

Corporate Governance

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Corporate Governance

stc's Board of Directors has been keen to establish an effective governance system as an integral part of its administrative and financial systems responsible for regulating internal businesses by identifying the relationship between the Board of Directors and the General Assembly, and between the Board of Directors and the Executive Management. This includes organizing external businesses, transactions and relationships with various government and legislative bodies, suppliers and contractors to increase efficiency and effectiveness in realizing stc's strategic and operational objectives, in a manner consistent with the Companies Law, issued by the Ministry of Commerce; the Corporate Governance Regulation, issued by the Board of Directors of the Capital Market Authority; and other relevant applicable laws and regulations. In addition, this system should be consistent with the aspirations of the Saudi Vision 2030 and stc's Strategy DARE 2.0, where the latter contains strategic plans and initiatives to enable stc's governance to manage and implement stc decisions. stc governance leverages local and international best practices in the best interest of stc. stc governance strives for the highest levels of transparency, disclosures and sustainability, some of the main pillars of the stc's strategy, which include approving, amending and documenting stc businesses and activities as per pertinent regulatory and legislative authorities. These items include, but are not limited to:

- Amending stc's Articles of Association to comply with the New Companies Law issued by the Ministry of Commerce and Capital Market Authority's relevant implementing regulations, and in alignment with best practices.
- Updating Board Audit Committee and Board Nomination and Remuneration Committee charters to comply with the New Companies Law issued by the Ministry of Commerce and Capital Market Authority's relevant implementing regulations, and in alignment with the best practices.
- Updating Nomination and Remuneration of Board members and the members of its standing committees and remuneration of the Executive Management Policy to comply with the New Companies Law issued by the Ministry of Commerce and Capital Market Authority's relevant implementing regulations, and in alignment with the best practices.

To ensure the highest levels of transparency, stc is committed to publishing all legally required corporate governance documents on its website (www.stc.com.sa) as listed below:

- stc Articles of Association.
- stc Governance document.
- Charters of the Board of Directors and its committees.
- Governance and compliance policies (Nomination and Remuneration of Board members and the members of its standing committees and Remuneration of the Executive Management Policy, Conflict of Interest Policy, Whistleblowing Policy and the stc code of ethics and business conduct).

Financial information and investor reports were also published on stc's website, including the financial statements, quarterly and annual financial performance reports, and minutes of the General Assembly meetings. In an effort to enhance digital communication, an investor relations application (stc IR) was launched to provide information on stc shares, latest stc announcements, and the library that contains all stc's financial statements and annual reports since the establishment and other financial information concern the investors and the analysts. The purpose of the app is to build trust and enhance communication with investors and financial analysts.

The Corporate Governance Regulations requirements issued by the Board of Directors of the Capital Market Authority in Article No 87 under Paragraph No. 1, clearly stipulate the need to implement the provisions of the Company Governance Regulations and to provide the reasons in case of a non-implementation. The Company acknowledges the application of all the provisions mentioned in the Corporate Governance Regulations issued by the Capital Market Authority with the exception of the provisions listed below:

Article No.	Article's Statement	Reasons for Not Applying
84	The Ordinary General Assembly, based on the Board of Director's recommendation, shall establish a policy that guarantees a balance between its objectives and those of the community for purposes of developing the social and economic conditions of the community. (Guiding Article)	stc gives the social responsibility subject a special importance, and based on that, stc developed a policy related to social responsibility. Since the article is not mandatory, the approval authority for the policy has been delegated to the Group CEO.
92	Formation of a Corporate Governance Committee: If the Board forms a Corporate Governance Committee, it shall assign to it the competencies stipulated in Article (91) of these Regulations. The Committee shall oversee any matters relating to the implementation of governance and shall provide the Board with its reports and recommendations at least annually. (Guiding Article)	Article No. 47, "Forming the Committees" of the Corporate Governance Regulations, stipulates that the Board of Directors shall form specialized committees as may be needed depending on the Company's circumstances to enable it to effectively perform its duties. Despite the fact that Article No. 92, "Formation of a Corporate Governance Committee" of the Corporate Governance Regulations is a guiding article, stc's Board of Directors is cognizant of the importance of the aforementioned Committee's responsibilities and tasks, which are taken care of by the Nomination and Remuneration Committee as per its charter, approved by the General Assembly on 21 June 2023.

Transactions with Related Parties

1- Transactions with government and government related entities

Revenues from transactions with government and government related entities for the year ended 31 December 2023 amounted to SAR 13,168 million (2022: SAR 13,847 million) and expenses related to transactions with government and government related entities for the year ended 31 December 2023 (including government charges) amounted to SAR 5,806 million (2022: SAR 6,098 million).

As at 31 December 2023, accounts receivable from government entities totalled SAR 17,129 million (2022: SAR 19,311 million) (For more details, see Note 18 in the consolidated annual financial statements) and as at 31 December 2023, accounts payable to government entities totalled SAR 1,503 million (2022: SAR 1,142 million). Among the balances with government entities, the Group invested SAR 3,902 million in the Sukuk issued by the Ministry of Finance during the first quarter of 2019. (For more details, see note 16.1 in the consolidated annual financial statements).

The total balance of accounts receivable with government related entities as of 31 December 2023 was SAR 1,526 million (2022: SAR 1,451 million). Total balance of accounts payable with government related entities as of 31 December 2023 was SAR 1,884 million (2022: SAR 1,621 million).

The transactions with government/government related entities are conducted during the ordinary course of the Group's business based on terms comparable to the terms of transactions enacted with other entities that are not government-related. The Group has also established its procurement policies and approval processes for purchases of products and services, which do not depend on whether the counterparties are government-related entities or not.

Government entities are defined as ministries, commissions and other entities of the government. On the other hand, government-related entities are defined as PIF and its subsidiaries, associates and joint ventures.

Noting that there are no other clients represent more than 10% of the total balance of trade receivables.

The following is the receivable aging from government entities and government related entities:

Statement (SAR'000)	31 December 2023	31 December 2022
Less than a year	10,323,282	11,695,931
More than one year but less than two years	4,243,442	4,631,346
More than two years	2,562,511	2,983,376
Total	17,129,235	19,310,653

2- Transactions with Board of Directors, Executive Management and major shareholders

stc did not conduct any business or conclude any contracts in which there was a substantial interest owned by the Board of Directors, the Group CEO, the Group CFO or any other related person, other than what was disclosed below:

- The transactions and contracts between Telecommunications Towers Company (Tawal), an stc subsidiary, and the Saudi National Bank (SNB). The transactions and contracts have an indirect interest for Mr. Yazeed A. AL-Humied, a Vice-Chairman of stc and SNB Boards of Directors. The disclosed indirect interest is regarding the Sharia-compliant loan, amounted to USD 1.02 billion (USD 0.3 billion out of the total loan amount is a bridge loan), provided by SNB to Tawal. Furthermore, the Public Investment Fund is considered a major Shareholder in both stc and SNB. The transaction is part of the ordinary businesses that have offered no preferential advantages. This transaction shall be subject to a vote to authorize it from stc's General Assembly (which will be scheduled at a later date) in accordance with the relevant laws and regulations.
- The transactions and contracts between Saudi Telecom Company (stc) and the Saudi National Bank

(SNB). The transactions and contracts have an indirect interest for Mr. Yazeed A. AL-Humied, a Vice-Chairman of stc and SNB Boards of Directors. The disclosed indirect interest is regarding the Sharia-compliant loan, amounted to SAR 350 million provided by SNB to stc. Furthermore, the Public Investment Fund is considered a major shareholder in both stc and SNB. The transaction is part of the ordinary businesses that have offered no preferential advantages. This transaction shall be subject to a vote to authorize it from stc's General Assembly (which will be scheduled at a later date) in accordance with the relevant laws and regulations.

- The transactions and contracts between Telecommunications Towers Company (Tawal), an stc subsidiary, and the Saudi National Bank (SNB). The transactions and contracts have an indirect interest for Mr. Yazeed A. AL-Humied, a Vice-Chairman of stc and SNB Boards of Directors. The disclosed indirect interest is regarding Murabaha financing amounted to SAR 2 billion, provided by SNB to Tawal. Furthermore, the Public Investment Fund is considered a major Shareholder in both stc and SNB. The transaction is part of the ordinary businesses that have offered no preferential advantages. This transaction shall be subject to a vote to authorize it from stc's General Assembly (which will be scheduled at a later date) in accordance with the relevant laws and regulations.

Loans to Related Parties

Statement (SAR'000)	31 December 2023	31 December 2022
Loans to senior executives	26,377	5,355

3- Transactions with subsidiaries

No.	Name of Related Party	Type of Related Party	Contract/Agreement	Duration	Value (SAR'000)
1	solutions	stc subsidiary	Provide comprehensive managed services through building and expanding cloud infrastructure platforms in datacenters, and managing and operating the infrastructure of applications under stc.	2 years	300,012
2	solutions	stc subsidiary	Execute the project of establishing and developing the internet and communications networks for stc.	2 years	381,865
3	solutions	stc subsidiary	To provide and manage software licenses for stc.	3 years	112,046

In addition to the above, stc and its subsidiaries are engaged in establish, manage, operate and maintain fixed and mobile telecommunication networks, systems and infrastructure, provide integrated communication and information technology solutions which include, among other things, (telecom, IT services, managed services, and cloud services), real estate investment such as selling, buying, leasing, managing, developing and maintenance, provide financial and managerial support and other services to subsidiaries, provide development, training, asset management, provide digital banking services, provide 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 considered businesses and services within stc Group.

4- Transactions with Associate companies and joint ventures

The Group trading transactions with related parties during the year ended 31 December were as follows:

Statement (SAR'000)	2023	2022
Services provided		
Associates	369,852	336,571
Joint ventures	6,655	7,659
Total	376,507	344,230
Services received		
Associates	36,069	13,331
Joint ventures	115,018	427,745
Total	151,087	441,076

The sale and purchase transactions are carried out by the relevant parties in accordance with the normal terms of trade. The outstanding balances are unguaranteed, without commission and no guarantees have been provided or received in relation to the balances due or from the related parties.

The following balances were outstanding as at the end of the financial year:

Statement (Thousands of Riyals)	Amounts Due from Related Parties		Amounts Due to Related Parties	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Associate companies	320,247	254,377	28,011	44,532
Joint ventures	2,414	13,185	5,960	178,872
Total	322,661	267,562	33,971	223,404

Board of Directors

The Board of Directors shall be composed of 11 Directors as per stc's Articles of Association, which is in line with the Corporate Governance Regulations issued by the Capital Market Authority. A new Board of Directors was elected on 28 April 2021 for the 8th term for a period of 3 years. The following tables include the Directors of the Board during its 8th term, and their memberships in the Boards of Directors of joint stock companies listed or non-listed in the Saudi capital market or abroad, along with a description of their portfolios.

Board Members and their membership classification



HRH Prince Mohammed Khalid Al-Faisal

Date of Birth
1967

Academic Qualifications
MBA

Vocational Experience
Banking and administrative experience

Current Occupation
Chairman, Al Faisaliah Holding Group

Previous Occupation
Vice President, Al Faisaliah Holding Group

Membership
Independent



H.E. Dr. Khaled Hussain Biyari

Date of Birth
1963

Academic Qualifications
PhD. Electrical Engineering

Vocational Experience
Associate Professor, King Fahd University of Petroleum and Minerals. Experience in business

Current Occupation
Assistant Secretary of Defense for Executive Affairs – Ministry of Defense

Previous Occupation
stc CEO

Membership
Non-executive/non-independent



H.E. Mr. Mohammed Talal Al-Nahas

Date of Birth
1962

Academic Qualifications
Bachelor of Accounting

Vocational Experience
Banking, business development and administration experience

Current Occupation
Member of several boards and committees

Previous Occupation
Governor of the General Organization for Social Insurance

Membership
Non-executive/non-independent



Mr. Yazeed Abdulrahman AL-Humied

Date of Birth
1983

Academic Qualifications
Bachelor in Business and Accounting

Vocational Experience
Experience in finance and administration

Current Occupation
PIF, Deputy Governor, Head of MENA Investmentst

Previous Occupation
Chief of Staff and Adviser to PIF Governor

Membership
Non-executive/non-independent



Ms. Rania Mahmoud Nashar

Date of Birth
1974

Academic Qualifications
Bachelor in Computer Science and Information Technology

Vocational Experience
Experience in banking and administration

Current Occupation
PIF, Head of Compliance and Governance Division

Previous Occupation
Adviser to PIF Governor

Membership
Non-executive/non-independent



Mr. Arndt Rautenberg

Date of Birth
1967

Academic Qualifications
MBA

Vocational Experience
Telecom and technology leadership and administrative experience

Current Occupation
Founding Partner of Rautenberg & Company GmbH, entrepreneur and investor

Previous Occupation
Chief Strategy Officer, Deutsche Telekom AG

Membership
Non-executive/non-independent



Mr. Sanjay Kapoor

Date of Birth
1962

Academic Qualifications
MBA

Vocational Experience
Telecom, media and technology leadership and administrative experience

Current Occupation
Entrepreneur, Senior Adviser and Investor

Previous Occupation
Executive Chairman of Micromax and CEO (India and South Asia) of Bharti Airtel

Membership
Non-executive/non-independent



Ms. Sarah Jammaz AL-Suhaimi

Date of Birth
1979

Academic Qualifications
Bachelor of Accounting

Vocational Experience
Finance and investment experience

Current Occupation
Chairperson of Tadawul

Previous Occupation
CEO NCB Capital

Membership
Independent



Mr. Jameel Abdullah AlMulhem

Date of Birth
1971

Academic Qualifications
Bachelor's in science marketing

Vocational Experience
Administrative experience

Current Occupation
Managing Director of Sinad Holding Group

Previous Occupation
Managing Director of Takween Group

Membership
Independent



Mr. Walid Ibrahim Shukri

Date of Birth
1966

Academic Qualifications
Bachelor of Accounting

Vocational Experience
Administrative experience

Current Occupation
Member of several Boards and Committees

Previous Occupation
Principal Partner in PricewaterhouseCoopers, Saudi Arabia

Membership
Independent



Mr. Ahmed Mohammed Al Omran

Date of Birth
1973

Academic Qualifications
Master of Computer Science

Vocational Experience
Administrative and information technology experience

Current Occupation
GOSI Governor Assistant for IT Affairs

Previous Occupation
GM, IT Infrastructure, GOSI

Membership
Non-executive/non-independent

Membership of Board members in the Board committees

No	Name	Board	Audit Committee	Nomination and Remuneration Committee	Risk Committee	Executive Committee	Investment Committee	Membership
1	HRH Prince Mohammed Khalid Al-Faisal	C				C	C	Independent
2	H.E. Dr. Khaled Hussain Biyari	✓				✓		Non-executive/non-independent
3	H.E. Mr. Mohammed Talal Al-Nahhas	✓				✓		Non-executive/non-independent
4	Mr. Yazeed Abdulrahman AL-Humied	D				✓		Non-executive/non-independent
5	Ms. Rania Mahmoud Nashar	✓		✓	C			Non-executive/non-independent
6	Mr. Arndt Rautenberg	✓					✓	Non-executive/non-independent
7	Mr. Sanjay Kapoor	✓				✓		Non-executive/non-independent
8	Ms. Sarah Jammaz AL-Suhaimi	✓					✓	Independent
9	Mr. Jameel Abdullah AlMulhem	✓		C				Independent
10	Mr. Walid Ibrahim Shukri	✓	C		✓			Independent
11	Mr. Ahmed Mohammed Al Omran	✓			✓			Non-executive/non-independent

C: Chairman
D: Deputy Chairman

External members of the Board committees

No	Name	Membership	Academic Qualifications	Vocational Experience	Current Occupation	Previous Occupation	Membership Type
1	Dr. Ammr K. Kurdi	Audit Committee	PhD. in Accounting	Accounting experience	GOSI Governor Assistant for Financial Sustainability and Risk Management	CFO, Tawuniya	External member
2	Mr. Khalid bin Abdullah Al Ankari	Audit Committee	Bachelor of Accounting	Technical and managerial experience in auditing	General Manager, Babel Al Khair Trading & Real Estate Est.	Head of Private Banking and Lending Products, Samba Financial Group	External member
3	Mr. Medhat F. Tawfik	Audit Committee	Master Program Citibank Asia Pacific	Professional and managerial experience in auditing, risk management	Founder of IRSAA Business Solutions for risk management and internal audit	Account Manager, Samba Financial Group	External member
4	Eng. Tarek A. Alrikhaimi	Risk Committee	Master of Science	Experience in the financial services field including experiences in banking and investment banking management, risk management, operations management, strategic planning, product development, and project management	Independent financial adviser, Investment and risk management adviser	CEO, Saudi Kuwaiti Finance House	External member
5	Mr. Rashid I. Sharif	Investment Committee	MBA	Experience in finance and a member in several listed companies	CEO, SNB Capital and an Executive Member of the Board	Head of Local Investments Division at the PIF	External member
6	Mr. Johan Brand	Nomination and Remuneration Committee	Master of Economy, Master of Business Law and Master of Private Law	Experience in leadership advisory	Independent consultant in a leadership advisory company	Key Partner, Egon Zehnder	External member
7	Ms. Hoda M. Al-Ghpson	Nomination and Remuneration Committee	MBA	Experience in human resources	Executive Director of Human Staff Resources and Training, Aramco	General manager of Training and Development, Aramco	External member

Executive Management Members

No.	Name	Academic Qualifications	Current Occupation (stc)	Previous Occupation	Company
1	Olayan Mohammed Alwetaid	Bachelor of Electrical Engineering	stc Group CEO	Senior VP, Consumer Business Unit	stc
2	Ameen Fahad Alshiddi	Master of Accounting	Group Chief Financial Officer	VP Finance	stc
3	Faisal S. Alsaber	MBA	Group Chief Commercial Officer	CEO	Channels
4	Riyadh Saeed Muawad	Bachelor of Computer Science	Group Chief Business Officer	VP, Government & Corporate Sales	stc
5	Mohammed Abdullah Alabbadi	MBA	Group Chief Carrier & Wholesale Officer	Wholesale VP	stc
6	Moaeed Huwajj Alsaloom	MBA	Group Chief New Markets Officer	CEO	Matarat Holding
7	Haitthem M. Alfaraj	Bachelor of Computer Engineering	Group Chief Technology Officer	VP, Technology & Operations	stc
8	Abdullah Abdulrahman Alkanhl	MBA	Group Chief Strategy Officer	Deputy Minister for Communications and Information Technology	MCIT
9	Ahmad M. Alghamdi	Bachelor Ind. Engineering	Group Chief Human Resources Officer	Human Resources VP	stc
10	Motaz Ali Alanagri	Bachelor of Business Administration	Group Chief Investment Officer	Managing Director Head of Investment Banking	Saudi Fransi Capital
11	Abdullah S. Alanizi	Master of Executive Management	Group Chief Internal Audit Officer	Chief Audit	stc
12	Mathad Faisal Alajmi	MBA	Group Chief Legal and Risk Officer and General Counsel	VP and General Counsel of Legal Affairs	stc
13	Emad Aoudah Alaoudah	Bachelor of Information Systems	Group Shared Services Officer	Procurement & Support Services Sector VP	stc
14	Amir Abdulaziz Algibreen	Master of Advanced Management	Group Regulatory and Compliance Officer	Regulatory Affairs VP	stc
15	Ibrahim Saleh Alsuwail	MBA	Group Chief of Staff	Deputy Minister, Investor Services & Advisory	The Ministry of Investment

Companies where stc Board members are or were Board members or Executives

	Current Board or Executive Memberships	Location	Legal Entity	Previous Board or Executive Memberships	Location	Legal Entity
HRH Prince Mohammed Khalid Al-Faisal Chairman of the Board of Directors Chairman of the Executive Committee Chairman of the Investment Committee	stc	KSA	Listed joint stock	JP Morgan Saudi Arabia	KSA	Closed joint stock
	Al Faisaliah Holding Group	KSA	Closed joint stock			
	Al Khozama Company	KSA	Closed joint stock			
H.E. Dr. Khaled Hussain Biyari Member of the Board of Directors and the Executive Committee	stc	KSA	Listed joint stock			
	Saudi Information Technology Company (SITE)	KSA	Closed joint stock			
	Saudi Arabian Military Industries (SAMI)	KSA	Closed joint stock			
H.E. Mr. Mohammed Talal Al-Nahas Member of the Board of Directors and the Executive Committee	stc	KSA	Listed joint stock	Public Pension Agency	KSA	Public owned enterprise
	Sabir	KSA	Listed joint stock	GOSI	KSA	Public owned enterprise
	Future Work	KSA	Takamol Holding	National Center for Privatization	KSA	Public owned enterprise
	ASMA Capital	Abroad	Unlisted joint stock	Riyad Bank	KSA	Listed joint stock
	Dammam Pharma	KSA	Unlisted joint stock	Acwa Power	KSA	Listed joint stock
	Tawuniyah Real Estate Invest. Co.	KSA	Unlisted joint stock	Raidah Invest. Co.	KSA	Unlisted joint stock
				Raza Real Estate Co.	KSA	Unlisted joint stock
				Taiba Holding Company	KSA	Listed joint stock
				Saudi Travel Cheque Company	KSA	Unlisted joint stock
				SPIMACO	KSA	Listed joint stock

	Current Board or Executive Memberships			Previous Board or Executive Memberships		
	Location	Legal Entity	Location	Legal Entity	Location	Legal Entity
Mr. Yazeed Abdulrahman AL-Humied Vice Chairman of the Board of Directors Member of the Executive Committee	stc	KSA	Listed joint stock	Samba Financial Group	KSA	Listed joint stock
	Saudi National Bank (SNB)	KSA	Listed joint stock	Water Solutions	KSA	Closed joint stock
	National Security Services Co. (SAFE)	KSA	Closed joint stock			
	Saudi Arabian Airlines General Organization	KSA	Public-owned enterprise			
	Flyadeal	KSA	Closed joint stock			
	Saudi Civil Aviation Holding Co.	KSA	Closed joint stock			
	Saudi Tadawul Group Holding	KSA	Listed joint stock			
	Richard Attias & Associates	Abroad	Closed joint stock			
	Saudi Egyptian Invest. Co.	KSA	Closed joint stock			
	Savvy Gaming Group (SGG)	KSA	Closed joint stock			
Ms. Rania Mahmoud Nashar Member of the Board of Directors and the Nomination and Remuneration Committee Chairperson of the Risk Committee	stc	KSA	Listed joint stock	Samba Financial Group	KSA	Listed joint stock
	Saudi Tadawul Group Holding	KSA	Listed joint stock	Samba Capital	KSA	Closed joint stock
	Adaa, Nat'l Center for Performance Measurement	KSA	Government entity	Samba Bank Ltd.	Abroad	Listed joint stock
	Co. of Regional Voluntary Carbon Market	KSA	Closed joint stock	Samba Global Markets Ltd.	Abroad	LLC
	SME Bank	KSA	Government entity	Saudi Space Commission	KSA	Government entity
	Almabani Bldg	KSA	LLC			
	Muwakabah Investment	KSA	LLC			
Water Solutions	KSA	Closed joint stock				

	Current Board or Executive Memberships			Previous Board or Executive Memberships		
	Location	Legal Entity	Location	Legal Entity	Location	Legal Entity
Mr. Arndt Rautenberg Member of the Board of Directors and the Investment Committee	stc	KSA	Listed joint stock	Protection One GmbH	Abroad	Unlisted private limited
	Metrofibre GmbH	Abroad	LLC	d&b audiotechnik GmbH	Abroad	Unlisted private limited
	Ruhrfibre Essen GmbH	Abroad	Unlisted private limited	Materna SE	Abroad	Unlisted joint stock
	Acernis S.L.	Abroad	Unlisted private limited	Push Technologies S.L	Abroad	Unlisted private limited
				B Capital Partners	Abroad	Unlisted joint stock
				Arcus Infrastructure Partners LLP	Abroad	Unlisted joint stock
Mr. Sanjay Kapoor Member of the Board of Directors and the Executive Committee	stc	KSA	Listed joint stock	Bennett Coleman Co. Ltd.	Abroad	Unlisted joint stock
	OnMobile Global Ltd.	Abroad	Listed joint stock	PVR, Ltd.	Abroad	Listed joint stock
	Tanla Platforms Ltd.	Abroad	Listed joint stock	MicroMax Informatics Ltd.	Abroad	Unlisted joint stock
	Tech-Connect Retail Ltd.	Abroad	Unlisted joint stock	Indus Towers Ltd.	Abroad	Listed joint stock
	Z-Axis Management Consultants & Strategic Advisors LLP	Abroad	LLP	IFFCO Kisan Sanchar Ltd.	Abroad	Unlisted joint stock
				Bharti Cellular Ltd.	Abroad	Unlisted joint stock
				GSMA	Abroad	Unlisted joint stock
				IBus Network & Infrastructure Pvt. Ltd.	Abroad	Unlisted joint stock
				VLCC Healthcare Ltd	Abroad	Unlisted joint stock
				Napino Auto & Electronics Ltd.	Abroad	Unlisted joint stock

	Current Board or Executive Memberships			Previous Board or Executive Memberships		
	Location	Legal Entity	Location	Legal Entity	Location	Legal Entity
Ms. Sarah Jammaz AL-Suhaimi Member of the Board of Directors and the Investment Committee	stc	KSA	Listed joint stock	SNB Capital	KSA	Closed joint stock
	Saudi Tadawul Group Holding	KSA	Listed joint stock			
	Saudi Arabian Airlines General Organization	KSA	Public-owned enterprise			
	Culture Development Fund	KSA	Government-owned fund			
	Lazard Saudi Arabia	Abroad	Foreign joint stock			
	Child Care Association	KSA	National association			
	International Financial Reporting Standards	Abroad	Independent non-profit organization			
	Regional Voluntary Carbon Market Co.	KSA	Closed joint stock			
Mr. Jameel Abdullah AlMulhem Member of the Board of Directors Chairman of the Nomination and Remuneration Committee	stc	KSA	Listed joint stock	Takween Advanced Ind.	KSA	Listed joint stock
	Wala'a Cooperative Insurance Co.	KSA	Listed joint stock	New Vision Co.	Abroad	LLC
	Electrical Ind. Co.	KSA	Listed joint stock	Energy Service Co.	Abroad	LLC
	Alessa Ind. Co.	KSA	Closed joint stock	Shaker Group.	KSA	Listed joint stock
	New Marina Plastics for Plastic Industries	Abroad	Closed joint stock	Selco Co.	KSA	LLC
	SPL	KSA	Governmental Institution	Contact Center Co.	KSA	LLC
	Sinad Holding Company	KSA	Public joint stock	stc Kuwait	Abroad	Listed joint stock
	AMLAK International Finance Company	KSA	Listed joint stock	stc Bahrain	Abroad	LLC
	Halwani Bros	KSA	Listed joint stock	Cell-C	Abroad	LLC
				Avea	Abroad	LLC
			Turk Telekom	Abroad	LLC	
			Intigral	Abroad	LLC	

	Current Board or Executive Memberships			Previous Board or Executive Memberships		
	Location	Legal Entity	Location	Legal Entity	Location	Legal Entity
Mr. Walid Ibrahim Shukri Member of the Board of Directors and the Risk Committee Chairman of the Audit Committee	stc	KSA	Listed joint stock	Ma'aden	KSA	Listed joint stock
	Saudi Electricity Co. (SEC)	KSA	Listed joint stock	TAQA	KSA	Closed joint stock
	General Authority for Military Industries	KSA	Government body			
	Saudi Agricultural & Livestock Investment Co. (SALIC)	KSA	Closed joint stock			
	Middle East Paper Co. (MEPCO)	KSA	Listed joint stock			
	Diriyah Gate Development Authority	KSA	Government body			
	Tatweer Education Holding Co.	KSA	Closed joint stock			
Mr. Ahmed Mohammed Al Omran Member of the Board of Directors and the Risk Committee	stc	KSA	Listed joint stock	Saudi Cement	KSA	Listed joint stock
	Madad IT Services	KSA	LLC	Saudi Industrial Investment Group	KSA	Listed joint stock
	Takamol Holding Company	KSA	LLC	Samba Financial Group	KSA	Listed joint stock
	Masdr Data Solutions	KSA	LLC	Hassana Investment Co.	KSA	Closed joint stock
	Future Work	KSA	One of Takamol Holding Company	Ra'idah Investment Co.	KSA	Closed joint stock
				Arab National Bank	KSA	Listed joint stock

Meetings of the Board of Directors

The Board of Directors convened 5 meetings. The following table illustrates these meetings convened in 2023 and members' attendance.

No	Name	Membership	Number and Date of Meetings					Total
			10th	11th	12th	13th	14th	
			22 Mar	30 Mar	22 Jun	3 Oct	21 Dec	
1	HRH Prince Mohammed Khalid Al-Faisal	Chairman of the Board of Directors	✓	✓	✓	✓	✓	5
2	H.E. Dr. Khaled Hussain Biyari	Member	✓	✓	✓	✓	✓	5
3	H.E. Mr. Mohammed Talal Al-Nahas	Member	✓	✓	✓	✓	✓	5
4	Mr. Yazeed Abdulrahman AL-Humied	Vice Chairman of the Board of Directors	✓	✓	x	x	✓	3
5	Ms. Rania Mahmoud Nashar	Member	✓	✓	✓	✓	✓	5
6	Mr. Arndt Rautenberg	Member	✓	✓	✓	✓	✓	5
7	Mr. Sanjay Kapoor	Member	✓	✓	✓	✓	✓	5
8	Ms. Sarah Jammaz AL-Suhaimi	Member	✓	✓	✓	✓	✓	5
9	Mr. Jameel Abdullah AlMulhem	Member	✓	✓	✓	✓	✓	5
10	Mr. Walid Ibrahim Shukri	Member	✓	✓	✓	✓	✓	5
11	Mr. Ahmed Mohammed Al Omran	Member	✓	✓	✓	✓	✓	5

Meetings of Board committees

In accordance with stc Corporate Governance Charter and regulations of relevant authorities, the Board of Directors forms committees to perform its work in a manner that achieves the efficiency and effectiveness of the Board. During the formation process, the Board of Directors should identify and document the committees' responsibilities and work procedures and issue the required resolutions for this purpose. Relevant parties shall be notified in an appropriate manner. Board committees were formed for the current 8th term as follows.

▪ Executive Committee

The Executive Committee (ExCom) consists of 5 Board Directors. ExCom reviews and approves strategies, estimated annual budgets, local and international organic and inorganic businesses and social initiatives within the Board-approved authorities. ExCom held 4 meetings in 2023, as shown in the following table.

No	Name	Membership	Number and Date of Meetings				Total
			9th	10th	11th	12th	
			14 Mar	4 Jun	3 Sep	3 Dec	
1	HRH Prince Mohammed Khalid Al-Faisal	Chairman	✓	✓	✓	✓	4
2	H.E. Dr. Khaled Hussain Biyari	Member	✓	✓	✓	✓	4
3	H.E. Mr. Mohammed Talal Al-Nahas	Member	✓	✓	✓	✓	4
4	Mr. Yazeed Abdulrahman AL-Humied	Member	✓	✓	✓	✓	4
5	Mr. Sanjay Kapoor	Member	✓	✓	✓	✓	4

▪ Investment Committee

The Investment Committee (IC) consists of 3 Board Directors and an external member. IC is responsible for reviewing the investments policy as per stc strategies. IC also reviews and examines strategic investment opportunities and recommends feasible investments and following up on stc's investments internally and externally and submitting periodic reports to the Board Directors. IC held 7 meetings in 2023, as shown in the following table.

No	Name	Membership	Number and Date of Meetings							Total
			13th	14th	15th	16th	17th	18th	19th	
			6 Mar	15 Mar	5 Jun	4 Sep	9 Nov	4 Dec	20 Dec	
1	HRH Prince Mohammed Khalid Al-Faisal	Chairman	✓	✓	✓	✓	✓	✓	✓	7
2	Mr. Arndt Rautenberg	Member	✓	✓	✓	✓	✓	✓	✓	7
3	Ms. Sarah Jammaz AL-Suhaimi	Member	✓	✓	✓	✓	✓	✓	✓	7
4	Mr. Rashid I. Sharif	Member	✓	✓	✓	✓	✓	✓	✓	7

▪ Nomination and Remuneration Committee

The Nomination and Remuneration Committee (NRC) consists of 2 non-executive Board Directors (1 independent) and 2 external members. The NRC reviews and approves the process of designing an appropriate operating model and fair incentives of salary scales to conform with market standards, requirements and best governance practices. The NRC also reviews the structure of the Board and recommends appropriate amendments; ensures the independence of external

members annually; ensures Board Directors have no conflict of interest, especially if they are Board members of other companies; and reviews and approves Board and committee remunerations and incentives prior to submission before the Board for ratification and ensure that stc's business is in line with best practices in the field of governance. The NRC held 4 meetings in 2023, as shown in the following table.

No	Name	Membership	Number and Date of Meetings				Total
			11th	12th	13th	14th	
			12 Mar	6 Jun	6 Sep	6 Dec	
1	Mr. Jameel Abdullah AlMulhem	Chairman	✓	✓	✓	✓	4
2	Ms. Rania Mahmoud Nashar	Member	✓	✓	✓	✓	4
3	Ms. Hoda M. Al Ghoson	Member	✓	✓	✓	✓	4
4	Mr. Johan Brand	Member	✓	✓	✓	✓	4

▪ Audit Committee

The General Assembly approved the formation of the Audit Committee (AC) for the 8th term of the Board of Directors. AC started on 1 June 2021. The General Assembly approved AC tasks, controls and the remuneration of its members. AC consists of 1 independent Board Director and 3 external members who are specialized in financial affairs, accounting and auditing. AC is responsible for reviewing the financial and administrative policies and procedures of stc, and the procedures for preparing financial reports and their deliverables. AC also reviews internal audit reports and comments, and issues recommendations to

the Board of Directors on the appointment, dismissal, remuneration and independence of legal accountants. AC examines preliminary and annual financial statements before submitting these to the Board of Directors and provides opinions and guidance thereon. AC reviews the legal accountant's observations on the statements and reviews the audit plan with the legal accountant, making its observations. AC fulfills other works periodically and regularly in order to assess the efficiency and effectiveness of stc control activities and ensuring compliance, and combating fraud and corruption. AC held 11 meetings in 2023, as shown in the following table.

No.	Name	Membership	Number and Date of Meetings												Total
			14th	15th	16th	17th	18th	19th	20th	21st	22nd	23rd	24th		
			12 Jan	16 Feb	16 Mar	23 Mar	9 May	1 Jun	30 Jul	10 Sep	29 Oct	6 Nov	7 Dec		
1	Mr. Walid Ibrahim Shukri	Chairman	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	11
2	Dr. Ammr K. Kurdi	Deputy Chairman	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	11
3	Mr. Khalid Bin Abdullah Al Ankari	Member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	11
4	Mr. Medhat F. Tawfik	Member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	11

▪ Risk Committee

The Risk Committee (RC) consists of 3 Board Directors and an external member. RC is responsible for reviewing risk policies in accordance with stc strategies. RC ensures risk management and internal control systems follow best practice, as well as the

appropriateness of plans to carry out tasks and responsibilities, risk strategy and business continuity. RC also reviews top risks that stc faces and the corrective measures to mitigate these risks. RC held 4 meetings in 2023, as shown in the following table.

No.	Name	Membership	Number and Date of Meetings				Total
			8th	9th	10th	11th	
			13 Mar	7 Jun	5 Sep	5 Dec	
1	Ms. Rania Mahmoud Nashar	Chairperson	✓	✓	✓	✓	4
2	Mr. Walid Ibrahim Shukri	Member	✓	✓	✓	✓	4
3	Mr. Ahmed Mohammed Al Omran	Member	✓	✓	✓	✓	4
4	Eng. Tarek A. Alrikhaimi	Member	✓	✓	✓	✓	4

Annual assessment of the Board of Directors

The Board of Directors resolved on 21 March 2018 to approve the performance assessment policy of the Board of Directors and committees. The policy aims to define rules and regulations of assessing performance for follow-up and enhancement objectives, fulfill requirements, apply best governance practices, and strengthen the Board of Director's effectiveness. The Board of Directors stressed conducting annual performance assessments as per the relevant rules and regulations, based on the delegation of the Board of Directors to the Chairman.

The Chairman followed up on the project implementation and development plans of the assessment recommendations that have had an impact on the performance of the Board of Directors and the executive management and their collective efforts. The Board of Directors determined their expectations from the executive management. The latter determined their expectations from the Board, too. Implementing these expectations contributed to the effectiveness of the Board of Directors and the committee's performance, which was reflected in stc's performance.

Description of any interest, contractual papers and subscription rights belonging to members of the Board of Directors and their relatives in stc shares or debt instruments (8th session)

No.	Member Name	Beginning of 2023		Ending of 2023		Net Difference
		No. of Shares	Debt Instruments	No. of Shares	Debt Instruments	
		1	HRH Prince Mohammed Khalid Al-Faisal	2,500	-	
2	H.E. Dr. Khaled Hussain Biyari	5,185	-	5,185	-	-
3	H.E. Mr. Mohammed Talal Al-Nahhas	750	-	750	-	-
4	Mr. Yazeed Abdulrahman AL-Humied	23,372	-	23,372	-	-
5	Ms. Rania Mahmoud Nashar	-	-	-	-	-
6	Mr. Arndt Rautenberg	-	-	-	-	-
7	Mr. Sanjay Kapoor	-	-	-	-	-
8	Ms. Sarah Jammaz AL-Suhaimi	100,000	-	-	-	(100,000)
9	Mr. Jameel Abdullah AlMulhem	23,750	-	23,750	-	-
10	Mr. Walid Ibrahim Shukri	-	-	-	-	-
11	Mr. Ahmed Mohammed Al Omran	-	-	-	-	-

Description of any interest, contractual papers and subscription rights belonging to members of the Board of Directors and their relatives in stc's subsidiaries shares or debt instruments (8th session)

No.	Member Name	Subsidiary	Beginning of 2023		End of 2023		Net Difference
			No. of Shares	Debt Instruments	No. of Shares	Debt Instruments	
			1	HRH Prince Mohammed Khalid Al-Faisal	-	-	
2	H.E. Dr. Khaled Hussain Biyari	-	-	-	-	-	
3	H.E. Mr. Mohammed Talal Al-Nahhas	-	-	-	-	-	
4	Mr. Yazeed Abdulrahman AL-Humied	solutions	20	-	20	-	-
5	Ms. Rania Mahmoud Nashar	-	-	-	-	-	
6	Mr. Arndt Rautenberg	-	-	-	-	-	
7	Mr. Sanjay Kapoor	-	-	-	-	-	
8	Ms. Sarah Jammaz AL-Suhaimi	-	-	-	-	-	
9	Mr. Jameel Abdullah AlMulhem	-	-	-	-	-	
10	Mr. Walid Ibrahim Shukri	-	-	-	-	-	
11	Mr. Ahmed Mohammed Al Omran	-	-	-	-	-	

Description of any interest, contractual papers, and subscription rights belonging to senior executives and their relatives in shares or debt instruments of stc

No.	Member Name	Beginning of 2023		Ending of 2023		Net Difference
		No. of Shares	Debt Instruments	No. of Shares	Debt Instruments	
1	Olayan Mohammed Alwetaid	38,947	-	2,000	-	(36,947)
2	Ameen Fahad Alshiddi	29,450	-	82,141	-	52,691
3	Faisal S. Alsaber	8,845	-	7,265	-	(1,580)
4	Riyadh Saeed Muawad	29,450	-	82,141	-	52,691
5	Mohammed Abdullah Alabbadi	15,535	-	44,034	-	28,499
6	Moaeed Huwajj Alsloom	-	-	7,457	-	7,457
7	Haithem M. Alfaraj	29,450	-	82,141	-	52,691
8	Abdullah Abdulrahman Alkanhl	20,780	-	73,471	-	52,691
9	Ahmad M. Alghamdi	11,237	-	37,359	-	26,122
10	Motaz A. Alangari	332	-	7,457	-	7,125
11	Abdullah S. Alanizi	15,925	-	45,000	-	29,075
12	Mathad Faisal Alajmi	15,535	-	44,034	-	28,499
13	Emad Aoudah Alaoudah	15,925	-	44,424	-	28,499
14	Amir Abdulaziz Algibreen	15,925	-	27,374	-	11,449
15	Ibrahim Saleh Alsuwail	-	-	4,032	-	4,032

Description of any interest, contractual papers, and subscription rights belonging to senior executives and their relatives in shares or debt instruments of stc's subsidiaries

No.	Name	Subsidiary	Beginning of 2023		Ending of 2023		Net Difference
			No. of Shares	Debt Instruments	No. of Shares	Debt Instruments	
1	Olayan Mohammed Alwetaid		-	-	-	-	-
2	Ameen Fahad Alshiddi		-	-	-	-	-
3	Faisal S. Alsaber		-	-	-	-	-
4	Riy Riyadh Saeed Muawad		-	-	-	-	-
5	Mohammed Abdullah Alabbadi		-	-	-	-	-
6	Moaeed Huwajj Alsloom		-	-	-	-	-
7	Haithem M. Alfaraj		-	-	-	-	-
8	Abdullah Abdulrahman Alkanhl		-	-	-	-	-
9	Ahmad M. Alghamdi		-	-	-	-	-
10	Motaz A. Alangari		-	-	-	-	-
11	Abdullah S. Alanizi		-	-	-	-	-
12	Mathad Faisal Alajmi		-	-	-	-	-
13	Emad Aoudah Alaoudah		-	-	-	-	-
14	Amir Abdulaziz Algibreen		-	-	-	-	-
15	Ibrahim Saleh Alsuwail		-	-	-	-	-

Remuneration and compensation of the Board of Directors and top 5 senior executives

On 21 June 2023, stc's Extraordinary General Assembly resolved to approve amending the nomination and remuneration of board members and the members of its

standing committees and remuneration of the executive management Policy (published on stc's website). The remunerations of the members of the Board of Directors and the members of the Board committees in 2023, in addition to stc's top 5 executives, including the GCEO and the GCFO, are as follows.

Remuneration and compensation of the Directors of the Board for the 8th term during 2023 (All amounts mentioned below are in Saudi Riyals)

Names	Fixed Remunerations					Variable Remunerations									
	Fixed Remunerations	Allowance for Attending Board Meetings	In-Kind Benefits	Remuneration for Technical, Administrative And Consulting Work	Remuneration of the Chairman of the Board, the Managing Director or the Secretary if a Member	Total	Percentage of Profits	Periodic Bonus	Short-Term Incentives Plan	Long-Term Incentives Plan	Shares Granted	Total	Indemnity	Total	Expenses Allowance
First: Independent Directors															
HRH Prince Mohammed Khalid Al-Faisal	200,000	25,000				225,000								225,000	
Ms. Sarah Jammaz AL-Suhaimi	200,000	25,000				225,000								225,000	
Mr. Jameel Abdullah AlMulhem	200,000	25,000				225,000								225,000	
Mr. Walid Ibrahim Shukri	200,000	25,000				225,000								225,000	
Total	800,000	100,000				900,000								900,000	
Second: Non-executive members															
H.E. Dr. Khaled Hussain Biyari *	200,000	25,000				225,000								225,000	
H.E. Mr. Mohammed Talal Al-Nahas	200,000	25,000				225,000								225,000	
Mr. Yazeed Abdulrahman AL-Humied **	200,000	15,000				215,000								215,000	
Ms. Rania Mahmoud Nashar **	200,000	25,000				225,000								225,000	
Mr. Arndt Rautenberg *	200,000	25,000				225,000								225,000	
Mr. Sanjay Kapoor *	200,000	25,000				225,000								225,000	
Mr. Ahmed Mohammed Al Omran	200,000	25,000				225,000								225,000	
Total	1,400,000	165,000				1,565,000								1,565,000	
Third: Executive members															
None															
Total	2,200,000	265,000				2,465,000								2,465,000	

On 13 March 2017, the Board of Directors resolved to approve amending the remuneration of the Chairman of the Board to be SAR 100,000 per month.

* stc Board membership annual remuneration and the attendance allowance of stc Board meetings of PIF representatives shall be transferred directly to the PIF.

** Remunerations and allowances of attending stc Board and committee meetings by PIF representatives and employees shall be transferred directly to the PIF.

Remuneration of committee members for the 8th term during 2023 (All amounts mentioned below are in Saudi Riyals)

Name	Committee	Fixed Remunerations (Without Meetings Attendance Allowance)	Meeting Attendance Allowance	Total
HRH Prince Mohammed Khalid Al-Faisal	ExCom Investment	250,000	55,000	305,000
H.E. Dr. Khaled Hussain Biyari	ExCom	200,000	20,000	220,000
H.E. Mr. Mohammed Talal Al-Nahas	ExCom	200,000	20,000	220,000
Mr. Yazeed Abdulrahman AL-Humied *	ExCom	200,000	20,000	220,000
Ms. Rania Mahmoud Nashar *	NRC/Risk	250,000	40,000	290,000
Mr. Arndt Rautenberg	Investment	200,000	35,000	235,000
Mr. Sanjay Kapoor	ExCom	200,000	20,000	220,000
Ms. Sarah Jammaz AL-Suhaimi	Investment	200,000	35,000	235,000
Mr. Jameel Abdullah AlMulhem	NRC	250,000	20,000	270,000
Mr. Walid Ibrahim Shukri	Audit/Risk	437,500	75,000	512,500
Mr. Ahmed Mohammed Al Omran	Risk	200,000	20,000	220,000
Mr. Khalid A. Al-Ankari	Audit (external member)	337,500	55,000	392,500
Mr. Medhat F. Tawfik	Audit (external member)	337,500	55,000	392,500
Dr. Ammr K. Kurdi	Audit (external member)	337,500	55,000	392,500
Eng. Tarek A. Alrikhaimi	Risk (external member)	250,000	20,000	270,000
Mr. Rashid I. Sharif	Investment (external member)	250,000	35,000	285,000
Mr. Johan Brand	NRC (external member)	250,000	20,000	270,000
Ms. Hoda M. Al-Ghosen	NRC (external member)	250,000	20,000	270,000
Total		4,600,000	620,000	5,220,000

* Remunerations and allowances of attending committees meetings by PIF representatives and employees shall be transferred directly to the PIF.

Remunerations of the top 5 senior executives (Including the GCEO and the GCFO in 2023) (All amounts mentioned below are in Saudi Riyals)

Salaries	Fixed Remunerations			Variable Remunerations					Indemnity	Board Remunerations for Executives if Applicable	Net total	
	Allowances	In-Kind benefits	Total	Periodic Remunerations	Revenues	Short-Term Incentive Plans	Long-Term Incentive Plans	Shares Granted (Value entered)				Total
15,972,377.33	5,071,260.08	-	21,043,637.41	-	-	32,868,463.20	-	12,089,900	44,958,363.20	-	2,102,534.25	68,104,534.86

Shareholders' General Assemblies

First: The Ordinary General Assembly on 11 May 2023

The Ordinary General Assembly meeting was held remotely through modern technology via Tadawulaty services on 11 May 2023. The meeting's results were published on Tadawul's website on 14 May 2023. Voting results in the General Assembly's agenda were as follows:

1. The Board of Directors report for the fiscal year ending on 31 December 2022 was viewed and discussed.
2. The financial statements for the fiscal year ending on 31 December 2022 were viewed and discussed.
3. Approve stc's Auditor Report after discussing it for the fiscal year ending on 31 December 2022.
4. Approve appointing the auditor Ernst & Young (EY) as auditor of the Company from the selected candidates based on the Audit Committee's

recommendation. The appointed auditor shall examine, review and audit the (second and third) quarters and annual financial statements of the fiscal year 2023, and the (first, second and third) quarters and annual financial statements of the fiscal year 2024. In addition to, the determination of the auditor's remuneration.

5. Approve authorizing the Board of Directors with the General Assembly authority with the rights mentioned in paragraph (1) of Article (27) of the Companies Law for 1 year from the date of approval of the General Assembly or until the end of the session of the authorized Board of Directors, whichever is earlier, in accordance with the conditions mentioned in the Implementing Regulation of the Companies Law for Listed Joint Stock Companies.
6. Approve paying SAR 6,345,000 as remunerations for the members of Board of Directors for the fiscal year ending on 31 December 2022.

Members who attended the Assembly Meeting

No.	Name	Attendance
1	HRH Prince Mohammed Khalid Al-Faisal (Chairman of the Board)	✓
2	H.E. Dr. Khaled Hussain Biyari	✓
3	H.E. Mr. Mohammed Talal Al-Nahas *	x
4	Mr. Yazeed Abdulrahman AL-Humied (Vice Chairman of the Board)	✓
5	Ms. Rania Mahmoud Nashar	✓
6	Mr. Jameel Abdullah AlMulhem	✓
7	Mr. Walid Ibrahim Shukri	✓
8	Mr. Arndt Rautenberg*	x
9	Mr. Sanjay Kapoor*	x
10	Ms. Sarah Jammaz AL-Suhaimi	✓
11	Mr. Ahmed Mohammed Al Omran *	x

* Members of the Board of Directors H.E. Mr. Mohammed Talal Al-Nahas, Mr. Arndt Rautenberg, Mr. Sanjay Kapoor and Mr. Ahmed Mohammed Al Omran apologized for not being able to attend. Minutes of meetings can be found on stc's website: www.stc.com.sa

Second: The Extraordinary General Assembly on 21 June 2023

The Extraordinary General Assembly's meeting held remotely through modern technology via Tadawulaty services on 21 June 2023. The meeting's results were published on Tadawul's website on 22 June 2023. Voting results in the General Assembly's agenda were as follows:

1. Approve the amendment of the Company's bylaws in accordance with the new Companies Law.
2. Approve the amendment of Board Audit Committee Charter.

3. Approve the amendment of Board Nomination and Remuneration Committee Charter.
4. Approve the amendment of Nomination and Remuneration of stc Board members and the members of its standing committees and remuneration of the executive management policy.
5. Approve transferring the balance of the statutory reserve amounting to SAR (11,217,053,716) as shown in the financial statements for the year ended 31 December 2022 to the retained earnings.

Members who attended the Assembly Meeting

No.	Name	Attendance
1	HRH Prince Mohammed Khalid Al-Faisal (Chairman of the Board)	✓
2	H.E. Dr. Khaled Hussain Biyari	✓
3	H.E. Mr. Mohammed Talal Al-Nahhas	✓
4	Mr. Yazeed Abdulrahman AL-Humied (Vice Chairman of the Board)	✓
5	Ms. Rania Mahmoud Nashar	✓
6	Mr. Jameel Abdullah AlMulhem	✓
7	Mr. Walid Ibrahim Shukri	✓
8	Mr. Arndt Rautenberg*	×
9	Mr. Sanjay Kapoor*	×
10	Ms. Sarah Jammaz AL-Suhaimi *	×
11	Mr. Ahmed Mohammed Al Omran	✓

* Members of the Board of Directors Mr. Arndt Rautenberg, Mr. Sanjay Kapoor and Ms. Sarah Jammaz AL-Suhaimi apologized for not being able to attend. Minutes of meetings can be found on stc's website: www.stc.com.sa

stc's Dividend Distribution Policy

Article 45 of stc's Articles of Association provides for the distribution of the stc's annual net profits as follows:

1. The Ordinary General Assembly may, upon the request of the Board of Directors, set aside a specific percentage of the annual net profits to form a consensual reserve to be allocated for the purpose or purposes decided by the General Assembly.
2. Ordinary General Assembly may form other reserves to the extent that would serve stc's best interest or would ensure distributing constant profits, as much as possible, among shareholders. Besides, the Ordinary General Assembly may allocate from the net profits amounts to establish social institutions for stc's employees or to support existing social institutions.
3. Out of the balance of the profits, if any, there shall be paid to the shareholders an initial payment of 5% (five percent) of stc's paid-up capital.
4. Subject to provisions in Article (21) hereof, and Article (76) of the Companies Law, the Ordinary General Assembly may allocate a portion of the remaining amount to 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.
5. The Ordinary General Assembly may, upon proposal from the Board of Directors, distribute the remaining balance (if any) among shareholders in the form of an additional dividend.

stc may pay interim dividend to its shareholders on a bi-annual or quarterly basis in accordance with the directives issued by the Competent Authority upon authorization issued by the Ordinary General Assembly to the Board of Directors to distribute such interim dividend.

Article 46 Article of stc's Articles of Association stipulates that a shareholder shall be paid his dividend share subject to a resolution by the General Assembly, and such resolution shall state the date of maturity and distribution. Eligibility for dividends shall be for shareholders registered in the shareholders' register at the end of the day specified for maturity. The Board must implement the General Assembly resolution with respect to dividend distribution to the registered shareholders within 15 (fifteen) business days from the date they become entitled to such dividends as determined in such resolution, or the Board's resolution for the distribution of interim dividends.

On 27 September 2021, the Board of Directors approved stc's dividends policy for the next 3 years starting from the fourth quarter of 2021, which was approved by the General Assembly held on 30 November 2021. The objective of the dividends policy is based on maintaining a minimum level of dividend of SAR 1 per share on a quarterly basis. stc will consider and pay additional dividend subject to the Board of Directors' recommendation to the General Assembly after assessment and determination of stc's financial situation, outlook and capital expenditure requirements. It is probable that additional dividends are likely to vary on a quarterly basis depending on stc's performance.

The dividends policy will remain subject to:

- Any material changes in stc's strategy and business (including the commercial environment in which stc operates).
- Laws, regulations and legislation governing the sector in which stc operates.
- Any banking, other funding or credit rating covenants or commitments that stc may be bound to follow from time to time.

On 11 June 2022, the Board of Directors recommended to the General Assembly to amend the dividends policy to reflect the stc's capital increase.

The objective of the policy is based on maintaining a minimum dividend of SAR 0.40 per share on a quarterly basis, for the same period covered by the current policy. The Board of Director's recommendation was approved by the Extraordinary General Assembly on 30 August 2022. stc will consider and pay additional dividend subject to the Board of Directors' recommendation to the General Assembly after assessment and determination of stc's financial situation, outlook and capital expenditure

The following is a breakdown of the 2023 distributions

Statement	Total Distribution (SAR million)	Earnings Per Share (SAR)	Date of Announcement	Due Date	Payment Date
Cash dividends for Q1 2023	2,000	0.40	10/05/2023	18/05/2023	07/06/2023
Cash dividends for Q2 2023	2,000	0.40	30/07/2023	03/08/2023	23/08/2023
Cash dividends for Q3 2023	2,000	0.40	30/10/2023	05/11/2023	23/11/2023
Cash dividends for Q4 2023	2,000	0.40	19/02/2024	25/02/2024	14/03/2024
Special dividends for the year 2023*	5,000	1	19/02/2024	To be determined	To be determined
Total Distributions	13,000	2.60			

* The Board of Directors has recommended in its meeting held on 19 February 2024 to distribute a special cash dividend of SAR (1) for the year 2023 to stc shareholders, and it will be presented to stc's General Assembly at its next meeting for voting.

Subsequent events

1. On 10 January 2024, IoT (a subsidiary) has completed the acquisition of 100% of Machines Talk for Contracting Company for cash consideration assuming 100% Enterprise Value of SAR 560 million.

requirements. It is probable that additional dividends are likely to vary on a quarterly basis depending on stc's performance.

Distribution of dividends

stc announced the distribution of cash dividends amounting to SAR 2,000 million to shareholders for Q4 2023, with SAR 0.40 per share. This is in accordance with the dividend distribution policy for three years approved by the Ordinary General Assembly held on 30 November 2021. In addition to the amendment to the dividend policy approved by the Extraordinary General Assembly held on 30 August 2022. In addition to special cash dividends amounting to SAR 5,000 million to shareholders for the year 2023, with SAR 1 per share.

stc also distributed cash dividends amounting to SAR 2,000 million per quarter to shareholders for Q1, Q2 and Q3 2023 with SAR 0.40 per share.

In addition to, treasury shares allocated to the employee long-term incentives program are not entitled for any dividends during the period while the shares still under the stc's possession.

2. On 1 February 2024, solutions (a subsidiary) has completed the acquisition of 40% of Devoteam Middle East for cash consideration assuming 100% Enterprise Value of AED 726.3 million (equivalent to SAR 741.7 million).

Board of Directors' Acknowledgment

The Board of Directors of the Saudi Telecom Company (stc) acknowledges the following:

- The accounting records have been duly prepared.
- The internal control system is well established and effectively implemented.
- The Board of Directors has no doubt about stc's ability to continue its activities.
- The consolidated financial statements for the year ending on 31 December 2023 have been prepared in accordance with the International Financial Reporting Standards adopted in the Kingdom of Saudi Arabia and other standards and regulations approved by the Saudi Organization for Certified Public Accountants.
- stc did not report any natural or legal person owning 5% or more of the shares issued in 2023.
- No debt instruments were convertible into shares or option rights, warrants or similar rights issued or granted by stc in 2023.
- There were no refunds, purchases or cancellations by stc in 2023 for any redeemable debt instrument.
- There was no arrangement or agreement whereby a Board Director or a senior executive waived any salary or compensation.
- There was no arrangement or agreement whereby a shareholder waived any rights to profits.
- There was no contract to which stc was a party in which there was a substantial interest by a member of the Board, CEO, CFO or any person linked to any one of them, other than what was disclosed in the General Assembly Meeting.
- stc did not provide cash loans of any kind to Board Directors and did not guarantee any loan that one of them had borrowed from others.
- There were no option rights or subscription rights exercised by Board Directors, senior executives, their spouses or their minor children.
- stc External Audit has expressed their opinion

without any reservations about the 2023 consolidated financial statements.

- There are no recommendations from the Audit Committee that there is a conflict between the committee and the resolutions of the Board of Directors or its refusal to take them into account regarding the appointment of the stc External Auditor, dismissing the firm, determining their fees and evaluating their performance or appointing the Internal Audit.
- There was no competing business with the Company or any of its activities that any member of the Board is engaging in or was engaging in such competing businesses.

Conclusion

After thanking Allah, the 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 our wise government for the support, care and encouragement they have given stc in its quest to improve its performance and services. The Board also expresses its gratitude and appreciation to stc clients and shareholders for their trust, and stc employees for their dedication and diligence in the performance of their work. The Board confirms its commitment to develop stc services to meet the requirements of its clients, realize shareholders' aspirations, achieve its social objectives, and sustain the leadership position of stc in the region's telecommunications sector in the Kingdom of Saudi Arabia.