



sustainability report 2024
executive summary

from vision

to value

creating legacy
impact



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Environmental performance and climate

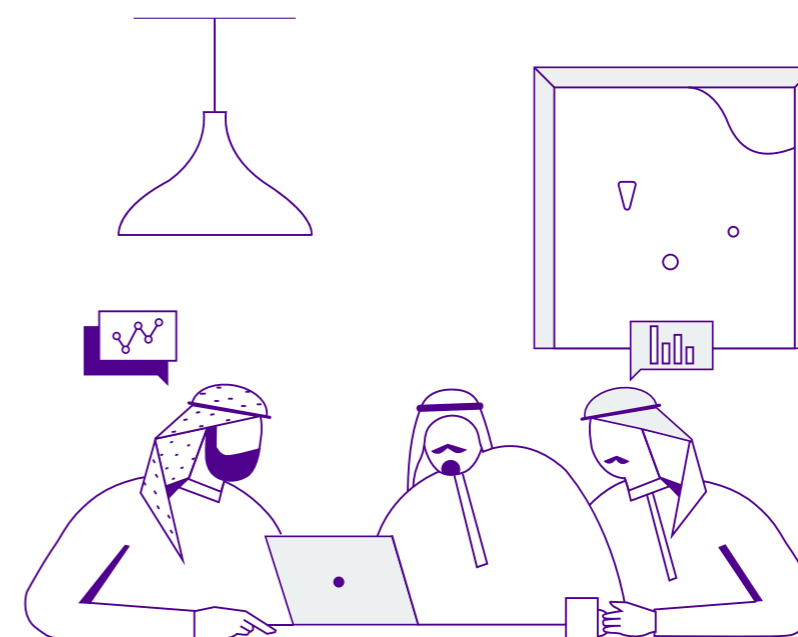
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Introduction

About the 2024 sustainability report

Guiding frameworks

The 2024 Sustainability Report follows global reporting standards and guidelines, notably the Global Reporting Initiative (GRI), the Sustainability Accounting Standards Board (SASB) and the GSMA ESG for mobile sector, which are all referenced at the end of this document in the chapter The details that matter (appendices). This report also takes guidance from the IFRS S1 and S2 standards, with the aim to become compliant with these standards in the near future.

stc is a signatory to the United Nations Global Compact (UNGC) and is committed to upholding the 10 principles outlined in the UNGC. In terms of our emissions, we also report against the CDP requirements.

Our Sustainability Report serves as the Communication on Progress (CoP) in implementing the UNGC Principles. Our Sustainability Strategy reaffirms our commitments to the Ten Principles of the UN Global Compact.

We align ourselves with the priorities of Saudi Arabia's Vision 2030 (Vision 2030), as well as with all the regulatory requirements. In addition to our compliance in Saudi Arabia, we uphold rigorous sustainability practices across our operations in Bahrain, Kuwait and beyond, enabling us to meet both national and global sustainability requirements.

Alongside our annual Sustainability Report, we provide an ESG Supplement, published on our website with previous reports and data on key performance indicators.

For those interested in previous reports and data, they are readily available [online](#).

Reporting period

This report covers the calendar year from 1 January to 31 December 2024, concentrating solely on activities that occurred within this timeframe. Relevant information from prior years is included as needed for context.

Report scope and boundaries

This report encompasses the operations of stc Group across the Kingdom of Saudi Arabia (KSA), Bahrain, Kuwait and other subsidiaries in KSA. For more on the entities included in report, refer to Our operating model. For the purposes of this report, we do not consider data from clients (assuming they are not one of our subsidiaries). We provide only selected information on contractors and suppliers, as per the GRI standards. Unless otherwise specified, currency is expressed in Saudi Riyals (ﷻ).

See our [investors webpage](#) for our Annual Report and for more information on legal, governance and financial matters.

Acquisitions that were made during the reporting year, 2024, are reportable only after the first full year of operation. Sites/facilities/infrastructure that is not fully operational is excluded from the report.

The content selection for this report is guided by material topics identified through our materiality assessment. Each of our three Sustainability Framework pillars – Environmental Performance and Climate, Development of Human Capital through Digital Innovation, and Strong Governance and Ethical Excellence – features a dedicated chapter. Within these chapters, we explore various material topics that highlight the topics most significant to our stakeholders and business activities.

Top management oversight and internal controls

The stc Sustainability Committee, an Executive level committee chaired by the GCEO, reviewed and approved this Sustainability Report. The committee

is responsible for monitoring our progress on issues of ESG, sustainability and for ensuring stc adheres to global standards in this regard, with final approval given by the Chairman of the committee, i.e. the GCEO. For more on how sustainability is governed, and on governance generally, please see Strong governance and ethical behavior.

Unless otherwise specified, all figures in this report reflect the latest available data, validated internally by sustainability champions and sector VPs. The report is internally audited, with any findings addressed through set action plans under the oversight of the Sustainability Management Committee, chaired by the GCEO. Representing the Committee, the GCEO provides regular briefings to the Board Executive Committee, quarterly or as needed, to ensure alignment with stc's corporate strategy and vision.

Feedback

Inquiries, feedback or suggestions are welcome at: sustainability@stc.com.sa
x.com/stc
facebook.com/stc/
linkedin.com/company/stc

[Click here for the full stc 2024 sustainability report](#)



A welcome

from our leadership



"We support sustainability through our vision of a digital and telco leader enabling society and the economy to thrive in KSA and beyond, underpinned by our values of dynamism, devotion and drive."

Mohammed bin Khalid Abdullah Al Faisal
Chairman of the Board of Directors



"At stc, we are proud to be at the forefront of transformation. Our leadership in providing robust, reliable and accessible digital infrastructure not only fuels economic growth but contributes to broader national and global sustainability ambitions."

Olayan Mohammed Alwetaid
Group Chief Executive Office



"Our climate strategy centers on improving operational performance and addressing climate challenges. We are firmly committed to achieving net zero emissions by 2050, and our progress reflects this ambition."

Abdullah Abdulrahman Alkanhl
Group Chief Strategy Officer

A snapshot of our journey

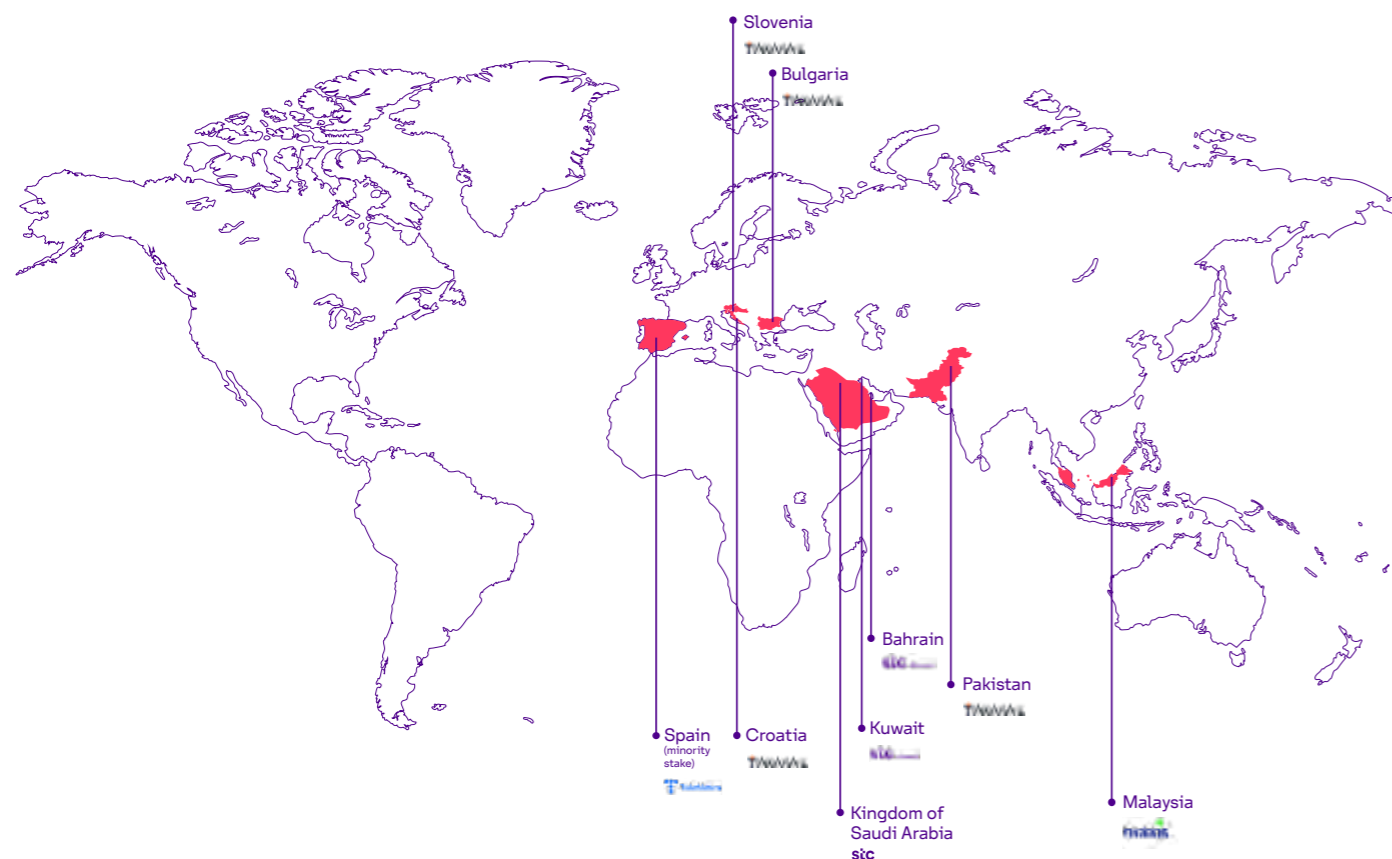
stc at a glance

Saudi Telecommunications Company (stc) was founded in 1998 and is publicly traded on the Saudi Stock Exchange. With its headquarters in Riyadh, the Group encompasses stc's operations as well as its subsidiaries in Bahrain and Kuwait, serving as a key player in the MENA ICT sector.

Recognized as a catalyst for digital transformation across the region, stc Group delivers a wide range of innovative solutions that facilitate the ongoing digitization of services. Its offerings include state-of-the-art digital infrastructure, cloud services, cybersecurity solutions and advanced Internet of Things (IoT) applications. Additionally, stc engages

in artificial intelligence (AI), digital payments, digital media and entertainment. The Group has expanded its reach with over **18 subsidiaries** throughout Saudi Arabia, the MENA region and Europe, solidifying its position as a leader in the ICT industry.

Our business in 2024



Direct economic value (Thousand ٬)	2022	2023*	2024*	2023-2024 Trend
Total revenue	67,431,546	71,777,161	75,893,413	6%
Gross profit	37,393,255	34,740,066	37,300,410	7%
Net operating profits	15,088,441	13,161,291	14,425,638	10%
Zakat and taxes	1,083,175	1,326,610	1,191,564	-10%
Net profit for the year	12,170,537	13,295,381	24,688,652	86%
Dividends declared	7,984,024	7,975,133	13,711,661	72%
EBITDA	25,078,667	22,445,389	23,925,601	7%

* Both 2023 and 2024 figures have been restated to reflect the deconsolidation of Tawal following the sale of a 51% stake to PIF.

Our operating model

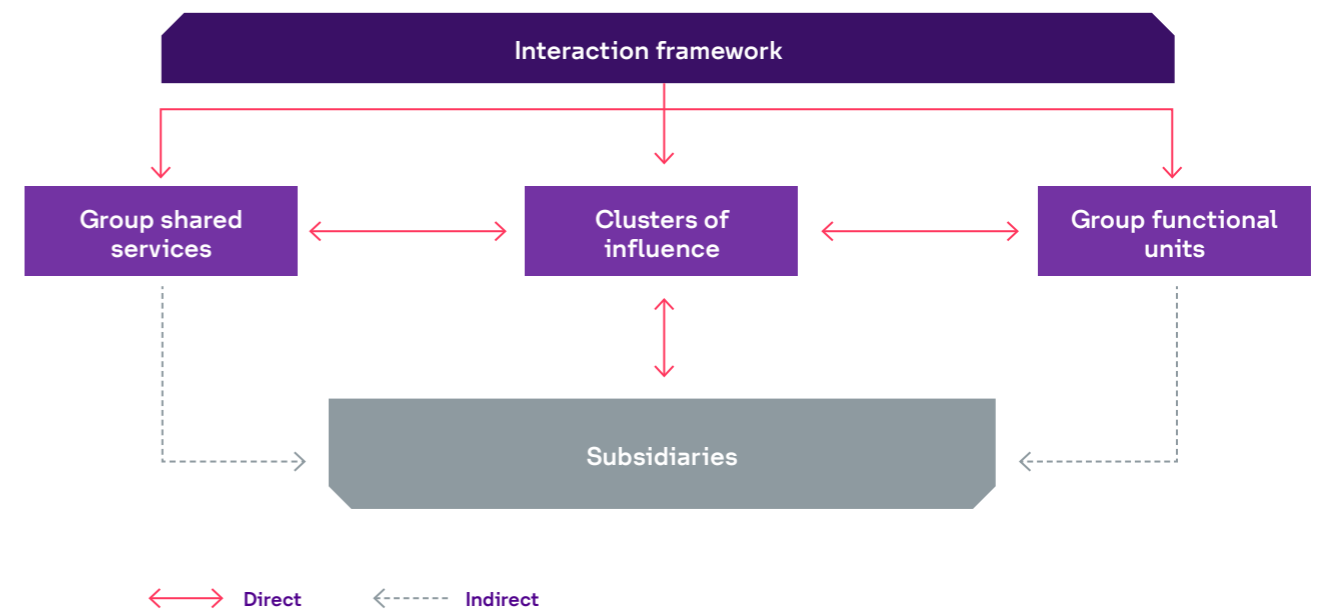
stc's operating model is designed to facilitate strategic objectives and improve service delivery across various markets. Our model focuses on creating synergies across the Group and optimizing resource sharing for our subsidiaries and regions.

We consolidate business units to optimize resources and streamline operations across telecommunications, digital services and subsidiaries. This model emphasizes innovation and digital transformation, positioning stc as a leader in 5G, cloud computing and IoT solutions.

The organization is designed to respond promptly and effectively with tailored offerings that meet the

varied needs of customers, including businesses and governmental organizations. To better serve our customers and stakeholders, we form partnerships with various entities, such as technology firms and other service providers, to create a digital ecosystem that optimizes overall service delivery.

Our operations span Saudi Arabia and subsidiaries in Bahrain, Kuwait and beyond, allowing us to implement strategies that address local market dynamics at the same time leveraging synergies across regions. Through this operating model, we drive growth, improve operational efficiency and maintain our competitive edge in the rapidly evolving telecommunications landscape.



ESG highlights

19,863
total workforce

17%
employees aged 18-30

4.3%
employee turnover

476,675
training hours provided
by stc Academy

900+
employee volunteers

Zero
employee and contractor
fatalities

Through Ertiqa,
13,846
electronic devices recycled
and refurbished

Achieved
96%
local procurement spend
across stc Group

86.1%
employee engagement rate

61
nationalities across
workforce

3.6%
reduction in (Scope 1)
emissions

9.8%
reduction in energy
intensity

14.6%
reduction in scope 3
emissions

ﷲ 3.8 million
Revenue per employee

Zero
incidents of non-compliance
with environmental laws and/
or regulations

More than
ﷲ 1 billion
investment in digital
innovation through
inspireU since 2015

9,000+
elderly beneficiaries of
digital literacy awareness
through the SmartTruck
initiative

Zero
monetary losses as a result of
legal proceedings associated
with anticompetitive
behavior regulations or
violations of anti-trust laws

Recycling program

Our end-of-life asset recycling program collected 4,236 tons of waste, with 48% reused, 40% recycled, and the rest responsibly disposed of.

Collected and recycled
52,818
devices through Trade-In
program

stc Bahrain planted
27,172
trees across the Kingdom
of Bahrain

Connected
3.6 million+
households with fiber

100%
of business units analyzed
for risk related to
corruption

100%
of employees and
contractors signed the code
of conduct declaration

44.32%
local content score

30.95%
women hiring rate

117
SME suppliers engaged in
procurement activities

ﷲ 14 million
total community investment

18%
Board seats occupied
by women

Deployed
6%
more 5G sites across KSA
reaching and increasing
the network users to more
than 16 million

ﷲ 28.6 billion
Spent on local suppliers



Our sustainability blueprint

Creating legacy impact



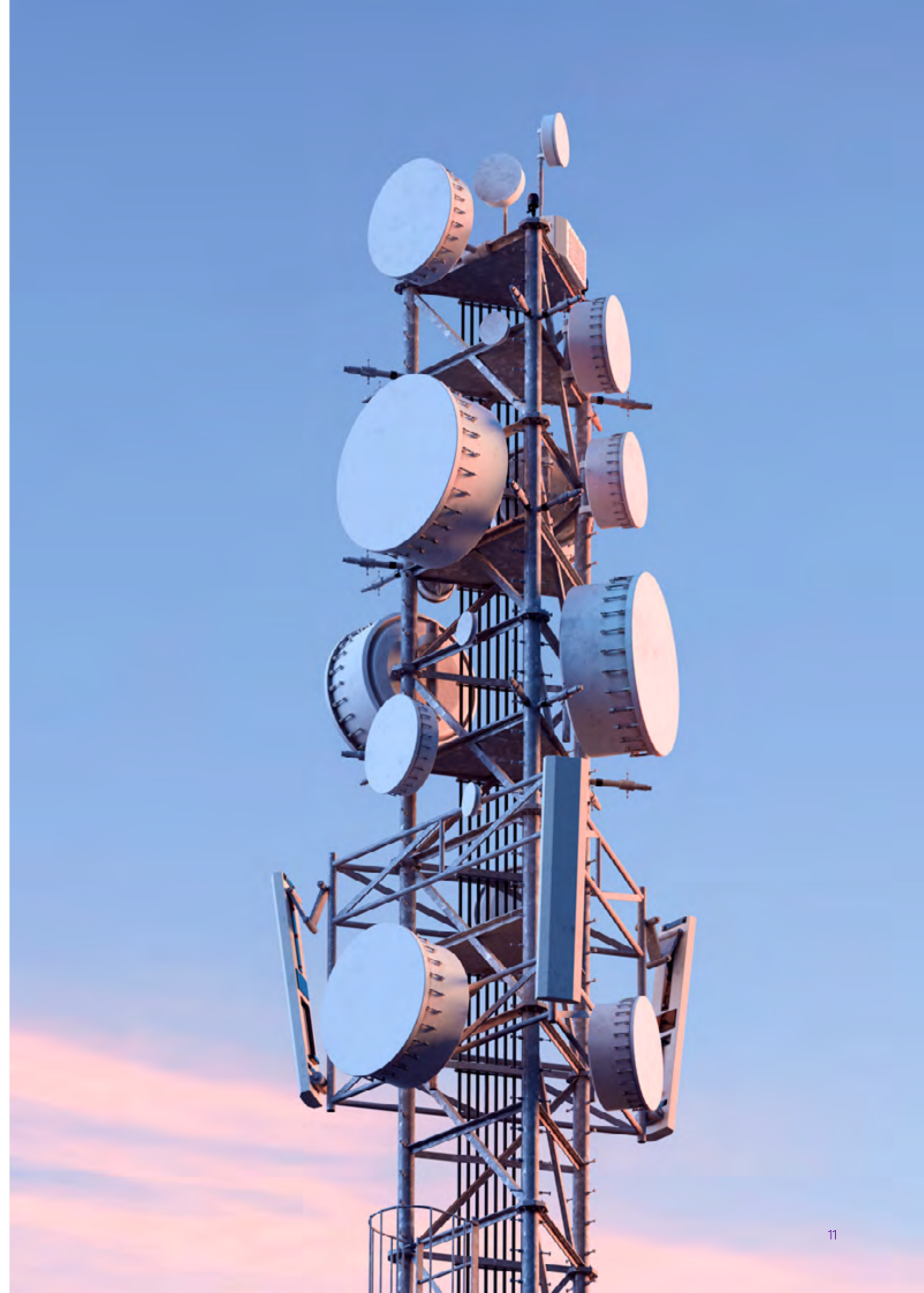
"I take pride in the enthusiasm our staff displays in participating in sustainability programs and initiatives, supported by management's dedication to this cause."

Maha Alnuhait
Sustainability General Manager

Our sustainability strategy

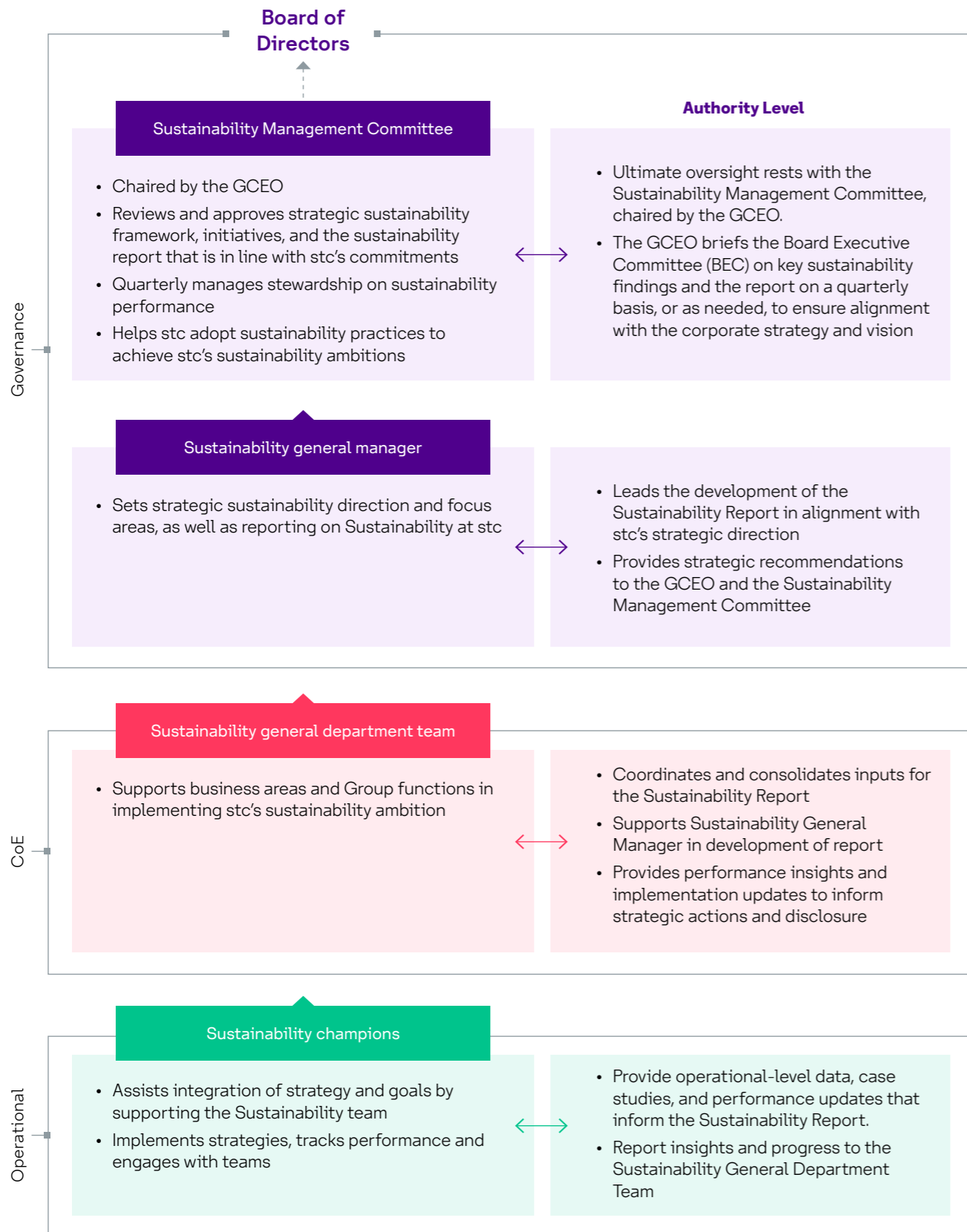
stc has established itself as a catalyst for sustainable transformation across the Gulf region, revolutionizing industries and setting higher standards for environmental responsibility, positive social impacts and ethical governance. Our efforts are focused on promoting a future where businesses drive positive change and foster prosperity and safeguarding the planet and improving the social well-being.

Our strategic framework



Sustainability governance

Our sustainability governance model






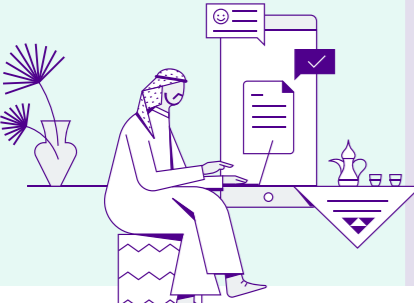
Materiality and stakeholders

According to the Global Reporting Initiative (GRI) and other leading standards, material matters refer to topics that hold significant importance for an organization’s ability to generate value over the short, medium and long term. These topics influence stakeholders’ perceptions of the organization, including those of customers, employees, investors, regulators and the broader community. stc recognizes these material matters are integral to our strategy, performance and long-term sustainability, making them pivotal considerations in leadership decision-making.

Materiality assessment outcomes





































The material topics were assessed and finalized through a comprehensive stakeholder engagement process and alignment with stc’s strategic priorities, industry benchmarks and global sustainability standards.

Below is the breakdown of the material topics.

 Environmental performance and climate	 Development of human capital through digital innovation	 Strong governance and ethical excellence
<ul style="list-style-type: none"> • Energy and climate change • Resource management 	<ul style="list-style-type: none"> • Accessibility and digital inclusion • Digital innovation and experience • Health, safety and wellness • Diversity, equality and inclusivity • Customer relations and satisfaction • Talent management • Community contribution and development 	<ul style="list-style-type: none"> • Business ethics and governance • Data privacy, security and protection • Supply chain management • Human rights



Our alignment with national and global priorities

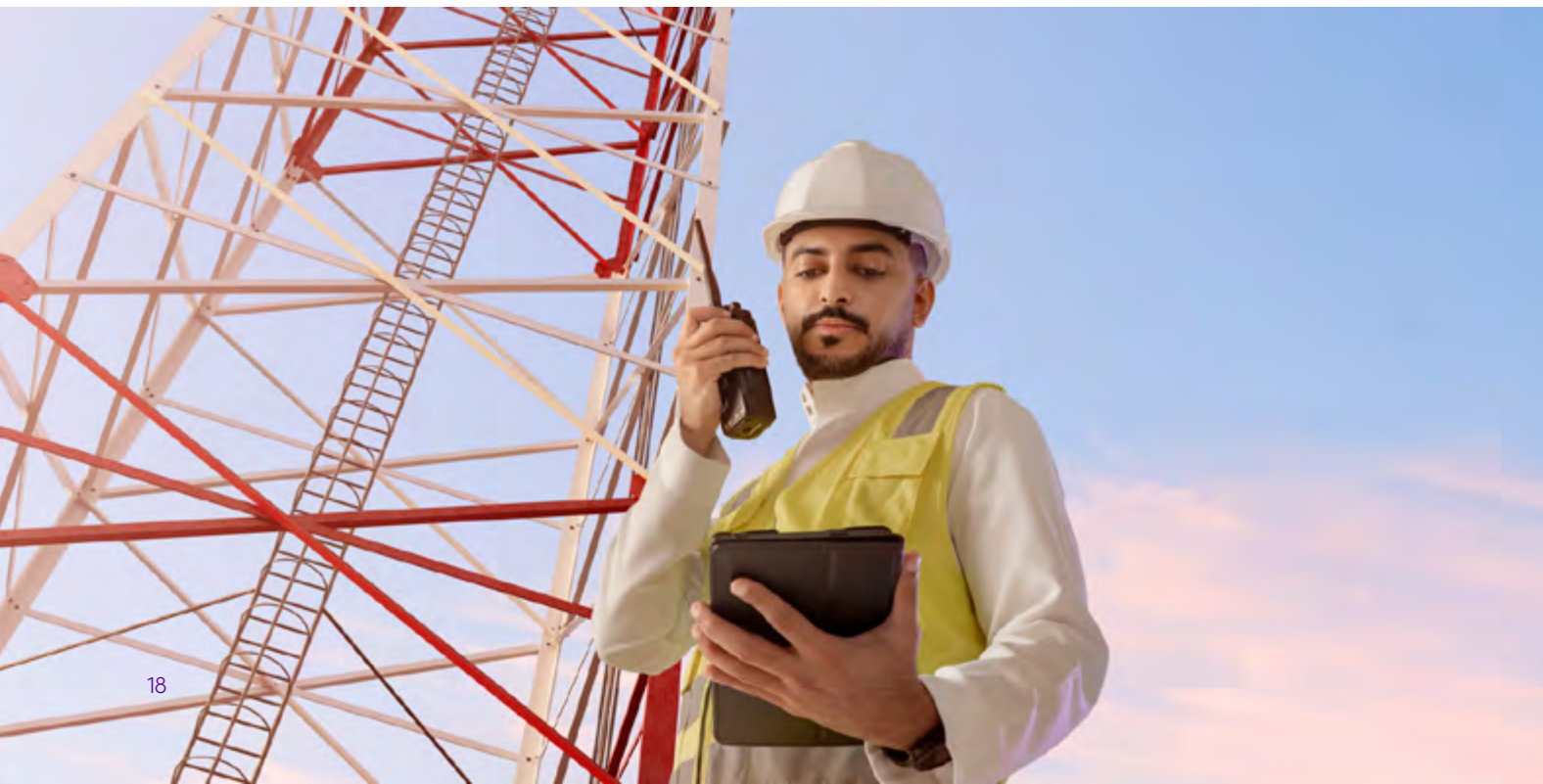
Pillar	Material	SDGs	UNGC	Saudi Vision 2030	Initiatives	Impact outcomes
Environmental performance and climate	Energy and climate change	 	Principles 7 and 9	Ensure environmental sustainability 	<ul style="list-style-type: none"> Renewable energy across facilities Involvement in GCC Innovation Hub 	Reduced Scope 3 GHG emissions by 14.6%; TAWAL tower sites in KSA and abroad operated primarily on renewable energy contributed an additional 4,630MWh of renewable energy.
	Waste water, e-waste and water management	 	Principle 8	Ensure environmental sustainability 	<ul style="list-style-type: none"> E-waste recycling initiative Water treatment facilities 	13,846 electronic devices recycled and refurbished; 33.08% reduction in water usage
Development of human capital through digital innovation	Accessibility and digital inclusion	 	Principle 6	Enable social contribution of businesses 	<ul style="list-style-type: none"> Expansion of 5G coverage 	Deployed 6% more 5G sites across KSA reaching and increasing the network users to more than 16 million
	Health, safety and wellness	 	Principles 3 and 4	Promote a healthy lifestyle 	<ul style="list-style-type: none"> Health and safety training Blood donation drive Virtual medical care 	33,216 participants of the trainings; 34,000+ participation in health trainings; 114 individuals donating blood
	Diversity, equality and inclusivity	 	Principle 6	Ensuring equal access to job opportunities 	<ul style="list-style-type: none"> Inclusion programs for people with disabilities DEI training and women empowerment 	66 employees with disabilities in diverse hires; 6.25% women in leadership roles
	Digital innovation and experience		Principles 9 and 10	Unlock potential of non-oil sectors 	<ul style="list-style-type: none"> Emergency response products such as Tari' Sustainable products and services through stc Cloud, iot squared, solutions and specialized by stc 	92% customer experience index in KSA
	Customer relations and satisfaction		Principle 1	Grow contribution of the private sector to the economy 	<ul style="list-style-type: none"> Customer satisfaction survey Customer complaints resolution 	84.8% customer satisfaction score across stc KSA
	Talent management	 	Principle 6	Develop human capital in line with labor market needs 	<ul style="list-style-type: none"> Emerging women leaders Emerging talent programs, including SDP and HiPo 	196 participants in programs; 476,675 training hours
	Community contribution and development	 	Principle 1	Enable social contribution of businesses 	<ul style="list-style-type: none"> Flagship programs including Technical Enablement program SmartTruck for elderly digital literacy Employee volunteering and more 	Offered 3,500+ technical services to 1,300+ NPOs; 9,000+ elderly individuals digitally empowered
Strong governance and ethical excellence	Business ethics and governance		Principle 10	Enable social contribution of businesses 	<ul style="list-style-type: none"> Mandatory employee and contractor business conduct training 	99.6% of employees attended the anti-corruption training sessions
	Human rights	 	Principle 1	Enable social contribution of businesses 	<ul style="list-style-type: none"> Online child safety guidebook Training on human rights policies and procedures 	100% of employees trained on human rights
	Data privacy, security and protection	 	Principles 1 and 2	Enable social contribution of businesses 	<ul style="list-style-type: none"> Training for employees and contractors in data privacy and security 	900+ hours of employees trained; 99% of stc KSA employees completed the mandatory data privacy and protection training
	Supply chain management	 	Principle 2 and 8	Enable social contribution of businesses 	<ul style="list-style-type: none"> rawafed (to maximize local content) Local procurement spending SME support 	96% spend on local procurement at Group level 492 SMEs supported through procurement efforts

Managing ESG risks

In 2024, we moved closer to further integration of an ESG lens into stc’s risk management processes to mitigate potential losses from ESG-related issues. We also promoted opportunities for positive environmental and social impact within our core business operations. We are focused on advancing our ESG risk framework, which will encompass key considerations, including the following.

 <p>Establishing effective risk governance structures with defined responsibilities across all lines of defense.</p>	 <p>Enhancing ESG risk culture across the stc Group, emphasizing increased awareness at all organizational levels.</p>
 <p>Identifying essential ESG metrics and key performance indicators (KPI) for effective monitoring and reporting.</p>	 <p>Developing and implementing robust ESG risk assessment tools.</p>

These efforts strengthen our commitment to sustainability and responsible business practices.



Commitment to responsible business

Sustainability policies and position statements

We implement various policies across our operations and stakeholder relationships to augment our ESG performance; and in 2024, we expanded and renewed certain policies, including our Human Rights policy. We periodically review our policies and update these when necessary, with the approval of the GCCEO to guarantee we operate in an open, transparent and responsible manner. Below is a non-exhaustive list of stc policies that are publicly available online.

Respective policies (illustrative – non-comprehensive)

 <p>Environment</p> <ul style="list-style-type: none"> • Environmental position statement 	 <p>Social</p> <ul style="list-style-type: none"> • Community Involvement position statement • Human Rights policy • Management Commitment to Occupational Health and Safety • Customer Rights and Responsibility policy • Responsible Supply Chain position statement • Responsible Marketing position statement • Training and Career Development position statement 	 <p>Governance</p> <ul style="list-style-type: none"> • Access to Communication position statement • Anti-corruption position statement • Anti-fraud corruption policy • Code of Ethics and Business Conduct • Conflict of Interest policy • Nomination and Remuneration policy • Data Privacy and Security position statement • Privacy statement • Quality policy • Whistleblowing policy • Data Breach/Incident Response plan • Sustainability policy • Risk Management policy • Business Continuity policy • Risk Appetite guidelines
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Environmental performance and climate

Powering a greener future

Climate strategy

Our climate strategy sets a strong vision with clear, measurable objectives, ensuring all Group departments and subsidiaries integrate sustainability into their business practices. Leveraging our strong reputation, proprietary technologies and market leadership, we are committed to driving sustainable transformation across the ICT sector. Our approach goes beyond operational efficiencies as we aim to influence, support and collaborate with customers, communities and partners across our value chain to maximize our collective climate impact.

To validate GHG targets through the SBTi framework, stc has launched a robust climate strategy aimed at

tracking performance, seizing competitive advantages and improving climate action in the GCC and MENA regions. Our carbon footprint is calculated in accordance with the international GHG Protocol Corporate Accounting and Reporting Standard.

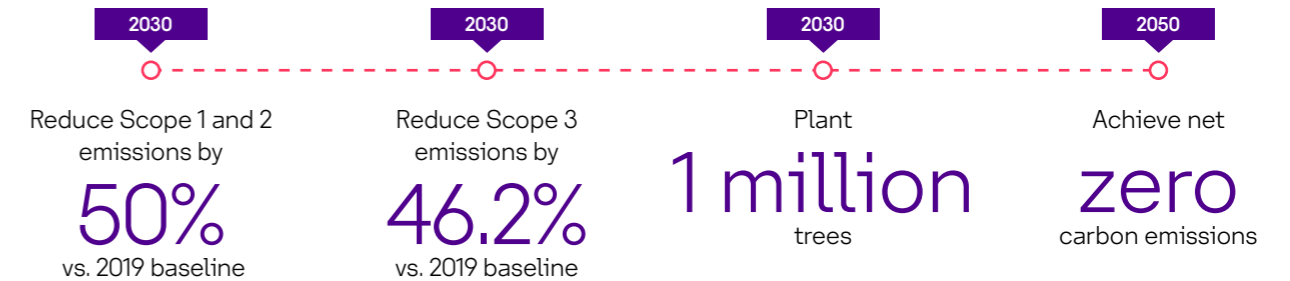
Our strategy involves integrating climate considerations into our operational framework and effectively mitigating the physical and transition risks.

Our priority pillars for climate action are backed by science-based targets. Our approach emphasizes strong leadership and governance to guarantee we meet our goals.



Pillars	Objectives	2024 initiatives
Optimizing stc's performance	Promote continuity and quality of information, maintain carbon reduction commitments and provide metrics and targets for improvement and analysis	<ul style="list-style-type: none"> Improved energy efficiency of data centers Improved energy efficiency at tower sites Recycling program for network devices Takeback program
Developing eco-friendly products and solutions	Reduce climate impact from materials, products and services used by stc and across the Group's value chain	<ul style="list-style-type: none"> Sustainable products and services through stc Cloud, iot squared, solutions, and specialized by stc emergency response products such as Tari'. The smart waste management solution, developed and managed by iot squared, is an advanced system designed to oversee the entire waste value chain, from production to final disposal
Managing climate-related risks and financial impacts	Manage climate-related risks so as to future-proof stc Group's operations and uphold alignment with stakeholder expectations	<ul style="list-style-type: none"> Re-evaluation of the risk assessments guided by IFRS S2 recommendations Integrating and reviewing sustainability policies across subsidiaries to confirm alignment with business operations
Demonstrating climate leadership	Empower employees and suppliers to influence climate action at local and global levels	<ul style="list-style-type: none"> Recycling program ESG training program Internal capacity building GCC Telco Alliance GCC Innovation Hub

Our climate-related targets



Our performance

stc is making steady progress toward achieving its targets, with measurable achievements in emission reduction and reforestation. In 2024, we recorded an **overall 3.6% decrease in our GHG emissions scope 1**. This decrease was based on a 5.6% decrease in Scope 1 emissions for stc KSA, and a 3.6% reduction for stc Group, reflecting our ongoing efforts to improve energy efficiency and reduce direct emissions. Additionally, Scope 3 emissions saw a significant 14.6% decrease, demonstrating the impact of our sustainability initiatives across the value chain.

Scope 2 emissions have decreased by 2% across KSA with an overall increase across stc Group driven by business expansion and operational growth.

As stc continues to scale its services and infrastructure, electricity consumption has risen accordingly. Although this rise was anticipated, we remain focused on improving energy efficiency, integrating renewable energy solutions and optimizing operations to mitigate Scope 2 emissions in the long term.

Our ongoing efforts reflect our commitment to sustainability and the updates below highlight our progress to date.

Sustainable waste solutions in action

Sustainable waste solutions

Effective waste management is essential to our sustainability strategy. Given the significant use of electronic equipment, it is crucial for us to implement suitable waste management practices. One of our most substantial initiatives is a comprehensive recycling program that operates across all stc buildings and sites, encouraging individuals to actively partake in waste-reduction efforts. Our ultimate goal extends beyond mere waste reduction; we aim to foster a more circular economy. We are already making progress with stc's takeback program for improved end-of-life product management and a recycling initiative focused on network-related electronic components. Additionally, we have established systems to optimize purchasing decisions for materials such as furniture and carpets. In 2024, we continued our shift to eSIM technology, issuing over 1.8 million eSIM cards, which has avoided the use of more than 7,000 kg of plastic as well as electronic chips by eliminating the need for physical SIM cards.

Promoting a circular economy across our supply chain

At stc, we are committed to reducing waste and making our supply chain more sustainable. By shifting away from the traditional "take-make-dispose" model, we focus on reusing, recycling and responsibly managing resources. Through initiatives like biodegradable packaging, expanded recycling programs and e-waste management, we are working toward a more circular economy that minimizes environmental impact. In 2024, our end-of-life asset recycling program throughout the value chain successfully collected 4,236 tons of waste, with almost 48% of this amount being reused and 40% recycled; the remaining portion was disposed of responsibly. Our e-waste recycling initiatives are verified by the National Centre for Waste Management, and we receive quarterly reports that document our progress. Within processes in stc KSA, we have achieved a reuse and recycling rate of 88%, and the remaining disposed materials are managed safely.

Optimizing water consumption

Water savings are crucial for companies operating in the Middle East, where water scarcity is a challenge owing to arid climates and limited freshwater resources. For stc, implementing effective water conservation strategies aligns with both environmental responsibility and corporate sustainability objectives, contributing to the preservation of this vital resource, which is essential not only for the ecosystem, but also for the well-being of communities in the region.

As stc leverages innovative practices, such as water recycling and rainwater harvesting, it will strengthen its reputation as an environmentally conscious leader in the region. stc acknowledges the risks of water shortages and other resource constraints, wholeheartedly supporting the aims of Saudi Vision 2030 in this regard.

Saudi Vision 2030 prioritizes water conservation and sustainable management as vital to the Kingdom's development strategy. It promotes innovative water management practices, including desalination and wastewater treatment facilities, and raising public awareness about responsible water use."



Development of human capital through digital innovation

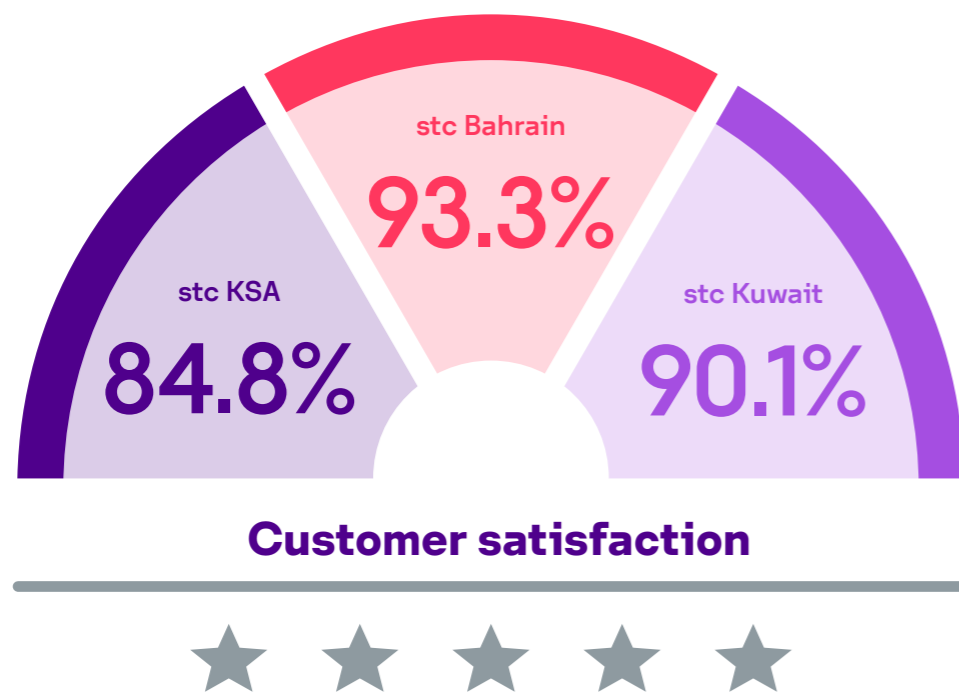
Human capital refers to 3 sets of our stakeholders: our customers, our people (employees), and our community. We have risks for each of these sets of stakeholders and a strategy for dealing with these risks, as reflected in our material topics and our adherence to Saudi Vision 2030, which has laudable goals for the development of human capital.

Our customers

Cultivating connections that matter

At stc, we believe strong customer relationships are the foundation of long-term success. Our commitment to customer-centric transformation goes beyond offering high-quality products and services; it is about creating meaningful, lasting connections that strengthen customer satisfaction, trust and loyalty. As we move into 2025 and beyond, we are focused on reshaping the customer experience through a holistic, data-driven approach that prioritizes personalization, accessibility and seamless interactions.

In an era where expectations are shaped by digital innovation, we recognize true differentiation comes from understanding our customers on a deeper level. This means anticipating their needs before they arise, providing intuitive solutions that simplify their lives, and maintaining consistency across every touchpoint, from digital platforms to in-person interactions. By combining cutting-edge technology with human-centric service excellence, we are creating an ecosystem where every engagement feels effortless, relevant and uniquely tailored to individual preferences.



Bridging gaps, building futures

In our digitally transforming world, bridging the digital divide is essential. Strategic initiatives are underway to boost **accessibility, connectivity and innovation** for everyone.

Digital inclusion efforts focus on providing equitable access to communication networks in urban, rural and remote areas. By promoting affordable digital services and leveraging public-private partnerships, we aim to overcome geographical and socio-economic barriers, making sure all individuals have the necessary tools to thrive in the digital age.

In 2024, stc made a significant investment, aiming to advance its 5G capabilities. By introducing 5G-Advanced, a next-generation network, stc is pioneering innovation to deliver unmatched speed, reliability and versatility. This year, we increased the number of 5G sites in Saudi Arabia by 6.5%, achieving 54.7% coverage, compared to 2023 and surpassing our 50% target.



Our customers continued

Digitizing our products

e-health products and services

Digital health solutions and e-health services are fast becoming important solutions for better, more inclusive, healthcare. These technologies present transformative opportunities to increase healthcare delivery, optimize resource utilization and improve patient outcomes.

Telemedicine Virtual Clinic solution

Our Telemedicine Virtual Clinic solution effectively addresses key pain points in the patient experience, enhancing healthcare services at significantly reduced costs. Using stc's comprehensive telehealth platform, physicians can provide clinical care anytime, anywhere.

e-sports and gaming

The electronic sports and gaming (e-sports or e-gaming) sector has experienced significant growth in recent years, evolving into an independent technological economy. stc is expanding its services along new and unconventional pathways to meet the demands of this growing sector.

e-education services

At stc, we empower students by providing access to educational platforms and content through advanced, innovative technologies. solutions by stc collaborates closely with the Saudi Ministry of Education to promote digital transformation within the education sector, confirming students in the Kingdom of Saudi Arabia receive a world-class education and immersive classroom experiences.



Digital innovation

stc is at the forefront of digital innovation, driving technological advancements that augment customer experiences and support Saudi Arabia's Vision 2030. The Group's innovation strategy focuses on adopting emerging technologies such as artificial intelligence, cloud computing and IoT to create a uniform and future-ready digital ecosystem.

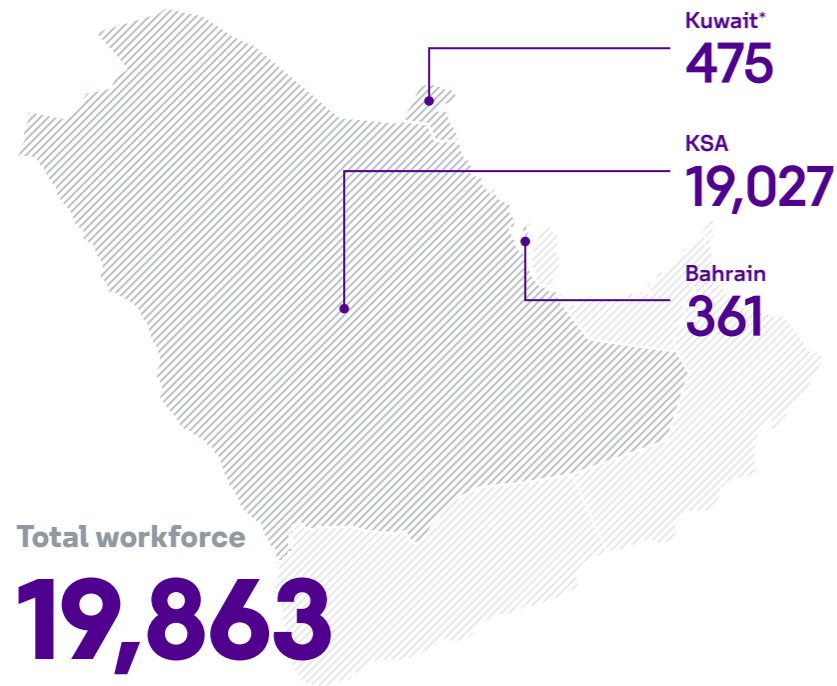
In 2024, stc continued to expand its innovation capabilities through strategic partnerships and the development of advanced digital solutions. The Group has implemented AI-driven automation in its operations, improving efficiency and reducing downtime across various sectors. IoT solutions have also played a key role in enhancing industrial operations, smart cities and logistics by enabling realtime monitoring and decision-making.



Our people

Recognizing that its people are central to its success, stc Group is dedicated to fostering a diverse workforce that mirrors the communities it serves. As an equal opportunity employer, stc is committed to providing an inclusive work environment that attracts, develops and retains top talent from all backgrounds. By prioritizing the development of human capital through digital innovation, stc ensures employees are empowered to thrive and contribute to shared organizational goals. The Group also places a strong emphasis on the safety and well-being of its workforce, creating an environment where individuals are encouraged to reach their full potential and deliver their best.

stc Group workforce



* The employee breakdown for Kuwait pertains exclusively to stc and does not include any subsidiaries based in Kuwait.

stc Group

30.95%
Women hiring rate

15.83%
Women employees - direct and contractors (14.03% direct)

12.96%
Employees aged 18-30

60+
Nationalities

66
People with disabilities

Women empowerment

Women are an integral part of stc's business. We value the significant contributions they make to the Group and strive to create an environment that supports meaningful careers for women. To this end, stc has established several talent development programs that offer competitive compensation for women.

Women empowerment programs at stc



Our people continued

Nurturing talent, unlocking potential

We focus on developing and training our employees by creating personalized training plans to meet their individual needs. We set annual and semi-annual goals based on these plans, which specialists implement.

Our talent

At stc, we are committed to **attracting, developing and retaining top talent**, enabling a diverse and dynamic workforce that drives our growth and future ambitions. By bringing together professionals from various backgrounds and expertise, we ensure a culture of innovation, inclusivity and long-term career development.

In 2024, stc Group's total workforce reached 19,863 employees, with over 17,233 on indefinite or permanent contracts, reflecting our commitment to job security and stability.

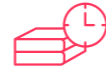
Through stc Academy, we:

- Use a customized learning approach and adopt best practices.
- Create tailored learning solutions to develop employee capabilities based on business needs.
- Provide targeted learning solutions to increase sector-level capabilities, focusing on key competencies, identified skill gaps and customized business needs.
- Collaborate with top training providers to deliver the best learning solutions.

stc Academy in numbers

476,675

Learning hours



33,216

Total number of participants



900

Sustainability-related training hours



8,112

Women participants



9,244

Senior management training hours



8,546

Courses (in class, virtual and online) delivered



22

Average training hours per employees



Prioritizing health, safety and well-being

We prioritize a safe and healthy work environment to protect employees and contractors from injury and illness. Keeping employees and contractors safe and healthy is not only an obligation of the Group, but also good for moral, productivity and work quality.

Occupational health and safety

Our primary focus is to create a positive safety culture based on awareness, prevention and proper care. Our Management Commitment to Occupational Health and Safety policy affirms stc's leadership dedication to health and safety and outlines responsibilities to ensure compliance with relevant laws and regulations. In 2024, stc maintained ISO 45001 certification, reinforcing our commitment to national and international Occupational Health and Safety Management System (OHSMS) standards.

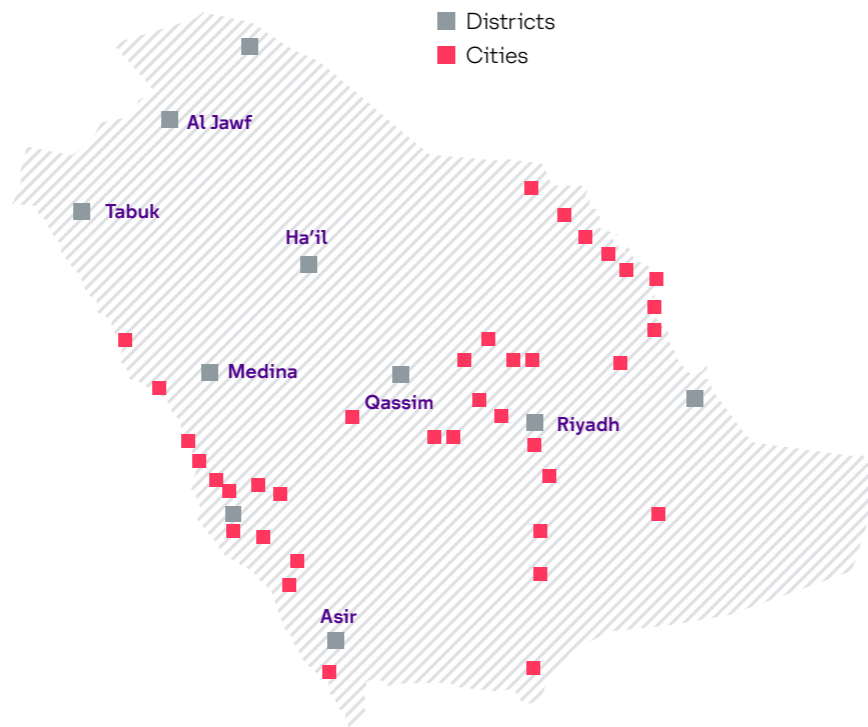
Pre-event safety briefings	Employee training	Crisis management training
For any event with over 25 attendees in a closed space, stc departments must prepare and deliver a safety presentation prior to the event.	All employees are required to receive training on health and safety relevant to their specific job roles before engaging in any potentially hazardous work.	The Safety department provides training and briefings on evacuation procedures in the event of natural disasters or other crises.



Our community

Community investment and development are paramount at stc and are integral to the Group’s corporate strategy, particularly under the sustainability objective of “enriching people’s lives”. Our strategy for effective community development is built on 6 pillars: Education, Environment, Sports and Health, Entrepreneurship, Community Development, and Youth Empowerment. Additionally, stc’s Community Investment policy supports issues that align with our long-term business objectives and where we can make the most significant impact.

In 2024, stc contributed over **ﷲ 14 million** to community programs across Saudi Arabia, in over 70 cities, and governorates within the Kingdom.



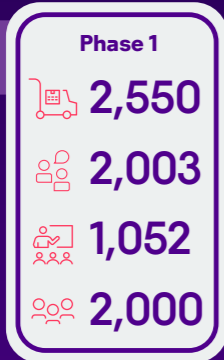
Flagship programs for social development across KSA

Theme	Target	Flagship initiatives	Social impact (since inception date)
Promotion of digital inclusion and digital capabilities 	Bridge the divides in our operating markets, focusing on the inclusion of people with disabilities, underserved areas, low-income households and the elderly	Smart Truck	Provided 3,022 awareness session to 9,883 elderly people across 39 governorates
		Technical enablement	Offered +3,500 technical services to +1,300 NPOs across +70 cities and governorates
Education, health and environmental protection 	Spread awareness on educational, health and environmental issues and help solve them through our support and innovative solutions	Knowledge sharing	Conducted 7 workshops with 100+ participants from 30 different partners (NPO and government) to build capacity on social return on investment and social value.
		E-health smart cameras	Installed 2 smart cameras worth ﷲ 160,213.48 in health centers within an underserved area to help early diabetes detection
		Electronic waste recycling	Since 2019, Eritqaa received 39,000+ devices In 2024, 6,000+ devices were received, 200+ screens and 1,000+ devices were distributed to 100+ NPOs
		Educational grant support	Invested ﷲ 3 million in support of 15 students to continue their university education in the field of technology
Embedding a culture of purpose and entrepreneurship 	Generate sustainable change while supporting entrepreneurship and empowering the next generation of young entrepreneurs through education, training and a supportive ecosystem.	impactU	ﷲ 1.350 million seed fund for 15 incubated startups across 3 batches
		Volunteering program	Completed 10,000+ volunteering opportunities requested by 72 NPOs across 13 regions while recording 8,064 volunteering hours
Welfare and quality of life 	Bridge the divides in our operating markets, focusing on the inclusion of people with disabilities, underserved areas, low-income households and the elderly	Furniture donation	Donated 1,125 furniture pieces to 17 NPOs
		Jood Eleskan	We contributed 32 houses from stc employees, benefiting 134 people, and utilized stc’s digital communication
		Home renovations	Renovated 40 homes across 8 governorates, with investment of ﷲ 2 million , aiding vulnerable groups like widows, divorcees, people with disabilities and children of martyrs

Our community continued

stc Smart Truck initiative

Empowering communities through digital literacy and technology awareness

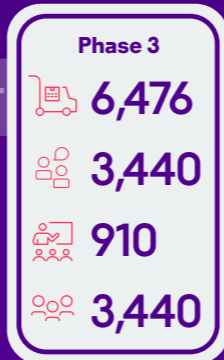


Background

As part of stc Group's continued commitment to social responsibility and sustainability, the Smart Truck initiative was launched in February 2023 to empower the elderly by educating them on the use of modern technologies. This initiative aligns with stc's mission to increase digital literacy across communities, focusing on the elderly population in Saudi Arabia. By leveraging stc's expertise in digital services, the Smart Truck aims to provide essential knowledge on how to navigate the digital world safely and effectively. In line with its sustainability goals, this project also contributes to social inclusion by guaranteeing all members of society, regardless of age, have access to and benefit from technological advancements.

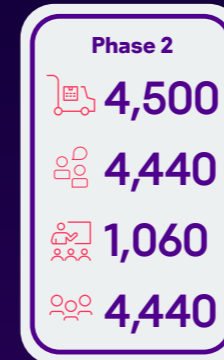
Outcomes

Through the Smart Truck initiative, stc Group has made significant strides in improving the digital literacy of the elderly population, with more than 9,000 elderly beneficiaries participating in the program. Over 3,000 technical awareness sessions have been held, reaching individuals who may otherwise have limited access to technology education. The initiative has had a profound impact, raising awareness about the importance of digital safety and privacy while fostering greater engagement with government and social services through the use of mobile applications. The Smart Truck project has not only educated participants, but also cultivated a sense of empowerment among the elderly, helping them stay informed and safe in an increasingly digital world.



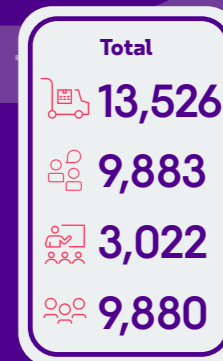
Next steps

Building on the success of its first and second phases, stc Group plans to expand the Smart Truck initiative to reach even more communities, particularly in rural and underserved areas. This will involve increased collaboration with local stakeholders and government bodies to boost maximum reach and effectiveness. stc also aims to introduce more advanced digital topics in future sessions, further increasing the impact of the initiative and helping beneficiaries improve their digital skills in preparation for the evolving technological landscape.



Approach

The Smart Truck travels across various regions, providing mobile digital literacy workshops and offering hands-on guidance in using mobile applications, with a specific focus on government services and the mystc app. The second phase of the initiative concluded successfully after traveling to several northern regions and governorates, including Malham, where it participated in the LEAP2024 conference. The truck's accessibility and interactive learning environment provide an inclusive platform for elderly citizens to gain digital skills that help them stay connected with society.



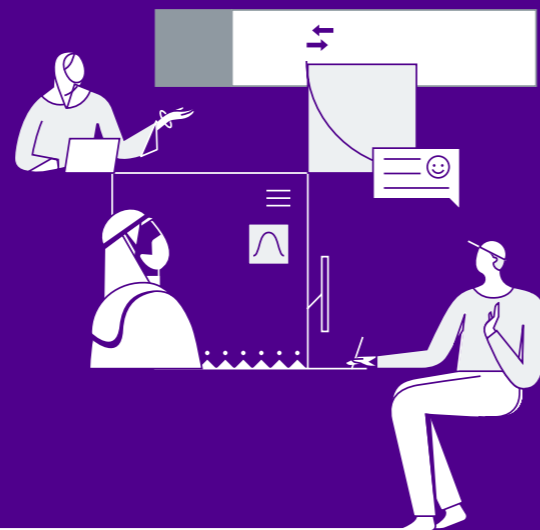
Strong governance and ethical behavior

Good corporate governance and ethical business conduct are fundamentally important for sustainability of organizations and their success. We are committed to adopting leading governance practices rooted in integrity, human rights and guaranteeing a resilient and responsible organization and individuals.

Our organization is dedicated to managing operations responsibly, transparently and accountably, assuring long-term value creation for all stakeholders. We consistently strive to improve our governance framework. This includes refining board charters, policies and overall governance practices. We uphold stringent protocols to maintain high standards of conduct, ethics and checks and balances in all our operations.

stc is committed to aligning our business practices with our ESG goals to embark a more sustainable and prosperous future, leaving a lasting positive impact on the communities and countries in which we operate.

By concentrating on effective corporate governance and sustainable practices, we generate long-term value for our stakeholders and the wider community.



Leadership in action

Board oversight of sustainability and ethical issues

The Executive Management Sustainability Committee, chaired by the GCEO, develops, approves and updates stc's Statement of Purpose, values and mission, strategies, policies and goals related to sustainability and ethics issues, with oversight from the Board of Directors.

stc Group's main governing bodies for sustainability are as follows.

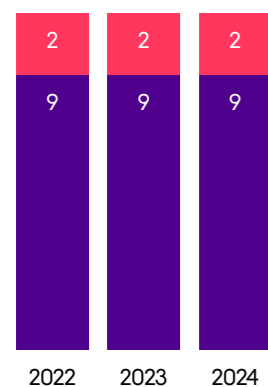
Governing body	Responsibilities
Board of Directors	<ul style="list-style-type: none"> Oversee sustainability across the Group through the Sustainability Management Committee Approves sustainability strategy The Board Executive Committee (BEC) is briefed on key sustainability findings and the report
Executive Management Sustainability Committee (chaired by GCEO)	<ul style="list-style-type: none"> Receives regular updates regarding the framework, strategy, action plans and performance across a range of ESG KPIs and goals at its quarterly meetings The sustainability report is reviewed and approved by senior leadership, with final sign-off from the GCEO before launch
Group Chief Strategy Officer (GCSO)	<ul style="list-style-type: none"> Endorse sustainability strategy and report ensuring alignment with global best practices, national regulations and corporate objectives

Board diversity

Our Board and standing committees are diverse, comprising members from a wide range of industry and professional backgrounds, as well as varying areas of expertise that align with our business needs. stc's Board actively promotes diversity and supports initiatives aimed at increasing representation in senior management and across other areas of the Group. In 2024, women constituted 18% of our Board.

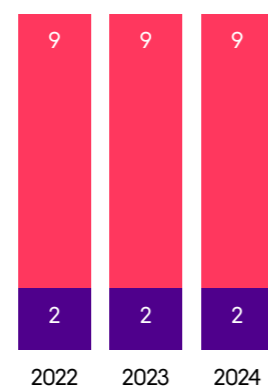
Board diversity: stc Group

By gender



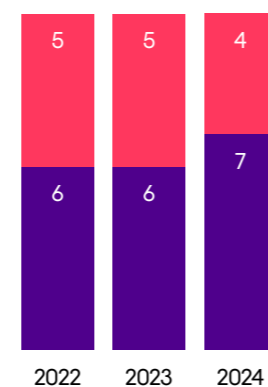
■ Female members of the Board of Directors
■ Male members of the Board of Directors

By nationality



■ Number of Board members who are Saudi
■ Number of Board members who are non-Saudi

By age



■ Age 30-50
■ Age over 50



11
Board members



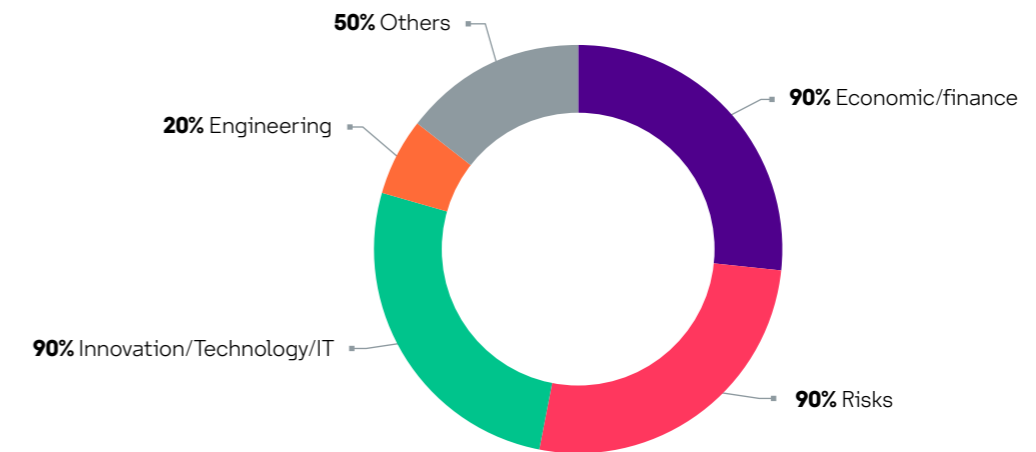
4
years average tenure



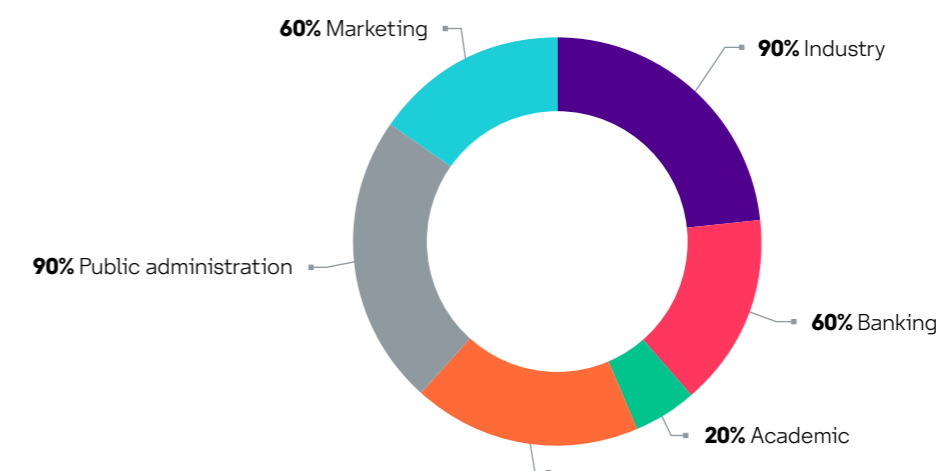
18%
woman representation

Our 11-member Board of Directors brings together a diverse range of skills, expertise and industry experience, ensuring robust governance and strategic oversight. The Board comprises leaders with backgrounds in the following.

Board members' skills



Board members' experience



Governance with integrity

Our commitment to human rights

At stc Group, human rights are not just a policy, they are a core principle shaping our identity and business practices. They form the foundation of our integrity and the trust we build with stakeholders daily. Strong human rights policies do more than protect brand reputation; they adopt loyalty among investors, customers and employees while acting as a critical layer of risk management. From the way we operate our facilities to how we engage our suppliers and partners, our human rights commitment is embedded in every aspect of our business.

In the fourth quarter of 2024, stc's CEO approved the new and improved stc Group Human Rights policy, a significant milestone that reaffirms the Group's commitment to upholding the highest standards of ethical conduct. Aligned with the Universal Declaration of Human Rights, the International Labor Organization's Declaration on Fundamental Principles and Rights at Work and guided by the UN Guiding Principles on Business and Human Rights, this policy reflects not just compliance but leadership. It is also tailored to meet the unique regulatory needs of our operations in Saudi Arabia and beyond.

In 2024, we offered 6 mandatory courses, totaling approximately 58,072 hours.

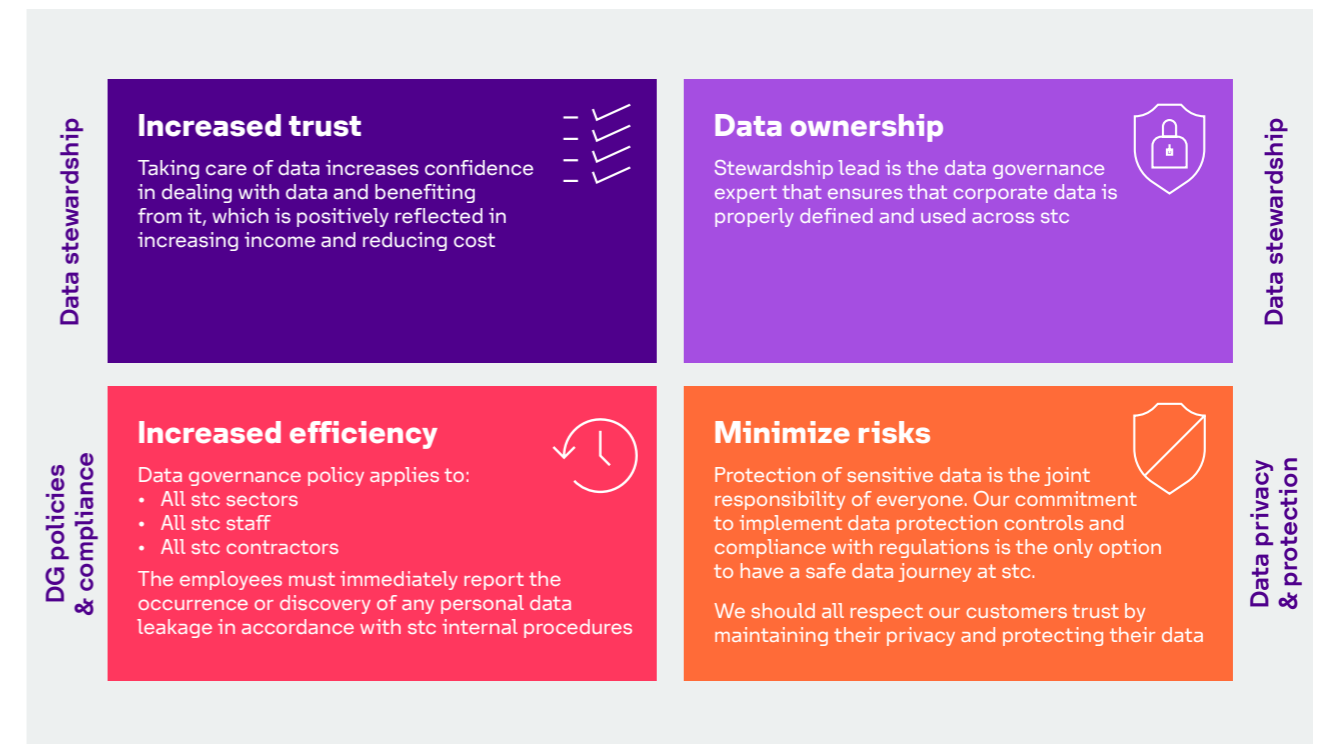


Safeguarding trust in a digital world

Data privacy and security

Our Data Governance framework is essential for upholding the integrity and trust that underpin our operations. This framework prioritizes exceptional data quality to improve confidence and operational excellence; it also enforces comprehensive governance policies for all employees and contractors, emphasizing shared responsibility in protecting sensitive data.

In 2024, stc recorded zero data security breaches, and zero incidents involving customers' personally identifiable information (PII), no regulatory actions for data protection violations, and no financial losses from legal proceedings related to customer privacy across stc KSA, Bahrain, and Kuwait.



Safeguarding trust in a digital world continued

Data privacy and security training and awareness

stc conducts a variety of training and awareness campaigns in the fields of cybersecurity and data privacy for all employees and business partners, including:

- Privacy Day campaign
- AI and ChatGPT campaign
- Personal Data Protection Law (PDPL) campaign
- Data privacy in third-party relationships
- Data privacy in marketing and advertising
- Privacy impact assessments
- Data protection violations
- Phishing Awareness campaign
- Strong Password campaign
- Online Shopping campaign
- Social Media campaign
- Clean Desk campaign
- CS Policy and Standards campaign
- Cloud Storage and Storage Media campaign
- Secure Teleworking campaign
- Safe Meetings campaign
- Data Protection campaign

In 2024, approximately 99% of stc KSA employees completed the mandatory data privacy and protection training. Among our subsidiaries, nearly 35% of employees and 62% of contractors completed the required sessions.

We also have role-based awareness campaigns, targeting:

- Social media team
- GCEO office staff
- Special Projects team
- Cybersecurity team
- VPs
- GCO (Group Chief Officers)
- Administrative people (admins with privileged access)
- Service provider contractors

Performance metrics

Data protection and security training	stc KSA			stc Group		
	2022	2023	2024	2022	2023	2024
Number of employees attended data protection training	11,068	17,637	21,661	-	1,175	5,339
Total training hours	34,207	61,553	75,597	-	4,100	18,633
Number of employees attended security training	11,068	18,781	11,066		22,422	4,118
Total training hours	34,207	65,733	25,452	-	90,012	9,746

* Group data for 2022 is not available owing to expanded scope of operations. Accurate calculations and comprehensive data collection across Group were initiated starting 2023.



Supply chain management

Our approach to sustainable procurement involves sourcing sustainable goods and services whenever possible while encouraging sustainable practices throughout the entire supply chain. We expect our suppliers and business partners to operate in alignment with our sustainability requirements and adhere to our principles on critical issues such as safety, human rights and environmental responsibility.

Supplier Code of Conduct

stc's Responsible Supply Chain policy reaffirms the Group's commitment to maintaining and promoting responsible business practices with suppliers, while advocating for integrity and transparency in all dealings. Additionally, stc's Supplier Code of Conduct is a contractual obligation for all suppliers, mandating fair employment practices for their workforces. Compliance is enforced by guaranteeing suppliers respect the dignity, privacy and rights of employees and associated contractors, refraining from unlawful discrimination and the use of child or forced labor, and avoiding exceeding applicable working hours or unfairly compensating employees. Suppliers can also use our Speak Up platform to raise concerns about ethics, human rights or other important matters.

Integrating sustainability into our supplier assessment

Every supplier and contractor is assessed for environmental and social issues as part of a comprehensive supplier evaluation process. Suppliers with customer data access must adhere to legally binding contracts and the Supplier Code. During project implementation, we continuously evaluate suppliers on performance, compliance and ethics, which affects their rankings and future selection. Criteria include quality, sustainability, risk, customer service, innovation, delivery, operational excellence and cost. Serious non-compliance, such as confidentiality breaches or unauthorized disclosure, can lead to disqualification or termination.

Supplier engagement and development initiatives

stc engages with its suppliers through various initiatives to reinforce collaboration and ensure alignment with company objectives. Our annual supplier conferences, such as the Partner Day, providing partners with updates on stc's strategies, ambitions and expectations, and how they can contribute to the Group's goals.

Through these initiatives and frameworks, stc reinforces its commitment to responsible supplier engagement, securing sustainable practices throughout its procurement processes.



2024 Local procurement spending
– stc KSA

96%

2024 Local procurement spending
– stc Group

96%



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