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Our Strategy

4Sight: Creating Our Sustainable and Digital Future

The driving force for Zain is its unwavering commitment to creating value for all stakeholders. The 4Sight strategy emerged from the company's desire to push forward digital ecosystems across its footprint, enabling growth and development as well as the establishment of carefully curated growth verticals. The corporate strategy guides the transformation of Zain into a multi-faceted provider of digital services for consumers, governments, and businesses. In its fourth year, and under the clear direction and guidance of Zain's leadership, each pillar of the 4Sight strategy witnessed steadfast progression.

The following is a brief description of the achievements under each pillar.

Evolution of Telco

1. **Digital Transformation**
2. **Enterprise and Government**
3. **Fixed Connectivity**
4. **Portfolio Optimization**

Growth Verticals

1. **ICT**
2. **Digital Infrastructure**
3. **Fintech**
4. **Digital Services**

Evolution of Telco

1. Digital Transformation

Guiding and driving the implementation of the Digital Transformation that would permit Zain to not only survive but rather thrive in the Digital Age, Zain has adopted a best-practice-inspired framework for transformation. The framework is centered around adopting a true customer mindset that would drive the development of more pertinent Products and Services, a comprehensive approach to revisit all operational processes, as well as the technology solutions that could facilitate this revamp. This would all be supported by a strategic approach to upskilling and hiring of talent to effect the transformation and guided by a commitment to the utilization of Data and Analytics for tactical as well as strategic decision making. To assure the true adoption of this transformation internally, and the most effective reflection of this transformation markets, a comprehensive internal and external communications strategy shall be developed.

In 2022, Zain Group has also driven several initiatives to develop its regional role in serving recent and upcoming technologies such as connected vehicles and modern industry, as well as several optimization initiatives related to group-wide platforms within the domains of Connectivity Management, Service Management, BSS and OSS, as well as eSIM management.

2. Enterprise and Government

Zain is committed to working closely with organizations and businesses to provide necessary connectivity and the latest solutions needed to grow their businesses efficiently and effectively. Zain designs and implements state-of-the-art tailormade solutions for public and private organizations, engaging in a rigorous consultation process to cater to their needs. Zain's B2B teams work closely with ZainTech to drive market development and cross-sell advanced ICT services to differentiate Zain's position in the regional enterprise market. Furthermore, Zain supports smaller businesses by granting access to a wide range of cloud products and services.

3. Fixed Connectivity

Zain firmly believes that high quality and secure broadband connectivity will enable and accelerate the evolution of information, education, and the digital transformation of societies. Across its footprint, the company strives to provide reliable fixed connectivity to residential and business customers whether through its own deployment of fiber networks or by strategically partnering with third-party providers. This commitment transcends market limitations, where Zain uses fixed-like technologies to fulfill customer needs. Across its markets, customers benefit from the latest broadband connectivity delivered by the company, including 5G, 4G and FTTH.

4. Portfolio Optimization

Zain continues to seek opportunities to allocate resources in a more efficient and sustainable manner. In 2022, Zain Saudi Arabia entered into an agreement to sell its towers, lease them back and share passive assets with competitors in some markets, creating significant efficiencies by reducing the overall number of towers needed to service the market. This allows a special purpose tower company to focus on improving the passive assets and enhancing the power infrastructure through modernization and alternative power solutions like solar and wind power production thus reducing significantly the carbon footprint in the market.

Growth Verticals

1. ICT

Through Zain's digital and ICT arm, ZainTech, the company services enterprises and governments across the region playing a transformational role across Zain's ecosystem. ZainTech provides managed solutions for cloud, cybersecurity, Big Data, IoT, AI, smart cities and emerging technologies. Additionally, ZainTech leverages Zain's footprint and global reach, offering a single point of contact for sales and customer care for multinational enterprises.

More information can be found in the 'Our Products and Customers' section on page 77.

2. Digital Infrastructure

Zain entered a strategic partnership with TASC Towers Holding as part of the company's strategy to create significant value for shareholders through the unlocking of capital and optimization of infrastructure assets. TASC Towers is an independent tower operating company with a focus on developing markets. This partnership combines Zain's vision of becoming a digital infrastructure player and TASC's solid experience and strong operating skills.

In line with the wider Zain Group, sustainability strategy, a specialist tower company, like TASC is uniquely able to address sustainability and carbon footprint issues. TASC has sustainability and carbon footprint reduction built into its core strategic objectives, whether be it a reduction of fuel consumption by connecting sites to the grid or investing in power system upgrades that reduce carbon emissions like modernization of generators and introduction of the latest sustainable energy solutions. The unique value of a TowerCo is that such investments are not only good for the environment, but are also good for the network.

3. Fintech

In 2022, Zain scaled its Fintech stream by introducing a suite of digital financial and insurance services, contributing to the evolution of the region's digital ecosystem. Leveraging the innovative products and services developed by FOO a subsidiary of Zain Group and specialized in Fintech development sector, Zain is keen to foster innovations within the fintech space through Tamam in Saudi Arabia; Zain Cash in Iraq & Jordan, and soon in Bahrain, Sudan and Kuwait. In the meantime, we await the outcome of the Digital Bank application with the Central Bank of Kuwait.

Zain Cash Iraq

- Market leader in Iraq
- Secured the required license to offer credit cards, with plans to launch in 2023
- Launched international remittance with Western Union

Zain Cash Jordan

- Market leader in Jordan
- Rolled out a credit card offering
- Introduced remittance services in collaboration with Western Union
- Rolled out Zain Cash ATMs in partnership with licensed banks

Tamam Saudi Arabia:

- Provides Murabaha financing for customers within minutes
- One of the fastest growing fintech company in the region
- Launched buy now pay later services with Zain Saudi Arabia and Yaqoot
- Partnered with VISA to offer the first virtual credit card in the region

South Sudan:

- Expanding the partnership with m-Gurush

Kuwait

- Applied for Central Bank's Digital Banking license
- Finalization of the acquisition of Bookeey by Zain Fintech Holding
- Transforming Bookeey to provide more innovative Fintech products and services in collaboration with partner bank

Bahrain

- Acquired a license from the Central Bank of Bahrain
- Tech implementation with partner bank in progress
- Expected commercial launch in 2023

Sudan

- Fintech company has been registered as per regulatory requirements
- Final license to be obtained after the technical platform is finalized
- Expected commercial launch in early 2023.

4. Digital Services

Digital Health

The company continues to merge traditional health practices with digital solutions with the aim of increasing efficiencies in the daily operations of the healthcare ecosystem. The Digital Health stream of Zain is provided in Kuwait where comprehensive stakeholder engagement processes are conducted with the Ministry of Health. Through this engagement, Zain provides solutions to the challenges faced by the health care sector in Kuwait.

STRATEGIC INITIATIVES INTRODUCED BY ZAIN GROUP:

Shlonik Application

An interactive app launched by the Ministry of Health (MoH) in Kuwait in collaboration with the Kuwait Central Agency of Information Technology, and Zain. The quarantine-based application allows the Ministry of Health to connect with residents to monitor their behavior to effectively combat the spread of coronavirus. The application was mandated nationwide between April 2020 – June 2022, racking up 2.5 million downloads.

Wasfa

Wasfa is an electronic medical record (EMR) platform in Kuwait that provides e-prescriptions, e-dispensing, patient medication history, and additional personal data via a platform that connects public healthcare facilities and private polyclinics under one roof via cloud infrastructure. Through the platform, Zain worked closely with the Central Medical Stores to structure and digitize the national medications list based on the latest industry standards.

The Ministry of Health intends to connect 163 governmental healthcare facilities, with the aim for doctors and pharmacists to have visibility of their patients' medical history. Upon launching a pilot version of Wasfa in 2 hospitals across Kuwait, Zain successfully connected more than 1.5 million prescriptions and still being utilized in Kuwait.

The next phase of the rollout of the platform will involve the launch of a nationwide telehealth service with a focus on enhancing the overall patient experience.

Zain is also working closely in a public-private partnership model to engage in a series of major Hospital Management System (HMS) upgrades across multiple hospitals in Kuwait, ensuring an end-to-end implementation of a comprehensive digital healthcare roadmap.

Zain Ventures

Zain Ventures spearheads Zain's investment portfolio, with the aim to diversify the company's reach and leverage on future investment opportunities. Zain expanded its relationship with regional and international venture capital funds and continued to diversify its portfolio through direct investments offering them access to Zain's wide geographical reach and expansive customer base.

During 2022, Zain Ventures' portfolio included:

Indirect Investments:

- **BECO Capital III**: BECO Capital Fund III is an early-stage venture capital fund managed by BECO Capital. The fund is located in Dubai, United Arab Emirates, and focuses on technology start-ups.
- **Colle Capital I**: This women-founded venture fund targets seed and early-stage technology companies in industries such as fintech, IoT and healthcare, and is based in the United States. The company invests in organizations that focus on ESG-related activities from business practices to economic and environmental impacts.
- **Wamda MENA Venture I**: Headquartered in Dubai, Wamda MENA Venture I invests in growth stage technology companies operating in the MENA region. The fund has made investments in industries that are of interest to Zain such as insuretech.
- **MEVF II**: A MENA-centric fund targeting early-stage technologies in new media, e-commerce, and enterprise software as a service ("SaaS"). This fund presents synergies with Zain's digital health and insuretech plans.
- **MEVF III**: A growth-stage fund focusing on Series B technology start-ups in MENA and Turkey.
- **Valor**: Valor Fund is managed by Valor Equity Partners, an operational growth investment firm focused on high growth companies across different industries and stages of development.

Direct Investments:

- **SWVL**: Invested in this mass transit industry leader that offers diversified transit solutions and has evolved its services to include SaaS and transport as a service (TaaS) offerings for businesses, schools, universities and other critical service organizations.
- **Pipe**: Finalized Zain's investment in this US-based fintech company that successfully developed a trading platform that transforms recurring revenue into up-front capital for growth without debt or dilution.
- **Revolut**: Established in 2015, s a British fintech company that offers banking services including GBP and EUR bank accounts, debit cards, fee-free currency exchange, equities and cryptocurrency trading, as well as peer-to-peer payments. The investment in Revolut will add value to Zain's fintech efforts and overall offerings enhancing the ecosystem across Zain's footprint.
- **ZoodPay**: Zain made a direct investment in ZoodPay's series B, where the ZoodPay and ZoodMall apps count over 8 million users and ten offices across the Middle East and Central Asia. The application provides a mobile-only high-quality shopping experience and cross-border services to merchants and shoppers across emerging markets.

Dizlee: A Single Digital Hub

To continue to expand reach and scale up digital services across the region, Zain launched additional services, increasing accessibility in 2022. Through its Dizlee platform, the company keeps customers connected and engaged by rolling out appealing services to individuals and enterprise customers. The platform allows all Zain operations and Omantel to expose their APIs to the digital economy, removing a significant barrier to the development of profitable digital partnerships from across the globe.

The API platform allows Zain customers to connect with various services such as: entertainment, education, social networking, and health.

To date, 190 million transactions have been processed over the platform, with a reach of 49.6 million customers.

In 2022, the following list of services were added to the program:

- **XR Academy**: An extended reality-based educational program that offers customers of all ages access to a unique lineup of educational games and videos. Being device agnostic, it does not require the user to purchase expensive VR headsets or any other special device to access the platform.
- **Golden Steps**: A gamified platform that rewards its users for completing daily and weekly fitness goals, usually the number of steps completed. The rewards are in the form of discount coupons with local and regional online/offline partners. The app uses the phone's pedometer to track steps and can also be connected to various fitness bands and smartwatches.
- **Micro-insurance application from Crosure**: A company offering various insurance services in Iraq. With Zain, they offer the 'Salamtak' life insurance product, where the user can subscribe online using a few simple steps, and the premium can be paid through operator billing.
- **Mindplus**: A web-based service offering online consultation on mental health and wellbeing from global experts, translated in Arabic and Kurdish. This is usually delivered as short videos and/or regular text-based updates.
- **Ahlan Simsim**: A program under Sesame Workshop, offering content that fosters early learning for young children in the Middle East and North Africa, especially those affected by crisis and displacement. The program can be found in the Zain Kids application.

More details of Dizlee's services can be found in 'Our Products and Customers' section on page 79.

Zain Esports

Zain esports continued to target the youth segment and find additional propositions for multiple broadband services. Throughout the year, Zain esports hosted a wide range of tournaments, along with multiple engagement activities. By establishing this entity, Zain can identify and foster e-gaming talent in the region, selecting Arabic speaking commentators, and local esports teams to expose to global recognition.

Zain esports established is a joint venture with PLAYHERA, an esports platform hub created for "gamers by gamers" headquartered in Saudi Arabia. Through this venture, Zain esports plans to launch an ambassador program for up-and-coming gamers in the region through the following:

- Creating a conducive environment for esports content creators
- Supporting local social media influencers to promote leagues among local gamers
- Creating employment opportunities in the region, given youth unemployment is considered one of the region's greatest challenges

More information on the progression of the Zain esports services can be found in 'Our Products and Customers' section on page 79.

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MAJOR TOURNAMENTS CONDUCTED

Throughout 2022

30K+	70M+	220K	800K
NUMBER OF PARTICIPANTS	SOCIAL MEDIA IMPRESSIONS	FOLLOWER COUNT ACCROSS SOCIAL MEDIA PLATFORMS	VIEWERSHIP ACCROSS CHANNELS