

Integrated Report 2021



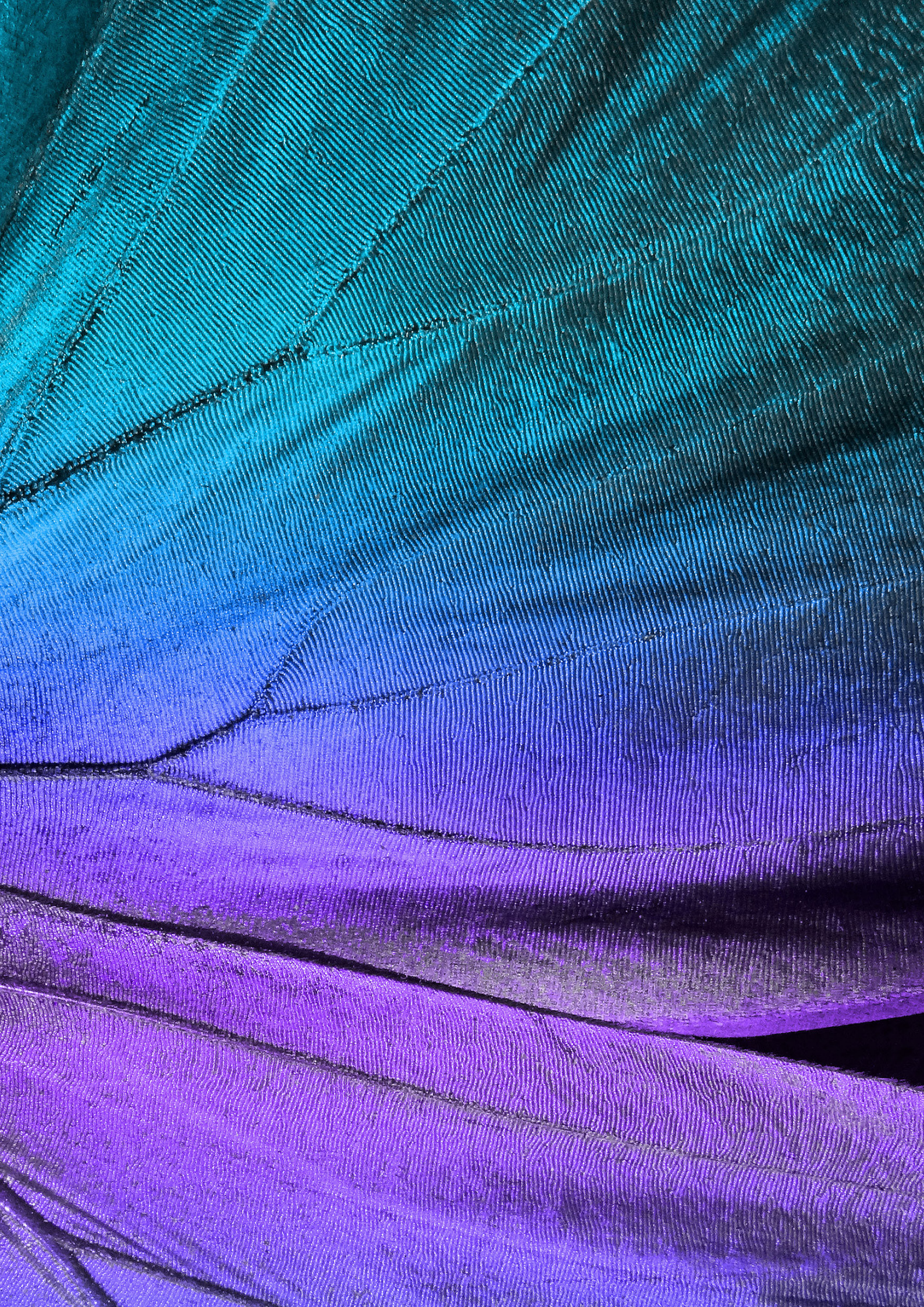
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Years

Emirates Integrated Telecommunications Company PJSC



Table of Contents

- Statement of procedures taken to complete the corporate governance system during 2021, and the method of implementing thereof	5
- Statement of ownership and transactions of the Board members, their spouses and children in EITC's shares during 2021	7
- Board of Directors	8
- External auditor	24
- Audit Committee	25
- Nomination and Remuneration Committee	27
- Investment Committee	29
- Insiders Committee	31
- Internal control system	32
- Details of violations committed during 2021	36
- Statement of contributions made by the Company during 2021 in the development of the community and the preservation of the environment	37
- General Information	38





Corporate Governance Report

Corporate Governance Report of Emirates Integrated Telecommunications Company PJSC ("EITC" or the "Company") for the financial year 2021

1. Statement of procedures taken to complete the corporate governance system during 2021, and the method of implementing thereof:

EITC is highly committed to maximising stakeholders value while ensuring compliance with the provisions of all applicable laws and regulations, including the laws and regulations prescribed by the Dubai Financial Market (the "DFM") and the Securities and Commodities Authority of the UAE (the "SCA"). This can be evidenced from EITC's corporate governance procedures which are strongly based on the below stated principles of the corporate governance, as prescribed in the Chairman of SCA Board of Directors' Decision No. (3/Chairman) of 2020, concerning approval of the joint stock companies' governance guide ("SCA Corporate Governance Procedures"):

- **Accountability** towards all shareholders and stakeholders. A direction to the board of directors to develop strategy, perform supervision and guide and control the administration of a company.
- **Equity** by protection of the shareholder rights and ensure a fair treatment to all shareholders including the minority shareholders.
- **Transparency and disclosure** through accurate and timely disclosures on all material matters.
- **Responsibility** to recognise the rights of all stakeholders in accordance with the applicable laws and regulations, and encourage the cooperation between a company and its stakeholders

This Corporate Governance Report of EITC for the year 2021 is prepared and presented by the Board to the Company's shareholders in accordance with the SCA Corporate Governance Procedures:

Although some signs of recovery from the COVID-19 pandemic were seen during 2021,, EITC continuously adhered to provide the required technological and telecommunication needs of its stakeholders in a more advanced, flexible and innovative manner showing more resilience and commitment towards the society. The excellent relationship management with the stakeholders played a crucial role for the integration of all the components related to the overall governance of EITC, while ensuring the operational effectiveness and the ongoing effectiveness of the internal controls in processes (in accordance with the applicable laws and regulations).

The board of directors of EITC (the "**Board**") is formed in accordance with EITC's Articles of Association and the applicable laws/ regulations based on which the corporate governance manual of EITC dictates the procedures to be followed, in connection with the overall governance of the Board. Each of the members of the Board strives to always ensure an ethical and professional conduct in their behavior as well as the performance of their duties and obligations, including strict compliance with the provisions related to the declaration of interest/ conflict, maintaining confidentiality and disclosure in relation to the related party transactions.

Following the amendment to the UAE Commercial Companies Law, announced by the UAE leadership in late 2020, which permitted the non-UAE nationals to hold 100% ownership in certain sectors, the Board reviewed and revised the restrictions for the ownership of shares of the Company. Effective on 23 February 2021, the ownership limit for the non-UAE nationals (whether individuals or legal entities) was increased to a maximum of 49% of EITC's total share capital, and for the UAE nationals (whether individuals or legal entities), it was increased to a maximum of 100% of EITC's total share capital. The restrictions for the local and international telecommunication companies to own shares in EITC remains the same.

The integrated report of EITC for 2020 was prepared and disclosed to the shareholders in accordance with SCA Corporate Governance Procedures. The Board invited the shareholders for the annual general meeting on 25 March 2021 (the "**AGM**") which was duly conducted remotely in accordance with the directives provided by the SCA. At the AGM, the Board was reconstituted for the sixth term (from March 2021 to March 2024) following the relevant process for the appointment/election in accordance with EITC's Articles of Association. Two representatives from Afridi and Angell were also appointed by the shareholders in accordance with Article 40 of the SCA Corporate Governance Procedures. The shareholders also approved the remuneration policy for the Board and the payment of AED 0.28 per share as the total dividend amount for 2020. The detailed results of the AGM along with the relevant supporting documents can be accessed on <https://www.du.ae/about-us/investor-relations>

Subsequent to the re-constitution of the Board on 25 March 2021, the Board elected Mr. Mohamed Hadi Al Hussaini as the Chair, Ms. Sara Awadh Musallam as the Vice Chair and re-appointed Mr. Ahmad Abdulkarim Julfar as the Managing Director of EITC, to continue providing strategic guidance and mentoring to EITC's Chief Executive Officer (the "**CEO**") in accordance with EITC's Articles of Association. Each of the Committees of the Board (namely the Audit Committee, the Nomination and Remuneration Committee and the Investment Committee) were also reconstituted on 25 March 2021. In accordance with the SCA Corporate Governance Procedures, the Board continued with the support of two permanent committees, the Audit Committee and the Nomination and Remuneration Committee, in addition to the Investment Committee (non-permanent committee) which supports the Board for the Company's investment strategy in relation to its core and non-core business. The Audit Committee continued to be assigned with the responsibility to monitor the risks and related matters, as the members of the Audit Committee had sufficient level of knowledge to manage the risks related to the Company's activities. During 2021, the Board and committee meetings were held considering the relevant regulatory and strategic timelines, and the agenda was adequately comprised of several strategic, financial, operational and governance matters which were extensively considered by the Board and/or its committees. All the relevant information, details and documents were made available to the Board for effective decision making in the best interests of EITC. Overall, the procedures of the Board and its various committees were implemented in accordance with SCA Corporate Governance Procedures and were reviewed on a periodic basis.

The Board participated in several briefing sessions and workshops on the key market trends, presented by leading consultants and management personnel from the telecom industry, including briefing by Hawkamah Institute of Corporate Governance on the overall global governance trends, the Board's role in ensuring resilience and managing risk and crisis, decision taking while dealing with conflicts and related parties transactions, and adequately managing the human element and stakeholder expectations. The Board considered the recommendations received from the external consultant and GCC Board Directors Institute on the board evaluation exercise conducted in 2020, and they ensured that the recommendations were implemented to the extent possible. The annual Board evaluation for 2021 was also performed through the external consultant and GCC Board Directors Institute, and the recommendations that will be received from them will be considered by the Board.

The financial authority policy of EITC which is a main governance document highlighting the operational process and the governance requirements (related to the operational and capital expenditure, procurement, credit limit, disposals/write off, commission schemes, contracts approval and execution, purchase orders, legal matters and settlements) was reviewed by the Board and revised to become more simple for

increasing the threshold for the management on certain matters while ensuring full controls are in place. With an endeavor to promote a safe, ethical and compliant conduct of all its business activities, the Board had reviewed EITC's whistleblowing policy, including the whistleblowing mechanism that is put in place for the employees.

The Board also played a vital role in managing the organisational health and employee morale by continuously monitoring several corporate and human resources related policies and procedures, including the code of conduct for the employees, suppliers and contractors. Training programs were initiated for the employees to continuously keep them aware of their duties and obligations under these policies and procedures, including the insiders, share dealing and code of conduct. The Board ensured provision of a work environment for every employee to be treated with dignity, respect and afforded equal treatment irrespective of the gender and nationality. To fulfill this vision of EITC's leadership, the Gender Balance Council of EITC continued taking extensive efforts to enhance measures for promoting gender equality and diversity of expertise within the organisation. 2022 started with the implementation of the revised working hours/ weekdays policy (as well as the flexible working policy), considering the changes in the weekdays announced by the UAE government effective on 1 January 2022. The revised policy was extensively considered by the Nomination and Remuneration Committee to ensure business as usual with resilience.

While the Board appreciated and acknowledged the efforts of the management and employees for their tremendous efforts throughout the challenging year 2021, the management and employees were constantly reminded to aspire much higher on the overall implementation and efficiency, with the goal to deliver sustainable stakeholder value over the longer term.

2. Statement of ownership and transactions of Board members, their spouses and children in EITC's shares during 2021

The Board members are updated on a regular basis regarding their duties and obligations, in relation to the ownership/ trading in the shares of EITC.

EITC's insiders and the share dealing policy require the Board members to make necessary declarations and obtain relevant approvals in accordance with the applicable SCA regulations.

The below table contains details of the shares held in EITC by the Board members (including their spouses and children) as on 31 December 2021:

No.	Name	Position / Kinship	Total sale during 2021	Total purchase during 2021	Owned shares as on 31 Dec. 2021
1	Malek Sultan Al Malek	Board member	0	0	562
2	Ahmad Abdulkarim Julfar	Spouse	0	0	3,000
3	Ziad Abdulla Galadari	Board member	0	0	119,350
		Spouse	0	0	94,000
4	Abdulla Khalifa Belhoul	Board member	0	0	642
5	Mohamed Hamad AlShehi	Spouse	0	0	247
6	Hassa Abdulrazzaq Balouma	Board member	0	0	562

3. Board of Directors

3.1 Board composition:

The Board is composed of members who collectively have an appropriate balance of skills, knowledge, competencies, experience and expertise in several sectors, including telecommunications and technology.

The Board was reconstituted on 25 March 2021 due to the end of its fifth term. At the AGM held on 25 March 2021, the shareholders had ratified the appointment of the directors appointed by the founding shareholders and had also elected two directors to represent the public shareholders. Following the reconstitution of the Board for the sixth term, the Board elected Mr. Mohamed Hadi AlHussaini as the Chairman, Ms. Sara Awadh Musallam as the Vice Chair and Mr. Ahmad Abdulkarim Julfar as the Managing Director.

Subsequently, effective on 6 October 2021, the following changes occurred in the Board:

1. Mr. Mohamed Hadi AlHussaini resigned as a director of EITC;
2. Mr. Abdulla Khalifa Belhoul was appointed as a director of EITC;
3. Mr. Malek Sultan Al Malek was elected as the new Chairman of EITC.

The Board is currently composed of ten directors, eight of which are independent non-executives, one is non-executive and one is executive, and their details as on 31 December 2021 are as follows:



Mr. Malek Sultan Al Malek

Chairman
Independent Non-Executive

First Appointment

21 March 2018

Representing

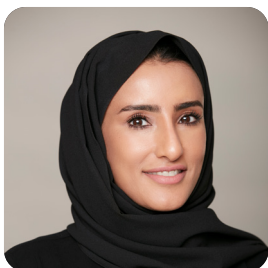
Emirates Communications and
Technologies Company LLC

Mr. Malek Sultan Al Malek is one of the leading business figures in the UAE. He has a reputable experience in various arenas, including technology, information and education. He is currently the Group Chief Executive Officer of TECOM Group/Dubai Holding Asset Management, one of Dubai's leading holding companies, strategic partner and contributor to achieving the ambitious visions of Dubai economy. He is also the Director General of Dubai Development Authority.

Mr. Malek also holds the following positions in several leading entities in the UAE:

- Chairman of Dubai Institute of Design and Innovation
- Board Member of Mohammed Bin Rashid Library
- Board Member of Higher Colleges of Technology
- Board Member of Dubai Creek Harbour LLC
- Board Member of Dubai Waste Management Company
- Council Member of Dubai Freezone Council
- Council Member of Dubai Urban Planning Executive Council (Supreme Committee)
- Council Member of Dubai Media Council

Mr. Malek holds a Bachelor's Degree in Business Management from the UAE's Higher Colleges of Technology.



H.E. Sara Awadh Musallam

Vice Chairperson
Independent Non-Executive

First Appointment

15 April 2020

Representing

Emirates Investment Authority

Ms. Sara Awadh Musallam has a broad experience in various sectors and has made major contributions to key vital government sectors in her previous roles as the Director of Private Schools and Quality Assurance at Abu Dhabi Department of Education and Knowledge, and as the Vice President of Aerospace Renewables and ICT Platform at Mubadala Investment Company. Her vast experience has gone beyond the public sector as she also worked as a Business Analyst at BP International for several years.

Ms. Sara is currently the Chairperson of Abu Dhabi Department of Education and Knowledge and holds the following positions in several other leading entities in the UAE:

- Member of Abu Dhabi Executive Council
- Member of Life Quality and Wellbeing Committee of Abu Dhabi Executive Committee
- Board member of Al Yah Satellite Communication Company (YahSat)
- Member of the UAE Cabinet's Education and Human Resources Council
- Member of the Board of Trustees of Khalifa Award for Education
- Member of the Board of Trustees of Abu Dhabi Early Childhood Authority
- Member of the Initiatives Committee of Mubadarat
- Member of Abu Dhabi's Advanced Technology Research Council
- Member of the UAE's National Emergency, Crisis and Disasters Management Authority
- Member of the Board of Trustees of Mohamed bin Zayed University for Humanities
- Member of the Board of Trustees of MODON

She holds a Master's Degree in Business Administration from the American University of Sharjah and holds a Bachelor's Degree in Applied Sciences in Business Administration, as well as a Higher Diploma in Financial and banking services from the UAE's Higher Colleges of Technology of Abu Dhabi. She is also a Chartered Financial Analyst (CFA).



Mr. Ahmad Abdulkarim Julfar

Board Member
Managing Director, Executive

First Appointment

21 March 2018

Representing

Public Shareholders (until 25 March 2021)

Emirates Investment Authority (from 25 March 2021)

Mr. Ahmad Julfar has a vast experience in diverse sectors including telecommunications, economy, banking and community development and is taking charge of several prominent leadership positions in the UAE.

He holds the position of Director General at the Community Development Authority, which is dedicated to creating a leading social sector in the UAE to reinforce sustainable developments.

Mr. Ahmad also holds the following positions in several other leading entities in the UAE:

- Chairman of Knowledge Fund, Government of Dubai
- Board Member of Commercial Bank of Dubai PJSC
- Board Member of Smart Stream Technologies
- Advisory Council Member of Dubai Chamber of Digital Economy

Mr. Ahmad holds a Bachelor's Degree in Civil Engineering and Computer Science from Gonzaga University in Washington, USA, and took part in the Leaders Program of Sheikh Mohammed Bin Rashid Al Maktoum.



Mr. Khaled Abdulla Al Qubaisi

Board Member
Independent Non-Executive

First Appointment

19 April 2018

Representing

Emirates Investment Authority (until
25 March 2021)

Public shareholders (effective on 25
March 2021)

Mr. Khaled Abdulla AlQubaisi is the Chief Executive Officer of Real Estate and Infrastructure Investments at Mubadala. In this role, he has oversight of a portfolio of both the physical and digital assets around the globe, which includes properties, real estate, and the consolidation of Mubadala's international infrastructure that offers long-term stable returns across the business cycles. He is a member of the Investment Committee at Mubadala, which is mandated to develop the organisation's investment policies and guidelines, and to review all the proposed projects and investments to ensure they are aligned with Mubadala's business objectives. Before joining Mubadala, Mr. Khaled was the Chief Investment Officer at International Capital, where he oversaw a diverse investment portfolio, and the execution of large-scale, multi-billion Dirham real estate projects. He was also previously the Head of Corporate Finance and Business Development at the National Bank of Abu Dhabi, where he focused on developing the Bank's investment banking capabilities.

Mr. Khaled holds the position of Chief Executive Officer, Real Estate and Infrastructure Investments at Mubadala Investment Company PJSC. He also holds the following positions in several leading organisations/ companies in the UAE:

- Chairman of National Central Cooling Company PJSC (Tabreed)
- Chairman of Finance House PJSC
- Vice Chairman of Abu Dhabi Motor Sports Management LLC
- Board Member of Abu Dhabi Global Market (ADGM)
- Board Member of Abu Dhabi Future Energy Company PJSC (Masdar)
- Board Member of Insurance House PJSC
- Board Member of Emirates Nuclear Energy Corporation (ENEC)

Mr. Khaled has been awarded the CFA in 2003. He holds a Master's Degree in Project Management (MSPM) from George Washington University, and a Bachelor's Degree in Finance and Operations management from Boston University.



Mr. Ziad Abdulla Galadari

Board Member
Non-Executive

First Appointment

14 March 2007

Representing

Public Shareholders

Mr. Ziad Abdulla Galadari is the Founder and Chairman of Galadari Advocates and Legal Consultants and has a vast experience in the field of Law and Legal Consultancy. In addition to his legal and investment expertise, he has made remarkable contributions enabling Dubai for hosting international events and global conferences.

Mr. Ziad is the Chairman of Galadari Investments Group and serves on the Board of the following leading entities in the UAE:

- Board Member of Dubai World Trade Centre
- Board Member of Dana Gas PJSC

Mr. Ziad has a Bachelor's Degree in Law (LLB) from the United Arab Emirates University (UAEU).



Mr. Abdulla Khalifa Belhoul

Board Member
Independent Non-Executive

First Appointment

6 October 2021

Representing

Emirates Communications and
Technologies Company LLC

Mr. Abdulla Khalifa Belhoul is the Chief Commercial Officer of Dubai Holding Asset Management and is responsible for leading commercially the core portfolio of 10 business districts, 20 retail destinations and 15 residential communities. He was appointed CEO of Dubai Industrial City in 2010 and then Chief Commercial Officer of Dubai Holding Asset Management in 2020. Between 2007 and 2010, Mr. Abdulla held various leadership positions in Dubai Holding, overseeing the building and construction of key projects that make up today's Dubai skyline. Prior to that, between 2002 and 2007, Mr. Abdulla held various managerial positions at Dubai World Trade Centre and Dubai Department of Civil Aviation's Engineering, creating value through both revenue optimisation and re-engineering for internal and external stakeholders. And previously Mr. Abdulla served on the Board of Directors of Empower District Cooling and Dubai Creek Harbour.

Mr. Abdulla also currently serves on the Board of the following leading entities in the UAE:

- Board Member of Axiom Telecom
- Board Member of Dubai Hills Estate LLC

Mr. Abdulla holds an MBA from the Higher Colleges of Technology and a Bachelor's Degree in Engineering Management. He has also completed several executive and board level programmes, including the INSEAD Executive Development Programme.



Mr. Mohamed Hamad AlShehi

Board Member
Independent Non-Executive

First Appointment

21 March 2018

Representing

Emirates Investment Authority

Mr. Mohamed Hamad AlShehi has a broad experience in various sectors including finance, banking, real estate and insurance, leading several executive positions within the Government of Dubai as well as the private sector. He also has a vast experience in finance and information and communications technology (ICT), where he held many executive roles throughout his professional career and served as a board member of several internationally recognised organisations.

Mr. Mohamed holds the position of The Deputy Director General at the Department of Finance, Government of Dubai and is the Secretary to the Supreme Fiscal Committee. He also holds the following positions in several leading entities in the UAE:

- Chairman of Emirates NBD Capital P.S.C.
- Chairman of NAS Neuron Health Services LLC
- Board Member of Emirates NBD Bank PJSC
- Board Member of Emirates NBD Capital Ltd
- Board Member of Emirates NBD Asset Management Limited
- Board Member of Emirates Islamic Bank PJSC
- Board Member of Dubai Real Estate Corporation
- Board Member of Independent Health Information Technology Services LLC (inHealth)
- Governor of GCC Board Directors Institute

Mr. Mohamed has an executive Master's Degree in Business Administration from Zayed University, and a Bachelor's Degree in Accounting from the United Arab Emirates University (UAEU).



Mr. Wesam Alabbas Lootah

Board Member
Independent Non-Executive

First Appointment

15 April 2020

Representing

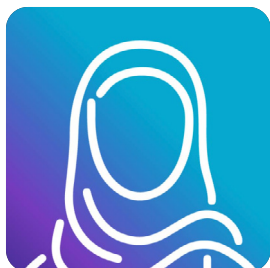
Emirates Investment Authority

Mr. Wesam Alabbas Lootah is a digital transformation leader with more than 20 years of strategic leadership that drastically shaped Dubai into the Smart city it is today. He built his extensive leadership portfolio and experience through various executive roles in institutions affiliated with the Dubai Government, the World Trade Center and Emaar. He is the Chief Executive Officer of the Smart Dubai Government Establishment and the technology arm of Smart Dubai Department. Since becoming CEO in 2015, he has managed to transform technology from being the backbone of Smart Dubai initiative to become a true enabler of digital transformation in record time, with a focus on humanising technology to influence life's experiences. He pioneered Smart Dubai strategy and plans related to Artificial Intelligence (AI), has the distinction of launching the first AI Lab in the Middle East and North Africa regions, in addition to hundreds of initiatives and numerous smart services.

Mr. Wesam also holds the following positions in several leading entities in the UAE:

- Chairman of Board of Directors of Dubai Cooperative Society
- Vice Chairman of Board of Directors of Dubai Financial Market PJSC
- Advisory council member of Dubai Chamber of Digital Economy

Mr. Wesam holds a Master's Degree in Computer Science and Engineering from Pennsylvania State University, USA and a Bachelor's Degree from Ohio State University. He is also an author with a published research in the field of Computer Security and is a renowned speaker on smart cities and digital transformation at top events.



Ms. Hassa Abdulrazzaq Balouma

Board Member
Independent Non-Executive

First Appointment

25 March 2021

Representing

Emirates Investment Authority

Ms. Hassa Abdulrazzaq Balouma is an Investment Director at Emirates Investment Authority ("EIA"). She is responsible for business turnaround and transformation of a number of complex strategic holdings of the Government of UAE. Prior to that, she was in the Private Asset Department at EIA. The department is responsible for making indirect investments in various illiquid strategies like private equity. She was the Project Manager for setting up the first currency printing facility in the Gulf region for EIA "Oumolat" which was successfully launched in 2016. She had also previously served on the Board of Arab Mining Company (ARMICO).

Ms. Hassa is a member of the advisory board of a Secondary Private Equity Fund and also holds the following positions in several leading entities in the UAE:

- Chairperson of the Board of Oumolat
- Vice chairperson on the Board of Emirates Transport
- Member of the Board of Directors of Emirates Post Group

Ms. Hassa holds Bachelor's Degree BA in Accounting and Finance and a Master's Degree MSc in Investments, from the University of Aberdeen in Scotland.



Mr. Atish Shashinath Gude

Board Member
Independent Non-Executive

First Appointment

25 March 2021

Representing

Emirates Investment Authority

Mr. Atish Shashinath Gude has been a Senior Advisor for many years to select companies in the communications and technology sectors. Until recently, Atish was the Chief Strategy Officer at NetApp Inc. where he was responsible for Corporate Strategy, Corporate Development, Advanced Technology and Incubation. His responsibilities included overall corporate strategy development as well as cascading and integrating that strategy across the business units, functional areas and major products. He was responsible for the execution of corporate strategies including acquisitions, divestitures, JVs, partnerships, incubation initiatives and strategic and venture investments.

Previously, Mr. Atish was the Senior Vice President of Corporate Strategy for Verizon Communications. In this capacity, he had the responsibility for the formulation and execution of Verizon's strategic plan addressing new markets, solution areas and services that capitalise on Verizon's assets, capabilities and brand across all lines of business. He has also held various senior positions in corporate strategy in leading companies including Verisign, Clearwire Communications, Sprint-Nextel and Nextel Communications. He also worked with Deloitte Consulting leading numerous consulting engagements to a diverse set of clients in the healthcare, financial services, manufacturing and retail as well as telecommunications.

Mr. Atish has an MBA from the University of Chicago with an emphasis in General Management and Finance and a BS in Computer Engineering from Syracuse University.

3.2 Female representation on the Board:

At the last annual general assembly held on 25 March 2021, the shareholders appointed two females on the Board and therefore **20% of the total Board members is currently represented by females.**

3.3 Remuneration and allowances of the Board members:

1. Total remuneration paid to the Board for 2020

At the last annual general assembly held on 25 March 2021, the shareholders approved the policy for the payment of remuneration to the Board. Accordingly, they also approved the payment of AED 9,608,320 as the Board remuneration for the fiscal year 2020. This sum was distributed to all members of the Board as a remuneration for the services rendered by them in 2020.

2. Proposed total remuneration to be paid to the Board for 2021

In accordance with the policy approved by the shareholders for the payment of remuneration to the Board, the aggregate Board remuneration submitted for approval by the shareholders at the General Assembly in 2022 is AED 9,998,138. This amount will be distributed to the members of the Board as a remuneration for 2021 and it also includes the attendance fees to be paid to the Board members for attending Committee meetings as detailed in the paragraph below.

3. Proposed attendance fees to be paid to the members of the Board Committees for 2021

Name	Attendance fees for the members of the Committees meetings			
	Committee name	Number of meetings attended	Attendance fee @ AED 21,000 per meeting	Total attendance fee for the year 2021 (AED)
Mohamed Hadi AlHussaini	Investment Committee (until 6 October 2021)	10	210,000	210,000
Malek Sultan Al Malek	Audit Committee (until 6 October 2021)	4	84,000	273,000
	Nomination and Remuneration Committee (until 6 October 2021)	6	126,000	
	Investment Committee (from 18 October 2021)	3	63,000	
Khaled Mohamed Balama	Nomination and Remuneration Committee (until 25 March 2021)	2	42,000	42,000
Sara Awadh Musallam	Audit Committee	6	126,000	126,000
Ahmad Abdulkarim Julfar	Investment Committee	13	273,000	273,000
Khaled Abdulla AlQubaisi	Investment Committee (until 25 March 2021)	2	42,000	189,000
	Nomination and Remuneration Committee (from 25 March 2021)	7	147,000	
Ziad Abdulla Galadari	Audit Committee	6	126,000	126,000
Abdulla Khalifa Belhouli	Audit Committee (from 18 October 2021)	1	21,000	105,000
	Nomination and Remuneration Committee (from 18 October 2021)	4	84,000	
Mohamed Hamad AlShehi	Audit Committee	6	126,000	315,000
	Nomination and Remuneration Committee	9	189,000	
Wesam Alabbas Lootah	Investment Committee	13	273,000	273,000
Hassa Abdulrazzaq Balouma	Nomination and Remuneration Committee (from 25 March 2021)	8	168,000	168,000
Atish Shashinath Gude	Investment Committee (from 25 March 2021)	10	210,000	210,000
Mohamed Saif AlSuwaidi	Nomination and Remuneration Committee (until 25 March 2021)	2	42,000	42,000

3.4 Additional allowances, salaries or fees received by the Board members other than the allowances for attending the committees:

During 2021, Mr. Ahmad Abdulkarim Julfar was paid an additional compensation of AED 90,000 per month, in consideration of the extra time and attention devoted by him in his role as the Managing Director of EITC (in accordance with the remuneration approved by the Board).

Additionally, Mr. Atish Shashinath Gude (a non-UAE national) received USD 48,485.64 in 2021 as a reimbursement for the travel and hotel accommodation costs for attending Board and Committee meetings, in accordance with the Board Travel Policy approved by the shareholders.

3.5 Board meetings held in 2021:

During 2021, a total of nine Board meetings of EITC were held.

The Board meetings are strictly conducted in accordance with SCA's regulations, EITC's Articles of Association and the corporate governance procedures approved by the Board in this relation. In continuation of the COVID-19 safety measures followed by EITC throughout 2021, the Board members were provided the option to attend the meetings electronically. Some of the matters considered extensively by the Board in 2021 were strategy, operations, transformation programme, sustainability, people management, subsidiary governance, succession planning, risk management, employee morale, governance, structure and industry trends.

The invitation and the agenda are sent to the members at least a week ahead of the meeting date, and details of issues and decisions made during the meeting are recorded as minutes, taking into account any member's opinions or dissenting views that are expressed during the meeting. 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, thus ensuring that the respective member connected to that resolution abstains from voting.

No.	Date of the Board meeting	Number of attendees	Attendance by proxy	Absentees
1	20 January 2021	10	None	None
2	8 February 2021	10	None	None
3	25 March 2021	9	None	Atish Shashinath Gude
4	26 April 2021	9	None	Malek Sultan Al Malek
5	7 June 2021*	10	None	None
6	26 July 2021	10	None	None
7	27 September 2021*	9	None	Mohamed Hadi AlHussaini
8	18 October 2021	10	None	None
9	9 December 2021*	10	None	None

*Board meetings held to consider ongoing operational matters

3.6 Number of the Board resolutions passed during 2021 along with the dates of passing:

In accordance with the applicable provisions from SCA Corporate Governance Procedures, five resolutions were passed by circulation by the Board (which were mostly for considering urgent operational matters) and these resolutions were recorded in the minutes of the subsequent meeting of the Board.

No.	Absentees
Board Resolution No. 1/2021 passed by circulation	23 March 2021
Board Resolution No. 2/2021 passed by circulation	26 April 2021
Board Resolution No. 3/2021 passed by circulation	1 July 2021
Board Resolution No. 4/2021 passed by circulation	17 August 2021
Board Resolution No. 5/2021 passed by circulation	6 October 2021

3.7 Delegation of authorization by the Board during 2021:

Pursuant to the authorities delegated to the Board in the Articles of Association of EITC and the governing regulations, the Board is responsible for carrying out its duties but may delegate them to one of its Committees or to the management, in writing. In the case of delegation, they have clear instructions on the relevant limitations and how the delegation can be authorized. The Board has agreed on matters reserved for the Board and its Committees within the Governance Manual, and during 2021, the Board did not delegate any of its reserved matters to the management.

3.8 Transactions with related parties:

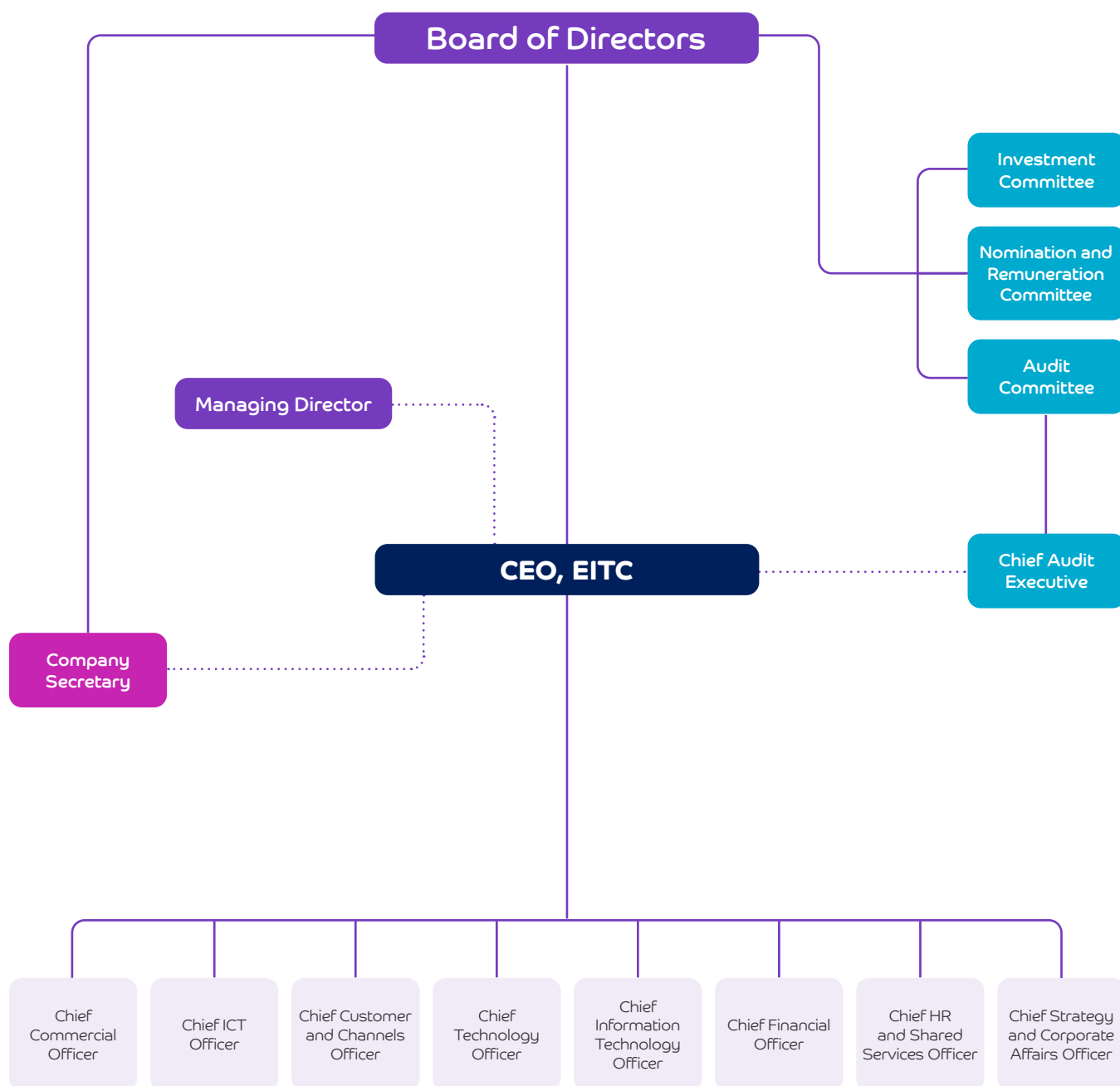
No transactions were entered with any related party during 2021 (in accordance with the UAE Companies Law or SCA Corporate Governance Procedures).

EITC's related party transaction policy is reviewed by the Board on a periodic basis to ensure compliance with the applicable governing laws and regulations.

3.9 Organizational structure:

During the end of 2021, the operating model of EITC was reviewed as part of the annual review and adjusted to mitigate any gaps identified since the last review done in 2020.

The organisational structure of EITC as on 31 December 2021 is as follows:



3.10 Statement of Management's Remuneration:

The management's remuneration for 2021 is reflected in the below table and the calculation is based on the yearly total salaries and other cash benefits (that is, education allowance, travel allowance, additional performance based variable pay for the Chief Commercial Officer upon confirmation in June 2021, and ex-Chief Human Resources Officer three months' notice):

Position	Date of joining	Total salaries and other allowances paid in 2021 (AED)	Any other cash/ in-kind benefits for 2021 (AED)	Total PBVP paid for 2021	LTI paid for 2021 (AED)
Chief Executive Officer*	23-Apr-06	2,900,560	225,500	TBA	
Chief Human Resources Officer **	13-May-18	377,898.04	574,488.51	TBA	
Chief Human Resources Officer – Acting***	04-Dec-06	732,576.11	49,137	TBA	
Chief Human Resources and Shared Services Officer****	02-Nov-21	334,333.34	1,600,000	TBA	
Chief Financial Officer	14-Jul-19	2,400,000	545,000	TBA	
Chief New Business and Innovations Officer/ICT Advisor *****	1-Jan-06	2,432,424	236,175	TBA	
ICT Advisor/Acting Chief ICT Officer *****	1-Aug-21	800,000	N/A	TBA	
Chief Strategy and Corporate Affairs Officer	4-Apr-10	1,010,800	125,500	TBA	
Chief Technology Officer	07-Sep-08	1,843,200	74,017.50	TBA	
Chief Customer Channels Officer	04-Mar-18	1,999,200	184,350	TBA	
Chief Information Officer	01-Apr-19	1,800,000	116,910	TBA	
Chief Commercial Officer*****	01-Aug-16	1,560,000	230,352.50	TBA	

*Chief Executive Officer – was acting until 6 June 2021 and was confirmed on 7 June 2021.

** Chief Human Resources Officer – Ehab Hassan – Last date of service was 14 March 2021; Cash benefits include 3 months' notice, travel allowance and accrued annual leave.

*** Chief Human Resources Officer – Acting – Ali Al Mansoori from 16 March till 2 November 2021.

**** Chief Human Resources and Shared Services Officer – Ibrahim Nassir date of joining is 2 November 2021.

***** Farid Faraidooni became ICT Advisor effective on 1 October 2021

***** Martin Tarr became Acting Chief ICT officer effective on 1 October 2021

***** Karim Benkirane was confirmed Chief Commercial Officer on 7 June 2021

4. External auditor

4.1 Overview of the Company's auditor:

Deloitte & Touche (M.E) was appointed as the Company's external auditor for the fiscal year 2021. Deloitte provides audit and assurance, consulting, financial advisory, risk advisory, tax and related services to public and private clients spanning among multiple industries.

4.2 Statement of fees and costs for the audit or services provided by the external auditors:

Name of the audit office and partner auditor	Deloitte & Touche (M.E.) Mr. Rama Padmanabha Acharya
Number of years he served as the Company's external auditor	3 years
Total audit fees for 2021 in (AED)	AED 1,478,000
Fees and costs of other services other than auditing the financial statements for 2021 (AED), if any. In case of absence of any other fees, this shall be expressly stated.	Refer to paragraph 4.3 below
Details and nature of the other services (if any). If there are no other services, this matter shall be stated expressly.	Refer to paragraph 4.3 below
Statement of other services that an external auditor* other than the Company's accounts auditor provided during 2021 (if any). In the absence of another external auditor, this matter is explicitly stated.	Refer to paragraph 4.3 below
*External auditors - known audit firms in line with EITC choice of auditors	

4.3 Statement of fees, costs and services provided by the external auditor firms in 2021:

Audit/Consulting firm	Details of service	Amount (AED)
Deloitte & Touche (M.E.)	Professional and advisory services – Consulting services.	54,812
Ernst and Young	Professional and advisory services – Consulting services.	10,893,005
PricewaterhouseCoopers	Professional and advisory services - Consulting services.	2,974,708
KPMG	Professional and advisory services - Consulting services.	120,000
Total		14,042,525

4.4 There are no qualified opinions made by EITC's external auditor in the interim or annual financial statements for 2021.

5. Audit Committee

5.1 H.E. Sara Awadh Musallam, Chair of the Audit Committee acknowledges her responsibility for the Audit Committee's system in the Company, reviews its work mechanism and ensures its effectiveness.

5.2 The Audit Committee is a permanent committee formed by the Board to monitor the Company's financial position, maintain appropriate relationship with the Company's external auditors review and recommend changes to the Company's financial and control systems, and perform other functions as required by SCA Corporate Governance Procedures.

5.3 The composition of the Audit Committee is reviewed by the Board on a regular basis to ensure that the Audit Committee is composed of members having adequate knowledge and expertise in financial, accounting, legal, compliance and regulatory matters. Mr. Abdulla Khalifa Belhoul was appointed as a member of the Audit Committee effective 18 October 2021 to replace Mr. Malek Sultan Al Malek who had resigned as a member of Audit Committee effective on 6 October 2021. The current members of the Audit Committee are:

- H.E. Sara Awadh Musallam (Chair)
- Mr. Ziad Abdulla Galadari
- Mr. Mohamed Hamad AlShehi
- Mr. Abdulla Khalifa Belhoul

5.4 The Audit Committee is provided with sufficient resources to enable it to perform its duties which include the following:

- Review and make recommendations on the Company's overall corporate governance arrangements.
- Recommend for the selection and appointment of the external auditors including the review of the terms of engagement, mission and action plan and the scope of the external audit plan.
- Monitor the performance, independence and objectivity of the external auditor including discussing with the external auditor regarding the nature, scope and efficiency of the audit in accordance with the applicable accounting standards.
- Ensure the integrity of the financial and non-financial operations in line with the financial and accounting policies and procedures as well as monitor the integrity of the annual and interim financial statements of EITC.
- Consider any significant and unusual matters that are or shall be mentioned in the auditors' reports and accounts, and give due consideration to any issues raised by the management, including ensuring timely response of the Board to the inquiries for illustration and substantial matters.
- Develop and review of the policies/procedures, including the financial, accounting, risk and compliance.

- Review and assess the internal control and risk management systems in the Company, including the external auditor's assessment of the internal control system and procedures.
- Review the observations/ reports received from State Audit (including the response prepared by the management) and monitor the actions taken by the management to resolve the issues/ observations arising from these reports.
- Monitor overall effectiveness of the Internal Audit department including ensuring availability of resources required, reviewing of the internal control reports and reviewing and approving of the internal audit plan, budget and internal control charter.
- Monitor overall effectiveness of the Risk and Compliance functions by the review of the risk appetite, the maintenance of a sound risk and compliance management culture, the review and approval of the management risk and compliance committee charter, the review of the quality of risk mitigation and the implementation of effective controls within the Company.
- Review the changes made since the last review on the nature and extent of the key risks and EITC's ability to adapt to the changes in its operations and external environment.
- Implement procedures that are sufficient for conducting independent and fair investigations concerning violations/ issues related to whistle-blowing and fraud.
- Setting rules that enable the Company's employees to confidentially report any potential violations in financial reports, internal control, or any other issues and procedures sufficient for conducting independent and fair investigations concerning such violations.
- Review related party transactions with the Company, ensuring that no conflicts of interest exist, and submit recommendations on such transactions to the Board before concluding the relevant contracts.
- Review and recommend changes to the Corporate Governance Manual (including terms of reference for the Board and its committees) and the Company's code of conduct.
- Monitor the tasks performed by the Insiders Committee.
- Ensure the Company's compliance with all applicable laws and regulations.

5.5 The Audit Committee updates the Board on its activities as it deems appropriate, and recommends relevant matters for the Board approval. On an annual basis, the Audit Committee also reviews its terms of reference and submits its recommendations to the Board.

5.6 During 2021, six meetings of the Audit Committee were held as mentioned below at which all the members were present:

Meeting number	Date of meeting	Main purpose of the meeting	Members present
Audit Committee Meeting No. 1/ 2021	7 February 2021	Review of annual financials for the year 2020, audit, internal control and governance related matters.	Sara Awadh Musallam, Ziad Abdulla Galadari, Mohamed Hamad AlShehi and Malek Sultan Al Malek
Audit Committee Meeting No. 2/ 2021	21 March 2021	Review of internal control, risk and compliance matters.	
Audit Committee Meeting No. 3/ 2021	25 April 2021	Review Q1 2021 financials and governance related matters.	
Audit Committee Meeting No. 4/ 2021	25 July 2021	Review Q2 2021 financials, audit, internal control and governance related matters.	
Audit Committee Meeting No. 5/ 2021	17 October 2021	Review Q3 2021 financials, audit, internal control and governance related matters.	Sara Awadh Musallam, Ziad Abdulla Galadari and Mohamed Hamad AlShehi
Audit Committee Meeting No. 6/ 2021	1 November 2021	Review audit, internal control and governance related matters.	Sara Awadh Musallam, Ziad Abdulla Galadari, Mohamed Hamad AlShehi and Abdulla Khalifa Belhoul

6. Nomination and Remuneration Committee

- 6.1** Mr. Khaled Abdulla AlQubaisi, Chairman of the Nomination and Remuneration Committee acknowledges his responsibility for the Nomination and Remuneration Committee's system in the Company, review its work mechanism and ensures its effectiveness.
- 6.2** The Nomination and Remuneration Committee is a permanent committee formed by EITC's Board with the responsibilities to set and review policies related to the appointment, remuneration, benefits, incentives, bonus and remuneration of the Board members and the employees of the Company in accordance with the applicable laws and regulations.
- 6.3** The composition of the Nomination and Remuneration Committee is reviewed by the Board on a periodic basis. Mr. Khaled Abdulla AlQubaisi and Ms. Hassa Abdulrazzaq Balouma were appointed as members of the Nomination and Remuneration Committee effective on 25 March 2021 to replace Mr. Khaled Mohamed Balama and Mr. Mohamed Saif AlSuwaidi. Mr. Khaled Abdulla AlQubaisi was also appointed as the Chair of the Nomination and Remuneration Committee. Subsequently, effective on 18 October 2021, Mr. Abdulla Khalifa Belhoul was appointed as a member of the Nomination and Remuneration Committee to replace Mr. Malek Sultan Al Malek who had resigned effective on 6 October 2021. The current members of the Nomination and Remuneration Committee are:
- Khaled Abdulla AlQubaisi (Chair)
 - Mohamed Hamad AlShehi
 - Hassa Abdulrazzaq Balouma
 - Abdulla Khalifa Belhoul

6.4 The Nomination and Remuneration Committee is assigned to perform the following:

- Regularly review and make recommendations to the Board on the structure, size and composition (including the skills, knowledge and experience) required for the Board members compared to its current position, and ensuring the following of the procedures of nomination for Board membership in accordance with the applicable laws and regulations.
- Determine and agree with the Board one the framework or broad policy for the remuneration of the Board members and other employees of the Company and review the ongoing appropriateness and relevance of the remuneration framework in light of the market and economic conditions.
- Constantly verify the independence of the independent members throughout their term.
- Oversee the succession plans for the senior leaders and other critical roles, identify the Company's needs for these positions and determine their selection criteria.
- Review and make recommendations to the Board on the other business interests or positions held by the Board or the Senior Leaders.
- Develop and review annually the Company's human resources and training policies and monitor the implementation of such policies.
- Emiratisation matters.

6.5 The Nomination and Remuneration Committee updates the Board on its activities as it deems appropriate and recommends relevant matters for their approval. On an annual basis, the Nomination and Remuneration Committee also reviews its terms of reference and submits its recommendations to the Board.

6.6 During 2021, ten meetings of the Nomination and Remuneration Committee were held as mentioned below:

Meeting number	Date of meeting	Absentees
Nomination and Remuneration Committee Meeting No. 1/ 2021	8 February 2021	None
Nomination and Remuneration Committee Meeting No. 2/ 2021	7 March 2021	None
Nomination and Remuneration Committee Meeting No. 3/ 2021	20 April 2021	None
Nomination and Remuneration Committee Meeting No. 4/ 2021	1 June 2021	Mohamed Hamad AlShehi
Nomination and Remuneration Committee Meeting No. 5/ 2021	15 July 2021	None
Nomination and Remuneration Committee Meeting No. 6/ 2021	22 September 2021	None
Nomination and Remuneration Committee Meeting No. 7/ 2021	10 November 2021	None
Nomination and Remuneration Committee Meeting No. 8/ 2021	24 November 2021	Khaled Abdulla AlQubaisi
Nomination and Remuneration Committee Meeting No. 9/ 2021	29 November 2021	None
Nomination and Remuneration Committee Meeting No. 10/ 2021	23 December 2021	None

7. Investment Committee

7.1 Mr. Ahmad Abdulkarim Julfar, Chairman of the Investment Committee acknowledges his responsibility for the Investment Committee's system in the Company, reviews its work mechanism and ensures its effectiveness.

7.2 The Investment Committee reviews and recommends to the Board the Company's investment strategy in relation to its core and non-core business including:

- Evaluation of the investment projects and related capital and operational expenditure
- Large scale capital investments and operational expenditure
- EITC's business plan and budget
- Strategic plans and transactions including the equity investments
- Treasury and dividend policies
- EITC's capital structure

7.3 The composition of the Investment Committee is reviewed by the Board on a periodic basis. Mr. Atish Shashinath Gude was appointed as a member of the Investment Committee effective on 25 March 2021 to replace Mr. Khaled Abdulla AlQubaisi. Subsequently, effective on 18 October 2021, Mr. Malek Sultan Al Malek was appointed as a member of the Investment Committee to replace Mr. Mohamed Hadi AlHussaini who had resigned effective on 6 October 2021. Mr. Ahmad Abdulkarim Julfar was appointed as the Chairman of the Investment Committee effective on 18 October 2021. The current members of the Investment Committee are:

- Ahmad Abdulkarim Julfar (Chair)
- Malek Sultan Al Malek
- Wesam Alabbas Lootah
- Atish Shashinath Gude

7.4 The Investment Committee updates the Board on its activities as it deems appropriate and recommends relevant matters for their approval. On an annual basis, the Investment Committee also reviews its terms of reference and submits its recommendations to the Board.

7.5 During 2021, 13 meetings of the Investment Committee were held, the details of which are mentioned below:

Meeting number	Date of meeting	Members present	Absentees
Investment Committee Meeting No.1/ 2021	18 January 2021	Mohamed Hadi AlHussaini, Ahmad Abdulkarim Julfar, Khaled Abdulla AlQubaisi and Wesam Alabbas Lootah	None
Investment Committee Meeting No.2/ 2021	4 February 2021	Mohamed Hadi AlHussaini, Ahmad Abdulkarim Julfar and Wesam Alabbas Lootah	Khaled Abdulla AlQubaisi
Investment Committee Meeting No.3/ 2021	22 March 2021	Mohamed Hadi AlHussaini, Ahmad Abdulkarim Julfar, Khaled Abdulla AlQubaisi and Wesam Alabbas Lootah	None
Investment Committee Meeting No.4/ 2021	26 April 2021	Mohamed Hadi AlHussaini, Ahmad Abdulkarim Julfar, Wesam Alabbas Lootah and Atish Shashinath Gude	None
Investment Committee Meeting No.5/ 2021	7 June 2021		
Investment Committee Meeting No.6/ 2021	19 June 2021		
Investment Committee Meeting No.7/ 2021	12 July 2021		
Investment Committee Meeting No.8/ 2021	28 July 2021		
Investment Committee Meeting No.9/ 2021	17 August 2021		
Investment Committee Meeting No.10/ 2021	26 September 2021		
Investment Committee Meeting No.11/ 2021	1 November 2021	Ahmad Abdulkarim Julfar, Malek Sultan Al Malek, Wesam Alabbas Lootah and Atish Shashinath Gude	None
Investment Committee Meeting No.12/ 2021	25 November 2021		
Investment Committee Meeting No.13/ 2021	9 December 2021		

8. Insiders Committee

8.1 Mr. Ali Al Ali, Chair of the Insiders Committee acknowledges his responsibility for the Insiders Committee's system in the Company, reviews its work mechanism and ensures its effectiveness.

8.2 The Insiders Committee constituted by the Board in 2017 monitors issues related to the insiders and their dealings in EITC's shares and ensures that all insiders are familiar with the legal and administrative requirements regarding their holdings and dealings in EITC's shares.

8.3 The Insiders Committee's composition is approved by the Board and contains representatives from Finance, Human Resources and Legal departments. The Committee is chaired by the Company Secretary. The current members of the Insiders Committee are:

- Ali Al Ali (Company Secretary)
- Ali Al Mansoori (Human Resources)
- Hiam Almohtadi (Legal)*
- Mohammad AlMehrezi (Finance)

*** Replaced Mia Buckthought effective in November 2021**

8.4 The Insiders Committee is assigned to perform the following:

- Manage the implementation of policies and procedures that relate to the trading in EITC's shares and the possession of internal data/information of the Company by its insiders.
- Maintain up to date register of insiders including both permanent and temporary insiders.
- Submit periodic statements and reports to the DFM.
- Manage share dealing requests and declarations.
- Initiate disciplinary action against non-compliant employees, with support from Human Resources.
- Report to the Audit Committee on the work done by the Insiders Committee.

8.5 The key activities undertaken by the Insiders Committee in 2021 were:

- Reviewed and updated the list of the insiders and submitted the same to the DFM on a quarterly basis, as and when required (in accordance with the applicable regulations)
- Sent notifications to all employees and Board members before the commencement and after the completion of every closed period, reminding them about the prohibition of trading in closed the periods.
- Raised awareness to the employees regarding their obligations in relation to the insiders and share dealing.
- Attended to the queries received from the employees generally in relation to insiders and share dealing
- Ensured compliance with the provisions of the applicable laws and regulations

8.6 The Insiders Committee met four times during 2021 as follows:

Meeting Number	Date of meeting
Insiders Committee Meeting No. 1/ 2021	16 March 2021
Insiders Committee Meeting No. 2/ 2021	13 June 2021
Insiders Committee Meeting No. 3/ 2021	19 September 2021
Insiders Committee Meeting No. 4/ 2021	23 November 2021

9. Internal Control System

9.1 Role of the Board in internal control:

The Board has an overall responsibility for ensuring effectiveness of the internal control system of EITC. The Board is responsible for setting a clear framework to ensure an effective internal control system. This allows effective and efficient operations, accurate financial reporting and compliance with laws and regulations.

Internal control system process

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

- **Effectiveness and efficiency of the operations:** Addresses EITC's basic business objectives, including the adherence to performance standards and the safeguarding of resources.
- **Reliability of the financial reports:** Ensures that the reliable financial statements and other financial information are presented to the shareholders, Board and Management.
- **Compliance with the applicable laws and regulations:** Oversight Regulatory Compliance with the applicable laws and regulation. This element covers the laws and regulations which EITC is subject to, in order to avoid any damage to the reputation or the fines/penalties.

Internal control within EITC is established via the implementation of “3 Lines Model” (see Diagram 1 below).

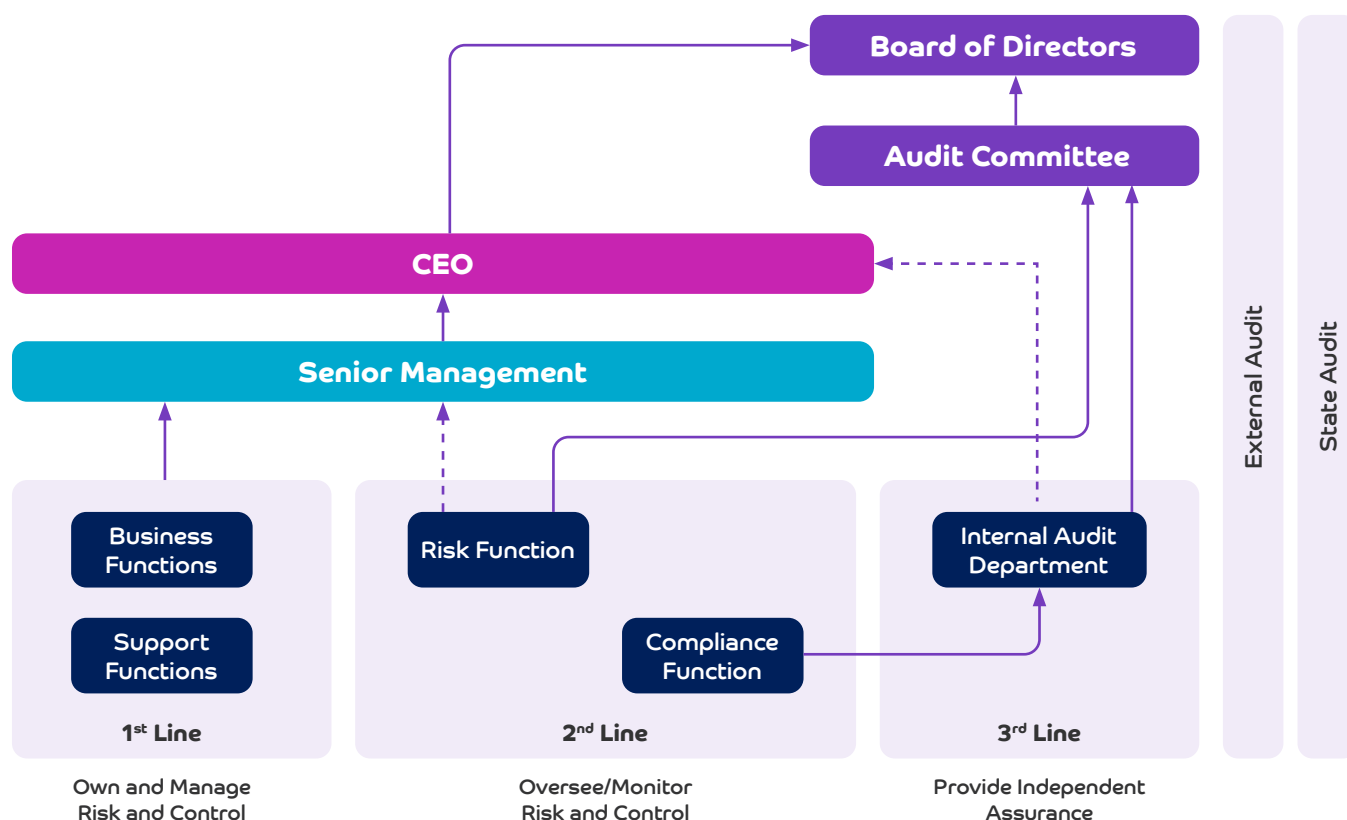


Diagram 1: The “Three Lines Model”

- The first-line role:** Includes business and process owners whose activities create and/or manage risks. The first-line owns the risks, designs and executes the company wide controls to respond to those risks on a day-to-day basis. They serve as the first line because the controls are designed into systems and processed under their supervision of operational management.
- The second-line role:** Includes the functions which support the management by bringing expertise, and processes excellence for monitoring risks and associated controls. The second line functions are generally separate from the first line. The Risk Function and Compliance and Ethics functions (under the second-line) have direct reporting lines to the Audit Committee. The Risk Function administratively reports to Corporate Affairs while Compliance Function reports to Internal Audit.
- The third-line role:** Includes Internal Audit Function of the Company which is an independent function and does not perform operational activities. The third line provides reasonable assurance to senior management and the Board of Directors on the effectiveness of governance, risk management and internal controls which also include the activities performed by the first and second lines.

The internal control system aims to establish, document, maintain and act consistently with the principles of the internal auditing policy. The system applies across all departments and all activities related to the corporate governance and risk management.

- EITC's control management process ensures that the procedures are appropriately designed and effectively applied in accordance with the Company's annual strategic plan. This process is reviewed by the Audit Committee and approved by the Board.
- The Internal Audit Department (third Line) produces reports related to the efficiency of the applicable internal control systems that are submitted to the executive management and the Audit Committee. The reports include relevant suggestions and recommendations for improving the control system.
- The Internal Audit Department is not responsible for the development or maintenance of the internal control systems, which are owned by the first and second Lines.
- With regards to ensuring consistency with the UAE laws and all other regulations, an oversight is provided by the second Line – Compliance and Ethics Function.
- To comply with SCA mandate, the Compliance and Ethics Function provides oversight in regards to compliance with 'external regulations and associated policies and procedures' across EITC. The Risk Function oversees the implementation of the risk management processes and methodologies, with the aim to build a 'risk aware culture' across EITC.

EITC Risk Management Policy

The EITC Risk Management policy is aligned with the global risk management standards and the industry's best practices which enables us to anticipate, identify, measure, manage, monitor and report on the EITC's key risk exposures with a view to ensuring risk-informed decision making at all levels of the organisation.

To this end, the Risk Function has developed a comprehensive risk taxonomy which serves as the basis for a consolidated EITC risk profile and conducts continuous monitoring and reporting of these risks, thus allowing the senior management and the Board to exercise transparent and effective oversight of the key risks facing EITC. In this way, it supports the senior management in making risk-informed decisions.

EITC risk profile is dynamically updated, in line with the changes in the business and the wider, rapidly changing operating environment. The strong collaboration amongst business, the support and control layers (our "Three Lines Model") ensure the risks are effectively managed, whilst simultaneously facilitating a risk-aware culture at EITC.

Name and qualifications of the Head of Risk Management:

Mr. Daniel Udochi, the Risk Officer, leads the Risk Function at EITC. He is a risk management professional with over 20 years of experience, at both country and region levels within the ME and Africa regions. His experience spans across the technology governance, risk, compliance, privacy, BCM, ethics and audit management. He holds a MBA from the University of Cumbria (UK) and several certifications in the GRC space. He is responsible for driving an enterprise-wide culture of risk-informed decision-making that will improve the likelihood of achieving our organisational goals. The role has a direct reporting line to the Audit Committee and operational report to the Chief Strategy and Corporate Affairs Officer.

EITC continued to enhance and strengthen the risk management by:

- Effective Implementation of Risk Management policy and related procedures across EITC.

- Establishment of the baseline for the governance around processes across EITC.
- Driving Divisional Risk Councils to establish and embed 'Risk and Compliance' governance at the operational level within the business.
- Continuous scanning and reporting to Board on the risk horizons around the business objectives with focus on the impact due to the Covid-19 pandemic.
- Embedded transformation risk management at the strategic level across EITC.
- Enhanced the risk reporting structure in line with the new SCA regulations.

These initiatives allow a focused management, discussion and oversight of each business unit's risk and provide real-time partnership and support to our first line.

EITC Compliance Framework

The EITC Compliance framework, approved by the Board, provides effective oversight and monitoring of the key compliance requirements. It embeds a strong compliance culture across EITC, (in terms of adherence to the applicable laws, regulations, statutory requirements, resolutions, associated policies and procedures, and rules of business) using an appropriate 'tone at the top' and through an effective coordination with all the internal and external stakeholders.

EITC continued to enhance and strengthen the compliance and ethics management by:

- Conducting continuous and ongoing monitoring of the external compliance requirements and proactively highlighting the non-compliances through various compliance activities.
- Initiating the Mystery shopping project across the EITC retail stores (both du and Virgin Mobile stores) by formulating a mystery shopping checklist, based on the applicable regulations.
- Initiating company-wide COBC&E policy sign-off and assessment, across all levels, to promote ethics oriented culture and embedding 'integrity' in decision making process across the company, in line with EITC's vision and mission.
- Formulating Procedures for Policies embedded in the Code of Business Conduct and Ethics document defining the working methodology, roles and responsibilities and SLA's to assist in successful implementation of COBC&E.
- Successfully collating the active policies and procedures across EITC to provide a holistic and 360-degree visibility of the active documents, policies and procedures within the Company.

9.2 Name and qualifications of the Internal Audit Department Head and Compliance Officer:

Internal Audit Department is headed by Mr. Rashid Al Sheikh, who was appointed by the Board on 14 December 2016 as the Chief Audit Executive. It is noteworthy that Mr. Al Sheikh also assumes the role as Compliance Officer starting from December 2021. He has over 21 years of experience in the area of financial operations including accounting, internal audit, finance and banking. He holds a Master's Degree in Accounting from the University of Miami in the United States. He is a certified auditor by the UAE Ministry of Economy and also registered in the UAE's courts as an arbitrator, court-appointed receiver, expert juror, financial expert and an official liquidator. As Head of Internal Audit Department, he is responsible for managing and monitoring Internal Audit. He is responsible for the completion of the annual audit plan to

provide assurance on the overall control governance of the Company.

9.4 How the Internal Audit Management addresses serious issues:

The Internal Audit Department performs several audits and ad-hoc assignments and carries out investigations on issues as assigned through various functions including technical, financial and operational audits, as well as forensic/whistle blow, compliance and QA/GRC, which accordingly provide the management with effective recommendations and reporting on the follow up and resolution for each identified issues to the Audit Committee. However, there are no significant issue noted during 2021 to be disclosed in the annual financial statements.

9.5 Number of reports issued by the Internal Audit Department to the Board:

Internal Audit Department has issued 3 reports to the Audit Committee indicating the critical/high observations noted during 2021 and also shared the audit plan for 2022. In addition, the periodic audit plan update, forensic cases and State Audit reports were issued to the Audit Committee indicating the observations raised by the State Audit Institution and the Company's responses.

10. Details of violations committed during 2021

During 2021, EITC received 8 violations from Telecommunications and Digital Government Regulatory Authority of the UAE ("TDRA") as follows:

- Two violations were related to the regulatory policy requirements "Registration requirements of mobile consumer" (RRMC). EITC has put in place a Governance Framework with a set of policies and processes as well as control mechanisms with empowered employees responsible for the execution of the control mechanisms, to ensure the implementation and adherence to the RRMC Regulatory Policy and the special instructions being sent by TDRA from time to time.
- Other violations include:

Regulation name	Number of violations
Mobile Number Portability Instructions	2
Mobile Spam Policy	2
Mobile Telecommunication Apparatus Anti-theft Regulation	1
Regulatory Policy and Procedure (Price Control).	1

For the above six violations received, EITC has provided an adequate justification to the regulator and taken necessary action to comply with the requirements. The Compliance function worked with various business units within EITC on these violations and conducted a detailed compliance review, identified gaps and suggested preventive actions. The company is in the process of incorporating the necessary preventive checks and validations to address the issues noted.

11. Statement of contributions made by the Company during 2021 in the development of the community and the preservation of the environment

EITC continues to add life to life for its customers, its people, and its communities by investing in various telecommunication services as well as in social projects. During 2021, the community safety, the well-being, and the development were among our topmost priorities. EITC announced a new strategic approach to ensure the digital well-being of specific segments of the UAE community. In line with the telco's enduring purpose to build a sustainable and responsible business by connecting and enhancing lives, the coming two years will see the Company work closely with two key groups – the children and people of determination across the country. As such, we signed a long-term partnership with UNICEF to protect children online. Additionally, a series of programmes have been delivered that offer comprehensive education about how to use the internet safely.

EITC trained its retail staff to better serve people of determination, and also set up an IT educational classroom at a center designed to cater to them. During the year, the Company conducted a thorough waste audit and assessment which will enable us to significantly reduce our environmental impact. EITC was also recognised for its inspiring commitment to uphold operational excellence and received the "Seamless Workplace Award" for 2020 at the GCC GOV HR Awards 2021.

In 2022, EITC's sustainability strategy will continue to focus on initiatives that contribute to well-being and safety for our customers and colleagues. EITC also aims to make a positive impact in our society and on the environment by using innovation and technology for good, and to strengthen its commitment towards the UN Sustainable Development Goals. For more details, please refer to EITC's sustainability report.

During 2021, EITC contributed AED 1,505,287 supporting a range of social initiatives and campaigns.

12. General Information

12.1 Statement of the Company's share price in the market during 2021:

Month	Highest price	Lowest price	Closing price
January 2021	6.710	5.690	6.6
February 2021	6.880	6.250	6.83
March 2021	7.220	6.730	7
April 2021	7.090	6.500	6.53
May 2021	6.780	6.460	6.63
June 2021	7.000	6.620	6.88
July 2021	6.870	6.600	6.65
August 2021	6.800	6.530	6.63
September 2021	7.000	6.570	6.62
October 2021	6.730	6.120	6.17
November 2021	6.580	5.900	6.08
December 2021	7.280	6.090	6.62

12.2 Performance of the Company's shares in 2021 compared with the general market index and sector index:

Month	Financial market's general Index	The Company's shares	Telecom sector index
January 2021	2654.06	6.6	1114.03
February 2021	2551.54	6.83	1152.86
March 2021	2550.23	7	1181.55
April 2021	2605.38	6.53	1102.22
May 2021	2797.52	6.63	1119.1
June 2021	2810.56	6.88	1161.3
July 2021	2765.71	6.65	1122.47
August 2021	2902.97	6.63	1119.09
September 2021	2845.49	6.62	1117.41
October 2021	2864.21	6.17	1041.45
November 2021	3072.91	6.08	1026.26
December 2021	3195.91	6.62	1117.41

12.3 Statement of the shareholders' ownership distribution as on 31 December 2021:

Investor/Shareholder	Type of customer	Number of investors	Percentage
UAE	Government	5	0.1882
	Banks	7	0.5634
	Companies	123	86.3553
	Individuals	93,226	12.0739
	Sole Proprietors	2	0.0005
	Market Maker	1	0.0004
GCC countries	Companies	11	0.0314
	Individuals	156	0.2599
	Government	-	-
Arabs	Companies	2	0.0003
	Individuals	442	0.2515
	Government	-	-
Other nationalities	Banks	1	0.0042
	Companies	39	0.0974
	Individuals	470	0.1736

12.4 Statement of shareholders owning 5% or more of the Company's capital as on 31 December 2021:

Name	Number of owned shares	Percentage of owned shares
Emirates Investment Authority	2,271,728,899	50.116%
Emirates Communications and Technologies Company LLC	892,804,378	19.696%
Mamoura Diversified Global Holding PJSC (formerly Mubadala Development Company PJSC)	456,112,112	10.062%

12.5 Statement of the distribution of shareholders according to the size of the equity as on 31 December 2021:

Share (s) ownership	Number of shareholders	Number of owned shares	Percentage of owned shares
Less than 50,000	93,442	113,203,347	2.497
Between 50,000 and 500,000	819	125,590,306	2.771
Between 500,000 and 5,000,000	192	260,444,850	5.746
More than 5,000,000	32	4,033,667,486	88.986
Total	94,485	4,532,905,989	100.000

12.6 Investor/Shareholder Relations:

EITC established a mechanism relating to the way the investor relations are being handled by forming a dedicated team headed by the Chief Financial Officer specific to investor relations matters, which clarifies the financial position and performance of EITC, as well as another dedicated team headed by the Company Secretary specific to shareholder relations to respond to EITC's shareholders' queries relating to dividends, board proposals and shareholder resolutions.

Throughout the year, the Company organised press and call conferences with local, regional, and international investors and analysts to update our shareholders on the relevant developments. As such, EITC's senior management was in frequent and direct contact with the journalists, investors and analysts to provide input and context regarding the Company's financial position. Every quarter, the Company held analysts calls and where relevant, press conferences to communicate its quarterly and annual results, after disclosing them to the DFM. During these meetings, the senior management provided a clear overview of EITC's financial performance through presentations and Q&A sessions. We also held several analyst and investor calls and meetings to discuss, in detail, the financial and strategic position of the Company. The quarterly and annual analysts presentations are uploaded on the Company's website.

EITC assigned the task of shareholder relations to the Company Secretary to enable the shareholders to fully exercise their rights to attend, vote and discuss the topics contained in EITC's General Assembly agenda, as well as to receive annual and interim dividends and respond to their queries. As directed by the SCA, the Company continued to remind its shareholders to collect their uncollected cash dividends for the period upto 2015 and also provided SCA with the relevant reports.

EITC developed a website specifically for investor relations, which is periodically and regularly updated and contains the following:

- The annual and periodic financial statements as well as the annual reports.
- A number of mechanisms for stakeholders to submit their queries, comments and opinions.
- All reports related to financial results and all presentations with their dates.
- The General Assembly meeting minutes.
- The information about our Company's share price along with the quarterly and annual dividends.
- The corporate governance reports.

- The ownership structure and ratios.
- The formation of the EITC Board, Committees and Company's structure.
- The details of the approved dividends and dividend policy.

EITC has an allocated electronic application for smartphones (EITC IR) that enables shareholders to track the performance of EITC's shares, the distribution of dividends and all disclosures relating to financial and non-financial statements.

To view the investor relations website, please visit the following link
<https://www.du.ae/about-us/investor-relations>

For investor inquiries or information about EITC's stock, financial reports or a related item, please email on :
Investor.Relations@du.ae

For all queries relating to shareholders' matters such as the dividends, board proposals, shareholder resolutions, please contact the Company Secretary at the below contact details:
 Email: shareholder.relations@du.ae; and Telephone Number: +971-4-5686000.

12.7 Special Resolutions passed by the General Assembly in the year 2021:

At the Annual General Assembly of EITC held on Thursday, 25 March 2021, one special resolution was passed to ratify the voluntary contributions made to the community by EITC until 2020. Additionally, AED 3,700,000 was approved by the shareholders as a voluntary contribution to the community to be made in 2021.

12.8 Company Secretary:

Ali Al Ali acts as the Company Secretary of EITC since 2020. He is also the Chairperson of the Insiders Committee of EITC.

He holds an LLM-International Business Law from Universite Pantheon-Assas (Paris II), a Bachelor's degree in Law and Economy from Al Jazeera University in Dubai and a Bac +3 in Legal and Commercial translation (French – English- Arabic) from Universite de Toulouse (III) "le Mirail" in France. He has also received a Board Secretary certification from Hawkamah, the Institute of Corporate Governance. He has more than 17 years of experience in the fields of governance and shareholders' affairs. Prior to joining EITC in 2010, he had held several positions at Dubai Real Estate Corporation and TECOM Group.

The Company Secretary, independent from the Company's management, performs his tasks and functions in accordance with the SCA Corporate Governance Procedures and as directed by the Board.

12.9 Statement of the major events and important disclosures that took place in 2021:

- Limit to own shares of EITC increased to 100% for the UAE nationals and to 49% for non-UAE nationals.
- Announcement of the financial results along with the integrated report for 2020.
- Annual general assembly held virtually/ remotely at which shareholders approved the dividend distribution of AED 0.28 per share for 2020 and also approved the reconstitution of the Board of Directors of EITC for its sixth term.
- Appointment of Ms. Hassa Abdulrazzaq Balouma and Mr. Atish Shashinath Gude as directors of EITC to replace Mr. Khaled Mohamed Balama and Mr. Mohamed Saif AlSuwaidi.

- Election of Mr. Mohamed Hadi AlHussaini as Chair of EITC for the sixth term of the Board (effective on 25 March 2021).
- Election of Ms. Sara Awadh Musallam as the Vice Chair of EITC effective on 25 March 2021.
- Availing of the long-term financing equivalent to AED 3,769 million for general corporate purposes and to support the Company's future infrastructure deployment.
- Confirmation of Mr. Fahad AlHassawi as Chief Executive Officer of EITC.
- Payment of AED 0.10 per share for the first half of the year 2021 as an interim dividend (in accordance with the Dividend Policy).
- Appointment of Mr. Abdulla Khalifa Belhoul to replace Mr. Mohamed Hadi AlHussaini effective on 6 October 2021.
- Election of Mr. Malek Sultan Al Malek as the new Chairman effective on 6 October 2021.
- Monthly announcements to the shareholders to collect unclaimed cash dividends for the period prior to 1 March 2015 (in accordance with SCA directives).
- Announced quarterly financial results after the end of each quarter along with the relevant press statements.

12.10 Statement of transactions which were equal to or more than 5% of EITC's share capital:

During the year, the Company did not make any single transaction with any related party which is equal to 5% or more of the Company's capital.

12.11 Statement of Emiratisation percentage:

The Board sought to acquire young and motivated Emirati talents and this has contributed to achieving the Emiratisation targets in the National Agenda for the UAE Vision 2021. This is achieved taking into consideration modern sciences in the field of innovation and communication technology which the young national cadre is equipped with, ensuring an adequate training and a suitable climate are in place to build future leaders.

In 2021, we managed to achieve 40% Emiratisation against a target of 38.5%. The Emirati attrition rate has been maintained at 6.9%. The targets were achieved by:

- Proactively ear-marking roles for the UAE Nationals
- Hiring fresh graduates into permanent roles
- Introducing the Emiratisation KPI for all CxO BSC
- Opening part-time opportunities for a certain demographic of the UAE Nationals

EITC also managed to integrate the governmental mandates into its processes which aided in the alignment to the 160 job roles/families mandate. EITC has also ensured adherence to MOHRE & TDRA directives in regards to any changes affecting the UAE nationals.

The Emiratisation percentage in the Company from 2018 – 2021 is as follows:

Year	Emiratization percentage
2018	34%
2019	35.9%
2020	37%
2021	40.2%

12.12 Statement of innovative projects and initiatives carried out or being developed during 2021 by EITC:

Showcasing solutions to empower UAE's government entities:

At GITEX Technology Week 2021, under the theme "5G in the Public Sector – The Future of Hyperconnected Government Services," EITC introduced new 5G innovations that empower key government entities in their respective digital transformation journeys and improve national infrastructure, including those that enable humanity, empower people, build better communities and support the National Agenda and other strategic roadmaps such as UAE Digital Government Strategy 2025. GITEX 2021 enabled EITC to present its vision for a hyper-connected smart community implementation and act as a force multiplier for other new and innovative technologies. Alongside 5G, Artificial Intelligence (AI), multi-access edge computing, and cloud computing also form part of our strategy for overhauling public services provision.

Enabling small businesses in the UAE to grow their business

In 2021, EITC launched a new Business Starter Plan for specific enterprise customers across the UAE. This all-in-one solution will ensure that small businesses can capitalise on a host of simultaneous benefits such as seamless data connections with free landline calls, a quick and easy setup, and greater cost-efficiency. This service aligns with the UAE's vision for advancing the national economy, driving for a sustainable development with the small enterprises and unlocking an economic potential. Ensuring a business-friendly environment for every incumbent is a National Agenda imperative, and our Business Starter plan will uphold this mandate by facilitating smart services, support, transparency, and innovation.

Major milestone achievement as our 5G network becomes the fastest in UAE

EITC recorded a significant milestone in our 5G rollout strategy as our 5G network became the fastest in UAE. This achievement is the result of our efforts to drive the 5G agenda in recent times, with huge investments allocated to develop the 5G network, enhance performance and efficiency, and ensure customers avail the very best communication services. 5G is fundamental for enhancing the telecommunications sector and raising the country's global competitiveness with sustainable infrastructure advancements and a world-class connectivity for all topmost priorities.

Signature of Board Chairman	Signature of Audit Committee Chair	Signature of Nomination and Remuneration Committee Chair	Signature of Head of Internal Audit Department
			
Malek Sultan Al Malek	Sara Awadh Musallam	Khaled Abdulla Alqubaisi	Rashid El Sheikh
Date:	Date:	Date:	Date:



15
Years

Emirates Integrated Telecommunications Company PJSC

