

Our customers

We seek to uphold the highest standards of data privacy and protection while serving our customers, guaranteeing the security and confidentiality of their information. Additionally, we strive to enhance accessibility and digital inclusion, fostering digital innovations to meet the evolving needs of our customers while prioritizing their satisfaction at every touchpoint.

Customer relations and satisfaction

At stc, our commitment to sustainability is not just a responsibility, but also a strategic imperative. In 2023, we successfully aligned our Customer Experience and Digital Transformation initiatives with sustainable goals to reshape the digital landscape across stc Group. Implementing this Digital Transformation strategy across the entire company involved a comprehensive inter-operational restructuring process, and the integration of digital technology into every facet of our business has helped usher in fundamental changes, enabling us to modernize legacy processes, accelerate workflows, strengthen security measures, and ultimately increase profitability.

Our approach to customer satisfaction goes beyond looking at cost efficiencies as it strategically differentiates us in terms of customer engagement and innovation, reinforcing our commitment to sustainability. With this, we are now moving away from legacy systems to Open Digital Architectures (ODAs). These ODAs support multi-tenancy and scalability, empowering us to become industry orchestrators and marketplace creators. This transition not only aligns with our sustainability goals but also positions stc as a leader in driving innovation across industries.

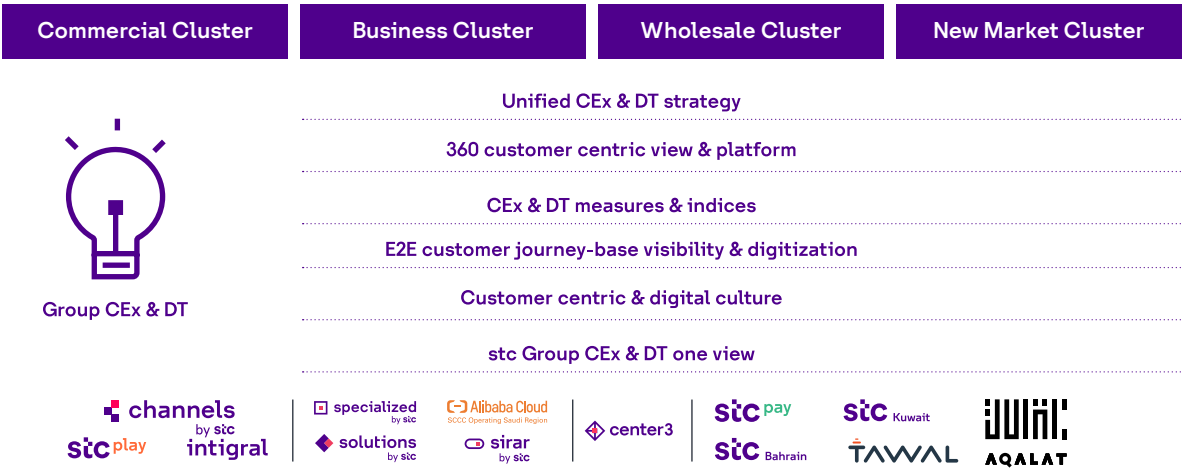
Our customers’ journey

In 2023, a standardized strategy and customer experience journey concept was put in place for stc products and services. Looking ahead, we plan to implement a consistent, harmonized approach to drive customer centricity and help enrich lives and experiences through high-quality services and innovative digital products across stc. We also continue to improve our services, making them safer and easier to use while promoting the responsible use of technology to go beyond customer expectations to help close economic, social, and digital divides.

Our focus on the customer journey is necessary to deliver end-to-end, tangible outcomes through different channels and mediums, including telephone services, web services, marketing communications, service interactions, and different systems that contribute to customer service delivery. Studying these journeys allows us to improve our services and offerings from the perspective of the customer.

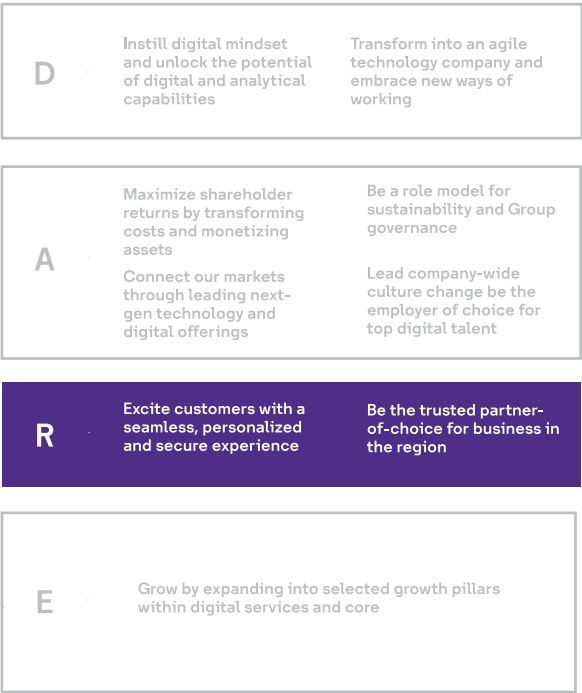
In recent years, the global telecommunications industry has followed the lead of major retailers and other service industries, progressing from being technology-centric to more customer-centric, positioning digital services to ensure customer satisfaction and anticipate customer needs. In developing a customer-centric culture within stc, we are aiming to ensure that everything we do is driven by a focus on the customer. We are also developing mechanisms to better understand our customers and identify suitable alternatives for their needs, if necessary.

Group-wide customer experience and digital transformation strategy:



The Group CCEx strategic theme is aligned with our dare 2.0 strategy, focusing on ‘Reinventing experiences’ with a holistic view for a seamless, personalized, and more sustainable experience. In an effort to excite customers with a seamless, personalized, and secure experience – and to be their trusted partner of choice – we seek to reimagine customer experience through our Customer Experience Strategy “RAISE”:

dare 2.0 Strategic Objectives



CEx Strategic Themes



Creating new products and services with a seamless and secure customer experience

In developing new services, we implement a <Go-to-Market> (GTM) strategy, which ensures the early involvement of our customer experience teams in all product development activities. This approach guarantees a comprehensive understanding of customer needs, enabling the identification of solutions and the creation of streamlined customer journeys.

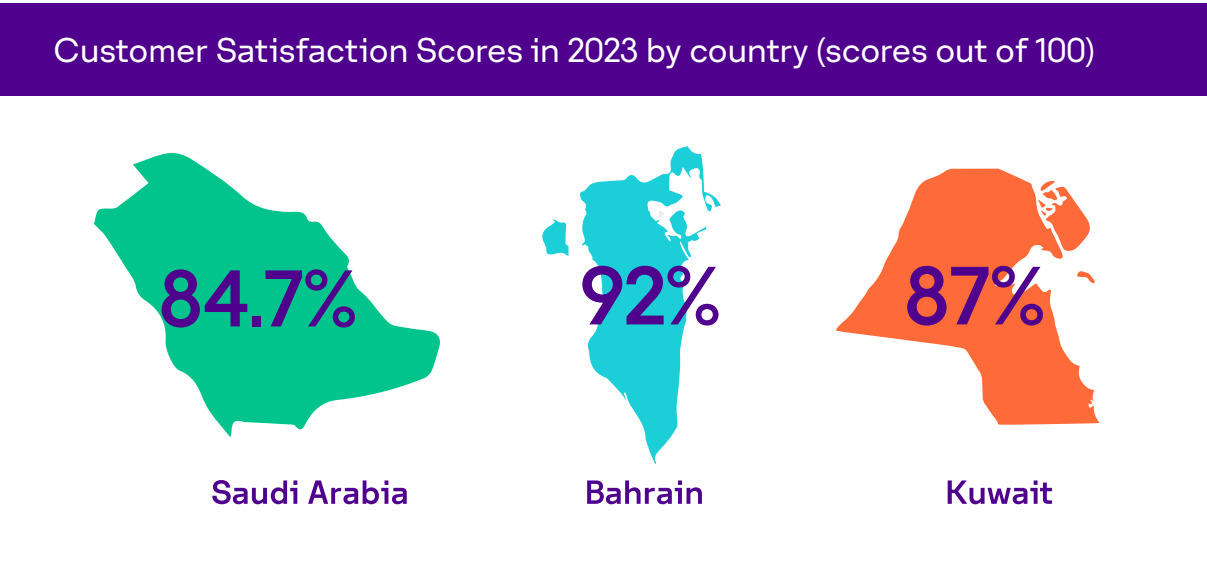
Within our customer experience general department, specialized sections are established to cater to diverse products, touchpoints, and digital services across various business sectors, including Customer Value Management (CVM), mobility, residential services, and growth areas. This meticulous attention to detail empowers the CEX team to forge new paths, uncover business opportunities, and maintain a competitive edge.

In 2023, we held a Customers Day webinar to celebrate our customers, emphasizing our dedication to exceptional customer service and spotlighting our customer-centric culture. This ethos was recognized at GCXA 2023, in which these efforts were recognized by receiving the gold award for integrating design thinking into B2C product and service design, and a bronze for programs that created memorable, emotionally engaging customer experiences, along with initiatives to promote happiness among our front-line agents.

Customer satisfaction

We place a tremendous value on customer satisfaction and loyalty, and we believe that providing an excellent customer experience is the bedrock for ensuring this and while also attracting new customers. Our focus remains on continuing our customer-centric transformation process in 2024 and beyond, with a particular emphasis on strengthening the relationship between customers and our brand, as well as improving the overall customer experience.

In 2023, stc KSA maintained an overall customer satisfaction rate of 84.7%. This was based on more than 4.1 million customer responses provided to a CSAT survey focused on customer satisfaction at different levels. stc Bahrain and stc Kuwait recorded 92% and 87%, respectively, showcasing a 14% improvement for the former and sustained excellence for the latter.



Analytics are also central to stc’s approach in enhancing sales channels, and these are utilized too further enhance the customer experience and ensure secure services. The Customer Value Management (CVM) team at stc focuses on creating, delivering, and capturing value for customers. We utilize big data to drive targeted campaigns aimed at upselling and cross-selling, as well as proactively working to reduce churn rates. Analytics also play a pivotal role in identifying growth opportunities and sustaining customer relationships.

Customer satisfaction	stc KSA			stc Bahrain			stc Kuwait		
	2021	2022	2023	2021	2022	2023	2021	2022	2023
Customer satisfaction rate	82.9%	83.5%	84.7%	87%	91%	92%	80%	87%	87%
Number of customers surveyed for satisfaction rate	3,221,010	3,947,643	4,195,553	161,377	130,174	102,926	-	400	400

*Data not available for stc Kuwait for years 2021 on (Number of customers surveyed for satisfaction rate)

Customer loyalty

stc’s loyalty programs are designed to ensure customers feel listened to and recognized. Qitaf, our customer loyalty program, allows customers to collect points and exchange them for various rewards. These include internal rewards, such as free calls, SMS, and data, or external rewards through Qitaf partners. Tamayouz is another program designed for special customers with exclusive offers and high-end personalized services. stc Rewards and “Testahel” are our loyalty programs in Bahrain and Kuwait, respectively, allowing customer to redeem points for equivalent amounts spent on any of our services.

Managing conflicts of interest and responsible marketing

stc strives to always provide clear and transparent communication with all customers. We do our absolute best to ensure that each customer reviews and understands the terms and conditions outlined within their respective contracts prior to proceeding with any requests, changes, account creations, or any other account modifications. Our sales and marketing teams are specifically trained to provide fair and honest advice relating to our products and services.

In order to maintain complete transparency in our dealings with customers, our employees undergo training to thoroughly explain all terms and conditions prior to agreement signings. We meticulously document all agreements within our systems and provide customers with their own copies. Additionally, our interactions with customers are recorded for quality assurance purposes. Efforts are made to promptly address any potential conflicts of interest between our organization and clients, ensuring that advice is dispensed in a fair and ethical manner. We adhere to responsible marketing and sales techniques, as outlined in our [Responsible Marketing Policy Statement](#), which underscores our dedication to ethical sales practices, transparent communication, and responsible marketing strategies.

We are committed to informing our customers of their rights, as demonstrated by our participation in the national-wide campaign initiated by the Communications, Space & Technology Commission (CST). The [“Customer Rights and Responsibilities”](#), [“Customer Complaint Handling Policy”](#) and [“Complaint Processing Procedures”](#) are all published on our website, accompanied by explanatory text that elucidates transparency principles concerning tariffs, regulations, additional features, excluded services, commitments, fair usage limits, and unit prices. These resources are readily accessible to empower customers with essential information.

As part of ensuring ethical and responsible marketing, stc has always placed emphasis on ensuring that customers are well-informed about the products and services through a transparent flow of information accessible via multiple channels, both offline in stores and online through the mystc application. This approach not only ensures wide accessibility but also aligns with CST regulations, emphasizing a fair use policy to guide customers in their choices.

Accommodating vulnerable customers segment

stc has always shown a strong commitment to supporting vulnerable customer segments. As such, in 2023, we transitioned small and medium enterprise (SME) customers from B2B to B2C in a strategic move aimed at enhancing their customer experiences.

We also offer a wide range of inclusive plans, like Sawa Zero and Sawa Flex, catering to diverse demographics including low-income groups, the elderly, and students. These plans are tailored based on thorough market intelligence, ensuring that they meet the specific needs of minority and vulnerable groups, and offer affordable prices and convenient payment options.

stc offers affordable mobile devices, with the most basic option priced at 300 SAR. Furthermore, data plans were structured for accessibility, maintaining a cost of 34.5 SAR of 1GB of data. These efforts support stc’s goal of ensuring wider access to the benefits of digital connectivity.

Digital inclusion (2023):
The cost of the most affordable phone: SAR 300
Cost of 1 GB of data: SAR 34.5

Customer complaints

Though we strive to provide satisfactory products and services at all times, we understand that there will always be some level of customer complaints for a variety of reasons, including those that are out of our control. Our [Customer Complaints Handling Policy](#) recognizes that the importance of the right for customers to complain and be heard, as well as the right to receive a response. It also affirms our commitment to retaining customers and providing the highest level of customer experience.

In 2023, we focused on reducing the number of complaints and reducing number of dissatisfied customers through the following measures:

- Providing channels through which our customers can exercise their right to raise complaints at any time through call centers, online digital channels including mystc, social media, website and retail outlets.
- Reporting trends on number of complaints and resolution times along with other critical information to top management and relevant teams to monitor effectiveness of complaints resolution process.

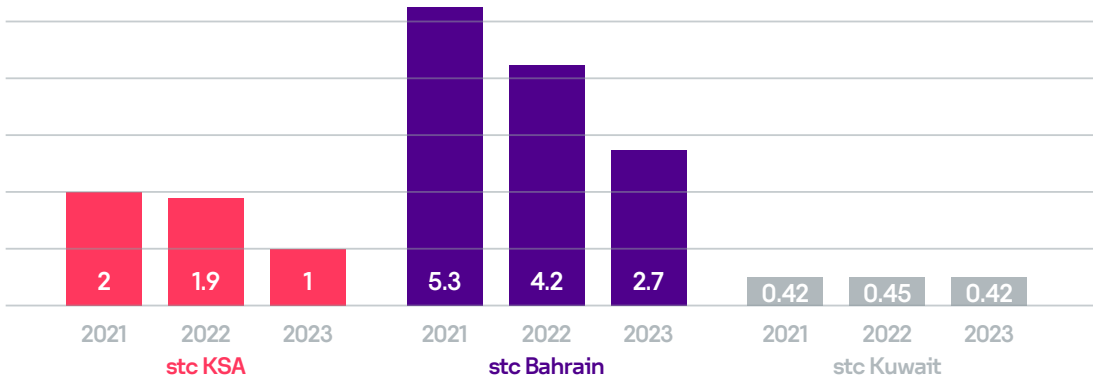
Customer complaints	stc KSA			stc Bahrain			stc Kuwait		
	2021	2022	2023	2021	2022	2023	2021	2022	2023
Percentage of customer complaints resolved	100%	100%	100%	100%	99%	100%	99%*	74%*	82%

*restated data as a result of enhanced calculations.



In an effort to solve these complaints effectively and satisfy each aggrieved customer, we utilize a systematic “complaints resolution” process. Each of our complaints channels offers a troubleshooting feature that enables customer complaints to be dealt with in real time during a customer call or during a digital transaction. As per stc policy, complaints are to be processed within five days; however, we consistently respond well before this target.

Complaints resolution average time (Days)



Customer health and safety

The health and safety of our customers and the communities in which we operate is one of our highest priorities. We take all potential and actual risks very seriously and, as per stc policy, we are committed to ensuring the health and safety of our stakeholders from all aspects of our operations.

Customer complaints are managed through our customer [support’s complaints resolution process](#), and at all stc sites we ensure compliance with all government regulations and requirements of Electro Magnetic Field (EMF) parameters.

Data privacy, security and protection

stc’s [Code of Ethics](#) (“Integrity takes us forward”) centers largely on strong commitments to privacy, security, and protection of customer data. We take the safeguarding of customer information very seriously and have governance processes in place to protect personal data and manage cybersecurity risks.

The collection, use, and management of customer information is governed by strict privacy policies and the stc rigidly complies with all relevant data privacy and security laws for each respective country that the company operates within.

Our [Data Privacy and Security policy](#) statement further affirms our commitment to maintaining data privacy and security measures to protect our customers.

In 2023, we updated the Data Protection and Privacy and the Privacy Notice to enhance the following:

- 1- The purpose of customer data collection.
- 2- What personal data we collect and use.
- 3- How we collect personal data.
- 4- How long we store personal data.
- 5- Data subject rights and “customer rights” for stc customers.

We help customers and employees understand how personal information will be used through the above Privacy Notice and we ensure that there are robust systems in place to properly handle personal data and mitigate privacy risks. stc regularly maintains and upgrades these systems, which register and retain personal data, and any violation of data security is subject to firm and rapid internal processes. Additionally, data privacy requirements are embedded within major business processes to ensure privacy by design. Several different controls are utilized to assure data security throughout stc processes, including identity and access management (IAM), data classification, database activity monitoring, data leak prevention, data encryption, and digital rights management (DRM).

Furthermore, our suppliers and partners are required to have or to implement strict controls to protect personal data, including regular maintenance and upgrades to data security systems.

We fully understand our responsibility to protect customer data from the emerging and increasing threats to data privacy, which is best demonstrated by the establishment of the Data Protection and Privacy (DPP) department in 2018 to carry out privacy and data protection activities within the company. Data governance is central to our dare 2.0 strategy and is driven by government regulations, industry standards, and industry best practices.

Since DPP’s inception, the following actions and implementations have taken place:

- Assessed systems within stc against protection risks
- Enforced data protection technical controls across all stc systems processing or storing sensitive data
- Enforced business controls across all stc departments
- Defined and implemented customer rights required by regulation through customer touch points, such as, but not limited to, the right to request a copy of your data via my stc app and the right to be informed via calls
- Implemented privacy by design to ensure privacy concepts are imprinted within stc’s company DNA
- Ensured strict privacy impact assessments prior to launching any product or service that utilizes personal data
- Developed and updated data governance documents, including an internal privacy policy to ensure the privacy of stc customers and employees
- Performed compliance validation on stc departments and on systems processing personal data to ensure their adherence to privacy and protection controls
- Carried out multiple awareness initiatives, including 20+ awareness messages, social media privacy campaigns, and a second campaign on the annual Privacy Day
- Achieved a 99% completion rate for data protection and privacy training by our employees
- Handled 1400+ data sharing requests in 2023 alone
- Included a session for data protection and privacy within the induction program for all new employees and CO-OP trainees
- Conducted processing activities for stc’s departments as required by law and related governmental regulations
- Included data protection and privacy clauses in all of stc’s contracts
- Automated Data Destruction Certificate to ensure all vendors wipe stc data before project conclusion

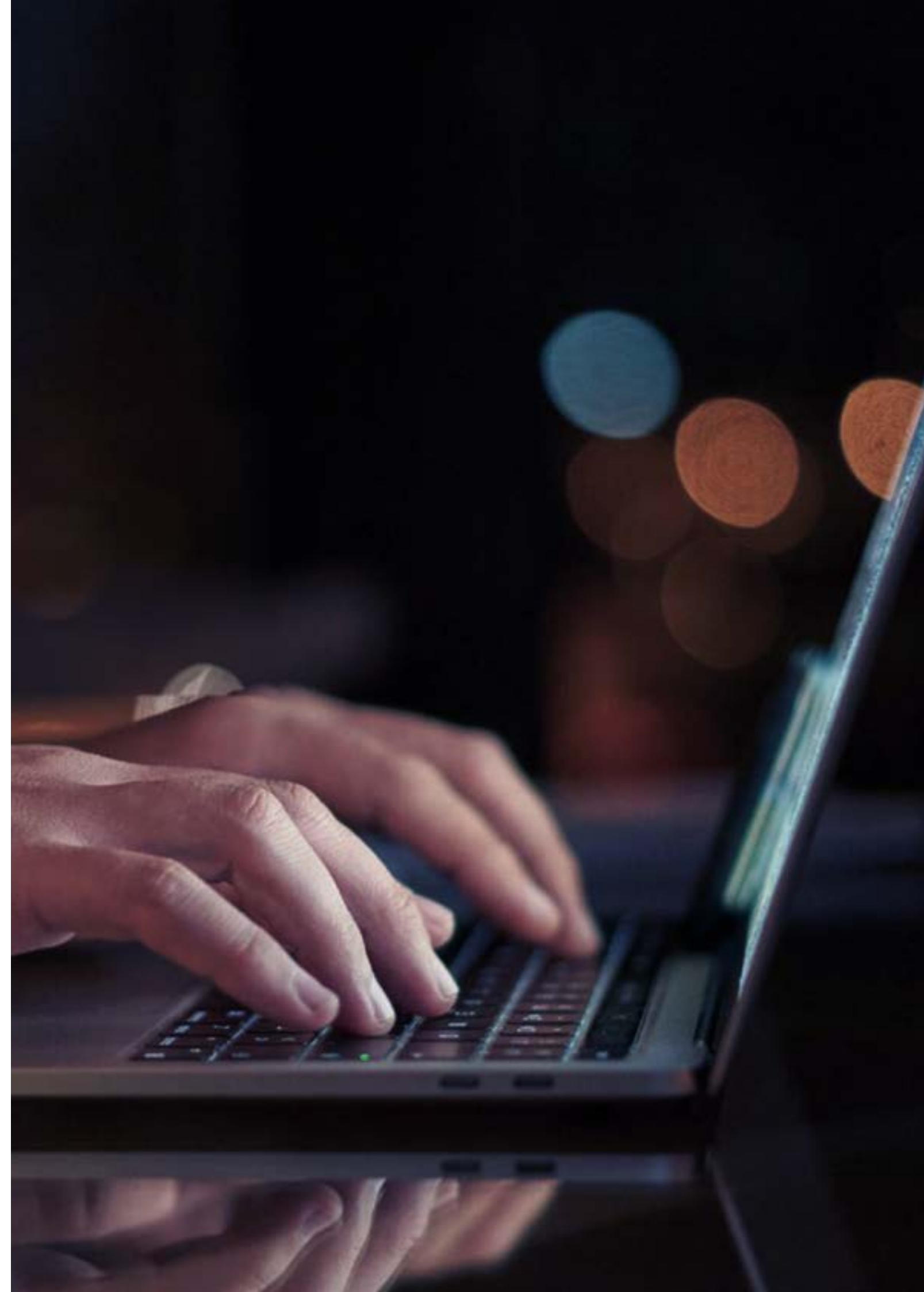
Privacy

Our [Privacy Notice statements](#) were formulated in accordance with the relevant laws and regulations in the KSA, Bahrain, and Kuwait to help customers understand the nature of data we collect and how this data is treated by stc. Each subsidiary has their own privacy notice due to different laws and regulations in each country and industry.

Overall, the statements cover data protection and disclosure details surrounding organizational and technical data protection and security measures and procedures to safeguard customer data from any unauthorized disclosure or processing. This includes internal and external audits, and training of staff and contractors on privacy and reporting to our audit and data governance steering committees and regulatory authorities – In addition, the statement includes policies on customer rights and privacy information specific to website and mobile applications usage of cookies.

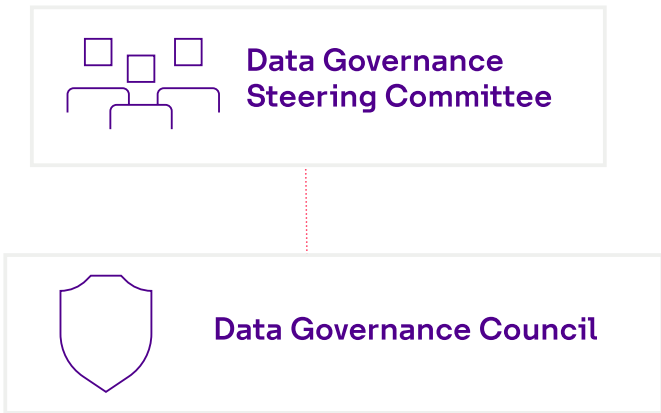
stc's Privacy statement applies to all sectors and business units the entire group, including subsidiaries. All stc Group staff, contractors, and vendors working either on a permanent or temporary basis are obliged to follow the standards outlined in the policy.

In an effort to ensure the best possible experience and the highest level of protection for our customers, we update the above Privacy statement as and when necessary, including to maintain compliance with new laws, regulations, and other factors. This is in adherence with Personal Data Protection Law (PDPL) and Communications, Space and Technology Commission (CST) regulations. Any and all updates to the Privacy Notice can be found on the stc website, with the last update of 2023 published in October.

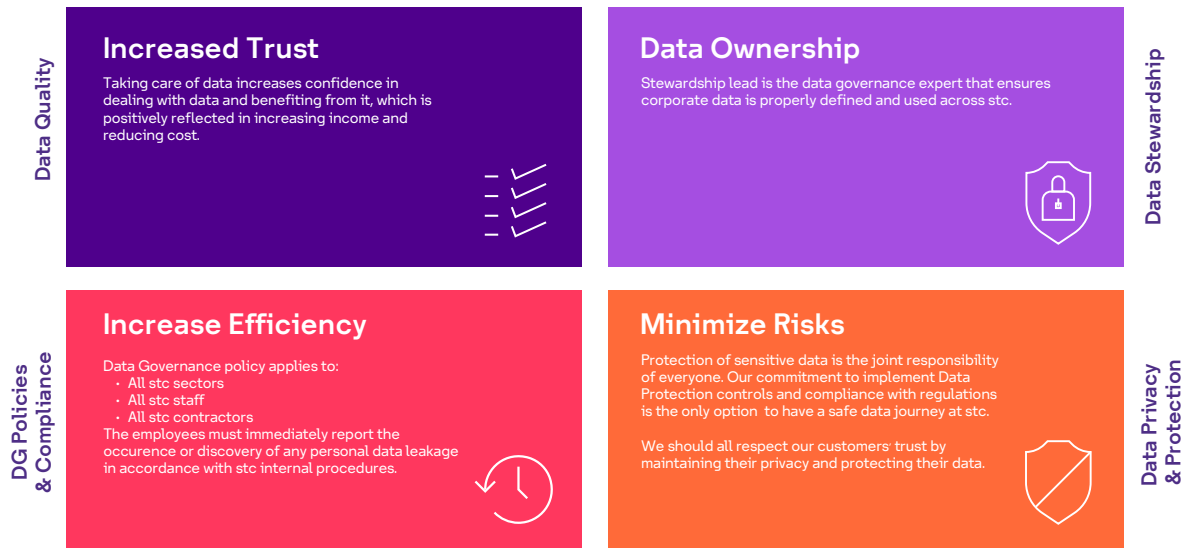


Data governance model and framework

At stc, we have a strong commitment to data governance, with our operational practices reflecting this focus. The Data Governance Council, headed by the GM of Corporate Analytics Governance, oversees our efforts to improve data quality and comply with regulations. The Data Governance Steering Committee, supported by the GCEO and led by the GCTO, acts as an advisory group to ensure that data across stc Group is reliable. With members from 16 business units and a Steering Committee of 20 VP-level executives, we ensure that our data governance is consistent and effective throughout the entire organization.



Our Data Governance framework is central to maintaining the integrity and trust that are the cornerstones of our operations. This robust framework prioritizes impeccable data quality to boost confidence and operational excellence, enforces thorough governance policies for all employees and contractors, and emphasizes the collective responsibility to protect sensitive data. Our Stewardship Lead oversees the application of these principles, upholding customer privacy and ensuring precise data utilization across the company while reflecting our unwavering commitment to secure and responsible data management.



Our data protection and privacy framework

stc’s Data Protection and Privacy (DPP) Framework sets out ten principles that all employees must respect, wherever they are in the world. These principles include 1) Accountability; 2) Transparency; 3) Choice and Consent; 4) Limiting Data Collection; 5) Use, Retention and Destruction; 6) Access to Data; 7) Data Disclosure Limitation; 8) Data security; 9) Data quality; 10); Monitoring and Compliance.

The DPP Framework covers policies and procedures relating to the privacy of personal information to address data classification, record management, and retention and destruction of personal information.

This Framework is clearly communicated to all employees through mandatory training detailed in the following section, and it is clearly stated in our [Code of Business Ethics](#), which is published online. Employees who fail to comply with privacy policies and requirements face disciplinary actions.

Security

Cyberattacks and professional data hacks continue to become increasingly prevalent as sophisticated cyber-criminal organizations push the limits of digital security measures. This has led to a need for constant development, implementation, and review of security strategies for organizations of all sizes around the world.

As an ICT company with critical infrastructure, applications, solutions, and telecom data, our cybersecurity strategy ensures comprehensive protection of facilities, critical IT systems, and networks. Our Cybersecurity Synergy and Enablement Committee provides valuable input to top management on relevant topics, in addition to partnering with one of the top consulting services for added assurances. Protection against specific cyberattacks has been and remains an important part of the security standards across stc Group, including all subsidiaries.

Some of the cybersecurity controls put in place by stc include

- **Identification and Access Management (IAM)**
Controls that make it possible for the right entities to use the right resources (applications or data) when they need to, without interference, using the devices they want to use.
 - **Data classification**
Data classification tags data according to its type, sensitivity, and value to the organization if altered, stolen, or destroyed, helping an organization to understand the value of its data, determine whether the data is at risk, and implement controls to mitigate risks.
 - **Database activity monitoring**
A suite of controls that can be used to help identify and report on fraudulent, illegal, or other undesirable behavior, with minimal impact on user operations and productivity.
 - **Data Leak Prevention**
Controls used for detecting and preventing data breaches, exfiltration, or unwanted destruction of sensitive data.
 - **Encryption**
Translates data into another form (ciphertext), ensuring that only people with access to a decryption key or password can read it.
 - **Digital Right Management (DRM)**
Controls put in place to prevent users from accessing or using certain assets, allowing the organization to avoid legal issues that arise from unauthorized use.
- In addition to the above controls, we actively engage in several initiatives to continuously enhance digital security. Some of these actions include:
- Automating Threat Detection and Remediation
 - Adoption of AI and data analytics to have more threat intel visibility
 - Implementing automatic fraud detection
 - Adoption of robotic process automation to automate some security assessments
 - Adoption of DevSecOps by aligning security practices with development workflow

In 2023, we successfully implemented more than 1,600 cyber security and remote access controls across stc, enhancing our defense mechanisms and safeguarding our infrastructure against potential threats.

Furthermore, when it comes to our suppliers, we have initiated the Security Pass Program, a cybersecurity assurance initiative requiring suppliers to obtain a compliance certificate with cybersecurity controls. This is a mandatory step for signing partnership contracts with stc, aimed at reinforcing security standards and minimizing third-party cybersecurity risks, thereby advancing Saudi Arabia’s tech landscape.

Cybersecurity policy

Our comprehensive cybersecurity is aligned with international standards and best practices to address cybersecurity threats inherent in our business environment. This policy covers 18 security domains to ensure the protection of information assets in terms of confidentiality, integrity, and availability, as well as to enable regular business activities without interruption. We review the policy on a regular basis.

Cybersecurity policy domains:

- | | | |
|--|--------------------------------------|---------------------------------------|
| • Roles and responsibilities | • Mobile devices | • Access control |
| • Asset management | • Information classification | • Media handling |
| • Communications security | • Compliance | • Operation security |
| • Cryptography | • Test data | • Teleworking |
| • System acquisition, development, and maintenance | • Cybersecurity incidents management | • Physical and environmental security |
| • Human resource security | • Business continuity | • Supplier relationships |



Based on the above Cybersecurity policy, we have clearly defined cybersecurity controls that must be implemented in a list of 28 cybersecurity standards. These standards include system parameters, segregation of duties, password rules, monitoring events and back-up and recovery rules, access control, cloud security, cryptography, and many more.

stc’s cybersecurity protocols have successfully achieved ISO 27001:2013 certification (ISMS system), which should provide additional confidence to customers and stakeholders regarding security controls and security posture improvement. We have also ensured that 100% of our security frameworks, protocols, policies and standards are fully aligned with all legal and regulatory requirements and, as an active GSMA member, we contribute to standard reviews and revisions, as well as participate in the development of new standards. Furthermore, our cybersecurity policies are aligned with industry-wide best practices, including NIST, SANS, CSA, OWASP, Enisa, First.org, and CREST.



Commitment to cybersecurity excellence is reflected across all our subsidiaries, with most having either achieved the ISO 27001:2013 certification or other notable certifications, ensuring adherence to industry best practices. stc Bahrain has achieved the ISO 27001:2013 certification and adheres to NIST and PCI-DSS guidelines. Similarly, stc Kuwait has also attained the ISO 27001:2013 certification and aligns with PCI-DSS, GSMA, 3GPP, and stc Group’s GUARD 2.0 guidelines and frameworks.

Protection against cyberattacks

Our dedication to cybersecurity is an important aspect of our overall business strategy. While cyber threats are becoming more frequent, the effectiveness of cybersecurity measures to thwart these attacks has improved in terms of defensive capabilities, indicating a strengthening of cybersecurity protocols and systems.

In 2023, we recorded zero data security breaches, zero security breaches involving customers’ personally identifiable information (PII), zero regulatory actions for data protection violations and zero monetary losses from legal proceedings related to customer privacy.

SMS Spam/Fraud – stc KSA	2022	2023
Number of spam messages report handled	39,864	67,915

As part of our methodology to prevent cyberattacks, we perform various in-depth assessments and cybersecurity stress tests across stc Group to evaluate the security performance of the company’s IT infrastructure and to provide assurance to customers and stakeholders.

These assessments are separated into different categories, including:

- Vulnerability assessments
- Risks assessments
- Penetration testing
- Cyber resilience assessments
- Automatic ad-hoc vulnerability assessments
- Periodic assessments conducted every month covering all stc assets

In 2023, as part of our ongoing efforts to enhance our security measures, we introduced two additional types of assessments: automatic ad-hoc vulnerability assessments and periodic assessments conducted every month covering all stc assets. These new assessments complement our existing strategies, providing more frequent and comprehensive evaluations of our company-wide security infrastructure.

Furthermore, in line with these assessments and as part of our commitment to maintaining robust security, we take measures to prevent USB baiting, a known cybersecurity threat. This is achieved by blocking USB ports, in accordance with our cybersecurity policies, to mitigate the risk of unauthorized access or malware infiltration through physical means. We also conduct various assurance assessments, such as mandatory security assessments before the launch of any new products and services. Should any findings uncover a potential issue, a remediation process is then triggered, along with strict SLA and a well-defined responsibility matrix.

Cybersecurity influence and memberships

As a leading organization in the field of ICT, stc has established a robust network of memberships and partnerships that serve a critical role in enhancing not only our cybersecurity capabilities but also a strong industry presence. These collaborations reinforce our commitment to maintaining the highest standards of security and enable us to contribute significantly to the development of global security standards and practices.

Below is an overview of stc’s key memberships and partnerships:

Memberships:

- Member of the GSMA Malware Information Sharing Platform.
- Member of GSMA security focus groups, contributing to the publication of anti-fraud and signaling standards, as well as 4G roaming security guidelines.
- Maintaining Member of First.org, the global Forum of Incident Response and Security Teams.

Partnerships:

- Misk job shadowing program for high school candidates, helping to foster early cybersecurity education.
- Collaboration with the National Cybersecurity Authority (NCA) in various areas including awareness, threat intelligence, information sharing, and protection of signaling protocols.
- GSMA T-ISAC partnership: stc is a distinguished member of the Executive Governance Team, comprised of only seven mobile operators from Europe, playing a significant role in shaping the telecom information sharing and analysis center for threat intelligence under GSMA.
- Collaboration with IBM and Sirar in hosting a cybersecurity hackathon, promoting innovation and skill development in the field.

Data privacy and protection training and awareness

Ensuring data security and respecting privacy regulations are two of our highest priorities, as our customers, employees, and other stakeholders expect their personal information to be protected with the utmost care. This is a responsibility that we take extremely seriously.

In 2023, we continued to provide mandatory data privacy and protection training for our employees at stc KSA, and in Q4 we also extended the mandatory training to our subsidiaries and contractors, building on successful training sessions that were implemented in previous years.



Data protection and security training	stc KSA			stc Group		
	2021	2022	2023	2021	2022	2023
Number of attendees on training courses in data protection and cybersecurity	855	11,068	18,781	-	-	22,422
Number of hours of training in data protection and cybersecurity	2,928	34,207	65,733	-	-	90,012

* Group data for 2021 and 2022 are not available due to expanded scope of operations. Accurate calculations and comprehensive data collection across group were initiated starting 2023. Includes stc KSA and all subsidiaries in the Saudi Kingdom.

Below are some of the other training and awareness campaigns conducted by stc for all employees and business partners:

- Privacy Day Campaign
- AI & ChatGPT Campaign
- Personal Data Protection Law (PDPL) Campaign
- Phishing Awareness Campaign
- Strong Password Campaign
- Online Shopping Campaign
- Social Media Campaign
- Clean Desk Campaign
- CS Policy & Standards Campaign
- Cloud Storage and Storage Media Campaign
- Secure Teleworking Campaign
- Safe Meetings Campaign
- Data Protection Campaign

We have also expanded our training to cover new areas in the digital and technological fields to include Advanced Artificial Intelligence (AI), Machine Learning (ML), Multi-Cloud and Edge Computing, Cyber Resilience and Threat Intelligence, Intelligent Automation and Robotic Process Automation (RPA), Digital Ethics and Responsible AI. Our aim is to prepare our employees to support the direction of the company and stay ahead of the curve in the rapidly changing digital landscape.

In 2023, about 99% of stc KSA employees successfully completed the mandatory data privacy and protection training. Across our subsidiaries, almost 8% of employees completed these mandatory training sessions while 50% of contractors completed the training.

These comprehensive mandatory training sessions, each spanning 3.5 hours on average, are conveniently conducted through our online learning platform. To ensure full compliance, this training requires a one-time attendance and a passing score of 70% or higher on the associated evaluation. In cases where completion is not achieved, the department general managers are promptly notified and appropriate escalations are made to facilitate swift resolution and adherence to training protocols and requirements.

Cyber security training and awareness

We promote cybersecurity importance and awareness through various digital channels, such as social media posts, online messages, online workshops, and live webinars for different groups, including options for Arabic and non-Arabic speakers, the elderly, and the disabled. Cybersecurity is an important part of our mandatory employee training. Please refer to the Business Ethics section for more details on this training program.

stc routinely conducts numerous cybersecurity campaigns on topics ranging from data privacy and security to phishing and ransomware targeting employees, contractors, customers, and the public. All new staff members are mandated to participate in cybersecurity training to gain a clearer understanding of stc’s policies and procedures surrounding this matter.

In 2023, we conducted seven customized role-based awareness campaigns for employees, including 18 new hire onboarding cybersecurity sessions, three special technology services awareness and phishing campaigns, five innovation workshops, three knowledge transfer workshops focused on cyber security topics, and a phishing campaign targeting executives. For our customers and the public, we ran 10 major cybersecurity awareness campaigns communicated across various channels, including 27 Infographics and motion graphics, 25 awareness sessions, two booklets, 15 mass emails, seven public articles, four videos, 14 mass SMS, 10 visits and on-site activities, and 15 social media posts. We also sent out more than 74 million anti-fraud SMS alerts.

We also run specific role-based awareness campaigns which was communicated to employees. For example, at stc KSA we ran 18 new-hire on-boarding cybersecurity sessions, 1 phishing campaign targeting executives, 3 special technology services awareness and phishing campaigns, 5 innovation workshops and 3 knowledge transfer workshops focused on cyber security topics.

We continuously measure the effectiveness of the above awareness campaigns through several methods aimed at assessing both the knowledge gained by employees and the organization’s vulnerability to cyber threats. One crucial metric is the Cybersecurity Course Score, which includes tracking the pre-test course scores and the post-test course scores, which allows us to gauge how much employees have learned and retained throughout the campaign. Additionally, we closely monitor the outcomes of our Phishing Simulation Test Campaigns. By analyzing effectiveness reports and failure rates from these campaigns, we can identify areas where employees may be more susceptible to phishing attacks or other cyber threats. This data helps in fine-tuning awareness efforts and tailoring future campaigns to address specific vulnerabilities and challenges within the organization.

Case study: stc Bahrain’s Cybersecurity Fursan

In an effort to nurture and encourage cybersecurity awareness, stc Bahrain launched the Fursan initiative, which combines education with peer-to-peer collaboration and embeds a culture of security understanding, support, and positive behavior throughout the workforce. With this initiative, employees are engaged and educated on security threats, encouraging their active participation in the company’s cybersecurity efforts.

Participants in Fursan who show notable progress in understanding and implementing cybersecurity practices are recognized and, as a result of this initiative, the overall cybersecurity culture within the organization improved, leading to a remarkable reduction from 25% to 4% in the risk of cyber incidents among stc Bahrain employees. This outcome not only demonstrates the efficacy of the program in raising awareness but also highlights the importance of employee engagement in cybersecurity initiatives.

Case study: Empowering women in cybersecurity - She Talks Security

At stc, we continuously seek to encourage women who are interested in the field of ICT to participate in the wonderful opportunities that exist in the area of cybersecurity. With this goal in mind, we participated in the She Talks Security initiative, held in cooperation with Tuwaiq Academy, the Saudi Federation for Cybersecurity, Programming & Drones, and Women in Cybersecurity Middle East.

During the event, stc’s cybersecurity experts discussed with attendees the digital identity transformation, best practices, challenges, and lessons learned in terms of digital identity in the cybersecurity sector.

Data privacy and security audits

Data privacy, protection, and security laws and regulations have become much more stringent in recent years, which has resulted in additional rules and obligations for companies when processing personal data. In order to ensure strict compliance and full alignment with these regulations, we conduct independent, external audits on data privacy and security at least once every two years. The Communication, Space and Technology Commission (CST) in Saudi Arabia audits stc on both an annual and quarterly basis.

Frequency of information system audits	2022		2023	
	Internal	External	Internal	External
stc KSA	> 100	2	> 100	15
stc Bahrain	2	3	1	3
stc Kuwait	10	5	12	6
Aqalat	1	-	1	-
Channels	1	2	1	1
Intigral	4	3	4	3
Sirar	3	2	2	6
Solutions	-	4	2	5
Specialized*	2	2	1	5
TAWAL	1	5	3	4
iot squared	-	-	0	2
Center3	-	-	1	3
SCCC	-	-	-	-

*Restated figures for improved and unified calculation methodologies
Note: iot squared, center3, and SCCC started operations officially in 2023 and thus no prior data is available.

Case study: Bahrain’s first Vulnerability Operations Centre (VOC)

In an effort to help Bahrain’s businesses combat emerging cybersecurity threats, stc Bahrain spearheaded the country’s first Vulnerability Operations Center (VOC), in collaboration with a major partner, which will be dedicated to helping organizations tackle offensive security challenges. This pioneering initiative marks a significant milestone in Bahrain’s cybersecurity landscape, reinforcing stc Bahrain’s commitment to delivering cutting-edge solutions and safeguarding digital environments.

By digitalizing the penetration testing process, the stc VOC will enable customers to seamlessly integrate and streamline their existing testing protocols, reducing penetration testing duration by 50% and the efforts of their internal resources by 60%. Moreover, it will allow them to reduce recurring vulnerabilities by up to 98% by activating continuous penetration test programs with no disruptions to their operations.

Case study: Expanding cybersecurity measures across stc’s networks

TAWAL implemented a SOAR (Security Orchestration, Automation, and Response) initiative to enhance its Security Operation Center (SOC) capabilities and address the challenges of increased network traffic, the need for faster incident response, and improved threat intelligence integration. TAWAL developed and tested two key use cases to create SOAR: IP Blocking and Domain Blocking.

Successfully integrated into TAWAL’s ‘Netwitness’ network monitoring tool, these cases have significantly advanced the network’s security by automatically blocking suspicious IPs and domains. Encouraged by these results, TAWAL plans to further expand its cybersecurity measures by deploying additional SOAR use cases.

Case study: LinkCheck Chatbot Cybersecurity service

In response to the ongoing challenges posed by cyber threats such as phishing, malware, and data breaches, stc has introduced the LinkCheck Chatbot Cybersecurity service. Developed by the team at stc Lab, this service operates through WhatsApp and aims to help users identify potentially risky web domains and links.

Utilizing interactive Threat Intelligence feeds and the WhatsApp API, the LinkCheck Chatbot swiftly analyzes URLs or domains to provide users with automated feedback on their safety. Users can submit their queries by messaging the WhatsApp number +966 11 220 0003.

The LinkCheck Chatbot is specifically designed to deliver the following:

- 1. Enhance customer experience
- 2. Promote community security
- 3. Provide comprehensive insights for safer browsing
- 4. Foster education and awareness
- 5. Encourage collaboration and continuous improvement

The LinkCheck Chatbot also serves a broader purpose beyond individual protection: it reflects stc’s commitment to strengthening the digital community. By focusing on enhancing user experience, bolstering communal security, and offering insights for safer browsing, stc is actively promoting a culture of cyber resilience.

Moreover, stc aims to increase cyber literacy and encourage collaboration through educational initiatives. Ultimately, the goal is to empower both individuals and communities to navigate the digital landscape with confidence.

With the successful implementation of the LinkCheck Chatbot, stc has largely moved towards the forefront of cybersecurity innovation, equipping users to confidently navigate ever-changing cyberspace and the challenges faced therein.



Child online safety and protection

stc is deeply committed to creating a safer online environment for children. We uphold the rights of children at all stages of our business operations, proactively offering and providing support for children and their parents to become responsible digital citizens. This includes up-to-date [guidance](#) and conversations about safe and responsible online conduct.

In 2023, stc launched a parental guide called “Secure Cyberspace for Your Kids,” a concise, 18-page resource for parents, focusing on key areas such as setting up parental controls, educating children about online risks, fostering open communication about digital experiences, teaching responsible online behavior, and staying informed about the latest cybersecurity trends. This guide aims to empower parents to create a safer digital environment for their children.

Furthermore, our TUBY application provides children a selection of age-appropriate educational and entertainment videos and includes enhanced security, enriched interface features, regularly updated content, parental controls for time and content, and safety features designed specifically for children. In addition to TUBY, stc’s direct billing services provide better controls for parents to use their postpaid monthly bill or prepaid credit balance to pay for one-time purchases or recurrent subscription services that provide children’s educational and entertainment services.

When it comes to the protection of children’s data, stc strictly adheres to comprehensive data protection and privacy policies. These policies specifically address the processing of children’s data, emphasizing compliance with legal standards and ethical considerations. This approach safeguards children’s data, aligning with both our internal standards and external regulatory requirements.

Case study: Kids’ and teens’ online privacy and safety

In 2023, we embarked on a sweeping awareness drive tailored for youth aged 8 - 18, spotlighting the critical significance of grasping cybersecurity hazards. This campaign was meticulously crafted and implemented across multiple platforms and departments. Its breadth encompassed a spectrum of themes, tactically approached through various avenues, including targeted role-based initiatives spanning the social media cadre, the special projects team, the cybersecurity unit, and administrative personnel under stc’s GCEO.

Additionally, we engaged in university visits and hosted events, alongside conducting educational sessions within schools throughout the KSA.

stc Security Pass Program: Data protection program covering suppliers and business partners

Our suppliers and business partners are required to have data protection policies in place and comply with external certified inspections which are to be conducted every 2 years, to verify their compliance.

The Security Pass Program scope encompasses all existing as well as the all potential partners (including contractors, vendors and suppliers). All partners, including contractors, vendors and suppliers need to register and document their third-party qualified inspections and audits, ensuring that they meet these requirements.

To obtain the Security Pass Certificate, the partner must ensure below requirements are followed

- Determine partner tiering
- Implement “applicable Security Pass Certification requirements”
- Complete “partner Compliance Cybersecurity Certificate report”
- Select Authorized audit firm and submit the certificate upon audit

The Audit Firm is responsible to validate the partner cybersecurity compliance against stc Suppliers Security Standard applicable requirements and issue Cybersecurity Certifications only.

The audit firm will share monthly update on the security pass certification progress to stc Cybersecurity GRC department.

By expanding our data protection and privacy programs, we are also taking a proactive approach to safeguarding not only our customers’ data but also the information exchanged with our partners. This initiative reinforces our commitment to maintaining the highest levels of security throughout our ecosystem, fostering trust and confidence in our services.

You can read more on the security pass certificate on this link: <https://partnershub.stc.com.sa/security-pass>

Case study: Monthly data privacy and protection training to suppliers and business partners

As part of our commitment to maintaining the highest standards of security, all applicable registered partners receive frequent invitations to online sessions, ensuring continuous education and awareness throughout the year. With a total of 5 training sessions annually for 300+ suppliers and partners we aim to foster a strong culture of data protection and privacy within our collaborative network.

Security Pass Program and Cybersecurity Certificate Guidelines and procedures:

- https://partnershub.stc.com.sa/cdn/phub/SECURPASS_CONTROLS_GUIDELINE_EN.pdf
- https://partnershub.stc.com.sa/cdn/phub/STC_SUPCYBSEC_STANDARDS_EN.pdf
- https://partnershub.stc.com.sa/cdn/phub/UG_REG_US.pdf

Accessibility, connectivity and digital inclusion

We remain committed to providing a dependable, modern, sophisticated network with maximum accessibility and digital inclusion for urban and remote areas – across the entire Gulf region and all communities that stc operates within. Our industry-leading wireless broadband services are key to serving rural and desert areas, while a combination of wireless and fixed services cover urban areas with unmatched reliability. We strongly believe in collaborating with the public and private sectors to ensure that everyone in society, regardless of their location or socio-economic status, can be served as a satisfied stc customer.

Our [Access to Communication policy statement](#) affirms our commitment to adopting best-in class digital and communication infrastructure to ensure network efficiency, resilience, and reliability, all while promoting universal access to affordable digital and communications services.

Connectivity and network infrastructure

We seek to continuously improve and modernize our networks and infrastructure in response to new social demands. We believe that the ability to connect to our services should not be limited by geography, and we strive to ensure our network covers more space every year.

Our immediate goal is to further expand stc’s coverage and capacity within and around cities across the countries we operate within, including increasing the availability of high-speed broadband services and improving digital connectivity by enhancing the ICT infrastructure. With this vision, we have focused on fiber optics as a replacement for copper. This shift will in turn gears towards improved customer capacities at a technological level while consuming less energy.

In 2023, we signed an agreement along with our partners to withdraw obsolete copper cables from underground channels. We started upgrading the OSP copper network infrastructure by removing old, unused cables and recycling them. This initiative not only enhances our infrastructure, but also contributes to meeting the recycling targets set forth by the Saudi Kingdom, particularly in the plastic, copper, and aluminum recycling sector.



5G networks

We continuously strive to improve connectivity for everyone in the countries that we operate, especially rural areas that can benefit immediately from a geographical expansion of stc’s coverage.

5G investments – and creating the associated infrastructure to boost network coverage – have become key to realizing the national visions of Saudi Arabia, Bahrain, and Kuwait, all three of which are undergoing radical digital transformations led in large part by stc.

In 2023, stc saw significant progress in developing digital infrastructure, particularly through the expansion of the 5G network, with 3 billion SAR of added investment in this area. This has enabled stc to deploy 5G network capabilities in more than 75 cities throughout the Kingdom, equipping over 90% of major cities with 5G technology. Throughout the past year, 21% more 5G sites were deployed across the KSA compared with 2022, bringing the total amount of 5G sites to 8,470, with a 7% increase in 5G subscribers compared to the previous year.

In Kuwait and Bahrain, stc achieved 100% 5G coverage, a feat accomplished largely due to the relatively smaller sizes and populations of these two countries compared to the KSA. The upgraded FULL 5G network at stc Kuwait takes 5G further to bring our customers more connectivity, speed, and digital capabilities with full coverage, full speed, and full experience.

Reflecting our hard work alongside industry expertise, we were recognized for our leadership in 5G and network infrastructure, with stc taking home both the “Best 5G Experience” and “Best Development for Communication Sector Infrastructures” awards at the SAMENA Lead 2023 awards.

In a continuation of our 3G spectrum shutdown in the KSA that began in 2022, this past year saw the shutdown of the 3G spectrum across stc Kuwait in efforts to enhance the 4G and 5G user experience within stc’s network.

Network coverage	stc KSA			stc Bahrain			stc Kuwait		
	2021	2022	2023	2021	2022	2023	2021	2022	2023
Percentage of 3G population coverage	98.00%	-	-	100.00%	100.00%	100.00%	100.00%	100.00%	00.10%
Percentage of 4G population coverage	93.99%	98.00%	98.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Percentage of 5G population coverage	37.75%	40.80%	47.50%	99.4%	100.00%	100.00%	98.00%	100.00%	100.00%

* 3G shutdown project in KSA and Kuwait: 4G/ 5G replacing 3G for improved user experience

Case study: stc group launches the biggest-ever expansion of the 5G network in its history

The launch of 5G in 2018 signified a historic shift in communications and IT in the Kingdom of Saudi Arabia and the greater MENA region, initiating an era of minimized physical and digital boundaries. stc’s ongoing expansion aims to improve infrastructure and user experience, playing a crucial role in the Fourth Industrial Revolution, IoT, AI, and national digital transformation.

By 2019, 5G service reached 35% of the population in five major cities. With the “dare2.0” strategy, stc has continued to enhance this network, increasing the number of mobile sites with 5G services and introducing a second carrier for greater capacity.

In 2023, stc Group launched the most significant 5G network expansion to date, aiming to extend coverage to over 75 cities and governorates across Saudi Arabia. This move builds on the achievement of delivering 5G coverage for more than 90% of major cities, supporting local content, job creation, the digital economy and digital lifestyle enhancement. This expansion aligns with stc’s growth strategy and marks a continuation of Saudi Arabia’s digital transformation journey that began in the late 1990’s with 1G and 2G, followed by 3G access before smartphones, and the introduction of 4G services in 2011.

Closing the digital divide

stc actively helps to reduce the digital divide by developing and expanding the critical ICT infrastructure needed to fulfil the national visions of the KSA, Bahrain, and Kuwait. stc Group's growing infrastructure contributes to flawless delivery of essential online services such as e-education, e-government, e-commerce, and e-health. We also aim to close the digital divide and implement digital literacy for the elderly through the smart truck initiative, which helps elderly people make sense of fast-developing digital technologies. More information on these services is available in the [digital innovation and experience section](#) of this report.

Reliable and resilient infrastructure and services

Developing reliable and resilient infrastructure is vital for accessing technology and expanding connectivity. We have worked hard to continuously evolve our network, capitalizing on the introduction of leading-edge technology by adopting KPIs for network resilience. These KPIs not only help ensure network optimization, but also underpin our commitment to deliver an excellent and uninterrupted user experience for all stc customers.

Technologies such as 5G, artificial intelligence, augmented reality, IoT, and cloud services are an essential part of stc's innovative products and services, and are helping to accelerate the pursuit of sustainability goals. With this, we provide impartiality and transparency in line with business sustainability, creating the right environment for an open market concept that enriches the tech-based ecosystem in developing countries where all customers and partners – such as content providers, cloud providers, and international and national carriers – can effectively communicate with each other.

As of 2023, stc's Saudi Vision Cable (SVC) is operational, marking a significant step in enhancing digital connectivity across the Middle East. It is the first high-capacity submarine cable ever deployed in the Red Sea and offers cost-effective connectivity options with significantly improved digital services in Saudi Arabia and beyond. This project is a critical driver of the region's digital transformation, pushing the boundaries of what is possible in digital connectivity and communication.

Spanning 1,160 kilometers, SVC is designed to connect major cities along the Red Sea, aiming to strengthen connectivity within the Kingdom of Saudi Arabia and the broader MENA region. It serves as a swift and efficient data transmission hub, connecting key landing stations in the Red Sea and contributing to the value creation in digital infrastructure. SVC's competitive interconnection rates also encourage a collaborative digital infrastructure environment. This approach is key to establishing an integrated digital landscape in the region, positioning Saudi Arabia as a central hub for data exchange between three continents.

SVC is a high-capacity system, capable of handling up to 18Tbps per fiber pair, with a total of 16 fiber pairs. This capacity ensures the system can meet the region's increasing data transfer needs, making it a foundational element in digital communication and data exchange.



Moreover, "center3" has also increased the capacity of its data center in KSA by 6 megawatts, aiming to improve and increase the capacity of data hosting services provided by "center3" to its customers, which contributes to strengthening the Kingdom's position as a regional digital center.

Furthermore, stc was recognized as the "Best Wholesale Company in the Middle East" in 2023 by TelecomReviewME. This recognition showcases our commitment as the leading digital enabler in MENA, in empowering industry transformers and paving the way for growth and digital transformation in the region. As the leading wholesaler in the region, we offer national and international services over numerous cable systems and the PoPs-extended network.

Our national network covers all areas of the Saudi Kingdom and is extended to link all neighboring countries, including the UAE, Bahrain, Kuwait, Jordan, Qatar, Yemen, Iraq, and Oman, through diversified fiber links with various paths and capacities. stc's self-healing national backhaul network and border crossing terrestrial fiber optics links represent the most resilient, reliable and cost-effective connectivity in the entire region.



Cloud infrastructure

stc's 5G investments drive the need for deploying new and smart infrastructure with the goal of having cloud-native infrastructure. From massive data processing in enterprise campus scenarios and real-time data processing for autonomous driving to immense IoT use cases requiring analytics localization and better AR/VR cloud gaming, the edge is where services aggregate and is the natural expansion of operator networks. All of these uses demand drastic changes in underlying digital infrastructure; therefore, we have embraced Multi edge computing (MEC) deployments enabling stc to become both Cloud-Native and Edge-Native.

In a data-driven era, traditional connectivity solutions face challenges. Private MEC offers a comprehensive solution consisting of the following components:

- **Transmission Optimization:** Reduces costs and enhances efficiency by minimizing data transmission.
- **Local Data Processing:** Enables data privacy and real-time decision-making.
- **Private Network:** Grants enterprises control over connectivity.
- **Mobility and Ownership:** Balances mobility and data ownership.
- **Low-Latency Decision Making:** Enhances operational agility.
- **Infrastructure Optimization:** Streamlines operations and reduces costs.
- **Cost Efficiency:** Offers nominal operational expenses.
- **Industry 4.0 Enabler:** Paves the way for transformative advancements.

Fast connectivity and on-premises cloud computing resources are hallmarks of stc's digital services that cater to diverse needs. Our product has served companies in major industries such as oil and gas, shipping, and airports, with more underway. stc's Private MEC represents a sustainable and innovative leap forward in enterprise connectivity.

In 2023, along with one of our major partners, we published the [5G and Edge Computing: The Next Frontier for Business Growth](#) white paper to explore how Edge Computing, enhanced by 5G capabilities, can revolutionize business models by enabling ultra-reliable, low latency communications critical for improving application performance and the user experience, as well as ensuring robust data privacy and security. The white paper underscores the potential of these technologies to unlock new opportunities in private networks, marking a significant step towards innovative, efficient, and secure business operations.

Our latest innovation, the Enterprise 5G Private solution, is a leap forward in digital plant management, leveraging the unprecedented speed and reliability of 5G technology. The Enterprise 5G Private solution by stc is set to transform industrial customer operations with a robust digital plant management system powered by 5G technology. This solution carves out a private network from stc's public 5G infrastructure, offering a tailored service for enhanced efficiency and control.

In alignment with the Saudi Kingdom's vision, stc has established partnerships to support the roll-out of secure, distributed multi-access edge computing. These collaborations aim to foster the development of low-latency applications directly at each customer's edge. stc is also actively investing in and exploring advanced technologies alongside industry leaders to co-create pioneering solutions for Industry 4.0 applications.

IoT, AI, and big data

Technologies such as IoT, AI, and big data have become the primary drivers of innovation. Through our smart solutions, we aim to drive cost efficiencies, improve customer experiences and promote sustainability through innovative industrial, logistics and smart city solutions.

Following the successful creation of an IoT model system in the Middle East led by stc Group and Saudi Arabia’s Public Investment Fund (PIF), *IoT squared* played a significant role in supporting a variety of public sectors, companies, and SMEs in their quest to embrace the finest smart solutions available in the industrial sectors, transportation and logistics services, and Smart Cities.

In 2023, we expanded IoT squared offerings to cover smart cities, sustainable and resilient facilities solutions, supply chain solutions, converged security and safety solutions, and unmanned vehicle solutions. It also extends support to various business sectors to facilitate the adoption of IoT technologies, including the development of innovative business models and analytic capabilities to enhance the performance and productivity of industrial operations through IoT solutions in the industrial sector and also enhance the ability of industrial companies to digitize processes, transform business models and reduce waste.

IoT squared smart solutions:



Converged Security & Safety

- Drone Detection & UTM
- Real-time Location-based Services
- Connected Fire Alarm
- PSIM
- Security Video Analytics



Supply Chain

- Smart Warehouse Management
- Supply Chain Control Tower
- Vessel Management
- Last Mile Delivery
- Track & Trace



Industry 4.0

- Asset Performance Management
- Safety
- Smart Manufacturing Operations Management
- Intellegent Operations
- Smart Metering



Sustainable and Resilient Facilities

- Indoor Air Quality Monitoring
- Sustainability Management
- Water Sub-metering
- HVAC Performance Monitoring
- Facility Operations



Unmanned Vehicles

- Security & Surveillance
- Transportation & Delivery
- Robotics Delivery
- Inspection
- Sueveying & Mapping



Smart Cities

- Environmental Monitoring
- Smart Parking
- Digital Twin
- Flood Monitoring
- Smart Infrastructure
- Smart Mobility
- Unified Operation Center
- Smart Street Light Management
- Smart Waste Management
- Smart Agriculture

stc Kuwait launched several smart solutions, including the Enterprise Smart Bus solution for schools and kids monitoring, Thermal Screening, and Drones for Geospatial Intelligence and Precision Agriculture, as well as AI Video Analytics, which helps users supervise, monitor and optimize enterprise business efficiency.

In 2023, we also launched the AI and Data Initiative for InspireU, leveraging AI for strategic startup evaluation and data-driven training. This initiative identifies promising startups, equipping them with the tools for success and serving as a model for impactful incubation practices. Using a decision intelligence engine and unique selection framework, we’ve chosen highly competitive incubated cohorts, focusing on key areas like AI, Fintech, and Cybersecurity. This targeted approach has increased the accelerator’s acceptance capacity by 30% and enhanced the profiles of 65 startups with generative AI.

AI revolutionizes our customer engagement and sustainability efforts. Our Sentiment Analysis Model delves into customer feedback, aiding in sentiment classification, topic modeling, and spam detection. The experience per customer model quantifies interactions, optimizing satisfaction and resource usage. Leveraging AI and machine learning, our Seamless Experience system delivers personalized interactions across channels, enhancing loyalty and operational efficiency while aligning with our sustainability goals.

Furthermore, our Customer Value Management (CVM) team analyzes customer behavior to tailor campaigns for upselling and cross-selling solutions. Embracing AIOps, we enhance our digital transformation, leveraging AI and machine learning to predict and diagnose IT issues, optimize performance, and increase operational efficiency. This approach ensures stc remains competitive, delivers superior services, and innovates in the telecommunications industry.

stc Group was awarded the Glotel Award 2023 for Network Automation at the Global Telecom Awards 2023, winning the “Automation Initiative of the Year” for the company’s work on intent-driven automation aimed at boosting core network efficiency and reliability.

Case study: AI and deep learning infrastructure enhancement

In an effort to address one client’s request for advanced GPU hosting capabilities, Solutions by stc seamlessly integrated cutting-edge GPUs within the service provider’s data center. This strategic move led to the establishment of Saudi Arabia’s first-ever AI and Deep Learning cloud infrastructure – designed to empower enterprises by significantly accelerating their AI adoption process – paving the way for innovative solutions and enhanced operational efficiencies across various sectors.

Through this initiative, we aim to position Saudi Arabia at the forefront of AI research and applications, fostering a more tech-driven future.

Network quality and mobile adoption

We aim to have the best available network quality and work to drive mobile internet adoption within all communities in which stc operates.

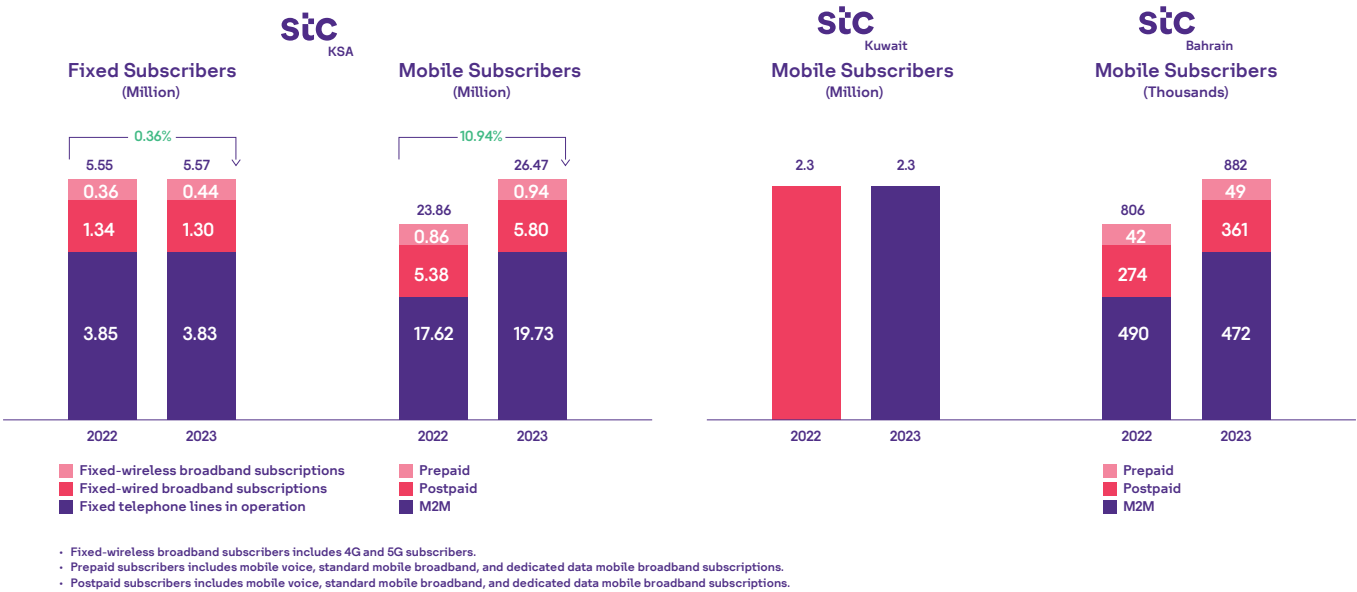
Improved connectivity and network quality contribute to increased accessibility to telecom and digital services, including mobile and fixed broadband in urban and rural areas. As more individuals and businesses gain access to reliable communication services, the subscriber base grows which in hand will promote inclusivity by ensuring a larger base of the population can participate in the digital economy and society.

We recognize that network quality directly impacts the user experience of our customers, which is why we are dedicated to providing seamless connectivity and faster speeds. Throughout the reporting year, our commitment to excellence has yielded outstanding results, as evidenced by our top performance in KSA across four categories in [Saudi’s Mobile Network Experience Report \(2023\)](#). Specifically, we have recorded top download speed experience, upload speed experience, 5G download speed and 5G upload speed.

Network speed	stc KSA			stc Bahrain			stc Kuwait		
	2021	2022	2023	2021	2022	2023	2021	2022	2023
Average mobile broadband download speed (Mbps)	87.66	113.58	115.90	64.90	80.97	164.4	147	147	164
Average mobile broadband upload speed (Mbps)	20.24	19.61	23.30	4.16	3.43	3.59	9	9	7

Network traffic	stc KSA			stc Bahrain			stc Kuwait		
	2021	2022	2023	2021	2022	2023	2021	2022	2023
Network traffic (petabytes)	17,810	20,364	24,386	273	324	446	1,406	1,441	1,549

Subscribers at a glance



New era infrastructure data center program

As part of our initiative to develop next-generation facilities, we are committed to building new data centers across each of the countries that we operate within. Our goal is to have these facilities incorporate enhanced energy efficiency and sustainability throughout the entire lifecycle of new mission critical infrastructure.

In Saudi Arabia, we are in the process of building new data centers to serve the entire Saudi community with enhanced digital services. These new data centers will incorporate sustainability features in all aspects of construction and development, from design and procurement to materials and construction.

In 2023, we achieved significant progress in our commitment to advancing next-generation cloud-enabled data centers by completing all Phase 3 construction projects. This pivotal year saw the operational launch of six new state-of-the-art data centers, enhancing our infrastructure to fully support main internal 4G and 5G equipment across various locations. With the successful implementation of energy efficiency technologies, we have observed notable reductions in energy costs and CO₂ emissions.

Various technologies and engineering approaches were followed to benefit from energy conservation opportunities, such as server efficiency, right-sizing, chiller system optimization, thermal and airflow management, improved lighting; resulting in enhancing Power Usage Effectiveness (PUE) and reduction of CO₂ emissions.

However, our expansion plans go far beyond what has already been accomplished: by 2025 we aim to further enhance our data center capacity and build out more capacity in the KSA and Bahrain. Realizing this ambition is well underway with the operational status of all sites previously reported under construction, the completion of which brings our total capacity to over 34.8 MW, including both new and expanded projects. The completion of which brings our total capacity to over 71.17 MW active capacity by 2023 including data centers prior to NEIDC program.

The new phase of our expansion –Phase 4 – involves the construction of three additional data centers at Riyadh, Jeddah, and Bahrain, with contractor awarding slated for January 2024 with project commencement in first quarter of 2024 . This phase is expected to add a total IT shell capacity of 20.4 MW, with an initial capacity of 10.8 MW IT load on Day 1.

In a testament to our commitment to efficiency and sustainability, the Remal Data Center – one of our Phase 3 projects – achieved a remarkable 1.43 PUE at full load during its summer testing and commissioning in August 2023. This achievement underscores our continuous efforts to minimize power consumption and environmental impact, setting new standards for data center operation and design.

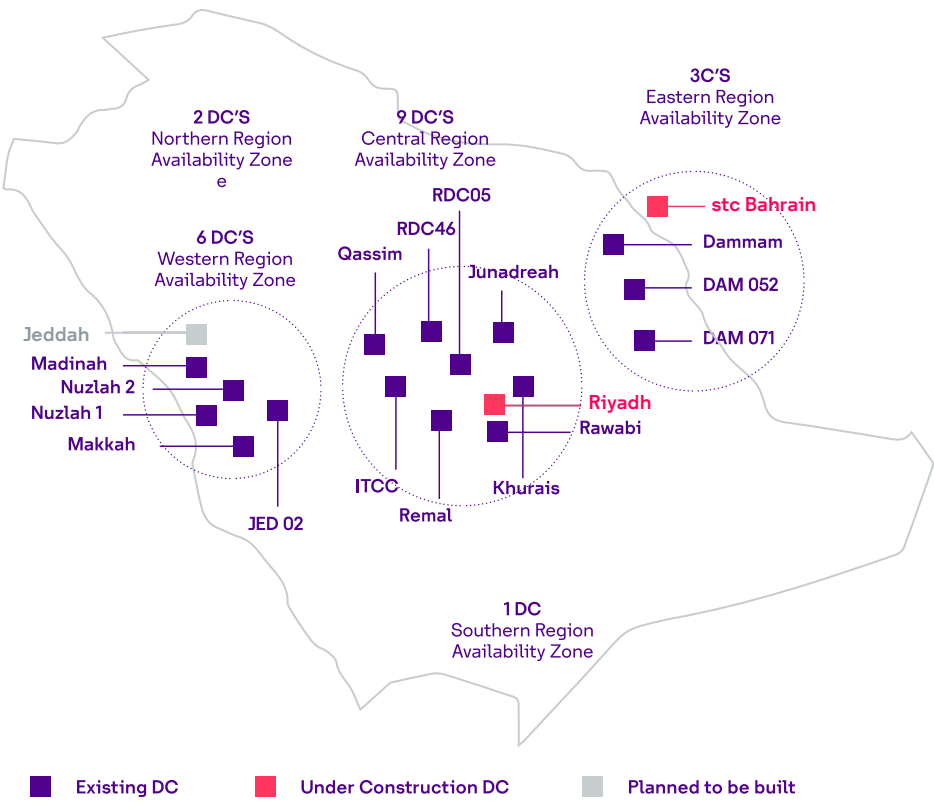
As we move forward, our strategies and plans incorporate comprehensive considerations to minimize power consumption for Phase 4 sites and beyond, reflecting our dedication to sustainable development and operational excellence in the rapidly evolving digital landscape. You can read more on energy optimization for data centers in the Environmental chapter.

New Era Infrastructure
Data Centers Project

Phase 1	Phase 2	Phase 3	Phase 4
Riyadh, Jeddah and Madinah data centers. 2018 - 2020	Qassim and Makkah data centers 2019-2021	Riyadh (3 sites), Dammam (2 sites), and Jeddah 2022- completed	in Riyadh, Jeddah, and Bahrain 2023-Onwards
Total IT capacity in MW: 19.2	Total IT capacity in MW: 9.6	Total IT Capacity in MW: 76.8	Total IT Capacity: 204 MW

The data centers reached total capacity of up to 125 MW* and active capacity of 71.17 MW by the end of 2023.

* including pre-NEIDC projects DCs "19 MW"



Digital enabler for mega events and smart cities

We are proud to be the leading digital enabler in the MENA region and have used this privileged position to develop smart cities and run mega events, including the Hajj pilgrimage, Formula 1 races, Smart Cities, conferences, and more.

Over 56% of the global population lives in urban areas, with this figure expected to rise – and the MENA region and Saudi Arabia are experiencing particularly rapid urbanization. stc Group is leading the transformation towards sustainable, smart cities as part of Saudi Vision 2030 by enhancing 5G network infrastructure and accelerating digital ambitions to enable various forward-thinking technologies such as IoT, data analytics, virtual reality, augmented reality, smart homes, and autonomous vehicles.

Each year stc further enhances the Hajj and Umrah experience with cutting-edge technology, supporting the Kingdom's digital transformation to achieve Saudi Vision 2030 goals. Through innovations in IoT, cloud computing, cybersecurity, and 5G, stc aims to improve societal life and boost the efficiency of government and private sectors. This digital advancement is pivotal in enriching the pilgrimage journey, offering high-quality services and a better overall experience for visitors.

In 2023, and in preparation for the Hajj season (1444), we enhanced our network by adding 108 sites that support the 5G network, reaching 1,084 spots in Makkah city. We also allocated 248 sites for the 5G mobile network, expanded our Integrated Broadcast Services to more than 300 sites, and deployed 1,964 Wi-Fi access points across 177 sites. Furthermore, 70 mobile vehicles were secured to support capacities and coverage, allocating 140 sites for the critical communications network (TETRA) that serves the KSA's vital sectors. Moreover, stc fully converted the international traffic to IP with a 100% capacity to international gateways, simultaneously allowing 150,000 actual calls.

Lastly, as part of the Saudi Kingdom's Vision 2030 Pilgrim Experience Program, stc is focused on developing digital solutions for seamless and enhanced pilgrim journeys. These include digital medical services like tele-patient monitoring and Holo-Doctor for telemedicine, along with infrastructure monitoring to ensure top-notch telecommunications services in Mecca and Medina. By bolstering digital infrastructure and expanding 5G coverage at holy sites, stc ensures reliable network performance, supporting vital sectors and providing pilgrims with a distinctive and high-quality digital experience.

Supporting SMEs through digital technologies

As organizations and corporations continue to digitize their operations, we understand the need for effective and secure solutions and infrastructure. This is especially true for SMEs, which may find it more challenging to keep pace with the acceleration of digitization currently taking place.

In an effort to support SMEs working in remote areas and promote connectivity that is more inclusive, we developed a point-to-point service to target customer groups far from network or fiber connections, helping them access connectivity services and high-speed internet that is essential for succeeding in the modern world. We also offer incentives for copper customers to transfer to fiber or wireless services to utilize higher network speeds and be a part of an enhanced customer experience.

Digital innovation and experience

Digital innovation and digital experience are both at the heart of stc's business and culture. Our strategy for implementing these critical digital drivers is rooted in preparing the company for the future, enabling us to be in a better position to grow as we move forward in an ever-changing digital world.

stc's main core values, the three "D's" (Dynamism, Devotion, and Drive), are the foundation on which our digital transformation strategy has been built. As we move closer towards the goal of being the undisputed leader in digital enablement within the MENA region, we have developed several initiatives to foster new ways of working and to better clarify the customer journey.

We are constantly looking to develop tools, mechanisms, advanced analysis, and artificial intelligence programs to stimulate teamwork and innovation. Investing in these advancements has led and will continue to lead to new solutions for enriching the lives and experiences of our customers. We also digitize the customer experience journey by uniting all these key elements and present a wealth of opportunities for personalization and engagement.

Over the past year, we have made significant progress in aligning our Customer Experience and Digital Transformation initiatives with sustainable goals, achieving remarkable progress in reshaping the digital landscape across the three pillars of institutions, the economy, and society.

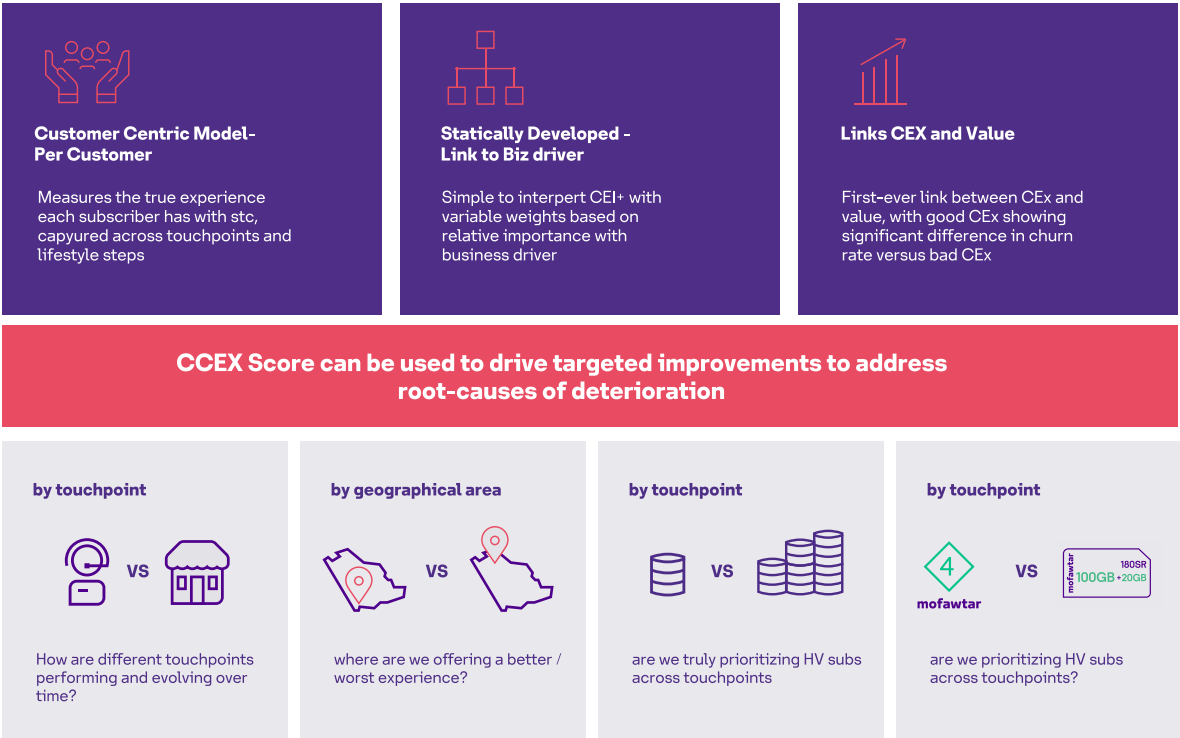
In 2023, we also undertook a comprehensive inter-operational restructure across economies, institutions, and society to expand digital transformation to all areas of stc Group and beyond. This restructuring was geared towards not only meeting but surpassing our sustainability targets. The results have been profound, leading to increased revenue growth, improved efficiency, reduced operational costs, and an enhanced overall customer experience. Furthermore, the integration of digital technology into every facet of our business has ushered in fundamental changes, enabling us to modernize legacy processes, accelerate workflows, strengthen security measures, and ultimately increase profitability. This approach goes beyond cost efficiencies, however, as it strategically differentiates us in terms of customer engagement and innovation, reinforcing our commitment to sustainability.

Our digital ecosystem

Over the past few years, focusing on digital transformation has become a necessary reality for stc to stay relevant. Nevertheless, this phenomenon presents an opportunity for organizational improvement when viewed through the lens of sustainability, as it is deeply embedded in the societal context. The relationship between sustainability and digital transformation is complementary, if not entirely interdependent, making it important to take sustainability into account while strategizing stc's digitalization roadmap. With this in mind, we are moving from legacy systems to Open Digital Architectures (ODAs) in 2025. These ODAs support multi-tenancy and scalability, empowering us to become industry orchestrators and marketplace creators. This transition not only aligns with our sustainability goals but also further positions stc as a leader in driving innovation across industries.



stc Group CEI evolution – CEI+



Our digital transformation strategy is built collectively through our dare 2.0 strategy, GOM activation, our business roadmap, and industry best practices and benchmarks.

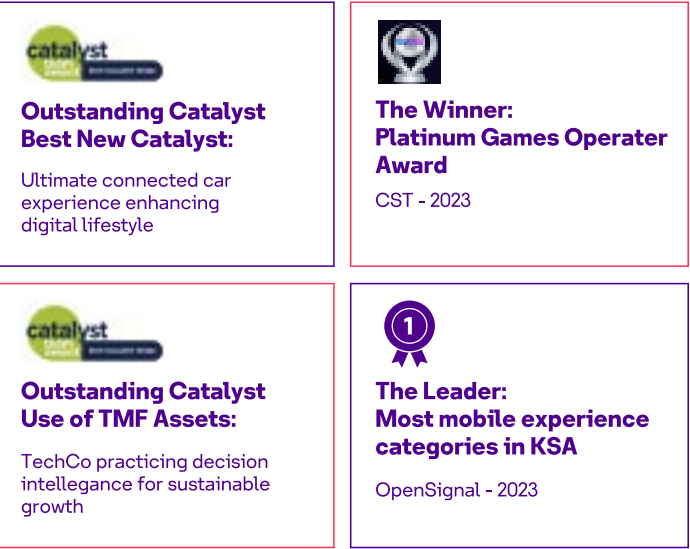
Digital Index (DI)

stc is one of the leading companies in the entire Gulf region for the adoption and measurement of digital transformation enablement and the overall customer experience. We have developed a comprehensive Digital Index (DI) to augment the perspectives of both the customer and the business perspectives, ensuring alignment with digital maturity model best practices and proper application across stc Group’s business units, functional units, and clusters.

The DI measures the execution, utilization, and impact of digital transformation measures across stc Group and drives improvement by building a comprehensive measurement framework based on KPIs from industry best practices. As a testament to the effectiveness of these activities, stc Group was honored with several awards throughout 2023 for Value Recognition of Digital Transformation and Customer Experience Elevation, recognizing our outstanding and leadership performance in the realm of customer experience and digitalization.



stc 2023 CEx awards



Digital transformation awards and recognition

Solutions by stc won 5 global awards in recognition of digital transformation projects in several sectors in the Kingdom. The Project Management Institute (PMI) recognized Solutions by stc for building one of the largest data centres in the region, and claimed another award from the International Project Management Association (IPMA). IPMA granted two other awards for stc projects involving national electronic billing, the first of its kind in the KSA, and building an integrated digital experience, as well as a Glotel award for building a fully digitized and smart medical city.

Case study: Enhancing CX and digital transformation for sustainable success:

We strategically employ AI-driven solutions, to lead in a new era of customer-centricity, where technology becomes an ally in crafting sustainable practices and fostering positive social impacts.

Leveraging cutting-edge AI techniques, we implement a Sentiment Analysis Model that delves into the customer perception and feedback. This model perceive sentiments expressed in textual inputs, classifying them as positive, negative, or neutral. Beyond sentiment classification, the system excels in multifaceted applications such as Topic Modelling, Spam Detection, and discerning perceptions of influencers. This initiative not only contributes to the improvement of our products and services but also aligns with our Environmental, Social, and Governance goals by promoting open communication and transparency with our customer base.

We also implement an Experience per Customer AI model to evaluate customer interactions across various touchpoints and lifecycle stages, assigning a comprehensive CX score based on the totality of these engagements. By assessing experiences at each lifecycle step and touchpoint, we not only optimize customer satisfaction but also contribute to a reduction in unnecessary resource consumption, quantifying and improving the overall customer experience and fostering long-term customer loyalty and satisfaction.

Further, we integrate a Seamless Experience powered by AI, machine learning, and Generative AI models to revolutionize customer interactions through a unified view across multiple channels and touchpoints. By leveraging data and AI, this AI Driven Experience system facilitates the identification and targeting of specific customer segments, minimizing unnecessary resource usage and offers real-time insights, enabling us to optimize operations and make informed decisions.

Digitizing touch points and sales services

We continuously seek to reinvent and digitize the customer experience. At stc KSA, we have defined digital communication channels and established a committee of stc representatives to analyze data, with stc’s commercial digital strategy focusing on creating new services and experiences that enable customers to fulfil their needs, digitize all processes, and radically address existing problems.

Through our award-winning mystc app, we have digitized customer service, allowing consumers to go further with greater ease and comfort. Through the app, customers can perform numerous activities and have access to a wide array of services and features, including a space to view and pay bills, order SIM cards, recharge or transfer balances, control all numbers registered under a given customer ID, and access specific statistics for call data and usage. In 2023, we recorded more than 12,103,529 active users for the mystc application.

mystc application	stc KSA		
	2021	2022	2023
Number of active users	9,460,371	10,026,542	12,103,529
Unique clients served	6,686,154	7,413,168	7,429,535
Total subscriptions	23,638,622	24,595,211	26,742,269

We also continuously seek to provide better, consistent and transparent customer service via digitized touchpoints and sales services and remove any barriers from any interaction to improve accessibility and meet our customers’ expectations.

Sales transactions	stc KSA			stc Bahrain			stc Kuwait		
	2021	2022	2023	2021	2022	2023	2021	2022	2023
mystc sales transactions	52%	52%	55%	13%	14%	16%	-	28%	32%
Other sales transactions (SSM+SMS+outlet) without mystc	18%	16%	14%*	52%	46%	48%	-	72%	68%

* For stc KSA, the remaining 31% of transactions were done through other channels 900 IVR, Mobile Shops, etc.
**2021 data not available for stc Kuwait

Through our digital self-service customer support, we offer convenient solutions to support our customers quickly and effortlessly without waiting on a human agent. In 2023, 96% of customer support was delivered through digital self-service support channels.



Digital support channels	stc KSA			stc Bahrain			stc Kuwait		
	2021	2022	2023	2021	2022	2023	2021	2022	2023
Digital self-service assisted support	96%	96%	96%	31%	37%	38%	-	60%	57%
Human interaction support	4%	4%	4%	69%	63%	62%	-	40%	43%

* Tracking of this indicator in Kuwait started in 2022

Case study: Enhancing digital engagement through mystc

mystc Campaigns conducted in 2023 serve as a testament to stc’s commitment to enhancing digital engagement and self-service capabilities. The campaign focused on migrating inactive mystc app users to digital channels. Efforts included targeting users who had not used the mystc app for over 70 days with push notifications and customized SMS, as well as a digital migration campaign for users inactive for over 90 days.

These strategies resulted in contacting over 6.5 million customers in 2023, leading to an 8% uptake ratio and a 20% increase in active mystc users from the previous year, reaching over 12 million. The introduction of system-targeted processes for a broader reach and enhanced uptake efficiency marked a significant advancement in stc’s digital strategy.

This case study underscores stc’s customer-centric approaches, leveraging digital technology not only to enhance the customer experience and engagement but also maintaining ethical and responsible marketing practices.



Artificial intelligence and Internet of Things (AI + IoT)

With a vast network of mobile subscribers, we harness the power of AI and data analytics to navigate our ever-evolving business landscape and engage with customers authentically. This means delivering marketing messages with substance while minimizing spam, ensuring that our interactions are both relevant and valuable.

Moreover, AI permeates every facet of our organization, driving revenue growth, cost reduction, and enhanced decision-making processes. By leveraging AI, we strive to optimize efficiency and cultivate enriching experiences for both our internal teams and external stakeholders alike.

Furthermore, we're exploring the intersection of AI with IoT and other emerging technologies to champion climate action initiatives within stc and beyond. From developing energy-efficient applications to spearheading social impact projects that promote climate benefits, AI plays a pivotal role in our commitment to sustainability and corporate responsibility. In Saudi Arabia, a significant portion of the population falls under the category of thin profiles, posing challenges for financial entities like credit bureaus to accurately assess their financial standing. This limitation often hinders individuals from accessing essential financial services.

To address this issue, we leverage the power of AI and big data to develop an alternative credit scoring system. Our aim is to enhance financial inclusion, ensuring that all individuals, regardless of their profile, have access to affordable and accessible financial products. By expanding access to credit, we not only bridge economic and social disparities but also stimulate economic growth.

At stc Group, we're leading the charge in the smart city revolution. Through our innovative technologies and solutions, we're transforming cities into sustainable, inclusive, and efficient communities where people can flourish. Our commitment to pioneering cutting-edge solutions underscores our dedication to creating a future where everyone has the opportunity to thrive.

stc Square, developed by AQALAT, stc Group's real estate arm, is a mega mixed-use project designed as a LEED V4 sustainable community. It integrates innovative technologies for enhanced city administration, water supply, smart vehicles and parking, security systems, urban transport, and waste management. Utilizing IoT, big data analytics, and AI, the project aims to boost socio-economic potential and daily life quality. stc's subsidiary, iot squared, offers IoT platforms for waste management, smart parking, and disaster management, along with AI platforms for energy optimization. Solutions by stc facilitate ICT service distribution for smart cities, focusing on integrated mobility platforms and digital twin technology.

Additionally, stc KSA introduced NTN-IoT applications for GPS tracking and pressure monitoring, leveraging Omnispace technology for reliable connectivity. stc Kuwait is currently fostering innovation through the LEAD strategy, exploring digital payments, insurance, and smart homes in consumer segments, and IoT, cloud, and cybersecurity for enterprises. In Bahrain, analytics and big data support stc Bahrain's sales team operations and market insights. Furthermore, TAWAL is implementing innovative IoT solutions like Smart Tower and an Early Warning System for enhanced safety measures across the entire tower network.

Innovative and digitized products and services

We are a pioneering digital champion in the greater Gulf region. Our efforts in the areas of innovation and digital transformation have helped lift stc to become a truly meaningful and purposeful organization. We offer a variety of innovative services in the areas of communications, information technology (IT), cloud storage, and management of nearly everything digital, from media to cybersecurity and other advanced digital solutions.



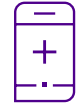

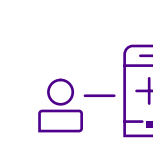




e-health products and services

Digital health solutions and e-health services play a critical role in promoting sustainability within healthcare, simultaneously advancing global and national priorities and goals through their advancement. These technologies offer transformative opportunities to enhance healthcare and optimize utilization of resources and improve patient outcomes, while at the same time help to reduce negative environmental impacts. With that in mind, we have a stated commitment to enriching lives of our customers and communities, with a wide range of products and services that address various healthcare needs.

The Holo Doctor service offers remote medical consultations by linking patients to doctors in the virtual Seha hospital. This service uses Holoportation technology, making patient-doctor communication more similar to an in-person interaction as a3D image of the doctor is projected on a screen, giving a lifelike impression to the patient.

Our Tele-Medicine Virtual clinic solution addresses pain points in the patient experience, enabling better healthcare services while providing significant cost savings. Through this, physicians are able to provide clinical care anytime, anywhere, using stc’s end-to-end tele-health solution, which employs a cyber-secure integrated medical tablet and HIPAA-compliant Tele-Medicine Cloud Services to provide immediate diagnostic data to physicians during a remote exam. This allows for the same privacy and quality as an in office exam, even with the most at-risk patients.

			
Holo Doctor Driving healthcare further with accurate and lively interaction with the patients through a box displaying three-dimensional images	5G-Connected Ambulance Unveiling the future of healthcare with smart ambulances equipped with cameras and a virtual clinic connected through stc 5G	Smart Solution Change is now 360o with medical solutions that capture accurate health care, analyze diagnosis, enable self-checkups, and offer remote consultations with physicians	
			
Health Report Introducing next-gen technology with “Motee”; a robot that stores patients’ health data, records vital signs, and transfers the info to other medical systems	RPM Reinventing smart tech solutions with our RPM service that bridges gaps in time, distance, and communication for remote patient care. As a patient, you can now easily log your vital signs using wireless medical devices	Smart Hospital Stimulation Introducing a new digital dimension where the medical sector is driven by our Smart Hospital Stimulation with interactive screens to increase patient interaction	Tele Ultrasound Innovating medical services through remote sonography reporting and diagnosis for a convenient journey

Case study: Specialized by stc - Tari’ service

In the healthcare sector, a significant digital transformation has been started with the introduction of the Tari’ service, replacing outdated pager alerts in hospitals.

Tari’, an advanced alerting service, offers rapid and efficient communication across various platforms, including apps, SMS, email, robot calls, direct chat, and operates on both mobile networks and WiFi. Compatible with iOS, Android, and PC browsers, Tari’ ensures secure and effective management of unexpected events, daily operations, and aids in decision-making processes.

The implementation of Tari’ service at Jazan Healthcare has proven to be a success, significantly reducing response times to under fifty minutes for critical cases, thereby enhancing the readiness and efficiency of medical teams. The service has gained a substantial user base over the past year with more than 10,000 subscriptions in 2023, demonstrating its effectiveness and the value it adds to the health sector. This case study represents a leap towards more digitized, responsive healthcare solutions.

Upcycling old phones into affordable hearing devices

stc is at the forefront of enhancing people's lives through technology and innovation. With this in mind – and in response to two particularly pressing challenges: the prevalence of hearing loss and electronic waste accumulation – stc initiated the Hearing Trade project in 2023. This innovative venture sought to repurpose old phones into affordable hearing amplifiers, addressing societal needs while promoting environmental sustainability.

stc meticulously transformed old phones into sleek, functional hearing amplifiers, designed to resemble fashionable accessories rather than traditional medical aids. These devices were equipped with features such as multiple color options, a 5-hour battery life, fast charging capabilities, and high audio output, ensuring both functionality and user satisfaction. The Hearing Trade project made significant strides in enhancing accessibility to hearing amplifiers for individuals in need, particularly in Saudi Arabia where 1 in 4 people are affected by hearing loss. Furthermore, by repurposing old phones, stc contributed to the reduction of electronic waste, aligning with the company's valued principles of environmental sustainability.

Through the Hearing Trade project, stc demonstrated its unwavering commitment to social responsibility and environmental stewardship. By leveraging technology and innovation, stc not only improved the lives of individuals with hearing impairments but also made significant progress towards creating a more sustainable future.

e-sports and gaming platform

There has been significant growth in the electronic sports and gaming (e-sports or e-gaming) sector in recent years, making it an independent technological economy in itself. stc seeks to expand its services along several new and unconventional paths to accommodate growing customer demands and needs. stcplay, our e-sports and gaming platform, provides casual and professional gamers access to online tournaments, content, and gaming merchants all in one platform.

This innovative platform is an incubated startup within stc and aims to access inorganic potential growth in digital platform gaming. stcplay is already the leading gamer-engagement platform in the KSA, bringing all types of gamers, players, content creators, and influencers together. It offers gaming ecosystem service providers the opportunity to get connected with an engaged gamer base within one comprehensive digital user experience.

In 2023, stc play recorded more than 3 million registered users, representing a significant increase from a registered user base of just over 1.2 million in 2022.



e-education services

At stc, we aim to empower students by providing them with access to educational platforms and content at the tip of their fingers through advanced innovative technologies.

Solutions by stc works closely with the Saudi Ministry of Education to promote digital transformation throughout the education sector, ensuring students in the KSA continue to receive a world-class education and immersive classroom experience. We currently provide over 7,000 schools with Managed Router Services and have integrated all these educational facilities into one digital platform.

Entertainment platform

Through Intigral by stc, we offer world-class entertainment, with best-in class content, including premium TV services, and an unforgettable consumer experience. Capitalizing on our technological capabilities, stc tv –our entertainment-streaming platform – warrants an uninterrupted viewing experience with availability across all devices.

This innovative platform provides access to digital products and services, direct carrier billing to various cards, and coupons from other stores, enabling customers to manage their plan in real-time. In 2023, stc tv recorded 3.6 million authorized subscribers.



Smart home services

Designed to provide added convenience, smart home technologies can remotely perform daily tasks such as setting thermostat levels, checking-in on loved ones, monitoring utility usage, and more. We believe that it is important to identify what would best help the customer before offering recommended smart tech, and for that reason we provide onsite expert consultations for our customers to help them assess their potential service needs.

Our product portfolio covers a wide range of use cases including smart protection, smart lighting, energy management, and home automation. In 2023, we continued to develop creative add-ons and bundled them with fiber packages to enhance the customer experience, including Wi-Fi extender devices and smart home additions that enhance customer security and home control through IoT devices such as home surveillance cameras, door alarms, and controllers with affordable pricing options.

Digital signature for digital documentation

The most important feature of digitalization is to provide effective and secure solutions to customers. With this, we have developed the digital signature service, which enables enterprises to manage document workflows through a secure digital signature. The service is licensed by the CST and approved by the National Center for Digital Certification (NCDC) to guarantee the privacy and validity of data and approvals.

Sayen's Digital Signature service has significantly improved business interactions for numerous customers, touching on areas such as retail, banking, procurement, and HR. This technology offers a competitive edge by enabling secure digitization of operations for both government and private sectors through cryptographic digital signatures, which offers substantial benefits as digital signatures are legally binding, ensure authenticity and integrity, and prevent repudiation. As a licensed PKI and DTS provider authorized by local government bodies for digital certificates, Sayen aids in streamlining operations while maintaining security.

In the retail and banking sectors, Sayen has facilitated over 142,000 transactions, resulting in a 90% reduction in processing time and saving approximately EUR 500,000 in costs. This has significantly enhanced experiences for customers, vendors, and employees alike. For procurement and HR, Sayen has facilitated more than 64,000 transactions, resulting in the conservation of more than 640,000 pieces of paper and saving more than EUR 240,000 in costs. These advancements have led to improved vendor management and heightened employee satisfaction. This case study exemplifies how digital transformation can yield positive sustainability outcomes alongside operational efficiencies.

Leading Fintech in Saudi Arabia

As we continue to successfully execute our dare 2.0 strategy, we have further strengthened our position as the lead enabler of digital life.

In 2023, stc pay initiated the transformation from being one of the first electronic wallets originating from the KSA to becoming STC Bank, one of the first digital banks in the Kingdom. STC Bank is licensed by the Saudi Central Bank (SAMA) to carry out digital banking activities. Midway through 2023 the beta version of STC Bank was launched as a testing phase for a select, but growing, segment of customers, though eventually all stc pay wallet accounts will evolve to become a digital bank account. STC Bank’s active user base grew 23.2% in 2023.

Boosting the digital economy through InspireU

InspireU, one of our top startup incubator programs, serves as a catalyst for boosting digital innovation and nurturing entrepreneurs within local communities and economies in which we operate. By providing startups with the necessary resources, mentorship, and support, we not only stimulate economic growth but also cultivate a culture of entrepreneurship that drives positive change.

Through InspireU, we aim to empower individuals thereby contributing to the long-term wellbeing and resilience of our economy. The program has made significant progress in nurturing startups through a holistic support system encompassing co-working spaces, financial aid, and strategic networking. This approach has successfully incubated over 100 startups with over SAR 12 billion in valuation, driving both economic growth and global integration, which aligns with the Invest Saudi initiative.



In 2023, InspireU help its 9th incubated batch, which included a special track to supports startups in the field of cybersecurity in co-operation with sirar by stc, the digital cybersecurity service provider This track aims to promote local content and enable digital cyber projects, through several workshops and specialized technical advisory sessions. During the past year we also brought InspireU program to Kuwait. The InspireU program in Kuwait aligns strategically with stc Kuwait’s corporate strategy, focusing on market potential and feasibility. This initiative seeks out innovative ideas through a comprehensive intake process, with a committee evaluating submissions for their potential business impact and strategic fit.

Over a six-month acceleration process, selected ideas are cultivated, aiming for inclusion in the Products & Services portfolio with prospects for financial return upon successful mergers and acquisitions. The program is set to launch a new intake batch in 2024, demonstrating stc Kuwait’s commitment to innovation and support for entrepreneurial projects.

InspireU	stc KSA		
	2021	2022	2023
Number of incubated startups	10	17	20
Investment to support digital innovation (SAR)	More than 1B since 2015 to date		
Jobs created through the start-ups	More than 650K jobs created		
Percentage of women owned start-up or investees	10%	18%	20%
Startup survival rate	100%	100%	100%
Number of companies still operating after they've left the accelerator	10	16	20
Mentorship opportunities	10	17	26

* InspireU runs across KSA only; Kuwait’s first intake is planned in 2024.



Driving innovation

Continuous creativity is a key element of stc’s digital transformation strategy. We utilize research and development (R&D) and “experiment by doing” methodology to test the latest ideas and technologies before bringing them to life and getting them to market. We are committed to growing and evolving our R&D practices to improve efficiencies, enable innovative products and services, and instill a culture of innovation.

Across stc Group we have established three cutting-edge innovation labs strategically positioned to drive forward-thinking and technological advancements, two of which are owned by stc KSA and one by TAWAL.

Our FWD Innovation Lab is the epicenter of innovative ideation and co-creation for stc and beyond. In addition to hosting innovative events, the lab has also been used to organize extensive ideation sessions and hackathons for use case development.

Our innovation strategy, rooted in creating value for Technology & Operations (T&O) within the business, guides the journey from ideation to realization while considering intellectual property. stc manages innovation through a strategy focused on emerging technologies and market trends, aiming for continued growth and development.

stc Group’s commitment to innovation was focused on many issues over the past year surrounding the utilization of emerging technologies like blockchain and IoT to address growth opportunities and market trends. Notable projects that were started in 2023 included Data Integrity (using blockchain), Billing Charging Evolution (with blockchain integration), NTN-IoT applications, a Digital Marketplace, AIOPs systems, a Digital Twin collaboration with KACST, and 5.5G use cases. These initiatives were aimed at enhancing operations and the customer experience, predicting and resolving IT issues with AI and fostering interoperability in telecom equipment.

In 2023, stc Group was presented with three awards in recognition of the company’s culture of digital innovation from MEA Business in coordination with SAMENA Telecom Council. These awards were given in three categories: Innovation in Track Award, e-Commerce Innovation Track Award, and Innovation Path Award in Primary Sector Technologies.

Innovation	stc KSA			stc Group		
	2021	2022	2023	2021	2022	2023
Investment in R&D and Innovation (million SAR)	23.11	29.85	31.20	29.01	42.15	40.2
Number of users of entrepreneurship and innovation platform	140	435	1,800	190	735	2,200

Innovation	stc KSA		
	2021	2022	2023
Awarded patents	-	2	5
Number of labs	1	2	2
Number of R&D employees in the lab	9	8	19
Number of Non-Saudi employees working in R&D in the lab by nationality:			
Number of Saudi employees working in R&D	-	11	15
Number of Non-Saudi employees working in R&D	-	6	4
Number of Non-Saudi employees working in R&D in the lab by gender:			
Women	-	3	5
Men	-	14	14