Group Corporate Sustainability Strategy (2020-2025)

May 2022

Sustainability Strategy – Mission and Vision

The Corporate Sustainability strategy is guided by its mission and vision

Our Mission

To provide Meaningful Connectivity leading to equitable Systemic Change and empower Zain's communities

Our Vision

- Enable an inclusive digital society
- Safeguard the planet
- Address societal challenges through the core business
- Build the youth of the future

The Four Strategic Pillars

Climate Change

Decarbonize our business & **transition** towards **NetZero** by **2050**

Operating Responsibly

Embed ESG across our **value chain**

Inclusion

Reduce the digital **inequality** gap

Generation Youth

Build **resilience** across our communities by targeting **16 million** children and youth

Climate Change

Decarbonize our business & transition towards NetZero by 2050

Climate Change – Focus Areas

The deployment of the following solutions should be inline with the targets set for each operation and integrate mitigation and adaptation plans through the following:

Networks & Energy Consumption Transition

Strategic Approach & Communications

Waste Management & Circular Economy

Climate Change – Measurements and KPIs

Networks & Energy Consumption Transition

- Deployment of green power solutions (hybrid, solar power, outdoor equipment) for all OpCos
  - Jordan: connect to the decarbonized grid power source
- Evaluate and deploy bioenergy and carbon capture solutions. Evaluation to be finalized by Q4 2022, and deployment to be implemented by 2023
- Use of energy efficient DC/AC power systems
- Ensure that data centers have a power usage effectiveness of less than PUE (power usage effectiveness) 1.7 (total energy consumption divided by telecom/IT equipment consumption)

Strategic Approach & Communications

- Climate Change campaigns and public awareness outreach programs targeting 40% of customer base with the following criteria: interactive, measuring reach and impact, tracking change in behavior, addressing internal and external stakeholders
- Set a carbon budget by Q4 2022
- Preserve biodiversity by establishing partnerships and multi-sector engagement in addition to using core services and data-driven solutions:
  - 2023: Start implementation and engagement with partners
  - 2025: 50% of engagement must use core services and data driven solutions
  - 2027: 100% of engagement must use core services and data driven solutions

Waste Management & Circular Economy

- Eliminate e-waste across footprint by 2025
  - 50% by 2025
  - 100% by 2030
- Networks and maintenance waste to be reduced by 50% by 2025
- Eliminate all paper across the value chain
  - 50% by 2023
  - 100% by 2025
- Eliminate single-use plastic across the entire value chain:
  - Baseline assessment of plastic consumption by Q3 2023
  - 50% by 2025
  - 100% by 2030

Operating Responsibly

Embed ESG across our value chain

Through its processes and business activities, the company aims to integrate ESG indicators to increase resilience and transparency:

**Disclosure
& Reporting**

**Responsible
Supply Chain**

**Protecting Customer
Data Privacy**

Disclosure & Reporting

Prepare quarterly ESG data for the Sustainability Report with the following criteria:
- Implement quality assurance mechanisms
- All ESG data submitted to be accompanied by supporting documentation – assurance process

Responsible Supply Chain

- **70%** of Group suppliers and **50%** of local suppliers to complete supplier self-assessment questionnaire by 2025
  - Target for 2022: 504 suppliers across all Opcos
    - Q2 2022: 23 suppliers per Opco
    - Q3 2022: 24 suppliers per Opco
    - Q4 2022: 25 suppliers per Opco

- Set a plan for physical audits by 2023
  - 2022 targets to audit 2 suppliers per Opco

- Set a plan to verify the completion of training on social/environmental criteria by Q4 2022

- Address impacts of biodiversity across supply chain (responsible sourcing) through engagement with suppliers

Protecting Customer Data Privacy

- Advocate transparency through frequent engagement with regulatory entities and enact customer protection legislation

- Ensure further transparency on ethical handling of customer data to create a safer internet experience for all

- Educate marginalized communities on the importance of data privacy and protection for Operations to submit plan by Q1 2023

Inclusion

Reduce the digital inequality gap

Inclusion – Focus Areas

The company aims to bridge the digital divide that exist in our operating markets, focusing on the inclusion of vulnerable communities which include:

Elderly Community

People with Disabilities

Women in Technology

Inclusion – Measurements and KPIs

Elderly Community	Target 260K people from the elderly community across Zain's footprint by 2025 through products and services, marketing campaigns, and benefit features
People with Disabilities	Launch commercial products and services and assess touchpoints to ensure accessibility features are embedded: • Launch core bundle for each opco by Q4 2023 • Embed the GSMA's "Principles for Driving the Digital Inclusion of Persons with Disabilities" by 2025 All marketing material and campaigns are disability inclusive by 2023 (close captions, voice over, subtitles and sign language)
Women in Technology	Promoting the participation of women in Science, Technology, Engineering and Math (STEM) in related fields in the workforce – reaching women across our markets through mentorship, awareness and partnership targeting: • 2022: 100 women • 2023: 120 women • 2024: 150 women • 2025: 200 women • 2030: 500 women

Generation Youth

Build resilience across our communities by targeting 16 million children and youth

Generation Youth – Focus Areas

The below targets are geared towards building, creating and supporting ecosystems that foster the well-being of young people to ensure sustainable, inclusive growth and social cohesion in our region:

Child Online Safety

Digital Literacy

Youth Unemployment

Generation Youth – Measurements and KPIs

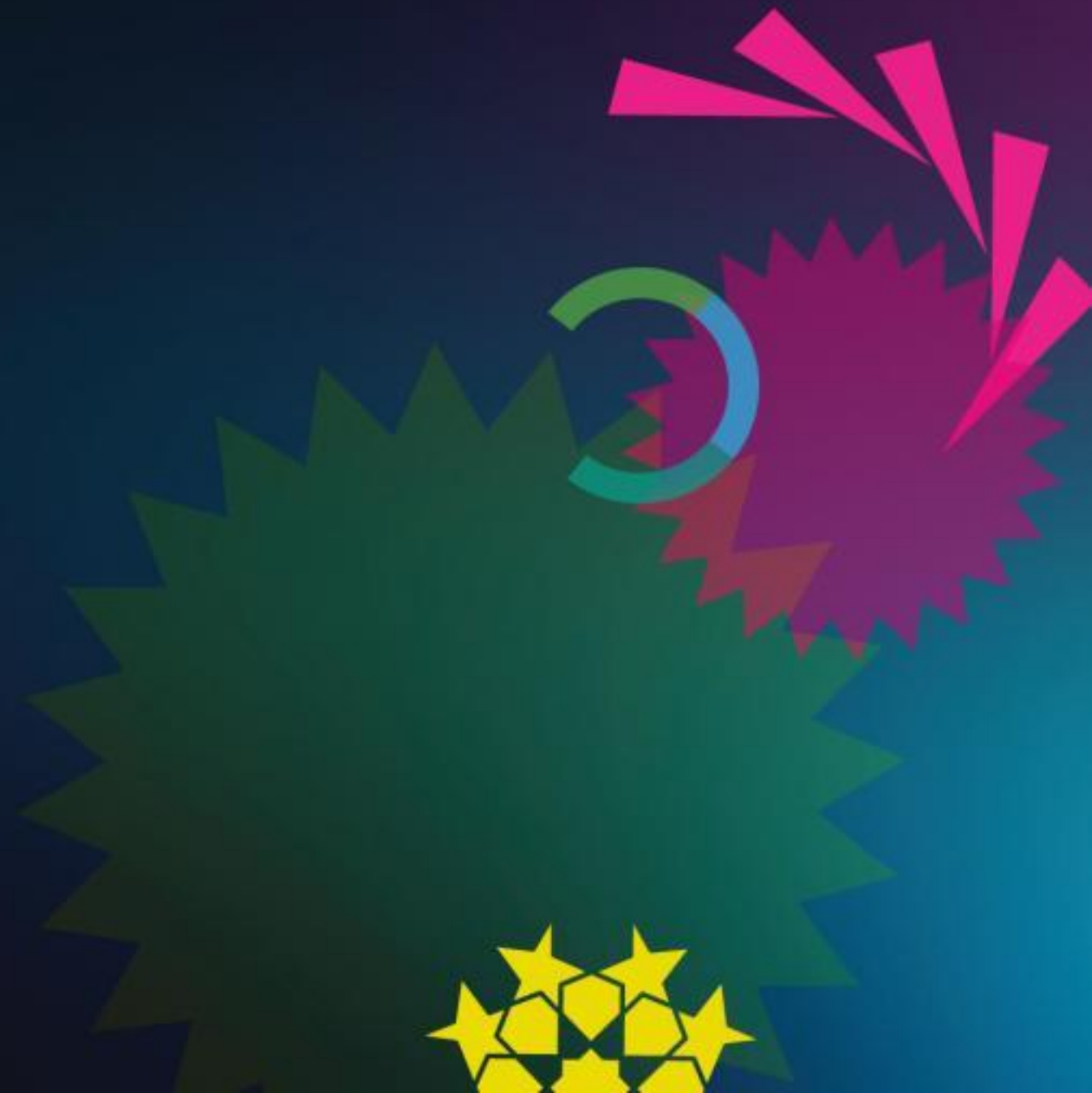|	
Child Online Safety	• Install CSAM blocking mechanisms within our networks across all markets • Partner and support the functionality of child helplines and hotlines across all markets • Raise awareness and mitigate impacts related to cyber bullying through campaign and partnerships • Establish tripartite partnerships with local law enforcement to develop child safety applications and safeguarding mechanisms
Digital Literacy	Equip children and youth with digital literacy skills • 471,000 by 2030 • 943,000 by 2025 Increase accessibility of online educational platforms partnering with schools and subject matter experts
Youth Unemployment	Reach unemployed youth with training, developing skills, conduct workshops and mentorship opportunities • 445,500 by 2023 • 891,000 by 2025 Foster and develop startup community and capturing jobs generated: • 5 startups by 2023 • 10-15 startups by 2025 • 20 startups by 2030

THANK YOU

Back Up Slides

Numerical Target breakdown per OpCo:

Youth Unemployment

Bahrain	1,779 youth
Iraq	193,989 youth
Jordan	103,818 youth
Kuwait	8,351 youth
KSA	174,684 youth
Sudan	87,289 youth
South Sudan	267,445 youth

The numbers above are 5-15% from the total youth unemployment rate in each country

Elderly Community

Bahrain	2,530 people
Iraq	19,843 people
Jordan	64,792 people
Kuwait	4,437 people
KSA	62,099 people
Sudan	68,947 people
South Sudan	13,372 people

The numbers above are 5% from the total elderly population in each country

Digital Literacy

Bahrain	8,717 children
Iraq	240,018 children
Jordan	71,722 children
Kuwait	24,257 children
KSA	248,213 children
Sudan	261,944 children
South Sudan	48,746 children

The numbers above are 5% from the total digital illiterate population

Each Opco target is based on the below country-specific statistics:

Youth Unemployment

Operating Country	Total Number of Youth	Total Number of Unemployed Youth
Bahrain	233,398	11,862
Iraq	2,3485,300	3,879,772
Jordan	5,660,736	2,076,358
Kuwait	1,162,255	167,016
Saudi Arabia	13,673,919	3,493,686
South Sudan	6,453,904	1,265,611
Sudan	27,290,261	7,382,016

Source: CIA World Fact Book, World Bank

Elderly Community

Operating Country	Total Number of Elderly People
Bahrain	50,606
Iraq	396,850
Jordan	1,295,833
Kuwait	88,749
Saudi Arabia	1,241,972
South Sudan	267,432
Sudan	1,378,935

Source: CIA World Fact Book

Each Opco target is based on the below country-specific statistics:

Refugee Community

Operating Country	Total Number of Refugees
Jordan	747,031
South Sudan	299,315
Sudan	1,100,000

Source: UNHCR, Relief Web, Government of Lebanon, Humanitarian Programme Cycle

Internally Displaced People (IDP) Community

Operating Country	Total Number of IDPs
Iraq	1,399,170
South Sudan	1,470,000
Sudan	1,800,000

Source: UNHCR, Displacement Tracking Matrix, Internal Displacement Monitoring Center, Humanitarian Programme Cycle

Migrant Workers Community

Operating Country	Migrant Workers (includes domestic workers)
Bahrain	600,857
Kuwait	2,200,000
Saudi Arabia	9,000,000

Source: ECDHR (European Centre for Democracy and Human Rights – Advocating for Human Rights in the Gulf Region), statista, BBC

Each Opco target is based on the below country specific statistics:

Digital Illiteracy

Operating Country	Primary School Students	Secondary School Students	Total Number of Students
Bahrain	75,308	99026	174,334
Iraq	2,762,847	2037509	4,800,356
Jordan	644,613	789822	1,434,435
Kuwait	183,086	302047	485,133
Saudi Arabia	1,855,875	3108384	4,964,259
South Sudan	810,790	164135	974,925
Sudan	3,093,838	2205034	5,298,872

Source: UNESCO