



Zain Group Corporate Sustainability Policy

A. Introduction:

Corporate Sustainability (CS) is defined as embedding socio-economic and environmental considerations into business decisions in addition to managing the various internal and external pressures that the organization faces with the aim of creating long-term value for all stakeholders.

The Company's CS Department strives to enable the effective implementation of the Company's Business Strategy as defined by its strategic pillars in order to promote the longevity and success of the organization through improved efficiency, transparency, employee development and positive engagement with external stakeholders such as customers and the general public.

Zain's Corporate Sustainability activities serve as a key driver for innovation in the Company's operating markets and create a vested interest amongst stakeholders for the Company's success. These activities also reflect the Company's dedication to positively impact society through a triple bottom line approach, providing value to the communities where the Company operates. In situations where the core competencies of Zain are leveraged to achieve CS goals, such as through the deployment of certain digital Solutions, the link between CS and Zain's business goals is even more relevant.

B. CS Pillars



Sustainability: Entails addressing the company's socio-economic and environmental impacts while simultaneously ensuring that the company is able to address the various market pressures in an inclusive and equitable manner.

Social responsibility: Entails going above and beyond the legal requirements while also addressing the negative impacts of the business. Promoting themes including but not restricted to identifying and addressing national/regional deficits, capacity building, development of knowledge-based economy, connectivity, education, inclusivity, women empowerment, youth development, children's rights & child safety only, entrepreneurship & social innovation, digital literacy and job creation.

Ethics: Entails matters related to the company code of conducts & ethics, transparency, human rights, labor rights, non-discrimination, human trafficking, abuse and exploitation of children.

Public Policy: Entails cooperation and engagement in meaningful and constructive dialogue and effective lobbying of the public sector and other relevant stakeholders for policy reforms on topics such as climate change and inclusion for the sustainability and development of society.

C. CS Principles

1. Addressing Socio-Economic Deficits and Promoting Development

- Zain is committed to identifying key social and economic deficits in its Operating Countries (OpCo's) and engaging its communities to create positive impacts. The Company is committed to developing both the national workforce and youth segments within its OpCo's to promote capacity-building through training for overall job readiness and improved access to employment. The Company takes an inclusive approach by ensuring that said activities account for marginalized and vulnerable segments such as low-income communities, persons with disabilities, the elderly, displaced persons, women, those lacking access to Information and Communication Technology (ICT) and other minorities. Furthermore, the Company is committed to working towards the provision of connectivity to all areas within its OpCo's, emphasizing digital inclusion for rural and impoverished areas as well as displaced persons.
- The Company is committed to promoting health and well-being within their countries of operation as public health is a key enabler of national development which raise awareness about key health concerns and initiatives that facilitate or promote access to health services including mental health.
- The Company is committed to promoting development by serving as a driver and enabler of innovation both internally and externally through the establishment and

support of tech-based start-up incubators and accelerators, workshops, competitions and other activities.

2. Alignment with the Company Strategy

The Company Strategy is promoted and supported through its CS strategy by undertaking activities that align to the Strategic Pillars identified by Zain Group.

- **People Development:** The Company is committed to developing the full potential of its employees by respecting and valuing them as well as observing the fundamental tenets of human rights, safety and non-discrimination, based on neither ethnicity, gender nor religion, in the workplace. Employee development is achieved through comprehensive training and capacity-building offered by the Human Resources Department. CS sets and tracks specific KPIs related to training and development to measure progress.
- **Business Growth:** The Company is committed to leveraging its core business to achieve the CS objectives. This includes, but is not limited to, the use of relevant solutions such as smart city, digital solutions, etc. to facilitate development, promote inclusivity, health or education, or improve energy efficiency. CS works cross functionally within the Company to research, develop or implement such activities.
- **Operational Effectiveness:** The CS Department is committed to driving, setting and measuring targets related to the Company's energy efficiency, water and waste management, in collaboration with other relevant departments.

3. Climate Change

- Zain is committed to addressing climate change by ensuring to the following points:
 - Compliance with environmental rules, laws, regulations and "Codes of Practice".
 - Adhere to Environmental and Social Management Plan (ESMP) guidelines, and environmental impacts are adequately monitored and addressed.
 - Regular consultation between the Company and the Environmental Public Authority or equivalent body in each country of operation.
 - Environmental management activities are supported by infrastructure investments that enhance energy efficiency and improve environmental performance.
 - Measurement of the Company's use of recyclables and setting benchmarks and KPI's for the reduction, recycling/reuse of said resources.
 - Disposal of all waste in a responsible manner is monitored and encouraged.

- CO₂ emissions are measured and emissions reduction targets for the year 2022 are to be achieved.
- Encourage internal and external conservation and carbon offsetting initiatives.
- Interaction with facilities' management and recycling companies is facilitated whenever possible/if available.
- Monitoring, measurement and implementation of targets as well as development of recommendations for enhancing sustainability.
- Development of market resource-efficient and low-carbon products and services.
- Conduct the Company's operation in an environmentally sound manner to prevent and/or minimize Zain's negative impacts on the environment.
- Update management processes to ensure that environmental/climate change factors are considered during planning, implementation and along the value chain.
- Encourage independent audits of facilities' environmental performance.
- All sites are designed to eliminate Electromagnetic Field (EMF) radiation.
- Promote climate change awareness through comprehensive campaigns both internally and externally, train Company staff to ensure employees work in accordance with this aspect, regular communication with employees and significant stakeholders about the Company's environmental performance of its products and services.
- Conducts climate scenarios planning that would help limit global warming to 1.5°C compared to pre-industrial levels In alignment with the Paris Agreement (2015).
- Commit to reduce water-use consumption and improve efficiency.

4. Stakeholder Engagement

- The Company actively engages with its stakeholders: local residents, customers, NGOs, civil society, shareholders, investors, partners, suppliers, media and interest groups, government agencies and regulators, the general public, and others in order to facilitate long-term and mutually beneficial relationships that promote the Company's objectives. It is responsive to stakeholder needs and priorities and provides information in an accurate, transparent, appropriate and timely manner. This engagement stems from the purpose to track, measure and improve understanding of stakeholder materiality related to CS themes.

5. Company Alignment with Universal Principles and Global Best Practices

- The Company is committed to ensuring its compliance with universal standards related to human rights, labor practices, transparency, anti-corruption, and environmental performance.
- Refer to Section E for list of principles and best practices.

6. Promoting the Company Brand

- The Company is committed to undertaking impactful initiatives that are sustainable and readily identifiable with the Zain brand. The Company also avoids undertaking activities on an ad hoc basis. Consideration is given to activities undertaken by CS that will have a positive impact on the Zain brand. Wherever possible, such impacts are measured and tracked by the CS Department.

7. Lobbying for Public Policy

- The Company is committed to communicating openly and constructively with government entities and other relevant stakeholders for the purpose of driving policy reform in areas including but not restricted to ease of doing business, innovation, socio-economic development and inclusion, climate change and environmental protection and performance, human development, education, employment and others that are relevant towards the well-being of society.

D. CS Policy

1. Sponsorship: Zain's operations must ensure that any CS activities or initiatives that are proposed for sponsorship should be subject to an evaluation as per the below criteria:

- Aligned with at least one of the Company's CS strategy and principles.
- Create value for the organization and society through positive transformations.
- Sustainable, impact driven and measurable.
- Clearly indicate deficit that is being addressed, including its target and expected impact with a clearly defined process to measure the impact.
- No cash money donation to be provided for sponsorship of CS activities or initiatives.

2. Climate Change: Zain is committed to addressing climate change by ensuring that the following is adhered to:

- The Company must ensure that its "Climate Action Strategy" is implemented. Climate change related statements are set out in the Climate Change Principle above.

3. Reporting: Zain is committed to annually reporting its policies, strategy and achievements related to CS through a Sustainability report or an Integrated report which must comply with the following:

- Adherence with the latest Global Reporting Initiative (GRI) framework, Sustainability Accounting Standards Board (SASB), the Task Force on Climate-related Financial Disclosures (TCFD) where Zain is also listed as a TCFD supporter, Greenhouse Gas Protocol and others.
- Assurance by an external auditing firm.
- Include information about strategic progression including business achievements and initiatives from each business unit in a clear manner indicating impacts.
- Benchmark the Company's activities between operating countries and against its local, regional and international competitors and telecom leaders.
- Publish CS information on the Company's website as well as in the "Annual Report" of the Company or other media channels as needed.
- Present the Company's commitment to social, economic and environmental sustainability to its various stakeholders via its "Sustainability Report".
- Promote relevant CS activities through social media channels.

4. Health and Safety: The health, safety and well-being of Zain's employees are of the top priorities to Zain's management. The Company is committed to providing a healthy and safe working environment at all sites and facilities, taking all reasonable steps to prevent accidents and injuries by complying with the following:

- National/International health and safety regulations is the minimum requirement.
- Adherence to Zain's Environmental and Social Management Plan (ESMP) guidelines.
- Provide health and safety training to ensure that all the Company's employees know their responsibilities and have the required experience to carry them out.
- Ensure that the company only engages with suppliers and business partners that have or practice health and safety policies and processes as per the requirements of the Company.
- Ensure that health and safety requirements are integrated into the processes for managing change.
- Ensure that accident analysis and prevention is in place.
- Ensure the existence of an effective crisis and emergency management system.

5. Social: Zain is committed to promote and engage in social activities that help strengthen the employees and communities to promote the development of society.

- The Company is dedicated to investing in education, capacity-building, youth development & empowerment, localization of jobs, health, gender disparity, women empowerment, supporting marginalized and impoverished communities, supporting people with disabilities, innovation, entrepreneurship, economic inclusion and self-sufficiency, and urgent socio-economic circumstances such as human displacement.
- Support the protection of proclaimed human rights.
- Not employ children nor support the use of child labor, except as part of government-approved youth training schemes that are within the local labor laws.
- Not support any form of forced labor or coercion with employees.
- Facilitate regular consultation with all employees to address areas of concern.
- Offer equal opportunities to all employees and refrain from engaging in or supporting discrimination in any form based on ethnicity, race nationality, religion, disability, gender, age, union membership or political affiliation.
- Maintain equitable procedures to deal with employee grievances and disciplinary practices.
- Comply with applicable laws and standards on working hours, including overtime.
- Ensure wages paid meet or exceed the legal or sector requirements and are market based.
- Evaluate suppliers and subcontractors on their ability to meet the requirements of the Company's social standards and guidelines as well as maintain reasonable evidence that these requirements are met at all times.
- Support innovative community engagement programs in health, well-being, education and the environment.
- Engage with stakeholders transparently, honestly and respectfully.
- Maintain response mechanisms to address stakeholders' concerns.

6. Ethics: This aspect is an extension of Zain's "Code of Conduct and Ethics" which mandates that:

- All employees shall conduct the business with the ethical standards in accordance with all applicable rules, laws and regulations.
- The Company has a zero-tolerance policy towards bribery and corruption, abuse, trafficking of individuals.

- Zain is committed to providing a workplace that is free of discrimination of all types including abusive, offensive, or harassing behavior. Violations will not be tolerated and the Company will take remedial action.

E. Alignment with Universal Principles and Global Best Practices

Organization for Economic Cooperation and Development (OECD)

<https://www.oecd.org/>

United Nations Global Compact (UNGC)

<https://www.unglobalcompact.org/>

United Nations Office of the High Commissioner for Human Rights (OHCHR) “Guiding Principles on Business and Human Rights.

https://www.ohchr.org/Documents/Publications/GuidingPrinciplesBusinessHR_EN.pdf

United Nations Sustainable Development Goals (UNSDGs)

<https://www.un.org/sustainabledevelopment/sustainable-development-goals/>

Global Reporting Initiative (GRI)

<https://www.globalreporting.org/>

United Nations Global Compact

<https://www.unglobalcompact.org/what-is-gc/mission/principles>

GSMA Mobile Privacy Principles

<https://www.gsma.com/publicpolicy/resources/mobile-privacy-principles>

GSMA Mobile Alliance Against Child Sexual Abuse Content

https://www.gsma.com/publicpolicy/wp-content/uploads/2012/03/Mobile_Alliance_flyer_WEB.pdf

Task Force on Climate-Related Financial Disclosures

<https://www.fsb-tcfd.org/supporters/>