MOBILE TELECOMMUNICATIONS COMPANY (ZAIN)

SHAREHOLDERS’ RIGHTS PROTECTION POLICY

1. Introduction

Mobile Telecommunications Company (hereinafter referred to as Zain or the Company) is committed to protecting the rights of its shareholders in a way that guarantees the best interests of both shareholders and the Company. As part of the Company's corporate governance framework, the purpose of the Shareholders' Protection Policy (hereinafter the "Policy") is to ensure that the rights of shareholders as established by relevant laws and regulations are respected and protected by the Company.

1.1. Purpose

This policy has been prepared in line with the commitment of the Board of Directors for setting the standards for the protection of the rights of all shareholders and for updating these standards as and when appropriate, to reflect changes in the provisions of the laws, bylaws, instructions issued by regulatory entities and international best standards.

1.2. Scope

This Policy applies to the Company and its subsidiaries, Board of Directors, executive management and employees as each party has the duty of protecting the rights of shareholders of the Company. It is essential that all Directors, management, and employees understand the requirements of this Policy and applicable laws and regulatory requirements carefully and comply with its contents.

Wherever the provisions of this Policy document differ from any of the local statutory or regulatory requirements, the local statutory and regulatory requirements will take precedence over the provisions of this Policy.

1.3. Policy Revisions

To ensure that the company operates in a manner consistent with its status, the Corporate Governance Department and Investors Relation Department shall conduct a review of this Policy as and when needed. The review shall consider the level of compliance with the laws and regulations, the continuing suitability of the policy and the need for modifications. The board shall have the authority to approve this policy solely.

2. General Shareholders' Rights

- It is the responsibility of the Company to ensure that all shareholders are practicing their rights fairly and equally and are protected against any violation of those rights; it is also the responsibility of the Company to ensure that shareholders' assets are protected against any misuse that may occur from the Company's management, board members or key shareholders. The Company shall ensure that the following rights are granted to shareholders:
  - Registration of ownership in shareholders' register maintained with Kuwait Clearing Company (KCC)
  - Disposition of ownership either by ownership registration or transfer
  - Receipt of designated shares of the company's cash and share dividends

  - Receipt of designated share of Company's assets in case of liquidation (after payment of all Company's debts)
  - Receipt of data and information related to the Company's activities as well as investment and operational strategy on a regular basis
  - Participation in General Assembly and voting on it its decision
  - Participation in the selection of board members
  - Monitoring the performance of the Company as whole and the BOD in particular
  - Questioning the BOD and Executive Management in case of their failure in undertaking their responsibilities
  - Filing a liability claim solely on behalf of the Company in case the Company fails to file such a claim. The Company shall be a party in this claim to receive a rule for compensation. Shareholders may file a claim for compensation if the error/violation causes them any damage.
- Approving any sale and purchase transactions or disposal in any way of the company's assets if this transaction is 50% or more of the total amount of the company's assets.
- The Company shall treat shareholders holding the same type of shares equally without discrimination. The Company shall not ban any of the rights stated above to any shareholder, nor establish standards which aim to discriminate between different shareholder groups to implement these rights, given that this does not harm the Company's interest or conflict with the laws, executive bylaws or any subsequent instructions and regulations issued by related regulatory authorities.
- The Company shall disclose, to Boursa Kuwait and Capital MarketsAuthority (CMA), the Company's capital structure or any arrangements which mightresult in certain shareholders holding a controlling stake in the Company.
- Shareholders shall receive periodic and non-periodic information that is disclosed in accordance with legislations in force (For more details, please refer to the **Investor Relations Policy**)
- Shareholders shall have access to view information included in the Disclosure Register maintained by the Company (For more details, please refer to the **Disclosure Policy**).
- Shareholders of the company have the right to access the record compromising disclosures and notifications of insiders and data related to the compensations, salaries, incentives, and other financial benefits of the members of the board of directors and executive body and management during normal working hours of the company without any fees or chargers.
- The Company shall use an electronic system to protect minority interests in regard to attending the general assemblies in order to achieve objectives.
- Shareholders registered in the company shall have the right to attend the ordinary and extraordinary AGM themselves or by proxy whether it may be in person or online.
- Shareholders shall have priority to subscribe in the Company's initial public offerings in case of capital increase. Shareholders participation in these offerings shall be

subject to the percentage of ownership in the Company's current capital and shall be executed within 15 days of the date of notice unless the Company's Articles of Association includes a waiver of shareholders right in having the priority to subscribe during initial public offerings.

- Shareholders have the right to access the shareholders' register. In addition, shareholders who claim the right in shares that contradicts the shareholders register may apply to the judge of urgent matters to issue an order to prevent shares subject to dispute from being part of the voting process for a period determined by the judge or until a decision is taken by court.

3. Shareholders' Rights in General Assembly

3.1. Participation in General Assembly

- Shareholders are encouraged to participate in the General Assembly and all decisions made by the General Assembly including the selection of Board Members.
- Shareholders have the right to attend the General Assembly meetings withoutbeing subject to any fees for their attendance.
- The Board shall call for the AGM during the first 3 months following to the endof the financial year at the place and time specified in the Company's Memorandum or as part of the AGM's invitation. The BOD shall also call for an AGM based on the request of shareholders holding at least 10% of the Company's capital or the request of the External Auditor within 15 days from the date of the request.
- An extraordinary General Assembly may be held based on a justified request of shareholders holding at least 15% of the Company's capital within 30 daysfrom the date of the request.
- The Company should arrange for the following when arranging for a General Assembly Meeting:
    - An invitation to attend the General Assembly along with the meeting agenda, time and place. The invitation shall be advertised twice in any means of media given that a time gap of at least seven days is given between the first and second advertisement. The second advertisement must be published at least seven days prior to the date of the General Assembly according to the Companies Law.
- The General Assembly agenda (both Ordinary and Extraordinary) shall include the following at minimal:
    - The Corporate Governance Report, the Audit Committee Report and the Remuneration Report shall be read to the audience by the Chairman.
    - Discussion of the Board report of the company activity, financial position, and outcomes of works thereof for the financial year.
    - External Auditor's report stipulating the results of the current financial year
    - Discussion of the report of the external Auditor on the results of the company financial statements, approving the same, and the approval of the dividable net profit The Company's Financial Statements.

  - Financial statements of the company.
  - The BOD's recommendations regarding dividends distribution.
  - Appointment, election of the Company's BOD or the dissolute or restrain of their authority unless stated in the Company's Articles of Association.
  - Appointment of external auditors for the upcoming financial year anddetermination of their fees.
- Presenting the deals with the Related Parties
- Presenting any breaches monitored by the Regulatory Body/Bodies and any penalties issued due to such breaches and led to (financial/non-financial) penalties against the company, in a manner not contradicting with the applicable laws and rules issued by the concerned Regulatory Body/Bodies in this regard and discussing remarks of the representative of such Regulatory Body if such representative attends.
- Capital adjustment, issuance of Sukuk and bonds, and appointment of external auditors.
- Providing a request for the Shareholders for the approval for the purchase and sale transactions or disposal in any way of the company's assets if the transactions or actions are 50% or more of the total amount of the company's assets.
- The Company shall assign an independent expert, such as an Asset Valuator or Investment Advisor, to report to the general assembly or the Board of Directors, as the case may be, on any transaction between the company and any Related Party or any arrangement whereby each party enters into any project or financing asset where the value of the transaction or arrangement equals 5% or more of the total assets of the company, or if the transaction or the arrangement had a Material Effect on the company's financial statements, provided that such report is submitted before the transaction is approved or the arrangement stipulated in this article. The assigned expert must be objective and impartial in preparing the report required in this Article.
- Any other topic that any party, which has the right to call for a GeneralAssembly Meeting, may request to add to the meeting's agenda.
  - Confirm to shareholder's their right to delegate others to attend the General Assembly Meetings through a special power of attorney or an authorization template prepared by the Company for this purpose,
  - Allow the shareholders to have enough time prior to the General AssemblyMeeting to obtain all information and data related to items on the agenda,and in particular the Board of Directors and external auditors reports and the Company's financial statements.
- Shareholders holding more than 5% of the Company's capital shall be able toadd to the agenda of the General Assembly.
- Shareholders shall be encouraged to participate during the discussions of theGeneral Assembly agenda and address any inquiries to the BOD and the External Auditor who shall answer such inquiries to the extent that does not put the Company's interest in jeopardy.
- Allow shareholders to access all information included in the disclosure registerrelated to the Board and Executive Management members without imposing any fees.
- All topics presented during the general assembly shall be associated with sufficient

information allowing shareholders to take proper decisions.

- Shareholders shall have access to the meetings' agenda.
- The following will not be imposed by the general assembly:
    - Increase of shareholders financial burden or increase in shares value.
    - Reduce the percentage of dividends from net profit stipulated in the Company's Memorandum
    - Impose of new conditions other than those stated in the Company's Memorandum related to shareholders' right to attend and vote in General Assembly.

In such cases, necessary procedures shall be taken by the Company to update its Articles of Association.

- The EGM is concerned with the following:
    - Amending the Company's Articles of Association and Memorandum of Incorporation.
    - The sale of any project initiated by the Company, or had disposition over it in any other way.
    - Dissolution of the Company, merger, division or transformation.
    - Increase or decrease of the Company's capital.
- Shareholders may file a claim on the invalidity of any of the decisions taken byBoard of Directors or the General Assembly (ordinary or extraordinary) in casesuch decision is violating the law or the Company's Article of Association or ismeant to harm the interest of the Company. Such claim shall be time-barred two months from the date of the decision or the date shareholders are informedof such decision.
- Decisions taken by the General Assembly can be challenged before the court by shareholders holding at least 15% of the Company's paid up capital (collectively), given that shareholders have not agreed to the decision taken. The court may uphold, modify or repeal the decision or postpone its executionuntil an appropriate settlement for the purchase of the dissenting parties is reached, provided that such shares are not purchased from the Company's capital in accordance with the provisions of the Companies Law.

3.2 Voting Rights

- The Company continuously encourages shareholders to participate in voting and selecting board members. The Company must grant the opportunity to allshareholders to exercise their voting rights without setting any obstacles whichmay ban their right to vote thus voting is the shareholders inherent right and cannot be eliminated in anyway, it is the Company's responsibility to ensure this right is exercised by all shareholders.
- Board members shall not participate in voting on the general assemblyresolutions which relate to their clearance of responsibility with respect to theirterm of office, their personal interest or the interest of their spouses', or second-degree relatives or a conflict arising between their personal interests and the Company's interests.
- Shareholders shall have the right to appoint board members in accordance totheir

percentage of ownership in the Company and those board members shall not be part of the candidates to be elected by the rest of the shareholders. Furthermore, shareholders with appointed board members shall not participate in the election of other board members, except for shares not usedby shareholders in the appointment of the board member. Shareholders may ally together to appoint one or more board members, in accordance to their collective ownership in the Company, to represent them. In such case, shareholders shall be responsible for the performance of their appointed board member towards the Company, debtors, and other shareholders.

- Shareholders or their delegates shall not be part of the voting process in casethe decision to be made is related to topics where they might have an interestin or in cases where a conflict between the shareholder and the Company arises.
- The Company shall guarantee the following:
    - Shareholders can vote in person or by delegation and both shareholders and their delegates have the same rights and obligations.
    - Shareholders are provided with sufficient information relating to all topics included in the meeting agenda in order to assist them in taking their decision in the best manner. In case shareholders find the information related to any of the topics included in the agenda not sufficient, the meeting shall be postponed for a period not exceeding 10 working days in case the same has been requested by shareholders holding at least 25% of the Company's paid-up capital. In such cases, the postponed meeting shall be held without the need to initiate a new invitation process in accordance with the provisions of the Companies' Law.
    - Shareholders have sufficient information regarding the rules that regulate the voting process.
    - All information related to voting rights is continuously available to current and potential shareholders.
    - All shareholders, within the same shares category, are given the right to vote in any matter related to changes in Shareholders' rights by requesting to hold a General Assembly.
    - Voting to elect Members of a Board of Directors in the general assembly through mechanisms set forth by the company memorandum of association and articles of association and in context of those set forth in the Companies Law and its Executive Bylaws and CMA Module 15 (Corporate Governance)
    - All shareholders are granted the opportunity to question the Company's BOD about any of their duties.
    - Shareholders are not required to pay any fees to attend the General Assembly. In addition, no class of shareholders is granted any extra privilege over others.
    - The candidate, as an independent member, shall submit a declaration to the Ministry of Commerce and Industry acknowledging that he meets the independence controls stipulated in this Module
    - In the event that is not possible to obtain the required minimum

number of independent Members in the Board of Directors through the elections of the Members of the Board of Directors at the meeting of the general assembly. The required number shall be met by replacing the non-independent Members of the Board of Directors who obtained the fewest votes with independent members through a separate election process among the non-winning candidates of this category, provided that the replacement process takes place at the same meeting

- Shareholders or their delegates shall not be part of the voting process in casethe decision to be made is related to topics where the mentioned shareholdershave an interest or in cases where a conflict between the shareholder's interests and the Company's arises.
- Following a request made by shareholders who control no less than 25% of the Company's paid up capital, the General Assembly may dismiss theChairman of the Board or any member/s of the board or dissolve the entire board and re-elect a new Board of Directors.

3.3 Right to Access Records

The Company shall maintain a special record comprising the following:

1. Disclosures of members of the board of directors, the executive management and the managers.
2. Data related to the compensations, salaries, incentives and other financial benefits of the Members of a Board of Directors, and the executive body and the managers.

All shareholders of the company shall have the right to access this record during the normal working hours of the company without any fees or charges. In addition, the company must update this data record periodically to reflect the reality of the conditions of Related Parties.

4. Protection of Shareholders' Data

- The Company shall maintain a shareholders' register at Kuwait Clearing Company which includes shareholders related information stated below at a minimum:
  - Name
  - Nationality
  - Number of shares owned
  - Type of shares
  - Amount paid for each share
- The Company must ensure that the shareholders' register is continuously monitored and updated.
- Shareholders' Register shall be continuously updated with information received by the Company or the Clearing Company, concerned persons may request any information included in the register from the Company or the Clearing Company.
- Shareholders are granted access to view the Company shareholders' register; given that all necessary efforts will be undertaken in order to maintain the confidentiality of information included in the register.

- Shareholders are granted access to the Company's information and documents in accordance with the laws in force.