

The background of the cover is an aerial photograph of a desert landscape, showing the intricate, wavy patterns of sand dunes in shades of purple, blue, and pink. A vertical rectangular strip of lush green forest, featuring various tropical plants and palm trees, runs down the center of the image. A solid red rectangle is positioned at the top of this central strip.

# Sustainability Report 2023

Building a Better Tomorrow,  
Advancing Sustainability Today

ESG Performance Tables

Printed version of this report uses recycled paper



# stc at a glance

## Our business in 2023:

| Direct Economic Value                 | 2021       | 2022       | 2023       | 2022-2023<br>Trend |
|---------------------------------------|------------|------------|------------|--------------------|
| Total revenue (thousand SAR)          | 63,007,986 | 67,431,546 | 72,336,611 | 7%                 |
| Gross profit (thousand SAR )          | 33,794,029 | 37,393,255 | 37,803,690 | 1%                 |
| Net operating profits (thousand SAR)  | 13,127,755 | 15,088,441 | 14,200,434 | -6%                |
| Zakat and taxes (thousand SAR)        | 1,040,366  | 1,083,175  | 1,375,498  | 27%                |
| Net profit for the year (thousand SAR | 11,311,342 | 12,170,537 | 13,295,381 | 9%                 |
| Dividends declared (thousand SAR)     | 9,985,483  | 7,984,024  | 7,975,133  | 0%                 |
| EBITDA (thousand SAR)                 | 22,840,600 | 25,078,667 | 24,683,011 | -2%                |

# 03 Environmental

## Energy and climate change

### Energy consumption

| Energy consumption               | stc KSA   |           |           | stc Group  |            |           |
|----------------------------------|-----------|-----------|-----------|------------|------------|-----------|
|                                  | 2021      | 2022      | 2023      | 2021       | 2022       | 2023      |
| Direct energy consumption (GJ)   | 174,469   | 174,804   | 147,441   | 2,921,054  | 2,695,610  | 2,493,936 |
| Indirect energy consumption (GJ) | 2,512,948 | 2,422,730 | 1,676,021 | 7,147,052  | 7,369,983  | 7,392,976 |
| Total energy consumption (GJ)    | 2,687,417 | 2,597,534 | 1,823,462 | 10,068,106 | 10,065,593 | 9,861,160 |
| Energy intensity (GJ/Petabytes)  | 150.89    | 127.51    | 74.77     | 516.59     | 454.86     | 373.79    |

| Fuel consumption (Liters) | stc KSA      |              |              | stc Group  |            |            |
|---------------------------|--------------|--------------|--------------|------------|------------|------------|
|                           | 2021         | 2022         | 2023         | 2021       | 2022       | 2023       |
| Petrol consumption        | 4,770,225.46 | 4,451,958.62 | 4,168,143.98 | 5,120,629  | 5,290,426  | 4,312,517  |
| Diesel consumption        | 47,504.99    | 121,952.40   | 128,032.15   | 53,576,357 | 65,115,487 | 63,751,211 |

| Energy Consumption by infrastructure         | stc KSA     |             |                | stc Group     |               |                  |
|--|-------------|-------------|----------------|---------------|---------------|------------------|
|  | 2021        | 2022        | 2023           | 2021          | 2022          | 2023             |
| Electricity consumption from buildings (Kwh) | 178,486,972 | 156,320,065 | 150,741,872    | 187,355,515   | 175,056,537   | 175,754,391      |
| Data centers (kWh)                           | 133,262,839 | 158,495,409 | -              | 148,845,463   | 173,018,293   | 177,195,828      |
| Base stations (kWh)                          | 0           | 0           | 0              | 1,261,026,846 | 1,339,164,480 | 1,384,024,909    |
| Exchanges (kWh)                              | 386,291,420 | 358,163,064 | 314,819,483    | 388,064,444   | 359,978,096   | 316,629,310      |
| Total electricity consumption (kWh)          | 698,041,231 | 672,978,538 | 465,561,355.00 | 1,985,292,268 | 2,047,217,406 | 2,053,604,437.89 |

\* Base stations for stc KSA are not applicable as its under TAWAL

\*\* As of 2023, data pertaining to our data centers in stc KSA are considered under the Group, following the establishment of Centre3

# Solar energy site at stc buildings

[GRI 3-4]

| Renewable energy              | stc KSA |      |      | stc Group |      |      |
|-------------------------------|---------|------|------|-----------|------|------|
|                               | 2021    | 2022 | 2023 | 2021      | 2022 | 2023 |
| Number of solar powered sites | 2       | 7    | 7    | 77        | 78   | 128  |

\* stc Group figures restated due to change in scope, reflecting an expanded inclusion of companies from last year as stated in the scope and boundaries of the report.

## Energy optimization for data centers

| Data Centers  | stc KSA |      |      | stc Bahrain |      |      | stc Kuwait |      |      |
|---|---------|------|------|-------------|------|------|------------|------|------|
|   | 2021    | 2022 | 2023 | 2021        | 2022 | 2023 | 2021       | 2022 | 2023 |
| Number of exchanges   | 224     | 223  | 223  | 2           | 2    | 2    | 24         | 24   | 24   |
| Number of data centers owned by stc*                          | 9       | 9    | 17   | 2           | 2    | 2    | 2          | 2    | 2    |
| Power usage effectiveness (average PUE) of old data centers   | 2.05    | 2.24 | 2.27 | 1.81        | 2.10 | 1.80 | 2          | 2    | 2    |
| Power usage effectiveness (average PUE) of new data centers** | -       | 1.91 | 2.12 | -           | -    | -    | -          | -    | -    |

\* Data centers by stc Kuwait are rented not owned

\*\* no new data centers for stc Bahrain and stc Kuwait

## Energy efficiency at tower sites

| Base stations  | KSA    |        |        | Bahrain |       |       | Kuwait |       |       | Other international locations |      |       |
|--|--------|--------|--------|---------|-------|-------|--------|-------|-------|-------------------------------|------|-------|
|  | 2021   | 2022   | 2023   | 2021    | 2022  | 2023  | 2021   | 2022  | 2023  | 2021                          | 2022 | 2023  |
| Number of base stations                                  | 15,524 | 16,106 | 16,131 | 709     | 1,105 | 1,007 | 2,392  | 2,332 | 2,492 | -                             | -    | 5,070 |
| Number of base stations powered by renewable energy      | 69     | 69     | 66     | 0       | 0     | 0     | 0      | 0     | 0     | -                             | -    | 49    |
| Number of base stations powered by diesel                | 1,268  | 1,045  | 785    | 62      | 75    | 60    | 478    | 502   | 506   | -                             | -    | 26    |
| Number of base stations powered by other types of energy | 981    | 1,051  | 1,211  | 647     | 1,030 | 947   | 0      | 0     | 0     | -                             | -    | -     |

# GHG emissions

| GHG Emissions<br>(tCO <sub>2</sub> e) | stc KSA |         |         | stc Group |           |           |
|---------------------------------------|---------|---------|---------|-----------|-----------|-----------|
|                                       | 2021    | 2022    | 2023    | 2021      | 2022      | 2023      |
| Direct GHG emissions (scope 1)        | 10,595  | 10,616  | 10,013  | 203,182   | 187,217   | 174,870   |
| Indirect GHG emissions (scope 2)      | 396,487 | 378,889 | 267,232 | 476,240   | 1,174,589 | 1,192,877 |
| Total GHG emissions                   | 407,082 | 389,505 | 277,245 | 679,422   | 1,361,806 | 1,367,747 |

| stc KSA scope 3 Total tCO <sub>2</sub>                                   |         |
|--|---------|
| Purchased Goods and Services Capital Goods                               | 445,614 |
| Fuel- and Energy-Related Activities (not included in Scope 1 or Scope 2) | 248,783 |
| Upstream Transportation and Distribution                                 | 83,026  |
| Business Travel  | 4,111   |
| Employee Commuting   | 27,264  |
| Downstream Transportation and Distribution                               | 9,209   |
| Use of Sold Products   | 58,378  |

# Water management

| Water consumption            | stc KSA |         |         | stc Group |         |         |
|------------------------------|---------|---------|---------|-----------|---------|---------|
|                              | 2021    | 2022    | 2023    | 2021      | 2022    | 2023    |
| Total water consumption (m³) | 297,087 | 430,603 | 403,864 | 925,095   | 819,478 | 714,626 |

# Waste management

| Total waste                     | stc KSA |      |      | stc Group |       |       |
|---------------------------------|---------|------|------|-----------|-------|-------|
|                                 | 2021    | 2022 | 2023 | 2021      | 2022  | 2023  |
| Total waste generated in HQ (t) | 350     | 750  | 700  | 5,250     | 6,550 | 6,337 |

| Network waste generated  | Tawal (KSA only) |      | Network waste diverted from disposal                             | Tawal (KSA only) |       |
|--|------------------|------|--|------------------|-------|
|  | 2022             | 2023 |  | 2022             | 2023  |
| Hazardous material such as Lead acid batteries, lithium (t)      | 500              | 413  | Hazardous material such as Lead acid batteries, lithium (t)      | 299              | 405   |
| Electrical materials such as Air-conditioner and Alternators (t) | 231              | 160  | Electrical materials such as Air-conditioner and Alternators (t) | 220              | 156   |
| Metals such as towers, shelters and other lights metals (t)      | 191              | 42   | Metals such as towers, shelters and other lights metals (t)      | 191              | 251   |
| Electro-mechanics including generators & e-waste (t)             | 62               | 246  | Electro-mechanics including generators & e-waste (t)             | 58               | 210.8 |

| Network waste diverted to disposal                | Tawal (KSA only) |      |
|---|------------------|------|
|   | 2022             | 2023 |
| Hazardous material (t)                            | 195              | 8    |
| Non-Recycle items such as Freon Gas, pallets, etc | 22               | 8    |

## Paperless work environment

| Materials consumption | stc KSA |      |        | stc Group |       |       |
|-----------------------|---------|------|--------|-----------|-------|-------|
|                       | 2021    | 2022 | 2023   | 2021      | 2022  | 2023  |
| Paper consumption (t) | 3.04    | 1.37 | 1.25** | 934       | 1,005 | 1,217 |

\* restated due to change in scope.  
 \*\* number of Pages (251,703 papers)

# 04 Social Chapter

## Our customers

### Customer satisfaction

| 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 complaints

| 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.

### Protection against cyberattacks

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

### Data privacy and protection training and awareness

| 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.

## Data privacy and security audits

| 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.

## 5G networks

| 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

## Network quality and mobile adoption

| 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 |



# Digitizing touch points and sales services

| 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 |

| 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<br>(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

| 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

# Leading Fintech in Saudi Arabia

## Boosting the digital economy through InspireU

| 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

| 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   |

# Our people

## Employee workforce profile

| Workforce profile   | stc KSA |        |        | stc Group |        |        |
|---|---------|--------|--------|-----------|--------|--------|
|   | 2021    | 2022   | 2023   | 2021      | 2022   | 2023   |
| Number of employees (excluding trainees, students and outsourced staff) | 12,900  | 13,237 | 12,643 | -         | 22,168 | 22,751 |
| Employees on a fixed term or temporary contract                         | 1,255   | 1,882  | 1,786  | -         | 2,238  | 2,961  |
| Employees on an indefinite or permanent contract                        | 11,645  | 11,355 | 10,857 | -         | 19,930 | 19,790 |
| Total Full-Time Equivalent (FTE) Employees*                             | 12,900  | 13,237 | 12,643 | -         | 22,168 | 22,751 |
| By age  |         |        |        |           |        |        |
| • <30   | 1,824   | 2,136  | 2,158  | -         | 3,812  | 5,072  |
| • 31-50   | 9,846   | 9,693  | 9,300  | -         | 16,055 | 16,149 |
| • >50   | 1,230   | 1,408  | 1,185  | -         | 2,301  | 1,530  |
| By gender   |         |        |        |           |        |        |
| • Women   | 903     | 1,208  | 1,365  | -         | 2,790  | 3,204  |
| • Men   | 11,997  | 12,029 | 11,278 | -         | 19,378 | 19,547 |
| By employment level   |         |        |        |           |        |        |
| • Executive/Senior management   | 159     | 200    | 229    | -         | 392    | 483    |
| • Middle management   | 1,364   | 1,399  | 1,520  | -         | 2,549  | 2,794  |
| • Staff   | 11,377  | 11,638 | 10,894 | -         | 19,227 | 19,474 |
| Inclusion and diversity:  |         |        |        |           |        |        |
| Number of employees with disability                                     | 70      | 67     | 70     | 78        | 76     | 104    |

\*stc does not have part-time employees



## Women empowerment

| Women employment                         | stc KSA |        |        | stc Group |       |       |
|--|---------|--------|--------|-----------|-------|-------|
|  | 2021    | 2022   | 2023   | 2021      | 2022  | 2023  |
| Number of new women employees            | 215     | 287    | 223    | -         | 693   | 552   |
| Women hiring rate                        | 37%     | 37.66% | 34.17% | -         | 31.4% | 31.6% |
| Percentage of women in middle management | 4.47%   | 6.08%  | 6.84%  | -         | 8.46% | 8.9%  |
| Percentage of women in senior management | 2.52%   | 6.00%  | 6.9%   | -         | 4.85% | 5.2%  |

\* Group data for 2021 is not available. Accurate calculations were initiated starting 2022.

## People with disability

| Inclusion and diversity             | stc KSA |      |      | stc Group |      |      |
|-------------------------------------|---------|------|------|-----------|------|------|
|                                     | 2021    | 2022 | 2023 | 2021      | 2022 | 2023 |
| Number of employees with disability | 70      | 67   | 70   | 78        | 76   | 104  |

## Internal grievance reporting

| Incidents reported through internal incidents reporting                         | stc KSA |       |       | stc Group |       |       |
|---|---------|-------|-------|-----------|-------|-------|
|   | 2021    | 2022  | 2023  | 2021      | 2022  | 2023  |
| Number of incidents reported (internal grievance system)                        | 1,276   | 1,116 | 1,407 | -         | 1,136 | 1,448 |
| Percentage of these incidents addressed or resolved (internal grievance system) | 100%    | 100%  | 100%  | -         | 100%  | 98%   |

\*Group data exclude Aqalat, Intigral, and channels  
 \*Group data not available for 2021

## Talent management

### Training and development - stc Academy

| stc Academy Development Programs  | stc Group                      |         |                                  |     |
|-----------------------------------|--------------------------------|---------|----------------------------------|-----|
| Leadership development            | Total number of training hours |         | Average number of training hours |     |
|                                   | Women                          | Men     | Women                            | Men |
| Leadership Development courses    | 15,472                         | 72,522  | 81                               | 29  |
| Professional development          | Total number of training hours |         | Average number of training hours |     |
|                                   | Women                          | Men     | Women                            | Men |
| Professional Development courses  | 50,680                         | 99,874  | 43                               | 11  |
| Business enablement & development | Total number of training hours |         | Average number of training hours |     |
|                                   | Women                          | Men     | Women                            | Men |
| Digital Learning                  | 26,193                         | 213,360 | 19                               | 19  |

## Summary of employee training

| Trainings & Development                                | stc Group |         |         |
|--|-----------|---------|---------|
|  | 2021      | 2022    | 2023    |
| Total hours of training for employees                  | 449,160   | 470,398 | 530,073 |
| Training by type:                                      |           |         |         |
| ● In Class   | 4,904     | 213,459 | 276,206 |
| ● eLearning  | 444,256   | 256,939 | 253,867 |
| Total hours of training for employees by gender        |           |         |         |
| ● Men  | 328,823   | 382,048 | 420,287 |
| ● Women  | 120,337   | 88,350  | 109,786 |
| Total hours of training for employees by job category: |           |         |         |
| ● Senior management                                    | 697       | 6,905   | 8,724   |
| ● Middle management                                    | 60,150    | 78,980  | 78,328  |
| ● Staff  | 388,313   | 384,513 | 443,021 |
| Total hours of training for employees by nationality:  |           |         |         |
| ● National employees                                   | 427,548   | 445,259 | 459,004 |
| ● Non-National employees                               | 21,612    | 25,139  | 71,069  |
| Total hours of training for employees by age:          |           |         |         |
| ● <30  | 201,435   | 143,732 | 264,432 |
| ● 31-50  | 219,579   | 297,051 | 243,320 |
| ● >50  | 28,146    | 29,615  | 22,321  |
| Average training hours                                 |           |         |         |
| Average hours of training / employee                   | 38        | 40      | 39      |
| Average training hours by gender:                      |           |         |         |
| ● Men  | 28        | 37      | 36.7    |
| ● Women  | 10        | 85.7    | 80      |
| Average training hours by job category:                |           |         |         |
| ● Senior management                                    | 28        | 43      | 37.8    |
| ● Middle management                                    | 42        | 58      | 55.3    |
| ● Staff  | 38        | 38      | 39.6    |
| Average training hours by age:                         |           |         |         |
| ● <30  | 134       | 91      | 129.9   |
| ● 31-50  | 26        | 35      | 27.7    |
| ● >50  | 18        | 19      | 11.1    |

| Average training hours by nationality   |        |         |         |
|---|--------|---------|---------|
| ● National employees  | 40     | 42      | 40.6    |
| ● Non-National employees  | 22     | 26      | 46.7    |
| Diversity and inclusion training**  |        |         |         |
| ● Total number of training hours provided to employees on diversity and inclusion   | -      | -       | 5,318   |
| Data privacy and security training**  |        |         |         |
| ● Total number of training hours provided to employees on data privacy and security   | -      | -       | 22,422  |
| Human rights training   |        |         |         |
| ● Number of hours devoted to training on human rights-related policies or procedures concerning aspects of human rights that are relevant to operations | 40,724 | 196,034 | 151,559 |
| ● Percentage of employees trained in human rights-related policies or procedures concerning aspects of human rights that are relevant to operations.    | 100%   | 100%    | 100%    |

\* Restated figures for group for improved and unified calculation methodologies of training hours across entire Group following implementation of stc Group latest GOM through the Academy

\*\* Training program rolled across entire group only in 2023.

[GRI 2-4]



## Youth development programs

| Youth talent<br>development programs                 | stc KSA |      |      | stc Group |      |      |
|--|---------|------|------|-----------|------|------|
|  | 2021    | 2022 | 2023 | 2021      | 2022 | 2023 |
| Specialist Development Program (SDP)                 | 68      | 162  | 155  | -         | 175  | 176  |
| Talent Incubation Program (TIP)                      | 300     | 631  | 433  | -         | 739  | 627  |
| High Potential (HiPo) Leadership Development Program | 57      | 81   | 43   | -         | 99   | 56   |
| Scholarships   | 16      | 15   | 25   | -         | 52   | 60   |

Note: The SDP and HiPo are programs exclusive to stc KSA.  
Restated 2021 and 2022 data for improved data collection methodologies

## Nationalization

| Nationalization                                | stc KSA & subsidiaries<br>in the Kingdom |        |        | stc Bahrain |      |      | stc Kuwait |      |      |
|--|--|--------|--------|-------------|------|------|------------|------|------|
|  | 2021                                     | 2022   | 2023   | 2021        | 2022 | 2023 | 2021       | 2022 | 2023 |
| Nationalization rate of senior management (%)  | -  | 91.5%  | 92.5%  | 31%         | 34%  | 26%  | 60%        | 67%  | 53%  |
| Nationalization rate among total workforce (%) | -  | 89.5%  | 90.1%  | 53%         | 51%  | 51%  | 64%        | 65%  | 64%  |
| Number of women national employees             | -  | 2,365  | 2,634  | 52          | 53   | 4    | 66         | 68   | 62   |
| Total number of national employees             | -  | 17,536 | 17,215 | 129         | 133  | 128  | 268        | 261  | 250  |

\* Includes stc KSA and all subsidiaries in the Saudi Kingdom. The data for all in Saudi Kingdom nationalization is not available for year 2021.

## Performance review

| Performance review  | stc KSA |      |      | stc Group |        |       |
|---|---------|------|------|-----------|--------|-------|
|   | 2021    | 2022 | 2023 | 2021      | 2022   | 2023  |
| % of employees who received a performance development review* | 100%    | 100% | 100% | -         | 82%    | 91%   |
| % of employees who received a career development review**     | 10.63%  | 100% | 100% | -         | 34.79% | 35.7% |

\*Group data not available for 2021 and no data available for center3

\*\*Group data not available for Solutions, integral, and channels

## Employee engagement

| Employee Engagement            | stc KSA | stc Group |
|--------------------------------|---------|-----------|
|                                | 2023    | 2023      |
| 2023 Employee experience index | 80.7    | 80.1      |
| 2023 engagement rate           | 90%     | 88%       |

## Employee compensation and benefits

| Performance based pay and benefits                       | stc KSA |        |        | stc Bahrain |      |      | stc Kuwait |      |      |
|--|---------|--------|--------|-------------|------|------|------------|------|------|
|  | 2021    | 2022   | 2023   | 2021        | 2022 | 2023 | 2021       | 2022 | 2023 |
| Number of benefited employees from performance-based pay | 11,162  | 10,827 | 10,490 | -           | 244  | 247  | -          | 434  | 417  |

## Employee attraction and retention

| Employee hires           | stc KSA |      |      | stc Group |       |       |
|--------------------------|---------|------|------|-----------|-------|-------|
|                          | 2021    | 2022 | 2023 | 2021      | 2022  | 2023  |
| Total new employee hires | 545     | 762  | 597  | 5,309     | 5,766 | 2,386 |
| New hires by gender      |         |      |      |           |       |       |
| • Women                  | 215     | 287  | 218  | 1,190     | 2,275 | 636   |
| • Men                    | 330     | 475  | 379  | 3,319     | 3,491 | 1,750 |
| By age                   |         |      |      |           |       |       |
| • <30                    | 370     | 522  | 275  | 3,608     | 4,190 | 973   |
| • 31-50                  | 170     | 231  | 313  | 1,383     | 1,542 | 1,374 |
| • >50                    | 5       | 9    | 9    | 28        | 34    | 39    |

| Employee turnover            | stc KSA |       |       | stc Group |       |       |
|------------------------------|---------|-------|-------|-----------|-------|-------|
|                              | 2021    | 2022  | 2023  | 2021      | 2022  | 2023  |
| Turnover rate (%)            | 2.9%    | 3.54% | 2.65% | -         | 4.4%  | 3.9%  |
| Number of employees who left | 352     | 413   | 303   | 4,678     | 4,371 | 1,012 |
| Turnover by gender           |         |       |       |           |       |       |
| • Women                      | 62      | 89    | 73    | 2,989     | 2,854 | 761   |
| • Men                        | 290     | 324   | 230   | 1,689     | 1,630 | 251   |
| Turnover by age              |         |       |       |           |       |       |
| • <30                        | 149     | 211   | 158   | 3,229     | 2,967 | 432   |
| • 31-50                      | 180     | 193   | 143   | 1,406     | 1,384 | 555   |
| • >50                        | 23      | 9     | 2     | 43        | 20    | 25    |

## Parental leave

| Entity    | 2023                     |       |                                    |       |                         |      |                    |      |
|-----------|--------------------------|-------|------------------------------------|-------|-------------------------|------|--------------------|------|
|           | Parental leave taken (#) |       | Return to work when leave ends (#) |       | Return to work rate (%) |      | Retention rate (%) |      |
|           | Women                    | Men   | Women                              | Men   | Women                   | Men  | Women              | Men  |
| stc KSA   | 63                       | 553   | 63                                 | 553   | 100%                    | 100% | 100%               | 100% |
| stc Group | 144                      | 1,021 | 139                                | 1,021 | 97%                     | 100% | 97%                | 100% |

# Occupational health and safety

| Workplace-related fatalities/<br>injuries             | stc KSA |          |      | stc Group |      |      |
|---|---------|----------|------|-----------|------|------|
|   | 2021    | 2022     | 2023 | 2021      | 2022 | 2023 |
| Employee work related fatalities                      | 0       | 0        | 0    | 0         | 0    | 0    |
| Contractors work related fatalities                   | 0       | 0        | 0    | 1         | 0    | 0    |
| Employee total recordable injuries                    | 0       | 1        | 0    | 0         | 1    | 0    |
| Employee occupational illnesses                       | 0       | 0        | 0    | 0         | 0    | 0    |
| Heat stress events                                    | 0       | 0        | 0    | 0         | 0    | 0    |
| Rate of fatalities as a result of work-related injury | 0       | 0        | 0    | 0         | 0    | 0    |
| Incident rate of recordable work-related injuries*    | 0.00    | 0.008409 | 0    | 0         | -    | 0    |

\*2022 Group Data not available for "incident rate of recordable work-related injuries" due to incomplete employee work hours data for accurate calculation Note: The occupational injury rates have been calculated based on 200,000 hours worked, in accordance with OSHA standards.

| Workers covered<br>by an occupational<br>health and safety<br>management system   | stc KSA |       |       |
|---|---------|-------|-------|
|   | 2021    | 2022  | 2023  |
| The number of all employees and workers who are not employees but whose work and/or workplace is controlled by the organization, who are covered by such a system     | 74      | 62    | 152   |
| The percentage of all employees and workers who are not employees but whose work and/or workplace is controlled by the organization, who are covered by such a system | 0.64%   | 0.54% | 1.30% |



# Hazard identification, risk assessments and incident investigation

| Emergency preparedness and safety indicants         | stc KSA |      |      | stc Group |      |      |
|---|---------|------|------|-----------|------|------|
|   | 2021    | 2022 | 2023 | 2021      | 2022 | 2023 |
| Total number of emergency response drills conducted | 220     | 139  | 128  | -         | -    | 382  |
| Safety incident investigations initiated            | 1       | 0    | 6    | -         | -    | 29   |
| Safety incident investigations completed            | 1       | 1    | 6    | -         | -    | 30   |

Data not available at group level for 2021 and 2022.

Total number of emergency response drills conducted at group level excluding center3

## Health and safety training

| Health and safety training  | stc KSA |        |        | stc Group |        |        |
|---|---------|--------|--------|-----------|--------|--------|
|   | 2021    | 2022   | 2023   | 2021      | 2022   | 2023   |
| Total hours of H&S training provided to employees and contractors | 9,028   | 28,000 | 31,448 | 10,531    | 34,244 | 45,162 |
| Average hours of H&S training per employee and contractors        | 0.78    | 2.45   | 2      | -         | -      | 5.32   |

## Promoting employee health wellbeing

| stc Group   |      |
|---|------|
| Blood donation drive                                      | 2023 |
| Number of blood drive initiatives held for employees      | 8    |
| Number of employees volunteered in blood drive initiative | 510  |

# Our community

## Community contribution and development

| Community investment             | stc Group (in Saudi Kingdom) |            |            |
|----------------------------------|------------------------------|------------|------------|
|                                  | 2021                         | 2022       | 2023       |
| Total community investment (SAR) | 32.5 million                 | 14 million | 14 million |

\*Restated 2021 value due to enhanced data collection methodology

## Sponsorship

| Sponsorship                  | stc group   | 2021 | 2022 | 2023 |
|------------------------------|-------------|------|------|------|
| Number of projects sponsored | stc KSA     | 91   | 124  | 59   |
|                              | stc Bahrain | 14   | 23   | 29   |
|                              | stc Kuwait  | 19   | 32   | 23   |

## Volunteering platform

| Volunteering in 2023         | stc KSA | stc Group |
|------------------------------|---------|-----------|
| Number of volunteers         | 672     | 907       |
| Number of volunteering hours | 8,064   | -         |

# 05 Governance

## Corporate governance

| Board of Directors –<br>stc Group                           | 2021 | 2022 | 2023 |
|---|------|------|------|
| Percentage of Board seats occupied by women                 | 18%  | 18%  | 18%  |
| Percentage of Board seats occupied by independent directors | 36%  | 36%  | 36%  |
| Executive members of the Board of Directors                 | 0    | 0    | 0    |
| Non-executive members of the Board of Directors             | 11   | 11   | 11   |
| Independent members of the Board of Directors               | 4    | 4    | 4    |
| Non-independent members of the Board of Directors           | 7    | 7    | 7    |

## Board diversity

| Board diversity – stc Group |  | 2021 | 2022 | 2023 |
|-----------------------------|--|------|------|------|
| By gender                   | Women members of the Board of Directors    | 2    | 2    | 2    |
|                             | Men members of the Board of Directors      | 9    | 9    | 9    |
| By nationality              | Number of Board members that are Saudi     | 9    | 9    | 9    |
|                             | Number of Board members that are non-Saudi | 2    | 2    | 2    |
| By age                      | Age less than 30                           | 0    | 0    | 0    |
|                             | Age 30-50                                  | 5    | 5    | 5    |
|                             | Age over 50                                | 6    | 6    | 6    |

## Business ethics

| Code of ethics acknowledgment                                       | stc KSA |      |      | stc Group |      |      |
|---|---------|------|------|-----------|------|------|
|   | 2021    | 2022 | 2023 | 2021      | 2022 | 2023 |
| Percentage of employees who signed a code of ethics acknowledgement | 100%    | 100% | 100% | 100%      | 100% | 100% |

## Business ethics training

| Code of ethics training   | stc KSA |        |        |
|---|---------|--------|--------|
|   | 2021    | 2022   | 2023   |
| Number of full time employees completed code of ethics training | 10,941  | 12,131 | 12,217 |
| Number of contractors who completed code of ethics training     | 665     | 1,671  | 1,711  |

## Internal compliance monitoring and reporting

| Internal compliance monitoring and reporting, and whistleblowing  | stc KSA |      |      |
|---|---------|------|------|
|   | 2021    | 2022 | 2023 |
| Number of inquiries, complaints, or issues received by the legal and compliance office through an internal monitoring or reporting system                             | 405     | 532  | 321  |
| Percentage of inquiries, complaints, or issues received by the legal and compliance office through an internal monitoring or reporting system that were substantiated | 60%     | 95%  | 84%  |
| Total number of confirmed incidents in which employees were dismissed or disciplined for corruption   | 0       | 0    | 0    |
| Percentage of incidents raised related to human rights  | 0%      | 0%   | 0%   |



# Anti-corruption

## Public legal cases regarding corruption brought against the organization or its employees (#) – stc Group

|   | 2021 | 2022 | 2023 |
|---|------|------|------|
| Public legal cases regarding corruption brought against the organization or its employees (#) | 0    | 0    | 0    |

## Anti-corruption communication – stc KSA

|  | 2021 | 2022 | 2023 |
|--|------|------|------|
| Percentage of governance body members that stc's anti-corruption policies and procedures have been communicated to | 100% | 100% | 100% |
| Percentage of employees that stc's anti-corruption policies and procedures have been communicated to               | 100% | 100% | 100% |
| Percentage of business partners that stc's anti-corruption policies and procedures have been communicated to       | 100% | 100% | 100% |

# Compliance with laws and regulations

| Non-Compliance with laws and regulations – stc Group  | 2021 | 2022 | 2023 |
|---|------|------|------|
| Total incidents of non-compliance with laws and regulations related to society & national economy regulations           | 0    | 0    | 0    |
| Total incidents of non-compliance with environmental laws and/or regulations  | 0    | 0    | 0    |
| Total amount of legal and regulatory fines and settlements (for environmental , society & national economy regulations) | 0    | 0    | 0    |
| Percentage of legal and regulatory fines and settlements that resulted from whistleblowing actions                      | 0%   | 0%   | 0%   |

# Risk management and business continuity

| Risk management - stc Group  | 2021 | 2022 | 2023 |
|--|------|------|------|
| Percentage of business units analyzed for risk related to corruption | 100% | 100% | 100% |

# Anti-competitive behavior

## Anti-competitive behavior – stc Group

|  | 2021 | 2022 | 2023 |
|--|------|------|------|
| Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations or violations of anti-trust laws (SAR) | 0    | 0    | 0    |

# Human rights

## Human rights training – stc KSA

|   | 2021   | 2022    | 2023    |
|---|--------|---------|---------|
| Number of hours devoted to training on human rights-related policies or procedures concerning aspects of human rights that are relevant to operations | 40,724 | 196,034 | 151,559 |
| Percentage of employees trained in human rights-related policies or procedures concerning aspects of human rights that are relevant to operations.    | 100%   | 100%    | 100%    |

# Supply chain management

## Responsible and sustainable procurement

### Supplier screening, qualification, and monitoring

| Supplier screening – stc KSA  | 2021  | 2022 | 2023 |
|---|-------|------|------|
| New suppliers that were screened for environmental, labor, and human rights practices                 | 1,197 | 221  | 230  |
| Percentage of new suppliers that were screened for environmental, labor, and human rights practices * | 100%  | 100% | 100% |
| Number of supplier's subject to assessments for sustainability impacts (supplier evaluations)         | 173   | 158  | 122  |

\* All new suppliers are screened for environmental, labor and human rights standards.

| Human rights in procurement processes – stc KSA  | 2021 | 2022 | 2023 |
|--|------|------|------|
| Percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening | 100% | 100% | 100% |

| Supplier audits and monitoring   | stc KSA |      |      | stc Group |      |      |
|--|---------|------|------|-----------|------|------|
|  | 2021    | 2022 | 2023 | 2021      | 2022 | 2023 |
| Number of suppliers identified as having significant actual and potential negative impacts | 41      | 52   | 49   | 41        | 52   | 49   |
| Suppliers with which sustainability improvements were agreed upon as a result of audit     | 7       | 9    | 3    | 7         | 9    | 8    |
| Suppliers with which relationships were terminated as a result of audits and monitoring    | 2       | 5    | 4    | 2         | 5    | 4    |
| Number of suppliers blocked for non-compliance with ethical aspects                        | 2       | 5    | 4    | 2         | 7    | 4    |

## Local procurement spending

| Procurement spending  | stc KSA |      |      | stc Group |      |       |
|---|---------|------|------|-----------|------|-------|
|   | 2021    | 2022 | 2023 | 2021      | 2022 | 2023  |
| Total procurement spending (Billion SAR)                    | 22.5    | 22.1 | 35.2 | 27.9      | 45   | 67.48 |
| Amount spent on local suppliers (Billion SAR)               | 19      | 21   | 33.2 | 24.3      | 38   | 42    |
| Percentage of total procurement spending on local suppliers | 83%     | 93%  | 94%  | 72%       | 71%  | 89%   |

\* Group data excluding Channels

| Suppliers                   | stc KSA |       |       | stc Group |       |       |
|-----------------------------|---------|-------|-------|-----------|-------|-------|
|                             | 2021    | 2022  | 2023  | 2021      | 2022  | 2023  |
| Number of total suppliers   | 1,556   | 2,227 | 3,475 | 2,734     | 6,289 | 9,316 |
| Number of tier-1 suppliers  | 106     | 171   | 199   | 127       | 213   | 993   |
| Number of local suppliers   | 1,191   | 1,787 | 2,828 | 1,801     | 4,941 | 6,941 |
| Number of foreign suppliers | 365     | 440   | 647   | 808       | 1,656 | 2,217 |

## Supporting SMEs

| SME Suppliers                   | stc KSA |      |      | stc Group |      |      |
|---------------------------------|---------|------|------|-----------|------|------|
|                                 | 2021    | 2022 | 2023 | 2021      | 2022 | 2023 |
| Number of SME suppliers engaged | 138     | 134  | 168  | 335       | 531  | 665  |

\* Group restated figures due to expanded scope as per report boundaries and improved calculation methodologies

# Building a digital ecosystem across procurement practices

| Digitization of procurement processes                                      |             |      |      |             |      |      |            |      |      |           |      |      |             |      |      |          |      |      |                               |      |      |  |  |
|--|-------------|------|------|-------------|------|------|------------|------|------|-----------|------|------|-------------|------|------|----------|------|------|-------------------------------|------|------|--|--|
| Reduction of paper-based documents with the electronic procurement process | stc KSA     |      |      | stc Bahrain |      |      | stc Kuwait |      |      | Aqalat    |      |      | centre3     |      |      | Channels |      |      | Intigral (including stc Play) |      |      |  |  |
|  | 2021        | 2022 | 2023 | 2021        | 2022 | 2023 | 2021       | 2022 | 2023 | 2021      | 2022 | 2023 | 2021        | 2022 | 2023 | 2021     | 2022 | 2023 | 2021                          | 2022 | 2023 |  |  |
|  | 100%        | 100% | 100% | 80%         | 95%  | 100% | 100%       | 100% | 100% | -         | 90%  | 90%  | -           | -    | 5%   | -        | 100% | 100% | 100%                          | 100% | 100% |  |  |
|  |             |      |      |             |      |      |            |      |      |           |      |      |             |      |      |          |      |      |                               |      |      |  |  |
| Reduction of paper-based documents with the electronic procurement process |             |      |      |             |      |      |            |      |      |           |      |      |             |      |      |          |      |      |                               |      |      |  |  |
| Reduction of paper-based documents with the electronic procurement process | IoT Squared |      |      | SCCC        |      |      | Sirar      |      |      | Solutions |      |      | Specialized |      |      | Tawal    |      |      |                               |      |      |  |  |
|  | 2021        | 2022 | 2023 | 2021        | 2022 | 2023 | 2021       | 2022 | 2023 | 2021      | 2022 | 2023 | 2021        | 2022 | 2023 | 2021     | 2022 | 2023 |                               |      |      |  |  |
|  | -           | -    | 100% | -           | -    | 50%  | 100%       | 100% | 100% | -         | 90%  | 100% | 15%         | 15%  | 15%  | -        | 80%  | 90%  |                               |      |      |  |  |

# rawafed

| Local content – stc KSA | ICT Benchmark | 2021   | 2022   | 2023   |
|-------------------------|---------------|--------|--------|--------|
| Local content score     | 30%           | 39.28% | 40.75% | 42.90% |