

stc is keen to benefit from the best applicable local and international practices to enable the concept and culture of governance in its various fields, and achieve the highest levels of transparency, disclosure and targeted sustainability.

6.

# Corporate Governance

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# Corporate Governance

stc’s Board of Directors is keen to implement effective governance of stc’s administrative and financial systems to organize its internal business through the Board of Directors and Executive Management – where stc’s governance framework clarifies the general roles and responsibilities, as well as the relationship between the Board of Directors and Executive Management, to achieve effective decision-making and enable compliance and risk management. This will support us in achieving targeted goals and protect the interests of shareholders and stakeholders, in a manner consistent with what is stated in the Companies Law issued by the Ministry of Commerce, and the Corporate Governance Regulations issued by the Capital Market Authority Council, and other relevant regulations and legislation in the Kingdom of Saudi Arabia, and the aspirations of the Kingdom’s Vision 2030.

In this aspect, stc is keen to benefit from the best applicable local and international practices to enable the concept and culture of governance at stc and achieve the highest levels of transparency, disclosure and targeted sustainability – which are considered the main pillars of stc’s strategy – through adopting, updating and documenting the charters, policies, procedures and authorities, including, for example but not limited to:

- stc Competing Standards Charter that was approved by the General Assembly in compliance with the Corporate Governance Regulations to enhance transparency and accountability
- The Continuous evaluation and review of the Board of Directors’ policies, charters and delegation of authorities

Moreover, to apply the highest levels of transparency, stc is committed to publishing all its documents that comply with governance requirements on stc’s website ([www.stc.com.sa](http://www.stc.com.sa)), which includes the governance mission and objectives, in addition to its governance documents, including:

- stc Bylaws
- stc Governance Charter
- stc Competing Standards Charter
- Board Members’ Appointment, Compensation and Executive Management Compensation Policy
- stc Conflict of Interest and Related Party Transactions Policy
- Anti-Fraud and Corruption Policy
- Code of Ethics and Business Conduct

As a result, in December 2024, stc received the Excellence Award in Corporate Governance from the Governance Center at Alfaisal University, which was based on a governance index evaluation of companies listed on the Saudi Stock Exchange (Tadawul) for the fiscal year 2023.

Additionally, the governance sector has made tangible efforts to support sustainability initiatives by implementing several initiatives that enhance and highlight the role of the Board of Directors in adopting transparency and accountability for its members and adhering to ethical standards through disclosures and governance of related party transactions.

### stc’s governance practices are distinguished at the Group level

stc’s Board of Directors is keen to enhance governance practices at the Group level, where the Executive Management has worked to support subsidiaries through initiatives related to enhancing the alignment in governance practices in line with the best local and international practices, and in a manner that serves the diversity and growth of stc’s activities.

stc adopts a comprehensive governance framework to develop governance practices in stc’s subsidiaries, including supporting the development of governance practices for the Boards of Directors of these subsidiaries, and developing policies related to appointments, rewards and training programs for Board members, in accordance with the regulatory frameworks that govern its work, including systems and regulations, as well as shareholders’ agreements.

### Disclaimer

In fulfillment of the provisions of the Corporate Governance Regulations issued by the Capital Market Authority council, Article Eighty-Seven (87), which stipulates in Paragraph No. (1) “the necessity of including the provisions of the Corporate Governance Regulations that have been applied and those that have not been applied and the reasons for that,” stc acknowledges the implementation of all provisions and articles included in the Corporate Governance Regulations issued by the Capital Market Authority, except for the provisions stated below.

Article no.	Article’s statement	Reasons for not applying
84	The Ordinary General Assembly, based on the Board of Directors’ recommendation, shall establish a policy that guarantees a balance between its objectives and those of the community for purposes of developing the social and economic conditions of the community. (Guiding Article)	stc places great value on its social responsibility activities. In particular, its sustainability practices are governed by a dedicated policy. Since the article is not mandatory, the approval authority for the policy has been delegated to the Group CEO.
92	Formation of a Corporate Governance Committee: If the Board forms a Corporate Governance Committee, it shall assign to it the competencies stipulated in Article (91) of these regulations. The committee shall oversee any matters relating to the implementation of governance and shall provide the Board with its reports and recommendations at least annually. (Guiding Article, i.e. Not Mandatory)	Article No. 47, ‘Forming the Committees’ of the Corporate Governance Regulations stipulates that the Board of Directors shall form specialized committees as may be needed depending on the Company’s circumstances to enable it to effectively perform its duties. Despite the fact that Article No. 92, ‘Formation of a Corporate Governance Committee’ of the Corporate Governance Regulations is a guiding article, stc’s Board of Directors is cognizant of the importance of the aforementioned committee’s responsibilities and tasks, which are handled by the Nomination and Remuneration Committee as per its Charter, approved by the General Assembly on 21 June 2023.

## Claw-back and Malus Framework

### stc’s Claw-Back and Malus Architecture

To enable investors to have greater visibility of mechanisms available to address Malus and Claw-Back scenarios, stc has drafted provisions that would enable the company to recover and/or withhold sums or share awards and specify the circumstances in which it would be appropriate to do so.

Claw-back and Malus provisions have been captured in the following policies, and address resulting scenarios related to Executive and Sales employees:

1. Nomination and Remuneration of stc Board members and the members of its standing Committees and Remuneration of the Executive Management Policy.
2. stc Work Regulations Bylaws.
3. Executives Long-Term Incentive Program Policy.
4. Sales Incentive Policy.

The policies were designed to maintain uniformity in understanding Claw-Back and Malus as a concept while addressing each policy’s different Claw-Back and Malus scenarios.

## Mandate of Each Policy

### Nomination and Remuneration of stc Board members and the members of its standing Committees and Remuneration of the Executive Management Policy

This policy applies to all members of the Board of Directors, members of its committees, and nominees from members and executive management.

It addresses the scenario when a decision is made – through the General Assembly - to return an award due to non-entitlement:

The General Assembly decides to terminate the membership of a member of the Board of Directors who is absent due to his/her failure to attend three separate meetings of the Board during the term of membership without a legitimate excuse accepted by the Council. In that case, this member is not entitled to any remuneration for the period following the last meeting he attended. He/she must return all the disbursed remuneration to him/her for that period.

### stc Work Regulations Bylaws

This document, approved by the Ministry of Human Resources and Social Development (the “Ministry”), serves as the organization’s primary reference for employees regarding their rights and obligations.

Furthermore, it details employee violations and instances where wages are deducted due to that behavior. The relevant provisions of the Labor Law are referenced to ensure that the Ministry sanctions all claw-back and malus actions. Some provisions mandate short-term deductions, such as wage deductions, while others provide long-term deductions, such as forfeiting the end-of-service payment.

Claw-Back Scenarios:

- a. Disclosing the content of telephone conversations and the identities of the parties to those conversations.
- b. Disrupting Subscribers or damage to the Company network for some interest or gain.
- c. Manipulating customers’ records/data or intentionally registering false data or information about customers not matching those stated in their documents.
- d. Intentionally making an illegal modification to any data, whether in a printed or electronic form, in connection with the Company or customers, for making a personal gain or causing harm to the Company or customers.
- e. Intentionally causing damage to, disrupting, destroying, or hacking Company automatic systems or disrupting service.

The five aforementioned scenarios are some of the primary examples of claw-back scenarios, and they are linked primarily to employee data protection violations. This emphasis on data protection governance stems from stc’s data-intensive operations and is a pillar of the organization’s drive to ensure all employees adhere to ethical behavior.

**Executives Long-Term Incentive Program Policy**  
This policy applies to leadership positions and those defined as executives at stc and its subsidiaries. It defines the Claw-Back action as the “act of recovery or confiscation and refers to the company’s right to recover the undeserved reward that was disbursed to the participant.”

Furthermore, it stipulates that Clack-Back actions apply to the employee Long Term Incentive Program. It provides controls that enable the Board Nominations and Remuneration Committee to recover or cancel the ownership of shares to the employee under any of the following scenarios:

- Knowingly submitting materially inaccurate information.
- A material violation of any rules established or reviewed by senior management and/or the Enterprise Risk Management function.
- Committing any act that violates the company’s rules and regulations of conduct.
- Committing any act deemed by the Board Nominations and Remuneration Committee as not meriting and/or justifying payment.
- Conflict of Interest issues.
- Negligent and/or Unethical behavior such as insider trading.

stc’s leadership is committed to fostering a work culture where employees adhere to high integrity standards modeled on its Code of Ethics.

**Sales Incentives Policy**  
The policy covers sales incentive programs for the employees in the relevant stc business unit who meet the requirements to qualify for these programs.

Furthermore, it describes the requirements and conditions for eligibility and participation in the government and corporate sales sector incentives program.

Claw-Back scenarios:

- The company has the right to request a refund of amounts or part of the commission amounts paid to beneficiaries of business unit sales incentive programs if a violation of this policy is proven.
- The commission calculation inputs are proven incorrect.
- A change in the contractual relationship with the customer results in failure to achieve the targeted return during the fiscal year or the contract period, whichever is longer.
- The deliberate misrepresentation of sales performance results.

stc does not tolerate or condone any unethical behavior by its employees. Moreover, this stc also encourages our customers, business partners, regulators, investors, suppliers, and other stakeholders to raise any unethical behavior or legal violations on stc’s part immediately through the designated channels within the organization.

Transactions With Related Parties

1- Transactions with government and government-related entities

Revenues from transactions with government and government related entities for the year ended 31 December 2024 amounted to ₪ 12,699 million (2023: ₪ 13,496 million); and expenses related to transactions with government and government related entities for the year ended 31 December 2024 (including government charges) amounted to ₪ 5,895 million (2023: ₪ 5,205 million).

As at 31 December 2024, accounts receivable from government entities totalled ₪ 18,567 million (2023: ₪ 17,129 million) (for more details, see note 18 in the consolidated annual financial statements) and as at 31 December 2024, accounts payable to government entities totalled ₪ 1,221 million (2023: ₪ 1,503 million). Among the balances with government entities, stc invested ₪ 3,902 million in the Sukuk issued by the Ministry of Finance during 2019. During 2024, Tranche 1 amounting to ₪ 1,762 million has matured and additional investment was made amounting to ₪ 1,600 million with duration of 10 years. (For more details, see note 16.1 in the consolidated annual financial statements).

The total balance of accounts receivable with government related entities as at 31 December 2024 was

₪ 1,244 million (2023: ₪ 1,526 million). Total balance of accounts payable with government related entities as at 31 December 2024 was ₪ 2,603 million (2023: ₪ 1,884 million).

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

Government entities are defined as ministries, authorities, commissions, and other entities of the government of Saudi Arabia. On the other hand, Government related entities are defined as PIF, its subsidiaries, and related entities.

Transactions with related parties include sale of equity interest in TAWAL and Digital Infrastructure for Investment Company to Public Investment Fund (PIF) (a related party: the ultimate controlling party) (For more details, see note 6.22-8.1.1-14.1 in the consolidated annual financial statements).

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

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

Statement ( ₪’000)	31 December 2024	31 December 2023
Less than a year	9,559,212	10,323,282
More than 1 year but less than 2 years	5,791,205	4,243,442
More than 2 years	3,216,695	2,562,511
Total	18,567,112	17,129,235

2-Transactions with Board of Directors members, senior executives and substantial shareholders

stc did not conduct any business or conclude any contracts in which there was a direct or indirect interest owned by the Board of Directors, senior executives or any other related person, other than what was disclosed below.

- The business and contracts between stc and Public Investment Fund (PIF), which is an agreement for PIF to acquire 51% of the shares of Telecommunications

Towers Company (TAWAL) for a cash consideration, amounted to ₪ 8.7 billion. TAWAL was valued at ₪ 21.94 billion, representing 100% of enterprise value on a cash-free and debt-free basis. Additional agreements also signed to transfer the ownership of both TAWAL and GLIC (owns and manages 8,069 telecommunications towers in the Kingdom of Saudi Arabia, and owned by PIF, HRH Prince Saud Bin Fahad bin Abdulaziz and Sultan Holding Company) under a new entity (Digital Infrastructure Company). GLIC was valued at ₪ 3.03 billion, representing 100% of

enterprise value on a cash-free and debt-free basis. stc will inject approximately ﷲ 533 million into the Digital Infrastructure Company's capital to maintain its 43.06% ownership. The cash consideration paid to stc and the amount of the Digital Infrastructure Company's capital increase is subject to change according to the mechanism of calculations for completing the transaction. As a result, the shareholding of the Digital Infrastructure Company will be as per the following: PIF 53.99%, stc 43.06%, HRH Prince Saud Bin Fahad bin Abdulaziz 1.48%, Sultan Holding Company 1.48%. The transaction documents contain certain precedents, which must be satisfied prior to completion, such as the approval of the Communications, Space and Technology Commission, as well as any other regulatory and commercial conditions. The contract is part of the ordinary businesses that have offered no preferential advantages. PIF is considered a related party, as the largest shareholder in stc (with 64% ownership) and the following Board of Directors members have indirect interest as representatives

of the PIF: H.E. Dr. Khaled Hussain Biyari, Mr. Yazeed Abdulrahman AL-Humied, Ms. Rania Mahmoud Nashar, Mr. Arndt Rautenberg and Mr. Sanjay Kapoor. The contract was approved by the Ordinary General Assembly meeting held on 24 July 2024.

- The business and contracts between Saudi Telecom Company (stc) and Future Investment Initiative (FII), is a sponsorship agreement, and under this agreement, stc will sponsor the 8th edition of the FII event by providing in-kind services valued at USD 1.5 million (equivalent to ﷲ 5,625,000) in exchange for certain rights granted to stc as part of stc sponsorship plans and policies. The contracts are part of the ordinary businesses and has offered no preferential advantages. FII is considered a related party as it is owned by the Public Investment Fund (PIF). Additionally, stc Board Member Ms. Rania Mahmoud Nashar has an indirect interest as she serves as the Chairperson of the Audit Committee at FII.

Loans to related parties

Statement (ﷲ'000)	31 December 2024	31 December 2023
Loans to senior executives	14,549	10,765

3-Transactions with subsidiaries

#	Name of related party	Type of related party	Contract/ Agreement	Duration	Value (ﷲ'000)
1	solutions	stc subsidiary	To renew the contract of Microsoft EA licenses with support services.	3 years	191,342
2	solutions	stc subsidiary	To renew the contract of bulk-SMS service and linking it to the Short Message Service Center (SMSC) of stc, and offering bulk-SMS services to solutions customers.	2 years	120,000
3	solutions	stc subsidiary	To renew the contract of VMware licenses and providing support services.	3 years	139,950
4	solutions	stc subsidiary	To execute the project of establishing and developing the internet and communications networks for stc.	2 years	309,733
5	solutions	stc subsidiary	To renew the contract of providing Red Hat licenses with professional services and technical support.	3 years	151,171

In addition to the above, stc and its subsidiaries are engaged in establish, manage, operate and maintain fixed and mobile telecommunication networks, systems and infrastructure; provide integrated communication and information technology solutions, which include telecom, IT services, managed services and cloud services; real estate investment, such as selling, buying, leasing, managing, developing and maintenance;

financial and managerial support and other services to subsidiaries; development and training; asset management; digital banking services; cybersecurity services; as well as the construction, maintenance and repair of telecommunication and radar stations and towers, and other businesses as mentioned in activities of stc through joint contracts and agreements, which are considered businesses and services within stc.

4-Transactions with associate companies and joint ventures

stc trading transactions with related parties during the year ended 31 December 2024 were as follows.

Statement (ﷲ'000)	2024	2023
<b>Services provided</b>		
Associates	535,847	370,531
Joint ventures	4,633	6,655
<b>Total</b>	<b>540,480</b>	<b>377,186</b>
<b>Services received</b>		
Associates	776,759	483,818
Joint ventures	2,891	115,018
<b>Total</b>	<b>779,650</b>	<b>598,836</b>

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

Statement (ﷲ'000)	Amounts due from related parties		Amounts due to related parties	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
Associates (*)	3,039,570	320,302	2,759,484	58,202
Joint ventures	3,754	2,414	3,351	5,960
<b>Total</b>	<b>3,043,324</b>	<b>322,716</b>	<b>2,762,835</b>	<b>64,162</b>

\*Include amounts due from TAWAL and Digital infrastructure for Investment Company amounted to ﷲ 2,596 million and amounts due to TAWAL and Digital infrastructure for Investment Company amounted to ﷲ 2,656 million as at 31 December 2024 (for more details, see note 6.22-8.11-14.1 in the consolidated annual financial statements).

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

The competitive business with stc or any of its activities that any member of the Board or committees is engaging in or was engaging in such competing business

According to stc, Eng. Hazem A. AlShaikmubarak is a member of stc's Nomination and Remuneration Committee, and a Board member of Silah Gulf, which provides call center services in the Kingdom of Bahrain and has branches in the Kingdom of Saudi Arabia, which may compete with contact call center (CCC), a subsidiary of Arabian Internet and Communications Services (solutions).



Board of Directors

The Board of Directors of stc is committed to representing the interests of all its shareholders, adhering to the principles of care and loyalty in managing stc’s affairs. The Board members strive to make well-informed decisions that enhance stc’s prosperity, contributing to the preservation growth, and maximization of its value.

On 24 July 2024, a new Board of Directors was elected for the ninth term, with a tenure of 4 calendar years. The following tables provide a list of the members of the Board of Directors for both the eighth and ninth terms, their memberships on the boards of directors of listed and unlisted joint-stock companies, both within and outside the Kingdom, along with their biographies.

Board Members and Their Membership Classification



**HRH Prince Mohammed Khalid Al-Faisal**

**Date of birth**  
1967

**Academic qualifications**  
MBA

**Vocational experience**  
Banking and administrative experience

**Current occupation**  
Chairman, Al Faisaliah Holding Group

**Previous occupation**  
Vice President, Al Faisaliah Holding Group

**Membership**  
Independent



**H.E. Dr. Khaled Hussain Biyari**

**Date of birth**  
1963

**Academic qualifications**  
PhD. Electrical Engineering

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

**Current occupation**  
Assistant Secretary of Defense for Executive Affairs – Ministry of Defense

**Previous occupation**  
stc CEO

**Membership**  
Non-executive/non-independent



**H.E. Mr. Mohammed Talal Al-Nahas\***

**Date of birth**  
1962

**Academic qualifications**  
Bachelor of Accounting

**Vocational experience**  
Banking, business development and administration experience

**Current occupation**  
Member of several boards and committees

**Previous occupation**  
Governor of GOSI

**Membership**  
Non-executive/non-independent



**Mr. Yazeed Abdulrahman Al-Humied**

**Date of birth**  
1983

**Academic qualifications**  
Bachelor in Business and Accounting

**Vocational experience**  
Experience in finance and administration

**Current occupation**  
PIF, Deputy Governor, Head of MENA Investments

**Previous occupation**  
PIF, Head of Local Holdings

**Membership**  
Non-executive/non-independent



**Mr. Ahmed Mohammed Al-Omran**

**Date of birth**  
1973

**Academic qualifications**  
Master of Computer Science

**Vocational experience**  
Administrative and information technology experience

**Current occupation**  
GOSI Governor Assistant for IT Affairs

**Previous occupation**  
GM, IT Infrastructure, GOSI

**Membership**  
Non-executive/non-independent



**Ms. Rania Mahmoud Nashar**

**Date of birth**  
1974

**Academic qualifications**  
Bachelor in Computer Science and Information Technology

**Vocational experience**  
Experience in banking and administration

**Current occupation**  
PIF, Head of Compliance and Governance Division

**Previous occupation**  
Adviser to PIF Governor

**Membership**  
Non-executive/non-independent

\*The membership in the Board of Directors of H.E. Mr. Mohammed Talal Al-Nahas ended at the end of the 8th term of the Board of Directors on 24 July 2024.



**Mr. Sanjay Kapoor**

**Date of birth**  
1962

**Academic qualifications**  
MBA

**Vocational experience**  
Telecom, media and technology leadership and administrative experience

**Current occupation**  
Consulting, Start-ups and Board Positions – Plural Career

**Previous occupation**  
Chairman, Micromax Informatics Limited

**Membership**  
Independent



**Mr. Arndt Rautenberg**

**Date of birth**  
1967

**Academic qualifications**  
MBA / Diplom-Kaufmann

**Vocational experience**  
Telecom and technology leadership and administrative experience

**Current occupation**  
Founding Partner, Rautenberg & Company GmbH, and Rautenberg Capital GmbH, Co-Founder and Board member, metrofibre GmbH

**Previous occupation**  
Chief Strategy Officer, Deutsche Telekom AG, Bonn/ Germany

**Membership**  
Independent



**Ms. Sarah Jammaz Al-Suhaimi**

**Date of birth**  
1979

**Academic qualifications**  
Bachelor of Accounting

**Vocational experience**  
Finance and investment experience

**Current occupation**  
Chairperson of Tadawul

**Previous occupation**  
CEO SNB Capital

**Membership**  
Independent



**Mr. Jameel Abdullah AlMulhem**

**Date of birth**  
1971

**Academic qualifications**  
Bachelor's in Science Marketing

**Vocational experience**  
Administrative experience

**Current occupation**  
Managing Director of Sinad Holding Group

**Previous occupation**  
Managing Director and CEO of Takween Group

**Membership**  
Independent



**Mr. Walid Ibrahim Shukri**

**Date of birth**  
1966

**Academic qualifications**  
Bachelor of Accounting

**Vocational experience**  
Administrative experience

**Current occupation**  
Member of several boards and committees

**Previous occupation**  
Principal partner in PricewaterhouseCoopers, Saudi Arabia

**Membership**  
Independent



**Dr. Ibrahim Saad Al-Mojel\*\***

**Date of birth**  
1979

**Academic qualifications**  
PhD in Decision Analysis / Operations Research

**Vocational experience**  
Financial administrative and Investment experience

**Current occupation**  
Founding Partner, Khwarizmi Holding

**Previous occupation**  
CEO - Saudi Industrial Development Fund

**Membership**  
Non-executive/non-independent

\*\*Dr. Ibrahim Saad Al-Mojel joined the Board of Directors in the 9<sup>th</sup> term on 25 July 2024.

Membership of Board members in the Board committees

Name	Board	Audit Committee (AC)	Nomination and Remuneration Committee (NRC)	Risk Committee (RC)	Executive Committee (ExCom)	Investment Committee (IC)	Membership
HRH Prince Mohammed Khalid Al-Faisal	C				C	C	Independent
H.E. Dr. Khaled Hussain Biyari	✓				✓		Non-executive/ non-independent
H.E. Mr. Mohammed Talal Al-Nahas*	✓				✓		Non-executive/ non-independent
Mr. Yazeed Abdulrahman AL-Humied	D				✓		Non-executive/ non-independent
Mr. Ahmed Mohammed Al-Omran	✓			✓			Non-executive/ non-independent
Ms. Rania Mahmoud Nashar**	✓		✓	C			Non-executive/ non-independent
Mr. Sanjay Kapoor	✓				✓		Independent
Mr. Arndt Rautenberg	✓					✓	Independent
Ms. Sarah Jammaz Al-Suhaimi***	✓		✓			✓	Independent
Mr. Jameel Abdullah AlMulhem	✓		C				Independent
Mr. Walid Ibrahim Shukri	✓	C		✓			Independent
Dr. Ibrahim Saad Al-Mojel****	✓				✓	✓	Non-executive/ non-independent

C: Chairman  
D: Deputy Chairman  
\*The membership in the Board of Directors of H.E. Mr. Mohammed Talal Al-Nahas ended at the end of the 8th term of the Board of Directors on 24 July 2024.  
\*\*The membership in the NRC of Ms. Rania Mahmoud Nashar ended at the end of the 8th term of the Board of Directors on 24 July 2024.  
\*\*\*Ms. Sarah Jammaz Al-Suhaimi joined NRC on 25 July 2024.  
\*\*\*\*Dr. Ibrahim Saad Al-Mojel joined the Board of Directors, ExCom, and IC in 25 July 2024.

External members of the Board committees

Name	Membership	Academic qualifications	Vocational experience	Current occupation	Previous occupation	Membership type
Dr. Ammr K. Kurdi	Audit Committee	PhD. in Accounting	Accounting experience	GOSI, Governor Assistant for Financial Sustainability and Risk Management	CFO, Tawuniya	External member
Mr. Khalid bin Abdullah Al-Ankari*	Audit Committee	Bachelor of Accounting	Technical and managerial experience in auditing	General Manager, Babel Al Khair Trading and Real Estate Est.	Head of Private Banking and Lending Products, Samba Financial Group	External member
Mr. Medhat F. Tawfik	Audit Committee	Master Program Citibank Asia Pacific	Professional and managerial experience in auditing, risk management	Founder of IRSAA Business Solutions for risk management and internal auditing	Account Manager, Samba Financial Group	External member
Mr. Abdulaziz Al-Shushan**	Audit Committee	Executive MBA	Experience in internal auditing	Group Chief Audit Officer, Saudi National Bank	Chief Internal Audit, Samba Financial Group	External member
Eng. Yaser Allaf***	Audit Committee	MBA	Experience in risk management, governance, internal auditing, compliance	Chief Governance, Risk, and Control Officer, Tawuniya	Head of Treasury and Market Risk, Saudi National Bank	External member
Eng. Tarek A. Al-rikhaimi	Risk Committee	Master of Science	Experience in financial services, including banking and investment banking management, risk management, project management, strategic planning	Independent financial adviser, Investment and risk management adviser	CEO, Saudi Kuwaiti Finance House	External member
Mr. Rashid I. Sharif	Investment Committee	MBA	Experience in finance and a member in several listed companies	CEO, SNB Capital and an Executive Member of the Board	Head of Local Investments Division, PIF	External member
Mr. Johan Brand****	Nomination and Remuneration Committee	Master of Economy, Master of Business Law and Master of Private Law	Experience in leadership advisory	Independent consultant at a leadership advisory company	Key Partner, Egon Zehnder	External member
Ms. Hoda M. Al-Ghoson	Nomination and Remuneration Committee	MBA	Experience in human resources	Independent member of the Board of Directors, SNB	Executive Director of Human Resources, Aramco	External member
Eng. Hazem A. AlShaikmubarak*****	Nomination and Remuneration Committee	Bachelor of Science, Mechanical Engineering	Experience in Business Management, Investment and Governance	Managing Partner, Horton International	CEO, GIB Housing Development Fund	External member

\*The membership in the AC of Mr. Khalid bin Abdullah Al-Ankari ended at the end of the 8th term of the Board of Directors on 24 July 2024.  
\*\*Mr. Abdulaziz Al-Shushan joined AC on 26 August 2024.  
\*\*\*Eng. Yaser Allaf joined AC on 26 August 2024.  
\*\*\*\*The membership in the NRC of Mr. Johan Brand ended at the end of the 8th term of the Board of Directors on 24 July 2024.  
\*\*\*\*\*Eng. Hazem A. AlShaikmubarak joined NRC on 26 August 2024.



Executive Management members

#	Name	Academic qualifications	Current occupation (stc)	Previous occupation	Company
1.	Olayan Mohammed Alwetaid	Bachelor of Electrical Engineering	stc Group CEO	Senior VP, Consumer Business Unit	stc
2.	Ameen Fahad Alshiddi	Master of Accounting	Group Chief Financial Officer	VP, Finance	stc
3.	Faisal S. Alsaber	MBA	Group Chief Commercial Officer	CEO	Channels
4.	Riyadh Saeed Muawad	Bachelor of Computer Science	Group Chief Business Officer	VP, Government and Corporate Sales	stc
5.	Mohammed Abdullah Alabbadi	MBA	Group Chief Carrier and Wholesale Officer	VP, Wholesale	stc
6.	Moaeed Huwajj Alsaloom	MBA	Group Chief New Markets Officer	CEO	Matarat Holding
7.	Haithem M. Alfaraj	Bachelor of Computer Engineering	Group Chief Technology Officer	VP, Technology and Operations	stc
8.	Abdullah Abdulrahman Alkanhl	MBA	Group Chief Strategy Officer	Deputy Minister for Communications and Information Technology	MCIT
9.	Ahmad M. Alghamdi	Bachelor of Ind. Engineering	Group Chief Human Resources Officer	VP, Human Resources	stc
10.	Motaz Ali Alanagri	Bachelor of Business Administration	Group Chief Investment Officer	Managing Director, Head of Investment Banking	Saudi Fransi Capital
11.	Abdullah S. Alanizi	Master of Executive Management	Group Chief Internal Audit Officer	Chief of Internal Audit	stc
12.	Mathad Faisal Alajmi	MBA	Group Chief Legal and Risk Officer and General Counsel	VP and General Counsel of Legal Affairs	stc
13.	Emad Aoudah Alaoudah	Bachelor of Information Systems	Group Shared Services Officer	VP, Procurement and Support Services Sector	stc
14.	Amir Abdulaziz Algibreen	Master of Advanced Management	Group Regulatory and Compliance Officer	VP, Regulatory Affairs	stc
15.	Ibrahim Saleh Alsuwail	MBA	Group Chief of Staff	Deputy Minister, Investor Services and Advisory	Ministry of Investment

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

	Current Board or Executive memberships	Location	Legal entity	Previous Board or Executive memberships	Location	Legal entity
<b>HRH Prince Mohammed Khalid Al-Faisal</b>  Chairman of the Board of Directors  Chairman of the Executive Committee  Chairman of the Investment Committee	stc	KSA	Listed joint stock	JP Morgan Saudi Arabia	KSA	Closed joint stock
	Al Faisaliah Holding Group	KSA	Closed joint stock	Al Khozama Company	KSA	Closed joint stock
	H.E. Dr. Khaled Hussain Biyari	stc	KSA	Listed joint stock		
	Member of the Board of Directors	Saudi Information Technology Company (SITE)	KSA	Closed joint stock		
<b>Mr. Yazeed Abdulrahman AL-Humied</b>  Vice Chairman of the Board of Directors  Member of the Executive Committee	Member of the Executive Committee	Saudi Arabian Military Industries (SAMI)	KSA	Closed joint stock		
	stc	KSA	Listed joint stock	Samba Financial Group	KSA	Listed joint stock
	Saudi National Bank (SNB)	KSA	Listed joint stock	Water Solutions	KSA	Closed joint stock
	National Security Services Co. (SAFE)	KSA	Closed joint stock			
	Saudi Arabian Airlines General Organization	KSA	Public-owned enterprise			
	Flyadeal	KSA	Closed joint stock			
	Matarat Holding	KSA	Closed joint stock			
	Saudi Tadawul Group Holding	KSA	Listed joint stock			
	Riyadh Development Co.	KSA	Closed joint stock			
	Richard Attias & Associates	Abroad	Closed joint stock			
	Saudi Egyptian Invest. Co.	KSA	Closed joint stock			
	Savvy Games Group	KSA	Closed joint stock			
	Saudi Information Technology Company (SITE)	KSA	Closed joint stock			
	Red Sea Cruise Company	KSA	Closed joint stock			
	Desert Resort Development Company	KSA	Closed joint stock			



	Current Board or Executive memberships			Previous Board or Executive memberships		
		Location	Legal entity		Location	Legal entity
<b>Mr. Ahmed Mohammed Al-Omran</b>  Member of the Board of Directors  Member of the Risk Committee	stc	KSA	Listed joint stock	Saudi Cement Co.	KSA	Listed joint stock
	Madad IT Services	KSA	LLC	Saudi Industrial Investment Group	KSA	Listed joint stock
	Takamol Holding Company	KSA	LLC	Samba Financial Group	KSA	Listed joint stock
	Masdr Data Solutions	KSA	LLC	Hassana Investment Co.	KSA	Closed joint stock
	Future Work	KSA	One of Takamol Holding Company	Ra'idah Investment Co.	KSA	Closed joint stock
				Arab National Bank	KSA	Listed joint stock
<b>Ms. Rania Mahmoud Nashar</b>  Member of the Board of Directors  Chairperson of the Risk Committee	stc	KSA	Listed joint stock	Samba Financial Group	KSA	Listed joint stock
	Saudi Tadawul Group Holding	KSA	Listed joint stock	Samba Capital	KSA	Closed joint stock
	Adaa, Nat'l Center for Performance Measurement	KSA	Government Entity	Samba Bank Ltd.	Abroad	Listed joint stock
	Regional Voluntary Carbon Market Co.	KSA	Closed joint stock	Samba Global Markets Ltd.	Abroad	LLC
	SME Bank	KSA	Government entity	Saudi Space Commission	KSA	Government entity
	Almabani General Contractors	KSA	LLC			
	Water Solutions	KSA	Closed joint stock			
	Saudi Polo Federation	KSA	Sports Federation			
	Muwakabah Investment	KSA	Unlisted joint stock			

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

	Current Board or Executive memberships	Location	Legal entity	Previous Board or Executive memberships	Location	Legal entity
<b>Ms. Sarah Jammaz Al-Suhaimi</b>  Member of the Board of Directors  Member of the Investment Committee  Member of the Nomination and Remuneration Committee	stc	KSA	Listed joint stock	SNB Capital	KSA	Closed joint stock
	Saudi Tadawul Group Holding	KSA	Listed joint stock	IFRS	Abroad	Independent non-profit organization
	Saudi Arabian Airlines	KSA	Public-owned enterprise			
	Culture Development Fund	KSA	Government-owned Fund			
	Lazard Saudi Arabia	Abroad	Closed joint stock			
	Child Care Association	KSA	National association			
	Regional Voluntary Carbon Market Co.	KSA	Closed joint stock			
	General Authority for Statistics	KSA	Government organization			
<b>Mr. Jameel Abdullah AlMulhem</b>  Member of the Board of Directors  Chairman of the Nomination and Remuneration Committee	stc	KSA	Listed joint stock	Takween Advanced Ind.	KSA	Listed joint stock
	Wala'a Cooperative Insurance Co.	KSA	Listed joint stock	New Vision Co.	Abroad	LLC
	Electrical Ind. Co.	KSA	Listed joint stock	Energy Service Co.	Abroad	LLC
	Alessa Ind. Co.	KSA	Closed joint stock	Shaker Group.	KSA	Listed joint stock
	SPL	KSA	Governmental Institution	Selco Co.	KSA	LLC
	Subul for Logistics Services	KSA	LLC	Call Center Co.	KSA	LLC
	AMLAK International Finance Company	KSA	Listed joint stock	stc Kuwait	Abroad	Listed joint stock
	Halwani Bros	KSA	Listed joint stock	stc Bahrain	Abroad	LLC
	Human Resources Development Fund	KSA	Governmental Institution	Cell-C	Abroad	LLC
	Infonas Company	Abroad	LLC	Avea	Abroad	LLC
				Turk Telekom	Abroad	LLC
				Intigral	Abroad	LLC
				New Marina Plastics for Plastic Industries	Abroad	Closed joint stock
				Sinad Holding Company	KSA	Listed joint stock

	Current Board or Executive memberships	Location	Legal entity	Previous Board or Executive memberships	Location	Legal entity
<b>Mr. Walid Ibrahim Shukri</b>  Member of the Board of Directors  Chairman of the Audit Committee  Member of the Risk Committee	stc	KSA	Listed joint stock	Ma'aden	KSA	Listed joint stock
	Saudi Electricity Co. (SEC)	KSA	Listed joint stock	TAQA	KSA	Closed joint stock
	Saudi Agricultural and Livestock Investment Co. (SALIC)	KSA	Closed joint stock			
	Middle East Paper Co. (MEPCO)	KSA	Listed joint stock			
<b>Dr. Ibrahim Saad Al-Mojel*</b>  Member of the Board of Directors  Member of the Executive Committee  Member of the Investment Committee	stc	KSA	Listed joint stock	Public Investment Fund	KSA	Government fund
	Khwarizmi Ventures	KSA	LLC	Ra'idah Investment Co.	KSA	Closed joint stock
	SILZ	KSA	Closed joint stock	Samba Financial Group	KSA	Listed joint stock
	Takamul Holding Company	KSA	Closed joint stock			
	Awqaf Investment	KSA	Closed joint stock			
	Arab Mining Company	Abroad	Closed joint stock			
	Hassana Investment Co.	KSA	Closed joint stock			
	Saudi EXIM	KSA	Closed joint stock			
	SNB	KSA	Listed joint stock			
	Budget	KSA	Listed joint stock			
	Taibah Valley	KSA	LLC			

\*Dr. Ibrahim Saad Al-Mojel joined the Board of Directors on the 9th term on 25 July 2024.



Meetings of the Board of Directors

The Board of Directors convened 6 meetings. The following table illustrates these meetings convened in 2024 and members’ attendance.

Name	Membership	Number and date of meetings						Total
		15	16	17	1	2	3	
		31 Mar	27 May	27 Jun	25 July	30 Sep	22 Dec	
		8th term			9th term			
HRH Prince Mohammed Khalid Al-Faisal	Chairman of stc Group Board of Directors	✓	✓	✓	✓	✓	✓	6
H.E. Dr. Khaled Hussain Biyari	Member	✓	✓	✓	✓	✓	✓	6
H.E. Mr. Mohammed Talal Al-Nahas*	Member	✓	✓	✓	N/A	N/A	N/A	3
Mr. Yazeed Abdulrahman AL-Humied	Vice Chairman of stc Group Board of Directors	✓	✓	✓	✓	✓	✓	6
Mr. Ahmed Mohammed Al-Omran	Member	✓	✓	✓	✓	✓	✓	6
Ms. Rania Mahmoud Nashar	Member	✓	✓	✓	✓	✓	✓	6
Mr. Sanjay Kapoor	Member	✓	✓	✓	✓	✓	✓	6
Mr. Arndt Rautenberg	Member	✓	✓	✓	✓	✓	✓	6
Ms. Sarah Jammaz Al-Suhaimi	Member	✓	✓	✓	✓	✓	✓	6
Mr. Jameel Abdullah AlMulhem	Member	✓	✓	✓	✓	✓	✓	6
Mr. Walid Ibrahim Shukri	Member	✓	✓	✓	✓	✓	✓	6
Dr. Ibrahim Saad Al-Mojel**	Member	N/A	N/A	N/A	✓	✓	✓	3

\*The membership of the Board of Directors H.E. Mr. Mohammed Talal Al-Nahas ended at the end of the 8th term of the Board of Directors on 24 July 2024.  
\*\*Dr. Ibrahim Saad Al-Mojel joined the Board of Directors in the 9th term on 25 July 2024.

Meetings of Board Committees

In accordance with stc Corporate Governance Charter and regulations of relevant authorities, the Board of Directors forms committees to perform its work in a manner that achieves the efficiency and effectiveness of the Board. During the formation process, the Board of Directors should identify and document the committees’ responsibilities and work procedures and issue the required resolutions for this purpose. Relevant parties shall be notified in an appropriate manner. Board committees during 2024 were formed as follows.

Executive Committee

The current Executive Committee (ExCom) consists of 5 members, all of whom are members of stc Board of Directors. ExCom reviews and approves strategies, estimated annual budgets, local and international organic and inorganic businesses and social initiatives within the Board-approved authorities. ExCom held 4 meetings in 2024, as shown in the following table.

Name	Membership	Number and date of meetings				Total
		13	14	1	2	
		12 Mar	2 Jun	1 Sep	2 Dec	
		8th term		9th term		
HRH Prince Mohammed Khalid Al-Faisal	Chairman	✓	✓	✓	✓	4
H.E. Dr. Khaled Hussain Biyari	Member	✓	✓	✓	✓	4
H.E. Mr. Mohammed Talal Al-Nahas*	Member	✓	✓	N/A	N/A	2
Mr. Yazeed Abdulrahman AL-Humied	Member	✓	✖	✓	✓	3
Mr. Sanjay Kapoor	Member	✓	✓	✓	✓	4
Dr. Ibrahim Saad Al-Mojel**	Member	N/A	N/A	✓	✓	2

\*H.E. Mr. Mohammed Talal Al-Nahas membership in ExCom ended at the end of the 8th term of the Board of Directors on 24 July 2024.  
\*\*Dr. Ibrahim Saad Al-Mojel joined ExCom on 25 July 2024.

Investment Committee

The current Investment Committee (IC) consists of 5 members, 4 members of stc Board of Directors, and a member external to the Board. IC is responsible for reviewing the investments policy as per stc strategies. IC also reviews and examines strategic investment opportunities and recommends feasible investments and follows up on stc’s investments, internally and externally, and submit periodic reports to the Board of Directors. IC held 5 meetings in 2024, as shown in the following table.

Name		Membership		Number and date of meetings					Total		
				20		21		1		2	3
				13 Mar	3 June	2 Sep	15 Oct	1 Dec			
				8th term		9th term					
HRH Prince Mohammed Khalid Al-Faisal		Chairman	✓	✓	✓	✓	✓	5			
Mr. Arndt Rautenberg		Member	✓	✓	✓	✓	✓	5			
Ms. Sarah Jammaz Al-Suhaimi		Member	✓	✓	✓	✓	✓	5			
Dr. Ibrahim Saad Al-Mojel*		Member	N/A	N/A	✓	✓	✓	3			
Mr. Rashid I. Sharif		Member	✓	✓	✓	✕	✓	4			

\*Dr. Ibrahim Saad Al-Mojel joined IC on 25 July 2024.

▪ Nomination and Remuneration Committee

The current Nomination and Remuneration Committee (NRC) consists of 4 members, 2 members of stc Board of Directors, and 2 members external to the Board. The NRC prepares a description of the capabilities and qualifications required for membership of the Board, and reviews and approves the process of designing an appropriate operating model and fair incentives of salary scales to conform with market standards, requirements and best governance practices. The NRC also reviews the structure of the Board and the Executive Management and recommends appropriate amendments; ensures the independence of external members annually; ensures Board Directors have no conflict of interest, especially if they are Board members of other companies; and reviews and approves Board and committee remunerations and incentives prior to submission and ensures stc’s business is in line with best practices in the field of governance. The NRC held 6 meetings in 2024, as shown in the following table.

Name	Membership	Number and date of meetings						Total
		15	16	17	1	2	3	
		21 Feb	17 Mar	4 Jun	3 Sep	3 Dec	11 Dec	
		8th term			9th term			
Mr. Jameel Abdullah AlMulhem	Chairman	✓	✓	✓	✓	✓	✓	6
Ms. Rania Mahmoud Nashar*	Member	✓	✓	✓	N/A	N/A	N/A	3
Ms. Sarah Jammaz Al-Suhaimi**	Member	N/A	N/A	N/A	✓	✓	✓	3
Ms. Hoda M. Al-Ghosen	Member	✓	✓	✓	✓	✓	✓	6
Mr. Johan Brand***	Member	✓	✓	✓	N/A	N/A	N/A	3
Eng. Hazem A. AlShaikmubarak****	Member	N/A	N/A	N/A	✓	✓	✓	3

\*Ms. Rania Mahmoud Nashar membership in NRC ended at the end of the 8th term of the Board of Directors on 24 July 2024.  
\*\*Ms. Sarah Jammaz Al-Suhaimi joined NRC on 25 July 2024.  
\*\*\*Mr. Johan Brand’s membership in NRC ended at the end of the 8th term of the Board of Directors on 24 July 2024.  
\*\*\*\*Eng. Hazem A. AlShaikmubarak joined NRC on 26 August 2024.

▪ Audit Committee

The current Audit Committee (AC) consists of 5 members, 1 member of stc Board of Directors, and 4 members external to the Board, who are specialized in financial affairs, accounting and auditing. AC is responsible for reviewing the financial and administrative policies and procedures of stc, and the procedures for preparing financial reports and their deliverables. AC also reviews internal audit reports and comments, and issues recommendations to the Board of Directors on the appointment, dismissal, remuneration and independence of legal accountants. AC examines preliminary and annual financial statements before submitting these to the Board of Directors and provides opinions and guidance thereon. AC reviews the legal accountant’s observations on the statements and reviews the audit plan with the legal accountant, making its observations. AC fulfills other works periodically and regularly in order to assess the efficiency and effectiveness of stc control activities and ensuring compliance, and combating fraud and corruption. AC held 8 meetings in 2024, as shown in the following table.

Name	Membership	Number and date of meetings								Total
		25	26	27	28	29	1	2	3	
		18	10	7	11	23	10	3	5	
		Feb	Mar	May	May	July	Sep	Nov	Dec	
		8th term					9th term			
Mr. Walid Ibrahim Shukri	Chairman	✓	✓	✓	✓	✓	✓	✓	✓	8
Dr. Ammr K. Kurdi	Deputy Chairman	✓	✓	✓	✓	✓	✓	✓	✓	8
Mr. Khalid Bin Abdullah Al-Ankari*	Member	✓	✓	✓	✓	✓	N/A	N/A	N/A	5
Mr. Medhat F. Tawfik	Member	✓	✓	✓	✓	✓	✓	✓	✓	8
Mr. Abdulaziz Al-Shushan**	Member	N/A	N/A	N/A	N/A	N/A	✓	✓	✓	3
Eng. Yaser Allaf***	Member	N/A	N/A	N/A	N/A	N/A	✓	✓	✓	3

\*Mr. Khalid Bin Abdullah Al-Ankari membership in AC ended at the end of the 8th term of the Board of Directors on 24 July 2024.  
\*\*Mr. Abdulaziz Al-Shushan joined AC on 26 August 2024.  
\*\*\*Eng. Yaser Allaf joined AC on 26 August 2024.

▪ Risk Committee

The current Risk Committee (RC) consists of 4 members, 3 members of stc Board of Directors, and a member external to the Board. RC is responsible for reviewing risk policies in accordance with stc strategies. RC ensures risk management and internal control systems follow best practice, as well as the appropriateness of plans to carry out tasks and responsibilities, risk strategy and business continuity. RC also reviews top risks that stc faces and the corrective measures to mitigate these risks. RC held 5 meetings in 2024, as shown in the following table.

Name	Membership	Number and date of meetings					Total
		12	13	14	1	2	
		11 Mar	11 May	6 June	4 Sep	1 Dec	
		8th term			9th term		
Ms. Rania Mahmoud Nashar	Chairperson	✓	✓	✓	✓	✓	5
Mr. Ahmed Mohammed Al-Omran	Member	✓	✓	✓	✓	✓	5
Mr. Walid Ibrahim Shukri	Member	✓	✓	✓	✓	✓	5
Eng. Tarek A. Al-Rikhaimi	Member	✓	✓	✓	✓	✓	5

Annual Assessment of the Board of Directors and Committees

stc’s Board of Directors resolved to approve the performance assessment policy of the Board of Directors and committees. The policy aims to define rules and regulations of assessing performance for follow-up and enhancement objectives, fulfill requirements, apply best governance practices, and strengthen the Board of Director’s effectiveness. The Board of Directors stressed conducting annual performance assessments as per the relevant rules and regulations, based on the delegation of the Board of Directors to the Chairman. During 2024, the Chairman of the Board of Directors followed

up on the project implementation and development plans of the assessment recommendations that have had an impact on the performance of the Board of Directors and the Executive Management and their collective efforts. The Board of Directors determined their expectations from the Executive Management. In return, the latter determined their expectations from the Board. Implementing these expectations contributed to the effectiveness of the Board of Directors and the committee’s performance, which was reflected in stc’s performance. A new Board of Directors was elected for the 9th term on 24 July 2024 for a period of 4 years; a performance assessment will be conducted within.



Description of any interest, contractual papers and subscription rights belonging to members of the Board of Directors and their relatives in stc shares or debt instruments (for the year 2024)

Member name	Beginning of 2024		Ending of 2024		Net difference
	No. of shares	Debt instruments	No. of shares	Debt instruments	
HRH Prince Mohammed Khalid Al-Faisal	2,500	0	2,500	0	0
H.E. Dr. Khaled Hussain Biyari	5,185	0	5,185	0	0
H.E. Mr. Mohammed Talal Al-Nahas*	750	0	850	0	100
Mr. Yazeed Abdulrahman AL-Humied	23,372	0	23,372	0	0
Ms. Rania Mahmoud Nashar	0	0	0	0	0
Mr. Arndt Rautenberg	0	0	0	0	0
Mr. Sanjay Kapoor	0	0	0	0	0
Ms. Sarah Jammaz Al-Suhaimi	0	0	0	0	0
Mr. Jameel Abdullah Al-Molhem	23,750	0	23,750	0	0
Mr. Walid Ibrahim Shukri	0	0	0	0	0
Mr. Ahmed Mohammed Al-Omran	0	0	0	0	0
Dr. Ibrahim Saad Al-Mojel**	4,600	0	4,600	0	0

\* H.E. Mr. Mohammed Talal Al-Nahas’ membership in the Board of Directors ended at the end of the 8th term of the Board of Directors on 24 July 2024.  
\* Dr. Ibrahim Saad Al-Mojel joined the Board of Directors in the 9th term on 25 July 2024.

Description of any interest, contractual papers and subscription rights belonging to members of the Board of Directors and their relatives in stc’s subsidiaries shares or debt instruments (for the year 2024)

Member name	Subsidiary	Beginning of 2024		Ending of 2024		Net difference
		No. of shares	Debt instruments	No. of shares	Debt instruments	
HRH Prince Mohammed Khalid Al-Faisal		0	0	0	0	0
H.E. Dr. Khaled Hussain Biyari		0	0	0	0	0
H.E. Mr. Mohammed Talal Al-Nahas*		0	0	0	0	0
Mr. Yazeed Abdulrahman AL-Humied	solutions	20	0	20	0	0
Ms. Rania Mahmoud Nashar		0	0	0	0	0
Mr. Arndt Rautenberg		0	0	0	0	0
Mr. Sanjay Kapoor		0	0	0	0	0
Ms. Sarah Jammaz Al-Suhaimi		0	0	0	0	0
Mr. Jameel Abdullah AlMulhem		0	0	0	0	0
Mr. Walid Ibrahim Shukri		0	0	0	0	0
Mr. Ahmed Mohammed Al-Omran		0	0	0	0	0
Dr. Ibrahim Saad Al-Mojel**		0	0	0	0	0

\* H.E. Mr. Mohammed Talal Al-Nahas’ membership in the Board of Directors ended at the end of the 8th term of the Board of Directors on 24 July 2024.  
\* Dr. Ibrahim Saad Al-Mojel joined the Board of Directors in the 9th term on 25 July 2024.

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

Member name	Beginning of 2024		Ending of 2024		Net difference
	No. of shares	Debt instruments	No. of shares	Debt instruments	
Olayan Mohammed Alwetaid	2,000	-	90,000	-	88,000
Ameen Fahad Alshiddi	82,141	-	127,783	-	45,642
Faisal S. Alsaber	7,265	-	12,434	-	5,169
Riyadh Saeed Muawad	82,141	-	123,980	-	41,839
Mohammed Abdullah Alabbadi	44,034	-	72,342	-	28,308
Moaeed Huwajj Alsaloom	7,457	-	26,213	-	18,756
Haithem M. Alfaraj	82,141	-	123,980	-	41,839
Abdullah Abdulrahman Alkanhl	73,471	-	111,508	-	38,037
Ahmad M. Alghamdi	37,359	-	63,308	-	25,949
Motaz A. Alangari	7,789	-	26,413	-	18,624
Abdullah S. Alanizi	45,000	-	-	-	(45,000)
Mathad Faisal Alajmi	44,034	-	69,983	-	25,949
Emad Aoudah Alaoudah	44,424	-	70,548	-	26,124
Amir Abdulaziz Algibreen	27,629	-	24,080	-	(3,549)
Ibrahim Saleh Alsuwail	4,032	-	18,225	-	14,193

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

Name	Subsidiary	Beginning of 2024		Ending of 2024		Net Difference
		No. of Shares	Debt Instruments	No. of Shares	Debt Instruments	
Olayan Mohammed Alwetaid		0	0	0	0	0
Ameen Fahad Alshiddi		0	0	0	0	0
Faisal S. Alsaber		0	0	0	0	0
Riyadh Saeed Muawad		0	0	0	0	0
Mohammed Abdullah Alabbadi		0	0	0	0	0
Moaeed Huwajj Alsaloom		0	0	0	0	0
Haithem M. Alfaraj		0	0	0	0	0
Abdullah Abdulrahman Alkanhl		0	0	0	0	0
Ahmad M. Alghamdi		0	0	0	0	0
Motaz A. Alangari		0	0	0	0	0
Abdullah S. Alanizi	solutions	0	0	85	0	85
Mathad Faisal Alajmi		0	0	0	0	0
Emad Aoudah Alaoudah	solutions	0	0	4	0	4
Amir Abdulaziz Algibreen		0	0	0	0	0
Ibrahim Saleh Alsuwail		0	0	0	0	0

Remuneration and Compensation of the Board of Directors and Top 5 senior Executives

On 21 June 2023, stc’s Extraordinary General Assembly resolved to approve amending the nomination and remuneration of Board members and the members of its standing committees and remuneration of the Executive Management Policy (published on stc’s website). The remunerations of the members of the Board of Directors and the members of the Board committees in 2024, in addition to stc’s top 5 executives, including the GCEO and the GCFO, are as follows.

Remuneration and compensation of the Board of Directors (for the year 2024)  
(All amounts mentioned below are in Saudi Riyals)

Names	Fixed remunerations					Variable remunerations									
	Fixed remunerations	Allowance for attending Board meetings	In-kind benefits	Remuneration for technical, administrative and consulting work	Remuneration of the Chairman of the Board, the Managing Director or the Secretary if a member	Total	Percentage of profits	Periodic bonus	Short-term incentives plan	Long-term incentives plan	Shares granted	Total	Indemnity	Total	Expense allowance
First: Independent Directors															
HRH Prince Mohammed Khalid Al-Faisal	600,000	30,000				630,000								630,000	
Mr. Sanjay Kapoor	400,000	30,000				430,000								430,000	
Mr. Arndt Rautenberg	400,000	30,000				430,000								430,000	
Ms. Sarah Jammaz Al-Suhaimi	400,000	30,000				430,000								430,000	
Mr. Jameel Abdullah AlMulhem	400,000	30,000				430,000								430,000	
Mr. Walid Ibrahim Shukri	400,000	30,000				430,000								430,000	
Total	2,600,000	180,000				2,780,000								2,780,000	
Second: Non-executive members															
H.E. Dr. Khaled Hussain Biyari	400,000	30,000				430,000								430,000	
H.E. Mr. Mohammed Talal Al-Nahas*	400,000	15,000				415,000								415,000	
Mr. Yazeed Abdulrahman AL-Humied	400,000	30,000				430,000								430,000	
Mr. Ahmed Mohammed Al-Omran	400,000	30,000				430,000								430,000	
Ms. Rania Mahmoud Nashar	400,000	30,000				430,000								430,000	
Dr. Ibrahim Saad Al-Mojel**	-	15,000				15,000								15,000	
Total	2,000,000	150,000				2,150,000								2,150,000	
Third: Executive members															
None		-				-								-	
Total	4,600,000	330,000				4,930,000								4,930,000	

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

\*H.E. Mr. Mohammed Talal Al-Nahas’ membership in the Board of Directors ended at the end of the 8th term of the Board of Directors on 24 July 2024.  
\*\*Dr. Ibrahim Saad Al-Mojel joined the Board of Directors in the 9th term on 25 July 2024.

Remuneration of committee members (for the year 2024)  
(All amounts mentioned below are in Saudi Riyals)

Name	Committee	Fixed remunerations (without meetings attendance allowance)	Meeting attendance allowance	Total
HRH Prince Mohammed Khalid Al-Faisal	ExCom Investment	300,000	45,000	345,000
H.E. Dr. Khaled Hussain Biyari	ExCom	200,000	20,000	220,000
H.E. Mr. Mohammed Talal Al-Nahas <sup>(1)</sup>	ExCom	113,043	10,000	123,043
Mr. Yazeed Abdulrahman AL-Humied	ExCom	200,000	15,000	215,000
Mr. Ahmed Mohammed Al-Omran	Risk	200,000	25,000	225,000
Ms. Rania Mahmoud Nashar <sup>(2)</sup>	NRC Risk	300,000	40,000	340,000
Mr. Sanjay Kapoor	ExCom	200,000	20,000	220,000
Mr. Arndt Rautenberg	Investment	200,000	25,000	225,000
Ms. Sarah Jammaz Al-Suhaimi <sup>(3)</sup>	Investment NRC	200,000	40,000	240,000
Mr. Jameel Abdullah AlMulhem	NRC	300,000	30,000	330,000
Mr. Walid Ibrahim Shukri	Audit Risk	375,000	65,000	440,000
Dr. Ibrahim Saad Al-Mojel <sup>(4)</sup>	ExCom Investment	86,957	25,000	111,957
Dr. Ammr K. Kurdi	Audit (external member)	375,000	40,000	415,000
Mr. Medhat F. Tawfik	Audit (external member)	375,000	40,000	415,000
Mr. Khalid A. Al-Ankari <sup>(5)</sup>	Audit (external member)	211,957	25,000	236,957
Mr. Abdulaziz Al-Shushan <sup>(6)</sup>	Audit (external member)	130,435	15,000	145,435
Eng. Yaser Allaf <sup>(7)</sup>	Audit (external member)	130,435	15,000	145,435
Eng. Tarek A. Alrikhaimi	Risk (external member)	300,000	25,000	325,000
Mr. Rashid I. Sharif	Investment (external member)	300,000	20,000	320,000
Ms. Hoda M. Al-Ghson	NRC (external member)	300,000	30,000	330,000
Mr. Johan Brand <sup>(8)</sup>	NRC (external member)	169,565	15,000	184,565
Eng. Hazem A. AlShaikmubarak <sup>(9)</sup>	NRC (external member)	104,348	15,000	119,348
Total		5,071,740	600,000	5,671,740

1. H.E. Mr. Mohammed Talal Al-Nahas’ membership in ExCom ended at the end of the 8th term of the Board of Directors on 24 July 2024.  
2. Ms. Rania Mahmoud Nashar’ membership in NRC ended at the end of the 8th term of the Board of Directors on 24 July 2024.  
3. Ms. Sarah Jammaz Al-Suhaimi joined NRC on 25 July 2024.  
4. Dr. Ibrahim Saad Al-Mojel joined the ExCom, and Investment committee on 25 July 2024.  
5. Mr. Khalid Abdullah Al-Ankari’s membership in AC ended at the end of the 8th term of the Board of Directors on 24 July 2024.  
6. Mr. Abdulaziz Al-Shushan joined AC on 26 August 2024.  
7. Eng. Yaser Allaf joined AC on 26 August 2024.  
8. Mr. Johan Brand’s membership in NRC ended at the end of the 8th term of the Board of Directors on 24 July 2024.  
9. Eng. Hazem A. AlShaikmubarak joined NRC on 26 August 2024.



Remunerations of the top 5 senior executives  
(Including the GCEO and the GCFO in 2024)  
(All amounts mentioned below are in Saudi Riyals)

Fixed remunerations				Variable remunerations								
Salaries	Allowances	In-kind benefits	Total	Periodic remunerations	Revenues	Short-term incentive plans	Long-term incentive plans	Shares granted (value entered)	Total	Indemnity	Board remunerations for executives if applicable	Net total
17,194,285.90	5,947,994.87	-	23,142,280.77	-	-	35,556,834.25	-	12,132,030	47,688,864.25	-	1,467,054.79	72,298,199.81

Shareholders’ General Assemblies

First: The Ordinary General Assembly Meeting on 25 April 2024

The Ordinary General Assembly Meeting was held remotely through modern technology via Tadawulaty services on 25 April 2024. The meeting’s results were published on Tadawul’s website on 28 April 2024. Voting results in the General Assembly’s agenda were as follows:

1.

The Board of Directors report for the fiscal year ending on 31 December 2023 was viewed and discussed.
2.

The financial statements for the fiscal year ending on 31 December 2023 was viewed and discussed.
3.

Approve stc’s Auditor Report after discussing it for the fiscal year ending on 31 December 2023.
4.

Approve the Board of Directors recommendation for the special one-time dividend distribution for the year 2023 of ﷲ (1) per share, which represents 10% of the share’s par value with a total amount of ﷲ 4,984.50 million, the eligibility of special dividends will be for the shareholders at the close of trading on the day of stc’s General Assembly Meeting and as per the registered shareholders in stc’s shareholders’ registry in the Depository Center at the end of the 2nd trading day, following the day of stc’s General Assembly Meeting; thus the total dividends distributed and proposed to be distributed for the year 2023 is ﷲ (2.60) per share, which represents 26% of the share’s par value, the dividend distribution for 4,984.50 million eligible shares shall be in 15 May 2024 , as previously announced.
5.

Approve the business and contracts between Telecommunications Towers Company (TAWAL), a stc

subsidiary, and Saudi National Bank in which Mr. Yazeed Abdulrahman AL-Humied has an indirect interest being a Vice Chairman of stc and Saudi National Bank Boards of Directors. The disclosed indirect interest is regarding the Sharia-compliant loan, amounted to USD 1.02 billion (USD 0.3 billion out of the total loan amount is a bridge loan), provided by Saudi National Bank to Tawal. Furthermore, the Public Investment Fund is considered a major shareholder in both stc and Saudi National Bank. The contract is part of the ordinary businesses that have offered no preferential advantages.

6.

Approve the business and contracts between stc and Saudi National Bank in which Mr. Yazeed Abdulrahman AL-Humied has an indirect interest, being a Vice Chairman of stc and Saudi National Bank Boards of Directors. The disclosed indirect interest is regarding the Sharia-compliant loan, amounted to ﷲ 350 million provided by Saudi National Bank to stc. Furthermore, the Public Investment Fund is considered a major shareholder in both stc and Saudi National Bank. The contract is part of the ordinary businesses that have offered no preferential advantages.

7.

Approve the business and contracts between Telecommunications Towers Company (TAWAL), a stc subsidiary, and Saudi National Bank in which Mr. Yazeed Abdulrahman AL-Humied has an indirect interest, being a Vice Chairman of stc and Saudi National Bank Boards of Directors. The disclosed indirect interest is regarding Murabaha financing, amounted to ﷲ 2 billion. Furthermore, the Public Investment Fund is considered a major shareholder in both stc and Saudi National Bank. The contract is part of the ordinary businesses that have offered no preferential advantages.

8.

Approve authorizing the Board of Directors with the General Assembly Meeting authority with the rights mentioned in paragraph (1) of Article (27) of the Companies Law for one year from the date of approval of the General Assembly or until the end of the session of the authorized Board of Directors, whichever is earlier, in accordance with

the conditions mentioned in the Implementing Regulation of the Companies Law for Listed Joint Stock Companies.

9.

Approve paying ﷲ 6,612,500 as remunerations for the members of Board of Directors for the fiscal year ending on 31 December 2023.

Members who attended the General Assembly Meeting

Name	Attendance
HRH Prince Mohammed Khalid Al-Faisal (Chairman of the Board)	✓
H.E. Dr. Khaled Hussain Biyari	✓
H.E. Mr. Mohammed Talal Al-Nahhas	✓
Mr. Yazeed Abdulrahman AL-Humied (Vice Chairman of the Board)	✓
Ms. Rania Mahmoud Nashar	✓
Mr. Arndt Rautenberg*	×
Mr. Sanjay Kapoor*	×
Ms. Sarah Jammaz Al-Suhaimi	✓
Mr. Jameel Abdullah AlMulhem	✓
Mr. Walid Ibrahim Shukri	✓
Mr. Ahmed Mohammed Al-Omran	✓

\*Members of the Board of Directors Mr. Arndt Rautenberg, and Mr. Sanjay Kapoor apologized for not being able to attend.  
- Minutes of meetings can be found on stc’s website: [www.stc.com.sa](http://www.stc.com.sa)

Second: The Ordinary General Assembly Meeting on 24 July 2024

The Ordinary General Assembly Meeting was held remotely through modern technology via Tadawulaty services on 24 July 2024. The meeting’s results were published on Tadawul’s website on 25 July 2024. Voting results in the General Assembly’s agenda were as follows:

1.

Approve the election of members of the Board of Directors from among the candidates for the next term, which starts on 25 July 2024 and lasts for 4 years, ending on 24 July 2028. The following members have been elected:

•

HRH Prince Mohammed Khalid Al-Faisal

•

H.E. Dr. Khaled Hussain Biyari

•

Mr. Yazeed Abdulrahman AL-Humied

•

Dr. Ibrahim Saad AL-Mojel

•

Ms. Rania Mahmoud Nashar

•

Ms. Sarah Jammaz Al-Suhaimi

•

Mr. Jameel Abdullah AlMulhem

•

Mr. Walid Ibrahim Shukri

•

Mr. Ahmed Mohammed Al-Omran

•

Mr. Arndt Rautenberg

•

Mr. Sanjay Kapoor

2.

Approve the business and contracts between stc and Public Investment Fund (PIF), which is an agreement for PIF to acquire 51% of the shares of Telecommunications Towers Company (TAWAL) for a cash consideration amounted to ﷲ 8.7 billion. TAWAL was valued at ﷲ 21.94 billion, representing 100% of enterprise value on a cash-free and debt-free basis. Additional agreements were also signed to transfer the ownership of both TAWAL and GLIC (owns and manages 8,069 telecommunications towers in the Kingdom of Saudi Arabia, and owned by PIF, HRH Prince Saud Bin Fahad bin Abdulaziz, and Sultan Holding Company under a new entity (Digital Infrastructure Company). GLIC was valued at ﷲ 3.03 billion, representing 100% of enterprise value on a cash-free and debt-free basis. stc will inject approximately ﷲ 533 million into the digital infrastructure company’s capital to maintain its 43.06% ownership. The cash consideration paid to stc and the amount of the digital infrastructure company’s capital increase is subject to change according to the mechanism of calculations for completing the transaction. As a result, the shareholding of the Digital Infrastructure Company will be the following: PIF 53.99%, stc 43.06%, HRH Prince Saud Bin Fahad bin Abdulaziz 148%, Sultan Holding Company 148%. The transaction documents contain certain

precedents, which must be satisfied prior to completion such as the approval of the Communications, Space and Technology Commission, as well as any other regulatory and commercial conditions. The contract is part of the ordinary businesses that have offered no preferential advantages. PIF is considered a related party as the largest shareholder in stc (with 64% ownership) and the following Board of Directors members have indirect interest as representatives of the PIF: H.E Dr. Khaled Hussain Biyari, Mr. Yazeed Abdulrahman AL-Humied, Ms. Rania Mahmoud Nashar, Mr. Arndt Rautenberg and Mr. Sanjay Kapoor.

Members who attended the General Assembly Meeting

Name	Attendance
HRH Prince Mohammed Khalid Al-Faisal (Chairman of the Board)	✓
H.E. Dr. Khaled Hussain Biyari	✓
H.E. Mr. Mohammed Talal Al-Nahas*	×
Mr. Yazeed Abdulrahman AL-Humied (Vice Chairman of the Board)	✓
Ms. Rania Mahmoud Nashar	✓
Mr. Arndt Rautenberg*	×
Mr. Sanjay Kapoor*	×
Ms. Sarah Jammaz Al-Suhaimi	✓
Mr. Jameel Abdullah AlMulhem	✓
Mr. Walid Ibrahim Shukri	✓
Mr. Ahmed Mohammed Al-Omran	✓

\* Members of the Board of Directors H.E. Mr. Mohammed Talal Al-Nahas, Mr. Arndt Rautenberg, and Mr. Sanjay Kapoor apologized for not being able to attend.  
- Minutes of meetings can be found on stc’s website: [www.stc.com.sa](http://www.stc.com.sa)

**Third: The Ordinary General Assembly on 6 November 2024**  
The Ordinary General Assembly’s Meeting was held remotely through modern technology via Tadawulaty services on 6 November 2024. The meeting’s results were published on Tadawul’s website on 7 November 2024. Voting results in the General Assembly’s agenda were as follows:

1. Approve appointing the auditor Deloitte as auditor of stc from the selected candidates based on the Audit Committee’s recommendation. The appointed auditor shall examine, review and audit the (first, second and

3. Approve the Competing Standards Charter.
4. Approve authorizing the elected Board of Directors with the General Assembly authority with the rights mentioned in paragraph (1) of Article (27) of the Companies Law for one year from the date of approval of the General Assembly Meeting or until the end of the term of the authorized Board of Directors, whichever is earlier, in accordance with the conditions mentioned in the Implementing Regulation of the Companies Law for Listed Joint Stock Companies.

third) quarters and annual financial statements of the fiscal year 2025, (first, second and third) quarters and annual financial statements of the fiscal year 2026, (first, second and third) quarters and annual financial statements of the fiscal year 2027, and (first) quarter of 2028 and determine its remuneration with an amount of ﷲ 79,130,000 excluding VAT.

2. Approve stc dividends policy for the next 3 years starting from the dividend distribution of the fourth quarter of 2024 until the third quarter of 2027.

Members who attended the General Assembly Meeting

Name	Attendance
HRH Prince Mohammed Khalid Al-Faisal (Chairman of the Board)	✓
H.E. Dr. Khaled Hussain Biyari	✓
Mr. Yazeed Abdulrahman AL-Humied (Vice Chairman of the Board)*	×
Mr. Ahmed Mohammed Al-Omran*	×
Ms. Rania Mahmoud Nashar	✓
Mr. Sanjay Kapoor*	×
Mr. Arndt Rautenberg*	×
Ms. Sarah Jammaz Al-Suhaimi*	×
Mr. Jameel Abdullah AlMulhem	✓
Mr. Walid Ibrahim Shukri	✓
Dr. Ibrahim Saad Al-Mojel*	×

\*Members of the Board of Directors Mr. Yazeed Abdulrahman AL-Humied, Mr. Ahmed Mohammed Al-Omran, Mr. Sanjay Kapoor, Mr. Arndt Rautenberg, Ms. Sarah Jammaz Al-Suhaimi, and Dr. Ibrahim Saad Al-Mojel apologized for not being able to attend.  
- Minutes of meetings can be found on stc’s website: [www.stc.com.sa](http://www.stc.com.sa)

stc’s Dividend Distribution Policy

Article 45 of stc’s Bylaw provides for the distribution of the stc’s annual net profits as follows:

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

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

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

stc had an approved dividends policy based on maintaining a minimum dividend of ﷲ 0.40 per share on a quarterly basis starting from 4th quarter of 2021 until the 3rd quarter of 2024.

In line with this policy, stc distributed cash dividends to the shareholders for the fourth quarter of 2023 and for the first, second, and third quarters of 2024 at a rate of ﷲ 0.40 per share for each quarter. On 25 April 2024, General Assembly approved the board of directors’ recommendation to distribute additional cash dividends for the year 2023 at the rate of ﷲ 1 per share.



On 24 August 2024, the Board of Directors have approved stc’s dividends distribution policy for the next three years. The dividends distribution policy was approved by the General Assembly during the meeting held on 6 November 2024. stc’s dividends policy is based on maintaining a minimum dividend of ﷲ 0.55 per share per quarter for the next three years starting from the dividends distribution of the 4th quarter of 2024 until the 3rd quarter of 2027. Further, stc may consider paying special dividends, subject to the Board of Directors’ recommendation after the assessment of stc’s financial position, future outlook, strategic investments and capital expenditure requirements subject to the General Assembly’s approval. The dividends distribution policy remains subject to change based on any material changes in stc’s strategy

and business, regulatory requirements applicable to stc, or banking agreements.

In line with this policy, stc announced the distribution of cash dividends amounting to ﷲ 2,750 million to shareholders for Q4 2024, with ﷲ 0.55 per share. In addition to special cash dividends amounting to ﷲ 10,000 million to shareholders for the year 2024, with ﷲ 2 per share (subject to stc’s General Assembly approval).

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

The following is a breakdown of the 2024 distributions

Statement	Total distribution (ﷲ million)	Earnings per share (ﷲ)	Date of announcement	Due date	Payment date
Cash dividends for Q1 2024	2,000	0.40	08/05/2024	21/05/2024	10/06/2024
Cash dividends for Q2 2024	2,000	0.40	23/07/2024	28/07/2024	15/08/2024
Cash dividends for Q3 2024	2,000	0.40	04/11/2024	06/11/2024	26/11/2024
Cash dividends for Q4 2024	2,750	0.55	26/02/2025	05/03/2025	24/03/2025
Special dividends for the year 2024*	10,000	2	26/02/2025	To be determined	To be determined
Total distributions	18,750	3.75			

\*The Board of Directors has recommended in its meeting held on 25 February 2025 to distribute a special cash dividend of ﷲ (2) per share for the year 2024 to stc shareholders, and it will be presented to stc’s General Assembly at its next meeting for voting.

▪ Subsequent events

1.

On 27 January 2025, stc signed a contract with a Government entity for the purpose of building, operating and providing telecommunications infrastructure services with a contract value of ﷲ 32.64 billion and contract duration of 18 months period for preparation and execution, followed by 15 years of project operation period.
2.

On 28 January 2025, STC Bank received a non-objection from the Saudi Central Bank to commence its operations in the Kingdom of Saudi Arabia as a digital bank.
3.

On 6 February 2025, stc has increased its voting rights in Telefonica company from 4.97% to 9.97% following the completion of all relevant requirements.
4.

On 11 February 2025, the ownership transfer of TAWAL to the new established entity (Digital Infrastructure for Investment Company) was completed (for more details, see note 6.22 and 8.1.1 in the consolidated annual financial statements).
5.

On 25 February 2025, stc Board of Directors recommended to distribute special cash dividend of ﷲ 2 per share for the year 2024 to stc shareholders, and it will be presented to the General Assembly at its next meeting for voting.

Board of Directors’ Acknowledgment

The Board of Directors of stc acknowledges the following:

- The accounting records have been duly prepared.
- The internal control system is well established and effectively implemented.
- The Board of Directors has no doubt about stc’s ability to continue its activities.
- The consolidated financial statements for the year ending on 31 December 2024 have been prepared in accordance with the International Financial Reporting Standards adopted in the Kingdom of Saudi Arabia and other standards and regulations approved by the Saudi Organization for Chartered and Professional Accountants.
- stc did not report any natural or legal person owning 5% or more of the shares issued in 2024.
- No debt instruments were convertible into shares or option rights, warrants or similar rights issued or granted by stc in 2024.
- There were no refunds, purchases or cancellations by stc in 2024 for any redeemable debt instrument.
- There was no arrangement or agreement whereby a Board Director or a senior executive waived any salary or compensation.
- There was no arrangement or agreement whereby a shareholder waived any rights to profits.
- There was no contract to which stc was a party in which there was a substantial interest by a member of the Board, senior executive or any person linked to any one of them, other than what was disclosed in the Board of Directors report.
- stc did not provide cash loans of any kind to Board Directors and did not guarantee any loan that one of them had borrowed from others.

- There were no option rights or subscription rights exercised by Board Directors, senior executives, their spouses or their minor children.
- stc External Audit has expressed its opinion without any reservations about the 2024 consolidated financial statements.
- There are no recommendations from the Audit Committee that there is a conflict between the committee and the resolutions of the Board of Directors or its refusal to take them into account regarding the appointment of the stc External Auditor, dismissing the firm, determining their fees and evaluating their performance or appointing the Internal Audit.
- There was no competing business with stc or any of its activities that any member of the Board is engaging in or was engaging in such competing businesses, other than what was disclosed in the Board of Directors report.

Conclusion

After thanking Allah, the Almighty, the Board of Directors would like to thank the Custodian of the Two Holy Mosques King Salman Bin Abdulaziz Al Saud, HRH Crown Prince Mohammed Bin Salman Bin Abdulaziz Al Saud, and our wise government for the support, care and encouragement they have given stc in its quest to improve its performance and services. The Board also expresses its gratitude and appreciation to stc clients and shareholders for their trust, and stc employees for their dedication and diligence in the performance of their work. The Board confirms its commitment to develop stc services to meet the requirements of its clients, realize shareholders’ aspirations, achieve its social objectives, and sustain the leadership position of stc in the region’s telecommunications sector in the Kingdom of Saudi Arabia.