

GCC ESG Telecommunications Companies Alliance Executive Summary

This report is
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stc

on the implementation of the
Memorandum of Understanding
regarding the GCC telecom
join collaboration to advance
sustainability in the region and
sector



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An overhead photograph of a business meeting around a light-colored wooden table. A man in a white shirt and glasses is pointing at a tablet displaying a world map. A woman in a dark blue hijab and jacket is seated opposite him, looking at the tablet. Another person in a white shirt is partially visible on the right. A laptop and two coffee cups are on the table. A large red square with the white number '01' is overlaid on the left side of the image.

01

GCC ESG Telcos Alliance MoU – Executive Report



The GCC ESG Telecommunications Alliance Memorandum of Understanding (MoU) aims to use the strength of the 7 GCC regional Telecommunications (Telcos) to advance sustainability in the region with a focus on climate action. The partnership is designed to be a catalyst for sustainable development, while raising awareness on sustainability-related topics that are most relevant to the telecommunications sectors.

The partnership's objective is to foster a close collaboration between regional GCC Telcos, aimed at collectively addressing environmental challenges like climate change (Stream 2: Climate Action Working Group (CAWG)). This collaboration aims to propel the sustainability agenda forward across the region by facilitating the exchange of knowledge and the development of innovative solutions (Stream 1: Sustainability Working Group (SWG)).



Areas of collaboration

The MoU is a two-year commitment by the signatories to share knowledge and carry out initiatives across agreed areas of collaboration.

- Advance the sustainability agenda through effective partnerships that have a positive environmental, social, and economic value and mitigate any negative impacts affecting the local communities of where the Telcos operate.
- Address environmental challenges such as climate change through collective action including areas such as carbon reduction and waste management.

A photograph of two men in traditional Saudi clothing (white thobes and ghutras) on a modern staircase. The man on the left is walking down the stairs, while the man on the right is standing and holding a briefcase. The background features a large, lush green living wall and a glass ceiling. A large red square with the number '02' is overlaid on the left side of the image.

02

Welcome note from the Steering Committee

Welcome from the members of the Memorandum of Understanding (MoU) steering committee.

The pursuit of sustainability is increasingly recognized as a critical imperative in today's rapidly evolving global landscape. Governments, businesses, and individuals are increasingly recognizing the urgent need to address pressing environmental, social and economic challenges to ensure a sustainable future for all.

In the GCC region, telecommunication companies have a unique opportunity to play a pivotal role in driving sustainability and the United Nation's Sustainable Development Goals (SDGs). Through this partnership, we aim to address the challenges and leverage on opportunities for telecommunication companies in the GCC region to highlight the importance of collaborative action to combat climate change and achieve the SDGs. Our aim is to utilize the strengths and knowledge of the participating telcos to further advance the sustainability agenda in the region.

Telcos are no longer solely providers of communication services, but rather have evolved into major players in the digital ecosystem, with extensive infrastructure, massive customer base, and significant influence over technology adoption. As such, the industry faces growing expectations to address pressing sustainability challenges and integrate responsible practices into its operations and across its value chain.

To that end, collaborative action is essential, and through this partnership, we seek to leverage our collective strengths and expertise. By working together, we can create a multiplier effect and drive meaningful progress towards advancing sustainable practices in the region.

"This memorandum is an extension of KSA's vision in strengthening partnership between all sectors to preserve and sustain the economic, social and environmental resources achieved by the Gulf countries for future generations,"

Maha Alnuhait
Sustainability GM, stc



"Through this memorandum, the group seeks to strengthen its partnerships to confront climate change and make all possible efforts to motivate other sectors to join these endeavors aimed at accelerating the achievement of carbon neutrality in the possible time frame in addition to our commitment to the GSMA initiative; to move the entire mobile industry to carbon neutral by 2050."

Salem Al Mannaei
VP/Environment & Climate
Action e& international, e&



"Climate change and reducing our carbon footprint are material to Zain's strategic objectives across our markets. This collaboration between like-minded operators is a transformative step towards advancing sustainability across the GCC and is in line with our sustainability ambition of providing meaningful connectivity leading to systemic change."

Jennifer Suleiman
Chief Sustainability Officer, Zain Group



"Beyon attaches great importance to environmental sustainability, and we are delighted to have the opportunity to collaborate with the region's leading companies in the telecommunications and technology sector to implement result driven projects, designed to reduce carbon footprint and helping to create a more sustainable future for the industry and the communities in which we all operate.



As a result of Beyon's efforts in this space, our Data Centre is the first in Bahrain to rely entirely on clean energy generated by the Company's solar park. This aligns with our commitment to support the efforts of the Government of Bahrain in achieving its vision of environmental sustainability.

We look forward to engaging in knowledge sharing and undertaking joint initiatives with our partners in support of the MoU's agenda to advance sustainability in the region, with a particular focus on climate change."

Shaikh Bader bin Rashid Al Khalifa
Chief Communications and Sustainability officer, Beyon

"We, at du, recognise the crucial role played by ICT in strengthening the digital economy and ensuring long-term sustainable growth in the GCC region. We have put in place sustainability objectives that aim to guide us towards achieving our vision in alignment with the region's leadership vision."



Saleem Alblooshi
Chief Technology Officer, du

"We are pleased to sign this agreement with stc and the other Gulf telecom companies to exchange knowledge and experiences, emphasizing our quest to preserve the environment and play the expected role in combating climate change and reducing the carbon footprint of our operations".

Said Al Ajmi
Vice President of Operations, Omantel



"ESG and sustainability have always been part of Ooredoo's DNA and corporate culture. In line with the Government 2030 vision, we have been working closely with our partners to ensure a diversified sustainable legacy for generations to come, enriching the digital lives of the communities we serve and leading by example around diversity, equality, and inclusion. This collaborative effort by the GCC telcos is a step towards positioning the region to deal with any future sustainability challenges and regulatory requirements".

Abdulla Ahmed A Al-Zaman
Group Chief Financial Officer, Ooredoo





03

Our success Journey



7 participating telcos



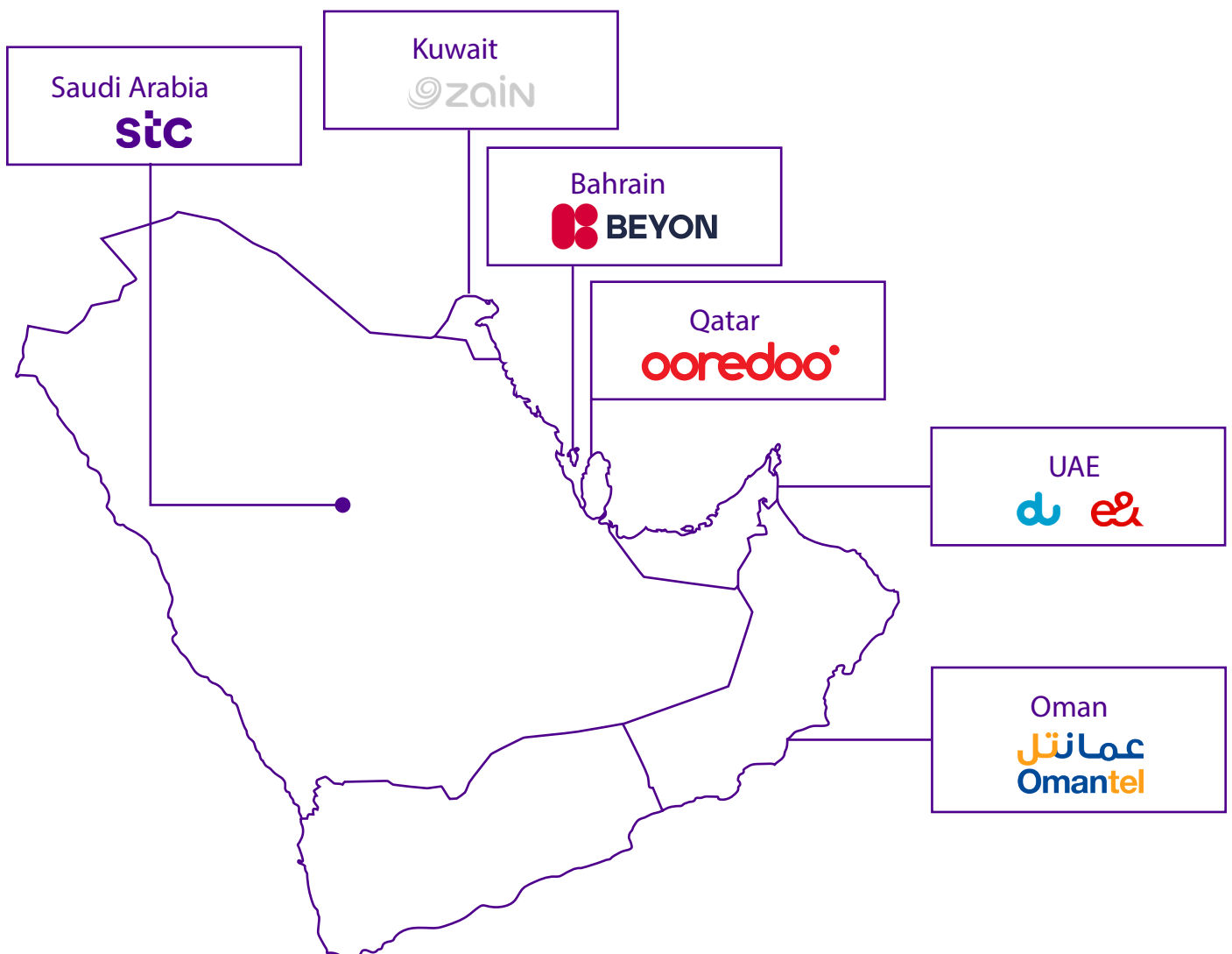
6 awareness and transfer
knowledge sessions



120 number of attendees
across all knowledge
sessions



7 participants in the women
in STEM program





This MoU reflects the efforts of the GCC's major telecom operators to improve the telcos industry and activate their roles in facing environmental challenges, focusing on climate change and advancing the regional sustainability agenda.

The partnership is planned for two phases across two years. Throughout the first year of this partnership, we focused on sharing knowledge, experiences and case studies. Over the next year of the second phase of this partnership, the focus will be on activation of plans, commitments and joint action to address environmental challenges and advance the sustainability agenda across the region.

The validity of the MOU is until [1/Mar/2024] and it can be extended based on agreement by all parties. The MoU signing ceremony took place during the Mobile World Congress 2022 to strengthen cooperation to reduce the companies' carbon footprint through its operations and across the value chain.

A man and a woman, both wearing white hard hats and high-visibility yellow safety vests, are standing in a desert landscape. The man is holding a black tablet, and the woman is looking at it. They are both wearing dark clothing. The background shows a vast, arid desert with low hills under a clear sky. A large red square with the number '04' is overlaid on the left side of the image.

04

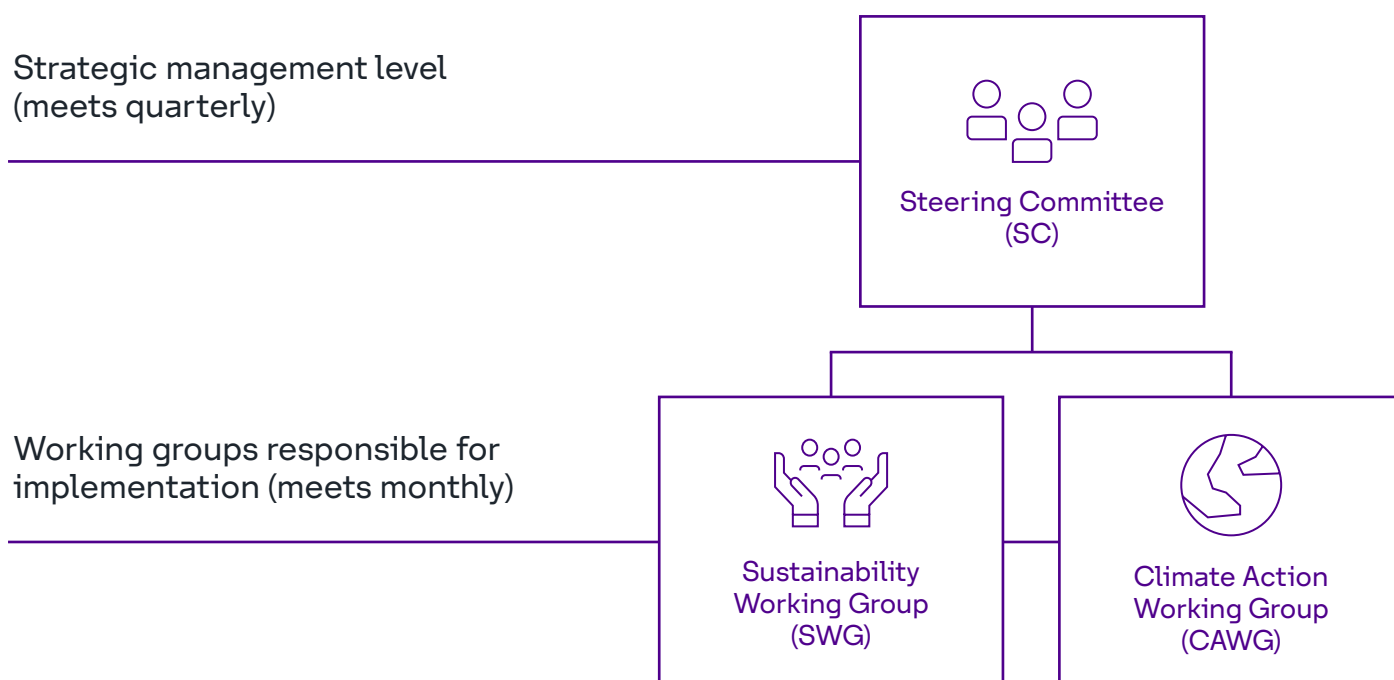
Governance, Framework and Focus Areas

The MoU governance structure is designed to promote collaborative decision making and actions by all stakeholders.

The Steering Committee's (SC) responsibilities are to establish strategic directions, provide guidance for knowledge exchange and foster collaboration among MoU members. Structured formal meetings are held on a regular basis, with the possibility of additional sessions scheduled in case emergent issues arise. The agendas are developed in consultation with all committee members and the model of decision making is agreed upon by all members.

The partnership operates in two Working Groups that focuses on each area of the collaboration under the MoU. The purpose of the Working Groups is to bring together members of the teams engaged in the partnered awareness activities. Meetings are held on a monthly basis and agendas are developed in consultation with the working group members.

- **Stream 1** Sustainability Working Group (SWG)
- **Stream 2** Climate Action Working Group (CAWG)



The objectives of this joint collaboration are to address environmental challenges such as climate change through collective action, and to advance the sustainability agenda through effective partnerships that have a positive environmental, social, and economic value to the local communities.

Strategic Pillars and Objectives

Pillar 1
Address environmental challenges

Objective 1.1
Understand the carbon footprint of operation and across the value chain

Objective 1.2
Share expertise and bring forward clean and renewable energy and sustainability projects

Objective 1.3
Promote the exchange of experiences in the field of circular economy and low carbon technologies

Pillar 2
Advance the sustainability agenda across GCC

Objective 2.1
Support sustainability development through policy exchange to advance carbon capture, human capital development, renewable energy and circular economy

Objective 2.2
Identify common solutions aimed at improving sustainable development in the GCC region

Objective 2.3
Capitalize on GCC operators digital capabilities and solutions to address social and environmental challenges toward local communities

Sustainability Themes



Climate change

- Scope 1 & 2 Carbon emission baselining
- Scope 3 emissions
- Low-carbon technology integration



Privacy and data security



Child online safety



Digital inclusion



Human rights

Sustainable Development Goals and Targets

7 AFFORDABLE AND CLEAN ENERGY
7.2

11 SUSTAINABLE CITIES AND COMMUNITIES
11.6

12 RESPONSIBLE CONSUMPTION AND PRODUCTION
12.5

13 CLIMATE ACTION
13.2, 13.3

9 INDUSTRY INNOVATION AND INFRASTRUCTURE
9.c

4 QUALITY EDUCATION
4.4

5 GENDER EQUALITY
5.3, 5.b

16 PEACE, JUSTICE AND STRONG INSTITUTIONS
16.2

17 PARTNERSHIPS FOR THE GOALS
17.8



05

MoU Milestones



2022

Year 1

March 1st

MoU signing ceremony during MWC22

March 10th

Kick off meeting

Agree on framework and governance structure

June 1st

Women in STEM collaboration

July 27th

Social Investment workshop

September 28th

Climate action part 1 workshop

October 5th

Child Online Safety workshop



2023

Year 2

October 11th

Climate action
part 2 workshop

Feb 6th

Shared panel/
round table
during LEAP23

May 23rd

Human rights
workshop

May 31st

Data privacy and
cybersecurity
workshop



06

terrestrial and cross-border capabilities

- 100% terrestrial network coverage
- 100% cross-border coverage
- 100% cross-border coverage

landing stations

- 100% cross-border coverage
- 100% cross-border coverage
- 100% cross-border coverage

MENA gateway (MGT):

- 100% cross-border coverage
- 100% cross-border coverage
- 100% cross-border coverage

VOICE GATEWAY:

- 100% cross-border coverage
- 100% cross-border coverage
- 100% cross-border coverage

International presence (MPLS PoP) & IDW:

- 100% cross-border coverage
- 100% cross-border coverage
- 100% cross-border coverage

MPLS PoP:

- 100% cross-border coverage
- 100% cross-border coverage
- 100% cross-border coverage

IDW:

- 100% cross-border coverage
- 100% cross-border coverage
- 100% cross-border coverage

Year One Accomplishments

Collaborative sessions and knowledge sharing across the industry

Throughout the first phase of the MoU, six awareness sessions were conducted to share knowledge and experiences across the participating companies

Workshop 1 Child Online Safety

SDGs goals and targets aligned



Session lead



Duration

3 hours

Objective

The objective of the workshop is to highlight the importance of addressing children's rights and bring awareness on the importance of why companies need to address their impacts on children.

Description

The session presented the overall context, challenges and regulatory landscape for children's rights, and highlighted the multi-stakeholder engagement and the role of lobbying in securing a safe environment for children. MNOs can play a critical role in ensuring a safe environment for children by raising public awareness, collaborating with stakeholders to embed online safety culture into education and schooling, facilitating child helplines, and blocking and reporting harmful content. During the session, Zain shared their efforts in combatting child sexual abuse material (CSAM), promoting children's rights through multi-stakeholder collaboration and child abuse and internet monsters campaigns, and launching its online safety booklet for online gaming.

Outcomes

Partners agreed to create a group-wide campaign planned to be launched during the implementation phase.

Workshop 2 Human rights

SDGs goals and targets aligned



Session lead



Duration

1 hour

Objective

Provide an overview of how to address human rights in the telecom sector. The material of the presentation included: connectivity as a human right, the most salient human rights topics for the sector, and examples of reporting frameworks used to disclose human rights.

Description

The topics covered during the session highlighted the role operators play in enabling human rights as connectivity is a fundamental human right as it facilitates access to information, education, and freedom of expression.

The session described negative and positive human rights impacts across the sector and the presenter went through how to build human rights considerations into business operations and take more significant steps to assess and address human rights risks and leverage on opportunities to promote it.

Outcomes

Shared global human rights reporting standards and a call for companies that are not signatories to the UNGC to become signatories and embed these principles into the policies and procedures of companies.

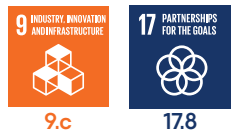
“By ensuring we address human rights, we can build a future where no one is left behind.”

Zain

The screenshot shows a Zoom meeting interface. The main window displays a presentation slide titled "Importance of Connectivity for Human Rights". The slide content includes a quote from the International Telecommunication Union (ITU) stating that approximately 2.7 billion people have yet to be connected to the internet. It then lists "Barriers to connectivity include:" with four categories: Affordability (limited financial resources and high costs of data plans), Digital Skills (limited and lack of digital literacy skills amongst marginalized and low-income communities), Infrastructure (insufficient network coverage and inadequate telecommunications infrastructure in rural or remote areas), and Gender and Cultural Disparity (gender and cultural disparities, where women and other marginalized communities may face additional barriers due to cultural norms or limited access to resources). The bottom of the screen shows a grid of video thumbnails for participants, including AT, JA, D, BA, and others. On the right side, a "People" list is visible, showing names like Furot Jobir, Abdullah Almadi, Abdulmajed Almuhtarash, Ahmed Yousof A.H. Al-Nasr, Ayjejar labastum, Kader Alkhalfi, Doema, Fatima Behbehani, Hajer Lamine, Janen Amour Abdullah Alas..., Jasem AlNafisi, Jennifer Suleiman, Lulwa Almarbati, and Majed Abu Osiel.

Workshop 3 Data privacy and cybersecurity

SDGs goals and targets aligned



Session lead

stc

Duration

1 hour

Objective

To raise awareness about the role of data privacy and cybersecurity towards a sustainable future.

Description

The session described how data privacy and cybersecurity enable sustainability through protecting the critical infrastructure, services, and society from cyber-attacks such as ransomware, social engineering, in addition to ensure clear commitment along with responsible practices in protecting people data.

Outcomes

Identified a strong relationship between Data privacy, cybersecurity and sustainability, though real world cases studies, and identified the critical support that data privacy and cybersecurity provides to ensuring the safety and reliability of digital systems that contribute to environmental protection, good governance practices, and social well-being.

Data Governance Framework

Environmental Sustainability with Cybersecurity

Ransomware Attack, Colonial Pipeline in Houston, 2021

Cyber security attack targeted safety system, Petrochemical plant in Saudi Arabia, 2017

Workshop 4 Climate action (part 1 of 2)

SDGs goals and targets aligned



Session lead



Duration

1.5 hours

Objective

The workshop objectives were to present GHG emission accounting methodology and protocol, and share stc and e& baseline and the various challenges and solutions for the baselining process.

In order to safeguard Earth and ecosystems from the adverse effects of temperature increase and climate change, organizations' commitment in reducing GHG emission is significant. One way to measure these emissions is by using GHG Protocol. The protocol is used to provide internationally accepted framework and guidance on accounting and reporting GHG emissions. With it, Scopes 1 and 2 baseline are set, which is the objective of the workshop to share the knowledge and methodology of calculating the emission scopes.

Outcomes

Increased awareness on climate action across Telcos with a focus on scope 1 and 2, and scope 1 and 2 calculation methodologies were shared in detail with practical case studies.

The screenshot shows a Webex meeting window. The top bar includes 'Webex', 'Meeting Info', and 'Hide Menu Bar'. Below the bar is a menu with 'File', 'Edit', 'Share', 'View', 'Audio & Video', 'Participant', 'Meeting', and 'Help'. The main content area displays a presentation slide titled 'GHG Emissions Accounting' with a sub-heading 'B. Choose Approach and Emission Factors'. The slide content is as follows:

Preliminary Screening	Purchased Gases	Material Balance	Simplified Material Balance
<ul style="list-style-type: none">Emissions depend on:<ul style="list-style-type: none">Type of equipmentCapacity of refrigerantLeast certain methodCheck installation, operation and disposal emissions	<ul style="list-style-type: none">Purchases and releases of industrial gasesManufacturing and laboratory	<ul style="list-style-type: none">Monitor changes in equipment refrigerant capacityMass balance analysisReleases of refrigerants from inventory, purchases and sales of refrigerants, as well as changes in total refrigerant capacity during the reporting period.	<ul style="list-style-type: none">Emissions of refrigerant in 3 phases:<ul style="list-style-type: none">InstallationOperationDisposal

On the right side of the meeting window, there is a 'Participants (27)' list. The list includes names and roles such as 'Furat Jabr | Group Strategy Me', 'Faisal Alsaleh | Group S... Host', 'Ayman Alamoudi | Group St... Cohost', 'Meera Ali Cohost', 'Shahad Alarenan | Gro... Cohost', 'Abdalla Alzarooni', 'Abdullah Almadi', 'Abdullah Almadi', 'Abdumajeed Almuhtares...', and 'Ahmad Alnaama'. The bottom of the window shows a toolbar with buttons for 'Unmute', 'Start video', 'Share', and other controls.

Workshop 5 GHG Emissions – Scope 3 (part 2 of 2)

SDGs goals and targets aligned



Session lead



Duration

1.5 hours

Objective

The objectives of this workshop were to provide a step-by-step process for measuring scope 3 emissions within the mobile industry, in addition to covering the different approaches to calculation methodologies and the process for setting scope 3 targets.

Description

Building on the session on the climate action session, this workshop focused on scope 3 emissions organizational and operational boundaries and activities. Practical tools on how to assess emissions across the value chain were shared to help attendees identify where to focus reduction activities. Case studies were provided by the presenting company that have completed scope 3 inventories and are already seeing benefits from their efforts.

Outcomes

A common understanding of the benefits of completing and managing scope 3 inventory. Attendees were able to identify and categorize scope 3 emissions based on the 15 categories and gained better understanding on how to set scope 3 targets with practical approaches to implementation of standards.

Organizational & Operational Boundaries

1. Defining the boundaries

Organizational boundary

- The type of control to be used by the organization to set ownership of emissions
- Covering all emissions in under the responsibility of the organization

1. Operational control

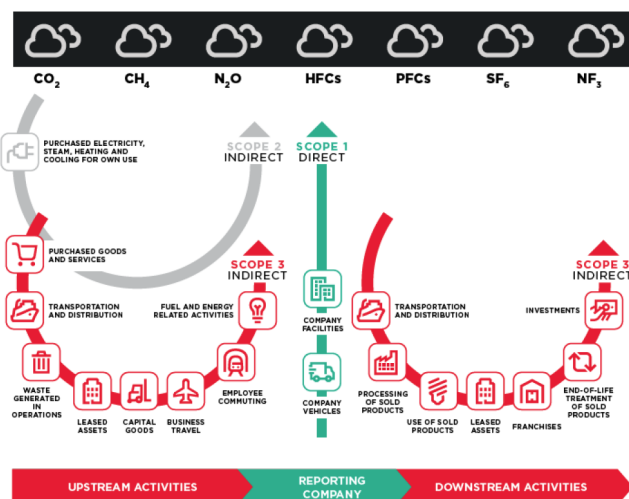
- Full authority to implement or introduce own operating policies
- 100% of emission accounted for

Operational boundary

- Identifying the emission scopes to report on
- Ensure that all the scopes are assessed for their materiality

3. Scope 3

- Emissions from suppliers and partners activities not owned or controlled by the organization but related to the organization
 - Examples: manufacturing of Telecom equipment for the Company



Workshop 6 Social Investment

SDGs goals and targets aligned



Session lead

stc

Duration

1.5 hours

Objective

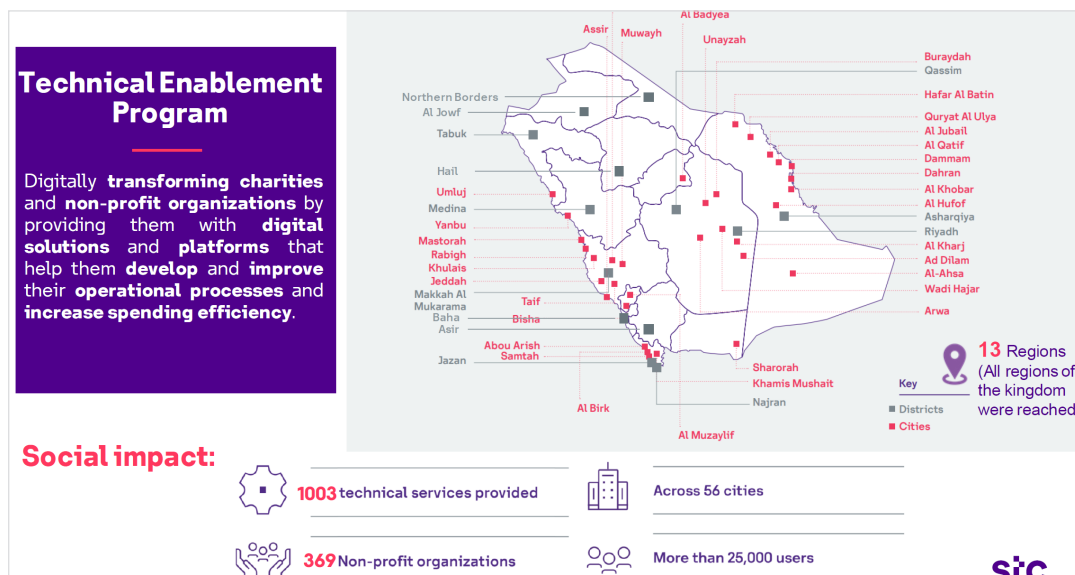
Understand the role of community investment and community engagement in Telcos sector

Description

Sharing best-practices on how to make greater positive impacts through utilizing Telcos connectivity, accessibility and digital strengths. Also, the importance for companies to transition from the traditional CSR to a more focused and impactful community investment approach.

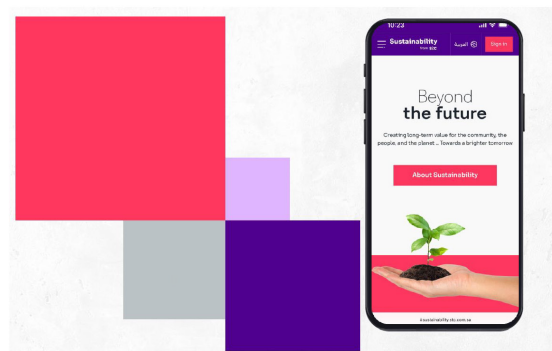
Outcomes

Shared practical examples and case studies on social investment best-practices



Transformation of Social Investment

- Today as digital leader company in MENA, **stc** is committed to **enriching people's lives and experience** by providing high-quality telecommunications and digital products and services.
- stc** aim is to provide the **best possible support to communities** across Saudi Arabia. We have traditionally given financial support to **hundreds of local community initiatives**, in addition to providing them with **digital solutions** that meet community needs.



stc

Collaborative initiatives



Women in STEM

Promoting and supporting women in STEM is essential for the GCC's social, economic, and technological advancement and contributes to building a more prosperous and inclusive future for the region. In partnership with Udacity and sponsored by stc, the Women in STEM program provides Business Analytics Nanodegree scholarships to 150 women around the world.

The program's objective is to equip women with the basic, yet essential knowledge and technical skills to make more data driven decisions. Participating in this project is a great first step for those wanting to pursue a path of becoming a Business Analytics Professional and it prepares participants for exciting career opportunities. The Business Analytics Nanodegree Program is a 3-month self-based learning program, covering three modules including Introduction to data, SQL for Data Analysis, and Data Visualization with Tableau. Each MoU partner nominated qualified women to graduate from the program.



150 Participants



13 Countries



LEAP23 shared panel

As sustainability is becoming imperative, business leaders understand the value of integrating best practices to reshape the business for a better world. The Round table/ Panel discussion of leading Telcos in the GCC region was organized by stc at LEAP23 to foster knowledge sharing, inspire individuals and serve as role models to ignite sustainable development in the region.

Inspired by the quote of Tim Berners-Lee, Inventor of the World Wide Web, the panel explored the role of technology and the telecom industry in advancing sustainable development. The panel titled "The future is still so much bigger than the past" discussed the following key topics:

- Global challenges related to sustainable development realization which have a correlation with the ICT industry
- Critical components to fast forward progress on the United Nations' Sustainable Development Goals (SDGs)
- ICTs potential opportunities and fundamental role to achieve a more equal, resilient and sustainable future

LEAP23 is the world's most attended global tech event and during its second edition in 2023 the event welcomed more than 172,000 attendees.

07



The Way Forward



The ongoing success of the MoU partnership fostered a remarkable synergy among all involved parties. To ensure a continuous positive trajectory in the coming year, it is imperative for all partners to exert sustained efforts in supporting the MoU partnership, while simultaneously advancing the shared goals outlined in the MoU.

As the partnership moves through the remainder of 2023 and beyond, the focus of the partnership will shift towards the development of collaborative projects that directly tackle the key areas highlighted in the MoU. To this end, workshops and knowledge sharing initiatives will remain pivotal in upholding the vitality of the partnership and enhancing the expertise of all involved parties.



Share your feedback

Share your comments and questions about the MoU via email at aalmuhtaresh@stc.com.sa.

