MOBILE TELECOMMUNICATIONS COMPANY (ZAIN)

GROUP AUTHORITY MATRIX

AUGUST 2024

Contents

Approvals and Revisions

The Group Authority Matrix is reviewed and approved on by the Board of Directors at the duly convened meeting held during August 2024 / via resolution by circulation.

Mr. Osamah Othman Al Furaih **(Chairman)**	**Mr. Bader Nasser Al-Kharafi** **(Vice Chairman and Group CEO)**
Mr. Talal Said Al Mamari **(Board Member)**	**Mr. Abdulrahman Mohammad Ibrahim Al Asfour** **(Board Member)**
Mr. Yousef Khaled Al-Abdulrazzaq **(Board Member)**	**Mr. Zaki Hilal Saud Al Busaidi** **(Board Member)**
Mr. Atif Said Rashid Al Siyabi **(Board Member)**	**Mr. Aladdin Baitfadhil** **(Board Member)**
Mr. Nasser bin Suleiman Al-Harthy **(Board Member)**	

The table below tracks the creation and subsequent revisions to the authority matrix.

Sr.	Version Number	Version Date	Section	Page Number	Approval
1	2024	August 7 2024	All	All	BOD
2					
3					
4					
5					

Note: In the "Page Number" section, links may be incorporated to direct users to the mentioned page to facilitate tracing such amendments.

Group Authority Matrix

1. Purpose

The Group Authority Matrix have been designed to ensure agility, efficiency, accountability, control, and an unbroken chain of command from the Board to the Management. The purpose of ther Authority Matrix is to:

- Define Zain's authority matrix covering Zain Group as controlling authority and Zain Kuwait as an operating unit *(as such it is not applicable to other OpCos)*.
- Establish limits of authority delegated to Executive positions within the company; and
- Identify the types and maximum amount of obligations that may be approved by Executive positions.

This document has been developed based on the following references:

- Kuwait Companies Law;
- Corporate Governance regulations issued by CMA;
- Zain Board of Directors and Board Committees' charters; and
- Company Memorandum and Articles of Association.

2. Key Guidelines

The Key Guidelines for the authority framework described herein are as follows:

1. Board of Directors has the ultimate authority in the company for governance of the organization.
2. The financial and managerial authorities should be compatible with Kuwait Companies Law, CMA regulations, any other applicable laws, charters, and general policies of the Company as approved by BOD.
3. Board of Directors can delegate any function to any of the Board Committees. Where applicable, the Charter of that Committee may need to be modified accordingly.
4. Board Members, GCEO, and GCXOs should avoid voting for/or approving transactions that benefit them at a personal level either directly or indirectly or in which they are beneficial owners.
5. In no circumstance shall a signatory both initiate and approve the same transaction nor approve a payment to themselves or to a related party, except where such payments pertain to authorized employee remuneration or expense reimbursements.
6. All transactions or contracts that will have financial impact / terms / obligations should be reviewed by the GCFO in line with the internal procurement and financial policies.
7. GCXOs should take all necessary steps to ensure that their employees know, follow, adhere to, and comply with all internal policies pertaining to the Governance and the Authority Matrix.
8. It is not permitted to split transactions to override the financial limits.
9. Each department is responsible for obtaining the required approvals as per the Authority Matrix.

10. GCXOs may delegate in writing certain authorities to their Directors / Heads of Departments (“HODs”) for limited or “short periods of time”[1].
11. For permanent or “long period” [2] delegations, GCXOs may delegate certain authorities to their directors or HODs, provided such delegation is approved by GCEO in writing.
12. All employees should be made aware that violating the Company’s Code of Ethics’, Anti-corruption, Related Party Transactions, Conflicts of Interest, and Stakeholders Protection policy could significantly damage the Company and expose it to unintended legal, commercial, and financial liabilities. In addition, individuals who violate these policies should be subjected to appropriate disciplinary action by the Company as documented in the company’s policies; and
13. This delegation of authority matrix should be reviewed and updated on an annual basis considering the changes to the Company’s management structure, business activities and overall operating environment.
14. Definitions

3. Group Authority Matrix Revisions

The Corporate Governance and Compliance Department is responsible for reviewing the group authority matrix as needed, taking into account the extent of compliance with laws and regulations issued by relevant regulatory bodies, including the Capital Market Authority (CMA) and any other regulatory entities. Additionally, proposals for amendments must be submitted to the Board of Directors for approval. Once the changes are incorporated into the group authority matrix, the relevant page(s) will be updated with the version and date.

Function	Description
Responsible	The act of initiating a transaction, service or activity and conducting in-depth review of the transaction, service or activity, and passing it to a higher level for further action.
Consult	The authority or function which is involved in deliberations on the said transaction, service, or activity with the entity that creates the same.
Accountable	The final level of authority that provides formal approval(s).
Inform	The entities to which the final approval is to be communicated to.
Short period of time	A period less than or equal to six months
Long period of time	Any period greater than six months

[1]. A “short period of time” is defined as a period less than or equal to six months.

[2] A “long period of time” is defined as any period greater than six months.

4. Roles and Responsibilities of Advisory Committees

Committee	Roles and Responsibilities	Meeting Frequency
Group Board of Directors	The Board is responsible for supervising the Company's business affairs, to grow value in a profitable and sustainable manner, and to make all major policy decisions. The responsibilities include: - Setting the vision and mission of Zain - Strategy and Business plan approval - Setting company goals and performance targets. The Board is also responsible for setting up Corporate Governance Framework in a way that protects the stakeholder's rights and maximizes the corporate value.	Minimum 6 times / year
Board Risk Committee	It undertakes the tasks related to all aspects of risk management framework, including, but not limited to, strategic risks, market risk, compliance risk, operational risk and risk tolerance. The BRC reviews all policies and monitors the overall risk of the company and the performance of the Chief Risk Officer.	Minimum 4 times / year
Board Nomination and Remuneration Committee	The BNRC is responsible for recommending the appointment of Board Members and Executive Management, facilitating the annual evaluation of the Board's performance, supervising the Board's training and development process and Executive Management. The BNRC is also responsible for assessing the compensation and remuneration of Board members and Executive Management in relation to the Company's long-term objectives.	Minimum 1 time / year
Board Audit Committee	The BAC is responsible for assisting the Board in overseeing the quality and integrity of the accounting, and audit practices, internal controls, review of risk management framework and financial reporting practices of the Company. It also monitors the Company's relationship with external auditors and the performance of the Internal Audit Department.	Minimum 4 times / year

Note: Refer the Glossary section for acronyms

5. Authority Matrix – Strategy and Business Plan

Decision No	Decision	Monetary Thresholds	Responsible	Consult	Accountable	Inform
5.1	Group Strategy		*GCSO*	*All Group CXOs GCFO GCEO*	*Group BoD*	-
5.2	Group 5-Year Business Plan and Guidelines		*GCSO*	*GCFO GCEO*	*Group BoD*	-
5.3	Annual Group Consolidated Budget and Guidelines		*G Ex Fin Director*	*GCFO GCEO*	*Group BoD*	-
5.4	Annual Group Consolidated Business Plan		*GCSO*	*GCFO GCEO*	*Group BoD*	-
5.6	Quarterly Variations to Group Annual Budget	*In all cases*	*G Ex Fin Director*	*GCFO GCEO*	*Group BoD*	-
5.7	Kuwait Annual Budget	*In all cases*	*Kuwait CFO*	*Kuwait CEO GCFO GCEO*	*Group BoD*	-
5.8	M&A Strategy[3]		*GCIO / GCSO*	*GCFO GCEO*	*Group BoD*	-
5.9	Active M&A Opportunities and Project Budget	*Up to USD 20M*	*GCIO / GCSO*	*GCFO*	*GCEO*	*Group BoD*
5.10	Active M&A Opportunities and Project Budget	*> USD 20M*	*GCIO / GCSO*	*GCFO GCEO*	*Group BoD*	-
5.11	M&A Due Diligence	*Up to USD 20M*	*GCIO / GCSO*	*GCFO*	*GCEO*	*Group BoD*
5.12	M&A Due Diligence	*Beyond the approved budget for Due Diligence Consultants / Advisors*	*GCFO*	*GCEO*	*Group BoD*	-
5.13	Final Go/No-Go for Investment / Divestment, Signing Delegation Authority	*Up to USD 20M*	*GCIO / GCSO*	*GCFO*	*GCEO*	*Group BoD*
5.14	Final Go/No-Go for Investment / Divestment, Signing Delegation Authority	*> USD 20M*	*GCIO / GCSO*	*GCFO GCEO*	*Group BoD*	-

[3] M&A Strategy is defined as any plan of action that Zain Group intends to undertake for inorganic growth, including but not limited to mergers, acquisitions, consolidations, and purchase of assets.

Decision No	Decision	Monetary Thresholds	Responsible	Consult	Accountable	Inform
5.15	**Creating new operations (subsidiary or management agreement) and related terms and conditions**		*GCIO / GCSO*	*GCFO* *GCEO*	*Group BoD*	-
5.16	**Submission of Non-Binding MoU / Term Sheet**		*GCIO / GCSO*	*GCFO*	*GCEO*	-
5.17	**Post-Merger Integration Plan**		*GCSO*	*GCFO*	*GCEO*	*Group BoD*

6. Authority Matrix – Finance and Accounting

Decision No	Decision[4]	Monetary Thresholds	Responsible	Consult	Accountable	Inform
6.1	**Recommendations on Kuwait Impairment**	*Up to USD 2M*	*Kuwait CFO*	*Kuwait CEO*	*GCFO*	*GCEO Group BoD**
6.2	**Recommendations on Kuwait Impairment**	*Above USD 2M*	*Kuwait CFO*	*Kuwait CEO GCFO*	*GCEO*	*Group BoD*
6.3	**Annual and Interim Group Financial Statements**		*G Ex Fin Director*	*GCFO GCEO Group BAC*	*Group BoD*	-
6.4	**Kuwait Annual and Interim Performance Reviews**		*Kuwait CFO*	*Kuwait CEO GCFO GCEO*	*Group BoD*	-
6.5	**Financial Reports for All Stakeholders after Board Approvals**		*G Ex Fin Director*	*Group Corp. Com. Officer GCFO*	*GCEO / GCFO*	-
6.6	**Changes to MTC KSCP's Capital Structure**		*G Ex Fin Director*	*Group Com. Officer GCFO GCEO*	*Group BoD*	-
6.7	**Changes to MTC KSCP's Shareholding**		*G Ex Fin Director*	*Group Com. Officer GCFO GCEO*	*Group BoD*	-
6.8	**Group - Accounting, Treasury and Financial Policies**		*G Ex Fin Director*	*GCFO GCEO Group BAC Group Com. Officer*	*Group BoD*	-
6.9	**Group Dividend Distribution**		*G Ex Fin Director*	*GCFO GCEO Group BoD*	*AGM*	-

[4] Group Management should submit a consolidated annual report to the Group Board of Directors on all the impairments made in Zain Kuwait.

7. Authority Matrix – Treasury

Decision No	Decision	Monetary Thresholds	Responsible	Consult	Accountable	Inform
7.1	**Kuwait Opening & Closing Bank Accounts in Kuwait**		*Kuwait Treas. Director*	*Kuwait CFO*	*Kuwait CEO*	*GCFO*
7.2	**Kuwait Opening & Closing Bank Accounts outside Kuwait**		*Group Treas. Director*	*GCFO*	*GCEO*	-
7.3	**Shareholder Loans**		*GCFO*	*GCEO*	*Group BoD*	-
7.4	**Hedging**	*Up to USD 20M*	*Treas. Director*	*GCFO*	*GCEO*	*Group BoD*
7.5	**Hedging**	*>USD 20M*	*Treas. Director*	*GCFO GCEO*	*Group BoD*	-

8. Authority Matrix – Regulatory and Compliance

Decision No	Decision	Monetary Thresholds	Responsible	Consult	Accountable	Inform
8.1	**Group Compliance with Kuwait Capital Market Requirements**		*Group Com. Officer*	*GCFO GCEO Group BAC*	*Group BoD*	-
8.2	**Kuwait Regulatory Fees and Charges (for New License Payments etc.)**		*GC Reg. Officer*	*GCFO GCEO*	*Group BoD*	-
8.3	**Litigations / Legal Claims Decisions (OpCo Related)**	*> USD 20M*	*OpCo Legal*	*G HoD Legal*	*OpCo BoD*	*Group BoD Group Com. Officer*
8.4	**Litigations / Legal Claims Decisions (Group Related)**	*In all cases*	*G HoD Legal*	*GCFO*	*Group BoD*	*Group Com. Officer*

9. Authority Matrix – Performance Assessment and HR

Decision No	Decision	Monetary Thresholds	Responsible	Consult	Accountable	Inform
9.1	**Group CXO Appointment/ Removal (excluding CRO and CIA)**		*GCHRO*	*GCEO* *Group NRC**	*Group BoD*	
9.2	**Succession planning for GCEO and Group CXOs**		*GCHRO*	*GCEO* *Group NRC*	*Group BoD*	-
9.3	**GCEO Perf. Assessment**		*GCHRO*	*Group NRC*	*Group BoD*	
9.4	**Group BoD Compensation, Benefits, and Bonus**		*Board Secretary*	*GCEO* *GCFO* *Group NRC* *Group BoD*	*AGM*	-
9.5	**GCEO Compensation, Benefits, and Bonus**		*Group NRC*	-	*Group BoD*	*-GCHRO*
9.6	**GCXOs Performance Assessment, Compensation, Benefits, and Bonus**		*GCHRO*	*GCEO* *Group NRC*	*Group BoD*	
9.7	**Group BoD Performance Management Process**		*Board Secretary*	*Group NRC*	*Group BoD*	-
9.8	**Performance Assessment of Group Committees**		*Relevant Comm.*	*Group NRC*	*Group BoD*	-
9.9	**Members Appointment to Group BoD Committees**		*Group NRC*	-	*Group BoD*	-
9.10	**Review of Independence of BoD**		*Board Secretary*	*GCEO* *Group Compliance Officer* *Legal*	*Group NRC*	*Group BoD*
9.11	**Kuwait & OpCo CEOs Appointment / Removal**		*GCHRO*	*GCEO* *Group NRC*	*Group BOD*	*OpCo BoD*
9.12	**Kuwait & OpCO CEOs Compensation, Benefits, and Bonus**		*GCHRO*	*GCEO* *Group NRC*	*Group BOD*	-
9.13	**Performance Assessment –Kuwait & OpCo CEOs**		*GCHRO*	*GCEO* *Group NRC*	*Group Board*	-
9.14	**Kuwait CXOs Appointment / Removal**		*GCHRO*	*GCEO* *GCXO* counterparts	*Kuwait CEO*	*-GBNRC*
9.15	**Succession planning for Kuwait CXOs**		*GCHRO*	*GCEO* *GCXO* counterparts	*Kuwait CEO*	*-GBNRC*
9.16	**OpCo CXOs Perf. Assessment, Compensation, Benefits, and Bonus**		*OPCO CHRO*	*GCEO &* *GCXO* counterparts	*OPCO CEO*	*GCEO*

[5] List of Group CXO Appointment/ Removal will be informed to Group NRC on Quarterly basis.

10. Authority Matrix – Corporate Communication and Corporate Governance

Decision No	Decision	Monetary Thresholds	Responsible	Consult	Accountable	Inform
10.1	**Investor Relations Guidelines - Quarterly results releases**		*Group Com. Officer*	*GCFO GCEO*	*Group BoD*	-
10.2	**Group Corporate Governance Structure & Roles**		*Group Com. Officer*	*GCFO GCEO*	*Group BoD*	-
10.3	**Group Corporate Governance Dept's procedures**		*Group Com. Officer*	*Relevant department*	*GCEO*	*Group BoD*
10.5	**Related Party Transactions and Conflict of Interest Monitoring**		*GCFO GCRO*	*Based on the case 1 or more of the below will be consulted: GCEO Group BAC Group BRC Group Compliance Officer Board Secretary*	*Group BoD*	-
10.6	**Ethical, Legal and Regulatory Compliance**		*Group Compliance Officer*	*Based on the case 1 or more of the below will be consulted: GCFO GCEO Group BAC Board Secretary*	*Group BoD*	
10.7	**Creation, revision, and amendments of policies related to corporate governance.**		*Group Com. Officer*	*Relevant departments*	*Group BoD*	
10.8	**Creation, revision, and amendments of departments policies**		*Relevant departments*	*GCG*	*Group BoD*	

11. Authority Matrix – ERM

Decision No	Decision	Monetary Thresholds	Responsible	Consult	Accountable	Inform
11.1	**Board Risk Committee Charter**		*GCRO*	*Group Com. Officer Group BRC*	*Group BoD*	-
11.2	**Risk Department Policies and Procedures**		*GCRO*	*GCEO Group BRC Group Com. Officer*	*Group BoD*	
11.3	**Annual Risk Plan**		*GCRO*	*Respective Group CXOs GCEO Group BRC*	*Group BoD*	-
11.4	**Annual Risk Plan modifications**		*GCRO*	*Respective Group CXOs GCEO Group BRC*	*Group BoD*	
11.5	**Group Risk Prioritization (Annual)**		*GCRO*	*GCEO Group BRC*	*Group BoD*	-
11.6	**Kuwait Risk Prioritization (Annual)**		*GCRO*	*Kuwait CEO GCEO*	*Group BRC*	-
11.7	**Group Risk Monitoring and Mitigation (Annual)**		*GCRO*	*Respective Group CXOs GCEO*	*Group BRC*	-
11.8	**Group Risk Management & Control Annual Plan**		*GCRO*	*GCEO Group BRC*	*Group BoD*	-
11.9	**Group Risk Management and Control Annual and Quarterly Reports**		*GCRO*	*GCEO*	*Group BRC*	*-Group BoD*
11.10	**GCRO Appointment / Termination**		*Group BRC*	*GCHRO Group NRC GCEO*	*Group BoD*	
11.11	**GCRO Compensation, Benefits, Performance Assessment and Bonus**		*Group BRC*	*GCEO Group NRC*	*Group BoD*	*GCHRO*

12. Authority Matrix – Internal Audit

Decision No	Decision	Monetary Thresholds	Responsible	Consult	Accountable	Inform
12.1	Board Audit Committee Charter and related policies		*GCIA*	*Group Com. Officer* *Group BAC*	*Group BoD*	
12.2	Internal Audit Operational Policies and Procedures		*GCIA*	*Group BAC* *Group Com. Officer*	*Group BOD*	
12.3	Risk Based Annual Internal Audit plan		*GCIA*	*OpCo CEOs* *Group CXOs* *GCEO*	*Group BAC*	*Group BoD*
12.4	Internal Audit Plan modifications		*GCIA*	*GCEO* Opco CEO's	*Group BAC*	
12.5	Group Internal Audit Annual and Quarterly Reports		*GCIA*		*Group BAC*	*Group BoD*
12.6	Appointment / Re-appointment or replacement of External Auditor		*GCFO*	*GCEO* *Group BAC*	*Group BoD / AGM*	
12.7	GCIA Appointment / Termination		Group BAC	*GCHRO* *GCEO* *Group NRC*	*Group BoD*	*GCHRO* *GCCO*
12.8	GCIA Performance Assessment Processes, Compensation, Benefits and Bonus		Group BAC	*GCEO* *Group NRC*	*Group BoD*	*GCHRO*

Glossary

Term	Definition
AGM	Annual General Meeting
BAC "Chairman"	Chairman of the Board Audit Committee
BoD / Group BoD	Group Board of Directors
Board Secretary	Secretary of the Board of Directors
Chairman/ BoD Chairman	Chairman of the Board of Directors
Charter	Refers to the Charters for Board Audit Committee, Board Nomination and Remuneration Committee and Board Risk Committee
CMA	Capital Markets Authority
Company	Mobile Telecommunications Company / Zain Group / Zain
ERM	Enterprise Risk Management
Executive Management	CEO, C-level management and any other Heads of Department with direct reporting line to GCEO / GCFO.
External Auditor	Certified Public accounting firm registered with the Regulatory authorities
G Ex Fin Director	Group Executive Finance Director
G HoD Legal	Group Head of Department - Legal
G.C. Reg. Officer	Group Chief Regulatory Officer
GCEO	Group Chief Executive Officer
GCFO	Group Chief Financial Officer
GCHRO	Group Chief Human Resources Officer
GCIA	Group Chief Internal Auditor
GCIO	Group Chief Investment Officer
GCRO	Group Chief Risk Officer
GCSO	Group Chief Strategy Officer
Group BAC	Board Audit Committee
Group BNRC	Board Nomination and Remuneration Committee
Group BRC	Board Risk Committee
Group Com. Officer	Group Chief Communications Officer
Group CXOs (GCXOs)	Refers to Group Chiefs of different Departments
HoD	Head of Department
IA	Internal Audit Department at Zain Group
ICR	Internal Control Report
IFRS	International Financial Reporting Standards
Kuwait CEO	Kuwait Chief Executive Officer
Kuwait CFO	Kuwait Chief Financial Officer
KCHRO	Kuwait Chief Human Resources Officer
OPCO CEOs	Operating Company Chief Executive Officers
Treas. Director	Group Director Treasury and Investment
Vice Chairman	Vice Chairman of the Board of Directors
Zain Group's Board Remuneration Policy	Remuneration Policy for Zain Group Board members including Committee members, which has been approved by the Board