

# Corporate Governance Report

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.

Chairman's Message	66	Investor Relations – Engagement with Shareholders	91
Introduction	67	Engagement with Regulatory Bodies	91
Corporate Governance Overview	68	Statement of Deals	92
Transparency and Disclosure	71	Statement of Other Significant Events	92
Board of Directors	72	Contracts Awarded & Agreements	92
Committees of the Board of Directors	79	Contributions to the Development of Local Communities and to Environmental Protection	93
Senior Management	81	Emiratisation	93
External Assurance	84	Annual General Meeting 2022	94
Internal Control and Risk Management	84	General Information Regarding the Company's Shares	94
Ethics and Compliance	87	Cautionary Statement Regarding Forward-Looking Statements	97
Related Party Transactions	90		
Gender Diversity	90		
Health and Safety in the Uncertain Times of COVID	90		

# Corporate Governance Report

**Musabbeh Al Kaabi**  
Chairman



## Chairman's Message

The Yahsat Board aims to promote the Group's long-term success and deliver sustainable value to our shareholders, while cultivating a culture of transparency and inclusion. As a responsible business, we are committed to conducting all our activities with integrity, by following the highest legal, ethical and governance standards. We firmly believe that our strong corporate governance framework, which is aligned to international best practices, makes Yahsat more conducive for growth and expansion both at home and overseas. In 2022, as the world began to recover from the impacts of the COVID-19 pandemic, there remained some restrictions across our markets. It was therefore necessary that our governance framework and practices remained flexible so that we could effectively discharge our duties and continue on the path to sustainable development. Throughout the year, we focused on enhancing our governance practices, placing strong emphasis on our overall purpose, strategy and corporate values.

## Introduction

At Ychsat, corporate governance is central to what we do. Since our establishment as a wholly-owned Mubadala asset in 2007 and throughout our journey to becoming a listed company in 2021, we have placed great importance on operating with integrity and adhering to a strong set of core values.

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 teams have 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.

This report also tackles the charters, policies and mechanisms that govern the Company's work in the field of governance. It also touches on Ychsat Board of Directors, the Board's Committees, the duties assumed by the Board and by its committees, the Board members' remunerations and their trading in the Company's securities.

## What's changed in 2022

2022 has been another transformative year for Ychsat. We undertook a full review of policies, practices and procedures to ensure that they meet the norms expected of a listed company.

Consistent with our general approach to corporate governance, Ychsat policies do not merely comply with the letter of the law or regulations and 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 has remained a key factor in ensuring an effective governance environment.

## ESG

Ychsat has progressed well in 2022 in the implementation of sustainability at Ychsat. A sustainability strategy was developed that includes a three-year roadmap based on our sustainability framework established on five pillars. The Company has also identified key objectives and action items for each sustainability framework pillar and assigned them to specific departments for implementation. Each of these objectives aids in improving how Ychsat addresses the most material sustainability areas relevant to its industry as well as helps Ychsat to increase its contributions towards significant sustainability-related ambitions, including Abu Dhabi's Economic Vision 2030, the UAE's Space Policy, and the United Nations (UN) Sustainable Development Goals.

The Company also scheduled various ESG training sessions to enhance awareness among all employees and Board of Directors. A dedicated training session for the Board of Directors focusing on their role was organised, inviting industry experts to conduct the session. We also created a formal structure at the management level to monitor the progress of the ESG strategy.

We comply with the UAE SCA regulatory requirements and follow ADX guidelines for sustainability reporting.

# Corporate Governance Report continued

## 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

### Ychsat's Articles of Association

The Company's Articles of Association (AoA) were amended immediately prior to listing of Ychsat's shares in July 2021. At the AGM held in April 2022, shareholders also approved the amendment to Articles 9 and 34 of the Articles of Association of the Company, including the amendment to the introductory part of the Articles of Association and the reference to the resolutions of the general assemblies of the Company amending the Articles of Association and to replace any reference to the repealed commercial companies law with the provisions of the Federal Law by Decree No. (32) of 2021 concerning Commercial Companies, as published at the Company's page at ADX and uploaded to the Company's website.

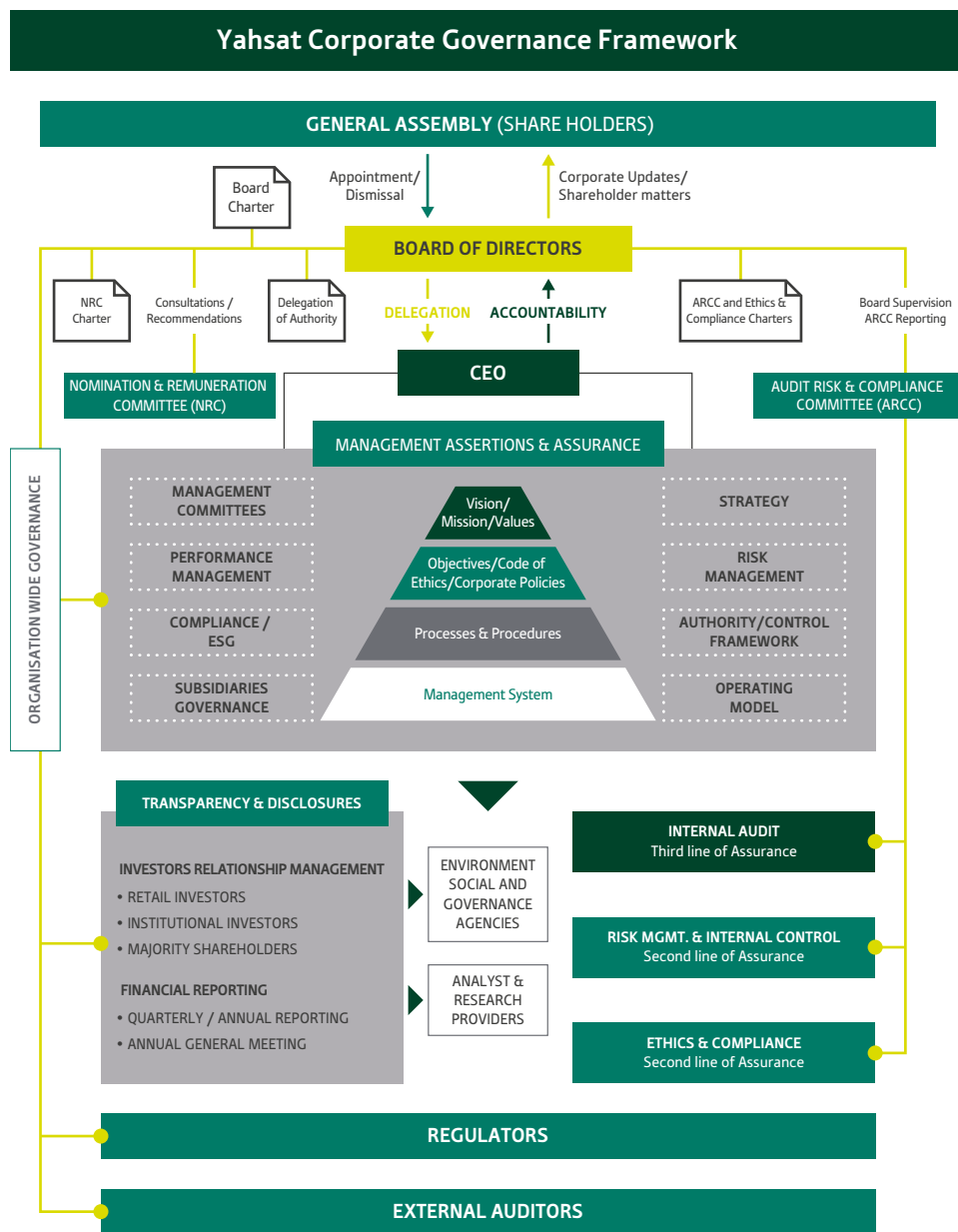
### Delegation of Authority

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 in July 2021. 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 is routinely reviewed and updated to continue to meet the requirements of the organisation and to align with industry best practice.

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 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 Ychsat, 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’s 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 covers Yahsat Group’s commitment to preserving the environment, complying with applicable environmental laws and regulations, and demonstrating continual improvement in its environmental performance and following industry practices.

# Corporate Governance Report continued

## 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. The policy delineates the role and responsibilities of the Corporate Communications and Investor Relations Departments related to financial communications, covering annual reports, earnings releases and financial analyses. 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 to deliver best practice communications across the Group to support business priorities and to build and protect Yahsat's brand and reputation. In 2022, the policy was updated to align with the Investor Relations Policy, highlighting shared activities across key financial communication responsibilities, including annual reports and internal financial reporting.

## 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, ADX 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 in an accurate, fair and timely manner. 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 individuals designated as Export Compliance Champions and are strategically selected from 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 on 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. The policy has been updated in Q4-2022 to include more detailed descriptions of Yahsat's Risk Management and Internal Control processes.

## 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.

### Financial Reporting Manual and Accounting Policies 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 achieve this objective the team maintains robust processes, systems, tools and effective internal controls over financial reporting – all elements necessary to deliver high-quality, IFRS-compliant financial statements to stakeholders accompanied by a clean unqualified audit report. The Financial Reporting Manual lays down the reporting framework and guidelines for the reporting function, while the Accounting Policies manual elaborates on the group's accounting policies, including practical guidance on key accounting topics 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.

### Dividend Policy

The Company aims to provide guidance, when possible, to investors and other stakeholders on future shareholder returns. With dividends being a key component of total returns, the Company has developed a shareholder-approved Dividend Policy. The policy sets out a progressive dividend that increases year-on-year, and which the Board has separately proposed will grow by at least 2% per annum. The policy, however, provides no assurance as to the amount of dividends to be paid, or if dividends will be paid at all, and outlines various financial considerations the Board may raise against the distribution of dividends and for the retention of earnings instead. At the Annual General Meeting on 11 April 2022, shareholders approved the updated Dividend Policy, expressly allowing for the payment of semi-annual dividends from 2022 onwards. As a result, Yahsat intends to pay dividends for each fiscal year in two equal instalments – an interim dividend payment in October of that year and a final dividend in April or May of the following year.

### 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 audited 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 by a reasonable investor to be important in making investment decisions in securities issued by Yahsat (so-called "material, non-public information" or "inside information").

The primary forum for all such disclosures 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.

# Corporate Governance Report continued

All disclosures made via the ADX E-Service 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 VP 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, share-related data and annual reports (comprising our Annual Report, Governance Report and Sustainability Report) 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 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 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 was the Chief Executive Officer of the UAE Investments Platform and an Investment Committee Member at Mubadala until 15 January, 2023. 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 Energy and is a Board Member of Abu Dhabi Future Energy Company PJSC (Masdar), National Central Cooling Company PJSC (Tabreed), First Abu Dhabi Bank 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.

As of 16 January 2023, Mr. Al Kaabi, took on the role of Executive Director, Low Carbon Solution & International Growth, ADNOC Group.

#### **Tareq Abdulraheem Ahmed Rashed Al Hosani — Vice Chairman**

H.E. Tareq Abdulraheem Al Hosani is the Secretary General of Tawazun Council, the government authority responsible for acquisition management, industrial development and the setting of regulations, standards and governance for the defense and security industry. H.E. Tareq Al Hosani manages the day-to-day business activities of Tawazun Council. He started his career as an officer in the UAE Armed Forces, where he progressed in the ranks to head the flight test centre, commanding a large team working on the development of core avionics systems for fighter aircraft. He then took on the role of Deputy Director General for the National Electronic Security Authority (NESAs). Tareq also held the position of Associate Director at Mubadala Investment Company and the Chief Executive Officer of Al Yah Satellite Communications Company (Yahsat), before becoming the Chief Executive Officer of Tawazun Council. Al Hosani holds a number of governance positions in the Defense, Security, Education, Aviation and Health Sectors. He currently serves as Chairman of the Boards of Directors of Bayanat, Munich Health Daman, and Tawazun Technology & Innovation (TTI), and as Vice Chairman of the Boards of Al Forsan Holding and Yahsat. He is a member of Royal Jet and Rabdan Academy Boards. Previously, Tareq Al Hosani served as Chairman of Global Aerospace Logistics (GAL), Vice Chairman of Abu Dhabi Health Services (SEHA), and sat on the Boards of several entities, such as UAE Space Agency, Edge Group, Emirates Defence Industries Company (EDIC), National Health Insurance Company (Daman), Higher Colleges of Technology and Abu Dhabi Airports Company (ADAC). He holds a Master's degree in Electronics & Communication from Université Pierre et Marie Curie in France and a Bachelor's in Aeronautics from Saint Louis University in the United States of America. He is 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. Prior to these roles, Rashed was the General Manager of Yahsat's YahService division (now Yahsat Government Solutions) 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) by e&, 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 Emirates Nuclear Energy Corporation, UAE Space Agency and Wio Bank. 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.

**Maryam Eid Khamis AlMheiri – Director**

Her Excellency Maryam AlMheiri is Director General of the Abu Dhabi Media Office (ADMO), having overseen its growth from launch to becoming the emirate's central source of news, information and stories about Abu Dhabi for a local and global audience. Maryam is also Vice-Chair of the UAE Special Olympics Board of Trustees, and serves on the board of Mohamed bin Zayed University for Humanities, the Emirates Red Crescent and the Fatima Bint Mubarak Ladies Sports Academy. She is also Honorary Advisor to the Board of Abu Dhabi University. Previously, Maryam was 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). She also holds a Master's in 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 across technology, aerospace, and healthcare, Badr is leading a dynamic team that are 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 Organization (UNIDO).

Badr is the Chairman of Strata Manufacturing (Strata), the Sanad Group (Sanad), and Emirates Post Group, and also serves as a Board Director at Mubadala Health, SHUAA Capital, Oumolat Security Printing, YAS Holding LLC, 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 Sr. Advisor to the CEO of the UAE investments 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 several companies in the Americas, Europe and Asia. Mr. Urda earned his MBA 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.

# Corporate Governance Report continued

## Clint de Barros – Board Secretary

Clint de Barros is the Board Secretary of Yahsat and heads the Ethics and Compliance Office for the Group. He joined Yahsat in 2008. In addition to being the secretary on various Board committees and providing corporate governance support to Yahsat Group of companies, Clint's primary responsibilities included providing principal legal support in major procurements, capacity leases, UAE AF projects, joint ventures, and a range of ad hoc day-to-day operational requirements. Clint 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. Following his LLB (Hons) from Goa University, India, in 2003, he previously worked at Etisalat/E-marine as Contracts Manager-legal, and in private practice in Mumbai and New Delhi, India.

In line with the requirements of the SCA Corporate Governance Guide, at the end of 2022, there was one female Director on the Board of Directors. There were also two female members (including the Chairman of the Nomination and Remuneration Committee) 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 2022:

Name	Tenure#	Independent*	Executive/ Non-Executive	Other directorships held**
Musabbeh Al Kaabi	2nd term (since 2 Feb 2021)	✓	Non-Executive	<ul style="list-style-type: none"> <li>Mubadala Energy LLC (C) (UAE)</li> <li>First Abu Dhabi Bank (BM) (UAE)</li> <li>Abu Dhabi Future Energy Company PJSC (BM) (Masdar) (UAE)</li> <li>Emirates Global Aluminium PJSC (BM) (UAE)</li> <li>National Central Cooling Company PJSC (Tabreed) (BM) (UAE)</li> </ul>
Tareq Al Hosani	4th term (since 23 Dec 2013)	✗	Non-Executive	<ul style="list-style-type: none"> <li>Bayanat (C) (UAE)</li> <li>Tawazun Technology &amp; Innovation LLC (C) (UAE)</li> <li>Munich Health Daman Holding Limited (C) (Masdar Free Zone – UAE)</li> <li>Al Forsan Holding Company LLC (VC) (UAE)</li> <li>Royal Jet Group (BM) (UAE)</li> <li>Rabdan Academy (BM) (UAE)</li> </ul>

Name	Tenure#	Independent*	Executive/ Non-Executive	Other directorships held**
Rashed Al Ghafri	4th term (since 23 Dec 2013)	✗	Non-Executive	<ul style="list-style-type: none"> <li>Thuraya Telecommunications Company (C) (UAE)</li> </ul>
Masood Mahmood	2nd term (since 2 Feb 2021)	✗	Non-Executive	<ul style="list-style-type: none"> <li>Emirates Nuclear Energy Corporation (BM) (UAE)</li> <li>UAE Space Agency (BM) (UAE)</li> <li>Wio Bank (BM) (UAE)</li> </ul>
Maryam Al Mheiri	1st term (since 12 July 2021)	✓	Non-Executive	<ul style="list-style-type: none"> <li>Executive Committee of Executive Council (Member) (UAE)</li> <li>UAE Special Olympics (VC) (UAE)</li> <li>Abu Dhabi University Honorary Advisor (BM) (UAE)</li> <li>Mohamed bin Zayed University for Humanities (BM) (UAE)</li> <li>Emirates Red Crescent (BM) (UAE)</li> <li>Fatima Bint Mubarak Ladies Sports Academy (BM) (UAE)</li> </ul>
Badr Al Olama	2nd term (since 2 Feb 2021)	✓	Non-Executive	<ul style="list-style-type: none"> <li>Emirates Post Group PJSC (C) (UAE)</li> <li>Strata Manufacturing PJSC (C) (UAE)</li> <li>The Sanad Group PJSC (C) (UAE)</li> <li>Shariket Kahraba Hadjret En Nouss SKH spa (C) (Algeria)</li> <li>Mubadala Health LLC (BM) (UAE)</li> <li>SHUAA Capital PSC (BM) (UAE)</li> <li>Oumolat Security Printing LLC (BM) (UAE)</li> <li>YAS Holding LLC (BM) (UAE)</li> <li>TASIAP GmbH (BM) (Germany)</li> <li>SAFAV/SAPPL/SAFMMA/AMS/RMA (AUTOMOTIVE JV'S), (BM) (ALGERIA)</li> </ul>
Adrian Steckel	1st term (since 12 July 2021)	✓	Non-Executive	<ul style="list-style-type: none"> <li>CONX Corp (BM) (USA)</li> <li>InfoBionic, Inc. (BM) (USA)</li> <li>Hyper Reality Partners, LLC (BM) (USA)</li> <li>Uphold Limited (BM) (Cayman Islands)</li> </ul>

Name	Tenure#	Independent*	Executive/ Non-Executive	Other directorships held**
Gaston Urda	1st term (since 12 July 2021)	✓	Non-Executive	<ul style="list-style-type: none"> <li>The Sanad Group PJSC (BM) (UAE and Switzerland)</li> <li>Virgin Orbit Holdings, Inc.(BM) (USA) (until Jan 2022)</li> <li>SR Technics Switzerland AG (BM) (Switzerland)</li> <li>Al Masar Investments LLC (BM) (UAE)</li> </ul>
Peng Xiao	1st term (since 12 July 2021)	✓	Non-Executive	<ul style="list-style-type: none"> <li>Group 42 Holding Ltd (BM) (UAE)</li> <li>Various private limited liability subsidiaries of Group 42 Holding Ltd (C/BM) (UAE/Non-UAE)</li> </ul>

# 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).

### (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 November 2022. This gave the Board an opportunity to spend time together to reflect on our industry and explore the opportunities and challenges facing the Group as well as recommending the Group to explore high growth venues (e.g. D2D, IoT, etc.), 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").

# Corporate Governance Report continued

## (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 circulated 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 2022, the Board held 5 meetings, 3 of which were held virtually. The table below shows the attendance at each of the 5 meetings:

Name	Board Meeting Date				
	28 Feb	10 May	8 Aug	7 Nov	5 Dec
Musabbeh Al Kaabi	✓	✓	✓	Proxy to Tareq Al Hosani	✓
Tareq Al Hosani	✓	✓	✓	✓	✓
Rashed Al Ghafri	✓	✓	✓	✓	Proxy to Masood Mahmood
Badr Al Olama	✓	✓	✓	✓	✓
Masood Mahmood	Proxy to Tareq Al Hosani	✓	✓	✓	✓
Maryam Al Mheiri	✓	Proxy to Badr Al Olama		✓	
Adrian Steckel	✓	✓	✓	✓	✓
Peng Xiao	✓	✓	✓	✓	
Gaston Urda	✓	✓	✓	✓	✓

## (v) Circular Resolutions

The following resolutions were passed by the Directors by circulation:

Date	Topic
10 February 2022	To approve the 2021 Preliminary Financial Results.
10 February 2022	To approve the appointment of Adrian Georges Steckel as a member on the NRC.
20 September 2022	To approve the distribution of an interim dividend of 8.06 fils per share (8.06% of the nominal value of the share) for H1-2022, representing AED 196,645,483 to be paid to the shareholders registered as at the closing of business day on Friday, 30 September, 2022
21 November 2022	To approve the execution of a Managed Services Agreement between Star Satellite Communications Company PJSC (“Star”), a wholly owned subsidiary of the Company and UAE Ministry of Defence (UAE MOD) represented by Tawazun Council (Tawazun).

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

Prior to Yahsat’s AGM in April 2022, 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.

At Yahsat’s Annual General Meeting held in April 2022, the Board of Directors’ Remuneration Policy issued by the Company pursuant to the SCA Corporate Governance Guide was approved by the shareholders.

The total remunerations of the Board and committee members for the year 2021 (for the period between listing in July 2021 and 31 December 2021) amounted to AED 3,332,876 (paid in 2022), while the proposed Board and committee remunerations for the year 2022 amounted to AED 6,476,849 covering membership in the Board and its Committees along with the allowances for attendance of the Board Committees’ meetings.

Board remunerations constitute 1.7% of the net profit of the Company after deducting the amortisations and reserves.

Director’s Name	Title	Board Remuneration 2021 (for the period from listing in July 2021 until 31 December 2021)	Proposed Board Remuneration 2022	ARCC Remuneration 2021 (for the period from listing in July 2021 until 31 December 2021)	Proposed ARCC Remuneration 2022	NRC Remuneration 2021 (for the period from listing in July 2021 until 31 December 2021)	Proposed NRC Remuneration 2022
Musabbeh Helal Musabbeh Ali Al Kaabi	Chairman, Yahsat	473,973	1,000,000	n/a	n/a	n/a	n/a
Tareq Al Hosani	Board Member, Yahsat	324,110	700,000	n/a	n/a	n/a	n/a

Director's Name	Title	Board Remuneration 2021 (for the period from listing in July 2021 until 31 December 2021)	Proposed Board Remuneration 2022	ARCC Remuneration 2021 (for the period from listing in July 2021 until 31 December 2021)	Proposed ARCC Remuneration 2022	NRC Remuneration 2021 (for the period from listing in July 2021 until 31 December 2021)	Proposed NRC Remuneration 2022
Rashed Al Ghafri	Board Member, Yahsat; NRC Member; NRC Chairperson*	284,384	600,000	n/a	n/a	47,397	55,479
Maryam Al Mheiri	Board Member, NRC member, NRC Chairperson	284,384	600,000	n/a	n/a	23,699	94,521
Masood Mahmood	Board Member, Yahsat; NRC Member	284,384	600,000	n/a	n/a	23,699	50,000
Badr Al Olama	Board Member, ARCC Chairperson	284,384	600,000	47,397	100,000	n/a	n/a
Adrian Steckel	Board Member, Yahsat; ARCC Member; NRC Member	284,384	600,000	23,699	50,000	n/a	44,521
Gaston Urda	Board Member, Yahsat; ARCC Member	284,384	600,000	23,699	50,000	n/a	n/a
Peng Xiao	Board Member, Yahsat	284,384	600,000	n/a	n/a	n/a	n/a
Madian Al Hajji	ARCC Member	n/a	n/a	23,699	50,000	n/a	n/a
Amal Al Ameri	ARCC Member, ARCC Chairperson*	n/a	n/a	23,699	50,000	n/a	n/a

Director's Name	Title	Board Remuneration 2021 (for the period from listing in July 2021 until 31 December 2021)	Proposed Board Remuneration 2022	ARCC Remuneration 2021 (for the period from listing in July 2021 until 31 December 2021)	Proposed ARCC Remuneration 2022	NRC Remuneration 2021 (for the period from listing in July 2021 until 31 December 2021)	Proposed NRC Remuneration 2022
Muna Al Mheiri	NRC Member	n/a	n/a	n/a	n/a	Waived	Waived
Amer Siddiqui	NRC Member**	n/a	n/a	n/a	n/a	n/a	32,329
Khaled Al Qubaisi	Chairman, Yahsat*	n/e	n/a	n/a	n/a	n/a	n/a
Dr. Eng. Mohammad Al Ahbabi	Board Member, Yahsat*; HCC Chairperson*	52,603	n/a	n/a	n/a	n/a	n/a
Sara Musallam	Board Member, Yahsat*	52,603	n/a	n/a	n/a	n/a	n/a
Hisham Malak	Board Member, Yahsat; HCC member*	52,603	n/a	n/a	n/a	n/e	n/a
Mounir Barakat	Board Member, Yahsat*	n/e	n/a	n/e	n/a	n/a	n/a
Michael Holden	ARCC member*	n/a	n/a	n/e	n/a	n/a	n/a
Muhannad Al Qudah	ARCC member*	n/a	n/a	n/e	n/a	n/a	n/a
Ebraheem Budeps	HCC member*	n/a	n/a	n/a	n/a	n/e	n/a
Siraj Aftab	HCC member*	n/a	n/a	n/a	n/a	n/e	n/a

\*2021; \*\*2022; n/e: Not eligible, pre-IPO (acting in capacity as Mubadala Employee)

For 2022, a proposal to pay fees for Board and Committee remuneration to all Directors will be placed before shareholders at Yahsat's Annual General Meeting for approval.

# Corporate Governance Report continued

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

Rashed Al Ghafri, received an amount of AED 50,000, as Board Fees, in his capacity as Chairman of Thuraya Telecommunications Company PJSC.

No Director received a salary from the Company as part of his or her role as a Director, either in 2022 or any prior year.

No fees other than Board fees (as disclosed above) were paid or payable to any of the Directors during 2022.

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 2022. The total amount of these expenses was AED 183,980. The total expenses paid for travels of the Chairman Mussabeh Alkaabi amounted to AED 6,700.

## (viii) Interests Held in Yahsat Shares and Transactions in 2022 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 2022. Details of any sales of shares in the Company during the year are also stated:

Director's Name	Shareholder (Director/Relative)	Shareholding at 1 January 2022	Shares sold in 2022	Shares purchased in 2022	Shareholding at 31 December 2022
Musabbeh Helal Musabbeh Ali Al Kaabi	Chairman	266,710	Nil	Nil	266,710
	Son (1) of Musabbeh Helal Musabbeh Ali Al Kaabi	49,282	Nil	Nil	49,282
	Son (2) of Musabbeh Helal Musabbeh Ali Al Kaabi	49,282	Nil	Nil	49,282
	Daughter (1) of Musabbeh Helal Musabbeh Ali Al Kaabi	49,282	Nil	Nil	49,282
	Daughter (2) of Musabbeh Helal Musabbeh Ali Al Kaabi	49,282	Nil	Nil	49,282
	Daughter (3) of Musabbeh Helal Musabbeh Ali Al Kaabi	49,282	Nil	Nil	49,282

Tareq Al Hosani	Vice-Chairman	227,710	Nil	Nil	227,710
Rashed Al Ghafri	Director	181,818	Nil	Nil	181,818
Maryam AlMheiri	Director	Nil	Nil	Nil	Nil
Masood Mahmood	Director	36,363	Nil	Nil	36,363
Badr Al Olama	Director	109,090	Nil	Nil	109,090
Adrian Steckel	Director	Nil	Nil	Nil	Nil
Gaston Urda	Director	199,950	Nil	Nil	199,950
Peng Xiao	Director	Nil	Nil	Nil	Nil

## (ix) Dividend Paid in 2022

Following the AGM held in April 2022, a cash dividend for the second half of the year 2021 amounting to AED 192,741,851 (7.9 fils per share) was distributed. An interim dividend of 8.06 fils per share (8.06% of the nominal value of the share) for H1-2022, representing AED 196,645,483, was also paid in October 2022.

## (x) 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 Yahsat 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 the General Counsel in December 2022.

## (xi) Board Training

At the time of appointment, Directors were given a full induction, comprising an introduction to the Group's business, the satellite industry, Yahsat'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, the General Counsel provided detailed training to the Board on topics including 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 December 2022.

ESG/Sustainability Training was also provided to the Board, by a leading firm in December 2022, covering areas of Ychsat's sustainability journey, ESG drivers and ratings, the Ychsat sustainability framework and 3-year high level ESG strategy and recommendations on how the Board can promote ESG/Sustainability at Ychsat.

#### (xii) Evaluation of Board Effectiveness

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). Routine evaluation of Corporate Governance is also carried out by assurance functions internally at Ychsat. The Directors are afforded an opportunity to also provide feedback through an annual questionnaire regarding the effectiveness of directors individually, the Board collectively, the functioning of meetings and the quality of information presented.

### 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 roles 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 2022, 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)

As a part of his role as the Chairman of the Audit, Risk and Compliance Committee, Badr Al Olama is responsible for ensuring the committee's overall effectiveness, and that the committee properly complies with all of its stated objectives.

The composition of the Audit, Risk and Compliance Committee was carefully considered at the time of the listing in July 2021. Ms. Al Ameri, formerly a Ychsat Board member, with her extensive financial experience, coupled with her role as the former Chairperson of the ARCC, offers an invaluable contribution to the ARCC and complements 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 Ychsat's internal risk and control system.

The Secretary to the ARCC is Ali Al Fahim, the General Counsel of Ychsat.

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 considers 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 the management and the Board of Directors.

# Corporate Governance Report continued

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 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 2022

During 2022, the ARCC held 4 duly constituted and quorate meetings.

Name	ARCC Meeting Date			
	24 Feb	9 May	29 Jul	3 Nov
Badr Al Olama	✓	✓	✓	✓
Adrian Steckel	✓	✓	✓	✓
Gaston Urda	✓	✓	✓	✓
Madian Al Hajji	✓	✓		✓
Amal Al Ameri	✓	✓	✓	✓

### (iv) Committee Evaluation

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.

### (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 2022, the NRC was composed of 4 non-executive Directors (two of whom are independent and one of whom acts as Chairman) and one non-Director member, as follows:

- Maryam AlMheiri (Chairperson of the NRC and member of the Board of Directors)
- Rashed Al Ghafri (member of the Board of Directors)
- Masood Mahmood (member of the Board of Directors)
- Adrian Steckel (member of the Board of Directors)
- Amer Siddiqui (Director, UAE Clusters, Head of Asset Management, UAE Investments, Mubadala Investment Company PJSC)

As a part of her role as the Chairperson of the Nomination and Remuneration Committee, Maryam AlMheiri is responsible for ensuring the committees overall effectiveness, and that the committee properly complies with all of its stated objectives.

Considering Mr. Al Ghafri ceased to remain independent, Mr. Steckel was added to the Board to ensure that at least two members on the Committee are independent. Accordingly, Ms. Maryam AlMheiri was elevated to the role of Chairperson of the NRC. Mr. Siddiqui's experience in matters related to Human Capital Policy & Procedures, Compensation & Benefits Frameworks, Succession Planning and various other Human Capital developments, in particular, supplements the NRC'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. Mr. Siddiqui replaced Muna AlMheiri on the NRC.

The Secretary to the NRC is Ali Al Fahim, 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 capital 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
- review 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 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 2022

Name	NRC Meeting Date				Notes
	21 Feb	28 April	28 July	1 Nov	
Maryam Al Mheiri	✓	✓	✓	✓	Appointed as a member and Chairperson of the NRC from 10 February 2022.
Masood Mahmood	✓	✓	✓	✓	
Rashed Al Ghafri	✓	✓	✓	✓	Handed Chairpersonship to Maryam Al Mheiri on 10 February 2022
Adrian Steckel		✓		✓	Appointed as a member from 10 February 2022
Muna Al Mheiri	✓	✓			Replaced By Amer Siddiqui on 10 May 2022
Amer Siddiqui			✓	✓	Appointed as a member from 10 May 2022

### (iv) Committee Evaluation

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	Notes
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 Technology Officer	2021	
Farhad Khan	1968	South Africa	Chief Commercial Officer	2016	Resigned w.e.f. 31 July 2022
Amit Somani	1972	United Kingdom	Chief Strategy Officer	2015	Resigned w.e.f. 7 October 2022
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	Chief Commercial Officer, Thuraya Chief Executive Officer	2022, 2021	Assumed the role of Chief Commercial Officer w.e.f. 1 July, 2022
Khaled Al Awadhi	1984	United Arab Emirates	Chief Advanced Programmes Management Officer	2022	Took on the role of Chief Advance Program Management Officer w.e.f. 1 July, 2022
Paul Andrews	1975	United Kingdom	General Counsel	2019	Resigned w.e.f. 31 August 2022
Ali Al Fahim	1988	United Arab Emirates	General Counsel	2022	Appointed as Deputy General Counsel w.e.f. 6 June 2022 and General Counsel w.e.f. 1 September, 2022

# Corporate Governance Report continued

The Company was proud to be able to promote several individuals from within the Group to C-suite roles during 2022, 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. Ali Al Hashemi was appointed Group Chief Executive Officer with effect from 18 April 2021 (and Chief Executive Officer Designate from 4 February 2021 up to 18 April 2021), having previously served in concurrent roles as the General Manager of Yahsat Government Solutions (YGS) and Chief Executive Officer of Thuraya. He is the Chairman of the Board of Directors of the aerospace services provider, GAL, and the military aircraft MRO services provider, AMMROC – both owned by ADQ, an Abu Dhabi-based investment and holding company with a broad portfolio of major enterprises. He is also a member of the Executive Committee of the UAE International Investors Council (UAEIIC) and the Board of Directors of the National Space Science and Technology Center (NSSTC). Mr. Al Hashemi successfully led the Yahsat Group's initial public offering (IPO) in the second quarter of 2021, and oversaw its listing on the Abu Dhabi Securities Exchange (ADX) as a public company. He joined Yahsat in 2013. With over 22 years of experience and a proven executive management record of driving sales growth in the satellite industry, Mr. Al Hashemi 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 of the UAE. Mr. Al Hashemi holds an MBA from London Business School.

## **Andrew Francis Cole – Chief Financial Officer**

Andrew Cole joined Yahsat in March 2020 and was appointed as its Chief Financial Officer in July 2020. He is responsible for the overall financial management of Yahsat including investor relations and procurement. 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 Investor Relations, Financial Planning, Governance, Risk (including satellite insurance) and Compliance, Treasury, M&A, 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.

## **Adnan Al Muhairi – Chief Technology Officer**

Mr. Al Muhairi was appointed as Chief Technology Officer in June 2021, having fulfilled the role of Deputy Chief Technology 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 16 years of experience in the space and satellite sector. He has a BSc. in Avionics/Engineering Management from the Higher College of Technology, and completed an intensive course in satellite systems engineering in South Korea, before earning an MBA from the McDonough School of Business from Georgetown University in Washington, D.C.

## **Muna AlMheiri – Chief Human Capital and Administration Officer**

Ms. AlMheiri joined the Group in 2007, prior to which she was Manager of Employee Services at Thuraya. In her current role, Ms. AlMheiri 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. In 2022 Ms. AlMheiri was awarded HR Leader of the Year (private sector) at GCC GOV HR Summit. She 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 18 years of experience, working in the regional and international telecommunications sectors 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 chains. He joined Yahsat in 2010. Prior to his role as General Manager and Deputy General Manager of Yahsat Government Solutions, he was the Executive Vice President of Engineering and Programme Management at YGS, responsible to deliver YGS projects and managing the design of the Yahsat military network. Mr. Al Shamsi has over 18 years of experience. He holds an Executive MBA from INSEAD and a BSc in Electrical and Electronics Engineering.

### Sulaiman Al Ali – Chief Commercial Officer and Chief Executive Officer, Thuraya

Mr. Al Ali has more than 20 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, was appointed as Deputy Chief Executive Officer of Thuraya at the beginning of 2020 and promoted as Chief Executive Officer of Thuraya in June 2021. Mr. Al Ali was appointed as Chief Commercial Officer of Yahsat in June 2022. Having 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.

### Khalid Al Awadhi – Chief Advanced Programmes Management Officer

Khalid Al Awadhi has more than 17 years of experience, working in the development and deployment of telecommunications and earth observation space systems. He joined the Company in 2009 as a Senior Satellite Specialist, participating in the design, procurement, AIT and launch of Al Yah 1 and Al Yah 2 missions. He progressed with assuming various engineering, management and leadership roles while contributing to more than 10 different commercial, defense and scientific/exploration space missions, including leading Yahsat's Falcon Eye programme teams in the delivery of the Government's very high resolution remote sensing system in addition to assuming the role of Director of Space Missions at the UAE Space Agency in his capacity as EVP of Special Projects. He became Chief Advanced Programmes Management Officer in 2022 with a mandate to activate and gear efforts towards preparing advanced space technologies, operational concepts and capabilities for future commercialisation, in-country industrialisation and further business expansion. He holds an MSc Space Science & Engineering – Space Technology from University College London and a BSc in Electrical Engineering from AUS. He also has an MBA Essentials certificate from London School of Economics & Political Science and a Design Thinking certificate from MIT Sloan School of Management.

### Ali Al Fahim – General Counsel

Ali Al Fahim is responsible for the management of the Group's legal department and corporate governance function. He joined Yahsat in June 2022 as Deputy General Counsel and was elevated to General Counsel in September 2022. He has over 13 years' experience as legal counsel, specialising in mergers and acquisitions and corporate law. Prior to joining the Company on secondment from Mubadala, Mr. Al Fahim occupied senior corporate legal roles within Masdar and Mubadala. Mr. Al Fahim holds a BCL degree in Law from University College Cork, Ireland and is admitted as a solicitor in England and Wales.

### Remuneration

The following table sets out the details of the senior management's remuneration for 2022 (AED):

Position	Total salary and allowances in 2022	Any other cash or in-kind benefits for 2022	Long-term incentive plan (payable in 2022)	Total bonus paid in 2022 (for 2021)*	Total bonus paid for 2022	Notes
Chief Executive Officer	2,497,333	200,000	NA	816,950	870,000	
Chief Financial Officer	1,586,565	–	NA	300,000	366,408	
Chief Human Capital and Administration Officer	1,655,394	–	NA	342,239	364,283	
Chief Strategy Officer	1,124,962	33,000	NA	317,027	NA	Until 7 October, 2022
Chief Commercial Officer and Chief Executive Officer, YahClick	1,090,255	–	NA		NA	Until 31 July, 2022
Chief Technology Officer	1,646,675	150,000	NA	425,434	373,268	
Chief Operations Officer	1,637,825	50,000	NA	411,273	372,888	
General Manager, Yahsat Government Solutions	1,706,610	200,000	NA	525,752	472,752	
Chief Commercial Officer, Chief Executive Officer, Thuraya	1,725,639	178,324	NA	446,985	472,752	Additionally appointed to role of Chief Commercial Officer from 1 July 2022
Chief Advanced Programmes Management Officer	729,341	100,000	NA	255,160	299,142	Appointed to role from 1 July 2022

# Corporate Governance Report continued

Position	Total salary and allowances in 2022	Any other cash or in-kind benefits for 2022	Long-term incentive plan (payable in 2022)	Total bonus paid in 2022 (for 2021)*	Total bonus paid for 2022	Notes
General Counsel	887,768.20	81,183.00	NA	580,549.07	NA	until 31 August 2022
	525,389.84		NA	NA	NA	Appointed to role from 1 September, 2022

\* Bonus paid in 2022 related to 2021 performance;  
# Bonus paid in 2023 related to 2022 performance

## 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 Yhsat's external auditor for the fiscal year 2022. 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 2022 was the second year of KPMG's appointment as Yhsat's auditors.

Number of years served as Company's external auditor	Two (FY2021 and FY2022)
Partner name	Avtar Jalif
Number of years served as Company's external audit partner	Two (FY2021 and FY2022)
Total fees for auditing the financial statements of 2022 (including provision of reasonable assurance report on the effectiveness of internal financial controls over financial reporting) out of which AED 1,459,782 was approved in the last AGM while the remaining amount will be submitted for approval in the upcoming AGM	AED 1,551,595
Fees and costs for 2022 in relation to quarterly reviews and xBRL filings	AED 514,150
Statement of the other services performed by an external auditor other than the Company's auditor in 2022 (if any)	Refer to table below

KPMG has issued an unqualified audit opinion with respect to Yhsat's audited consolidated financial statements for the year 2022. Furthermore, KPMG issued an unqualified opinion regarding its review of each of Yhsat's quarterly and half-year financial statements during 2022.

### (ii) Other Services Performed by an External Auditor Other Than the Company's External Auditor in 2022

The fees paid/payable for services by audit firms other than the Company's external auditor in 2022 amounted to AED 1,455,749. These fees were against assurance and advisory services for the Group. The audit firms which delivered these services were:

1. Crowe Peak
2. SNG Grant Thornton
3. NCS and Associates PSC
4. KPMG Auditores Independentes Ltda.
5. Adebayo Adefeegbe & Co
6. PricewaterhouseCoopers
7. Deloitte & Touche ME
8. Ernst & Young
9. Deloitte Limited Liability Partnership

## Internal Control and Risk Management

### (i) Risk and Controls Systems

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

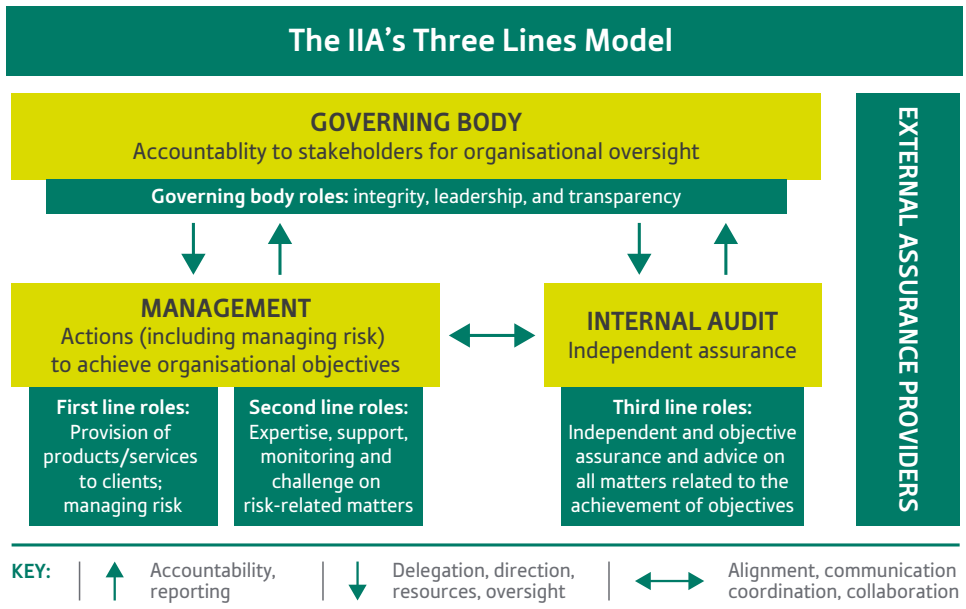
The deployment of effective risk management and internal control is a key success factor towards realising Yhsat's strategic objectives. Therefore, Yhsat has implemented an integrated risk management and internal control approach. The underlying methodology is based on relevant principles set forth by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

### (ii) Risk and Controls Approach

Yhsat'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 Yhsat from achieving its strategic objectives.

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

- Management's duty to effectively identify, assess and manage the main risks of Yhsat ('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').
- Yhsat's internal audit function provides independent objective assurance and advice over Yhsat's Risk Management and Internal Control systems ('third line').



**(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 (ICFR) 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).

**b. Ethics and Compliance (Second line)**

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

**c. Internal Audit (Third line)**

Yahsat's Internal Audit function is an independent, objective assurance and consulting activity designed to improve and add value to Yahsat's operations and activities. It provides assurance to the ARCC on the 'in control status' of Yahsat 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 2023 to the ARCC during 2022.

The Internal Audit function reports administratively to Yahsat'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.

Yahsat 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 Yahsat's readiness in treatment of the risks and are updated as necessary.

Yahsat 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.

# Corporate Governance Report continued

In the pursuit of Yahsat's strategic objectives, it is willing to accept measured risks in a responsible way, taking into account our stakeholders' interests. The Yahsat Board annually reviews and sets Yahsat's strategic objectives, while considering opportunities and threats. All major investment decisions (strategic projects, mergers and acquisitions) need Board endorsement or approval. Yahsat 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 Yahsat 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 Yahsat'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

Yahsat continuously strives to strengthen and enhance its risk management, internal control and compliance practices. In 2022, 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)
- Yahsat Fraud Risk Management framework (including the corresponding fraud risk management policy) was formalised
- Yahsat Risk Appetite Statement and Risk Dashboard were developed
- Created Yahsat Policy Framework to ensure streamlined policies
- Training and awareness of Yahsat Group employees on several risk and compliance topics, including but not limited to fraud, information security, Code of Ethics, trading Yahsat shares and disclosure requirements
- Continuous and ongoing monitoring of the external compliance requirements was conducted and non-compliances were proactively highlighted through various compliance activities
- Yahsat'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 focused management, discussion and oversight of each business unit's risk and provide real-time partnership and support to our first line.

## (vi) Violations

During 2022, 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 functions. 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 has a robust compliance programme in place as a publicly listed company, Clint has led 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, joint ventures, capacity leases, UAE AF projects, and a range of ad hoc day-to-day operational requirements. Following his LLB (Hons) from Goa University, India, in 2003, he previously worked at Etisalat/E-marine as Contracts Manager-legal, and in private practice in Mumbai and New Delhi, 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.

### (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 of 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

# Corporate Governance Report continued

## 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 Yahsat 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 Yahsat 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
- 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 Yahsat 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 Yahsat 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 Yahsat 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 Yahsat 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 2022**

The E&C Office operates on the basis of a charter that established the framework within which the independent E&C function at Ychsat would function, based largely on the Mubadala E&C Programme (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.

Annual general E&C training was also conducted for all Group employees, and was attended mandatorily (e-learning) by all 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, and at all times, to anyone requiring training or guidance.

The Ychsat E&C Office also obtained an 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 E&C Office has 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. An E&C mobile application was also introduced in 2022 to enable all employees report concerns and request approval for gifts, entertainment, sponsorships, conflicts of interest, etc., effortlessly and seamlessly.

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.

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.

#### **(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.

While general Export Control and Sanctions Awareness training was provided as an e-learning module mandatorily for all staff, more detailed training was conducted using specialist external law firm, to a select group of employees including employees dealing with technology and in sensitive jurisdictions, to ensure that they are made aware of the risks, red-flags, obligations and controls in doing their day to day jobs. Recording of this training and Group’s Export Control and Sanctions Compliance Policy and Procedure manual are accessible to all staff at all times on the Group’s intranet.

# Corporate Governance Report continued

## 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 2022, 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 nursing mothers wishing to continue nursing after returning to work);

- 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 2022 until the end of the year, the number of female Directors amounted to 11% (1 out of 9). The Company's senior management includes one female at C-Level, the Chief Human Capital Officer, Muna AlMheiri.

## Health and Safety in the Uncertain Times of COVID

The Corporate Governance of Health and Safety, (HS) at Ychsat is the process by which the board, seeks to secure adequate direction and oversight of HS. This includes the activity of the board and its supporting committees. It is common understanding that the relationship between board members and senior management of safety leadership at Ychsat led by the Chief Executive Officer and followed by the Chief Operations Officer; provides the structure through which the vision and commitment to safety is set, the means of attaining safety objectives are agreed, the framework for monitoring performance is established; and compliance with legislation is ensured.

Year 2022 was a successful year for Health and Safety in this context considering Ychsat was evolving dynamically internally which came with its own set of challenges and HS was up to the challenge by achieving 100% on their Key Performance Indicators (KPI). Some of the achievements on Corporate Governance are highlighted below:

- Key Performance Indicators (KPIs)
  - Zero fatalities
  - Zero lost time incidents
  - Zero recordable incidents
  - Zero environmental incidents
- **Ychsat was certified for ISO 45001:2018 (Occupational Health and Safety Management System standard)**
- HSE Policy was reviewed and updated to comply with the ISO Standard requirements.
- HSE Management System was reviewed and updated to comply with the ISO Standard requirements.
- Legal Register was prepared to ensure compliance with applicable laws.

On Covid Management, Ychsat has successfully returned to 100% occupancy this year with more than 98% of staff vaccinated, Ychsat Covid Committee has ensured staff returning to work feel safe and secure at the work place.

## Investor Relations – Engagement with Shareholders

Since the listing of Yahsat's shares in July 2021, the Investor Relations Department has become the Company's first point of contact for capital market participants. The team communicates with investors and sell-side analysts to update these stakeholders on the Group's activities, strategy and financial performance.

Yahsat is committed to cultivating long-term relationships with its financial stakeholders by engaging in two-way communications with current and potential investors, analysts and other members of the financial community. This is achieved through a variety of communication channels and media: one-on-one and group meetings and conference calls; participation in regional and international investor conferences; undertaking non-deal roadshows; the publication of quarterly financial results, management discussion and analysis reports, and earnings presentations according to a pre-announced calendar; conducting live earnings webinars, replays and transcripts of which are subsequently offered within the Investor Relations section of the Company's corporate website; the regular publication of investor presentations; the publication of the Company's annual, governance and sustainability reports; and the publication of any other material ad hoc announcements throughout the year.

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 and industry best practices.

All reports, presentations, releases and investor information is available on Yahsat's Investor Relations website. The website can be accessed via the following link: <https://www.yahsat.com/en/investor-relations>. All regulatory disclosures are published on the ADX website in the first instance.

The Investor Relations Department of Yahsat is led by Mr. Chadi Salman, Head of Investor Relations, who brings over 15 years of experience working in capital markets and investor relations.

### Investor Relations Contact:

Investor Relations Department  
Al Yah Satellite Communications Company PJSC  
Yahsat HQ, Sweihan Road  
P. O. Box No. 93693  
Abu Dhabi, United Arab Emirates  
Email: [ir@yahsat.ae](mailto:ir@yahsat.ae)

## 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 Telecommunication 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 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 dialling 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 focuses 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.

# Corporate Governance Report continued

**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.

## Statement of Deals (with related parties, which equal or exceed 5% of the Company's share capital)

The Company did not conduct any transactions with Related Parties in the year 2022, 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.

## Statement of Other Significant Events Changes to Senior Executive Management

On 1 July 2022, Mr. Sulaiman Al Ali was appointed as the Chief Commercial Officer of the Yahsat Group to replace Mr. Farhad Khan, who stepped down from his position. In his new capacity, Mr. Sulaiman Al Ali serves as Chief Executive Officer of both YahClick, Yahsat's data solutions arm, and Thuraya, its mobility business.

On 8 September 2022, Mr. Amit Somani resigned as Chief Strategy Officer of Yahsat (effective from 7 October 2022).

## Innovative projects and initiatives undertaken or under development in 2022

In previous years, Yahsat has provided effective communications and connectivity solutions to many of the communities, which lack reliable access to internet. These communication solutions have facilitated access to e-learning opportunities, enhanced healthcare services, telemedicine solutions and information and communication training as well as supported humanitarian and government organisations in disaster and emergency response.

To promote sustainable development, Yahsat continues to innovate and offer sustainable satellite communication services for land, marine and aeronautical applications. During 2022, our data solutions business (YahClick), in partnership with ZARNet, supported rural communities based in Zimbabwe to overcome internet connectivity challenges through the provision of affordable and secure internet connectivity. As a result, 4,500 government sites will gain access to reliable internet connectivity as part of the three-year agreement.

Some of our other innovative product launches last year included Thuraya Push-to-Talk (PTT) that allows users across a wide spectrum of industries to extend the range of their voice communications beyond line of sight (BLOS),

We also acquired a minority stake in eSAT Global, a promising start-up with valuable patented and patent-pending technology, to develop a next-generation platform to cater for fast-growing low-cost, low power and low-data-rate IoT services over GEO satellites. In addition to Yahsat's investment in eSAT, we signed a commercial agreement with eSAT, which will provide us with secure and long-term access to an end-to-end Low Power Wide Area Network (LPWAN) IoT system and portfolio. The system will work over Thuraya's Mobile Satellite Services (MSS) GEO assets and provide customers with IoT portfolio access on a global scale, by leveraging Yahsat's group's presence in over 150 countries. During the year, we also established an Advanced Programmes Management unit to develop and manufacture satellite modems in partnership with Tawazun, thereby enhancing in-country manufacturing capabilities in the area of space technology.

Yahsat continues to innovate and offer sustainable satellite communication services, especially for land, marine and aeronautical applications. In 2022, Yahsat launched the Thuraya SatTrack for Land, a tracking and monitoring service developed for land vehicles. Key benefits of this service include real-time vehicle monitoring, geo-fencing, driver behaviour monitoring, and creating additional fleet insights, all of which can help our customers to adopt more responsible fleet operations, including the reduction of fleet carbon emissions from optimised route planning and improved traffic safety.

During 2022, Yahsat made excellent progress on building capacity and developing new products for the sixth satellite, T4-NGS, and some of these products will also be compatible with the existing Thuraya 2 satellite in Yahsat's fleet. T4-NGS, which is set to launch in the first half of 2024, will be an MSS satellite in geostationary earth orbit offering higher capacity and terminal data rates above 1 Mbps (current Thuraya satellites offer only about 0.4 Mbps).

Yahsat is developing new T4-NGS products for its key UAE Government client and for commercial customers that are also compatible to use with existing satellites. Yahsat expects to launch this product portfolio in 2023 and 2024 that would support enhanced capabilities and new applications for customers.

## Contracts Awarded & Agreements

On 14 February 2022, Yahsat's dedicated government arm, Yahsat Government Solutions, was awarded an AED 909.5 million (US\$ 247.5 million) mandate to provide enhanced managed services to the UAE Government for its satellite communications capabilities. The agreement augments the previous operations and maintenance services provided, to include technology management support, from January 2022 until the end of 2026. The Agreement represents an important milestone that further strengthens Yahsat's contracted future revenues and reiterates its long-term strategic relationship as the preferred satellite solutions partner for the UAE Government.

In 2022, Yahsat was awarded AED 24 million contract by Abu Dhabi Ship Building (ADSB) to deliver advanced and secure satellite communication solutions. Yahsat will design, deliver and integrate the satellite communication systems in vessels produced by ADSB.

Yahsat was awarded contracts totalling AED 28.3 million in value to enable UAE Government platforms with satcom capabilities and provide an integrated system and ground control services.

In 2022, Yahsat and EDGE joined forces to equip NIMR Vehicles with interoperable satellite connectivity solutions. Yahsat and EDGE agreed to line-fit pre-qualified Comms-On-The-Move (COTM) solutions on NIMR's vehicular systems.

Also, Al Seer Marine and Yahsat joined forces in 2022 to offer interoperable next generation satellite communications capabilities for maritime vessels. The agreement with Al Seer Marine, a UAE marine services company, aims to test and line-fit unmanned surface vessels with advanced Comms-On-The-Move (COTM) satellite communications solutions.

In 2022, Hub71 and Yahsat signed an agreement to advance innovative technologies supporting satellite operations from Abu Dhabi. The agreement establishes HUB71 as Yahsat's Innovation Partner to support Abu Dhabi-based startups with commercial opportunities to advance mobile satellite solutions. Hub71 startup, Mental VR, secured first contract resulting from new partnership to support Yahsat with remote learning.

## Contributions to the Development of Local Communities and to Environmental Protection

In 2022, Yahsat provided free online training on satellite communications to empower communities with skills to deploy and operate satellite-enabled critical communications solutions during emergencies such as natural disasters and create awareness about emergency preparedness.

In 2022, Yahsat also supported local communities by educating youth on space. In partnership with Dubai Astronomy, virtual workshops were held for over 950 UAE-based students to celebrate World Space Week, which covered trending technologies and the latest developments in the global space and satellite sector. Space summer camps were also organised to educate youth on space sciences, the basics of space engineering, and space-enabled technologies. During 2022, Yahsat's community investments totalled approximately AED 38,168.

Yahsat contributed in kind to the UAE's 1 Billion Meals initiative, which was the biggest food distribution campaign in the region organised by Mohammed Bin Rashid Al Maktoum Global Initiatives in partnership with the World Food Programme, UNHCR and Food Banking Network.

Yahsat additionally has a commitment to its Saving Lives initiative as a signatory to the United Nations Crisis Connectivity Charter. Through Yahsat Saving Lives, the Group has helped address distress calls involving earthquakes and at sea that have contributed to saving the lives of nearly 130 people in 2022 across Europe, the Middle East and Asia. In November 2022, Yahsat's mobility

solution – Thuraya XT-LITE – was utilised to save the lives of seven fishermen who were stranded in waters between the Philippines and Indonesia. During an honorary ceremony held in Manila, Yahsat donated a Thuraya XT-LITE satellite phone to the fishermen and Thuraya MarineStar terminals, which enable data and tracking services, to the Coast Guard.

## Emiratisation

Yahsat has consistently maintained Emiratisation 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 the UAE Government decrees promulgated by the Executive Council of Abu Dhabi to all government and semi-government companies in the UAE. The broad aim of the national Emiratisation 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 Emiratisation sections that specialise in executing the UAE National employee development strategy, and Emiratisation 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 52.5% as at 31 December 2022. This amount was up from 52% in 2021 and 51.5% in 2020.

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, hence preparing them for senior positions within Yahsat or the satellite industry. To further the aims of Emiratisation, 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.

# Corporate Governance Report continued

## Annual General Meeting 2022

The Annual General Meeting (AGM) of the Company on 11 April 2022 was Yahsat's first general meeting of the shareholders as a listed company. The Agenda included the following:

1. Approve the report of the Board of Directors on the Company's activities and its financial position for the year ended 31 December 2021
2. Approve the report of the Company's auditor for the year ended 31 December 2021
3. Approve the Company's balance sheet and profit and loss account for the year ended 31 December 2021
4. Approve the Board of Directors' recommendation to distribute a cash dividend for the second half of the year 2021 amounting to AED 192,741,851 (7.9 fils per share)
5. Approve the payment of AED 3,285,479 (plus any applicable UAE VAT) to the Board of Directors as remuneration for the year ended 31 December 2021
6. Release the Board of Directors from liability for their activities for the year ended 31 December 2021
7. Release the independent auditors from liability for their activities for the year ended 31 December 2021
8. To appoint KPMG Lower Gulf Limited as external auditors for the year 2022 and determine their remuneration for the audit at AED 1,459,786 plus any applicable UAE VAT
9. Approve the Board of Directors' Remuneration Policy issued by the Company pursuant to the Chairman of Authority's Board of Directors' Decision no. (3/R.M) of 2020 concerning the Approval of Joint Stock Companies Governance Guide
10. Approve the Board of Directors' recommendation to amend the dividend policy of the Company as published on the Company's website

All resolutions presented to Yahsat's AGM were passed by majority of the shares represented at the meeting. These included the approval of the Company's financial statements, the auditor's report, the appointment of the Company's external auditor for the year beginning 1 January 2022 and the auditor's fees, 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 2021, distribution of cash dividend, Board of Directors' Remuneration Policy issued pursuant to the Chairman of the Authority's Board of Directors' Decision no. (3/R.M) of 2020 concerning the Approval of Joint Stock Companies Governance Guide and amend the Company's dividend policy.

## Special Resolutions:

The special resolution, as defined in the Company's Articles of Association, is the resolution that requires approval of the Company's General Assembly by votes of a majority of 75% of the shares represented in the Company's General Assembly. Special Resolutions are passed for specific matters defined and specified in the Company's Articles of Association, which are also in conformity with the relevant laws and regulations taking effect in UAE. The Company held one General Assembly meetings during 2022 and passed the following Special Resolutions:

1. To approve the amendment to Articles 9 and 34 of the Articles of Association of the Company as published at the Company's page at ADX and uploaded to the Company's website.
2. To authorise the Board of Directors of the Company, and/or any person so authorised by the Board of Directors, to adopt any resolution or take any action as may be necessary to implement the ordinary and special resolutions to be adopted by the general assembly in this meeting including agreeing any changes to any of the above amendments to the Articles of Association of the Company which the SCA or other regulatory authorities may request and to effect any changes to the Articles of Association or which may be required to prepare and certify a full set of the Articles of Association incorporating all the amendments including the introductory part of the Articles of Association and reference to the resolutions of the general assemblies of the Company amending the Articles of Association and to replace any reference to the repealed commercial companies law with the provisions of the Federal Law by Decree No. (32) of 2021 concerning Commercial Companies.

The Annual General Meeting (AGM) of the Company in April 2023 will be Yahsat's second general meeting of the shareholders as a listed company.

## General Information Regarding the Company's Shares

As at 31 December 2022, Yahsat had an issued share capital of AED 2,439,770,265 divided into 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, Yahsat 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 2022

The following table sets forth the share price evolution on a monthly basis during 2022 (shown in AED per share). Changes in Yahsat's share price result from a range of factors, some of which are attributable or related to Yahsat and others that are external in nature, unrelated to the Company:

Month (2022)	Highest closing	Lowest closing	Closing price
January	2.75	2.66	2.69
February	2.68	2.60	2.63
March	2.87	2.70	2.80
April	2.81	2.65	2.66
May	2.69	2.56	2.64
June	2.68	2.57	2.58
July	2.62	2.52	2.62
August	2.73	2.60	2.72
September	2.82	2.64	2.71
October	2.74	2.60	2.74
November	2.73	2.61	2.61
December	2.75	2.50	2.50

The below graph shows the Yahsat's share price performance comparative to the ADX Index and ADX Telecommunication Sector Index during 2022.



### (ii) Share Ownership Distribution as at 31 December 2022

The following table sets out the distribution of Yahsat's shares among certain disclosed demographics of shareholder, as at 31 December 2022:

Shareholder category	Percentage of Shares Held			Total
	Individuals	Corporate	Government	
UAE	10.87%	75.12%	5.68%	91.67%
GCC	0.30%	1.04%	0.00%	1.34%
Arab	0.59%	0.02%	0.00%	0.61%
Foreign	0.44%	5.93%	0.00%	6.37%
<b>Total</b>	<b>12.21%</b>	<b>82.11%</b>	<b>5.68%</b>	<b>100.00%</b>

# Corporate Governance Report continued

## (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 2022:

Name	Number of Shares Held	Percentage of Shares Held of Yahsat's Capital
Mamoura Diversified Global Holding PJSC	1,536,605,267	62.98%

## (iv) Statement of Distribution of Equity According to Size of Holding as at 31 December 2022

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	1,602	16,801,077	0.69%
50,000 to 500,000	474	80,798,270	3.31%
500,001 to 5,000,000	150	245,087,151	10.05%
5,000,001 or more	36	2,097,083,767	85.95%
<b>Total</b>	<b>2,262</b>	<b>2,439,770,265</b>	<b>100.00%</b>