

Corporate Governance

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Corporate Governance

for the year 2021

1. Descriptions of the actions taken to complete the Corporate Governance Code during the year 2021 in BATELCO and how they were applied

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. The Board of Directors undertook measures and ensured that for the year ended 31 December 2021, 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 64 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.

In order to ensure that the Company follows the Corporate Governance standards, in the year 2021 the Board of Directors reviewed the Board and Committee charters as part of the review conducted every two years and made some enhancements to ensure an efficient governance framework is adapted across the Board and Committee meetings. Additionally, the Board hosted a training session for the Board of Directors which was focused on Network and cybersecurity trends, not to mention a dedicated training session for the Audit committee members on the Digital evolution of auditing.

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" on listed companies. The policy regulates the trading of securities by members of the Board of Directors, Executive Management and other defined members of staff in the Company that are defined as Key Persons. The Directors have access to sensitive information that if exposed to the market, may directly or indirectly affect the value or price of the securities. Bateelco ensures the adherence to the Key Persons Policy and reports on a regular basis to the CBB and Bahrain Bourse as required and on any irregular activities that may occur from a key person within the Company. A copy of the policy can be reviewed on the Company's website.

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 2020 and the start of the new term will be in March 2023. The board placed formal, rigorous and transparent procedures for the appointment of new directors to the Board. The Nomination 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. At the Annual General Assembly Meeting in the year 2020, the new board composition was announced and upon the appointment of the new directors, the Company handled the induction and orientation of the Directors to assist in familiarizing them with the organization and their duties and responsibilities. In addition to that, they were 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 shall be subject to re-election. The termination of directorship can also take effect if any Director is in breach of the conditions outlined in Article (29) 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 2021, All directors have effectively completed their performance evaluations and the result of the Board Performance evaluation was 91.73% (Excellent) as per the evaluation rating criteria. The next performance evaluation of the Board is scheduled for 2022.

Code of Conduct and Whistle Blowing Policy

The Board of Directors have developed a Code of Conduct and Ethics policy for the Board of Directors, which in line with the regulations of the MOICT Corporate Governance Code; and ensure that the Board of Directors are aware of their role towards conducting ethical practices. The Board of Directors has also developed a whistle blowing policy which has been communicated to the employees of the Company to guide them and promote ethical behavior, honesty and integrity in their normal daily activities; and to safeguard and uphold the reputation of the Company at all times. The policies can be reviewed on the Company's website.

Corporate Governance

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2. Transactions of Directors and Executive Management trading during the year 2021

The following table provides details of shares owned by the Board of Directors and Executive Management during the year 2021. For further details, kindly refer to **note 36** in the Financial Statements.

#	Name	Position/kinship	Shares held at 31/12/2021	Total Sale Transaction in 2021	Total Purchase Transaction in 2021
1	Raed Abdulla Fakhri	Director	5,240	Nil	Nil
2	Batelco Employee Benefit Trust	Company Employee Share incentive scheme	1,712,541	Nil	293,986
3	Christopher Hild	Chief Strategy Officer	41,000	Nil	41,000
4	Reem Al Tajer	Director of Treasury & Investor Relations	5,987	Nil	Nil
5	Nicolas Di Vara	Director Digital Growth Strategy	7,000	Nil	7,000
6	Mohammed Mustafa Ali	Director Revenue Management & Business Assurance	30,400	Nil	Nil

3. Composition of the Board

The Board of the Company comprises of 10 Directors, 8 whom are 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 Abdulla 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 23 years of experience	Appointed by Mumtalakat since June 2018 until the end of term. Was reappointed in AGM 2020 for a period of 3 years.	<ul style="list-style-type: none"> Chairman of BTC Sure Group Limited Company (UK) Chairman of SICO Investment Bank Deputy Chairman of Bank of Bahrain and Kuwait 	Chief Executive Officer at Osool Asset Management

Corporate Governance

(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.
2	Mr. Raed Abdulla Fakhri Deputy Chairman	Non – Executive Independent	<p>Executive MBA from the University of Bahrain, and Bachelor of Science in Electronics Engineering Technology from the University of Central Florida, Orlando, USA.</p> <p>Co-founded BDI Partners in 2010 and headed the firm as a Managing Director.</p> <p>Used to hold the following roles:</p> <ul style="list-style-type: none"> - Head of Investment Department in Capivest Investment Bank. - Batelco Senior Manager in New Business Development Unit. - Control Systems Engineer and Project Engineer in Gulf Petrochemical Industries Company (GPIC). <p>Over 27 years of experience mainly in business development and investments.</p>	<p>Appointed by Mumtalakat and served as a board member since 2014.</p> <p>Was reappointed in AGM 2020 for a period of 3 years.</p>	<ul style="list-style-type: none"> • Board Member in Gulf Air Group Holding • Board Member in Gulf Aviation Academy • Board Member in Bahrain Airport Company W.L.L • Board Member in Bahrain National Dredging Company • Board Member in Investrade • Board Member in Bahrain Investment Holding Company -ISTITHMAR • Board Member in BDI Partners • Board Member in ELM Education Fund • Board Member in American University Bahrain • Board Member in LE University Holding • Board Member in Khairat Al Bahrain Holding • Board Member in Prodrive international Company 	Mumtalakat Managing Director - Investments
3	Mr. Abdulla Abdulhameed Alhammadi Director	Non – Executive	<p>B.A. with honors from Georgetown University in finance and international business</p> <p>Regional Business Lead for Snapchat MENA</p> <p>Used to hold the following roles:</p> <ul style="list-style-type: none"> - Senior Engagement Manager with McKinsey & Company - Member of the founding team in Careem - Lead of small business marketing in Google -Saudi Arabia <p>Over 11 years of experience in management consultancy, tech and startups</p>	<p>Appointed by Mumtalakat at the AGM in 2020 for a period of 3 years.</p>	<ul style="list-style-type: none"> • Deputy Chairman of Batelco Financial Services B.S.C closed • Deputy Chairman of Batelco Remittance Service B.S.C closed 	Nil

Corporate Governance
(Continued)

3. Composition of the Board (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	Mr. Abdulla Abdulrazak Bukhowa Director	Non – Executive Independent	<p>Bachelor of Business from the University of Texas, USA.</p> <p>Chief Executive Officer of Bahrain Commercial facilities company.</p> <p>Used to hold the following roles:</p> <ul style="list-style-type: none"> - Chief Executive Officer of Standard Chartered Bank Bahrain - Chief Executive Officer of Standard Chartered Bank Qatar from January 2017 to March 2019 - Lead of Financial Markets and Corporate and Institutional Banking segments- Standard Chartered Bahrain - Head of Global Markets and co-Head of Wholesale Bank in September 2010- Standard Chartered Bahrain <p>Over 21 years of experience.</p>	Appointed by Social Insurance Organization at the AGM in 2020 for a period of 3 years.	<ul style="list-style-type: none"> • Board member in the Bahrain Association of Banks • Board member in Future Generation Reserve • Board member in National Motors Company • Board member in Tasheelat Insurance Services Company (TISCO) 	Nil
5	Mr. Ahmed Abdulwahed Abdulrahman Director	Non – Executive Independent	<p>Bachelor's Degree (Hons) in Business Systems & Information Technology from University of Northumbria, Newcastle</p> <p>Chief Executive Officer of Esterad Investment Company B.S.C</p> <p>Used to hold the following roles:</p> <ul style="list-style-type: none"> - Founder & Managing Partner of Clan Partners Advisory - CEO and Managing Director of Beacon Capital Management - Head of Private Equity for GCC, Levant and Turkey at Bank Al Khair - Relationship Manager at Ahli United Bank – Offshore Unit - Relationship Manager at Kuwait Finance House – Bahrain - Started his career at BDO Jawad Habib as an analyst in the Financial Advisory Services unit <p>Over 19 years of experience in Investment Banking, Mergers & Acquisitions and Private Equity</p>	Elected by the shareholders in the AGM 2020 for a period of 3 years.	<ul style="list-style-type: none"> • Deputy Chairman of the Board and Chairman of the Audit Committee in Dhiraagu Telecommunications Company (Maldives). • Board member of Native Land investment. • Board member in Beacon capital management • Director in Clan Partners Advisory 	Nil

Corporate Governance
(Continued)

3. Composition of the Board (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	Shaikh Ali Bin Khalifa Al Khalifa Director	Non – Executive Independent	Bachelor of Science in Mechanical Engineering from The George Washington University, D.C. Master's degree in business administration from DePaul Graduate program at BIBF, Bahrain.	Appointed by Amber Holdings since June 2018 until the end of term. Was reappointed in AGM 2020 for a period of 3 years.	<ul style="list-style-type: none"> Chairman of BNET Company (Bahrain) Chairman of B Secure W.L.L. President of Bahrain Football Association. Member of Asian Football Association Executive Committee. Member of the Bahrain Olympic Committee. Member of FIFA Competitions Committee. Over 25 years of experience. 	Joined the Bahrain Defense Force in June 1996 and currently holds the rank of Lieutenant Colonel. He has held various positions within the organization.
7	Major General Ali Saqer Al Noaimi Director	Non – Executive Independent	Graduated from the Military College, Kuwait, in November 1978. Military officer with the rank of Major General in Bahrain Defense Force appointed as Director of Logistics & Supplies in BDF. Held the position of a commandant of Isa Royal Military College Over 43 years of experience.	Appointed by Amber Holdings on 31 st March 2020 until the end of term.	<ul style="list-style-type: none"> Board Member at BNET (Bahrain). Deputy Chairman of the Military consumer and economic associations. President of Bahrain Golf Association 	Director of Logistics & Supplies in BDF. Deputy Chairman of the Military consumer and economic associations.
8	Ms. Fatema Ghazi AlArayedh Director	Non – Executive	B.A. with honors in Political Science from Yale University J.D. from Columbia Law School where she was a Harlan Fiske Stone Scholar. Admitted to the Bar in New York Attorney at the law firm of Debevoise & Plimpton LLP in London Used to practice law at the offices of Cleary Gottlieb Steen & Hamilton LLP in New York. Worked on economic development projects at the Clinton Foundation in New York and at the Economic Development Board in Bahrain	Appointed by Mumtalakat at the AGM in 2020 for a period of 3 years.	Nil	Nil

Corporate Governance
(Continued)

3. Composition of the Board (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.
9	Mr. Jean Christophe Durand Director	Non – Executive Independent	Graduated from ESSEC (Ecole Superieure des Sciences Economiques et Commerciales), French Business School in Paris. Chief Executive Officer of National Bank of Bahrain. Previously held the role of 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 41 years of experience in the banking and finance sector.	Elected by the shareholders in 2017 and served for a period of 3 years. Was re-elected in the AGM 2020 for a period of 3 years.	<ul style="list-style-type: none"> 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) Deputy Chairman of Bahrain Islamic Bank (BISB) 	Nil
10	Mr. Khalid Hussain Taq 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. 15 years of experience.	Appointed by Social Insurance Organization since January 2019 until the end of term. Was reappointed in AGM 2020 for a period of 3 years.	<ul style="list-style-type: none"> Deputy Chairman and Chairman of the Audit Committee in BNET (Bahrain) Board member in Gulf Hotels Group 	Deputy Chief Investment Officer at Osool Asset Management.

Total Remuneration paid to the directors for the year 2020 and 2021

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

For the year 2020, Directors total remuneration for the is BD542,000 including sitting fees.

For the year 2021, Directors total remuneration for the is BD 573,749 including sitting fees. This is also including the proposed Annual Remuneration for the Board members of BD 500,000 for the year 2021 which will be presented at the Annual General Assembly Meeting for their approval. Kindly refer to **note 36** in the Financial Statements.

Sitting fees paid to the directors for attendance of the Board's committees for the year 2021

Name of Committee	Number of Meetings	Total amount paid to Directors (BD)
Audit Committee	4	8,000
Remuneration, Nomination, Donation and Corporate Governance Committee	4	9,000
Executive Committee	9	20,250

Corporate Governance

(Continued)

3. Composition of the Board (Continued)

Board Meetings

According to the Governance laws and applicable laws, the Board are required to meet during each financial year for at least 4 times. During the year 2021, the Board has met on **8** occasions on the following dates:

Members	Attendance percentage	21 Feb	31 March	28 Apr	9 Jun	7 Jul	29 Jul	31 Oct	6 Dec
Sh. Abdulla Al Khalifa (Chairman)	100%	☑	☑	☑	☑	☑	☑	☑	☑
Mr. Raed Fakhri (Deputy Chairman)	100%	☑	☑	☑	☑	☑	☑	☑	☑
Mr. Jean Christophe Durand (Member)	75%	☑	☐	☐	☑	☑	☑	☑	☑
Sh. Ali Al Khalifa (Member)	75%	☑	☑	☑	☑	☐	☐	☑	☑
Mr. Khalid Taqi (Member)	100%	☑	☑	☑	☑	☑	☑	☑	☑
Mr. Abdulla Bukhowa (Member)	87.5%	☑	☐	☑	☑	☑	☑	☑	☑
Ms. Fatema AlArayedh (Member)	100%	☑	☑	☑	☑	☑	☑	☑	☑
Mr. Abdulla Alhammadi (Member)	75%	☑	☑	☑	☐	☑	☑	☑	☐
Mr. Ahmed Abdulrahman (Member)	100%	☑	☑	☑	☑	☑	☑	☑	☑
Maj. Gen. Ali AlNoaimi (Member)	87.5%	☐	☑	☑	☑	☑	☑	☑	☑

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.

Related party transactions during the year 2021

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 2021 that were relevant to the Board Members:

Details of Transaction	Type of Transaction	Amount paid in 2021 (BD)
Bahrain Football association	Donation	150,000
Market Making agreement with SICO	Business	59,224
Bahrain Golf Association	Donation	40,000
Bahrain Olympic Committee	Donation	7,000
American University of Bahrain	Sponsorship	3,961.78
Gulf Air	Gifts and Giveaways	3,960
Bahrain Institute of Banking and Finance (BIBF)	Donation	315
Gulf Hotel	Gifts and Giveaways	120

Corporate Governance

(Continued)

3. Composition of the Board (Continued)

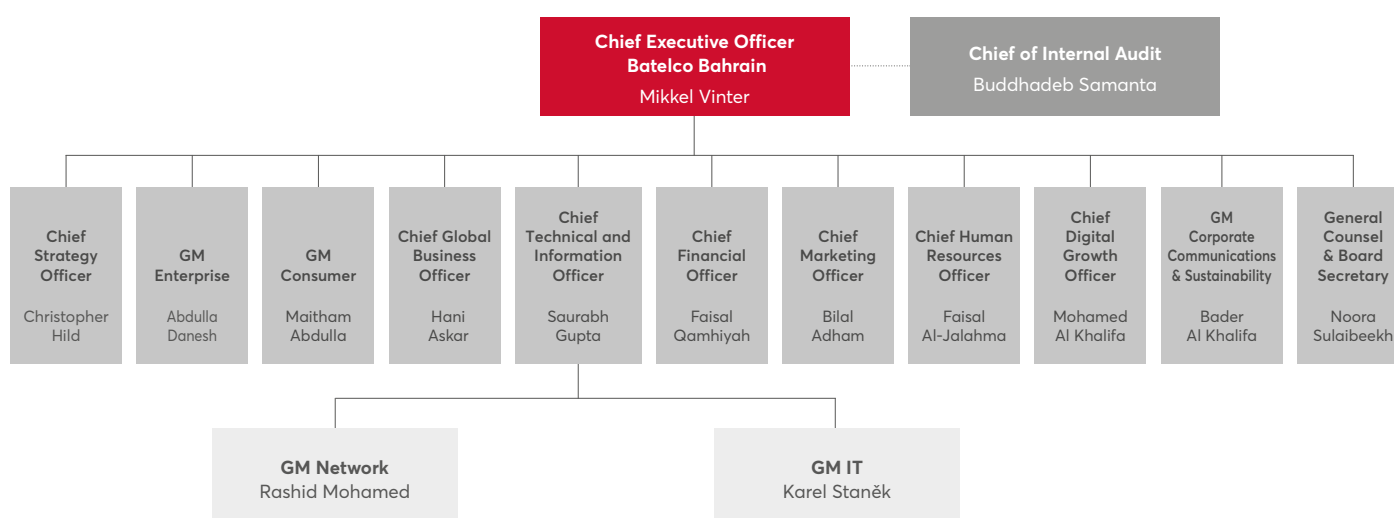
Conflict of Interest

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 2021, the Board Members have declared conflict in discussions and refrained from voting on the below:

#	Date	Meeting	Conflict of Interest Matter	Declared by
1	21 February 2021	Board Meeting	Bank Deposit Limits	Shaikh Abdulla Al Khalifa Mr. Jean Christophe Durand Mr. Abdulla Bukhowa
2	31 March 2021		Batelco Financial Services Business plan	Shaikh Abdulla Al Khalifa
3	28 April 2021		Establishment of Batelco Remittance Service	Shaikh Abdulla Al Khalifa Mr. Abdulla Bukhowa
4	29 July 2021		Update -Batelco Financial Services	Shaikh Abdulla Al Khalifa Mr. Jean Christophe Durand
			Bahrain Golf association sponsorship	Maj. Gen Ali Al Noaimi
5	31 October 2021		Batelco Financial Services update	Shaikh Abdulla Al Khalifa Mr. Jean Christophe Durand
6	8 June 2021	Remuneration, Nomination, Donations and Corporate Governance Committee Meeting	Scholarship proposal for American University of Bahrain	Mr. Raed Fakhri

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:



Corporate Governance

(Continued)

3. Composition of the Board (Continued)

Below is a summary of the Key Executive Management Profiles:

Name and Position	Experience	Education	Appointment date in the Company
Mikkel Vinter Chief Executive Officer	<p>Mr. Vinter has over 20 years of international experience gained with telecom operators in the Middle East, Asia and Europe, including several greenfield mobile start-up operations. He founded Virgin Mobile, Middle East & Africa in 2006 and served as its Chief Executive Officer until 2016. Prior to setting up Virgin Mobile Middle East & Africa, Mr. Vinter was Chief Commercial Officer at Nawras Oman.</p> <p>Directorships/ Other Roles</p> <ul style="list-style-type: none"> • Chairman of the Board - Beyon Solutions W.L.L. • Member of the Board of Directors - Umniah Mobile Company PLC, Sure Limited and Dhiraagu (Dhivehi Raajjeyge Gulhun PLC) where he is also on the RNG Committee. • Member of the Al Waha Fund of Funds, Limited Partner Advisory Committee. 	<ul style="list-style-type: none"> • Master's degree in Economics and Business Administration - Copenhagen Business School. • Completed marketing and management programmes with McGill University and INSEAD. 	2019
Faisal Qamhiyah Chief Financial Officer	<p>Mr. Qamhiyah's experience includes commercial and financial roles across various industries including financial investments and telecoms.</p> <p>Prior to becoming CFO, he held the role of CFO of Batelco Group, and earlier was CFO at Umniah, Batelco's sister operation in Jordan, Finance Director, Chief Operations Officer for Zain Jordan and investments Director for Ern Capital.</p> <p>Directorships/Other Roles</p> <ul style="list-style-type: none"> • Member of the Board of Directors - Umniah Mobile Company PLC, Dhiraagu (Dhivehi Raajjeyge Gulhun PLC), Sabafon and Beyon Solutions W.L.L. • Co-founder and Board of Directors' member of Jordan Association of Management Accountants (JAMA). 	<ul style="list-style-type: none"> • BA in Economics & Accounting - Yarmouk University Jordan. • Passed the AICPA exams from Delaware USA in 1999. • Completed the Executive Development Programme (EDP) at Kellogg School of Management, Chicago USA. • Attended several leadership courses at the world's most prestigious universities such as Harvard Business School, Stanford School of Business and London Business School. 	2012
Abdulla Danesh General Manager Enterprise	<p>Mr. Danesh has 15 years of experience in the telecommunications and ICT industry, occupying a multitude of roles in sales, operational efficiency, and management, prior to joining Batelco. Since joining the company, he has held various roles across Batelco, including the position of Director of Public Sector and Sovereign Wealth Fund and Director of Sales for the Government and Security Sector. He is a key player in driving the development and growth of products and services for the Enterprise Sector.</p> <p>Directorships/Other Roles</p> <ul style="list-style-type: none"> • Member of the Board of Directors – Beyon Solutions W.L.L. 	<ul style="list-style-type: none"> • Bachelor's Degree in Financial Services from the University of Buckingham, United Kingdom. • Completed Executive education programmes from Harvard Business School. 	2018

Corporate Governance
(Continued)

3. Composition of the Board (Continued)

Name and Position	Experience	Education	Appointment date in the Company
Shaikh Bader bin Rashed Al Khalifa General Manager Corporate Communications & Sustainability	<p>Shaikh Bader has over 25 years' experience across diverse fields including HR, Learning & Development, and Communications. His experience prior to Batelco included working on important projects such as the expansion of the smelter at ALBA (Aluminium Bahrain). Since joining Batelco in 2010, Shaikh Bader has held a number of managerial and executive roles and in addition to being responsible for Corporate Communications his role has expanded to include leading the Company's Sustainability initiatives, while also managing Batelco's VIP segment.</p> <p>Directorships/Other Roles</p> <ul style="list-style-type: none"> • Member of the Board of Directors - Umniah Mobile Company PLC. • Member of the Board of Directors – INJAZ Bahrain 	<ul style="list-style-type: none"> • BA in Business Administration - Boston University, USA. • Master of Science in Management - Boston University, USA. 	2010
Bilal Adham Chief Marketing Officer	Mr. Adham has over 13 years' experience within the ecommerce, retail and telecoms sector having worked for a number of International businesses, VC backed and privately owned such as Accenture and Landmark group. Additionally, he sat on customer advisory boards for global tech companies enabling first to market Digital commerce initiatives.	<ul style="list-style-type: none"> • BSc in Internet Business - University of Westminster. • Chartered Marketer accredited by the Chartered Institute of Marketing. 	2019
Christopher Hild Chief Strategy Officer	<p>With over 13 years' experience in strategy development and execution, Mr. Hild's previous roles include senior positions in strategy consulting, leading projects related to digital transformation, customer experience, topline growth, operational excellence, and cost optimization, for a number of telecom operators in the Middle East, Europe, Africa and Asia.</p> <p>Directorships/Other Roles</p> <ul style="list-style-type: none"> • Member of the Board of Directors and Audit Committee - Umniah • Member of the Board of Directors and Chairman of Audit committee - BTC Sure Group Limited. 	<ul style="list-style-type: none"> • BA in Public Management & Governance - Zeppelin University, Germany. 	2019
Buddhadeb Samanta Chief of Internal Audit	Mr. Samanta has over 20 years of experience in the international telecommunications industry, having established the Internal Audit functions for mobile operators in Indonesia, Dubai and India. Among his previous roles he was Chief Internal Auditor of Smartfren Telecom (Indonesia) and held various roles with Du Telecom (Dubai) including the post of Director Internal Audit.	<ul style="list-style-type: none"> • Bachelor's degree in Commerce - St Xavier's College, Calcutta University. • Chartered Accountant qualifications from the Institute of Chartered Accountants of India. 	2019

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(Continued)

3. Composition of the Board (Continued)

Name and Position	Experience	Education	Appointment date in the Company
Faisal Al-Jalahma Chief Human Resources Officer	<p>Mr. Al Jalahma held various roles including Director of Finance, IT and HR at the Bahrain Telecommunications Regulatory Authority (TRA), prior to joining Batelco. The role included transformational projects to digitalise and automate systems at the TRA. Mr. Al Jalahma was part of the team in Batelco's separation project into two separate entities and continues to play a key role in Batelco's cultural transformation journey.</p> <p>Directorships/Other Roles</p> <ul style="list-style-type: none"> Member of the Board of Directors - Sabafon, B Secure W.L.L. (branded as BEYON Cyber) and Batelco International Company. 	<ul style="list-style-type: none"> MBA - University of Strathclyde, UK Several executive qualifications from Harvard Business School and Harvard University, John F. Kennedy School of Government. 	2018
Hani Askar Chief Global Business Officer	<p>Since joining Batelco, Mr. Askar has held various roles across the Company including the position of Manager Datacom Products National and International in the Enterprise Division and Senior Manager Global Products and Capacity Management in the Global Division. He was a key player in the development of Manama Internet Exchange (MN-IX), Global Zone Bahrain and Batelco Gulf Network (BGN).</p> <p>Directorships/Other Roles</p> <ul style="list-style-type: none"> Chairman of the Board - Batelco Egypt Member of the Board of Directors - ARC Limited Abu Dhabi. 	<ul style="list-style-type: none"> BEng (Hons) in Computing and Communications Systems Engineering - University of Manchester, Institute of Science and Technology (UMIST), UK. Postgraduate Certificate in Management (Telecoms) - Lancaster University, UK. 	2004
Karel Staněk General Manager IT	<p>Mr. Staněk has almost 20 years of experience in the technology sector, which includes key roles in the telecommunications industry. Prior to joining Batelco, he held the role of Chief Information Officer with Vodafone Czech Republic and before that, he was responsible for Digital Transformation, Core IT, and delivery of strategic programmes for the company. His previous roles include senior positions in IT projects delivery, and leading major ERP implementations across various geographies in Europe.</p>	<ul style="list-style-type: none"> Master's degree in System Engineering & Informatics - VSB - Technical University of Ostrava, Czech Republic. Several professional certifications in the Agile and Project management domain. 	2020
Maitham Abdulla General Manager Consumer Division	<p>During over 15 years with Batelco, Mr. Abdulla has demonstrated strong skills in telecom product management and development. His wide experience covers business planning, mobile technology, fiber-based products, Data Centers and content services.</p>	<ul style="list-style-type: none"> MBA in Marketing & Business Management from Al-Ahlia University. BSc in Management Information Systems from NYIT. 	2006

Corporate Governance
(Continued)

3. Composition of the Board (Continued)

Name and Position	Experience	Education	Appointment date in the Company
Shaikh Mohamed Al Khalifa Chief Digital Growth Officer	<p>Shaikh Mohamed was Head of Strategic Projects, and ICT Business Development at the Bahrain Economic Development Board prior to joining Batelco. His role revolved around public and private sector cloud adoption, Blockchain, startups and enhancing infrastructure development across the GCC. Previously, Shaikh Mohamed was advisor to the Minister of Foreign Affairs.</p>	<ul style="list-style-type: none"> • Bachelor's degree in Politics - American University, Washington DC. • MSC in Middle East Politics - School of Oriental and African Studies, UK. 	2020
	<p>Directorships/Other Roles</p> <ul style="list-style-type: none"> • Chairman of the Board of Directors - ARC Limited Abu Dhabi, Batelco Financial Services Company, Batelco Remittance Service and Public Square (Public2) (branded as Beyon Connect). • Member of the Board of Directors - Umniah Mobile Company PLC., Etihad Atheeb, Beyon Solutions W.L.L, and B Secure W.L.L (branded as Beyon Cyber). • Chairman of the Audit Committee - Umniah Mobile Company PLC. 		
Noora Sulaibeekh General Counsel and Board Secretary	<p>Mrs. Sulaibeekh is a qualified Bahraini lawyer specialized in Telecom, Media and Technology, with over 14 years of international experience within the telecom industry. Her previous roles include the position of Group Legal Counsel at Etisalat Group from 2013 to 2015 and prior to that held the role of Group Legal Counsel with Batelco from 2009.</p>	<ul style="list-style-type: none"> • Master's degree in International Relations and Sustainable Development Law - Paris Sorbonne University. 	2015
	<p>Directorships/Other Roles</p> <ul style="list-style-type: none"> • Member of the Board of Directors of BTC Sure Group, Batelco International Company, Batelco Egypt, Batelco Middle East Company, Batelco Financial Services Company, Batelco Remittance Service and Public Square (Public2) (branded as Beyon Connect). • Member of Audit Committee - BTC Sure Group Limited 		
Rashid Mohamed General Manager Network	<p>Mr. Mohamed has more than 15 years' experience in telecommunications, having joined Batelco as a network engineer in 2005. He has held key management positions in various divisions at Batelco including Mobile Network development, Fixed Operations as well as leading the Strategy role for Network and IT to deliver the latest digital technologies.</p>	<ul style="list-style-type: none"> • Master's degree in Engineering & Management from Northumbria University, UK. • BSc in Electronics & Communication Engineering from Napier University, UK. 	2005
	<p>Directorships/Other Roles</p> <ul style="list-style-type: none"> • Member of the Board of Directors - Umniah Mobile Company PLC., Fiber Tech Jordan and BTECH Bahrain Technology Company Society. 		

Corporate Governance (Continued)

3. Composition of the Board (Continued)

Name and Position	Experience	Education	Appointment date in the Company
Saurabh Gupta Chief Technology and Information Officer	Mr. Gupta worked with Vodafone for over 8 years across UK, Germany, and Czech Republic where he held the role of Chief Information Officer, before joining Batelco. Previously, he spent over 10 years with Unilever in India and the UK in a number of technology delivery and management roles.	<ul style="list-style-type: none"> • Engineering degree - IIT (Indian Institute of Technology) Roorkee. • Post-graduate in Management - IIM (Indian Institute of Management) Ahmedabad. • Technology Excellence Programme - Imperial College Business School London. 	2020
	Directorships/Other Roles <ul style="list-style-type: none"> • Member of the Board of Directors - BTC Sure Group Limited, B Secure W.L.L (branded as Beyon Cyber) and Beyon Solutions W.L.L. 		

Total Remuneration paid to the Key Executive Management for the year 2021

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 Committee is responsible for administering the employee performance process. The total of the top five key executive management compensation was recorded at BD 1,176,483 which includes salaries, benefits, allowances and increases.

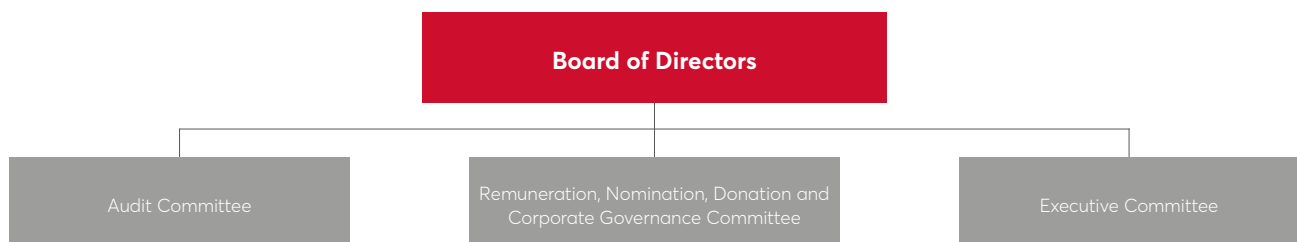
4. External Auditors

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	Salman Manjlai
The Partner's years of service as the partner in charge of the Company's audit	2 nd year
Total audit fees for the financial statements for the year 2021 (BD)	109,150
Other special fees and charges for non-audit services other than auditing the financial statements for the year 2021 (BD) if any. In the absence of such fees, this shall be expressly stated	141,300

5. 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:



Corporate Governance (Continued)

5. Board Committees Structure (Continued)

Audit Committee

As per the Charter of the Audit 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 Audit Committee met on **4** occasions on the following dates:

Members	16 Feb	27 Apr	28 Jul	28 Oct
Mr. Jean Christophe Durand (Chairman)	☎	☎	☎	☎
Mr. Abdulla Bukhowa (Deputy Chairman)	☎	☎	☎	☎
Sh. Ali Al Khalifa (Member)	☎	☎	☎	☎
Maj. Gen. Ali AlNoaimi (Member)	☎	☎	☎	☎

Remuneration, Nomination, Donation and Corporate Governance Committee

As per the Charter 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 **4** occasions on the following dates:

Members	10 Feb	11 Apr	8 Jun	10 Oct
Sh. Abdulla Al Khalifa (Chairman)	☎	☎	☎	☎
Mr. Raed Fakhri (Deputy Chairman)	☎	☎	☎	☎
Mr. Khalid Taqi (Member)	☎	☎	☎	☎
Ms. Fatema AlArayedh (Member)	☎	☎	☎	☎

Executive Committee

As per the Charter of the Executive 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 Executive Committee met on **9** occasions on the following dates:

Members	15 Feb	23 Feb	22 Apr	1 Jun	27 Jul	16 Sep	27 Oct	2 Nov	28 Nov
Mr. Raed Fakhri (Chairman)	☎	☎	☎	☎	☎	☎	☎	☎	☎
Mr. Khalid Taqi (Deputy Chairman)	☎	☎	☎	☎	☎	☎	☎	☎	☎
Mr. Abdulla Alhammadi (Member)	☎	☎	☎	☎	☎	☎	☎	☎	☎
Mr. Ahmed Abdulrahman (Member)	☎	☎	☎	☎	☎	☎	☎	☎	☎

6. Corporate Governance Officer

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

7. Details of any irregularities committed during the financial year

Nil

8. Cash and in-kind contributions made by the Company during the year 2021

The AGM last year approved a budget of BD 4.39M 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.

Corporate Governance

(Continued)

9. 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
Mumtalakat Holding Company	609,840,000	36.67%	Government	Local
Amber Holding Company	332,640,000	20%	Organization	Foreign
Social Insurance Organization	337,835,705	20.31%	Government	Local
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 31/12/2021

According to the Company's share register as at 31/12/2021, there is no individual that holds over 5% of the Company's share capital.

Shareholders Distribution 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	9,879	31,980,775	1.923%
50,000 to 500,000	664	91,427,077	5.497%
500,000 to 5,000,000	109	141,258,020	8.493%
More than 5,000,000	12	1,398,534,128	84.087 %
Total	10,644	1,663,200,000	100 %

Significant events that occurred during the year 2021

In 2021, Batelco has established five companies in which it owns a majority shareholding stake. The names of the established companies are as follows:

- 1) Batelco Financial Services Company B. S.C Closed
- 2) Public Square (Public2) Company B. S.C Closed
- 3) Batelco Remittance Service B. S.C Closed
- 4) B Secure Company W.L. L
- 5) Beyon Solutions W.L. L

Corporate Governance
(Continued)

10. 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.

11. Any disclosures required by the regulatory authorities

Nil