

# Commitment to responsible business

## Sustainability policies and position statements

We implement various policies across our operations and stakeholder relationships to augment our ESG performance; and in 2024, we expanded and renewed certain policies, including our Human Rights policy. We periodically review our policies and update these when necessary, with the approval of the GCEO to guarantee we operate in an open, transparent and responsible manner. Below is a non-exhaustive list of stc policies that are publicly available online.

### Respective policies (illustrative – non-comprehensive)

 Environment	 Social	 Governance
<ul style="list-style-type: none"> <li>Environmental position statement</li> </ul>	<ul style="list-style-type: none"> <li>Community Involvement position statement</li> <li>Human Rights policy</li> <li>Management Commitment to Occupational Health and Safety</li> <li>Customer Rights and Responsibility policy</li> <li>Responsible Supply Chain position statement</li> <li>Responsible Marketing position statement</li> <li>Training and Career Development position statement</li> </ul>	<ul style="list-style-type: none"> <li>Access to Communication position statement</li> <li>Anti-corruption position statement</li> <li>Anti-fraud corruption policy</li> <li>Code of Ethics and Business Conduct</li> <li>Conflict of Interest policy</li> <li>Nomination and Remuneration policy</li> <li>Data Privacy and Security position statement</li> <li>Privacy statement</li> <li>Quality policy</li> <li>Whistleblowing policy</li> <li>Data Breach/Incident Response plan</li> <li>Sustainability policy</li> <li>Risk Management policy</li> <li>Business Continuity policy</li> <li>Risk Appetite guidelines</li> </ul>



## Sustainability standards and frameworks

In line with stc's commitment to advancing ESG, we adhere to and take guidance from several nationally and internationally recognized reporting standards and frameworks.



### GRI Sustainability Reporting Standards

stc's non-financial reporting aligns with the GRI Standards, which provide a robust, globally recognized framework for voluntary sustainability reporting. Our reports focus on issues deemed material through a comprehensive assessment process.



### IFRS S1 and S2

To be aligned with international good practice, stc started the incorporating elements of the IFRS S1 and S2 standards. We are one of the frontrunners in our sector, adopting these comprehensive standards, which will help our stakeholders to understand our robust sustainability impact, risks and opportunities management.



### United Nations Global Compact (UNGC)

As a signatory to the UNGC since December 2021, stc is committed to implementing universal sustainability principles and addressing many of the 17 UNSDGs. We communicate our progress annually in the UNGC Communication on Progress report. Moreover, stc's Sustainability General Manager holds a position on the board of the Global Compact Network in Saudi Arabia.



### Global System for Mobile Communications (GSMA)

The GSMA's sustainability assessment framework offers best-practice examples within the telecommunications sector, assisting companies in addressing global challenges. In 2022, stc joined the GSMA's ESG Metrics pilot project working group to collaborate on developing a common key performance indicator (KPI) framework for the mobile industry.



### Saudi Exchange ESG Guide

The Saudi Exchange ESG Guide fosters the development of ESG reporting within Saudi Arabia and the broader MENA region. stc's reporting framework is in alignment with the Exchange's ESG guidelines.

Our sustainability strategy continued

## stc sustainability performance evaluated by rating agencies

stc Group significantly improved its ESG ratings: MSCI upgraded us from BB to BBB, recognizing our cybersecurity training and data protection measures. Our S&P CSA ESG score also rose from 44 to 53, reflecting progress in sustainable practices and governance. These achievements underscore our commitment to transparency, cybersecurity and employee well-being, solidifying our role as a regional digital leader in terms of sustainability and ESG.

### Our ESG ratings

MSCI (AAA to CCC)

# BBB

(↑ BB in 2023)

S&P CSA (100 to 1)

# 53/100

(↑ 44 in 2023)

Sustainalytics (1 to 100)

# 20.4

(↓ 21.1 in 2023)

ISS ESG (A+ to D-)

# C+ Prime

(↑ C- Not Prime in 2023)

CDP

**stc was one of the first organizations in KSA to submit to the CDP since 2019**

