06
Sustainability

At solutions by stc, we are committed to sustainability in our core business practices, corporate strategy, and our value chain. Embedding sustainability into our business supports our vision of driving Saudi Arabia's digital transformation, empowering people through sustainable technologies.

Our commitment to sustainability

solutions by stc will lead the IT services industry towards a sustainable future by embedding sustainability considerations into every aspect of our business, creating long-term value for all stakeholders and contributing a better world for future generations.

Materiality assessment

solutions by stc undertook our first materiality assessment exercise in 2022 which served as a foundational step in our sustainability journey. This exercise identified and prioritized the sustainability topics most critical to our operations and stakeholders. Guided by the corporate LEAP 2.0 objectives and key sustainability frameworks such as the GRI Standards, the assessment identified 15 sustainability material topics to solutions by stc, forming the foundation for driving our sustainability strategy, GROW, forward.

For more information on our materiality assessment, please refer to our 2022 Sustainability Report.

Our Sustainability Vision

Drive Saudi Arabia's digital transformation and empower people through sustainable technologies.

Our material topics

The top 6 issues have been identified as highly material, indicating their crucial role in the organization's operations and strategic planning.

They serve as the cornerstone of the business structure and encapsulate commitment to ethical governance, robust data protection, focused talent management, the drive for innovation in the digital realm, and ensuring optimal customer experience.

Highly Important

1 Corporate Governance and Transparency

2 Business Ethics and Compliance

3 Data Privacy and Cyber Security

4 Talent Retention, Development, and Succession Planning

5 Customer Satisfaction and Experience Enhancement

6 Digital Innovation, Transformation, and Ethical Technology Use

The subsequent 7 topics reflect the dedication to building an inclusive corporate culture, prioritizing employee wellness, managing energy efficiency, managing partnerships, ensuring nationalization, engaging in social contributions, and fostering strategic alliances.

While not as immediately fundamental as the top 6, these aspects still play a critical role in reinforcing solutions by stc's reputation, resilience, and relational networks, influencing the long-term success and growth.

Very Important

7 Diversity, Inclusion, and Equal Opportunity

8 Employee Engagement, Wellbeing, and Safety

9 Energy Management and Climate Action

10 Social Investment and Community Development

11 Partnerships and Collborations

12 Nationalization

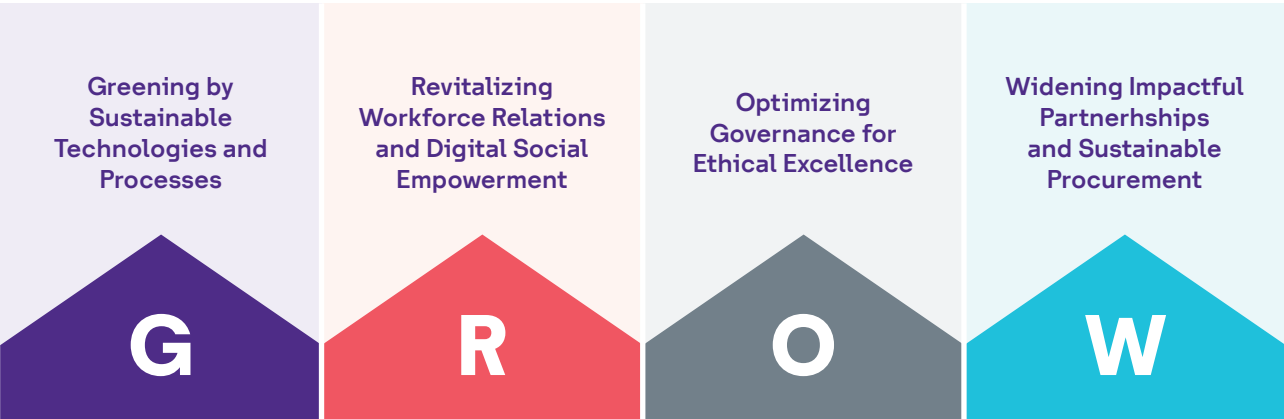13 Human Rights Protection and Labor Standards

The remaining 2 topics are still material and important to solutions by stc's comprehensive sustainability approach. They illustrate awareness and responsiveness to sustainable procurement and responsible resource management that are instrumental to the broader sustainability approach.

Important

14 Sustainable Procurement

15 Responsible Resource Management

◆ E   ◆ S   ◆ G

GROW: Our sustainability strategy

The outcomes of the materiality assessment have informed the development of solutions by stc's GROW sustainability strategy, ensuring alignment with LEAP 2.0 corporate objectives, along with key national and international sustainability agendas, as illustrated below.

> The pillars of the GROW strategy are central to solutions by stc's operational framework and are reflected in our corporate position statements, highlighting their strategic importance.

Greening by Sustainable Technologies and Processes	Revitalizing Workforce Relations and Digital Social Empowerment	Optimizing Governance for Ethical Excellence	Widening Impactful Partnerhships and Sustainable Procurement
G	**R**	**O**	**W**

> We believe that sustainable digital transformation is the foundation for building a vibrant and advanced society. The urgent need to adhere to global environmental, social, and governance standards emerges as a key factor in ensuring sustainable growth in the Kingdom and the region. As solutions by stc fully realizes the responsibility placed on us in shaping a sustainable future. Therefore, we invest in the power of innovation to provide sustainable technologies and initiatives aimed at achieving a positive impact, keeping in mind Saudi Vision 2030, as we seek to empower our customers and partners towards a more sustainable future.

Omer Abdullah Alnomany
Chief Executive Officer

Focus Area	UNSDGs	Alignment to Saudi Vision 2030 and UN SDGs	LEAP Alignment	CST Alignment — Communications Space and Technology Commission https://www.cst.gov.sa/en	National Strategy for Data and AI Alignment
G Greening by Sustainable Technologies and Processes	SDG 7, SDG 9, SDG 13	▸ A Vibrant Society - With fulfilling lives ▸ A Thriving Economy - Investing for the long-term ▸ SDG 7: Affordable and Clean Energy ▸ SDG 9: Industry, Innovation, and Infrastructure ▸ SDG 13: Climate Action	L P	▸ Enabling Saudi Arabia digital transformation ▸ Promote investment and competition	▸ DIMENSION 6: Ecosystem
R Revitalizing Workforce Relations and Digital Social Empowerment	SDG 3, SDG 4, SDG 5, SDG 10	▸ A Vibrant Society - With fulfilling lives ▸ A Thriving Economy - Rewarding opportunities ▸ A Thriving Economy - Leveraging its unique position ▸ SDG 3: Good Health and Wellbeing ▸ SDG 4: Quality Education ▸ SDG 5: Gender Equality ▸ SDG 10: Reduced Inequalities	E P	▸ Achieve regulatory excellence ▸ Enabling Saudi Arabia's digital transformation ▸ Protecting consumers	▸ DIMENSION 2: Skills ▸ DIMENSION 5: Research and Innovation ▸ DIMENSION 6: Ecosystem
O Optimizing Governance for Ethical Excellence	SDG 8, SDG 9, SDG 16	▸ A Thriving Economy - Open for business ▸ An Ambitious Nation - Effectively governed ▸ SDG 8: Decent Work and Economic Growth ▸ SDG 9: Industry, Innovation, and Infrastructure ▸ SDG 16: Peace, Justice, and Strong Institutions	A P	▸ Protecting consumers ▸ Promote investment and competition ▸ Enabling Saudi Arabia's digital transformation	▸ DIMENSION 3: Policies and Regulations ▸ DIMENSION 4: Investment ▸ DIMENSION 6: Ecosystem
W Widening Impactful Partnerships and Sustainable Procurement	SDG 17	▸ A Thriving Economy - Rewarding opportunities ▸ An Ambitious Nation - Responsibly enabled ▸ SDG 17: Partnerships for the Goals	L A P	▸ Achieve regulatory excellence ▸ Promote investment and competition	▸ DIMENSION 1: Ambition ▸ DIMENSION 6: Ecosystem

▸ Vision 2030

We have developed comprehensive position statements that emphasize and amplify the critical role of the pillars of our GROW Strategy within the solutions by stc's ecosystem. As illustrated below, these statements guide our operations and ensure our commitment to sustainability is integrated across all aspects of the business.

Position Statement	G	R	O	W
Clean-Tech Innovation & Digital Transformation	◆	◆		
Corporate Governance and Transparency			◆	
Diversity, Equity, and Inclusion		◆		
Employee Development, Wellbeing and Safety		◆		
Energy Efficiency	◆			
Environmental Management	◆			
Supply Chain and Responsible Sourcing				◆
Data Privacy and Cyber Security			◆	
Customer Satisfaction			◆	

Furthermore, we have developed a comprehensive Sustainability Policy that serve as a testament to solutions by stc's commitment to environmental stewardship, social responsibility, and ethical governance, as well as integrate sustainability principles into our business practices.

Complementing this, our Social Impact Policy establishes clear guidelines for implementing initiatives that promote positive social outcomes. It focuses on areas where we can make meaningful contributions to society and the Kingdom of Saudi Arabia, in alignment with our business objectives, Vision 2030, and the UN SDGs.

Alignment with national priorities and UN SDGs

We take great pride in aligning our efforts with Saudi Vision 2030, the Communications, Space and Technology Commission (CST) strategy, and the National Strategy for Data and AI (NSDAI). This integration demonstrates our dedication to supporting the Kingdom's strategic goals and ensuring alignment with the nation's objectives, policies, and frameworks. At the same time, we ensure that our efforts are in harmony with the UN SDGs and broader sustainability reporting standards, driving progress on a global scale.

solutions by stc and United Nations Global Compact (UNGC)

solutions by stc signed a membership with the United Nations Global Compact (UNGC), a prominent global initiative aimed at promoting sustainable and responsible business practices. This membership reinforces our commitment to aligning our initiatives and efforts with global sustainability objectives, supporting the achievement of the UN SDGs as well.

Key objectives:

▶ Implement universal sustainability principles.
▶ Undertake steps towards addressing the 17 UN SDGs.
▶ Align our sustainability strategy with the UNGC principles.

2024 highlights and achievements

As the world moves towards more sustainable and responsible practices, sustainability use cases play a crucial role in achieving positive, long-term impact on the environment, society, and the economy.

Our commitment to sustainability is demonstrated through the innovative solutions we provide in key areas such as digital infrastructure, smart cities, and natural resource management. These initiatives are central to our overarching goal of driving lasting, positive change. By embedding sustainability into our daily operations, adopting digital solutions to improve resource efficiency, reducing emissions, and promoting sustainable community engagement, we continue to make significant strides towards a more sustainable future.

During the launching of the sustainability strategy in 2023, we identified "clean" a core focus area of "Greening by Sustainable Technologies and Processes". Our aim is to ensure that we not only look into our direct environmental impacts, but also work collaboratively with our customers to help them improve their sustainability performance through digital offerings.

In alignment with Saudi Arabia's vision for sustainable growth and technological leadership, several groundbreaking projects have emerged as success stories, setting new standards in digital infrastructure, crisis management, environmental monitoring, and smart city services. These initiatives underscore our strong commitment to delivering advanced, sustainable, and resilient solutions that meet ambitious sustainability goals.

Addressing Climate Change

Focus Area	UNSDGs	Strategic Objectives
G **Greening by Sustainable Technologies and Processes**	SDG 7, SDG 9, SDG 13	▶ Commit to net-zero emissions and a circular economy, and reduce operational impact on GHG, energy and water ▶ Diversify and Innovate within Green Cloud Markets, digital solutions for sustainability excellence

Smart Cities and Solutions Driven by solutions by stc

solutions by stc continues to revolutionize smart cities by integrating the latest technologies with a strong commitment to sustainability. By adopting innovative solutions, the company strives to enhance resource efficiency, minimize emissions, and elevate environmental quality in urban life. Each implemented use case aims to create a more resilient, sustainable, and integrated environment, balancing technological advancement with social and environmental responsibility.

Success Story

NEOM: A Success in Environmental and Crisis Management

In 2024, we supported NEOM to further advance their commitment to their sustainability values through two groundbreaking projects. Leveraging our innovative solutions and ability to adapt to our clients' requirements, we have developed for NEOM a Central Unit to monitor air quality and emissions that is aligned with their environmental standards. The project included robust data architecture, seamless compliance integration, and the implementation of an Environmental Management System (EMS) solution with Power BI dashboards for efficient reporting. This initiative supports in progressing NEOM's sustainability goals by ensuring transparent environmental data management and ultimately contributing to a sustainable future for the region.

Additionally, solutions by stc designed, deployed, and integrated an advanced Crisis Management Solution, featuring an Early Warning and Mass Notification System customized specifically for NEOM. This system aims to enhance safety and resilience in emergencies for residents, businesses, and visitors through the deployment of a comprehensive notification system and multi-channel early warnings. Furthermore, solutions by stc provided NEOM's relevant personnel training on using the system – ensuring efficient knowledge transfer.

By using digital platforms, well-designed data architecture, and energy-efficient technologies, solutions by stc enabled NEOM to minimize its environmental impact while establishing efficient reporting mechanisms. As well as supporting NEOM gain a proactive approach to community safety, aligning with NEOM's sustainability values.

Success Story

Red Sea Global – Revolutionizing Smart City Services

This initiative focuses on creating an advanced IoT platform for Red Sea Global to optimize five key smart city services: Lighting, Irrigation, EV Charging, Signage, and Waste Management. It features intelligent controls, real-time monitoring, and data analytics for improved operational efficiency. The platform enhances resource efficiency, reduces emissions, and supports sustainability by enabling smart management of city services.

Cultivating social responsibility by digitally empowering the workforce and community

Our sustainability strategy emphasizes the importance of empowering our employees and our communities, supporting the overall prosperity in the Kingdom.

solutions by stc is conscious that improving employee capacities is one of the key factors in achieving our strategic goals and objectives. Similarly, we are committed to assisting employees in identifying current and potential training and development needs.

Employees are encouraged to take part in training programs that align with the Company's business, operational requirements, and their professional development goals. We aim to contribute to national capabilities by providing our employees access to technical and academic resources that enhance their performance and advance solutions by stc's objectives.

As part of our commitment, we also ensure that we equip our employees with the best-in-class talent development programs through the Specialist Development Program (SDP), the Talent Incubation Program (TIP), and other scholarship programs.

Focus Area	UNSDGs	Strategic Objectives
R **Revitalizing Workforce Relations and Digital Social Empowerment**	3 GOOD HEALTH AND WELL-BEING / 4 QUALITY EDUCATION / 5 GENDER EQUALITY / 10 REDUCED INEQUALITIES	▸ Empower a diverse, driven, and high-performing workforce ▸ Enable social empowerment through digital technology

Cultivating a sustainability focused culture

Driven by our commitment to embedding sustainability knowledge within our corporate culture and across the organization, we launched an interactive course this year to understand the 17 SDGs and the Ten Principles of the Global Compact in collaboration with the UNGC Academy. This course aims to enhance employees' understanding of core sustainability concepts, focusing on the detailed exploration of global sustainability goals and the Ten Principles of the UNGC. By enabling employees to integrate these global objectives into their business strategies and operations, the course encourages meaningful and lasting contributions to the Global Goals through a principles-based approach.

Corporate Social Responsibility (CSR) milestone

solutions by stc received the Corporate Social Responsibility award, presented by the esteemed Minister of Human Resources and Social Development (HRSD). This recognition highlights our commitment to community engagement, sustainable development, and impactful contributions that shape a brighter future. We are honored to be recognized as a leader in CSR, reflecting our dedication to empowering communities.

Focus Area	UNSDGs	Strategic Objectives
O **Optimizing Governance for Ethical Excellence**	8 DECENT WORK AND ECONOMIC GROWTH / 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE / 16 PEACE, JUSTICE AND STRONG INSTITUTIONS	▸ Achieve operational efficiency through robust governance and transparency ▸ Establish governance standards to enable and enhance innovative service development

Cyber security and data privacy

We prioritize cybersecurity and data privacy by implementing a robust cybersecurity and privacy GRC framework. This involves continuous risk assessment, rigorous compliance adherence to laws, regulations and industry standards, and proactive defense mechanisms. Our security and privacy measures include advanced technologies, regular audits, employee training, incident response plans and data breach management. This comprehensive approach ensures the confidentiality, integrity, and availability of all sensitive information, safeguarding our operations and maintaining trust in solutions by stc.

We are proud to report that, through our robust cybersecurity vigilance — with 10 internal and 5 external cybersecurity and data privacy compliance assessments- — we continued to maintain our zero cybersecurity attacks, zero data breaches, and zero personally identifiable information (PII) breaches performance this year.

Focus Area	UNSDGs	Strategic Objectives
W Widening Impactful Partnerships and Sustainable Procurement	17 PARTNERSHIPS FOR THE GOALS	▶ Drive culture change and sustainable procurement through authentic leadership ▶ Secure partnerships to drive sustainable technology and transformation

Driving sustainable procurement through authentic leadership

In our journey toward sustainability and efficiency, we have placed a strong emphasis on transforming our procurement processes through the principles of authentic leadership. Recognizing the critical role of procurement in our overall sustainability goals, we have successfully implemented e-procurement initiatives, including e-invoicing and the use of digital signatures, to streamline our operations and reduce our environmental footprint. These digital solutions enhance the efficiency of our procurement processes and significantly reduce paper waste, contributing to our sustainability objectives.

Supplier Sustainability integration and impact

As part of our commitment to sustainability, we have implemented the Supplier Sustainability Questionnaire as a critical component in engaging with new suppliers. This process, aligned with our materiality assessment, enables us to assess and promote sustainable practices across our supply chain. By incorporating sustainability criteria into our supplier selection process, we are enhancing the sustainability of our supply chain and driving positive environmental, social, and governance outcomes.

Securing partnerships to drive sustainable technology transformation

As a leading IT service provider, we are acutely aware of the pivotal role that strategic partnerships play in driving sustainable technology transformation. In an era where technological advancements rapidly reshape industries, our commitment to fostering collaborations with likeminded organizations is more critical than ever.

These partnerships not only amplify our ability to innovate but also enhance our capacity to implement sustainable solutions that address the pressing challenges of our time. By aligning with partners who share our vision for a more sustainable and technologically advanced future, we leverage collective strengths, exchange invaluable insights, and create synergies that propel us toward achieving groundbreaking results.

> We continue to leverage the power of technology to advance sustainability across our value chain.

solutions by stc and King Faisal Specialist Hospital & Research Centre

solutions by stc and King Faisal Specialist Hospital & Research Centre have signed a Memorandum of Understanding (MoU) to collaborate on enhancing the hospital's culture and improving the overall experience for both employees and patients.

The partnership aims to support King Faisal Specialist Hospital's strategic goals through two main initiatives:

▶ Culture and Experience Development: solutions by stc will contribute to strengthening the hospital's organizational culture, boosting employee engagement and elevating patient satisfaction.

▶ Wellness and Community Activities: King Faisal Specialist Hospital will host a variety of activities at solutions by stc, including workshops, blood drives, and employee wellness events.

solutions by stc and Sultan bin Abdulaziz Humanitarian City Sign (SBAHC) an MoU to boost digital transformation in healthcare

The MoU between solutions by stc and SBAHC aims at leveraging cutting-edge digital technologies and sharing expertise to enhance healthcare collaboration across the Kingdom. This partnership seeks to deliver efficient and effective healthcare services, aligning with the goals of Saudi Vision 2030.

Our key contributions to create a digital community

solutions by stc values contributing to the local community through collaborations with Non-profit organizations, universities, and other organizations to create an impact through value added partnerships and supporting youth digital empowerment through collaborations with local associations for shared societal success. During 2024, we collaborated with the following in the field of sustainability:

1.   International Conference on Sustainability: Development and Innovation ICSDI 2024

solutions by stc participated in the second edition of the International Conference on Sustainability: Development and Innovation 2024, hosted by the College of Engineering at Prince Sultan University. During the event,we showcased and discussed our latest innovative solutions and best practices in sustainability with researchers, academics, practitioners, and experts.

2.   Misk City

solutions by stc have collaborated with Misk City to successfully implement state-of-the-art infrastructure, smart transportation system, and advanced security measures. All contribute to creating a sustainable, connected, and innovative city.

3.   solutions by stc contributes to supporting the Association for Community Development in Makkah to digitally empower youth

solutions by stc announced its contribution to one of the developmental opportunities available on the National Platform for Social Responsibility, supporting the Association for Community Development in Makkah to provide specialized training programs aimed at developing digital skills and digitally empowering youth. This initiative aligns with Saudi Arabia's Vision 2030 for community development, aiming to meet the needs of beneficiaries and enhance their employment opportunities in the job market, thereby fostering greater self-sufficiency. This support is part of our sustainability strategy, "GROW," which focuses on promoting social empowerment through digital technology, contributing to improved job quality and economic growth.

4.   solutions by stc supports Awon Association for Technology to enhance youth technical skills through the Smart Fingers Initiative

solutions by stc is proud to announce its support for the Awon Association for Technology through the Smart Fingers Initiative, aimed at enhancing the digital skills of 30 young individuals. This initiative, available on the National Platform for Social Responsibility, empowers these youth to embark on careers in the tech sector, contributing to a more inclusive and prosperous future. Notably, it aligns with Saudi Arabia's Vision 2030, which aims to develop a highly skilled national workforce to drive digital transformation. This support is part of our sustainability strategy, "GROW," focusing on promoting social empowerment through digital technology, thereby enabling youth and improving technical proficiency.

Our commitment to sustainability is not just a corporate mandate but a reflection of our core values and vision for the future. Through our comprehensive efforts - from implementing cutting-edge e-procurement initiatives and securing strategic partnerships, to driving technology transformation and fostering a culture of authentic leadership - we have made significant strides in embedding sustainability into every aspect of our operations.

As we move forward, we will continue to leverage our expertise in IT to develop solutions that not only drive business growth but also contribute to a sustainable future for all.

We prioritize community partnerships to create a positive impact, both within the Kingdom of Saudi Arabia and beyond.