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## Our Products and Services



# Our Products and Customers

## Major Milestones

**Establishment of ZainTech by consolidating the company's different streams to provide enterprises and governments with solutions across the ICT stack, including cloud, cybersecurity, big data, IoT, AI, smart cities, and drones.**

**Continued to provide the Youth Community Bundle in Sudan, serving 6.2 million users at discounted rates.**

**In 2022, there were two reported cases related to breaches of customer privacy, data leaks, theft or loss. The company continues to monitor data privacy and enhance cybersecurity protocols by ensuring its Group-wide data privacy policy is in line with international best practices and development of necessary skills required to further expand this space.**

Through the execution of the company's 4Sight strategy, Zain continued to forge ahead with its digital transformation objectives across its operations with an emphasis on providing inclusive products and services. With the increase of cyber threats and in order to ensure that the company addresses possible risks and safeguards customers' privacy proactively, Zain enhanced the privacy policy and consolidated its cybersecurity solutions for enterprises and government entities.

## ZainTech

Zain restructured the ICT solutions it provides by consolidating different streams of the business under a newly formed subsidiary, ZainTech. The company offers a unique value proposition under one roof, providing enterprises and governments with solutions across the ICT stack including cloud, cybersecurity, big data, IoT, AI, smart cities, robotics, drones, and emerging technologies. Headquartered in the United Arab Emirates, ZainTech leverages Zain's global reach, regional footprint, and infrastructure across its operations in Kuwait, Saudi Arabia, Bahrain, Jordan, Iraq, as well as other key markets in the Middle East and Africa region.

The World Bank has reported that a fully digitized economy in the MENA region could lead to a 50% rise in GDP per capita over 30 years. This would have a significant impact on the region's economy, driving growth and prosperity for businesses and individuals alike.

The World Bank report also suggests that digital technologies could double the female labor force participation rate by about 20% over a 30-year period. Furthermore, digitization can also help to eliminate frictional unemployment within 16 years. Frictional unemployment is caused by the time it takes for job seekers to find suitable employment, and can be a significant challenge for many job seekers in the region.

As the world continues to become more digital, companies like ZainTech will be at the forefront of driving change and enabling progress in the MENA region and beyond.

## Challenges faced by ZainTech and how it addressed them

With the fast-paced evolution in digitization and technology, governmental authorities across operating countries are trying to implement stricter controls on data sovereignty, especially when it comes to government entities, financial institutions, and healthcare. Newly established laws and regulations are being constantly issued or updated, some of which lack clear enforcement procedures resulting in potential business implications.

To mitigate the challenges of in-country data residency, Zain Tech has a network of Zain local data centers across our countries of operation. By having those centers in place, Zain Tech can ensure direct alignment with each country's rules and regulations.

To mitigate legal and regulatory risk, Zain Tech set in place the following processes:

- A project checklist that each internal business owner provides to the Legal and Regulatory Department where such department recommendations and advice based on the laws governing the country, business line, and customers in addition to the risks associated with the project if and the necessary compliance needed to mitigate such risks.
- Applying ZainTech's Data Privacy Policy that covers all operations: <https://www.zaintech.com/privacy-policy>
- Enforcing a Data Protection Agreement that defines the responsibilities of the parties for each specific project
- Including Data Protection articles in customer agreements to offload the liability in terms of regulatory requirements and financial implications that might arise due to new regulatory compliance and updates issued by the governments
- Applying VPN Agreements with vendors in cases of remote access
- Liaising with Zain Group Legal and Regulatory Teams to ensure we follow the same policies and processes.

## Dizlee – Zain Group's API platform

In 2022, Zain Group's API platform rebranded to Dizlee, representing the evolution of the company's API Program to that of a digital monetization ecosystem provider offering an appealing array of content and gaming services, direct billing, messaging, and digital authentication, among other services under one platform. Established in 2018 as an effort to bolster and standardize the digital services offerings for Zain's markets, Dizlee is a one-stop-shop with one of the largest premium customer bases in the region, enabling growth opportunities for digital content providers. Dizlee offers best-in-class connectivity through the award-winning Google Cloud Apigee EDGE platform, ensuring seamless connectivity while providing a highly robust and secure IT backend. Dizlee, as an independent entity, is also committed to streamlining partners' needs regarding contractual relationships and financial reconciliations.

The Zain Kids application, a Dizlee service, experienced a large drop in users due to the high volume of free educational platforms offered worldwide. To address this decrease, Dizlee introduced XR Academy, which is an educational platform provided via the metaverse using virtual reality features.

**7** **26**

COUNTRIES

PARTNERS

**190M+**

SUCCESSFUL TRANSACTIONS

**50M**

CONNECTED CUSTOMERS

**\$200M+**

END USER SPEND

## Zain Esports

Youngest region in the world with **57% OF THE POPULATION BELOW 30**

**SMARTPHONE PENETRATION OF 89%** in MENA and 98% in GCC

Established gamer base with **MORE THAN 80M GAMERS**

**USD 2B OF GAMING REVENUES** generated in the MENA region

**ONLINE POPULATION** of more than 300M

**FASTEST GROWING REGION** in terms of revenues with YoY growth of 24%

Zain Esports was established to create a gaming ecosystem to develop gaming talent in the region. Based on an assessment of customer behavior and market trends, the company identified that the highest proportion of data was consumed via streaming and gaming. Zain tapped into this as an opportunity to continue to build loyalty and diversify its revenue streams.

To establish a community for online gamers, Zain Esports hosted and expanded its reach across markets hosting a total of **28** tournaments in 2022, garnering approximately **13,500** participants and over **50** million plus social media impressions across its channels. This showcases the appetite for online gaming in the region coupled with its rapid progression due to the presence of 5G networks, AI, the metaverse, and big data. Compounded by having the highest youth bulge in the world, Zain recognized the opportunity to cater to this segment and offer youth a variety of employment opportunities.

Examples of employment opportunities offered through the gaming ecosystem

Audio

Software and Web

Human Resources

Education

Game Programming

Game Design

Broadcast

Event Management

Game Production

Animation

Media

Content Creation

## Access to communication for vulnerable segments

### BASMA LINE+

Established in 2019, Zain Jordan's Basma Line+, is a mobile bundle package tailored for deaf and mute customers. This bundle provides 3,000 minutes of video calls, 12 GBs of cellular data, 60 local minutes and 2,000 minutes of voice calls to address the community's specific needs at a discounted rate. In 2022, Zain adjusted the service to better fit the needs of the deaf and mute community as it noticed low levels of traction and interaction with the service. Having conducted a focus group comprising 10 people from the deaf and mute community. The stakeholder engagement process was inclusive to accurately capture feedback from diverse backgrounds which included varied ages, different socio-economic status, gender, and various governates. Through this engagement, they highlighted their pain points regarding this service, and a need to embed Zain Cash (fintech) services as part of the bundle was identified. Zain Jordan will continue to gain further insights and plans to launch a revised bundle in 2023.

### Free Basics v2

Zain Iraq continues to provide its Freebasics.com service to customers, providing them access to Facebook, Facebook Messenger and a selection of additional websites, at no additional charge. In 2022, a total of 2 million people utilized the service, with a year-on-year growth rate of 23%. The organic growth showcased the need for the service given the macro-economic challenges and unstable political situation in the country resulting in more lockdown periods. During such times, users tended to rely more on social media channels to network and communicate with family and friends.

### Youth Community Offer

The Youth Community Offer targets youth segment in Sudan. The offer includes a series of discounted mobile packages that provide users with the ability to call other subscribers at a discounted rate of 0.111 SDG/minute. The appealing and affordable offer provides Zain the opportunity to tap into the youth segment, which represents 60% of the country's population. To date there are 2.3 million youth subscribed to the service.

### Ziyara Season

"Ziyarat Arba'een" refers to the 40-day religious pilgrimage that occurs every year in Iraq. During this time, Zain ensures that visitors have access to robust connectivity through strong mobilization of sales and technical support. Approximately 320,000 activations occurred during this time period in which Zain focused on ensuring optimum network capacity, customer experience, and providing seamless coverage to visitors. Additionally, Zain helped supply first aid to visitors through 10 medical units in partnership with the Iraqi Red Crescent Society (IRCS). From a child protection standpoint, the company established five centers from where tracking bracelets were distributed to children to avoid separation from their families.

#### SERVICE

|                               | NUMBER OF SUBSCRIBERS IN 2021 | NUMBER OF SUBSCRIBERS IN 2022 | Y-O-Y CHANGE | MARKETS AVAILABLE          | TARGETED COMMUNITY       |
|-------------------------------|-------------------------------|-------------------------------|--------------|----------------------------|--------------------------|
| Basma Line+                   | 329                           | 341                           | 0%           | Jordan                     | People with Disabilities |
| Free Basics v2                | 1.5 million                   | 2 million                     | 24%          | Iraq                       | Youth                    |
| Youth Community Offer         | 6.1 million                   | 6.2 million                   | 0.02%        | Sudan                      | Youth                    |
| Zain Kids                     | 1.57 million                  | 870,512                       | -45%         | Iraq, Kuwait, Saudi Arabia | Children                 |
| Salamtak Insurance Program    | 30,437                        | 24,469                        | -0.24%       | Iraq                       | Low-income community     |
| Busuu                         | 242,980                       | 431,249                       | 77%          | Iraq                       | Low-income community     |
| XR Academy (launched in 2022) | N/A                           | 24,508                        | N/A          | Saudi Arabia and Oman      | Children and Youth       |



## Protecting Customer Privacy and Breaches

Governments across Zain's markets are taking a proactive approach to protect personal data based on the visions, strategies, and execution plans for increased digital transformation, as well as the accompanying risks surrounding digital threats. Personal data protection has become a highly relevant focus area for administrations in the MENA region in recent years, where laws and regulations have been passed or are in a position to be passed in the near future. Additionally, data protection authorities responsible for enforcing compliance to the law and regulations have been identified and established in some of Zain's markets of operation.

### Examples of the laws include:

Kingdom of Bahrain, Law No. 30 of 2018 "Personal Data Protection", 12 Jul 2018

**Effective: 1 Aug 2019**

Kingdom of Saudi Arabic, Royal Decree No. M/19 of 2018 "Personal Data Protection Law", 16 Jul 2021

**Effective: 17 Mar 2023**

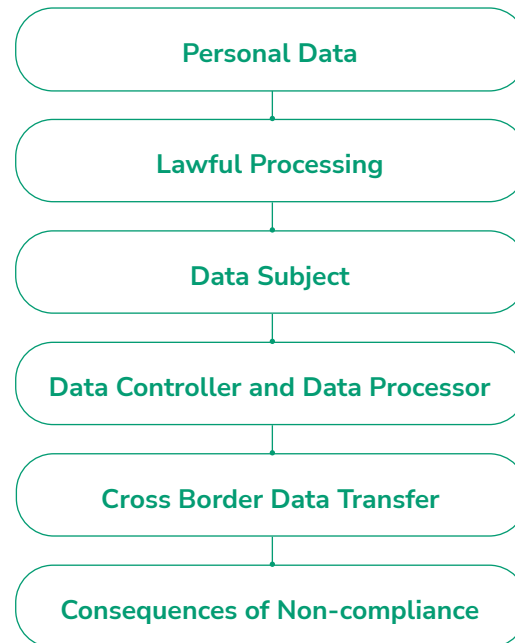
Kuwait, CITRA Resolution No. 42 of 2021 concerning Data Privacy Protection Regulation, 4 Apr 2021

**Effective: 4 Apr 2021**

Jordan, Draft 2022 Personal Data Protection Law (under consideration)

**Expected: 2022**

Zain continues to uphold data privacy as one of its top priorities as the risk from data protection breaches gives rise to potential financial loss; significant reputational damage; and major fines. Zain's personal data protection activities identified the following areas of critical focus:



One of the challenges Zain faces pertains to the slow progression of data privacy regulations and laws in the region. The company is confident the frameworks to govern data privacy will fully come into place in due course, however, does not yet have a view on how this development may impact the business. To address this challenge, Zain has adopted a strategic approach, formulating benchmarks indicating the existing laws as a minimum.

In parallel, the company continues to lobby with regulatory bodies at either the Group or operating company level to engage with regulatory bodies in a proactive and productive manner. The engagement process also entails receiving consultancy prior to the law coming into effect to ensure Zain is adequately prepared. Lastly, Zain aligns to international best practices by engaging with entities such as the GSMA.

The company continues to adhere to the GSMA Mobile Privacy Principles that ensure best practice is followed on matters related to privacy and confidentiality of customer data. Zain established protocols to assure the protection of customer data to avoid data leaks, theft and/or loss. Responses related to data privacy issues are executed with the utmost precaution and diligence. Zain complies with all prevailing laws and regulations related to the protection of customer privacy and data and takes steps to align with ISO certification standards on the matter.

Each of our operating markets have a dedicated data privacy policy that can be found below:

**Zain Group:**  
[www.zain.com/en/privacy-policy](http://www.zain.com/en/privacy-policy)

**Bahrain:**  
[www.bh.zain.com/en/copyright/privacy-policy](http://www.bh.zain.com/en/copyright/privacy-policy)

**Iraq:**  
[www.iq.zain.com/en/privacy-policy](http://www.iq.zain.com/en/privacy-policy)

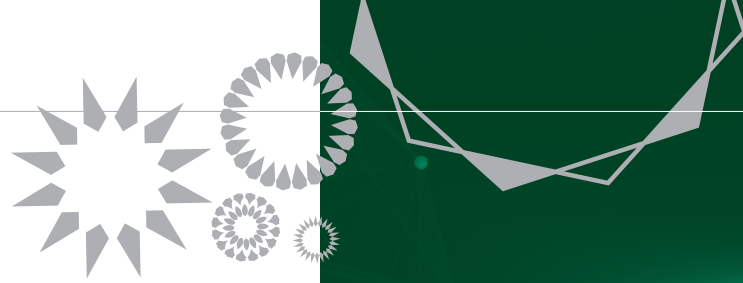
**Jordan**  
[www.jo.zain.com/english/Pages/terms.aspx#privacyPolicy](http://www.jo.zain.com/english/Pages/terms.aspx#privacyPolicy)

**Kuwait:**  
[www.kw.zain.com/en/privacy-policy](http://www.kw.zain.com/en/privacy-policy)

**Saudi Arabia:**  
[sa.zain.com/en/privacy-policy](http://sa.zain.com/en/privacy-policy)

**Sudan:**  
[www.sd.zain.com/English/Pages/privacypolicy.aspx](http://www.sd.zain.com/English/Pages/privacypolicy.aspx)

**South Sudan:**  
[zain.com/en/privacy-policy](http://zain.com/en/privacy-policy)



## Identifying market challenges and opportunities for our customers

Zain continues to place great emphasis on addressing customer needs to uplift their telecommunications experience. The company aims to continue to improve its products and services, listen and address customer concerns by providing quality customer care.

Post-pandemic, Zain continued to experience challenges, which included increased political instability and lockdowns in markets such as Iraq and Sudan. The uncertainty coupled with inflation led to negative impacts on the general economic situation in those operations.

The cultural shift from traditional forms of customer engagement to digital continues to be an issue of concern as it requires a behavioral shift. Aggressive and irrational price wars continue to be a challenge in some of Zain's markets, impacting financial performance.

Zain's response to addressing its challenges varies depending on each market. The company continues to diversify its digital products and services, providing e-payments, e-education, gaming, and microinsurance. Through these offerings, the company is expanding its scope with the view to tapping into new segments through accessible price points and long validity data offerings. Zain also redesigned its traditional data bundles to better fit the operating context, for example the introduction of the 'Bikaifi' service in Iraq, a dynamic data centric and voice bundle designed for prepaid customers.

Migrating customers from traditional channels to digital methods of engagement continues to be a challenge in Zain's markets. To address this issue, in Bahrain, the introduction of the Zain Gaming Store, provided customers with a wide range of mobile games and access to multiple gaming platforms. Zain Jordan introduced a number of initiatives to ensure the transition for customers is seamless including,:

- After interacting with the customer through traditional channels, the company offers the customer a digital alternative and ensures the sales agent explains the process.
- Offering Value Added Services (VAS) and discounts through online payment channels.
- Encourage credit card holders to pay online through promotions.
- The following data measurements help Zain monitor its performance:
- Follow-up surveys that track customer experience within stores and call centers. Zain has a centralized process to monitor and track related KPIs.
- Continuous tracking of customer sentiments through interviews, SMS campaigns, and over-the-phone surveys. Through the company's Net Promoter Score (NPS) surveys, Zain tracks customer dissatisfaction rates and creates actionable plans to address them.

- Maintaining feedback and suggestion forms on all Zain websites. Zain also leverages its social media channels and call centers to receive customer feedback.
- Zain proactively engages with its customers to understand their concerns, needs and behavior. In addition, dedicated staff are held accountable to respond to customer comments and messages via social media.
- Customers are called back based on their survey feedback to better understand their needs and enhance their experience.