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Corporate Governance in BATELCO

As a Bahrain-based Company, BATELCO is subject to the Corporate Governance standards of Bahrain Commercial Companies Law; and in line with the Corporate Governance Code 2018 of the Ministry of Industry, Commerce and Tourism (MOICT). BATELCO aspires to the highest standards of ethical conduct based on sound Corporate Governance; in accordance with its commitment to both meeting legal and regulatory requirements and adhering to international best practices, BATELCO has put in place a comprehensive Corporate Governance framework to maximize operational efficiency and protect shareholders' rights. BATELCO regards the guiding principles of its Corporate Governance Framework to be fairness, transparency, accountability and responsibility, and is committed to complying with the ten principles of the Corporate Governance Code 2018. The Board of Directors undertook measures and ensured that for the year ended 31 December 2019, BATELCO was compliant with the provisions of the Corporate Governance Code 2018 of the Ministry of Industry, Commerce and Tourism (MOICT) (please refer to page number 51 of the report).

The Board has resolved that it shall investigate any non-compliance or deviations from its Corporate Governance Guidelines which have been established and is available on the Company's website; or can be obtained from the Corporate Governance Officer.

Corporate Governance Officer

Batelco appointed Ms. Noor Bukamal as Corporate Governance Officer in December 2018; she has an MA in Human Resource Management.

Ownership Structure

Batelco is a Public Listed Company which its share capital is owned by various Government, Organizations and the General Public from different regions. The Table below displays the details of the shareholders' equity and distribution:

#	Name	Number of Shares held	Percentage of Shares held	Type	Shareholder Classification
1	Mumtalakat Holding Company	609,840,000	36.67%	Government	Local
2	Amber Holding Company	332,640,000	20%	Organization	Foreign
3	Social Insurance Organization	337,835,705	20.31%	Government	Local
4	Public	382,884,295	23.02%	Individuals, corporate, government and organizations	Local, Gulf, Arab, and Foreign

Shareholders who hold 5% or more of the Company's share capital as at 31/12/2019

According to the Company's share register as at 31/12/2019, there is no individual that holds over 5% of the Company's share capital.

Ownership Structure by Size of Ownership

The table below shows the distribution of Ownership of Batelco shares by Size of Ownership:

Shareholding Amount	Number of Shareholders	Number of shares held	Percentage of shares held
Less than 50,000	9,992	32,615,408	1.96%
50,000 to 500,000	644	87,870,538	5.28%
500,000 to 5,000,000	116	144,195,342	8.67%
More than 5,000,000	12	1,398,518,712	84.09%
Total	10,764	1,663,200,000	100%

Directors and Senior Management trading during the year 2019

The following table provides details of shares owned by of the Directors and Executive Management during the year 2019, there were no transactions of sale and purchase recorded. For further details, kindly refer to note 36 in the Financial Statements.

#	Name	Position	Shares held at 31/12/2019	Total Sale Transaction	Total Purchase Transaction
1	Ahmed Ateyatalla AlHujairy	Director	31,470	Nil	Nil
2	Arif Haider Rahimi	Director	31,170	Nil	Nil
3	Khulood Rashid Al Qattan	Director	30,010	Nil	Nil
4	Raed Abdulla Fakhri	Director	3,710	Nil	Nil
5	Dr. Ghassan Murad	GM Mergers and Acquisitions – International Investments	103,950	Nil	Nil
6	Maha Khalid Yusuf Abdulrahman	GM Consumer Division	115,500	Nil	Nil

Key Persons Policy

As part of their policies to maintain a fair, orderly and transparent securities market, the Bahrain Bourse and the Central Bank of Bahrain (CBB) enforced the stipulation of “Key Persons’ Dealing Policy”.

The policy regulates the trading of securities by members of the Board of Directors, Management, staff and others persons in the company. The Directors have access to sensitive information that if exposed to the market, may directly or indirectly effect the value or price of the securities.

Batelco insures to adhere to the Key Persons Policy and reports on a regular basis to the CBB and Bahrain Bourse on any irregular activities that may occur from a key person within the company.

Elections of the Board of Directors, its Term, Induction and Orientation

According to Article (27) of the Company’s Articles of Association the Term of Directors membership on the Board shall not exceed 3 years. The recent term begun in March 2017 and the start of the new term will be in March 2020.

In preparation for the upcoming elections, the board places formal, rigorous and transparent procedures for the appointment of new directors to the Board. The Remuneration, Nomination, Donation, and Corporate Governance Committee handles the responsibility of overseeing the process of nomination to the Board, and all candidates are identified against a criterion in line with Article (28) of the Company’s Articles of Association.

Upon being appointed as a Director, the Company will handle the appointment, induction and orientation of the Director to assist in familiarizing them with the organization and their duties and responsibilities. In addition to that, they are briefed about the terms and conditions of their directorship, the annual remuneration, and entitlement to reimbursement of expenses and access to independent professional advice when needed, not to mention any directorship in the Board sub committees or Opco’s.

Termination of Directors

The membership of the Directors is terminated upon the expiry of the term upon which the director needs to be subject to re-election. The termination of directorship can also take effect if any Director is in breach of Article (30) of the Company’s Articles of Association.

Performance Evaluation

In line with the governing laws of the Kingdom, the Board members undergo an annual performance evaluation of the Board, Board Committees’, and their individual performance. The evaluation is designed to determine whether the Board, its Committees, and its directors are capable of providing high level of judgment.

For the year 2019, All directors have effectively completed their performance evaluations and the next performance evaluation of the Board is scheduled for 2020.

Code of Conduct and Whistle Blowing Policy

The Board has adopted a formal code of conduct and whistle blowing policies that apply to the Directors and all employees of the Company; to guide them in their conduct and promote ethical behavior, honesty and integrity in their normal daily activities; in order to safeguard and uphold the reputation of the Company at all times. The code of conduct and whistle blowing policies are developed and implemented in accordance with the applicable regulations.

Board Composition

The Board of the Company comprises of 10 Non- Executive Independent Directors, below are their details:

#	Name	Type	Qualification and Experience	Appointment and Term of Directorship	Directorships and positions in other companies	Positions in any key regulatory, government or commercial entities.
1	Shaikh Abdullah bin Khalifa Al Khalifa - Chairman	Non – Executive Independent	Bachelor of Science in Business Administration from the George Washington University, USA. Started his career at the Arab Banking Corporation B.S.C Served as Head of Wealth Management at Standard Chartered Bank, Bahrain. Over 21 years of experience	Appointed by Mumtalakat since June 2018 until the end of term.	Chairman of BNET Company (Bahrain) Chairman of Sure Group Company (UK) Chairman of SICO Investment Bank Board Member of Bank of Bahrain and Kuwait Board Member of Amlak and Bahrain Marina	Chief Executive Officer at Osool Asset Management
2	R. Adm Yousif Ahmed Malalla AlSabt – Deputy Chairman	Non – Executive Independent	Graduated from the Naval Academy in Egypt in 1978. Graduated from the Naval war college for Staff course at New Port, RI. USA in 1985. Appointed as Chief of the Royal Bahraini Naval Force until 2004 when he was appointed as Director of Planning, Organization and IT at the General Head Quarters. Over 41 years of experience.	Appointed by Amber Holdings since May 2017 until the end of term.	Board Member in BNET Company (Bahrain) Board Member and Audit Committee member in Umniah Mobile and Telephone Company (Jordan) Board Member and Audit Committee Member in Quality net Company (Kuwait), until April 2019	Assistant Chief of Staff for Logistics & Supplies at the Bahrain Defense Force Chairman of the Military Consumer & Economic Association
3	Mr. Raed Abdulla Fakhri - Director	Non – Executive Independent	Executive MBA from the University of Bahrain, and Bachelor of Science in Electronics Engineering Technology from the University of Central Florida, Orlando, USA. Co-founded BDI Partners in 2010 and headed the firm as a Managing Director. Used to hold the following roles: Head of Investment Department in Capinvest Investment Bank. Batelco Senior Manager in New Business Development Unit. Control Systems Engineer and Project Engineer in Gulf Petrochemical Industries Company (GPIC). Over 25 years of experience mainly in business development and investments.	Appointed by Mumtalakat in March 2014. And was re-appointed in the AGM in March 2017 for a period of 3 Years.	Board Member in BNET Company (Bahrain) Board Member of Etihad Atheeb (Saudi Arabia) Board Member in Gulf Air Group Board Member in Investrade Board Member in BDI Partners Board Member in Cranemere Group Board Member in Bahrain Duty Free Company	Mumtalakat Vice President - Investments

Board Composition (Continued)

#	Name	Type	Qualification and Experience	Appointment and Term of Directorship	Directorships and positions in other companies	Positions in any key regulatory, government or commercial entities.
4	Arif Haider Rahimi - Director	Non – Executive Independent	<p>A Certified Public Accountant, Board of Accountancy, Oregon, USA.</p> <p>Managing Partner for the Masar Group of Companies and Director for Venture Projects WLL.</p> <p>Held the post of Managing Partner of BDO Jawad Habib Consulting, leading their corporate finance consulting division.</p> <p>Over 30 years of experience in financial services.</p>	<p>Elected by the shareholders in March 2014. And was re-elected in the AGM in March 2017 for a period of 3 Years.</p>	<p>Chairman of Umniah Mobile and Telephone Company (Jordan)</p> <p>Board Member and Chairman of the Audit Committee of Quality Net Company (Kuwait), until April 2019</p> <p>Chairman of the Bahrain International Circuit (BIC)</p> <p>Member in Bahrain Judicial Committee for Stalled Real Estate Projects.</p>	Nil
5	Ahmed Ateyatalla Al Hujairy - Director	Non – Executive Independent	<p>B.Sc. in Electrical Engineering – Telecommunications Major from King Fahad University of Petroleum and Minerals.</p> <p>Executive MBA from DePaul University, Chicago, USA .</p> <p>Founder and CEO of Gulf Future Business S.P.C. and group of associated companies.</p> <p>Senior Advisor to the Board of Bahrain Technology Companies Society.</p> <p>Advisor and Founder of Bahrain Internet Society.</p> <p>Member of the Bahrain Society for Training and Development.</p> <p>Vice Chairman, Technology Committee. Bahrain Chamber of Commerce and Industry.</p> <p>Over 36 years of experience in information technology, communications, business, and management.</p>	<p>Elected by the shareholders in March 2014. And was re-elected in the AGM in March 2017 for a period of 3 Years.</p>	<p>Deputy Chairman of Quality Net Company (Kuwait), until April 2019</p>	Nil

Board Composition (Continued)

#	Name	Type	Qualification and Experience	Appointment and Term of Directorship	Directorships and positions in other companies	Positions in any key regulatory, government or commercial entities.
6	Mrs. Khulood Rashid Al Qattan - Director	Non – Executive Independent	<p>Bachelor Degree in Accounting from Ayn Shams University, Cairo.</p> <p>General Manager of Prime Advisory WLL.</p> <p>Used to hold the role of Head of Investment Department Bank of Bahrain & Kuwait</p> <p>Has had experience with ADDax Investment Bank, Abu Dhabi Investment House and Evolence Capital (Dubai).</p> <p>Over 27 years of experience in banking and investments.</p>	<p>Elected by the shareholders in March 2014.</p> <p>And was re-elected in the AGM in March 2017 for a period of 3 Years.</p>	<p>Board Member and Chairperson of Audit Committee in Umniah Mobile and Telephone Company (Jordan)</p> <p>Board Member and Chairperson of the Audit Committee in Dhiraagu Telecommunication Company (Maldives)</p> <p>Board Member in SICO Financial Services Company (SFS)</p> <p>Board Member in Bahrain Business Woman Society</p> <p>Member of the Advisory Board for the Master of Accounting and Finance at Applied Science University.</p>	Member of the Capital Municipality Council
7	Mr. Oliver McFall - Director	Non-Executive Independent	<p>Master of Business Administration , MBA, IMD, Lausanne, Switzerland</p> <p>Master of Science, Chemical Engineering, Technical University of Denmark</p> <p>Used to hold the following roles:</p> <p>Vice President of Roland Berger Strategy Consultants Middle East office.</p> <p>Senior Partner and Member of the Executive Team with AT Kearney.</p> <p>Senior Project Manager with McKinsey & Company.</p> <p>Over 33 years of experience in International Management Consulting.</p>	<p>Appointed by Mumtalakat since March 2014.</p> <p>And was re-appointed in the AGM in March 2017 for a period of 3 Years.</p>	<p>Board Member and Chairman of the Audit Committee of Sure Group Company (UK)</p> <p>Board Member in Dhiraagu Telecommunication Company (Maldives)</p> <p>Advisor to a number of SME's in Denmark</p>	Nil

Board Composition (Continued)

#	Name	Type	Qualification and Experience	Appointment and Term of Directorship	Directorships and positions in other companies	Positions in any key regulatory, government or commercial entities.
8	Mr. Jean Christophe Durand - Director	Non – Executive Independent	Graduated from ESSEC (Ecole Supérieure des Sciences Economiques et Commerciales), French Business School in Paris. Chief Executive Officer of National Bank of Bahrain. Previously Global Head of BNP Paribas MEA (Middle East & Africa) region for Corporate and Institutional Banking and Asset Management for over 15 years. Several years of experience in Bahrain working with Banque Indosuez and BNP Paribas. Over 39 years of experience in the banking and finance sector.	Elected by the shareholders at the AGM in March 2017, for a period of 3 years.	Deputy Chairman in Umniah Mobile and Telephone Company (Jordan) Board Member in Gulf Air Board Member in BIBF Chairman of the French Chamber of Commerce and Industries in Bahrain (FCCIB)	Nil
9	Shaikh Ali Bin Khalifa AlKhalifa – Director	Non – Executive Independent	Bachelor of Science in Mechanical Engineering from The George Washington University, D.C. Master Degree in Business Administration from DePaul Graduate program at BIBF, Bahrain. Master of Arts in Defense Studies from King's College, London President of Bahrain Football Association. Member of Asian Football Association Executive Committee. Member of the Bahrain Olympic Committee. President of Bahrain Cycling Association. Member of FIFA Competitions Committee. Over 23 years of experience.	Appointed by Amber Holdings since June 2018 until the end of term.	Deputy Chairman of BNET Company (Bahrain) Chairman of Quality Net Company (Kuwait), until April 2019 Board Member in Sure Group Company (UK)	Joined the Bahrain Defense Force in June 1996 and currently holds the rank of Lieutenant Colonel. He has held various positions within the organization
10	Mr. Khalid Hussain Taqi - Director	Non – Executive Independent	Bachelor of Commerce degree in Finance- Concordia University, Montreal – Canada Master's degree in Finance from DePaul University's Kellstadt Graduate School of Business. Used to hold a role as part of the Transaction Advisory Services Team at Ernst & Young - Bahrain 13 years of experience.	Appointed by Social Insurance Organization since January 2019 until the end of term.	Board Member in Dhiraagu Telecommunication Company (Maldives) Board Member in Gulf Hotels Group	Head of Strategic Investments at Osool Asset Management.

Board Meetings

According to the Governance laws and other applicable laws, the Board are required to meet during each financial year for at least 4 times. During the year 2019, the Board has met on 9 occasions on the following dates:

Members	21 Feb	27 Mar	16 Apr	2 May	3 Jun	25 Jul	14 Oct	5 Nov	28 Nov
Sh. Abdulla Al Khalifa (Chairman)	☎	☎	☎	☎	☎	☎	☎	☎	☎
R. Adm Yousif Ahmed Al Sabt (Deputy Chairman)	☎	☎	☎	☎	☎	☎	☎	☎	☎
Mr. Raed Fakhri (Member)	☎	☎	☎	☎	☎	☎	☎	☎	☎
Mr. Arif Rahimi (Member)	☎	☎	☎	☎	☎	☎	☎	☎	☎
Mr. Ahmed Al Hujairy (Member)	☎	☎	☎	☎	☎	☎	☎	☎	☎
Mrs. Khulood Al Qattan (Member)	☎	☎	☎	☎	☎	☎	☎	☎	☎
Mr. Oliver McFall (Member)	☎	☎	☎	☎	☎	☎	☎	☎	☎
Mr. Jean Christophe Durand (Member)	☎	☎	☎	☎	☎	☎	☎	☎	☎
Sh. Ali Al Khalifa (Member)	☎	☎	☎	☎	☎	☎	☎	☎	☎
Mr. Khalid Hussain Taqi (Member)	☎	☎	☎	☎	☎	☎	☎	☎	☎

☎	Attended	☎	Did not attend
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Board's Duties and Responsibilities

The Board of Directors are responsible for monitoring and overseeing the overall performance of the Company; and to ensure best practices are adopted to guarantee the best interest of the shareholders and stakeholders. Also, to ensure the effective execution of their responsibilities; the Board has the trust of the established sub committees and executive management to offset some of their duties as below:

- Represent the shareholder interests and optimizing long term financial returns.
- Establishing the Company's policies and strategy and regularly monitoring the performance of executive management against it.
- Oversight, performance evaluation and succession planning of executive management
- Preparation and fair presentation of the financial statements in accordance with the applicable financial reporting standards.
- Supervision of Risk recognition and assessment to ensure that the Company's operations are measured, monitored and controlled by appropriate, effective and prudent risk management systems.
- Approve and monitor the progress of major capital expenditure, capital management, and loans, including the sale of movable and immovable property, granting permission for withdrawal of money and securities.
- Establishing policies to manage potential conflicts of interest including matters such as related party transactions.
- Establishing and disseminating to all employees and appointed representatives of the Company a corporate code of conduct.

Total Remuneration paid to the directors for the year 2018 and 2019

Batelco ensures that the Board of Directors are remunerated fairly in consideration of their responsibility towards fulfilling the duties of the Board, its Committees in addition to their representation on the Company's Subsidiary Boards.

For the year 2018, Directors total remuneration for the year 2018 was BD 595,000 including sitting fees.

For the year 2019, Directors total remuneration for the is BD557,000 including sitting fees. This is also including the proposed Annual Remuneration for the Board members of BD 418,000 for the year 2019 which will be presented at the Annual General Assembly Meeting for their approval. Kindly refer to **note 36** in the Financial Statements.

Related party transactions during the year 2019

It is the policy and practice of the Company that all related party and intra-group transactions are done on an arm's length basis in the ordinary course of business and are approved by the Executive Management of the Company. Please refer the **note 36** (Transactions with Related Parties) of the Financial Statements for the details of related party transactions Directors and Management trading of the Company shares during the year.

Below is a summary of the related party transactions held in 2019 that were related to the Board Members:

Details of Transaction	Type of Transaction	Amount Paid in BD
Market Making agreement with SICO	Business	41,008
Annual Sponsorship for F1	Sponsorship	367,500
Agreement between Batelco and Thinksmart	Training	2,000
Support for Bahrain Football Team by providing an airplane via Gulf Air	Sponsorship	32,000
Support for Bahrain Football team members by providing a cash contribution	Donation	50,000
Sh. Nasser Football tournament	Donation	100,000

Conflict of Interest

Batelco has ensured that all Board Members are aware of their obligation to adhere to the Company's strict policy to disclose any conflict of interest that may arise before a discussion of a certain agenda item, or any external appointment made that may affect their judgment. Additionally, the Board has the duty to avoid any circumstances that may result in a conflict. In all cases, all matters of conflict must be declared and approved by the Board. During the year 2019, the Board Members have declared conflict in discussions and refrained from voting on the below:

#	Date	Meeting and Date	Conflict of Interest Matter	Declared by
1	25 July 2019	Board Meeting	Project (A)	Sh. Abdulla Al Khalifa Mr. Khalid Taqi
2	14 October 2019		Project (M)	Mrs. Khulood AlQattan Mr. Oliver McFall Mr. Khalid Taqi
3	5 November 2019		Project (B)	Mr. Raed Fakhri Mr. Arif Rahimi
4	28 November 2019		Bond Refinancing	Sh. Abdulla Al Khalifa Mr. Jean Christophe Durand Mr. Raed Fakhri
5	7 February/14 February/5 March/ 25 March and 4 July 2019	Executive Committee Meeting	Strategic Fit Assessment	Mr. Jean Christophe Durand
6	4 July 2019		Batelco International Office	Mr. Khalid Taqi
7	26 September and 26 November 2019		Bond Refinancing	Mr. Jean Christophe Durand Mr. Raed Fakhri
8	26 November 2019		Project (B)	Mr. Raed Fakhri Mr. Arif Rahimi

Board Committees Structure

In line with the Code of Governance the Board have set up sub committees to oversee some of their responsibilities which are clarified in each Committee's charter, below is the Company's Board Committee's Structure:



Audit Committee

As per the Charter of the Committee, the Directors are required to meet at least 4 times in a given financial year to discharge its responsibilities effectively. During the year, the Committee met on 7 occasions on the following dates.

Members	20 Feb	30 Apr	20 May	3 Jun	27 Jun	24 Jul	4 Nov
Mr. Ahmed Al Hujairy (Chairman)	☎	☎	☎	☎	☎	☎	☎
Sh. Ali Al Khalifa (Deputy Chairman)	☎	☎	☎	☎	☎	☎	☎
Mr. Oliver McFall (Member)	☎	☎	☎	☎	☎	☎	☎
Mrs. Khulood Al Qattan (Member)	☎	☎	☎	☎	☎	☎	☎

☎ Attended ☎ Did not attend

Remuneration, Nomination, Donation and Corporate Governance Committee

As per the Charter of the Committee the Directors are required to meet at least 2 times in a given financial year to discharge its responsibilities effectively.

During the year, the Committee met on 6 occasions on the following dates.

Members	15 Jan	12 Feb	17 Feb	26 May	1 Oct	26 Nov
Sh. Abdulla Al Khalifa (Chairman)	☎	☎	☎	☎	☎	☎
Mr. Raed Fakhri (Deputy Chairman)	☎	☎	☎	☎	☎	☎
Mr. Jean Christophe Durand (Member)	☎	☎	☎	☎	☎	☎
Mr. Khalid Taqi (Member)	-	☎	☎	☎	☎	☎

☎ Attended ☎ Did not attend

Directorship Changes 17 January 2019

Executive Committee

As per the Charter of the Committee, the Directors are required to meet at least 4 times in a given financial year to discharge its responsibilities effectively.

During the year, the Committee met on 7 occasions on the following dates and discussed the below mentioned significant items.

Members	7 Feb	14 Feb	5 Mar	25 Mar	4 Jul	29 Sep	26 Nov
Mr. Jean Christophe Durand (Chairman)	☎	☎	☎	☎	☎	☎	☎
Mr. Raed Fakhri (Deputy Chairman)	☎	☎	☎	☎	☎	☎	☎
Mr. Arif Rahimi (Member)	☎	☎	☎	☎	☎	☎	☎
R. Adm Yousif Ahmed Al Sabt (Member)	☎	☎	☎	☎	☎	☎	☎
Mr. Khalid Taqi (Member)	☎	☎	☎	☎	☎	☎	☎

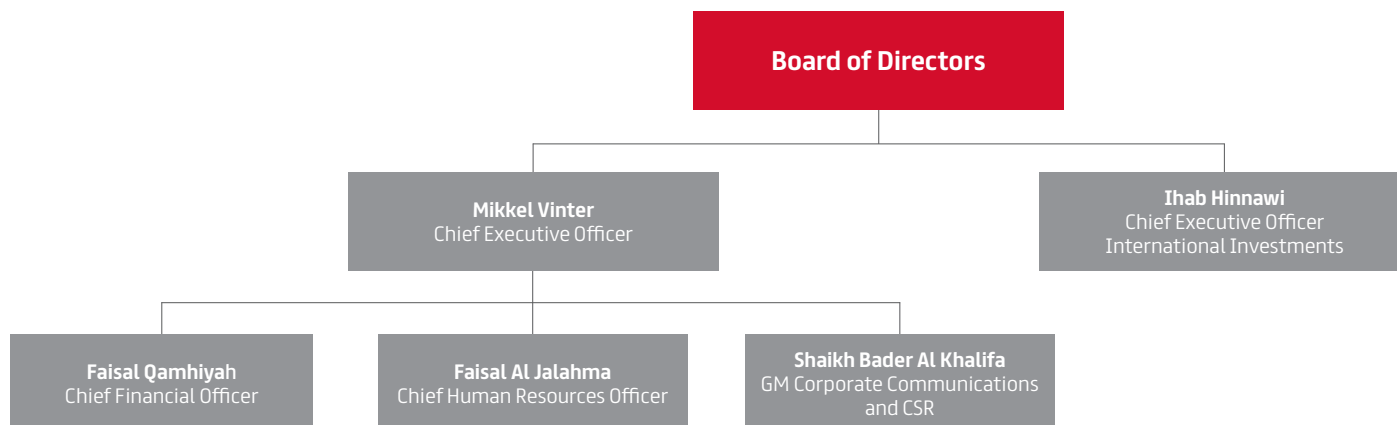
☎	Attended	☎	Did not attend
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Sitting fees paid to the directors for attendance of the Board's committees for the year 2019

Name of Committee	Number of Meetings	Total amount paid to Directors (BD)
Audit Committee	7	13,250
Remuneration, Nomination, Donation and Corporate Governance Committee	6	12,500
Executive Committee	7	18,250

Batelco Organizational Structure

Batelco's Organization structure is comprised of several levels, the below structure highlights some of the main Key Executive Management in the Company:



Below is a summary of the Key Executive Management Profiles:

#	Name and Position	Qualification and Experience	Appointment date in the Company
1	Mikkel Vinter – Chief Executive Officer	<p>Holds a Master's degree in Economics and Business Administration from Copenhagen Business School and has completed a Marketing and Management Programme with McGill University and INSEAD.</p> <p>Founded Virgin Mobile, Middle East & Africa in 2006 and served as its Chief Executive Officer until 2016.</p> <p>Served as Chief Commercial Officer for Nawras in Oman.</p>	May 2019
2	Ihab Hinnawi – Chief Executive Officer – International Investments	<p>Holds a BA in Business Administration.</p> <p>Used to hold the role of Chief Executive Officer of Umniah as well as Umniah Operations Director.</p> <p>He also used to hold the role of General manager Enterprise division in Batelco.</p>	2015
3	Faisal Qamhiyah – Chief Financial Officer	<p>Holds a BA in Economics, and obtained a CPA and an EDP from Kellogg School of Management, USA.</p> <p>Used to hold the roles of Chief Financial Officer of Umniah, Chief Operating Officer – Zain Jordan, and Investments Director – Ern Capital.</p>	2012
4	Faisal Al Jalahma – Chief Human Resources Officer	<p>Holds an MBA from the University of Strathclyde, UK and several executive qualifications from Harvard Business School and Harvard University, and John F. Kennedy School of Government.</p> <p>Held the role of Director of Finance, Information Technology and Human Resources in the Telecommunications Regulatory Authority (TRA).</p> <p>Began his career with Batelco as a graduate trainee in the HR.</p>	2018
5	Shaikh Bader Al Khalifa – GM Corporate Communications and CSR	<p>Holds a BA in Business Administration and Master of Science in Management from Boston University, USA.</p> <p>Held a number of management roles in Batelco including Head of Corporate Communications & Marketing and Head of Human Resources</p> <p>Used to hold various roles in ALBA including Organizational Development, PR and Internal Communications.</p>	2010

Total Remuneration paid to the Key Executive Management for the year 2019

The Company has a framework in place to monitor and evaluate the performance of the executive management and employees of the Company. An equitable and transparent system of limits and performance metrics is in place which is used to reward the employees of the Company for their accomplishments during the year. The executive management under the guidance of the Remuneration and Nomination Committee is responsible for administering the employee performance process.

The total key executive management compensation was recorded at BD 2,041 million, Please refer the **note 36** (Transactions with Related Parties) of the financial statements for the details of Key personnel management.

External Auditors

KPMG has had a presence in the Kingdom of Bahrain for nearly 50 years. From a small local accounting firm, founded in 1968 by university friends Jassim M. Fakhro and Hussain Kasim, KPMG in Bahrain has become one of the largest and most prestigious professional services firms in the country. KPMG in Bahrain employs over 300 professional staff and partners. They also provide clients a suite of locally-supported Audit, Tax and Advisory services.

Name of the Audit Firm	KPMG Fakhro
Years of service as the Company's External Auditor	Since 1993
Name of the Partner in Charge of the Company's Audit	Mahesh Balasubramanian
The Partner's years of service as the partner in charge of the Company's audit	6 years
Total audit fees for the financial statements for the year 2019 (BD)	90,100
Other special fees and charges for non-audit services other than auditing the financial statements for the year 2019 (BD) if any. In the absence of such fees, this shall be expressly stated	45,570

Details of any irregularities committed during the financial year

Nil

Cash and in-kind contributions made by the Company during the year 2019

The AGM last year approved a budget of BD 1.25M for the purpose of donation. The amount mentioned has been donated to different societies and causes that aimed to better the local community. Major contributions were given towards the Health, Community, Environment, Sports and Youth domains.

Significant events that occurred during the year 2019

Nil

Compliance with the provisions of the Corporate Governance Code, as follows:

Principle	Non-Compliant	Partially Compliant	Fully Compliant	Explanation in case of non-compliance
Principle 1: The Company shall be headed by an effective, qualified and expert board.			✓	
Principle 2: The directors and executive management shall have full loyalty to the company.			✓	
Principle 3: The Board shall have rigorous controls for financial audit and reporting, internal control, and compliance with law.			✓	
Principle 4: The Company shall have effective procedures for appointment, training, and evaluation of the directors			✓	
Principle 5: The Company shall remunerate directors and senior officers fairly and responsibly.			✓	
Principle 6: The Board shall establish a clear and efficient management structure for the Company and define the job titles, powers, roles and responsibilities.			✓	
Principle 7: The Company shall communicate with shareholders, encourage their participation, and respect their rights.			✓	
Principle 8: The Company shall disclose its corporate governance.			✓	
Principle 10: The Board shall ensure the integrity of the financial statements submitted to shareholders through appointment of external auditors.			✓	
Principle 11: The Company shall seek through social responsibility to exercise its role as a good citizen.			✓	
*Principle 9: Companies which offer Islamic services shall adhere to the principles of Islamic Shari'a. *			Not Applicable to Batelco	

* Applicable only to the companies offering Islamic services.

Any disclosures required by the regulatory authorities

Nil