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# Corporate Finance

# Board of Directors

**solutions by stc are managed by a Board of Directors consisting of 9 Directors, classified according to the definitions contained in the Corporate Governance Regulations issued by the Capital Market Authority in the Kingdom of Saudi Arabia, and appointed by the Conversion General Assembly of Shareholders held on 22 December 2020.**

The tenure of Directors, including the Chairman, shall be a maximum of 3 years for each session. As an exception, the Conversion General Assembly shall appoint the first Board of Directors for 5 years, and they may be reappointed unless otherwise provided in the Company's By-laws. The current 5-year session of the Board of Directors commenced on 22 December 2020 and ends on 21 December 2025.

## Composition of the Board of Directors

### The nature and classification of their membership

	Name	Nature of Membership	Membership Classification	Nationality
1	<b>Mr. Riyadh Saeed Muawad</b>	Chairman of the Board	Non-Executive Member	Saudi
2	<b>Mr. Haithem Mohammed Alfaraj</b>	Deputy Chairman of the Board	Non-Executive Member	Saudi
3	<b>Mr. Emad Aoudah Al Aoudah</b>	Board Member	Non-Executive Member	Saudi
4	<b>Mr. Omar Abdulaziz Alshabibi</b>	Board Member	Non-Executive Member	Saudi
5	<b>Mr. Mathad Faisal Alajmi</b>	Board Member	Non-Executive Member	Saudi
6	<b>Mr. Mohammed Abdullah Alabbadi</b>	Board Member	Non-Executive Member	Saudi
7	<b>Mr. Mohammad Abdullah Alaseeri</b>	Board Member	Independent Member	Saudi
8	<b>Mr. Abdullatif Ali Alseif</b>	Board Member	Independent Member	Saudi
9	<b>Mr. Fahad Suleiman Alamoud</b>	Board Member	Independent Member	Saudi

## Board members, Committee members and Executive Management's current and previous positions, qualifications, and experience

### Board and Committee Members



#### Mr. Riyadh Saeed Muawad

##### Current Positions

- ▶ **Chairman of the Board** - solutions by stc
- ▶ **Member of the following committees at solutions by stc:**
  - Executive Committee
  - Investment Committee
- ▶ **Chairman of the Board** - Specialized by stc
- ▶ **Chairman of the Board** - iot2
- ▶ **Vice Chairman of the Board** - Saudi Cloud Computing Company (SCCC)
- ▶ **Group Chief Business Officer** - stc

##### Previous Positions

- ▶ **Vice President of Corporate and Government Sales** - stc
- ▶ **Member of the Board** - Kuwait Telecom Company (stc Kuwait)
- ▶ **Held the following positions at Cisco Saudi Arabia Limited:**
  - Regional Manager
  - Security and Defense Sales Manager
  - Account Manager
- ▶ **Account/Channel Manager** - CA Technologies
- ▶ **Account Manager** - National Technology Company (Bugshan Group)

##### Qualifications

- ▶ **Bachelor's degree in Computer Science** - Boston University, USA
- ▶ **Senior Executive Program, Strategy, Innovation, and Digital Transformation**
  - Harvard Business School, USA (2017 - 2018)

##### Experience

More than 19 years of experience in the Information and Communication Technology industry.

**Board of Directors** continued



**Mr. Haithem Mohammed Alfaraj**

**Current Positions**

- ▶ **Deputy Chairman of the Board** - solutions by stc
- ▶ **Member of the Executive Committee** - solutions by stc
- ▶ **Chairman of Board** - sirar by stc
- ▶ **Vice Chairman of the Board** - Telecommunication Tower Co. Ltd (TAWAL)
- ▶ **Group Chief Technology Officer** - stc

**Previous Positions**

- ▶ **Member of the Board** - Specialized by stc
- ▶ **Member of the Board** - C4IR KSA
- ▶ **Member of the Board** - Mobily NCBS
- ▶ **Vice President of Operations** - stc
- ▶ **Held a number of positions at Etihad Etisalat Company (Mobily) including:**
  - Chief IT Operations Officer
  - Vice President of Data Hosting and Managed Services
  - Vice President of IT Operations
  - Director of the Data Center
  - Manager, Systems Administration
- ▶ **Systems Analyst** - Saudi Arabian Oil Company (Aramco)

**Qualifications**

- ▶ **Bachelor's degree in Applied Computer Engineering** - King Fahad University of Petroleum and Minerals (KFUPM), KSA
- ▶ **Master of Business Administration** - Hult International Business School (2022), UAE

**Experience**

More than 23 years of experience in the following industries:

- ▶ Information and Communication Technology
- ▶ Petroleum



## Mr. Emad Aoudah Al Aoudah

### Current Positions

- ▶ **Member of the Board** – solutions by stc
- ▶ **Member of the Executive Committee** – solutions by stc
- ▶ **Member of the Board and Executive Committee Member** – Arab Satellite Communications Organization (Arabsat)
- ▶ **Group Chief Shared Services Officer** – stc

### Previous Positions

- ▶ **Held the following positions at stc:**
  - Vice President of Procurement and Shared Services
  - Vice President of Regulatory and Corporate Affairs
  - Vice President of Strategy and Projects (Acting)
- ▶ **Chairman of the Board** – channels by stc
- ▶ **Chairman of the Board** – stc Gulf Investment Holding
- ▶ **Member of the Board** – Bravo Company
- ▶ **Member of the Board** – Aqalat Real Estate Company
- ▶ **Member of the Board** – Specialized by stc
- ▶ **CEO** – National Unified Procurement Company for Medical Supplies (NUPCO)
- ▶ **General Manager, Group Digital Publishing and Group Chief Information Officer** – Saudi Research and Marketing Group
- ▶ **General Manager** – Saudi Information Technology Company (SITE)
- ▶ **Public Sector Marketing and Sales Country Manager** – Oracle
- ▶ **Program Manager** – Saudi Central Bank (SAMA)

### Qualifications

- ▶ **Bachelor's degree in Information Systems** – King Saud University, KSA.
- ▶ **Board/Corporate Governance Certificate** – INSEAD Business School.
- ▶ **Advanced Management Program for CEO's Certificate** – INSEAD Business School

### Experience

More than 32 years of experience in multiple industries including:

- ▶ Information and Communication Technology
- ▶ Finance
- ▶ Health
- ▶ Publishing
- ▶ Real Estate

## Board of Directors continued



### Mr. Omar Abdulaziz Alshabibi

#### Current Positions

- ▶ **Member of the Board** - solutions by stc
- ▶ **Member of the Audit Committee** - solutions by stc
- ▶ **Member of the Nomination and Remuneration Committee** - solutions by stc
- ▶ **Member of the Board** - stc Gulf Investment Holding
- ▶ **Member of the Board** - Telecom Commercial Investment Company Limited
- ▶ **Member of the Board** - channels by stc
- ▶ **Chairman of the Audit and Risk Committee** - channels by stc
- ▶ **Vice President of Financial Reporting and Control sector** - stc

#### Previous Positions

- ▶ **Member of the Board** - stc Pay
- ▶ **Chairman of the Audit Committee** - stc Pay
- ▶ **Member of the Board** - Sapphire Company Ltd
- ▶ **General Manager of Financial Reporting** - stc
- ▶ **General Manager of Accounts** - stc

#### Qualifications

- ▶ **Bachelor's degree in Accountancy** - King Saud University, KSA.

#### Experience

More than 25 years of experience in multiple industries including:

- ▶ Information and Communication Technology
- ▶ Finance



## Mr. Mathad Faisal Alajmi

### Current Positions

- ▶ **Member of the Board** - solutions by stc
- ▶ **Member of the Audit Committee** - solutions by stc
- ▶ **Member of the Board and Chairman of the Audit Committee** - Integral
- ▶ **Group Chief Legal, Risk Officer and General Counsel** - stc
- ▶ **Member of the Board** - Pearl Initiative

### Previous Positions

- ▶ **Member of the Board and Audit Committee Member** - Saudi Iron & Steel Co. (Hadeed)
- ▶ **Held the following positions at Saudi Basic Industries Corp (SABIC):**
  - General Manager and Chief Counsel
  - Director of International Trade
  - Senior Council and Manager of International Trade
  - Lawyer
- ▶ **Member of International Trade Committee** - Gulf Petrochemicals and Chemicals Association (GPCA)
- ▶ **Foreign Legal Consultant (Part-time)** - King & Spalding (USA)
- ▶ **Foreign Legal Consultant** - Freshfields (Germany)
- ▶ **Vice President of Legal Affairs and General Counsel** - stc

### Qualifications

- ▶ **Master of Law in International Intellectual Property Law** - Illinois Institute of Technology, USA
- ▶ **Master of Business Administration** - Georgetown University Business School, Washington DC, USA
- ▶ **Bachelor of Law and LL.B** - King Saud University, KSA

### Experience

More than 23 years of experience in multiple industries including:

- ▶ Petrochemical
- ▶ Legal
- ▶ Non-Profit
- ▶ Information Communication and Technology
- ▶ Risk and Business Continuity
- ▶ International Trade
- ▶ Governance and Quality Excellence
- ▶ Internal Control



**Board of Directors** continued



**Mr. Mohammed Abdullah Alabbadi**

**Current Positions**

- ▶ **Member of the Board** - solutions by stc
- ▶ **Member of the following committees at solutions by stc:**
  - Executive Committee
  - Nomination and Remuneration Committee
- ▶ **Chairman of the Board** - center3 by stc
- ▶ **Member of the Board** - Cura
- ▶ **Member of the Board** - Global Leaders' Forum
- ▶ **Member of the Board** - Saudi Volunteer Organization (Takatuf)
- ▶ **Member of the Board and Member of the Executive Committee** - specialized by stc
- ▶ **Group Chief Carrier and Wholesale Officer** - stc

**Previous Positions**

- ▶ **Vice Chairman of the Board** - Forus
- ▶ **Member of the Board and Executive Committee Member** - stc Pay
- ▶ **Held the following positions at stc:**
  - Vice President of Strategy Execution and Corporate Affairs
  - Vice President of Strategic Projects and Corporate Performance
- ▶ **Chairman of the Board** - Aqalat Company Limited (Aqalat)
- ▶ **Held the following positions at Cisco Saudi Arabia Limited:**
  - Managing Director
  - Deputy General Manager
  - Operations Director (Public Sector)
  - Regional Manager of the Local Government, Education, Military, and Defense Sectors
  - Channels Account Manager
  - Marketing Manager

**Qualifications**

- ▶ **Bachelor's degree in Systems Engineering** - KFUPM, KSA, 1999
- ▶ **Master of Business Administration** - IE University, Spain
- ▶ **Senior Executive Leadership Program** - Harvard Business School, USA, 2018

**Experience**

More than 25 years of experience in multiple industries including:

- ▶ Telecommunication
- ▶ Information Technology
- ▶ Financial Industry / Fintech
- ▶ Real Estate
- ▶ Telehealth



## Mr. Mohammad Abdullah Alaseeri

### Current Positions

- ▶ **Member of the Board** - solutions by stc
- ▶ **Member of the Executive Committee** - solutions by stc
- ▶ **Strategies and Digital Transformation Advisor** to HE the Vice Minister of the Ministry of Municipal and Rural Affairs and Housing

### Previous Positions

- ▶ **General Manager of Research and Consulting** - Traveler Security Center
- ▶ **Held the following positions at The Ministry of Education:**
  - Policy, Technology, and Strategy Advisor
  - General Manager of the Strategy Management Office
- ▶ **Held the following positions at The National Information Center:**
  - Director of Business Development
  - Policy, Technology, and Strategy Advisor
  - Director of Identity Program
  - Solutions Architect (National Identity Project)
  - Deputy Director for Research, Development, and Technical Studies
  - Technical Director (Machine Readable Passport Project)
  - Design Engineer

### Qualifications

- ▶ **Master's degree in Computer Engineering** - Syracuse University, USA.

### Experience

More than 37 years of experience in multiple industries including:

- ▶ Information and Communication Technology
- ▶ Education
- ▶ Real Estate

**Board of Directors** continued



**Mr. Abdullatif Ali Alseif**

**Current Positions**

- ▶ **Member of the Board** - solutions by stc
- ▶ **Chairman of the Audit Committee** - solutions by stc
- ▶ **Managing Director and CEO** - Sabeen Investment Company
- ▶ **Member of the Board** - Southern Province Cement Company (SPCC)
- ▶ **Member of the Board** - Wisayah Global Investment Company
- ▶ **Member of the Board** - Al Rajhi Bank
- ▶ **Member of the Board** - Alnahdi Medical Company
- ▶ **Member of the Board** - SALIC
- ▶ **Member of the Board** - Albilad Tourism Fund

**Previous Positions**

- ▶ **CEO and Member of the Board** - Raidah Investment Company (RIC)
- ▶ **Investment Advisor** - Public Pension Agency
- ▶ **Vice President and Chief Investment Officer** - King Abdullah Humanitarian Foundation
- ▶ **Director of Portfolio Management** - Mohammed I. Alsubeaei & Sons Investment Company (MASIC)
- ▶ **Held the following positions at Saudi Aramco:**
  - Head of Portfolio Management, Investment Management Division
  - Financial Analyst, Credit and Collection Division
  - Financial Analyst, Investment Management Division
- ▶ **Member of the Board** - HSBC Saudi Arabia
- ▶ **Portfolio Manager** - KAUST Investment Management Company
- ▶ **Member of the Board** - Arabian Cement Company (ACC)

**Qualifications**

- ▶ **Master of Business Administration (Majoring in Finance)** - Boston University, USA

**Experience**

More than 22 years of experience in multiple industries and sectors including:

- ▶ Finance
- ▶ Petroleum
- ▶ Materials
- ▶ Humanitarian
- ▶ Government and Public Sectors
- ▶ Petrochemical
- ▶ Information and Communication Technology



## Mr. Fahad Suleiman Alamoud

### Current Positions

- ▶ **Member of the Board** - solutions by stc
- ▶ **Chairman of the Nomination and Remuneration Committee** - solutions by stc
- ▶ **Chairman of the Nomination and Remuneration Committee** - Saudi Electricity Project Development Company
- ▶ **CEO** - Saudi Company for Visa and Travel Solutions (TASHIR)
- ▶ **Member of the Board** - Saudi Visa and Travel Solution Limited (Bangladesh)
- ▶ **Member of the Board** - The Saudi International Company for Completion and Follow-up of Visa Procedures and Approvals for Embassies (Kuwait)
- ▶ **Member of the Board** - Saudi Company for Visa Solutions (Qatar)

### Previous Positions

- ▶ **Chief Executive Officer** - Sehati for Information Technology Services
- ▶ **Delivery and Operations Executive Director** - Saudi Technology and Security Comprehensive Control Company (Tahakom)
- ▶ **ICT General Manager** - The Ministry of Transport
- ▶ **Held the following positions at the Ministry of Foreign Affairs:**
  - Deputy ICT GM
  - Director of E-Services
  - Quality Control Manager
  - E-Government Projects Manager
  - Development Team Leader
  - Senior Systems Analyst and Programmer

### Qualifications

- ▶ **Bachelor's degree in Information Systems** - College of Computer and Information Science, King Saud University, KSA.

### Experience

More than 25 years of experience in multiple industries and sectors including:

- ▶ Government and Public Sectors
- ▶ Information and Communication Technology
- ▶ Traffic Solutions and Transportation
- ▶ Healthcare
- ▶ Visa, Travel, and Tourism

## Board of Directors continued

### Committee Members from outside the Board of Directors

#### Mr. Motaz Ali Alangari - Investment committee

##### Current Positions

- ▶ **Member of the Investment Committee** - solutions by stc
- ▶ **Member of the Board and Chairman of the Audit Committee** - Saudi Cloud Computing Company (Alibaba Cloud)
- ▶ **Member of the Board** - Smart Accommodation for Residential Complexes Company (PIF)
- ▶ **Group Chief Investment Officer** - stc
- ▶ **Member of the Board, Executive Committee Member, and Chairman of the Risk Committee** - stc bank
- ▶ **Member of the National Finance and Insurance Committee** - Chamber of Commerce
- ▶ **Chairman of the Investment and Securities Committee** - Riyadh Chamber of Commerce

##### Previous Positions

- ▶ **Head of Investment Banking** - Banque Saudi Fransi,
- ▶ **Executive Director** - Morgan Stanley Saudi Arabia
- ▶ **Senior positions with Samba Capital, Samba Financial Group, and National Commercial Bank,** among others

##### Qualifications

- ▶ **Bachelor's degree in Business** - Cornell University, USA
- ▶ **Certificates in Finance** - New York Institute of Finance, and Cornell University, among others

##### Experience

More than 17 years of experience in the Investment and Corporate Banking industry

#### Mr. Atef Helmy - Investment committee

##### Current Positions

- ▶ **Member of the Investment Committee** - solutions by stc
- ▶ **Chairman of the Board** - Prime Business Consulting
- ▶ **Member of the Board** - National Bank of Egypt
- ▶ **Founding Member, and President of the General Assembly** - Arab Digital Economy Federation
- ▶ **Founding Member** - Egypt Fintech Association
- ▶ **Vice Chairman of the Board** - Africa Information and Communication Technologies Alliance (AfICTA)
- ▶ **Chairman of the Board** - Arab Union for Digital Economy
- ▶ **Honorary Member** - American Chamber of Commerce
- ▶ **Member of the Board of Trustees** - British University in Egypt
- ▶ **Member of the Board of Trustees** - Beit El Zakat (Egypt House of Alms & Charity)

##### Previous Positions

- ▶ **Former Egyptian Minister** of ICT
- ▶ **Managing Director** - NCR UAE
- ▶ **Managing Director** - Oracle Egypt
- ▶ **Chairman of the Board** - Orange Egypt
- ▶ **Chairman of the Board** - Chamber of ICT
- ▶ **Served in the Egyptian Military Force** in the field of communications and information technology.
- ▶ **Senior Advisor** - Orange MEA
- ▶ **Ambassador** - Orange to Smart Africa
- ▶ **Member of the Board** - SAMENA
- ▶ **Member of the Board** - Al Mohandes Insurance
- ▶ **Member of the Board** - Al Hayat Insurance

##### Qualifications

- ▶ **Diploma in Computer Science**
- ▶ **Bachelor's degree in Communication and Electrical Engineering** - Military Technical College, Egypt
- ▶ **Master's degree in Information Technology**

##### Experience

More than 41 years of experience in Communications and Information Technology

## Mr. Abdullah Alanizi - Audit Committee

### Current Positions

- ▶ **Member of the Audit Committee** - solutions by stc
- ▶ **Group Chief Internal Audit Officer** - stc Group

### Previous Positions

- ▶ **Held the following positions at stc:**
  - General Manager of Network and Information Systems Audit
  - General Manager of Investment and Operational Audit

### Qualifications

- ▶ **Bachelor's degree in Information Systems** - College of Computer and Information Sciences, King Saud University, KSA
- ▶ **Executive Masters of Business Administration** - King Fahd University of Petroleum & Minerals, KSA.
- ▶ Obtained several professional certificates: CIA, CISA, CFE, and CRMA

### Experience

- 27 years of experience in multiple domains including:
- ▶ Audit Committee's and Internal Audit
  - ▶ Governance and Risk Management
  - ▶ Information Technology

## Mr. Fahad Alghamdi - Nomination and Remuneration Committee

### Current Positions

- ▶ **Member of the Nomination and Remuneration Committee** - solutions by stc
- ▶ **Member of the Nomination and Remuneration Committee** - AQALAT by stc
- ▶ **Member of the Nomination and Remuneration Committee** - Banan Real Estate Company
- ▶ **Member of the Nomination and Remuneration Committee** - The Strategy Office for Developing Al Baha Region
- ▶ **HR Business Partner VP** - stc

### Previous Positions

- ▶ **Held the following positions at stc:**
  - General Manager - stc Business Units
  - Member of the Executive Committee - specialized by stc
  - General Manager, HR Planning and Organizational Development
  - Director, Workforce Planning
  - Manager of Customer Relationship Management
    - HR, Shared Services
  - HR Specialist, Rewards and Performance Management

### Held the following positions at Samba Financial Group:

- Account Manager of Corporate Services Unit
- Group Customer Services Unit of Key Accounts

### Qualifications

- ▶ **Bachelor's degree in Marketing** - King Fahd University of Petroleum & Minerals, KSA.
- ▶ **Advanced Human Resource Executive Program** - Stephen M. Ross School of Business, University of Michigan, USA

### Experience

- More than 22 years of HR experience in the following industries:
- ▶ ICT (Information and Communication Technology)
  - ▶ Finance

# Executive Management



**Mr. Omer Abdullah Alnomany**  
Chief Executive Officer

## Previous Positions

- ▶ Vice President of Information Technology - stc

## Qualifications

- ▶ Bachelor's degree in Computer Engineering - King Saud University, KSA, 1994
- ▶ Senior Executive Leadership Program - Harvard University, USA, 2020

## Experience

- ▶ 30 years



**Mr. Abdulrahman Hamad Alrubaia**  
Chief Financial Officer

## Previous Positions

- ▶ Vice President of the Finance Sector - solutions by stc

## Qualifications

- ▶ Bachelor's degree in Accountancy - King Saud University, KSA, 2003

## Experience

- ▶ 20 years



## Mr. Muataz Abdullah Aldharrab

Chief Strategy Officer

### Previous Positions

- ▶ Vice President of Corporate Planning and Performance

### Qualifications

- ▶ Master of Business Administration - Prince Sultan University, KSA, 2014

### Experience

- ▶ 17 years



## Mr. Saleh Abdullah Alzahrani

Chief Technology Officer

### Previous Positions

- ▶ Vice President of Solutions Delivery - solutions by stc

### Qualifications

- ▶ Bachelor's degree in Computer Engineering - King Saud University, KSA, 1994

### Experience

- ▶ 30 years



## Executive Management continued



**Mr. Rajeh Saad Albogamy**  
Chief Audit Officer

### Previous Positions

- ▶ **General Manager of Business and Technology Audit** - solutions by stc

### Qualifications

- ▶ **Master's degree in Project Management** - The George Washington University School of Business, 2011

### Experience

- ▶ 22 years



**Mr. Hatem Abdulhalim Elkady**  
Chief Partnerships and Synergies Officer

### Previous Positions

- ▶ **Advisor of Strategic Partnerships** - solutions by stc

### Qualifications

- ▶ **Master's degree in Computer Science** - Cairo University, Egypt, 1993

### Experience

- ▶ 32 years



**Mr. Ahmed Naji Bajnaid**  
Chief Governance Officer

**Previous Positions**

- ▶ **Vice President of Operations and Managed Services** - solutions by stc

**Qualifications**

- ▶ **Master of Business Administration** - King Abdulaziz University, KSA, 2022

**Experience**

- ▶ 21 years



**Mr. Saleh Tariq Algoony**  
Chief People and Corporate Services Officer

**Previous Positions**

- ▶ **Vice President of Business Excellence** - solutions by stc

**Qualifications**

- ▶ **Bachelor's degree in Computer Science** - King Fahad University of Petroleum and Minerals (KFUPM), KSA, 2010

**Experience**

- ▶ 15 years

## Executive Management continued



**Mr. Thamir Mohammed Alhammad**  
Chief Business Diversification Officer

### Previous Positions

- ▶ **Chief Business Diversification Officer** - solutions by stc

### Qualifications

- ▶ **Master of Business Administration** - Imperial College London, UK, 2017

### Experience

- ▶ 23 years



**Mr. Yousef Abdulrahman Almarshad**  
Chief Commercial Officer

### Previous Positions

- ▶ **General Manager, Government Sales** - solutions by stc

### Qualifications

- ▶ **Master's degree in Project Management / Information Technology** - Marymount University, USA, 2011

### Experience

- ▶ 15 years



## Names of companies inside and outside the Kingdom of Saudi Arabia where a Board member is a member of their current or previous Board or Management

Member Name	Names of Companies where a Board member is a member of their current Board or is a Manager	Inside/ outside the Kingdom of Saudi Arabia	Legal Entity	Names of Companies where a Board member was a member of their Board or a Manager	Inside/ outside the Kingdom of Saudi Arabia	Legal Entity
<b>Mr. Riyadh Saeed Muawad</b>	Specialized by stc	Inside	Limited Liability Company	Kuwait Telecom Company (stc Kuwait)	Outside	Listed Joint Stock Company
	stc	Inside	Listed Joint Stock Company	Cisco	Inside	Limited Liability Company
	Saudi Cloud Computing Company (SCCC)	Inside	Limited Liability Company	CA Technologies	Outside	Listed Joint Stock Company (USA)
	iot2	Inside	Limited Liability Company	National Technology Company (Bugshan Group)	Inside	Limited Liability Company
<b>Mr. Haithem Mohammed Alfaraj</b>	Sirar by stc	Inside	Limited Liability Company	Specialized by stc	Inside	Limited Liability Company
	Telecommunications Tower Co. (TAWAL)	Inside	Limited Liability Company	Etihad Etisalat Company (Mobily)	Inside	Listed Joint Stock Company
	stc	Inside	Listed Joint Stock Company	Aramco	Inside	Listed Joint Stock Company
				C4IR KSA	Inside	Public-Private Partnership
<b>Mr. Emad Aoudah Al Aoudah</b>	stc	Inside	Listed Joint Stock Company	Channels by stc	Inside	Limited Liability Company
	Arabian Satellite Communications Organization (Arabsat)	Inside	Limited Liability Company	Aqalat	Inside	Limited Liability Company
				Specialized by stc	Inside	Limited Liability Company
				NUPCO	Inside	Limited Liability Company
				Saudi Research and Marketing Group	Inside	Listed Joint Stock Company
				Saudi Information Technology Company (SITE)	Inside	Limited Liability Company
				Oracle	Outside	Limited Liability Company
				Saudi Central Bank	Inside	Government
				STC Gulf Investment Holding	Inside	Limited Liability Company
Bravo Company	Inside	Limited Liability Company				

Member Name	Names of Companies where a Board member is a member of their current Board or is a Manager	Inside/ outside the Kingdom of Saudi Arabia	Legal Entity	Names of Companies where a Board member was a member of their Board or a Manager	Inside/ outside the Kingdom of Saudi Arabia	Legal Entity
<b>Mr. Omar Abdulaziz Alshabibi</b>	stc Gulf Investment Holding	Inside	Limited Liability Company	stc Pay	Inside	Closed Joint Stock Company
	Telecom Commercial Investment Company Limited	Inside	Limited Liability Company	Sapphire Company Ltd	Inside	Limited Liability Company
	Channels by stc	Inside	Limited Liability Company			
	stc	Inside	Listed Joint Stock Company			
<b>Mr. Mathad Faisal Alajmi</b>	stc	Inside	Listed Joint Stock Company	Saudi Iron and Steel Company (Hadeed)	Inside	Closed Joint Stock Company
	Intigral	Inside	Limited Liability Company	Saudi Basic Industries Corp (SABIC)	Inside	Listed Joint Stock Company
	Pearl Initiative	Outside	Non-Profit Organization	Gulf Petrochemicals and Outside Chemicals Association (GPCA)	Outside	Closed Joint Stock Company
				King and Spalding	Outside	International Law Firm
				Freshfields	Outside	International Law Firm
<b>Mohammed Abdullah Alabbadi</b>	stc	Inside	Listed Joint Stock Company	stc Pay	Inside	Closed Joint Stock Company
	Saudi Volunteer Organization (Takatuf)	Inside	Non-Profit Organization	Aqalat	Inside	Limited Liability Company
	Specialized by stc	Inside	Limited Liability Company	Cisco	Inside	Limited Liability Company
	Cura	Outside	Limited Liability Company	Forus	Inside	Closed Joint Stock Company
	Center3	Inside	Limited Liability Company			
	Global Leaders' Forum	Outside	Limited Liability Company			
<b>Mr. Mohammad Abdullah Alaseeri</b>	Ministry of Municipal and Rural Affairs and Housing	Inside	Government	Traveler Security Center	Inside	Government
				Ministry of Education	Inside	Government
				National Information Center	Inside	Government



Member Name	Names of Companies where a Board member is a member of their current Board or is a Manager	Inside/ outside the Kingdom of Saudi Arabia	Legal Entity	Names of Companies where a Board member was a member of their Board or a Manager	Inside/ outside the Kingdom of Saudi Arabia	Legal Entity
<b>Mr. Abdulatif Ali Alseif</b>	Sabeen Investment Company	Inside	Closed Joint Stock Company	King Abdullah Humanitarian Foundation	Inside	Non-Profit Organization
	Southern Province Cement Company (SPCC)	Inside	Listed Joint Stock Company	Raidah Investment Company	Inside	Closed Joint Stock Company
				HSBC	Inside	Closed Joint Stock Company
	Wisayah Global Investment Company	Inside	Limited Liability Company	Arabian Cement Company (ACC)	Inside	Listed Joint Stock Company
	Al Rajhi Bank	Inside	Listed Joint Stock Company	Riva Investment Company	Inside	Limited Liability Company
	Alnahdi Medical Company	Inside	Closed Joint Stock Company	National Petrochemical Company (Petrochem)	Inside	Listed Joint Stock Company
	SALIC	Inside	Closed Joint Stock Company	Alothaim Investment Company	Inside	Closed Joint Stock Company
	AlBilad Tourism Fund	Inside	Real Estate Fund	Saudi Aramco	Inside	Listed Joint Stock Company
				Mohammed I Alsubeaei & Sons Investment Company (MASIC)	Inside	Closed Joint Stock Company
				KAUST Investment Management Company	Inside	Closed Joint Stock Company
<b>Mr. Fahad Suleiman Alamoud</b>	Saudi Visa and Travel Solutions (TASHIR)	Inside	Limited Liability Company	Sehati	Inside	Limited Liability Company
	Saudi Visa and Travel Solutions Limited (Bangladesh)	Inside	Limited Liability Company	Saudi Technology and Security Comprehensive Control Company (Tahakom)	Inside	Limited Liability Company
	The Saudi International Company for Completion and Follow-up of Visa Procedures and Approvals for Embassies (Kuwait)	Inside	Limited Liability Company	Ministry of Transport	Inside	Government
	Saudi Company for Visa Solutions (Qatar)	Inside	Limited Liability Company	Ministry of Foreign Affairs	Inside	Government
	Saudi Electricity Project Development Company	Inside	Limited Liability Company			

### Board of Directors Meetings and the Attendance Record of each meeting held during the year ending 31 December 2023

	Name	Meetings				
		1st meeting (15 Feb 2023)	2nd meeting (28 Mar 2023)	3rd meeting (21 Jun 2023)	4th meeting (18 Jul 2023)	5th meeting (10 Dec 2023)
1	Mr. Riyadh Muawad	✓	✓	✓	✓	✓
2	Mr. Haithem Alfaraj	✓	✓	✓	✓	✓
3	Mr. Emad Al Aoudah	✓	✓	✓	✓	✓
4	Mr. Mohammed Alabbadi	✓	✓	✓	✓	✓
5	Mr. Mathad Alajmi	✓	✓	✓	✓	✓
6	Mr. Omar Alshabibi	✓	✓	✓	✓	✓
7	Mr. Fahad Alamoud	✓	✓	✓	✓	✓
8	Mr. Abdullatif Alseif	✓	✓	✓	✓	✓
9	Mr. Mohammad Alaseeri	✓	✓	✓	✓	✓

### General Assembly Meetings held during the fiscal year ending 31 December 2023 and Attendance of Board members

	Name	Meetings	
		1st meeting (9 May 2023)	2nd meeting (27 Dec 2023)
1	Mr. Riyadh Muawad	✓	✓
2	Mr. Haithem Alfaraj	✗	✗
3	Mr. Emad Al Aoudah	✓	✗
4	Mr. Mohammed Alabbadi	✓	✗
5	Mr. Mathad Alajmi	✓	✗
6	Mr. Omar Alshabibi	✓	✓
7	Mr. Fahad Alamoud	✓	✓
8	Mr. Abdulatif Alseif	✓	✓
9	Mr. Mohammad Alaseeri	✓	✓

### Procedures taken by the Board to inform its members, especially the Non-Executives, of shareholders' suggestions and remarks on the Company and its performance

The main objective of the Investor Relations (IR) Department is to act as a mediator between the Company, the investment community, and capital market regulators. We aim to enable further accessibility between shareholders and various stakeholders within the Company through various methods. The IR Department is responsible for all communications with investors and shareholders, and periodically reports to the Board, providing an update about shareholder activities and remarks.

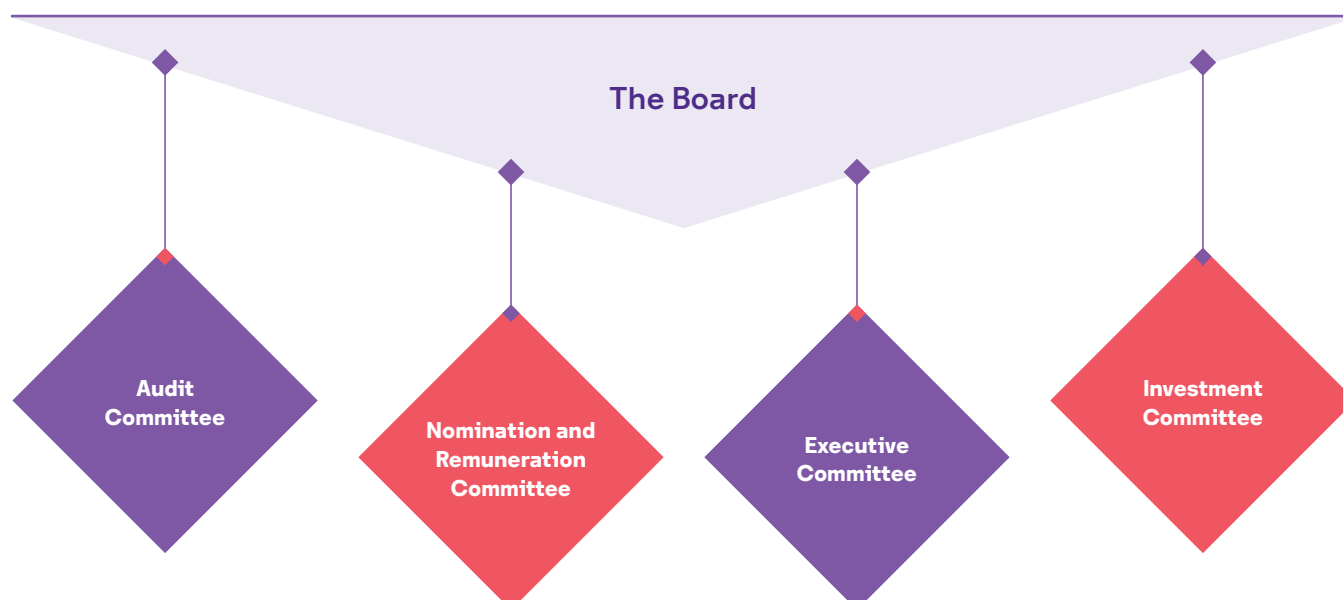
Stakeholders' views are of paramount importance to the Company and shareholder feedback is always considered and incorporated into departmental strategies for long-term value creation. We ensure that we provide our investors with the maximum information possible by providing access to various disclosures through the

Investor Relations section of the website, and through quarterly disclosures, and annual reports.

During the year ending 31 December 2023, the Company did not receive any written proposals or notes from any of the shareholders.

### Board Committees

In accordance with the Corporate Governance Regulations issued by the Capital Market Authority and the Companies Law, the Company has prepared a charter for the Audit Committee, the Nomination and Remuneration Committee, the Executive Committee, and the Investment Committee, as these charters include the rules for the members of the committee, their term of membership, and their duties. All these charters and regulations were approved by the Board of Directors and the General Assembly of shareholders, as per the Company's Bylaws. solutions by stc have 4 committees as follows:





## Audit Committee

The Audit Committee consists of 4 members appointed pursuant to an Ordinary General Assembly resolution dated 26 January 2021 and ending 21 December 2025.

The duties and responsibilities of this Committee include the oversight of the internal audit tasks and reports, the implementation of corrective measures for the observations contained therein, recommending to the Board of Directors the appointment of the Company's external auditor and propose his scope of work and annual fees, and reviewing the Company's interim and annual financial statements before submitting them to the Board of Directors. The Committee's responsibilities also include evaluating and ensuring that an effective internal control system is in place and prepared on a sound basis, and reviewing corporate governance reports, compliance, and risk management.

During the year, the Audit Committee reviewed the quarterly financial statements and the annual financial statements and recommended the approval of the Board of Directors. The Committee met with the external auditor to ensure that the financial statements have been prepared in accordance with the accounting standards and that there are no material observations on the financial statements. The Audit Committee also discussed the internal auditors' report, which did not contain material observations.

The Committee is composed of 4 members and held 7 meetings during the year 2023, as shown in the following table:

	Name	Nature of Membership	Meetings						
			1st meeting (3 Jan 2023)	2nd meeting (13 Feb 2023)	3rd meeting (14 Feb 2023)	4th meeting (15 Feb 2023)	5th meeting (7 May 2023)	6th meeting (27 Jul 2023)	7th meeting (26 Oct 2023)
1	Mr. Abdullatif Alseif	Chairman	✓	✓	✓	✓	✓	✓	✓
2	Mr. Mathad Alajmi	Member	✓	✓	✓	✓	✓	✓	✓
3	Mr. Omar Alshabibi	Member	✓	✓	✓	✓	✓	✓	✓
4	Mr. Abdullah Alanizi	Member	✓	✓	✓	✓	✓	✓	✓

## Nomination and Remuneration Committee

The Nomination and Remuneration Committee consists of 4 members appointed pursuant to a Board resolution dated 24 January 2021. The main purpose of this Committee is to make recommendations to the Board of Directors with regard to nominations to the membership of the Board, its subcommittees and Executive Management in accordance with the approved policies and standards. Undertaking the annual review of the skill requirements for the Board of Directors; preparing the description of skills and qualifications required for Board membership, including determination of the time that the Board member should dedicate to the business of the Board, and make recommendations concerning changes that can be made. The Committee also reviews the structure and formation of the Board, makes recommendations concerning changes that can be made and identifies the weaknesses and strengths

of the Board with recommendations on how to address them to serve the interests of the Company. On an annual basis, the Committee ensures the independence of the independent members and that there are no conflicts of interest if the member holds membership on the Board of Directors of another company and evaluates the performance of Board members and the members of its committees. It develops clear policies for the compensation and remuneration of Board members and senior Executives, taking into consideration performance-related standards. Lastly, the Committee prepares periodic and annual reports on the Committee's activities and the annual disclosure report according to the Bylaws. These reports are presented to the Board of Directors. The Committee is also responsible for assisting the Board of Directors in developing and reviewing the organizational structure of the Company.

The Committee is composed of 4 members and held 6 meetings during the year 2023, as shown in the following table:

Name	Nature of Membership	Meetings					
		1st meeting (14 Feb 2023)	2nd meeting (15 Mar 2023)	3rd meeting (4 Jun 2023)	4th meeting (17 Sep 2023)	5th meeting (30 Nov 2023)	6th meeting (28 Dec 2023)
1 Mr. Fahad Alamoud	Chairman	✓	✓	✓	✓	✓	✓
2 Mr. Fahad Alghamdi	Member	✓	✓	✓	✓	✓	✓
3 Mr. Omar Alshabibi	Member	✓	✓	✓	✓	✓	✓
4 Mr. Mohammed Alabbadi	Member	✓	✓	✓	✓	✓	✓

## Executive Committee

The Executive Committee consists of 5 members appointed pursuant to a Board resolution dated 24 January 2021.

The Company's Executive Committee was appointed by the Board of Directors to exercise all functions entrusted thereto and reports to and maintains direct communication channels with the Board of Directors. Pursuant to the relevant laws and regulations, the responsibilities of the Executive Committee include the following:

- ▶ Engaging in and supervising the development of the Company's strategic plan and evaluating the proposals submitted by the Executive Management on the Company's vision, mission, strategic themes, goals, and strategic and financial initiatives, and submitting them to the Board for approval.
- ▶ Overseeing the preparation of the Company's annual budget, reviewing proposals submitted by the Executive Management, and submitting recommendations to the Board on the approval of the annual budget.
- ▶ Reviewing the financial and strategic performance reports related to monitoring the implementation of strategic plans and initiatives, and submitting its recommendations to the Board.
- ▶ Examining strategic and important issues and projects with a significant financial impact, and submitting them to the Board for approval.
- ▶ Reviewing the corporate social responsibility policy, media plan and sports sponsorships, and submitting its recommendations to the Board.
- ▶ Reviewing programs for social work initiatives, and submitting its recommendations to the Board.

The Committee is composed of 5 members and held 4 meetings during the year 2023, as shown in the following table:

Name	Nature of Membership	Meetings			
		1st meeting (8 Jun 2023)	2nd meeting (4 Oct 2023)	3rd meeting (9 Nov 2023)	4th meeting (6 Dec 2023)
1 Mr. Riyadh Muawad	Chairman	✓	✓	✓	✓
2 Mr. Haithem Alfaraj	Member	✓	✓	✓	✓
3 Mr. Mohammed Alaseeri	Member	✓	✓	✓	✓
4 Mr. Emad Al Aoudah	Member	✓	✓	✓	✓
5 Mr. Mohammed Alabbadi	Member	✓	✓	✓	✓

## Investment Committee

The Investment Committee consists of 4 members appointed pursuant to a Board resolution dated 04 July 2022.

The Committee shall carry out all the assigned mandates, submit its recommendations to the Board, and shall maintain channels of direct communication with the Board. The Committee's mandates shall be as per the relevant laws and regulations as follows:

- ▶ Approving, endorsing, and reviewing the investment opportunities, mergers, acquisitions, joint ventures, or liquidations, all in accordance with the Company's existing delegation of authority matrices.
- ▶ Studying the Company's assets information, develop an investment strategy along with directives and related policies and submit the same to the Board for approval.
- ▶ Reviewing performance assessments and work progress on a regular basis for the plans approved by the Boards of Directors of subsidiaries and provide the relevant recommendations to the Board.
- ▶ Approving and endorsing the financing structure (to provide funds for business activities, making purchases or investing etc.) for investment transactions and relevant policies, and submitting same to the Board for approval.
- ▶ Directly supervising the Company's domestic and overseas investments.
- ▶ Ensuring the integrity of the investment process including any enhancement, setting relevant controls for protecting Company's interests and fully supervising the stages of acquisition/merger related to any investment opportunity.
- ▶ Providing recommendations to the Board regarding the exit from or liquidation of a current investment.
- ▶ Reviewing the integration and synergy performance reports for subsidiaries

The Committee is composed of 4 members and held 5 meetings during the year 2023, as shown in the following table:

Name	Nature of Membership	Meetings				
		1st meeting (21 Feb 2023)	2nd meeting (17 May 2023)	3rd meeting (1 Jun 2023)	4th meeting (3 Sep 2023)	5th meeting (13 Dec 2023)
1 Mr. Riyadh Muawad	Chairman	✓	✓	✓	✓	✓
2 Mr. Fahad Alamoud	Member	✓	✓	✓	✓	✓
3 Mr. Motaz Alangari	Member	✓	✓	✗	✓	✓
4 Mr. Atef Nagib	Member	✓	✓	✓	✓	✓

## Disclosure of the remuneration policy for members of the Board of Directors, members of the Committees and the Executive Management:

### Board and Committee Members' Remuneration

- ▶ The remuneration of the Board members shall be a fixed amount, in addition to an allowance given for attending meetings.
- ▶ The Board may determine a remuneration for members/ member of the Board for their membership on the Board's standing committees.
- ▶ The remunerations that the Board of Directors' member receives shall be fair and corresponds with the member's competencies as well as the activities and the responsibilities that the Board member undertakes in addition to the specified goals for the Board of Directors that must be achieved during the fiscal year
- ▶ The remuneration payment shall be stopped or retrieved if it turns out that it was approved based on inaccurate information presented by a member of the Board.
- ▶ The remuneration shall be based on the number of meetings that the member attends.
- ▶ The remunerations of the members of the Board and its Standing Committees shall be in accordance with the relevant laws and regulations.
- ▶ In all cases, the overall amount that a member of the Board receives from remunerations shall not exceed SAR 500,000 annually, in accordance with rules prescribed by the Competent Authority.
- ▶ If a member deserves a remuneration for any additional work, or executive, technical, administrative, or advisory positions assigned to him/ her in the Company, this is in addition to the remuneration that such member deserves as a Board member and shall be verified in accordance with Article 20 (c) (8) of the CMA Corporate Governance Regulations and related action as per the Company's conflict of interest policy, Ministry of Communication Companies Law and the Company's By-laws.



## Board Members' Remuneration

Member of the Board of Directors	Fixed Remunerations							Variable Remunerations						End of service rewards	Grand Total	Expenses allowances
	Specific amount	Allowance for attending Board meetings	Total allowance for attending Committee meetings	In-kind benefits	Remunerations for technical managerial and consultative work	Remunerations of the Chairman Managing Director or Secretary, if a member	Total	Percentage of the profits	Periodic remunerations	Short-term incentive plans	Long-term incentive plans	Granted shares	Total			
<b>First: Independent Members</b>																
Fahad Alamoud	300,000	25,000	-	-	-	-	325,000	-	-	-	-	-	-	-	325,000	
Abdullatif Alseif	300,000	25,000	-	-	-	-	325,000	-	-	-	-	-	-	-	325,000	
Mohammed Alaseeri	300,000	25,000	-	-	-	-	325,000	-	-	-	-	-	-	-	325,000	
<b>Total</b>	<b>900,000</b>	<b>75,000</b>	-	-	-	-	<b>975,000</b>	-	-	-	-	-	-	-	<b>975,000</b>	
<b>Second: Non-Executive Members</b>																
Riyadh Muawad	375,000	25,000	-	-	-	-	400,000	-	-	-	-	-	-	-	400,000	
Haitthem Alfaraj	300,000	25,000	-	-	-	-	325,000	-	-	-	-	-	-	-	325,000	
Emad Al Aoudah	300,000	25,000	-	-	-	-	325,000	-	-	-	-	-	-	-	325,000	
Mohammed Alabbadi	300,000	25,000	-	-	-	-	325,000	-	-	-	-	-	-	-	325,000	
Mathad Alajmi	300,000	25,000	-	-	-	-	325,000	-	-	-	-	-	-	-	325,000	
Omar Alshabibi	300,000	25,000	-	-	-	-	325,000	-	-	-	-	-	-	-	325,000	
Total	1,875,000	150,000	-	-	-	-	2,025,000	-	-	-	-	-	-	-	2,025,000	
<b>Total</b>	<b>2,775,000</b>	<b>225,000</b>	-	-	-	-	<b>3,000,000</b>	-	-	-	-	-	-	-	<b>3,000,000</b>	

## Committee Members' Remuneration

Senior Executives	Fixed Remuneration (except attending sessions)	Allowances for Attending Sessions	Total (SAR)
<b>Audit Committee</b>			
Mr. Abdullah Alanizi	100,000	35,000	135,000
Mr. Mathad Alajmi	100,000	35,000	135,000
Mr. Omar Alshabibi	100,000	35,000	135,000
Mr. Abdullatif Alseif	100,000	35,000	135,000
<b>Total</b>	<b>400,000</b>	<b>140,000</b>	<b>540,000</b>
<b>Nomination and Remuneration Committee</b>			
Mr. Fahad Alghamdi	60,000	30,000	90,000
Mr. Mohammed Alabbadi	-	30,000	30,000
Mr. Fahad Alamoud	-	30,000	30,000
Mr. Omar Alshabibi	-	30,000	30,000
<b>Total</b>	<b>60,000</b>	<b>120,000</b>	<b>180,000</b>
<b>Executive Committee</b>			
Mr. Riyadh Muawad	-	20,000	20,000
Mr. Haithem Alfaraj	-	20,000	20,000
Mr. Mohammed Alaseeri	-	20,000	20,000
Mr. Emad Al Aoudah	-	20,000	20,000
Mr. Mohammed Alabbadi	-	20,000	20,000
<b>Total</b>	<b>-</b>	<b>100,000</b>	<b>100,000</b>
<b>Investment Committee</b>			
Mr. Riyadh Muawad	-	25,000	25,000
Mr. Fahad Alamoud	-	25,000	25,000
Mr. Motaz Alangari	60,000	20,000	80,000
Mr. Atef Helmy	60,000	25,000	85,000
<b>Total</b>	<b>120,000</b>	<b>95,000</b>	<b>215,000</b>

## Senior Executives' Remuneration

- ▶ The annual remuneration for the Chief Executive Officer shall be determined upon his/her achievement of the financial and strategic goals and other goals according to the Company's policies.
- ▶ The annual remuneration for the Chief Executive Officer shall be calculated after the publication of the financial statements according to the approved policy of the Company.
- ▶ The annual remuneration for the Executive Management in the Company shall be calculated according to the policy and the mechanism for the approved annual remuneration in the Company.
- ▶ The specified salaries and advantages for the Executive Management shall be determined to include (the base salary and advantages and allowances) according to the Executive Incentive Policy.

## Remunerations of the top 5 Senior Executives (including the CEO and the CFO) in 2023

Senior Executives	Fixed Remunerations					Variable Remunerations					End of Service Rewards	Total Remuneration for Executives on the Board	Grand Total	
	Salaries	Allowances	In kind benefits			Total	Periodic remunerations	Profits	Short-term incentive plans	Long-term incentive plans				Total
			Annual passage allowance	Education allowance	Training cost									
<b>Total</b>	<b>12,065,894.62</b>		<b>954,365.86</b>			<b>13,020,260.48</b>	-	-	<b>11,841,302.36</b>	<b>5,568,831.80</b>	<b>17,410,134.16</b>	-	-	<b>30,430,394.64</b>



### Adherence to Corporate Governance Regulations issued by the Capital Market Authority

The following section highlights provisions of the corporate governance regulations issued by the Capital Market Authority which have not been implemented along with justification thereof.

Article No	Article Text	Implementation Status	Justification
Article 67	<b>Composition of the Risk Management Committee</b>	Not Implemented	A dedicated Risk Management Committee has not been established based on the optional article issued by the CMA. However, its main mandates were incorporated as part of the Audit Committee's responsibilities.
Article 68	<b>Competencies of the Risk Management Committee</b>	Not Implemented	A dedicated Risk Management Committee has not been established based on the optional article issued by the CMA. However, its main mandates were incorporated as part of the Audit Committee's responsibilities.
Article 69	<b>Meetings of the Risk Management Committee</b>	Not Implemented	A dedicated Risk Management Committee has not been established based on the optional article issued by the CMA. However, its main mandates were incorporated as part of the Audit Committee's responsibilities.
Article 82	<b>Employee Incentives</b> 3) Establishing social organizations for the benefit of the Company's employees.	Not implemented	This is an optional article.
Article 84	<b>Social Responsibility</b>	Not Implemented	This is an optional article.
Article 92	<b>Formation of a Corporate Governance Committee</b>	Not Implemented	A dedicated Corporate Governance Committee has not been established based on the optional article issued by the CMA. However, significant governance oversight mandates were incorporated as part of the Audit Committee's responsibilities.

**"The Corporate Governance Office plays a vital role for the organization to keep solutions by stc's brand and image as a trusted business enabler and partner to their clients. Adopting best-in-class practices is our goal to become a distinctive benchmark in our operations."**

**Ahmed Naji Bajnaid**  
Chief Governance Officer

## Internal Audit

### Results of the annual review of the effectiveness of internal control procedures

The Internal Audit Division at solutions by stc conducted planned audits as per the Audit Committee's approved plan, focusing on assessing the adequacy and effectiveness of internal controls and performing quarterly financial statement reviews. They also provided advisory services to enhance operations and achieve strategic objectives.

Throughout 2023, Internal Audit regularly issued audit progress reports to the Audit Committee covering the audit plan progress, the results of audit engagements and overall views of Internal Control Systems, and other audit activities. In addition, Internal Audit continued to pursue the Assurance Transformation Strategy, with impactful outcomes.

In 2023 a key milestone was accomplished by implementing the strategy's pillars: Expanding Digital Audit Services, Combined Assurance and Collaboration with other Assurance Providers, and Project Assurance Audit Services. This enabled proactive, innovative audits at solutions by stc, influencing governance, risk management, and internal controls. In light of these achievements, the Audit team is actively revising the strategy to integrate the new mandates associated with recent acquisitions. This revision is designed to ensure that the strategy remains aligned with the evolving needs of solutions by stc and builds upon the milestones already achieved within its strategic pillars.

Additionally, the division emphasizes human capability development, focusing on attracting, retaining, and developing talent, ensuring they possess the necessary skills for effective auditing within solutions by stc.

## Internal Control

The Audit Committee plays a crucial role in overseeing various critical aspects within the organization, particularly in the areas of compliance, risk management, internal audit, and external audit. Their primary function includes regular evaluations of the internal control system's adequacy and effectiveness. These evaluations are essential for the Board to gain reasonable assurance regarding the robustness and efficiency of the organization's internal controls.

Throughout 2023, the Audit Committee was actively involved in its oversight duties, convening 7 times. During these meetings, the Committee delved into a broad range of topics relevant to their mandate. These included reviewing financial statements, discussing strategic and organizational matters, and addressing issues in human resources, procurement, and IT systems pertinent to the Company's operations. These discussions were conducted in the presence of Executive Management and the Internal Audit team.

A key outcome of the Committee's efforts in 2023 was attaining reasonable assurance about the effectiveness and efficiency of the internal control systems in place. Notably, the Committee did not identify any significant concerns regarding the performance of these systems that might compromise the integrity or fairness of the Company's financial statements. Furthermore, the internal control systems associated with crucial business processes were deemed effective in monitoring and mitigating risks, thereby contributing to the overall governance and risk management framework of the organization.

**"In 2023, our Internal Audit Division focused on digital expansion, collaborative assurance, and project audit services, aligning closely with solutions by stc's strategic goals. This approach has strengthened governance and risk management, reinforcing our commitment to operational excellence and strategic success. Our efforts in innovative auditing and talent development have positioned us as a key contributor to the Company's ongoing progress and value creation."**

**Rajeh Saad Albogamy**  
Chief Audit Officer

## Information on Risks facing the Company (operational, financial or market related) and the Policy of Managing and Monitoring these Risks.

Refer to page 42 for details on the risks facing the company.

### Affiliate Companies

Affiliate Name	Capital	Company's Ownership Percentage	Main Scope of Business	Country of Operation	Country of Incorporation
stc for IT	SAR 262,500 (USD 70,000)	100%	The principal activities of the subsidiary are concentrated in the information technology and communication industry domain. The products of the subsidiary involve design and development of electronics and data centers, outsourcing activities, software, application and database development, technological education, and digitization activities.	Egypt	Egypt
SANAD	SAR 5,000,000	100%	Management and manpower services	Kingdom of Saudi Arabia	Kingdom of Saudi Arabia
Giza Systems	SAR 18,050,580 (USD 4,813,488)	88.19%	Giza Systems a leading systems integrator in the MEA region. It designs and deploys industry-specific technology solutions for asset-intensive industries such as the telecommunications, utilities, oil and gas, hospitality, and real estate among other market sectors, and assists clients streamline their operations and businesses through our portfolio of solutions, managed services, and consultancy practice.	- Egypt - Kingdom of Saudi Arabia - United Arab Emirates - Qatar - Kenya - Tanzania - Uganda - Nigeria	Egypt
ccc by stc	SAR 4,500,000	100%	Contacts services	Kingdom of Saudi Arabia	Kingdom of Saudi Arabia

## Information on loans and statement of total indebtedness of the Company and its affiliates

List of loans received and paid during the year ended 31 December 2023, are as follows:

		Amount of Principal Debt	Loan Term	Amounts paid During the Year	Remaining Amount
1	solutions by stc (Saudi National Bank)	500,000,000	5 years	-	500,000,000
2	Subsidiaries (International Banks)	3,125,386	3 years	-	3,125,386

### The Company's Dividend Distribution Policy

As per the Article Number (48) of the Company's By-law provided the annual net profits shall be distributed as follows:

- ▶ 10% of the net profits shall be set aside to form a statutory reserve for the Company. Such setting aside may be discontinued by the Ordinary General Assembly when the said reserve totals 30% of the Company's paid-up capital.
- ▶ The Ordinary General Assembly may, upon the proposal of the Board of Directors, set aside 5% of the net profits to form consensual reserve to be allocated for certain purposes specified by the General Assembly.
- ▶ The Ordinary General Assembly may form other reserves that would serve the Company's best interest or would ensure distributing constant profits, as much as possible, amongst shareholders. Besides, the Ordinary General Assembly may allocate a certain amount from the net profits to establish social institutions for the Company's employees or to support existing social institutions.
- ▶ Out of the balance of the profits, if any, an initial payment of not less than 10% of the paid-up capital shall be paid to the shareholders.
- ▶ Subject to provisions in Article (22) hereof, and Article (76) of the Companies Law, the remaining amount shall be paid as compensation to the Board of Directors, provided that entitlement of such remuneration shall be in proportion to the number of sessions the member has attended.
- ▶ The Company may distribute interim profits to its shareholders on a biannual or quarterly basis as per a decision passed by the Board of Directors if the Company's financial position allows it to do so and the liquidity is available as per the controls and requirements set by the Competent Authority.

## Dividends Distributed During the Year

	2023*	2022
Ratio (of paid-up capital)	60%	50%
Total amount (SAR)	714 million	595 million

\*Subject to the approval of the General Assembly

## Description of any interest, contractual securities or rights issue of Board members, Senior Executives and/or their relatives on the shares or debt instruments of the Company or its affiliates

### Senior Executives and Their Relatives on Shares or Debt Instruments of the Company

	Names of the Persons of Interest	Beginning of the Year		End of the Year		Net Change	Change Ratio
		Number of Shares	Debt Instruments	Number of Shares	Debt Instruments		
1	Mr. Omer Abdullah Alnomany	817	-	3,435	-	2,618	320%
2	Mr. Abdulrahman Hamad Alrubaia	-	-	566	-	566	-
3	Mr. Saleh Abdullah Alzahrani	-	-	566	-	566	-
4	Mr. Muataz Abdullah Aldharrab	1	-	567	-	566	56,600%
5	Mr. Thamir Mohammed Alhammad	-	-	487	-	487	-
6	Mr. Saleh Tareg Algroony	150	-	716	-	566	377%
7	Mr. Rajeh Saad Albogamy	125	-	-	-	-125	-100%
8	Mr. Ahmed Naji bajnaid	-	-	540	-	540	-
9	Mr. Hatem Abdulhalim Elkady	-	-	374	-	374	-
10	Mr. Yousef Abdulrahman Almarshad	11	-	378	-	367	3,336%

### Company Ownership

Shareholder Name	Number of Shares at the Beginning of the Year	Ownership Percentage at the Beginning of the Year	Number of Shares at the End of the Year	Ownership Percentage at the End of the Year	Share Changes	Percentage Change
stc	94,800,000	79.00%	94,800,000	79.00%	0	0.00%
solutions by stc Treasury shares	1,032,933	0.86%	1,022,807	0.85%	10,126	0.01%
Public	24,167,067	20.14%	24,177,193	20.15%	-10,126	0.10%

## Requests of the Company's Shareholders Registry

Number of Requests of the Company's Shareholders Registry	Request Date	Request Reasons
1	1 January 2023	Internal Management Use
2	1 February 2023	Internal Management Use
3	20 February 2023	Internal Management Use
4	20 February 2023	Internal Management Use
5	1 March 2023	Internal Management Use
6	2 April 2023	Internal Management Use
7	11 April 2023	Internal Management Use
8	1 May 2023	Internal Management Use
9	9 May 2023	General Assembly Meeting
10	1 June 2023	Internal Management Use
11	12 June 2023	Internal Management Use
12	3 July 2023	Internal Management Use
13	2 August 2023	Internal Management Use
14	17 August 2023	Internal Management Use
15	3 September 2023	Internal Management Use
16	2 October 2023	Internal Management Use
17	5 November 2023	Internal Management Use
18	3 December 2023	Internal Management Use

## Transactions between the Company and any Related Party

	Name of Related Party	Type of Related Party	Contract / Agreement	Duration	Value (SAR '000)
1	stc	Parent Company	Providing the CAD licenses for stc.	3 years	SAR 112,045,956 (including Value Added Tax)
2	stc	Parent Company	<ul style="list-style-type: none"> <li>· Providing comprehensive managed services for the various operational domains for the infrastructure.</li> <li>· Building and expanding cloud infrastructure platforms in datacenters.</li> </ul>	2 years	SAR 300,011,729 (including Value Added Tax)
3	stc	Parent Company	<p>solutions will execute the project of establishing and developing the internet and communications networks for stc. The scope of work, includes the following:</p> <ul style="list-style-type: none"> <li>· Expansion of internal internet network.</li> <li>· Establishment of new NEs and expansion of existing NEs.</li> <li>· Expansion of internet services projects that serves the business units of stc.</li> </ul>	2 years	SAR 381,865,175.74 (including Value Added Tax)
4	stc Bank	Related Party	Providing managed SMS service.	4 years	SAR 132,000,000

In addition to the above, stc and its subsidiaries are engaged in establishing, managing, operating, and maintaining fixed and mobile telecommunication networks, systems, and infrastructure, providing integrated communication and information technology solutions. These include, among other things, (telecommunications, IT services, managed services, and cloud services), real estate investment such as selling, buying, leasing, managing, developing and maintenance, and providing financial and managerial support. Other services to subsidiaries include providing development, training, asset management, digital banking services, cybersecurity services, and construction, maintenance and repair of telecommunication and radar stations and towers, in addition to other business as mentioned in activities of stc through joint contracts and agreements, which are considered businesses and services within stc Group.

### Interests of Related Parties (Board of Directors and Executive Management):

During 2023 the Company has not conducted any business or contracts in which there was a substantial interest for the members of the Board of Directors and Executive Management or any person related to any of them.

## Zakat, Taxes, Fees, and Other Charges

Description	2023		Brief Description
	Paid Amount (SAR)	Outstanding Amount until the end of the Annual Financial Period (SAR)	
Zakat	83,248,411	-	Paid during the year
Taxes	678,734	-	No pending amount payable to ETA
GOSI	179,879,262	20,625,534	Paid during the year
Labor Office Fees	26,603,599	-	Paid during the year

## Treasury Shares maintained by the Company

Number of Treasury Shares Maintained by the Company	Value (SAR)	Maintenance Date	Utilization Details
1,022,807	255,497,188.60	31 December 2023	Employee long-term incentives program

**Note:** Treasury shares maintenance date is the date at which solutions by stc vested part of its own shares at a cost of SAR 249.8 per share for a cash consideration of SAR 255,497,188.60.

solutions by stc's Board of Directors and General Assembly approved the purchase of 1,200,000 shares that involved solutions by stc buying back shares from its parent company, stc, to be retained as treasury shares and utilized as part of employees' rewards. This is to be done under different schemes and special terms and conditions that contribute towards attracting and retaining talent in addition to nurturing a healthy workplace culture.

solutions by stc utilized 10,126 shares from treasury shares in 2023. The vested shares in treasury records stem from the LTIP, which is designed to achieve several key objectives:

- ▶ Adopt global and regional practices, in addition to industry norms, in rewarding executives.
- ▶ Align executive compensation with industry best practices.
- ▶ Link executive rewards to the Company's profitability, enabling them to share in the success they help create.
- ▶ Recognize executives' commitment and contribution.
- ▶ Encourage leadership capabilities and sustainable practices for long-term growth.
- ▶ Share the rewards of the Company's success and profitable performance with the executives.
- ▶ Align the interests of the Company's executives with those of its shareholders.



## **solutions by stc Management Clarifications during the year 2023**

- ▶ There were no debt instruments issued by the Company.
- ▶ There were no debt instruments issued by the Company to its subsidiaries.
- ▶ The Company did not issue or grant any debt instruments convertible to shares, contractual-based securities, option rights, subscription right notes, or similar rights.
- ▶ The Company did not issue any bonds, and therefore the Company did not redeem, buy, or cancel any recoverable debt instruments.
- ▶ There is no arrangement or agreement under which one of the shareholders of the Company waived any rights in profits.
- ▶ There is no arrangement or agreement under which one of the members of the Board of Directors or Executive Management of the Company waived any rights in profits.
- ▶ The Company complied with the disclosure of components of the Senior Executive's remuneration on aggregate, in line with the requirements of subparagraph (b) of paragraph (4) of article (93) of the Corporate Governance Regulations issued by the Capital Market Authority. However, to protect the interests of the Company, its shareholders and employees, and to avoid any damage that may occur as a result of disclosing the detailed Senior Executives' remuneration by position, the Company did not disclose the details as per Appendix (1) of the Corporate Governance Regulations.
- ▶ Consolidated financial statements were prepared in accordance with international financial standards and in accordance with the Company's By-laws and Articles of Association with respect to the preparation and publishing of financial statements.
- ▶ The Company does not have any conversion or subscription rights under any convertible debt instrument, contractually based securities, warrants, or similar rights; both issued or granted.
- ▶ There were no differences from the standards approved by the Saudi Organization for Certified Public Accountants (SOCPA), which are the IFRS's standards.
- ▶ There were no comments received by the shareholders regarding the Company and its performance.
- ▶ The external auditor's report doesn't contain any reservations on the relevant annual financial statements.
- ▶ There were no arrangements or recommendations by the Board to change the Company's external auditor.
- ▶ There was no recommendation to appoint an internal auditor for the Company, as it already has an Internal Audit Division.
- ▶ There were no contradictions between the Audit Committee and the resolutions of the Board of Directors, or the Board's refusal to take them into account regarding the appointment and dismissal of the Company's auditor, determining his fees, and evaluating his performance or not appointing an internal auditor.
- ▶ There were no debt instruments for the Company, and no interests, contractual documents, or subscription rights owned by the Board of Directors, or their relatives in its shares or any of its subsidiaries.
- ▶ No instance of sanctions, penalties, preventive measures, or precautionary restrictions were imposed on the Company during the year.
- ▶ No investments or reserves were made or set up for the benefit of the employees of the Company
- ▶ According to Article 85 of Rules on the Offer of Securities and Continuing Obligations, the Company has not been informed of any interest in voting rights shares owned by any person (other than Board members and Senior Executives and their relatives)



### The Board of Directors' Declarations include the following:

- ▶ Records of accounts have been properly and precisely prepared.
- ▶ Internal control system is built on a sound basis and is effectively implemented.
- ▶ There were no significant doubts concerning the Company's ability to continue carrying out its activity.

### Conclusion

After thanking Allah Almighty, the Board of Directors would like to thank the Custodian of the Two Holy Mosques King Salman Bin Abdulaziz Al Saud, HRH Crown Prince Mohammed Bin Salman Bin Abdulaziz Al Saud, and the Government for support extended to the Company in its progress and growth trajectory.

The Board also expresses gratitude to solutions by stc's clients and shareholders for their trust, and to the Company's employees for their commitment and dedication, which have contributed to solutions by stc's successes.

The Board confirms its commitment to innovation and excellence in developing services that exceed expectations of clients, realize shareholders' aspirations, achieve the Kingdom of Saudi Arabia's development objectives, and sustain the leadership position of solutions by stc in the region's Information Technology sector.