

Corporate Governance



Robust corporate governance and risk management has long been a priority and strength for Yahsat. Through a culture of continuous improvement, we develop and apply best practices while embedding responsibility and accountability at every level of our organisation, from our Board of Directors to our Senior Management to every member of our diverse and talented workforce.



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Corporate Governance Report



We believe that good corporate citizenship starts with strong values, and that you can only expect high standards of conduct from others if you are willing and able to demonstrate them yourself.

Musabbeh Al Kaabi
Chairman

Introduction

At Yahsat, corporate governance is at the heart of everything we do. From our inception as a Mubadala-owned company in 2007 and throughout our journey to becoming a listed company in 2021, the importance of operating with integrity and a strong set of core values has been instilled into the way in which we work.

Our approach to corporate governance has always been to go beyond mere compliance with laws and regulations, focussing on the spirit of the laws and regulations to ensure that we are not just ticking boxes, but that we are critically analysing how we do things to ensure that we consistently achieve the highest standards of conduct.

We believe that good corporate citizenship starts with strong values, and that you can only expect high standards of conduct from others if you are willing and able to demonstrate them yourself. As a listed company and a leading global satellite operator, we strive to lead by example, demonstrating strong corporate governance and recognising its importance to our shareholders, customers, employees and the communities we serve.

Our team has worked over many years to establish a robust framework of values and governance. Our corporate values define how we conduct our business – with integrity and zero tolerance for fraud, bribery, and corruption.

What's Changed in 2021

2021 has been one of the most transformative years in Yahsat's short, but momentous, history. On 14 July 2021, Yahsat was admitted to listing on ADX. In preparation for the listing, we undertook a full review of the Group's IPO readiness, which included an assessment of the Group's governance policies and practices in the context of a listed company environment, to ensure alignment with local and international standards and regulations, as well as to create the necessary degree of independence and separation from our sole shareholder.

Whilst the Group had an extremely strong corporate governance backbone, and very well-developed and comprehensive policies, practices and procedures, all of which had been developed according to Mubadala's strict standards of governance excellence, they were in many cases suited to a private company environment with a sole shareholder. A full review of these policies, practices and procedures was undertaken to ensure that they would operate according to the norms expected of a listed company and to achieve the required degree of separation.

In addition to those policies that were already in place, a gap analysis was performed to identify policies that are exclusive to publicly traded companies and were therefore not already present in Yahsat's governance portfolio as a private company. For example, to name a few, policies relating to securities trading, transparency and disclosure, inside information and investor relations all needed to be scoped and developed.

When reviewing and amending, or creating, these policies, the overriding principle of super-equivalence was applied. Consistent with our general approach to corporate governance, we did not just create policies that merely comply with the letter of the law or regulations. We created policies that not only meet the prescribed standards but go beyond, looking to international best practice and the levels of conduct, responsibility and accountability that we believe lie at the heart of good corporate citizenship.

But the story, of course, does not end there. Policies and practices are only as good as the conviction and actions that support them to ensure their proper and full application in practice. Tone at the top is a critical factor in any effective governance environment, so it was essential that, when reviewing the composition of the Board of Directors, we identified individuals who could continue the impeccable legacy of the previous members of the Board of Directors and maintain the expectations and standards set over many years by Mubadala, as Ychsat's shareholder.

Corporate Governance Overview

The Company's Board of Directors is committed to standards of corporate governance that are in line with both local capital markets regulations and international best practice. This has led to the creation of Ychsat's Corporate Governance Framework, which plays a key role in shaping Ychsat's culture, business practices and regulatory compliance.

The Corporate Governance Framework:

- is aligned with applicable regulatory guidelines and also reflects Ychsat's strategic objectives;
- accords with the corporate governance requirements applicable to joint stock companies listed on the ADX as set out in the UAE Securities and Commodities Authority (SCA) Board Resolution No. (3/R.M) of 2020 concerning adopting the Corporate Governance Guide for Public Joint-Stock Companies (the SCA Corporate Governance Guide);
- is designed to provide oversight of the effective implementation of laws, regulations, policies and procedures applicable to Ychsat and to assist Ychsat's management in ensuring that the range of risks facing Ychsat are properly managed and mitigated within an effective internal control framework;
- is centred around a strong and unerring commitment to its Code of Ethics.

Key Constitutional and Governance Documentation

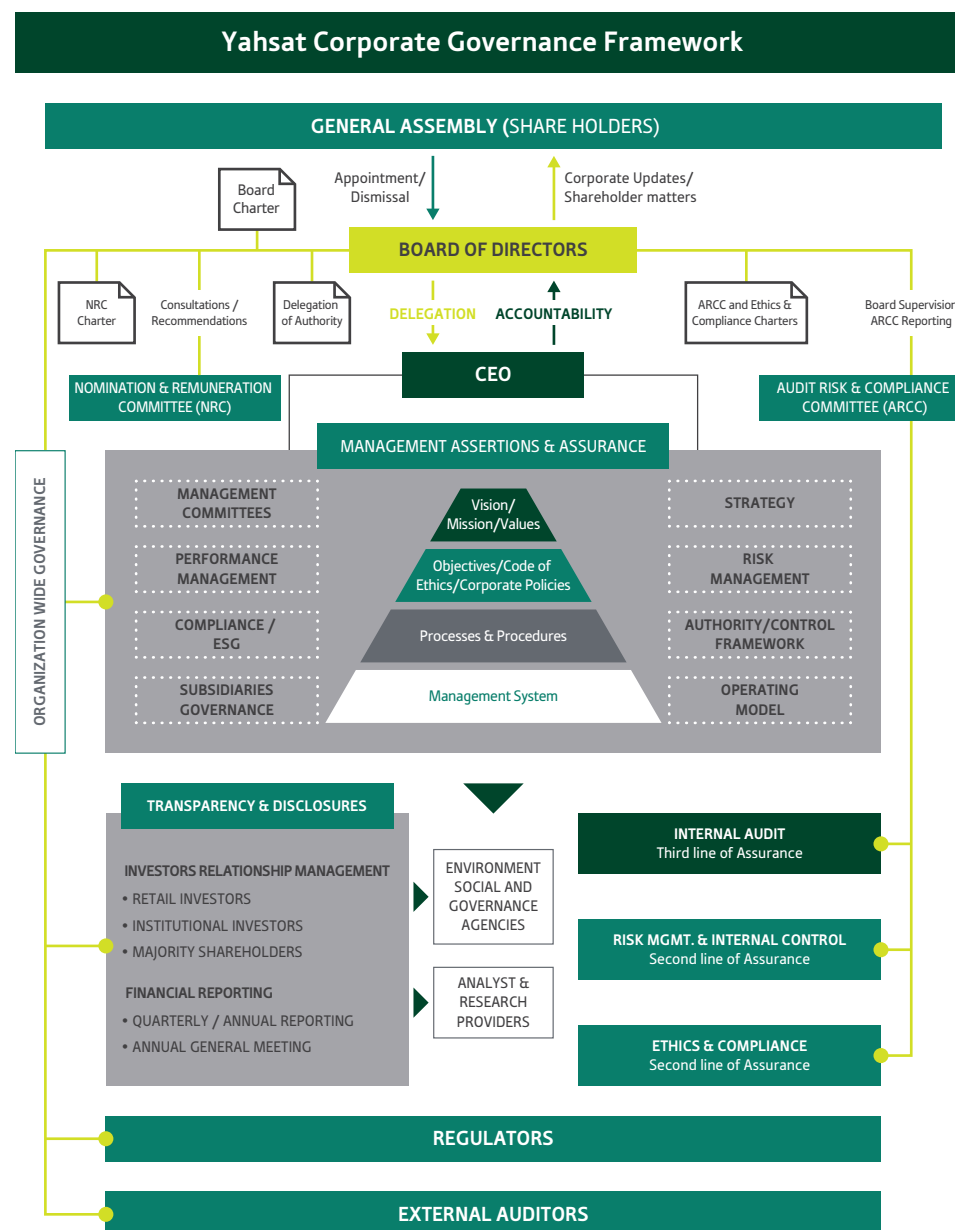
The principal documents that frame Ychsat's corporate governance environment are:

- Ychsat's Articles of Association
- Board of Directors Charter
- Audit, Risk and Compliance Committee Charter
- Nomination and Remuneration Committee Charter
- Delegation of Authority document
- Corporate Policies

Delegation of Authority

The Company's Delegation of Authority document (DOA) was endorsed by Ychsat's Board of Directors and adopted by Ychsat's sole shareholder, immediately prior to listing of Ychsat's shares. It specifies the distribution of authority among the shareholders, the Board of Directors and management for a variety of types of decision, in a manner that aligns with the corporate governance principles and norms applicable to listed companies. The requirements of the DOA apply to Ychsat and all controlled subsidiaries of Ychsat, except where such entity has its own delegation of authority document (for example, equity partnerships that have a specifically tailored and approved delegation of authority pursuant to a shareholders' agreement).

The DOA allocates the authority to approve commitments and investments among members of the Group's management and the Board of Directors, according to incremental financial thresholds. The financial thresholds were determined according to a data-based quantification of the Group's operational requirements. The DOA lays down a requirement to conduct a competitive tender



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Corporate Governance Overview continued

Delegation of Authority continued

process for all procurement activities in which a member of the Group is the procuring entity, and provides certain limited exceptions in which a competitive tender need not be conducted (such as customer-directed procurement, exclusive OEM controlled products and an accelerated process for critical operational requirements of UAE Government End Users). Competitive tender exceptions must be clearly evidenced and formally approved before they can be applied.

The DOA also sets out a range of corporate actions, specifying in each case how such action must be initiated, reviewed, endorsed and approved.

The DOA is a policy of Yahsat, owned by the General Counsel. Changes to the DOA require the approval of the Board of Directors, as per the requirements of the DOA itself.

Key Policies

Aside from the DOA, the Group has a full suite of corporate-level policies that define the way in which we conduct ourselves and undertake all our professional activities. These policies are designed to ensure that the highest standards of conduct are applied throughout our internal and external business dealings and to create an internal control environment that provides assurance, transparency and accountability.

At the heart of our policy environment is our Code of Ethics (see also Section entitled “Ethics and Compliance” below), which sets a basis for the positioning of all of our corporate policies.

Code of Ethics

This Code of Ethics sets out the basic principles, standards and behaviours necessary to achieve Yahsat objectives and uphold its values. It makes clear that employees not only follow the law, but strive to operate with the highest levels of ethics and integrity. The foundation of the Code is built on a Culture of Integrity, Speaking-up, respect and fairness. It also sets out the ethical framework in which business is conducted internally and externally with business partners and in the marketplace in general, in addition to the handling and management of information, data and controlled technology. For more information, please refer to the Section entitled “Ethics and Compliance”).

Business Partner Code of Conduct

The Yahsat Group maintains the highest ethical standards in its business activities and expects the same from its Business Partners. The Yahsat Group Business Partner Code of Conduct sets forth minimum expectations for Business Partner conduct when performing work for or on behalf of the Yahsat Group. The principles set out in this Code also apply to any contractor or subcontractor engaged or employed by a Business Partner to perform work for or on behalf of the Yahsat Group.

The Yahsat Group business partner code of conduct is primarily centred upon the pillars of respect, confidentiality, integrity, transparency and sustainability:

- Respect covers areas of human rights, ethical employment practices, fair treatment of employees and contractors, provision of a healthy and safe workplace.
- Confidentiality not just covers Yahsat confidential information to be safeguarded, but also seeks to cover any competitive information including obtaining or use of insider material or confidential information belonging to competitors or other third parties.
- Integrity encompasses key elements of anti-bribery and corruption, improper payments, gifts and entertainment, supply chain and competition.
- Transparency requirements include the need to disclose of any conflicts of interest, maintenance of accurate and transparent books and records, cooperation with internal and external investigators or auditors.
- Sustainability, the Yahsat Group is committed to preserving the environment, complying with applicable environmental laws and regulations, and demonstrating continual improvement in its environmental performance and following industry practices.

Corporate Communications Policy

This policy governs disclosures in external and internal documents, statements made in Yahsat’s annual reports, news and earnings releases, communications between the Group and financial or industry analysts, investors and the news media, senior management speeches and presentations, as well as information contained on the Group’s websites and intranet, and includes discussion of non-public information in public or quasi-public areas where conversations may be overheard. It also states Yahsat’s position and expectations regarding employees’ participation in, hosting or linking to internet chat rooms, bulletin boards, blogs or other similar media that discuss Yahsat and/or its products, services or technology, in any fashion. It details the process applicable to any such disclosures, from conception to approval and dissemination, enabling the Corporate Communications Department and the Investor Relations Department to deliver best practice communications across the Group to support business priorities and to build and protect Yahsat’s brand and reputation. The policy also delineates the roles of Corporate Communications and Investor Relations, and addresses any overlaps and interactions.

Investor Relations Policy

Yahsat is committed to providing timely, unbiased and accurate disclosures of material information to the public, in accordance with the rules and regulations stipulated by the SCA and current best practices. In line with this commitment, Yahsat has a dedicated Investor Relations team to effectively execute the Investor Relations policy. The policy outlines the processes and practices that ensure effective communication of information to shareholders and the investment community. Please refer also the Section entitled “Investor Relations” below.

Export Control and Sanctions Compliance Policy

Yahsat is committed to conducting all activities across the Group in accordance with the Yahsat Code of Ethics and all applicable laws. This includes complying with export control and sanctions laws that govern the exchange of goods, services and technical data between the Yahsat Group and its business partners, customers and service providers. The Yahsat Export Control and Sanctions Compliance programme policies and procedure manual sets forth Yahsat's general compliance policy. The manual, and each of the related procedures, applies to all entities within the Yahsat Group and governs all operations conducted by or on their behalf. The programme, which is driven by Export Compliance Champions strategically placed across the Yahsat Group, rests on the following general elements, which apply across all of its businesses and activities, including Senior Management Commitment, Denied Party Screening, Export Control Jurisdiction and Classification, Technical Data, Record-keeping, Training and Internal Audit.

Competition Law Policy

This policy provides guidance regarding how to conduct day-to-day activities without engaging in prohibited conduct or entering unlawful agreements that limit or restrain trade. Careless interactions with competitors or handling of business sensitive topics can present significant risk and exposure, and this policy helps to identify potentially anti-competitive behaviour, prevent it when possible, and interrupt it when necessary. In particular, it outlines competition law principles that Group personnel should be aware of when (a) participating in trade associations; (b) doing business with competitors; (c) obtaining competitive information; (d) doing business while in a dominant market position; (e) entering mergers, acquisitions, or joint ventures; and (f) engaging in procurement processes.

Related Party Transactions Policy

Related party transactions can present potential or actual conflicts of interest for Yahsat and may create the appearance that business decisions are based on considerations other than the best interests of Yahsat and its shareholders. However, there are also cases where related party transactions may be in the best interest of Yahsat and its shareholders. This policy provides a sound framework for the review and approval of these transactions, in accordance with the requirements of the SCA Corporate Governance Guide and UAE Companies Law.

Risk Management & Internal Control Policy

This policy sets out Yahsat's risk management and internal control requirements and is aligned with good practices, specifically international standards ISO 31000:2018 and COSO Internal Control – Integrated Framework: 2013. The policy defines Yahsat's risk management and internal control principles, describes the underlying processes and overall framework and roles and responsibilities.

Fraud Risk Management Policy

The fraud risk management policy was established to facilitate the development of controls that will aid in the detection and prevention of fraud against the Group. It applies to any irregularity, or suspected irregularity, involving employees, officers and directors, as well as shareholders, consultants, vendors, contractors, agents, outside agencies, and/or any other parties with a business relationship with Yahsat Group. The policy aims to ensure awareness of responsibilities for identifying exposures to fraudulent activities and establishing controls and procedures to prevent or detect fraudulent activity, giving guidance to all persons (internal and external) as to the action that should be taken where they suspect such activity. It also makes it clear that all suspected fraudulent activity will be fully investigated and appropriate action taken, regardless of the perpetrator's position, length of service or relationship to the Group.

Securities Trading Policy

The purpose of this policy is to reduce the potential risks arising from Directors and employees dealing in Yahsat's shares, setting out the Company's position with respect to such dealing and outlining the framework applicable to Directors and employees seeking to deal in Yahsat's shares. It also clearly states the consequences of failing to adhere to the policy. In addition to expressly stating the requirements and restrictions incumbent, pursuant to the law and applicable regulation, upon anyone with inside information and clearly defining what constitutes "dealing", it sets the process for seeking approval for buying or selling Company shares outside of closed periods, adding an extra layer of control beyond that already provided by the maintenance of an insider list with ADX. The process of granting approval involves the consideration of whether the individual is in possession of inside information and, if this is the case, approval is not granted.

Compliance Guide Relating to Inside Information

The Company is under an obligation to notify SCA and ADX of any material unpublished information (i.e. inside information) as soon as possible upon such information arising, except where the applicable regulations permit it to delay such disclosure. The purpose of the Compliance Guide is to assist Yahsat management (and certain individuals with designated responsibility hereunder) to identify events or circumstances that give rise to an obligation to disclose, identify the regulatory requirements relevant to actions that are being planned and the steps required to comply with them, identify the obligations that arise regularly and routinely and establish effective procedures for complying with those obligations, allocate responsibility for compliance to appropriate individuals, and to create a record of actions taken. The procedures are designed to lead to the identification of information that may be inside information as it arises, to conduct an assessment to determine whether it is inside information and whether an announcement is required, to ensure that any such announcement meets the standards of accuracy and completeness and, where disclosure is to be delayed, an appropriate record of the justification is kept, in all cases while ensuring that appropriate steps are taken to keep the inside information confidential. The Compliance Guide also defines the role of the Disclosure Committee in all of these procedures and as the ultimate arbiter of whether information constitutes inside information and its appropriate handling.

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Corporate Governance Overview continued

Key Policies continued

Financial Reporting Manual and Accounting Policies Manual

Providing accurate, timely and reliable financial information to stakeholders is a critical requirement. The Financial Reporting Manual seeks to ensure that all functions are performed timely and efficiently, with constant improvement, simplification and enhancement to processes, systems to offer best-in-class financial reports. Applying the principles outlined in the manual, the objectives of the Financial Reporting team are to provide complete, timely and reliable financial information about the past (which influences business decisions of the future), to maintain robust processes, systems and tools that provide reliable financial information, to ensure compliance with IFRS and effective internal controls over financial reporting, to deliver high quality financial statements to stakeholders and to ensure a clean unqualified audit report.

The Accounting Policies manual delivers practical guidance on key accounting topics and Group accounting policies that all Group entities must follow and consistently apply when preparing financial statements.

Information Security Policies

Yahsat's information security framework is designed to comply with a variety of regulatory and customer requirements. It comprises several individual policies which, together, provide a comprehensive framework to secure Yahsat's IT environment and ensure proper handling of information. The framework includes an Information Security Policy, Information Asset Management Policy, Third Party Security Policy, Access Control Policy, Information Security Incident Management Policy, Vulnerability Management Policy and Acceptable Use Policy.

Transparency and Disclosure

Yahsat's legal and regulatory obligation to publicly announce certain material information is defined by the regulations promulgated by the UAE Securities & Commodities Authority (SCA), as further applied and supplemented by the Abu Dhabi Securities Exchange (ADX).

These regulations address the obligation to make both periodic disclosures (such as quarterly financial reporting, annual reporting of audit financial statements and other matters such as governance and sustainability matters) and ad hoc disclosures relating to the occurrence of events and circumstances that are considered reasonably likely to influence the price of Yahsat's shares (so-called "material, non-public information" or "inside information").

The primary forum for all such disclosure is via the ADX Electronic Disclosure Service (E-Service). This ensures that all such disclosures are made available to all shareholders in one place simultaneously. The Group may also release the same information contemporaneously, or immediately thereafter, via other mainstream or industry channels to ensure optimal dissemination of important information, as appropriate according to the type of information. Such channels may include recognised industry/trade news outlets and certain widely-adopted, well-reputed social media outlets or forums, to ensure that as many stakeholders (ranging from shareholders, potential investors, current and potential business partners, existing and potential customers and the media) are reached as possible.

We aim to ensure that all disclosures made via the ADX E-Service will also appear on Yahsat's website.

In all external reporting matters, we adopt a transparent approach that aims to provide full and accurate disclosure. Our Investor Relations Department, under the leadership of our Head of Investor Relations, manages a dedicated section of our website where investors are provided with current information relating to Yahsat, ranging from financial reports, public announcements and share-related data. In due course, our first set of annual reports as a listed company (comprising our Annual Report, Governance Report and Sustainability Report) will also be accessible from the Investor Relations section of our website.

Disclosure Committee

All public disclosures made by the Company via the ADX E-Service are first reviewed and approved by Yahsat's Disclosure Committee, which is an executive-level committee comprising the Chief Executive Officer, Chief Financial Officer, Chief Strategy Officer and the General Counsel. The Disclosure Committee determines whether information or circumstances constitute inside information. The Disclosure Committee seeks to operate on the basis of unanimity, but is also empowered to make decisions by simple majority in case to ensure agility and timely decisions and approvals. The Disclosure Committee's position regarding the existence of inside information is one of the principal factors considered by the General Counsel when considering applications from Directors or Group employees for permission to deal in Yahsat's shares under the Securities Trading Policy.

Board Of Directors

The Board of Directors is Yahsat's principal strategy-setting and decision-making body of the Company and has overall responsibility for leading and empowering the management team to deliver against Yahsat's objectives. The Board is also responsible for the implementation and oversight of our Corporate Governance Framework.

Pursuant to the powers granted to it in Yahsat's Articles of Association, the Board of Directors has approved and adopted a comprehensive range of charters, codes and policies to regulate and assure the efficient, proper and compliant conduct of every aspect of the operations and activities of the Group.

(i) Board Composition

The Board of Directors is composed of 9 individuals, representing a compelling and effective balance of skills, experience and perspectives, reflecting the Group's strategic priorities and equipping the Group well to face the opportunities and challenges that are foreseen in a rapidly evolving industry:

Musabbeh Helal Musabbeh Ali Al Kaabi – Chairman

Mr. Al Kaabi is the Chief Executive Officer of the UAE Investments Platform and an Investment Committee Member at Mubadala. The UAE Investments Platform is a portfolio that supports the UAE's continued acceleration and transformation by building national champions, fostering vibrant industrial and commercial clusters, and engaging with world-class partners. He previously held the position of CEO of Mubadala Petroleum, Mubadala's wholly owned exploration and production company, from 2014 to 2017. In addition to his roles at Mubadala, Mr. Al Kaabi is the Chairman of Mubadala Petroleum and the Vice Chairman of Masdar, Cleveland Clinic Abu Dhabi and Mubadala Health. He is also the Vice Chairman of the Supervisory Board of Borealis and is a Board Member of Dolphin Energy, CEPSA, NOVA Chemicals and Emirates Global Aluminium. Mr. Al Kaabi holds a Bachelor of Science degree in Geophysical Engineering from Colorado School of Mines and a Master of Sciences in Petroleum Geoscience from Imperial College, London.

Tareq Abdulraheem Ahmed Rashed Al Hosani – Vice Chairman

Mr. Al Hosani is the Chief Executive Officer of Tawazun Economic Council. He is responsible for managing the procurement of UAE Armed Forces and Abu Dhabi Police while driving the strategic plans for the development of the UAE defence & security sector. Tareq also manages the day-to-day business activities of Tawazun. Prior to joining Tawazun, Mr. Al Hosani served as the Chief Executive Officer at Yahsat, having previously occupied the roles of Deputy Chief Technical Officer and Executive Director for Strategy & Business Development at Yahsat. Prior to joining Yahsat, Mr. Al Hosani was Deputy Director General of NESA, and also held the position of Associate Director at Mubadala Investment Company. Mr. Al Hosani currently serves as Chairman of the Board of Directors of Munich Health Daman, Tawazun Industrial Park, and Tawazun Technology & Innovation, and as Vice Chairman of the Boards of Abu Dhabi Health Services (SEHA), Al Forsan Holding, and Abu Dhabi Airports Company (ADAC). He is a member of the Higher Colleges of Technology (HCT), Royal Jet, Rabdan Academy as well as the Board of Trustees of the Paris-Sorbonne University – Abu Dhabi. Previously, Tareq Al Hosani served as Chairman of Global Aerospace Logistics (GAL), and sat on the Boards of several UAE strategic entities, such as UAE Space Agency, Bayanat, and National Health Insurance Company (Daman), Edge Group and Emirates Defence Industries Company (EDIC). Mr. Al Hosani holds a Bachelor's degree in Aeronautics from Parks College Saint Louis University and a Master's degree in Electronics and Communication from Université Pierre et Marie Curie in France. He also the holder of an Accelerated Executive Development Diploma from IMD Business School in Switzerland.

Rashed Ahmed Salem Alghanah Al Ghafri – Director

Rashed Al Ghafri is a representative on the UAE's Supreme Council of National Security and previously was the President of Strategic Projects at EDGE Group, with more than 30 years' experience in the electrical engineering field. Prior to joining EDGE Group, Rashed was the Director General at the National Electronic Security Authority. Rashed is also currently the Chairman of the Board of Thuraya and a member on the Board of Global Aerospace Logistics – LLC (GAL). Prior to these roles, Rashed was the General Manager of Yahsat's YahService division (now YGS) and the Company's Senior Manager for Business Development. Earlier in his career, Rashed held numerous leadership positions in the UAE Armed Forces (UAEAF), notably Head of the Security and Monitoring division, Head of the Network Management Centre for Fibre Optic Network and Head of the Fibre Optic division. Rashed holds a Bachelor's degree in electrical engineering from the University of Miami and a Master's degree in computer engineering from Yarmouk University in Jordan.

Masood Mohamed Mohamed Sharif Mahmood – Director

Masood Mahmood is the Chief Executive Officer of Etisalat UAE, having previously held the role of Director General at the Department of Finance of the Government of Abu Dhabi and, prior to that, serving as the Chief Executive Officer of Yahsat for nearly nine years. He has well over 20 years' experience in investment management, telecommunications and the space sector. Prior to joining Yahsat, Masood was Vice President at Mubadala's Information and Communications Technology (ICT) Unit, responsible for corporate strategy, as well as the asset management of ICT's strategic portfolio, following roles at Dubai Investment Group and the Executive Office of H.H. Sheikh Mohammed bin Rashid Al Maktoum. Masood serves on the boards of Etihad Aviation Group, Emirates Nuclear Energy Corporation and the UAE Space Agency. He holds a Master's Degree in Finance from McGill University in Canada and a Bachelor's Degree in Computer Systems Engineering from Boston University in the United States.

Corporate Governance Report continued

Board of Directors continued

Maryam Eid Khamis AlMheiri – Director

Maryam AlMheiri is a member of the Abu Dhabi Executive Committee, Director General of the Abu Dhabi Government Media Office, and Vice Chairwoman of both the UAE Special Olympics and Abu Dhabi School of Government's Board of Trustees. She also serves as a board member of Mohamed bin Zayed University for Humanities, the Emirates Red Crescent and the Fatima Bint Mubarak Ladies Sports Academy.

Maryam was previously CEO of the Media Zone Authority – Abu Dhabi and both CEO and Vice-Chair of Twofour54. She holds a TRIUM Global Executive MBA (jointly issued by New York University Stern School of Business, London School of Economics and Political Science and HEC Paris School of Management). She also holds a Master of Strategy and National Security Studies from the National Defence College of Abu Dhabi and completed her undergraduate studies in accounting and business administration at the UAE's Higher Colleges of Technology.

Badr Salim Ahmad Sultan Alolama – Director

Badr Al-Olama is the Executive Director of the UAE Clusters unit within Mubadala's UAE Investments platform which has been formed to accelerate the UAE's economic transformation by investing in national champions, fostering vibrant industrial and commercial clusters, and partnering with world-class global organisations. In addition to his responsibilities in overseeing a diverse portfolio of businesses in multiple sectors spanning technology, aerospace, and healthcare, Badr is leading a team that is incubating new sectors and startups to further diversify the UAE's economy, and is also heading the Global Manufacturing and Industrialisation Summit (GMIS) – a pioneering collaborative platform that has been jointly established by the United Arab Emirates and the United Nations Industrial Development Organisation (UNIDO).

Badr is the Chairman of Strata Manufacturing, Sanad Group, and Emirates Post Group, and also serves as a Board Director at Mubadala Health, SHUAA Capital, Oumolat Security Printing, TASIAP GmbH – a joint venture with Daimler AG, as well as a number of automotive and energy joint ventures in Algeria. Through GMIS, Badr also oversees the Mohammed bin Rashid Initiative for Global Prosperity – an open innovation platform that aims to accelerate solutions that solve real world challenges that are linked to the Sustainable Development Goals of the United Nations. Nominated as a 'Young Global Leader for the Middle East and North Africa Region' by the World Economic Forum in 2016, Badr began his career as a lawyer and holds a degree in Shari'a and Law from the UAE University (2002) as well as an LL.M from Harvard Law School (2005).

Adrian Georges Steckel – Director

Adrian Steckel has been focussed on technology and connectivity for the last 20 years. He was the CEO of OneWeb from September 2018 until November 2020, upon its emergence from Chapter 11, with investment from the UK government and Bharti Global. Prior to OneWeb, Mr. Steckel was the CEO of Grupo Iusacell, a mobile company which was acquired by AT&T in 2015. Mr. Steckel is a director and member of the audit committee of CONX and is also a board member of Uphold Ltd. Mr. Steckel is a graduate of Yale University.

Gaston Urda – Director

Gaston Urda is the Head of Investments and M&A of the UAE investment platform at Mubadala. Since joining Mubadala in 2008, his primary responsibilities have been to oversee and manage investments across different geographies and sectors including logistics, transportation, mining, aerospace services, real estate investment management, renewables and utilities. Prior to joining Mubadala, he worked in the private equity industry, gaining in-depth knowledge in several sectors. Gaston began his 24-year career as an accountant, working at one of the "Big 4" accountancy firms. He currently serves as a board and/or investment committee member of a number of companies in the Americas, Europe and Asia. Mr. Urda earned his M.B.A. from Columbia Business School in New York and his B.S. in accounting from the University Argentina de la Empresa.

Peng Xiao – Director

Mr. Xiao is the Chief Executive Officer of Group 42 Ltd. (G42), where his responsibilities include shaping G42's business and product strategies, and overseeing G42's operating companies across numerous industry verticals, including smart city, healthcare, energy, finance and education. Prior to this, he served as Senior Executive Vice President, Chief Technology Officer and Chief Information Officer of MicroStrategy, where he was responsible for the management of over 1,000 engineers and led the R&D function of MicroStrategy's entire product portfolio, including Business Intelligence, Secure Identity, and Mobile Commerce. He also serves as a member of the Board of Trustees of the Mohamed bin Zayed University of Artificial Intelligence. Mr. Xiao earned his Master's Degree in International Affairs from the George Washington University and his Bachelor's Degree in Computer Science and International Business from Hawaii Pacific University.

Clint De Barros – Board Secretary

Clint de Barros is the Board Secretary of Yahsat and heads the Ethics and Compliance Office for the Group. Since joining Yahsat in 2008, in addition to being the secretary on various Board committees and providing corporate governance support to Yahsat Group companies, Clint's primary responsibilities included providing principal legal support in major procurements, capacity leases, UAE AF projects, and a range of ad hoc day-to-day operational requirements. Clint was recently the lead lawyer on the procurement of the Thuraya-4 NGS service platform and broadband products, and has previously been actively involved on work-streams relating to Yahsat's listing on ADX, the acquisition of Thuraya, acquisition of landing rights in Brazil, each of Yahsat's 3 equity partnerships (Yahlive, BCS and Hughes do Brasil) and procurement of Al Yah 1, Al Yah 2 and Al Yah 3. Clint has also been responsible for overhauling the Yahsat Export Control and Sanctions Compliance programme, in addition to organically establishing a standalone Ethics and Compliance function for the Yahsat Group. He previously worked at Etisalat/E-marine as Contracts Manager-legal, and in private practice in Mumbai and New Delhi, India. Clint has an LLB from Goa University, India.

In line with the requirements of the SCA Corporate Governance Guide, at the end of 2021, there was one female Director on the Board of Directors. There were also three female members of the Board's sub-committees. The Company has a strong track record of gender diversity in a traditionally male-dominated environment (see Section entitled "Gender Diversity" below).

The following table sets out some of the key characteristics of the Board composition as at 31 December 2021:

Name	Tenure#	Independent?*	Executive/ Non-Executive?	Other directorships held**
Musabbeh Al Kaabi	2nd term (since 2 Feb 2021)	✓	Non-Executive	Mubadala Petroleum LLC (C) (UAE) Abu Dhabi Future Energy Company PJSC (Masdar) (VC) (UAE) Mubadala Health LLC (VC) (UAE) Cleveland Clinic Abu Dhabi LLC (VC) (UAE) Emirates Global Aluminium PJSC (BM) (UAE) National Central Cooling Company PJSC (Tabreed) (BM) (UAE) Dolphin Energy Limited (BM) (UAE) Cepsa – Compañía Española de Petróleos, S.A.U. (BM) (Spain)
Tareq Al Hosani	4th term (since 23 Dec 2013)	✗	Non-Executive	Tawazun Industrial Park LLC (C) (UAE) Tawazun Technology & Innovation LLC (C) (UAE) Munich Health Daman Holding Limited (C) (Masdar Free Zone – UAE) Abu Dhabi Health Services Company – SEHA (VC) (UAE) Al Forsan Holding Company LLC (VC) (UAE) Abu Dhabi Airports Company PJSC (VC) (UAE) International Golden Group PJSC (BM) (UAE) Royal Jet Group (BM) (UAE) Sorbonne University Abu Dhabi (BM) (UAE) Higher Colleges of Technology (BM) (UAE) Rabdan Academy (BM) (UAE)
Rashed Al Ghafri	4th term (since 23 Dec 2013)	✗	Non-Executive	Thuraya Telecommunications Company (C) (UAE) Global Aerospace Logistics – LLC (BM) (UAE)
Masood Mahmood	2nd term (since 2 Feb 2021)	✗	Non-Executive	Etihad Aviation Group PJSC (BM) (UAE) Emirates Nuclear Energy Corporation (BM) (UAE) UAE Space Agency (BM) (UAE)
Maryam AIMheiri	1st term (since 12 July 2021)	✓	Non-Executive	Abu Dhabi Executive Council (Member) (UAE) UAE Special Olympics (VC) (UAE) Abu Dhabi School of Government's Board of Trustees (VC) (UAE) Mohamed bin Zayed University for Humanities (BM) (UAE) Emirates Red Crescent (BM) (UAE) Fatima Bint Mubarak Ladies Sports Academy (BM) (UAE)

Name	Tenure#	Independent?*	Executive/ Non-Executive?	Other directorships held**
Badr Al Olama	2nd term (since 2 Feb 2021)	✓	Non-Executive	Emirates Post Group PJSC (C) (UAE) Strata Manufacturing PJSC (C) (UAE) The Sanad Group PJSC (C) (UAE) Shariket Kahraba Hadjret En Nouss SKH spa (C) (Algeria) Mubadala Health LLC (BM) (UAE) SHUAA Capital PSC (BM) (UAE) Oumolat Security Printing LLC (BM) (UAE) YAS Holding LLC (BM) (UAE) TASIAP GmbH (BM) (Germany) AMS/SAFAV/SAPPL/SAFMMA/AMS/RMA (AUTOMOTIVE JV'S) (BM) (Algeria)
Adrian Steckel	1st term (since 12 July 2021)	✓	Non-Executive	CONX Corp (BM) (USA) InfoBionic, Inc. (BM) (USA) Hyper Reality Partners, LLC (BM) (USA) Uphold Limited (BM) (Cayman Islands)
Gaston Urda	1st term (since 12 July 2021)	✓	Non-Executive	The Sanad Group PJSC (BM) (UAE and Switzerland) Virgin Orbit Holdings, Inc.(BM) (USA) (until Jan 2022) SR Technics Switzerland AG (BM) (Switzerland) Al Masar Investments LLC (BM) (UAE)
Peng Xiao	1st term (since 12 July 2021)	✓	Non-Executive	Group 42 Holding Ltd (BM) (UAE) Various private limited liability subsidiaries of Group 42 Holding Ltd (C/BM) (UAE/Non-UAE)

Board was reconstituted prior to IPO to align all Directors' terms to expire at the AGM in 2024

* According to the criteria specified in the SCA Corporate Governance Guide

** C = Chairperson; VC = Vice Chairperson; BM = Board Member. Country of incorporation is in brackets at the end, where relevant

The assessment of each Director's independence is within the mandate of the Board's Nomination and Remuneration Committee. As noted below, this is supported by a quarterly exercise conducted by the Board Secretary to obtain up-to-date responses to a detailed questionnaire from each Director regarding their independence (among other matters).

Corporate Governance Report continued

Board of Directors continued

(ii) Board of Directors' Mandate and Charter

The Board of Directors obtains its mandate from the provisions of the UAE Companies Law and Yahsat's articles of association. Its role is further defined under the provisions of the SCA Corporate Governance Guide. The articles of association contemplate the roles, responsibilities, structures and processes of the Board being further specified in a charter document, and a revised version of the Board of Directors Charter (the BOD Charter) was accordingly adopted at the time of the IPO. The BOD Charter stipulates that Board's mandate includes (without limitation) endorsing or approving the Company's strategic plan, annual budget, capital expenditures and investments, funding requirements, selecting and evaluating the Chief Executive Officer (or equivalent), developing succession plans for senior management, providing risk oversight, setting the ethical 'tone at the top' and providing oversight of the overall system of internal control, governance and compliance. The BOD Charter addresses matters related to:

- the composition of the Board (including the requirement that at least a majority of the Board is composed of independent, non-executive directors);
- the roles and requirements of the Chairperson, executive and non-executive directors and the Board Secretary;
- the appointment of Board members, their induction, training, performance evaluation, compensation;
- the duties and responsibilities of Board members, including the requirement for disclosure of all conflicts of interest as they arise and a quarterly confirmation by each Board member of their conflicts of interest (if any);
- conduct of meetings and decision-making at Board level; and
- the ability to compose Board committees.

(iii) Strategic Direction Versus Operational Management

As noted in the BOD Charter, and consistent with corporate governance norms, the Board of Directors of Yahsat is responsible for setting the strategic direction of the Group. At Yahsat, the discussion, formulation and refinement of the Company's strategy is performed as a collaborative exercise between the Board and management, with the Board having the responsibility for the ultimate decision-making. In this regard, and in recognition of the fast-paced evolution of the space and satellite services industries, the Board held a strategy retreat in October 2021. This gave the newly-composed Board an opportunity to spend time together to explore the opportunities and challenges facing the Group, taking full advantage of the range of perspectives and insights offered by the Board members and management alike, as well as externally-produced data and insights from industry-leading consultants and thought-leaders.

Whilst the Board takes principal responsibility for strategic matters, it has delegated the day-to-day operation of the Group's business to the Group's management. The Board has adopted a detailed Delegation of Authority document that defines the way in which certain decisions are taken and the body or role to which the approval authority is designated. For more information, please see the relevant part of the section entitled "Key Governance Documents").

(iv) Decision-making at Board level

Decisions of the Board of Directors may be effected in two ways – either at a duly constituted and quorate meeting of the Board or by means of a circulate resolution signed by at least a majority of the Directors. The BOD Charter requires that the Board holds meetings on at least a quarterly basis, with Directors permitted to attend in person or by electronic means. During 2021, the Board held 6 meetings, 5 of which were held virtually as a direct result of health and safety measures related to COVID-19.

The table below shows the attendance at each of the 6 meetings, it being noted that various Directors were either appointed or resigned during the course of 2021, for a variety of reasons (and principally related to the IPO):

Name	Board Meeting Date						Notes
	1 Feb	10 Mar	13 Jun	9 Aug	4 Nov	5 Dec	
Khaled Al Qubaisi	✓						Ceased to be a Director from end of 1 Feb meeting
Tareq Al Hosani	✓	✓	✓	✓	✓	✓	
Rashed Al Ghafri	✓	✓	✓	✓	✓	✓	
Dr. Eng. Mohammad Al Ahbabi	✓	✓	✓				Ceased to be a Director from 12 July
Sara Musallam	✓	✓	✓				Ceased to be a Director from 12 July
Hisham Malak	✓	✓	✓				Ceased to be a Director from 12 July
Mounir Barakat	✓	✓	✓				Ceased to be a Director from 12 July
Amal Al Ameri	✓	✓	✓				Ceased to be a Director from 12 July
Musabbeh Al Kaabi		✓	✓	✓	✓	✓	Appointed as Chairman from end of 1 Feb meeting
Badr Al Olama		✓	✓	✓	✓	✓	Appointed as Director from end of 1 Feb meeting
Masood Mahmood		✓	✓	✓	✓	✓	Appointed as Director from end of 1 Feb meeting
Maryam AlMheiri				✓	✓		Appointed as Director from 12 July
Adrian Steckel				✓	✓	✓	Appointed as Director from 12 July
Peng Xiao				✓	Proxy to Tareq Al Hosani	Proxy to Tareq Al Hosani	Appointed as Director from 12 July
Gaston Urda				✓	✓	✓	Appointed as Director from 12 July

(v) Circular Resolutions

Since the date of listing (14 July 2021), the following resolutions were passed by the Directors by circulation:

Date	Topic
7 October 2021	To approve the terms of the Master Distribution Agreement and the Scratch Card Purchase Agreement with Cygnus LLC for execution by and on behalf of Thuraya Telecommunications Company PJSC
7 October 2021	To approve the proposal submitted by senior management team with respect to amending the dividend policy of the Company (including the possibility of distributing interim dividends), with a view to presenting such proposals to the shareholders at the next general meeting
15 November 2021	To approve Shareholders' Agreement between Star Satellite Communications Company PJSC (Star), a wholly owned subsidiary of the Company and Tawazun Holding Com. LLC (Tawazun), and the setting up of a Joint Venture Company jointly by Star and Tawazun
15 November 2021	To approve a Confidentiality Agreement between the Company and Mubadala Investment Company PJSC

Each of these resolutions was presented at the Board meeting following it being passed by circulation, as per the requirements of the SCA Corporate Governance Guide.

(vi) Director Remuneration and Board Committee Remuneration

In line with best practice and shareholder expectations, each Director shall receive an annual fee for acting as a Director of the Company. Prior to Yahsat's listing, this fee has previously been set at a fixed value of AED 100,000 per Director, and was payable only to Directors who were not employees of Mubadala. Subject to shareholder approval at the Company's AGM in March 2022, it is proposed that this approach be applied on a pro rata basis regarding the Board remuneration applicable to the period prior to 14 July 2021 (i.e. the date of Yahsat's listing).

Following Yahsat's listing, a benchmarking exercise has been conducted with respect to Board remuneration against local and regional peers. Peers were selected according to either their industry or their relative size (in terms of revenues and market capitalisation), and an exercise has been undertaken by the Nomination and Remuneration Committee on behalf of the Board, to determine where Yahsat's proposed Director remuneration should be positioned within such benchmarking data in order to balance shareholder value with the need to attract and retain the most suited candidates to the Board of Directors. The same exercise has been undertaken with regard to Board Committee remuneration. In each case, due account has been taken of the limits placed on the potential level of such fees according to the SCA Corporate Governance Guide.

A proposal to pay pro-rated fees (representing the period from 14 July 2021 to 31 December 2021) for Board and Committee remuneration to all Directors will be made to Yahsat's Annual General Meeting for approval, upon the Board's recommendation.

(vii) Fees/Additional Allowances, Salary and Fees Other Than Board/Committee Remuneration

No Director received a salary from the Company as part of his or her role as a Director, either in 2021 or any prior year.

Mr. Masood Mahmood, who was the Chief Executive Officer of Yahsat until 2 April 2021, received a monthly salary (with associated benefits and discretionary annual bonus, as per Company policy) from Yahsat in relation to that period. The payment of salary and benefits to Mr. Mahmood ceased when he left the role of Chief Executive Officer of Yahsat.

No fees other than Board attendance fees (as disclosed above) were paid or payable to any of the Directors during 2021.

Certain expenses were incurred directly by the Company in respect of Adrian Steckel's travel and accommodation expenses, in line with Yahsat's policy, for his attendance at the Board Strategy Retreat held in October 2021. The total amount of these expenses was AED 64,616.

(viii) Interests Held in Yahsat Shares and Transactions in 2021 by Board Members and First Degree Relatives

The Directors and their first degree relatives held the following interests in the Company's shares as at 31 December 2021. All such shares were purchased during 2021, as the Company's shares were only made available for sale in July 2021. Details of any sales of shares in the Company during the year are also stated:

Director's Name	Shareholder (Director/Relative)	Shareholding at 31 December 2021	Shares sold in 2021
Musabbeh Helal	Chairman	266,710	Nil
Musabbeh Ali Al Kaabi			
	Son (1) of Musabbeh Helal Musabbeh Ali Al Kaabi	49,282	Nil
	Son (2) of Musabbeh Helal Musabbeh Ali Al Kaabi	49,282	Nil
	Daughter (1) of Musabbeh Helal Musabbeh Ali Al Kaabi	49,282	Nil
	Daughter (2) of Musabbeh Helal Musabbeh Ali Al Kaabi	49,282	Nil
	Daughter (3) of Musabbeh Helal Musabbeh Ali Al Kaabi	49,282	Nil
Tareq Al Hosani	Vice-Chairman	227,710	Nil
Rashed Al Ghafri	Director	181,818	Nil
Maryam AlMheiri	Director	Nil	Nil
Masood Mahmood	Director	36,363	Nil
Badr Al Olama	Director	109,090	Nil
Adrian Steckel	Director	Nil	Nil
Gaston Urda	Director	199,950	Nil
Peng Xiao	Director	Nil	Nil

Corporate Governance Report continued

Board of Directors continued

(ix) Quarterly and Ad Hoc Disclosures by Board members

The Directors are asked individually, on a quarterly basis, to provide responses to a detailed questionnaire regarding independence, conflicts of interest and other matters relevant to Yhsat or their continued eligibility or suitability as a Director. This is done as an update to the responses given previously, and is administered by the Board Secretary.

The Directors are also required to disclose to the Board Secretary any conflicts of interest or other relevant matters regarding their eligibility or suitability as a Director on an ad hoc basis as they arise.

The Board received detailed training on directors' duties and conflicts of interest (among other topics) from a leading external law firm in October 2021.

(x) Board Induction and Training

Newly appointed Directors are given a full induction, comprising an introduction to the Group's business, the satellite industry, Yhsat's strategy, its financial position and all aspects of corporate governance relating both to the Company/Group and the role of a director of an ADX-listed company.

Training of the Board members is assessed on an as-needed basis, taking account of recent developments and topics of relevance or interest. Training can be formal or may form part of a segment at a Board meeting or retreat. Most recently, a leading external law firm provided detailed training to the Board on topics such as corporate governance, directors' duties and potential liability, conflicts of interest, disclosure obligations and the principle of equality of information among shareholders, insider trading, and related party transactions in October 2021.

(xi) Evaluation of Board Effectiveness

The BOD Charter requires regular and structured evaluations of the Board's performance to be undertaken by the Chairperson together with the Board Secretary. The evaluation focusses on the functioning of the Board as a body as well as the performance and function of individual Directors.

No less than every three years, the Board is required to invite a suitably accredited independent professional entity to carry out an assessment of effectiveness and operation of the Board of Directors, its members and the Board's Committees. The results of the evaluation are to be shared with the Board, and the key findings shall be shared with the shareholders via an appropriate medium (e.g. the Company's Annual Report).

Prior to the IPO, such evaluations were conducted by the Mubadala Internal Audit team on a bi-annual basis.

Committees of the Board of Directors

To support the Board in the discharge of its duties, it has established two permanent committees:

- the Audit, Risk and Compliance Committee; and
- the Nomination and Remuneration Committee.

Audit, Risk and Compliance Committee (the ARCC)

The ARCC has been a committee of the Company's Board, and a long-standing, key part of the Company's corporate governance and compliance environment, since February 2010. The extensive synergies between the topics of audit, risk and compliance, the significant overlap and association between these topics and the common skills and experience required of those who would form part of any committee considering such matters, all strongly support the unification of such matters under one committee, in line with the permissive regime under the SCA Corporate Governance Guide.

(i) Composition

In accordance with the requirements of the SCA Corporate Governance Guide, the ARCC shall consist of at least three non-executive members of the Board of Directors, of which at least two must also be independent (in each case, as such term is defined by the SCA Rules). The Chairman of the Board of Directors may not be a member of the Committee. As per the ARCC's charter, and consistent with international best practice, all members of the ARCC must be financially literate and possess the knowledge and expertise to fulfil their role as a member of the committee. At least one member must be a financial expert, having have previous work experience in the field of accounting or financial matters, or hold a scientific qualification or professional certificate in accounting or finance or in other related fields.

As at 31 December 2021, the ARCC was composed of 3 independent non-executive Directors (one of whom acts as Chairman) and two non-Director members, as follows:

- Badr Al Olama (Chairman of the ARCC and member of the Board of Directors)
- Adrian Steckel (member of the Board of Directors)
- Gaston Urda (member of the Board of Directors)
- Amal Al Ameri (Senior Vice President, UAE Investments, Mubadala Investment Company PJSC)
- Madian Al Hajji (Director of Internal Audit, UAE Investments, Mubadala Investment Company PJSC)

The composition of the Audit, Risk and Compliance Committee was carefully considered at the time of the listing in July 2021. Whilst Ms. Al Ameri was leaving the Board, her extensive financial experience, coupled with her role as the former Chairperson of the ARCC, offered an invaluable contribution to the ARCC going forward and complemented the skills and experience brought by the other proposed members of the ARCC. Mr. Al Hajji's experience in matters related to internal audit, internal control and risk management, in particular, supplements the ARCC's ability to ensure rigorous oversight of all such matters, as well as lending an extremely useful insight into local and regional market practice and best practices. For these reasons, the Board considers their position on the ARCC to be highly value-accretive for Yhsat's internal risk and control system.

The Secretary to the ARCC is Paul Andrews, the General Counsel of Yhsat.

It is the duty of each member to bring to the attention of the ARCC Chairperson any conflicts of interest that arise in relation to their appointment, whether at the time of appointment or subsequent thereto. The ARCC Chairperson shall then evaluate any such conflict of interest and make recommendations to the Board of Directors and the remaining ARCC members, should the conflict be such that the composition of the ARCC needs to be adjusted. The ARCC Chairperson may refer any conflict of interest directly to the Board of Directors if he/she deems it more appropriate that only the Board of Directors consider such conflict of interest.

(ii) Mandate and Charter

The purpose of the ARCC is to assist the Board of Directors and management in fulfilling their oversight, governance, risk management and internal control responsibilities relating to:

- the Group's accounting policies and financial reporting process, including the integrity and reliability of the financial statements;
- the annual external audit of each member of the Group's financial statements and the external auditor's (including the responsible audit partner's) qualifications and independence;
- adherence to applicable listing and disclosure rules, regulations and other legal requirements related to financial reporting;
- the systems of internal control, including but not limited to all operational and financial reporting controls;
- the risk management framework, process and controls;
- internal audit; and
- compliance with applicable laws and regulations, the Group's Code of Ethics, contractual arrangements and agreements, and the Group's policies and procedures as established by management and the Board of Directors.

The ARCC's oversight of financial reporting, accounting policies, external and internal audits, risk management and internal control frameworks enables the Board of Directors to evaluate significant risk and compliance exposure. Its mandate is exhaustively detailed in a charter, but typically, this oversight role involves:

- reviewing and endorsing the financial statements (annual and interim) and consider whether they are complete, consistent and comply with appropriate accounting principles and standards;
- supervising and recommending on the selection of external auditors and ensuring assessment of external audit qualifications, independence and performance;
- evaluating the qualification, independence and performance of internal audit and approving the annual internal audit master plan;
- overseeing the development and implementation of the Group's governance, risk management, internal control and compliance framework;
- reviewing the status of compliance with applicable laws and regulations, and adherence to the code of conduct.

The Chairperson of the ARCC reports the proceedings of any prior meeting of the ARCC to each meeting of the Board of Directors.

(iii) Meetings Held in 2021

During 2021, the ARCC held 5 duly constituted and quorate meetings. The composition of the ARCC changed in July 2021 upon the listing of Yahsat's shares, primarily reflecting changes in the Board of Directors of Yahsat.

Name	ARCC Meeting Date					Notes
	7 Mar	18 May	4 Aug	30 Sept	3 Nov	
Amal Al Ameri	✓	✓	✓	✓	✓	Ceased to be a Chairperson upon ceasing to be a Director from 12 July
Hisham Malak	✓	✓				Ceased to be a member upon ceasing to be a Director from 12 July
Michael Holden	✓	✓				Ceased to be a member from 12 July
Muhannad Al Qudah	✓	✓				Ceased to be a member from 12 July
Badr Al Olama			✓	✓	✓	Appointed as a member and Chairman of the ARCC from 12 July
Adrian Steckel			✓	✓	✓	Appointed as a member from 12 July upon joining the Board
Gaston Urda				✓	✓	Appointed as a member from 12 July upon joining the Board
Madian Al Hajji				✓	✓	Appointed as a member from 12 July

(iv) Committee Evaluation

Prior to listing, evaluation of the ARCC members' performance, both collectively and individually, has been performed by the Mubadala Internal Audit team.

As per the terms of the BOD Charter, at least every three years, the Board shall invite a suitably accredited independent professional entity to carry out an assessment of effectiveness and operation of the Board's Committees.

Nomination and Remuneration Committee (the NRC)

The NRC was formed in July 2021 from the Human Capital Committee (HCC) of the Board of Directors, which had been constituted since August 2014. Whilst the mandate of the NRC covers all areas that were previously within the remit of the HCC, the role of the NRC is much more substantial for two principal reasons. On the one hand, the role and mandate of the NRC has been expanded to incorporate formulation, regulation, and oversight of a range of matters relating to the Board and its members (present and future), as per the requirements of the SCA Corporate Governance Guide and in line with best practice; prior to listing, these activities were undertaken by the sole shareholder. On the other hand, with wide-reaching changes having been made to Yahsat's Delegation of Authority document upon listing, placing much greater authority and responsibility with the Board, the ultimate decision-making regarding many matters relating to Yahsat's management and employees now rests with the Board. These are explored in more detail below.

Corporate Governance Report continued

Committees of the Board of Directors continued

Nomination and Remuneration Committee (the NRC) continued

(i) Composition

In accordance with the requirements of the SCA Corporate Governance Guide, the NRC shall consist of at least three non-executive members of the Board of Directors, of which at least two must also be independent (in each case, as such term is defined by the SCA Rules). The Chairman of the Board of Directors may not be a member of the Committee.

As at 31 December 2021, the NRC was composed of 3 non-executive Directors (two of whom are independent and one of whom acts as Chairman) and one non-Director member, as follows:

- Rashed Al Ghafri (Chairman of the NRC and member of the Board of Directors)
- Maryam AlMheiri (member of the Board of Directors)
- Masood Mahmood (member of the Board of Directors)
- Muna Al Mheiri (Chief Human Capital Officer of Yahsat Group)

Despite not being a Director of the Company, Mrs. Muna Al Mheiri's membership of the NRC is considered extremely valuable, in particular to assist with the NRC's management of the transition into a much broader mandate that benefits greatly from Mrs. Al Mheiri's 20 years of experience of working in senior Human Capital roles.

From 10 February 2022, Adrian Steckel has been appointed as an additional member of the NRC and Maryam AlMheiri has become the Chairperson of the NRC.

The Secretary to the NRC is Paul Andrews, the General Counsel of Yahsat.

(ii) Mandate and Charter

The role of the NRC is to assist the Board in the efficient management of compensation and general human resources matters. The key responsibilities of the NRC are to:

- verify the ongoing independence of the independent members of the Board;
- regulate and oversee nomination to the membership of the Board;
- set and review Yahsat's human resources policies and procedures;
- formulate and review, on an annual basis, the framework and broad policy for granting remuneration, terms of employment and any changes, benefits, bonuses, pensions, allowances, gratuities, early retirement and redundancy made to or given to Yahsat's employees, senior management, as well as compensation for Yahsat's Chairman and Board of Directors;
- ensure that suitable succession plans are in place at senior executive levels; and
- reviewing and approve the hiring and termination of senior management staff.

The NRC seeks to ensure that the Group attracts the most suitable Board members and Officers, and that the such persons are retained, through appropriate structuring of the Group's compensation plans, policies and programmes, providing incentives for such persons to perform to the best of their abilities for the Group and to promote the success of the Group's businesses.

The Chairperson of the NRC reports the proceedings of any prior meeting of the NRC to each meeting of the Board of Directors.

(iii) Meetings Held in 2021

Name	HCC Meeting Date		Notes
	9 Mar	25 May	
Dr. Eng. Muhammad Al Ahbabi	✓	✓	Ceased to be a Chairperson upon ceasing to be a Director from 12 July
Hisham Malak	✓	✓	Ceased to be a member upon ceasing to be a Director from 12 July
Ebraheem Budeps	✓	✓	Ceased to be a member from 12 July
Siraj Aftab	✓		Ceased to be a member from 12 July

Name	NRC Meeting Date			Notes
	5 Aug	28 Sept	26 Oct	
Rashed Al Ghafri	✓	✓	✓	Appointed as a member and Chairperson of the NRC from 12 July. Handed Chairmanship to Maryam AlMheiri on 10 February 2022
Masood Mahmood	✓	✓	✓	Appointed as a member from 12 July
Maryam AlMheiri	✓	✓		Appointed as a member from 12 July
Muna Al Mheiri		✓	✓	Appointed as a member from 12 July

(iv) Committee Evaluation

Prior to listing, evaluation of the HCC members' performance, both collectively and individually, has been performed by the Mubadala Internal Audit team.

As per the terms of the BOD Charter, at least every three years, the Board shall invite a suitably accredited independent professional entity to carry out an assessment of effectiveness and operation of the Board's Committees.

Senior Management

The day-to-day management of Yahsat's operations is conducted by the senior management team, as follows:

Name	Year of birth	Nationality	Position	Year of appointment to current role
Ali Al Hashemi	1981	United Arab Emirates	Chief Executive Officer	2021
Andrew Cole	1973	United Kingdom	Chief Financial Officer	2020
Adnan Al Muhairi	1986	United Arab Emirates	Chief Technical Officer	2021
Farhad Khan	1968	South Africa	Chief Commercial Officer	2016, 2018
Amit Somani	1972	United Kingdom	Chief Strategy Officer	2015
Muna Al Mheiri	1971	United Arab Emirates	Chief Human Capital and Administration Officer	2016
Khalid Al Kaf	1981	United Arab Emirates	Chief Operations Officer	2021
Eisa Al Shamsi	1983	United Arab Emirates	General Manager, YGS	2021
Sulaiman Al Ali	1979	United Arab Emirates	Thuraya Chief Executive Officer	2021
Paul Andrews	1975	United Kingdom	General Counsel	2019

The Company was proud to be able to promote several individuals from within the Group to C-suite roles during 2021, showing the culmination of a highly successful development and succession programme. Each of these individuals has demonstrated an impeccable pedigree, with several years of service within Yahsat and in relevant industries, bringing a wealth of experience and perspectives to their roles and the Group as a whole. These appointments demonstrate Yahsat's commitment to diversifying the UAE's knowledge-based economy by unlocking Emirati potential and attracting and developing a national cadre of experts. The commitment to foster and develop UAE talent, with a long-term vision of creating a diverse and globally competitive workforce, supports Yahsat's long-term strategy by unlocking human potential and strengthening its innovative satellite business globally.

The management expertise and experience of each of the senior management team is set out below.

Ali Al Hashemi – Chief Executive Officer

Mr. Al Hashemi was appointed as Chief Executive Officer with effect from 18 April 2021 (and as Chief Executive Officer Designate from 4 February 2021 up to 18 April 2021), having previously served in concurrent roles as the General Manager of YGS and Chief Executive Officer of Thuraya. He joined Yahsat in 2013. Mr. Al Hashemi has over 20 years of experience and a proven executive management track record of driving sales growth in the satellite industry, having developed Yahsat's managed services capability in the UAE and other key regional markets and spearheaded the establishment of systems and infrastructure to successfully transform YGS from a small business unit to a fully functional regional government business. He has been instrumental in securing and/or maintaining key backlog contracts for the Group, including the Al Yah 1 and Al Yah 2 CSA and the associated O&M contract and the Thuraya-4 NGS managed capacity services agreement with the Government. As CEO of Thuraya, he oversaw the integration of Thuraya's technical, financial, human resources and strategy functions with the Group following the acquisition of Thuraya in August 2018, and has directed the turn-around of the Thuraya business. Mr. Al Hashemi holds an MBA from the London Business School.

Andrew Francis Cole – Chief Financial Officer

Andrew Cole joined Yahsat in March 2020 and was appointed as Chief Financial Officer in July 2020. He is responsible for the overall financial management of Yahsat. He has over 25 years of cross-sector experience in senior finance, operational and advisory roles. From 2015 to 2019, he was the Group Financial Controller at SES based in Luxembourg, a company with a constellation of Geostationary and Medium Earth Satellites. In this role, his primary functions covered all aspects of Finance including Financial Planning, Governance, Risk (including satellite insurance) and Compliance, Accounting and Global Controlling operations. Prior to joining SES, he worked for EY and KPMG London as an external auditor and business adviser to many global enterprises across a variety of different sectors. Mr. Cole is a Fellow of the Institute of Chartered Accountants in England and Wales. He has an Executive MBA degree from École Nationale des Ponts et Chaussées, a postgraduate certificate in International Business from the University of Edinburgh and a degree in Modern Languages from the University of Aston.

Corporate Governance Report continued

Senior Management continued

Adnan Al Muhairi – Chief Technical Officer

Mr. Al Muhairi was appointed as Chief Technical Officer in June 2021, having fulfilled the role of Deputy Chief Technical Officer since January 2020. He joined Yahsat in 2009. He is responsible for Yahsat's satellite fleet, as well as designing and developing end-to-end space systems solutions to better serve Yahsat and Thuraya customers. He was part of the development programme in South Korea as a research and development engineer on the UAE's first successful remote sensing spacecraft, Dubaisat-1 and Dubaisat-2. He has also worked on the UAE's first communication spacecraft, Al Yah 1 and Al Yah 2, and was the Programme Director of the Al Yah 3 space communications system, a highly advanced space network that expanded the Group's services into Brazil, and he has worked on several Government space projects. Mr. Al Muhairi has over 15 years of experience. Mr. Al Muhairi obtained a BSc. in Avionics/Engineering Management from the Higher College of Technology. He then completed an intensive course in satellite systems engineering in South Korea, before he earned an MBA from the McDonough School of Business from Georgetown University in Washington, D.C.

Farhad Khan – Chief Commercial Officer and Chief Executive Officer, YahClick

Mr. Khan is the Chief Executive Officer of the BCS equity partnership with Hughes (doing business under the YahClick (powered by Hughes) brand) and the Chief Commercial Officer of the Group. He joined Yahsat in 2016. With over 25 years' experience in the telecommunications industry in Africa and Asia, including at Airtel and MTN Group, Mr. Khan has a proven record of accomplishment and successfully leading commercial functions across several countries and executing new business strategies. Through continued efforts towards creating global and regional partnerships, developing in-house talent and achieving the UAE's Economic Vision, Mr. Khan's leadership has impacted the way the Group's services enable economies through pioneering satellite services. Mr. Khan is a Chartered Marketer, holds an MBA from the University of Cape Town and a diploma in Electrical Engineering from M.L. Sultan Technical College.

Amit Somani – Chief Strategy Officer

Mr. Somani was appointed as Chief Strategy Officer in January 2015 and leads Yahsat's Strategy, Regulatory, Corporate Communications and Programmes, Performance and Change Management departments. He joined Yahsat in 2010. Mr. Somani worked as a consultant at Booz and Company, as well as other leading consulting firms, advising clients in the information and communication technology sector across the globe.

Mr. Somani was a director at Yah Telecomunicações Limitada and Yahsat Latam Holding SA, Yahsat's Brazilian subsidiaries before their contribution to the HdB equity partnership with Hughes, and currently serves on the board of the BCS equity partnership with Hughes. He holds a Master's degree in Electronic Engineering with French from the University of Nottingham and an MBA from the London Business School.

Muna Al Mheiri – Chief Human Capital and Administration Officer

Ms. Al Mheiri joined the Group in 2007, prior to which she was Manager of Employee Services at Thuraya. In her current role, Ms. Al Mheiri is responsible for leading the Group's overall human capital strategy, talent acquisition, learning and development and leadership development, Emiratisation, organisational design and culture development, compensation and benefits, human resource operations, employee relations and administration. Under her leadership, the Group was awarded the prestigious Emiratisation Award from Tawteen for 2018 in three out of four categories: Best Emiratisation Supporting Entity; Emiratisation Pioneer and Best Emirati Employee. Ms. Al Mheiri holds a BA in Business Administration from the United Arab Emirates University.

Khalid Al Kaf – Chief Operations Officer

Mr. Al Kaf was appointed as Chief Operations Officer in June 2021, having fulfilled the role of Deputy Chief Operations Officer since January 2020, and is focussed on addressing strategic operational issues that influence business performance and efficiencies of cost. Prior to his new appointment, he held the posts of Executive Vice President and Deputy Chief Operations Officer within the Group. Mr. Al Kaf joined Yahsat in 2017 to merge and lead the Yahsat Operations team. Before joining Yahsat, he was Infrastructure and Operations Director at Etisalat, managing IT infrastructure and operations for applications, hardware, network, business-to-business, software, and IT capacity management. He has more than 17 years of experience, working in the regional and international telecommunications sector across the MENA region. He holds a BSc in computer engineering from Khalifa University (formerly Etisalat College of Engineering) and also has an Executive MBA from INSEAD Business School, France.

Eisa Al Shamsi – General Manager, Yahsat Government Solutions

Mr. Al Shamsi is responsible for Yahsat's Government Business involving the engineering and delivery of state of the art turnkey solutions to meet the strategic and tactical needs of various UAE and regional government entities. With his extensive technical and commercial expertise, Mr. Al Shamsi drives the YGS business, delivering both growth through expanding Yahsat's footprint in the region, and value through widening the presence across the value chain. He joined Yahsat in 2010. Prior to his roles as General Manager and Deputy Manager of YGS, he was the Executive Vice President of Engineering and Programme Management at YGS, responsible to deliver YGS projects and the design of the Yahsat Military network. Mr. Al Shamsi has over 16 years of experience. Mr. Al Shamsi previously was part of UAE Armed Forces Signal Corps.

Mr. Al Shamsi holds an Executive MBA from INSEAD and a Bachelor of Science in Electrical and Electronics Engineering.

Sulaiman Al Ali – Chief Executive Officer, Thuraya

Sulaiman Al Ali has more than 19 years of experience, working in the regional and international telecommunications sector across the UAE, Nigeria, Pakistan and Ivory Coast, including at Etisalat and Pakistan Telecommunication Company Ltd. (PTCL). He became Executive Vice President of the Commercial Division within YGS in January 2018, and was appointed as Deputy Chief Executive Officer of Thuraya at the beginning of 2020. He was then promoted to Chief Executive Officer of Thuraya in June 2021, having fulfilled the role of Deputy Chief Executive Officer of Thuraya since January 2020. He joined Yahsat in 2014. He holds a Global Executive MBA from INSEAD Business School, France and a Master's in Management of Entrepreneurial Leadership from Hamdan Bin Mohamed Smart University. He also has a BS in Communication Engineering from Khalifa University.

Paul Andrews – General Counsel

Paul Andrews is responsible for management of the Group's legal department and corporate governance function. He joined the Company in 2019. He has over 20 years' experience as legal counsel, specialising in mergers and acquisitions, corporate law and telecommunications. Prior to joining the Company on secondment from Mubadala, Mr. Andrews occupied senior corporate legal roles with Vodafone Group PLC and Etisalat. Mr. Andrews holds a LLB degree in Law with German from the University of Liverpool.

Remuneration

The following table sets out the details of the senior management's remuneration for 2021 (AED). Where the remuneration represents only part of the year (due to the role being commenced part-way through the year), this is stated and the remuneration of the predecessor is not included in the stated figure:

Position	Total salary and allowances in 2021	Any other cash or in-kind benefits for 2021	Long-term incentive plan	Total bonus paid in 2021*	Notes
Chief Executive Officer	1,478,667	162,992	N/A	656,950	Appointed to role from 18 April 2021
Chief Financial Officer	1,440,000	0.00	N/A	255,698	Bonus pro-rated to reflect appointment during 2020
Chief Human Capital and Administration Officer	1,582,849	0.00	N/A	349,083	
Chief Strategy Officer	1,462,883	171,672	N/A	355,070	
Chief Commercial Officer and Chief Executive Officer, YahClick	1,869,013	141,883	N/A	123,673	
Chief Technical Officer	823,103	150,000	N/A	249,106	Appointed to role from 15 June 2021
Chief Operations Officer	818,621	24,956	N/A	468,808	Appointed to role from 15 June 2021
General Manager, Yahsat Government Solutions	837,708	37,400	N/A	479,760	Appointed to role from 15 June 2021
Chief Executive Officer, Thuraya	827,719	239,252	N/A	272,250	Appointed to role from 15 June 2021
General Counsel	1,194,840	9,000	N/A	417,063	

* Bonus paid related to 2020 performance

Corporate Governance Report continued

External Assurance

(i) The Company's External Auditor

KPMG Lower Gulf Limited (KPMG), of Corniche, Nation Tower 2, 19th Floor, PO Box 7613, Abu Dhabi, UAE, was appointed as Ychsat's external auditor for the fiscal year 2020. KPMG provides audit, tax and advisory services to a broad range of domestic and international, public and private sector clients across all major aspects of business and the economy in the United Arab Emirates. The financial year 2021 was the first year of KPMG's appointment as Ychsat's auditors, following the rotation of the Company's previous auditor (EY) upon completion of 5 years as Ychsat's external auditor.

Number of years served as Company's external auditor	One (FY2021)
Partner name	Avtar Jalif
Number of years served as Company's external audit partner	One (FY2021)
Total fees for auditing the financial statements of 2021 (including provision of reasonable assurance report on the effectiveness of internal financial controls over financial reporting)	AED 1,458,897
Fees and costs of other services charged by KPMG, other than auditing the financial statements for 2021	AED 838,595
Details and nature of other services provided (if any)	Other services comprise interim reviews and other consultancy services
Statement of the other services performed by an external auditor other than the Company's auditor in 2021 (if any)	Refer to table below

KPMG has issued an unqualified audit opinion with respect to Ychsat's audited consolidated financial statements for the year 2021. Furthermore, KPMG issued an unqualified opinion regarding its review of each of Ychsat's quarterly and half-year financial statements during 2021.

(ii) Other Services Performed by an External Auditor Other Than the Company's External Auditor in 2021

Audit firm	Details of services	Amount paid (AED)
Vigilate Accountants B.V.	Other assurance engagements	104,005
Nolands Inc.	Other assurance engagements	24,165
NCS and Associates PSC	Other assurance engagements	21,294
KPMG Auditores Independentes Ltda	Other assurance engagements	77,490
PricewaterhouseCoopers	Accounting and tax compliance services	316,775
Deloitte & Touche ME	Internal audit and consulting	334,516
Ernst & Young	Accounting and tax advisory services	128,538
TOTAL		1,006,783

Internal Control and Risk Management

(i) Risk and Controls Systems

The Board of Directors acknowledges its responsibilities for ensuring the effectiveness of Ychsat's internal risk and control system.

The deployment of effective risk management and internal control is a key success factor towards realising Ychsat's strategic objectives. Therefore, Ychsat has implemented an integrated risk management and internal control approach. The underlying methodology is based on relevant principles set forth by the International Standards Organisation (ISO) and the Committee of Sponsoring Organisations of the Treadway Commission (COSO).

(ii) Risk and Controls Approach

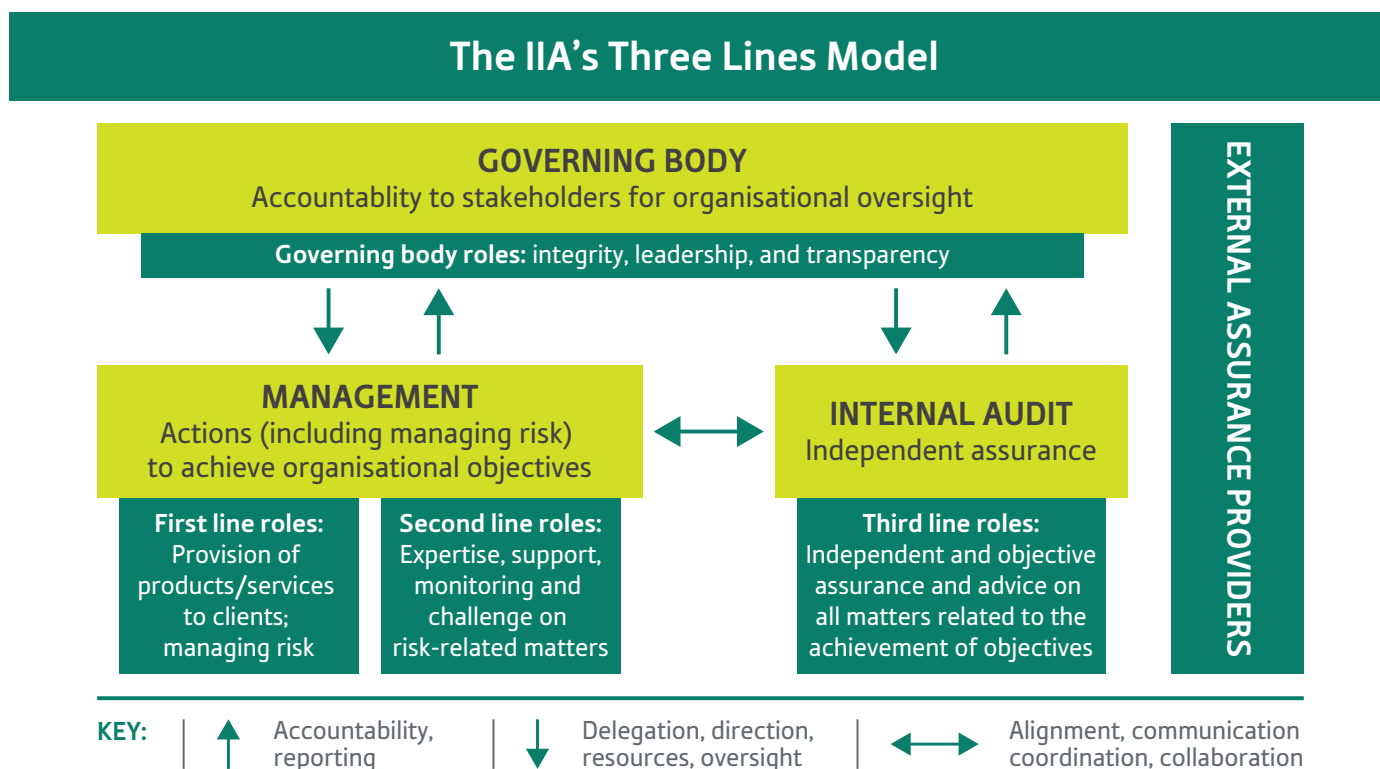
Ychsat's approach has been developed in accordance with the Three Lines Model of the Institute for Internal Auditors (IIA). It is objective-centric and aims to ensure the effective management of risks that have the potential to obstruct Ychsat from achieving its strategic objectives.

The internal risk and control system is embedded in Ychsat Group in three levels:

- Management's duty to effectively identify, assess and manage the main risks of Ychsat ('first line').
- The risk, internal control, information security, business continuity, health and safety and compliance functions facilitate the business in assessing their risks by the development, communication, training and monitoring of governance, risk and compliance related policies, processes and frameworks ('second line').
- Ychsat's internal audit function provides independent objective assurance and advice over Ychsat's Risk Management and Internal Control systems ('third line').

Internal Control and Risk Management continued

(ii) Risk and Controls Approach continued



(iii) Risk and Controls Organisation

a. Risk Management and Internal Control (Second line)

Yahsat Risk Management and Internal Control (RMIC) is an assurance function designed to create and safeguard value for the Group. As noted above, effective risk management and internal control is a key success factor for realising Yahsat's strategic objectives. The RMIC team endeavours to assist the Group in embedding risk management and internal control into existing/regular business processes, strengthening the first line. This includes integration in critical processes like strategic planning, financial reporting, business planning, budgeting, investment planning (CAPEX), procurement, information security and satellite operations.

For risk management activities, Yahsat has adopted the ISO 31000:2018 principles. For internal control, Yahsat applies the COSO Internal Control – Integrated Framework: 2013 principles. Yahsat's Internal Control over Financial Reporting (ICOFr) framework complies with the requirements set forth in the Abu Dhabi Accounting Authority (ADAA) Resolution No. 1 of 2017.

The RMIC function reports administratively to Yahsat's CEO and functionally to the Audit, Risk and Compliance Committee (ARCC).

Corporate Governance Report continued

Internal Control and Risk Management continued

(iii) Risk and Controls Organisation continued

b. Ethics and Compliance (Second line)

The Ychsat E&C function is primarily responsible for overseeing compliance with the Ychsat Code of Ethics within the organisation, compliance with applicable laws, regulatory requirements, policies and procedures, and adding value and improving Ychsat's operations and activities. It develops and supports all aspects of the Ychsat Group Ethics and Compliance programme and reports to the ARCC on compliance and integrity in the day-to-day business of Ychsat. For further information regarding Ychsat E&C function, its activities and its achievements, please refer to the section entitled "Ethics and Compliance".

c. Internal Audit (Third line)

Ychsat's Internal Audit function is an independent, objective assurance and consulting activity designed to improve and add value to Ychsat's operations and activities. It provides assurance to the ARCC on the 'in control status' of Ychsat and advises management on risk management, compliance and integrity in the day-to-day business. This encompasses operational, financial, IT, compliance audits and enterprise risk management coordination.

The Internal Audit function is governed by adherence to the Institute of Internal Auditors' mandatory guidance, including definition of Internal Audit, Code of Ethics and International Standards for the Professional Practice of Internal Audit (Standards, IPPF). Its activities are conducted in a manner based on a continuous evaluation of perceived business risks and has full and unrestricted access to all activities, documents, records, properties and staff. The Internal Audit Department has issued 8 Internal Audit reports and the Internal Audit plan for 2022 to the ARCC during 2021.

The Internal Audit function reports administratively to Ychsat's CEO and functionally to the ARCC.

(iv) Risk and Controls Framework

The Risk Management and Internal Control (RMIC) framework strives to assist the organisation to integrate risk management and internal control into all its activities and functions. The framework is designed to be a comprehensive set of components that support and sustain risk management and internal control throughout the organisation, including vision, mission, principles, guidelines (and policies), objectives, mandate and commitment, plans, relationships, accountabilities, resources, processes and activities.

Ychsat uses a top down approach for enterprise-wide risk management. A bottom up approach is used for specific business units' risk management. Risk assumptions are routinely revisited to evaluate Ychsat's readiness in treatment of the risks and are updated as necessary.

Ychsat has created an enhanced enterprise-wide top risks catalogue based on the risk assumptions. The top risks are evaluated quarterly with each responsible division head to update the risk trend of each risk and the corresponding risk treatment plans, or to add any new risks. Enterprise-wide top risks are presented to ARCC quarterly.

In the pursuit of Ychsat's strategic objectives, it is willing to accept measured risks in a responsible way, taking into account our stakeholders' interests. The Ychsat Board annually reviews and sets Ychsat's strategic objectives, while considering opportunities and threats. All major investment decisions (strategic projects, mergers and acquisitions) need Board endorsement or approval. Ychsat has a flexible risk approach to technological innovation. With respect to other risk categories, the approach of the Company towards risks could be qualified as cautious, and as zero tolerance for regulatory and compliance risks.

The Board has delegated certain authority to management, (predominantly pursuant to its Delegation of Authority document (DOA, see commentary on Delegation of Authority in the Section entitled "Corporate Governance Overview")), after performing a data based quantification of the operational requirements. Commitments, investments and other strategic decisions beyond the applicable delegated limits in the DOA are presented to Ychsat Board of Directors for their review and approval.

In line with ADAA Resolution No. 1 of 2017, the Group has implemented an Internal Control over Financial Reporting (ICOFR) framework. ICOFR is monitored and reviewed at the second level (the RMIC function) and third level (Internal Audit function) internally throughout the year, and reviewed by Ychsat's external auditors for independent assurance twice a year. An efficient ICOFR framework provides reasonable assurance over financial reporting to all stakeholders. The ICOFR updates are reported to the ARCC as a standing agenda item in the ARCC's scheduled quarterly meetings.

(v) Risk and Controls Enhancements

Ychsat continuously strives to strengthen and enhance its risk management, internal control and compliance practices. In 2021, the following activities were performed and enhancements made:

- Regular, periodic reporting to the ARCC on main uncertainties/threat with regards to strategic priorities was introduced
- Effectiveness of the ICOFR framework was tested
- Several risk assessments were performed to support management decision making
- Compliance with the SCA Corporate Governance Guide was assessed and relevant corporate policies were updated or drafted and implemented (as appropriate)
- Ychsat Fraud Risk Management framework (including the corresponding fraud risk management policy) was formalised
- Ychsat Risk Appetite Statement and Risk Dashboard were developed
- Created Ychsat Policy Framework to ensure streamlined policies
- Training and awareness of Ychsat Group employees on several risk and compliance topics, including but not limited to fraud, information security, code of ethics, trading Ychsat shares and disclosure requirements
- Continuous and ongoing monitoring of the external compliance requirements was conducted and non-compliances was proactively highlighted through various compliance activities
- Ychsat's own Code of Ethics was introduced
- Company-wide Compliance trainings were conducted to build upon the Group's 'ethics and compliance oriented' culture

These enhancements allow focussed management, discussion and oversight of each business unit's risk and provide real-time partnership and support to our first line.

(vi) Violations

During 2021, Yahsat has not been subject to any material fines or penalties imposed by any government instrumentality, statutory authority or regulator. Additionally, no significant issues were identified with respect to non-compliance with rules or regulations compliance and internal controls.

Heads of Risk and Controls Departments

The expertise and experience of each of the risk and control heads is set out below:

Roy Knaven – Executive Vice President Internal Audit and Risk Management

Mr. Knaven, who was appointed by the Board in June 2017, heads both the Internal Audit and the Risk Management and Internal Control function. He has over 22 years of professional experience in the fields of internal audit, technology audit, risk management, internal control, process improvement and investigations in the telecommunication and technology industry, including Royal KPN, VEON and Wolters Kluwer. He began his career as an IT auditor, working at one of the 'Big 4' accountancy firms, EY Netherlands. He holds a master's degree in Information and Technology from the University of Tilburg in the Netherlands and an executive master's degree in IT Auditing from the Tilburg Institute for Advances Studies in the Netherlands. He is a Certified Management Accountant (IMA), Certified Internal Auditor (IIA), Certified Information Systems Auditor (ISACA) and chartered Dutch IT Auditor (NOREA). As a head of Internal Audit, he is responsible for the completion of the annual internal audit plan to provide assurance on the 'in control' situation of Yahsat. His Risk Management and Internal Control responsibilities include the ongoing implementation and enhancement of Yahsat's RMIC Framework.

Clint de Barros – Compliance Officer

The Ethics and Compliance function is headed by Clint de Barros, who acts as the Group's Compliance Officer and is also the Board Secretary of Yahsat. In addition to organically establishing and heading the standalone Ethics and Compliance function for the Yahsat Group in July 2021 to ensure Yahsat as a publicly listed company has a robust compliance programme in place, Clint has lead the Yahsat Ethics and Compliance function under the auspices of the Mubadala Ethics and Compliance Office since 2018, as the primary compliance resource for the Yahsat Group. In addition to primarily supporting Export Compliance initiatives since 2009, Clint has also been responsible for overhauling the Yahsat Export Control and Sanctions Compliance programme. Since joining Yahsat in 2008, Clint's primary responsibilities included providing principal legal support in corporate governance, major procurements, capacity leases, UAE AF projects, and a range of ad hoc day-to-day operational requirements. He previously worked at Etisalat/E-marine as Contracts Manager-legal, and in private practice in Mumbai and New Delhi, India. Clint has an LLB from Goa University, India.

Ethics and Compliance**(i) Introduction**

Prior to Yahsat becoming a listed company, the Group's Ethics and Compliance (E&C) Office operated as a discrete Yahsat function ultimately under the auspices of the Mubadala Ethics and Compliance Office. Following the listing, the Group's E&C Office became entirely independent and standalone and the Group adopted its own Code of Ethics. The Yahsat Code of Ethics is a comprehensive statement of ethics and conduct requirements, setting out the basic principles, standards and behaviours necessary to achieve our objectives and uphold our values. It makes clear that we not only follow the law, but strive to operate with the highest levels of ethics and integrity.

This Code applies to everyone who works directly for or represents the Yahsat Group, including all employees, directors and officers of Yahsat and its controlled subsidiaries. We also require our contractors, partners, consultants and suppliers to adhere to certain elements of the Code of Ethics, including the Yahsat Business Partner Code of Conduct.

The Code of Ethics is supplemented and supported by a number of policies which prescribe standards of conduct and offer further detailed guidance on how the principles enshrined in the Code of Ethics are to be applied. Although we strive to provide clear guidance regarding our ethical obligations, and create a principles-based E&C environment, no policy can ever address every scenario. The absence of direct guidance to address a particular situation does not relieve the Group or any of those to whom the Code of Ethics (and associated policies) applies from the responsibility to act consistently with the law and highest ethical standards of business conduct at all times.

The Company's Board of Directors is responsible for ensuring that there is an effective E&C programme in place. At the direction of the ARCC, the Yahsat Group CEO established an E&C Office that is independent of management, to develop, coordinate and support the E&C programme across the Yahsat Group. The E&C Office reports functionally to the ARCC.

Corporate Governance Report continued

Ethics and Compliance continued

(ii) The Yahsat Code of Ethics

The Code of Ethics is intended to enable the Group to achieve its commercial goals while operating with the highest levels of integrity. It contains provisions requiring the employees and officers to act ethically and in compliance with all applicable laws and regulations, specifically addressing the following areas:

- **Integrity.** The Group is committed to a culture of ethics and compliance by which it conducts global business with integrity and in accordance with applicable laws, rules and regulations.
- **Speaking up.** The Group's management encourages people to speak up when they see or suspect violations of the law, rules, regulations, policies or the Code of Ethics.
- **Respect and Fairness.** Everyone is to be treated with respect, and unfair treatment, harassment, discrimination, abuse or retaliation within the workplace will not be tolerated.
- **Conflicts of Interest.** Conflicts of interest, or perceived conflicts of interest, are required to be disclosed, in order that appropriate action or safeguards can be effected to eliminate any inference of, or actual, impact or prejudice resulting therefrom.
- **Confidentiality and Data Privacy.** Sensitive, confidential and material confidential information and personal data, as defined under the Code of Ethics, is protected.
- **Business Partners.** Customers, partners and suppliers are carefully selected and must conduct their business activities professionally, ethically, and in compliance with applicable laws, rules and regulations.
- **Anti-Bribery and Corruption.** Only gifts and hospitality that are reasonable and appropriate may be accepted, following global anti-bribery and corruption laws, and to avoid the appearance of any conflict of interest that might violate applicable laws or harm relationships or reputations.
- **Working with Governments.** The Group is mindful in forming strategic partnerships with governments and of the special risks and responsibilities those relationships carry.
- **Asset Management and Controls.** Assets and reputation are protected by observing internal controls and recognised financial and accounting practices.
- **Insider Trading, Securities Trading, Fair Competition and Commercial Information.** The Group follows international commercial laws and standards, including intellectual property protections, prohibitions on insider trading and anti-competitive conduct.
- **Export Control and Sanctions Compliance.** The Group is committed to maintaining an effective and continually improving system of export and sanctions compliance tailored to Yahsat's business, governing imports, exports, and international trade. As part of this commitment, Yahsat has developed policies, written materials and training that reflect the Company's procedures in support of export and sanctions compliance.

(iii) The Yahsat E&C Office

Yahsat E&C Office is led by the Head of E&C (or Compliance Officer), who is also charged with implementation of Corporate Governance for the Group. The E&C Office also has three E&C Champions supporting the function. These E&C Champions are embedded across the organisation and from diverse backgrounds to assist the E&C Office in having its ears to the ground and addressing concerns of employees across the organisation. E&C Champions not only support in identifying training needs across the organisation, but also assist in investigations from time to time, annual E&C e-learning and acknowledgements and business partner due diligence.

a. Primary functions of the E&C Office

The E&C Office leads, develops and supports all aspects of the Group's E&C programme.

Its responsibilities include, among other things:

- Empowering a culture of ethics and compliance
- Ensuring everyone, especially leadership, is committed to ethical conduct
- Creating and administering a comprehensive ethics and compliance programme, designed to prevent unlawful or unethical business conduct, and to detect it if it occurs
- Assessing ethics and compliance risks and testing to ensure that internal controls are responsive to those risks
- Investigating and remediating alleged violations of law, regulation or policies and procedures, and ensuring that improper conduct is held consistently and fairly to account

b. E&C Charter

The E&C Office ensures that Group personnel undertake and commit to exercise the levels of integrity and compliance consistent with the Code of Ethics and applicable laws, regulatory requirements, policies and procedures. The scope and core activities carried out by the E&C Office are set out in the Yhsat E&C Charter, and include:

- a. Planning: Developing an annual E&C programme plan that reflects the Group's unique characteristics (including an annual employee engagement plan, training, budgeting, risk management, etc.)
- b. Policy Procedure and Control Development:
 - I. Development of E&C Policies and Procedures as well as design and implementation of associated controls
 - II. Reviewing the E&C programme plan periodically in light of any changes
 - III. Working in partnership with the Yhsat Internal Audit team to establish policies and programmes that encourage employees of all levels to report suspected fraud and other inappropriate business conduct. The identification and prevention of fraud is the responsibility of management

b. E&C Charter continued

c. Monitoring:

- I. Monitoring compliance with the Code of Ethics and incidental policies
- II. Administering and monitoring the E&C programme
- III. Coordinating internal E&C audit and oversight activities, including periodic reviews of departments. Working in partnership with the Ychsat Internal Audit team on audits with scopes relevant to E&C
- IV. Monitoring, reviewing and approving disclosures as follows:
 - i. Conflicts of Interest: Management of Conflicts of Interest disclosures by Board members and employees
 - ii. Gifts Entertainment and Hospitality: Assessing and, where appropriate, granting approvals for the receiving or providing of gifts or entertainment in relation to external parties
 - iii. Sponsorships: Assessing and, where appropriate, granting approvals for the receiving or providing of sponsorships in relation to external parties

d. Risk Assessment:

- I. Carrying out annual E&C risk assessments in conjunction with the Risk Management Officer
- II. Providing strategic advice and guidance to the Group's management regarding E&C matters
- III. Coordination of efforts related to audits, reviews and checks

e. Training:

- I. Carrying out general E&C training on an annual basis, and as required on an ad hoc basis.
- II. Providing guidance, training and / or educational programmes to improve the Group's understanding of relevant laws and statutory requirements
- III. Determining the necessary level of knowledge regarding the existing and potential regulatory compliance requirements of the Group

f. Reporting:

- I. Preparing clear and concise E&C reports to the ARCC and the Company's Board of Directors
- II. Providing quarterly reports and annual reports to the ARCC and other stakeholders
- III. Communicating with regulatory authorities on E&C matters

g. Investigations: Initiating, leading or assigning independent investigations based on E&C related issues (including cases of potential fraud) in response to reports made to the E&C Office or as otherwise mandated by management or other functions (e.g. Internal Audit, Enterprise Security, or Human Capital), as appropriate

h. Policy updates: Undertaking (or, overseeing) policy updates or improvements based on changes in laws or regulations advised by the legal department, as an outcome of audit recommendations or ARCC recommendations or to address gaps identified in any policies or any incidents that occur.

(iv) Reporting Externally

The E&C Office is also responsible for reporting serious incidents to external regulators to whose jurisdiction Ychsat submits, in line with applicable regulatory requirements. Any reporting to external bodies shall take place in accordance with applicable regulations and shall be done in consultation with the Disclosure Committee, and the ARCC will be informed of and/or consulted regarding requirements to report externally and prior to the external release of any associated reports.

(v) Investigation Reports

Investigation reports are strictly confidential and will only be shared with Ychsat CEO (and, where appropriate, the ARCC), and on a need-to-know basis to the Chief Human Capital Officer, the General Counsel and the Head of Internal Audit. All E&C investigations will result in an E&C Investigation Report being approved by Ychsat CEO.

A summary of critical matters, i.e. matters of serious concern, will be reported by the E&C Office to the ARCC, in addition to statistical updates and trends on non-critical matters.

(vi) Activities Carried out by the E&C Office in 2021

In preparation for listing, the E&C Office developed a charter to establish the framework within which the independent E&C function at Ychsat would function, based largely on the Mubadala E&C Program (which itself is ISO 37001 accredited).

As a part of its mandate, the E&C Office constantly engaged with employees through different media over the course of the year.

Trainings are an integral channel of employee engagement. The trainings conducted by the E&C Office targeted various audiences across the organisation, covering a range of topics including ethical leadership, business partner due diligence, fraud awareness, securities trading, delegation of authority and export control and sanctions compliance.

An annual general E&C training was also conducted for all Group employees, and was attended (virtually) by a majority of employees. During the introduction to this training, the Ychsat CEO emphasised the tone at the top, highlighted the need for employees to be accountable for upholding the Ychsat Code of Ethics and following all applicable laws, regulations and company policies, ensuring that values remain fundamental to their work, emphasising also employee commitment and enthusiasm for "doing the right thing, the right way... and if you see it, say it." A recording of this training has been placed on the Group's intranet to ensure that it is easily available to anyone requiring training or guidance.

Corporate Governance Report continued

Ethics and Compliance continued

(vi) Activities Carried out by the E&C Office in 2021 continued

The Ychsat E&C Office also conducted e-learning and sought acknowledgement from all employees to ensure that everyone across the Group is fully committed to our values and ethical principles. The acknowledgement covered areas including conflicts of interest disclosures as well as acknowledgement of the Code of Ethics and associated policies. The Code of Ethics and associated policies are accessible to all staff at all times and are also available on the Group's intranet.

The E&C Office also set up an independent helpline dedicated to receiving any concerns that employees might have, or to facilitate the reporting of any matters of concern anonymously. In addition to this, there is a dedicated email address through which employees can raise concerns or seek clarifications. An external-facing email address has also been set up, to enable external parties or business partners to raise any concerns.

The E&C Office routinely receives disclosures of potential or perceived conflicts of interest for approval. Conflicts of interest can include Financial Interest in an Outside Concern, Holding a Position as Officer or Director in an Outside Concern, Other Associations with Outside Concerns, Employment of a Related Person at the Ychsat Group, Family Members, Friends & Other Personal Relationships (Related Persons), or Use of Confidential Information or Ychsat Group Resources. These disclosures are reviewed on a case-by-case basis in conjunction with management and adjudicated upon appropriately.

From time to time, gifts, entertainment and sponsorships, provided or received, by members of the Group are reported to the E&C Office for review, and where approved, appropriate controls are put in place and monitored to ensure that even the slightest perception of bias or impropriety is neutralised. Only gifts and hospitality that are reasonable and appropriate are approved in line with global anti-bribery and corruption laws and the SCA Corporate Governance Guide, and to avoid the appearance of any conflict of interest that might violate applicable laws or harm relationships or reputations.

The E&C Office, in conjunction with the Ychsat Internal Audit team, conducts risk assessments in relation to the E&C matters on a biannual basis.

Through any of the various channels (e.g. helpline, email or direct reporting via line managers), areas of concern are reported to the E&C Office from time to time. The E&C Office reviews all matters placed before it, and forms a committee as appropriate to investigate concerns that might prejudice the ethical framework within which the Company operates. Reports are submitted to the Ychsat CEO, who in-turn authorises disciplinary or corrective actions, as appropriate.

(vii) Export Control and Sanctions Compliance

The Head of E&C, under the guidance and oversight of the General Counsel, also supports the Group's Export Control and Sanctions Compliance activities. The Export Control and Sanctions Compliance office is supported by a spectrum of champions embedded across various key departments throughout the organisation. Export Control champions, trained on various issues related to export control and sanctions are able to assist team members in ensuring compliance with regulatory requirements associated with the day-to-day work, including the preparation of technology control plans, ensuring controlled transfer and storage of physical and electronic control technology, classifying technology, identifying export classification codes and determining what products are permitted to go to which country.

Screening Champions, trained on using the various screening software to identify any SDNs, have also been strategically placed within the organisation to ensure that all business partners are effectively screened to eliminate the risk of anyone within the Ychsat Group ever having to deal with a sanctioned person or entity.

Related Party Transactions

The Company aims to operate at the highest level of integrity and transparency. The laws of the UAE and the SCA regulations lay down rules relating to Related Party Transactions. Related Party Transactions can present potential or actual conflicts of interest for Ychsat and may create the appearance that business decisions are based on considerations other than the best interests of Ychsat and its shareholders. However, there are also cases where Related Party Transactions may be in the best interest of Ychsat and its shareholders, and hence the Company has a policy in place to provide a sound framework for the review and approval of these transactions, in accordance with the requirements of the SCA Corporate Governance Guide and UAE Companies Law.

The Company did not conduct any transactions with Related Parties in the year 2021, according to the provisions governing transactions and Related Parties stipulated under the SCA Corporate Governance Guide, which is the authoritative text from a UAE listed company perspective and pursuant to the UAE Companies Law.

Gender Diversity

The Group is committed to equality, non-discrimination and advancing gender diversity, with a view to increasing the ratio of female representation in all areas of our business. We value diversity in all respects, recognising the benefits that an inclusive and diverse organisation can offer, to our employees, customers, investors and all other stakeholders, and how this can contribute to the formulation and execution of our strategy and operations and ultimately to the success of the Group.

The Board and the Group's management believe that gender diversity should be promoted within a "level playing field" environment. The concept of equality does not imply positive discrimination; the Group aims to increase gender diversity whilst maintaining all of the characteristics and benefits of being a merit-based organisation; only in this way such policies be successfully implemented across the business, ensuring that productivity and results are maintained (and preferably enhanced) against a backdrop of fairness and equality.

To increase, and then maintain, greater gender diversity, one must continually consider the barriers that might exist in the working environment (or challenges outside the working environment) that could otherwise discourage female participation, and address these accordingly to create the aforementioned "level playing field". Actions to address such barriers may include:

- supporting women in the workplace by providing additional benefits to support their growth while maintaining their personal livelihood;
- continuing to actively apply a non-discrimination policy in terms of pay, benefits, employment, promotion;
- supporting initiatives that recognise issues that employees with young families may face, such as flexible working, an extended Working From Home policy for employees with family responsibilities, applying a progressive and modern maternity leave policy with appropriate concessions and benefits (including accommodating working mothers who wish to continue breastfeeding);
- hosting events in support of women in the workplace and tackling issues faced by female workers that may not apply to their male counterparts;
- ensuring training is accessible for all in the workplace to help individuals to develop their skills and maximise their potential, facilitating more equal representation across all levels of the Company, including management level positions; and
- provide an equal chance for University Interns in all fields of the business and will strive to achieve a 50/50 ratio between applications.

The Group has adopted policies regarding gender diversity that apply to Board-level appointments and also to the Company-wide approach to gender diversity.

At the beginning of 2021, female representation on the Board of Directors of the Company was 25% (2 out of 8), reducing to 20% upon the increase of the size of the Board to 10 Directors. In July 2021 until the end of the year, the number of female Directors reduced to 11% (1 out of 9). The Company's senior management includes one female at C-Level, the Chief Human Capital Officer, Muna Al Mheiri, who is also a valued member of the Board's Nomination and Remuneration Committee.

Health and Safety in the Uncertain Times of Covid

In March 2020, the Company's management implemented a COVID Committee (led by the Chief Human Capital Officer and Chief Operations Officer). The Committee meets at least weekly and has done so since its creation. Its primary objective is to keep our employees safe whilst maintaining our critical operations and services. The Committee constantly assesses the pandemic situation to discuss and implement appropriate safety measures.

During the national lockdowns and spikes in positive case reporting, non-site dependent employees worked from home, with only critical operations staff and contractors on site. Further measures were put in place to reduce the onsite population, and protect the critical operations employees. This included amending shift patterns and rotations to increase the duration of off-days between shifts, performing electronic (as opposed to in-person) handovers and full sanitisation of the Operations Centres between shifts.

High-risk employees were also proactively monitored to provide the most effective guidance and support. The general health of our staff and those with underlying health issues was assessed, and even critical staff falling into these categories were advised to work from home.

All non-critical access to the sites was stopped and any deliveries had to be dropped and sanitised at the security gates. To mitigate the risk of infection among our contractors (Security and Facility Management) temporary onsite accommodation was created for the duration of the lockdowns and remote working periods.

Operations across all departments and activities remained unaffected by the successful working from home strategy and Yabsat Group IT's Modern Workplace strategy. The Modern Workplace is based on Microsoft Teams (fully coordinated with the UAE's TDRA) and allows employees to meet and collaborate remotely, just as effectively as being in the office. Key applications are accessible from home ensuring we can run business as usual, without comprising our robust IT security and data protection policies.

When the UAE Government recommended returning to office work, the return was carefully planned to ensure maximum safety of employees, implementing many safety measures including:

- Rotational groups to reduce site occupancy
- Sanitising tunnels at all entry points
- Daily sanitising of all offices
- PPE (gloves, masks & gel) provided throughout the sites
- Creation of a Red Zone to segregate critical site dependent employees
- Awareness sessions, posters and floor stickers to remind employees of the necessary precautions
- Track and trace procedures in line with government guidelines
- PCR testing guidelines and onsite testing facilities
- Vaccination questionnaire and dashboard to track progress towards current 98% vaccination rate.

Corporate Governance Report continued

Health and Safety in the Uncertain Times of Covid continued

The return-to-work journey started with three rotational groups, with office occupancy limited to around 30%. The situation was constantly assessed, and the groups were adjusted over a period of months, gradually increasing the occupancy to achieve a 100% return to work in July 2021. During this period, onsite facilities were reopened at reduced capacity (restaurant, prayer rooms, coffee areas, gyms) and an “order to desk” food delivery service and trolley service were implemented. On 10 January 2022, however, in response to a recent increase in positive COVID cases in the UAE, and with several employees returning from overseas travel, rotational working was reintroduced and office capacity was reduced to 65%. The situation remains under constant review.

Investor Relations – Engagement with Shareholders

Since the listing of Yahsat in July 2021, the Investor Relations Department has become the Company’s first point of contact for the capital markets. The team communicates with investors and sell-side analysts to help educate these stakeholders in the Group’s activities and inform them about Yahsat’s strategy and financial performance.

Yahsat is committed to cultivating long term relationships with its shareholders and engaging in a dialogue with analysts and potential investors through several touch points including capital markets days, one-on-one meetings, group meetings, webcasts and conference calls, investor conferences, non-deal roadshows and the publication of earnings results.

Yahsat strives to disseminate pertinent information to its shareholders and the investment community in an accurate, fair and timely manner, in accordance with its regulatory obligations.

Information on the state of Yahsat’s financial position, health of the Company’s balance sheet, future outlook and other related items is primarily shared through the publication of fully audited financial statements and earnings materials. Yahsat publishes quarterly earnings according to a pre-announced calendar. The Investor Relations team organises a conference call each quarter to provide details on the publication of the Company’s recent performance and outlook. During these meetings, the senior management team presents the results and answers questions from investors and other members of the investment community.

Furthermore, the Investor Relations team also leads the Company’s efforts in publishing its annual, governance and sustainability reports and relevant ad hoc announcements. All reports, presentations, releases and investor information are available on Yahsat’s Investor Relations website. The website can be accessed via the following link: <https://www.yahsat.com/en/investor-relations>. Quarterly audited financial statements and earnings press releases are also announced on the ADX website.

The Investor Relations Department of Yahsat is led by Mrs. Layla Abdulla Mohammed Al Hayyas, Head of Investor Relations, who brings 20 plus years of experience in the satellite and telecoms industries.

Investor Relations Contact:

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Engagement with Regulatory Bodies

In the carrying out of its business, Yahsat and Thuraya interact principally with the following regulatory bodies:

Telecommunication & Digital Government Regulatory Authority (TDRA) – The TDRA is the spectrum and telecommunications regulator for the United Arab Emirates. As a UAE entity, Yahsat has secured licenses as a telecommunication provider which regulate the services it provides in the UAE as well as the use of spectrum by its satellites and Earth stations.

International Telecommunications Union (ITU) – The ITU is an agency of the United Nations responsible for radiocommunications and telecommunications worldwide. As it pertains to radiocommunications, satellites make use of spectrum which covers multiple nations, and the ITU consequentially serves as the focal point for the management of satellite spectrum used by member states. The work of the ITU in this regard is governed by the Radio Regulations, an international treaty which is amended every three to four years by means of a World Radiocommunication Conference (WRC). Spectrum rights that have been made available to Yahsat by way of the TDRA were obtained in compliance with the process established in the Radio Regulations. Furthermore, Yahsat supports the TDRA at the WRC to ensure that satellite interests are considered in its deliberations.

As it pertains to telecommunications, the ITU is responsible for standards relating to telephony. As the Thuraya system is part of the public switched telephone network, the country code and mobile operator code assigned to Thuraya is provided by the ITU. Furthermore, Thuraya ensures that call switching and dialing is done in compliance with ITU standards so as to ensure that customer calls are carried out seamlessly.

United Arab Emirates Space Agency (UAESA) – The UAESA is the organisation within the UAE Government responsible for the regulation of operations in outer space. As Yahsat owns assets and operates in space, it looks to the UAESA as its regulator on matters relating to the physical objects it has placed in space. The regulatory oversight of the UAESA focusses on the safe operation of Yahsat Group's satellites and their orderly disposal at the end of their life, in a manner that does not create a risk to other operators.

United Nations Office of Outer Space Affairs (UNOOSA) – The UNOOSA is the branch of the United Nations responsible for application of conventions relating to the use of outer space by all nations that have ratified these conventions. As the UAE has ratified these conventions, Yahsat ensures that its satellites are appropriately registered with the UNOOSA. Furthermore, Yahsat has supported the UAESA in its participation in the Committee on the Peaceful use of Outer Space (COPUOS), a deliberative body seeking the improvement in the conventions and guidelines surrounding the use of space.

Other National Regulators – As Yahsat companies offer services in various countries in Europe, Africa, the Middle East, and Asia, it must ensure that appropriate authorisations are received in each territory. The steps required to obtain these authorisations vary widely from country to country consequential to variations in statute, rules applying these statutes, as well as domestic standards and guidelines. These obligations typically encompass obtaining landing rights, licensing spectrum used by earth stations located on national territory, market access authorisations and equipment certification of compliance with national standards.

Violations – No member of the Group has been notified of any material violations of the regulations promulgated by the above regulatory bodies, and no fines or other sanctions have been imposed.

Emiratization

Yahsat has consistently maintained Emiratization targets as part of its corporate KPIs, in line with its commitment to the development of UAE national talent and capability, and in accordance with UAE Government decrees promulgated by the Executive Council of Abu Dhabi to all government and semi government companies in UAE. The broad aim of the national Emiratization agenda is to reduce unemployment among UAE nationals and to increase the competency levels of the UAE national workforce. Pursuant to these decrees, government and semi government companies are required to create Emiratization sections that specialise in executing the UAE National employee development strategy, and Emiratization statistics and programmes are monitored by the Human Resource Authority on a quarterly basis. Yahsat has always strongly supported this cause and the proportion of the full time workforce at both Yahsat and Thuraya (combined) stood at 52% as at 31 December 2021.

Yahsat provides UAE national employees with opportunities to rotate between roles within the Group to get exposure to the various lines of the business and to build expertise and suitably diverse skillsets. The aim is to develop well-rounded individuals who can make a genuine and valuable contribution to the long term success of the business, constantly challenging them and pushing their boundaries challenge, hence preparing them for senior positions within Yahsat or the satellite industry. To further the aims of Emiratization, priority is given to UAE National employees for internal vacancies provided that their performance merits such role and they fulfil the pre-defined selection criteria.

The Human Capital and Administration team, in collaboration with Yahsat management, has also conducted workshops throughout the UAE's educational institutes to provide Emirati undergraduates and graduates with access to the resources needed to develop their knowledge of the satellite and space industries and to promote a career path in this exciting and fast-evolving industry.

Annual General Meeting 2021

The Annual General Meeting (AGM) of the Company in 2022 will be Yahsat's first general meeting of the shareholders as a listed company.

Prior to Yahsat's listing, Yahsat had a sole shareholder, Mamoura Diversified Global Holding PJSC (MDGH). MDGH is a direct wholly-owned subsidiary of Mubadala Investment Company, PJSC.

All resolutions presented to Yahsat's AGM were passed unanimously by the sole shareholder. These included the approval of the Company's financial statements, the appointment of the Company's external auditor for the year beginning 1 January 2021 and the auditor's fees, and the release of the Board and the auditors of any responsibility or liability for any claims that may arise in respect of the financial year ended 31 December 2020.

During the course of 2021, but prior to the date of Yahsat's listing, written shareholder resolutions were passed to declare and approve the payment of dividends to MDGH, to convert Yahsat to a public joint stock company, to increase the Company's share capital in preparation for the public offering of its shares and other actions associated with the public offering and Yahsat's admission to listing on ADX. All such resolutions were either expressly referred to or were consistent with the information presented in the prospectus relating to the retail offer, and the international offering memorandum in respect of the qualified investor offer, of Yahsat's shares.

Corporate Governance Report continued

General Information Regarding the Company's Shares

As at 31 December 2021, Ychsat had an issued share capital of 2,439,770,265 shares of AED 1.00 each. All of these shares have been admitted to trading on the Abu Dhabi Securities Exchange, ADX, since 14 July 2021.

From 1 December 2021, the Company's shares were included as a constituent of the MSCI Small Cap Indices, including the MSCI All Country World Index (ACWI) Small Cap Index, MSCI Emerging Markets Small Cap Index, and the MSCI UAE Small Cap Index after fulfilling the necessary listing requirements.

From 20 December 2021, the Company's shares were also added to the FTSE UAE Small Cap Index. By virtue of being a constituent of the FTSE UAE Small Cap Index, Ychsat has also been added to the FTSE Global Small Cap Index, FTSE Global All Cap Index, FTSE Middle East & Africa Small Cap Index, FTSE Middle East & Africa All Cap Index, among others.

(i) Share Price Evolution During 2021

Since the admission to trading of the Company's shares on 14 July 2021, the share price has evolved on a monthly basis, as follows (shown in AED per share). Changes in Ychsat's share price result from a range of factors, some of which are attributable or related to Ychsat and others that are external in nature, unrelated to the Company:

Date	Open	High	Low	Close
July (14–31)	2.75	3.10	2.70	2.79
August	2.78	2.79	2.57	2.62
September	2.62	2.69	2.46	2.56
October	2.56	2.76	2.51	2.75
November	2.75	2.91	2.69	2.77
December	2.77	2.82	2.69	2.74

(ii) Share Ownership Distribution as at 31 December 2021

The following table sets out the distribution of Ychsat's shares among certain disclosed demographics of shareholder, as at 31 December 2021:

Shareholder demographic	Percentage Owned			Total
	Individuals	Corporate	Government	
UAE	10.66%	71.69%	6.50%	88.85%
GCC	0.27%	1.72%	0.01%	2.00%
Arab	0.61%	0.02%	0.00%	0.63%
Foreign	0.68%	7.84%	0.00%	8.52%
Total	12.22%	81.27%	6.51%	100.00%

(iii) Shareholders Holding 5% or More as at 31 December

The table below shows the shareholders holding 5% or more of the Company's shares and the percentage of their shareholdings in 2021:

Name	Shareholding	Percentage
Mamoura Diversified Global Holding PJSC	1,463,862,159	60%

(iv) Statement of Distribution of Equity According to Size of Holding

The following table illustrates the distribution of shareholdings, according to the number of shares held:

Shareholding	Number of Shareholders	Total Number of Shares Held	Shareholding Percentage
Less than 50,000	1,783	20,699,977	0.85%
50,000 to 500,000	519	89,549,189	3.67%
500,001 to 5,000,000	170	278,816,197	11.43%
5,000,001 or more	35	2,050,704,902	84.05%
Total	2,507	2,439,770,265	100.0%

Cautionary Statement Regarding Forward-Looking Statements

This Annual Report contains “forward-looking statements” with respect to the Group’s financial condition, results of operations and businesses and certain of the Group’s plans and objectives. In particular, such forward-looking statements include, but are not limited to, statements with respect to: growth projections relating to the industry or segments thereof over specified periods; competitive positioning and growth potential; expectations of the Group’s future financial condition, performance or results of operations (including stated financial guidance); the Group’s contracted future revenues; ability to secure new revenue opportunities (currently identifiable or otherwise); potential for diversification; financial ability to pursue future opportunities; expected date of commencement of commercial operations on new missions; ability to deliver anticipated new products and services that will meet or exceed expectations and stimulate demand; factors expected to stimulate demand or uptake; future prospects of certain technologies and solutions; price evolution of products and services; the characteristics of, and ability to deliver against, our progressive dividend policy. Forward-looking statements are sometimes, but not

always, identified by their use of a timeframe or date in the future or such words as “will”, “anticipates”, “positioned”, “set to”, “set for”, “poised”, “expects”, “believes”, “intends” (including in their negative form or other variations). By their nature, forward-looking statements are inherently predictive, speculative and involve risk and uncertainty because they relate to events and depend on circumstances that may or may not occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements. These factors include, but are not limited to, the following: general economic and political conditions of the jurisdictions in which the Group operates, including as a consequence of the COVID-19 pandemic; changes to legal, regulatory and tax environments; lower than expected rates of industry investment and growth; increased competition; levels of investment and the Group’s ability to deploy new technologies, products and services; the (in)ability of new products and services to perform in accordance with expectations; changes in strategy and presentation of unanticipated opportunities; the Group’s

ability to generate and grow revenue; a lower than expected impact of new or existing products, services or technologies on the industry as a whole and the Group’s competitive positioning, future revenue, cost structure and capex; slower than expected customer growth, reduced customer retention, reductions or changes in customer spending and increased pricing pressure; delay or default in payment from contract counterparties; the Group’s ability to secure timely performance or delivery from suppliers; loss of suppliers, disruption of supply chains and changes in prices of hardware components, network hardware, and satellite communications equipment; failure to meet agreed service levels or targeted delivery or deployment dates due to unforeseen and unprovided circumstances; the impact of a failure or significant interruption to the Group’s satellites, ground networks or IT systems; the Group’s ability to secure, or realise expected benefits from, partnerships, joint ventures, or other arrangements with third parties; the extent of any future write-downs or impairment charges; developments in the Group’s financial condition, earnings, capex requirements and distributable funds and other factors that the Board takes into account in determining the

level of dividends; the Group’s ability to satisfy working capital requirements; changes in foreign exchange rates; changes in the regulatory framework in which the Group operates; the impact of legal or other proceedings against the Group.

No assurances can be given that the forward-looking statements in this document will be realised. Subject to compliance with applicable law and regulations, Yahsat does not intend to update these forward-looking statements and does not undertake any obligation to do so. You are therefore cautioned not to place any undue reliance on forward-looking statements.