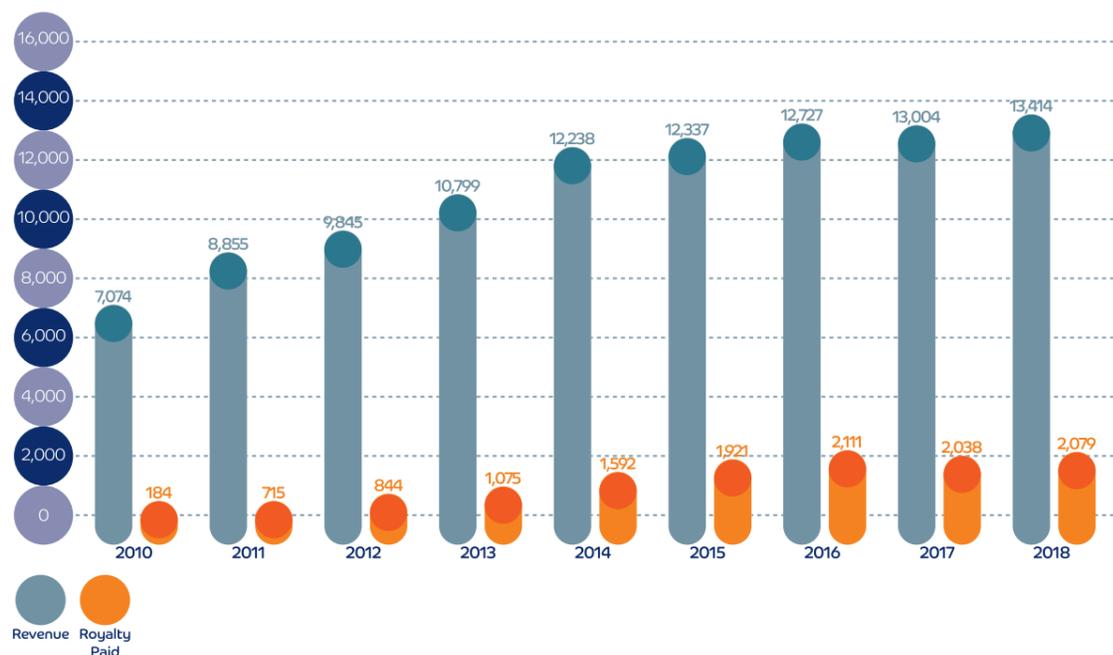
Financial performance

In 2018, we achieved revenues of AED 13.41 billion – the highest ever achieved by the company. Our net profit after royalty amounted to AED 1.75 billion, equating to earnings per share of AED 0.39.

Since 2010, we have been paying royalties to the government as per an official directive from the Ministry of Finance. In 2018, the royalty charge was AED 2.08 billion – year on year figures indicated below.

In addition to the royalty charges, as per a resolution issued by The Supreme Committee for the Supervision of the Telecommunications Sector, we contributed 1% of our total revenue towards the TRA's Information and Communication Technology (ICT) Fund. This Fund finances a range of projects to develop the innovation and knowledge capital of the country's ICT sector (in areas of research, education and entrepreneurship). In 2018, we did not receive any financial assistance from the Government.

Comparative Revenue and Royalty Paid (AED million)



Percentage of economic value distributed (AED 7.05 billion):

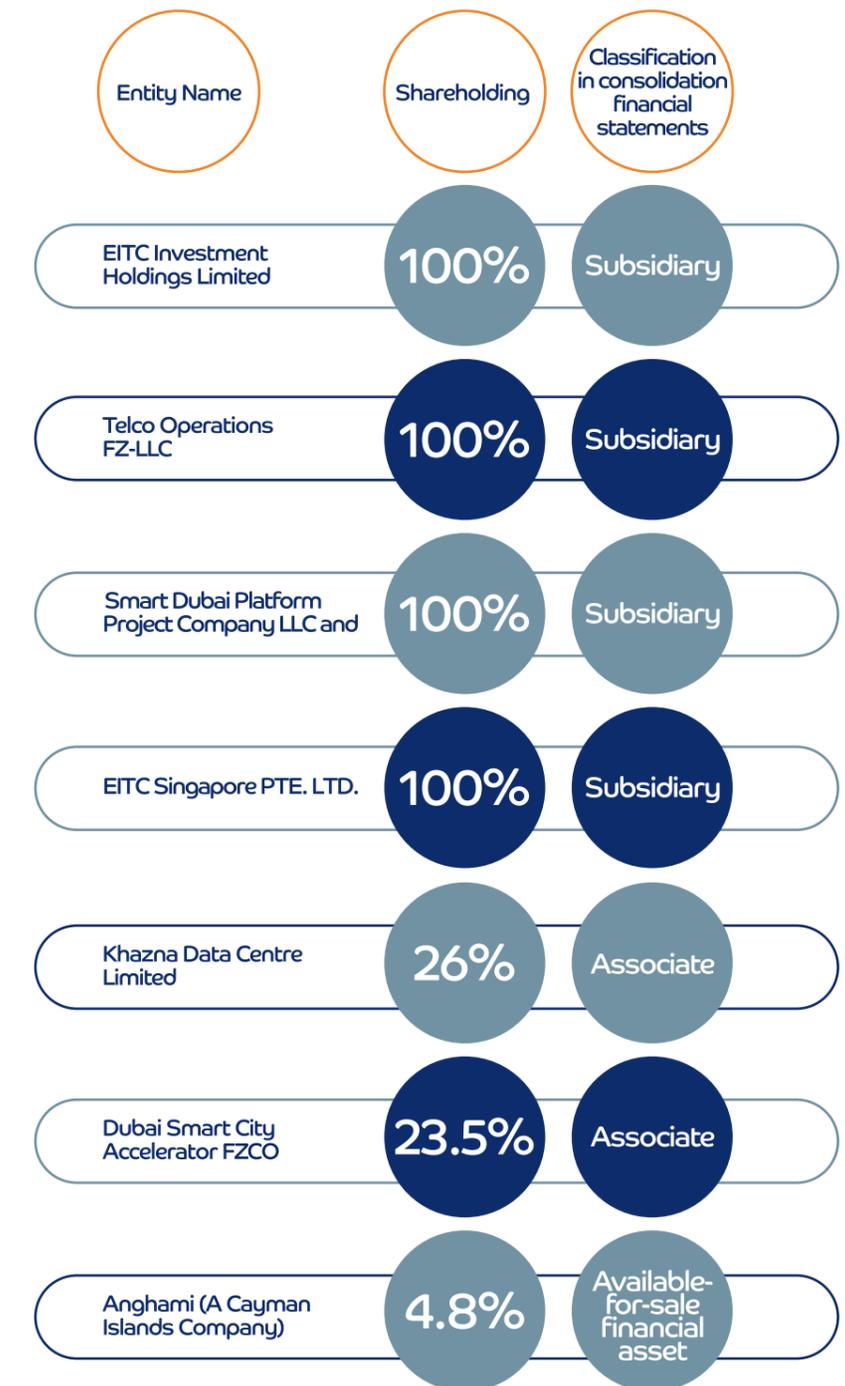
- Operational expenses – 46.80%
- Royalty charge – 29.48%
- Employee wages – 20.44%
- Payment to Government – 3.08%
- Community investment / Social contribution – 0.20%

The consolidated financial statements of the Company for the year ended 31 December 2018 comprises the Company – Emirates Integrated Telecommunications Company PJSC and its wholly owned subsidiaries EITC Investment Holdings Limited, Telco Operations FZ-LLC and Smart Dubai Platform Project Company LLC and EITC Singapore PTE. LTD. Our consolidated financial statements are audited by PwC and the published financial results are available on our website.

All entities included in the organisation's consolidated financial statements or equivalent documents include:

Shareholder structure:

- The UAE Government, through its ownership of the Emirates Investment Authority, indirectly owns 39.5%.
- The Abu Dhabi Government, through its ownership of Mubadala Investment Company PJSC, indirectly owns 19.75%.
- Dubai Holding, through its ownership of Emirates International Telecommunications Company LLC, indirectly owns 19.5%.
- The remainder of the shares are held by public shareholders, comprising individuals who are UAE and non-UAE nationals and companies established in the UAE.



Responsible procurement

Our vendors form an integral part of our value chain and help us in delivering quality products and services to our customers. We evaluate suppliers not only on cost and quality, but also on social, health & safety and environmental values.

Our Sourcing Policy makes sure that all dealings with vendors are fair, competitive and without any conflict of interest. This Sourcing Policy is complemented by our Sustainable Environmental Procurement Policy which obliges our current and prospective suppliers to complete our HSE requirements which covers a wide range of environmental as well as social aspects. In 2018, 100% of our vendors conformed to our HSE screening criteria upon registration.

During the year, our procurement utilised artificial intelligence to automate and optimise repetitive processes (such as issuance of blanket purchase orders) resulting in significant efficiencies for the organisation. We also optimised the way we process the sale and safe disposal of obsolete technical items, such as hazardous material (e.g. batteries), customer premise equipment (e.g. TV boxes) and other network infrastructure that is written off.

In 2018, we had more than 700 active suppliers and we sourced products and services worth AED 4.6 billion from them. 80% of these were local suppliers (i.e. companies with their headquarters in the UAE). We also worked with 13 Emirati SMEs during the year from whom we purchased AED 18.56 million worth of goods and services.

These were established with the H.H. Sheikh Khalifa Bin Zayed Al Nahyan Foundation and H.H. Mohammed Bin Rashid Establishment for Young Business Leaders.

In 2018, we evaluated our vendors to ensure HSE compliance whilst providing a service to us. A total of five vendors were assessed (that provide a main service to us) for which the average scoring on HSE compliance ranged above 60%. Few of the companies were follow-up audits in which we have seen an increased compliance level of over 80%. We were not made aware of any significant negative environmental or labour impacts within our supply chain.

Balanced scorecard

Over the years, the Balanced Scorecard has encouraged our staff and management to think and act strategically and link productivity and profitability with our corporate strategy. This ensures that we work towards enhancing all areas of the business to contribute towards the overall success of the company. A set of key performance indicators (KPIs) track the performance of each area and are cascaded across relevant business units.

Our strategy is focused on delivering our commitment of sustainable growth and value creation to our shareholders, by serving and delighting our customers and nurturing our employees. 2018 marked the continued transformation of EITC, delivered by strengthening competitive levers around three main strategic pillars:

1. A value-focused, efficient and effective core business with effective transformation.
2. Diversifying our revenues through the development of new innovative products and services in and beyond the core.
3. Differentiation through digitalisation and enhanced customer experience. Going forward to 2019 and beyond, EITC's Strategic Priorities aim to focus on protecting and optimising the 'Core' whilst seeking growth in 'Adjacencies' beyond the core.

2018 Strategic Priorities



Health and safety

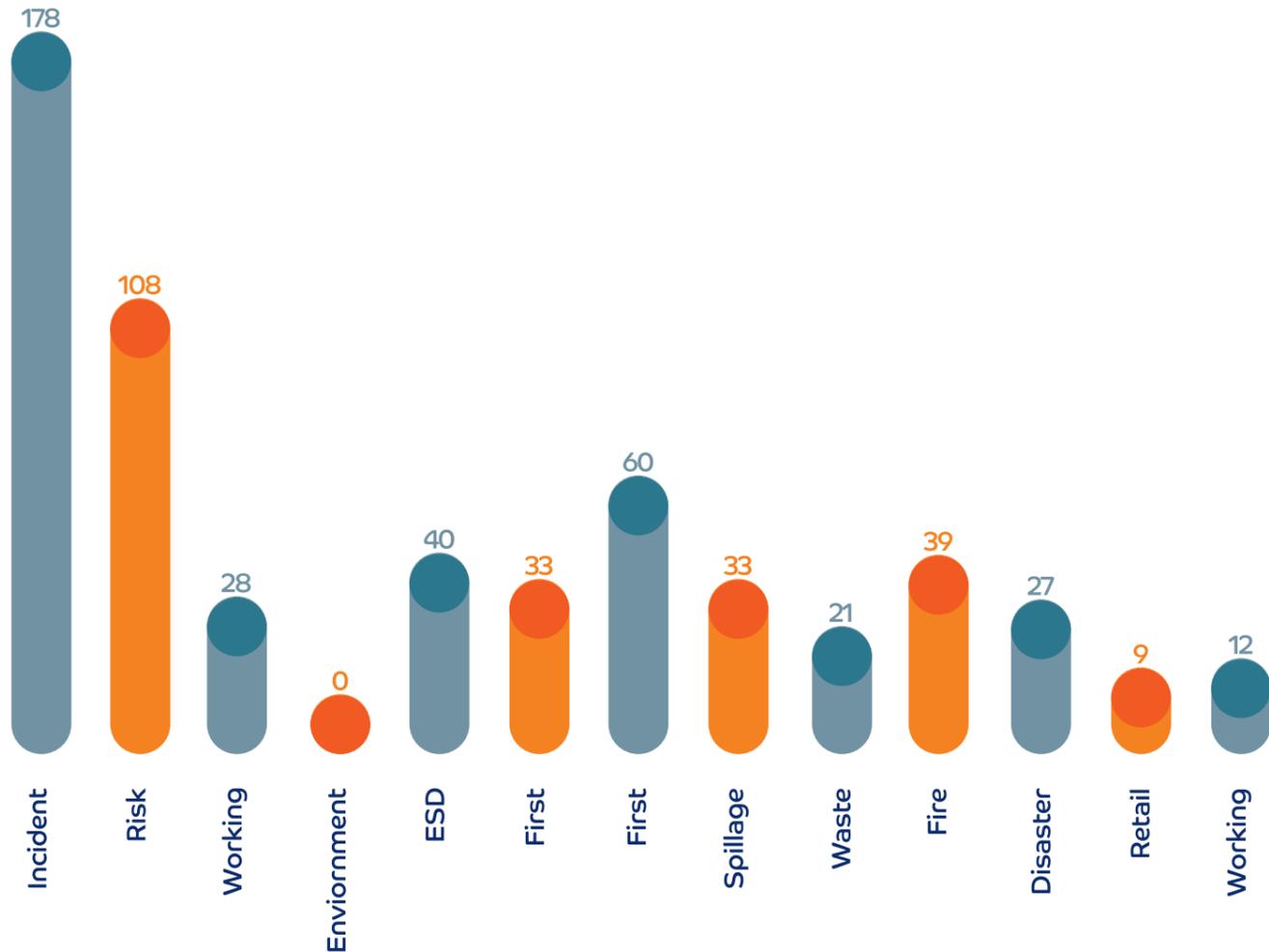
We actively promote health and safety at the workplace, and in the broader community, and work hard to ensure a secure work environment for all our people.

HSE trainings for our people continues to be a big aspect of strengthening our HSE practices. These trainings were provided to over 593 participants – these included our employees, as well as our outsourced staff that work on our sites.

Breakdown of our HSE trainings

Emergency Preparedness and Response continues to be a priority in our safety and wellbeing practices. This is mainly achieved through continuous training and awareness sessions. During the year, a total of 337 staff were trained in emergency response and preparedness, including for first aid, fire, disaster recovery and general emergency actions.

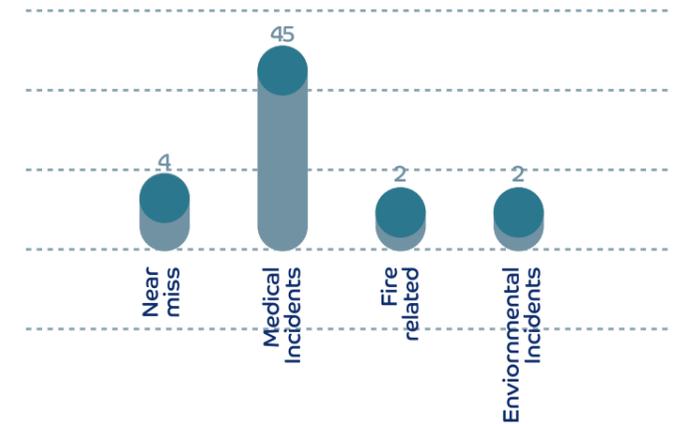
HSE Trainings



These trainings are supported by our emergency drills to ensure the practical involvement and preparedness of staff. All our offices, warehouses and technology-manned sites have undergone these drills. This year, we extended our emergency preparedness and response initiative to our mobile towers to ensure our workers know what to do with emergencies at height.

During the year, we had a few health and safety related incidents, mainly medical related (45). These were promptly dealt with by our in-house clinic. We also had two fire related and two environmental incidents – all of these were effectively managed and reported.

Incidents Jan - Dec 2018



We assess our contractors in detail in terms of health and safety as part of our agreement with them. We prioritise our site inspections with the intention of proactively identifying HSE risks that impact our people, visitors to our site and most importantly our external environments.

This practice has been very effective as

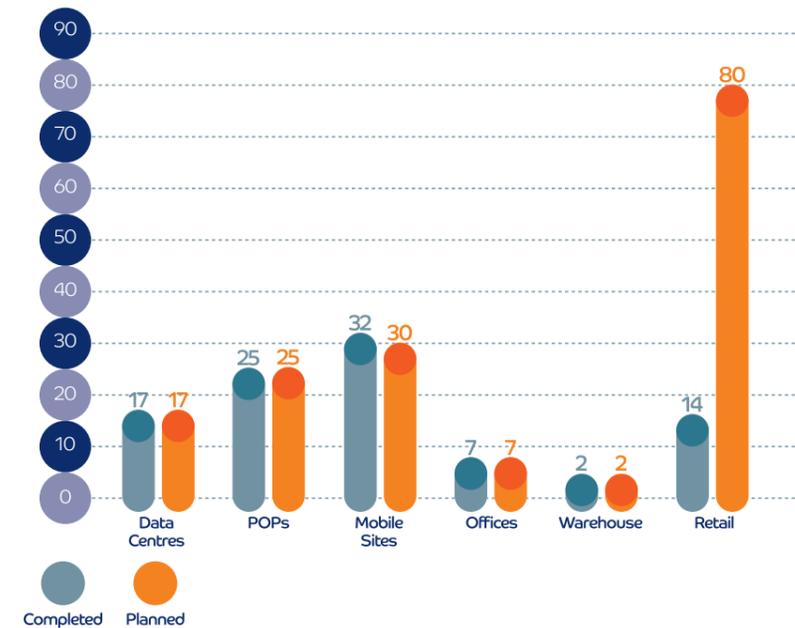
it helps us actively control and manage our risks as they are identified and reported. In 2018, we had a number of site inspections across our data centres, mobile sites, retail shops and more.

We continue to maintain our indoor air quality as a specific indicator for wellbeing at the workplace. Continuous monitoring methodologies and HSE

strategies helped us win the "Health and Safety Initiative" at the Daman Corporate Health Awards for 2018 for our indoor air quality initiative.

Health and Safety was also the main theme for the community workshop we organised for community partners and non-profit organisations in the UAE, as well as for the children's workshop we organised at our office.

Site inspections



Business ethics

By applying good governance and robust internal controls in business processes, we emphasise the importance of business ethics and transparency in our approach.

This helps us manage our exposure to corruption risks, and ensures that we adhere to a zero-tolerance policy towards fraud and unethical actions.

All our employees are required to read and accept our Code of Conduct and Ethics. This code is complemented by a team of dedicated HR Business Partners that guide our staff with advice on ethical behaviour.

We have recently formalised a fraud response policy with a clear statement of zero tolerance on fraudulent activities. We have also established an anonymous whistleblowing policy mechanism which applies to our staff and vendors. Our whistleblowing channels include an email (wb@duconcerns.ae), an independent website (duconcerns.ae), and a hotline (800 503 7283). This mechanism allows our staff and vendors to share any concerns regarding the company and its operations with complete anonymity and confidence.

Our organisational code of conduct and ethics, along with our internal and external policies for seeking advice on ethical behaviour, and for reporting concerns about unlawful behaviour can be found on our website.

Data privacy & security

Customer Data Security & Privacy is of utmost important for us and we are committed to ensure that this is embedded as a core competency across our organisation. These efforts have come through by creating dedicated function for 'Data Security and Privacy Management' within our Technology Security and Risk Management (TSRM) department and refined security controls that we have been investing in for over a decade.

We have developed our own holistic Data Security and Privacy Management framework and standards. These are based on national and international regulations, standards and guidelines from the TRA, International Organization for Standardization (ISO), National Institute of Standards and Technology (NIST), Payment Card Industry Data Security Standard (PCI DSS) etc. and developed a Data Classification model, taxonomy and process to implement classification across the organisation.

We have now developed an EITC Data Classification model, taxonomy and process to implement classification across the organisation.

During the year, we also conducted organisation-wide trainings to raise internal awareness of the importance of customer data and privacy requirements. This was complemented by the successful implementation of the 'Classify & Secure' initiatives based on which all our employees are mandated to classify data according to the classification type.

Our Data Privacy & Security framework and standards provides management direction and support to ensure security & privacy of personal information and to allow creation, storing, usage, sharing, archival, and destruction of Personal Information in accordance with appropriate laws, regulations, and contractual obligations.

In 2018, we launched our Cloud Unified Threat Management (UTM) service, a next-generation cybersecurity solution that is designed to protect enterprises at the core-network layer so that no threats can get close to an organisation's network. This service will support our customers with 24/7 monitoring and management for dedicated and reliable security protection.

We also introduced a Risk and Compliance Management Services to our managed cloud and data-centre offering to ensure that large enterprises, particularly government and financial institutions in the UAE, can easily leverage proactive ICT and cloud workload protection in the face of complex regulatory and compliance requirements.



Responsible marketing

We believe it is critical in our industry, and extremely important as per our values, to be responsible, honest and friendly in our marketing and communication campaigns as it helps build trust and loyalty among our customers.

We give all our customers the choice to opt in or out from receiving our communication, and are not involved in the sale of any banned or disputed products and services. During the year, there were no cases of non-compliance with regulations and voluntary codes concerning marketing communications at EITC.

Business continuity

To ensure that we continue to deliver our products and services at acceptable predefined levels during any instability, we have adopted a standard Business Continuity Management (BCM) system. This system enables us to build the required resiliency to protect our people, processes, facilities and technologies, as well as our customers, vendors, partners, regulators and contractors.

Business Continuity Plans (BCPs), Disaster Recovery Plans (DRPs), Crises Management Plans and Simulations all contribute towards our BCM system. The BCM system is run by our Business Continuity & Crises Management team under the Technology Security and Risk Management (TSRM) department. At the national level, we abide by the security obligations set by the TRA through the National Telecom Emergency Management Plan (NTEMP), and National Crisis and Emergency Management Authority (NCEMA) and the other operator in the country, Etisalat.

In 2018, we successfully participated in national field simulations organised by the TRA, called Sada AlBarq 6, where we reflect the capabilities of our UAE national employees to establish end to end infrastructure and provide fixed and mobile network. Moreover, we – in coordination with the TRA – participated as a supported entity for another simulation organised by Federal Agencies. This simulation was designed to test the resilience of the telecom sector in case of a national disaster. We attained the full status, thus ensuring that we continue to have the ability to mitigate the effects of disruptive incidents with minimal effect on our critical business.

