



Zain Group Environmental Standard

Version 1.0

November 2024

The Standard has been approved by the Zain Group Board of Directors on 11th of November 2024

Introduction

The environmental standard is in alignment with the Zain Group's Environmental and Social Management Plan (ESMP) to reaffirm the company's commitment to address its impact on the entire ecosystem in which it operates.

Applicability

The standard applies to Zain's entities and subsidiaries' permanent and temporary employees as well as their subcontractors and all service providers' employees.

Objective

The objective of this standard is to provide all stakeholders with a reference document that highlights Zain's goals in terms of compliance with laws and regulations related to the protection of the environment and the mitigation of its impact on the environment through the promotion of energy efficiency in its entire value chain. The standard is designed to ensure that the company adopts necessary measures to protect, maintain and improve the environment when designing, implementing and operating its business infrastructure, products and services.

Commitments

As a key digital player in markets where it operates, Zain's ambition is to provide the communities it serves with the best digital experience with no negative effect on the environment through its commitment to:

- Considering environmental issues in all business plans and initiatives including mergers and acquisitions
- Adopting and implementing relevant international and regional environmental standards if they don't contradict local laws and regulations
- Complying with environmental laws and regulations in the markets where it operates
- Using natural resources and energy more efficiently
- Protecting the environment during infrastructure design, deployment and operation:
 - Protecting and managing the environment in the countries of operation
 - Avoiding building its infrastructure on protected land such as parks and cultural heritages areas
 - Avoiding the acquisition of lands that are natural habitats of protected species
 - Preserving and promoting ecology and biodiversity

- Following stringent environmental, health and safety (EHS) regulations to ensure proper handling of hazardous materials and overall employee, contractor and community health and safety
- Engaging regularly with stakeholders on environmental issues to integrate their interests and priorities
- Transitioning to Net Zero emissions by 2050:
 - Adopting science-based targets for Scope 1, Scope 2 and Scope 3
 - Reducing the company's dependence on fossil fuels through the expansion of renewable energy sources
 - Adopting environmentally friendly refrigerants and reducing the use of refrigerants
 - Improving base stations, data centers, core sites and office building facilities' energy efficiency
 - Using energy efficiency criteria in our procurement to reduce our energy consumption and emissions
 - Engaging with suppliers and partners to reduce our Scope 3 emissions
 - Supporting progress towards climate change mitigation, adaptation, and green technological solutions through an effective engagement with stakeholders
- Not funding climate-denial or lobbying against climate regulations
- Work with suppliers and partners to adopt eco-design principles for our products and equipment
- Measuring and reducing our water consumption from our infrastructure
- Engaging with stakeholders such as employees, suppliers and customers to create awareness and build capacities on environmental issues
- Implementing a waste management plan that promotes circularity:
 - Prioritize recycling and reuse to reduce waste
 - Eliminate all forms of waste including but not limited to e-waste and plastic waste by 2030
- Annually reporting on environmental issues in the form of an Annual Monitoring Report (AMR)

Implementation

Environmental issues are to be addressed by all departments of the entities and subsidiaries that are under the operational control of Zain. The subcontractors, partners and all service providers shall follow these guiding principles. The roles and responsibilities of the management of environmental issues are defined in the ESMP guidelines and related templates.

Relevant Framework, Policy, and Sustainability Strategy

This standard shall be read in conjunction with the following policies, frameworks and management plan:

- Zain Group Waste Management Policy

The Waste Management Policy is based on waste management best practices, the 2015 waste management Act of the Environmental Protection Agency (EPA), and the recommendations of the GSMA for waste management. The policy strongly advocates for the use of the 3Rs principles of waste management and indicates the need to engage the entire value chain in line with a transition to Net Zero by 2050.

- Zain Group Climate Change Policy Statement

The climate change policy statement builds on IPCC and the GSMA recommendations for a transition to a low carbon economy. It sets a strategic direction for a proper reduction of the company's CO₂ emissions and outlines the role of the Climate Action Committee (CAC) in providing an oversight to Zain Board of Directors (BoD) on climate related issues.

- Zain Group Climate Change Compliance Framework

The climate change compliance framework provides all Zain Group entities where Zain has management control with detailed climate change mitigation and adaptation initiatives. It outlines Zain's commitment to eliminate all forms of waste by 2030.

- Zain Group Sustainability Strategy and KPIs related waste management

The sustainability strategy sets the strategic pillars that drive the Company's sustainability ambition. These pillars aim at decarbonizing our business and transitioning to Net Zero by 2050, embedding ESG across our value chain, reducing the digital divide, and building resilience across our communities.

- Zain Group Environmental and Social Management Plan (ESMP)

The ESMP guidelines are designed to address Zain's social, economic and environmental impacts that could result from the deployment and operation of its base station sites, data centers, core sites and headquarter buildings. The guidelines build on the International Finance Corporation (IFC)'s performance standards that address the social and environmental assessment and management Systems; labor and working conditions; pollution prevention and abatement; community health, safety and security; land acquisition and involuntary resettlement; biodiversity conservation and indigenous people and cultural heritage.