

UNIFONIC

Unifonic Sustainability ESG Disclosure Report 2024



Standard Disclaimer:

This report contains forward-looking statements that are based on current expectations and assumptions and are subject to risks and uncertainties. While every effort has been made to ensure the accuracy and completeness of the information presented, Unifonic disclaims any liability for any omissions or errors. This report should not be considered an offer or solicitation for any investment.

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1. About This Report

1.1. Statement from the CEO

"As CEO of Unifonic, I am proud to present our inaugural Sustainability ESG Disclosure Report for 2024. This report marks a significant milestone in our journey, reflecting our unwavering commitment to integrating environmental, social, and governance (ESG) considerations into the core of our business strategy and operations.

At Unifonic, we believe that true innovation extends beyond technological advancements; it encompasses our responsibility to our planet, our people, and the communities we serve. Our mission to empower businesses with innovative communication solutions is intrinsically linked to creating positive societal impact and fostering sustainable growth. We recognize the critical role we play in the digital ecosystem, and with this report, we aim to provide transparent insights into our performance, challenges, and aspirations.

In line with Saudi Arabia's ambitious Vision 2030, which champions economic diversification, environmental stewardship, and social progress, Unifonic is dedicated to contributing to the Kingdom's sustainable future. We are committed to upholding the highest standards of governance, nurturing a diverse and inclusive workforce, delivering exceptional customer experiences, and minimizing our environmental footprint.

This report is a testament to the hard work and dedication of our entire team. It reflects our progress in key ESG areas and sets a clear roadmap for our future endeavors. We understand that sustainability is an ongoing journey, and we are committed to continuous improvement, stakeholder engagement, and driving meaningful change.

Thank you for your interest in Unifonic's sustainability efforts. We look forward to building a more sustainable and prosperous future together."

Ahmed Hamdan
CEO & Co-Founder, Unifonic



1.2. Reporting Scope and Boundary

This report covers Unifonic's global operations for the fiscal year January 2024,1 to December 2024 ,31. The scope includes all entities over which Unifonic has operational control. Specific geographic data, where available, will be highlighted.

1.3. Reporting Frameworks and Standards

This report has been prepared with reference to the following internationally recognized sustainability reporting frameworks:

- Global Reporting Initiative (GRI) Standards 2021:** We have applied the GRI Universal Standards (GRI 2: General Disclosures 2021) and will indicate the specific topic standards referenced as per their relevance to Unifonic's material topics.
- Sustainability Accounting Standards Board (SASB) Standards:** We have utilized the SASB Software and IT Services industry standard to identify and report on financial sustainability issues specific to our sector.
- Tadawul ESG Disclosure Guidelines 2025:** As a company operating within the Kingdom of Saudi Arabia, we are committed to aligning our disclosures with the latest Tadawul ESG Disclosure Guidelines to enhance transparency for our stakeholders, particularly within the Saudi capital market.
- United Nations Sustainable Development Goals (SDGs):** We recognize our role in contributing to the global agenda for sustainable development and have mapped our key initiatives and impacts to relevant SDGs.

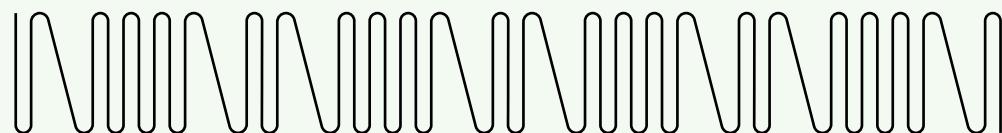
1.4. Materiality Assessment Process

Our materiality assessment process aims to identify the most significant ESG topics for Unifonic and its stakeholders. This "double materiality" approach considers both the financial impact of ESG issues on Unifonic and the impact of Unifonic's operations on the environment, society, and economy.

Proposed Process:

- 1. Baseline Identification:** Identifying potential material topics through industry analysis (SASB), peer benchmarking, regulatory requirements, and internal stakeholder feedback (management, employees).
- 2. Impact Assessment:** Evaluating the actual and potential, positive and negative impacts of each topic on Unifonic's business (financial, operational, reputational) and on society and the environment and governance prospectives.
- 3. Materiality assessment Prioritization:** Prioritizing topics based on the severity and likelihood of their impacts, and their importance to stakeholders. This involves considering input from internal workshops and, ideally, external stakeholder engagement (e.g., customer surveys, investors, and employees).
- 4. Validation:** Review and validation of the material topics by senior management.

A preliminary Materiality Matrix will be presented in Section 8.1.



1.5. Stakeholder Engagement

Unifonic engages with a diverse range of stakeholders to understand their concerns, expectations, and feedback and performance. Key stakeholder groups include:

- **Customers:** Engaged through customer service channels, feedback mechanisms, and satisfaction surveys.
- **Employees:** Engaged through internal communications, performance reviews, training programs, and employee satisfaction surveys.
- **Investors:** Engaged through financial reporting, investor relations, and direct communications.
- **Regulators and Policymakers:** Engaged through compliance efforts, industry associations, project engagement.
- **Local Communities:** Engaged through community investment programs, such as our support for the startup ecosystem.

1.6. External Assurance

External assurance for sustainability reports can enhance credibility and trust among stakeholders. While this inaugural report does not include external assurance, Unifonic may consider pursuing independent assurance for future sustainability reports to validate the accuracy and completeness of our disclosures. This aligns with the best practices adopted by leading companies in the region following the Ministry of Economy and Planning sustainability framework.



About Unifonic

2.1. Who We Are

Unifonic is a leading customer engagement platform that empowers businesses to create remarkable omnichannel experiences. Founded in 2006, Unifonic has grown to become a scalable solution provider for omnichannel communications across the Middle East and beyond. We provide a unified platform that streamlines conversations at every touchpoint throughout the customer journey, integrating various communication channels, messaging apps, and chatbots. Our solutions help clients reach customers on their preferred channel, ensuring that every interaction makes a positive impact.

2.2. Our Vision, Mission, and Values

Vision:

To create real moments of connection between people and companies globally.

Mission:

To empower businesses with innovative communication solutions, revolutionizing customer engagement to drive business success. in higher respect and deeper trust.

Our Values:

Our values are integrated into everything we do at Unifonic, from how we hire our new Unifones, make key decisions, interact with one another, work with our customers and partners, and recognize, promote, and reward our people.

Make An Impact

Be The Change

Own It

Love Our Customers

Seize Every Day

Think Big

We create meaningful change at scale. Setting ambitious goals is just the start—we pursue them relentlessly and push boundaries to deliver outcomes that matter.

Be The Change

We don't just adapt to change—we also drive it. As pioneers from the Middle East, we're here to shape the future, not just witness it.

Own It

We take complete accountability for our actions and outcomes. Success or failure, it's on us—no excuses, no passing the buck.

Love Our Customers

Our customers' success is our success. We go beyond just serving them—we anticipate their needs and help them deliver value to those who depend on them.

Seize Every Day

We combine speed with intensity to push ourselves every day. The path isn't always easy, and this pace isn't for everyone—but it's how we achieve exceptional results that set us apart.

2.3. Our Business Model and Services

Unifonic provides Software as a Service (SAAS), Communications Platform as a Service (CPaaS), and Artificial Intelligence (AI) solutions that enable enterprises to communicate with their customers effectively and efficiently. Our services include:



SMS

High-read-rate alerts and campaigns.



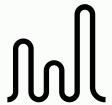
WhatsApp Business API

Notifications, customer service, and essential information.



Webchat & Messenger

Automated inbound conversations for lead qualification, sales, and support.



Voice

Meaningful and contextual voice interactions.



Push Notifications

Timely mobile notifications for in-app engagement.



Flow Studio

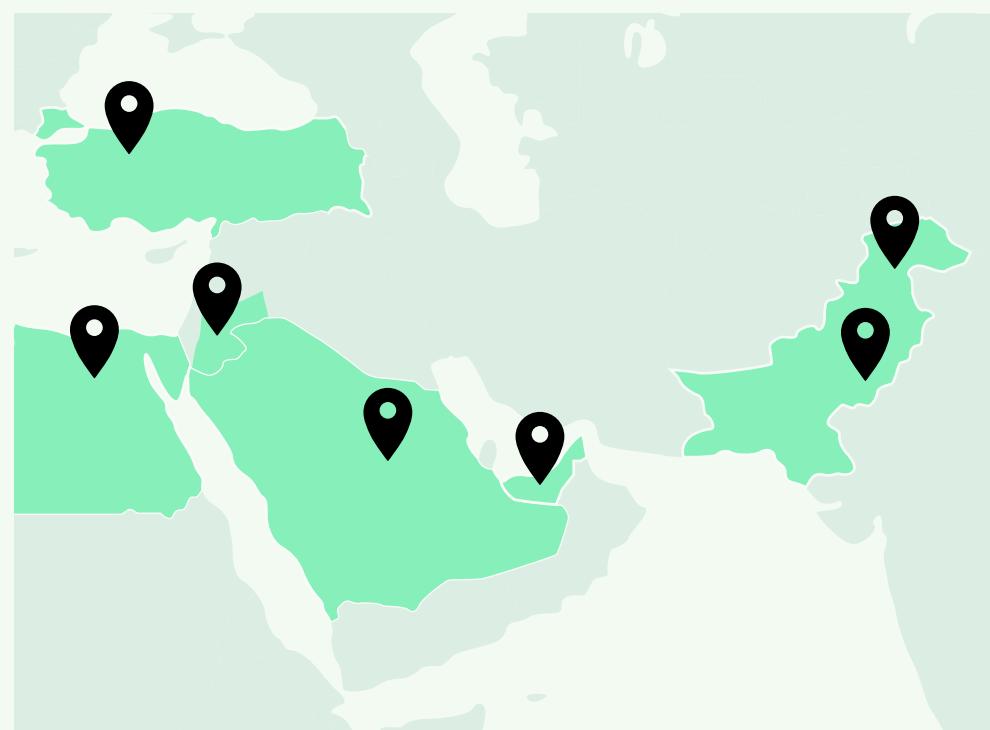
Low-code development tool for automating customer journeys with pre-built templates.

We serve a diverse client base across various industries including Retail & E-Commerce, Government, Transport & Logistics, Healthcare, Banking & Payments.

2.4. Our Global Presence

Unifonic has a growing global footprint with physical offices and legal representation in:

- Riyadh, Saudi Arabia
- Dubai, UAE
- Amman, Jordan
- Cairo, Egypt
- Islamabad, Pakistan
- Lahore, Pakistan
- Istanbul, Turkey



2.5. Key Milestones

**2006**

Company founded.

**2008**

First office opens in Khobar, Saudi Arabia.

**2021**

Raised \$125 Million USD in Series B funding, led by SoftBank Vision Fund 2 and Sanabil Investments.

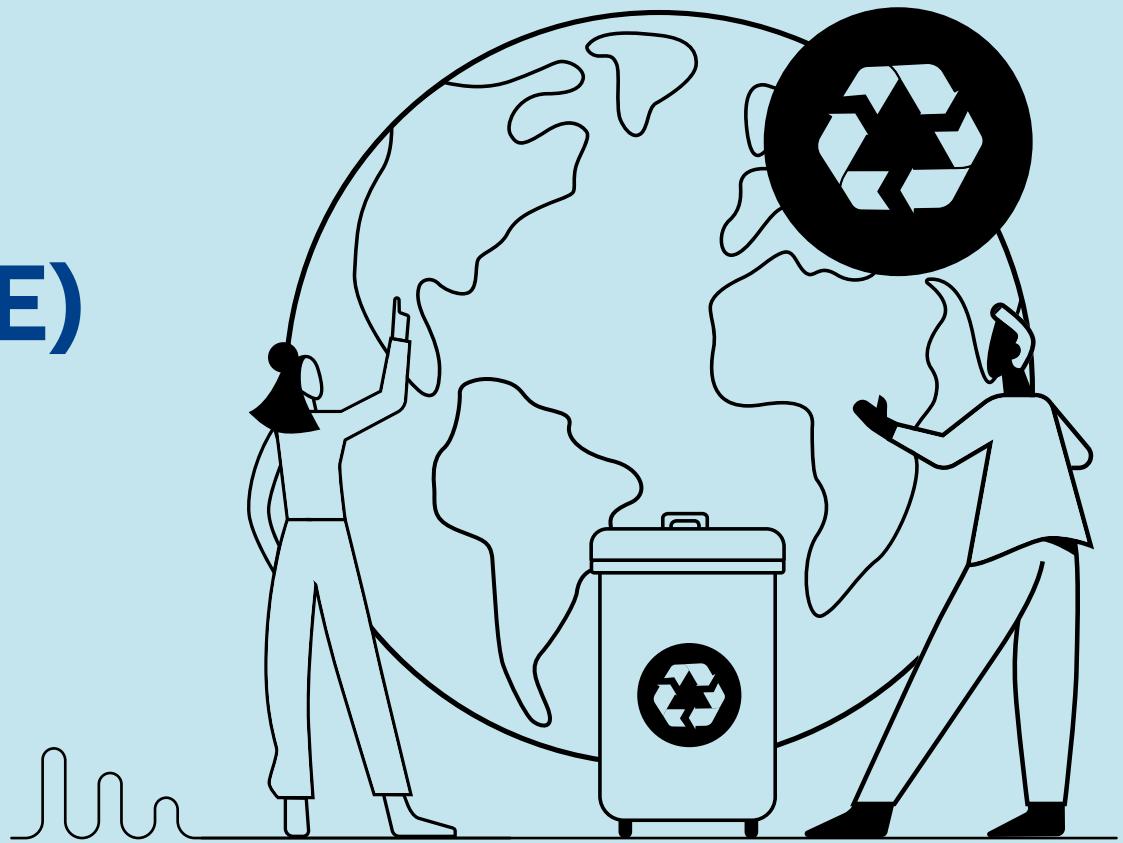
SESTEK
by UNIFONIC**2022**

Fully Acquired Sestek, a leading conversational AI solutions company (SESTEK Conversational Solutions). This acquisition further strengthens Unifonic's product portfolio and capabilities in artificial intelligence.

**2023**

Selected for Saudi Unicorns Program.

3. Environmental (E) Minimizing Our Footprint



3. Environmental (E) – Minimizing Our Footprint

3.1. Environmental Management Approach

While as a digital services provider our direct environmental footprint is smaller than manufacturing industries, Unifonic recognizes its responsibility to manage its environmental impact. We are committed to identifying, monitoring, and mitigating our operational environmental footprint, primarily focusing on energy consumption in our office spaces, water usage, and waste generation. We are in the process of developing a formal environmental policy to guide our efforts towards greater sustainability across our global operations.

3.2. Energy Consumption and GHG Emissions

Our primary environmental impact stems from energy consumption in our facilities. We are committed to monitoring and, where possible, reducing our energy usage and associated greenhouse gas (GHG) emissions.

Table: Electricity Unit Rates (USD per kWh) - 2024

Country	Rate (USD/kWh)
Saudi Arabia (Riyadh)	0.048
Egypt (Cairo)	0.05
Jordan (Amman)	0.16
Pakistan (Lahore)	0.09
UAE (Dubai)	0.11

Table: Electricity Consumption (kWh) by Office - 2024

Office	USD Cost	Rate (USD/kWh)	kWh (Estimated)
Riyadh	19,336.88	0.048	402,852
Cairo	444.90	0.05	8,898
Amman	8,505.02	0.16	53,157
Lahore	21,700.82	0.09	241,120
Dubai	3,441.31	0.11	31,285
Total	53,428.93	-	737,312

Scope 1 Green House Gas Emissions:

Scope 1 emissions are direct GHG emissions from sources owned or controlled by the company. Typical sources include fuel combustion from company-owned vehicles, backup generators (e.g., diesel/gasoline), or fugitive emissions from cooling systems (e.g., refrigerants).

Based on the information provided, Unifonic does not own factories, vehicles, therefore **Scope 1 emissions** will be the number of laptops around (317) across various offices are provided, these primarily contribute to Scope 2 emissions (electricity consumption) rather than direct Scope 1 emissions. To calculate Scope 1 emissions from office operations (e.g., backup generators or refrigerant leaks).

Total Electricity Consumption (All Reported Offices 2024): 737,312 KWH

Calculation of Scope 2 GHG Emissions (from purchased electricity):

Scope 2 emissions are indirect GHG emissions from the generation of purchased electricity, heat, or steam consumed by the organization. To calculate Scope 2 emissions, we use the following formula:

Scope 2 Emissions (tCO2e) = Electricity Consumption (KWH) × Emission Factor (tCO2e/KWH)

Assumed Electricity Emission Factors (tCO2e/KWH):

- **Saudi Arabia:** 0.00065 tCO2e/KWH
- **Egypt:** 0.00035 tCO2e/KWH (Approximate, based on general grid mix)
- **Jordan:** 0.00057 tCO2e/KWH (Approximate, based on general grid mix)
- **Pakistan:** 0.00049 tCO2e/KWH (Approximate, based on general grid mix)
- **UAE:** 0.00040 tCO2e/KWH (Approximate, based on general grid mix)

Calculated Scope 2 Emissions by Office (2024):

Office	Electricity Consumption (KWH)	Emission Factor (tCO2e/KWH)	Emissions 2 Scope (tCO2e)
Riyadh	402,852	0.00065	261.85
Cairo	8,898	0.00035	3.11
Amman	53,157	0.00057	30.30
Lahore	241,120	0.00049	118.15
Dubai	31,285	0.00040	12.51
Total	737,312	-	425.92

Therefore, Unifonic's estimated total Scope 2 emissions from electricity consumption in the reported offices for 2024 are approximately 425.92 metric tons of CO2e.

Summary of GHG Emissions (2024):

- **Scope 1 Emissions:** calculated based on direct fuel consumption/refrigerant leaks.
- **Scope 2 Emissions:** (Reported Offices): 425.92 tCO2e (Tons of carbon dioxide equivalent)

Limitations and Future Steps:

- The Scope 2 emission calculation is currently limited to offices where electricity consumption data was provided (Riyadh, Cairo, Amman, Lahore, Dubai).
- The emission factors used for Cairo, Amman, Pakistan, and UAE are approximations based on general grid mixes. For precise reporting,

location-specific and year-specific grid emission factors from official national sources or reputable databases (e.g., IEA, national grid reports) should be used.

- Future reports will aim to include Scope 1 emissions, as well as a more complete Scope 2 footprint across all relevant operational geographies and their update.

3.3. Waste Management

Unifonic acknowledges its responsibility to manage waste generated from its office operations. While a comprehensive waste audit is not yet in place, initial estimations provide insight into our waste generation.

Estimated Office Waste:

- The average estimated waste across all offices is approximately 301 liters per day, which translates to an estimated 60.20 kilograms per day using a standard density of 0.20 kg/L for mixed office waste.
- This estimation is based on a general conversion from volume to mass, where 301 liters of waste corresponds to a range of approximately 45.15 kg to 75.25 kg per day, depending on the actual waste density (0.25–0.15 kg/L).
- A detailed breakdown of waste types (e.g., general waste, recycling, e-waste) and disposal methods (landfill, recycling, composting) for all offices is currently unavailable and will require further data collection or waste audits.

Limitations and Future Steps:

- To establish a more robust waste management strategy, Unifonic plans to conduct detailed waste audits across all its office locations to understand the composition and quantity of waste generated.
- Based on these audits, we will develop specific targets for waste reduction, increase recycling rates, and explore opportunities for responsible disposal and

3.4. Water Management

Unifonic recognizes water as a valuable resource and is committed to responsible water management in its office operations.

Water Unit Rates (USD per Liter) - 2024

Country	Rate (USD/kWh)
Egypt (Cairo)	0.0011
Jordan (Amman)	0.0015
Pakistan (Lahore)	0.0009
UAE (Dubai)	0.0016
KSA (Riyadh)	Data not available

Water Consumption (Liters) by Office - 2024

Office	USD Cost	Rate (USD/L)	Liters (Estimated)
Egypt (Cairo)	1,154.40	0.0011	1,049,455
Jordan (Amman)	403.95	0.0015	269,300
Pakistan (Lahore)	102.68	0.0009	114,089
UAE (Dubai)	816.87	0.0016	510,544
KSA (Riyadh)	Unknown	—	Cannot estimate
Total	2,477.90	-	1,943,388

Total Water Consumption (All Reported Offices 2024): 1,943,388 Liters

Limitations and Future Steps:

- Water consumption data is currently limited to Cairo, Amman, Lahore, and Dubai. Efforts will be made to collect comprehensive water usage data from all Unifonic offices, including Riyadh and other global locations, for future reports.
- Unifonic will explore opportunities to implement water-saving initiatives in its offices, such as installing water-efficient fixtures and raising employee awareness about responsible water use.

3.5. Paperless Workplace Initiative

Unifonic is proud to champion a paperless workplace across all its offices, a key initiative in minimizing our environmental footprint and promoting digital efficiency. By leveraging cloud-based platforms, digital documentation, and electronic communication tools, we have significantly reduced our reliance on paper. This commitment not only contributes to forest preservation and reduced waste but also enhances operational efficiency and data accessibility.

• Digitizing Financial Processes

The Finance Department has adopted advanced cloud-based ERP systems to record and manage all invoices, receipts, and other financial documents received from vendors. This digital transformation not only eliminates the need for paper records but also enhances accuracy, accessibility, and real-time tracking.

• Streamlining Internal Procedures

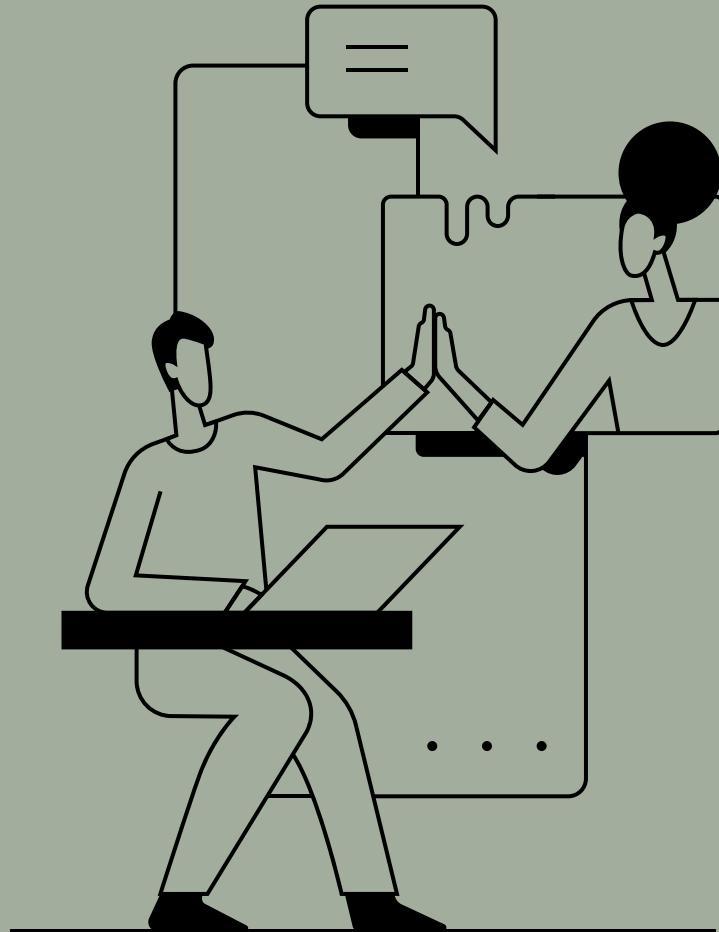
All internal processes that previously required physical documentation and manual signatures have been fully migrated to secure, cloud-based digital workflows. These platforms enable seamless approvals, faster turnaround times, and improved traceability, and environmental impact while ensuring compliance with regulatory requirements.

In 2024, our paper consumption was reduced by an estimated 90% across all offices compared to the previous practice year, demonstrating a significant shift towards digital processes. This reduction is supported by the fact that most of our internal forms and documentation are now fully digital, streamlining workflows and minimizing the need for printing and paper need.



4. Social (S)

Empowering People and Communities



4. Social (S) – Empowering People and Communities

4.1. Our People: Employee Well-being and Development

Our employees are our most asset. Unifonic is dedicated to fostering a supportive, inclusive, and empowering work environment where every individual can thrive.

4.1.1. Diversity, Equity, and Inclusion (DEI)

Unifonic is committed to building a diverse workforce and fostering an inclusive culture where all employees feel valued and respected.



Total Employees (2024)
306

Gender Diversity



Male
216



Female
90

Employee diversity and nationality by region:



33 Nationalities

4.1.2. Employee Training and Development

Unifonic is committed to the continuous learning and development of its employees, ensuring they have the skills and knowledge to excel in their roles and grow professionally. Our comprehensive training programs cover a wide range of areas, from technical skills and software development to customer service excellence and leadership development.

Table: Employee Training Hours (2024)

Category	Total Hours	Average Hours per Employee
General Training	6,000	15
Software Development	3,000	7.5
Customer Service	1,500	3.75
Leadership Development	800	2
Total	11,300	28.25

4.1.3. Health and Safety

Unifonic prioritizes the health, safety, and well-being of its employees. We strive to provide a safe and healthy working environment across all our offices. Our health and safety policies are designed to comply with local regulations and industry's best practices. We conduct regular risk assessments to identify and mitigate potential hazards and provide employees with necessary safety training. While detailed incident rates (e.g., Lost Time Injury Frequency Rate (LTIFR) and Total Recordable Incident Rate (TRIR)) are not available for this report, Unifonic is

committed to maintaining a safe workplace with a focus on preventative measures. Furthermore, we are implementation of wellness programs to support the physical and mental health of our employees.

4.1.4. Employee Engagement

We actively work to foster a positive and engaging work culture. Our commitment to employee engagement is reflected in our efforts to create an environment where employees feel valued, motivated, and connected. Unifonic conducts employee satisfaction surveys to gather feedback and continuously improve our workplace. Our recognition as a "Great Place to Work" underscores our dedication to creating an environment where employees feel empowered and thrive. We implement various initiatives to promote open communication, collaboration, and a sense of community among our diverse workforces.

4.2. Customer-Centricity and Product Responsibility

Our core business revolves around delighting customers with remarkable omnichannel experiences. This commitment extends to ensuring responsible product development and customer data handling.

4.2.1. Customer Satisfaction and Experience

Unifonic places a strong emphasis on understanding and meeting customer needs, leading to high satisfaction levels. We continuously monitor customer feedback and performance metrics to ensure we are delivering value and exceeding expectations.

Key Findings from Customer Survey 2024:

Customer Satisfaction Score (CSAT): In KSA, Unifonic holds a competitive "NPS" of 47. In the UAE, Unifonic's "NPS" is slightly lower at 43.

Net Promoter Score (NPS): Unifonic's NPS is 47 in KSA and 43 in UAE, demonstrating strong customer loyalty in KSA while highlighting an area for improvement in the UAE to match industry leaders.

AI Chatbot Engagement: More than 5/4 of people in the UAE engage with AI chatbots, favoring webchat (%55) and chat apps like WhatsApp (%42). Trust in AI-driven customer support is substantial, with 5/3th of people expressing confidence in these tools. However, most still prefer human interaction for customer support, even if it means waiting 15-10 minutes.

[Further qualitative insights on customer feedback regarding product features, service quality, and support responsiveness.]

4.2.2. Product Safety and Quality

Our platforms and services are designed with a focus on reliability, security, and quality, ensuring seamless and secure communication for our clients. We adhere to rigorous quality assurance processes throughout the product development lifecycle to minimize vulnerabilities and enhance performance. Our commitment to product safety is embedded in our cybersecurity and data privacy practices (Section 5.4), ensuring the integrity and confidentiality of customer data processed through our platform. We maintain robust Service Level Agreements (SLAs) with our clients, reflecting our dedication to high uptime and reliable service delivery.

4.2.3. Responsible Marketing

Unifonic adheres to ethical marketing practices, respecting customer privacy and ensuring transparent communication. We are committed to responsible marketing that avoids misleading claims and ensures compliance with all applicable advertising and consumer protection laws. Our services, such as robust anti-spam regulations compliance built into our platform, actively support responsible messaging for our clients, helping them maintain trust with their end-users.

4.3. Community Investment and Social Impact

Unifonic is deeply committed to making a positive impact on the communities where we operate, particularly by fostering innovation and economic growth.

4.3.1. Supporting the Entrepreneurship Ecosystem

We actively contribute to the development of the technology and entrepreneurship ecosystem, especially in Saudi Arabia.

- **UnifonicX:** An investment program of SAR 100 million focused on Acceleration and Venture Building for rising SaaS startups. This initiative supports nascent businesses, contributing to job creation and economic diversification.
- **Partnership with inspireU from stc:** This strategic partnership aims to empower the startup ecosystem in Saudi Arabia by supporting early-stage startups in various domains such as fintech, cybersecurity, artificial intelligence, digital games, Internet of Things, and blockchain. This collaboration emphasizes Unifonic's commitment to promoting innovation and a sustainable future for the region.
- **Impact:** Through these programs, Unifonic helps cultivate a vibrant environment for innovation, attract investment, and pave the way for a sustainable future for the next generation of entrepreneurs.

4.3.2. Philanthropy and Volunteering

While specific philanthropic activities or employee volunteering initiatives were not detailed in the provided information, Unifonic encourages its employees to contribute positively to their local communities. As part of our commitment to social responsibility, we are exploring structured programs for employee volunteering and corporate donations to align with our values and support causes that resonate with our mission. These initiatives will be considered for future reports.

5. Governance (G)

Upholding Trust and Integrity



5. Governance (G) – Upholding Trust and Integrity

5.1. Corporate Governance Structure

Unifonic is committed to maintaining a robust corporate governance framework that ensures accountability, transparency, and ethical conduct. Our governance structure is designed to support long-term value creation and protect stakeholder interests. While specific details on board composition and committee structures are not publicly disclosed at this time, Unifonic operates with clear lines of responsibility and oversight. Senior management is responsible for the day-to-day operations and reports to the board of directors, which provides strategic guidance and exercises fiduciary duties.

5.2. Ethics and Integrity

Unifonic operates with a strong commitment to ethical conduct and integrity across all business operations. Our core values, particularly "Be Transparent," underpin our approach to business. We are developing a comprehensive Code of Conduct that will clearly articulate our ethical principles and expectations for all employees, partners, and suppliers. This code will cover areas such as anti-bribery and corruption, fair competition, and conflicts of interest. Regular training sessions will be conducted to ensure all employees understand and adhere to these principles, fostering a culture of integrity and accountability throughout the organization.

5.3. Risk Management

Unifonic employs a comprehensive Enterprise Risk Management (ERM) Framework to identify, assess, mitigate, and monitor risks that could impact our business objectives and stakeholder interests. Our ERM framework aligns with best practices and is designed to ensure business continuity and resilience.

Key components of our ERM framework include:

- **Risk Identification:** Proactively identifying potential risks across all operational areas, including financial, operational, strategic, compliance, and reputational risks.
- **Risk Assessment:** Evaluating the probability and potential severity of identified risks to prioritize mitigation efforts.
- **Risk Response and Mitigation:** Developing and implementing strategies to minimize or eliminate risks, including control measures, contingency plans, and insurance.
- **Risk Monitoring and Reporting:** Continuously monitoring the risk landscape and reporting on risk status and mitigation effectiveness to relevant stakeholders, including senior management.
- **Integration with Strategic Planning:** Ensuring that risk considerations are integrated into our strategic decision-making processes to support sustainable growth and protect long-term value.

This framework is applied across all Unifonic operations, from cybersecurity and data privacy (Section 5.4) to regulatory compliance (Section 5.5) and operational risks associated with our service delivery.

5.4. Cybersecurity and Data Privacy

Safeguarding customer and company data is paramount at Unifonic. We meticulously follow internationally recognized cybersecurity standards and best practices to demonstrate our dedication to robust information security management systems. Our commitment is underpinned by a comprehensive security framework and continuous efforts to ensure compliance.

- **Certifications and Standards:**

ISO 27001 (Information Security Management System)

ISO 27017 (Cloud Security)

ISO 27018 (Personally Identifiable Information Protection in Public Clouds)

CSA STAR Level 2 (Cloud Security Alliance Security Trust Assurance and Risk)

SOC 2 Type I and II (Service Organization Control Reports)



- **Comprehensive Information Security Management System (ISMS) Coverage:**

Spanning policies, assets, access, cryptography, operations, communication, physical security, business continuity, HR, product, cloud security, supplier relations, vulnerability management, and incident response.

- **Security Governance:**

A robust framework aligning policies and procedures with industry best practices, ensuring alignment with our core values of transparency and integrity.

- **Business Resilience:**

Ensuring service continuity and data safety in the face of unexpected disruptions.

- **DevSecOps:**

Seamlessly integrating security throughout the software development lifecycle, from design to deployment.

- **Threat and Risk Assessment:**

Ongoing risk assessments proactively address security threats and vulnerabilities, enabling us to adapt to the evolving threat landscape.

- **Cyber Defense:**

Employing cutting-edge cybersecurity technologies and strategies, including advanced threat detection, intrusion prevention, and incident response capabilities.

- **Transparent Policy Management:**

Information security policies and standards undergo annual management team review and approval, fostering accountability and continuous improvement.

- **Security Validation:**

Continuous monitoring and at least annual penetration testing and vulnerability assessments validate the effectiveness of our security controls.

- **Audit and Compliance:**

Regular, thorough internal and external audits confirm adherence to industry standards and regulations, reinforcing our commitment to compliance.

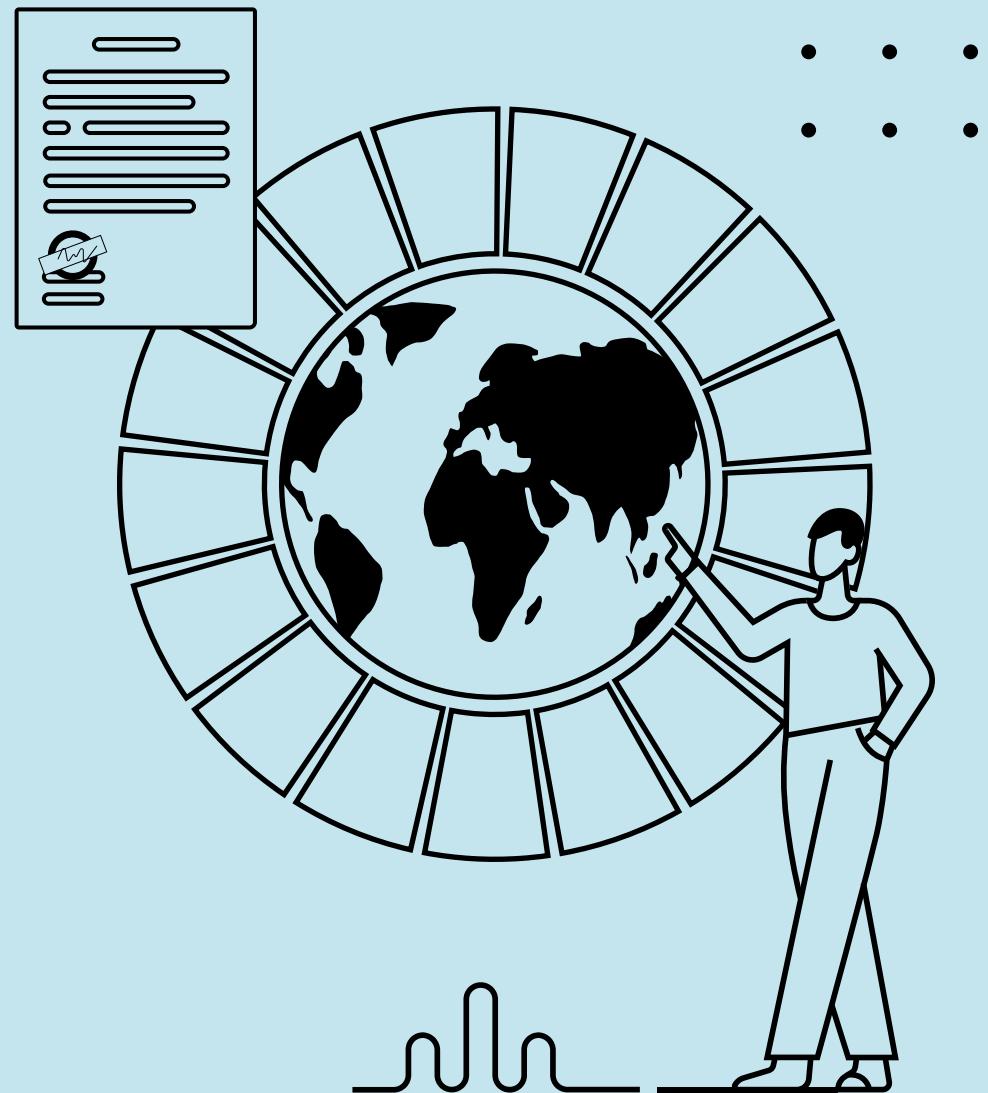
- **Privacy Policy:**

Our detailed Privacy Policy outlines how we collect, use, and disclose personal information, emphasizing protection of individual privacy and compliance with regulations such as SDAIA's Risk Assessment Guideline for data transfers.

5.5. Regulatory Compliance

Unifonic is committed to strict adherence to all relevant local and international laws and regulations. We are a licensed service provider with the Communications, Space & Technology Commission (CST) in KSA and are highly familiar with the regulatory environment. We place a high focus on security and compliance with local regulations, including anti-spam regulations, and comply with the National Cyber Security Authority standards where applicable. Our robust internal controls and legal oversight ensure that Unifonic operates within all regulatory frameworks, minimizing legal and reputational risks.

6. Alignment with Sustainable Development Goals (SDGs)



6. Alignment with Sustainable Development Goals (SDGs)



Unifonic's operations and initiatives contribute to several of the United Nations Sustainable Development Goals (SDGs), reflecting our commitment to global sustainable development.

SDG 4: Quality Education

Contribution: Through UnifonicX and the partnership with inspireU from stc, we support skill development, entrepreneurship, and access to quality training programs for startups and aspiring professionals in the tech sector.



SDG 8: Decent Work and Economic Growth

Contribution: We foster a positive work environment, invest in employee development, and create employment opportunities. Our support for startups also directly contributes to economic growth and innovation, particularly within the MENA region.



SDG 9: Industry, Innovation, and Infrastructure

Contribution: As a technology company providing innovative communication solutions, Unifonic directly contributes to building resilient infrastructure, promoting inclusive and sustainable industrialization, and fostering innovation through our CPaaS platform and support for tech startups.



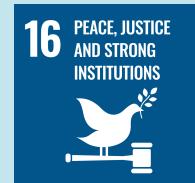
SDG 11: Sustainable Cities and Communities

Contribution: Our investment in local startup ecosystems contributes to vibrant, innovative communities and supports urban development in tech hubs.



SDG 16: Peace, Justice, and Strong Institutions

Contribution: Our strong emphasis on corporate governance, ethics, data privacy, and regulatory compliance reinforces transparency and builds trust, contributing to effective, accountable institutions.



7. Alignment with Saudi Vision 2030

Unifonic is deeply aligned with Saudi Arabia's Vision 2030, actively contributing to its pillars of a Vibrant Society, a Thriving Economy, and an Ambitious Nation.



Vibrant Society:

Contribution: Our initiatives like UnifonicX and partnerships with local accelerators (e.g., inspireU from stc) foster a culture of entrepreneurship and innovation, contributing to a vibrant and engaged youth. Our focus on employee well-being and diversity also supports a thriving workforce.



Thriving Economy:

Contribution: By developing cutting-edge communication solutions and supporting the growth of tech startups, Unifonic plays a crucial role in diversifying Saudi Arabia's economy, driving digital transformation, and attracting investment in the non-oil sector. Our consistent growth and expansion also contribute to economic prosperity toward automation and digital transformation.



Ambitious Nation:

Contribution: Our commitment to the best international practices in governance, cybersecurity, and data protection reflects the ambition to build a transparent and effective regulatory environment. By empowering local tech champions, we contribute to strengthening Saudi Arabia's global competitiveness and position as a digital hub.



8. ESG Strategy and Future Outlook

8.1. Materiality Matrix and Priority Topics

Based on our preliminary assessment, and considering the SASB standards, GRI guidelines, and Unifonic's operations, the following are proposed material topics. This matrix categorizes topics based on their significance to Unifonic's business and their impact on stakeholders economic, Social, and governance.



Plotting Points: Each of the topics below would be plotted as a distinct point on this matrix, ideally with a clear label.

Material Topic	Priority	SASB Topic (General)	GRI Standard	UN SDGs
1. Data Privacy & Cybersecurity	1	Data Security, Customer Privacy	GRI 418: Customer Privacy	9,16
2. Customer Satisfaction & Responsible Product Use	2	Product Quality & Safety, Customer Welfare	GRI 416: Customer Health and Safety, GRI 417: Marketing and Labeling	3,12

Material Topic	Priority	SASB Topic (General)	GRI Standard	UN SDGs
3. Employee Attraction, Development & Retention	3	Employee Engagement, Diversity & Inclusion, Fair Labor Practices	GRI 401: Employment, GRI 404: Training and Education	4,8
4. Business Ethics & Transparency	4	Business Ethics, Competitive Behavior	GRI 205: Anti-corruption, GRI 206: Anti-competitive Behavior	16
5. Regulatory Compliance	5	Management of the Legal & Regulatory Environment	GRI 307: Environmental Compliance, GRI 419: Socioeconomic Compliance	16
6. Supply Chain Sustainability	6	Supply Chain Management, Materials Sourcing	GRI 204: Procurement Practices, GRI 308: Supplier Environmental Assessment, GRI 414: Supplier Social Assessment	8,12,17
7. Community Investment & Local Economic Impact	7	Community Relations	GRI 203: Indirect Economic Impacts, GRI 413: Local Communities	1,8,11
8. Employee Health & Safety	8	Employee Health & Safety	GRI 403: Occupational Health and Safety	3,8
9. Energy Consumption & GHG Emissions	9	GHG Emissions, Energy Management	GRI 302: Energy, GRI 305: Emissions	7,13

Material Topic	Priority	SASB Topic (General)	GRI Standard	UN SDGs
10. Innovation & Future-Proofing	10	Business Model Resilience, Innovation	N/A	9,12
11. Waste Management	11	Waste & Hazardous Materials Management	GRI 306: Waste	12
12. Water Management	12	Water Management	GRI 303: Water and Effluents	6
13. Access to Communication Technology	13	Access & Affordability, Product Quality & Safety	GRI 203: Indirect Economic Impacts	9

Environmental, Social, and Governance (ESG) Key pillars alignment:

ESG Pillar	Topic	Priority	SASB Topic (General)	GRI Standard	UN SDGs
Governance (G)	1. Data Privacy & Cybersecurity Governance (G)	1	Data Security, Customer Privacy	GRI 418: Customer Privacy	9,16
Social (S)	2. Customer Satisfaction & Responsible Product Use	2	Product Quality & Safety, Customer Welfare	GRI 416: Customer Health and Safety, GRI 417: Marketing and Labeling	3,12

ESG Pillar	Topic	Priority	SASB Topic (General)	GRI Standard	UN SDGs
Social (S)	3. Employee Attraction, Development & Retention	3	Employee Engagement, Diversity & Inclusion, Fair Labor Practices	GRI 401: Employment, GRI 404: Training and Education	4,8
Governance (G)	4. Business Ethics & Transparency	4	Business Ethics, Competitive Behavior	GRI 205: Anti-corruption, GRI 206: Anti-competitive Behavior	16
Governance (G)	5. Regulatory Compliance	5	Management of the Legal & Regulatory Environment	GRI 307: Environmental Compliance, GRI 419: Socioeconomic Compliance	16
Social (S)	6. Supply Chain Sustainability	6	Supply Chain Management, Materials Sourcing	GRI 204: Procurement Practices, GRI 308: Supplier Environmental Assessment, GRI 414: Supplier Social Assessment	8,12,17
Social (S)	7. Community Investment & Local Economic Impact	7	Community Relations	GRI 203: Indirect Economic Impacts, GRI 413: Local Communities	1,8,11

ESG Pillar	Topic	Priority	SASB Topic (General)	GRI Standard	UN SDGs
Social (S)	8. Employee Health & Safety	8	Employee Health & Safety	GRI 403: Occupational Health and Safety	3,8
Environmental (E)	9. Energy Consumption & GHG Emissions	9	GHG Emissions, Energy Management	GRI 302: Energy, GRI 305: Emissions	7,13
Governance (G)	10. Innovation & Future-Proofing	10	Business Model Resilience, Innovation	N/A	9,12
Environmental (E)	11. Waste Management	12	Waste & Hazardous Materials Management	GRI 306: Waste	12
Environmental (E)	12. Water Management	13	Water Management	GRI 303: Water and Effluents, Water Management	6
Social (S)	13. Access to Communication Technology	14	Access & Affordability, Product Quality & Safety	GRI 203: Indirect Economic Impacts	9

8.2. ESG Targets and Action Plan 2030-2025

Unifonic is committed to setting ambitious targets and implementing actionable plans to improve our ESG performance.

Proposed Action Plan aligned with Saudi Vision 2030:

- **Environmental (E):**

Objective: Reduce energy consumption and explore renewable energy options.
Action 1: Conduct an energy audit across all major Unifonic offices (beyond KSA) to identify efficiency opportunities.
Action 2: Set a baseline for global GHG emissions (Scope 2 & 1) by and establish monitoring criteria.
Vision 2030 Alignment: Contributes to environmental sustainability and a circular economy (Ambitious Nation).

- **Social (S):**

Objective: Foster an inclusive and high-performing workforce and expand positive community impact.
Action 1: Launch a mentorship program for Saudi Entrepreneurship interested in tech, leveraging Unifonic X network.
Action 2: Achieve a minimum of 35 hours of training per employee annually.
Action 3: Continuously implement employee wellness program focusing on mental and physical health.
Action 4: Publish annual customer satisfaction scores and detail actions taken based on feedback, aiming for a 5% increase in CSAT.
Vision 2030 Alignment: Directly supports human capability development, and economic diversification (Vibrant Society, Thriving Economy).

- **Governance (G):**

Objective: Enhance corporate governance transparency and risk management.
Action 1: Establish a dedicated ESG committee at the board level to oversee

Action 2: Conduct an annual independent external audit of cybersecurity controls (e.g., penetration testing results) and publish key findings (non-sensitive).

Action 3: Implement a formal whistleblower policy and ensure clear channels for reporting ethical concerns.

Vision 2030 Alignment: Reinforces transparency and effective institutions (Ambitious Nation).

Action

8.3. Future Commitments

Unifonic is dedicated to continuous improvement in its sustainability journey, with a clear vision to leverage its strengths to lead and evolve the digital landscape.

In the coming years, we aim to:

- Lead AI Innovation and Solutions Globally: Building on the full acquisition of Sestek in 2024, Unifonic is committed to becoming a global leader in AI-powered communication solutions, driving innovation that transforms customer engagement and business efficiency worldwide.
- Conduct a more in-depth, verified double materiality assessment involving broader stakeholder consultation.
- Enhance data collection mechanisms for more comprehensive environmental and social performance indicators.
- Explore new initiatives that align with our core business and contribute to the SDGs and Saudi Vision 2030.

- Seek external assurance for future sustainability reports to enhance credibility and trust.



9.GRI Content Index- (Reference)



This section maps Unifonic's disclosures against the GRI Standards.

GRI Standard/Disclosure	Disclosure Title	Section in Report
GRI 2-1	Organizational details	2.1, 2.4
GRI 2-2	Entities included in the organization's sustainability reporting	1.2
GRI 2-3	Reporting period, frequency, and contact point	1.2, 1.3
GRI 2-4	Restatements of information	1.2
GRI 2-5	External assurance	1.6
GRI 2-6	Activities, value chain, and other business relationships	2.3, 1.5
GRI 2-7	Employees	4.1.1
GRI 2-9	Governance structure and composition	5.1
GRI 2-10	Nomination and selection of the highest governance body	5.1
GRI 2-11	Chair of the highest governance body	5.1

GRI Standard/Disclosure	Disclosure Title	Section in Report
GRI 2-12	Role of the highest governance body in overseeing the management of impacts	5.1
GRI 2-13	Delegation of responsibility for managing impacts	5.1
GRI 2-14	Role of the highest governance body in sustainability reporting	5.1, 1.1
GRI 2-17	Collective knowledge of the highest governance body	5.1
GRI 2-21	Statement on integrity and ethical conduct	5.2
GRI 2-22	Policy commitments	5.2, 5.4, 4.1.1, 3.1
GRI 2-25	Compliance with laws and regulations	5.5
GRI 2-28	Stakeholder engagement	1.5
GRI 2-29	Approach to identifying and managing impacts	1.4, 5.3
GRI 2-30	Due diligence processes	5.3, 5.4

10. SASB Content Index

This section maps Unifonic's disclosures against the SASB Software and IT Services standard.



SASB Topic/Metric	Code	Disclosure	Section in Report
Environmental (E)			
Energy Management	FN-ST-130a.1	Total energy consumed (reported kWh 737,312 :offices)	3.2
		Percentage grid electricity from renewable sources	3.2
Greenhouse Gas Emissions	FN-ST-130a.2	Scope 2 (reported offices): 425.92 tCO2e. Scope 1: Not available.	3.2
Social (S)			
Data Security	FN-ST-230a.1	(1) Number of data breaches	3.2
		(2) Percentage of data breaches by severity	5.4
		(3) Number of users affected by data breaches	5.4
Product Lifecycle Management	FN-ST-270a.1	Description of product quality and safety management	4.2.2

SASB Topic/Metric	Code	Disclosure	Section in Report
Human Capital			
Employee Engagement, Diversity & Inclusion	FN-ST-330a.1	(1) Total number of employees by employment type, gender, and region.	4.1.1
		(2) Voluntary turnover rate by gender and age.	4.1.1
		(3) Average hours of diversity and inclusion training per employee	4.1.2
Employee Compensation & Benefits	FN-ST-330a.2	Description of approach to attracting, developing, and retaining talent	4.1.1, 4.1.2
Business Model & Innovation			
Access to Communication Technology (as an enablement for clients)	FN-ST-510a.1	Discussion of initiatives to expand access to communication channels for clients	2.3, 4.3.1
Leadership & Governance			
Business Ethics & Transparency	FN-ST-530a.1	Description of ethics and anti-corruption policies	5.2

SASB Topic/Metric	Code	Disclosure	Section in Report
		(1) Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior, anti-trust, and monopoly practices	5.5
		(2) Total number of violations of anti-competitive behavior, anti-trust, and monopoly practices	5.5



11. Sustainability Materiality Alignment

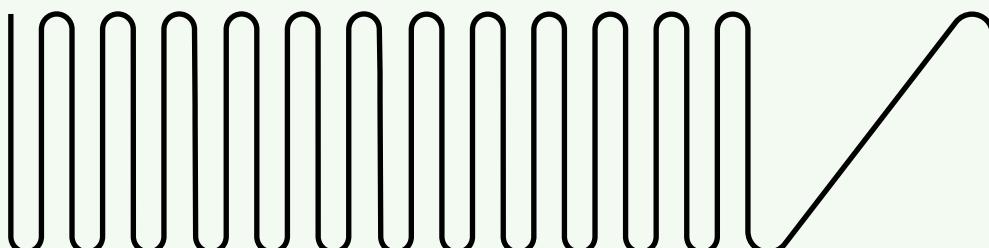
This table provides an overview of Unifonic's material sustainability topics and their alignment with the Global Reporting Initiative (GRI) Standards, Sustainability Accounting Standards Board (SASB) Standards, and the United Nations Sustainable Development Goals (SDGs).

Sustainability Material Topic	ESG Category	Relevant GRI Disclosure(s) (2021)	Relevant SASB Topic/Metric (Software & IT Services)	Aligned SDGs
Data Privacy & Cybersecurity	Governance	GRI 2-22 (Policy commitments), GRI 2-29 (Approach to identifying and managing impacts), GRI 2-30 (Due diligence processes)	FN-ST-230a.1 Data Security	SDG 9 (Industry, Innovation, and Infrastructure), SDG 16 (Peace, Justice, and Strong Institutions)
Customer Satisfaction & Responsible Product Use	Social	GRI 2-22 (Policy commitments)	FN-ST-270a.1 Product Lifecycle Management	SDG 9 (Industry, Innovation, and Infrastructure)

Sustainability Material Topic	ESG Category	Relevant GRI Disclosure(s) (2021)	Relevant SASB Topic/Metric (Software & IT Services)	Aligned SDGs
Employee Attraction, Development & Retention	Social	GRI 2-7 (Employees), GRI 2-22 (Policy commitments)	FN-ST-330a.1 Employee Engagement, Diversity & Inclusion; FN-ST-330a.2 Employee Compensation & Benefits	SDG 4 (Quality Education), SDG 8 (Decent Work and Economic Growth)
Business Ethics & Transparency	Governance	GRI 2-21 (Statement on integrity and ethical conduct), GRI 2-22 (Policy commitments)	FN-ST-530a.1 Business Ethics & Transparency	SDG 16 (Peace, Justice, and Strong Institutions)
Regulatory Compliance	Governance	GRI 2-25 (Compliance with laws and regulations)	FN-ST-530a.1 Business Ethics & Transparency	SDG 16 (Peace, Justice, and Strong Institutions)
Supply Chain Sustainability	Environmental / Social	GRI 2-6 (Activities, value chain, and other business relationships)	FN-ST-430a.1 (Supply Chain Management, indirectly through "Ethical Business Practices")	SDG 8 (Decent Work and Economic Growth), SDG 12 (Responsible Consumption and Production)

Sustainability Material Topic	ESG Category	Relevant GRI Disclosure(s) (2021)	Relevant SASB Topic/Metric (Software & IT Services)	Aligned SDGs
Community Investment & Local Economic Impact	Social	GRI 2-6 (Activities, value chain, and other business relationships)	FN-ST-270a.2 (Community Relations, indirectly through broader social impact)	SDG 4 (Quality Education), SDG 8 (Decent Work and Economic Growth), SDG 11 (Sustainable Cities and Communities)
Employee Health & Safety	Governance	GRI 2-22 (Policy commitments), GRI 403 (Occupational Health and Safety)	FN-ST-330a.3 (Workforce Health & Safety)	SDG 3 (Good Health and Well-being), SDG 8 (Decent Work and Economic Growth)
Energy Consumption & GHG Emissions	Environmental	GRI 302 (Energy), GRI 305 (Emissions)	FN-ST-130a.1 Energy Management; FN-ST-130a.2 Greenhouse Gas Emissions	SDG 7 (Affordable and Clean Energy), SDG 13 (Climate Action)

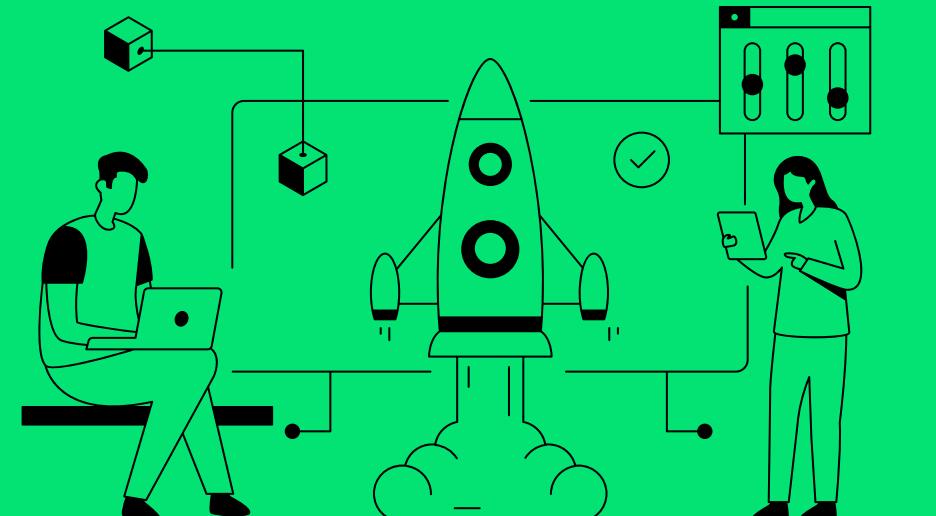
Sustainability Material Topic	ESG Category	Relevant GRI Disclosure(s) (2021)	Relevant SASB Topic/Metric (Software & IT Services)	Aligned SDGs
Innovation & Future-Proofing	Business Model & Innovation	GRI 2-6 (Activities, value chain, and other business relationships)	FN-ST-510a.1 Access to Communication Technology	SDG 9 (Industry, Innovation, and Infrastructure)
Waste Management	Environmental	GRI 303 (Water and Effluents)	FN-ST-130a.4 (Water Management, generally implied under resource use)	SDG 6 (Clean Water and Sanitation)
Water Management	Environmental	GRI 303 (Water and Effluents)	FN-ST-130a.4 (Water Management, generally implied under resource use)	SDG 6 (Clean Water and Sanitation)
Paperless Workplace Initiative	Environmental	GRI 306 (Waste)	FN-ST-130a.3 (Waste Management, indirectly by reducing paper waste)	SDG 12 (Responsible Consumption and Production)



12. Looking Forward Towards Unifonic's Future Goals

As we conclude this inaugural Sustainability ESG Disclosure Report, Unifonic stands at the precipice of an exciting future, driven by innovation, a commitment to our stakeholders, and our pivotal role in the global digital economy. Our journey in 2024, marked by key milestones such as the full acquisition of Sestek, solidifies our strategic direction and enhances our capabilities in conversational AI.

Looking ahead, Unifonic is well positioned to **drive AI innovation and deliver advanced solutions on a global scale**. Our deepened expertise in artificial intelligence, combined with our robust SAAS and CPaaS platform, positions us to revolutionize customer engagement on a global scale. We envision a future where seamless, intelligent, and personalized communication is the norm, benefiting businesses and individuals across diverse sectors.



Our future goals are to our ESG commitments.

- **Driving Inclusive Digital Transformation:** We will continue to expand access to advanced communication technologies, fostering economic growth and digital literacy in emerging markets.
- **Pioneering Ethical AI:** As we lead in AI innovation, we commit to developing and deploying AI solutions responsibly, prioritizing data privacy, algorithmic fairness, and transparency.
- **Empowering the Global Workforce:** We will invest further in training and development, preparing our employees and the wider talent pool for the opportunities and challenges of the AI-driven future.
- **Minimizing Our Environmental Impact:** While innovating digitally, we will redouble our efforts to reduce the energy footprint of our operations and explore sustainable practices throughout our value chain.
- **Strengthening Governance and Trust:** As a global leader, we will continuously uphold the highest standards of governance, cybersecurity, and regulatory compliance, building enduring trust with our customers, partners, and the communities we serve.

Unifonic's journey is a testament to our belief that business success and sustainable impact are inseparable. We are excited about the opportunities ahead and remain dedicated to our mission of creating real moments of connection, powered by cutting-edge technology and a profound sense of responsibility. We invite our stakeholders to join us in this endeavor as we strive to build a more connected, efficient, and sustainable world.

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