



Yalla Group



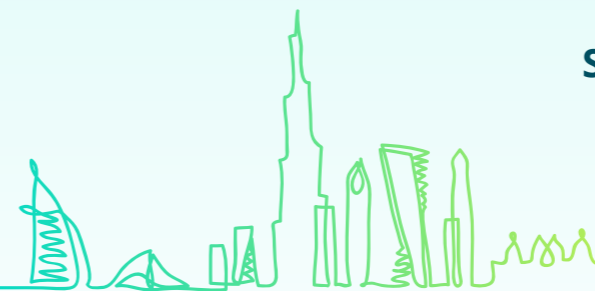
Yalla Group



ENVIRONMENTAL,
SOCIAL AND GOVERNANCE REPORT

2021

YALLA GROUP LIMITED
(NYSE: YALA)





2021 Environmental,
Social and Governance Report

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ABOUT THIS REPORT

We are proud to present our first Environmental, Social, and Governance Report (hereinafter called “the Report”) for the year 2021, to highlight our corporate vision, beyond financial achievements.

We aim to offer stakeholders a clear, transparent, and comprehensive review of our sustainability performance in this report. The content of the Report has been defined through a meticulous materiality process involving all stakeholders which is explained in detail in the body of the Report.



YEAR

The Report covers our environmental, social, and governance performance for the year 2021. We will publish the Report annually since 2021.



COMPARABLE DATA

Some disclosures showcase performance across the years 2021, 2020, and 2019, highlighting significant developments.



GRI ACCORDANCE

The Report has been prepared in accordance with the GRI Standards: Core option.



ALIGNMENTS

The Report aligns with the Global Reporting Initiative (GRI) Standards (2018), and the United Nations Sustainable Development Goals (SDGs).



MONETARY VALUES

All monetary values in the Report are expressed in U.S. dollars unless otherwise stated.



CONTACT POINT

Readers and all stakeholders can find the English and Arabic versions of the Report at our official website (<https://www.yallatech.ae/>).

For any comments or suggestions related to the Report, please contact us via email at esg@yalla.live. We look forward to receiving your valuable inputs.



LETTER FROM THE CEO

TAO YANG, FOUNDER, CHAIRMAN, AND CHIEF EXECUTIVE OFFICER

It is my pleasure to present Yalla Group's first Environmental, Social and Governance Report, showcasing our performance across material economic, social, governance, and environmental practices for the year of 2021.

About one year and a half ago, Yalla Group became the first UAE technology unicorn to be listed in the United States. As we stated in our IPO prospectus, our vision is to build the largest destination for online social networking and entertainment activities in the Middle East and North Africa (hereinafter called "MENA"). Meanwhile, we realized that our responsibility shall not stop at creating financial profit for our shareholders. It extends to operating our business in a sustainable manner and creating shared value for all our stakeholders. Within this context, we seek to identify initiatives that enable sustainable development not only for our company and our employees, but also for the community, the society, and our environment.

In terms of economic sustainability, we had another year with a record performance as revenues increased by 102.4% to reach a new high of US\$273.1 million, underpinned by a net margin of 30.2% and non-GAAP net margin of 46.3% in 2021. The Group's Balance Sheets continue to be strengthened, with further optimization in assets, liabilities and equity.

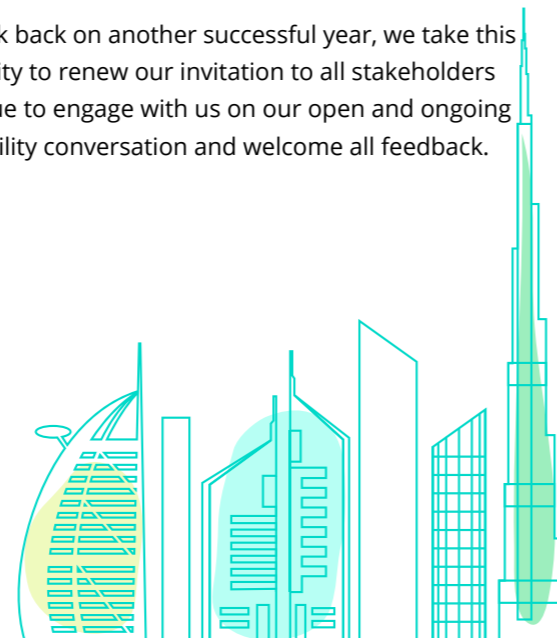
Ongoing digital and technological transformation in MENA enhances our confidence to firmly implement one of our most important strategies, developing Yalla Group's ecosystem by expanding our business and products, to fulfill the diverse social and entertainment needs of MENA people. In 2021, we launched several new products including Yalla Baloot, 101 Okey Yalla,

Yalla Parchis and YallaChat. Besides, we established Yalla Game, a holding subsidiary under Yalla Group, to focus on our mid-core and hard-core game distribution business in the MENA region. In March 2022, we launched Waha, the first-ever social metaverse application designed for the MENA region. Our ambition is to provide our users with products and services that exceed their expectations.

None of these efforts would have been possible without our most important resource, our people. When it comes to people, "Multicultural Understanding", "User First", "Simple", and "Target" are always among the core organizational values at Yalla Group. These values guide our team to prioritize our users, embrace diversity, and operate with a simple, pragmatic, pioneering, and enterprising approach as we collaborate. Adhering to these principles has been the driver of our past achievements and will ensure that we are dedicated to sustainable development.

We fully understand that sustainability is an important consideration in our future development. By reflecting on our performance for the past year, we aim to develop a holistic understanding of sustainability within the framework of our business. This will enable us to set more targets going forward and create a more defined vision of a sustainable future.

As we look back on another successful year, we take this opportunity to renew our invitation to all stakeholders to continue to engage with us on our open and ongoing sustainability conversation and welcome all feedback.



LETTER FROM THE PRESIDENT

SAIFI ISMAIL, DIRECTOR AND PRESIDENT

2021 marked another successful year for Yalla Group. We continued to show robust financial performance, despite the challenging global environment. Yalla Group delivered a record set of results in 2021 as our group's average MAUs¹ reached 28.1 million, up 71.0% year over year, and our paying users² swelled to 8.4 million, representing growth of 61.0% year over year.

We believe that our status as the leading voice-centric social networking and entertainment platform in the MENA comes with the responsibility to create significant socio-economic value. This is manifested not only through maintaining robust financial performance, but also by providing MENA people with better access to digital life and generating value through supporting the growth and development goals of this region.

As a company rooted in MENA, we witnessed exceptional achievements in the digital transformation of this region and remain deeply inspired by the unwavering commitment of the UAE government towards a sustainable economy. In the past year, we continue to make considerable progress in our efforts to align with the UAE's visionary 50-year Economic Plan and the country's economic strategy that prioritizes digitalization and environmental responsibility.

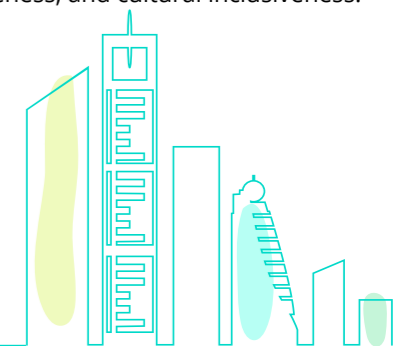
Highlights of these efforts included we became a partner of the National Program for Coders, an important initiative announced by the UAE government in July 2021. The program signals the UAE government's commitment to attracting more talents from all over the world, further improving the local social infrastructure and supporting innovative new ideas as well as academic development over the next five years. We are so honored that Yalla Group is the only local

internet company among universities and other global technology giants to be shortlisted as a partner and we are dedicated to contributing to the development of UAE's digital economy and delivering online social networking and entertainment products tailored to the MENA culture. In addition to the program, we were selected as a success story by the Ministry of Economy, United Arab Emirates.

We are aware that sustainability is a journey that requires every department, team, and individual to play an active role. At Yalla Group, we have talented people from more than 15 countries around the world. We learn from each other every day and prioritize fostering an efficient, innovative, friendly, and inclusive working environment. In this context, we encourage embedding sustainability in every department and creating a sense of shared responsibility among all our team members.

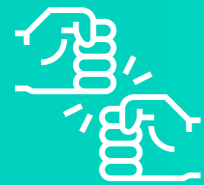
2022 is a year full of promise and potential. In the new year, we are fully committed to maintaining our position as the leading voice-centric social networking and entertainment platform in the MENA and further delivering on our commitment to a sustainable future.

Finally, I would like to thank all of our stakeholders for their support and dedication during the past year. And we sincerely invite all our stakeholders to join us in this journey by opening doors for partnerships, environmental awareness, and cultural inclusiveness.



¹ "Average MAUs" refers to the average monthly active users in a given period calculated by dividing (i) the sum of active users for each month of such period, by (ii) the number of months in such period. "Active users" refers to registered users who accessed any of our mobile applications at least once during a given period.
² "Paying users" refers to registered users who played a game or purchased our virtual items or upgrade services using virtual currencies on our platform at least once in a given period, except for users who receive all of their virtual currencies directly or indirectly from us for free. "Registered users" are to users who have registered accounts on our main mobile applications as of a given time; a registered user is not necessarily a unique user, however, as an individual may register multiple accounts on our main mobile applications, and consequently, the number of registered users we present in this annual report may not equal the number of unique users who have registered on our main mobile applications as of a given time; Yalla and Yalla Ludo have been our main mobile applications since the beginning of the periods presented herein, and Yalla Parchis has been a main mobile application of our company since the third quarter of 2021.

OVERVIEW



MISSION

Provide localized online social networking and entertainment activities



VISION

Build the largest destination for online social networking and entertainment activities in MENA



VALUES

Multicultural Understanding, User First, Simple, and Target

Founded in 2016, Yalla Group Limited is the leading voice-centric social networking and entertainment platform in MENA.

Our flagship mobile application, **Yalla**, is specifically tailored for the people and local cultures of the region and primarily features Yalla rooms, a mirrored online version of the majlis or cafés where people spend their leisure time in casual chats.

We also operate **Yalla Ludo**, the most popular casual games mobile application in MENA, which features online versions of board games, Ludo and Domino. In-game real-time chats and Ludo chat room functions are popular social networking features among users.

Besides Yalla and Yalla Ludo, we also launched **Yalla Baloot, Yalla Parchis, 101 Okey Yalla, and YallaChat** in 2021 and **Waha** in March 2022, aiming to build a comprehensive ecosystem by enriching a unique product matrix.



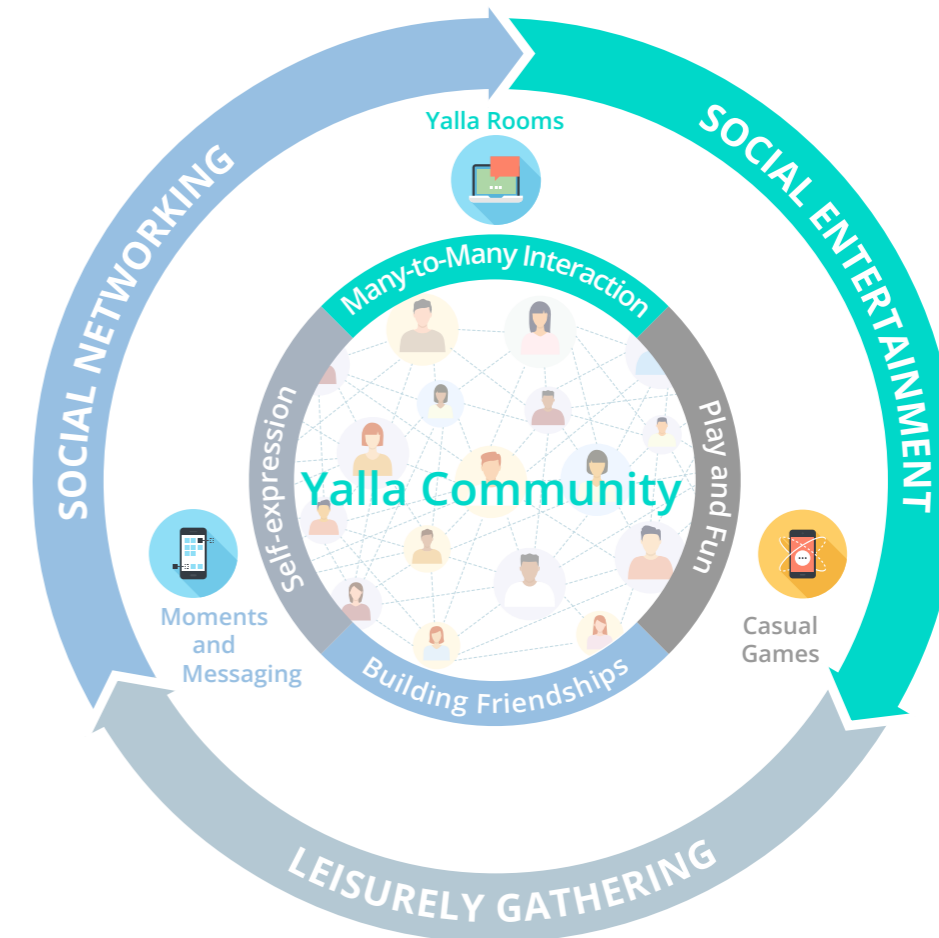
Our Integrated Ecosystem



The Yalla Community

We have cultivated a loyal and highly interactive community by offering a healthy and engaging user experience tailored to local cultures.

The chart below illustrates ways for users to leisurely gather, enjoy social entertainment and build social networks in the Yalla community. As a core feature of our platform, Yalla rooms enable voice-based, real-time, many-to-many interactions. The key additional forms of interactions available on our platform are casual games, messaging and moments, each offering differentiated value propositions to users. Casual games, such as Ludo and Domino, cater to users' instincts for playing and fun. Messaging allows users to build friendships through in-depth conversations. Moments satisfy users' desire for self-expression. These interactive features are self-reinforcing and help to enhance user engagement and promote a sense of community among our users.



BUSINESS REVIEW

To learn more about our financial performance, please refer to the financial statements included in our Annual Report on Form 20-F for 2021, which was filed on April 2022.

OPERATING HIGHLIGHTS

Key Operating Data	Three Months Ended	
	December 31, 2020	December 31, 2021
Average MAUs (in thousands)	16,413	28,060
Paying users (in thousands)	5,236	8,429

FINANCIAL HIGHLIGHTS

	As of December 31,	
	2020 US\$	2021 US\$
Revenues	134,927,410	273,134,908
Costs and expenses:		
Cost of revenues	(61,270,887)	(95,144,945)
Selling and marketing expenses	(21,701,852)	(42,404,862)
General and administrative expenses	(42,974,825)	(38,271,252)
Technology and product development expenses	(5,221,124)	(14,286,120)
Total costs and expenses	(131,168,688)	(190,107,179)
Operating income	3,758,722	83,027,729
Income before income taxes	4,074,467	84,614,271
Net income	3,213,386	82,594,360
Net income (loss) attributable to Yalla Group Limited's shareholders	(2,067,723)	82,600,678

	As of December 31,	
	2020 US\$	2021 US\$
Total assets	254,616,757	380,808,057
Total liabilities	21,082,097	44,927,997

AWARDS & RECOGNITION

YALLA GROUP



Best Social Entertainment Platform in MENA in the **"APAC Awards 2021"** by Sensor Tower



Top 30 EMEA Headquartered Overall Publishers in the **Top Publisher Awards 2021** by data.ai (formerly App Annie)



Middle East Technology Excellence award in the **"Gaming - Media & Entertainment"** category by Asian Business Review

PRESIDENT SAIFI ISMAIL



MENA's Leading Personality of the Year in the **"Digital Entertainment"** category by Emirati Estesmarat Magazine's 2021 Middle East's Most Creative Business Leaders Awards





GOVERNANCE

At Yalla Group, we believe that operating in compliance with laws and regulations is the foundation for our sustainable development. To this end, we have developed a strict risk management and control system, and we always hold ourselves to the highest standards of business ethics. Meanwhile, we are steadily working to strengthen our ability to fulfill our responsibilities and practice ESG governance, with the goal of protecting the interests of all stakeholders.

CORPORATE GOVERNANCE



GOVERNANCE MECHANISM




We are a Cayman Islands holding company and conduct our operations through our operating subsidiaries in the United Arab Emirates and China. We strictly abide by the applicable laws and regulations of different countries and regions in which we operate.

At the same time, as the first UAE technology company listed on the New York Stock Exchange (NYSE), we also comply with the regulatory requirements of the U.S. Securities and Exchange Commission (SEC) and the NYSE for listed companies.

In 2021, the board of Yalla Group introduced two additional independent directors, Ms. Lili Xu and Mr. Saeed Al Hamli. Currently, our board of directors consists of seven directors. We have also established an audit committee, a compensation committee, and a nominating and corporate governance committee, each of which has three members.

Below is a summary of our committee and membership structure.

Yalla Group's Committee Structure and Membership Information

	 Audit Committee	 Compensation Committee	 Nominating and Corporate Governance Committee
Tao Yang		Chair	Chair
Saifi Ismail			Member
Jianfeng Xu		Member	
Osman Sultan			Member
Saeed Al Hamli	Member		
David Cui	Chair	Member	
Lili Xu	Member		

RISK CONTROL

With the development of our business, we constantly improve the framework and enhance the effectiveness of our risk management and internal control system. In 2021, we set up **the Department of Internal Audit and Compliance ("the Department"), which is independent of other departments of the company and reports directly to the Audit Committee.**

The Department is responsible for enhancing our risk management system. During 2021, the Department focused on improving the process framework for internal control through carrying out three rounds of internal control tests.

Recently, the Department has completed the internal control related work of 2021 as well as the risk assessment report; and we plan to conduct this reporting work annually. We are glad to see that our risk management system and internal control process has been enhanced and strengthened. For example, our internal control over financial reporting has become more standardized, and we issued targeted compliance rules regarding to the increasingly complex information security issues, etc.

The Department also focuses on matters related to anti-corruption by carrying out anti-corruption monitoring, investigating integrity risks, and so on.

Ethical Behavior

We adopt a "zero tolerance" attitude towards corruption and bribery, always uphold a legal and honest business philosophy, abide by the anti-corruption regulations and regulatory requirements of the countries and regions where we operate, and continuously improve our internal anti-corruption supervision system and risk control system.

Code of Business Conduct and Ethics

We have formed Code of Business Conduct and Ethics ("the Code") with reference to international standards and our own practices. The Code clarifies the Group's position and the bottom line regarding anti-corruption issues and business ethics. To ensure that we clearly communicate our basic management requirements to all stakeholders, the Code has been published on our official website; and we hereby undertake to provide to any person, without charge, a copy of the Code within 10 working days after we receive a written request.

We have also published information regarding our anti-corruption reporting methods on other external channels to subject them to the scrutiny of various stakeholders. We strictly protect the safety and personal information of whistleblowers, and we prohibit any form of threats, harassment, or retaliation.



For Yalla Group's Code of Business Conduct and Ethics, please visit: <https://ir.yallatech.ae/Corporate-Governance>

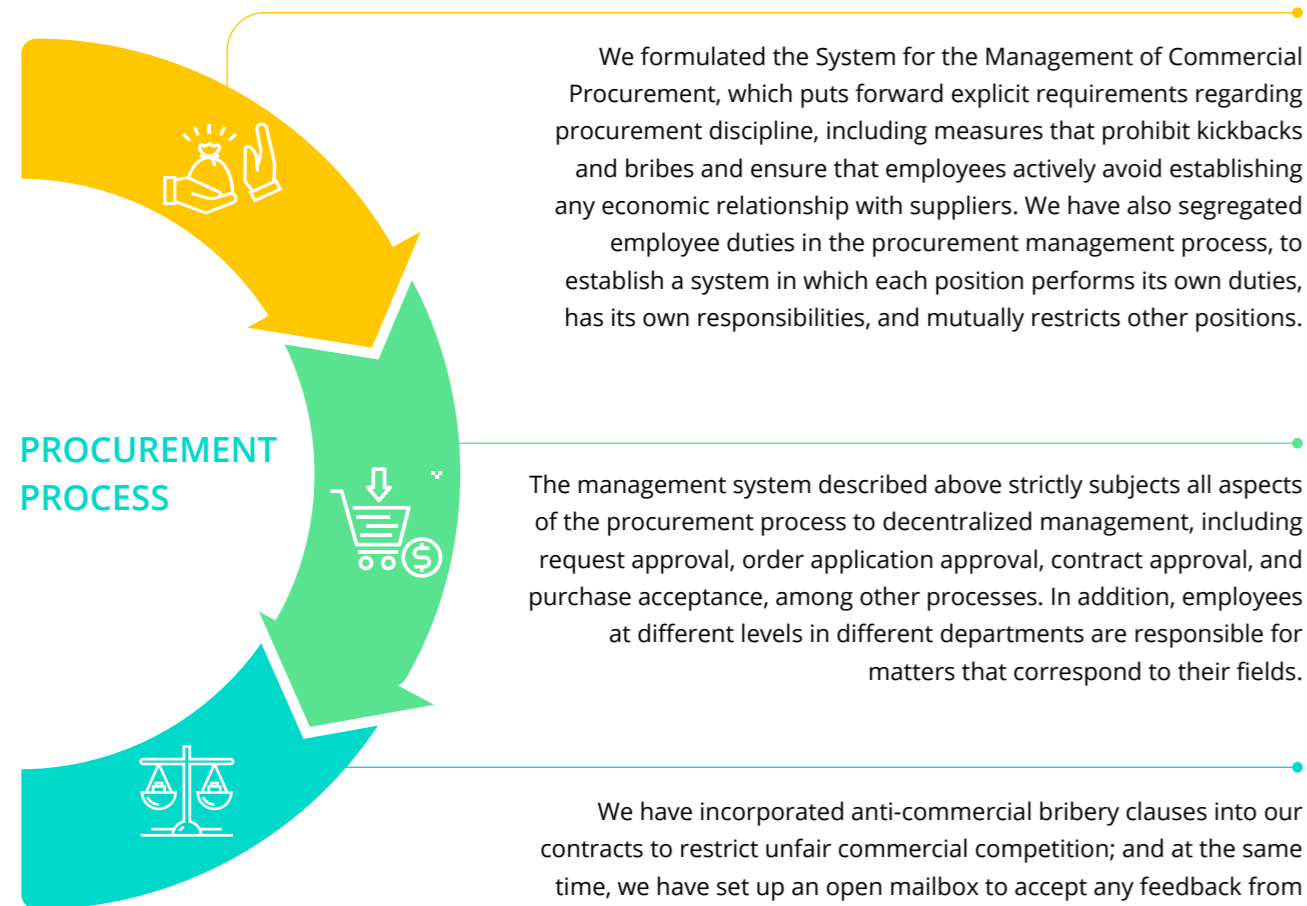
Integrity Training


We strive to cultivate an atmosphere of integrity in our daily operations. We conduct both regular and irregular communication about anti-corruption and related compliance requirements with employees in various ways.

For example, the New Employee Training that all our new employees participated includes modules on anti-corruption and other compliance knowledge. We also included anti-corruption-related standards in our latest employee manual and conducted integrity-related tests from time to time.

Transparent Procurement

We select suppliers in a transparent and fair manner, and we manage the integrity of our supply chain across three aspects: system establishment, process control, and contract constraints.



 We state the e-mail address of our compliance team (compliance@yalla.live) in all important contracts and declares that if any party or any employee detect any behaviour that could be considered commercial bribery in accordance with applicable laws and regulations, they are required to report the matter to this email address or take other legal measures according to the specific situation.

In 2021, we strictly complied with legal and regulatory requirements related to anti-corruption, and there are no significant legal cases arose that involved corruption.



INFORMATION DISCLOSURES

We communicate with our stakeholders through a wide range of channels based on an effective and active communication policy.

We know that our financial stakeholders rely on communications such as Annual Reports, SEC filings and quarterly earnings releases. For this reason, we insist on meeting high-standard disclosure requirements to allow our stakeholders to obtain company information in a timely and accurate manner, and we continue to improve the effectiveness and transparency of information disclosure.

According to the relevant regulations issued by regulators, we are committed to producing true, accurate and punctual compliance disclosures on various matters to ensure our information is available through multiple channels. In addition, we host a separate investor relations (IR) page on our website so that stakeholders can easily access relevant information.

We also strive to expand communication opportunities with stakeholders through events such as Analyst Day. Meanwhile, we steadily explore various ways to expand the participation of external stakeholders, and we directly listen to their unfiltered expectations to make our operations more stakeholder friendly.

During the reporting period, we disclosed a total of 11 SEC filings, 14 news releases and 11 webcasts & presentations on our official website, with the goal of fully guaranteeing the legitimate rights, interests and demands of stakeholders, and our Investor Relations team participated in a total of 42 meetings of investment banks in the past year.





ESG GOVERNANCE




At Yalla Group, we fully recognize the importance of sustainable development and hope to gradually strengthen our ESG responsibilities by continuously improving ESG governance and providing transparent disclosures. In 2021, we formally established an ESG working group to coordinate and review ESG work, improve our transparency in the field of ESG, and gradually realize our ESG vision.

Stakeholder Communication

In the past year, we strengthened the communication with our stakeholders, and collected their expectations through a standardized, multi-channel communication mechanism to better respond to their ideas and concerns in a timely and effective manner.

Yalla Group's Stakeholder Communication Mechanism

Stakeholders	Expectations and Needs	Communication and Feedback
 Employees	<ul style="list-style-type: none"> Employment and labor practices Diversity and equal opportunity Employee benefits and welfare Career development Occupational health and safety 	<ul style="list-style-type: none"> Labor contracts Employee handbook Employee interviews Performance evaluations Education and training Corporate office automation (OA) platform Complaint and feedback mailbox
 Shareholders and Investors	<ul style="list-style-type: none"> Financial performance Compliance management Anti-corruption measures Intellectual property protection and technological innovation 	<ul style="list-style-type: none"> General meeting of shareholders Circulars and announcements Investor interaction platforms such as the official website Analyst Day and other related activities Other regular and irregular communication (telephone calls, emails, etc.)
 Users	<ul style="list-style-type: none"> Information and data security User privacy protection User relationship management Product health and safety Accessibility to data and services Responsibility for content 	<ul style="list-style-type: none"> Customer services User questionnaires Other irregular communication (telephone calls, emails, etc.)
 Suppliers and Partners	<ul style="list-style-type: none"> Supply chain management Anti-corruption measures 	<ul style="list-style-type: none"> On-site audits Project acceptance and quarterly evaluations Other irregular communication (telephone calls, emails, etc.)

Stakeholders	Expectations and Needs	Communication and Feedback
 Government and Regulatory Agencies	<ul style="list-style-type: none"> Corporate governance Compliance management Employee rights and guidelines Intellectual property protection and technological innovation Information and data security Climate change Resource utilization and pollution prevention Community investment 	<ul style="list-style-type: none"> Regular and irregular communication (telephone calls, emails, etc.)
 Industry Associations and Companies in the Same Industry	<ul style="list-style-type: none"> Financial performance User relationship management Intellectual property protection and technological innovation 	<ul style="list-style-type: none"> Exhibitions Other irregular communication (telephone calls, emails, etc.)
 Communities and Society	<ul style="list-style-type: none"> Community investment Product health and safety 	<ul style="list-style-type: none"> Charity projects Other irregular communication (telephone calls, emails, etc.)

Case Study: Analyst Day

In September 2021, we hosted our first ever Analyst Day since we went public. At this unique time when travel has become difficult due to Covid-19, we conducted our Analyst Day virtually this time.

At the Analyst Day, our President Saifi Ismail introduced our recent business development, customs and traditional social activities in the Middle East, and shared the story of how we built the company and named it with "Yalla Group" to help the analysts understand the company better.

As our most core and proudest spokespersons, our colleagues and users had an in-depth communication at the event with the participating analysts.

To give analysts a deeper and comprehensive understanding of the industry in the MENA market, we invited several local experts to share their perspectives during the event.



Saifi Ismail, Director and President, delivered the opening speech



Employees communicates with analysts

MATERIALITY ASSESSMENT FOR ESG MATTERS

In 2021, we conducted a materiality assessment for ESG matters. To perform this assessment, we considered our own development direction, feedback from various stakeholders, and the opinions of external experts. We also extensively referenced best practices and hotspots in the industry, domestic and international sustainable development standards, and ESG rating indicators in the capital market.

In assembling the Report, we focused on the opinions of internal stakeholders. Various stakeholders, from members of management team to employees from different departments are invited to assess 28 ESG matters using a questionnaire format. We ranked the importance of the 28 matters by two relevant criteria: importance to stakeholders and importance to Yalla Group's operations and management, and then we classified them as high, medium, and low importance, and presented them in the materiality matrix below. In our list, we focus on social issues such as employee management, user relationship management, information and data security, accessibility to data and services, intellectual property and innovation, anti-corruption measures, and environmental matters.

In the future, we will continuously review and update our pool of ESG matters by integrating views from various parties, and we will also plan to invite external stakeholders to participate. The results of this process will help us adjust our business management strategies and improve our performance in the environmental, social and governmental practices.

Material Matters Assessment Process for Yalla Group's 2021 ESG Report

01 Identification and Screening of ESG Matters

To form our ESG topic pool, we referred to the Global Reporting Initiative (GRI) standards, Sustainability Accounting Standards Board (SASB) standards, United Nations (UN) Sustainable Development Goals (SDGs), and other domestic and international sustainability-related requirements, as well as industry hotspots. We also referred to the views of mainstream rating agencies such as S&P DJSI (S&P Dow Jones), Refinitiv and MSCI, in combination with our operational practices, the opinions of external experts and feedback from various stakeholders. Based on adequate and prudent analysis, we formed Yalla Group's ESG topic pool.

02 Stakeholder Engagement

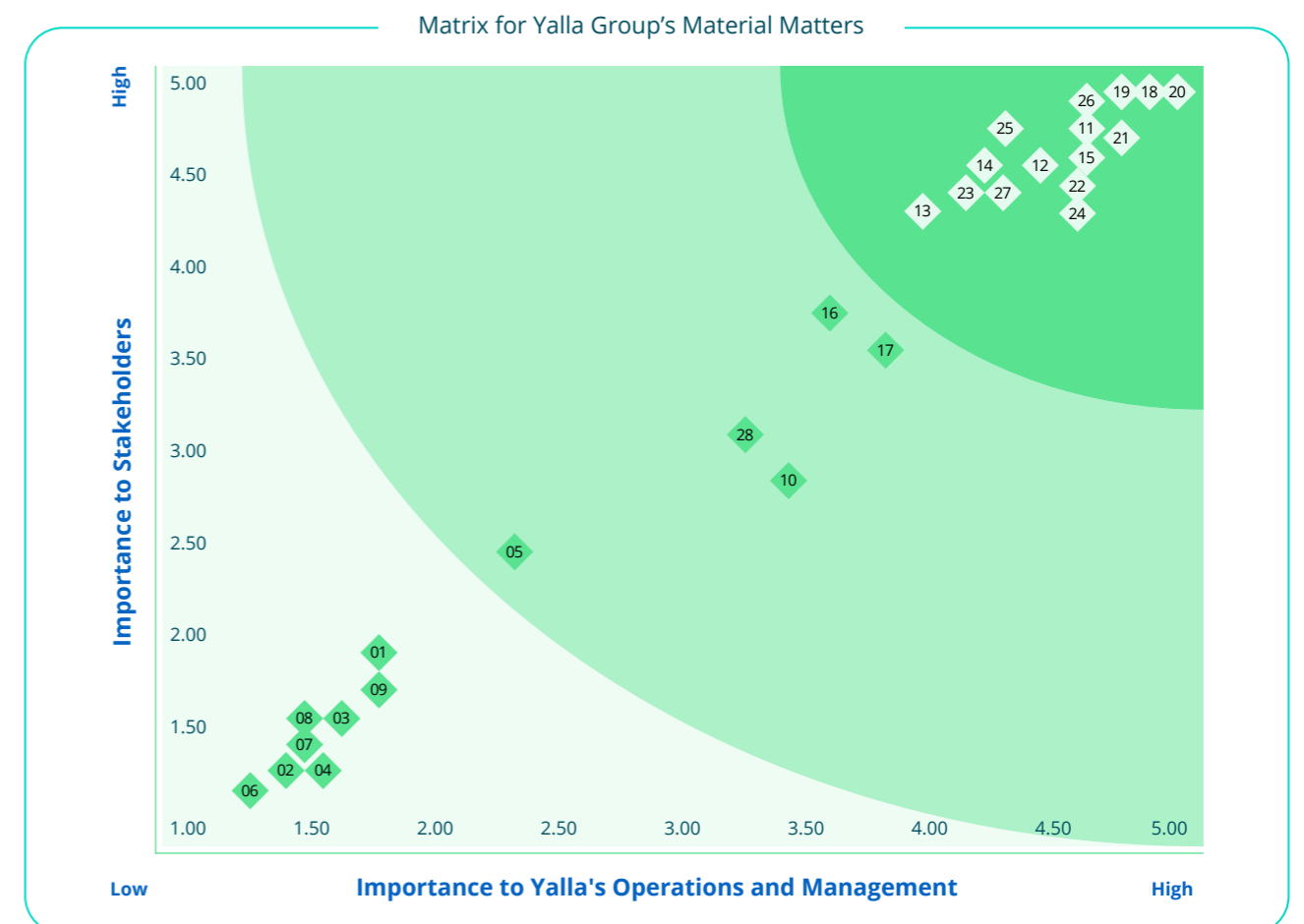
We distributed a questionnaire for internal stakeholders that combines scoring and ticking, and we sincerely communicated with representatives of different departments. Following sorting and analysis, we obtained the final survey results, and we calculated an overall score for how satisfied internal stakeholders are with respect to Yalla Group's sustainable development. The score was 4.14 (out of 5), which is relatively high.

03 Confirmation of Material Matters

Based on the results of the questionnaire and considering the importance of various matters to stakeholders and the company, we evaluated the 28 ESG matters and generated a matrix of material ESG matters from the perspectives of "long-term development", "management improvement", "urgency of investment" and "risk control".

In 2021, the results of Yalla Group's material matters were as follows:

Yalla Group's 2021 Material ESG Matters			
Low Materiality	Medium Materiality	High Materiality	
01 Greenhouse Gas Emissions	05 Indirect Energy	11 Employment and Labour Practices	21 Accessibility to Data and Services
02 Hazardous Waste Generation	10 Diversity and Equal Opportunity	12 Employee Benefits and Welfare	22 Responsibility for Content
03 Generation of Non-hazardous Waste	16 Supply Chain Management	13 Occupational Health and Safety	23 Growth with Providers
04 Wastewater Discharge	17 Product Health and Safety	14 Development and Training	24 Intellectual Property Protection and Technological Innovation
06 Direct Energy	28 Community Investment	15 Employee Rights and Guidelines	25 Promotion and Marketing
07 Water Resources		18 Information and Data Security	26 Anti-corruption Measures
08 Potential Impact of the Environment and Natural Resources on the Company		19 User Privacy Protection	27 Economic and Social Value of Business Activities
09 Climate Change		20 User Relationship Management	




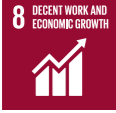









Implementing the Global Sustainable Development Goals (SDGs)

The United Nations officially approved the 2030 Agenda for Sustainable Development in September 2015, proposing 17 Sustainable Development Goals (SDGs) in the areas of poverty reduction, health, education, and environmental protection, and calling for global cooperation in achieving the common targets in the next 15 years. The SDGs aim to harness the power of coordinated action to eradicate poverty, protect the planet and ensure that mankind enjoys peace and prosperity.

In 2021, we comprehensively sorted out and examined how our operations relate to the 17 SDGs and then we carried out actions that focused on four targets: industry, innovation and infrastructure; responsible consumption and production; peace, justice and strong institutions; and partnerships for the goals. During this year, we worked together with all stakeholders to achieve these universal goals.

Yalla Group's Responses to the UN SDGs

Relevant SDGs	Our Actions
 <p>Goal 3</p> <p>Good Health and Well-being</p>	<p>We care for the lives, safety and health of our employees; employees can work from home during the COVID-19 pandemic. We comprehensively protect the safety of our employees through various measures such as annual physical examinations, supplementary medical insurance, and first aid kits.</p>
 <p>Goal 4</p> <p>Quality Education</p>	<p>We provide training using a variety of methods and channels, and help employees continue to improve themselves through training and progress, scientific evaluation, and promotion and development.</p>
 <p>Goal 5</p> <p>Gender Equality</p>	<p>We comply with the principle of gender equality; eliminate gender discrimination in employment, promotions, and other respects; and protect the legitimate rights and interests of female employees.</p>
 <p>Goal 8</p> <p>Decent Work and Economic Growth</p>	<p>We help promote local economic development by paying taxes and providing employment; and we maintain fairness and equality in our recruitment processes and ensure equal employment opportunities for candidates.</p>

Relevant SDGs	Our Actions
 <p>Goal 9</p> <p>Industry, Innovation and Infrastructure</p>	<p>We are committed to innovation and to building a rich product system. In 2021, our technology and product development expenses were US\$14.3 million, increased by 173.6% from US\$5.2 million in 2020.</p>
 <p>Goal 10</p> <p>Reduced Inequalities</p>	<p>We strictly forbid child labour and forced labour. We adhere to the principles of equality, inclusion, and diversity, and resolutely oppose any form of discrimination and inequality.</p>
 <p>Goal 12</p> <p>Responsible Consumption and Production</p>	<p>We are dedicated to developing high-quality and reliable products, improving user experience, and building a healthy and highly interactive Yalla community.</p>
 <p>Goal 13</p> <p>Climate Action</p>	<p>We fully implement the green office concept, strive to improve our resource utilization, and pursue sustainable green operations and development.</p>
 <p>Goal 15</p> <p>Life on Land</p>	<p>We work with all stakeholders to promote environmental protection. In 2021, we donated to the Shenzhen Mangrove Conservation Foundation to support the protection of coastal wetlands.</p>
 <p>Goal 16</p> <p>Peace, Justice and Strong Institutions</p>	<p>We are steadily working to strengthen compliance governance and respect business rules. We have zero tolerance towards corruption and business ethics violations.</p>
 <p>Goal 17</p> <p>Partnerships for the Goals</p>	<p>We actively cooperate with the government and strive to contribute to the development of the UAE's digital economy. For example, we are a partner of National Program for Coders project in UAE.</p>



ENVIRONMENT

In this section, we mainly discuss green operations. Although we are not an industrial manufacturing company with a significant environmental footprint, we recognize that every company – no matter its industry – has a responsibility to minimize its environmental impact. Based on this philosophy, we are taking practical actions to implement the concepts of energy efficiency and emissions reduction in all aspects of our daily operations.

GREEN OFFICE

We understand the value of energy and natural resources, as well as the environmental damage that waste can cause. Since we are an internet company which provides users with online products, our impact on the environment mainly arises from office operations. For this reason, we are fully implementing the green office concept, while also striving to raise environmental awareness among our employees.

We are committed to building an eco-friendly company, and we strive to honor this commitment with concrete actions.



WATER

At Yalla Group, we have strictly implemented a water conservation system to prevent any “dripping or leaking”. To strengthen employee’s awareness of water conservation, we have placed placards bearing water-conservation slogans next to our water facilities in the office.

In terms of sewage discharge, sewage generated in our daily operations is discharged to the urban sewage pipe network for subsequent unified treatment.



ELECTRICITY

We continue to promote the refined management of electricity consumption. First of all, we prioritize to purchase and use energy-efficient products, such as refrigerators and lamps in our offices. Meantime, we have reminders around the office to encourage our employees to turn off lights when leaving the office and meeting room.



WASTE

We mainly reduce waste through waste recycling. In all our offices, waste is classified and collected according to different categories. Hazardous waste such as batteries, toner cartridges, and ink cartridges are entrusted to qualified third parties and then disposed of in a centralized and compliant manner. For non-hazardous waste, we will dispose of it once confirmed that it cannot be recycled.

CASES AND KEY PERFORMANCE INDICATORS

We take various measures to reduce energy consumption in our daily operations, and we also try to promote the concept of sustainable development among our partners.



Case: Paperless Office

In 2021, we continued to promote a paperless office by replacing the offline approval process with an online system to better conserve paper and other resources. Since July 2020, internal processes such as procurement approval and other related procedures have mostly relied on electronic systems.



Case: Green Supply Chain

We are committed to working with environmentally friendly suppliers, and we encourage suppliers to use electronic contracts and invoices for daily document signing and document backup.

Key Performance Indicators

Yalla Group’s Energy and Resource Consumption in 2021³

Index		Unit	Consumption in 2021
Energy & Resource Utilization	Electricity	kilowatts per hour	221,771.64
	Gasoline	tons	1.76
	Water	tons	1,251.59

Yalla Group’s Greenhouse Gas Emissions in 2021

Index		Unit	Emissions in 2021
Total Volume of Greenhouse Gas Emissions		tons carbon dioxide equivalent (tCO ₂ e)	148.59
Volume of Direct Greenhouse Gas Emissions		tons carbon dioxide equivalent (tCO ₂ e)	5.67
Volume of Indirect Greenhouse Gas Emissions		tons carbon dioxide equivalent (tCO ₂ e)	142.92

³ In 2021, our environmental key performance indicators covered our operations in Hangzhou, Shenzhen, and Dubai. Dubai’s data only includes consumption data for the staff dormitory and company-owned cars, as consumption data relating to our offices in Dubai is unavailable.



TRUST

Trust is essential to us. We are inspiring to win trust with our users and partners by building a culture of security internally, developing a socially responsible supply chain and seeking protection for our intellectual property.

INFORMATION SECURITY

As a voice-centric social networking and entertainment platform provider, we have always been committed to providing safe and reliable digital products and services to our users. To this end, we are continuously striving to build a culture of security.

We believe that security in a company is not only about the work of security-related employees, but it also concerns every employee in this company. When it comes to the implications of security, it includes security awareness, security compliance, personnel and asset security, physical security, etc.

In the past few years, we had gradually established a security management framework: a security team with nine security experts under the leadership of our chief technology officer (CTO). Under this framework, our CTO who reports directly to our CEO is responsible for overlooking the overall planning and implementation of security work and the security team focuses on improving security practices, providing security-related training and other forms of security education, to enhance the safety culture in all aspects.


Overall Principles

- 1 Full participation
- 2 Continuous improvement
- 3 A combination of decentralization and authorization
- 4 Mature technologies
- 5 Prevention first and an in-depth defense
- 6 Comprehensive prevention combined with key protections
- 7 Standardization and compliance.


Yalla Group's Security System

Awareness Raising			
Safety Training	Release of Safety Knowledge	Tests on Safety	
Compliance Management			
Identifying Laws and Regulations	Systems Establishment	Compliance Checks	
Personnel Management			
Personnel Safety Management	Cooperative Partners Management	Password Management	Access Control Management
Asset Management			
Asset Security		Backup Management	
Infrastructure Security			
Physical Security	Portable Storage Device Security	Desktop Terminal Security	
Process & Operations Security			
Network and Communication Security Management	Development Security	Data Security Management	Change Security Management
Operations and Maintenance Security Management	Business Continuity Management	Internal Security Auditing	Information Security Incident Management


We use a variety of methods to publicize data security information for our employees and strengthen their security awareness.



Security Training → We provide new employees with onboarding training, which includes information security. We also conduct an information security awareness assessment for all employees at the end of the year, and the results are incorporated into their evaluation and promotion processes.




Release of Safety Knowledge → We leverage emails as an effective channel to educate our employees on the safety knowledge. We always send the safety-related emails biweekly and cover topics including how to set a secure password, how to avoid information leakage, etc. Meantime, we have security manuals and security videos.




Tests on Safety → In addition to special security training, we also arrange regular testing, such as phishing email drills, to identify specific weaknesses and deficiencies in security controls and enhance employees' awareness of security risks.

To cope with potential internal and external security threats, we have taken the following measures:


Personnel Management



Personnel Safety Management — We pay attention to security controls over core personnel who have access to data, such as data center personnel and personnel working in back-office operations and management. In addition to ensuring that our employees sign confidentiality agreements and undergo training, we also adopt methods such as second login verification, operational records retention, and access rights minimization to ensure the visibility, traceability, and auditability of our security management efforts;



Password Management — In terms of password management, we have formulated strict rules around password security, implementing rules for password strength, complexity, and update frequency. Password sharing is strictly forbidden;



Cooperative Partners Management — In terms of cooperative partners management, we prefer to cooperating with partners that hold international safety and compliance certifications. We adopt the principles of “necessity” and “minimum authorization” when granting authorizations to cooperating partners.

Asset Management

Our security team is responsible for identifying and managing all information-related assets, including the establishment of asset lists and asset management systems and regular assessments of information asset risks, so that they can take appropriate risk mitigation measures according to the probability of risk occurrence and the potential impact. In addition, safety backup plans are formulated for key business systems and data.

Infrastructure Security

We engage in robust security management for terminal equipment (including desktop personal computers (PCs), portable computers, personal digital assistants (PDAs), etc.), and portable storage devices. Concerning the physical environment of the information systems, we divide the office area into a safe area and an ordinary area. Personnel cannot enter the safe area without the appropriate authorization. In addition, we operate a 24-hour real-time monitoring system for infrastructure, computer room environmental conditions, and security system conditions, and we retain the monitoring records for at least six months to meet fault diagnosis and post-auditing needs.

Process & Operations Security

In the process of daily product development and system operations, we take a series of measures to maintain security:

Process Enhancement

We have built a security development lifecycle (SDL) process and adopted a management model that guides the software development process from a security perspective. We strive to embed security concepts into every stage of the software development process, including requirement analysis, design, coding, testing, and maintenance.

Privacy by Design Manual

To further strengthen privacy protection for our products, we have developed the Privacy by Design Manual, which includes leading theories around privacy protection and industry best practices. The product team can choose solutions according to the actual circumstances to protect the rights and interests of users.

Security Tools

To mitigate security risks and reduce resource use when guarding against attacks, we deploy firewalls to protect web applications from common vulnerability attacks.

Vulnerability Handling

To handle the security vulnerabilities mobile applications may face, we classify the vulnerabilities and repair them by a self-imposed deadline. Specifically, critical vulnerabilities must be repaired within 12 hours, high-risk vulnerabilities must be repaired within three working days, medium-risk vulnerabilities must be repaired within five working days, and low-risk vulnerabilities must be repaired within seven working days.

Internal Attack Testing

We conduct internal attack testing every six months to effectively identify current security risks that may exist.

Internal Security Auditing

We regularly carry out security audits to comprehensively supervise data security and information protection.

We welcome all external stakeholders to join us in the management of information and data security. If you have any reminder or feedback on potential security vulnerabilities, please send us an email via vul@yalla.live.

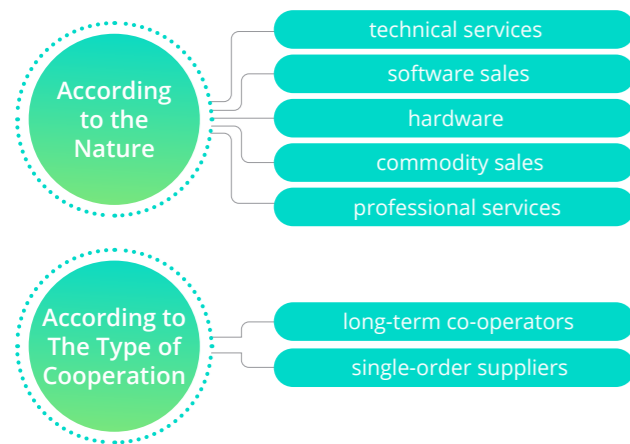
RESPONSIBLE SUPPLY CHAIN

We consider the supply chain to be an important part of our daily operations. We take ESG factors into account throughout the supply chain management process – from supplier development, supplier selection, and continuous evaluation, all the way until the end of the relationship with the supplier – and we continuously promote ESG concepts throughout our supply chain.

To establish a standardized, systematic, and institutionalized commercial procurement management system, we have formulated the Commercial Procurement Management Policy based on our practices.

Our procurement process involves several elements, including request submission, procurement negotiation, procurement approval, contract review, delivery checks, and supplier evaluation.

We classify our suppliers as providers of technical services, software sales, hardware, and commodity sales, and professional services according to their nature; and we classify them as either long-term co-operators or single-order suppliers according to the type of cooperation.



Supplier Selection and Evaluation

We prudently select suppliers and customize follow-up evaluation and acceptance forms according to the characteristics of different suppliers to continuously monitor our supply chain and promote its sustainability.

Supplier Selection and Access

When introducing new suppliers, we fully consider ESG factors such as their scale, qualifications, and popularity, among other issues; and we pay attention to different ESG factors for different types of suppliers. For example, when procuring technical service-oriented products, we take the supplier's information security qualifications into our account; and when procuring production-oriented products, we consider the producer's environmental protection qualifications and related test reports.

After receiving a request email that was approved by the head of a department, the Commercial Department must evaluate the prospective supplier. The evaluation covers ESG factors such as data security protection capabilities, environmental protection offered by the product portfolio, business sustainability, social value, and whether there have been any labour law violations, among other issues.

If there are several suppliers with similar conditions, we will give priority to those who are environmentally friendly or sustainability oriented.

Supplier Evaluation and Delivery Checks

For existing suppliers, the related departments need to carry out delivery checks for single-order suppliers and quarterly evaluations for long-term suppliers. The evaluation factors may include business service capabilities, professional service quality, delivery capabilities, technical services, and ESG-related items.

Termination of Supplier Cooperation

If issues arise that require supplier rectifications, contract termination, or supplier replacement, the Commercial Department is responsible for communicating and following up on the issue, and it will consolidate evaluation results that have been confirmed by the heads of the participating departments and send them to relevant colleagues to achieve closed-loop control.

INTELLECTUAL PROPERTY

Intellectual property is an important aspect of our business, and our practice is to seek protection for our intellectual property as appropriate. We safeguard our proprietary technologies through contractually requiring our employees to keep all our proprietary technologies confidential, as well as seeking to protect our technologies through patents and copyrights.

Our trademarks, including "Yalla" and "Yalla Ludo," are a crucial component of the value of our business. As of 31 December 2021, we had 98 registered trademarks, 32 pending trademark applications, and 43 registered copyrights in 47 jurisdictions, including a number of jurisdictions in MENA. As of December 31, 2021, we had 37 domain names, including yallatech.ae, and two invention patents.



SOCIAL

In this section, we mainly discuss people – the people who use our products, the talented people who work at Yalla, and the community that we engage with. At Yalla, we have a set of shared values that we call the “MUST” principles. The “MUST” culture drives us to improve the lives of the people in our community.

OUR USERS

Users are always our priority. We are always committed to developing products and services tailored to the needs and preferences of our users and improving their digital experience. During our past journeys, our users are best companies and the most important motivation. We always welcome feedback from our users.

Why Users Love Us

The “Yalla” name has become synonymous with an enjoyable mobile experience in MENA, and we believe this reputation is rooted in our steadfast commitment to innovation, which we have been dedicated to since the company’s founding. We always strive to provide users with:

Superior Social Experience

We provide a mobile platform that allows users to enjoy a superior online social experience. Our mobile applications were inspired by offline social leisure activities in MENA, and we have brought these activities to the mobile internet to make them more convenient. Our first flagship mobile application, Yalla, primarily features Yalla rooms, which can be viewed as an online version of majlis or cafés, where people spend their leisure time in casual chats. On the other hand, Yalla Ludo resembles a family living room where family and friends can play simple board games that are popular in MENA, such as Ludo and Domino. We try to carefully preserve the traditional features and feel of these popular games so that our users can enjoy aspects of their offline experience on our mobile platform anytime and anywhere.

Leisure is a mentally beneficial experience, and we believe that leisure activities should be done for their own sake. Our users gather on our platform to relax and enjoy their free time. Whether they spend their time casually chatting or playing friendly games, social

interaction and companionship are what our users cherish. We aim to provide our users with a pure social leisure experience. While our users may receive virtual gifts and accumulate virtual currencies on our platform, none of the virtual gifts or virtual currencies are convertible into real money under any circumstance, and our users are unable to sell virtual items to other users on our platform. Instead, users can send virtual gifts to express their appreciation for contributions made by other users or to gain recognition within the community.

Localized Appeal

By tailoring our products and services to local cultures, we have been able to develop the leading social networking and entertainment platform in our target markets, particularly in MENA. We believe that localization is much more than merely using the local language in user interfaces. For that reason, we are always working to leverage our insights into MENA culture and local user preferences to infuse our user interfaces with local cultural elements. For non-English versions of Yalla, we update the user interface with colorful themes and logos related to local holidays to celebrate alongside our users, and we design virtual gifts based on local customs. As a result of our close attention to detail, our mobile applications deliver a seamless user experience and foster a strong sense of belonging among users. This localized appeal resonates with users and has allowed us to build a highly loyal and engaging user community. Our ability to faithfully preserve the traditional flavors of local offline social life also helps us stand out from other platforms.

Voice-centric Interaction Preferred by Users

Our users mainly interact through real-time voice chats on our platform, which is more comfortable and convenient compared to other forms of online

communication. We believe our voice-centric approach has been one of the key reasons for our success in MENA.

Highly Interactive User Community

Our platform is designed to maintain a sense of equality among users, to encourage all users to freely communicate and interact with each other. Users share the same status – whether they are influencers or followers, or gurus or newbies. Instead of passively consuming content, users come to our platform to actively participate in the leisure activities we offer. We believe these social interactions foster a sense of community among users and enable our platform to attract and retain users more effectively than other platforms.

Spend Important Moments with Users

Based on our dedication to delivering an engaging user experience tailored to local cultures, we have gradually built a loyal and highly interactive community. In this community, we are committed to providing companionship to our users and spending important moments in their lives with them.

Traditional Festivals (e.g., Ramadan and Eid al-Fitr)

Ramadan is a celebration that takes place in the ninth month of the Islamic calendar when the Quran (the sacred religious text of Islam) was revealed to the Prophet Muhammad. Many people fast during the daylight hours for the entire month. During these special festivals, we held activities to spend important moments with our users in Yalla and Yalla Ludo.



Yalla's Ramadan Event (2021.04.12-2021.05.12)



Yalla Ludo's Ramadan Event (2021.04.12-2021.05.13)

Eid al-Fitr marks the breaking of the fast for Muslims at the end of Ramadan. This celebration lasts three days, during which time families and friends get together to celebrate with good food and give to charity.



Yalla's Eid al-Adha Event (2021.07.19-2021.07.20)



Yalla Ludo's Eid al-Adha Event (2021.07.19-2021.07.29)

National Days and Special Moments in the UAE

In addition to traditional festivals, we also hold special events on Kuwait National Day, Egypt National Day, Saudi National Day, and other important holidays to celebrate alongside our users.



Saudi National Day Event in Yalla (2021.09.22-2021.09.28)



UAE National Day Event in Yalla (2021.11.29-2021.12.05)

As a UAE-based technology company, we take special pride in the UAE's achievements. In 2021, we published more than 10 posts on the official accounts of Yalla to commemorate important events in the UAE and share joyful moments with our users.

In February 2021, we posted a congratulatory note for the successful launch of the UAE Mars probe and created a hashtag to encourage netizens to celebrate and discuss this milestone.



Our post on the successful launch of the UAE's Hope Probe

In October 2021, we made a congratulatory post to celebrate the opening of the Expo 2020 Dubai.



Our congratulation on the successful opening of the Expo 2020 Dubai

Other Special Festivals

We also hold events on other special occasions. On Mother's Day, we encourage our users to discuss their blessings and give gratitude to their mothers, and users who give the most Mother's Day gifts receive special rewards.



Yalla's Mother's Day Event (2021.03.19-2021.03.21)

Listen to Users

We welcome feedback. As part of our effort to ensure a premium user experience, we listen to our users and respond to their feedback as quickly as possible. Our goal is to convert their feedback into insights that can help us optimize our products and services.

Case Study

There is a special and iconic pony image at Yalla Group, which we use in our applications and internal communications. In 2021, we received a significant amount of feedback from users on the image of the pony. In response, we surveyed from September to December to collect suggestions on how to improve the image of the pony. Subsequently, we modified multiple versions based on users' feedback and finally introduced the new pony image.



Upgraded Image of the Pony

24/7 Customer Service

We provide customer service on a 24/7 basis, and we engage third-party service providers to perform customer service tasks. Our users may submit inquiries, feedback, or complaints at any time by sending messages via Yalla rooms and the "FAQs & Feedback" portals in our mobile applications. After receiving complaints or inquiries, our customer service representatives conduct investigations and promptly provide users with explanations and solutions for the issues they have reported. We also utilize an automated system to address certain common questions from users. We require that complaints be attended to within one business day.

In the course of Yalla's growth, our users have also provided us with useful advice.

OUR CORPORATE CULTURE

At Yalla, we have a shared set of values that we call the "MUST" principles. These letters stand for Multicultural Understanding, User First, Simple, and Target:

- Multicultural Understanding**
Embrace diversity and respect our employees' and users' beliefs
- User First**
Constantly optimize Yalla products to be as close as possible to user needs and improve the users' experiences
- Simple**
Sincere communication both internally and externally with regular, transparent product and progress updates
- Target**
Encourage innovation to create more and better products specially designed for MENA users

and enhancing products so that they better meet users' demands. Meanwhile, in our communication with users and employees, we promote the "Simple" principle, which means that we aim to build a model for internal and external communication that is cordial and based on mutual trust and sincerity. Finally, we focus on our "Target," which refers to our goal of creating better products and more value for users.

"The 'MUST' principles have deep roots in Yalla's community, and they are essential to every aspect of Yalla's current and future success."

- Tao Yang, Founder, Chairman, and Chief Executive Officer of Yalla

Yalla is headquartered in Dubai and has offices in other countries, and our users mainly live in different countries across MENA and Latin America, among other areas. Based on the diverse backgrounds of our users and our employees, we must respect, understand, and embrace different ways of life, and this is why we strive to cultivate a culture of "Multicultural Understanding." As a social networking and entertainment platform provider, our mission is to provide users with a premium online social experience. Since our founding, we have committed to adhering to the "User First" concept, continuously improving the user experience,

The "MUST" values are more than just a slogan - they are a set of values that we continuously promote within Yalla's culture in various ways.

We publish a bi-weekly e-journal, Ler, to internally highlight best practices and stories about outstanding employees. The e-journal also provides a platform for exchanging ideas, discussing topics, and collecting suggestions.

We also design and produce various promotional items, such as shirts, calendars, and key chains to make Yalla's culture livelier and more welcoming for employees.

OUR EMPLOYEES

The breakthroughs that we have been able to achieve over the past six years have only been made possible by the hard work of our employees. We have always considered our employees to be the force that drives our development, and we hope that every employee achieves both career and personal development, embraces their growth, and develops a strong sense of self-worth.

On this basis, we strive to fully protect the rights and interests of employees, provide fair and competitive salaries and benefits, cultivate an inviting work environment, and empower employees in all respects. We are committed to fostering an open and inclusive environment where we can grow alongside our employees. We embrace diversity, respect differences, and value equality and inclusiveness. We want to bring together bright minds from across the globe. In short, we are committed to making Yalla Group an open space where people can create and share value.

Equality and Diversity

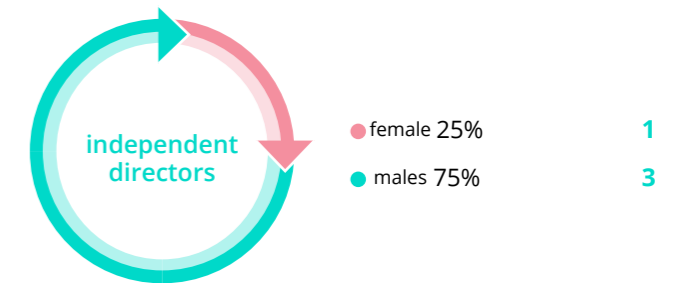
As a multinational company with teams in Dubai, Hangzhou, and Shenzhen, equality, inclusiveness, and diversity have long been part of our cultural lifeblood. We act fairly in all aspects of employee recruitment, employee retention, and employee promotion, and we always strive to protect employee rights. Meanwhile, we are resolutely opposed to all forms of discrimination, inequality, and harassment.

At the same time, we continue to focus on recruiting and retaining outstanding talent. As of 31 December 2019, 2020, and 2021, we had 189, 374, and 629 employees respectively.

Our employees are based across Dubai, Hangzhou, Shenzhen and Hong Kong. The following table provides our headcount by function as of 31 December 2021:



We have four independent directors, including one female, accounting for 25%, and three males, accounting for 75% as of 31 December 2021.



Prohibition on Forced Labor and Child Labor

We aim to ensure that all aspects of our operations strictly comply with laws and regulations. We forbid child labor and effectively screen for such situations by checking prospective candidates' identity documents during the recruitment stage.

Any actions that could constitute forced labor, such as the seizure of employees' identity documents or personal belongings, are prohibited. We encourage our employees not to work overtime unless necessary. Employees who work overtime need to submit an overtime application, which must be approved at multiple levels. In addition to the relevant compensation stipulated by laws and regulations, we also provide subsidies for overtime meals and overtime transportation as compensation.

In 2021, we did not violate any law or regulations related to child labor or forced labor.

Employee Care

We strive to cultivate a healthy and safe workplace for our employees, and we have implemented a comprehensive salary benefits policy to enhance our employees' well-being.

Health and Safety

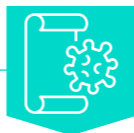
We emphasize the value of occupational health and safety management and consider it to be an important part of our corporate social responsibility. We provide comprehensive safety protection for our employees through a variety of measures, including annual physical exams, supplementary medical insurance, first aid kits, and work-from-home arrangements during the COVID-19 pandemic.

Special Protection during the COVID-19 Pandemic



To ensure employee safety during the COVID-19 pandemic, we implemented remote work arrangements and a batch system for returning to the office following local work practices to protect employees against health and safety risks and effectively implement epidemic prevention work.

Annual Physical Exams and Commercial Medical Insurance



We cooperate with external service providers to provide all employees with annual comprehensive health exams and additional commercial insurance. Other relevant protective measures that we take for our staff are listed in the Employee Handbook.

Workplace Safety



We carefully manage the safety of our work environment. Following the increase in the company's headcount in 2020, our Dubai headquarter had its new office in larger office space. Environmental compliance checks for chemicals such as formaldehyde and VOC had been done before we moved in. Also, our offices are equipped with additional first aid kits to guard against potential emergencies.

In 2021, we have no work-related accidents at Yalla Group.

Care and Welfare

We hope our employees have an enjoyable and supportive work-life, and for this reason, we are constantly working to improve the working and living conditions of our employees. By developing a competitive salary and benefits policy, caring for employees daily, and designing a variety of group activities, we endeavor to enhance employees' sense of well-being and belonging in the workplace.

Competitive Compensation and Benefits

To ensure a competitive compensation and benefits system, we follow the salary design concept of "3P-1M"(pay by Position, People, Performance, and Market level). This incentive system helps us attract and retain leading talent, while also encouraging employees to perform at their best.

Daily Care

We aim to imbue every moment of the workday with care and warmth. To this end, we provide flexible work hours, weekly snacks, holiday packages, employee birthday parties, departmental team building activities, travel-home tickets, etc.

Team Building Activities and Internal Competitions

We encourage employees to organize various groups related to football, basketball, badminton, and board games, and provide financial support for these activities. Meanwhile, as a company that develops social and entertainment applications, we also host an internal Yalla Ludo-Domino competition. We have held this competition three times in 2021, and it has been warmly received by our employees.



Case: Domino Tournament

Our second flagship product, Yalla Ludo, is a hit not only with users but also with employees, and one of Yalla's teambuilding activities is based around this product. Yalla Ludo offers two traditional games that are popular in the MENA area: Ludo and Domino. In 2020, we held our first online Domino competition, and it received an enthusiastic response from employees. In 2021, we held three more Domino tournaments, and the last one was attended by more than 320 employees.

Empower Employees to Achieve More

We know that abundant training resources and transparent promotion channels are core factors that attract employees and encourage them to stay. For this reason, we have built a growth platform that includes training, scientific evaluations, promotions, and development activities to motivate employees to continuously grow and gain recognition, intending to improve their sense of self-worth at Yalla.

Professional Training

To ensure that training benefits all employees, we have formulated internal policies for training management that consider our business development and organizational needs, as well as employees' capabilities. Following the principles of effectiveness, diversity, and systems-oriented thinking, we have developed various learning approaches, such as "Yalla Academy" and staff-led training, to promote company-wide learning that suits different groups and needs.



Yalla's Talent Training Management System

Collect Training Needs

Human Resources Department and each respective business department are responsible for interviewing employees, conducting investigations and analysis, and summarizing two types of training needs according to the company and the department's needs to determine training plans and focuses. Each department's requirements must be filed with Human Resources Department.

Implement Training Plans

We adopt diversified learning methods according to employee needs to empower the plans and more effectively implement them.

Maintain Training Records

Human Resources Department is responsible for managing and establishing company training records, employees training records, and internal lecturer records, and these are used to support and improve future training programs.

Manage Training Costs

Human Resources Department is responsible for managing the company's training-related expenses. In addition to covering the expenses associated with the company's training, we provide robust support for the development of departmental training activities and allocate an annual training budget of US\$314 per person for each upper-level department.

In addition, we encourage employees to actively explore other external learning opportunities and obtain professional certifications to continuously improve their capabilities.

In 2021, we provided a total of **22** training sessions at the company level, with cumulative training hours amounting to **1,241** hours and a training coverage rate of **100%**.



Career Development

We stand ready to provide all-around support for the personal development of our employees, and we attach particular importance to cultivating our younger employees. To this end, we have formulated the Position and Ranking System and established a "dual-channel" career development model, which includes a management channel and a professional channel. The professional channel is divided into product channels, operations channels, marketing channels, sales channels, function channels, etc. according to the position, which gives employees access to development paths that suit their plans. We can also accommodate an employee if he or she requests an adjustment based on changes in their personal goals.

Furthermore, we adopt an objective, fair, and scientific evaluation method for employees that covers three areas - ability and performance, responsibilities, and contribution and value - to encourage them to meet their full potential while also ensuring that they are on the right career development path.

OUR COMMUNITY

As the first UAE-based technology unicorn to be listed in the U.S., we have always felt a sense of responsibility to contribute to the broader development of the digital economy in MENA and to play our part in building a community with a shared future.

Supporting the National Program for Coders in UAE

We are deeply committed to spearheading and contributing to the development of the UAE's digital economy, and we are honored to have been selected as a partner of the National Program for Coders, which was launched by His Highness Sheikh Mohamed Bin Rashed Al Maktoum, Vice President and Prime Minister of the UAE and the ruler of Dubai, in 2021.

As a partner of the UAE's National Program for Coders, we are now cooperating with the country's Ministry of Artificial Intelligence, Digital Economy, and Remote Work Applications on the Coders HQ initiative to empower the next wave of coding talent and support the UAE's digital economy.

Coders HQ provides a community for coders where they can gather to develop their skills, expand their minds, and learn more about the power of coding. The initiative aims to strengthen the UAE's status as a global hub for coders and serve as an incubator for projects and innovative ideas that light the path to a better future.

Focusing on Environmental and Social Issues

In 2021, we started discussions and released reports on several environmental and social topics through official accounts on our platform.

Discussions on Environmental and Social Topics

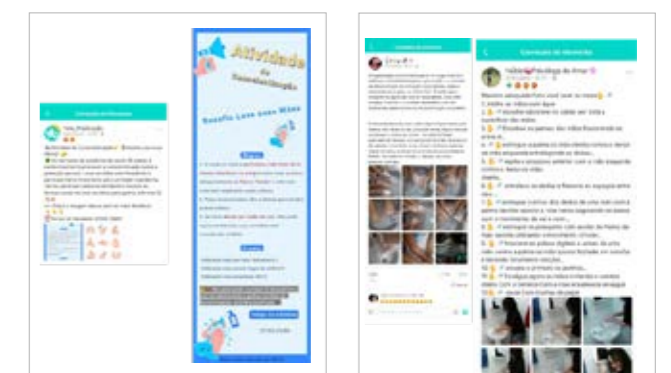
In March 2021, we published the "Survival Handbook for Forest Fires in Turkey" and held the "Epidemic Prevention Hand Washing Challenge" through our official accounts and attached users' attention and discussions. In particular, the Hand Washing Challenge was to increase awareness of epidemic prevention. We

encouraged users to post photos of themselves, their families, and their friends to show how they wash their hands correctly.

Celebrities in Yalla's Room



Survival Handbook for Forest Fires in Turkey



We posted popular science articles on our public account

Feedback provided by users

From January to February, we invited the inspirational Arab woman Fadia Al Tawil, who beat breast cancer for four times, to share insights into her healthy lifestyle in one of Yalla's chat rooms. During the event, she led discussions with our users on how to live a more active and healthy life.

Starting from February 2021, we began inviting



We invited Fadia Al Tawil to its chat room

Jordanian chief editor and TV interviewer Lutfi Mhd Ibrahim Al-Zoabi to talk about sports with users in a chat room every week.

Public Welfare



We invited Lutfi Mhd Ibrahim Al-Zoabi to hold weekly chats

Protecting the Mangrove Wetlands

In 2021, we made donations to the Mangrove Conservation Foundation, a non-governmental organization that is committed to educating the public about the environment and protecting the coastal wetlands and mangroves, intending to promote active wetland management and improve the biodiversity of the wetlands.

Promoting Health Awareness

After living with the pandemic over the last couple of years, people's awareness of health issues has improved. To promote healthy lifestyles, we donated approximately US\$15,700 to the Badminton Association of the School of Management in Zhejiang University.

School-enterprise Cooperation

In 2021, we began to cooperate with Zhejiang International Studies University to cultivate interdisciplinary talent based on the "Arabic + digital entertainment" concept, leading to the development of a new professional training model. Under this project, we hope to leverage our professional expertise to provide students with a platform for fieldwork and training.

In the future, we will continue to explore ways to use our business strength to give back to the community.

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