



## Sustainability Policy



Document Number : PY-0-600016-2

Document type : Policy

Document Classification : Strategic Policy

Publish Date : 2023-04-11

version:(6)

View Level: ( Internal )

### Caution

This document is electronically controlled, and only applies to what is published in the E library.

This document to be reviewed and update within a period not exceeding (5) Years of its published release date.

Preparation			
Name	Department	Role	Decision Date/ Signature
Maha Suliman A Alnuhait	Sustainability GM		2023-03-16

Reviewed By		
Name	Department	Decision Date/ Signature
Maged Aid E Algoaid On behalf of Waleed Mohammed S Alghosoon	Legal Affairs VP	2023-03-20
Ali Saad Mohammed Alhazzani	Corporate Governance GM	2023-03-18

Endorsed By		
Name	Department	Decision Date/ Signature
Abdullah Abdulrahman A Alkanhl	Group Chief Strategy Officer	2023-03-26

Approved By		
Name	Department	Decision Date/ Signature
Olayan Mohammed H Alwetaid	stc Group CEO	2023-04-11

Version History					
Version number / date	Preparation	Review	Endorsed By	Approval	Brief explanation
Number 6	Sustainability GM	Waleed Mohammed S Alghosoon Ali Saad Mohammed Alhazzani	Group Chief Strategy Officer	stc Group CEO	In this update, we updated the name of the policy was changed from the Social Responsibility Policy to the Sustainability Policy, and the sustainability strategy, work controls and general policy statement
Date 2023-04-11					
Number 5.2					
Date 2021-03-29					

Stakeholders Confirmation Page				
Name	Organizational Unit	Received	Approval	Approval Date
Abdullah Mohsen A Alowini	Supply Chain VP	2022-12-15	Approved	2022-12-15
Saud Abdullah Z Almohanna	Organization Enablement GM	2022-12-15	Approved	2022-12-21
Walid Abdullah A Alkhelewi	Districts GM	2022-12-15	Approved	2022-12-18
Jaleel Ghani	Corporate Ethics and Compliance GM	2022-12-15	Approved	2022-12-18
Majed Ibrahim A Alsudies	Facility & Fleet GM	2022-12-15	Approved	2022-12-26
Abdulaziz Saeed A Alzahrani	SS Planning & Performance VP	2022-12-15	Approved	2022-12-21
Maged Aid E Algoaid	Commercial & Procurement Contracts GM	2022-12-15	Approved	2022-12-18
Haytham Ali F Alshehry	Technology Portfolios GM	2022-12-15	Approved	2022-12-20
Meshal Abdulrahman M Alrubiaan	Corporate Communication GM	2022-12-15	Approved	2022-12-20

## 1. Purpose

**stc** sustainability policy defines **stc** overall views in the sustainability segment which serves as a broad framework for **stc** group. The sustainability policy includes environmental, social, and governance (ESG) issues.

## 2. Scope

This Policy is for **stc** and all sustainability (ESG) related programs & projects.

## 3. Definitions

**Sustainable development:** development that satisfies current needs without jeopardizing the capacity of future generations to satisfy their own needs. Since development must strike a balance between social, environmental, and economic sustainability, sustainability is constructed on three pillars: the social, environmental, and economic pillars.

**Social Investment:** Programs, initiatives and projects aimed at achieving sustainable development in society in the areas of health, education, environment, empowering young people of both genders, raising the level of quality of life and contributing to community empowerment by supporting innovation and providing several solutions.

**Third Party:** All government, private and non-profit entities that submit programs/initiatives concerned with supporting and empowering the community.

**Environment:** everything that surrounds human from water, air, and outer space. In addition to all that these components contain; inanimate objects, plants, animals, various forms of energy, systems, natural processes, and human activities.

## 4. Policy Statement

**4.1** The exclusion/ donation of the devices from the company's assets shall be excluded by asset owner and according to Fixed Assets Exclusion Policies and Data Protection and Privacy Policy.

**4.2** All units in **stc** are required to align with the Sustainability General Department strategy and goals on all internal or external campaigns and initiatives.

**4.3** All units in **stc** are required to coordinate with sustainability general department regarding projects or agreements that are launched, developed or offered for the following aspects:

- Improving energy efficiency
- Reducing energy consumption
- Reducing emissions
- Managing assets and waste
- Everything related to the expected carbon reduction and the results that lead to saving
- Commitment to include "reuse, repair and recycle" practices in accordance with applicable policies to reduce general & material waste and e-waste.

**4.4** Identifying the environmental dimension of sustainability at **stc** includes the following:

- Sustainability performance at **stc** on environmental dimension.
- Reduce the company's carbon footprint through the responsible construction and operation of the network.
- Creating a better work environment through providing guidance and best practice standards to relevant units executing **stc** activities.

- 4.5 Must apply sustainability principles of continuous environmental improvement in our business, products and services, through systematic assessment of environmental performance to set and achieve ambitious goals at the global and local levels for the group.
- 4.6 Must move towards a carbon-neutral business, decoupling our business growth from greenhouse gas (GHG) emissions wherever possible, and incorporating the material risks of climate change into **stc** group governance.
- 4.7 All relevant units in **stc** group shall promote best management practices and mandatory environmental standards in the supply chain.
- 4.8 All **stc** units in the group shall comply with the applicable (EHS) environment, health and safety laws and regulations in Saudi Arabia as it is applied from The General Authority of Meteorology and Environment Protection & HRSD.
- 4.9 The eligibility mechanism and disbursement controls for sustainability donations, projects, programs and participation in accordance with the approved **stc** financial authorities concerned with the General Department of Sustainability.
- 4.10 Cash donations are strongly discouraged and in the event that the need arises to provide these amounts, however, when it is needed, this must be aligned with sustainability strategy and in accordance with the approved financial authorities and according to the following controls:
- Ensure that no sums related to sustainability are spent in the field of sponsorships, advertisements and events
  - The amounts spent comply with the sustainability strategy approved by the BoD
  - Ensure that each request is shared with all stakeholders
  - The disbursement shall be to associations licensed by HRSD or government agencies or bodies that are concerned and interested in a scope of work that is compatible with the business, directions and values of the company and is in line with the sustainability strategy
  - Ensure compliance with applicable law, **stc** Code of Ethics, and Professional Conduct and related policies
- 4.11 Development of the annual sustainability report and executive summary by the sustainability team with the support of all relevant units in the data collection process, design, and translation of the final drafts in both languages Arabic and English.

## 5. References

- a. Corporate Governance Regulations issued by the Capital Market Authority.
- b. Decision of the Board of Directors in its meeting No. (21) held on Wednesday 6/14/2017, which includes approval of the donation of computers, Clause No. (10).
- c. **stc** strategic, financial and related operational authorities delegation.
- d. Fixed Assets Exclusion Policy.
- e. Work and Rest Period Policy.
- f. **stc** Data Protection Privacy Policy.
- g. The exchange of personal computers and their accessories Policy.
- h. **stc** code of ethics
- i. Regulations of environment, health and safety in the Ministry of Human Resources and Social Development
- j. Regulations of environment, health and safety in the General Authority of Meteorology and Environmental Protection.