Zain conducts its materiality assessment on an annual basis, providing the company with the ability to identify and prioritize sustainability-related topics and the risks and opportunities for the company and its stakeholders. This helps Zain focus on sustainability topics that truly matter to its stakeholders. Zain continued to engage with internal and external stakeholders to understand their concerns and address their needs. The assessment provides the company with the necessary clarity on the areas it exerts great influence over with respect to creating, preserving, or eroding value across its landscape. Last year, Zain began to use a double materiality framework and continued to do so in 2024. Double materiality allows the company to assess both how sustainability issues affect its financial performance and how its activities influence the environment and society. This holistic approach enhances risk management and strategic decision-making by providing a more comprehensive outlook on how Zain creates value.

Determining Materiality to Zain

Understanding Zain's Context

Zain continues to assess and identify its sustainability topics on an ongoing basis. The company conducts a comprehensive review of its operations, business partnerships, sustainability landscape, and stakeholder engagements to identify topics that impact both financial and non-financial aspects.

By integrating the strategic objectives outlined in its 4WARD strategy, industry sector focus, and employee demographics, the company gains a comprehensive understanding of its Group-wide impact across its operations.

- **Business relationships:** Based on its activities, the company established relationships with business partners that are aligned to Zain's vision. Throughout the value chain, the company prioritizes its engagement with suppliers to mitigate risks and ensure business continuity.
- **Sustainability context:** Zain's regional landscape gives rise to a set of unique challenges that include youth unemployment, gender inequality, climate-related disasters, infringement of human rights, biodiversity loss, lack of regulatory reform in adopting data security, data sovereignty frameworks, children's rights, socio-political conflicts, skills mismatch, and retention of local talent.
- **Stakeholder groups:** Engaging with the company's stakeholders is crucial in understanding their needs, concerns and how Zain is providing value from a socio-economic, environmental, and human rights perspective.

Changes in 2024

Beginning in 2024, the company implemented quarterly reporting to the Board on its materiality assessment results, focusing specifically on changes in ranking and highlighting the top-five prioritized topics. This ensures that the Board has continuous oversight on stakeholders' concerns and priorities. In addition, the company continued to update and revise its material topics to ensure alignment with industry trends. This year the company added Outer Space Management as a new Main Issue and added the following subtopics to the Main Issues highlighted in the table below:

Main Issue	Changes conducted in 2024
Socio-economic Compliance	Added socio-economic risks as a subtopic
Modern Slavery	Name changed to *Human Rights*, which now includes modern slavery and online safety as subtopics
Mobile Communications and Health	Added public health as a subtopic

Identifying Actual and Potential Value Created

In 2024, Zain continued to utilize Datamaran, a software analytics platform that conducts its materiality assessment by monitoring current and emerging ESG-related risks. The automated analysis includes benchmarking against peers, evaluating broader ESG regulations, online news, and media sources, alongside gathering insights from stakeholder engagement surveys.

Zain utilizes Datamaran's platform analytics and incorporates its telecom industry material topics list to ensure that emerging risks are considered in the company's materiality assessment. The revisions undergo approval from Zain's Chief Sustainability Officer.

A shortlist of 28 topics were compiled that are based on previous reports and upcoming trends, which included:

- Datamaran's machine learning telco industry list
- The macro-business environment
- Benchmarking against other prominent players in the industry and region
- Inputs gathered from operational review meetings, business plan meetings, and from leadership and executive management
- Sustainability interests raised by stakeholders
- Socio-economic and political factors

Zain bases its annual Sustainability Report on the results of the materiality assessment exercise to further understand the significant issues for the company and its stakeholders.

Datamaran®
THE SMART WAY TO ESG

Assess the Significance of Value Creation

Stakeholder Inclusiveness

Zain defines stakeholders using the definition provided by GRI as follows:

"Stakeholders are entities or individuals that can reasonably be expected to be significantly affected by the organization's activities, products and services, and whose actions can reasonably be expected to affect the ability of the organization to successfully implement its strategies and achieve its objectives."

The stakeholders involved in this process include employees, shareholders, investors, and suppliers, as well as those indirectly affected by the company's activities such as local communities, civil society, non-governmental organizations, and vulnerable populations.

Based on this definition, Zain identifies its main stakeholders for the purposes of this report as:

Internal	External
• Board of Directors • Executive Management • Employees	• Regulators • Shareholders • Suppliers • Business Partners • Financial Institutions • General Public • Customers • Media • NGOs

Other than engaging with stakeholders on the materiality assessment analysis, Zain also frequently carries out additional stakeholder engagement activities throughout the course of the year, which enables the organization to address the needs and expectations of its stakeholders. Related engagement activities include:

1. Corporate Sustainability (CS) Social Media Outreach: The company continued to engage with Zain's internal and external stakeholders to foster a sustainability mindset. Zain encourages its audiences to provide feedback on the highlighted issues through social media engagement tools such as polls, surveys, and questions highlighted in the posts' caption. Some topics covered through social media included climate change, biodiversity, people with disabilities, children's rights, green skills, elderly community, and diversity, equity, & inclusion.

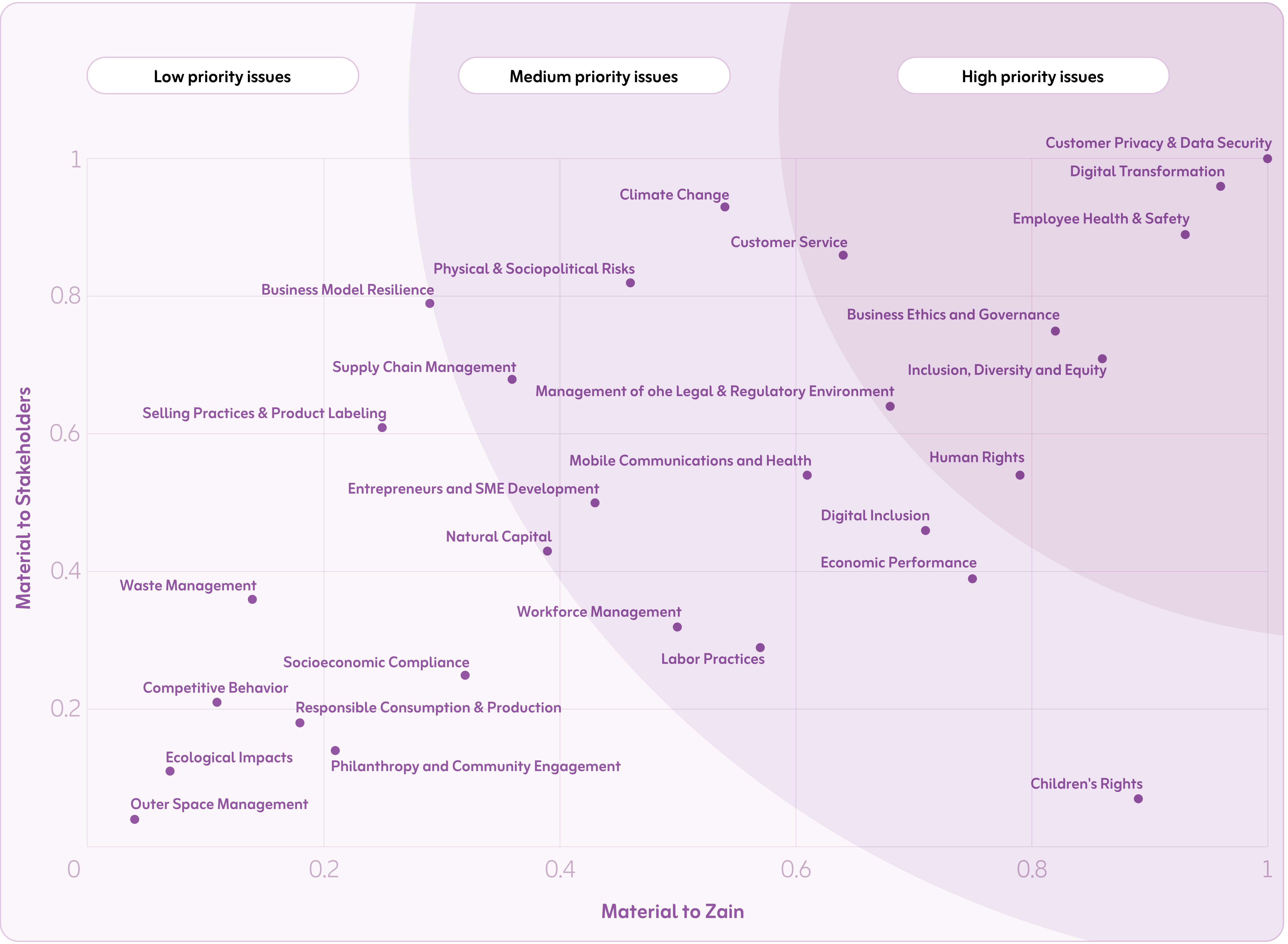
2. Internal forums: These activities are designed to engage both the Group and operating companies, and its subsidiaries to measure priorities, share best practices, and discuss issues related to their specific business areas. In 2024, the following function-specific forums were conducted: Strategy, Dizlee (Zain Group API Platform), Risk Management, Human Resources, and Technology.

3. Stakeholder engagement process through various corporate functions: Zain ensures it conducts frequent engagement sessions with stakeholders through analyst, investor and shareholder meetings, frequent communication with regulatory bodies, meetings with partners, customer polling, and other engagement activities related to each relevant function. For the second year in a row, ZainTECH, Zain Group's digital transformation arm for governments and enterprises, participated in GITEX, a global tech exhibition that takes place in Dubai annually. ZainTECH along with Zain Saudi Arabia participated in LEAP, the annual tech event founded by the Kingdom's Ministry of Communications and Information Technology, the Saudi Federation for Cybersecurity, Programming and Drones, and Tahaluf.

The following table showcases the changes that have been made and provides a year-on-year comparison of the rankings based on the results from Datamaran and survey responses.

Material Topics	Ranking Order 2024	Ranking Order 2023
Customer Privacy & Data Security	1	1
Digital Transformation	2	2
Climate Change	3	5
Employee Health & Safety	4	3
Customer Service	5	4
Physical & Sociopolitical Risks	6	22
Business Model Resilience	7	8
Inclusion, Diversity and Equity	8	9
Business Ethics and Governance	9	7
Supply Chain Management	10	14
Management of the Legal & Regulatory Environment	11	10
Selling Practices & Product Labeling	12	19
Human Rights	14	15
Mobile Communications and Health	14	6
Entrepreneurs and SME Development	15	23
Digital Inclusion	16	12
Natural Capital	17	27
Economic Performance	18	13
Waste Management	19	18
Workforce Management	20	11
Labor Practices	21	17
Socioeconomic Compliance	22	21
Competitive Behavior	23	16
Responsible Consumption & Production	24	20
Philanthropy and Community Engagement	25	24
Ecological Impacts	26	26
Children's Rights	27	25
Outer Space Management	28	-

Zain's Materiality Matrix



Zain's Double Materiality Matrix

	Financial score	Impact score
Customer Privacy & Data Security	0.94	0.88
Digital Transformation	0.57	0.82
Employee Health & Safety	0.50	0.70
Inclusion, Diversity and Equity	0.59	0.62
Business Ethics and Governance	0.64	0.54
Customer Service	0.62	0.56
Climate Change	0.67	0.77
Management of the Legal & Regulatory Environment	0.76	0.31
Human Rights	0.54	0.66
Physical & Sociopolitical Risks	0.59	0.51
Digital Inclusion	0.44	0.69
Mobile Communications and Health	0.34	0.63
Economic Performance	0.63	0.42
Supply Chain Management	0.42	0.50
Business Model Resilience	0.51	0.46
Entrepreneurs and SME Development	0.30	0.67
Natural Capital	0.43	0.56
Labor Practices	0.45	0.44
Workforce Management	0.37	0.50
Selling Practices & Product Labeling	0.44	0.31
Socioeconomic Compliance	0.44	0.46
Children's Rights	0.37	0.25
Waste Management	0.49	0.33
Responsible Consumption & Production	0.43	0.22
Philanthropy and Community Engagement	0.15	0.49
Competitive Behavior	0.35	0.22
Ecological Impacts	0.22	0.24
Outer Space Management	0.05	0.11

Disclosures on Material Topics

The company continuously assesses and addresses value creation across its activities to identify its ESG and human rights impacts. This enables Zain to embed how it creates, preserves, or erodes value in its decision-making priorities.

Material Topics	Definition	Overview of social, economic, environmental, and human rights aspects	High, Medium, Low	SDGs
Customer Privacy & Data security	The aspect of information technology that deals with the protection of private corporate information, critical information systems, and networks from security breaches.	Enhancing Zain's data privacy protocols in line with best practices and complying with local laws and regulations, improves the company's data management practices and creates robust digital infrastructures. This approach helps safeguard stakeholders from issues such as unauthorized account charges, privacy breaches, and identity theft.	High	SDG 16: Peace, Justice, and Strong Institutions (Promote effective, accountable, and transparent institutions)
Customer Service	The dynamics of customer expectations that affect satisfaction, loyalty, and brand reputation, and the mechanisms to ensure consumers are treated fairly and honestly during commercial transactions.	Offering high-quality and inclusive products and services enhances and supports Zain's customer needs. Ensuring that Zains' customers have reliable connectivity reduces information gaps, boosts economic activity, and promotes greater efficiencies. The company also monitors its Net Promoter Scores (NPS) and maintains open communication channels throughout its operations to address and meet customer requirements effectively.	High	SDG 8: Decent Work and Economic Growth (Promote sustained, inclusive, and sustainable economic growth)
Employee Health & Safety	A company's safety performance and the mechanisms it has in place to maintain a safe and healthy workplace environment. It captures protocols, training, work arrangements, and the physical and mental working conditions to which employees are exposed to.	Neglecting to maintain a safe and healthy work environment can result in fatalities, severe injuries, and illnesses, which can impact employees' quality of life and, in turn, impact business productivity, and reputation. Zain remains committed to safeguarding employee health and safety, addressing both physical and mental well-being by evaluating risks and managing work-related incidents. Initiatives include facilitating remote work, offering comprehensive insurance packages, and implementing various programs under the BE WELL wellness initiative, which underscores the importance of mental health, especially during regional conflicts and socio-political turmoil.	High	SDG 3: Good Health and Well-being (Ensure healthy lives and promote well-being for all at all ages)
Digital Transformation	The development and use of advanced technologies and digital innovations to generate new business processes and improve customers' and other stakeholders' experiences	Digital transformation profoundly affects a variety of other industries, and Zain's 4WARD strategy seeks to advance the digital ecosystem by leveraging its core services, such as roaming and wholesale. Additionally, the strategy focuses on expanding into other sectors through its digital transformation and investment arm, addressing fields like fintech, ventures, application programming interfaces (APIs), and esports.	High	SDG 9: Industry, Innovation, and Infrastructure (Build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation)
Business Ethics and Governance	The moral code of conduct and guiding principles to the strategic and operational management of a business. It captures the management of risks and opportunities associated with ethical considerations, lawful behavior, and compliance practices.	The company prioritizes its integrity and ethics with all stakeholders to foster trust. By cultivating its various relationships, Zain can effectively and accurately address stakeholder concerns. A well-established governance model enables management to monitor and manage the organization's value. Ensuring online safety is essential in this context, as it safeguards customer data and upholds trust and transparency.	High	SDG 16: Peace, Justice, and Strong Institutions (Promote effective, accountable, and transparent institutions)
Climate Change	Managing climate-related risks and opportunities from actual or potential physical and transition impacts. It also includes the direct and indirect emissions of greenhouse gases (GHGs) and emission reduction targets to limit individual company contributions to global warming.	The company remains committed to managing its emissions throughout its operations in line with best practice and international standard requirements. Climate change motivates Zain to adapt and manage its risks while actively implementing green solutions to assist other sectors in their efforts. Going beyond mere aspirations, Zain is focused on taking actionable steps, leveraging its influence to advocate for policy reforms, introduce energy efficient solutions, and raise awareness to combat climate change.	Medium	SDG 13: Climate Action (Take urgent action to combat climate change and its impacts)
Workforce Management	This issue refers to the process of ensuring the workforce is functioning at its most productive levels and copes with organizational changes. It captures employee recruitment, retention, and development practices.	With around 11,011 employees in eight markets and across all subsidiaries, Zain influences its workforce through its policies, practices, recruitment efforts, employee engagement and retention strategies, and skill development initiatives.	Medium	SDG 8: Decent Work and Economic Growth (Promote sustained, inclusive, and sustainable economic growth)
Inclusion, Diversity, and Equity	Processes and mechanisms a company has to grow and maintain diversity in the workforce and ensure equal opportunities and treatment for all employees.	Zain actively promotes inclusion, diversity, and equity (IDE) to enhance social equity, drive economic growth, and attract a wider range of potential talent. By developing IDE competencies, nurturing employees' skillsets, ensuring fair and equal remuneration, implementing strategic Group-wide initiatives, and raising awareness, Zain cultivates a more diverse and inclusive culture.	Medium	SDG 10: Reduced Inequalities (Reduce inequality within and among countries)
Digital Inclusion	The company's ability to ensure all individuals and population groups can access its products and services without discrimination. It includes the management of universal needs, affordability, and accessibility.	Addressing the digital divide and ensuring inclusivity brings a range of socio-economic advantages. The company investigates the needs of marginalized communities and creates opportunities that address their concerns. Zain focuses on catering towards groups such as children and youth, women, the elderly, and individuals with disabilities, setting specific goals by providing inclusive products and services. In addition, the company also establishes programs that address the digital barriers faced by vulnerable segments.	Medium	SDG 9: Industry, Innovation, and Infrastructure (Build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation)

Material Topics	Definition	Overview of social, economic, environmental, and human rights aspects	High, Medium, Low	SDGs
Business Model Resilience	Identifying and managing risks and opportunities connected to social, environmental, and economic challenges into business model planning. It focuses on how companies respond and adapt to these changes to carry on their activity, grow and create value for shareholders, and society in the long- term.	Zain remains committed to integrating business continuity into its risk management policies, practices, and processes. External circumstances such as natural and humanitarian disasters and geopolitical instability emphasize the need to systematically embed resilience mechanisms into the company's operations. This highlights the company's efforts in ensuring it optimizes long-term value creation while considering the shift in global demographic trends.	Medium	SDG 9: Industry, Innovation, and Infrastructure (Build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation)
Mobile Communications and Health	Major risks to public health, including exposure to radio signals and EMF from mobile network antennas and mobile devices, spread of infectious diseases and eventual pandemics, the availability of vaccinations and the anti-vaccine movement, and potentially deadly non-communicable diseases.	The GSMA states that exposure to low-level radio signals from mobile communications has not been linked to health risks. Zain adheres to official guidelines and upholds the policies and practices outlined in its Environmental and Social Management Plan (ESMP) to protect communities from electromagnetic fields (EMF). Additionally, public health considerations are included in the assessment to address all aspects of health related to this issue.	Medium	SDG 3: Good Health and Well-being (Ensure healthy lives and promote well-being for all at all ages)
Supply Chain Management	The establishment of commitments and policies designed to trace, screen, monitor, and follow up with supplier performance against one or more ESG dimensions and manage supply chain risks concerning supply shortages or disruptions. It captures strategies to maintain transparent communication and support between a company and its suppliers.	Societies with advanced supply chain management systems are significantly impacted as they create employment opportunities and often provide access to healthcare for many. However, supply chains also face increased risks of human rights violations, such as labor abuses, child labor, corruption, and health and safety issues. Zain is dedicated to enhancing and scaling its mechanisms and processes across all markets to address human rights concerns and protect biodiversity throughout its entire value chain. In addition, Zain also ensures it considers how its supply chain manages materials/waste, has ethical policies in place, and how its suppliers align to the company's policies and values.	Medium	SDG 12: Responsible Consumption and Production (Ensure sustainable consumption and production patterns)
Labor practices	Employment practices related to internal and external workforces throughout the value chain, compliance with regulatory regimes, and internationally accepted labor standards in the workplace. It captures minimum labor rights, employee benefits, and fair compensation.	Adhering to local and international labor laws has significant economic implications. By following these practices, the company can shape employment standards not only within its own workforce but also across its supply chain, minimizing the risk of abuse or discrimination. Zain positively impacts this area by safeguarding the rights of its employees, workers, and those within its supply chain. The company also proactively ensures it follows best practice through its employee incentives, benefit plans and collective bargaining rights.	Medium	SDG 8: Decent Work and Economic Growth (Promote sustained, inclusive, and sustainable economic growth)
Economic Performance	Providing a transparent understanding of the strategy and business through frequent engagement by hosting forums and meetings, issuing periodic financial reports, disclosing the company's financial performance, and engaging in earnings conference calls.	By meeting its economic goals and objectives, the company generates and allocates wealth to its stakeholders. This economic value enables Zain to highlight critical investment opportunities in areas such as infrastructure, assets, and its workforce.	Medium	SDG 8: Decent Work and Economic Growth (Promote sustained, inclusive, and sustainable economic growth)
Management of the Legal and Regulatory Environment	Company's regulatory compliance strategy and how it engages and aligns itself with regulators to make public and corporate interests compatible. It captures corporate compliance management, lobbying, and government relations, as well as responsible tax planning.	Ensuring compliance with national and international laws, such as data protection and spectrum licenses and regulations, while adapting to changes in legislation. It also requires proactive engagement with regulatory bodies and stakeholders to address potential issues and influence policy reform on various topics including climate change and children's rights.	Medium	SDG 16: Peace, Justice, and Strong Institutions (Promote effective, accountable, and transparent institutions)
Competitive Behavior	This issue refers to practices that prevent or restrict free trade or competition between commercial actors in a market, including anti-competitive behavior and protectionism. It also captures protection and infringement of intellectual property rights.	Different aspects play a role in maintaining healthy marketplaces, such as promoting fair competition, protecting, and not infringing on intellectual property, and ensuring equal access to market opportunities. This aspect is also reliant on governmental policies and international fair-trade regulations.	Medium	SDG 8: Decent Work and Economic Growth (Promote sustained, inclusive, and sustainable economic growth)
Human Rights	Committed to the principles of the Universal Declaration for Human Rights, the Core Conventions for the International Labor Organization, and the United Nations' Guiding Principles on Business and Human Rights Reporting. Committed to investigating any concerns and if we discover any adverse human rights impacts, we will act appropriately without delay and prioritize the right to freedom of opinion and expression.	Modern slavery, including forced labor, has increased with migrant workers being the most at risk. Strengthening and enforcing laws, regulations, and inspections is crucial for tackling modern slavery. Operating across eightmarkets and managing diverse suppliers, Zain seeks to broaden its impact and uphold its social and environmental practices and values throughout its supply chain.	Low	SDG 8: Decent Work and Economic Growth (Promote sustained, inclusive, and sustainable economic growth)

Material Topics	Definition	Overview of social, economic, environmental, and human rights aspects	High, Medium, Low	SDGs
Socioeconomic Compliance	Assessing regulatory trends on environmental, social, and governance (ESG) indicators to ensure alignment and disclosure, alignment to international best practices and embedding a whistle-blowing policy to report and mitigate any unethical actions internally.	Ensuring compliance with all social and economic laws and regulations helps protect the communities in which the company operates. The company also ensures its non-financial reporting is audited by a third-party organization to ensure the highest level of accuracy in its ESG disclosures.	Low	SDG 16: Peace, Justice, and Strong Institutions (Promote effective, accountable, and transparent institutions)
Children's Rights	Uphold and protect the rights of the child as relates to anticipating, preventing or responding to any form of violence, exploitation, abuse or practices that might be harmful to a child's physical and mental development and integrity. In addition, promoting children's growth, wellbeing and a safer and more secure use of Internet-based services and associated technologies.	Zain is committed to safeguarding children across its operations. This focus aligns with Zain's dedication to responsible business practices that safeguard children's rights, particularly in digital spaces. Zain integrates children's rights into its strategies, partnerships, and community initiatives, demonstrating a proactive approach to addressing this critical issue.	Low	SDG 16: Peace, Justice, and Strong Institutions (Promote effective, accountable, and transparent institutions)
Responsible Consumption and Production	The company's ability to promote sustainable consumption and production patterns.	Zain ensures that it follows specific guidelines under its Environmental and Social Management Plan to promote sustainable consumption and production. This refers to procedures set in place to ensure product safety and service quality for the public.	Low	SDG 12: Responsible Consumption and Production (Ensure sustainable consumption and production patterns)
Physical and Sociopolitical Risks	Challenges due to the changes in society, politics, and people due to an event or general trend and natural or human-induced disasters.	The company ensures it has proper and robust risk management in place to address any changes that occur to the business or society due to any external event that includes geopolitical conflicts or physical disasters.	Low	SDG 16: Peace, Justice, and Strong Institutions (Promote effective, accountable, and transparent institutions)
Selling Practices and Product Labeling	Requirements, standards, certifications, and established practices regarding the information presented to consumers when advertising and selling goods and services. In addition, refers to the social challenges related to the failure to provide transparent, accurate, and complete information.	The products and services sold by Zain have all the needed certification, labeling and information as per regulatory requirements and are in line with best practices. The company's Responsible Marketing and Communications Standards also ensures transparent communication, ethical advertising, embrace inclusive marketing, parental and guardian consent and control, responsible use of digital channels, and purpose driven partnerships and collaboration.	Low	SDG 12: Responsible Consumption and Production (Ensure sustainable consumption and production patterns)
Waste Management	Gaseous, liquid, and solid substances used or disposed of in business operations or present in products that threaten human health or the environment. Captures the generation, treatment, recovery, recycling, and reduction measures of hazardous and non-hazardous waste and the handling, storage, and application of hazardous material.	The company takes a proactive approach to managing waste throughout its operational infrastructure, its waste management compliance framework as well as in compliance with regulations and international best practices.	Low	SDG 12: Responsible Consumption and Production (Ensure sustainable consumption and production patterns)
Entrepreneurs & SME Development	Continuous engagement with the startup community through Zain Ventures, B2B, and community institutions to address their requirements, while fostering the entrepreneurship ecosystem.	The MENA region has the highest youth bulge and youth unemployment rate worldwide. To address these challenges, the company aims to build resilience amongst its youth in its communities by creating program, workshops and developing hackathons and entrepreneurship opportunities across the board.	Low	SDG 8: Decent Work and Economic Growth (Promote sustained, inclusive, and sustainable economic growth)
Natural Capital	Stock of capital derived from biological diversity and ecosystems, as well as natural resources.	The construction and operational activities of telecommunication-related infrastructure can impact nature and biodiversity and supply chain by disrupting local habitats and potentially affecting wildlife. To mitigate these effects, Zain has strategies and processes in place that are highlighted in the company's ESMP guidelines to minimize environmental disruption and enhance biodiversity protection, such as site selection and habitat restoration initiatives.	Low	SDG 15: Life on Land (Protect, restore, and promote sustainable use of terrestrial ecosystems, manage forests sustainably, combat desertification, and halt and reverse land degradation and halt biodiversity loss)

Material Topics	Definition	Overview of social, economic, environmental, and human rights aspects	High, Medium, Low	SDGs
Philanthropy and Community Engagement	Refers to the contribution to other organizations and communities through funds, volunteering efforts, and in-kind products or services. It also includes assistance given to people in immediate distress during and after emergencies and disasters, and engagement with indigenous people in reference to the land, workplace, and societal contexts.	Since its inception, Zain has contributed to various philanthropic efforts throughout its operating markets. The company either supports through funds, volunteering efforts or in-kind products and services, especially in crises response.	Low	SDG 17: Partnerships for the Goals (Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development)
Ecological Impacts	Contamination of natural resources due to harmful substances, excessive use or exploitation, and general corporate operational impacts that affect the protection of land, forests, and biodiversity resources, and the measures in place to remediate them.	Across Zain's operational activities, the company monitors and tracks its impact on natural resources including non-greenhouse gas emissions, land use under base station construction, and pollution.	Low	SDG 15: Life on Land (Protect, restore, and promote sustainable use of terrestrial ecosystems, manage forests sustainably, combat desertification, and halt and reverse land degradation and halt biodiversity loss)
Outer Space Management	Refers to the processes and systems to control and regulate human activities in outer space. It includes the management of space traffic and low earth orbit, the mitigation of space debris, the prevention of collisions, and the minimization of the impacts of space weather.	As telecommunications technology continues to evolve, satellite networks are becoming crucial for expanding connectivity, especially in underserved and remote regions. As Zain considers future growth and innovation in connectivity, addressing outer space management aligns with a broader vision of Meaningful Connectivity.	Low	SDG 16: Peace, Justice, and Strong Institutions (Promote effective, accountable, and transparent institutions)

Zain's Top Five Material Topics and their Implication on Value Creation

1. Customer Privacy and Data Security

The protection and privacy of personally identifiable information (PII) entrusted to Zain by customers, clients, employees, suppliers, stakeholders, and partners is of utmost importance to the organization. The company is dedicated to safeguarding and respecting the privacy of all individuals who interact with the company, ensuring secure and transparent practices in compliance with relevant legislation. Zain's Privacy Policy outlines the principles and procedures for collecting, processing, storing, and disclosing personal data in accordance with applicable laws and regulations.

Throughout the year, the company undertook various activities to ensure it not only complies with legislation and regulations but also proactively adheres to best practices in safeguarding stakeholders' data.

Implication on Value Creation:

- Effective data privacy practices build trust and loyalty among stakeholders leading to higher retention rates.
- Adhering to customer privacy and data security regulations helps the company avoid data breaches, fines, or legal issues.
- Ensuring robust data security practices showcases the company's competitiveness and differentiates it from other players in the industry.

2. Digital Transformation

Zain acknowledges the critical role of advancing digital transformation, understanding that its position in this area will create opportunities for its own and other industries to benefit and evolve. Through a more focused approach, Zain is strategically offering advanced technological solutions as well as organizing its Data Governance and Management guidelines across its subsidiaries. In addition, the company is harnessing the potential of artificial intelligence (AI) to drive its digital transformation journey through its partnership with Huawei on establishing an AI Center of Excellence.

Implication on Value Creation:

- Through digital transformation, Zain can streamline processes through automation and data analytics, increasing operational efficiencies and productivity.
- For Zain, digital transformation facilitates the development of new streams and business models outside of the core products and services.
- The negative effect of increased digitization is the elevated risk of cybersecurity threats and data breaches.

3. Customer Service

Customer service for Zain is crucial in delivering quality user experience and ensuring customers' needs are continuously being met. In 2024, Zain launched "UNITY", a company-wide transformation program that aims to embed purpose and customer experience into the company's DNA by prioritizing a human-centric approach. Zain has always embedded the customer at the heart of delivering its products and services, however in a more data centric world, the company is ensuring that it adapts and formalizes Zain's customer experience activities across every function. UNITY is as a response to feedback received from the Chief Commercial Officers across the Group.

Implication on Value Creation:

- Improved customer experience promotes customer stickiness and loyalty, even encouraging the add addition of services or upgrade of plans and bundles.
- Effective customer services can reduce the frequency of customer complaints leading to improved operational efficiencies.

4. Employee Health and Safety

Zain is committed to operating with ethical and responsible standards and ensuring the health, safety, and well-being of all the company's employees across its operating companies, subsidiaries, companies under management control, the company's value chain, and our various communities.

The company's health and safety protocols extend across its facilities, network sites, suppliers, and communities by adhering to relevant health and safety rules and regulations and implementing company programs to ensure employee well-being.

Implication on Value Creation:

- Enhanced employee productivity and retention leads to a more positive work environment, efficient operations, improved job satisfaction and retention of skilled employees.
- Improved health, safety and well-being will lead to reduced healthcare and compensation care costs due to decreased workplace injuries, fatalities, and incidences.
- Failure to adhere to health and safety standards can lead to legal penalties, fines, and potential damage to the company's reputation.

5. Climate Change

Zain recognizes the significance of climate change and the associated risks. The company is committed to reducing its carbon footprint, mitigating climate-related risks, and identifying opportunities to conserve energy, water, and biodiversity. Zain conducts a comprehensive stakeholder engagement process on an ongoing basis to influence policymakers and governmental entities, ensuring compliance with all climate-related regulations in its markets.

Implication on Value Creation:

- Integration of climate change risk assessments across Zain's strategic objectives ensures that the company can mitigate any climate-related impacts.
- Investing in energy efficient solutions and renewable energy can lead to significant cost savings.
- Conserving natural resources such as water, preserving biodiversity, and disposing of waste efficiently helps ensure that the company remains compliant with legal and regulatory requirements, avoiding potential fines and regulatory issues.