

Corporate Governance Report
Global Telecom Holding S.A.E.
for the fiscal year ended December 31, 2019

Company's data:

Company's Name	Global Telecom Holding S.A.E. ("the Company", "GTH")		
Company's Purpose	<p>The Company's purpose is to participate in incorporating companies issuing securities or to increase the share capital of these companies according to subject article (127) from executive regulations. The Company may have an interest or participate, by any means, in companies and other enterprises that have activities similar to those of the Company or those that may assist the Company to achieve its objective in Egypt or abroad. The Company may also merge into those companies and enterprises, or acquire them, pursuant to the provisions of the law and its executive regulations.</p> <p>The listing committee of the Egyptian Stock Exchange had approved the delisting of GTH's shares from the Egyptian Stock Exchange according to its decree dated 09 September 2019.</p> <p>On 09 September 2019, GTH's Extraordinary General Assembly Meeting has approved the offer submitted by VEON LTD ("VEON") to the Company on 25 June 2019 pursuant to which VEON or one of its affiliates will acquire the Company's interests in Jazz, banglalink, Djezzy (including MedCable) and Mobilink Bank (the "Transaction"). For 313.335 billion Pakistani rupees for Jazz, 24.916 billion Bangladeshi taka for banglalink, 70.195 billion Algerian Dinar for Djezzy (including MedCable), 14.741 billion Pakistani rupees for Mobilink Bank.</p>		
Company's duration	25 years commenced from 02/02/2005 to 31/01/2030		
Law regulating the Company	The Capital Market Law number 95 of the year 1992	Value of Nominal share	0.58 (fifty-eight piasters)
The last authorized capital	14.000.000.000 Billion Egyptian pounds	The last issued capital	EGP 2.738.250.503.64
The last paid capital	EGP 2.738.250.503.64	Date and number of the commercial register	Number 365751 register office Cairo Investment dated 02 February 2005
The name of the contact responsible	Noha Louis Agaiby (Head of Investors Relations)		

Head office address	Claude Debussylaan 92 - 1082 MD Amsterdam - The Netherlands
Cairo office	Nile City Towers, North Tower, 2005- Cornish El Nil- Ramlet Beaulac – 11221 – Cairo, Egypt
Phone numbers	+2024619655 / +2024619654
Website	www.gtelecom.com
E-mail	ir@gtelecom.com

General Assembly of the Shareholders:

The ownership structure

Shareholders structure and the percentage of ownership of the Board Members:

Holders of 5% or more of the company's shares	The number of shares at the date of issuance of the financial statement	Percentage %
VEON Luxembourg Finance S.A.	2,622,931,845	55.57%
VEON Holding B.V.	1,914,322,110	40.55%
Total	4,537,253,955	96.12%

Ownership of the Board of Directors of the Company's shares	The number of shares at the date of issuance of the financial statement	Percentage %
0	0	0.00%
Total	0	0.00%

Treasury shares of the company according to the purchase date	The number of shares according to the latest previous disclosure statement	Percentage %
The Account of Delisting shares for Global Telecom Holding S.A.E.	61,666,148	1.31%
Total	61,666,148	1.31%

Board Director

The composition of the Board of Directors and their shares:

No.	The name of the Board members	Name of the Company represented by the member	Shares owned in the company	Capacity	Date of appointment
1	Mr. Murat Kirkgoz	VEON Luxembourg Finance S.A.	0	Non- Executive Chairman of the Board	09/09/2019
2	Mr. Gerbrand Leendert Harm Nijman	VEON Luxembourg Finance S.A.	0	Vice Chairman and Managing Director	01/07/2019 (initial appointment date: 29/03/2016 as Executive Board Member for Financial Affairs)
3	Mr. Vincenzo Nesci	VEON Luxembourg Finance S.A.	0	Non- Executive Board Member	01/07/2019 (initial appointment date: 14/07/2014 as Managing Director)
4	Mr. Iskandar Shalaby Rizk Shalaby		0	Non- Executive Board Member	01/07/2019 (initial appointment date: 22/06/2001 as Expert Board member)
5	Mr. Hassan Mohamed Elshafei Abdel-Hamid		0	Non- Executive Board Member	01/07/2019 (initial appointment date: 30/06/2016 as Independent Non- Executive Board Member)

The responsibilities of the Chairman:

1. Set the necessary procedures to guarantee that all shareholders receive their rights and are treated in a way that achieves justice and equality without any kind of discrimination.
2. Set the company's disclosure and transparency policy and follow up on its implementation in accordance with the requirements of the regulatory entities and the applicable legislation.
3. Taking the required steps to achieve internal control of the Company's activity, including the establishment of a special control and internal audit unit, whose task will be to ensure compliance with the provisions of the applicable legislation and

- the requirements of the regulatory entities, internal regulations, policies, plans and procedures established by the Board of Directors.
4. Set a policy that regulates the relationship with related parties so as to ensure the implementation of the company's obligations towards them and preserve their rights and provide them with necessary information and establishing good relations with them.
 5. Set written procedures for applying the company's good compliance rules, reviewing it and evaluate their annually applicability.

The responsibilities of the Managing Director:

1. Set the strategies, policies, plans and procedures that would achieve the Company's interest, goals and to maximize its shareholders' rights and serve the local community.
2. Set the risk management policy, which the company may face.
3. Preparing annual, semi-annual and quarterly reports and the preliminary earnings release of the company's business, including the financial data for each period, according to the provisions of the applicable legislation. The date of disclosure of these financial data shall be announced not less than three working days, before the date of their disclosure.

The company has a position of a Secretary of the Board of Directors

The responsibilities of the Secretary of the Board of Directors:

1. Archiving the reports.
2. Providing the Board members with information and minutes of the meeting.
3. Notifying the Board members with the date of the meetings.
4. Providing assistance and advise.
5. Applying and reviewing the rules of good compliance of the company and evaluate their annually applicability.
6. Assisting the Chairman in the preparation for the General Assemblies of shareholders and managing the related logistics.
7. Following up the issuance and implementation of the Board decisions, communicating them to the relevant departments, and preparing follow-up reports on such decisions.
8. Maintaining all documents in respect of the Board decisions and topics submitted to it and ensuring that the Board is furnished with important information in a timely manner.
9. Coordinating with all Board committees, to ensure effective communication between these committees and the Board of Directors.
10. Coordinating with the concerned committees, in respect of providing the necessary information to help the Chairman in the assessment of the Board members and committees, and the proposals submitted to the General Assembly by the Board for election or replacement of any member.

11. Ensuring that Board members are updated with any changes in the supervisory or legal responsibility, due to developments in the company's activities or the legal framework regulating it, provided that this shall be done to the extent permitted for the responsibilities assigned to her and without conflicting with the roles of the concerned departments within the company.
12. Organizing induction and orientation programs for new Board members.

Attendance schedule of the board members in board meetings, committees and general assembly meetings

No.	The name of the member and his capacity	Board of Directors	Audit Committee	General Assembly
1	Mr. Murat Kirkgoz	2 / 21	N.A.	Mr. Murat was appointed on 09/09/2019. Accordingly, he did not attend any general assembly
2	Mr. Vincenzo Nesci	18 / 21	N.A.	4 / 5
3	Mr. Gerbrand Leendert Harm Nijman	21 / 21	6/6	5 / 5
4	Mr. Iskandar Shalaby Rizk Shalaby	21 / 21	6/6	2 / 5
5	Mr. Hassan Mohamed Elshafei Abdel-Hamid	21 / 21	6/6	5 / 5

Audit Committee

The latest Audit committee structure:

Name	Representative entity
Mr. Iskandar Shalaby Rizk Shalaby (chairman of audit committee)	Non- Executive
Mr. Hassan Mohamed Elshafei Abdel-Hamid (member)	Non- Executive

Statement of specialization and assigned tasks of the Committee:

1. Inspecting and reviewing the company's internal controls and its compliance.
2. Studying the adopted accounting policies and the result of implementing new accounting standards.
3. Inspecting and reviewing the internal audit mechanisms, tools and its procedures, plans and its results, studying the internal control reports and following up the implementation of its recommendations.

4. Checking the procedures that are followed in preparing and reviewing the following:
 - a. Periodic and annual financial statements.
 - b. Prospectus and public and private offer of securities.
 - c. Estimated budgets, including cash flow statements and estimated income statements.
 - d. Examine the draft of preliminary financial statements before submitting it to the Board of Directors to be submitted afterwards to the auditor.
 - e. Proposing the appointment of auditors, determining their fees and considering of the matters relating to their resignation or dismissal, without prejudice to the provisions of the law.
 - f. Giving opinions regarding the authorization to appoint the auditor to perform services for the company other than reviewing the financial statements and regarding the estimated fees and without prejudice to the requirements of their independence.
 - g. Studying the auditor's report regarding to the financial statements and discussing with the auditor the notes and reservations, as well as following up on the taken procedures to resolve the differences in the point of views between the management of the company and the auditor.
 - h. Ensuring to submit the report made by one of the non-related specialized experts in respect of the nature of the operations and transactions concluded with the related parties and the extent of their breach or damage to the interests of the company or its shareholders.
 - i. Periodic earnings release.

The committee should verify the response of the company's management to the recommendations of the auditor and the Financial Regulator Authority. The Board of Directors may entrust the Committee with any acts it deems fit in the Company's favor.

The recommendations of the audit committee of year 2019:

- On 24 February 2019, the audit committee has recommended to approve the fourth quarter earnings release for 2018;
- On 01 March 2019, the audit committee has recommended to approve the stand alone and consolidated financial statements of Full Year 2018, the Corporate Governance Report of 2018 and the Board of Directors Annual Report 2018;
- On 01 May 2019, the audit committee has recommended to approve the first quarter stand alone and consolidated financial statements for 2019 and the first quarter earnings release for 2019;
- On 31 July 2019, the audit committee has recommended to approve the second quarter stand alone and consolidated financial statements for 2019 and the second quarter earnings release for 2019;
- On 11 November 2019, the audit committee has recommended to approve the third quarter financial statement for 2019.

Nominations Committee: N/A

Rewards Committee: N/A

Risk Committee: N/A

Compliance Committee: N/A

Other committees: N/A

The Control Environment

Internal Audit Department: GTH has outsourced the Internal Audit Department activities to VEON's Internal Audit Department.

Definition of the company's internal control system:

1. Examination, verification and evaluation of all aspects of activity related to the integrity and validity of transactions, financial transactions or working procedures.
2. Checking the compliance with plans, performance levels and targets.
3. Checking and verifying the authenticity of records, documents and files.
4. Checking and ensuring that the financial guarantees of tenders conform with the applicable regulations and instructions.

Risks department: GTH has outsourced enterprise risk activities to VEON HQ risk and internal control department under the shareholder service level agreement in 2015

Compliance Department: GTH commissioned Ms. Noha Agaiby to establish the compliance department in the company, and then the following compliance policies were prepared, presented and approved by the company's board of directors:

- 1) Standards on Policy Governance;
- 2) Commercial Sponsorships Procedure;
- 3) Corporate Grants Policy;
- 4) Corporate Grants Procedure;
- 5) Background check procedure;
- 6) The directors' conflict of interest policy;
- 7) Updated Anti Bribery policy;
- 8) Updated Gifts and Hospitality Procedure;
- 9) Code of Conduct;
- 10) Business Partner Code of Conduct Policy;
- 11) Business Partner Due Diligence Procedure;
- 12) Anti-Bribery & Corruption Policy;
- 13) Anti-Money Laundering Policy;
- 14) Speak-up Policy;
- 15) Government & Regulatory Affairs Policy;
- 16) Conflict of Interest Policy;

- 17) Investigations Procedure; and
- 18) Gifts & Hospitality Procedure.

The Auditor:

During the meeting of the General Assembly, the shareholders shall appoint an auditor who meets with the appointment conditions and should be in accordance with the requirements of the applicable Egyptian laws and regulations.

Mr. Wael Sakr Mohamed Amer (PricewaterhouseCoopers) was assigned, for the financial year ended 31 December 2019.

Disclosure and transparency

The Company has an opening and transparent channel of communication with the shareholders and publish the information to investors and related parties on a regular basis, through the company's website as well as through different methods of media and up to 09 September 2019 also on the EGX screen.

The Annual General Meeting of shareholders is held within three months of the end of the fiscal year in accordance with the legal requirements - the Companies Law No. 159 of 1981. The meeting is notified at least 21 days ahead of time and should be published, to shareholders and financial markets, on the company's website and newspapers. Copies of the annual report and the financial statement to be available to shareholders at least three weeks prior to the General Assembly to allow the shareholders to discuss the performance of the Company with the Chairman and other Board members. Shareholders may exercise the right to vote at a meeting of the General Assembly in person or through delegating another shareholder to vote on their behalf.

Investors relations

Investor Relations is the link between the Company, its shareholders, EGX and prospective investors. It is the authorized department to manage the communication between the Company and the Egyptian Stock Exchange (EGX) and the Egyptian Financial Regulatory Authority (FRA).

Investor Relations at GTH are interested in developing and improving the relationships between the Company's shareholders through the facilitation of services that are thoughtfully and carefully studied, reviewed annually and developed commensurate with the interests of the shareholders.

Investor relations also provide the competent departments of the company with periodic reports issued by the regulators and confirm its application, and save the shareholders' data, and also follow up the obligations of board members and senior executives in relation to their ownership of the company's shares and the periods of prohibition of its use. It also publishes all the company's disclosures on the company's website and on the Egyptian Stock Exchange's website, in addition to preparation and processing and the work of all related procedures to convene the ordinary and extraordinary general assemblies, and to receive all shareholders inquiries.

Disclosure instruments

Annual report: we prepare a financial annual report that is submitted to FRA

Board of director's report

The Board of Directors issues the annual report for the previous financial year and discloses the financial results of the company at its annual shareholders meeting.

Disclosure report

The Company prepares a quarterly report by the company's management in collaboration with the Investor Relations Department.

Sustainability report: N/A.

Website

GTH has open and transparent channels of communication with shareholders and publishes information to investors on a regular basis through the company's website.

The Company has developed an updated version on its website, www.gtelecom.com, providing the data to shareholders on corporate compliance, financial statements and other important disclosure information - disclosure of financial and non-financial information.

Codes and Policies: N/A

Succession Planning: N/A

Whistleblowing:

During the course of employment with the Company, employees will become party to information which may be of a highly confidential nature, or which is connected in some way with the Company, its internal or external procedures or its contact with the financial and commercial markets or business community in general. While the Company will make every effort to conduct its business strictly in accordance with its statutory obligations and good business practice, employees may consider, from time to time, that the Company has failed to adhere to its obligations in some way. In that situation employees are urged to report their concerns.

Report to: Ms. Noha Agaiby who is responsible for the company's compliance standards (email address: compliance@gtelecom.com).

The Company will endeavor to deal with any concerns raised under this procedure quickly and efficiently and will attempt to resolve any outstanding issues.

The policy of dealing with internal and related parties and relevant parties:

All Related Party Transactions are reviewed and pre-approved by the shareholders at the General Assembly Meeting.

Social and Environmental Responsibility Policy: N/A.

The Legal representative of the Company

Signature:  _____

Name: Gerbrand Leendert Harm Nijman

Capacity: Vice Chairman and Managing Director