



Better Lives

Lasting Connections



ANNUAL REPORT 2024



His Highness Sheikh
Meshal Al-Ahmad Al-Jaber Al-Sabah
The Amir of Kuwait



His Highness Sheikh
Sabah Khaled Al-Hamad AL-Sabah
Crown Prince of the State of Kuwait

REVENUE

\$6.4b

+3% YOY

EBITDA

\$2.25b

+2% YOY
NORMALIZED GROWTH

NET INCOME

\$677m

+15% YOY
NORMALIZED GROWTH

CAPEX

\$1.1b

+7% YOY
17% OF REVENUE

49m

ACTIVE CUSTOMERS

\$2.4b

DATA REVENUE 38% OF GROUP'S REVENUE

\$513m

FREE CASH FLOW

5G TECHNOLOGY

IN KUWAIT, KSA. BAHRAIN & JORDAN

36.1

PETABYTE
AVERAGE DAILY DATA VOLUME

2.2x

NET DEBT / EBITDA

48

FILS
EPS

35 Fils

DPS & MINIMUM CASH DIVIDEND POLICY UNTIL 2028

73%

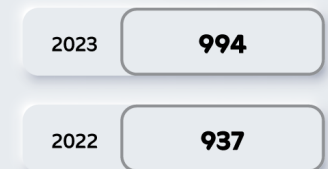
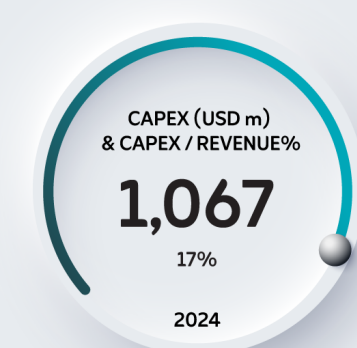
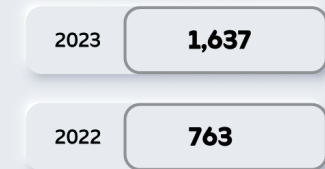
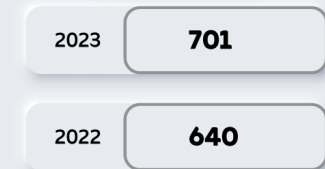
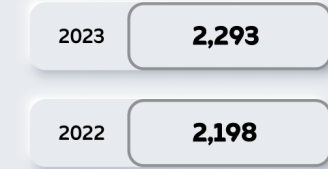
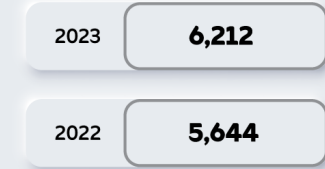
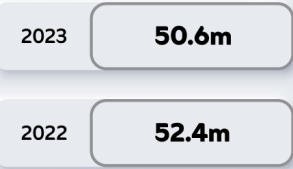
PAYOUT RATIO

64

NATIONALITIES

28%

FEMALE EMPLOYEES



S&P Global
Ratings

54/100
Above Industry Average

MSCI

BBB
Within Industry Average



FTSE4Good
ESG Indicators

4/5
Above Industry Average

CONTENT

STRATEGIC REVIEW

6	BOD Message
8	Year In Review
9	Key Milestones
10	Vice Chairman & Group CEO Statement
13	Our Shareholders
14	Strategy
26	ZainTECH
27	ZOI
28	Technology
30	Regulatory
35	Risk Management
37	The Zain Brand
38	Diversity Equity & Inclusion
40	Corporate Sustainability

	Introduction	48
	Board of Directors	51
	Board Committees	53
	Members of the Board & the Executive Management	58
	Remuneration Report	67
	Integrity of Financial Reporting	68
	Risk Management and Internal Audit	69
	Code of Conduct & Ethical Standards	72
	Disclosure and Transparency	74
	Shareholders' Rights	76
	Stakeholders' Rights	77
	Performance Management	80
	Corporate Sustainability	81

GOVERNANCE

FINANCIAL STATEMENTS

86	Independent Auditor's Report
89	Consolidated Statement of Financial Position
89	Consolidated Statement of Profit or Loss
90	Consolidated Statement of Other Comprehensive Income
90	Consolidated Statement of Changes in Equity
91	Consolidated Statement of Cash Flows
92	Consolidated Financial Statements

STRATEGIC REVIEW

BOARD OF DIRECTORS STATEMENT

On behalf of my fellow members of the Board of Directors, I am pleased to welcome you to the annual General Assembly, in which we review Zain Group's operations and the results of the company's subsidiaries for the financial year ending December 31, 2024.

Artificial intelligence (AI) is proving transformational to the modern way of life, driving the unprecedented integration and growth of modern technologies. Investing in AI and the Internet of Things (IoT) has become fundamental for achieving efficiency, flexibility and growth in a connected world, to ensure continuity and remain competitive.

In this context, data has become a strategic asset that rivals traditional infrastructure in importance. This radical shift has prompted organizations to re-evaluate their strategies, focusing on data management and governance as an essential part of their plans. Growth factors are no longer confined to the traditional supply and demand framework but have expanded to include the ability to adapt to technological and regulatory changes, by adopting an innovative approach to creativity.

Digital Infrastructure

Zain invests heavily and efficiently in implementing ICT solutions to drive business growth and has adapted its operational model to deal with the economic, social, and security challenges associated with geopolitical developments.

Over the past year, Zain has reaffirmed its regional position as an innovative ICT technologies and digital lifestyle provider, playing a major role in shaping digital economies in markets across the Middle East and Africa. The company's focus has been on enhancing financial inclusion, developing advanced fintech solutions, digital services and building data infrastructure centers. Zain has also focused on catering to meet the growing demand for cloud services, cybersecurity, and emerging technologies to empower enterprises and government entities that provide the region's markets with a solid foundation for this digital economy.

Introducing the '4WARD-Progress with Purpose' strategy

To remain one step ahead of this changing landscape, in December 2024, and five years after the implementation of 4SIGHT, Zain unveiled its new '4WARD-Progress with Purpose' corporate strategy to accelerate the company's evolution into a purpose-driven TechCo conglomerate providing 'Better Lives and Lasting Connections.'

4WARD is focused on continuity, acceleration, collaboration and digital innovation in 2025 and beyond. The strategy was formulated internally and builds on the significant momentum and transformational accomplishments achieved under 4SIGHT.

4WARD comprises four primary forces, each with three accelerators (thus 12 key accelerators) to meet the ever-growing demand for superior and dynamic consumer and enterprise services. These four forces, Customer Delight; Digital Zain; Purpose and Action; and Collaborative Growth will focus on continuity, acceleration, collaboration, ESG, and digital innovation, all designed to foster value creation by fast-tracking Zain's evolution from a predominantly mobile centric operator into a purpose driven, customer-centric, future-proof, and impactful leading regional TechCo.

The Board is confident that 4WARD will provide the necessary impetus for Zain's continued relevance and impact on shaping societies.

A year of Growth and Stability

2024 was a defining year from the perspective of growing the business and increasing shareholder value despite socio-economic challenges (primarily Sudan) across the company's footprint. The implementation of numerous ESG initiatives as well as the acceleration of digital transformation and revenue growth from new business verticals have future-proofed Zain and prepared it for the next phase of growth.

For the full-year 2024, Zain Group generated a 15-year-high consolidated revenue of KD 2 billion (USD 6.4 billion), up 3% year-on-year (YoY). Consolidated EBITDA for the period reached KD 689 million (USD 2.25 billion), with normalized EBITDA growth of 2% (excluding number range claim in 2023), reflecting an EBITDA margin of 35%.

Consolidated net income reached KD 208 million (USD 677 million), representing normalized net income growth of 15%, when adjusted for number range claim and tower transaction gain in 2023, and gain on business combination from acquisition of IHS (Kuwait TowerCo) in 2024. This net income performance exceeded the 2024 guidance provided to the investor community.

Earnings per share amounted to 48 fils (USD 0.16) and customers served reached 49 million.

These robust results are due to the successful implementation of the 4SIGHT strategy that has positioned Zain among the top 15 global telecom entities in creating shareholder value over the last five years. The focus on operational efficiency and significant investments in 4G and 5G network upgrades, which saw the Group invest 17% of its revenues in 2024 (USD1.1 billion) in CAPEX, have been particularly impactful. As have digital transformation in better serving customers, the transactions related to passive tower infrastructure, targeting new enterprises and government clients, and the efforts in accelerating the growth of various lucrative business verticals, which have all been instrumental in achieving the impressive results in 2024.

Operations in key markets of Kuwait, Saudi Arabia (KSA), Iraq, Jordan, and Bahrain delivered strong performances on multiple financial KPIs, while Zain's overall B2B sector revenues increased by 8%, in addition to the significant increase in revenues from fintech and digital services.

Board H2 2024 dividend recommendation

Considering these positive developments, the Board of Directors of Zain Group recommended a cash dividend of 25 fils per share for the second half of 2024. This dividend follows the semi-annual dividend of 10 fils distributed in Q4 2024, totaling 35 fils per share for the year, which is in line with the Board's previously committed minimum cash dividend policy of 35 fils in total, for three years that commenced in 2023 and ends in 2025.

The total cash dividends for this year will amount to KWD 151.4 million (USD 492 million), reflecting a 73% payout ratio, one of the highest among listed entities in the region. Notably, the Boston Consulting Group ranked Zain Group among the top 15 companies in achieving returns on shareholders' equity in the telecommunications sector worldwide. Furthermore, the Board also recommended distributing a bonus to Board Members for the fiscal year ending December 31, 2024, totaling KWD 540,641 (subject to the approval of the General Assembly).

Additionally, the Board made another recommendation to renew the minimum annual cash dividend policy of 35 fils in total, for the forthcoming three years commencing in 2026, subject to Annual General Assembly and statutory approvals.

Building on successes

Zain Group is proactively implementing flexible initiatives to take advantage of the growth opportunities presented by modern technologies, as the Group aims to prepare its operations for the next phase of sustainable growth.

ZainTECH's revenue growth of 103% YoY in 2024, and acquisition of several strategic entities in recent years in cooperation with B2B teams across our operations, is driving solid enterprise revenue growth Group-wide.

Zain's fintech arm continues to grow, with strong revenue and customer expansion across entities in KSA (Tamam), Iraq, Jordan, (ZainCash) and most recently, Bahrain under the BEDE brand. BEDE will also be rolled out in Kuwait and Sudan. In 2024, revenue from fintech activities amounted to USD 176 million, up 19% YoY, with transaction value growing 13% to total USD 12.4 billion.

Zain's strategic ambitions in passive infrastructure were bolstered by the acquisition of the remaining 70% stake in IHS (Kuwait TowerCo), an independent licensed tower company that owns 1,675 sites, and manages approximately 700 additional sites in Kuwait. This transaction complemented the strategic agreement with Ooredoo to create the largest tower entity in the region. The aim of Zain's sustainable and independent operating model is to provide passive infrastructure as a service, supporting the reduction of MENA's carbon footprint and empowering the region's digital future.

Zain Omantel International (ZOI) has similarly been successful in concluding agreements with more than 20 international submarine cable operators, and developed a cable network of 120,000 kilometers that has positioned the wholesale entity as the highest-ranked carrier network in the region, making the top 100 worldwide.

During 2024, Zain also focused on further innovation of its digital ecosystems, piloting the first API Marketplace in the region, powered by the API platform, Dizlee, a bold initiative that places Zain at the forefront of providing unique digital services. The API Marketplace is set to act as a hub for partnerships across multiple industries, with an initial focus on telecom platform solutions as a service.

With respect to e-gaming, particularly esports, Zain has invested heavily in network upgrades in recent years, as gaming is one of the most important commercial use cases for 5G and fiber optics (FTTH) technologies. As such, Zain is a market leader in the regional esports and gaming community.

Brand strength

The Board and management are delighted by Brand Finance's recent valuation of the Zain brand at USD 3.5 billion, up 14.5% from USD 3 billion in 2023, as well as Zain enhancing its AAA- brand strength rating. This is a testament to the investment the company has placed in establishing its name and identity over the past 18 years.

Sustainability

The company's Corporate Sustainability mission is to provide meaningful connectivity leading to equitable systemic change and empower Zain's communities. The Board is deeply committed to overseeing and guiding the sustainability strategy including climate-related transition of the company.

This responsibility extends to monitoring the implementation of our environmental policies, ensuring the integration of climate action goals to achieve net-zero by 2050, and fostering alignment with global ESG (Environmental, Social, and Governance) standards. The Board ensures that Zain is not only mitigating the risks posed by climate change but also capitalizing on risks and opportunities of sustainability.

In addition, the Board, its committees, and individual members undergo an annual evaluation process. This evaluation covers various areas that impact the Board's effectiveness, including its oversight of ESG standards, the value it adds to the company, and its ability to achieve Zain's broader strategic objectives. The assessment ensures that the Board is consistently aligned with the company's long-term goals and is continuously improving its performance in driving responsible and sustainable business practices.

It was a great achievement for the company's ambitious net-zero targets receiving official approval from the Science Based Targets initiative (SBTi). This approval marks a significant step in Zain's commitment to combat climate change and positions the company as the only Kuwaiti-based corporate to have its emission reduction targets verified by the SBTi.

It also follows last year's ranking whereby Zain maintained its region-leading carbon emission disclosure CDP score of A- for third straight year, positioning the company as the highest ranked and only telecom operator in the Middle East and Africa to achieve this high rating.

The Board's oversight is instrumental in ensuring Zain's progress towards achieving net-zero and that these initiatives contribute to long-term value creation for shareholders, customers, and stakeholders alike.

Diversity, Equity, and Inclusion

Zain is proud to be among the first telecom providers in the region to have established an Inclusion, Diversity, and Equity department, as an indicator of how seriously the company takes the subject of uplifting our entire workforce and benefiting society. The remit of this function is to nurture an IDE culture, and through a series of carefully crafted programs and initiatives, we are witnessing a changing culture and collaboration within the company. Zain has always believed that its people are the company's greatest single differentiator, and as such we take pride in our ongoing efforts to support and empower our employees.

2024 witnessed Zain attaining several prestigious awards related to IDE initiatives, namely from the prestigious global Merit Awards for its IDE University that was established in cooperation with Spain's IE University, to graduate 2,000+ of Zain's talented people in digital transformation.

Investing in Human Resources

Zain Group works tirelessly to spread a corporate culture that encourages a healthier environment and relies on directing work strategies to enhance employee growth and innovation, develop skills in digital transformation initiatives, stimulate the spirit of cooperation and teamwork, with an emphasis of working responsibly. These efforts have resulted in the Group being included more than once in the global list of "Best Employers" issued by Forbes business magazine and most recently winning Fast

Company Middle East Awards 2024, for being the "Most Innovative Workplace" for Zain's groupwide HR policies and Inclusion, Diversity and Equity (IDE) program.

Governance

Zain Group is committed to implementing a solid framework model for corporate governance, with an emphasis on enhancing its comprehensive governance environment. In this context, Zain was crowned World Finance's 'Best Corporate Governance' recipient 2024 for Kuwait for the fourth consecutive year. This excellence was further highlighted by Zain's recent upgrade to BBB in the recently issued Environmental, Social and Governance Standards Index (MSCI ESG).

Zain Group's ESG practices are consistently rated highly by S&P, MSCI, and FTSE rating agencies. ESG practices are critical for stakeholders as they reflect the Group's commitment to sustainability, and long-term, responsible management.

Conclusion

On behalf of Zain Group Board Members, executive management, and employees, I would like to express our combined sincere appreciation for the confidence shown in us by our valued customers and shareholders, as well as by all the government ministries, and regulatory authorities across our markets of operation.

Further, we would like to offer our deepest appreciation to His Highness the Amir of Kuwait, Sheikh Meshaal Al-Ahmad Al-Jaber Al-Sabah, and to the esteemed members of the government for their continued support of Kuwait's national organizations.

Board of Directors



YEAR IN REVIEW

Jan

- Zain named 'Best Telecom' and 'Best Corporate Governance' company in Kuwait by International Finance Magazine
- Launch of ZainTECH in Bahrain, the integrated digital solutions provider of Zain Group

March

- ZainTECH Awarded Microsoft Azure Expert Managed Service Provider (MSP) Status
- ZainTECH and CoreStack to Accelerate Cloud Adoption across the region

May

- Zain publishes 13th annual sustainability report, titled "A Pathway to Value Creation"

Jul

- Zain Esports partners Riot Games MEA to launch 'League of Legends ME Servers' to enhance the gaming experience
- Zain Bahrain completed the fiber backhaul asset transfer deal with BNET which is designed to support mobile network operations and promote equitable access to infrastructure

Sept

- Zain Iraq partners with Nokia to modernize network to enhance customer experience
- Zain Named Title Partner of Arabian Gulf Cup for the Second Consecutive Edition, Strengthening Regional Unity with 'Khaleeji Zain 26' in Kuwait
- A regional first: Zain Group partners with 'Be My Eyes' to provide accessibility assistance to people who are blind or have low vision
- Zain awarded 'Best Corporate Governance in Kuwait' accolade from World Finance for milestone fourth consecutive year
- Zain Iraq Unveils the All-New "KAFOO" Line, Featuring Innovative Services, Free Social Media and Multiplier Credit that fulfill the needs of Iraqi Customers

Nov

- Zain Group enters agreement to acquire remaining 70% of IHS Kuwait Limited.
- Zain's Inclusion, Diversity & Equity University recognized as 'Best People Development' program at MERIT Summit Awards
- Zain partnering with Huawei to develop an end-to-end green target network supporting its 2050 Net Zero aspirations, reducing Carbon Emissions and Mitigating Climate Change Impacts
- Zain ranked as a regional Leader in the Global Child Forum's 'The State of Children's Rights and Business 2024' Benchmark
- Zain Group's ground-breaking efforts in ICT, Fintech and Digital Services earn three awards at the SAMENA Council endorsed MEA Business Achievement Awards
- ZainTECH Collaborates with Red Hat to Drive Infrastructure Modernization for Enhanced Agility and Scalability across the Middle East
- ZainTECH and Tencent collaborate to introduce advanced Digital Twin applications regionally

2024

Feb

- Zain maintains region-leading carbon emission disclosure CDP score of A- for third straight year
- Zain's 'Generation Z' 2024 graduate program kicks off with a focus on supercharging leadership skills
- Zain launches "Bede" in Bahrain: An innovative fintech app offering instant Islamic personal finance solutions

Jun

- Zain Omantel International (ZOI) joins One Consortium' to reduce Fraud and Enhance Trust in International Voice and Messaging

April

- Zain launches internal transformation program, 'UNITY', to infuse Purpose and Customer Experience into company's DNA

Oct

- TAMAM partners with ZainTECH, FICO and LEAN to drive AI-Powered Innovation in Saudi Arabia's Fintech Sector
- ZainTECH and Urbi Forge Strategic Partnership to Drive Geospatial Innovation across the MENA Region
- ZainTECH partners with UL Solutions on Smart Building Assessment, becomes the first regional ICT entity to achieve SPIRE™ Qualified Company certification
- ZainTECH Partners with HTC VIVE to Drive XR Innovation Across the Middle East and Africa with VIVERSE for Business
- ZainTECH and DATANUUM enter strategic partnership to elevate Customer Data Enrichment, Engagement & Retention

Aug

- Tamam secured an exclusive partnership with Samsung to launch the region's first embedded finance solutions in Saudi Arabia by 2025, expanding affordability and financial access for underserved segments.
- Jordan's Zain Innovation Campus (ZINC) celebrated its 10th anniversary as one of Jordan's leading incubators and accelerators, with 8 branches across the governorates.

Dec

- Zain Esports racks up another year of success, impressive growth in gamers, viewers and social media fans. Zain Esports has attracted around 70,000 participants and garnered over 160 million social media impressions regionally.
- Zain unveils new '4WARD' corporate strategy to accelerate company's evolution into a purpose-driven TechCo conglomerate.
- ZainTECH and Oracle Partner to Drive Digital Transformation and Cloud Services across the MENA region.
- Zain Group and ZainTECH scoop three awards at Fast Company Middle East Innovation Awards 2024.

KEY MILESTONES

2024

- Unveiled '4WARD-Progress with Purpose' strategy to accelerate company's evolution into a TechCo
- Acquired the remaining 70% stake of IHS (Kuwait TowerCo) in Kuwait

2023

- Zain celebrates its 40th Anniversary
- Landmark deal with Ooredoo and TASC to create the largest Tower Company in the region with 30,000 towers
- Zain Iraq finalizes the sale and leaseback of 4,968 towers to TASC Towers Iraq for USD 180 million
- Establishment of Zain Omantel International (ZOI) revolutionizing the international wholesale carrier sector
- Launch of commercial 5G services in Jordan
- Zain maintained its A- score in 'CDP Score Report – Climate Change 2023'

2022

- Zain KSA approved sale of its 8,069 tower infrastructure for SAR 3 billion to PIF
- Zain maintained its A- score in 'CDP Score Report – Climate Change 2022'
- Zain Jordan granted 5G license for 25-year and extended 2G, 3G & 4G spectrum licenses extension for 10-year

2021

- Zain Jordan completes the sale and leaseback of it towers for \$88 million
- Launch of 4G services in Zain Iraq & Zain South Sudan
- Establishment of ZainTECH, the Group's integrated digital solutions ICT provider
- Zain KSA's "Tamam" receives first consumer micro-financing license in region
- Zain attained A- score in 'CDP Score Report – Climate Change 2021', ranking it first in region and among leaders globally

2020

- Launch of commercial 5G services in Bahrain
- Regional first, Zain Kuwait successfully completes the sale and leaseback of its 1,620 towers for \$130m
- Zain Iraq 2G+3G license extension and grant of technology-neutral 4G license for 8 years
- Zain KSA successfully completes SAR 4.5 billion capital restructuring and right issue
- Zain handed back the management of Touch Lebanon to Lebanon's telecom ministry

2019

- Introduced '4SIGHT' corporate strategy
- Regional first, launch of commercial 5G services in Kuwait and Saudi Arabia

2018

- Zain Saudi Arabia becomes a subsidiary of Zain Group due to step-up acquisition in Q3-2018

2017

- Zain sells 425.7m treasury shares representing 9.84% of its capital to Omantel for \$846.1m
- Omantel acquired additional 12.1% of Zain shares to take holding to 21.9%

2016

- Zain Sudan launched 4G LTE high speed technology
- Zain KSA mobile operating license extended for additional 15 years
- Zain KSA granted Unification telecommunication license

2015

- Listed Zain Iraq on Iraq Stock Exchange

2014

- Listed Zain Bahrain on Bahrain Bourse

2013

- Zain celebrates its 30th Anniversary

2012

- Zain KSA raised \$1.6 billion in rights issue and Group increased stake in the operation to 37%
- Increased stake in Zain Iraq to 76%

2011

- Separated operations between Sudan and South Sudan

2010

- Divested mobile operations in 15 African countries (excluding Sudan) to Bharti Airtel for \$10.7 billion

2009

- Invested in 15.5% of Moroccan operator Inwi through a JV investment

2008

- Merged MTC Atheer and Iraqna, and rebranded to Zain
- Rebranded from Celtel to Zain in all African operations
- Commenced operations in KSA
- Commenced operations in Ghana

2007

- Won bid for 3rd GSM license in KSA for USD 6.1 billion
- Rebranded to Zain in four Middle East markets
- Acquired a 15-year nationwide license in Iraq
- Acquired 75% of Westel Ghana (rebranded to Celtel)
- Acquired Iraqna in Iraq

2006

- Acquired the remaining 61% of Mobitel in Sudan
- Acquired 65% of V-mobile in Nigeria (rebranded to Celtel)

2005

- Acquired Celtel in 13 African nations for USD 3.4 billion
- Acquired Madacom in Madagascar (rebranded to Celtel)

2004

- Awarded management agreement in Lebanon

2003

- Acquired Fastlink in Jordan
- Awarded 2nd GSM license in Bahrain
- Awarded GSM license in Iraq

1983

- Established Mobile Telecommunications Company (MTC) in Kuwait



STATEMENT FROM THE VICE-CHAIRMAN & GROUP CEO

As a leading entity listed on Kuwait's Premier market as well as having local listings in Saudi Arabia (KSA), Iraq, and Bahrain, Zain has an unwavering commitment to drive profitable and sustainable growth, and create value for all stakeholders.

To achieve this, the Board and executive management have worked closely to overcome socio-economic challenges in our markets, where we maximize value creation by investing heavily in our networks, technologies, and people. We have succeeded in implementing future-focused strategies to drive forward the evolution of digital ecosystems across the Group's footprint, resulting in us extending our market leadership in many highly competitive, evolving, and complex markets.

2024 witnessed the ongoing implementation of our 4SIGHT digital transformation strategy that delivered significant milestones and solid performances across all our markets, driving sustainable growth and value to our customers and stakeholders.

In December 2024, we unveiled the '4WARD-Progress with Purpose' corporate strategy to accelerate the company's evolution into a purpose-driven TechCo conglomerate providing 'Better Lives and Lasting Connections'. The strategy was formulated internally and builds on the significant momentum and transformational accomplishments achieved under the previous 4SIGHT corporate strategy.

4WARD comprises four primary forces, each with three accelerators (thus 12 key accelerators in total) to meet the ever-growing demand for superior and dynamic consumer and enterprise services. These four forces - Customer Delight; Digital Zain; Purpose and Action; and Collaborative Growth - will focus on continuity, acceleration, collaboration and digital innovation, all designed to foster value creation by fast-tracking Zain's evolution from a predominantly mobile centric operator into a purpose driven, customer-centric, future-proof, and impactful leading regional TechCo.

We are confident that 4WARD will provide the necessary impetus for Zain's continued evolution, growth, relevance, and impact on shaping societies and drive the Zain brand value to even greater heights.



Strong financial performance in 2024 resulted in revenues reaching 15-year high and a cash dividend of 35 fils, reflecting an attractive payout ratio of 73%

For the full-year 2024, Zain Group generated consolidated revenue of KD 2 billion (USD 6.4 billion), up 3% YoY. Consolidated EBITDA for the period reached KD 689 million (USD 2.25 billion), with normalized EBITDA growth of 2% (excluding number range claim in 2023), reflecting an EBITDA margin of 35%. Consolidated net income reached KD 208 million (USD 677 million), representing normalized net income growth of 15% when adjusted for number range claim and the tower transaction gain in 2023, as well as the gain on business combination from the acquisition of IHS (Kuwait TowerCo) in 2024. Earnings per share amounted to 48 fils (USD 0.16).

The Board of Directors of Zain Group recommended a cash dividend of 25 fils per share for the second half of 2024. This dividend follows the semi-annual dividend of 10 fils distributed in Q4 2024, totaling 35 fils per share for the year and reflecting a 73% payout ratio, one of the highest among listed entities in the region. This dividend payout is in line with the Board's previously committed minimum cash dividend policy of 35 fils in total, for three years that commenced in 2023 and ends in 2025.

Furthermore, the Board made another recommendation to extend the minimum annual cash dividend policy of 35 fils in total, for the forthcoming three years commencing in 2026, subject to the AGM approval. This policy provides a clear indication of the strength of our financial solvency as we methodically grow the business.

- 2024 revenue reached 15-year high of KD 2 billion (USD 6.4bn)
- 2024 net income exceeded guidance given to the investor community
- Consecutive cash dividend of 35 fils reflects an attractive 73% payout ratio
- Board recommends the renewal of the dividend distribution policy of a minimum 35 fils per share for three years commencing in 2026
- Zain among top 15 telcos in creating shareholder value in the last five years
- Unveiling of new '4WARD' corporate strategy to accelerate company's evolution to a TechCo
- Management focused on digital transformation, innovation, and operational efficiency
- Investing heavily in technology, 5G upgrades and network expansion
- Regulatory and Corporate Governance initiatives driving value for shareholders
- Strong revenue growth in Enterprise space powered by ZainTECH and local B2B teams
- ZOI revenues soared, highest-ranked network in the region and top 100 worldwide
- Fruitful monetization initiatives in Fintech and digital VAS entertainment services
- Sustainability, Inclusion, Diversity and Equity programs impact communities and staff
- MSCI upgrades Zain ESG's rating to 'BBB'
- Zain brand valuation up 14.5% YoY, reaches a milestone of USD 3.5 billion

CAPEX investments in network expansion and cutting-edge technologies is driving revenue growth and improving mobile and data experience for customers

During the year, Zain enhanced its operational capabilities significantly through substantial capital expenditure (CAPEX) amounting to USD 1.1 billion (reflecting 17% of revenues), which primarily focused on expanding the company's 4G and 5G networks, as well as enhancing fiber-to-the-home (FTTH) infrastructure.

This has driven revenue growth in profitable areas such as our Enterprise and Government businesses, as well as in our digital services to consumer offerings across our footprint.

Our state-of-the-art networks are empowering the spectacular growth of all the new business verticals, including Fintech, ZainTECH, ZOI, FOO and Dizlee, generating additional revenue of USD 253 million in 2024, which reflects revenue growth of 130% YoY. Consolidated data revenue reached USD 2.44 billion, representing 38% of the Group's 2024 revenue.

The main impact of our CAPEX investment is the massive enhancement that it provides mobile and data experience for individuals, businesses and government clientele.

Numerous achievements of the 4SIGHT strategy (2019-2024) have future-proofed Zain

This solid 2024 performance can be attributed to the successful implementation of the '4SIGHT' corporate strategy that was born in 2019 and concluded in December 2024, achieving its aim to transform the company into a multi-faceted provider of digital services for consumers, governments, and businesses. 4SIGHT was based on two strategic directions, centered on evolving Zain's core telecom business to maximize value and leverage the company's many strengths to invest in selected high-growth verticals beyond standard mobile services.

Since then, 4SIGHT has successfully steered Zain's transformation from being a mobile-centric company to a multi-faceted organization, successfully transforming its fixed and mobile services, and expanding into several new business verticals including ICT, Digital Mobile Operations, Fintech, Entertainment, Digital Infrastructure, Subsea and Cross-Border Connectivity, and more.

Landmark achievements concluded under 4SIGHT among many others include:

- 1. ZainTECH:** The establishment of Zain Group's regional ICT and Digital Solutions arm was established in 2021, positioning Zain as a key player in the digital transformation of enterprises and governments across the region. In 2024, ZainTECH's revenue growth of 103% YoY, and acquisition of several strategic entities in recent years in cooperation with B2B teams across our operations, is driving solid enterprise revenue growth Group-wide. This trajectory, bolstered by multiple partnerships with leading global solution providers, has made Zain the connectivity and enterprise partner of choice for enterprises and government bodies across the region. We have ambitious targets on the potential of this line of business and will dedicate the resources to ensure its continued success.
- 2. Fintech:** Zain launched fintech offerings across several markets, gaining strong market traction with Tamam, a microfinance play in KSA, Bookey in Kuwait, and Bede in Bahrain, and the revamping of Zain Cash to become a market leader in Jordan and Iraq. Throughout 2024, fintech services witnessed impressive growth with a volume of 96 million transactions valued at USD 12.4 billion triggering fintech revenue growth of 19% YoY for Zain.
- 3. TowerCo strategy:** This created enormous value through the sale and leaseback deal of Zain towers in KSA, Jordan, and Iraq over the years. The landmark merger of the tower portfolios of Zain and Ooredoo will create the largest TowerCo in the region with over 30,000 towers. In December 2024, Zain increased its 30% ownership in IHS Kuwait Limited to 100%.

4. Zain Omantel International (ZOI): In partnership with Omantel, Zain established ZOI, a regional wholesale powerhouse serving operators, international carriers, and hyperscalers. ZOI enhances synergies by optimizing companies' wholesale infrastructure, reducing costs, and providing state-of-the-art, low-latency, high-capacity services across the MENA region. ZOI revenues soared 455% YoY and notably, was the highest-ranked carrier network in the region, and top 100 worldwide, out of 70,000 active networks. This achievement reconfirms ZOI's ambition to revolutionize the wholesale telecommunications sector by offering a unique proposition that combines the strengths of both Zain and Omantel to deliver unparalleled service and support to customers worldwide. Customers are benefiting from quality internet connectivity, voice, roaming, messaging, and more. We will continue to foster this fast-growing and lucrative business.

5. Digital Operators: In KSA, under the Yaqoot brand, in Iraq under the oodi brand, and in Kuwait in partnership with RedBull Mobile, we have cumulatively witnessed impressive customer and revenue growth. By delivering a market-leading app-based experience targeting a younger audience, we provide digital-grade platforms to digitize customer journeys to streamline processes.

6. Dizlee: Zain's Group-wide dynamic API platform and digital monetization ecosystem offers innovative entertainment and gaming solutions, direct operator billing, messaging, and digital authentication. By exposing its APIs through the Dizlee platform, Zain removes a significant barrier to the development of profitable digital partnerships from across the globe, enhancing the time-to-market rollout of appealing entertainment and gaming services to our customers. Currently, Dizlee has partnership agreements with 44 global OTT and solutions providers offering 220 different digital innovations and having processed 200+ million payment transactions since launch in mid-2018.

The multiple digital transformational initiatives and expansion of new business verticals achieved under 4SIGHT has driven business growth and positioned Zain firmly as a leading provider of innovative ICT and digital lifestyle services, delivering meaningful connectivity that empowers societies.

Zain is playing a key role in supporting and accelerating the national digital transformation agendas of several GCC economies

A key aim of all regional economies is to transform their respective countries into world-class financial, technology and commercial hubs by investing in digital infrastructure, educating its youth and increasing employment, promoting innovation, and creating digital ecosystems that support startups and entrepreneurs.

Zain's activities across our footprint are aligned to achieve this end. Our 4SIGHT corporate strategy combined with huge investments in 5G upgrades and network expansions (USD 1.1 billion in 2024 alone), alongside multiple purposeful Sustainability initiatives have resulted in significant digital transformation and rollout of new services empowering individuals, enterprises, and government bodies.

This will be further accelerated through the recently implemented 4WARD corporate strategy, that will drive the company's evolution into a purpose-driven TechCo conglomerate powered by four forces and twelve accelerators. The investment in people, collaboration, and acceleration of new business verticals will empower Zain to capitalize on new and lucrative market opportunities in ICT, Fintech, Venture Capital, Digital Services, Esports, Towers, and Wholesale business areas. These have been the main drivers of Zain's success and resilience in recent years, and at the same time support the socio-economic growth and visions of the communities in the markets we have the honor to serve.

Regulatory initiatives and Corporate Governance compliance critical for all stakeholders

In recent years, Zain has made significant progress in institutionalizing regulatory compliance, by instituting a robust program across the Group that underscores its commitment to governance and regulatory excellence. The Regulatory Compliance Program (RCP) has now been successfully implemented in Zain operations in Bahrain, Kuwait, and Iraq. Furthermore, the Program is now being rolled out in Sudan, KSA, Jordan, and South Sudan, further strengthening our regulatory frameworks and operational efficiency.

The importance of the RCP cannot be overstated given the transformative trends of the telecommunications industry that are driven by digitalization and emerging technologies. Companies have been investing heavily in AI-powered tools to optimize operations, enhance customer experiences, and improve network reliability, all the while prioritizing robust cybersecurity measures to protect sensitive data from ever-evolving threats. Digital transformation remains a critical focus, enabling telecom companies to bridge traditional practices with advanced technologies and meet the demands of a hyper-connected world.

It is critical for Zain to be adaptive in responding to such complex changes as the future growth of the digital economy depends on developments across multiple industries, technologies, and sectors.

The ESG rating upgrade to BBB by Morgan Stanley Capital International (MSCI) reaffirms Zain’s commitment to sustainability, corporate governance, and ethical leadership that is value creative for all stakeholders.

Zain’s Sustainability and climate change efforts are leading the region

Zain maintains an unwavering commitment to integrating climate action into its corporate sustainability strategy, which was first announced in 2020, paving the way for a resilient, low-carbon future while addressing the pressing environmental challenges facing the Middle East and North Africa (MENA) region.

Awareness of the challenges posed by climate change in the MENA region has grown exponentially in recent years. Addressing climate change requires the consideration of societal vulnerabilities and governance challenges, which involves an inclusive approach that integrates resource management, infrastructure investment, transparency, and collaboration.

Building on the foundation of its five-year corporate sustainability strategy, Zain made significant progress in 2024, as it marked a pivotal step in the company’s journey toward establishing long-term sustainable value for all stakeholders by accelerating its climate action agenda. Zain submitted and received approval on its Net-Zero targets from the Science-Based Targets initiative (SBTi), reflecting the company’s dedication to a Net-Zero economy and making Zain the only Kuwaiti-based corporate to have its emission reduction targets verified by the SBTi.

A distinct milestone for 2024 saw Zain maintain its leadership position of A- score in the 'CDP Score Report – Climate Change' for the third year in a row. This grade, first attained in 2021, positioned Zain as the highest ranked and only telecom operator in the Middle East and Africa to achieve this high rating.

Zain’s commitment to transparently reporting its environmental performance by disclosing to CDP, ensures accountability and ongoing improvement. Investments in renewable energy sources were expanded across the company’s operations, energy efficiency programs were implemented across facilities, and water risk assessments were conducted to prioritize water security. The company is also taking steps to protect biodiversity by integrating ecosystem preservation initiatives, including efforts to reduce habitat disruption and promote conservation practices across its operational sites.

Title partnership for the 26th Arabian Gulf Cup- ‘Khaleeji Zain 26’ reflects Zain’s corporate values

In 2024, we confirmed our partnership with the 26th Arabian Gulf Cup, for the second consecutive edition, following the success of the event in Iraq, which Zain also partnered in. Zain dedicated its resources and national capabilities to ensuring the success of this major regional tournament, putting Kuwait firmly on the regional soccer map. Our fruitful collaboration with the Arabian Gulf Cup Football Federation saw us jointly organize a series of events and contributions throughout the tournament to deliver a memorable championship that saw over 400,000 seated fans attend as well as millions of views on TV. The tournament also garnered over 114 million social media impressions befitting Kuwait’s sports legacy.

Notably, this was the most widely distributed tournament in the history of the Gulf Cup, reaching 168 territories worldwide, more than doubling the tournament’s reach in the previous edition that recorded 77 territories in 2023. The final football match of the tournament was held at a full capacity Jaber Al-Ahmad International Stadium and watched by millions of fans from across the globe under the esteemed patronage of His Highness the Amir of Kuwait Sheikh Mishal Al-Ahmad Al-Jaber Al-Sabah, with the attendance of His Highness the Crown Prince Sheikh Sabah Khaled Al-Hamad Al-Sabah, and His Highness the Prime Minister Sheikh Ahmad Al-Abdullah Al-Sabah.

The powerful and admired Zain brand is a key aspect of the company’s success

Our efforts in every aspect of the business resulted in a 14.5% YoY increase of Zain’s brand valued to USD 3.5 billion (according to the BrandFinance 2025 rankings), ranking it among the top 25 strongest telecom brands and top 40 most valuable telecom brands globally. The continual growth in our brand valuation and rankings some 18 years after the initial Zain brand launch in September 2007 is testament to the passionate actions, services, and investment the company has placed in establishing its name and identity.

The innovative media campaigns, numerous corporate sustainability, inclusion, diversity, and equity (IDE) initiatives Zain has instituted over the years have won us the hearts and minds of our customers and employees, which are key drivers for the Zain brand’s value success.

Today, we serve 49 million customers across our eight-country footprint, with a social media following exceeding 35 million, and annually, we count over 200 million YouTube views of our creative videos, with many of them going viral.

These brand rankings reaffirm our unyielding efforts in upskilling our 8,000 talented workforce through our comprehensive Sustainability, Inclusion, Diversity and Equity (IDE) programs, which combined with vast investments in network upgrades and cutting-edge technologies, are unleashing innovation across our footprint and beyond.

Through the rollout of dynamic digital ICT services and a focus on exceptional customer experience at every touch point of the Zain ecosystem, we empower the individuals, businesses, and governments we serve to enhance their livelihoods, increase their digital footprint, and streamline their operations for greater success. This approach has made Zain one of the most inspirational and recognized corporate brands in the region and internationally.

In recognition of the late Eng. Sultan Al-Deghaither, CEO of Zain KSA [1982 - 2024]

In August 2024, we mourned the loss of our dear brother and colleague, the late Engineer Sultan bin Abdulaziz Al-Deghaither, CEO of Zain KSA, who suddenly passed away. He will forever hold a place in all our hearts, and we wholeheartedly acknowledge his remarkable achievements and invaluable contribution to Zain KSA over the years, where he rose from being one of the first employees of the operator to become its CEO, taking the operation and its people to new heights.

During his tenure as CEO, he made a profound impact in a remarkably short period, leaving behind a legacy of innovation, resilience, and excellence that continues to guide the company to this day.

Among his many achievements include implementing a strategic transformation plan that turned around the company into achieving historical levels of profitability and paying dividends. Moreover, he placed Zain KSA and the Kingdom on the global 5G map with the launch of the 3rd largest 5G network in world and largest in the Middle East, pushing boundaries and offering the Kingdom’s community state-of-the-art high-speed connectivity accompanied by dynamic digital solutions and services.

May his soul rest in peace.

Thank you note

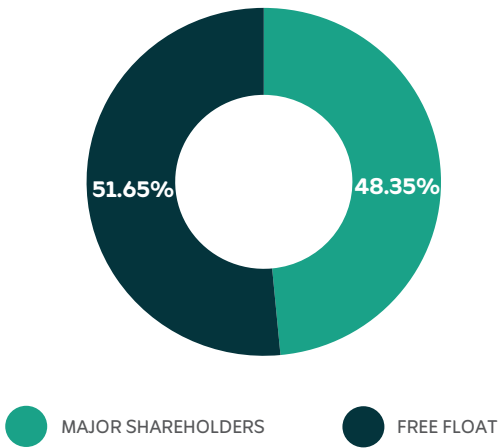
On behalf of the executive management team, I would like to extend my sincere thanks to the talented 8,000-strong Zain workforce, our 49 million individual customers and other corporate clientele and government bodies, all of whom contribute to the Zain ecosystem and our success in providing meaningful connectivity to the communities we serve.

Our focus for 2025 will be on executing our ‘4WARD-Progress with Purpose’ corporate strategy, accelerating our evolution to a TechCo through ongoing investment in network expansion, digital technologies, strategic business opportunities, and talent, in a collaborative manner, to ensure the company reaps the rewards of being at the forefront of digital transformation in the ever-growing mobile and ICT sector.

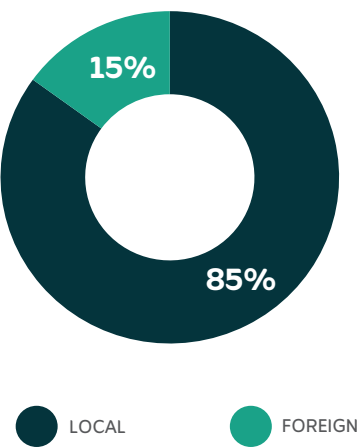
Bader Nasser Al-Kharafi
Vice-Chairman & Group CEO

OUR SHAREHOLDERS

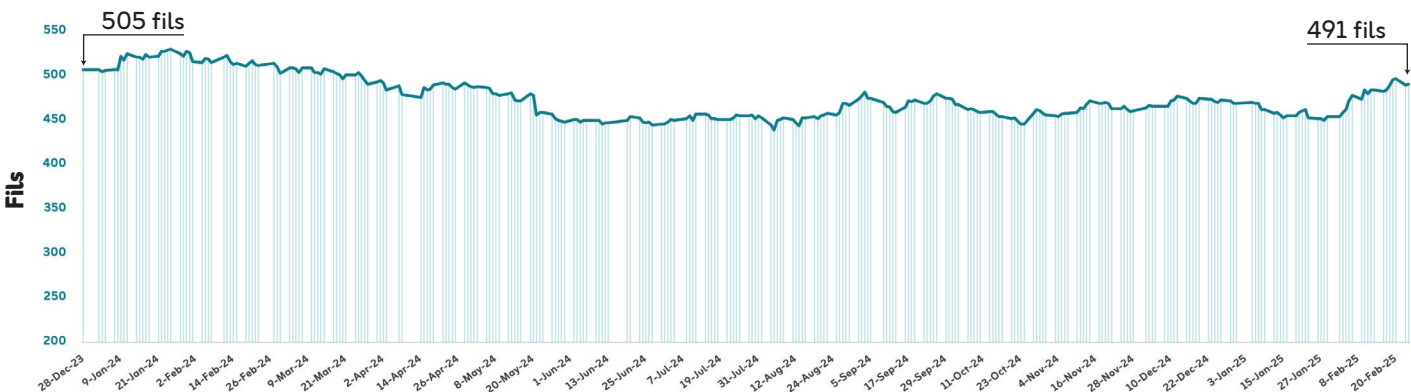
Overall Shareholding



Local vs Foreign Shareholders



Share price performance



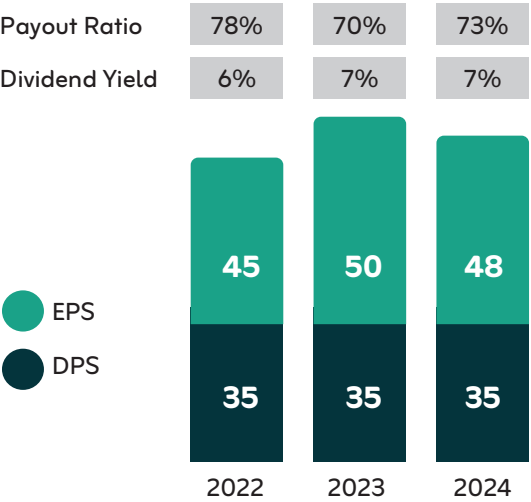
Major Shareholders



Zain Share Details

Close (KWD) 31 Dec 2024	0.469	
52 Week	0.530 HIGH	0.439 LOW
Average Daily Volume (Shares)	3.2 Million	
Number of Shares	4,327,058,909	
Market Cap. (KWD Billion)	2.2 Billion	

Dividend History



Dividend Policy Extension :

The Board has recommended renewing the minimum annual cash dividend policy of 35 fils per share for an additional three years (2026-2028).

For more information, access our IR app by scanning the QR code



STRATEGY

From 4SIGHT to 4WARD: Accelerating the company's evolution to TechCo

As a leading entity listed on Kuwait's Premier market as well as having local listings in KSA, Iraq and Bahrain, Zain has an unwavering commitment to drive profitable sustainable growth and create value for all stakeholders. To achieve this, the Board and executive management implement future-focused strategies to push forward the evolution of digital ecosystems across its footprint.

4SIGHT



Zain's **4SIGHT** corporate strategy was born in 2019, achieving its aim over the past five years of transforming the company into a multi-faceted provider of digital services for consumers, governments, and businesses. 4SIGHT was based on two strategic directions, Evolution of Telco and Growth Verticals, with four underlying pillars each.

In December 2024, the company's leadership unveiled its new '**4WARD**' corporate strategy to accelerate the company's evolution into a purpose-driven TechCo conglomerate.

4SIGHT: Paved the Way for Transformation:

- In 2019, Zain introduced its 4SIGHT strategy, centered on evolving Zain's core telecom business to maximize value and leverage the company's many strengths to invest in selected high-growth verticals beyond standard mobile services.
- 4SIGHT was born from Zain Group's vision to create a digital and sustainable future and become a leading ICT and digital provider.
- Since then, 4SIGHT has successfully steered Zain's transformation from a mobile-centric company to a multi-faceted organization.
- The landmark achievements concluded under 4SIGHT:

zain TECH

- a. ZAINTECH: Launched Zain Group's regional ICT and Digital Solutions arm was established in 2021 positioning it as a key player in digital transformation for enterprises and governments across the region. ZainTECH has grown substantially organically and through the strategic acquisitions of BIOS Middle East, STS Arabia, and other ICT entities.

zain FINTECH

- b. FINTECH: Zain launched fintech offerings across several markets, gaining strong market traction with Tamam in Saudi Arabia (KSA), Bookey in Kuwait, and Bede in Bahrain, and the revamping of Zain Cash in Jordan and Iraq.



- c. TASC TOWERS HOLDING: Completed the sale and leaseback deal of Zain towers in Jordan and Iraq with TASC Tower and signed the landmark merger of Zain's and Ooredoo's tower portfolios to enhance TASC's position as the largest TowerCo in the MENA region. Moreover, in December 2024, Zain increased its 30% ownership of IHS Kuwait Limited to 100%, at an equity value for the remaining 70% stake of US\$134 million.



- d. ZAIN OMANTEL INTERNATIONAL (ZOI): In partnership with Omantel, Zain established ZOI, a regional wholesale powerhouse serving operators, international carriers, and hyperscalers. ZOI enhances synergies by optimizing companies' wholesale infrastructure, reducing costs, and providing state-of-the-art, low-latency, high-capacity services across the MENA region.

EVOLUTION OF TELCO

1. On Digital Transformation: Several initiatives showcase Zain's commitment to innovation, ensuring it remains at the forefront of technological advancements to better serve customers.

- **DIGITAL TRANSFORMATION STRATEGY:** A Group-wide framework guiding the digital transformation of Zain operating companies.
- **DATA GOVERNANCE AND STRATEGY:** A company-wide program coupled with a complete revamp of Zain's Data Architecture.
- **HARMONIZING TECHNOLOGY USE:** Enhancing Business Support Systems (BSS), Operations Support Systems (OSS), Service Orchestration, and eSIM platforms.
- **GROUP CONNECTIVITY MANAGEMENT PLATFORM:** Empowering businesses with greater control through a self-service platform for the machine-to-machine (M2M) and internet of things (IoT) businesses across operations.

2. Government and Enterprise: Zain actively collaborates with governments and enterprises to deliver essential, innovative connectivity solutions. B2B revenues have exponentially increased over the past five years, significantly increasing the business' contribution to the Group's total revenue.

3. Fixed and Convergence: Zain navigated regulatory challenges and adopted informed market strategies to expand fixed offerings, enhancing service delivery through fiber-to-the-home (FTTH) and fixed wireless access (FWA) offerings.

4. Portfolio Optimization: Zain remains proactive in portfolio management, evaluating investment and divestment opportunities.

- In KSA, completed the sale of its 8,069 passive tower infrastructure to PIF, which enhanced Zain KSA's capital optimization by significantly lowering leverage.
- Partnered with Omantel to establish ZOI, expanding regional influence and becoming a regional leader in international connectivity.
- Zain Ventures manages a technology investment portfolio worth over \$100 million with landmark investments in strategic entities and venture capital funds.

GROWTH VERTICALS

1. Information and Communication Technology ("ICT"): Launched at the end of 2021, ZainTECH has rapidly emerged as a leading regional ICT provider, delivering end-to-end digital transformation solutions to enterprises and governments across the region. To enhance its competitive edge and expand capabilities in cloud, cybersecurity, and digital services, ZainTECH has made several high-profile strategic acquisitions, including BIOS, Adfolks, and STS. These acquisitions have significantly strengthened ZainTECH's position as a trusted partner for digital transformation, amplifying synergies between ZainTECH and Zain B2B teams to better serve enterprise and government customers with cutting-edge solutions.

2. Digital Infrastructure & TowerCo: Zain's continued expansion in digital infrastructure includes:

- **TASC Towers:** Fully operational in Jordan and Iraq following the divestment of two major tower portfolios.
- **Ooredoo TowerCo Merger:** In December 2023, Zain secured a landmark deal with Ooredoo Group to merge towerCo operations across six countries, and create the new TASC, MENA's largest towerCo player.
- **IHS Kuwait:** In December 2024, Zain completed the acquisition of 100% of IHS Kuwait, the Kuwait based towerCo with the intention to contribute it to the new TASC.



3. Fintech

In 2024, Zain expanded its fintech operations and services, contributing to the evolution of the region’s digital ecosystem and financial inclusion. The operations delivered record results in Saudi Arabia (KSA), Jordan, and Iraq, along with FOO, a subsidiary of Zain Group specialized in the fintech development sector, with its regional expansion. Zain has launched Bede, its new fintech masterbrand in Bahrain, and is planning to expand the brand to Kuwait and Sudan in 2025.

Kuwait

- Bookeey expanded its positioning in payment acceptance for SMEs
- Building Bookeey’s product and service portfolio to cater to a wider audience, enhancing financial solutions for a variety of end-users through strategic partnerships with banks and Zain Kuwait, fostering innovation

KSA

- A record year for Tamam with its Murabaha micro-financing for customers within minutes
- One of the fastest growing fintech companies in the region
- Launched ‘device financing’ services with Zain KSA and Yaqoot

Iraq

- Zain Cash Iraq expanded its market leadership, providing financial services to the unbanked
- New services were introduced such as an international remittance service with Western Union and virtual cards with MasterCard, enabling online shopping in Iraq
- Onboarding security measures were enhanced with the introduction of 3D face ID authentication for money transfer

Jordan

- A record year for Zain Cash in Jordan, strengthening its market leadership
- A new revamped mobile app was launched elevating customer experience and journeys
- Unlocked new possibilities for corporate and small, medium enterprises (SMEs)

Bahrain

- Bede, Zain Fintech’s brand was launched in February 2024
- Offering microfinancing services
- Performance in the 2nd half of the year boosted by widespread advertising campaign

Sudan

- Bede is preparing for launch in Q1 2025
- At launch, Bede will offer the following services (money in, money out, payment, local transfer). Additional services to be introduced later during the year

South Sudan

- Enhanced the partnership agreement with m-Gurush to collaborate in providing innovative financial products and services to Zain customers

zain FINTECH



Bede



4. Digital Services

Zain Ventures

Zain Ventures spearheads Zain’s investment portfolio, with the aim of diversifying the company’s reach and leveraging future investment opportunities. Zain expanded its relationship with regional and international venture capital funds and continued to diversify its portfolio through direct investments. This approach has provided the companies that have been invested in access to Zain’s wide geographical reach and extensive customer base.

Key investments in Zain Ventures’ portfolio include:

Direct Investments:

- **X.ai:** An artificial intelligence (AI) company founded by Elon Musk in March 2023 with the mission to "understand the true nature of the universe" by developing AI technologies that accelerate human scientific discovery
- **Revolut:** A leading British fintech company that offers banking services including GBP and EUR bank accounts, debit cards, fee-free currency exchange, equities, and cryptocurrency trading, as well as peer-to-peer payments
- **Articul8:** Spun off from Intel Corp, Articul8 is a fully managed GenAI platform for enterprises to unlock their business value with their custom multimodal datasets without the need to hire large development and data science teams, while maintaining privacy inside the company’s secure perimeter
- **Intelmatix:** A Saudi-based AI software company providing AI-powered modular data analytics and Decision Intelligence solutions for SMEs and enterprises
- **Cohere:** A Canadian multinational technology company focused on AI for enterprises, specializing in large language models.

Indirect Investments (Funds):

- **Valor:** Valor Fund is managed by Valor Equity Partners, an operational growth investment firm focused on high-growth technology companies across different industries and stages of development
- **Kadmos Capital I:** Kadmos is a London-based investment firm dedicated to finding deeptech companies and impactful technologies in Europe and backing them early on
- **BECO Capital III:** BECO Capital Fund III is an early-stage venture capital fund focusing on technology start-ups
- **MEVP (Funds II & III):** A MENA-centric fund targeting early-stage technologies in new media, e-commerce, and enterprise software as a service (SaaS)

zain VENTURES



Valor



MEVF II
MEVF III

Zain esports

- **AWARD-WINNING NETWORK:** Zain received three prestigious accolades from Ookla Speedtest, including Best 5G Fixed Network, Best Fixed Network, and Best 5G Video Streaming.

Zain esports supported a variety of local activations in partnership with the Zain operating companies:

BAHRAIN:

- The first National eQualifiers in partnership with the National esports Federation of Bahrain
- Partnerships with several universities related to Zain University League tournaments
- Numerous activations occurred at the Zain esports Lab

JORDAN:

- Partnership with the First Jordan Gaming and Esports Summit
- Toyota Gazoo MENA Cup (strategic partnership)
- Main sponsor for the Jordanian Esports Federation

IRAQ:

- Esports Education and Training Seminar
- Participated in the Esports World Cup 2024 Tekken 8 in Riyadh, KSA
- ITEX esports Championships Fintech Exhibition Iraq



zain ESPORTS



‘4WARD’- NEW STRATEGY UNVEILED



4WARD-Progress with Purpose

Building on the strong foundations of 4SIGHT, Zain is accelerating its transformation with 4WARD, a strategy designed to unlock Zain’s full potential as a customer-centric, future-proof, and purpose-driven tech conglomerate.

Launched in December 2024, Zain is keeping pace with the rapid shifts shaping the digital world and approaches them with an evolutionary mindset and pragmatic aspirations. At the heart of this transition is the company’s commitment to ‘Progress with Purpose’—ensuring that Zain’s growth fuels long-term value for its customers, communities, and the environment.

4WARD: Accelerating Zain’s Transformation

The 4WARD strategy is being implemented through the following four key dynamics, each designed to drive Zain forward in value creation and unleash the full potential of the new Zain. Within these four driving forces, Zain’s corporate strategy will be propelled by 12 accelerators:

‘4WARD’- PROGRESS WITH PURPOSE



ZAIN KUWAIT

The Group’s flagship, Mobile Telecommunications Company (Zain), was founded in Kuwait in 1983, becoming the first telecom operator to launch a commercial GSM service in the region in 1994. Listed on the Boursa Kuwait in 1985 and now on its Premier market, incorporating all the Group’s operations and assets across all markets, Zain Group’s market capitalization stood at USD 7 billion (at a share price of 469 fils) as of December 31, 2024.

Zain Kuwait maintained its market leadership position in 2024, achieving strong financial and operational growth despite intense market dynamics. As the leading telecom operator in Kuwait, Zain captured 38% of the revenue market share reinforcing its dominance with a customer base reaching 2.6 million.

For 2024, Zain Kuwait’s revenue grew 4% YoY to KD 373 million (USD 1.2 billion), while EBITDA increased 6% to KD 139 million (USD 454 million), reflecting a 37% EBITDA margin. Net income surged 37% YoY to KD 110 million (USD 358 million), driven by an USD 80 million transaction gain from the step-up acquisition of IHS (Kuwait TowerCo) in Q4 2024. Data revenue also played a key role, contributing 35% of total revenue, highlighting the continued shift towards digital and high-value services.

In 2024, Zain Kuwait invested USD 126 million in CAPEX to enhance its 5G mobile and broadband services, improve indoor 5G coverage, and strengthen its digital infrastructure. With a superior nationwide network, Zain Kuwait secured the largest 5G customer and revenue market share in the country.

The operator was recognized by the prestigious World Finance ‘Best Corporate Governance Award 2024’ in Kuwait for the fourth consecutive year, a testament to the company’s commitment to transparency and ethical business practices.

In July 2024, the company secured an Electronic Money Services license from the Central Bank of Kuwait, facilitating its financial services expansion that will include the launch of Bede, Zain's master fintech brand that plans to rollout out appealing fintech services in 2025. This milestone further solidifies Zain’s position

as a key player in Kuwait’s evolving fintech landscape, enhancing financial inclusion and customer convenience.

Looking ahead, the operator remains committed to sustainable growth and long-term value creation for shareholders, while continuously delivering innovative solutions and exceptional customer experiences.

Commercial and technological highlights:

- Zain Kuwait established a Digital Factory, an operational model to centralize and accelerate the creation and managing of appealing digital products and services for customers. This initiative will see its success stories rolled out across other Zain operations.
- Transitioning to a next-generation digital experience platform its Zain Kuwait eCommerce platform by implementing a major upgrade and enhancing operational efficiency and customer experience, while ensuring scalability for future growth.
- Zain Great Idea Website Revamp: Enhanced usability, branding, and engagement with a modern design, interactive features, and a streamlined registration process for entrepreneurs.
- Zain Plus Performance Zain Plus is attracting more customers, with a 13% increase in users. Additionally, each customer is taking more devices, and total installment values per customer are growing, highlighting the program's strong value proposition
- Maintained #1 position in Kuwait with 8 Ookla awards across 5G, fixed, and mobile technologies, recognized as the 3rd fastest mobile network in the world.
- Launched a fully redesigned app, attracting 700K new users with transformative features like automated payments, personalized offers, seamless e-commerce, and reimagined user journeys to elevate the digital experience.
- Sponsoring KHALEEJI Zain delivered significant brand impact as the main sponsor by creating immersive fan experiences, providing seamless connectivity, and distributing eSIMs, while setting a regional benchmark for brand engagement and operational excellence.

KUWAIT

1983

YEAR OF LAUNCH

\$23

ARPU

100%

OWNERSHIP

33%

MARKET SHARE

37%

EBITDA MARGIN

35%

DATA REVENUE

\$126m

CAPEX

179%

MARKET PENETRATION

5G

TECHNOLOGY

2.6 m

CUSTOMERS

6,553^{TB}

Average Daily Data Volume

Operational & Financial Performance	2024	2023	Growth
Customers (000s)	2,626	2,706	-3%
ARPU (USD)	23	24	-
Revenue (USD m)	1,217	1,173	4%
EBITDA (USD m)	454	428 *	6%
EBITDA %	37%	37%	-
Net Profit (USD m)	358	262 *	37%
CAPEX (USD m)	126	151	-16%

* Excluding number range claim in 2023

ZAIN KSA

Zain KSA launched commercial operations in the Kingdom on August 26, 2008, a year after it was awarded its mobile license. Zain Group holds a 37% equity stake in the operation, while the remaining shareholding is held by a Saudi consortium that owns 21%, and 42% is free floating on the Tadawul Stock Exchange (ZAIN KSA, 7030). The company's market capitalization stood at approximately USD 2.45 billion as of December 31, 2024, reflecting a share price of SAR 10.26.

In August 2024, the CEO of Zain KSA, the late Engineer Sultan Al-Deghaither passed away. During his tenure as CEO, he made a profound impact in a remarkably short period, leaving behind a legacy of innovation, resilience, and excellence that continues to guide the company to this day.

Zain KSA reported an all-time high revenue of SAR 10.4 billion (USD 2.8bn), compared to SAR 9.9 billion (USD 2.6bn) in 2023, reflecting a 5% growth. EBITDA reached SAR 3.3 billion (USD 886m), a 12% growth YoY. The company reported net profit of SAR 596 million (USD 159m) for 2024 compared to SAR 1,267 million in 2023, which then included one-off gain of SAR 1.1 billion from sale of 8069 towers recognized during 2023. Adjusting this one-off gain, normalized net-profit grew 354%.

With its dynamic 5G network covering 66 cities, data revenue for the year grew 5%, representing 40% of total revenue, while customers served stood at 9.3 million, up 4% YoY.

With the sustained upward financial and operational performance, for the third consecutive year, Zain KSA's Board of Directors recommended to distribute cash dividends of SAR 0.5 per share (5%) to shareholders for 2024.

The financial results highlight Zain KSA's operational strategy, focusing on providing the best user experience for individuals and businesses over a powerful 5G network – one of the most advanced in the region – positioning Zain KSA as the digital provider of choice in Saudi Arabia.

Consumer and enterprise revenue segments continued to grow during the year, with sustained demand for the 'Yaqoot' all-digital service that saw revenues increase

13% boosted by the introduction and revamp of three Yaqoot voice and data packages as well as various other appealing roaming and international offers, as well as strong marketing campaigns.

The operator's fintech arm, Tamam had a record year of writing loans that saw revenues increase 30%. Over the last three years, Tamam has extended loans to nearly 150,000 users of the service. The fintech is now focused on driving scale of existing services whereby the maximum loan amount has increased to SAR 50,000, leveraging AI for enhanced underwriting and new core platform for custom pricing. Additionally, Tamam secured an exclusive partnership with Samsung to launch the region's first embedded finance solutions in Saudi Arabia by 2025, expanding affordability and financial access for underserved segments.

Zain KSA continued to make significant investments in CAPEX, investing USD 396 million in expanding its 5G network coverage and enhancing 4G LTE capacity.

Notably, the operator advanced its position in the Morgan Stanley Capital International (MSCI) ESG Index, upgrading its rating to AA from the previous year's A. This achievement places Zain KSA in the 'Leader' category among 179 global telecom companies assessed by this index.

Commercial and technological highlights:

- Completion of the BSS Project that saw successful B2C/ B2B migration, 5G Standalone launch, voucher system upgrade, and devices launched.
- B2B revenue increased by 3% on the back of winning many enterprise customers.
- Expanded LTE roaming agreements to 177 countries and 458 operators, along with 5G roaming agreements in 96 countries and 220 operators.
- Enhanced Spectrum Band through acquisition of additional 30 MHz license in the 600 MHz spectrum band for SAR 624 million with a 15-year validity.

KSA

2008

YEAR OF LAUNCH

\$16

ARPU

37%

OWNERSHIP

34%

MARKET SHARE

32%

EBITDA MARGIN

40%

DATA REVENUE

\$396m

CAPEX

129%

MARKET PENETRATION

3%

B2B REVENUE GROWTH

5G

TECHNOLOGY

9.3 m

CUSTOMERS

20,144_{TB}

Average Daily Data Volume

Operational & Financial Performance	2024	2023	Growth
Customers (000s)	9,288	8,892	4%
ARPU (USD)	16	17	-
Revenue (USD m)	2,763	2,634	5%
EBITDA (USD m)	886	794	12%
EBITDA %	32%	30%	-
Net Profit (USD m)	159	35 *	354%
CAPEX (USD m)	396	253	56%

* Excluding tower transaction gain in 2023

ZAIN IRAQ

Zain has been providing mobile services in Iraq since December 2003. After securing a 15-year license in August 2007 that further extended to 2030 including a 4G license, the operator has grown to become the largest mobile operator in the country, serving 19.7 million customers with an approximate market capitalization of USD 3.3 billion as of December 31, 2024.

Zain Iraq delivered exceptional performance in 2024, achieving its best financial results in the last decade, and marking a milestone year of unprecedented growth. This has been powered by the vast nationwide network expansion that now counts around 6,500 sites .

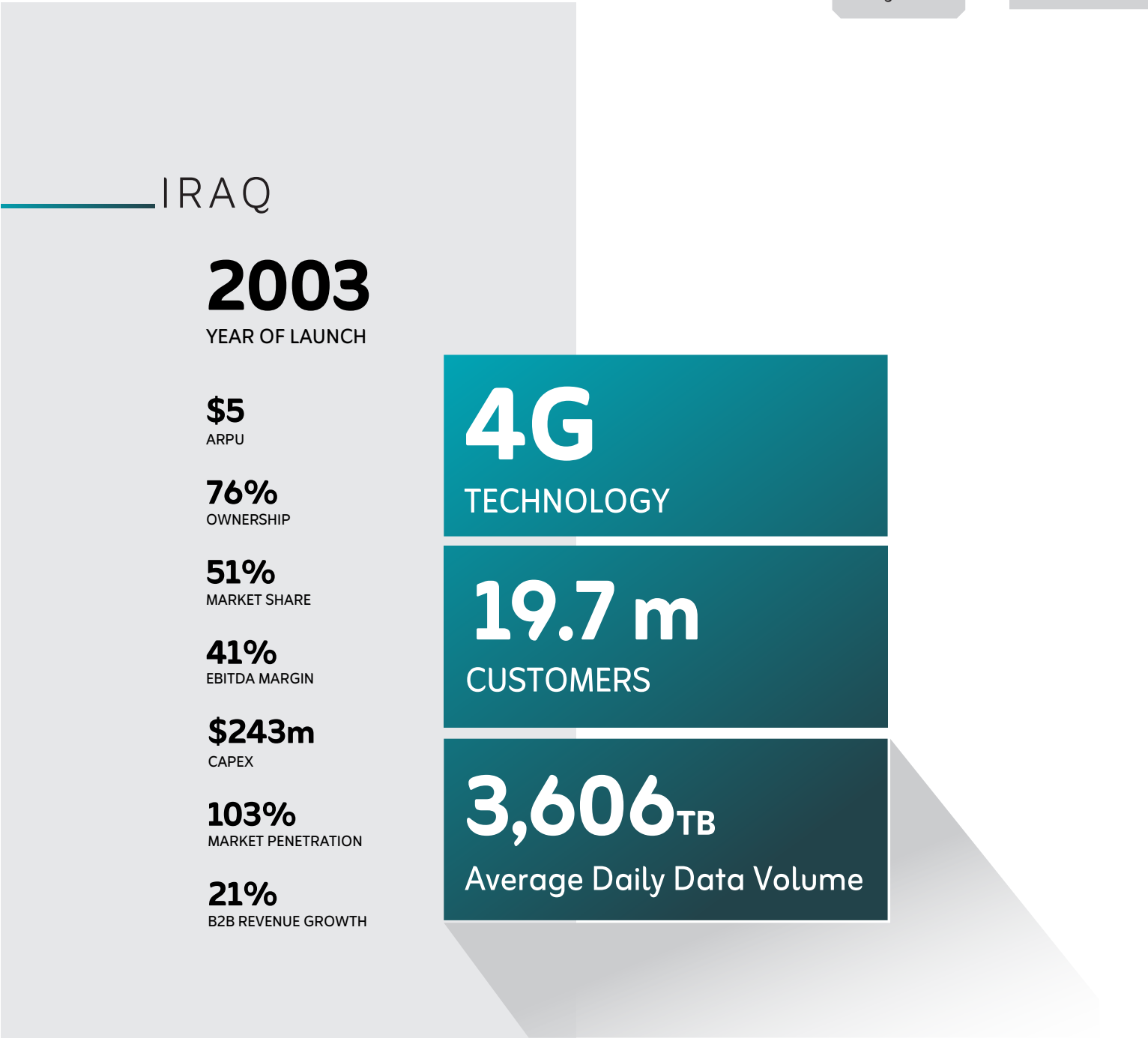
The company recorded double-digit growth across all major financial metrics, with revenue growing 11% to USD 1.1 billion, EBITDA surged 18% to USD 441 million, reflecting an EBITDA margin of 41%, and net profit reached USD 130 million, up 47% YoY. The operator also saw significant customer growth, with its customer base increasing by 10% to 19.7 million.

Operationally, Zain Iraq has been at the forefront of innovation and market leadership. The launch of new commercial packages has been a major success, capturing a growing share of the market and further strengthening our position. The key drivers for the operator's impressive results were driven by the continued network expansion combined with the newly launched commercial offers and strong growth in the data segment.

In 2024, Zain Iraq invested USD 243 million in CAPEX, enhancing LTE coverage across major cities such as Baghdad, Basra, and Anbar, with the deployment of 700 new sites over the year.

Commercial and technological highlights:

- Network modernization with 1,770 sites swapped combined with expanding its VoLTE coverage due to increased demand
- Introduced AI-powered network optimization services and with the addition of a new 4G-LTE layers covering more than 80% of the network that significantly boosted data transfer speeds.
- Embarked on a long-term commercial strategy featuring three main pillars for the B2C segment and continued with a strong focus on the B2B segment
- A key driver of Zain’s strong revenue performance was driven by the launch of new commercial packages in September 24
- Aim to revamp its website and launch an e-shop, establishing a complete digital ecosystem to position as a digital leader
- Zain Iraq solidified its position as a key supporter of Iraq’s gaming community, with 15 tournaments engaging 9,000+ participants and the sponsorship of three players representing Iraq at the eSports 2024 World Cup. Additionally secured two major eSports licenses from Tencent and Riot, enabling the operator to bring world-class gaming experiences to the Iraqi community.
- Launched the EVD platform to retail stores to reduce manual sales operations
- Zain App monthly active user base has tripled since during the year, driven by a major app revamp and digital channel push via commercial levers



Operational & Financial Performance	2024	2023	Growth
Customers (000s)	19,697	17,920	10%
ARPU (USD)	5	4	-
Revenue (USD m)	1,080	974	11%
EBITDA (USD m)	441	375	18%
EBITDA %	41%	39%	-
Net Profit (USD m)	130	88	47%
CAPEX (USD m)	243	195	25%

ZAIN SUDAN

In February 2006, Zain acquired a 61% stake in Mobitel, Sudan’s first mobile operator, in a deal valued at USD 1.33 billion. Rebranded to Zain in September 2007, the operator subsequently renewed its license for a period of 20 years.

Zain Sudan faced an exceptionally challenging year in 2024, as the ongoing war, economic instability, and severe currency devaluation significantly impacted operations. Since April 2023, site access, fuel shortages, and network maintenance disruptions have posed major obstacles. In February 2024, a full network blackout was followed by the shutdown of our main data center in Khartoum. However, by March 2024, we managed to partially restore connectivity through a disaster recovery site in Port Sudan.

To enhance network resilience, the operator implemented Starlink for BTS backhauling, restoring over 100 sites and reconnecting more than 500,000 customers. Additionally, the team secured fast-track approvals for a new submarine cable project connecting Port Sudan to Jeddah, further strengthening international connectivity through Zain Omantel International.

Full-year revenue reached USD 260 million, while EBITDA stood at USD 112 million, reflecting an EBITDA margin 43%. Net income reached USD 116 million.

Despite these challenges, Zain Sudan made strategic price adjustments and implemented network recovery initiatives, leading to a revenue rebound towards the end of Q3 2024 (revenue +38% Q4 2024 vs Q3 2024).

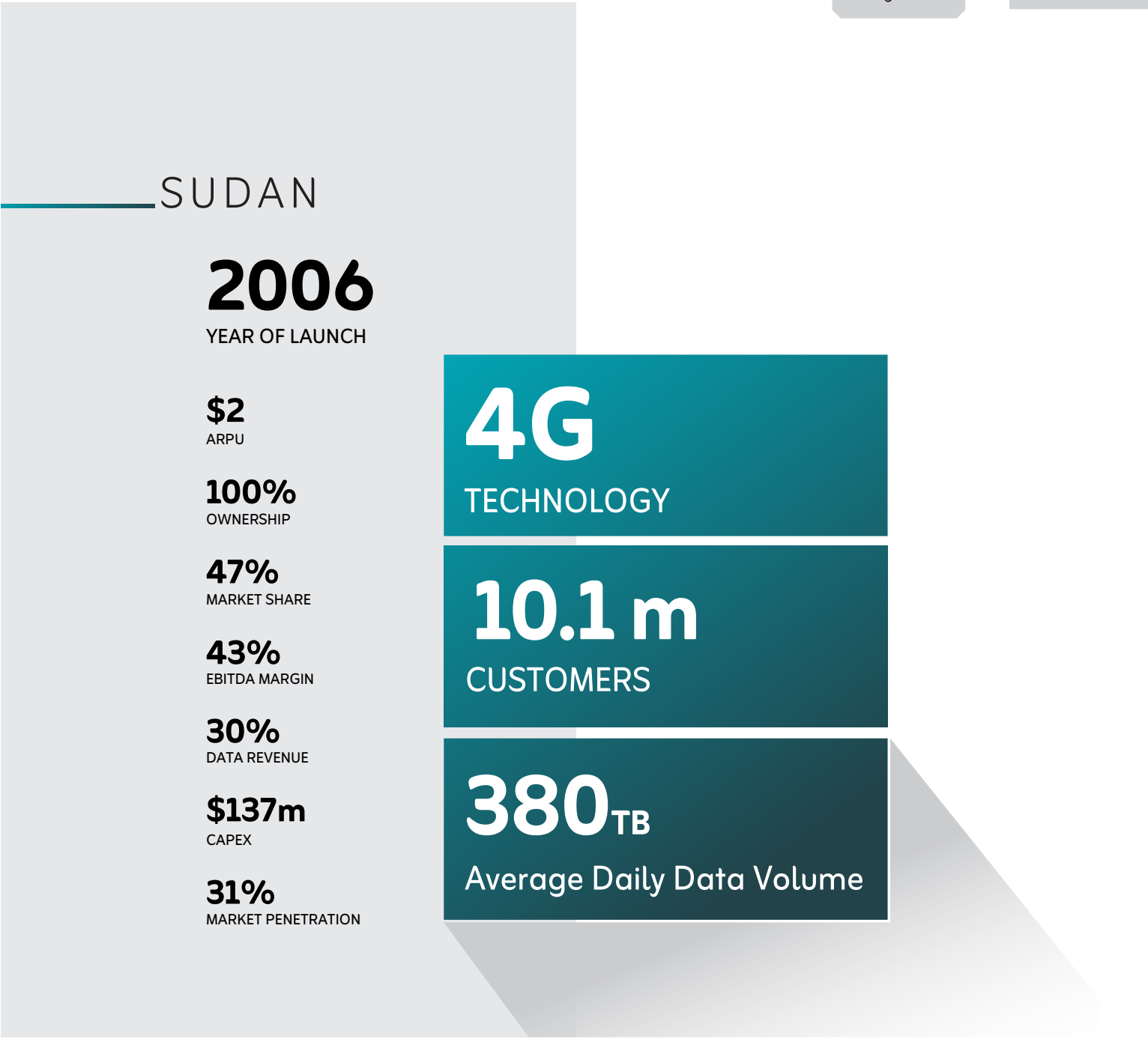
Currency devaluation in Sudan from 830 SDG/USD in Dec 2023 to 1,987 SDG/USD at the end of Dec 2024 resulted in a foreign currency translation impact, costing the Group USD 343 million in revenue and USD 156 million in EBITDA for FY 2024.

On the commercial and customer experience front, Zain Sudan focused on restoring dedicated customer service agents, launching appealing new packages, and introducing digital services, driving customer numbers that reached 10.1 million. Additionally, Zain Sudan diversified its distribution channels, becoming the market leader with over 150 retail shops and digital service facilities across Sudan.

A focus on providing coverage to communities saw Zain Sudan restore the network and operate nearly 1,300 network sites, of which notably the operator utilized the Star-Link service for BTSs backhauling that restored more than 100 sites.

Commercial and technological highlights:

- Zain Sudan was the only operator to continue providing connectivity during social conflict challenges, focusing on introducing digital payment channels, expanding shops, point-of-sales locations, establishing contact centers in non-war zone cities, and increasing remote agents, along with introducing favorable data roaming packages, reinforcing connectivity solutions and community commitment, along with free access to WhatsApp and Facebook.
- Maintenance team heroes continuously combat fiber cut and network disruption incidents in hazardous areas, risking their lives to ensure proper service levels to customers.
- The operator has incurred significant damages to property and equipment due to the ongoing unrest. Insurance coverage on key network assets has alleviated the impact on the company.
- The operator regularly implements price revamps to counteract currency devaluation.
- Established disaster recovery sites in Port Sudan and other areas outside the conflict zone to mitigate network challenges.



Operational & Financial Performance	2024	2023	Growth
Customers (000s)	10,122	14,178	-29%
ARPU (USD)	2	3	-
Revenue (USD m)	260	558	-53%
EBITDA (USD m)	112	269	-58%
EBITDA %	43%	48%	-
Net Profit (USD m)	116	216	-47%
CAPEX (USD m)	137	109	25%

ZAIN JORDAN

In 1994, Zain Jordan revolutionized the telecom sector in the Kingdom by becoming the first operator to introduce mobile services (as Fastlink). In 2003, the operator notched up another first by joining Zain Group’s Middle East portfolio, and despite intense competition in this liberalized market, the operator was the first to launch 4G services in 2015. Zain Jordan has maintained its status as the country’s leading mobile entity from inception.

The operator continued its legacy of innovation by introducing 5G services towards the end of 2023, cementing its commitment to technological advancement and customer satisfaction.

Zain Jordan delivered a solid performance in 2024, maintaining its market leadership while achieving steady financial and operational growth. Revenue increased 6% YoY to USD 556 million, with EBITDA rising 4% to USD 224 million, reflecting a 40% EBITDA margin. Net income grew 3% to USD 79 million, underlining the company’s sustained profitability.

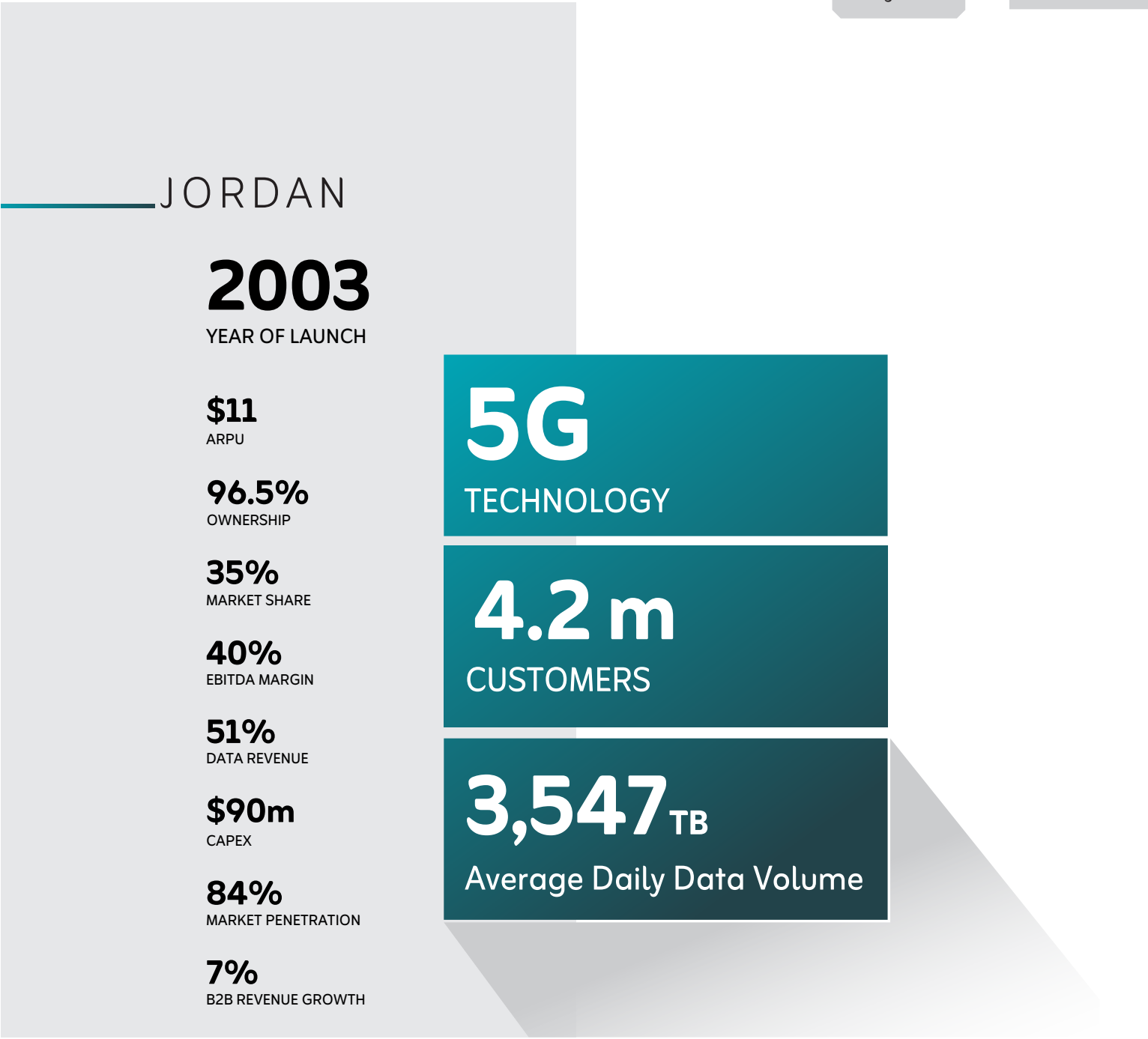
With the continued expansion of 4G, fiber rollouts, and the nationwide launch of 5G services, data revenue grew 8% YoY, now accounting for 51% of total revenue, highlighting the increasing demand for high-speed connectivity and digital services. The customer base also expanded by 6% to 4.2 million, driven by strong demand for Zain’s advanced network solutions.

Zain Jordan invested USD 90 million in CAPEX during 2024, focusing on 5G network deployment, 4G LTE enhancements, and expanding FTTH services to new areas. As part of its digital transformation initiatives, the company officially launched E-KYC (electronic Know Your Customer) in September, with a regulatory deadline set for January 1, 2025, when it will become the sole verification method for new sales.

Through innovation, strategic investments, and regulatory advancements, Zain Jordan continues to lead the country’s digital transformation, setting new industry benchmarks while delivering value to customers and stakeholders alike.

Commercial and technological highlights:

- Zain Jordan continues expanding its 5G and fiber service coverage to include new areas to enhance the Kingdom's digital competitiveness and supporting the digital transformation journey
- Zain Jordan introduced new prepaid and postpaid 5G packages and continues to geographically expand the network
- Zain Innovation Campus (ZINC) celebrated its 10th anniversary as one of Jordan s leading incubators and accelerators, with 8 branches across the governorates. Since its launch in 2014 ZINC has hosted over 6,000 events, served 360,000 beneficiaries, supported 246 startups, and established 142 strategic partnerships
- Since its inception in 2020 Zain Esports Jordan has become a key player in the gaming scene, holding over 46 tournaments and events with a total reach exceeding 12.66 million views. In 2024 alone, it organized 14 tournaments, sessions, and awareness campaigns, reaching more than 2.65 million viewers.
- Improved user journeys and campaigns drove app usage growth to reach nearly one million
- Increased eShop sales through the enablement of postpaid GSM purchases with SIM selection and activation
- Offered eSIM via QR codes
- Drove revenue growth through increased home internet services
- Bunker awarded Uptime Tier III TCOS (Tier Certification Operational Sustainability) Gold level: The third facility certification from the Uptime Institute, indicates that the Bunker facility operates under optimal operational and maintenance scenarios, following best practices, and ensuring 99.982% facility availability.
- B2B mobile services growth and acquisitions: Zain Jordan achieved remarkable success in the B2B segment by sustaining the highest market share, coupled by significant growth in the SME segment, surpassing targets.



Operational & Financial Performance	2024	2023	Growth
Customers (000s)	4,152	3,911	6%
ARPU (USD)	11	11	-
Revenue (USD m)	556	525	6%
EBITDA (USD m)	224	217	4%
EBITDA %	40%	41%	-
Net Profit (USD m)	79	76	3%
CAPEX (USD m)	90	163	-45%

ZAIN BAHRAIN

Zain Bahrain began commercial operations in the Kingdom in December 2003 as MTC Vodafone until rebranding to Zain in 2007. With its pioneering efforts in rolling out the latest technologies, Zain has played a key role in placing Bahrain on the global telecom map. Zain is listed on the Bahrain Bourse (ZAINBH) with a market capitalization of approximately USD 111 million, reflecting a share price of BHD 0.114 as of December 31, 2024.

Zain Bahrain delivered a strong performance in 2024, generating USD 205 million in revenue, marking a 7% YoY increase. The company’s EBITDA rose by 5% to USD 63 million, maintaining a 31% EBITDA margin, while net income grew 2% to USD 15.7 million. Data revenue continued its upward trajectory, increasing 6% to account for 46% of total revenue, reflecting the growing demand for digital services.

Beyond financial growth, Zain Bahrain continued to break new ground in technology and sustainability, in a regional first, Zain Bahrain successfully trialed 16-layer 5G MU-MIMO, reinforcing its leadership in next-generation connectivity.

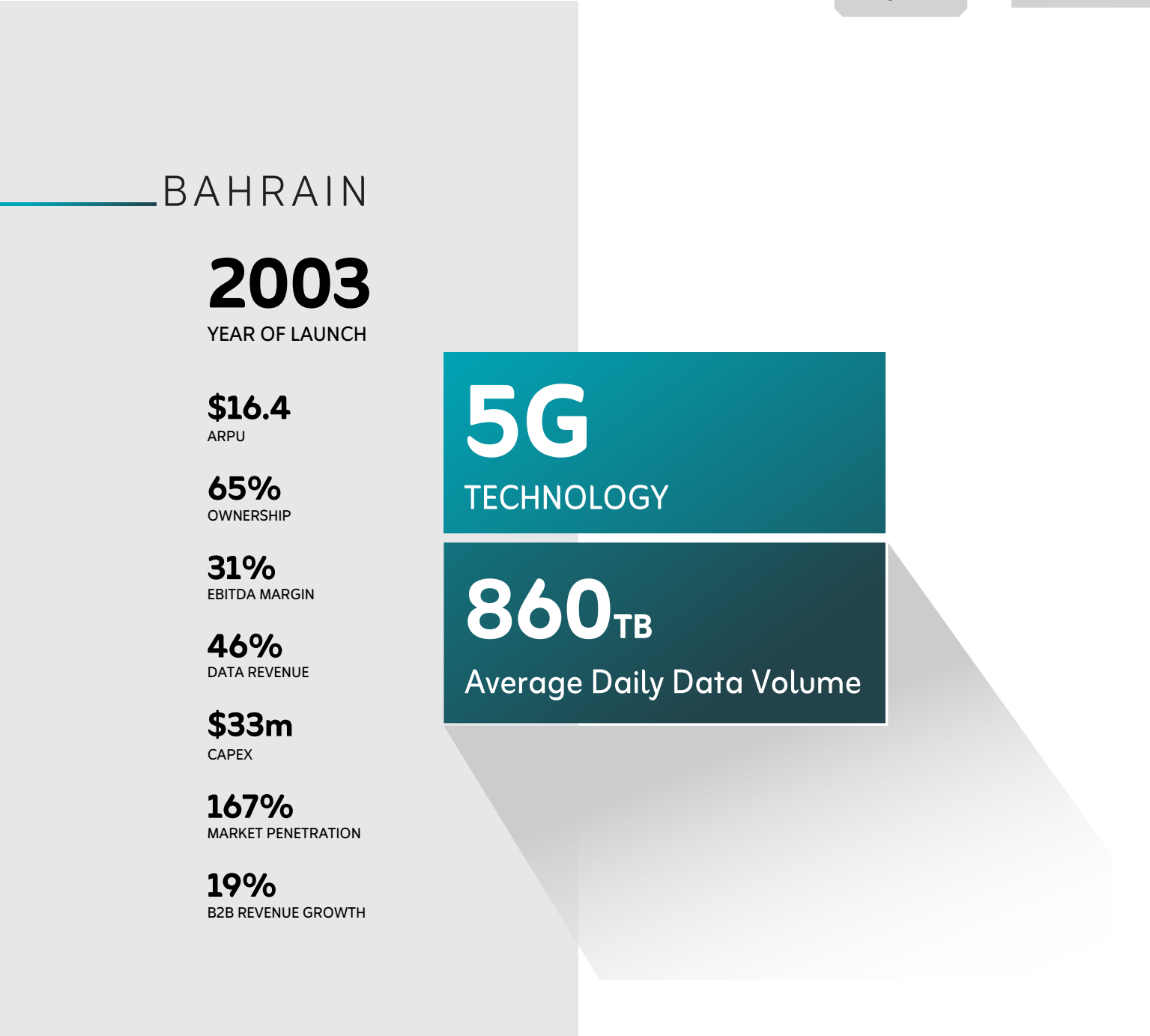
Sustainability remained a core focus, with Zain Bahrain completing its first hybrid solar power deployment, achieving an initial 15% reduction in CO2 emissions, a key milestone in its commitment to environmental responsibility.

Regulatory developments also shaped the year, with the annual license fee doubling from 1% to 2% as of January 1, 2024. Despite this, the company remained resilient, continuing to invest in network infrastructure. With USD 33 million in CAPEX, Zain Bahrain expanded 5G network coverage and capacity, particularly enhancing indoor coverage in major establishments and improving home broadband services in newly developed areas.

A regional first, Zain Bahrain became the first operator in the Middle East to sunset 3G services, reinforcing its commitment to next-generation, future-ready connectivity.

Commercial and technological highlights:

- Launched ZainTECH in Bahrain, the integrated digital solutions provider of Zain Group
- Launched Bede in Bahrain, an innovative shariah compliant fintech mobile app in Bahrain, aiming to drive financial inclusion and deliver convenient microfinance services to its customers.
- Exceled in the majority of categories in the latest TRA quality of mobile network experience report.
- Completed the fiber backhaul asset transfer deal with BNET which is designed to support mobile network operations and promote equitable access to infrastructure.
- The Zain esports Lab is an innovative, bespoke venue designed and equipped to deliver esports tournaments, training workshops, and community events. As Bahrain’s first esports tailored training program, the Lab has attracted thousands of participants to more than 100 esports tournament days. The Zain esports Lab venue is now officially recognized as an esports facility for official tournaments on popular esports information website, Liquipedia, which counts 300+ participating players. The Lab aims to enhance production, broadcasting, and esports operations skills.



Operational & Financial Performance	2024	2023	Growth
ARPU (USD)	16.4	16.2	-
Revenue (USD m)	205	192	7%
EBITDA (USD m)	63	60	5%
EBITDA %	31%	31%	-
Net Profit (USD m)	15.7	15.4	2%
CAPEX (USD m)	33	34	-3%

Accelerating digitalization with AI & Sustainability at the core

2024 was a landmark year for ZainTECH, reinforcing its position as a leading ICT digital solutions provider to enterprises and government bodies across the MEA region. The company continued to expand its capabilities, strengthen strategic partnerships, and deliver innovative solutions across its growing portfolio, which now includes cloud, cybersecurity, data & AI, drones & robotics, digital solutions, modern infrastructure, and software licensing.

With AI and sustainability at the core of its transformation strategy, ZainTECH focused on advisory-led engagements to accelerate time-to-value benefits for clients, helping them transition to more intelligent, energy-efficient digital solutions.

The company maintained its growth trajectory welcoming over 170 new customers across its business units and introducing a sway of business enhancing solutions, resulting in ICT and B2B revenues across all Zain Group operations recording a 103% annual increase in revenues. ZainTECH also built a substantial increase in open pipeline opportunities for 2025, reflecting rising regional demand for enterprise-grade ICT solutions that leverage AI-driven efficiencies and support sustainable digital transformation.

Through cost optimization and operational consolidation, ZainTECH successfully reduced operational expenses by 15%, ensuring financial sustainability while continuing to invest in growth and innovation.

Expanding and solidifying regional presence

Following the acquisitions of BIOS ME, STS Arabia, Adfolks, and Citrus Consulting, ZainTECH expanded its regional operations, strengthening its presence in Kuwait, UAE, Bahrain, Saudi Arabia, and Jordan, further positioning itself as a trusted digital transformation partner across the MEA region.



ZainTECH booth at GITEX 2024 that welcomed thousands of visitors

zain TECH

Expanding the Partner Ecosystem

Partnerships remain a cornerstone of ZainTECH's growth strategy, with the company expanding its technology alliances and unlocking new possibilities across cloud, cybersecurity, AI, and digital solutions. Key partnerships included:

- SECURITY & COMPLIANCE PARTNERS – Vercara, HYAS, Netcraft, NowSecure, Mindware.
- STRATEGIC DIGITAL PARTNERSHIPS – UL (Building Inspections & ESG Reporting), Saimos (LiDAR & Video Analytics), TenCent (Digital Twin), Urbi (GIS), Tadoom (OmanTel), GoDo (Autonomous Drones).
- AI & DATA INNOVATION – AI initiatives in KSA with FICO, Lean Technologies, and Tamam to develop AI-driven use cases in the fintech sector.
- MODERN INFRASTRUCTURE – Regional partnership with Red Hat, Huawei, and Nutanix enabling AI-powered workloads and more sustainable computing models.

Strategic Growth & Strengthened Capabilities

ZainTECH's strategic investments and operational advancements further solidified its position as a regional leader in digital transformation:

- Unlocked significant investments and incentives through strategic programs with Microsoft, providing ZainTECH clients with more reliable, scalable solutions.
- Strengthened hyperscaler partnerships:
 - * Grew from 4 to 11 Microsoft specializations.
 - * Upgraded to AWS Advanced Partner status.
- Launched ZainTECH CloudHUB, integrating all cloud stacks to enable more AI-optimized and energy-efficient cloud deployments.
- Achieved Tier One status with Broadcom as a VMware Cloud provider.
- Built the first-ever multi-hyperscaler managed service offering, securing millions in public cloud TCV.
- Secured relevant licensing and fully operationalized AI-driven drone services in the region, further enabling data-driven insights for industries like energy, infrastructure, and environmental monitoring.
- Completed the acquisition of Citrus Consulting, further enhancing ZainTECH's service capabilities.

Industry Recognition & Thought Leadership

ZainTECH's commitment to innovation and excellence was reinforced through key industry recognitions and thought leadership initiatives:

- Recognized as a "Major Player" in the IDC MarketScape for MEA Public Cloud IaaS Services 2024 and Cloud Professional Services 2024- a testament to its cloud leadership.
 - Received the Strategic Partner Award from Fortinet in KSA.
- ZainTECH also maintained a strong presence on the regional stage, participating and leading conversations on a more sustainable, AI-driven future at key industry events, including GITEX and AI & Web3 Festival in Dubai, LEAP in Riyadh, and COMEX in Muscat.

Closing the year on a high note, ZainTECH was honored as:

- 'Most Innovative Enterprise' & 'Most Innovative AI & Data Science' at the Fast Company Awards 2024
- 'Digital Transformation Leader of the Year' at the Tech Innovation Awards 2024.

Driving Business Results & Operational Excellence

ZainTECH continued to demonstrate measurable business impact, helping enterprises harness AI and sustainable technology to optimize operations:

- Unified its entities, enhancing operational synergy.
- Acquired a multitude of notable customers across government, financial and other notable industries, supporting their digital transformation journeys, including:

People & Culture: Investing in Talent & Inclusion

ZainTECH remains committed to building a future-ready workforce, embedding AI literacy, sustainability, and digital expertise into its talent development strategy. By fostering a culture of continuous learning, leadership, and inclusivity, the company ensures its people are equipped to drive innovation and business impact. In 2024, ZainTECH onboarded 175+ new employees and 60+ university interns across its entities, strengthening its talent pipeline and investing in the next generation of ICT professionals. The company also aligned with Zain Group Inclusion and upskilling initiatives aimed at fostering diverse leadership and technical excellence.

By cultivating a culture of innovation, continuous learning, and inclusion, ZainTECH is shaping a workforce that is not only digitally fluent but also prepared to lead the future of AI-powered and sustainable digital transformation across the MEA region.

Think Tomorrow, Today

With a strong pipeline, industry-leading partnerships, and a focus on AI and sustainability at the core of all their digitalization services, ZainTECH enters 2025 poised for continued growth, leveraging its momentum, strategic acquisitions, and expanded capabilities.

As the technology landscape continues to evolve, ZainTECH remains committed to delivering innovative solutions, ensuring operational excellence, while reducing environmental impact, and shaping the future of digitalization across MEA.

Zain Omantel International (ZOI): Connecting Continents

Aiming to revolutionize the wholesale carrier telecommunications landscape, May 2023 witnessed the unveiling of Zain Omantel International (ZOI). This first-of-its-kind joint venture between Zain and Omantel created the Middle East's premier wholesale powerhouse serving regional operators, international carriers, and global hyperscalers.

The partnership created new opportunities for growth and innovation by offering a unique proposition that combines the strengths of both organizations to deliver unparalleled service and support to customers worldwide. Zain and Omantel customers benefit from quality internet connectivity, voice, roaming, messaging, and more.



The joint venture caters to the end-to-end telecommunications needs of operators in the Middle East, as well as international carriers, data centers, hyperscalers, content, and cloud providers seeking services within the region and beyond.

Additionally, ZOI optimizes the existing wholesale businesses of both companies by reducing operating costs and increasing competitiveness through access to state-of-the-art, low-latency and high-capacity services over its extended footprint.

Since its launch, ZOI has successfully enhanced its service offerings and reinforced its role as a connectivity leader.

Strategic Achievements

- **SN1 DATA CENTER LAUNCH:** In partnership with Equinix and Omantel, ZOI played a successful role in launching the SN1 carrier-neutral data center in the city of Salalah in Oman, strategically positioned to optimize global connectivity routes and offer direct access to major hyperscalers, content providers, and telecom operators.
- **ONE CONSORTIUM MEMBERSHIP:** ZOI was the first telco to join the One Consortium, a global forum mitigating illegal and unwanted international voice traffic, reinforcing security and trust in telecommunications.
- **ASN INTEGRATION:** The seamless integration of Omantel and Zain's Autonomous System Numbers (ASN) has optimized routing efficiency, ensuring superior service delivery across ZOI's vast network. This resulted in ZOI having the highest ASN rank in the region.
- **OMAN-IX:** Partnering with AMS-IX, Alliance Networks, and Awasr, ZOI joined the Internet Exchange to further extend regional connectivity and content reachability.
- **ZOI AMBASSADOR PROGRAM:** Empowering employees as brand advocates, this initiative has fostered a stronger corporate identity and enhanced engagement with industry stakeholders. It also reflects ZOI's investment in its most valuable asset: human capital.

Product & Service Innovations

ZOI introduced multiple innovative solutions to cater for the evolving needs of hyperscalers, global content providers, and telecom operators:

- **CUSTOMER PREMISES EQUIPMENT (CPE) SERVICE:** A managed and unmanaged connectivity solution offering lifecycle management for WAN and LAN infrastructure across 125+ countries.
- **MANAGED DISTRIBUTED DENIAL-OF-SERVICE (DDOS) DETECTION & MITIGATION:** A robust multi-layered security service leveraging 26+ scrubbing centers worldwide to protect against cyber threats.
- **DATA CENTER-TO-DATA CENTER CONNECTIVITY (MC1 TO SN1):** A high-capacity, low-latency data center interconnect solution, designed for hyperscalers and OTT providers.
- **GLOBAL SIGNALING SERVICE:** An advanced solution ensuring seamless international roaming and messaging for MNOs through intelligent routing and geo-redundancy.



Awards & Recognition

ZOI's excellence in wholesale telecommunications was recognized with several international industry accolades:

- Best Blockchain/Security Solution – Global Connectivity Awards by Capacity Media (London)
- Best Subsea Cable Operator – Carrier Community Global Awards (Berlin)
- Young Professional of the Year: Reham Al Farsi, Marketing & Communications Manager – Carrier Community Global Awards (Berlin)

Industry Engagement & Thought Leadership

ZOI actively contributed to global telecom dialogs by participating in and hosting major industry events:

- Capacity Middle East - Dubai
- International Telecoms Week (ITW) - Washington
- Submarine Networks World (SNW) - Singapore
- Wholesale Agreements & Solutions (WAS) - Madrid
- Capacity Europe - London
- Subsea World - Marseille
- Global Carrier Community Meeting (GCCM) - Muscat: ZOI co-hosted the event, increasing international attendance from 800 in 2023 to over 1,000 in 2024, underscoring its industry leadership.

Looking Ahead

As ZOI continues to expand its network and service portfolio, its commitment to innovation, security, and seamless global connectivity remains unwavering. With a focus on AI-powered solutions, 5G, and strategic collaborations, ZOI is set to further enhance its position as a leading international wholesale provider, driving the future of global connectivity.



ZOI
AMBASSADOR
PROGRAM

**CELEBRATING
OUR FIRST COHORT OF
ZOI AMBASSADORS!**

GROUP TECHNOLOGY

Zain Data Office

In March 2024, Zain Group officially launched its Data Office, a strategic initiative aimed at driving data excellence across all its operations, marking a transformative step toward becoming a data-driven organization. The Group Data Office is designed to revolutionize how Zain harnesses the power of data, overseeing strategic data initiatives, driving innovation, precision, and excellence, while fostering alignment across the company's diverse operations. By championing robust data governance frameworks and aligning data management practices across Zain operations, the Data Office is positioned as a key enabler of artificial intelligence (AI) initiatives, and more.

By establishing this office, Zain Group reinforces its commitment to leveraging data as a strategic asset to enhance decision-making, enable innovation, and business growth, empowering its teams and customers through data-driven solutions and supporting the Group's digital transformation journey. The Group Data Office is the cornerstone of Zain's vision to turn data into actionable insights. Through this bold move, Zain Group is not only unlocking new growth opportunities but also setting a benchmark for operational excellence in the digital era, ensuring that data remains the company's greatest competitive advantage second only to its people.



Zain's innovative efforts in data architecture were recognized at Cloudera's annual Data Impact Awards in the category of "Modern Architectures" at the annual ceremony held in Dubai during September 2024. The recognition reflects Zain's Data Office, in collaboration with ZainTECH, excellence in designing and implementing innovative data architectures that effectively support the full data lifecycle – from ingestion to analytics, empowering innovation and digital transformation. Zain was selected by a panel of expert judges and scored highly on its achievements in leveraging data to drive significant business outcomes across its footprint.



5G New Calling Service

The 5G New Calling service revolutionizes traditional voice calls by integrating advanced digital features and immersive experiences. Powered by the ultra-low latency and high-speed capabilities of 5G, this service transforms voice calls into interactive sessions that can include real-time sharing of multimedia, augmented reality (AR), video overlays, and live document collaboration. It leverages the robust connectivity of 5G networks to provide seamless and rich communication, far beyond the limitations of conventional calling.

Zain Kuwait, the leading mobile telecommunications operator locally, has successfully launched this cutting-edge service, setting a benchmark in the region. Other Zain operations offering 5G Advanced services are poised to introduce it in their markets once available.

From a business perspective, the 5G New Calling service positions telecom operators as innovation leaders, enhancing customer loyalty and creating new revenue streams. By offering premium services, telecom organizations can diversify their portfolio and attract a tech-savvy customer base. For users, the service dramatically improves the communication experience, making it more engaging and productive, while catering to both personal and professional needs. This marks a significant step toward leveraging 5G technology to redefine connectivity and interaction in the digital era.

Zain's Science-Based targets

Zain has submitted its emissions reduction targets to the Science-Based Targets initiative (SBTi) for review, validation, and approval. Two targets have been submitted: a near-term target for Scope 1 and Scope 2 emissions, and a long-term target for all scopes. Through this process, Zain reiterated its commitment to transition to a Net Zero economy by 2050 in line with GSMA guidelines, the Sixth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC-AR6), and the Paris Agreement. The aim is to limit global warming to 1.5°C by 2050 compared to the pre-industrial levels. Zain's targets met both the ICT decarbonization pathway requirements and the SBTi's science-based targets criteria. Following an extensive review and validation process, the targets were approved by the SBTi during Q4 2024. The approved targets are set as follows:

OVERALL NET ZERO TARGET: Zain commits to reach Net Zero greenhouse gas emissions across the value chain by 2050.

NEAR-TERM TARGETS: Zain commits to reduce absolute Scope 1 and 2 GHG emissions by 42% by 2030 from a 2020 base year.

LONG-TERM TARGET: Zain commits to reduce absolute Scope 1 and Scope 2 GHG emissions 90% by 2050 from a 2020 base year.

Zain also commits to reduce absolute Scope 3 GHG emissions by 90% within the same timeframe.

Zain will report its progress against approved targets on an annual basis through CDP, and will consider a re-evaluation of its targets when the SBTi's targets review conditions are met.

Leadership in 5G Innovation with Breakthrough Achievements

Zain Group continues to lead the way in 5G innovation across Kuwait, Saudi Arabia, Bahrain, and Jordan, achieving remarkable progress that has set new benchmarks in the industry.

In Kuwait, Zain successfully validated 5G-Advanced technology and achieved an unprecedented 10Gbps throughput, marking a major step forward in delivering next-generation connectivity. This breakthrough underscores Zain’s ability to push the limits of 5G performance, enabling ultra-fast speeds and enhanced network reliability.

In Saudi Arabia, Zain introduced Reduced Capability (RedCap) technology, designed to guarantee service-level agreements (SLA) for Low and Mid IoT & B2B users and devices, as well as applications requiring less bandwidth. RedCap optimizes network resources for devices with lower data requirements, improving operational efficiency and reinforcing Zain’s position as a leader in IoT and B2B network services.

These advancements solidify Zain’s reputation as an industry leader, demonstrating its drive to pioneer transformative technologies. With achievements such as 10Gbps throughput in 5G-Advanced and the deployment of RedCap, Zain continues to mold the future of global connectivity and innovation.

Customer Experience Management and Operations Automation

Zain continues to take significant strides in enhancing customer experience and operational efficiency across its markets through the implementation of advanced Customer Experience Management (CEM) and operational automation solutions. These initiatives reflect Zain’s commitment to work proactively to address customer needs while driving digital transformation and operational excellence. Initially implemented in Kuwait, Bahrain, and Saudi Arabia, CEM solutions have now expanded to include Jordan, Sudan, and Iraq. Similarly, automation solutions, which were first introduced in Saudi Arabia, have recently been adopted in Iraq, Jordan, and Kuwait, marking another milestone in Zain’s transformative journey.

This evolution emphasizes a shift from traditional methods to a more dynamic, data-driven approach that integrates automation and collaboration across departments. Automation solutions aim to simplify operations by reducing manual intervention, enhancing service reliability, and enabling seamless, real-time decision-making. Meanwhile, CEM solutions focus on personalizing the customer journey, ensuring a consistent and tailored experience for both individual consumers and corporate clients.

Zain’s commitment to innovation and customer-centricity is evident in the tangible outcomes of these initiatives. These solutions have not only reduced churn and optimized marketing efforts but have also paved the way for new revenue streams by enhancing service delivery and operational agility. This transformation reinforces Zain’s dedication to anticipating and meeting the evolving needs of its customers, ensuring that every touchpoint delivers exceptional value. As Zain navigates this dual journey of customer experience enhancement and operational automation, it positions itself as a leader in digital innovation and a pioneer in delivering adaptive, service-centric solutions across its markets.

Accelerating Zain’s AI and Digital BSS Transformation: Unlocking Value for Investors

Zain is unwavering in its mission to become a digitally enabled operator, a market leader, and a benchmark for excellence in connectivity services. Through strategic investments in AI and Digital Business Support Systems (BSS), Zain is driving its transformation and positioning itself at the forefront of the rapidly evolving connectivity industry.

Zain Saudi Arabia recently celebrated a significant milestone by completing the technical implementation of the final component of its Digital BSS. This achievement sets the stage for monetizing these capabilities, enhancing customer experiences, and rolling out advanced AI-driven use cases, showcasing its readiness to deliver innovative, high-value services. Meanwhile, Zain Kuwait has embarked on its own Digital BSS transformation journey, leveraging pre-built AI use cases to accelerate deployment and operational efficiencies, ensuring it is well-prepared to serve diverse markets with cutting-edge solutions.

In Iraq, Zain is focusing on deploying AI use cases such as Churn Prediction and Idea to Cash, both targeted for implementation in 2025. These initiatives are designed to enhance customer retention, streamline operations, and drive revenue growth. Despite facing challenging local circumstances, Zain Sudan has demonstrated remarkable resilience by launching the first phase of its Digital BSS in record time, further highlighting its commitment to transformative progress even in the most challenging environments.

Zain’s AI and Digital BSS transformation efforts are paving the way for innovative growth, operational excellence, and enhanced customer satisfaction. By staying ahead of industry trends and leveraging cutting-edge technologies, Zain is reinforcing its position as a regional leader, delivering sustainable growth and long-term value to its stakeholders. This ambitious transformation ensures that Zain is actively shaping future trends in the industry.

28,519 Sites

8% Growth

9,586 5G Sites

(KW, KSA, BH & JO)
45% of Total Data traffic

60,611 Metric Tons

of CO₂ saving

45,500 km Fiber Rollout

(Fiber to Site & FTTH)
5,650 Fiber Nodes

36.1 Peta Byte

Daily Data Volume
18.7% Growth

18.7% Total Data Growth

Q2Q Data Volume (PByte)

~ 65%

Internet Traffic Saving by CDNs



REGULATORY AFFAIRS

Zain Group's operations are subject to cross-sector, sector-specific, extraterritorial legislation, regulations, and national licenses that determine how Zain should develop and expand its telecommunications infrastructure, market its products and services, offer customer services, charge for its products, and how, as an operator, it should safeguard information collated from customers, enterprises and government institutions.

In 2024, the telecommunications industry experienced transformative trends driven by digitalization and emerging technologies. Companies invested heavily in AI-powered tools to optimize operations, enhance customer experiences, and improve network reliability, all the while prioritizing robust cybersecurity measures to protect sensitive data from ever-evolving threats. The expansion of 5G networks continues, paving the way for IoT growth and advanced applications such as AR, VR, and smart factories. Cloud-based services and personalized customer interactions are reshaping business models while growing regulatory focus on data privacy. New personal data protection legislation introduced in markets foster customer trust. Digital transformation remains a critical focus, enabling telecom companies to bridge traditional practices with advanced technologies and meet the demands of a hyper-connected world.

2024 witnessed seminal developments in the spectrum space. In November 2024, Saudi Arabia's Communications, Space & Technology Commission (CST) completed a pioneering spectrum auction, becoming the first nation in the EMEA region to assign the 600 MHz band for mobile services. The auction also expanded the 3.8–4.0 GHz band for macro-cell networks, bringing the total 3.5 GHz spectrum allocated to IMT services to

500 MHz. In Kuwait, the Communications and Information Technology Authority (CITRA) granted new spectrum in the 2.3 GHz and 2.6 GHz space (a total of 290 MHz, including a conversion of previously allocated 140 MHz FDD spectrum in the 2.6 GHz band).

We now expect regional data protection authorities to step up enforcement efforts within the personal data protection space. Jordan's personal data protection law No. 24 of 2023 became operative on 17 March 2024. In Saudi Arabia, the one-year transition period for compliance ended on 14 September 2024 and in January 2024, Oman's Ministry of Transport, Communications & Information Technology issued the Executive Regulations to the Oman Personal Data Protection Law, granting companies subject to the law one year from 5 February 2024 to adjust their data processing activities following the Executive Regulations. CITRA in Kuwait issued an updated version of its Data Privacy Regulations in February 2024.

2024 also witnessed developments in cybersecurity and artificial intelligence (AI) legislation. In Saudi Arabia, the National Cybersecurity Authority (NCA) issued updated versions of its Essential Cybersecurity Controls (ECC-2-2024) and Cloud Cybersecurity Controls (CCC-2:2024), removing the mandatory requirements for entities to host and store non-governmental data within the Kingdom, introducing multi-factor authentications, and protection against Distributed Denial of Service (DDoS) attacks. In Jordan, the Jordan National Cyber Security Center issued a by-law on the Licensing of Cybersecurity Service Providers and the kingdom's national cybersecurity framework. Developments in the AI space include the UAE issuing its Charter for the Development and Use of AI, a UAE Position on AI Policy and the Dubai

Electronic Security Center issuing the Dubai AI Security Policy. In January, Saudi Arabia issued the Generative Artificial Intelligence Guidelines for Optimal Adoption in Government Entities. It aims to ensure the secure deployment of Generative AI tools where the models are employed in various functional tasks such as customer service, marketing, design, programming, banking, healthcare, media and entertainment, tourism, sports, real estate, energy, agriculture, and more. In September 2024, the Saudi Data & Artificial Intelligence Authority (SDAIA) issued an AI framework applicable to governmental entities and private companies. Similarly, in September 2024, Oman approved the National Program of Artificial Intelligence (AI) and Advanced Digital Technologies and the implementation of their projects and initiatives.

Premised on Zain Group's highly successful '4Sight' corporate strategy, which has progressed to become the '4WARD' strategy, Zain is now involved in broad areas of ICT activities (traditional telecommunications services, passive and active infrastructure sharing and tower management and ownership, cloud computing, drones and robotics, cybersecurity, digital financial services, insureTech, and more. As an organization, Zain is now subject to laws, regulations, policies, directives and mandates issued by regulators in telecommunications, financial services, data protection, AI, cloud computing, civil aviation (for drones) and climate change. Zain engages with regulators via active participation in industry forums, regulator-led workshops, meetings with ministers and policy officials, and responses to public and industry consultations initiated by the regulatory bodies. The company has taken proactive steps to ensure regulatory compliance by instituting a robust regulatory compliance program across the Group.

Regulatory Compliance Program

Since 2022, Zain has made significant progress in institutionalizing regulatory compliance, underscoring our commitment to governance and regulatory excellence. The Regulatory Compliance Programme (RCP) has now been successfully implemented in Zain Bahrain, Zain Kuwait, and Zain Iraq. Furthermore the RCP is now being rolled out in Zain Sudan, Zain KSA, Zain Jordan, and Zain South Sudan, further strengthening our regulatory frameworks and operational efficiency.

In its initial phases, RCP equipped our OpCos with critical tools such as centralised repositories, documentation databases, role clarity, automated reminders, management dashboards, and digitised workflows.

Compliance obligations have been identified across Zain KSA, Zain Sudan, Zain Jordan, and Zain South Sudan in the ongoing phase. Meanwhile, Zain Bahrain, Zain Kuwait, and Zain Iraq have transitioned to the RCP Sustenance Phase, focusing on compliance assessments, updates to the Compliance Universe, workflow enhancements, and the initiation of ISO 37301 certification for Zain Kuwait to align with global standards and bolster investor confidence.

Looking ahead, Phase IV in 2025 will extend the RCP continuous monitoring and compliance reviews to the remaining operating companies, including ZainTECH, and further extend ISO 37301 certifications, ensuring compliance excellence remains integral to our operations.

Regulatory Focus Areas Underpinned By Regulatory Compliance

WHERE TO PLAY?



Spectrum & Technical Regulations

- Spectrum Management & Technical Regulation
- Radio Access Network Spectrum
- Microwave Backhaul Spectrum
- National Spectrum Roadmaps
- Cross Border Frequency Coordination



Customer Affairs and Data Protection

- Personal Data Protection and Privacy Consumer Protection
- SIM-Registration / SIM-Caps
- Customer Complaints Handling
- Others: Billing / Collection / Spam



Infrastructure and Climate Action

- Service Licences
- Sites/Masts/Active/Passive Sharing/TowerCo
- National/Intercity/Metro Fibre/Open Access
- International Connectivity/Submarine Cables
- Data Centres/Cable Landing Stations



Competition and Market Developments

- Strategic Market Reviews and Remedies
- Access & Interconnection
- Competition Matters
- Telecom Law Reviews
- Others: New Entrants/OTT Players



5G

- 5G Policy Development
- 5G Licensing Rollout Obligations
- Strategic Approach to Verticals
- 5G Security and Privacy
- Demand Stimulation for Use Cases



Industry Taxation and Levies

- Operator Regulatory Fees
- Consumer Levies
- Value Added Taxation
- Universal Service Fees
- Tracking of Regulatory Financial KPIs



B2B, Cloud, IoT and ICT Focus Areas

- B2B Enablement
- IoT Regulatory Framework
- Drones support
- Cloud Computing Frameworks
- Cyber-security regulatory mandates



Innovative Digital and Emerging Services

- Artificial Intelligence
- Digital On-Boarding/Electronic Transaction Laws
- FinTech/Insurtech/e-Payments Regulations
- AML/CFT Laws and Regulations
- Digital Content / E-Sports

HOW TO PLAY?

Constant alignment with Group Corporate Strategy '4Sight

Regulatory Authority Engagement

Increased Management Regulatory Awareness

Engagement with Group Divisions and OpCo Plans

Public Consultation Responses

Training and Capacity Building

Regulatory Compliance, Risk Evaluation, Prioritisation and Mitigation

International Institutional Agenda Alignment

Best Practices Benchmarking

Zain’s regulatory matters are managed by resources at the Group and operating company levels, with robust internal controls implemented across business jurisdictions. The Group-wide impact initiatives are led from headquarters, while individual markets manage and monitor domestic developments.

Regulatory Strategic Direction Across Eight Pillars

Spectrum and Technical Regulations

	Lower spectrum prices for new acquisitions and license renewals considering inflation, cost of deployment		Grant Longer License Duration (>20 years) in line with international best practice for investment certainty
	Accelerated release of IMT spectrum in markets with limited spectrum holdings		Regulator-led cross border frequency & synchronisation coordination across all bands
	Guarantee technology neutrality across all bands considering the sunset of certain technologies.		Favorable Payment Models: Installment over license tenure; deferred payment schemes
	Contiguous spectrum allocation for efficiency and higher speed		Proactive Publication of National Spectrum Roadmap for Coordinated Planning

Infrastructure and Climate Action

	Support right to deploy fibre or regulated access to fibre on fair price and non-price terms		Liberalisation of international gateway and cable landing stations
	Favourable legislation for passive/active infrastructure sharing & TowerCo establishment		Offer unified or integrated licences to permitting fixed and mobile services for converged offerings
	Site roll-out regulations aligned to international best practices		Favourable legislation for renewable energy generation / production
	To lower IP transit costs, advocate landing of more submarine cables		Accelerate initiatives to support digital infrastructure: Data centres, IXPs, etc.

Industry Taxation & Levies

	Lower levels of industry-specific fees (revenue share, licensing, numbering) on national operators		Where possible, eliminate industry-specific utility prices or differential tax rates
	Lower Government-imposed activation charges on customers (SIM, connection taxes)		Lower handsets taxes to enhance affordability
	Reasonable rental fees for passive infrastructure owned by government entities.		Minimal or no fee that will hinder digital services development
	Create incentive to deploy IoT/M2M by lowering regulatory costs to enable these to thrive		Lower Usage Taxes (excise duties, higher VAT rates....)

Competition And Market Developments

	Periodic Strategic market reviews to assess effectiveness of any ex-ante obligations		Avoid stringent regulations or government behavior that impede competition (e.g monopolies)
	Lobby for Retail Tariff increase when inflation rates and Forex are out of normalcy		Ensure Cost-based pricing for Wholesale and access services
	Implement proportionate remedies – only apply tariff pre-approvals on dominant operators		Market liberalisation should consider ability of existing players to sustain and recoup investments
	Implement regulations addressing price wars that destroy market value		Regulate number of MNOs/MVNOs to a level that does not deter further investment

Customer Affairs and Data Protection

	Enact consumer protection legislation to guard against unfair terms and foster transparency		Create a safer, cyber-secure internet experience for consumers, businesses and society
	Develop legislation enabling the use of artificial intelligence without impeding personal data protection,		Promote transparency in Customer Privacy Information collection and use by 3rd parties
	Develop Robust Standalone Data Protection Laws Across All Sectors		Create flexible and reasonable SIM Registration Requirements
	Avoid onerous consumer protection rules impeding operators' marketing strategy		Create light touch or favourable roaming regulations governing usage, price, price caps and terms

5G

	Ensure 5G rollout obligations are not onerous		Government-led 5G investment support in exchange for accelerated rollout of 5G
	Collaborative actions to tackle 5G Security Challenges that Service Providers are facing.		Promote the development of private 5G-network-as-a-service provided by MNOs
	Licensed spectrum dedicated to MNOs and not to Verticals		Government to stimulate 5G demand and cross sector collaboration to support use-cases
	Release new spectrum for 5G to drive bandwidth availability for advanced use cases		Promote fiber roll-out for speedy 5G backhauling and effectiveness

B2B, Cloud, IoT and ICT Focus Areas

	Lobby for Unified Licenses or Right to Offer Fixed/Data Centre Services		Permit cross-border transfer of non-personal data for centralized processing
	Lobby for incentives and subsidies to attract investment to boost Datacenters capacity		Create favourable regulatory frameworks to IoT/M2M deployment and service provision
	Incorporate balanced regulations, supportive of data protection and Big data analytics development		Develop cybersecurity legislation to prevent attacks and secure applications and infrastructure
	Accelerate adoption of Cloud regulations through favourable legislation		Create favorable regulations and alignment amongst authorities for the civil use of unmanned aircraft (drones)

Innovative Digital and Emerging Services

	Develop policies and legislation supportive of Artificial intelligence adoption.		Accelerate adoption of e-KYC and e-Authentication procedures
	Enforcement of electronic contracts and signatures in judicial system		Lobby for legislation that promotes the usage of direct operator billing by operators
	Enactment of laws – e-commerce, payment - which are supportive of FinTech growth		Enactment of laws and regulations which are supportive of digital health
	Enactment of legislation which is supportive of e-gaming growth and development		Promote creation of regulatory sandboxes for emerging technologies

Spectrum & Technical Regulations

New Spectrum Acquisition & Auctions	Technical Regulations
Kuwait 100 MHz granted in 2.6 GHz band for the provision of 5G Advanced services. - Annual License Fee: KWD 2m. Saudi Arabia - Won 2 x 15 MHz in the 600 MHz band in CST auction of 600, 700, 3800 MHz. - Secured the spectrum at the reserve price (SAR 624m), achieving a highly favourable cost compared to competitors.	Saudi Arabia - Zain avoided a SAR 30 million annual fee increase for the 900 MHz spectrum. - Secured VoLTE Roaming Approval, becoming the only operator in Saudi Arabia with this capability. Jordan - Mobile Number Portability implementation has been delayed till 2025.

New Developments
Bahrain - Continued lobby for the spectrum auction in 700 MHz, 1400 MHz, 2300 MHz, 2600 MHz and 3800 MHz bands to be pushed back further and for the spectrum to be allocated on a managed assignment basis. - Progress in managing interference issues on various bands, although challenges persist.

Infrastructure & Climate Action

Infrastructure Sharing
Jordan - Ongoing lobbying against restrictive fibre deployment regulations, including a court challenge to reduce financial burdens. Bahrain - Completed the asset transfer negotiation with favorable terms, including financial compensation and replacement products, marking a milestone in Bahrain's telecom sector separation process.
USF Projects
Saudi Arabia USF Project Success: Won a significant portion of subsidies (1.3 billion SAR) from the Universal Service Fund for 3 major broadband projects.
Sites deployment & Fixed network
Bahrain - Initiated the use of the "Binayat" system to streamline tower permits. Sudan - Fiber Deployment Approvals: Obtained permissions for critical fiber routes between key cities (e.g., Khartoum to Port Sudan) despite regulatory and incumbent operator challenges. Kuwait - Lobbying with CITRA and Municipality to provide a) towers building permit and b) to reassess the high rental and licensing fee. - MNOs joint lobbying to discuss with minister the progress of Fixed Network Development Project with special focus on reference offer.

2024 Kuwait Gulf Cup
Kuwait - Assigning free 30 GB on international land and sea cables for the Gulf cup period (8th Dec – 1st Jan 2025) - Price reduction of 50% from 8th Dec 2024 to 28th Feb 2025 on IPLC products

Industry Taxation & Levies

Regulatory fees
Jordan - Engaged with the Ministry of Municipalities to address high municipal levies on fibre deployment, securing a promising dialogue. Saudi Arabia - Conducted a Cost Optimization internal audit of numbering resources, saving hundreds of thousands of SAR by releasing unused ranges and short codes. South Sudan - Tariff Adjustments: Successfully negotiated and implemented phased tariff adjustments (with an increase of 377% from the beginning of the year), with progress toward achieving an automatic adjustment mechanism.

Competition And Market Developments

Market Developments	
Kuwait • A joint letter from MNOs to pass on the current Mobile Number Portability transfer fee of KWD 5 to customers is currently with CITRA.	Bahrain • Secured TRA's approval for using ITU global numbering resources granted to MTC KSCP, a step towards cost savings and enhanced capabilities for IoT and CMP projects.
Saudi Arabia • Advocated successfully for landlords to bear the costs of in-building system installations (IBS), as reflected in preliminary regulatory feedback.	Iraq • QoS Penalty Reduction: The telecom industry, supported by industry associations, convinced the regulator to review the KPIs in the quality-of-service schedule.
Sudan • Wholesale Pricing Regulation: Convinced the regulator to update wholesale pricing regulations from outdated 2011 levels, limiting unfair pricing by the incumbent operator.	

Customer Affairs And Data Protection

Sim Registration

Bahrain

- Successfully introduced facial recognition as a secure method for SIM card registration, following years of lobbying and collaboration with operators and TRA.

Jordan

- Successfully lobbied for facial recognition technology as an alternative for SIM registration.

Customer Protection

Bahrain

- Implemented an inter-operator solution to combat call spoofing by verifying the authenticity of inbound international calls.

Kuwait

- 3 MNOs joint initiative to Block IMEI aimed to prevent fraud. Agreement includes sharing the status of devices sold through 3rd party channels with all customers.

Data Protection

Saudi Arabia

- The Personal Data Protection Law and its Implementing Regulation (By-law) came into effect in September 2024.

Kuwait

- In Feb 2024, Kuwait’s Communications & Information Technology Regulatory Commission (CITRA) has issued an updated version of Data Privacy Regulations version (2.5).

Customer Affairs And Data Protection

Cybersecurity

Saudi Arabia

- In October 2024, the National Cybersecurity Authority in KSA has issued new updated versions of the Essential Cybersecurity Council (ECC 2-2024) & Cloud Cybersecurity Council (CCC-2:2024).

Jordan

- In August 2024, Jordan Cybersecurity Center has issued Jordan’s National Cybersecurity Framework.
- In November 2024, the Jordan National Cyber Security Center has issued a By-Law on the Licensing of Cybersecurity Service Providers in Jordan.

AI

UAE

- In July 2024, the UAE’s AI Council has released the Charter for the Development & Use of AI.
- In Sept 2024, the UAE AI Council has also issued a policy titled “UAE Position on AI Policy”.
- In September, 2024, Dubai Electronic Security Center (DESC) issued Dubai AI Security Policy.

5G

5G Developments

Kuwait

- Awarded a nationwide 5G Advanced License by CITRA.
- License fee is KD 1 million while the annual payment is KWD 2 million.

Lobbying and Advocacy

Lobbying and Advocacy

Iraq

- VAS Draft Regulation : Successfully engaged with the regulator on the implementation of draft VAS revenue regulations to avoid adverse impacts.
- Support for Reduced Spectrum Costs: Engaged with regulators to advocate for reduced costs of spectrum allocation.



RISK MANAGEMENT

Zain operates in a highly regulated, competitive, and rapidly evolving environment. This landscape is growing more complex due to the strategic focus to grow adjacent businesses and the significant investment to maximize returns from the digital economy.

The unprecedented uncertainties in the external environment meant that the Group’s risk landscape evolved – as shown in the Risks That Matter section – and, similarly, the Group’s approach to governance and risk management was adjusted.

Safeguarding our business through three lines of defense

Zain Group's Enterprise Risk Management (ERM) function plays a critical role within the company, reporting to the Board Risk Committee (BRC), which meets quarterly to discuss the risk profile of the organization. The BRC oversees the implementation of a strategic risk assessment exercise across Zain’s operations, while also reviewing and approving the risk management framework on an annual basis.

In addition, the BRC oversees compliance with risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the organization, from operational risk management, cybersecurity, and operational resilience

Management remains ultimately responsible for ensuring the adequacy and effectiveness of the Group’s control environment, thereby limiting the likelihood and impact of risks materializing that could exceed the approved appetite. The ERM function, through the existing governance structures, assists management by monitoring the implementation of effective risk management practices across the Group. Finally, Internal Audit provides independent and objective assurance to management and the Board on the adequacy of risk management and the effectiveness of the control environment and, through their mandate, facilitates the continuous improvement of the Group’s governance practices.

THREE LINES OF DEFENSE		
First Line	Second Line	Third Line
Management (Risk Owners) • Own and manage risks • Implement the response strategies • Periodical monitoring and reporting	ERM Implement and operationalize the ERM framework, promote risk aware culture, provide support to management and challenge on risk	Internal Audit Act in accordance with recognized international standards for independent assurance of first and second lines

The Group’s ERM function performs a pivotal role in ensuring the resilience of our strategic plans and operations, including but not limited to the following activities:

- Periodically scanning the environment to ensure that we maintain an up-to-date view of the key risks that may impact us at a macro level, and provide those views to management on a regular basis at various engagement points, including through reporting to BRC.
- Engaging with our community of risk professionals, risk champions and ERM teams in many of our operating entities and international subsidiaries, providing them with the right tools and training, and supporting them to achieve their objectives and continuously raise the bar in terms of the quality of risk management practices across the Group.

Risks That Matter

In accordance with our risk management process, we continually scan, assess, and monitor the Group's risk and control environment, thereby proactively seeking to reduce risk exposures down to acceptable levels.

In line with this process, the following summarizes several of our risks and describes the high-level approach to managing them.

Risks	Description	Impact	Mitigation
Evolving regulatory regime (Strategic)	As we operate in diverse markets, we face legal and regulatory challenges. The authorities can alter current regulations and implement new ones, which can significantly influence our operations and financial performance.	Increased cost of operations (license fees, cost of regulatory compliance) leading to reduced profits. Delay or postponement in launch of new businesses and services to create new revenue streams due to lack of regulations or delay in regulators' clearance.	Collaborate with market regulatory authorities and other stakeholders, engaging in market issues, with a clear focus on common benefits. Innovation on new products and services to enhance revenues and overcome increased regulatory costs.
Geopolitical & macro-economic situation (Strategic)	Zain operates in multiple markets, and changes to macro-economic indicators impact operations significantly. Geopolitical hindrances lead to reduced access to capital and technology. Political unrest causes disruption to operations and revenue.	Reduced customer spending leads to reduced revenues impacting the execution of the company's strategy. Weakening local currencies in certain subsidiaries affects the profitability of Zain's operations and asset valuation. Hike in interest rates have increased the cost of debt in certain subsidiaries.	Ensure cost optimization initiatives and access to long- and short-term capital options through varied sources of funding. Employ various hedging instruments to offset rate hike impact. Ongoing improvement of our business continuity capabilities across operations.
Cybersecurity (Operational)	As technologies advance rapidly, cybersecurity threats are also evolving and need continuous monitoring.	Customer data breach, financial, reputational, or regulatory consequences.	Ongoing enhancement of our cybersecurity capabilities by updating: 1. Periodic assessments 2. Latest security tools 3. Training and awareness programs.
Successful and timely implementation of Digital BSS Transformation program (Operational)	Billing and charging systems are a critical core of our business. The systems are being transformed in certain operations to offer attractive packages along with value added services.	Delayed and incorrect implementation of the systems may lead to customer churn and cost overruns.	Formation of a dedicated cross-functional transformation team for planning and delivery of transformation programs. Develop transformation KPIs for the program and associated stakeholders.
Talent management (Operational)	Digital transformation strategies require transformation of workforce capability and skills, as talent acquisition needs are pronounced in domains such as machine learning, data science, AI, and software-based networks.	Business initiatives leveraging digital platforms and new skillsets will be affected, leading to disruption to the digital transformation program.	Re-structuring organizational structure to align with a digital future while maintaining an effective balance between external hires, contractors, and internal re-skilling program. Initiatives to attract digital/tech talent by creating a compelling value proposition for prospective talent.

THE ZAIN BRAND

A powerful brand loved by the region and beyond

With an over 40-year rich history pioneering mobile and ICT technologies in the Middle East and Africa, the continual growth in the brand valuation and rankings some 17 years after the initial Zain brand launch in September 2007, is testament to the passionate actions and investment the company has placed in establishing its name, identity and services it provides across eight markets.

Zain’s brand valuation grew 11% from US\$2.74 billion in 2023 to US\$3.07 billion in 2024, according to the BrandFinance 2024 Global Telecom and Middle East brands report. This valuation and brand rating of AAA-maintains Zain’s position as the unrivaled number one home grown brand from Kuwait and one of the region’s most loved and recognizable brands.

The innovative media campaigns, numerous corporate sustainability, inclusion, diversity, and equity (IDE) initiatives Zain has instituted over the years have won the hearts and minds of our customers and employees, are key drivers for the Zain brand’s value success.

Moreover, these rankings reaffirm Zain’s unyielding efforts in upskilling its 8,000 talented workforce, which combined with vast investments in network upgrades and cutting-edge technologies are unleashing innovation across our footprint and beyond. Through the rollout of dynamic digital ICT services and a focus on exceptional customer experience at every touch point of the Zain ecosystem, Zain empowers the individuals, businesses, and governments we serve to enhance their livelihoods, increase their digital footprint, and streamline their operations for greater success. This approach has made Zain one of the most inspirational and recognized corporate brands in the region and beyond.

4SIGHT strategy drove brand equity

Shrewd implementation of the company’s 4SIGHT strategy between the years 2019 to 2024 drove digital transformation across all operations resulting in the rollout of quality mobile and data services, emerging technologies and enhanced network capabilities including 5G. The compelling products and service that were established under 4SIGHT will be accelerated through the newly introduced ‘4WARD-Progress with Purpose’ strategy. These services extend beyond mobile voice and data telecom services into a vast array of digital services, content, entertainment, fintech, home automation, esports, cloud, artificial intelligence, cybersecurity, smart cities, drones, robotics and other emerging technologies.

Aiming to create a wonderful world is to lift the barriers to innovation through the introduction of digital services that will allow governments, businesses, and individuals within our operating markets to streamline

their operations, increase their digital footprint, and reach heightened levels of success. Zain’s vision is to uplift all the lives we touch far beyond increasing their ease of access to the digital world.

Under the 4WARD strategy, Zain will continue to develop its brand equity by accelerating the growth of and investing in its people, operations, technology, innovation, marketing and customer experience. The company’s numerous initiatives across operations have all contributed to the reinforcement of the Zain brand’s promise and business ethos. The company seeks to provide meaningful connectivity to create systemic change and thus unlock opportunities for customers and for the communities it serves, boosting the region’s economic and social prosperity.

Captivating marketing campaigns

Over the years, Zain’s Ramadan and Eid Al-Fitr campaigns have evolved beyond traditional communication efforts, becoming a powerful voice for reality, justice, and truth in response to global events. Complementing multiple creative campaigns across its footprint, capturing the hearts and minds of the region, every Ramadan, Zain presents a new message that touches upon the most relevant issues in life in its television commercials to the region’s substantial Ramadan audience.

The 2024 Ramadan and Eid television achieved over 100 million views across all social media channels alone. Apart from employing the best talent to produce its commercials, Zain partners with and utilizes the best creative digital agencies across the region to ensure its brand is widely seen and appreciated.

Ramadan TVC: “We Will Return”

In 2023/24, the world witnessed unprecedented levels of prejudice and injustice, highlighting the disparities in how international laws are applied, protecting some while depriving others of their fundamental rights. The TVC entitled “**We Will Return**”, shed light on these issues, with a strong visual reference to Palestine. The narrative begins with raw, unfiltered content reflecting what is widely shared on social media and concludes with a hopeful vision of resolution and peace. By leveraging the reach and impact of our brand, Zain continues to use storytelling as a catalyst for awareness and meaningful dialogue, reinforcing our commitment to social responsibility.



Eid TVC: “Wherever We Are”

The TVC embodied the spirit of joy, kindness, and togetherness, reflecting the brand’s commitment to fostering positivity within communities. The “**Wherever We Are**” campaign highlighted the warmth and unity that define the Eid celebration, reinforcing Zain’s core values. A key element of the TVC was the incorporation of Al-Mutanabbi’s timeless poetry, adding a rich cultural and artistic dimension to the narrative. Additionally, renowned Egyptian actress Mai Omar, recognized for her standout performances in this year’s hit TV series, played a central role in bringing the campaign to life. Her presence added depth and relatability, strengthening the emotional connection with audiences.

Through this campaign, Zain continued to celebrate moments that bring people together, creating a message of hope and shared happiness.



Social media: promoting the brand to 35 million followers

Zain’s focus on promoting brand creativity and messaging, product launches, corporate sustainability, Inclusion, Diversity and Equity and other activities across its markets and the wider region through social media channels resulted in an impressive increase in followers, engagement, and views across social media channels.

Groupwide, Zain has a social media following exceeding 35 million fans, and annually having over 200 million YouTube views of creative videos published, with many of them going viral. Social media teams across Zain’s footprint regularly produce appealing and engaging content, consumed by responsive followers.

This has resulted in a loyal social media base across the Zain footprint, numbering over 35 million, with 14 million fans on Facebook, more than 8 million followers on Twitter, 4 million on Instagram, 4.5 million YouTube, 4 million on TikTok and 1.2 million on LinkedIn. Annually, Zain Group and its operations’ YouTube and other streaming channels receive more than 250 million views

INCLUSION, DIVERSITY AND EQUITY

The previously entitled Diversity, Equity, and Inclusion (DEI) department has evolved into the Inclusion, Diversity, and Equity (IDE) department, reflecting an increased focus on fostering an inclusive environment for all Zainers. In 2024, Zain took a bold step forward in fostering an inclusive and innovative workplace by embarking on a comprehensive assessment initiative in partnership with Glint, a renowned people success platform that helps global organizations increase employee engagement. This evaluation benchmarked Zain's inclusion performance against 1,000 global companies, highlighting strengths and opportunities for growth, while focusing on three core competencies: Allyship, Addressing Bias, and Courage to Engage. Zain's efforts to embed inclusion were further strengthened through initiatives including WE, WE ABLE, BE WELL, ZY, IDEU and ZAINIAC, which directly contributed to improving the three inclusion competencies.

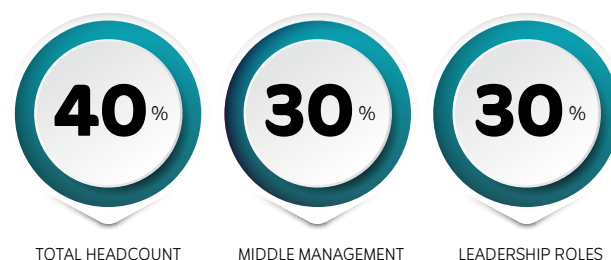
WE (Women Advancement Initiative)

The WE Advisors were introduced to accelerate data-driven cultural transformation, advancing women in technology, and leadership development. Through the WE 2030 targets, Zain aims to achieve a workforce comprising 40% women of its total headcount being women, 30% in middle management, and 30% in leadership roles by 2030.

On International Women's Day, the WE initiative featured two key highlights: a social media campaign that garnered over 146,000 views on Instagram, and the WE Hackathon, in which 24 employees developed AI-driven diversity solutions, achieving an 85% satisfaction rate.

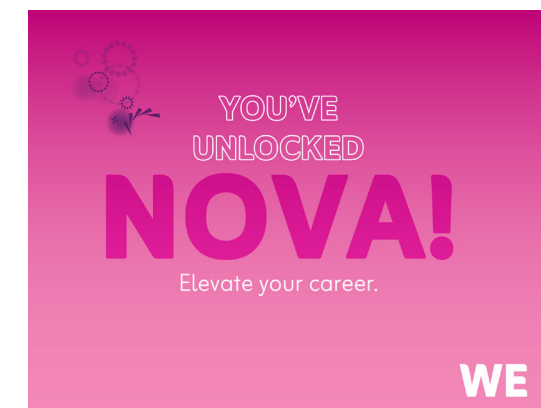


Zain aims to achieve by 2030 a workforce comprising women with



Additionally, the NOVA program for women in technical roles was launched to tackle skill and gender gaps for 200 women across the Group, with a comprehensive two-year strategy that involves behavioral change through mindset shift, community building, and coaching.

In relation to implicit bias training, 23% of employees completed the WE DISRUPT training, focusing on inclusive leadership and addressing biases.



WE ABLE (Disability Inclusion)



Zain's WE ABLE program empowers employees with disabilities and raises accessibility awareness. Partnering with Be My Eyes, more than 400 employees volunteered to assist blind/low-vision users, earning recognition from the Kuwait Society for the Blind.

In September, Zain launched The Masters—the region's first corporate Employee Resource Group for employees with disabilities, comprising 30 members with different disabilities, in collaboration with PurpleSpace. This group shapes Zain's Disability Inclusion Strategy, embeds accessibility, fosters voice and visibility, raises awareness, and leads the Learn and Lead program.

On International Day of Persons with Disabilities, 15 Masters trained hundreds, showcasing Zain's commitment to inclusion and empowerment.

Other highlights included Let's Break It sessions on disability etiquette, monthly Inclusion Quests, and the Brailiant Activity, engaging employees with Braille.



BE WELL (Employee Wellness)

BE WELL continued to champion mental health, physical wellbeing, and resilience, achieving significant milestones. In collaboration with the Kuwait Counseling Center (KCC), 740 therapy sessions were conducted, with unlimited sessions extended to Zain employees' children in Sudan. The Tuhoon mindfulness app expanded its Zain user base and delivered impactful webinars on stress management and happiness.

Physical wellbeing initiatives saw high engagement, including the Ramadan Steps Challenge, where 895 participants logged an impressive 136 million steps, and the Wellbeing Marathon, which attracted 234 participants. The Mental Health First Aid (MHFA) program certified 23 employees to help support the creation of a psychologically safe workplace.

In partnership with Omantel, Zain piloted the Mental Health at Work Index to develop tailored wellness strategies for 2025. Additionally, the newly established Wellbeing Committee is set to complete the Index assessment across all operating companies, steering the organization's commitment to data-driven employee wellbeing.



ZY (Zain Youth)

ZY empowered young talent through flagship programs such as ZY Spark, a two-day training event for 350 participants introducing the ZY Counsel and ZY Mavericks initiatives. ZY Counsel formed six gender-balanced teams of high-potential youth to tackle strategic challenges, earning nearly 60 certifications from institutions such as Harvard and MIT. ZY Mavericks focused on future skills, with 30 participants earning nearly 50 certifications to drive innovation.



One example of youth impact generated this year was the successful development of the 'Khaleeji Zain Game' by a team comprising entirely of ZY. The team was responsible for ideation, development, stakeholder alignment, and publishing the game. This project highlighted our youth's creativity, resilience, and unlimited potential.

The Generation Z graduate program further developed leadership skills through four modules, including Strategic Innovation and Digital World, preparing Zain's youth for impactful careers.



IDEU (Inclusion, Diversity, and Equity University)

The IDEU program, in collaboration with Spain's IE University, onboarded 1,000 employees in 2023 and welcomed another 1,000 in 2024. This initiative equips participants with cutting-edge digital transformation skills and the opportunity to earn a master's degree. With an 89.2% satisfaction rate, the program fosters resilience, innovation, and leadership. The Stellars, a team of exemplary graduates, continued mentoring new participants and reinforcing collaboration. Recognized as the 'Best People Development' Program at the MERIT Summit Awards, IDEU remains a cornerstone of Zain's workforce development strategy.



ZAINIAC (Internal Innovation)

ZAINIAC advanced Zain's innovation ecosystem with 3,300 engaged employees and 560+ ideas generated. The launch of the Innovation Policy and establishment of the Investment Committee and rewards program celebrated innovation and funded impactful ideas. The Vanguard program empowered 40 members across six Zain operating companies, implementing 20 ideas and launching a streamlined idea evaluation framework. Events such as National Innovation Day and World Creativity and Innovation Day inspired over 750 employees, while the BE A CEO campaign encouraged entrepreneurial thinking, refining 87 ideas and selecting one for implementation in 2025.



CORPORATE SUSTAINABILITY

Marking Zain's fifth year since implementing its Corporate Sustainability (CS) Strategy, the company continued to ensure it achieves its objectives. In 2024, the company placed greater emphasis on how it creates and maintains or erodes value across its business units. This highlights Zain's trajectory in ensuring it continues to ingrain purpose across all its business decisions and takes into consideration the impact of its activities from a short, medium, and long-term perspective.

Zain's Mission: To provide Meaningful Connectivity leading to Equitable Systemic Change and Empowerment of the communities in which Zain operates.

Vision



Safeguard the planet



Address societal challenges through the core business



Enable an inclusive digital society



Build the youth of the future

Strategic Pillars



Climate Change

Decarbonize the business & transition towards NetZero by 2050



Operating Responsibly

Embed ESG across the value chain



Inclusion

Reduce the digital inequality gap



Generation Youth

Build resilience across Zain's communities by targeting 16 million children and youth



All topics and materials mentioned in this section can be found in greater detail in Zain's 2024 Sustainability Report.

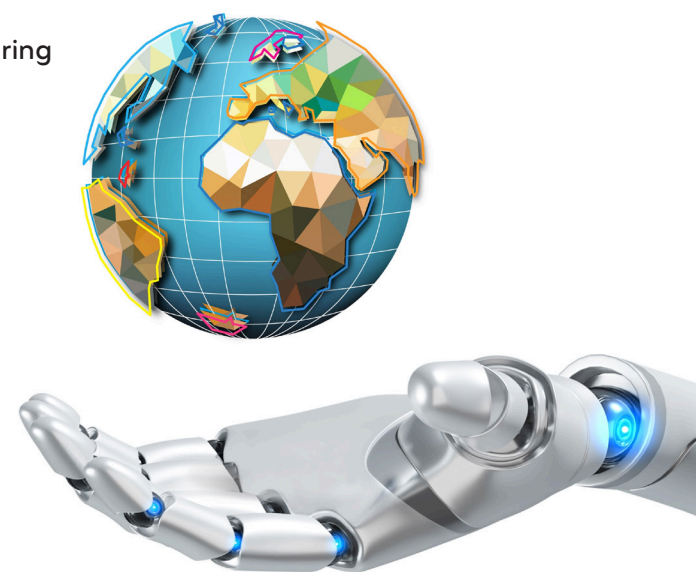
Link to report:
<https://zain.com/en/sustainability>



1. Climate Change

Throughout 2024, the organization achieved significant pivotal milestones and strengthened its climate action agenda, underscoring its commitment to achieving Net-Zero emissions by 2050. Zain is proactively addressing climate risks through focused adaptation and mitigation measures, each tailored to the distinct challenges present in its operational markets—both now and over the long term. Such challenges include worsening extreme weather events such as flooding, persistent infrastructure gaps that heighten climate impacts, and the lack of comprehensive regulatory frameworks.

Zain continues to deploy energy efficient solutions in line with the company's SBTi's Net-Zero Targets and guidance set in each operation. Integration of mitigation and adaptation plans are achieved through the following activities:



**Network
and Energy
Consumption
Transition**

**Strategic
Approach &
Communications**

**Waste
Management
& Circular
Economy**

Zain's Climate Action Journey over the years:

2012

Publication of first Sustainability Report

2016

Completed first five-year target cycle

2017

Aligned the CO₂ emission factors for IEA Standards
Set new CO₂ emissions reduction targets for five years

2018

Updated Zain's Environmental and Social Management Plan to include IFC-recommendations

2019

Became a member of the GSMA Climate Action Task Force
Private disclosure to CDP

2020

Public disclosure to CDP
Established a Climate Action Committee (CAC)

2021

Plan to introduce Internal Carbon Pricing (ICP)
Plan to commit to SBTi
Published Zain's Climate Change Policy

2022

Developed the Climate Change Compliance Framework (approved by the Board)
Formal commitment letter approved by SBTi and received acceptance letter on January 6, 2023
Set new CO₂ emissions targets for five years

2023

Board approved waste management policy
Submission of Science-Based Targets to the Board for approval
The joint creation of Sustainability Innovation Hub under the GCC Telco Alliance

2024

Board approved Waste Management Compliance Framework
Zain's Science-Based Targets approved

Outlined below are Zain’s Emission Reduction Performance and targets for 2024, prepared in accordance with the Greenhouse Gas (GHG) Protocol guidelines for its emissions inventory, guided by the SBTi methodology:

2020 – 2050 CO₂ Emissions targets for Scope 1 and Scope 2

Type of Targets	Scopes / Targets	2020	2030	2050
Absolute / 1.5°C	Scope 1 emissions (tCO ₂ e)	401,370.94	232,795.14	52,178.22
	Scope 2 emissions (tCO ₂ e)	730,328.98	423,590.81	94,942.77
	Scope 1 & 2 emissions (tCO ₂ e)	1,131,699.92	656,385.96	113,169.99
	Reduction Targets		42.0%	90.0%

CO₂ Emissions Reduction (2020-2024)

Scopes	Base Year (2020)	Reporting Year (2024)	Reduction to Date	% near-term SBT Progress
Scope 1 emissions (tCO ₂ e)	401,370.94	330,115.86	17.8%	42.3%
Scope 2 emissions (tCO ₂ e)	730,328.98	662,079.80	9.50%	22.2%
Scope 1 & 2 emissions (tCO ₂ e)	1,131,699.92	992,195.66	12.33%	29.3%

CO₂ Emissions – Scope 1 & 2 / Operation (Sites/ Data Centers/HQ)

CO ₂ Emissions Reductions (2022 – 2023)									
	Units	Bahrain	Iraq	Jordan	Kuwait	Saudi Arabia	Sudan	South Sudan	Total
Scope 1 - Fuel	Liters	961,391	40,001,869	219,034	12,166,485	52,855,309	9,025,149	3,288,336	118,517,573
Scope 2 - Electricity	KWh	45,968,704	187,959,187	135,368,063	182,182,355	620,620,179	14,615,211	3,015,452	1,189,729,152
Scope 1 - Fuel	CO ₂ e KG	2,576,528	107,205,010	566,580	32,606,180	141,652,228	24,187,399	8,812,740	317,606,666
Scope 1 - Refrigerants	CO ₂ e KG	387,108	5,515,438	844,791	2,662,906	2,314,046	784,902	0	12,509,191
Scope 1 emissions	Kg CO ₂	2,963,636	112,720,448	1,411,371	35,269,086	143,966,274	24,972,301	8,812,740	330,115,856
Scope 2 emissions	Kg CO ₂	32,118,333	124,616,941	7,481,561	111,969,275	378,888,620	4,467,870	2,537,202	662,079,802
Total Scope 1 & 2 emissions	Kg CO ₂	35,081,969	237,337,389	8,892,932	147,238,361	522,854,894	29,440,171	11,349,942	992,195,658
Baseline-year 2020 Absolute Decrease/ Increase in Emissions [Year 2020 vs 2024]	%	-5.70%	-29.40%	-85.80%	24.20%	-2.10%	-63.40%	50.70%	-12.33%

- *Note:**
- For the conversion from liters of fuel to KWh, we considered that 1 L = 3KWh on the basis that 1 liter produces 10KWh with diesel generator efficiency of 30% as recommended by the GSMA.
 - DG-battery hybrid solutions usually lead to approximately 50% savings on fuel consumption.
 - Estimate of KWh for solar system is based on the data provided by Zain Jordan as per site monitoring and management solution. 750KWh is produced per site on average.

Scope 3 Emissions Breakdown

Category name	Total tCO ₂ e
Category 1 : Purchased goods and service	119,836
Category 2 : Capital goods	129,517
Category 3 : Fuel- and energy-related activities (not included in Scope 1 or Scope 2)	135,647
Category 4 : Upstream transportation and distribution	1,142
Category 5 : Waste generated in operations	11,956
Category 6 : Business travel	1,030
Category 7 : Employee commuting	10,410
Category 8 : Upstream leased assets	102
Category 9 : Downstream transportation and distribution	9,151
Category 10 : Processing of sold products	-
Category 11 : Use of sold products	17,175
Category 12 : End-of-Life of sold products (intermediate product, if relevant)	1,554
Category 13 : Downstream leased assets	35,167
Category 14 : Franchises	-
Category 15 : Investments	28,530
TOTAL Scope 3 Emissions	501,218
Y-O-Y Change (2023-2024)	0.93%

Scope 3 exclusions:

- Category 10: Processing of Sold products. This Category includes emissions from products that need further processing. Most of Zain products do not need further processing, hence this category is evaluated as being non-relevant for our business.
- Category 14: Franchises. This Category includes emissions from a telecommunication operator’s operation of franchises not included in Scope 1 or 2. A franchise is a business operating under a license to sell or distribute another company’s goods or services within a certain location. The life-cycle emissions associated with manufacturing or constructing franchises are considered optional by the GHGP [GHGP-2]. This is typically not a significant emission Category for telecommunication operator

More initiatives on Climate Change Awareness, Waste Management, Circular Economy, and Biodiversity can be found on page 85 of Zain’s 2024 Sustainability Report.

2. Operating Responsibly

Responsible Supply Chain

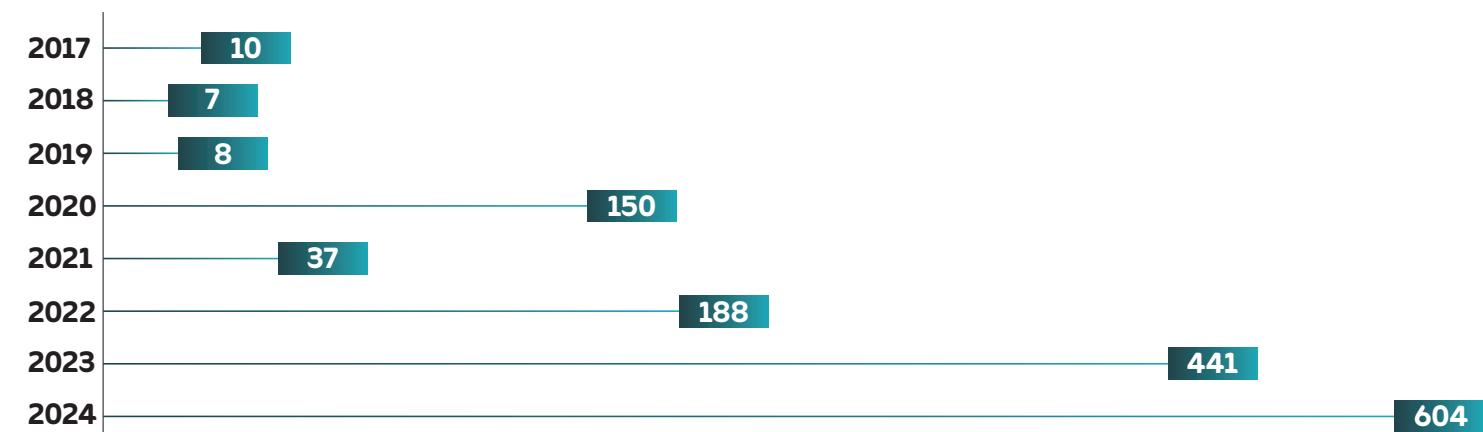
Zain implemented a comprehensive approach for supply chain management ensuring suppliers meet Zain's ESG standards. With the aim of addressing sustainability-related risks, promote sustainability practices across its value chain, and mitigate reputational risks, Zain continued to reinforce its dedication to upholding responsible business practices.

Supplier Self Assessment Questionnaire Completion per Operation

Operation	Number of Suppliers Target	Percentage achieved	Number of Suppliers Completion
Bahrain	50% of Active Suppliers in 2024	31%	31
Iraq		59%	79
Jordan		50%	170
Kuwait		55%	186
Saudi Arabia		19%	114
Sudan*		2%	4
South Sudan		10%	20
Total/Average			604

*The number of suppliers conducting supplier self-assessment questionnaires is impacted due to the political conflict in Sudan.

Year-on-Year Total Suppliers



*In 2024, the graph above reflects suppliers at the Group-level and across all operations



In 2024, Zain continued to utilize the observation form, introduced in 2023, during each physical audit. This tool assists Zain to track and report on identified risks. It evaluates the severity of each observation, and if deemed high-risk and in violation of the supplier code of conduct, the supplier is subject to a termination process.

Operation	Target of Number of Suppliers	Completed
Bahrain	10	Yes
Iraq	10	Yes
Jordan	10	No
Kuwait	10	Yes
Saudi Arabia	10	No
Sudan*	10	N/A
South Sudan	10	Yes

*Due to political instability, Zain Sudan was unable to conduct on-site, physical audits

3. Inclusion

Zain’s inclusion pillar centers on bridging the digital divide with a particular emphasis on supporting vulnerable segments of society. By narrowing the digital gap across its communities, the company fosters positive societal change by empowering individuals with greater access to digital tools that drive progress in education, healthcare, and economic development.

In its strategy, Zain focuses on targeting the following segments:

- Elderly Community
- People with Disabilities
- Women in Technology

Marginalized groups, including low-income populations such as refugees and rural communities, are carefully evaluated and integrated into the company’s broader commercial and business strategies.

Elderly Community:

Target	260,000 elderly people across Zain’s footprint by 2025 through products and services, marketing campaigns, and benefit features
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In 2024, Zain dedicated efforts to understanding the needs and challenges of the elderly across its markets, acknowledging them as an underserved community with significant potential for meaningful engagement. To address these obstacles, Zain began collaborating with organizations supporting senior citizens and elderly care homes to better enhance the quality of life of the residents. Highlighted below are a selection of initiatives launched during the year, with the aim of equipping the affected individuals with the necessary digital tools and accessibility to remain connected.

- Zain Jordan launched a social media campaign on cyber safety for seniors (65+), in partnership with the National Cyber Security Center, offering easy-to-understand tips to help protect them online; in a post-campaign survey, 62% of participants said they found the advice helpful.



- Zain Saudi Arabia, in partnership with the Kebar Association, conducted a digital skills training program for 550 seniors, providing 372 volunteer hours to help them master essential digital tools, improving their daily lives.

People with Disabilities:

Target	Launch core data bundles and packages in 2024 • Achievement: Four out seven operating companies implemented data bundles tailored to people with disabilities
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Operation	Progression on data bundle for PWDs
Zain Bahrain	Yes – Continued collaboration with Natawasal, with plans to expand the service by partnering with the General Directorate of Traffic to reach more people and offer better access to essential services in 2024.
Zain Iraq	No – Due to the lack of country-wide statistics on PWDs, Zain Iraq did not launch a specific bundle for this group. To circumvent this, the company provided other support services to facilitate their needs.
Zain Jordan	Yes – Zain Jordan’s Basma Line bundle was reactivated this year, incorporating a more efficient and effective process in call centers.
Zain Kuwait	Yes – Zain Kuwait enhanced its data bundle and undertook a workshop “Tech for all,” providing potential services for PWDs in mobile device repairs.
Zain Saudi Arabia	Yes – Highlighted the core bundle titled Lifetime, providing a 50% discount for PWDs. On Purple Saturday, Zain Saudi Arabia launched a social media campaign in collaboration with the Authority of People with Disability (ADP) and service subscriptions reached a growth of 600% for the year.
Zain South Sudan	In Progress - Commercial teams are taking a proactive approach by crafting an inclusive bundle specifically tailored to the diverse needs of PWDs.

Women in Tech:

Target in 2024	To mentor 150 women university students studying STEM in each market
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Operation	Context	2022 Target	2022 Achievement	2023 Target	2023 Achievement	2024 Target	2024 Achievement
Bahrain	Zain Bahrain launched its first WiT program, which will roll over into 2025.	100	-	120	-	150	-
Iraq	400+ applicants registered, with 160 selected to undertake the program. This was delivered over the course of three months, covering a range of technical themes. To-date 40+ women from the program have been hired.	100	115	120	136	150	160
Jordan	The program was completed in two phases through a series of structures sessions covering a range of technical and soft skills. A hybrid approach was also utilized to maximize engagement and accessibility.	100	100	120	122	150	154
Kuwait	Zain Kuwait piloted the first series of its WiT program in 2024 with a satisfaction rate of 81.9% amongst participants, highlighting its popularity.	100	-	120	-	150	7
Saudi Arabia	The WiT program was run in collaboration with the Communications, Space and Technology Commission for the third consecutive year, curating the program.	100	100	120	150	150	150
Sudan*	The program launched in December in an online format, which will extend into January following hybrid classes to maximize accessibility due to the ongoing conflict.	100	69	120	-	150	14* Due to the conflict in Sudan
South Sudan	Zain South Sudan is exploring options to collaborate with the Forrest Whitaker Peace Development Initiative to support in mentorship opportunities and to reach STEM female students.	100	-	120	-	150	-



4. Generation Youth

Within the Generation Youth pillar, the company established objectives aimed at fostering and maintaining supportive ecosystems that enhance the well-being of young people, thereby promoting sustainable, inclusive growth and social cohesion across the region.

In pursuit of these objectives, Zain continued to prioritize the following areas:

Child Online Safety:

In its second year, Zain worked towards advancing its three-year memorandum of understanding (MoU) with Child Helpline International to facilitate child helplines across its footprint. Through this collaboration, both organizations have enhanced the effectiveness of helplines, reinforcing their crucial role in safeguarding children and youth. Demonstrating its ongoing commitment, Zain delivered the opening speech at the 2024 Regional Consultation of Middle East and North Africa Child Helplines, emphasizing that child helplines are vital in supporting children’s rights and welfare. Zain continued to evolve the child helpline platform software and technologies by expanding services to include chat and awareness campaigns across social media channels.

Digital Literacy:

Target in 2024	To equip 471,000 children and youth with digital literacy skills by 2025
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- Aanab & Code School Finland partnership (Zain Saudi Arabia)**
Since 2022, Zain Saudi Arabia through its MoU with Aanab and the Code School Finland, has partnered to promote digital education and literacy. Empowering localized digital education efforts resulted in 700 teachers being trained, with over 28,000 youth beneficiaries. This initiative ensures the youth are digitally skilled to meet future demands.
- B-12 (Zain Jordan)**
In collaboration with UNICEF and its B12 initiative, Zain Jordan continued advancing its comprehensive online learning platform to 24,000 students, ensuring a secure internet service for quality education catering to modern educational needs.

Youth Unemployment:

Target in 2024	- Reach unemployed youth through training, developing skills, conducting workshops, and mentorship opportunities. - Foster startup community and capturing jobs generated.
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- Zain Sudan Vocational Training**
In response to rising youth unemployment and displacement in Sudan, Zain launched a vocational training program to equip individuals with practical skills, including mobile phone repair and electronics troubleshooting. In partnership with external organizations, the program has successfully trained 1,256 individuals across Sudan and Egypt, enhancing their employability and addressing labor market needs.
- Zain Iraq- MaharaTech**
In 2024, Zain Iraq launched the MaharaTech competition to enhance youth technical skills, with 30 students from five universities gaining expertise in data automation, digital communication, and marketing research. The program empowered participants to create tech solutions for the education sector and promoted entrepreneurship for future employment.

GOVERNANCE

CORPORATE GOVERNANCE REPORT 2024

Introduction

Zain Group has consistently upheld a robust corporate governance (CG) framework as the foundation for its success. As a leading telecommunications operator, the company recognizes the critical role of governance in ensuring transparency, accountability, and long-term value creation for all stakeholders. In 2024, Zain's governance strategy was further strengthened by the introduction of its 4WARD Progress with Purpose' strategic approach: Four Forces, Twelve Accelerators, One Purpose. This dynamic strategy underscores the company's commitment to exceptional service, technological innovation, and purposeful actions, placing stakeholders at the center of its governance practices.

Zain's governance strategy is seamlessly aligned with its 4WARD framework, which focuses on Customer Delight, Digital Leadership, and Purpose-Driven Actions. Each of these forces plays an integral role in the company's commitment to delivering exceptional experiences while upholding the highest standards of governance.

At Zain, customers are at the heart of everything the company does. This principle extends to corporate governance, where customer-centric policies and practices are designed to build trust, loyalty, and transparency. The Board of Directors actively prioritizes customer satisfaction by ensuring that strategic decisions reflect the needs and expectations of Zain's diverse customer base. This year, several key policies were reviewed, enhanced, and approved to strengthen this commitment.

As a technology-driven organization, Zain has embedded digital innovation into its governance framework. The Board oversees digital transformation initiatives to ensure alignment with industry standards and regulatory requirements. By integrating digital governance into its strategy, Zain has strengthened its position as a leader in technological innovation. The governance framework includes comprehensive policies to protect customers and organizational data, mitigating risks associated with cyber threats. The Board actively monitors technological advancements to ensure that digital investments align with the company's strategic objectives and stakeholder interests.

Purpose-driven governance lies at the heart of Zain's strategy. The company is deeply committed to aligning its actions with broader societal and environmental goals, ensuring that every decision contributes to meaningful impact.

Zain's corporate governance is further strengthened by the Twelve Accelerators, a set of strategic initiatives designed to enhance performance, mitigate risks, and deliver long-term value. These accelerators reflect Zain's commitment to continuous improvement and innovation in governance.

Zain's commitment to governance principles resulted in higher environmental, social, and governance (ESG) scores, reflecting the company's leadership in environmental stewardship, social responsibility, and governance excellence. In 2024 the Board approved the ESG policy, which aims to ensure that the company maintains high standards of corporate governance, labor management and sustainability practices, aligning with its strategic goals and compliance requirements. The Corporate Governance Department is responsible for monitoring ESG, ensuring adherence to best practices, regulatory compliance and alignment with corporate values. The Corporate Governance Department reports to the Board with regard to updates or requirements to be implemented or obtained.

The Board approved the ESG Monitoring Policy and continues to review and assesses the effectiveness of the policy and associated practices, providing strategic guidance on aligning ESG objectives with corporate goals.

As Zain moves forward, the company will continue to prioritize investments in cutting-edge technology, ensuring that governance practices adapt to the challenges and opportunities of the digital age. The company aims to further integrate ESG principles into its operations, focusing on renewable energy, community development, and ethical business practices. Zain is committed to enhancing Board diversity by incorporating a broader range of perspectives to foster innovation and effective decision-making. In line with this commitment, an independent board member with expertise in finance, academia, governance, and strategy has been added to the Board of Directors. This addition increases the percentage of independent directors on the Board, as approved by shareholders during the Annual General Assembly (AGM).

By deepening its collaboration with stakeholders, Zain seeks to ensure that its governance practices reflect the needs and expectations of all parties involved. Zain's governance framework emphasizes the importance of stakeholder engagement, ensuring open and effective communication with all stakeholders. By fostering meaningful interactions, Zain reinforces its commitment to transparency, accountability, and the critical role stakeholders play in shaping the company's strategic direction.

The Board continues to promote ethical leadership, advancing a culture of integrity and resilience. Furthermore, Zain's focus on integrated disclosure and sustainability reporting underscores its dedication to transparency and accountability. By addressing emerging risks, enhancing shareholder engagement, and aligning its practices with global benchmarks, Zain positions itself as a leader in corporate governance, leveraging innovation and sustainability to drive impactful outcomes.

The company remains proactive in monitoring and responding to regulatory developments, ensuring compliance and maintaining its position as a leader in governance.

With a robust governance framework, the company is well-positioned to navigate the complexities of the modern business environment while delivering exceptional value to stakeholders.

Moving forward, Zain's dedication to governance excellence will remain a driving force behind its success, ensuring that the company continues to lead with purpose, integrity, and innovation.

The Board continues to have a strong oversight into Zain's Sustainability strategy to ensure the organization creates positive sustainable value for all, focusing on long-term strategies that encompass financial performance, societal impact, and environmental sustainability.

During the year, the company achieved various milestones showcasing Zain's holistic approach to providing meaningful connectivity. In 2024, Zain received the formal approval of its net-zero targets verified and validated by SBTi (Science Based Targets Initiative) in addition to maintaining its A- score in the 'Carbon Disclosure Project (CDP) Score Report for the fourth year in a row. In addition, Zain conducted Reasonable Assurance for the first time on its Scope 1 and 2 emissions ensuring further accuracy and transparency on Zain's environmental reporting indicators.

The company also launched its Responsible Marketing & Communications Standard reflecting its commitment to ethical and transparent practices, ensuring inclusivity, diversity, and the protection of vulnerable populations. Zain also expanded its processes for screening suppliers on sustainability-related risks to cover a larger number of suppliers across its operations in addition to updating its supplier self-assessment questionnaire to include aspects on net-zero, biodiversity and traceability.

With regards to children's rights, the company launched the #EveryChildHasRights campaign to raise awareness of the critical threats faced by children in conflict-affected regions, achieving over 16.5 million impressions across its social media channels.

In a rapidly evolving global landscape, Zain prioritizes effective risk management and adaptability to address challenges such as supply chain vulnerabilities and geopolitical uncertainties. Operating within a

robust regulatory framework, Zain upholds high standards of governance and ethical business conduct. The Board of Directors ensures compliance with global benchmarks, while executive management implements these directives through actionable strategies.

Zain's culture is rooted in diversity, inclusion, integrity, and transparency, guided by a comprehensive code of conduct. Adhering to the Capital Markets Authority (CMA) regulations in Kuwait, Zain aligns with a unified governance framework designed to enhance operations and promote best practices. The company's code of conduct highlights its commitment to ethical standards, supported by comprehensive employee training programs accessible to all stakeholders who engage with Zain.

Transparency is central to Zain's approach, with clear disclosures on ESG performance and risk management fostering trust with stakeholders. This report highlights how Zain integrated ESG principles into its strategies in 2024, balancing compliance, innovation, and societal impact to lead in governance and drive sustainable growth.

In 2024, Zain was presented with the World Finance's a "Best Corporate Governance Award" in Kuwait for the fourth year in a row. World Finance is a print and online magazine that provides comprehensive coverage and analysis of the financial industry, international business, and the global economy. Zain was recognized for the integrity and transparency of its practices. Zain has also adopted a good Investor Relations and Corporate Governance Framework that enhances the overall governance environment within the company in line with applicable laws, regulations, and leading practices. Wherever possible, Zain looks to exceed the requirements of the corporate governance regulations.

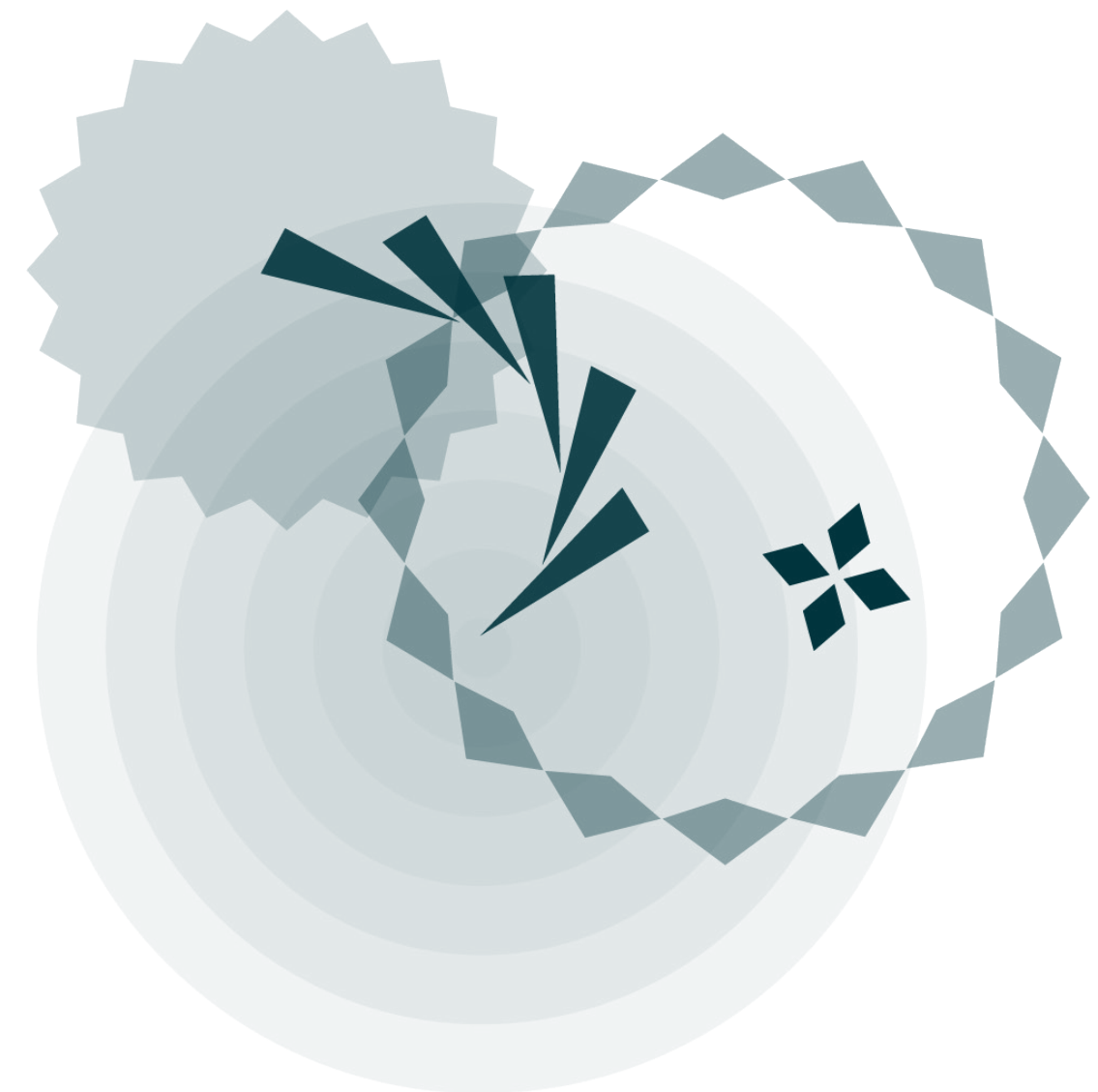
The information contained in this report is based on the laws on corporate governance and their amendments issued by the CMA, the Ministry of Commerce and Industry, Boursa Kuwait and other relevant regulatory authorities in the State of Kuwait, and the laws and regulations of the jurisdictions in which the company operates. Zain decided to focus on efforts to promote innovation, open the way to face future challenges, and enhance competitiveness by implementing an innovative way of working amidst rapid transformations. Zain's operations are based on principles according to the applicable laws.

It executes its policies to protect the rights of stakeholders and to enhance the added value of all parties. . This includes the economic, social and developmental contribution made by its operating companies in the communities in which they operate. In addition, the Group pursues growth through innovative management, as it works to create new and unique value through partnerships and various projects. The company's internal policies are also based on values, principles and practices of global corporate governance.

The Board and executive management believe in building positive relationships among all stakeholders by strengthening corporate governance. One of the essential methods used by Zain in emphasizing the quality of information in this regard is auditing ESG reports by independent external auditors approved by the regulatory authorities. These reports and publications contain detailed information on ESG strategy, development, performance and impact.

The corporate governance report has been prepared per the laws and regulations issued by the relevant governmental and regulatory agencies in Kuwait. A copy of this report is also available on the company's website, www.zain.com.

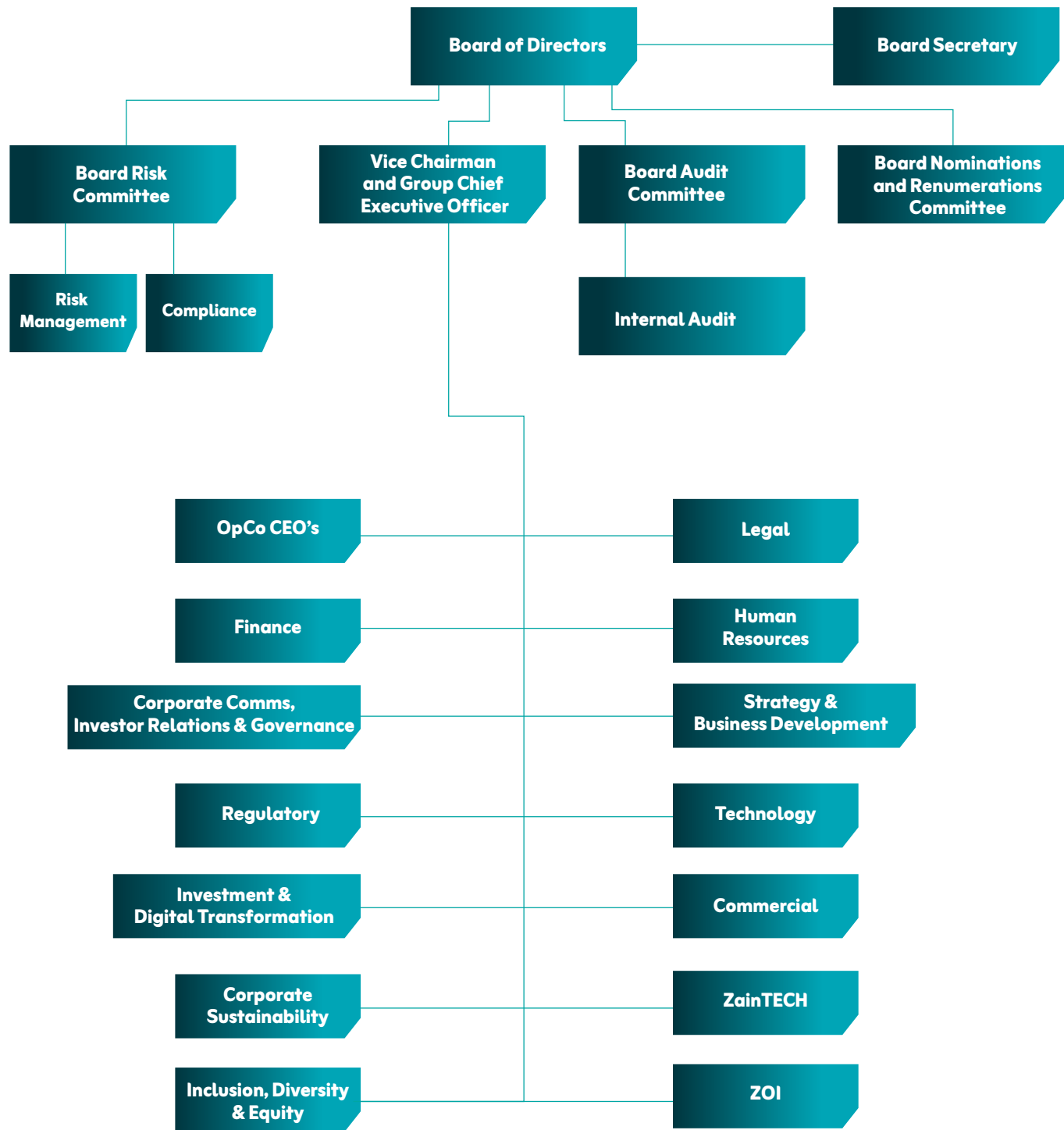
The Board of Directors approved the Corporate Governance Report for the year 2024.



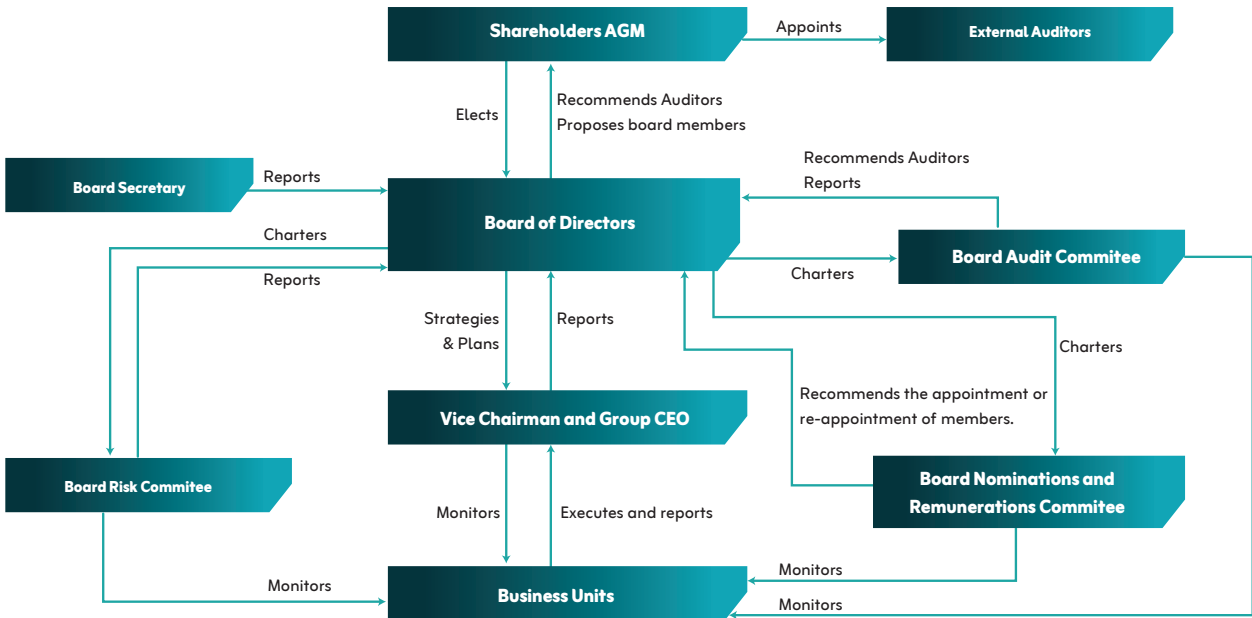
Rule I: Construct a Balanced Board Composition

Establishing an appropriate framework for decision-making is among the pillars of sound corporate governance. It depends on assigning responsibility and providing transparent reports that ensure understanding and monitoring of the company's development.

The Company's Organizational Structure



The Company's Framework



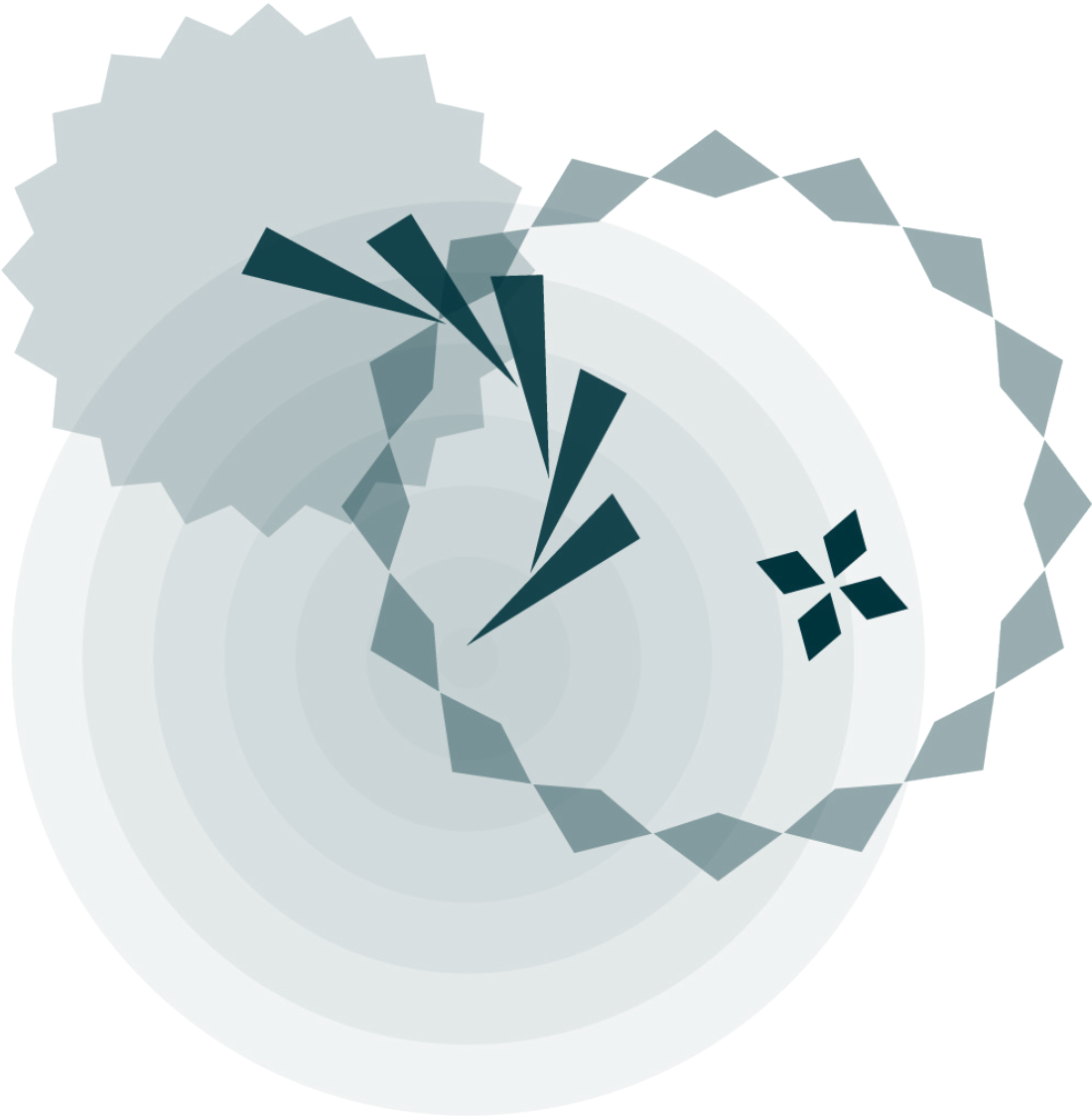
Applicable local laws and regulations

- Law no. 1/2016 [Companies Law]
- Capital Markets Authority: Law no. 7/2010
- Communications & Information Technology Regulatory Authority: Law no. 37/2014
- Boursa Kuwait – Rulebook
- Competition Protection Agency: Law no. 10/2007
- Kuwait Anti-Corruption Authority NAZAHA Law no. 2/2016
- Capital Markets Authority: Resolution no. 72/2015

About the Board of Directors

The following list includes a brief about the members of the Board, including information on the date of appointment, the educational and professional background of each member in addition to the nature of their respective positions.

Composition of the Board of Directors				
Name	Classification	Education	Professional Experience	Date of Election/ Appointment
Osamah Othman Al Furaih Chairman	Non-executive	Bachelor's Degree in Business Administration	Industrial and banking sectors, Investment and business sectors, Non-profit institutions, Telecommunications, and mechanical engineering sector	11 April 2023
Bader Nasser Al-Kharafi Vice Chairman & Group CEO Representing Oztel Holdings SPC Limited	Executive	Master of Business Administration & Bachelor's degree in Mechanical Engineering	Industrial and banking sectors, Investment and business sectors, Non-profit institutions, Telecommunications, and mechanical engineering sector	25 June 2024
Abdulrahman Mohammad Ibrahim Al Asfour Independent	Independent	Bachelor's Degree in Business Administration – Accounting Major	Technical expertise in the application of IT solutions, audit, and finance	11 April 2023
Dr. Saad Ahmed Alnahedh	Independent	Bachelor's degree in Electrical Engineering with a minor in Business Administration - MBA - Doctorate in Finance	Banking governance. Holds leadership positions at the Kuwait Fund for Arab Economic Development and the IILM, Government committees, Energy Research.	25 June 2024
Talal Said Al Moamari Representing Fajr Al Naseem Co.	Non-executive	Bachelor's Degree in Business Administration	Finance experience in the telecommunications sector	11 April 2023
Zaki Hilal Saud Al Busaidi Representing Jawharat Al Jibla Co.	Non-executive	Master's degree in Public Administration	23 years in the civil service sectors, port services, investment, and insurance And communications	11 April 2023
Atif Said Rashid Al Siyabi Representing Abeer Al Shuruq Co.	Non-executive	Bachelor of Engineering in Computer Hardware and Networking Technology	20 years in information technology, business development, innovative technological solutions and information systems, investment and communications	11 April 2023
Aladdin Baitfadhil Representing Danat Al Qiblah Co.	Non-executive	Bachelor's degree in Electrical and Electronics Engineering.	21 years in the information and communication technology sector	11 April 2023
Nasser Suleiman Al-Harthy Representing Naseem AL Dilta Co.	Non-executive	Master's degree in business administration (MBA)	25 years in the investment, economic, financial, information management, legal and compliance sectors	11 April 2023
Yousef Khaled Al-Abdulrazzaq	Non-executive	Bachelor's Degree in Business Administration – Finance Major	Audit and investment expertise within the general reserve sector and investment funds	11 April 2023
Hatmal Farouq Al-Qadi	Secretary	Master of Laws (L.L.M)	Legal Consultancy Telecommunications sector	12 May 2015



Board of Directors’ Meetings 2024

The Board met eleven times during the year. The Chairman of the Board – or his Deputy in his absence – sends the invite for the meeting, by any mechanism, including modern means of communication. The Chairman must call for an emergency meeting if a written request has been submitted to him by at least two members. The Board meeting shall not be valid unless attended by at least half of the members. The meeting may be held using the modern means of communication specified by the Board. Decisions may be taken by circulation, provided that this is done with the approval of all members of the Board. It is not permissible to attend Board meetings by proxy.

	Meeting No. 1 6/3/2024	Meeting No.2 17/4/2024	Meeting No.3 20/4/2023	Meeting No.4 30/4/2024	Meeting No.5 13/5/2024	Meeting No.6 27/5/2024	Meeting No.7 20/6/2024	Meeting No.8 25/6/2024	Meeting No.9 7/8/2024	Meeting No.10 11/11/2024	Meeting No.11 11/12/2024	Total Meetings Attended
Osamah Othman Al Furaih Chairman	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	11
Bader Nasser Al-Kharafi Vice-Chairman & Group CEO	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	11
Abdulrahman Mohammad Ibrahim Al Asfour Independent	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	11
Dr. Saad Ahmed Alnahedh* Independent								✓	✓	✓	✓	4
Talal Said Al Moamari	✓	✓	✓	✓	✓	✓	✓	-	✓	✓	✓	10
Zaki Hilal Saud Al Busaidi	✓	✓	✓	✓	-	✓	✓	✓	✓	✓	-	9
Atif Said Rashid Al Siyabi	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	11
Aladdin Baitfadhil	✓	✓	✓	✓	-	✓	-	✓	✓	✓	✓	11
Nasser Suleiman Al- Harthy	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	11
Yousef Khaled Al-Abdulrazzaq	✓	✓	✓	✓	✓	✓	✓	✓	-	✓	✓	10
Hatmal Farouq Al-Qadi (Board Secretary)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	11
Attendance Percentage	100%	100%	100%	100%	90%	100%	100%	90%	90%	100%	90%	

The schedule includes all Board meetings held during 2024.

- Dr. Alnahedh was appointed on 25 June 2024.

Management of Board Meetings

The Board Secretary plays a pivotal role in ensuring the Board’s efficiency and adherence to laws and regulations and best practices. This involves organizing and managing Board and committee meetings, including issuing timely notices, preparing agendas, and distributing materials at least three days in advance. The Secretary is responsible for accurately documenting meeting minutes, which serve as official records of discussions, decisions, and voting outcomes, and ensuring their accessibility to all Board members.

As a critical liaison between the Board and executive management, the Secretary ensures that members receive essential information in a timely manner and maintains alignment with legal, regulatory, and internal policies. Collaborating closely with the Chairman, the Secretary supports the preparation of agendas, tracks meeting outcomes, and ensures the implementation of Board-approved decisions in accordance with company policies. Furthermore, the Secretary facilitates the onboarding of new Board members through comprehensive induction programs, which include an overview of the company’s operations, governance framework, performance results, ESG concepts and strategic plans.

The Secretary oversees corporate records, including committee documentation, membership processes, and compliance-related activities. This involves generating, maintaining, and updating records to meet legal and regulatory requirements while safeguarding them as corporate archives. Additionally, the Secretary ensures invitations to relevant stakeholders for Board and committee meetings are issued promptly.

To remain effective, the Secretary stays informed about global trends in corporate governance, emerging challenges, and best practices, with a focus on the telecommunications sector by working closely with the Corporate Governance Department. This also includes keeping the Board updated on corporate sustainability developments in coordination with the Chief Sustainability Officer, thereby aligning governance practices with strategic sustainability goals.

Integral to the Secretary’s role is fostering a collaborative and informed environment, ensuring the Board’s expanding responsibilities are supported effectively. By maintaining rigorous documentation, facilitating seamless communication, and providing expert guidance, the Secretary strengthens the Board’s decision-making capabilities and its alignment with corporate values and objectives.

The independent member acknowledges that the independence controls are met, and a copy of the declaration shall be attached to the Arabic report.

Rule II: Establish Appropriate Roles and Responsibilities

The Board of Directors consists of 10 members, including two independent members and one executive member. CMA has established regulations to ensure effective corporate governance through Board composition and the inclusion of independent members. The majority of Board members must be non-executive directors. These regulations aim to ensure unbiased oversight and balanced decision-making within companies.

The Board of Directors plays a vital oversight role, ensuring the company’s sustainability, ethical conduct, and strategic direction. It oversees management, aligns operations with the interests of shareholders and stakeholders, and ensures compliance with laws and regulations. The Board sets the company’s mission, vision, and long-term goals while approving key strategies and managing risks.

The Board monitors financial performance, reviews financial statements, and ensures compliance with accounting standards. It establishes a corporate governance framework, including a code of conduct, ESG policies, and internal controls, while maintaining high standards of disclosure and transparency. It also supervises anti-corruption and anti-money laundering policies, ensuring their alignment with laws and corporate culture.

Board composition and effectiveness are maintained through diverse expertise, director succession planning, and compliance with the Articles of Association (AOA). Each shareholder, whether a natural person or a legal entity, may appoint representatives to the Board in proportion to the shares that they own. The General Assembly shall elect the remaining members by secret ballot. Members are elected for three-year terms, with independent directors comprising at least 20%. The Chairman and Vice-Chairman are elected by secret ballot, and committees—Audit, Risk, and Nominations and Remunerations—are formed to focus on critical areas of governance.

The Board delegates operational strategy execution to the CEO and management, ensuring alignment with corporate values. It resolves conflicts of interest, evaluates related-party transactions, and ensures transparent communication with shareholders. Sustainability and community well-being remain central, reinforcing the Board’s commitment to long-term success in a dynamic environment.

The Board of Directors serves as the primary entity responsible for the company’s strategy, policies, ethics, and ESG initiatives. It ensures the company operates sustainably, ethically, and in alignment with its long-term goals. The Board oversees management to safeguard compliance with laws, regulations, and industry standards while acting in the best interests of shareholders and stakeholders.

As the custodian of strategy, the Board defines the company’s mission, vision, and long-term objectives, approves strategic initiatives, and ensures that policies and business practices reflect corporate values. It establishes a robust framework for corporate governance, including a code of conduct and ESG policies, ensuring ethical practices and sustainable growth. The Board actively manages risks by implementing effective risk mitigation strategies and supervising internal controls and compliance systems.

The Board ensures the company maintains transparency and accountability by reviewing financial performance, approving financial statements, and adhering to the highest standards of disclosure. It establishes anti-corruption and anti-money laundering frameworks, fostering a culture of integrity and compliance throughout the organization.

In addition to its strategic role, the Board is responsible for overseeing its own composition and effectiveness, ensuring diversity and succession planning, and forming committees—Audit, Risk, and Nominations and Remunerations—to focus on governance priorities. The Board also ensures that executive management executes the approved strategy effectively, delegating responsibilities while maintaining oversight.

The Board emphasizes ESG as a cornerstone of its governance, addressing sustainability and the well-being of communities where the company operates. It ensures policies and decisions align with the company’s ethical standards, long-term strategy, and commitment to creating value for shareholders, stakeholders, and society. This approach positions the company for continued growth and resilience in a dynamic environment.

Board Achievements in 2024

- Acquiring IHS Kuwait for tower management to support the Signal project and achieve the group's vision regarding tower management.
- Acquiring IHS Kuwait for tower management to support the Zain - Ooredoo agreement and achieve the group's vision regarding tower management.
- Investing in several generative AI technology companies like XAI, Articul8 and Intelmatix, as well as in capital growth investment opportunities and new revenue sources in deep technology funds such as Kadmos Capital supporting to the company's strategy.
- Approving several policies and regulations that contribute to enhancing work efficiency, especially those related to climate, environment, and diversity in the workplace.
- Approving the holding of an extraordinary general assembly to appoint an independent member of the Board in accordance with the CMA regulations.
- Providing support to the people of Sudan and working to support employees at Zain Sudan through the Z program, which aimed to create job opportunities for employees' relatives within Sudan or in the countries they have emigrated to.

Board Committees

The Board has implemented a system where its committees handle specific responsibilities to improve overall efficiency and better utilize members’ time. While these committees focus on providing recommendations, the Board retains full accountability for all decisions.

This structure allows Board members to gain deeper insights into the company’s operations, actively participate in discussions, and apply their expertise where it matters most. Committees play a key role in addressing complex issues that benefit from specialized knowledge, enabling the Board to focus on strategic oversight. The Board builds trust among stakeholders and ensures it can fulfill its supervisory duties effectively while maintaining independence from executive management.

The committees are tasked with investigating specific matters, ensuring tasks are carried out with precision and within prescribed timelines. Their findings and recommendations are presented to the Board, along with detailed action plans for implementation. Additionally, the committees oversee the execution of these plans by the relevant departments, ensuring alignment with the Board’s objectives.

At Zain, three committees form the cornerstone of the governance framework: the Risk Committee, the Audit Committee, and the Nominations and Remunerations Committee. Each committee plays a distinct role in supporting the Board’s functions, and its contributions are outlined in the sections below.

Board Risk Committee (BRC)

Formed: 12 May, 2015

Term: The membership period is the same as the term of the Board of Directors and not more than three years, renewable.

Responsibilities: The primary objective of the Board Risk Committee (BRC) is to support the Board in fulfilling its oversight responsibilities concerning the identification, assessment, and mitigation of risks. These encompass operational, strategic, and external environmental risks. As such, the BRC plays a pivotal role in reviewing, monitoring, and approving the company's risk-related policies, frameworks, processes, and practices.

The BRC is entrusted with ensuring that the company maintains an optimal balance between risk and return across both ongoing operations and new ventures.

A critical function of the BRC is the assessment of significant risk exposures and the evaluation of management’s actions to address these risks promptly. This includes one-time interventions and ongoing initiatives, such as business continuity planning, incident response and disaster recovery planning. To enhance effectiveness, the BRC coordinates with the Audit Committee as necessary and provides regular reports to the Board.

The committee also reviews and evaluates the adequacy of internal risk management procedures within its scope of responsibility, recommending enhancements to the Board for approval. With full access to internal information, the BRC ensures that executive management’s risk policies and procedures align with the company’s strategic objectives and risk appetite. It actively fosters a company-wide culture of risk awareness, encouraging behaviors and practices that effectively address risks in a timely manner.

Furthermore, the BRC’s supervisory role extends to evaluating executive management's performance in managing risks. By upholding rigorous standards and promoting a proactive approach, the BRC contributes to safeguarding the company's resilience and long-term success.

The Board Risk Committee oversees the compliance function, ensuring alignment with regulatory requirements and international standards. The compliance team reports directly to the Committee, providing frequent updates on key compliance matters, risk assessments, and mitigation strategies. This structure ensures effective oversight, transparency, and accountability in maintaining regulatory adherence.

Achievements of BRC during 2024

- Approving the annual amendments to the policies, regulations, and strategy of the Risk Management Department.
- Approving amendments to risk tolerance and recommending their approval to the Board.
- Reviewing the Risk Management Department’s quarterly reports and taking necessary actions to mitigate the impact of any identified risks.
- Monitoring network security and cybersecurity issues for the group and its subsidiaries.
- Incorporating the compliance function into the risk committee and starting to establish an independent compliance unit in accordance with the applicable standards.

Committee Members:

Zaki Hilal Saud Al Busaidi (Committee Chairman)

Talal Said Al Moamari

Bader Nasser Al-Kharafi

Yousef Khaled Al-Abdulrazzaq

Atif Said Rashid Al Siyabi

Number of committee meetings in 2024: 4

Member	Meeting No. 1/2024 6/3/2024	Meeting No. 2/2024 12/5/2024	Meeting No. 3/2024 7/8/2024	Meeting No. 4/2024 11/11/2024
Zaki Hilal Saud Al Busaidi (Committee Chairman)	✓	✓	✓	✓
Bader Nasser Al-Kharafi	✓	✓	✓	✓
Talal Said Al Moamari	✓	✓	✓	✓
Yousef Khaled Al-Abdulrazzaq	✓	✓	-	✓
Atif Said Rashid AlSiyabi	✓	✓	✓	✓
Attendance Percentage	100%	100%	80%	100%

Board Audit Committee (BAC)

Formed: 9 June, 2011

Term: The membership period is the same as the term of the Board of Directors and not more than three years, renewable.

Responsibilities: The Board Audit Committee (BAC) plays a critical role in supporting the Board in its oversight responsibilities, including several key areas:

- 1. Ensuring the quality and integrity of the company's accounting practices, auditing processes, internal controls, risk management framework, financial reporting, and overall corporate governance.
- 2. Assessing the performance and qualifications of the licensed independent auditor (external auditor).
- 3. Managing and evaluating the company’s relationship with external auditors.
- 4. Overseeing the effectiveness and performance of the internal audit unit.
- 5. Ensuring compliance with applicable laws, regulations, and ethical standards.

While the ultimate accountability for risk management, internal controls, and corporate governance rests with the Board of Directors, the BAC’s role is to provide specialized oversight and guidance. This includes inspecting the preparation of financial reports, addressing operational and financial risks, ensuring adherence to legal, regulatory, and ethical requirements, and evaluating the performance of both the internal audit function and independent external auditors. By maintaining a robust governance framework, the BAC contributes to safeguarding the company’s integrity and enhancing stakeholder confidence.

Achievements of BAC during 2024

- Discussing and following up on the quarterly reports of internal and external auditors and taking necessary actions to ensure that the noted observations are addressed.
- Approving the consolidated financial statements of the Group on a quarterly basis and recommending their approval by the Board of Directors.
- Following up on receivables and debts at subsidiary companies and coordinating with management to find an effective collection mechanism to mitigate the impact of receivables.
- Recommending the appointment of a new auditor for the Group, KPMG.
- Evaluating the performance of CEOs in the Group and subsidiary companies based on the percentage of observations addressed in the audit report and linking it to their annual performance bonuses.
- Approving the annual audit report to be presented at the general assembly.
- Working to establish an independent compliance unit reporting to the risk committee to ensure complete independence regarding compliance issues.
- Following up on the reporting of violations on a quarterly basis and supervising reports and conducting necessary investigations in case of any violation.

Committee Members:

Nasser Suleiman Al-Harthy (Committee Chairman)

Aladdin Baitfadhil

Abdulrahman Mohammad Ibrahim Al Asfour (Independent)

Yousef Khaled Al-Abdulrazzaq

Dr. Saad Ahmed Alnahedh (Independent)

Number of committee meetings in 2024: 4

Member	Meeting No. 1/2024 6/3/2024	Meeting No. 2/2024 13/5/2024	Meeting No. 3/2024 6/8/2024	Meeting No. 4/2024 10/11/2024
Nasser Suleiman Al-Harthy (Committee Chairman)	✓	✓	✓	✓
Aladdin Baitfadhil	✓	✓	✓	✓
Abdulrahman Mohammad Ibrahim Al Asfour (independent)	✓	✓	✓	✓
Yousef Khaled Al-Abdulrazzaq	✓	✓	✓	✓
Dr. Saad Ahmed Alnahedh* (independent)			✓	✓
Attendance Percentage	100%	100%	100%	100%

*Dr. Alnahedh was appointed on 25 June 2024.

Board Nominations and Remunerations Committee (BNRC)

Formed: 12 May, 2015
Term: The membership period is the same as the term of the Board of Directors and not more than three years, renewable.

Responsibilities: The Nomination and Remuneration Committee (BNRC) supported the Board’s oversight of the company’s remuneration and nomination policies and procedures to ensure their effectiveness, alignment with strategic objectives, and adherence to regulatory standards.

The BNRC is also responsible for reviewing and approving the criteria and procedures for the selection, appointment, and reappointment of members of the Board of Directors and senior management. This includes verifying that the nomination policies and practices align seamlessly with the company's long-term vision and objectives.

The committee oversees the nomination and re-nomination processes for Board and executive management positions, ensuring the presence of a well-qualified and competent leadership team. It conducts an annual assessment of the skills and expertise required within the Board and executive management, ensuring alignment with the company’s strategic priorities and the corporate governance framework as outlined by CMA.

In collaboration with executive management, the BNRC is responsible for developing a robust succession plan for senior leadership roles. This plan includes contingencies for emergencies and unforeseen vacancies, ensuring the uninterrupted continuity of the company’s operations. The committee also oversees the establishment and maintenance of a comprehensive training and development system to enhance employees' skills, strengthen leadership capabilities, and support ongoing growth.

Further, the BNRC evaluates management performance and facilitates the Board’s performance assessment process, contributing to a culture of accountability and excellence. The committee also plays a critical role in determining remuneration packages for Board members and executive management, ensuring compliance with relevant regulations and industry standards while aligning rewards with performance and corporate objectives. This remuneration report is ultimately approved by the majority shareholders during the AGM. It is also subject to scrutiny by the CMA.

Through its strategic contributions, the BNRC helps sustain a governance framework that supports the company’s growth, resilience, and alignment with stakeholder expectations.

Achievements of BNRC during 2024

- Approving the mechanism for calculating and distributing the 2024 annual bonuses for employees and CEOs within the group and including them in the annual remuneration report.
- Approving and conducting a quarterly review of the Group's succession planning policy and plan, ensuring the implementation of the policy, and prioritizing the appointment of Zain employees.
- Approving the company's organizational structure.

Committee Members:
Atif Said Rashid Al Siyabi (Committee Chairman)
Osamah Othman Al Furaih
Bader Nasser Al-Kharafi
Talal Said Al Moamari
Abdulrahman Mohammad Ibrahim Al Asfour (Independent)
Number of committee meetings in 2024: 4

Member	Meeting No. 1/2024 21/2/2024	Meeting No. 2/2024 12/5/2024	Meeting No. 3/2024 3/10/2024	Meeting No. 4/2024 11/11/2024
Atif Said Rashid Al Siyabi (Committee Chairman)	✓	✓	✓	✓
Osamah Othman Al Furaih	✓	✓	✓	✓
Bader Nasser Al-Kharafi	✓	✓	✓	✓
Talal Said Al Moamari	✓	✓	✓	✓
Abdulrahman Mohammad Ibrahim Al Asfour (Independent)	✓	✓	✓	✓
Attendance Percentage	100%	100%	100%	100%

Corporate Governance Framework



Relationship between the Board of Directors and Executive Management

Foundations of a Strong Relationship Between the Board and Executive Management

The strength of the relationship between the Board of Directors and executive management is built on a shared understanding of key elements such as the company's vision and mission, strategic framework, team capabilities, implementation plans, and performance objectives. This shared understanding ensures that roles, responsibilities, and areas of authority are clearly defined, fostering mutual respect for each party's contributions and expectations.

Roles and Responsibilities of the Board of Directors and Executive Management

The Board of Directors:

The Board defines the company's strategic direction and overarching objectives. It also ensures the company's protection by establishing standards and policies that govern the performance of executive management and employees, thereby achieving operational efficiency and sustainability.

Executive Management:

Executive management focuses on implementing the strategies and policies set by the Board, ensuring that the defined objectives are achieved within the strategic framework. Their key duties include translating strategic vision into actionable plans, overseeing operations, monitoring performance, managing risks, communicating with stakeholders, and ensuring compliance with regulatory requirements.

Separation of the Roles of CEO and Chairman of the Board

In line with the laws and regulations in Kuwait, It is not permissible to hold the positions of CEO and Chairman of the Board simultaneously. This separation aims to enhance transparency and ensure a balance of power within the company. While the Chairman focuses on strategic oversight, the CEO is responsible for the day-to-day operational and executive management. This division of roles supports effective governance and reduces potential conflicts of interest.

The Role of Governance

The governance framework defines the policies and procedures that regulate the relationship between the Board of Directors and executive management. This framework ensures the application of these principles within the company culture and fosters effective communication between the two parties.

Collaboration to Achieve Common Goals

The Board of Directors empowers executive management through strategic direction and performance oversight. Conversely, executive management relies on the Board as a source of guidance and support, focusing on implementing strategies effectively. The Board sets clear performance objectives and authority limits, enabling executive management to operate confidently and efficiently.

Continuous Performance Evaluation

The Board evaluates the performance of executive management through rigorous processes that include monitoring results, ensuring accountability, providing guidance, and sharing expertise. This evaluation serves as an opportunity to drive continuous improvement and enhance clarity in expectations.

Zain's Corporate Culture

Zain's corporate culture is built on open and transparent communication, trust-building, and alignment of efforts between the Board of Directors and executive management. The executive management is committed to implementing strategic decisions within the Board's guidelines, ensuring alignment between objectives and policies.

This collaborative relationship reflects an integrated approach that ensures the sustainability of corporate success and reinforces the values of effective governance.

Rule III: Recruit Highly Qualified Candidates for the Members of a Board of Directors and the Executive Management



Osamah Othman Al Furaih

CHAIRMAN OF THE BOARD OF DIRECTORS

- A representative of Kuwait Investment Authority
- Member of the Board of Directors since 2023
- Chairman of the Board of Directors since 2023

DATE OF BIRTH: 1973

EDUCATION: Bachelor's degree in Business Administration from Tennessee State University

WORK EXPERIENCE: Over 24 years of experience in investment, industrial, banking, aviation, tourism, hotel, and transportation sectors. A prosperous career in project management and development, investment, portfolio and asset management, investment valuation, project and corporate strategies financing, credit, securities analysis, and risk forecasting across Europe, America, and MENA.

OTHER MEMBERSHIPS: Senior Investment Manager at Kuwait Investment Authority of the General Reserves fund. He is the Chairman of the Arab African International Bank (2024-till date) . He was the Chairman of the Board of Directors of the Kuwait Flour Mills and Bakeries Company from (2018-2023). Previous Board Member at Kuwait Airways from (2018-2020.) Held the position of Chairman of the Board of the Kuwait Small Projects Development Company (2014-2017), previously the Vice-Chairman of the Board of Directors of The Arab International Hotels Company (2004- 2011). He served as the Chairman of the Board of the Touristic Enterprises Company and was a Board member at Arab African International Bank, Industrial Bank of Kuwait, the Syrian Arab Company for Hotels and Tourism, Kuwait United Poultry Company.



Bader Nasser Al-Kharafi

VICE CHAIRMAN AND GROUP CEO

- Member of the Board of Directors since 2011
- Vice Chairman of the Board of Directors since 2014
- Group CEO since 2017

DATE OF BIRTH: 1977

EDUCATION: Master of Business Administration (MBA) from London Business School, a Bachelor's degree in Mechanical Engineering from Kuwait University, and currently pursuing a PhD at IE University in Madrid.

WORK EXPERIENCE: He is one of the most active business leaders in the Middle East and Africa region. with an exceptional track record in leading business development and consulting projects for major corporations and international institutions. His activities span the finance, investment, business, and industrial sectors through a vast network of projects across the Gulf region, the Middle East, Europe, Africa, and Asia. He also has expertise in risk management, serving as a member of the Board Risk Committee at Zain.

OTHER MEMBERSHIPS: Chairman of the Board of Zain Sudan, Board Member of Al-Khatem Telecom Company in Iraq, Vice Chairman of Zain Saudi Arabia, Chairman at Boursa Kuwait, Vice Chairman of Gulf Cable and Electrical Industries Company, Vice Chairman of the Board of National Investments, Board Member of Fouad Holding, Board Member of Global Beverage Company (Coca-Cola), Member of the Middle East Advisory Board at Coutts Bank (UK), and Chairman of the Board of INJAZ, a non-profit organization.



Talal bin Said Al-Moamari

MEMBER OF THE BOARD OF DIRECTORS

- Member of the Board of Directors since 2017

DATE OF BIRTH: 1972

EDUCATION: Bachelor's degree in Business Administration from Duquesne University, Pittsburgh – Pennsylvania, as well as Senior Executive Program from London Business School, UK

WORK EXPERIENCE: Mr. Al-Moamari serves as the Chief Executive Officer of Omantel and brings over 20 years of extensive experience to this role. He played an instrumental role in various initiatives and projects, primarily the privatization of Omantel, the major restructuring project which brought together mobile and fixed operations, and the legal merger of Oman Mobile with Omantel. Additionally, in 2017, Mr. Al-Moamari successfully directed Omantel's strategic acquisition of an equity stake in Zain Group.

OTHER MEMBERSHIPS: Member of the Board of Trustees at the College of Banking and Financial Studies, Oman, and a member of the Board of Directors of the Omani French Friendship Association.



Abdul Rahman Mohammed Ibrahim Al-Asfour

INDEPENDENT BOARD MEMBER

- Member of the Board of Directors since 2018

DATE OF BIRTH: 1981

EDUCATION: Bachelor's degree in Business Administration with a major in Accounting from Kuwait University

WORK EXPERIENCE: Extensive technical experience in the application of information technology solutions, worked as a financial expert in the management of information systems at Equate Petrochemical Company, He has experience in the field of auditing through his work at the State Audit Bureau.

OTHER MEMBERSHIPS: Chief Executive Officer of Alpha Group Holding. He also served as a board member of WABA Medical Insurance Company.



Youssef Khaled Al-Abdul Razzaq

MEMBER OF THE BOARD OF DIRECTORS

- A representative of the Kuwait Investment Authority
- Member of the Board of Directors since 2018

DATE OF BIRTH: 1983

EDUCATION: Bachelor's degree in Business Administration, majoring in Finance, from Kuwait University

WORK EXPERIENCE: His experience extends to 18 years at Kuwait Investment Authority in the general reserve sector. He is currently a senior investment manager within the General Reserve Sector under the local equities department at the Kuwait Investment Authority.

OTHER MEMBERSHIPS: Member of the Board of Directors, Chairman of the Audit Committee of the Tourism Enterprises Company (2012-2019), Member of the Board of Directors and Chairman of the Audit Committee and Chairman of the Human Resources Committee in the Public Facilities Management Company (2015-2018).



Zaki bin Hilal bin Saud Al Busaidi

MEMBER OF THE BOARD OF DIRECTORS

- Member of the Board of Directors since 2020

DATE OF BIRTH: 1973

EDUCATION: Master's degree in public administration from the University of Exeter, United Kingdom, and Bachelor's degree in public administration from Yarmouk University in Jordan

WORK EXPERIENCE: He has nearly 27 years of experience, having worked in the Ministry of Civil Service in the Sultanate of Oman in 1996 for 18 years, held the position of Director General of Organization and Job Classification, and held the position of CEO at the Institute of Public Administration since 2014.

OTHER MEMBERSHIPS: Member in the State Council in the Sultanate of Oman and Member in the Consultation Board for the Supreme Council of the GCC. Board Member in Liva Group company (insurance company)



Atef bin Said bin Rashid Al-Siyabi

MEMBER OF THE BOARD OF DIRECTORS

- Member of the Board of Directors since 2020

DATE OF BIRTH: 1980

EDUCATION: Bachelor of Engineering in Computer Hardware and Network Technology from Coventry University, a Master of Business Administration from Franklin University, Certificate in Professional Leadership Development from HEC Paris.

WORK EXPERIENCE: He is the Chief of Information Management at the Oman Investment Authority (OIA) in the Sultanate of Oman. His track record extends to more than 21 years in Information Technology and business transformation. His experiences vary from hands-on experience leading innovative technology solutions and system operations to transforming business operations and driving technological advancements. He is involved in various investment initiatives in the ICT sector, where he has been leading numerous assignments, devising comprehensive strategies, and delivering several ICT projects at the national level.

OTHER MEMBERSHIPS: Director of Information Management at the General Reserve Fund (SGRF) in the Sultanate of Oman.



Aladdin Baitfadhil

MEMBER OF THE BOARD OF DIRECTORS

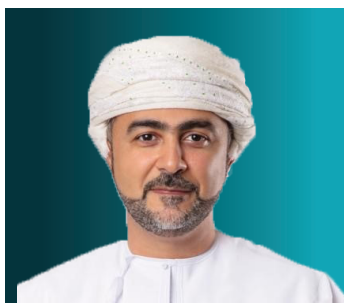
- Member of the Board of Directors since 2020

DATE OF BIRTH: 1978

EDUCATION: Bachelor's degree in electrical and electronic engineering from Sultan Qaboos University, He holds certifications in executive leadership programs from Harvard University and London Business School.

WORK EXPERIENCE: Eng. Aladdin Baitfadhil is the Chief Commercial Officer (CCO) at Omantel, the Sultanate's leading integrated telecommunication services provider. Eng. Aladdin has been the torchbearer of Omantel's digital transformation journey responsible for driving the growth of Consumer and Enterprise business units of Omantel across core telco products, cloud-based ICT Solutions and emerging technologies. He is a renowned business leader in the telecom's landscape with over 20 years of strategic and operational experience in diverse multi-domain roles – spanning across marketing, sales, network operations, service delivery and customer experience.

OTHER MEMBERSHIPS: Vice Chairman of the Board of Directors of "Infoline" company. He holds executive board positions in NAMA Water, Oman Data Park (ODP).



Nasser Suleiman Al-Harathi

MEMBER OF THE BOARD OF DIRECTORS

- Member of the Board of Directors since 2020

DATE OF BIRTH: 1975

EDUCATION: Master of Business Administration from Victoria University in Australia, Bachelor of Finance from the United Arab Emirates University, National Leadership and Competitiveness Program (NLCP) from Oxford University.

WORK EXPERIENCE: He has experience of up to 26 years in the investment, economic and financial sectors. He is the Depute President for Operations at the Oman Investment Authority, responsible for financial and administrative affairs, information management, legal affairs, and compliance.

OTHER MEMBERSHIPS: ASYAD Group Chairman, Vietnam Oman Investments, Chairman, Charmain of Takatuf Oman.



Dr. Saad Ahmed Alnahedh

INDEPENDENT BOARD MEMBER

- Member of the Board of Directors since 2024

DATE OF BIRTH: 1986

EDUCATION: Bachelor's degree in Electrical Engineering with a minor in business administration from the University of Kansas in 2008, an MBA from the University of California, Irvine in 2012, and a Doctorate in Finance from the University of Colorado Boulder in 2017.

WORK EXPERIENCE: Alnahedh is a Professor of Finance at the College of Business Administration, Kuwait University, teaching undergraduate and MBA students. He has extensive expertise in regulatory and governance policy development, banking supervision, and have previously consulted for the Central Bank of Kuwait, a pioneering institution in issuing US-dollar-denominated short-term sukuk and enhancing liquidity management in the global Islamic finance industry. Alnahedh is also affiliated with the Harvard Business Review Advisory Council and has published his research on corporate finance, governance, risk management, banking supervision, mergers and acquisitions, and institutional investment in top-tier academic peer-reviewed journals.

OTHER MEMBERSHIPS: Member of the Board of Directors of the Kuwait Fund for Arab Economic Development since 2021. He served as the Chair of the Risk Management Committee and is currently the Chair of the Investment Committee. He also served as the Chair of the Risk Management Committee of the International Islamic Liquidity Management Corporation (IILM). He has also contributed to key government initiatives, including improving key performance indicators (KPIs) for government entities through the Government Performance Follow-Up Agency.

About the Executive Management at Zain Group



Ossama Matta

CHIEF FINANCIAL OFFICER

APPOINTMENT DATE: 2010

EDUCATION: Master's degree in Business Administration from the American University of Beirut , Certified Public Accountant (CPA) certificate

WORK EXPERIENCE: Ossama Matta has over 26 years of extensive experience in financial and administrative roles across the Middle East region. He joined Zain in 2004, initially serving as the Chief Financial Officer for the company's operations in Lebanon, MTC Touch. He was later promoted to Chief Financial Officer of Zain Kuwait. Since 2010, he has held the position of Group Chief Financial Officer for Zain, overseeing financial operations across the company's markets in the Middle East.



Mohammad Al-Marshed

CHIEF TECHNOLOGY OFFICER

APPOINTMENT DATE: 2024

EDUCATION: BS in Electrical Engineering from California State University, Long Beach, a Master Certificate in Project Management from George Washington University, and an Executive Master's degree in Consulting and Coaching for Change at HEC Paris;

WORK EXPERIENCE: Mohammad Al-Marshed has over 22 years of experience in telecommunications and ICT. Joining Zain in 2002 as a networks engineer, he has excelled in networks, ICT, digital transformation, wholesale, data governance, and climate change. Career highlights include serving as CTO for Zain KSA in 2012, driving greenfield operations in Bahrain, Iraq, KSA and South Sudan, and leading 5G rollouts across Zain's key markets, making it the largest 5G operator in MENA.



Kamil Hilali

CHIEF STRATEGY OFFICER

APPOINTMENT DATE: 2018

EDUCATION: MSc. in Industrial Engineering from ENIM (Morocco), Master of Business Administration from Suffolk University (MA, USA), and Master of Finance from London Business School (UK) and professional Venture Capital training from Stamford University (CA, USA).

WORK EXPERIENCE: Kamil Hilali brings over 22 years of extensive experience in management and strategic planning, business transformation, growth strategy, mergers and acquisitions, early-stage investments, telecoms, digital infrastructure, ICT, and international connectivity. He serves on the Board of Directors for Zain Saudi Arabia, Zain Al Ajial Morocco, TASC Towers Holding, and Zood.

About the Executive Management at Zain Group



Mohammad Abdal
CHIEF CORPORATE AFFAIRS AND
COMMUNICATIONS OFFICER

APPOINTMENT DATE: 2015

EDUCATION: Bachelor of Science in Business Administration with a double major in Finance and Information Management Systems from Portland State University, USA

WORK EXPERIENCE: Mohammad Abdal oversees Investor Relations, Corporate Communications, and Governance at Zain. With 24 years of experience, he played a key role in Zain’s expansion across the Middle East and Africa and established the Middle East Investor Relations Association (MEIRA) in Kuwait.



Malek Hammoud
CHIEF INVESTMENTS AND
DIGITAL TRANSFORMATION OFFICER

APPOINTMENT DATE: 2017

EDUCATION: Bachelor's degree in Electrical Engineering from the American University of Beirut, MBA from the London Business School, and a Chartered Financial Analyst (CFA)

WORK EXPERIENCE: Malek Hammoud drives the Group's digital investment strategy focusing on revenue diversification and building new business verticals across the region. Over the past 7 years, he has overseen the establishment of Zain Ventures, Zain Fintech (Tamam, Zain Cash and Bede), Dizlee (Group API platform), Zain esports, and other emerging initiatives. With his extensive regional and international experience from the investment and banking sector, he plays a key role in the implementation of Zain’s strategy.



Jennifer Suleiman
CHIEF SUSTAINABILITY OFFICER

APPOINTMENT DATE: 2018

EDUCATION: Degree in Art History and Archeology from Washington University, Missouri, USA.

WORK EXPERIENCE: With 32 years of experience, Jennifer Suleiman oversees the company’s sustainability strategy and KPIs, including the development and publication of annual consolidated sustainability reports and disclosures. She leads the company’s engagement with the GSMA on sustainability related matters as well as with the UN Global Compact and its related communication on progress disclosure. She Co-Chairs the Zain Climate Action Committee and is responsible for disclosing the CDP.

About the Executive Management at Zain Group



Firas Oggar

HEAD OF LEGAL

APPOINTMENT DATE: 2017

EDUCATION: Master's degree from the University of Paris in international business law

WORK EXPERIENCE: Firas Oggar is a qualified lawyer before the Paris Bar (France) with 24 years of experience in prestigious institutions in France and the Middle East. He has held senior executive positions, is a member of the GC Powerlist Middle East (Legal 500), and serves as a visiting professor at the University of Paris Panthéon-Assas.



Nawal H. Bourisli

CHIEF PURPOSE AND HUMAN RESOURCES OFFICER

APPOINTMENT DATE: 2018

EDUCATION: Completed a leadership development program at Harvard Business School.

WORK EXPERIENCE: Nawal Bourisli oversees the strategy for Human Resources and Purpose, focusing on talent development, change management, recruitment, maintaining company values and culture, employee rewards and motivation, fostering job engagement, creating an optimal work environment to enhance productivity, and leadership development.



Andrew Arowojolu

CHIEF REGULATORY OFFICER

APPOINTMENT DATE: 2016

EDUCATION: Ph.D. in mobile wireless communication and Master's in Microelectronics and Communication from the University of Liverpool (Distinction), Bachelor's in Electrical and Electronic Engineering from the University of Lagos (First Class), LL.M (Master of Law) degree in Technology Media and Telecommunications Law (Distinction) from the Queen Mary University of London Center for Commercial Law Studies.

WORK EXPERIENCE: Dr. Andrew Arowojolu possesses 31 years of experience in the telecommunications sector, covering markets in the Middle East, Europe, Africa, and Asia. He is responsible for developing the group's regulatory strategy, collaborating with telecommunications advocacy and trade associations, and liaising with regulatory authorities in all the countries where the group operates.

About the Executive Management at Zain Group



AbdulGhaffar Setareh

CHIEF RISK OFFICER

APPOINTMENT DATE: 2016

EDUCATION: Telecommunications Engineering degree from the Ecole Nationale des Telecommunications, Rabat, Morocco

WORK EXPERIENCE: AbdulGhaffar Setareh has over three decades of extensive experience and a proven record of achievements in the telecommunications and information technology sector. He has worked and led diverse teams in operations, engineering, insurance, cybersecurity, and risk management across all Zain operations in the Middle East and Africa. He holds professional certifications in “Certified Risk and Information Systems Control” (CRISC) and as “Certified Information Security Manager” (CISM).



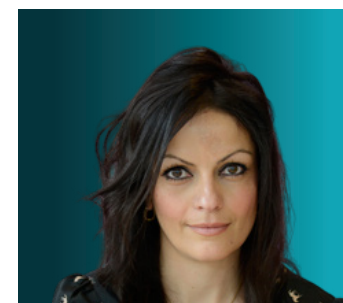
Javier Cuadrado

CHIEF INTERNAL AUDITOR

APPOINTMENT DATE: 2023

EDUCATION: CIA (Certified Internal Auditor), COSO Internal Control, COSO Enterprise Risk Management, and TEIA (Technical Evaluator on Internal Audit); Executive Development (PDD), IESE – Madrid; Master in Financial Markets, Universidad Autónoma – Madrid; and Bachelor’s degree in Economics, Universidad Autónoma – Madrid.

WORK EXPERIENCE: Javier Cuadrado brings 21 years of experience in internal audit and the telecom industry. He has held senior audit roles in renowned organizations in Spain, Chile, and the UAE. He also served as a team leader at the Institute of Internal Auditors (IIA Spain), an affiliate of the US-based Institute of Internal Auditors, which establishes standards for the internal audit profession.



Maryam Saif

CHIEF INCLUSION, DIVERSITY AND EQUITY OFFICER

APPOINTMENT DATE: 2017

EDUCATION: Master’s degree in Organizational Behavior and Bachelor of Science in Computer Programming from London Met University, Strategy Execution from Said Business School, University of Oxford.

WORK EXPERIENCE: Maryam Saif is certified in Diversity, Equity, and Inclusion in the Workplace, with extensive experience leading diversity and inclusivity initiatives. Her focus areas include social diversity, internal innovation, and youth development. She is a member of the British Psychological Society and the Association of Coaching, a Practitioner in Change Management, a Fellow of the Institute of Recruitment Professionals, and holds a Level 7 Advanced Coaching and Mentoring qualification from the Chartered Institute of Personnel and Development (CIPD).

Board Nominations and Remuneration Committee (BNRC)

Please refer to Rule II of this report, which contains all information on the functions and achievements of the Committee as well as the composition and meetings.

Remuneration Report for the Board of Directors and Executive Management

Summary of the company's remuneration and incentives policy, particularly related to members of the Board, executive management, and managers.

The Board is responsible for creating the compensation policy, which establishes the foundation for the compensation structures of both the Board and the Executive Management. This policy's alignment with the company's objectives and performance is of paramount importance. The policy is a manifestation of the company's strategic aims and takes into account the principles of operational integrity and financial standing. Undoubtedly, this policy constitutes an integral component of the overarching corporate governance structure. The Nominations and Remuneration Committee (BNRC) oversees the execution of this policy, as facilitated by the Board.

The company's remuneration policy was created in accordance with the following principles:

- 1. Link rewards to the degree of risk
- 2. Attract and retain the best professionals
- 3. Ensure equality within the company and competitiveness outside.
- 4. Comparison of market performance levels using analyses from specialized consulting firms
- 5. Ensure transparency in awarding bonuses
- 6. Link to performance indicators (KPIs) for Board members and Executive Management
- 7. Be consistent with the company's strategy and objectives, both long-term and short-term
- 8. Match the experience and qualifications of the company's employees at different employment levels

The company's remuneration policy determines the reward system in line with the objectives of the company, shareholders, and stakeholders. This policy reflects standards and principles of best practices in good governance based on the relevant regulatory requirements.

Implementation and Review of the Remunerations Policy

The NRC plays a critical role in supervising the implementation of the remunerations policy, conducting thorough annual reviews to ensure compliance with regulations issued by the Capital Markets Authority. Proposed amendments to the policy are presented to the Board of Directors for approval, reflecting the company’s commitment to transparency and accountability in its operations. The remunerations policy is regularly updated to align with the corporate strategy and the risk framework approved by the Board.

Alignment Between Strategy and Key Performance Indicators (KPIs)

The remunerations policy is based on KPIs derived from the company's overall strategy, as approved by the Board of Directors. The executive management implements this strategy and submits periodic reports to the Board to ensure ongoing alignment with corporate objectives.

Board Member Compensation

- Maximum Compensation: Compensation for Board members does not exceed 10% of the company’s net profits after deducting taxes, interest, depreciation, reserves, and distributing dividends to shareholders of no less than 5% of the capital, or the higher percentage stipulated in the company’s memorandum.
- Approval: Compensation for Board members is presented to the annual general assembly for approval, based on recommendations from the NRC and the Board of Directors.
- Fiscal Year 2024: Total compensation for Board members amounted to 540,641 Kuwaiti Dinars, pending shareholder approval at the ordinary annual general assembly.

Executive Management Compensation

Fixed Compensation

- Fixed compensation is determined based on the nature of job responsibilities and the predefined career path of each executive.
- A salary index reflecting the value of each position to the company is established.
- Salaries are reviewed annually by the NRC in coordination with Human Resources, if necessary, to ensure alignment with market conditions and corporate performance.
- Fixed compensation includes salaries, allowances, benefits, and end-of-service indemnities, granted under the approved salary and grade structure, applicable laws and regulations, and the employee contractual agreement guide issued by HR.

Variable Compensation

- Variable compensation is tied to the achievement of predefined financial and non-financial objectives.
- It is designed to incentivize and reward executive management based on individual performance and the company’s overall performance.
- Variable compensation includes two components:
 - Annual Variable Pay: Granted based on yearly performance.
 - Multi-Year Variable Pay: Linked to long-term goals, such as stock grants under incentive programs.

Balance Between Fixed and Variable Compensation

- The company ensures an appropriate balance between fixed and variable compensation to maintain financial sustainability.
- The ratio of fixed to variable compensation is reviewed annually by the Board based on NRC recommendations, with the option to reduce variable compensation in cases of unsatisfactory financial performance.

Commitment to Good Governance

The company is dedicated to reinforcing transparency and sound governance within its compensation structure, reflecting its commitment to fostering a balanced and sustainable relationship between corporate performance and remunerations.

Commitment to Good Governance

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Remunerations and benefits of Members of Board of Directors							
Total number of members	"Remunerations and benefits through the parent company"			Remunerations and benefits through the subsidiaries			
	Fixed remuneration and benefits (Kuwaiti Dinar)	"Variable remuneration and benefits (Kuwaiti Dinar)"		"Fixed remuneration and benefits (Kuwaiti Dinar)"		"Variable remuneration and benefits (Kuwaiti Dinar)"	
	Health insurance	Annual remuneration	Committees' remuneration	Health insurance	Monthly salaries total of the year	Annual Remuneration	Committees' remuneration
10		540,641	82,600				

Total remunerations and benefits granted to five senior executives who have received the highest remunerations. This is in addition to the Chief Executive Officer and the financial manager or their deputy, if not included *																
Total executive positions	Remunerations and Benefits through the parent									Remunerations and Benefits through the subsidiaries						
	Fixed remuneration and benefits (Kuwaiti Dinar)								Variable remuneration and benefits (Kuwaiti Dinar)	Fixed remuneration and benefits (Kuwaiti Dinar)						Variable remuneration and benefits (Kuwaiti Dinar)
	Monthly Salaries (total of the year)	Health Insurance	Social Security	Annual Tickets	Housing Allowance	Transportation Allowance	Health Club Allowance	Childrens Education Allowance	Annual Remuneration	Monthly Salaries (total of the year)	Health Insurance	Annual Tickets	Housing Allowance	Transportation Allowance	Childrens Education Allowance	Annual Remuneration
5	1,063,548	3,881	3,795	9,614	118,320	34,560	4,667	12,000	2,674,322							

There are no material deviations from the remuneration policy approved by the Board of Directors.

Rule IV: Safeguard the Integrity of Financial Reporting

Written pledges by both the Board of Directors and the Executive Management of the integrity of the financial statements

Please refer to the financial statements section in the 2024 annual report.

Board Audit Committee

Please refer to Rule II of this report, which contains all information on the functions and achievements of the Committee as well as the composition and meetings.

In the event of a conflict between the recommendations of the Audit Committee and the decisions of the Board of Directors, a statement will be included detailing and clarifying the recommendations and the reason/s behind the decision of the Board of Directors not to abide by them.

There were no inconsistencies between the Audit Committee recommendations and the decisions of the Board of Directors during 2024.

Emphasizing the independence and impartiality of the external auditor

Unbiased financial assessments rely on the external auditor's independence and impartiality. This foundational principle ensures transparent reporting, builds investor trust, and secures the credibility of financial disclosures, reflecting the company’s dedication to accountability and adherence to global governance standards.

The Companies Law and the CMA regulations stipulate specific requirements that external auditors must meet when preparing their audit reports and verifying the accuracy of company reports. Zain is committed to having the external auditor be independent of the company and its Board and not perform actions that may affect impartiality and independence. Therefore, the Audit Committee shall recommend the appointment, reappointment or change of the external auditor to the Board, including determining their fees and reviewing their appointment letters. The external auditor is officially appointed at the Ordinary General Assembly based on the recommendations of the Board while fulfilling the following requirements:

- The external auditor is a licensed auditor by the CMA and has fully met all registration requirements stated by the CMA
- The external auditor is independent and does not perform additional tasks that may affect neutrality and independence

Audited financial statements are fundamental to strong corporate governance, offering a reliable assessment of a company’s financial health and performance. They enhance transparency, support regulatory compliance, and build stakeholders' trust, enabling effective decision-making and oversight.

The company’s accounting system is structured to ensure comprehensive financial management by identifying, classifying, analyzing, and reporting transactions while maintaining strict accountability for assets.

The external auditor is essential to this framework, tasked with verifying the accuracy and integrity of financial statements and ensuring adherence to applicable laws, regulations, and standards. Their professional evaluation provides an objective analysis of Zain’s financial position, operational outcomes, and cash flow management, while also assessing accounting practices and potential risks.

To ensure the effectiveness of the audit process, the Board of Directors facilitates the external auditor’s work by providing the necessary time, resources, and access to fully understand the company’s operations. The Board also closely examines the auditor’s opinion letter, proactively addressing observations and collaborating with executive management to maintain compliance and operational excellence.

This structured approach highlights Zain’s commitment to transparency, accountability, and adherence to international governance standards, ensuring confidence in its financial reporting and overall operations.

The external auditors meet with the Audit Committee quarterly; additionally, they have the right to request a meeting with the Committee when necessary, without the presence of executive management. The Board must call for a General Assembly meeting based on a request from the external auditor within 15 days from the date of the request. The external auditors attend the meetings of the General Assembly and read their report to shareholders, explaining any obstacles or interferences from the Board during the performance of their duties. The auditors must also inform the CMA of any material violations or obstacles and their details.

Accordingly, KPMG AL-Qenae & Partners has been appointed to perform the functions required by the independent external auditor. We would like to confirm that KPMG is not providing any additional services for Zain.

About KPMG AL-Qenae & Partners
KPMG in Kuwait operates through its member firms KPMG AL-Qenae & Partners and KPMG Advisory W.L.L., providing a full range of audit, tax and advisory services to a portfolio of clients which include major corporations, government institutions, public sector agencies, and not-for-profit organizations.

With over 250 employees and ten partners based in Kuwait, we form part of a global network of KPMG firms operate in 142 countries and territories with more than 275,000 partners and employees working in member firms around the world, drawing on global industry insights to complement our strong local knowledge.

KPMG AL-Qenae & Partners are part of the larger MESAC cluster. The KPMG Middle East, South Asia and Caspian ('MESAC') region comprises member firms operating in 21 countries and territories. The MESAC region covers more than 30 office locations and has over 10,000 professionals and associates.

Auditors’ Fees

The total fee for audit and other assurance services for the Group and its subsidiaries amounts to KD 1.518 million (2023: KD 1.113 million).

Rule V: Apply Sound Systems of Risk Management and Internal Audit

A brief statement on the implementation of the requirements for the formation of an independent department/office/unit for risk management:

The Independent Risk Management Department was established in strict compliance with corporate governance standards, demonstrating the company’s commitment to robust risk oversight. Led by the Chief Risk Officer (CRO), the department operates with full independence, sufficient resources, and direct access to the Board of Directors, ensuring transparency and impartiality.

The department is tasked with identifying, evaluating, and supervising organizational risks, functioning as an essential component of the second line of defense within the company’s Three Lines of Defense framework. Reporting directly to the Board Risk Committee under the approved organizational structure, it ensures comprehensive oversight and timely escalation of critical issues.

Fully aligned with legal and regulatory requirements, the Independent Risk Management Department enhances the company’s ability to proactively manage risks, safeguard assets, and support long-term strategic objectives. This structure not only reinforces accountability but also adheres to the highest corporate governance standards, promoting sustainable growth and stakeholder confidence.

Board Risk Committee

Please refer to Rule II of this report, which contains all information on the functions and achievements of the Committee as well as the composition and meetings.

Internal Control Systems

Defining values, principles, and roles is pivotal for informed decision-making. Implementing our code of conduct and internal policies is vital for efficient, ethical, and legal operations. Thus, we prioritize adherence to applicable laws, guidelines, and practices through robust external and internal controls. These systems safeguard stakeholder rights and bolster our objectives and strategic pursuits.

OUR VISION

“To become the leading provider of innovation and digital lifestyle communications by providing the best and simplest experience for our customers”

OUR VALUES

Heart

The courage to make the choices that makes this a better world

Radiance

Putting inspiration at the center of our powerful leadership

Belonging

Breaking boundaries and bringing people together

INTERNAL CONTROL FRAMEWORK

Three-line defense

- Internal Audit
- Risk Management
- Corporate governance and compliance

Defined Responsibilities

- Independent functions
- Quality and Integrity
- Assignment of roles per governance principles

Control Environment

- External factors that shape the internal control environment such as laws, regulations, charters and international standards
- Independent registered external auditors

Risk Assessment

- Compliance risks
- Market risks
- Operations risks

Awareness

- Policies
- Procedures
- Code of conduct
- Technical tools and software
- Training

External mechanisms for control and oversight

External control mechanisms are overseen by entities external to the organization, encompassing regulatory bodies, government agencies, independent auditors, and other pertinent bodies. These mechanisms predominantly aim to evaluate adherence to legal frameworks, regulations, and optimal practices.

Within this context, Zain voluntarily undergoes an independent audit to evaluate its holistic corporate governance structure. The company is subject to rigorous oversight and examination by several authoritative bodies, including the CMA, the Ministry of Commerce and Industry, the Anti-Corruption Authority, the Competition Protection Agency, and the Communications and Information Technology Regulatory Authority (CITRA), along with relevant governmental and regulatory entities in all operational jurisdictions.

The CMA undertakes diligent supervisory inspections, closely monitoring corporate activities in alignment with pertinent legislation. Consequently, the company's operations undergo comprehensive audits, yielding detailed reports incorporating compliance status, implementation efficiency, and any necessary adjustments, breaches, or corrective actions. Furthermore, all corporate records are subject to scrutiny and auditing under the purview of the CMA.

In accordance with both the Kuwaiti Companies Law and international accounting standards, the company is obligated to designate an auditor during the Ordinary General Assembly. This appointment occurs subsequent to a recommendation put forth by the Board of Directors, alongside endorsement from the Audit Committee of the Board.

The chosen auditor must not simultaneously hold the position of Chairman or Board member within the same company whose financial records they are entrusted to audit. Additionally, they cannot occupy an executive role within the company, engage in overseeing its accounts, or maintain any direct kinship up to the second degree with individuals involved in the company's management or account supervision.

Furthermore, the appointed auditor is barred from acquiring shares in the entities whose financial records they audit. It is also a stipulation that the auditor abstains from purchasing or selling company shares throughout the auditing period while actively providing advisory services to the company. Adherence to these regulations ensures the integrity and impartiality of the auditing process.

The auditor has the right, at all times, to review all the company's books, records and documents and to request the data he deems necessary. The auditor or his delegate must attend the ordinary general assembly meetings and submit a report on the company's financial statements. The report shows the financial position of the company at the end of the fiscal year and the results of the company's business operations for that year. It also includes a statement on whether the data contained in the report of the Board and the company's books are compatible with generally accepted accounting principles and what is stipulated in the law. The Board or a number of shareholders representing 25% of the capital may request the replacement of the auditor during the fiscal year.

The Board Risk Committee oversees the compliance function, ensuring adherence to regulatory requirements and corporate governance standards. The compliance team operates independently, conducting its own audits to provide an additional layer of protection. Regular reports on compliance matters, risk assessments, and mitigation strategies are submitted directly to the Committee, promoting effective oversight, transparency, and accountability.

Internal controls systems

The Board understands the complex landscape of risks inherent to the company's operations, including the scope of risks that pass through environmental, social, and governance domains. Maintaining an unwavering vigilance, the Board remains committed to mitigating the company's exposure to these risks. Collaboratively engaged with executive management, the Board allocates a course of action to deal with these risks. The Board's role extends towards the identification of both internal and external relevant factors that highlight these risks. With strategic policies and tactics, the company's risk appetite outlines the framework within which these identified risks are to be addressed. A pivotal cornerstone

within this intricate structure is the company's internal controls, fixed to amplify stakeholder value and foster the attainment of strategic objectives.

This network of controls not only aligns operations with best practices, statutes, and regulations but also serves as a support for risk management. These systems serve as the foundation for the establishment of a robust internal control framework and as a channel through which strategic objectives are achieved. This ensures the delivery of dependable financial reports to both internal and external stakeholders, supports operational efficiency, guarantees legal compliance, and secures corporate assets.

Auditing Activities at Zain

The following list contains key procedures taken by the company to ensure adherence to integrity and ethical values:

1. The company's organizational structure takes into account the Four Eyes Principle
2. The Internal Audit Department is independent as it reports to the Board Audit Committee. One of the responsibilities of this department is to audit the company's operations and procedures, to ensure compliance with relevant laws, policies and standards, and to identify areas that can be modified
3. Assigning an independent audit office to evaluate and review the internal control systems and to prepare a report to be submitted to the CMA on an annual basis
4. An independent auditor reviews and evaluates the performance of the Internal Audit Department every three years; a copy of the findings report is provided to the Board Audit Committee and the Board of Directors.
5. A risk-based annual audit plan focuses on identifying and addressing areas of greatest risk to the organization, ensuring efficient allocation of audit resources. This approach involves assessing the organization's strategic, operational, financial, and compliance risks to prioritize audit activities. High-risk areas receive greater attention to mitigate potential impacts and enhance internal controls. The internal audit plan is an approved three-year plan that follows a risk-based approach, auditing all operations and ethical standards of our company according to identified risks. This three-year plan is approved by the Board of Directors, ensuring it aligns with the company's long-term strategic goals. The plan is dynamic, adapting to emerging risks and regulatory changes throughout the year. Regular collaboration with management and the Board ensures alignment with organizational objectives. By emphasizing risk, this audit plan strengthens governance, enhances accountability, and provides valuable insights for decision-making and risk mitigation.
6. The appointment of an external auditor to audit financial statements is a critical process ensuring transparency, compliance, and accountability. The auditor is selected during the Ordinary General Assembly based on the Board of Directors' recommendation and Audit Committee endorsement. This independent auditor (KPMG) assesses the accuracy and fairness of financial records, ensuring alignment with regulatory standards and international accounting principles, thus reinforcing stakeholders' trust and the organization's commitment to good governance.
7. Hiring an external independent auditor to perform limited and reasonable assurance on the sustainability report has been an integral part of our practices for the past 12 years, enhancing the credibility and reliability of our reporting. We have expanded our assurance process to include both reasonable and limited assurance, as mandated by the Board. The company appointed an independent auditor to evaluate the accuracy of disclosed data and ensure adherence to sustainability standards and frameworks. Limited assurance involves a high-level review to confirm plausibility, while reasonable assurance provides an in-depth examination of material sustainability metrics. Over the past 12 years, audits were conducted by Deloitte for seven years and by Ernst & Young for the last five years. This structured and dual-layered approach ensures transparency, aligns with regulatory and stakeholder expectations, and strengthens trust in the organization's ESG initiatives. Through this continued engagement, the company reaffirms its commitment to accountability and sustainable practices, fostering confidence among stakeholders and investors.

Zain's control environment relies on the dedication to upholding integrity and ethical principles. This commitment extends to preserving the independence of the Board of Directors in relation to executive management, as well as their vigilant oversight of internal controls within the company. Zain’s environment is further characterized by the establishment of a well-defined organizational structure, administrative hierarchy, and clear delegation of authority and responsibilities to effectively monitor progress towards business objectives. Furthermore, a key aspect of this control environment is the unwavering dedication to attracting, nurturing, and retaining top talent. Simultaneously, there is a resolute commitment to ensuring accountability throughout the organization for the implementation of robust internal controls.

The framework of internal control systems includes a collection of policies, procedures, standards, and protocols designed to uphold organizational governance. The Board assumes the responsibility for shaping the structure and parameters guiding executive management in the company's operational landscape. These internal policies and procedures have garnered the Board's endorsement, ensuring their alignment with shareholder and stakeholder rights, ethical codes, applicable laws, regulations, and industry benchmarks.

Furthermore, the Board undertakes a comprehensive annual assessment of risks, supplemented by evaluations triggered by substantial shifts in company dynamics, market conditions, or regulatory standards. Consequently, the policies and procedures comprise control mechanisms tailored to mitigate these identified risks. The Audit Committee assumes the key role of analyzing the adequacy of internal control systems in the company. In line with this authority, the committee conducts a comprehensive appraisal, concluding in a report that contains its insights, judgments, and recommendations on the effectiveness of said systems.

The efficient control environment at Zain allows the members of the Board and executive management to understand their responsibilities and the limits of their authority. The employees in this environment are also committed to following the company’s policies, procedures, and code of conduct. The control environment also includes technical competency and ethical commitment.

In a proactive stride towards strengthening our control environment, the Board has formulated and published written protocols, including policies, procedures, codes of conduct, and standards of behavior. The overarching objective of these measures is to cultivate a culture of ethical behavior, instilling a positive culture that demands uniform adherence to these standards across all tiers of our organization. Furthermore, our executive management champions unwavering integrity and elevated professional benchmarks. Their leadership approach serves to reinforce our internal control mechanisms, fostering a robust framework that resonates throughout the company.

The Board guarantees the appropriate segregation of duties and procedures, maintaining documents and records, and assessing performance by independent bodies. Conducting independent checks on performance is a valuable control method. Based on the regulations and instructions by the CMA, the company appointed an independent auditing firm, to assess and review internal control systems. The Internal Control Review (ICR) includes a complete assessment of the company's internal control system to determine whether the company's functions and departments are operating as intended and whether they can manage the risks that the company may face in its day-to-day operations. The Internal Control Review (ICR) is vital to governance as it ensures risk mitigation, operational efficiency, transparency, compliance, fraud prevention, stakeholder confidence, and informed decision-making, thereby upholding accountability and facilitating sustainable organizational growth. As part of its commitment to upholding best practices in corporate governance, the Board of Directors has approved the appointment of BDO as the new independent auditor to conduct the Internal Control Review (ICR). This decision reflects the Board’s dedication to ensuring transparency, impartiality, and alignment with the latest standards in auditing practices. By engaging a new auditing firm, the company aims to bring fresh perspectives and reinforce confidence in its internal control systems. BDO’s expertise will provide valuable insights into strengthening risk management, compliance, and operational efficiency, further demonstrating the Board’s proactive approach to maintaining robust governance frameworks.

The ICR provides stakeholders, including shareholders, regulators, and the Board, with an overview of the effectiveness of the internal control environment. It highlights weaknesses in the company’s internal control environment and identifies processes that can be improved.

The procedures of the Internal Control Review involve assessing documentation, identifying risks, evaluating processes, conducting control tests, verifying compliance, analyzing data, interviewing management, reporting findings, making recommendations, and promoting ongoing improvement. The findings and recommendations are shared with the Board and the CMA.



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Opinion letter

The Board of Directors
Mobile Telecommunications Company K.S.C.P. ‘Zain Group’,
Safat, 13083
State of Kuwait

20 March 2025

Dear Sirs,

Report on Accounting and Other Records and Internal Control Systems

We have examined and reviewed the internal controls systems of Mobile Telecommunications Company K.S.C.P. ‘Zain Group’ for the year ended 31 December 2024.

The review covered the following areas:

- | | |
|---|--|
| ▪ General Control Environment; | ▪ Financial Affairs Department; |
| ▪ Governance, Corporate Communications, Investor Relations, and Compliance; | ▪ Legal Affairs Department; |
| ▪ Investment and Digital Transformation Department; | ▪ Regulatory Affairs Department; |
| ▪ ZainTech; | ▪ Internal Audit Department; |
| ▪ Strategy and Business Development Department; | ▪ Risk Management Department; |
| ▪ Human Resources Department; | ▪ Technology Department; |
| | ▪ Sustainability Department; |
| | ▪ Commercial Department; and |
| | ▪ Inclusion, Diversity, and Equity Department. |

Our examination has been carried out as per the requirements of the Executive regulations of Kuwait Capital Market Authority (Book No. 15 “Corporate Governance” article 6-9).

As members of the Board of Directors of the Mobile Telecommunications Company K.S.C.P. ‘Zain Group’, you are responsible for establishing and maintaining adequate internal control systems, taking into consideration the expected benefits and relative costs of establishing such systems and complying with the requirements contained in the CMA instructions mentioned in the above paragraph. The objective of this report is to provide reasonable, but not absolute, assurance on the extent to which the adopted procedures and systems are adequate to safeguard the assets against loss from unauthorized use or disposition; that key risks are properly monitored and evaluated; that transactions are executed in accordance with established authorization procedures and are recorded properly; and to enable you to conduct the business in a prudent manner.

Because of inherent limitations in any internal controls system, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the systems to future periods is subject to the risk that management information and control procedures may become inadequate because of changes in conditions or that the degree of compliance with those procedures may deteriorate.

There are no material exceptions in the report and having regard to the nature and volumes of the Company’s operations, during the year ended 31 December 2024, in our opinion, the company’s internal control systems have been established and maintained in accordance with the requirements of the Capital Markets Authority and Corporate Governance rules.

Yours faithfully,

Qais M. Al Nisf
License No. 38 “A”
BDO Al Nisf & Partners

A brief statement on implementing the requirements for forming an independent department/office/unit for internal audit

In alignment with corporate governance laws and regulations in Kuwait, establishing an independent internal audit department necessitates thorough adherence to regulatory guidelines. This involves defining the department's scope, formulating strong internal audit procedures, appointing qualified personnel, ensuring independence from operational functions, reporting directly to the Board Audit Committee, and upholding a consistent evaluation process to verify compliance and effectiveness. Such implementation reinforces transparency, accountability, high ethical standards and effective risk management within the organization's governance framework. The Internal Audit Department operates independently. It falls under the supervision of the Chief Internal Auditor and reports to the Board Audit Committee. In addition, BAC is concerned with supervising financial reporting, risk management and internal control and is also responsible for submitting recommendations to the Board regarding the appointment of an external auditor.

The requirements to form the Audit Committee and define its responsibilities in the organization are complied with the relevant laws and regulations issued by the CMA and the Ministry of Commerce and Industry, which greatly enhanced the role of audit committees in the governance framework. The extent of the Audit Committee's role and duties is evident through its responsibilities (for details on the role and responsibilities of the committee, please see the second rule of this report). Internal audit is an independent, objective assurance and advisory activity designed to add value and improve the company's operations. The Internal Audit Department helps achieve the company's objectives by providing a structured and disciplined approach to assessing and enhancing the effectiveness of risk management, internal control, and governance processes.

In line with our mission, the Internal Audit Department provides the Executive Management, Risk Committee and the Board of Directors with information, assessments, recommendations and advice regarding the audited operations and other critical issues.

The Internal Audit function’s primary responsibilities can be summarized as follows:

- Evaluating the adequacy of the internal control systems
- Recommending improvements in controls
- Assessing compliance with policies, procedures, and sound business practices
- Evaluating compliance with laws, guidelines, and regulations
- Examining operations to determine whether results are consistent with established objectives and whether processes are being carried out as planned
- Working closely with departments to identify and evaluate risks and controls without compromising the principle of independence
- Preparing an internal audit work plan based on a systematic risk assessment, including the risks/control issues identified by the executive management, the audit committee and the Board

The Chief Internal Auditor issues reports to the Audit Committee and the Board while carrying out the tasks and responsibilities assigned to the management. The Chief Internal Auditor meets with the Audit Committee of the Board periodically to report on the plans and results of the audit function and provide any other information required. In addition, he has direct access to the Chairman and the Board in matters of pressing importance.

Rule VI: Promote Code of Conduct and Ethical Standards Professional Conduct and Values

At Zain, ethics and professional conduct are fundamental to corporate governance. Upholding the highest ethical standards requires a structured and strategic approach, ensuring that integrity is embedded in all aspects of the company’s operations. Zain fosters a culture of accountability, transparency, and ethical responsibility through the following key initiatives:

1. LEADERSHIP COMMITMENT

Ethical behavior starts at the top. The Board of Directors and executive management lead by example, demonstrating a steadfast commitment to ethical principles. Their actions set the tone for ethical decision-making across the organization.

2. COMPREHENSIVE CODE OF CONDUCT

Zain has established a clear and comprehensive **Code of Conduct**, applicable to the Board, executive management, employees, suppliers, and partners. This document outlines the company’s values, expectations, and ethical guidelines, ensuring alignment across all stakeholders. The **Board of Directors** also adheres to a **separate Code of Conduct**, which is provided as part of the **induction program** for new board members upon joining the company, reinforcing their ethical responsibilities from the outset. Additionally, Zain has developed a **separate Supplier Code of Conduct** to ensure that ethical conduct is upheld across the company’s supply chain. This code establishes guidelines for responsible business practices, compliance, and integrity at the supplier level. Both the **Company Code of Conduct and Supplier Code of Conduct** are widely communicated and publicly available on the company’s website, ensuring transparency and accessibility for all stakeholders.

3. EMPLOYEE TRAINING AND STAKEHOLDER ENGAGEMENT

Ethical awareness is reinforced through comprehensive training programs designed to educate all stakeholders who engage with the company. These programs cover ethical decision-making, compliance requirements, and responsible business conduct, ensuring a deep understanding of ethical expectations at all levels. To enhance accessibility, video awareness materials are available on the company’s website for all stakeholders, providing essential guidance on ethical practices. Additionally, in-depth training programs are delivered through HR in collaboration with third-party experts, tailored to employees based on their level of expertise and functional responsibilities. This structured approach ensures that ethical standards are consistently upheld across the organization. To enhance supplier engagement, Zain introduced training videos on human rights, promoting ethical labor practices and grievance mechanisms. The company monitors participation, gathers feedback, and sets quantifiable targets to ensure alignment with its ethical and sustainability standards. Additionally, a supplier self-assessment Questionnaire is embedded in the process to assess and verify suppliers' commitment to corporate policies. Through structured training and assessment methods, Zain continuously strengthens supplier compliance, ensuring alignment with its sustainability principles and fostering responsible business practices.

4. INTEGRATION INTO PERFORMANCE EVALUATIONS

Adherence to ethical standards is a key factor in employee performance assessments. Ethical behavior is integrated into recognition systems and career development, reinforcing its importance in professional growth.

5. WHISTLEBLOWER PROTECTION AND CONFIDENTIAL REPORTING

To foster a culture of accountability and integrity, Zain has implemented a secure and anonymous whistleblower mechanism that enables employees and stakeholders to report ethical concerns, including harassment in the workplace, without fear of retaliation. This mechanism provides a safe and confidential channel for addressing potential misconduct, ensuring that all reports are handled with the utmost discretion and in alignment with corporate governance best practices.

6. TRANSPARENCY AND PUBLIC ACCOUNTABILITY

Ethical conduct is continuously reinforced through public reporting. Zain publishes regular updates and annual reports on its website, highlighting progress and initiatives that strengthen ethical governance.

7. ETHICAL CONSIDERATIONS IN DECISION-MAKING

Ethics are embedded in the company’s decision-making processes. Employees at all levels are encouraged to evaluate decisions through an ethical lens, ensuring responsible and principled business practices.

8. EXTERNAL AUDITS AND COMPLIANCE REVIEWS

Zain engages independent auditors to assess adherence to ethical standards and evaluate the effectiveness of internal controls. These external reviews enhance corporate governance and reinforce transparency.

9. CONTINUOUS IMPROVEMENT AND POLICY UPDATES

The Code of Conduct is regularly reviewed and updated to align with evolving industry practices, regulatory changes, and stakeholder expectations, ensuring that Zain remains at the forefront of ethical business conduct.

10. ACCOUNTABILITY AND ENFORCEMENT

Violations of the Code of Conduct are addressed through clear and consistently applied disciplinary measures. Zain ensures that all actions are fair, aligned with company policies, and uphold the integrity of the organization.

By embedding ethics into its governance framework, Zain reinforces its commitment to integrity, responsibility, and long-term trust with all stakeholders.

The company is firmly committed to the United Nations Universal Declaration of Human Rights (UDHR), the Core Conventions of the International Labor Organization (ILO) and the OECD Guidelines for Multinational Enterprises. By doing so, we can have a positive and long-term impact, as corporate sustainability provides key competitive advantages. Zain does not rely on mere adherence to legal minimums, but as an industry leader, we aspire to be among the best in global sustainability practices. To achieve this, the Board, executive management, and all parties at Zain are committed to the highest human rights and labor standards and establishing a sound environment and good governance practices in all business activities.

Personal Data Protection and Privacy

Zain and its subsidiaries and affiliates are subject to laws, regulations, charters, and resolutions enacted and promulgated by the relevant legislative bodies and regulatory authorities in each respective jurisdiction. In addition, Zain complies with international standards such as those issued by the Sustainability Accounting Standards Board (SASB) and the International Standards Organizations ISO/IEC 27001 information security management standard. The protection and privacy of personally identifiable information (PII) entrusted to Zain by customers, clients, employees, suppliers, stakeholders, local and international strategic partners, and other individuals Zain works with are paramount to the organization. Accordingly, we are committed to protecting and respecting the privacy of all data subjects who engage with the company securely and transparently to comply with applicable legislation. Zain embeds its privacy administration processes in its Group-wide regulatory compliance management and risk evaluation program, which actively supports the implementation of Zain Group's '4Sight' strategy. The over-arching privacy policy at Zain sets out the broad principles and guidelines for collecting, processing, storing, and disclosing personal data in line with applicable laws and regulations. We also issue privacy notices on the websites of all Zain operating companies. These privacy notices are regularly updated, provide information on the latest country-specific data protection laws and regulations, and outline any country-specific mandates we further implement to protect your data. Please refer to the company's website to view the full data protection and privacy policy. The policy is approved by the Board.

Human Rights

Zain is committed to respecting human rights as defined in the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, and the ILO Declaration on Fundamental Principles and the Rights at work. The policy is also guided by the United Nations Guiding Principles for Business and Human Rights, the UN Convention on the Rights of Persons with Disabilities, the UN Convention on the Rights of the Child, the Guidelines of the Organization for Cooperation and Economic Development for Multinational Companies, and it is in alignment with the principles of the United Nations Global Compact and the Global Network Initiative's principles on Freedom of Expression and Privacy – GNI Principles. This policy applies to all Zain operating companies and those entities under Zain Group management control. The policy also applies to all our suppliers and business partners. Our suppliers are expected to adhere to the Zain Group Supplier Code of Conduct and the Zain Group Human Rights Policy. Zain is

committed to monitoring this policy's implementation through its internal processes overseen by Group Sustainability, Group Risk Management, Group Corporate Governance and Group Legal, whose mandate is to report on a transparent basis the progress made on human rights issues to the Board. In addition, human rights issues are communicated in Zain's Annual Corporate Sustainability Report.

Conflict of Interests

Zain's governance framework includes a set of policies aimed at protecting the rights of shareholders and other stakeholders. This framework includes the conflict-of-interest policy that defines employee actions when there is a potential conflict between their personal and the company's interests. The policy also sets limits for employees where possible conflicts may arise.

Board members and Executive Management at Zain are obligated to disclose every actual or potential case of conflict of interest, as defined within the company's policy based on relevant laws, regulations, and international standards. Zain's conflict of interest policy includes clear examples of cases of conflict of interest and the methods of addressing and dealing with them. A conflict of interest occurs when an individual's interests influence their judgment, decisions, or actions in a way that negatively affects their professional commitments or responsibilities and raises questions about whether their decisions can be unbiased. Accordingly, Zain includes conflict of interest in its policies, procedures and charters and treats every case with top priority.

Board members are also obligated to disclose any personal interest in the business and contracts for the company's account. This disclosure is recorded in the minutes of the meetings. The Board member with personal interests in the topic at hand refrains from participating in voting on the relevant resolution. If a Board member has a personal interest, a special report from the auditor shall be attached to this disclosure. According to the CMA executive bylaw, the company assigns an independent expert to submit a report to the General Assembly or the Board regarding any transaction or any arrangement whereby each of the parties enters into any project or buys an asset or provides financing for it when the value of the transaction or arrangement is equivalent to 10% or more of the company's total assets. Such reports are submitted before the deal or agreement is approved.

The policy is based on several principles, such as protecting the rights of stakeholders and maximizing shareholders' value. In addition, it emphasizes maintaining the confidentiality of transactions and information issued by the Board.

Sanctions

Zain Group has developed a sanctions policy in line with applicable sanctions laws and regulations. This policy summarizes the precautions imposed by the sanctioning authorities that control the company's ability to conduct any activity in some high-risk regions or with sanctioned persons. This policy also sets out restrictions and measures which must be followed by every employee in the company consistently. The company is committed to complying with the sanction laws and regulations in all the countries in which it operates; this aligns with its strategy and vision as the most trusted network provider. This policy covers the effects of non-compliance with the sanctions laws and regulations and the process for reporting such violations.

Anti-Corruption

The Board has adopted an anti-corruption policy within the framework of corporate governance at Zain. The anti-corruption policy sets out the principles which Zain and its subsidiaries follow, based on zero tolerance for bribery and corruption. This policy aims to ensure appropriate measures are in place to combat corruption and bribery in all company operations to avoid any violations of relevant laws and regulations.

Zain Group strictly prohibits offering, authorizing, or receiving bribes under any circumstances, including bribery of individuals and government officials. Such actions are unethical and illegal. We strive to succeed with honesty and fairness, relying on our excellent performance and ethical business practices. We are committed to conducting our business activities with integrity, in line with our company Code of Conduct. This policy is communicated to all stakeholders, promoted, and supported by awareness and training initiatives, to ensure full understanding and compliance by all stakeholders.

The policy has been prepared under laws and regulations and covers various topics, including business conduct, giving and receiving gifts, doing business with a third-party, political and charitable contributions (Zain does

not provide financial support to political parties and affiliations), financial facilities, non-controlling ownership percentages, commitment to maintaining accuracy and integrity in keeping company records, reporting and disciplinary measures in case of policy violation, conflict of interest, related party transactions, economic sanctions and anti-money laundering.

Anti-Money Laundering (AML)

Zain’s commitment to the highest ethical and legal standards extends to its business operations across all countries. Accordingly, Zain Group takes all necessary measures to prevent money-laundering activities within its footprint. The Board approved this policy to ensure that Zain is committed to complying with all requirements of relevant Anti-Money Laundering and Counter-Terrorist Funding Laws, Regulations and Standards. This policy aims to ensure the completion of risk-based controls that prevent the misuse of Zain Group assets by money launderers and those involved in financing terrorism. It also protects Zain, its employees, and stakeholders from involuntarily committing money laundering and terrorist financing violations.

Diversity, Equity and Inclusion

Zain’s Board is committed to the diversity, equity and inclusion (DEI) principles starting with the principles behind the composition of the Board, which is in line with the size and geographic spread of Zain, its portfolio, culture and status as a listed company. The company recognizes the importance of a diverse Board in providing a range of opinions in the decision-making process, which is beneficial to the company's long-term success and protects stakeholder rights. When selecting Board members, the process is based on reasonable criteria, and there is no discrimination on any personal or physical attributes that do not speak to a person’s ability to perform as a member. The Board supports Zain’s DEI approach and management efforts to ensure that the diversity of the Board and Executive Management is continuously enhanced.

The board approved this policy which aims to promote diversity on the Board in terms of experience and knowledge regardless of gender, race, ethnic origin, disability, age, nationality, national origin, religion/belief, marital status, and social class. At Zain Group opposes all forms of discrimination. This policy is largely set up to address the importance of a diverse Board in employing the unique identities, skills and experiences of the members in a way that collectively benefits the company.

Zain is proud to be among the first telecom providers in the region to have established a DEI department to indicate how seriously the company uplifts our entire workforce and benefits society.

This DEI department adopts a series of carefully prepared programs and initiatives in more than one field, such as programs for gender diversity, a program for people with special needs, a program for youth empowerment, and an internal innovation platform (helping Zain employees to turn their ideas into startups of their own) and programs for mental health. As Zain believes its employees represent its greatest advantage, it takes pride in its continuous efforts to support its employees. While Zain Group continues its programs and initiatives to enhance its workforce, it seeks at the same time to harness the power of this diversity to build a business model that inspires others and sets an example in the labor markets looking for a change. Details of DEI’s initiatives and policies are available on the company's website.

Rule VII: Ensure Timely and High-Quality Disclosure and Transparency
Disclosure mechanisms and characteristics

As a listed company in the premier market in Kuwait, Zain ensures transparency through timely and high-quality disclosure, in accordance with corporate governance rules set by the Capital Markets Authority (CMA). Here are specific actions the company takes in this regard:

- Forming of a disclosure team: Dedicated corporate governance and investor relations teams are responsible for overseeing the company's disclosure and transparency processes. The team works with various departments to ensure accuracy and timeliness, including the BOD, legal, finance, and the whole executive team. The team is responsible for supervising the disclosure process in accordance with the requirements of the CMA to ensure full compliance by the company with the instructions contained in Module Ten of the CMA’s executive bylaw on disclosure and transparency. Accordingly, the Corporate Governance and Compliance Department works to provide any clarifications related to disclosure requirements. This department is the main point of contact responsible for communicating with and responding to the inquiries of the CMA and the relevant regulatory authorities.
- Development of a Disclosure Policy: Crafted a comprehensive disclosure policy that aligns with CMA regulations. This policy defines material information, disclosure timelines, responsible parties, and communication channels. The policy is easily accessible to all employees and stakeholders as it is available on the website. It ensures the accurate, realistic, and timely disclosure of all material information related to the company, including financial position, performance, ownership, and corporate governance. The policy aims to enhance the company's ability to comply with the rules, laws, and instructions issued by the CMA and other relevant regulatory bodies while ensuring fairness and equality in providing the right to access that information. The policy defines a framework for the proactive disclosure of information related to the company. It emphasizes achieving a balance between the confidentiality required by our customers with the information needed by stakeholders such as shareholders, regulators, and analysts. This policy defines the principles and requirements of transparency and the types of information that will be disclosed to ensure that stakeholders are treated fairly. The Board monitors the disclosure process and communicates with internal and external stakeholders. A set of the company's internal policies has been published on the official website after the approval of the company's Board to provide a clearer picture of the company's internal processes, policies and procedures, which leads to a deeper connection with shareholders and other stakeholders and reaching the highest levels of trust with different groups of stakeholders.
- Identification of Material Information: Clearly defined what constitutes material information according to CMA guidelines and developed internal procedures to quickly identify such information and ensure its prompt disclosure.
- Disclosure Channels: Zain utilizes approved channels for disclosing information, such as CMA email correspondence, Boursa Kuwait portal and the company's official website. Zain ensures that the information is accessible to all stakeholders, including international investors.
- Timely Disclosure: The company adheres to CMA's guidelines on timely disclosure. Material information should be disclosed as soon as it becomes available, ensuring that all stakeholders receive the information simultaneously.
- Financial Reporting: Zain prepares and publishes financial statements in line with International Financial Reporting Standards (IFRS) and CMA regulations. This includes quarterly and annual reports, which provide a clear and accurate view of the company's financial performance and position.
- Consistency and Accuracy: We ensure that all disclosed information is consistent across various communication channels as accuracy is crucial to maintain investor trust.
- Whistleblower Mechanism: Zain implemented a confidential mechanism for employees and other stakeholders to report potential violations of transparency or unethical behavior. This encourages early detection and rectification of issues.
- Internal Controls: Zain established robust internal controls and procedures to verify the accuracy and completeness of disclosed information. We also conduct periodic reviews of these controls by an independent third party to identify and address any gaps.
- Disclosure Calendar: The company has a disclosure calendar that outlines the expected timing of regular and ad-hoc disclosures throughout the year. This helps in planning and coordination with all internal and external stakeholders.
- Insider Trading Policies: Zain enforces strict insider trading policies. Company insiders must adhere to trading windows and obtain pre-clearance before buying or selling company shares. In addition, Zain maintains a permanent record

- of the insider's trades. Accordingly, Boursa Kuwait is obligated to receive the insiders' watchlist and to verify that the people whose names appear in that list comply with the provisions of applicable laws and regulations when trading in securities. Boursa Kuwait is also obligated to consider the adherence of the insiders of the listed company not to trade during the prohibition periods indicated in the regulations and to announce all disclosures received accordingly.
- **Investor Relations:** The team maintains active and transparent communication with investors and provides updates on company performance, strategy, and other relevant matters through press releases, investor presentations, and conference calls.
 - **External Audit:** Zain works with a reputable external auditor (KPMG) to independently verify the accuracy of financial statements and disclosure practices.
 - **Annual General Meetings (AGMs):** Zain conducts AGMs as required by CMA rules. These meetings provide a platform for shareholders to engage with management, ask questions, and express concerns.
 - **Ethical Culture:** The company fosters an ethical culture where transparency is valued and encouraged at all levels of the organization.
 - **Continuous Improvement:** The team regularly reviews and updates disclosure and transparency practices to align with evolving CMA regulations and industry best practices. By implementing these strategies, our company demonstrates its commitment to transparency, meets CMA requirements, and fosters investor confidence in the Kuwaiti market. Zain ensures that all stakeholders are on board with the principle that transparency is an ongoing effort that requires dedication and vigilance.
 - **Data protection and privacy policy:** The company is legally and ethically obligated to protect customer information to ensure that it is not misused in a way that harms the customer's interests or the company's reputation. All employees are responsible for protecting customer information and not disclosing any information they are not authorized to disclose, following the relevant regulatory requirements. All employees are fully aware of all policies related to data protection, distribution, transmission, preservation, or disposal.
 - **Disclosure archive:** All public disclosures are posted on the company's website; with the approval of the Corporate Governance and Compliance Department and in cooperation with the Corporate Communications and Investor Relations Departments, the company utilizes its website to communicate with stakeholders (shareholders, investors, customers, regulatory authorities, etc.) and distribute company information that is required to be published. The information available on the website includes annual reports, quarterly reports, financial information, and market disclosures (for more than 13 years) and other information.
 - **Disclosures record for the Board of Directors and Executive Management:** The company keeps a comprehensive record encompassing all disclosures made by its Board members and Executive Management. This record is consistently updated to align with the latest disclosures, ensuring utmost accuracy. Additionally, the company upholds a record containing disclosures from insiders. All such vital information and disclosures are stored within an internal electronic library. This platform ensures seamless accessibility to relevant parties at the required moments. Notably, the company's official website features an archive comprising all market disclosures made by the company over the past thirteen.

Investor Relations (IR)

Zain is committed to providing information and reports to shareholders and potential investors through the Investor Relations (IR) department. The Board has approved an IR policy that confirms compliance with applicable laws, rules, and instructions, that covers all employees of the company and the company's Board of Directors. The IR policy includes all means of communication with shareholders, potential investors, analysts, and the media; this includes annual and quarterly reports, news, prospectuses, memoranda for shareholders, press releases held by official spokespersons, and information on the company's website.

The most important principles of this policy are protecting shareholders' rights, communicating with shareholders, and issuing disclosures to shareholders. Accordingly, important information is made available to shareholders through appropriate means of disclosure such as periodic reports, annual reports, the company's website, Boursa Kuwait website, quarterly communication with analysts and relevant conferences, etc.

The responsibility for implementing this policy lies with the employees of the IR Department, in addition to other stakeholders in the company. This department plays a vital role in ensuring the protection of shareholders' rights by the company. The IR department includes multiple competencies and expertise, which ensures easy and continuous communication with shareholders, potential investors, analysts, and the media.

The main objectives of Investor Relations

1. Establish consistent and reliable communication channels with investors in compliance with relevant regulations and laws, including those issued by the CMA and the Commercial Companies Law of the State of Kuwait
2. Strengthen the company's position in the market and attract shareholders and investments
3. Establish a link between executive management and the financial community to strengthen the relationship of executive management with analysts and stakeholders
4. Provide financial and non-financial information related to the company to the Board of Directors, executive management, shareholders, and analysts.

Following the disclosure of the financial statements, the IR department organizes a call between Executive Management and analysts to discuss the results of the company's financial statements and open the door to any inquiries that analysts may have regarding the company's performance. The transcripts of these calls are available on the company's website to be a reference for shareholders and the public in both Arabic and English. The IR team and Executive Management attend IR conferences to attract potential investors' interest and hold individual meetings with local and international potential investors and existing shareholders. All executives attending these conferences are fully prepared to answer any questions or inquiries raised during the meetings, provided that these meetings meet all relevant regulatory requirements. The IR department is responsible for assembling the company's annual report, including requesting input from relevant departments. In addition, the IR team reviews the content received from these departments and ensures its consistency with the company's strategy and approved public image.

Key highlights of the year 2024 for the Investor Relations Department:

- Participated in three different Corporate-Days, hosted by HSBC, Arqaam Capital and EFG Hermes (London & Dubai).
- Nominated in two prestigious categories at the Middle East Investor Relations Association (MEIRA) Awards, "Best IR Corporate in Kuwait" and "Best IR Professional", highlighting Zain's ongoing commitment to IR excellence, effective stakeholder engagement, and leadership in the region.
- Successful management of three General Meetings (two AGMs and one EGM), achieving a record-high quorum of 81% for the EGM.

IT infrastructure and disclosure processes

- The Capital Markets Authority has launched an enhanced XBRL Electronic Disclosure System in 2024, covering financial statements, capital adequacy reports, market disclosures, and general assembly requests. The XBRL Electronic Disclosure System enhances transparency, accuracy, and compliance by standardizing financial reporting. It automates processes, reducing manual efforts and submission time. The system improves data accessibility, strengthens regulatory oversight, and fosters investor confidence. By streamlining disclosures, it modernizes financial reporting, creating a more efficient, competitive, and transparent investment environment in Kuwait.
- The company's website includes all the disclosures that date back more than fourteen years. The website also includes periodic financial reports, analyst reports and other facts and indicators.
- The website contains information about the Board, executive management and the company's code of conduct, and the main principles and values that support the company's operations.
- **Zain IR App:** Developed in 2017, it is a comprehensive platform that caters to all IR activities and publications of the company. The Zain app primarily focuses on disseminating key information to stakeholders, such as company financials, shareholders' presentations, earnings calls and management transcripts. Additionally, it provides updated share price information, dividend details, and analysts' consensus to ensure investors are well-informed about Zain's performance. The app also features an updated calendar that lets users track all the upcoming events

related to Zain, ensuring that they do not miss any significant announcements. The Zain IR App is a crucial tool. It enhances the transparency and efficiency of all IR activities, ultimately leading to better communication with investors and greater value creation for all stakeholders.

- The CMA is addressed by e-mail (in addition to mail) to provide the required information and disclosures.
- Communication with the CMA takes place through the CMA's electronic portal, which was established to facilitate the transactions of the entities covered by its supervision and enhance and raise work efficiency in an electronic environment.
- The company submits all required documents, such as the company's annual financial statements, the request, and other requirements necessary for holding the AGM, through the online platform provided by Kuwait Clearing Company. Moreover, all requests and inquiries by stakeholders are also received electronically by the Ministry of Commerce. Additionally, the platform facilitates other procedures and services.
- As listed in the Premier Market, Zain uses the electronic system provided by the Kuwait Clearing Company to hold its AGM and enable the companies' shareholders to participate in the shareholders' meetings without attending in person.
- The company's intranet includes an electronic library that contains all the details and information, which are easily accessible at any time with the correct credentials.



Rule VIII: Respect the Rights of Shareholders

Summary of shareholders' meetings during the last three years

	AGM for the year ending on 31/12/2021	AGM for the year ending on 31/12/2022	AGM for the year ending on 31/12/2023	EGM	AGM
Date of BOD meeting	10/2/2022	13/3/2023	6/3/2024	22/4/2024	27/5/2024
Date and time of the General Shareholders Meetings	22/3/2022 10:00 a.m.	11/4/2023 11:00 a.m.	6/5/2024 11:00 a.m.	22/5/2024 11:00 a.m.	25/6/2024 11:00 a.m.
Venue	Zain HQ (in-person) and KCC Live streaming (online)	Zain HQ (in-person) and KCC Live streaming (online)	Zain HQ (in-person) and KCC Live streaming (online)	Zain HQ (in-person) and KCC Live streaming (online)	Zain HQ (in-person) and KCC Live streaming (online)
Percentage of Shareholders in Attendance	75.14%	80.12%	77.05%	81.16%	76%

Protection of Shareholders' Rights

The company is dedicated to upholding equitable shareholder engagement. Furthermore, it is committed to safeguarding shareholder assets against any potential misappropriation by the Board, executive management, or key stakeholders. The company adheres to impartial treatment of all shareholders within the same category, devoid of bias, aligning with corporate interests and in accordance with legal statutes and regulatory frameworks.

The company is committed to providing the following rights to the shareholders:

- Recording the ownership value in the shareholders' register with Kuwait Clearing Company (KCC)
- Disposal of shares through registration of ownership and/or transfer
- Receipt of cash and share dividends
- Acquiring a share of the company's assets in case of liquidation (after payment of all debts of the company)
- Obtaining data and information about the company's business and operational and investment strategy regularly
- Participation in meetings of the General Assembly of shareholders and vote on its decisions
- Election of Board members
- Monitoring the performance of the company in general and the work of the Board in particular
- Accountability of board members or executive management if they fail to perform the tasks assigned to them

All shareholders, regardless of their ownership size, are treated fairly and without discrimination. This includes providing equal access to information, voting rights, and dividends. As part of the company's corporate governance framework, the protection of shareholders' rights policy has been developed to ensure the company's commitment to respecting and protecting the rights of all shareholders per the relevant laws and regulations. In the provisions of the regulations and instructions issued by the regulatory authorities, this policy applies to the company, its subsidiaries, the Board of directors, the executive management, and all employees about their role in protecting the rights of the shareholders.

Zain has open lines of communication with shareholders by regularly holding general meetings where shareholders can voice their opinions, ask questions, and receive updates about the company's performance and strategy.

Shareholders’ Register at the Kuwait Clearing Company (KCC)

In April 2004, Zain signed an agreement with the Kuwait Clearing Company (KCC) to maintain a record of its shareholders with the KCC. Accordingly, the KCC provides the following:

- Create an index for all shareholders, which includes the names, trading numbers, number of shares and nationalities.
- Update the data according to all trading activities on Boursa Kuwait
- Perform all procedures for transfer of ownership in addition to buy/sell transactions after obtaining all the required approvals from the regulatory authorities
- Track procedures for lost/damaged certificates and the related issuance of new ones
- Distribute cash dividends and stock splits
- Provide the company with shareholders’ balance reports on a daily/monthly basis
- Provide the company with profit reports on a daily/monthly basis
- Provide the company with unclaimed dividend reports monthly
- Distribute outstanding share certificates, issue new shares for heirs, and register them
- Record mortgage transactions on the company’s shares
- Prepare AGM invitations in coordination with the company
- Allow shareholders to obtain the company’s information or documents in compliance with laws and regulations

Shareholders’ voting and participation at the AGM

The company encourages all shareholders to participate in the Annual General Meetings (AGM) and to vote on all resolutions adopted by the Assembly, including the selection of the members of the Board. Any class of shareholders is entitled to attend the meetings of the General Assembly without paying any fees for their attendance. The voting in the General Assembly shall be by secret ballot.

The Board invites all shareholders to the AGM under the laws and regulations. When organizing the general meetings of the shareholders, the company includes the agenda and the date and place of the meeting in the invitation. In addition, the company provides all information related to the agenda items well before the General Assembly, particularly the reports of the Board, the external auditor and the financial statements.

The company encourages shareholders to actively participate in the General Assembly, discuss the issues on the agenda and related inquiries, and ask questions to Board members and the external auditor. The Board or the external auditor shall answer the questions to the extent that they do not jeopardize the interests of the company.

Shareholders are provided access to all the data contained in the disclosure register of the Board members and Executive Management members without any fees. In addition, shareholders are also entitled to access the minutes of the AGMs.

The company sends out invitations for the extraordinary general assembly meeting at the request of a number of shareholders who own at least fifteen percent (15%) of the company’s capital within thirty (30) days from the date of the request as stated in the relevant laws. In addition, shareholders who own a percentage of five percent (5%) of the company’s capital may add items to the agenda of the General Assembly meetings.

Each shareholder may file a case to nullify any decision issued by the Board or the general assembly (ordinary or extraordinary) in violation of the law, the company’s articles of association (AOA) or the company’s memorandum, or that was intended to harm the interests of the company. In addition, shareholders who own at least 15% of the capital may appeal before the court in the decisions of the ordinary and extraordinary General Assembly, which prejudice the rights of the minority shareholders.

Zain Guarantees the Following Rights for Shareholders:

PROXY VOTING: Facilitating proxy voting to allow shareholders who cannot attend meetings to exercise their voting rights. This promotes greater shareholder participation in decision-making. The voting is conducted through a secret ballot. Shareholders can cast their votes whether they choose to attend in person, online, or through proxy.

DIVIDEND POLICY: Establishing a transparent dividend policy that outlines how dividends are determined and distributed to shareholders. This ensures that dividends are distributed fairly and consistently.

Right to Information: Ensuring shareholders have access to accurate and timely information about the company's financial performance, strategy, risks, and corporate governance practices.

SHAREHOLDER EDUCATION: Providing educational resources to help shareholders understand their rights, responsibilities, and how to effectively engage with the company. The company created the board diversity policy to educate the shareholders about the importance of having a diverse board. A diverse Board with a range of views enhances decision-making, which is beneficial to the company’s long-term success and the interests of stakeholders. When selecting board members, the process is based on factual criteria and there is no discrimination on any personal or physical attributes that would not speak to the person’s ability to perform as a Board member.

Rule IX: Recognize the Roles of Stakeholders Protecting the rights of stakeholders

At Zain, corporate governance represents a comprehensive approach that reflects its commitment to responsibility and sustainability. Its practices are not limited to transparency, accountability, and fairness but extend to a broader vision that considers the interests of all stakeholders, not just shareholders. With the evolution of governance standards in 2024, it has become essential for companies to move toward more inclusive models that ensure a balance between various stakeholders.

Zain focuses on promoting fair treatment, ensuring effective disclosure, and providing communication and engagement mechanisms for all stakeholders, including employees, customers, regulatory bodies, suppliers, communities, and the environment. The company is also committed to empowering shareholders to exercise their rights effectively and fostering an interactive environment that supports open dialogue while implementing strict oversight mechanisms to mitigate conflicts of interest and ensure sound governance.

Amidst ongoing regulatory changes and growing societal expectations, Zain adopts a proactive approach that strengthens governance practices to enhance long-term sustainability and reinforce its relationships with all stakeholders. This makes Zain a model in adopting responsible governance that goes beyond traditional methods toward a more balanced and inclusive management approach.

At Zain, continuous engagement with stakeholders is a fundamental aspect of ensuring business continuity, especially given the ever-evolving demands and expectations of stakeholders. The company is committed to protecting their rights and fostering mutual benefits by maintaining a strong and stable financial position that contributes to job creation and sustainable growth.

As part of its comprehensive governance framework, Zain has established a clear policy for protecting stakeholders' rights, ensuring compliance with relevant laws and regulations while safeguarding these rights from any violations. The Board of Directors oversees the development and periodic update of this policy to ensure alignment with legislative developments and regulatory directives.

This policy extends to the company, its subsidiaries, the Board of Directors, executive management, and employees, all of whom share a direct responsibility in implementing and ensuring compliance with its requirements. Raising awareness about this policy and ensuring adherence among all company members is a key element of Zain's corporate culture, reinforcing sound governance and protecting the interests of all stakeholders.

Stakeholder categories include shareholders, regulators, customers, employees, the community, suppliers, and third-parties such as partners and competitors.

The company safeguards the protection of the rights of stakeholders through the following:

- Dealing with all stakeholders fairly and ensuring that members of the Board, related parties and stakeholders are treated fairly and without discrimination
- Allow stakeholders to access information and data related to their activities to obtain and refer to that information quickly and regularly

As the company guarantees the protection of the rights of stakeholders, it also expects all stakeholders to fulfill their obligations governed by contracts, laws and regulations issued by the relevant authorities.

Stakeholder participation and following the company's operations

The major responsibilities of the company's Board towards its stakeholders include:

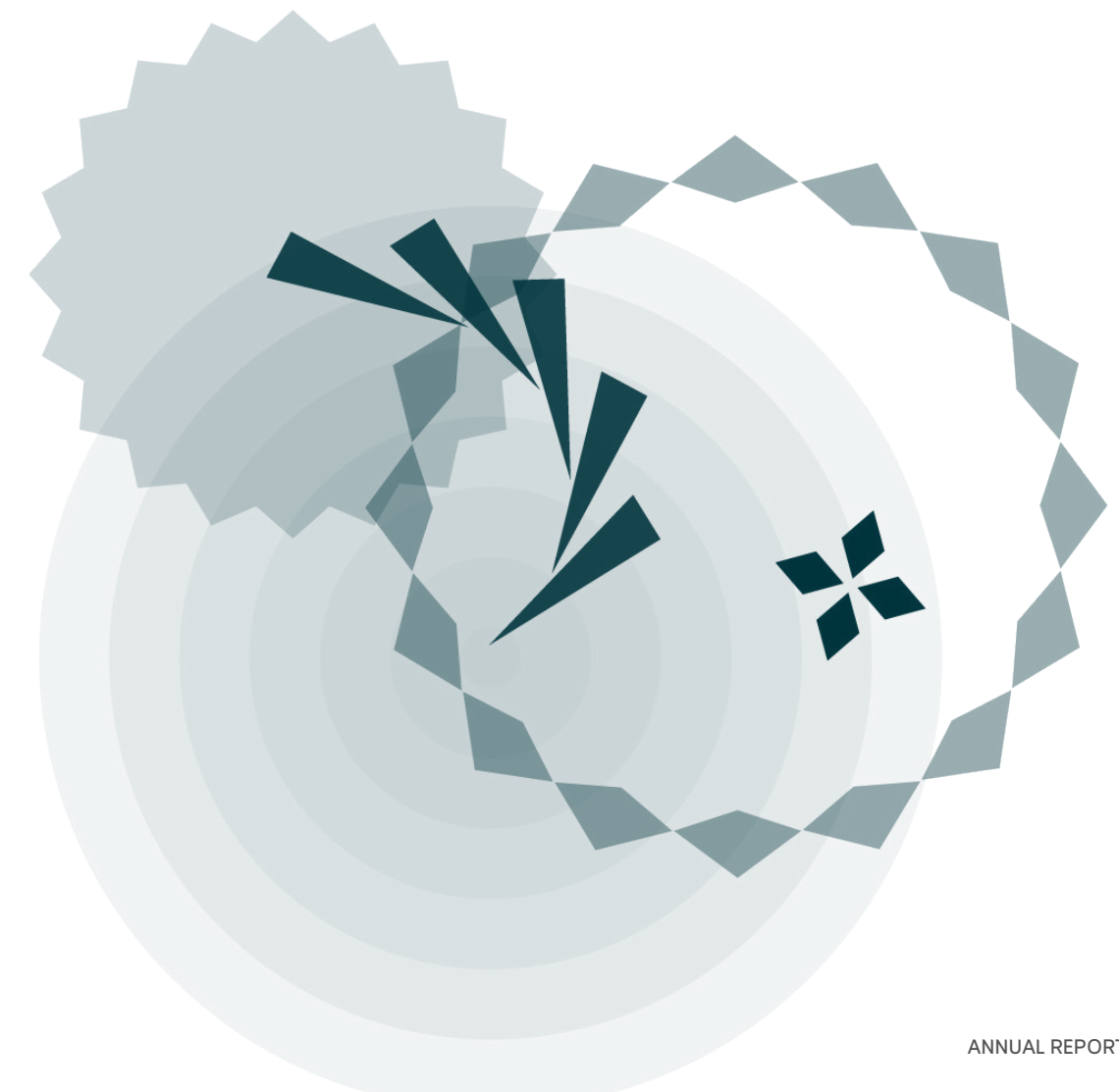
- Appointment of competent executive management – As executive management, headed by the CEO, is responsible for the day-to-day management of the company's operations and for the implementation of the company's strategy, it is one of the foremost responsibilities of the Board to select a company of personnel that is capable of performing this task competently.
- Effective and efficient supervision of the company's affairs – The company's Board has overall responsibility for the company, including approving and overseeing the implementation of strategic objectives, risk strategy and corporate governance standards. This is in addition to the Board's responsibility for overseeing executive management. The Board administers its supervisory duties directly or through its committees (Board Risk Committee, Board Audit Committee, and Board Nomination & Remuneration Committee). In addition to ensuring that the company's strategic decisions consider a balance of interests among various stakeholders, guaranteeing the achievement of common goals without harming any party.
- Adoption of sound policies – The Board must provide executive management with a clear framework for managing the company's operations. This is achieved by having oversight over the key policies followed within the company, covering such areas as investments, credit and asset and liability management, and other related policies.
- Remaining abreast of the company's conditions and performance – The Board is aware of any developments in the company's internal or external environment. This enables the Board to intervene promptly when the need arises.
- Maintaining proper capitalization of the company – Capital adequacy is one of the primary measures of a company's financial health. Therefore, it is the responsibility of the Board to ensure that the company remains reasonably capitalized, taking into account regulatory requirements and the company's strategic objectives.
- Observing laws, by-laws, and instructions – The company is governed by a set of regulations with which it must comply. It is ultimately the responsibility of the Board to ensure that there are no violations.
- Effective Communication and Transparency – Strengthening open communication channels with stakeholders and ensuring continuous disclosure of material information in a clear and transparent manner to enhance trust and credibility.
- Fostering a Fair and Ethical Work Environment – Ensuring that the company's work environment is based on ethical values and fairness, providing equal opportunities for employees, and preventing any discriminatory or unfair practices.
- Encouraging Social and Environmental Responsibility – Promoting the company's social responsibility initiatives to benefit the community and the environment, contributing to sustainable development in line with stakeholders' interests.
- Ensuring Complaints and Grievance Mechanisms – Providing effective formal channels that allow stakeholders to voice their concerns or submit complaints, ensuring they are addressed objectively and transparently.

In 2024, corporate governance underwent significant transformations that reinforced the position of stakeholders in the corporate landscape. While traditional models primarily focused on shareholder interests, the modern approach has become more inclusive, recognizing the vital role of employees, customers, suppliers, communities, and the environment in corporate success. In this context, the Kuwait Capital Markets Authority issued Resolution No. 1682024/, which strengthens integrity and financial soundness standards for listed companies by imposing stricter requirements on board members and executive management to ensure transparency and adherence to best governance practices.

In response, Zain adopts a proactive approach that reflects its commitment to sound corporate governance, where transparency and accountability are no longer just regulatory requirements but fundamental pillars for building trust between the company and its stakeholders. Zain understands that its success is not solely dependent on financial returns but also on its ability to engage positively with all stakeholders, necessitating fair policies that protect their rights and ensure equal opportunities for all.

To reinforce this commitment, Zain has implemented comprehensive stakeholder engagement strategies, including effective communication channels that allow stakeholders to voice their concerns, participate in regular dialogues, and contribute to corporate decision-making processes. Additionally, the company has established clear mechanisms for reporting violations, ensuring stakeholders are safeguarded against any internal or external pressures that may affect their interests.

Amidst these developments, adopting a stakeholder-oriented governance model is no longer just a legal or ethical obligation but a strategic choice that fosters sustainable growth, strengthens corporate resilience, and enables companies to adapt to rapidly evolving business environments. Through this transformation, Zain is not only setting a more equitable and responsible governance model but also laying the foundation for long-term success by creating shared value for all stakeholders.



Stakeholder Engagement

Our Customers

Communication Channels

- Interactive digital channel
- Customer satisfaction surveys
- Store experience surveys
- Services available through app, website, retail stores, contact centers
- Digital and alternative channels – inbound customer service agents & telesales
- Direct messaging, social media platforms and various media outlets

Priorities

- Reliable, accessible, innovative and affordable service
- Awareness about promotional material and other useful info
- Customized services
- Transparency and accuracy of billing
- Data protection and information security
- Efficient complaint resolutions
- Feedback analysis

Our Suppliers

Communication Channels

- Open direct channels and automated process engagement
- Provide periodic assessments
- Supplier Code of Conduct
- Check against conflict of interests, related party transactions, and sanctions policies
- Efficient onboarding procedures

Priorities

- Embedding principles of diversity and inclusion
- Incorporating sustainability standards
- Provide timely payments

Our People

Communication Channels

- Workshops
- Groupwide emails and awareness material
- In-person events
- Annual employee engagement surveys
- Whistleblowing form
- Zainers app

Priorities

- Job security and satisfaction
- Employee benefits
- Opportunities for development and growth
- Competitive salaries
- Have a relation to company's core values and principles
- Access to international networking opportunities
- Health and safety protection
- Mental health and wellbeing

Our Community

Communication Channels

- Social media awareness campaigns
- Support and develop sustainable initiatives and activities
- Establish meaningful partnerships
- Participate in community events, forums and workshops

Priorities

- Build climate change mitigation and adaptation plans, in addition to biodiversity protection
- Enable an inclusive digital society
- Responsible supply chain management
- Commitment to upholding health and safety standards.
- Establish community outreach programs that support underprivileged communities

Our Investors

Communication Channels

- Meetings, conferences (in-person and virtual)
- Annual/interim reports and presentations
- Press Releases
- Disclosure of company material info
- Analyst Calls / Webcasts
- IR app/website/emails
- Social Media
- Annual General Meetings (AGM)
- Feedback and surveys

Priorities

- Financial reporting and integrity
- Communicating the Strategy
- News about operations and activities
- Industry-specific news and updates
- Dividend Policy
- ESG and corporate governance updates
- Regulatory Updates
- Investor Relations Events & Roadshows

Our Governments

Communication Channels

- CMA online portal
- Boursa Kuwait (disclosure portal, emails)
- KCC (Kuwait Clearing Company) emails communications, eAGM
- Inspection visits
- Disclosure forms
- Annual/periodic reports
- Participation in events, workshops, forums
- Meetings (in-person and virtual)
- Website (disclosure archive, reports, articles of associations, policies)
- Topic specific correspondence with regulatory authorities
- AGM

Priorities

- Compliance with laws and regulations
- Promoting best standards in the industry and the market
- ESG principles
- Disclosure and transparency
- Raising awareness about key topics such as ESG, digital transformation and innovation investment

Rule X: Encourage and Enhance Performance Board Training and Development Plan

In Kuwait's corporate governance landscape, board training and development play a pivotal role in fostering effective governance practices and enhancing the performance of boards of directors. Recognizing the significance of well-informed and skilled board members, companies are encouraged by regulatory bodies like the Capital Markets Authority (CMA) to prioritize ongoing training initiatives.

Board training at Zain entails equipping directors with the necessary knowledge, skills, and insights to fulfill their duties and contribute meaningfully to the company's strategic direction. Here are some key aspects of board training and development at Zain:

Orientation and Onboarding: New board members undergo orientation programs that provide an understanding of the company's operations, industry dynamics, governance structure, and key challenges. This helps new directors quickly become effective contributors.

Governance Principles and Regulations: Board members are educated on the fundamental principles of corporate governance, including their roles, responsibilities, legal obligations, and compliance requirements under applicable laws and regulations.

Industry-Specific Training: Directors receive training and awareness material that include insights into industry trends, competitive dynamics, and emerging risks.

Risk Management and Compliance: Training programs cover risk assessment, mitigation strategies, and compliance frameworks to ensure members are well-versed in identifying and addressing potential risks.

Ethics and Corporate Social Responsibility: Directors are educated about ethical considerations, corporate social responsibility, and sustainability practices, aligning them with the company's values and societal expectations.

Communication and Stakeholder Engagement: Board training emphasizes effective communication, both within the board and with shareholders, employees, and other stakeholders. This includes building skills in transparent communication and active engagement.

Cybersecurity and Technology: With the increasing digitalization of business, board members receive training on cybersecurity threats, data privacy, and the implications of technological advancements.

Continuing Education: Board members are encouraged to engage in continuous learning through workshops, seminars, conferences, and professional development opportunities to stay updated on industry trends and evolving governance practices.

By investing in board training and development, Zain demonstrates its commitment to maintaining a high standard of governance. Well-trained board members contribute to effective oversight, informed decision-making, risk management, and sustainable growth, ultimately leading to enhanced shareholder value and stakeholder trust.

Board Evaluation

In Kuwait, under the Corporate Governance rules set forth by the Capital Markets Authority (CMA), board evaluation plays a pivotal role in ensuring effective corporate governance practices within companies. The board of directors, as a key governing body, is subject to annual evaluations that encompass a comprehensive assessment of its composition, performance, and adherence to governance principles. Board evaluations at Zain are designed to be rigorous and systematic processes. They involve an objective analysis of the board's structure, skills, independence, diversity, and overall effectiveness. These evaluations aim to identify strengths, weaknesses, and areas for improvement in the board's functioning. The Board, its committees and individual members are evaluated annually. The evaluation of the Board includes several topics that affect its performance, added value, and the objectives of the company in general.

Among these measures are the following:

- Attendance and key performance indicators following the company's strategy and objectives and relevant laws and regulations
- The Board's commitment to laws and regulations that deal with various topics such as business development, formation of the board's structure, adoption of internal policies and other responsibilities and roles as determined by the regulations of the CMA
- Diversity, equity and inclusion in the composition of the Council
- Environmental, Social and Governance (ESG) Performance Standards
- Coordinating meetings, topics, and agendas by relevant laws
- The items of discussion, their objective and relevance and their impact on the company's performance
- Telecom industry trends and latest developments
- The company's risks and the most critical developments and procedures.
- Communication with stakeholders and the effectiveness of these channels
- Related party transactions and conflicts of interest
- Discussing the reports issued by the regulatory authorities, auditors, or any inspection team and the work plans
- Deviations from the approved budget
- Required training courses
- Acquiring required information in a timely manner

Engaging a third party for board evaluation enhances governance by providing an independent, objective assessment of board effectiveness. It ensures transparency, identifies strengths and weaknesses, and offers actionable recommendations for improvement. A third-party evaluation eliminates internal biases, aligns board performance with best practices, and enhances decision-making dynamics.

The process typically includes defining evaluation criteria, conducting surveys and interviews, benchmarking against industry standards, and providing a comprehensive report with strategic insights. In Kuwait, regulatory frameworks, including Resolution No. 1682024/, emphasize board integrity and financial

soundness, making external evaluations increasingly relevant. Companies adopting third-party evaluations strengthen accountability, enhance compliance, and improve overall governance, fostering long-term sustainability and stakeholder confidence in their leadership and decision-making processes.

Zain has appointed a third-party firm to conduct an independent board evaluation, ensuring transparency and alignment with best governance practices. This evaluation will assess board effectiveness, identify areas for improvement, and provide targeted training recommendations to enhance leadership capabilities, strengthen decision-making, and support long-term corporate governance excellence.

Value Creation

Zain's Board of Directors overlooks the company's operations and the executive management's performance. It carries the additional responsibility of supervising the holistic pursuit of our strategic goals, thereby fostering continuing achievements that yield lasting value for both our shareholders and broader stakeholders. The Board's intent is to establish the cornerstones for a promising and sustainable track, aiming to push growth through responsible, comprehensive, and sustainable technological approaches. Our objective is to maintain Zain's reputation for reliability while continually generating value for our stakeholders.

Furthermore, the Board tracks advancements in our digital impact and sustainability policies, ensuring progress towards meeting targets concerning climate and environmental concerns.

Zain has proactively embraced sustainability initiatives to address evolving challenges and meet stakeholder demands, aligning with environmental, social, and governance (ESG) benchmarks. A deliberate concentration on these ESG dimensions drives enhanced financial results, compelling both the Board and Executive Management to stay attuned to industry dynamics and deliver optimal value for shareholders and stakeholders. Moreover, fostering credibility and ethical conduct in business dealings not only draws and retains shareholders but also cultivates heightened customer allegiance. These intangible aspects provide a competitive edge that amplifies the company's long-term

valuation. An exceptional ESG performance yields equivalent favorable outcomes, displaying heightened operational capacities, skilled management quality, boosted confidence and execution efficiency, as well as streamlined capital management. These elements collectively reflect the company's proficiency in strategic decision-making, consequently facilitating cautious wealth allocation and attraction. This strategic talent, in turn, steers the company towards proficient, productive, and value-centric leadership. Furthermore, ESG disclosures echo through the company's image, strengthening market value and ultimately delivering increased shareholder value.

Rule XI: Focus on the importance of social responsibility

A summary of the development of a policy that ensures a balance between each of the company’s goals and society’s goals.

Zain’s Corporate Sustainability (CS) Policy aims to ensure that sustainability and ethical principles are embedded across every facet of its operations, business activities, and value chain. Through this policy the company aims to minimize its environmental impact, ensure positive social influence and maintain economic viability while upholding the highest level of responsibility, transparency and accountability.

The CS policy is an official statement of Zain’s commitment to tackling critical social, economic, environmental, and human rights issues in its markets. The policy's key focus areas, which are an extension of Zain’s CS strategy, encompass, but are not limited to climate change, supply chain management, data privacy and security, child online safety, and youth unemployment.

Throughout the years 2019 -2024, Zain’s CS strategy was closely aligned with the company’s 4SIGHT strategy, supporting the achievement of its goals and strategic objectives. The CS strategy has been adjusted and aligned to Zain’s newly announced 4WARD Progress with Purpose corporate strategy.

Zain’s Corporate Sustainability department aims to ensure that the CS Policy is upheld and translated into the necessary processes and procedures across all aspects of the company and its value chain. The department is also responsible for assessing the company’s ability to create value across its environmental, social, economic, and human rights aspects and is able to do so by working cross-functionally and collaborating with multiple stakeholders.

The CS policy is available on the company’s official website to ensure all stakeholders can access the policy in Arabic and English.

An overview of the programs and initiatives under Corporate Sustainability

Under Zain’s CS strategy 2020- 2025, the company continues to establish programs that help support the achievement of strategic targets.

1. Climate Change:

As part of its ongoing commitment to addressing climate impacts, the company implemented a Climate Change Compliance Framework that dictates adaptation and mitigation initiatives in line with its 2050 Net-Zero commitment. This framework allows Zain to assess its business resilience to physical and transition risks, creating more value for its shareholders and customers. From a community perspective, the company continued to monitor and evaluate behavioral changes related to climate issues. Zain established specific quantitative targets for each market, aiming to engage 40% of its customer base by 2025 in line with CDP’s targets. Additionally, Zain continues to demonstrate its commitment to biodiversity conservation and nature preservation, recognizing them as essential components of our broader climate action strategy. Building on the company’s efforts from previous years, Zain introduced biodiversity into its supply chain management process. This new requirement ensures that suppliers assess the potential impact their operations may have on biodiversity and the traceability of the materials they use, promoting greater transparency and accountability throughout our value chain, as Zain acknowledges that the supply chain might be the one of the biggest risks for biodiversity.

Each market conducted a variety of communication campaigns where Zain embedded pre- and post-surveys to assess, and measured impacts. The following are examples of the awareness campaigns launched in each market:

KUWAIT

- Zain Kuwait reinforced its commitment to preserving ecosystems by collaborating with TadwiRe, Kuwait’s first local recycling facility. This partnership includes installing e-waste bins internally to facilitate its e-waste collection initiative. By Q3, Zain Kuwait collected 107 kilograms of e-waste and released an internal awareness video to promote responsible e-waste management.

In addition to e-waste, Zain has achieved notable progress in managing other waste streams:

- Plastic (PET) Waste Reduction: 529.5 kilograms collected in Q2, increasing by 5% to 557 kilograms in Q3.
 - Paper Waste Reduction: 9,076 kilograms collected in Q2, rising by 31% to 11,870 kilograms in Q3.
 - Other Waste Categories: 326 kilograms of wooden waste collected.
-
- Zain Kuwait continued its longstanding partnership with the Kuwait Dive Team for the 26th year, reinforcing its role in preserving Kuwait’s marine biodiversity conservation. This year, the collaboration supported reef health monitoring and marine waste removal initiatives, contributing to critical ecological restoration efforts. As part of these initiatives, CoralWatch, a non-profit at the University of Queensland, engages divers globally to monitor coral reefs globally and share data for scientific research. Kuwait’s diving team, as a regional ambassador, plays a vital role in this global effort, helping to enhance reef conservation in the region.

In 2024, the Dive Team achieved significant results in marine waste removal, collecting 72,200 kilograms of waste in Q2 and 52,000 kilograms in Q3. The 28% decrease in Q3 was due to an unusually large operation in Q2, which included the removal of a sunken boat that contributed substantially to the waste collected during that period.

By integrating waste removal with coral health monitoring, this collaboration highlights a comprehensive approach to Zain’s overarching biodiversity conservation and nature preservation commitment.

BAHRAIN

In 2024, Zain Bahrain a partnered with the Ministry of Municipalities Affairs and Agriculture and the National Initiative for Agricultural Development (NIAD) to plant 2,000 mangrove saplings in the western Aker region to support Bahrain's commitment to achieving carbon neutrality by 2060. Led by His Highness Shaikh Mohammed bin Mubarak Al Khalifa, the initiative restores vital mangrove ecosystems, which serve as effective natural carbon sinks, protect coastlines, and sustain marine biodiversity, directly contributing to the Kingdom's climate and biodiversity goals.

IRAQ

- To enhance green spaces, reduce CO2 emissions, and promote climate change awareness, Zain Iraq partnered with Hala Startup to plant a total of 850 native Acacia trees in Baghdad, with 600 in the city center and 250 in a public garden.

JORDAN

- Jordan is among the most water-scarce countries globally, with per capita water availability significantly below international thresholds for water scarcity. According to the World Bank, Jordan's renewable water resources stand at approximately 97 cubic meters per person per year, which is far below than what is considered the minimum amount needed for basic human needs. This alarming scarcity highlights the urgent need for efficient water management practices and innovative solutions to ensure sustainable access to resources (World Bank, 2023). In 2024, Zain Jordan reinforced its commitment to addressing these challenges by supporting the Royal Scientific Society's initiative for remote water quality monitoring. As part of this collaboration, Zain provided data transmission lines and "Real Static IP" services to 13 strategically located stations across key surface water sources in the Kingdom.

The stations, equipped with advanced automated devices, continuously collect water samples for physical and chemical analysis, transmitting results in real time—hourly—via Zain's network to a centralized database.

This seamless data transmission enables efficient, real-time monitoring, allowing relevant ministries and institutions to make timely, informed decisions. Zain’s technological support plays a critical role in the sustainable management of Jordan’s limited water resources.

SAUDI ARABIA

- In 2024, Zain KSA collaborated with Ertiqa, a non-profit organization specializing in recycling and refurbishing used computers, to initiate the second phase of its e-waste management campaign. This initiative is designed to strengthen investments in electronic waste management and advance sustainable practices within the organization. Through this partnership, 247 kilograms of electronic devices were successfully recycled, embedding circular economy principles into Zain’s operations and contributing to more sustainable resource management.

2. Operating Responsibly

Zain adopted a comprehensive approach to responsible supply chain management, integrating ESG considerations across its operations. The company is committed to enhancing supplier capabilities through targeted training programs and raising awareness on sustainability-related topics to promote best practices within its value chain.

Zain maintains its responsible supply chain strategy with a rigorous supply chain management screening process to ensure they align with our values and standards with the following steps:

1. Adhere to Zain's supplier code of conduct, and human rights policy statements
2. Complete Zain's training video available on the website and complete feedback form
3. Complete Zain's self-assessment questionnaire
4. Complete physical audit for high-risk supplier

Zain enhanced its Supplier Self-Assessment Questionnaire to include net-zero goals, biodiversity, and traceability. The assessment now evaluates suppliers on their net-zero ambitions, biodiversity impact, related policies, regulatory compliance, adherence to biodiversity certifications or frameworks, and traceability which examines systems for tracking material origins, movement, and identifies regions or suppliers facing challenges.

Zain introduced a physical audit process as an added layer of verification, incorporating an observation form to document and address risks identified during audits. The form is designed to rank the severity of identified observations, and in cases of high-risk findings or violations of the supplier code of conduct, the supplier is subject to a termination process. This year, each of Zain operations had a target of 10 suppliers to verify.

Operation	Target Number of Suppliers	Completed
Bahrain	10	Yes
Iraq	10	Yes
Jordan	10	Yes
Kuwait	10	Yes
Saudi Arabia	10	No
Sudan*	10	N/A
South Sudan	10	Yes

*Due to the ongoing political crisis, Zain Sudan was unable to conduct the physical audit this year. Meanwhile, Zain KSA completed 8 out of the 10 physical audits. The remaining two physical audits will be rolled over into the 2025 targets.

Data Privacy

In 2024, Zain strengthened its focus on addressing data privacy concerns by empowering marginalized communities through targeted training programs. These initiatives aim to equip individuals with the knowledge and skills necessary to effectively navigate the evolving landscape of data protection, fostering greater digital literacy and inclusion.

Throughout the year, Zain’s operations finalized their plans for data privacy programs and identified specific target segments within their communities. Some operations progressed in implementing their initiatives, while others are set to launch their programs later in 2025, ensuring comprehensive outreach and impact across all regions.

In 2024, Zain launched several data privacy and cybersecurity awareness initiatives targeting diverse communities, including humble expat workers in Kuwait, migrant workers and the elderly in Bahrain and Iraq, and students in Jordan, focusing on topics such as data security, fraud prevention, and online safety. However, initiatives in KSA and South Sudan were either not undertaken or postponed due to regional circumstances, while the ongoing conflict in Sudan also delayed planned activities.

Operation	Target Segment	Progression in 2024
Bahrain	Elderly Community Migrant Workers	In 2024, Zain Bahrain launched a cybersecurity awareness campaign for migrant workers as part of its inclusivity efforts. Using social media and posters in six languages—English, Arabic, Hindi, Tagalog, Urdu, and Bengali—the campaign covered key cybersecurity topics. For the elderly, Zain conducted a cybersecurity session at the Al Hekma Retired Society for 15 participants. The session focused on identifying fraud, protecting online banking information, and verifying identities to avoid scams, equipping attendees with vital online safety skills.
Iraq	Students	In 2024, Zain Iraq hosted three Data Privacy Awareness sessions for 161 female university and high school students in partnership with the University of Information and Communication Technology. The sessions focused on protecting personal information, preventing data leaks, and identifying security risks. Each concluded with a Q&A to assess impact, emphasizing the importance of reporting online blackmail incidents.
Jordan	Humble Expat Workers	30 summer interns working in Zain Jordan’s mobile maintenance centers participated in a cybersecurity awareness session to educate them on the significance of data security, providing essential knowledge and skills to safeguard themselves against cyber threats.
Kuwait	Humble Expat Workers	The company offered its first data privacy session to upskill and share knowledge with Zain Kuwait’s cleaning and janitorial services that are provided by third-party staff. The session included the following topics data privacy, physical security and information security. 79 participants joined the sessions and stated they benefitted from it.

3. Inclusion:

Under Zain’s Inclusion pillar of its Corporate Sustainability strategy, the company is committed to bridging the digital divide for vulnerable groups, including the elderly, people with disabilities, women, and children. Zain leverages its core services to transform lives and contribute to human and social development. By enhancing connectivity, the company enables access to capacity-building opportunities, fostering individual skill development and strengthening community human capital. Inclusion remains central to these efforts, reinforcing Zain’s social license to operate and its relationship with the communities it serves.

Despite progress, significant gaps persist in access to devices, internet connectivity, and digital skills, even in highly connected regions. According to GSMA, key barriers include affordability, knowledge, relevant content, safety, and accessibility. To address these challenges, Zain established specific targets and KPIs across its markets, providing strategic direction while allowing flexibility to tailor solutions to local contexts.

People with Disabilities:

Zain is committed to empowering people with disabilities (PwDs) by providing tailored services and initiatives that foster inclusivity and accessibility. Below are highlights from selected markets showcasing progress in addressing the needs of the disabled community:

- Zain Bahrain advanced its 'Natawasel' service, the first sign language video call center in government health centers. Developed to prevent medical misdiagnoses for the deaf and hard-of-hearing, Natawasel collaborated with the Bahraini Deaf Society. In 2024, Natawasal expanded its scope by partnering with the General Directorate of Traffic, enabling deaf and mute individuals to address inquiries related to traffic matters. This extension further demonstrates Zain Bahrain’s commitment to removing communication barriers and fostering equal access to essential services.
- In 2024, Zain Jordan's Basma line for the deaf and mute was reactivated, incorporating a new process in call centers to serve individuals more efficiently and informatively. The Basma Line+ was revamped after a focus group of approximately 20 mute individuals met with our commercial and sustainability teams to refine the line’s package details and benefits. The bundle had approximately 300 subscribers in 2024

- In 2024, Zain Kuwait enhanced its PwD bundle, initially launched in 2022, to better address user needs and expand its customer base. As part of this initiative, a "Tech for All" workshop was organized for 15 participants with various disabilities, utilizing the GSMA's Mobile Internet Skills Training Toolkit. A post-workshop survey revealed interest in follow-up sessions focused on repairing and replacing mobile devices for PwDs. In response, Zain Kuwait is exploring a collaboration with a mobile services reseller to offer these services, which it plans to integrate into its 2025 initiatives for PwDs.
- This year, Zain Iraq supported **97** visually impaired students by providing a monthly 100GB data bundle. This initiative aimed to enhance their access to educational resources on YouTube, helping them prepare for their final school exams

Women in Tech (WiT)

Zain continues to work on expanding the WiT program across its operations, demonstrating a strong commitment to contributing to women’s empowerment in the technology sector and fostering a supportive community.

In 2024, the company successfully launched the fourth round of the program, training 468 participants across five of its operations in Kuwait, Bahrain, Iraq, Jordan, and Saudi Arabia. As the program continues to evolve, each of Zain’s regional operations tailored its timeline and structure to accommodate the increasing number of trainees as shown in the table below.

Year	Total Number of Women Trained
2022	384
2023	408
2024	468

4. Generation Youth:

Zain recognizes the importance of balancing the benefits of digitization with the need to address potential risks, particularly those affecting children. The company collaborates with key stakeholders, including children, parents, caregivers, governments, and child protection organizations, to tackle these challenges comprehensively. Through educational campaigns and partnerships with local entities, Zain strives to raise awareness about responsible online behavior and promote a safer digital environment.

Child Online Safety

Zain is progressing its three-year Memorandum of Understanding (MoU) with Child Helpline International (CHI) to strengthen child helplines across its operational footprint. Now in its second year, the partnership has successfully mobilized, facilitated, and enhanced the effectiveness of these helplines within Zain’s markets.

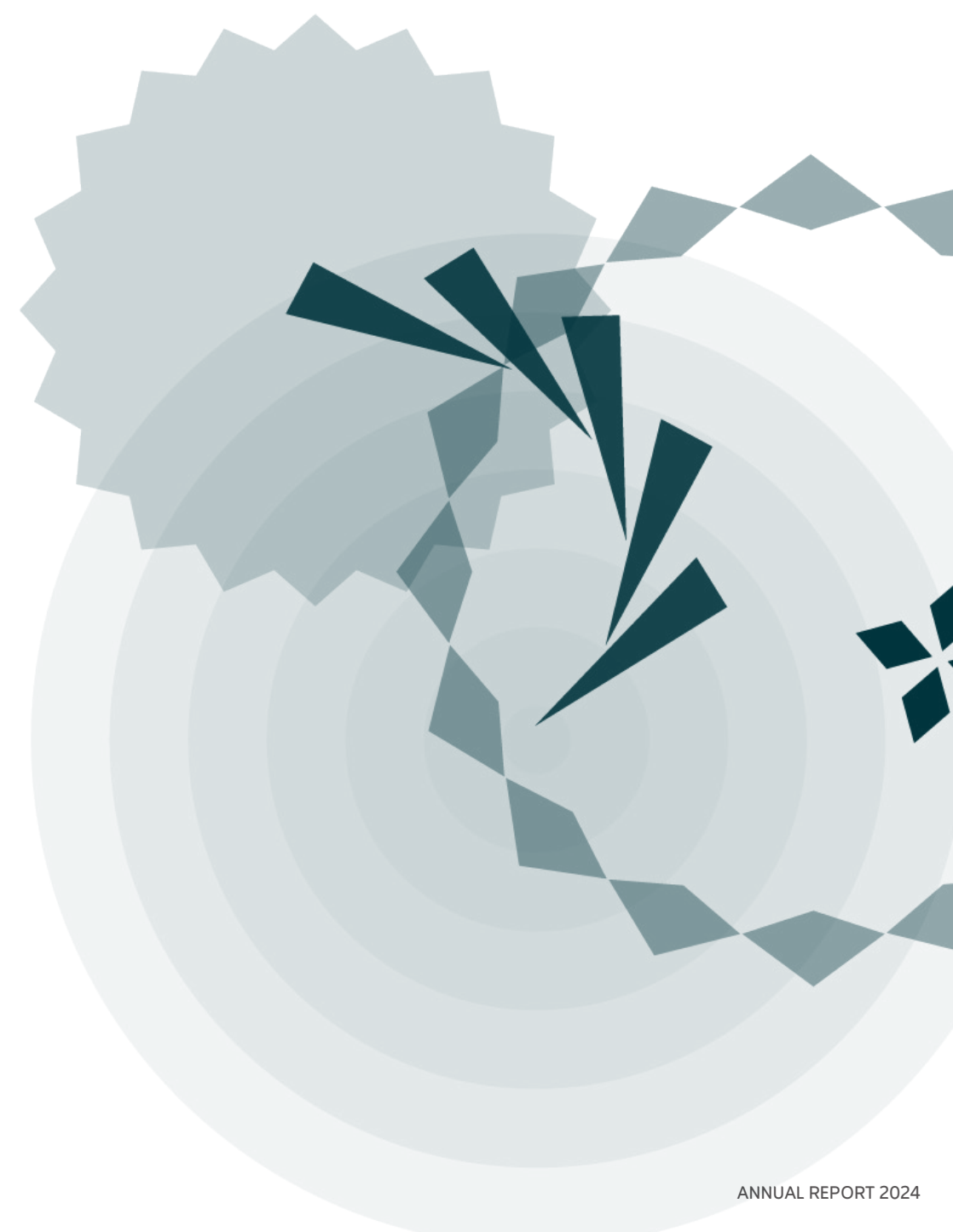
Operation	Progression in 2024
Zain Bahrain	Zain Bahrain signed an MoU with the Bahrain Helpline Office, to outline the company's strategic initiatives and create shared value for both organizations. This year, the company is planning to add a chat service on WhatsApp to the helpline's offerings, enhancing accessibility for all users
Zain Iraq	The initiative is currently on hold awaiting further guidance from the governmental entities.
Zain Jordan	The company continued its renewed five-year partnership with the Jordan River Foundation. As part of the collaboration, Zain Jordan took the initiative to conduct Stress Inoculation Training. Additionally, another training session on Cognitive Behavioral Therapy was held over four days, totaling 50 hours of training. The company also took part in several awareness campaigns on the helpline, which garnered a total of 15900 impressions across its social media channels.
Zain Kuwait	This year, Zain Kuwait partnered with the Kuwait National Child Protection Program (KNCPP) to launch ongoing awareness campaigns focused on safeguarding children's rights. The helpline's service quality improved from 50% to 83% with answered calls rising by 13% post-campaign.
Zain KSA	In 2024 , Zain KSA raised awareness of the helpline and hosted various events with children to instill the importance of digital safety and responsible online behavior. After hosting several events in public spaces, the company handed out more than 1,100 giveaways to children.
Zain Sudan	Unfortunately, the helpline offices in Sudan were destroyed, prompting the company to take proactive measures to ensure children's rights. Zain Sudan began contacting various aid agencies to re-establish a helpline in a different region and restart the program.
Zain South Sudan	Child helplines are not available in South Sudan, however, Zain continued to address strategic communications to discuss its establishment with relevant parties in 2024.

Digital Literacy

- Zain Jordan, in collaboration with UNICEF, has been advancing the B12 learning platform, benefiting 24,000 students by improving access to quality education. B12 supports both in-class and distance learning through a modern learning management system that equips schools to meet evolving educational needs. This initiative reflects Zain's commitment to digital transformation, expanding internet access, and fostering societal progress, while strengthening its leadership in the education sector.
- Zain Saudi Arabia (KSA) has partnered with Aanaab and Code School Finland through an MoU to advance digital education and literacy since 2022. This global-local collaboration aims to localize and empower digital education initiatives. To date, the program has trained 700 teachers, benefiting over 28,000 youth. By emphasizing coding skills, the initiative provides certification for teachers who complete the course and equips youth with essential digital competencies, fostering a generation prepared to tackle future challenges in a tech-driven world.

Youth Unemployment

- Zain Sudan launched a vocational training program to decrease youth unemployment and address the displacement caused by political instability in Sudan and equip individuals with practical skills that enhance their employability. Delivered entirely in-person and tailored to market demands, the program offers hands-on training in areas such as mobile phone repair, electronic device troubleshooting, and other technical skills. The program was conducted in collaboration with external partners, the initiative emphasizes sustainable livelihoods and economic resilience. Since its initiation, the program has successfully trained 800 individuals across Egypt and Sudan, preparing participants with the skills needed to secure meaningful employment.
- In 2024, Zain Iraq introduced the MaharaTech competition as part of its efforts to address youth unemployment. Over a period of three months, 30 students from five universities received training in data automation, digital communication, and marketing research while developing tech solutions to tackle challenges in the education sector. The initiative not only enhanced technical skills but also promoted entrepreneurship, empowering participants to build their careers and contribute positively to their communities.



FINANCIAL REPORTS

INDEPENDENT AUDITOR’S REPORT

The Shareholders
Mobile Telecommunications Company K.S.C.P.
State of Kuwait

Qualified Opinion

We have audited the consolidated financial statements of Mobile Telecommunications Company K.S.C.P. (the “Company”) and its subsidiaries (the “Group”) which comprise the consolidated statement of financial position as at 31 December 2024, the consolidated statements of profit or loss, other comprehensive income, changes in equity and cash flows for the year then ended, and notes to the consolidated financial statements, comprising material accounting policies and other explanatory information.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards”).

Basis for Qualified Opinion

As disclosed in note 2 to the consolidated financial statements, the Group holds investments in subsidiaries situated in the Republic of Sudan, which has been identified as a hyperinflationary economy in accordance with the criteria of IAS 29 Financial Reporting in Hyperinflationary Economies. As described in the Other Matter paragraph, the predecessor auditor issued a qualified opinion on the consolidated financial statements for the year ended 31 December 2023 due to the exclusion of the effect of applying IAS 29 for the subsidiaries in the Republic of Sudan. The Group did not perform an assessment of the impact of hyperinflation on the consolidated financial statements for the year ended 31 December 2024, in accordance with IAS 29. In the absence of such an assessment, it was impracticable for us to determine whether any adjustments might have been necessary in respect of elements making up the consolidated statement of financial position, consolidated financial performance, consolidated cash flows and consolidated statement of changes in equity of the Group for the year ended 31 December 2024 and 31 December 2023.

We conducted our audit in accordance with International Standards on Auditing (“ISA”). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the

Group in accordance with the International Ethics Standards Board for Accountants’ International Code of Ethics for Professional Accountants (including International Independence Standards) (the “IESBA Code”), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended 31 December 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition

See Notes 2.3.16, 20 and 36 to the consolidated financial statements.

The key audit matter	How the matter was addressed in our audit
Revenue recognition is considered a key audit matter because of: • Reliance on multiple, complex information technology (IT) systems and tools used in the initiation, processing and recording of revenue transactions; • Variety of customer offerings with multiple pricing and tariff structures, which may frequently change during the course of the year; • Judgments and estimates involved in revenue recognition of multiple element arrangements; and • The large volume of transactions. Revenue recognition involves the exercise of a number of key judgments and estimates around the identification of performance obligations that the Group has in its contracts with its customers, determination of stand-alone selling prices, allocation of transaction prices to the various performance obligations and the timing of fulfilling those obligations. We also identified a risk of management override of controls through inappropriate manual topside revenue journal entries as revenue is a key performance indicator for management performance.	Our procedures included, amongst others, those described below: • We obtained an understanding of the Group’s revenue recognition processes. This included identifying relevant IT systems, interfaces, controls and reports; • We involved our IT Audit specialists to test the design, implementation and operating effectiveness of general IT controls and application controls embedded within the key IT systems and applications related to revenue recognition; • We tested the reconciliations between the general ledgers and the relevant IT system reports for all the significant revenue streams; • We undertook analytical reviews and performed substantive analytical procedures on significant revenue streams; • On a sample basis, we tested whether the corresponding revenue has been recognised during the year in accordance with underlying contractual arrangements; • On a sample basis, we evaluated the revenue recognition relating to multiple element arrangements with customers in accordance with the applicable financial reporting framework; • On a sample basis, we tested the supporting evidence for manual journal entries posted to revenue accounts; and • We assessed the adequacy of disclosures presented in the consolidated financial statements in accordance with the applicable financial reporting framework.

Assessment of carrying value of goodwill

See Notes 2.3.8 and 13 to the consolidated financial statements.

The key audit matter	How the matter was addressed in our audit
The Group holds significant investments in telecommunication and related businesses in various geographical locations. The carrying value of goodwill as at 31 December 2024 amounted to KD 535,995 thousand. The carrying amount of the goodwill is assessed for impairment on the occurrence of a triggering event or at least annually in accordance with IAS 36 Impairment of Assets. The impairment testing of goodwill requires management to identify cash-generating units (“CGUs”) in accordance with IAS 36. For the CGUs which contain goodwill, the determination of recoverable amount, being the higher of fair value less costs of disposal and value in use, requires judgment on the part of management. The testing then requires comparing the carrying value of each CGU to its recoverable amount, which was estimated as the present value of its future projected cash flows. The estimation of the recoverable amount involves significant judgments including key assumptions around the current and future market conditions in the various geographies in which the Group has operations, forecast cash flows and discount rates underpinning the recoverable amount.	Our procedures included, amongst others, those described below: • We obtained an understanding of the Group's impairment assessment process. This included identifying and evaluating the design and implementation of key controls relevant to the impairment assessment process; • With respect to the recoverable amount, we challenged the Group's methodology in relation to the key assumptions in the cash flows associated with the respective CGUs; • We engaged our valuation specialists to evaluate the reasonableness of the key assumptions and inputs in the valuation, including the CGUs' respective cash flow projections, discount rate and terminal growth rate used in the impairment models; • We tested the mathematical accuracy of the respective impairment models; • We reconciled the cash flows used in the valuation workings with the business plans approved by the Group or the respective Board of Directors reflecting management's best estimate as at 31 December 2024; • We performed a retrospective review of the estimates used in cash flow projections by performing a comparison of historical projections with actual results to assess their reasonability; • We evaluated the adequacy of the impairment recognized during the year; • We performed sensitivity analyses around the key assumptions; and • We assessed the adequacy of disclosures presented in the consolidated financial statements in accordance with the applicable financial reporting framework.

Emphasis of matter

We draw attention to note 2 of the consolidated financial statements, which describes the management's assessment of the ongoing impact of the political uncertainty in the Republic of Sudan on the Group's operations and financial performance and related uncertainties. Our opinion is not modified in respect of this matter.

Other matter

The consolidated financial statements of the Group as at and for the year ended 31 December 2023 were audited by another auditor who expressed qualified opinion on those consolidated financial statements on 6 March 2024 due to the exclusion of the effect of applying IAS 29 Financial Reporting in Hyperinflationary Economies for the subsidiaries in the Republic of Sudan.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Group's annual report but does not include the consolidated financial statements and our auditor's report thereon. Prior to the date of this auditor's report, we obtained the Board of Directors report which forms part of the annual report and the remaining sections of the annual report are expected to be made available to us after that date.

Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in

the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we have obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error. In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

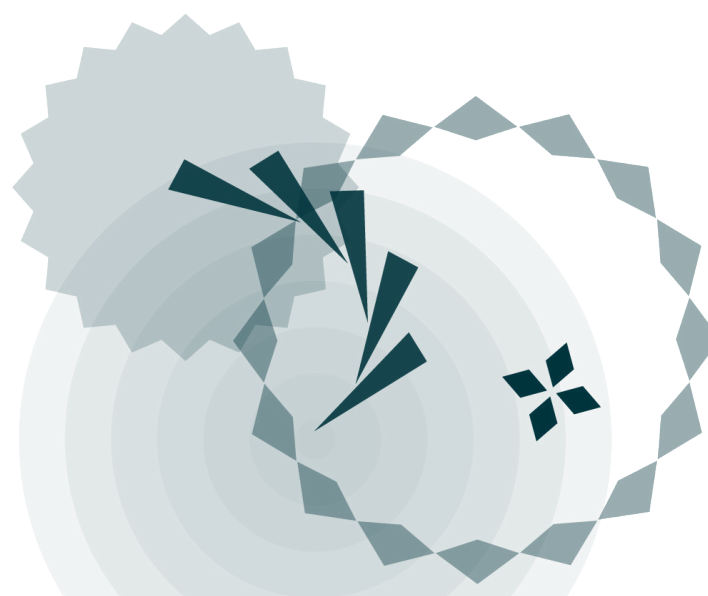
Report on Other Legal and Regulatory Requirements:

We further report that, except for the possible effect of the matters described in the Basis for Qualified Opinion paragraph above, we have obtained the information and explanations that we required for the purpose of our audit and the consolidated financial statements include the information required by the Companies Law No. 1 of 2016, as amended and its Executive Regulations and the Company's Memorandum of Incorporation and Articles of Association, as amended. In our opinion, proper books of account have been kept by the Company, an inventory count was carried out in accordance with recognized procedures and the accounting information given in the Board of Directors' report agrees with the books of accounts of the Company. We have not become aware of any violations of the provisions of the Companies Law No. 1 of 2016, as amended and its Executive Regulations, or of the Company's Memorandum of Incorporation and Articles of Association, as amended, during the year ended 31 December 2024 that might have had a material effect on the business of the Company or on its financial position.

We further report that during the course of our audit, except for the possible effect of the matters described in the Basis for Qualified Opinion paragraph above, we have not become aware of any violations of the provisions of Law No. 7 of 2010, as amended, concerning the Capital Markets Authority, and its related regulations during the year ended 31 December 2024 that might have had a material effect on the business of the Company or on its financial position.

Dr. Rasheed M. Al-Qenae
License No 130
of KPMG Al-Qenae & Partners
Member firm of KPMG International

Kuwait: 2 March 2025



Consolidated Statement of Financial Position as at 31 December 2024

		2024	2023
	Note	KD '000	KD '000
ASSETS			
Current assets			
Cash and cash equivalents	4	195,930	313,547
Bank balances held in customers' account	5	15,928	12,967
Trade and other receivables	6	1,028,891	893,252
Contract assets	20.2	86,076	76,094
Inventories	7	78,322	54,945
Investment securities at FVTPL	8	51,504	35,130
		1,456,651	1,385,935
Assets classified as held for sale	9	95,604	4,024
		1,552,255	1,389,959
Non-current assets			
Contract assets	20.2	69,870	54,017
Investment securities at FVOCI	8	13,748	11,698
Investments in associates and joint venture	10	207,818	206,472
Other non-current assets	12	112,225	59,685
Right of use of assets	11	172,979	128,191
Property and equipment	12	1,176,529	1,109,050
Intangible assets and goodwill	13	1,958,685	2,036,624
		3,711,854	3,605,737
Total Assets		5,264,109	4,995,696
LIABILITIES AND EQUITY			
Current liabilities			
Trade and other payables	14	1,163,209	1,089,330
Contract liabilities	20.2	60,893	63,383
Income tax payables	15	18,329	19,118
Bank borrowings	16	644,610	169,881
Lease liabilities	17	28,230	28,862
		1,915,271	1,370,574
Liabilities of directly associated with assets classified as held for sale	9	32,944	1,010
		1,948,215	1,371,584
Non-current liabilities			
Bank borrowings	16	845,742	1,141,657
Lease liabilities	17	184,086	147,039
Other non-current liabilities	18	324,175	375,181
		1,354,003	1,663,877
Equity			
Attributable to the owners of the Company			
Share capital	19	432,706	432,706
Share premium		1,707,164	1,707,164
Legal reserve	19	216,354	216,354
Foreign currency translation reserve	19	(1,633,480)	(1,556,226)
Investment fair valuation reserve		(13,994)	(14,070)
Other reserves	19	2,050	2,998
Retained earnings		516,887	457,025
		1,227,687	1,245,951
Non-controlling interests	28	734,204	714,284
Total equity		1,961,891	1,960,235
Total Liabilities and Equity		5,264,109	4,995,696

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statement of Profit or Loss for the year ended 31 December 2024

		2024	2023
	Note(s)	KD '000	KD '000
Continuing operations			
Revenue	20.1	1,971,915	1,908,942
Cost of sales*	21.1	(648,780)	(617,415)
Operating and administrative expenses	21.2	(584,027)	(553,434)
Expected credit loss on financial assets (ECL)		(49,992)	(33,288)
Depreciation, amortization and impairment	11,12,13,2.1	(351,167)	(345,391)
Interest income		8,056	14,048
Investment income	22	8,319	11,056
Share of results of associates and joint venture	10	2,740	1,172
Other income / (expenses)		5,175	(19,996)
Gain on sale and lease back transaction	9.1	1,727	84,212
Gain on business combination	9.2	23,457	-
Finance costs	23	(125,715)	(126,870)
Foreign exchange gain		11,672	6,043
Gain from disposal of a subsidiary		-	2,711
Net monetary gain	35	1,610	-
Profit before contribution to KFAS, NLST, ZAKAT, income taxes and Board of Directors' remuneration		274,990	331,790
Contribution to Kuwait Foundation for Advancement of Sciences (KFAS)		(2,153)	(2,232)
National Labour Support Tax (NLST) and Zakat	24	(3,530)	(15,101)
Income tax expenses	25	(18,521)	(23,191)
Board of Directors' remuneration		(541)	(479)
Profit for the year from continuing operations		250,245	290,787
Discontinued operations			
Profit for the year from discontinued operations	9.2	713	-
Profit for the year		250,958	290,787
Profit attributable to:			
Owners of the Company		207,690	215,473
Non-controlling interests		43,268	75,314
		250,958	290,787
Earnings per share (EPS)			
Basic and diluted – Fils	26		
From continuing operations		48	50
From discontinued operations		0.16	-

* Cost of sales comprises of access charges, trading cost, dealer commission and regulatory revenue sharing.

The accompanying notes are an integral part of these consolidated financial statements.

 Osamah Othman Alfuraih
Chairman

 Bader Nasser Al Kharafi
Vice Chairman & Chief Executive Officer

Consolidated Statement of Other Comprehensive Income
for the year ended 31 December 2024

	2024	2023
	KD '000	KD '000
Profit for the year	250,958	290,787
Other comprehensive income		
Items that are or may be reclassified subsequently to profit or loss:		
Foreign exchange differences on translating foreign operations	(74,658)	(35,723)
Less: Gain reclassified to profit or loss on disposal of foreign operation	-	(5,067)
	(74,658)	(40,790)
Other reserves	(3,855)	(2,885)
	(78,513)	(43,675)
Items that will not be reclassified subsequently to profit or loss:		
Fair value loss on investments in equity instruments designated as at FVOCI	76	(7,102)
Other reserves	1,271	554
	1,347	(6,548)
Other comprehensive loss for the year	(77,166)	(50,223)
Total comprehensive income for the year	173,792	240,564
Total comprehensive income attributable to:		
Owners of the Company	129,564	167,552
Non-controlling interests	44,228	73,012
	173,792	240,564

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statement of Changes in Equity for the year ended 31 December 2024

	Equity attributable to Company’ shareholders in KD ‘000								
	Share capital	Share premium	Legal reserve	Foreign currency translation reserve	Investment fair valuation reserve	Other reserves	Retained earnings	Non-controlling interests	Total equity
Balance at 1 January 2024	432,706	1,707,164	216,354	(1,556,226)	(14,070)	2,998	457,025	714,284	1,960,235
Profit for the year	-	-	-	-	-	-	207,690	43,268	250,958
Other comprehensive (loss) / income for the year	-	-	-	(77,254)	76	(948)	-	960	(77,166)
Total comprehensive (loss) / income for the year	-	-	-	(77,254)	76	(948)	207,690	44,228	173,792
Transactions with shareholders of the Company, recognized directly in equity:									
Non-controlling interest arising on the acquisition (note 3)	-	-	-	-	-	-	-	310	310
Cash dividends (2023) and interim dividends (2024) (note 19)	-	-	-	-	-	-	(151,447)	-	(151,447)
Cash dividends to non-controlling interest of subsidiaries (2023)	-	-	-	-	-	-	-	(24,618)	(24,618)
Impact of application of IAS 29 (note 35)	-	-	-	-	-	-	3,619	-	3,619
Balance at 31 December 2024	432,706	1,707,164	216,354	(1,633,480)	(13,994)	2,050	516,887	734,204	1,961,891
Balance at 1 January 2023	432,706	1,707,164	216,354	(1,513,879)	(9,353)	3,855	392,999	666,014	1,895,860
Profit for the year	-	-	-	-	-	-	215,473	75,314	290,787
Other comprehensive loss for the year	-	-	-	(42,347)	(4,717)	(857)	-	(2,302)	(50,223)
Total comprehensive (loss) / income for the year	-	-	-	(42,347)	(4,717)	(857)	215,473	73,012	240,564
Transactions with shareholders of the Company, recognized directly in equity:									
Non-controlling interest arising on the acquisition (note 3)	-	-	-	-	-	-	-	166	166
Cash dividends (note 19)	-	-	-	-	-	-	(151,447)	-	(151,447)
Cash dividends to non-controlling interest of subsidiaries (2022)	-	-	-	-	-	-	-	(24,908)	(24,908)
Balance at 31 December 2023	432,706	1,707,164	216,354	(1,556,226)	(14,070)	2,998	457,025	714,284	1,960,235

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statement of Cash Flows for the year ended 31 December 2024

		2024	2023
	Note(s)	KD ’000	KD ’000
Cash flows from operating activities			
Profit before contribution to KFAS, NLST, ZAKAT, income taxes and Board of Directors’ remuneration from continuing operations		274,990	331,790
Profit for the year from discontinued operations	9.2	713	
		275,703	331,790
Adjustments for:			
Depreciation, amortization and impairment	11,12,13, 2.1	351,167	345,391
ECL on financial assets		49,992	33,288
Interest income		(8,056)	(14,048)
Investment income	22	(8,319)	(11,056)
Share of results of associates and joint venture	10	(2,740)	(1,172)
Gain on sale and lease back transaction	9	(1,727)	(84,212)
Finance costs	23	125,715	126,870
Foreign currency gain		(11,672)	(6,043)
Gain from disposal of Subsidiary		-	(2,711)
Gain on Business Combination	9.2	(23,457)	-
(Gain) / loss on sale of property and equipment		(699)	1,012
Net monetary gain		(1,610)	-
Operating cash flows before working capital changes		744,297	719,109
Increase in bank balances held in customers’ account	5	(2,909)	(4,754)
Increase in trade and other receivables and contract assets		(207,001)	(141,196)
Increase in inventories		(22,749)	(7,570)
Decrease in trade and other payables		(64,587)	(2,908)
Cash generated from operations		447,051	562,681
Payments:			
Income tax		(12,809)	(7,471)
KFAS		(2,232)	(2,027)
NLST and Zakat		(12,150)	(5,550)
Net cash from operating activities		419,860	547,633
Cash flows from investing activities			
Deposits maturing after three months, cash at banks under lien and government certificates of deposits	4	(1,193)	4,948
Proceeds from sale of investment securities		1,771	60,010
Investments in securities		(11,827)	(1,076)
Acquisition of subsidiaries, net of cash acquired	3	(46,951)	(10,942)
Investment in associate and joint venture		-	(1,363)
Acquisition of property and equipment (net)		(176,523)	(214,704)
Acquisition of intangible assets (net)		(37,394)	(79,327)
Proceeds from sale of telecom assets (sale and lease back)	9	6,069	199,274
Interest received		3,424	3,606
Dividends received		108	135
Net cash used in investing activities		(262,516)	(39,439)

		2024	2023
	Note(s)	KD ’000	KD ’000
Cash flows from financing activities			
Proceeds from bank borrowings	16	437,431	142,860
Repayment of bank borrowings	16	(328,936)	(207,361)
Repayment of lease liabilities		(59,379)	(48,683)
Dividends paid to Company’s shareholders		(160,587)	(151,465)
Dividends paid to minority shareholders of subsidiaries		(24,303)	(24,760)
Finance costs paid		(107,487)	(104,194)
Net cash used in financing activities		(243,261)	(393,603)
Net (decrease) / increase in cash and cash equivalents			
Effects of foreign currency translation		(32,893)	(28,323)
Cash and cash equivalents at beginning of year		312,449	226,181
Cash and cash equivalents at end of year	4	193,639	312,449
The accompanying notes are an integral part of these consolidated financial statements.			

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