# Our sustainability strategy

stc has established itself as a catalyst for sustainable transformation across the Gulf region, revolutionizing industries and setting higher standards for environmental responsibility, positive social impacts and ethical governance. Our efforts are focused on promoting a future where businesses drive positive change and foster prosperity and safeguarding the planet and improving the social well-being.

stc's commitment to sustainability is grounded in the pillars of environmental, social and governance (ESG) excellence. At the heart of our operations, we are guided by our corporate vision and the wider national visions of each country in which we operate, adhering to internationally recognized standards and the collective insight of the global community. Our ultimate objective is to serve as a role model for sustainability and corporate governance in the MENA region and beyond, and we are making significant strides toward achieving this goal.

In 2024, we advanced our sustainability strategy and roadmap, building on the insight gained from thorough assessments and external benchmarking conducted in 2023. It should be noted that our three sustainability focus areas are core to success of our business and the benefit of our stakeholders:

## Environment

Improving our environmental performance and addressing climate challenges.

## Social

Fostering the development of human capital through digital innovation.

## Governance

Upholding strong governance practices and ethical excellence.

stc's sustainability strategy embodies our ambition to further minimize our environmental impacts and maximize our positive, sustainable contributions in all areas in which stc operates.

## Our strategic framework

Our framework reflects a strong alignment with the interests of our key stakeholders, national and regional strategic visions, and the United Nations Sustainable Development Goals (UNSDG). With a focus on our ESG pillars, it is designed to guide decision-making processes and advance the overall operational performance.



**Corporate Vision**
Digital and telco leader, enabling the society and economy to thrive, in KSA and beyond

**Values**
Dynamism, Devotion, Drive
Sustainability objective: Be a role model for sustainability and corporate governance

**Environment**
Environmental performance and climate

**Social**
Development of human capital through digital innovation

**Governance**
Strong governance and ethical excellence

Delivered by timely, relevant reporting and optimal stakeholder management and engagement

VISION 2030
المملكة العربية السعودية
KINGDOM OF SAUDI ARABIA

Saudi Vision and local context (incl. Saudi Green Initiative)

SUSTAINABLE DEVELOPMENT GOALS

Global community and international standards (incl. National Visions of the countries where we operate)

**Our sustainability strategy** continued

**Our three sustainability pillars**

## Environmental Performance and Climate

# 01

By adopting sustainable technologies and conserving natural resources, we contribute to the environmental sustainability of KSA and the MENA region. We are transitioning toward decarbonization and aim for net zero emissions by 2050. Our initiatives include planting one million trees under the Saudi Green Initiative, providing environmental education and training, implementing a solar pilot project, reducing water intensity and developing robust takeback

and recycling programs with our vendors and suppliers. These efforts are central to our ongoing commitment to improving our environmental performance.

Our sustainability strategy is structured to address environmental risks, including those arising from climate change. We emphasize transparency and strong governance, aligning our approach with globally recognized frameworks.

We continue to monitor and report on our decarbonization efforts, including progress toward net zero targets. This reinforces our commitment to long-term value creation and provides stakeholders with visibility into our evolving sustainability journey.

**For more information, please refer to Environmental Performance and Climate in this report.**

## Strong Governance and Ethical Excellence

# 03

Ethical governance encompasses integrity, transparency and accountability, values that stc is dedicated to upholding. Our goal is to set the industry standard for ethical conduct in the ICT sector, emphasizing responsible business practices and the protection of human rights.

stc adheres to stringent Board performance standards and conducts thorough audits on ethical practices, ensuring compliance with governance principles outlined in IFRS. This commitment is reflected in our disclosures to organizations such as MSCI, CDP, S&P Global's Corporate Sustainability

Assessment, and Sustainalytics. We conduct impact assessments, follow responsible procurement practices in line with ISO 20400, and implement child safety policies and cyber protection measures.

**For more information, please refer to Governance with Integrity in this report.**

## Development of Human Capital through Digital Innovation

# 02

stc fosters human capital development by empowering individuals and communities through inclusivity and diversity initiatives. We advance technological innovations to bridge societal divides and create a sense of belonging among our employees and customers. Our flagship programs, including SmartTruck, Technical Enablement, E-health Smart Cameras, Volunteering Program and Educational Grant Support, reflect our vision of an inclusive society with digital access and opportunities for all. Our sustainability strategy prioritizes

employee development, health and safety, and gender equality.

We are committed to transparent reporting on our human capital initiatives, reflecting our recognition of the importance of social performance in delivering long-term value. Our approach considers key social risks and opportunities, and we strive to align our disclosures with internationally recognized standards to ensure that relevant and meaningful information is communicated to our stakeholders.

Our investment in employees and communities demonstrates our dedication to social investment, meeting stakeholder expectations for ethical governance. Our focus on employee development, health and safety, and gender equality reinforces our commitment to responsible governance within our sustainability framework.

**For more information, please refer to Empowering Communities, Enabling Progress in this report.**