

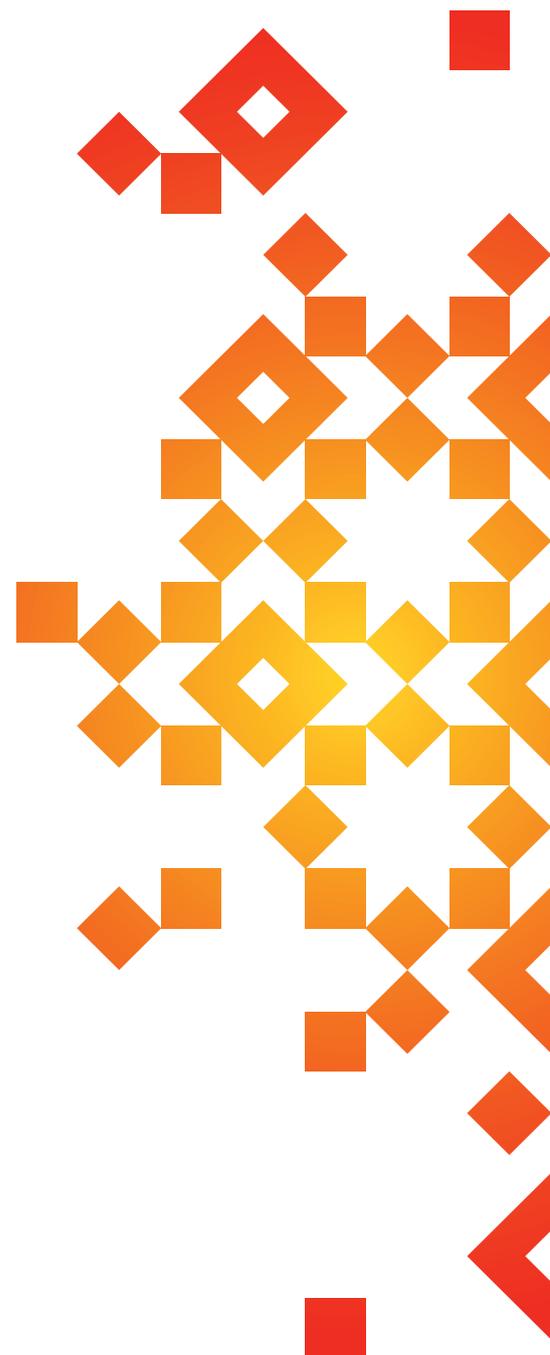
Vodafone Qatar Q.S.C.
Corporate Governance
Report 2011





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Definitions

Board

Vodafone Qatar Q.S.C. Board of Directors

Corporate Governance Code or the Code

The "Corporate Governance Code for Companies Listed in Markets Regulated by the Qatar Financial Markets Authority" issued by the Qatar Financial Markets Authority in 2009

Company

Vodafone Qatar Q.S.C.

Executive Management Team

The executive managers of Vodafone Qatar who are responsible for the day-to-day running of the Company

QE

Qatar Exchange

QFMA

Qatar Financial Markets Authority

Vodafone Group

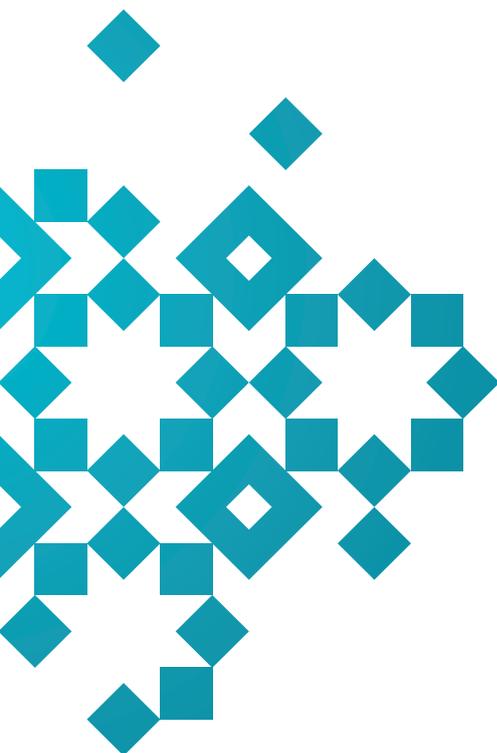
Vodafone Group Plc and, as applicable, its subsidiaries and/or interests in joint ventures or associates

Vodafone Qatar

Vodafone Qatar Q.S.C.

Vodafone Qatar Management Agreement

The Management Agreement entered into between Vodafone Qatar, Vodafone Group Plc, Vodafone Group Services Limited, Vodafone Ireland Marketing Limited and Vodafone Marketing SARL dated 28 June 2009





Chairman's Foreword

Dear Vodafone Qatar Shareholders,

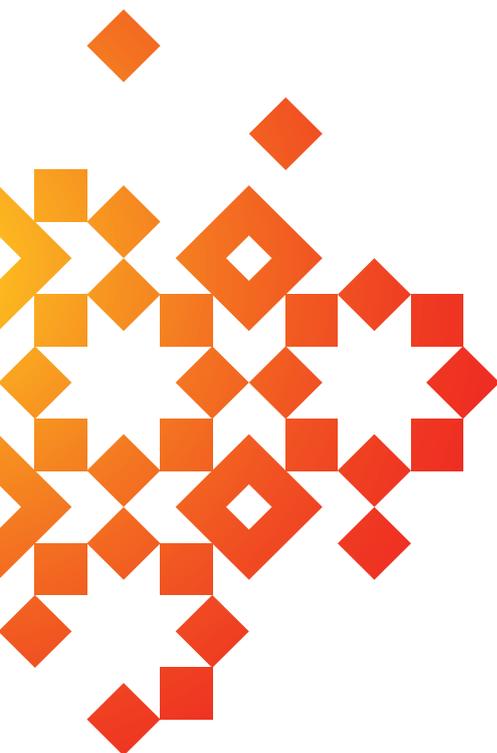
This report has been prepared in accordance with the "Corporate Governance Code for Companies Listed in Markets Regulated by the Qatar Financial Markets Authority" issued by the Qatar Financial Markets Authority in 2009. All listed companies in Qatar are required to produce a Corporate Governance Report each year.

Vodafone Qatar strives to apply the highest standards of corporate governance and best practice. This year your Board took steps to further enhance Vodafone Qatar's corporate governance structures by establishing an Audit Committee and Remuneration Committee each with specific terms of reference approved by the Board. These committees have been established in accordance with best practice adopted by the Vodafone Group and will bring further rigour and transparency to the Company's governance structures and processes and further enhance the application of the Corporate Governance Code.

Vodafone Qatar remains committed to maintaining high standards of corporate governance which the Board considers to be critical to business integrity and to maintaining investors' trust. It is the responsibility of the Board of Directors to oversee the management of the Company and we are confident that the Executive Management team of Vodafone Qatar have the appropriate governance policies and procedures in place to ensure that the Company operates in the best interests of shareholders at all times.

Abdulrahman bin Saud al-Thani

Chairman



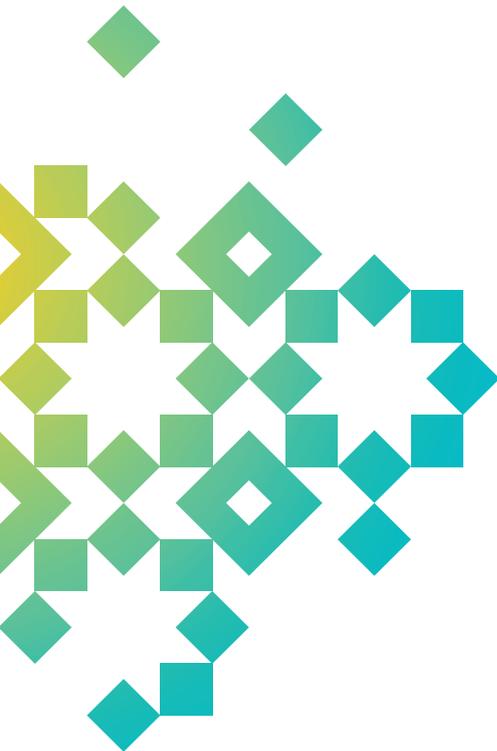


1. Corporate Governance at Vodafone Qatar

At Vodafone Qatar we are committed to maintaining high standards of corporate governance which we consider are critical to business integrity and to maintaining investors' trust. We expect all our directors, employees and suppliers to act with honesty, integrity and fairness. Our business principles set out the standards that we set ourselves to ensure we operate lawfully and with integrity and respect.

1.1. Why is Corporate Governance Important?

Sound and robust corporate governance framework and processes help to ensure the Company is operated in a responsible and transparent manner that is in the best interests of the Company and its various stakeholders and serves to increase the confidence of investors.

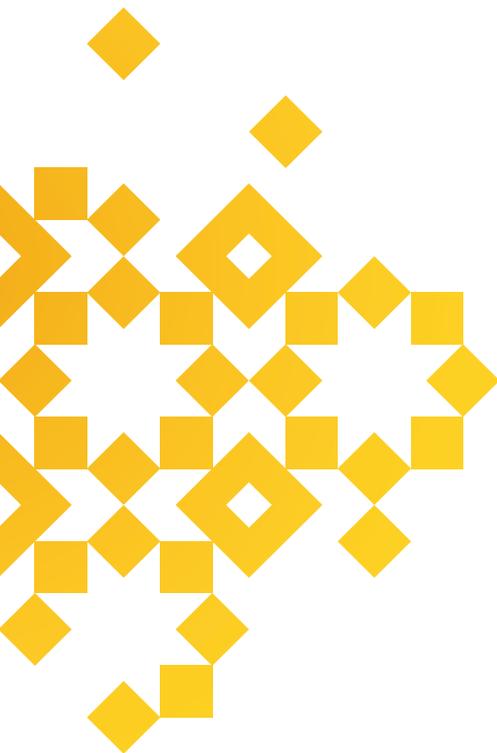




2. Compliance with the Qatar Financial Markets Authority Corporate Governance Code (the “Corporate Governance Code”)

This document constitutes Vodafone Qatar’s Corporate Governance Report for the calendar year 2011. The document was prepared in accordance with the “Corporate Governance Code for Companies Listed in Markets Regulated by the Qatar Financial Markets Authority” issued by the Qatar Financial Markets Authority in 2009; it is publicly available on the dedicated investor relations section of our website – www.vodafone.com.qa/en-ir

In the interests of transparency and disclosure, this document covers all aspects of the Corporate Governance Code and identifies where Vodafone Qatar does not currently meet the precise requirements prescribed by the Code.





3. Board organisation and structure

3.1. Vodafone Qatar's Board of Directors

1. His Excellency Sheikh Abdulrahman bin Saud al-Thani (Chairman)

His Excellency Sheikh Abdulrahman bin Saud al-Thani was appointed as Chairman of the Board of Directors on August 2008, after he becoming a Board member on June 2008. His Excellency is Minister of State since March 2011, after holding other important positions such as the Chief of the Emiri Diwan, Private Secretary to HH the Emir, and Qatar's Ambassador to the United States of America. HE Sheikh Abdulrahman bin Saud al-Thani is a member of the Joint Advisory Board of the School of Foreign Services – Georgetown University Qatar, Member of the Trusteeship Board of the Qatar Museum Authority, Member of the Trusteeship Board of the Institution of Palestine Studies – Beirut and Member of the Board of Advisors of the Centre of Contemporary Arabic Studies - Georgetown University Washington.

2. Mr Abdulla bin Nasser Al-Misnad (Vice Chairman)

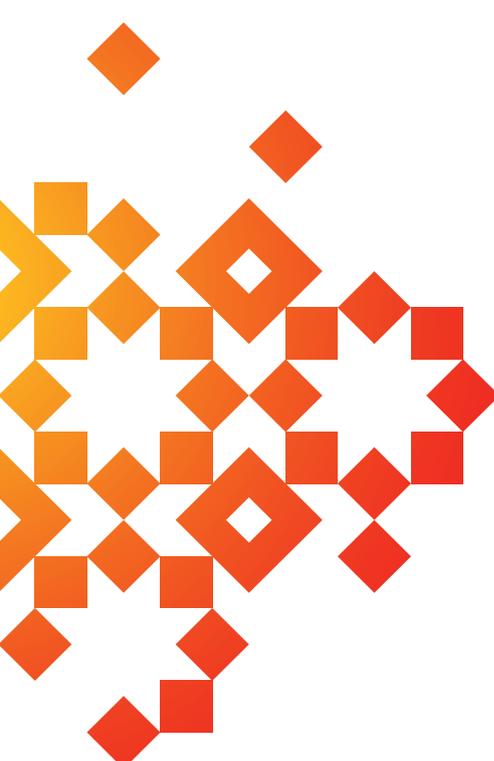
A member of the Board since May 2009 (appointed by the Public Shareholders), Mr Al-Misnad was appointed as Vice Chairman of the Board on January 2011. Mr Al-Misnad is the Chairman & Managing Director of Al Misnad Holding Company which has been involved in private sector businesses since the 1950s. The Al Misnad Holding Company owns and manages several companies with diverse business activities that promote economic growth and development of the State of Qatar. Mr Abdulla Al-Misnad is also Chairman of Al Khalij Holding Company, Vice Chairman of Al Khaliji Bank, Vice Chairman of Malomatia.

3. His Excellency Sheikh Abdullah bin Hamad bin Khalifa Al-Thani

A member of the Board since January 2011 (appointed by Vodafone and Qatar Foundation LLC). His Excellency Sheikh Abdullah is the Chief of the Emiri Diwan since December 2011, a member of the Board of Directors of the International Bank of Qatar (IBQ) and President of Al Rayyan Football Club.

4. Mr Rashid Fahad Al-Naimi

A member of the Board since 26 June 2008 (appointed by Vodafone and Qatar Foundation LLC) and a member of the Board of Managers of Vodafone and Qatar Foundation LLC. Mr Al-Naimi is the Vice President, Administration, of the Qatar Foundation. Furthermore, he represents the Qatar Foundation across a number of boards, committees and in addition to Vodafone Qatar, Mr Al-Naimi is currently the residing Chairman for QMDI, MEEZA, MAZAYA, Gulf Bridge International and Knowledge Ventures; he is also a Board Member of Al Mannai Company, Msheireb Properties and Qatar Solar Technologies.





5. Ms Aisha Mohammed Saad Al-Nuaimi

A member of the Board since May 2009 (appointed by the Public Shareholders). Ms Al-Nuaimi is currently Investment Director of the General Retirement and Social Insurance Authority (GRSIA). Ms Al-Nuaimi holds an MBA from the University of Qatar and a PhD from the University of London – Under Preparation. In addition to Vodafone Qatar, Ms Al-Nuaimi is a member of the Board of Directors of Barwa Bank, Naqilat, Qatar Finance House, Nuzul Holding (Bahrain) and Al Soor for Finance and Leasing (Kuwait).

6. Mr Richard Daly

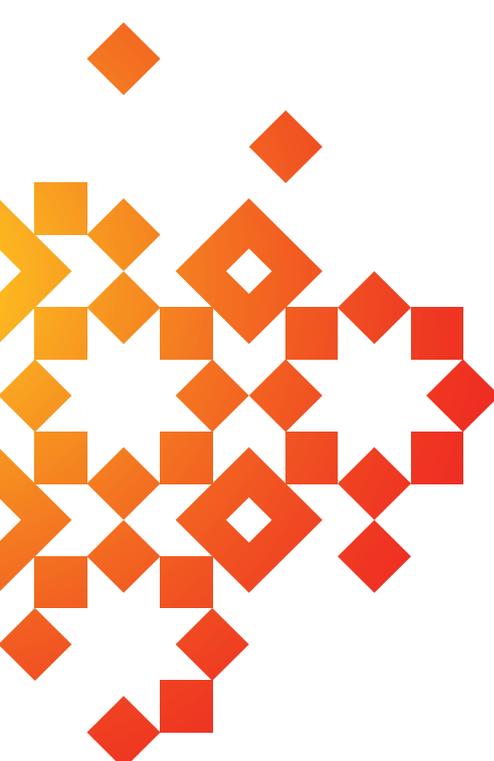
A member of the Board since November 2011 (appointed by Vodafone and Qatar Foundation LLC). Richard joined Vodafone Qatar as CEO in September 2011 from Vodafone Partner Markets where he also held the role of CEO. From 2007 to 2009 Richard was CEO of Vodafone Egypt. Richard first joined Vodafone in 2000, and has held senior commercial roles in Vodafone UK and Egypt covering marketing, retail, indirect distribution, and customer care. Richard is not currently on the Board of any other companies.

7. Mr Steve Walters

A member of the Board since November 2011 (appointed by Vodafone and Qatar Foundation LLC). Steve joined Vodafone Qatar as CFO in October 2011 from Vodafone India Limited where he held the role of Interim Head of Finance from 2011. Steve joined Vodafone India Limited in 2008 as Head of Financial Planning & Analysis. Steve first joined Vodafone in 2000 and has held various senior financial roles within Vodafone. Steve is a Chartered Accountant and is not currently on the Board of any other companies.

8. Mr Nick Read

A member of the Board since October 2008. Nick is CEO of Vodafone Africa, Middle East and Asia Pacific Region and a member of the Executive Committee of Vodafone Group Plc. He is chairman of Vodafone Hutchison Australia Limited and a director of Vodacom Group Limited, Vodafone India Limited, Vodafone Egypt S.A.E., Indus Towers Limited and Safaricom Limited. Nick joined Vodafone in 2001. He spent six years at Vodafone UK for a short period as CFO, before becoming CCO and then CEO in 2006. He has been in his current role since November 2008. Prior to joining Vodafone, Nick spent 10 years at Federal Express Worldwide where he was Vice President and CFO for Europe, Middle East and Africa, based in Brussels, and Vice President Global Corporate Finance and Planning, based in the USA. He was also the former CFO of Miller Freeman Worldwide plc, the largest division of the media group, United News and Media plc.





9. Mrs Alison Wilcox

A member of the Board since January 2011 (appointed by Vodafone and Qatar Foundation LLC). Since 2009 Alison has been Vodafone Group's Regional HR Director covering 14 operating companies across Africa, Asia Pacific and the Middle East. Alison initially joined Vodafone in July 2006 as the Global Director of Leadership, prior to which she spent 11 years with Hay Group, an international HR consulting practice. Alison holds an MBA and is not currently on the Board of any other companies.

3.2. The role of the Board (Article 5 of Corporate Governance Code)

The Board is responsible for the overall business strategy of Vodafone Qatar and for ensuring that a high standard of governance is adhered to throughout the business. The Board:

- > has final responsibility for the management, direction and performance of Vodafone Qatar;
- > is required to exercise objective judgement on all corporate matters independent from executive management;
- > is accountable to shareholders for the proper conduct of the business; and
- > is responsible for ensuring the effectiveness of and reporting on our system of corporate governance.

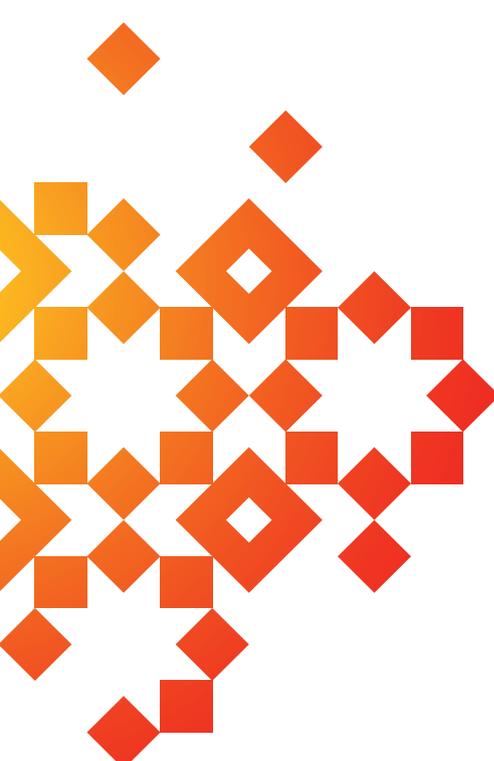
The Vodafone Qatar Board Charter sets out in detail as aspects of the role and functions of the Board and is publicly available online (www.vodafone.qa/en-ir) for viewing by shareholders and the general public.

3.3. Board meetings

The below explains in detail how Vodafone Qatar complies with Article 11 of Corporate Governance Code which states that listed companies are required to hold a minimum of 6 board meetings each financial year.

Following approval from the Ministry of Business and Trade and Vodafone Qatar's shareholders at the Extraordinary General Assembly held on 12 June 2011, the Board effected a change in the Company's Articles of Association (Article 34.1) to reduce the frequency of the number of scheduled Board meetings held each year from six to four. This decision was taken so that all Vodafone Qatar's Board meetings are now aligned with the QFMA quarterly reporting requirements.

Article 11.1 of the Corporate Governance Code prescribes that Board meetings should be held at least six times per year. Vodafone Qatar holds additional Board meetings throughout the year as and when required.





Board meetings are structured to allow open discussion and facilitate the participation by all directors in discussions relating to strategy, trading and financial performance and risk management. All substantive agenda items have comprehensive briefing material which is circulated one week before the meeting.

Directors who are unable to attend a particular Board meeting due to other commitments are provided with all the information relevant for such meetings and are able to discuss issues arising in the meeting with the Chairman and / or the Chief Executive and appoint a proxy for voting purposes.

3.4. Division of responsibilities

Vodafone Qatar is compliant with Article 6 of the Corporate Governance Code. Each Board Member is fully committed to comply with all the local rules and regulations including the Corporate Governance Code and the Board Charter.

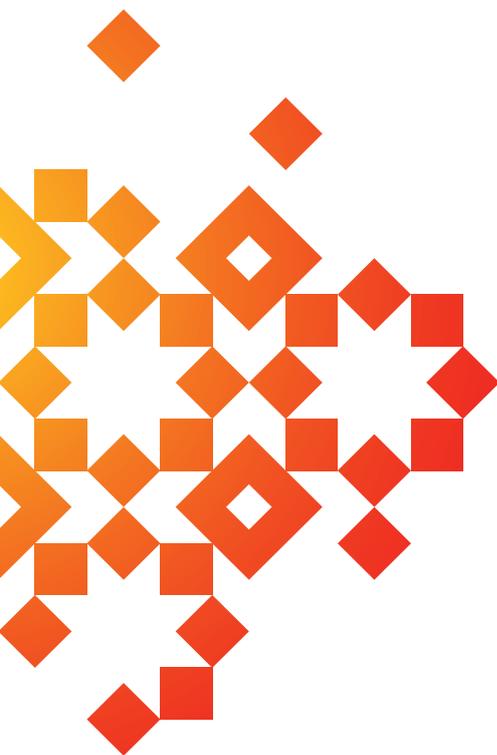
Board Members act at all times in good faith, with due diligence, care and in the best interests of the Company and its shareholders to fulfil their responsibilities towards the Company in the most effective way..

Vodafone Qatar is also compliant with Article 7 of the Corporate Governance Code; the roles of the Chairman and Chief Executive Officer are separate and there is a clear division of responsibilities.

Vodafone Qatar is compliant with Article 8 of the Corporate Governance Code; the Chairman of the Board is responsible for the operation, leadership and governance of the Board, ensuring its overall effectiveness and the Chief Executive Officer is responsible for the management of the business and implementation of overall strategy and policy.

3.5. Board balance and independence

Article 9 of the Corporate Governance Code suggests that a company's Board should include executive, non-executive and independent Board members and that the Board should not be dominated by one individual or a small group of individuals. The Code further suggests that at least one-third of Board members shall be independent Board members and that the majority of all Board members should be non-executive.



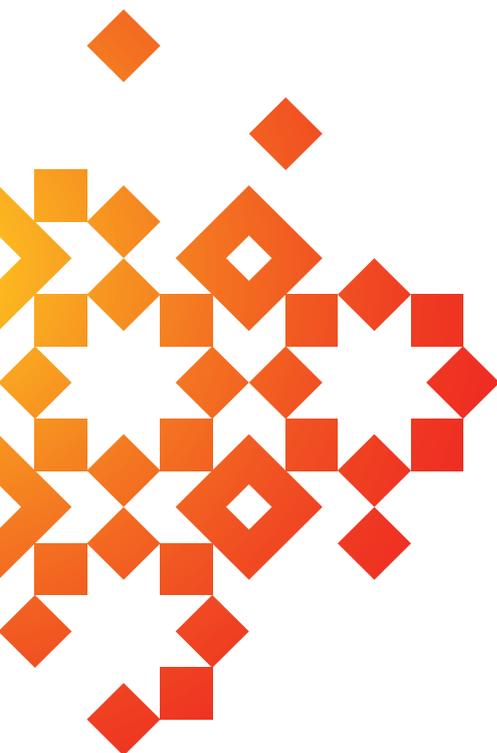


Vodafone Qatar's Board currently consists of nine members, six of whom were appointed by the Private Founder (Vodafone and Qatar Foundation LLC), one of whom was appointed by the Founding Institutional Investors (QIF) and two members were appointed by the public shareholders at the constituent General Assembly on 26 May 2009 following the Company's public offering.

The following table shows composition of Vodafone Qatar's Board of Directors at 31 December 2011.

Name	Position	Date Appointed	Board Member Type	Representing
Sheikh Abdulrahman bin Saud al-Thani	Chairman	26/06/2008	Non-Executive	Institutional Founding Investors (15%)
Abdulla bin Nasser Al-Misnad	Vice Chairman	26/05/2009 as member (11/01/2011 as Vice Chairman)	Independent and Non-Executive	Public Shareholders (40%)
Aisha Mohammed Saad Al-Nuaimi	Member of the Board	26/05/2009	Independent and Non-Executive	
Sheikh Abdullah bin Hamad bin Khalifa Al-Thani	Member of the Board	11/01/2011	Non-Executive	Vodafone & Qatar Foundation LLC (45%)
Rashid Fahad Al-Naimi	Member of the Board	26/06/2008	Non-Executive	
Richard Daly	Member of the Board	02/11/2011	Executive	
Steve Walters	Member of the Board	02/11/2011	Executive	
Nick Read	Member of the Board	24/08/2008	Non-Executive	
Alison Wilcox	Member of the Board	11/01/2011	Non-Executive	

Although only two of the nine Board members are independents, Vodafone Qatar believes that the non-executives are sufficiently removed from the day-to-day operations of the business to offer the appropriate level of objectivity.





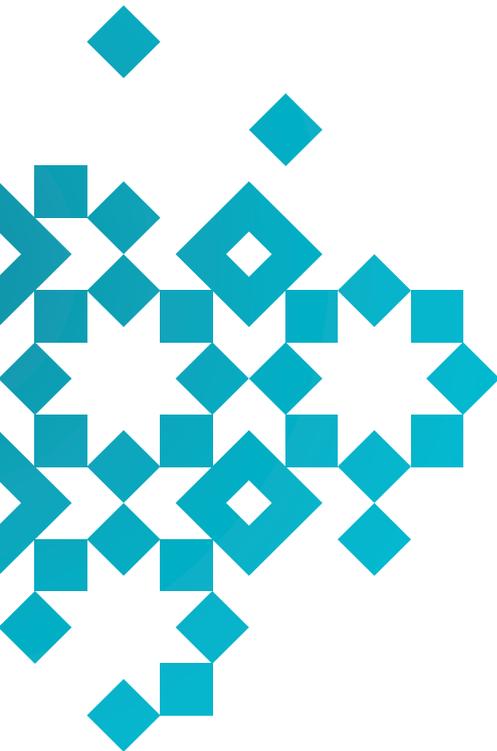
4. Board effectiveness

4.1. Appointments to the Board

The first Board of Directors was appointed for an initial term of five years from the date of incorporation of the Company.

4.2. Independent advice

The Board recognises that there may be occasions where one or more of the directors considers it necessary to take independent legal and/or financial advice at the Company's expense. There is an agreed procedure to enable them to do so.





5. Board committees

5.1. Audit Committee (Article 17 of the Corporate Governance Code)

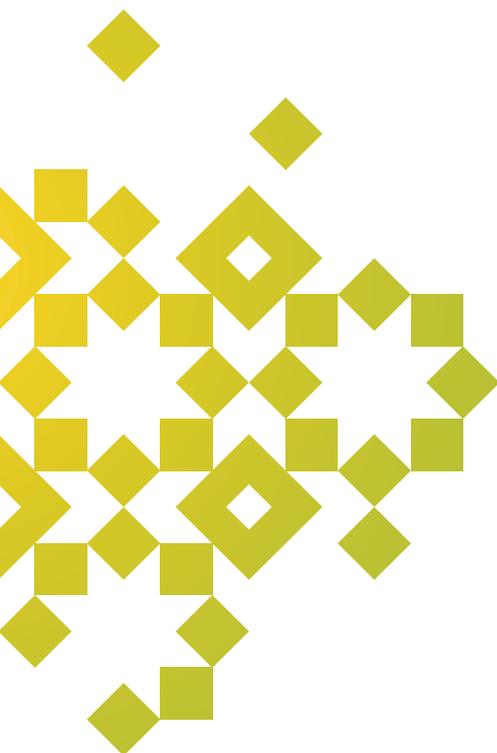
5.1.1. Responsibilities and Duties (describes Vodafone Qatar's compliance with the Articles 10, 14 and 15 of Corporate Governance Code)

In May 2011, Vodafone Qatar's Board formed an Audit Committee whose responsibilities include:

- > monitoring the Company's compliance with statutory, legal and regulatory requirements;
- > overseeing the relationship with the external auditor;
- > engaging independent advisors as it determines is necessary and to perform investigations;
- > overseeing the integrity of the Company's accounting and financial reporting, and its systems of internal controls and the Company's risk management process;
- > reviewing the scope, extent and effectiveness of the Company's internal audit function;
- > reporting to the Company's Board of Directors on areas of improvement and recommending actions.

Article 17.4 of the Corporate Governance Code suggests that a company's Audit Committee should meet as required and at least once every three months. Vodafone Qatar's Audit Committee is scheduled to meet twice per year. Vodafone Qatar believes that in conjunction with all the existing internal control and risk management processes adopted by the Company and described in Section 8 of this report, a minimum of two Audit Committee meetings per year is sufficient. Furthermore, additional Audit Committee meetings shall be held during the year as required.

Article 17.6.1 of the Corporate Governance Code states that one of the functions of a company's Audit Committee is to adopt a policy for appointing the External Auditors. Vodafone Qatar currently aligns with Vodafone Group policy in the appointment of its External Auditors. Notwithstanding, the appointment of the External Auditors is approved at the Annual General Assembly.





5.1.2. Membership

The current Audit Committee members are as follows:

Board Member	Position on the Audit Committee	Board Member Type
Rashid Fahad Al-Naimi	Chairman	Non-Executive
Abdulla bin Nasser Al-Misnad	Member	Independent and Non-Executive
Aisha Mohammed Saad Al-Nuaimi	Member	Independent and Non-Executive
Nick Read	Member	Non-Executive

Article 17.1 of the Corporate Governance Code suggests that a company's Audit Committee should be comprised of at least three members, the majority of whom should be independent. Vodafone Qatar's Board believes the current composition of the Audit Committee is considered appropriate for the effective operation of the Audit Committee.

5.1.3. Terms of Reference

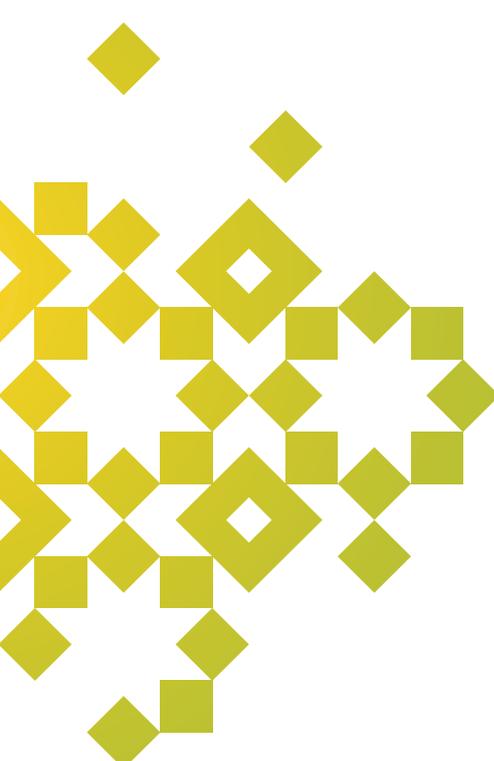
The Audit Committee's full Terms of Reference is publicly available on Vodafone Qatar's website www.vodafone.qa/en-ir

5.2. Remuneration Committee (Article 16 of the Corporate Governance Code)

5.2.1. Responsibilities and Duties

In May 2011, Vodafone Qatar's Board formed a Remuneration Committee whose purpose is to determine the Company's remuneration policy and principles as they apply to the Chairman, Board Members and Senior Executive Management. In addition to responsibility for the administration of the Company's executive incentive plans, the Remuneration Committee:

- > advises the Board if it believes that there are particular matters relating to remuneration which should be put to the Company's shareholders.
- > prepares an annual report on remuneration policy and principles which complies with all relevant external disclosure requirements and which will be presented to shareholders at the General Assembly meeting. This report will also be made public as part of the Company's Annual Report.





Article 29.3 of the Corporate Governance Code states that the Board shall develop remuneration policies and packages that provide incentives for the employees and management of the Company to always perform in the best interests of the Company. This policy should take into consideration the long term performance of the Company.

Vodafone Qatar's Remuneration Committee has been formed to determine remuneration policy for the Company's Senior Executive Management team and not for all Company employees. For all other Company employees, remuneration policy continues to be managed and governed by Vodafone Qatar in accordance with Vodafone Group policy pursuant to the Vodafone Qatar Management Agreement.

5.2.2. Membership

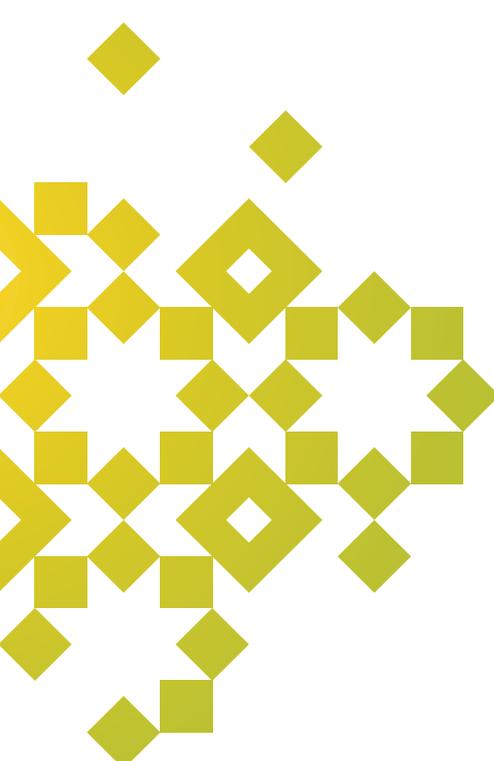
The Remuneration Committee members are as follows:

Board Member	Position on the Remuneration Committee	Board Member Type
Abdulla bin Nasser Al-Misnad	Chairman	Independent and Non-Executive
Aisha Mohammed Saad Al-Nuaimi	Member	Independent and Non-Executive
Rashid Fahad Al-Naimi	Member	Non-Executive
Nick Read	Member	Non-Executive
Alison Wilcox	Member	Non-Executive

Article 16.1 of the Corporate Governance Code suggests that a company's Remuneration Committee be comprised of at least three non-executive Board members, the majority of whom must be independent. Currently, only two of the five Remuneration Committee members of the Vodafone Qatar Board are independents. The remaining non-executive members represent Vodafone Group and Qatar Foundation LLC and act in the best interests of all shareholders.

5.2.3. Terms of Reference

The Remuneration Committee's full Terms of Reference is publicly available on Vodafone Qatar's website www.vodafone.qa/en-ir



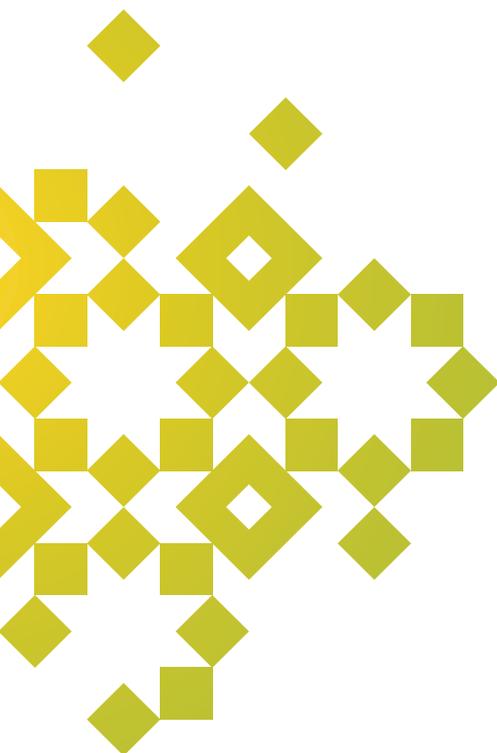


5.3. Nomination Committee

Article 15 of the Corporate Governance Code (relating to a company's Nomination Committee) states that nominations and appointments of Board members shall be made according to formal, rigorous and transparent procedures.

Vodafone Qatar does not currently have a Nomination Committee. Vodafone Qatar's Articles of Association (Article 26.4) provides that the Company's first Board of Directors was appointed for an initial term of five years from the date of incorporation of the Company covering the period from 23 June 2008 to 23 June 2013. The Company's Articles of Association provide a process for the appointment and replacement of directors during this period.

In accordance with Article 14.2 of the Corporate Governance Code, Vodafone Qatar's External Auditors attend the Annual General Assembly and the near future the other committee's members will be attending the general assembly as well.





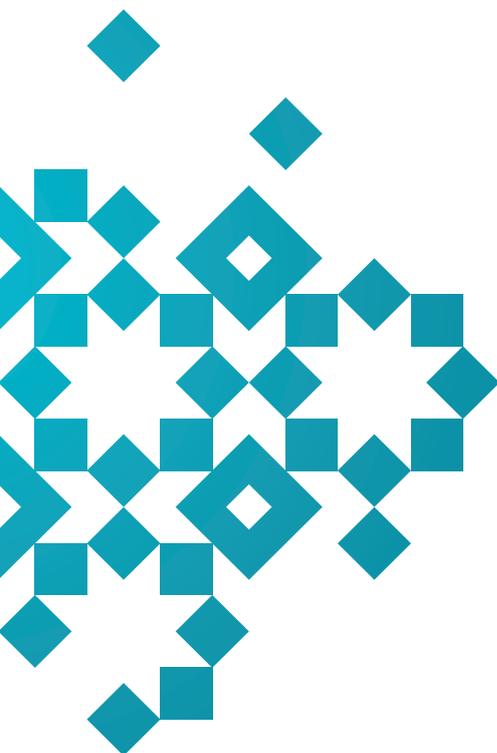
6. Company Secretary

The Company Secretary acts as secretary to the Board and sub-committees of the Board and, with the consent of the Board, may delegate responsibility for the administration of the committees to other suitably qualified staff.

The Company Secretary:

- > assists the Chairman in ensuring that all directors have full and timely access to all relevant information;
- > is responsible for ensuring that the correct Board procedures are followed and advises the Board on corporate governance matters; and
- > administers the procedure under which directors can, where appropriate, obtain independent professional advice at the Company's expense. The appointment or removal of the Company Secretary is a matter for the Board as a whole.

The current Company Secretary of Vodafone Qatar is Matthew Harrison-Harvey, Director of Regulatory and External Affairs. Matthew has held regulatory and public policy roles in relation to Vodafone Group's investments in Europe, Africa, the Middle East and Asia for over 10 years and has performed the role of Board Secretary since the Board was established in 2008. The Company Secretary in his role also makes use of Vodafone Group support and best practise in the discharge of his duties and responsibilities.





7. Shareholders' Rights

7.1. Disclosure

Vodafone Qatar conforms to all disclosure requirements set down in Article 20 of the Corporate Governance Code and provides quarterly financial statements prepared in accordance with International Financial Reporting Standards (IFRS) to the Qatar Exchange and Qatar Financial Markets Authority within the deadlines stipulated.

Vodafone Qatar is compliant with Article 21 of the Corporate Governance Code. Shareholders have all the rights conferred upon them by related laws and regulations including the Corporate Governance Code and the Company's by-laws. Further, the Board of Directors ensures that shareholders rights are respected in a fair and equitable manner.

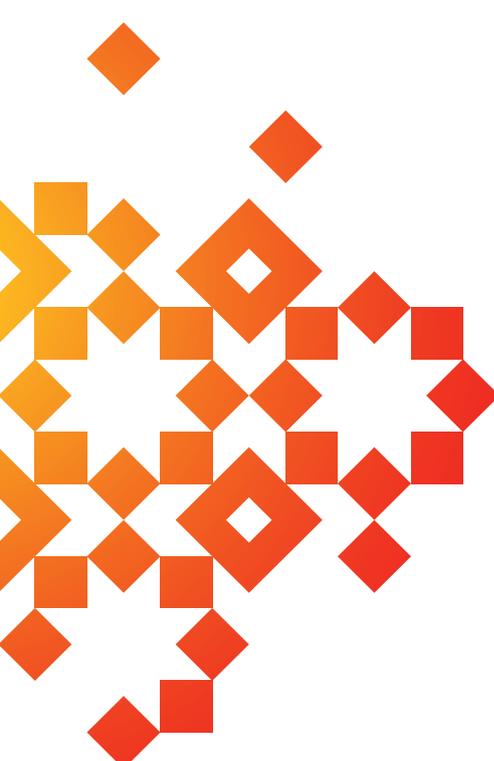
Vodafone Qatar is compliant with Article 24 of the Corporate Governance Code; the Company's articles of association includes provisions to ensure shareholders have the right to call for a General Assembly which is convened in a timely manner. Shareholders have the right to place items on the agenda, discuss matters listed in agenda and to address questions and receive answers.

Vodafone Qatar is compliant with Article 25 of the Corporate Governance Code ensuring equitable treatment of shareholders. All the company's shares are of same class and have the same rights attached to them. Further, proxy voting is permitted in compliance with all QFMA and Ministry of Business and Trade related laws and regulations.

7.2. Shareholder Relations (Articles 21 to 29 of the Corporate Governance Code)

We are committed to communicating our strategy and activities clearly to our shareholders and seek to maintain an active dialogue with investors through a planned programme of investor relations activities throughout the year. The investor relations programme includes:

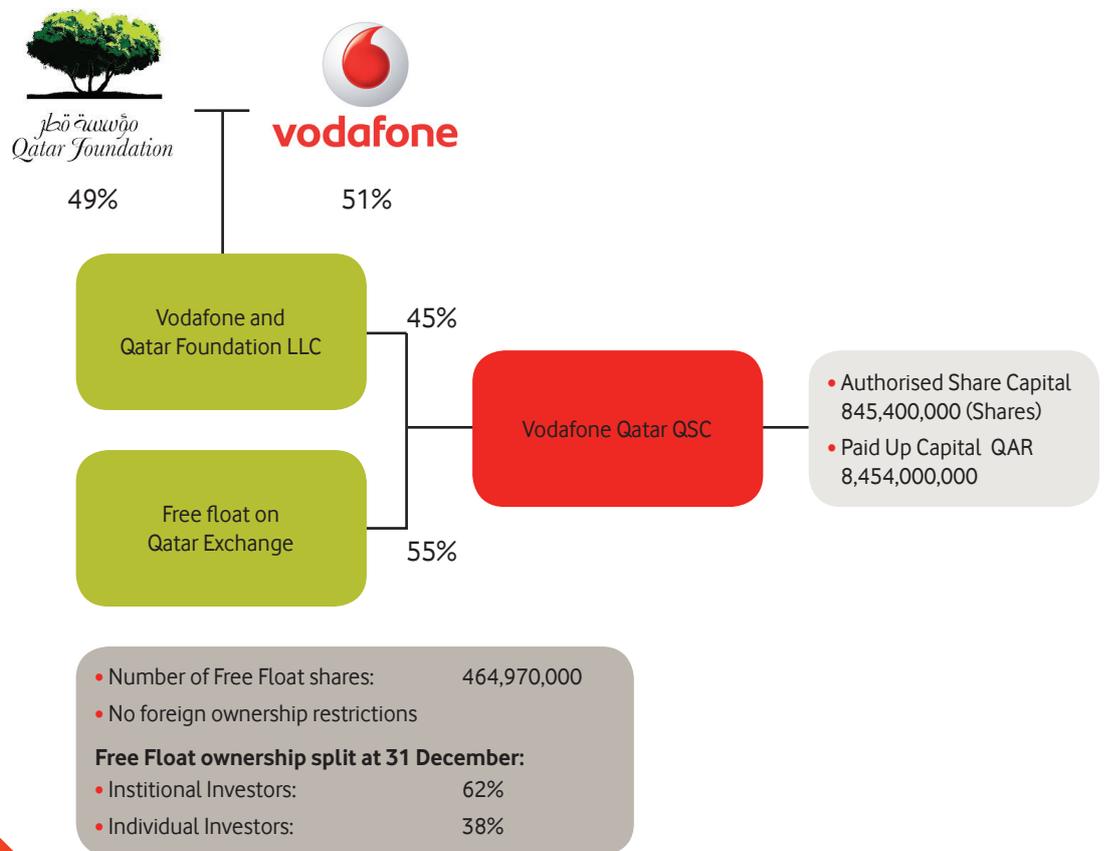
- > publication of press releases and presentation of quarterly, half-year and full-year results;
- > publication of the Annual Report detailing the Company's financial statements and annual review of business operations;
- > the dividend policy is fully explained in every General Assembly Meeting (ensuring compliance with Article 27 of the Corporate Governance Code)
- > meetings as required between institutional investors and analysts and the Chief Executive Officer or Chief Financial Officer to discuss business performance;
- > hosting an annual investor and analyst session at which senior executive managers provide an overview of business and financial performance;
- > attendance by executive managers at relevant meetings and conferences throughout the year;





- > responding to enquiries from shareholders and analysts through our Investor Relations team; and
- > appointing a specialised company for the General Assembly registration and voting process to ensuring the rights of voting in accordance with Article 25 of the Corporate Governance Code;
- > a section dedicated to shareholders on our website.

As per Article 28 of the Corporate Governance Code, Vodafone Qatar's current capital / ownership structure is as follows:

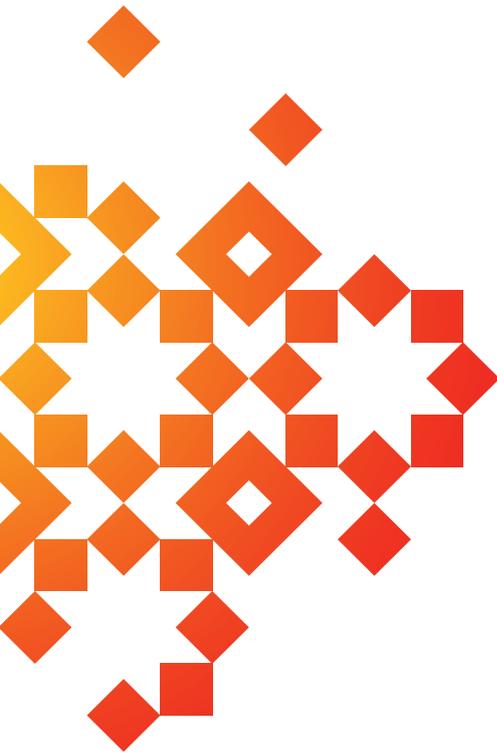


The principal communication with private investors is via the Annual Report and through the Annual General Assembly meeting where all shareholders are able to attend and vote; all shareholders may vote either with or against any major transactions proposed by the Company. A summary presentation of the Company's financial results is given at the Annual General Assembly meeting, and all shareholders are given the opportunity to question the Chairman and Board Members. After the meeting, shareholders can meet informally with Board Members and the Executive Managers of the Company.



Vodafone Qatar is compliant with Article 29 of the Corporate Governance Code. All shareholders have access to the Company's website www.vodafone.qa/en-ir to view quarterly financial performance, the annual report, Corporate Governance Report, Governance Charter, Board Charter, Articles of Associations and biographies of all Board members and the Company's executive management team.

Vodafone Qatar's Board of Directors ensures that all employees are treated equally without any discrimination whatsoever on the basis of race, gender, or religion. Remuneration policy and packages have been established by the Board to incentivise employees and management to perform in the best interests of the Company. Vodafone Qatar have a process in place enabling its employees to report to senior management any suspicious behaviour, where such behaviour is unethical, illegal, or detrimental to the Company. Employees can report such behaviour confidentially without the risk of a negative reaction from other employees or the employee's superiors.





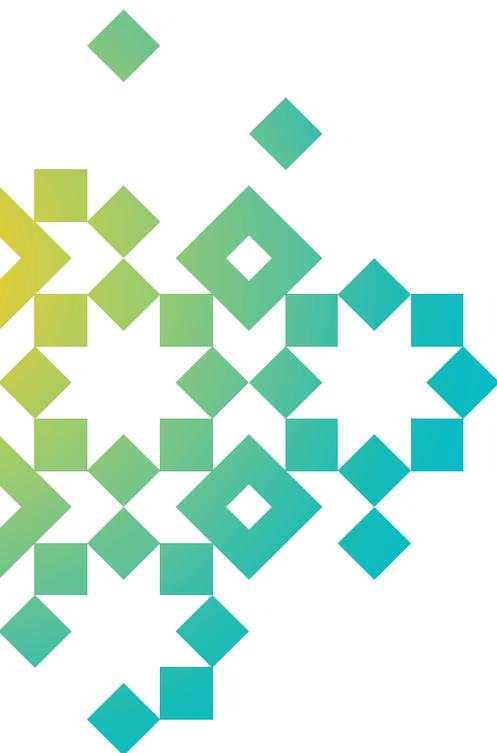
8. Internal control and risk management

8.1. Internal control processes

The Board has overall responsibility for internal risk management and control processes. Vodafone Qatar has implemented a dedicated compliance programme in accordance with best practice mandated by Vodafone Group. As part of the compliance programme Vodafone Qatar applies the policies and processes set forth in the Vodafone Group Policy Manual which identifies 25 discrete governance policies designed to ensure that all material financial and business risks are identified and managed appropriately.

The existence and effectiveness of Vodafone Qatar's internal controls and processes to achieve and maintain compliance with the Vodafone Group governance policies is primarily the responsibility of Vodafone Qatar's management and is monitored through compliance / assurance functions. Internal audit provides an independent assurance over the internal control system and reports significant issues to the Audit Committee. The internal control system is formally self-assessed by Vodafone Qatar's management on an annual basis using a Key Control Questionnaire (KCQ) and Policy Compliance Questionnaire (PCQ) which form part of Vodafone Group's global processes and is a function of Vodafone Group's Internal Audit Department. The KCQ / PCQ is an annual self assessment exercise completed by all Vodafone operating companies and administered by Vodafone Group's Internal Audit Department. Completion of the KCQ / PCQ is mandatory and helps identify areas of weakness and assesses the relative strength of Vodafone Qatar's internal controls.

Vodafone Qatar has established a confidential phone line whereby employees can report any matters of concern.





8.2. Internal Audit

Vodafone Qatar's Internal Audit Department is a service provided by Vodafone Group pursuant to the Vodafone Qatar Management Agreement. The Internal Audit Department provides objective and independent assurance over critical business processes and projects. The Internal Audit Department reviews business and technology processes to identify the risks, review the controls and make recommendations to enable better management of the business by identifying those aspects of the business that could be controlled more effectively. The Internal Audit team has the independence to report objectively on any function without being constrained by line management. The Internal Audit team monitors and supports key governance structures and activities to ensure ongoing effectiveness. The team also identifies and promotes good business practices and reviews the Company's financial and accounting policies and procedures.

The Internal Audit Department visits Vodafone Qatar regularly and provides a detailed report regularly to the Audit Committee, undertaking consultations as required. In addition, Internal Audit operates in co-operation with, and has full access to, the Vodafone Qatar Audit Committee.

Vodafone Group's Internal Audit activity complies with the International Standards for the Professional Practice of Internal Auditing from the Institute of Internal Auditors.

Article 18.3.5 of the Corporate Governance Code prescribes that a company's internal audit function should be independent from the day-to-day functioning of the company and suggests reinforcing this independence by having the Board determine compensation of its staff.

As a function provided by the Vodafone Group, the Board considers the Internal Audit Department as being independent from Vodafone Qatar.





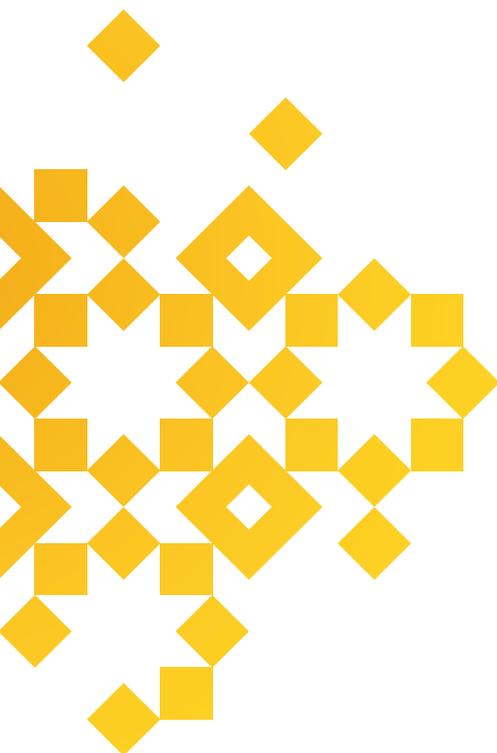
9. External Auditor

The decision to appoint the External Auditors including a review of the External Auditor's remuneration is made at the Annual General Assembly at which all shareholders are able to participate. The External Auditors attend the Annual General Assembly to present their report and to answer queries from shareholders.

The purpose of appointing an External Auditor is to provide objective assurance to the Board and shareholders that the financial statements have been prepared in accordance with all related laws, regulations and International Financial Reporting Standards (IFRS) and that they accurately represent the financial position and performance of the Company in all material aspects.

Deloitte LLP currently hold the position of Vodafone Qatar's External Auditors and they conduct a full audit at the end of the Company's financial year and supplement this with a review of the Company's half-year results.

Article 19.5 of the Corporate Governance Code states that a listed company should change its External Auditor every three years, while Article 141 of Commercial Companies Law No. 5 of 2002 states that the period of appointment of the auditors may not exceed 5 years. Vodafone Qatar's Articles of Association (Article 60) is aligned to the Commercial Companies Law and states that an auditor can be appointed for a period not exceeding five consecutive years.





10. Conflicts of Interest and Insider Trading

10.1. Conflicts of Interest

Vodafone Qatar has an established Conflicts of Interest Policy that is in accordance with the Vodafone Group Conflicts of Interest Policy that forms part of the Vodafone Group Governance Policy framework. The purpose of this policy is to promote and maintain transparency and proper management of any potential conflict of interest relating to employees and their personal interests outside Vodafone Qatar. Application of this policy in accordance with Vodafone Group best practice serves to protect the interests of both the company and its employees from any impropriety.

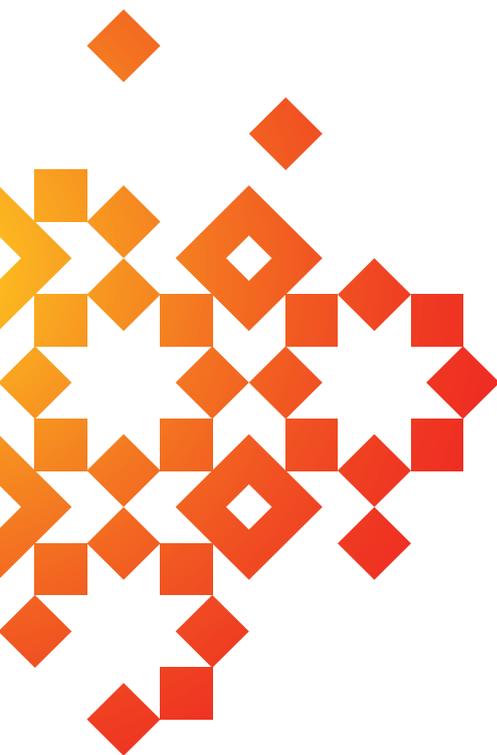
The Vodafone Qatar Board, leadership team and all staff in positions of key responsibility or influence are required to undertake an annual self-assessment to declare any personal or professional interests that would either make it difficult for them to fulfil their duties to the Company or that might otherwise create an appearance of impropriety that could undermine public confidence in Vodafone Qatar.

10.2. Anti-Bribery

Vodafone Group takes a zero-tolerance approach to bribery and is committed to acting professionally, fairly and with integrity in all its business dealings and relationships wherever it operates. This is consistent with Vodafone Group's policy to conduct all of its business in an honest and ethical manner. Vodafone Group is committed to implementing and enforcing robust and effective systems to counter bribery in all markets in which it operates, including Qatar.

Important provisions of the UK Bribery Act came into force on 1 July 2011. This legislation is relevant to the business through Vodafone Group's interest in Vodafone Qatar. Consequently, Vodafone Qatar, in accordance with Vodafone Group best practice that is applied across all Vodafone subsidiaries, undertook an extensive review of its business in the context of this new legislation to enable it to identify and address any areas of potential risk.

As a consequence of the review undertaken, a detailed action plan was prepared and approved by the Vodafone Qatar Executive Committee for implementation. The plan was designed to improve related controls and processes and ensure compliance with applicable domestic and international laws, standards and principles relating to anti-bribery and included:





- a. mandatory training for all staff in key positions of responsibility or influence;
- b. creating and maintaining an official register in which all employees are required to record all corporate gifts or hospitality whether given or received.

Breaches of this policy are treated as a serious disciplinary offence.

10.3. Insider Trading

Vodafone Qatar has created a document summarising the insider trading rules and regulations applicable in Qatar. This document, together with relevant share trading black-out dates, is communicated to the Vodafone Qatar Board, Executive Management Team and all employees prior to the end of each quarter.

