09 Corporate Governance

Governance Overview

Zain Group continues to reinforce a robust corporate governance framework aligned with international best practices, Capital Markets Authority (CMA) requirements, and the Group's long-term strategic direction. In 2025, governance enhancements focused on strengthening oversight, transparency, accountability, and integrated decision-making across all business units and subsidiaries.

Board Structure and Oversight

The Board of Directors maintained effective oversight of strategy, performance, risk, compliance, ESG matters, and stakeholder engagement. During 2025, the Board continued implementing enhancements to the Subsidiary Governance Framework, ensuring alignment across entities while respecting local regulatory contexts.

The Board consists of ten members, nine of whom are non-executive, including the Chairman. Two members are independent.

Board members serve a three-year term, with the possibility of extension in line with legal requirements. Board members maintain diverse external roles and responsibilities that complement their areas of specialization. A comprehensive overview of these commitments is provided in the Company's Annual Report.

Although Zain upholds a strong commitment to diversity and inclusion, the current Board consists exclusively of male members. The company's Board Diversity Policy aims to gradually enhance representation, including gender and under-represented social groups.

Board members collectively hold several significant external roles aligned with their expertise, spanning sovereign wealth funds, financial institutions, private equity, telecommunications, technology, and other sectors. These commitments, disclosed fully in the Annual Report, provide strategic insight that strengthens oversight and contributes to value creation across all areas.

The Board demonstrates strong competencies relevant to Zain's material impacts, including investment and financial management, telecommunications operations, governance and compliance, project management, and regional market understanding, supported by advanced academic qualifications. This skill mix enables effective oversight of strategy, sustainability considerations, and long-term value creation.

Shareholder participation forms a key component of Zain's governance model. All shareholders are invited to attend the Annual General Meeting (AGM) without fees, ensuring transparent decision-making on Board appointments and other major resolutions. Through this structure, competencies, and engagement approach, Zain's Board provides effective stewardship focused on responsible growth and sustainable value for all stakeholders.

Committees of the Board of Directors:

Zain's governance structure is led by the Board of Directors and supported by three committees: the Board Audit Committee (BAC); the Nomination and Remuneration Committee (NRC); and the Risk Committee (BRC). These committees oversee financial integrity, risk management, internal controls, ESG-related risks, and Board composition and succession, supporting oversight of the company's broader economic, environmental, and social considerations, and strengthening the foundations required for sustainable value creation across the business.

Board Audit Committee

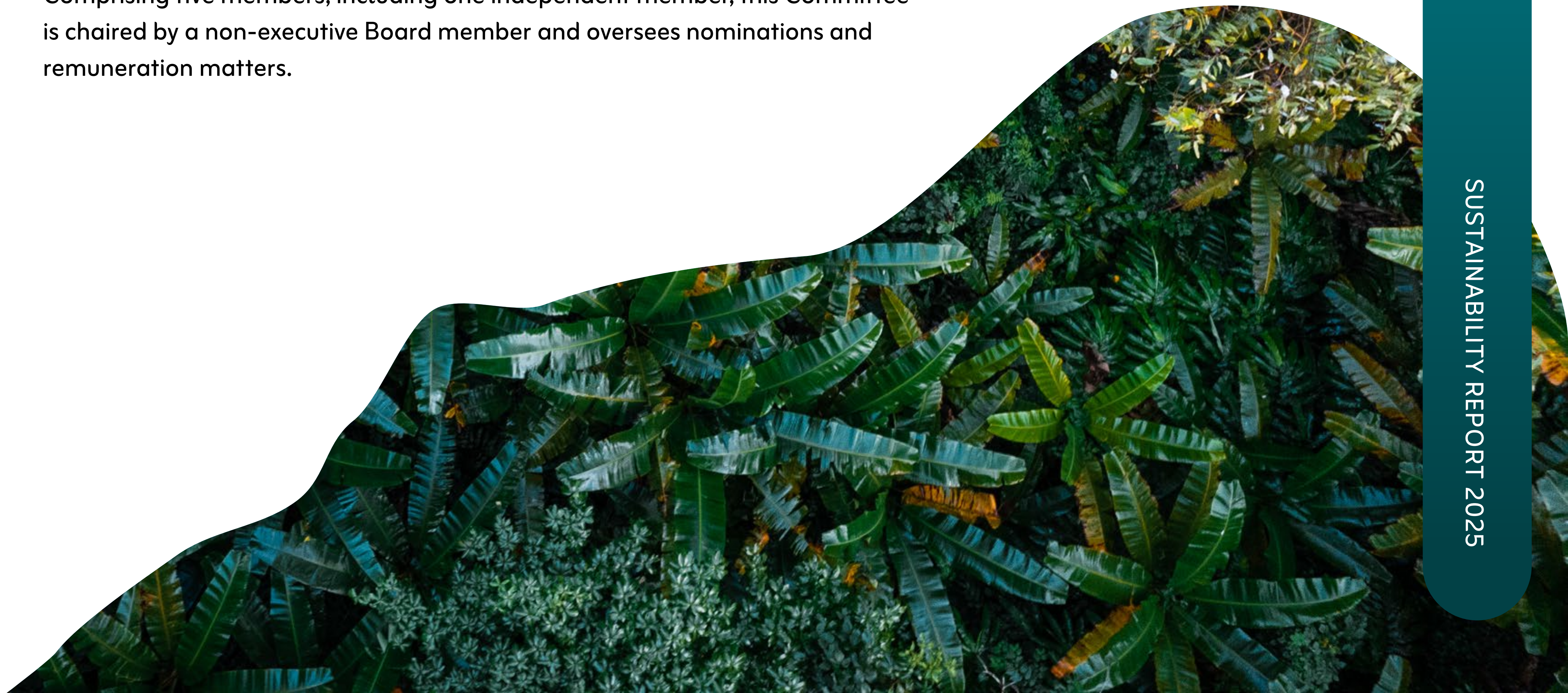
The Audit Committee consists of five members, with at least one being independent. The Chairman of the Board or any executive members are not permitted to sit on this committee, following Kuwait's laws and regulations.

Board Risk Committee

This Committee has five members, and as per local laws, the Board Chairman does not sit on this Committee.

Board Nominations and Remunerations Committee

Comprising five members, including one independent member, this Committee is chaired by a non-executive Board member and oversees nominations and remuneration matters.



Nomination and Selection of the Board and Its Committees

Nomination and Selection Processes

The nomination and selection processes for Zain's Board of Directors and its committees follow a structured governance framework overseen by the NRC. The NRC supervises candidate identification, assessment, and recommendation in line with legal and regulatory requirements, the Articles of Association (AOA), and Zain's Corporate Governance Framework.

The NRC evaluates nominees based on their professional experience, integrity, and alignment with the company's strategic direction. Following the Committee's assessment, the final list of candidates is presented to shareholders at the Annual General Meeting (AGM), where members are elected through a transparent secret ballot system.

Board committees are formed after the Board's election. Their composition considers independence, skills, and role-specific requirements to support effective oversight in areas such as audit, risk, and remuneration – strengthening Zain's ability to create long-term value across financial, operational, human, and social dimensions.

Criteria Used for Nomination and Selection

Stakeholder Views

Stakeholder considerations are reflected through shareholder participation at the AGM, where voting directly influences Board composition. Engagement with shareholders and regulators further ensures that nominees are aligned with stakeholder expectations and the company's long-term value creation objectives.

Diversity

Zain's Board Diversity Policy encourages representation across gender, social groups, and professional backgrounds to enrich perspectives and enhance decision-making. Although the current Board is composed entirely of male members, the company continues to work toward broader representation in future cycles.

Independence

Independence criteria are defined in the AOA and relevant regulations. Independent members must represent at least 20% of the Board, ensuring objective oversight and safeguarding shareholder interests. Criteria for independence, loss of membership, and selection of the Chairman are outlined clearly in the AOA.

Competencies Relevant to Zain's Impacts

Board members are selected for competencies that align with Zain's material impacts and strategic priorities. These include expertise in investment and financial management, network and technology operations, governance and regulatory compliance, risk management, and knowledge of regional markets. These competencies enable the Board to guide the company responsibly and support sustainable value creation.

The Chairman of the Board at Zain

The Chairman of Zain's Board of Directors does not hold any executive position within the organization. This clear separation between governance and management is fully aligned with regulatory requirements and leading corporate governance practices. Maintaining a non-executive Chair supports objective oversight of the executive team, reinforces checks and balances, and helps ensure that Board deliberations remain unbiased and focused on the long-term interests of shareholders and stakeholders.

The Board's Role and Responsibilities

Role in Purpose, Strategy, and Sustainable Development

Zain's Board of Directors plays a central role in defining and approving the company's purpose, mission, values, and long-term strategic direction, including the integration of sustainable development into corporate strategy. Executive management is responsible for translating these strategic directives into operational plans, policies, and measurable objectives that address Zain's economic, environmental, and social impacts.

The Board provides oversight of climate action initiatives, human rights commitments, and broader environmental and social priorities, ensuring alignment with international Environmental, Social, and Governance (ESG) frameworks and sustainability best practices. Together, the Board and executive management work to regularly update the company's sustainability ambitions in line with evolving regulatory expectations, stakeholder priorities, and global benchmarks such as MSCI, FTSE, and S&P.

Role in Monitoring and Impact Management

The Board oversees Zain's processes for identifying, assessing, and managing impacts on the economy, environment, and people. This includes monitoring climate risks, digital safety initiatives, and programs that protect children's rights and support ethical, inclusive digital access.

1. Engagement with stakeholders

The Board considers stakeholder perspectives through structured engagement channels, including AGM feedback, regulatory interactions, market assessments, and sustainability reporting. These inputs help guide decision-making and strengthen the company's ability to address material impacts.

2. Considering the outcomes of processes

Findings from processes (including ESG performance evaluations, climate risk analyses, and social impact assessments) are reviewed by the Board to ensure strategic alignment, support innovation in sustainable technology, and reinforce long-term value creation for stakeholders.

Review of Effectiveness and Frequency

The Board conducts regular reviews of the effectiveness of Zain's impact-management processes, typically on a quarterly basis. These reviews assess the alignment of policies and controls with regulatory expectations, strategic objectives, and global sustainability standards. Outcomes of these reviews inform ongoing improvements, ensuring that Zain maintains robust governance and continuously enhances its ability to manage impacts responsibly.

Delegation of Responsibility for Managing Zain's Economic, Environmental, and Social Impacts

Delegation by the Board

1. Appointment of Senior Executives

Zain's Board appoints key executives to manage the company's impacts on the economy, environment, and people. These roles directly support the company's strategy and long-term value creation:

- **Chief Sustainability Officer (CSO):** Leads the company's sustainability strategy, oversees environmental performance and climate action initiatives, and ensures alignment with global frameworks. The CSO's work contributes to reducing environmental impacts while enhancing operational resilience and long-term strategic value.
- **Chief Purpose & HR Officer:** Manages human capital development, organizational culture, and workforce well-being, supporting the company's long-term capability building and contributing to both human and intellectual capitals.
- **Chief Corporate Affairs & Communications Officer:** Ensures compliance with governance regulations and transparent reporting on Zain's economic, environmental, and social performance. This role supports trust with regulators and stakeholders.

2. Delegation to Other Employees

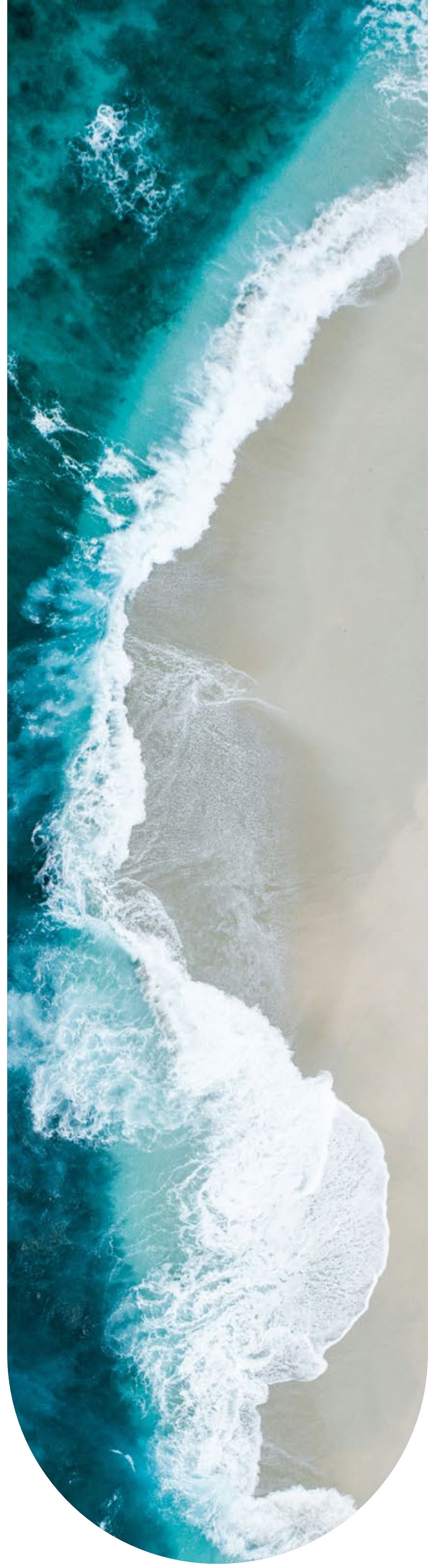
These executives further delegate responsibilities to specialized teams across sustainability, governance, regulatory affairs, and operations. Employees within these functions support the implementation of initiatives, monitor progress, and ensure compliance with policies related to economic performance, environmental stewardship, and social responsibility. Their work strengthens the company's operational systems, enhances knowledge management, and supports value creation across multiple areas.

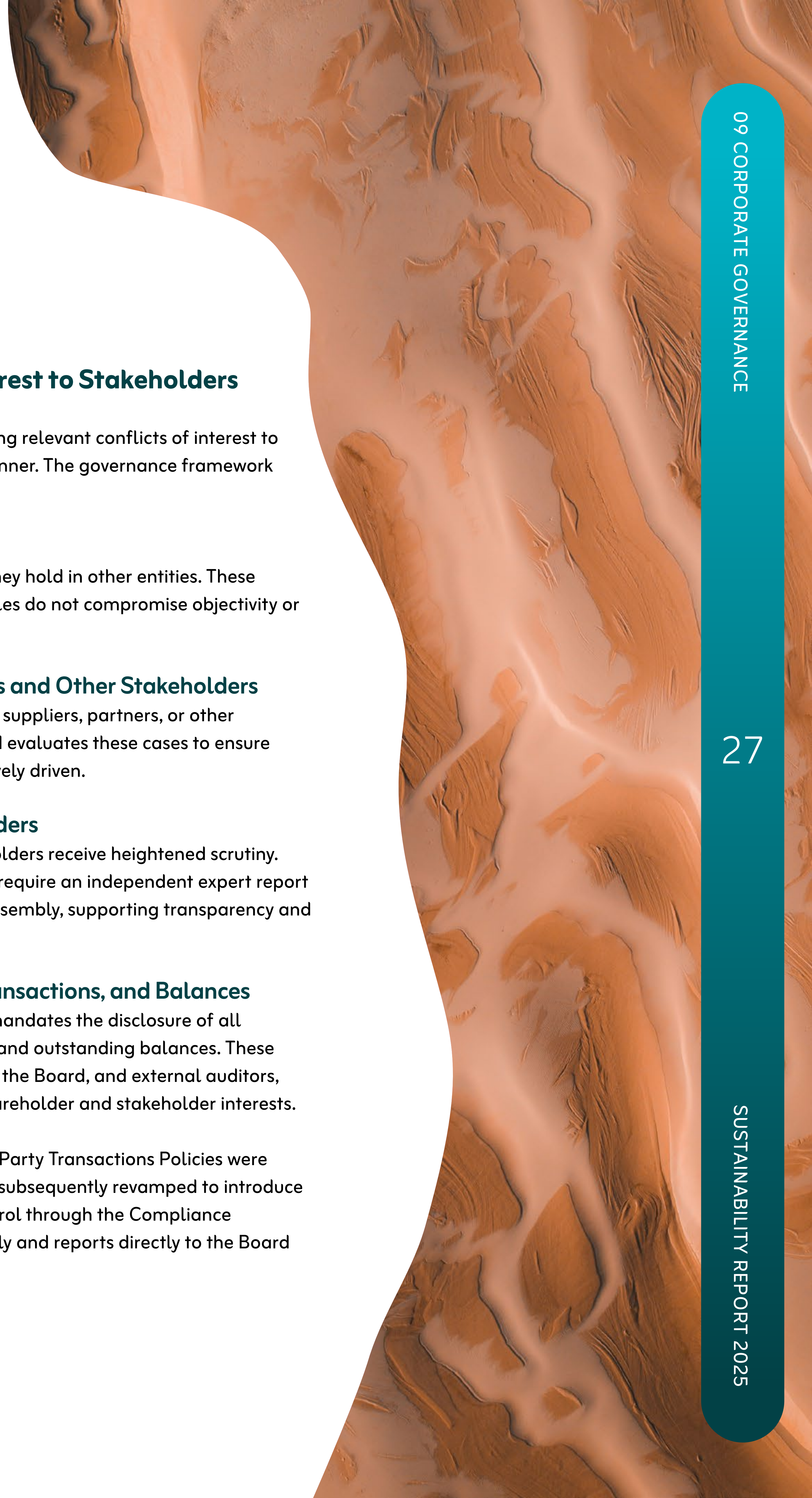
Reporting Processes and Frequency

Senior executives and relevant employees report back to the Board through structured and regular mechanisms.

- **Quarterly reporting:** Executive management provides the Board with quarterly updates on performance, ESG initiatives, risk management, and overall impact management.
- **Annual reporting:** Management prepares and submits the Sustainability Report, the Annual Governance Report, and the Company's Annual Report for Board review and approval. These reports consolidate the organization's economic, environmental, human rights, and social impacts, highlighting progress and areas for improvement.

These reporting processes help the Board maintain clear oversight of the company's key impacts and enable informed, transparent decision-making that strengthens Zain's long-term performance and overall value for stakeholders.





Review and Approval of Reported Information

Zain's Board of Directors is responsible for reviewing and approving all reported information, including the company's material topics. The process ensures accuracy, transparency, and alignment with the company's strategic direction and long-term value creation objectives.

Executive management provides the Board with regular briefings throughout the year, including quarterly, semi-annual, and annual updates. These briefings present a full picture of the company's performance, risks, sustainability initiatives, and progress on strategic priorities.

The information submitted to the Board combines both qualitative insights and quantitative metrics, covering key performance indicators, progress toward sustainability commitments, and any emerging issues that could affect the company's operations, people, or broader stakeholder landscape. This enables the Board to gain a comprehensive understanding of Zain's economic, environmental, and social impacts, as well as evolving regulatory developments and future opportunities.

As part of its oversight, the Board reviews and assesses the information to confirm alignment with the company's strategy, governance requirements, and stakeholder expectations. The process is supported by specialized Board committees, internal functions, and independent auditors, ensuring that the information is accurate, reliable, and thoroughly examined.

Once this review is complete, the Board grants final approval, reaffirming Zain's commitment to transparency, strong governance, and long-term value creation across its operations.

Conflicts of Interest

Zain maintains a governance system built on integrity, transparency, and the protection of stakeholder interests. A core pillar of this system is the company's Conflict of Interest Policy, which ensures that personal interests never compromise corporate decision-making. The Board of Directors, executive management, and all key personnel operate under clear obligations to identify, disclose, and address any actual or potential conflicts in accordance with local regulatory requirements and international best practices.

Preventing and Mitigating Conflicts of Interest

Zain applies several structured processes to prevent conflicts before they arise and to mitigate them effectively when they do:

- **Mandatory Disclosure:** Board members and executives must proactively declare any personal or professional interests that may interfere with company activities. These declarations are documented and reviewed to ensure full transparency.
- **Decision-Making Safeguards:** Individuals with a declared interest are excluded from discussions and voting on related matters. This preserves objectivity and protects the integrity of Board and management decisions
- **Independent Assurance:** Transactions representing 10% or more of total assets trigger the appointment of an independent expert, who provides an impartial assessment to the General Assembly. This external review strengthens trust in major decisions, particularly those involving related parties or controlling shareholders.
- **Formal Review and Investigation:** All reported conflicts are subject to structured examination by the Board. Where a member is involved, they are removed from the process to avoid influencing the outcome.
- **Corrective and Disciplinary Actions:** Confirmed breaches may lead to disciplinary measures, including suspension or termination, underscoring the company's zero-tolerance stance.

Collectively, these measures reinforce Zain's ability to make balanced, risk-aware decisions that support long-term value creation and operational resilience. By safeguarding shareholder value, Zain ensures that financial resources are allocated carefully and protected from bias. Strong governance over major investments enhances infrastructure, ensuring that network and operational advancements are based solely on merit and strategic need. Transparent oversight also supports environmental integrity by preventing decisions that could compromise natural resources or sustainability goals. A culture of accountability enriches corporate culture, reinforcing employee trust, ethical conduct, and leadership credibility. Clear governance processes strengthen process knowledge, and enhance internal systems, decision-making structures, and cumulative organizational experience. Finally, transparent disclosures and ethical conduct elevate trust, deepening confidence among regulators, customers, partners, and society at large.

Disclosure of Conflicts of Interest to Stakeholders

Zain is committed to openly communicating relevant conflicts of interest to stakeholders in a clear and structured manner. The governance framework requires disclosure in the following areas:

Cross-Board Membership

Board members must disclose positions they hold in other entities. These disclosures are assessed to ensure such roles do not compromise objectivity or influence Zain's strategic decisions.

Cross-Shareholding with Suppliers and Other Stakeholders

Any shareholdings or financial interests in suppliers, partners, or other stakeholders must be declared. The Board evaluates these cases to ensure decisions remain impartial and competitively driven.

Existence of Controlling Shareholders

Transactions involving controlling shareholders receive heightened scrutiny. Significant transactions (10%+ of assets) require an independent expert report shared with the Board and the General Assembly, supporting transparency and fairness.

Related Parties: Relationships, Transactions, and Balances

Zain's Related Party Transactions Policy mandates the disclosure of all related-party relationships, transactions, and outstanding balances. These disclosures are reviewed by management, the Board, and external auditors, ensuring accuracy and alignment with shareholder and stakeholder interests.

Both the Conflict of Interest and Related-Party Transactions Policies were reviewed and approved by the Board and subsequently revamped to introduce an additional layer of assurance and control through the Compliance Department, which operates independently and reports directly to the Board Risk Committee (BRC).

Communication of Critical Concerns to the Board

Zain's Whistleblowing Policy forms a core element of its governance system, ensuring that serious concerns (ethical, operational, environmental, or social) are safely reported and escalated to the Board. The policy is fully aligned with Kuwaiti legal requirements, which mandate the protection of whistleblowers and ensure confidentiality and non-retaliation. The process not only safeguards integrity but also directly supports the organization's financial strength, operational resilience, environmental responsibility, people development, governance maturity, and stakeholder trust.

How Critical Concerns Reach the Board and Strengthen Value Creation

Secure and Confidential Reporting Channels:

Employees and external stakeholders can anonymously report issues related to misconduct, governance breaches, or ESG violations. Protecting whistleblowers and encouraging transparency reinforces trust, strengthens the company's ethical culture, and promotes a safe and supportive workplace. This contributes to stronger people practices and helps build credibility with the broader community and regulators.

Immediate Escalation of Serious Matters:

Once a serious concern is received, defined escalation pathways ensure that it reaches executive management or the Board without delay. This timely response protects the company from potential financial losses, compliance failures, and reputational damage. It also safeguards the continuity and reliability of operations, ensuring that critical services and infrastructure remain stable and well-managed.

Continuous Oversight Through Regular Updates:

Executive management provides the Board with periodic briefings on all reported matters, giving Board members visibility over trends, root causes, and corrective actions. This strengthens the organization's ability to learn, adapt, and improve its internal systems and decision-making processes. It also helps identify environmental or social risks early, ensuring responsible management of resources and reinforcing Zain's commitment to sustainable and responsible operations.

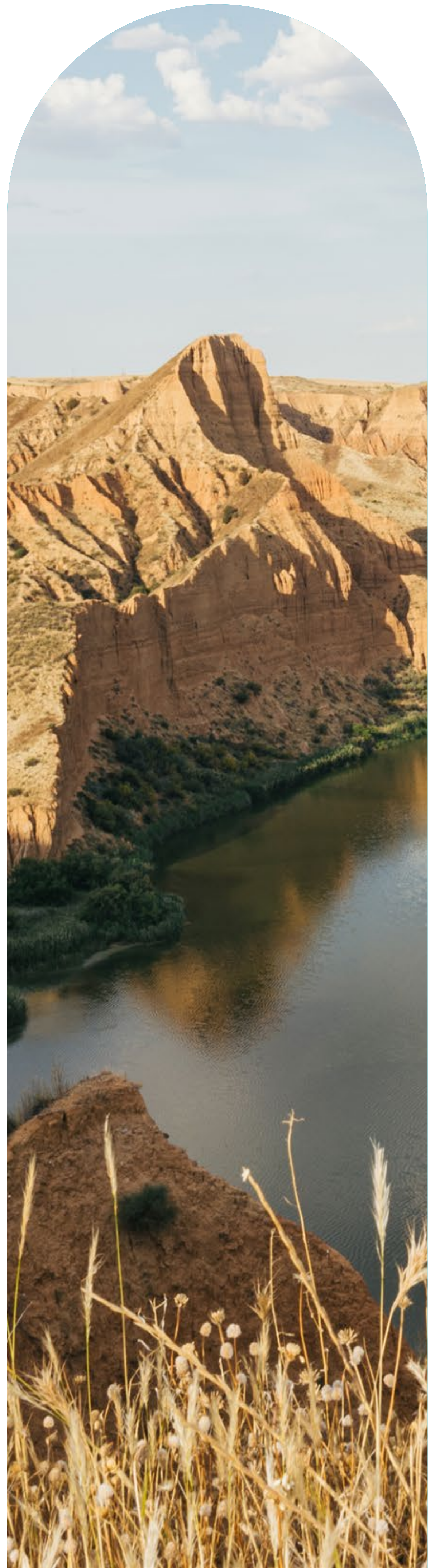
Through this integrated reporting and escalation approach, Zain ensures that critical concerns are addressed transparently and transformed into opportunities to strengthen ethics, mitigate risks, and maintain trust with employees, regulators, partners, and society at large.

Summary of Critical Concerns Reported

During the reporting period, no critical concerns were communicated to the Board.

Board Oversight of Sustainable Development and Impact Management

Zain's Board plays a central role in guiding the company's approach to sustainable development and overseeing its impacts on the economy, environment, and society. To ensure the Board remains well-equipped for this responsibility, Zain maintains an ongoing learning and development program that is regularly enhanced to reflect the latest ESG standards, regulatory expectations, industry trends, and sector-specific sustainability challenges. These training efforts strengthen the Board's ability to provide informed oversight, support responsible growth, and contribute to long-term value creation financially, operationally, socially, and environmentally.



Board Performance Evaluation

Each year, the Board undertakes a structured self-assessment to evaluate how effectively it oversees Zain's economic, environmental, and social impacts. However, in line with best practice, this year the Board is conducting an independent third-party assessment as part of its approach to alternating between the two evaluation methods over successive years. The assessment covers several core areas:

- **Governance & Compliance:** The Board's adherence to corporate governance principles, regulatory expectations, and ethical conduct.
- **Strategic Leadership:** The degree to which sustainability considerations are embedded into strategic planning and long-term decision-making.
- **Risk Oversight:** The effectiveness of identifying, assessing, and mitigating ESG-related risks that could impact business continuity, financial stability, or stakeholder trust.
- **Stakeholder Engagement:** The Board's effectiveness in overseeing the company's engagement with regulators, shareholders, employees, partners, and communities.
- **Financial and Operational Oversight:** Ensuring sustainable financial performance and resilience through sound oversight of the company's resource allocation, investments, and operations.

Through this evaluation process, the Board reflects on its alignment with Zain's mission and assesses whether it is sufficiently supporting sustainable value creation across all parts of the business—from strengthening workforce capabilities to protecting natural resources, enhancing operational systems, and maintaining strong relationships with stakeholders.

Independence and Frequency of the Evaluation

This performance assessment is conducted annually, ensuring consistent and timely reflection on the Board's effectiveness. In line with recognized governance standards, Zain alternates between internal self-assessments and independent third-party evaluations. This year, the Board is undergoing an external review, incorporating updated regulatory expectations and emerging sustainability requirements. This alternating approach ensures the evaluation process remains thorough, objective, and fully aligned with global best practice.

Actions Taken in Response to the Evaluation

The insights gathered from these evaluations are used to drive meaningful improvements in governance practices, Board effectiveness, and organizational performance:

Enhanced Training and Development:
Identified gaps are addressed through refined training programs that deepen Board members' understanding of ESG developments, sector-specific sustainability risks, and regulatory changes. This strengthens the Board's ability to govern responsibly, support long-term performance.

Strengthening Board Composition:
The Board reviews its composition periodically to ensure it retains the expertise necessary to oversee the company's strategic and sustainability priorities. During the reporting period, no changes to membership were required; instead, the Board focused on further strengthening the competencies of its current directors through targeted development and enhanced training, ensuring continued alignment with evolving regulatory expectations and emerging governance challenges.

Improvements to Organizational Practices:
The Board's evaluations drive improvements across governance, risk management, and stakeholder engagement, strengthening operational efficiency, supporting responsible practices, and reinforcing the systems that sustain Zain's long-term performance.

Remuneration for Members of the Board and Executive Management

Remuneration Policy Overview:
Zain's remuneration policy ensures a balance between fixed and variable pay for members of the Board and executive management. Fixed remuneration is based on the responsibilities and the specific career paths of individuals, reflecting their value to the company. Variable remuneration, on the other hand, is tied to the achievement of predefined goals, both financial and non-financial, to motivate and reward executive management based on individual and company performance.

Sign-on Bonuses or Recruitment Incentive Payments:
Sign-on bonuses or recruitment incentives are provided as needed, particularly when attracting top-tier talent. These incentives are aligned with the company's strategic objectives and competitive market conditions.

Termination Payments:
Termination payments are included as part of the approved contractual agreements, compliant with applicable laws. These may consist of end-of-service indemnity as stipulated by Zain's human resources policies and contractual agreements.

Retirement Benefits:
Retirement benefits include end-of-service indemnities and other benefits as per the applicable laws and regulations, ensuring that these packages remain competitive and aligned with Zain's human resources policies.

Board Remuneration
The total remuneration for the Board shall not exceed 10% of the company's net profits, calculated after accounting for depreciation, reserves, and the distribution of dividends to shareholders, which will not be less than 5% of the company's capital, or a higher percentage as outlined in the Articles of Association.
Board remuneration is subject to approval during the AGM of shareholders, based on recommendations from the Board Nomination and Remuneration Committee (BNRC) and the Board itself.

The Executive Management Remuneration System
considers the operational environment, performance results, and the company's risk tolerance. The key components of this system include:

Fixed Remuneration
Fixed remuneration is determined by the level of responsibilities assigned and the specific career path of each executive member. A remuneration index is established for each position, reflecting its value to the company. This index is reviewed annually by the BNRC, in collaboration with relevant departments such as Human Resources, to reassess the total remuneration package, market conditions, and the performance of various divisions. Fixed remuneration encompasses salaries, allowances, benefits, and end-of-service indemnities, all awarded in accordance with the approved salary and grading structure, applicable laws and regulations, and the manual of contractual agreements issued by Human Resources.

Variable Remuneration
Variable remuneration is contingent upon the achievement of predefined goals and is designed to motivate and reward members of executive management. Variable bonuses are allocated based on both individual performance and the overall performance of the company. At Zain, variable remuneration consists of two elements: annual variable remuneration, granted to employees on a yearly basis, and multi-annual variable remuneration, awarded over multiple years to emphasize the Board's focus on short-, medium-, and long-term objectives. The annual objectives include both financial indicators, representing financial targets for the company and its departments, and non-financial indicators, reflecting operational objectives achieved through specific activities and initiatives, such as product launches or strategic investments.

Independent Oversight:
The BNRC oversees the design and implementation of Zain's remuneration policies. It operates independently, ensuring that remuneration aligns with best practices in good governance, shareholder interests, and regulatory requirements. Annually, the BNRC reviews and updates the remuneration policy to reflect changes in the market and internal performance.

Reporting of Stakeholder Votes:
Votes on remuneration policies and proposals are conducted during the AGM, where shareholders are invited to vote on the recommendations made by the BNRC. Results of these votes are disclosed transparently as part of Zain's commitment to good governance and accountability.

Anti-Corruption:

The Board plays a pivotal role in establishing a robust control framework that integrates a comprehensive set of standards, processes, and structures to ensure effective internal controls across the organization. In fulfilling its oversight responsibilities, the Board ensures the implementation of a functional anti-corruption system and continually monitors executive management's performance in executing the associated policies. A key priority is embedding a culture of integrity and ethical conduct throughout the organization, reinforcing the importance of anti-corruption principles as a foundation for responsible business practices.

Aligned with international governance standards, the Board's actions contribute directly to value creation across multiple areas, by safeguarding the company's assets, preserving stakeholder trust, strengthening human capabilities through training, and supporting sustainable long-term performance. Notably, in 2025, Zain incurred zero costs related to corruption fines or penalties, emphasizing the strength of its governance systems and the effectiveness of its internal controls.

The Board maintains open and transparent communication with shareholders and stakeholders, ensuring timely, accurate, and coherent disclosure of essential information. This commitment supports enhanced social and intellectual resources, enabling informed decision-making and reinforcing credibility. Both the Board and executive management remain committed to addressing the company's broader economic, environmental, and social impacts, promoting inclusive growth and long-term sustainable value.

Zain's anti-corruption policies and procedures were communicated to all relevant stakeholders—including Board members, employees, business partners, and suppliers—across all operational markets. The policy is also available publicly on the company's website, ensuring broad accessibility and strengthening social and intellectual aspects through transparency and awareness. Communication was delivered through email notifications and video materials, supported by tracking mechanisms that verify receipt and review. These systems will continue to evolve throughout 2026 to enhance accountability and further develop the organization's human capital.

In 2025, the Board held a total of six meetings. Engagements between the Board and the executive management team occur periodically or when required, ensuring continuous oversight across economic, social, environmental, and human rights matters. Delegated authorities reflect the specific responsibilities of senior executives and support effective strategic alignment. This approach reinforces Zain's Corporate Sustainability strategy, which focuses on delivering "Meaningful Connectivity," and driving systemic change.

The Board also meets with Internal Audit, Risk Management, Compliance, Finance and Strategy teams at least quarterly, as mandated by applicable laws and regulations. These interactions ensure comprehensive oversight of internal controls, risk mitigation, and financial performance. The Board retains the discretion to invite any member of executive management to participate in these meetings when necessary, strengthening financial and intellectual resources through informed, data-driven oversight.

Anti-Corruption Policies Communication: All employees across every operating market received communication on anti-corruption policies and procedures through electronic channels and publicly accessible materials. Tracking mechanisms support continuous monitoring of engagement. Policies were also communicated to all business partners, including suppliers and contractors, ensuring alignment with Zain's ethical standards. This broad communication reinforces ethical expectations across the value chain.

Incidents of Corruption: Zain reported zero confirmed incidents of corruption in 2025. No employees were dismissed or disciplined for corruption-related activities, and no contracts with business partners were terminated or not renewed due to corruption violations. Furthermore, no public legal cases were brought against the company or its employees during the reporting period. This strong record protects the company's reputation and minimizes operational and financial risks.

Highlighted in the following table are the main Corporate Governance related topics and their impact across the six different integrated thinking capitals:

MATERIAL TOPIC
Business Ethics and Governance

SUB-TOPIC
Stakeholder engagement

RISK
Weak engagement or inconsistent communication with regulators, shareholders, employees, partners, and communities may reduce trust, increase reputational risk, and weaken alignment with stakeholder expectations.

OPPORTUNITY
Structured engagement strengthens transparency and responsiveness, supports strategic decision-making, and reinforces long-term value creation through stronger relationships and credibility.

IMPACT ON THE SIX INTEGRATED THINKING CAPITALS

- **Financial Capital**: protects shareholder value and reduces potential losses.
- **Manufactured Capital**: supports strong operations through informed oversight.
- **Human Capital**: strengthens culture and employee trust.
- **Intellectual Capital**: improves decision-making processes and organizational learning.
- **Social and Relationship Capital**: builds confidence with regulators, customers, partners, and society.

MATERIAL TOPIC
Business Ethics and Governance

SUB-TOPIC
Anticorruption

RISK
Corruption or misconduct could lead to legal/regulatory breaches, financial losses, and significant reputational damage.

OPPORTUNITY
Strong ethics, controls, and reporting mechanisms prevent misconduct and demonstrate compliance, enhancing credibility with regulators and stakeholders.

IMPACT ON THE SIX INTEGRATED THINKING CAPITALS

- **Financial Capital**: mitigates compliance failures and losses.
- **Human Capital**: reinforces ethical culture and safe workplace.
- **Intellectual Capital**: strengthens internal controls and governance framework.
- **Social and Relationship Capital**: enhances trust and credibility with the community and regulators.

MATERIAL TOPIC
Business Ethics and Governance

SUB-TOPIC
Conflict of interest

RISK
Undisclosed or unmanaged conflicts of interest may lead to biased Board and management decisions, compromise integrity, and undermine fairness in transactions (especially with related parties or controlling shareholders).

OPPORTUNITY
Mandatory disclosures, Internal control measures, independent expert reviews for significant transactions (10%+ of assets), and structured investigations strengthen objectivity, transparency, and trust in major decisions.

IMPACT ON THE SIX INTEGRATED THINKING CAPITALS

- **Financial Capital**: safeguards shareholder value and ensures careful resource allocation.
- **Manufactured Capital**: supports merit-based investment decisions for network and operational advancements.
- **Natural Capital**: prevents decisions that could compromise sustainability goals or natural resources.
- **Human Capital**: strengthens accountability, employee trust, and leadership credibility.
- **Intellectual Capital**: enhances governance processes and decision structures
- **Social and Relationship Capital**: deepens confidence among regulators, customers, partners, and society.

MATERIAL TOPIC
Business Ethics and Governance

SUB-TOPIC
Communication of Critical Concerns to the Board

RISK
Failure to provide safe escalation channels may delay detection of misconduct, governance breaches, or ESG violations, increasing exposure to financial, compliance, operational, environmental, and social risks.

OPPORTUNITY
Secure, confidential reporting channels, immediate escalation pathways, and continuous Board oversight enable timely mitigation and continuous improvement, transforming issues into opportunities to strengthen ethics and trust.

IMPACT ON THE SIX INTEGRATED THINKING CAPITALS

- **Financial Capital**: protects against losses and reputational damage.
- **Manufactured Capital**: safeguards continuity and reliability of critical services and infrastructure.
- **Natural Capital**: helps identify environmental risks early and manage resources responsibly.
- **Human Capital**: promotes a safe workplace and supports people development.
- **Intellectual Capital**: strengthens governance maturity and internal systems through learning and improvements.
- **Social and Relationship Capital**: builds trust with employees, regulators, partners, and society.