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Dears/ Boursa Kuwait Company
 State of Kuwait

السادة/ شركة بورصة الكويت
 دولة الكويت

Dear Sirs,

تحية طيبة وبعد

**Subject Sustainability report of Kuwait
 Telecommunications Co. stc for the
 financial year ended 31 December 2024**

**الموضوع / تقرير الاستدامة الخاص بشركة الاتصالات
 الكويتية stc للسنة المالية المنتهية في 31 ديسمبر 2024**

As per chapter No. 4 of the "Disclosure & Transparency" Module of the Capital Markets Authority's Executive Bylaws and its law No. 7/2010 and its amendments, We attach a copy of the Sustainability Report of Kuwait Telecommunications Company stc for the financial year ending December 31st, 2024.

وفقاً لأحكام الفصل الرابع من كتاب "الافصاح والشفافية" من اللائحة التنفيذية للقانون رقم 2010/7 وتعديلاته الصادرة عن هيئة أسواق المال، نرفق لكم نسخة من تقرير الاستدامة الخاص بشركة الاتصالات الكويتية stc للسنة المالية المنتهية في 31 ديسمبر 2024.

Sincerely yours,

وتفضلوا بقبول فائق الاحترام،



أحمد إبراهيم المراد
 مدير عام الشؤون القانونية والالتزام
 Ahmed Ibrahim AL-Murad
 Legal Affairs and Compliance
 General Manager

stc

شركة الاتصالات الكويتية

Attachments

- Sustainability report for the financial year ended 31 December 2024

المرفقات

- تقرير الاستدامة للسنة المالية المنتهية في 31 ديسمبر 2024

stc



Empowering Tomorrow

Sustainability Report | 2024

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stc.com.kw



Amir of the State of Kuwait
**H.H. Sheikh Mishal Al-Ahmad
Al-Jaber Al-Sabah**



The Crown Prince
**Sheikh Sabah Khaled
Al-Hamad Al-Sabah**

Table of Contents

Messages From Our Leadership	9
About This Report	17
Empowering Tomorrow: Our Sustainability Vision	21
Our Five-Pillar Sustainability Framework	25



Pillar 1: Empowering People

Investing In Our People	51
Fostering Diversity, Safety And Well-Being	57
Developing Future Talent And Youth	77



Pillar 2: Caring For The Environment

Resource Management	83
Emissions Profile	89



Pillar 3: Driving Digital Innovation

Customer First, Progress Always	93
Digital Transformation	103
2024 Milestones and Achievements	105



Pillar 4: Enriching Lives

Community Engagement And Impact	115
Responsible Procurement And Sustainable Supply Chain Practices	129
Sustainability-Driven Procurement Initiatives	131



Pillar 5: Acting With Integrity

Governance And Board Oversight	135
ESG Risk Management	159
Business Continuity	171
Cyber Security And Data Privacy	177

Appendices

GRI Content Index	181
Bursa Kuwait Sustainability Disclosures Index	189



Messages From Our Leadership



Chairman's Message

Empowering Tomorrow Through Vision and Responsibility

As we look ahead to a future defined by innovation and responsibility, **stc** Kuwait remains firmly committed to building on our sustainability foundation and unlocking new opportunities for impact. Empowering Tomorrow is more than a theme, it is our strategic intent, guiding how we contribute to national priorities, regional leadership, and long-term value creation.

Since the publication of our inaugural sustainability report, we have made visible progress in embedding Environmental, Social, and Governance (ESG) considerations into our business model. These efforts reflect the collective dedication of our people, employees, partners, and stakeholders, who continue to shape our journey with purpose.

At the board level, we remain resolute in upholding high standards of governance and ethical leadership. This commitment ensures that we navigate a rapidly transforming digital and telecom sector with transparency, agility, and integrity. In line with the broader **stc** Group vision, we have further aligned our governance, risk, and ESG frameworks to strengthen our contribution both locally and regionally.

We are proud to support initiatives that empower people, care for the environment, and leverage digital innovation to improve quality of life. By embedding sustainability in our long-term strategy, we create shared value and reinforce our role as a responsible enabler of Kuwait's Vision 2035.

On behalf of the Board, I extend my gratitude to our shareholders, employees, and partners for their continued trust and collaboration. Together, we are not only navigating change, we are shaping it, and empowering a future that is inclusive, sustainable, and resilient.

Dr. Mahmoud Ahmad Abdulrahman
Chairman of the Board of Directors



Chief Executive Officer's (CEO) Message

Shaping a Sustainable Future through Innovation and Impact

At **stc** Kuwait, we believe that innovation must go hand in hand with responsibility. Our sustainability journey is a reflection of this belief, a commitment to Empowering Tomorrow by embedding Environmental, Social, and Governance (ESG) priorities across every aspect of our operations.

The past year has been marked by meaningful progress. We made significant strides in improving our environmental impact, strengthened community partnerships, introduced programs to support youth and digital inclusion, and deepened our focus on employee well-being and development. These actions are not isolated initiatives; they are part of a broader transformation to align our business model with long-term value creation for all stakeholders.

Our five ESG pillars: Empowering People, Caring for the Environment, Driving Digital Innovation, Enriching Lives, and Acting with Integrity, serve as the foundation of our sustainability strategy. Through them, we ensure that our decisions reflect not only performance goals but also our purpose as a digital enabler of progress.

Our alignment with the **stc** Group strategy and Kuwait Vision 2035 allows us to amplify impact at scale. We are proud to support national development priorities while reinforcing our leadership in digital infrastructure, innovation, and inclusion.

I am especially proud of the dedication shown by our employees and partners in championing our ESG journey. Their commitment and creativity continue to drive the momentum that makes our vision real.

As we move forward, we will continue to evolve, listen, and lead. Our focus is not only to meet expectations, but to exceed them, by creating value that lasts, impacts that matter, and a future where everyone is connected, included, and empowered.

Eng. Muataz Abdullah Aldharab
Chief Executive Officer



Chief Strategy Officer's (CSO) Message

Turning Vision into
Measurable Progress

At **stc** Kuwait, sustainability is not a standalone program but is embedded in our corporate strategy, shaping how we plan, prioritize, and deliver on our objectives. In 2024, we focused on building the structures and processes that ensure Environmental, Social, and Governance (ESG) considerations influence decisions across the company.

We strengthened our ability to track and evaluate ESG performance, giving our teams clearer insights to guide actions and align priorities with our strategic goals. Our materiality assessment was refined to reflect evolving stakeholder expectations and global best practices, ensuring our priorities remain relevant and impactful.

Collaboration was at the heart of this progress. We worked across all functions to align initiatives with our environmental and social commitments resulting in expanding our 5G offerings, advancing responsible supply chain practices, and achieving an 8% reduction in our Scope 1 and Scope 2 greenhouse gas emissions, covering both direct emissions from our operations and indirect emissions from purchased energy, compared to last year. By embedding sustainability requirements into core planning and execution, we are strengthening both resilience and competitiveness.

Looking ahead, our priorities are clear. We will expand digital inclusion, advance environmentally sustainable innovation in our infrastructure, and deepen partnerships that amplify environmental and social benefits. We will continue to anticipate regulatory shifts and stakeholder expectations, keeping **stc** Kuwait at the forefront of a rapidly evolving ESG landscape.

Sustainability is not a separate agenda. It is the lens through which we shape our strategy and deliver value for our stakeholders, our community, and the environment we all depend on.

Mr. Khalid Fahad Al Sudairy
Chief Strategy Officer



About This Report

Sustainability At The Core

Strengthening Our Commitment

This is **stc** Kuwait's second standalone Sustainability Report, presenting our Environmental, Social, and Governance (ESG) performance and progress for the period 1 January 2024 to 31 December 2024.

The report reflects our commitment to transparency, accountability, and continuous improvement across all areas of our business and community engagement. We aim to inform a wide range of stakeholders including customers, employees, regulators, shareholders, partners, and the broader community about our sustainability priorities, initiatives, and impact.

Reporting Period and Frequency

This report covers ESG-related data, initiatives, and performance for the calendar year 2024. It is published annually and complements other disclosures available on **stc** Kuwait's website and in regulatory filings.

Reporting Boundaries

Unless otherwise stated, the information in this report refers to Kuwait Telecommunications Company (**stc** Kuwait) and its direct operations. It excludes subsidiaries, joint ventures, or affiliates outside Kuwait.

Frameworks and Alignment

The report has been prepared in accordance with the GRI Universal Standards 2021, and it is aligned with the following frameworks:

- Sustainability Accounting Standards Board (SASB - Telecom Services)
- United Nations Sustainable Development Goals (UN SDGs)
- Kuwait Vision 2035
- Boursa Kuwait ESG Disclosure Guide
- **stc** Group Sustainability Strategy

Restatements

There are no material restatements of previously reported information. Any updates or changes from prior years are clearly noted where relevant.

External Assurance

Selected data points have undergone internal review and validation. External assurance has not been applied for this reporting cycle but may be considered in future reports.

Feedback and Contact

We welcome feedback and inquiries about this report. For questions, comments, or suggestions, please contact:
Sustainability Team - **stc** Kuwait
sustainability@stc.com.kw

Cautionary Message

This report contains statements that may be deemed as "forward-looking statements" that express the way in which **stc** intends to conduct its activities. Forward statements could be identified by the use of forward-looking terminology such as "plans," "aims," "assumes," "continues," "believes," or any variations of such words that certain actions, events or results "may," "could," "should," "might," "will," or "would" be taken or be achieved. **stc** has made every effort to ensure the report is as accurate and truthful as possible. However, by their nature forward-looking statements are qualified to inherent risks and uncertainties surrounding future expectations that could cause actual results to differ materially from these projected or implied statements. Such statements are subject to risks that are beyond **stc's** ability to control and therefore do not represent a guarantee that events implied in these forward-looking statements will actually occur.



Empowering Tomorrow

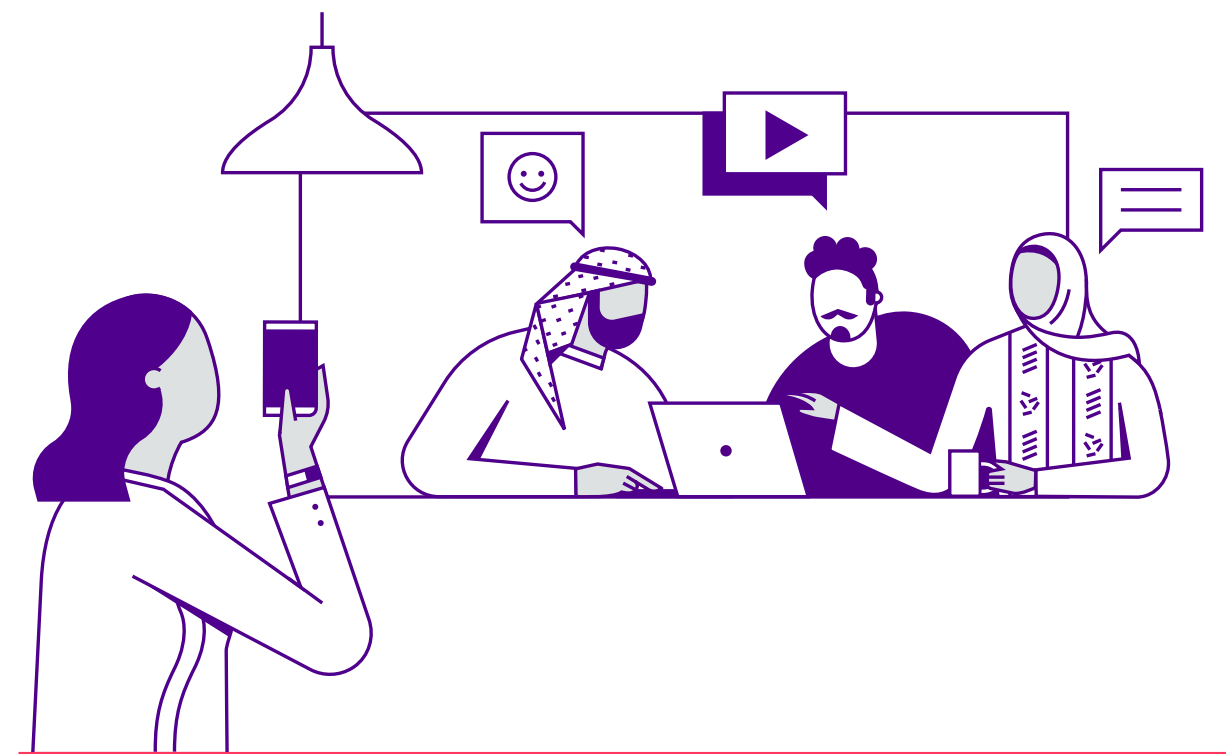
Our Sustainability Vision

At **stc** Kuwait, we view sustainability as a strategic enabler of long-term growth, innovation, and national development. As a leading digital enabler, we recognize our responsibility to create shared value, economically, socially, and environmentally. Our sustainability journey is guided by a clear vision; to empower tomorrow through inclusive innovation, responsible practices, and a deep commitment to our stakeholders.

Our 2024 theme, “Empowering Tomorrow,” captures this intent. It reflects how we are preparing our organization, and the communities we serve for a more sustainable, equitable, and digitally advanced future.

From the outset, we embraced responsible growth, recognizing that a thriving digital ecosystem must be built on a sustainable foundation. This commitment drove us to integrate energy-efficient solutions into our infrastructure and operations, reducing our environmental footprint while enhancing efficiency.

As we expanded, so did our dedication to Kuwait’s vision of becoming a leading regional hub. Through strategic acquisitions such as Qualitynet General Trading and Contracting Company and **e-Portal** Holding Company, we strengthened our capabilities to deliver end-to-end digital solutions. Sustainability remained a key pillar of our growth, ensuring that our services from high-speed internet to advanced IT solutions were designed with eco-efficiency at their core.



Today, **stc** stands as Kuwait’s fastest-growing telecom operator, serving 2.3 million loyal customers. This success is a testament to our unwavering commitment to innovation and sustainability. As we look to the future, we remain dedicated to pioneering a digital landscape that not only advances technology but also supports a greener, more sustainable Kuwait.

This approach aligns with Kuwait Vision 2035, the **stc** Group Sustainability Strategy, and global frameworks such as the United Nations Sustainable Development Goals (UN SDGs). It also reflects our ambition to be a responsible telecom and ICT leader in the region.



We have aligned our strategic programs with the United Nations Sustainable Development Goals (SDGs), supported by a long-term sustainability plan. Our key objectives include reducing our environmental impact, investing in our workforce, supporting communities, and enhancing our infrastructure and programs. While **stc** has made progress toward these goals, we recognize there is more to achieve and we remain committed to driving meaningful impact. Below are key highlights of how our efforts contribute to specific SDGs and our material topics.

Our Five-Pillar Sustainability Framework

To translate our vision into action, we have structured our ESG strategy around five interconnected thematic themes.



Theme 1: Caring For The Environment

We are committed to reducing our environmental footprint by integrating sustainable practices across our operations and value chain. From adopting energy-efficient technologies to managing resources responsibly, our actions reflect a long-term commitment to environmental care. By prioritizing emissions reduction and resource conservation, we support broader climate goals while building a resilient, sustainable business that safeguards the planet for future generations.



Theme 2: Empowering People

At the heart of our sustainability approach is a commitment to empowering individuals to reach their full potential. We provide the tools, training, and support needed to enable informed, impactful contributions across our organization and communities. By fostering a culture of trust, inclusion, and open dialogue, we encourage collaboration and innovation. We also recognize and celebrate the achievements of our employees and partners, reinforcing a sense of value and purpose. These efforts aim to create an environment where people thrive, driving both our collective success and meaningful progress in society.



Theme 3: Improving Standards Of Living

We remain mindful of the well-being of our employees, aiming to cultivate a supportive, inclusive workplace that enables both personal and professional growth. Through initiatives that promote health, work-life balance, and continuous learning, we help elevate their quality of life. Programs such as flexible working arrangements, mental health support, and upskilling opportunities empower individuals to thrive beyond the workplace.



Theme 4: Promoting Digital Innovation And Technologies

We embrace digital innovation to enhance efficiency, improve customer experiences, and drive sustainable growth. By integrating advanced technologies across our operations, we create new market opportunities and strengthen our competitive edge. Our focus on digital transformation supports smarter, more agile processes while enabling long-term value creation. We continuously explore solutions that advance our business capabilities contributing to a more connected, inclusive, and sustainable future. Through innovation, we aim to deliver meaningful benefits for our customers, employees, and the wider community.

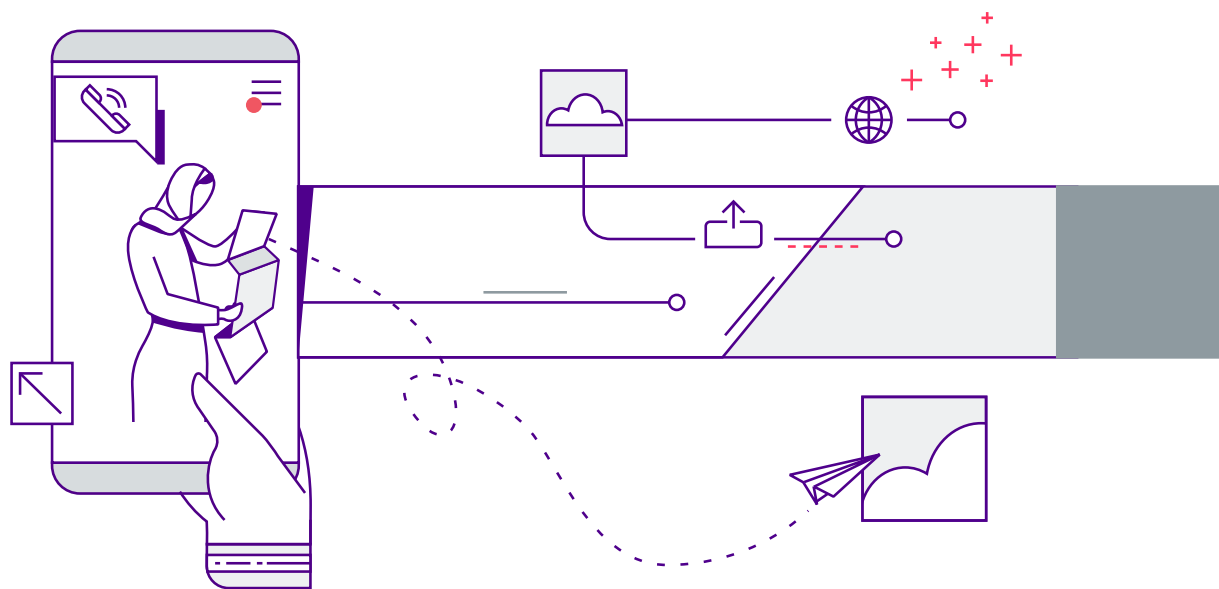


Theme 5: Operating With Integrity

Integrity guides every aspect of our work, shaping how we engage with employees, customers, partners, and communities. We uphold the highest ethical standards, ensuring transparency, accountability, and alignment with our core values. Beyond compliance, we set purposeful goals that drive responsible business conduct. By embedding ethical and sustainable practices into our decision-making, we aim to lead by example, demonstrating that long-term success is built on reliability and trust. Our approach supports a fair, inclusive future where businesses contribute meaningfully to the well-being of people and the planet.

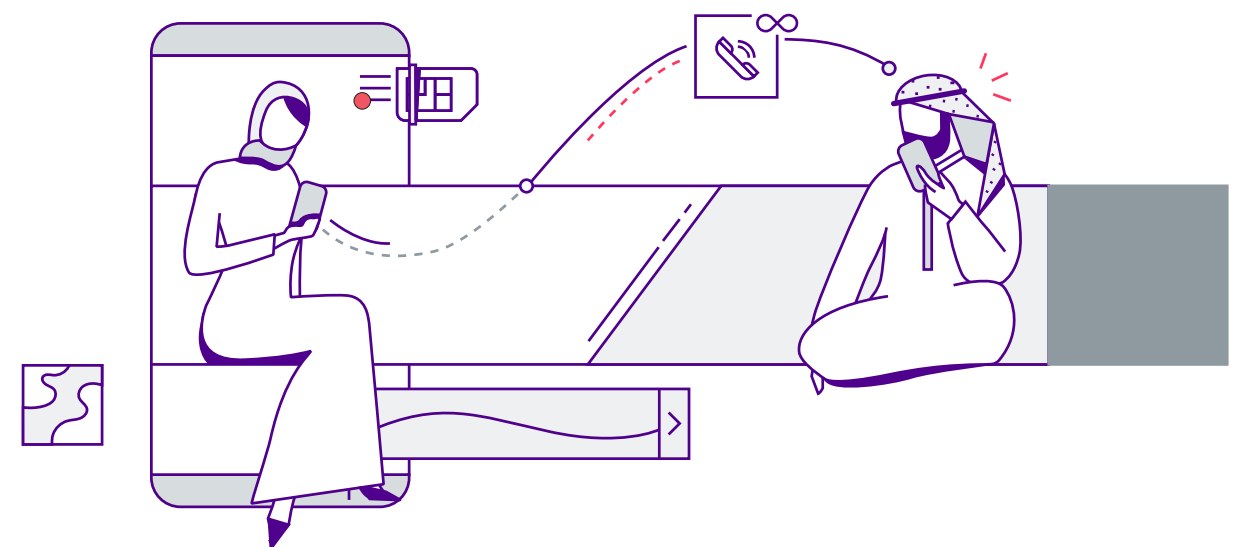
These five pillars serve as the foundation of our sustainability efforts and provide a clear roadmap to integrate ESG across the organization.

Our Mission, Vision and Values



Our Mission

Enable Kuwait's digital transformation by empowering customers and supporting government initiatives through innovative and tailored solutions while driving growth and shareholder returns.



Our Vision

Digital leader, enriching lives and empowering businesses.

Our Values



Drive

Moving forward and enabling best possible solutions for our clients and employees. We are proactive, inventive and inquisitive.



Devotion

Determined to be a “customer centric” company for our clients and an inspirational workplace for our employees. We are caring, committed and trustworthy.



Dynamism

Outstanding energy to enhance and enrich our performance. We are agile, collaborative and fresh.

reach further



r.e.a.c.h.



Our Corporate Strategy

Reignite

Consumer portfolio

R

Expand

Enterprise growth

E

Advance

Market evolution

A

Create

Differentiated experience

C

Harness

Business excellence

H

small move.
Big Impact.

2024 Success Story

In 2023, **stc** was included in both the FTSE and MSCI indices, reflecting its growing appeal to global investors. Building on this momentum, the company was officially upgraded to the Premier Market on 11 February 2024, recognizing its strong financial performance, market capitalization, and governance standards. The Investor Relations team played a key role in achieving these milestones by enhancing transparency, improving investor engagement, and aligning with global best practices.



Membership Associations

- Kuwait British Factory Co.
- Avetta, Inc
- RIPE NCC
- Kuwait Clearing Company (KCC)
- Boursa Kuwait Securities Company
- Euroland IGS DMCC
- Global System for Mobile Communications (GSMA Ltd)
- Chairman's Club - Kuwait Co.
- Middle East Investor Relations Association (MEIRA)

Stakeholder Engagement

Our approach

- Transparent financial communication
- Proactive engagement
- Diverse communication platforms
- Commitment to global best practices
- Sustainability in focus

At **stc**, we are committed to building and maintaining strong, trust-based relationships with our stakeholders. Through open, transparent, and consistent communication, we engage meaningfully with investors, employees, customers, suppliers, government entities, and the local community. By taking a strategic approach, we ensure that stakeholder feedback is integrated into Board discussions and business decisions, aligning us with their needs and positioning us to exceed their expectations.

In 2024, **stc**'s Investor Relations (IR) team maintained consistent engagement with stakeholders by providing regular updates on financial performance and strategic priorities. Communications adhered to corporate governance standards and aligned with the company's ESG focus. Information was shared through various channels, including the IR website, earnings releases, mobile app, and Bursa Kuwait disclosures.

During the year, greater attention was given to incorporating sustainability information into investor communications. ESG performance and related metrics were included in financial updates and public filings, reinforcing transparency and offering a broader perspective on **stc**'s long-term business outlook amid evolving market conditions.

Stakeholder group	Topics of engagement	Nature of engagement
Employees	<ul style="list-style-type: none">Professional growth and career advancementEmployee well-being and satisfactionHealth, safety, and work-life balanceAccess to remote and flexible work options	<ul style="list-style-type: none">Training programs and workshopsConfidential reporting system'With-U' employee support programExecutive-staff meetingsSuccession planning and performance reviews
Suppliers and Business Partners	<ul style="list-style-type: none">Efficient procurement processesFair contract managementSupplier relationship managementAlignment with local and regional market needs	<ul style="list-style-type: none">In-person and virtual meetingsDigital procurement systems
Investors and Shareholders	<ul style="list-style-type: none">Transparent communication on strategy and performanceRegular ESG and financial updatesAccess to key company reports and disclosures	<ul style="list-style-type: none">Annual and Sustainability ReportsVirtual meetings and briefingsInvestor Relations websiteParticipation in financial forums and roadshows
Customers	<ul style="list-style-type: none">Tailored and advanced digital servicesAccess to 5G and innovative productsConvenience and flexibility in service accessResponsive customer service	<ul style="list-style-type: none">Call centers and customer service officesSocial media channelsmy stc appFeedback loops for service improvement
Regulators and Governmental Entities	<ul style="list-style-type: none">Compliance with regulations and transparencySupport for national development goalsAccurate and timely disclosuresParticipation in audits and oversight	<ul style="list-style-type: none">Internal and external auditsRisk and Compliance Committee activitiesBoard and Annual reports
Local Communities	<ul style="list-style-type: none">Support for social development and digital literacyCollaboration on community-focused initiativesAccess to stc's market updates and contributionsEmployee volunteering and entrepreneurship	<ul style="list-style-type: none">CSR initiatives and awareness campaignsInspireU programMedia presence and public eventsStrategic partnerships with NGOs
Academic Institutions	<ul style="list-style-type: none">Student and faculty engagementCareer development supportContribution to national educational goalsParticipation in awareness and job fairs	<ul style="list-style-type: none">Career fairs and awareness sessionsJoint programs with universitiesSupport for digitization and innovationNational strategy alignment

Materiality

In 2024, our parent company, **stc** Group conducted a materiality assessment which resulted in the identification of the following material topics and priority matrix. Building on the foundation of these topics, we are actively working to deepen our understanding and address the 13 material topics identified. Our efforts are now focused on refining these priorities and integrating them into actionable strategies that align with our long-term sustainability goals.

By continuing to leverage advanced technology and fostering collaboration with our stakeholders, we aim to transform these findings into impactful initiatives that drive measurable progress. This ongoing work ensures that our sustainability reporting remains robust, transparent, and aligned with the expectations of our stakeholders. Updates on these developments will be shared in due course as we move closer to achieving our shared vision for a sustainable future.

In 2024, **stc** revised its list of material topics to better reflect impact for the reporting period and evolving stakeholder priorities. A key change was the expansion of the governance-

related topic from “Board governance” to “Business ethics and governance,” incorporating a stronger focus on ethical conduct, and the social-related topic of “Customer health and safety” changing to “Health, safety and wellness,” encompassing impacts on our employees as well. Data privacy and cybersecurity, previously treated as separate areas, were merged into a single, more comprehensive topic: “Data privacy, security and protection.” The diversity-related topic was updated to “Diversity, equity and inclusion,” highlighting a stronger commitment to non-discrimination. “Waste management” was broadened into “Resource management.” Additionally, the former topic “Innovation and digital inclusion” was split into two focused areas: “Digital innovation and experience” and “Accessibility and digital inclusion.” New topics introduced in 2024 include “Talent management,” “Customer relations and satisfaction,” “Human rights,” and “Community contribution and development,” reflecting a more full-scale view of **stc**’s business impacts.

These topics directly inform our five-pillar strategy and are integrated throughout this report to ensure our actions and disclosures remain transparent, relevant, and stakeholder-driven.



Environment

- Energy and climate change
- Resource management



Governance

- Business ethics and governance
- Data privacy, security and management
- Supply chain management
- Human rights



Social

- Accessibility and digital inclusion
- Digital innovation and experience
- Health, safety and wellness
- Diversity, equality and inclusivity
- Customer relations and satisfaction
- Talent management
- Community contribution and development



Sustainability in Practice

Sustainability Governance at stc

At **stc**, we recognize that sustainability goes beyond environmental concerns; it encompasses social well-being, economic growth, and inclusive progress. Our sustainability governance model is designed to ensure that ESG considerations are integrated into our decision-making processes and operational structures. The model is built on a multi-layered approach that fosters accountability and collaboration across the organization.

At the top level, strategic oversight is provided by senior leadership provided by our Chief Strategy Officer (CSO) and General Managers who respectively oversee the key initiatives and progression, ensuring alignment with **stc**'s long-term vision and global best practices. This is complemented by a dedicated Sustainability Officer and Sustainability Champions, tasked with executing initiatives, monitoring progress, and ensuring compliance with ESG frameworks.

Clear reporting lines and regular assessments enable transparency, allowing **stc** to measure its sustainability performance and adapt strategies as needed. By embedding sustainability into every layer of our governance, we are not only advancing our goals but also ensuring that our operations remain resilient, responsible, and future-ready.

stc Kuwait has established a structured sustainability governance framework to ensure the effective implementation of its sustainability strategy. This governance model ensures sustainability is embedded across all levels of the organization, driving long-term impact and alignment with strategic objectives.



Aligning with UN Sustainable Development Goals (SDGs)

At **stc**, we are committed to connecting people and driving a sustainable future. We have aligned our strategic programs with the United Nations Sustainable Development Goals (SDGs), supported by a long-term sustainability plan. Our key objectives include reducing our environmental impact, investing in our workforce, supporting communities, and enhancing our infrastructure and programs. While **stc** has made progress toward these goals, we recognize there is more to achieve and we remain committed to driving meaningful impact.

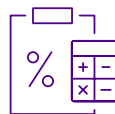


Our sustainability efforts are structured around five core themes: Caring for the Environment, Empowering People, Promoting Digital Innovation & Technologies, Improving Standards of Living, and Operating with Integrity each serving as a foundation for advancing ESG outcomes across our operations. With a focus on measurable impact, we will continue to refine our themes, collaborate with stakeholders, and drive digital transformation that fosters long-term sustainability. Below are key highlights of how our efforts contribute to specific SDGs:

Key initiatives	2024 Material Topics	UN SDG Alignment
Lithium battery rollout: Integrated lithium batteries into the network to replace traditional lead-acid batteries.	Energy and climate change	SDG 13: Climate Action
Inverter AC installation: Implemented inverter ACs to improve energy efficiency and reduce greenhouse gas emissions.		
On-grid Power Shift: Transition to decrease fuel dependency, reduce emissions, and support environmental sustainability.		
Tadwire recycling contract: To responsibly manage and recycle e-waste and other waste generated by our operations.	Resource management	SDG 12: Responsible Consumption and Production
e-sim implementation: To replace and reduce the use of traditional plastic cards.	Digital innovation and experience	SDG 9: Industry, Innovation and Infrastructure SDG 12: Responsible Consumption and Production SDG 13: Climate Action

Key initiatives	2024 Material Topics	UN SDG Alignment
Digital billing adoption: Embracing a digital transformation that extends beyond convenience and efficiency.	Digital innovation and experience	SDG 9: Industry, Innovation and Infrastructure SDG 12: Responsible Consumption and Production SDG 13: Climate Action
Digital contracts/receipts: Embracing a digital transformation that extends beyond convenience and efficiency.		
HR Counseling Unit: A transformative initiative to prioritize social impact and create a work environment that champions holistic well-being.	Health, safety and wellness	SDG 3: Good Health and Well-being SDG 8: Decent Work and Economic Growth
WithU Employee Platform: Designed to empower stc employees by giving them a voice and a platform to drive positive change.	Diversity, equality and inclusivity	SDG 5: Gender Equality SDG 8: Decent Work and Economic Growth
Employee Experience Unit: Serves as a direct line to employees, addressing their needs and supporting areas like career development, time management, mental health, and more.	Talent management	SDG 3: Good Health and Well-being SDG 4: Quality Education SDG 8: Decent Work and Economic Growth
Work-from-home policy: Allowing employees up to 10 remote working days per year to support stc employee's work-life balance.		
Middle Minutes Benefit: Doubled the middle minutes allowance for employees to provide them with increased flexibility during their working day and enhance their work-life balance.		
Talent Incubation Program (TIP): For young graduates to further develop their skills, while also gaining real-world experience and a chance to be hired at stc .		
Youth Development Program: To empower and nurture young talent, providing them with valuable skills, hands-on experience, and opportunities to grow.	Community contribution and development	SDG 4: Quality Education SDG 13: Climate Action SDG 15: Life on Land SDG 17: Partnerships for the Goals
Desert and Beach Club: A clean-up initiative in collaboration with the Municipality of Kuwait.		
Future Leaders Program: Sponsored Future Leaders Program to empower the youth and support local educational initiatives.		
Sustainability Report Launch: Launching our first Sustainability Report to highlight our ESG initiatives, progress, and goals, reinforcing our dedication to sustainable practices.	Business ethics and governance	SDG 16: Peace, Justice and Strong Institutions
Purple Code Ethics: To ensure stc employees acknowledged the code of ethics officially and aligned on its principles.		
Technological Infrastructure Investments: Invested in cutting-edge telecommunications infrastructure and smart solutions.	Data privacy, security and management	SDG 9: Industry, Innovation and Infrastructure
Strategic Partnerships: Engaged with government entities, suppliers, and industry leaders to enhance sustainability impact.	Supply chain management	SDG 17: Partnerships for the Goals
Mental Health Support: Launched employee wellness programs and provided mental health support initiatives.	Human rights	SDG 3: Good Health and Well-being

2024 ESG Highlights



153,508 Tco²e
Total Ghg Emissions
(Scope 1 And 2)



4.587 Tons
Recycled
Non-Hazardous Waste



100%
Digital
Procurement



100%
4g And 5g
Population
Coverage



90.1%
Customer
Satisfaction Rate



91%
First Call
Resolution Rate



391
Full Time Employees



64%
Kuwaitization In
Workforce



24.1%
Female
Workforce



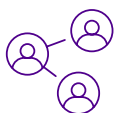
57.4%
Spending On Local
Procurement)



90.5%
Percentage Of Local
Suppliers Out
Of Total Suppliers



4%
Increase In My stc App
Users



2.3 M
Number Of
Subscribers



100%
Performance
Review Completed



3,048 Hours
Total Employee
Training Hours



10
Number Of
Certifications
Held In 2024



1,078
Number Of
Attempted Cyber
Breaches



0
Number Of Actual
Cyber Breaches

Awards



"FWA Overall Experience Award" at SAMENA Council's LEAD Awards 2024 - Dubai, UAE

This award recognizes **stc**'s exceptional developments in Fixed Wireless Access (FWA) solutions, further strengthening its position as a pioneer in providing ICT solutions and exceptional customer experience.



"ICT-Telecommunications Award - Kuwait" at the Middle East Technology Excellence Awards

The Middle East Technology Excellence Awards is a distinguished platform devoted to acknowledging and celebrating the pioneers of technological innovation. This country-level award reflects **stc**'s strategic approach to enhancing its connectivity network, especially through various upgrades and solutions related to 5G technology.



Innovation and Achievement Award in (FWA 5G) baity 5G Customer Growth and "Outstanding Network Operations Award" at Huawei's Operations Transformation Forum

These awards recognize **stc** Kuwait's advancements in network management and reliability, and setting new industry benchmarks for FWA (baity 5G) services and network solutions in regional markets. The awards were presented to **stc** at Huawei's Operations Transformation Forum 2024 in Istanbul, Turkey, and reflect **stc**'s pioneering role in adopting and managing its digital solutions to better serve its customers.



Top honor for **solutions by stc** in "Best Use of Digital - Technology/ Telecommunications" category at MENA Digital Awards

MENA Digital Awards is a bespoke awards show promoting digital innovation and media in the MENA region. The award highlights **solutions by stc**'s longstanding commitment to empowering businesses in Kuwait, especially SMEs, through innovative and cutting-edge digital solutions that support their unique digital transformation strategies.



stc third place as "Leading Corporate for Investor Relations" in Kuwait

The company secured third place as "Leading Corporate for Investor Relations" in Kuwait at the MEIRA 2024 Awards ceremony, which was held in Abu Dhabi.



stc and **solutions by stc** win two distinguished awards at the Global Business Outlook Awards 2024

stc has won the 'Best Corporate Governance Telecom Company - Kuwait 2024', and its subsidiary, **solutions by stc**, won the 'Best Customer Experience Digital Platform for B2B - My Business - Kuwait 2024' at the Global Business Outlook (GBO) Awards 2024. The awards ceremony was held in Dubai, United Arab Emirates, and aimed at recognizing organizations that have demonstrated outstanding achievements in different categories related to business and innovation.



stc receives "Best Entrepreneurial Landscape CSR Framework - 'weyak' - Kuwait 2024" at the International Finance awards

stc received the "Best Entrepreneurial Landscape CSR Framework - 'weyak' - Kuwait 2024" award from International Finance ("IFM"), a renowned financial publication that recognizes industry talents, leaderships skills, industry net worth and capability on an international platform. The award comes in recognition of the activities and programs launched under the 'weyak' initiative, a program launched under **stc**'s extensive CSR framework which focuses on supporting SMEs and entrepreneurs in Kuwait.

Financial Performance

	2022	2023	2024
Subscribers (Mn)	2.3	2.3	2.3
Revenues (KD millions)**	336.4	327.4	336.5
EBITDA (KD million)	82.0	85.1	85.3
EBTIDA margin (%)**	24.4%	26.0%	25.3%
Net profit (KD million)*	33.2	32.7	31.4
Net profit margin (%)**	9.9%	10.0%	9.3%
EPS fils*	33	33	31
Shareholder's equity (KD million)	241.4	243.9	240.5
BVPS (Fils)	242	244	241

*Net Profit for the year ended 31 December 2024 includes a non-recurring expense from the Employee Retirement Plan of KD 1.9 million. Normalized net profit amounts to KD 33.3 Million, with a growth of 1.8%

**Certain comparative figures have been reclassified in 2023 to conform with the classification used for the year ended 31 December 2024. These reclassifications have no impact on previously disclosed net income, financial position or cash flow.

Our Business Model

Our business model is centered on creating long-term value for all stakeholders by focusing on innovation, sustainability, and operational excellence. We prioritize customer satisfaction through high-quality products and services, ensuring their needs are met while driving growth and market leadership. We foster strong relationships with employees by promoting a culture of collaboration, development, and well-being. We engage with suppliers and partners to drive mutual success, maintain ethical practices, and uphold environmental responsibility. Our commitment to shareholders is demonstrated through consistent financial performance, transparent governance, and strategic investments. We are dedicated to positively impacting the communities in which we operate, contributing to social and environmental sustainability, adhering to related regulations and aligning with global best practices.

Financial Strength

- Backed by a leading regional telecom group
- Consistent financial growth and stability
- Strategic investor in new ventures

Operational Strength

- Leader in digital services offerings
- Early adopter of advanced technologies for operational efficiency
- Proactive strategic partner to many local and global entities, driving national transformation

Human Capital Strength

- Culture of innovation and inclusion
- Attraction and retention of top industry talent
- Empowerment of employees with global expertise

Innovation Strength

- Leader in deploying next-generation technologies
- Driver of digital transformation with bold initiatives
- Global collaborations to foster innovation





1

Pillar 1: Empowering People

Investing in our People

Empowering people is at the heart of our social responsibility. We strive to create an environment where every individual is equipped with the tools, knowledge, and trust they need to lead, innovate, and grow. By fostering a culture that encourages initiative and celebrates success, we enable our employees to thrive and make a meaningful impact.

Our commitment extends beyond the workplace, as we work to enhance the quality of life for individuals and communities. Through championing sustainable practices, promoting environmental stewardship, supporting economic growth, and empowering social well-being, we aim to build a more resilient and thriving future for all.

In the sections below, we outline our ongoing efforts and tangible actions that demonstrate **stc**'s dedication to inclusivity, purpose, and the continuous improvement of standards of living for our people and the communities we serve.

Performance Management

In a fast-paced and ever-evolving environment, building a strong and capable workforce is key to long-term success.

Our commitment goes beyond attracting talent. It's about nurturing it through a performance management system that drives growth and continuous improvement. This approach supports both individual and organizational excellence, enabling smarter resource use, encouraging accountability, and aligning employee contributions with our broader sustainability ambitions.

100%

of full-time employees (FTEs) at **stc** Kuwait received a performance review during 2024

Performance evaluation is based on a 5-point rating scale:

Rating	Score	Description
4.6-5	5	Leading
3.7-4.5	4	Performing
2.8-3.6	3	Developing
1.9-2.7	2	Needs Improvement
1-1.8	1	Poor

Performance management cycle

1. Objective settings

Setting SMART KPIs for employees in January

2. Mid-year review

Mid-year performance review by line managers with all the staff on objectives and competencies in July

3. 360 appraisal

360 peer group selection for behavioral evaluation employees are to be evaluated by 360 peer group in November

4. Objectives appraisal

Annual appraisal process for all employees on objectives and competencies in December

5. Performance calibration

Calibrating the final rating for all employees as per approved distribution and the approval of final rating in January

stc Kuwait has established a clear grievance mechanism for employees to appeal their annual performance appraisals. After the appraisal cycle closes, employees are given a 7 day period, announced through official communication, to submit their grievances. Appeals must include specific reasons, evidence, and supporting documents; those that do not meet these requirements or violate established rules are dismissed.



The Performance Appraisal Grievance Committee, led by the Chief Human Resources Officer (CHRO), oversees the process. Key stakeholders involved include the CHRO, Performance Management, Legal, and HR Business Partners. Satisfaction levels of those who use the mechanism is recorded through the Employee Experience Index survey. The grievance process document is reviewed at least once a year, with input from these stakeholders to evaluate outcomes, address any issues, and ensure compliance with internal and external regulations. The effectiveness of the grievance mechanism is monitored through annual reviews, audit findings, operational observations, and documentation of grievance outcomes and resolutions.

Training and Development

Our people are the driving force behind our success, and their growth is vital to our future. In an evolving industry, continuous learning and development is a strategic priority not just for individual advancement, but for long-term organizational resilience. Training Needs Assessments (TNA) are carried out to meet specific learning and development needs of our employees. Below are our employee training statistics for 2024, across gender and employee categories.

3048 hours

Total training hours in 2024
2464 hours as in-person training
and 584 hours as e-learning sessions

Total average hours per employee – 7.62 hours

	Average hours of training/employee	Total hours of training
Training for male employees	6.6	2028
Training for female employee	10.7	1020
Training for senior management	1.7	48
Training for middle management	4.1	512
Training for staff	7.62	3048

Code of Ethics and Business Conduct Training

stc Kuwait has established comprehensive communication and training initiatives on anti-corruption, targeting employees, Board members, and business partners, as part of its broader commitment to ethical conduct and regulatory compliance.

For employees and Board members, anti-corruption principles are communicated through the Code of Ethics and Business Conduct, which addresses issues such as bribery, facilitation payments, and conflicts of interest. All employees undergo a five-module online training program, including an introductory session and four modules covering 16 integrity risk areas.

Recognition Programs

People are at the heart of our progress. That's why we're committed to a rewards strategy that values both performance and potential, fueling engagement, driving excellence, and supporting sustainable growth.



Fair. Competitive. Purpose-Driven.

We've built a remuneration framework that goes beyond compensation. It's about recognition, well-being, and long-term success:

- **Competitive Salary Structure**
Informed by regular market benchmarking, our salaries are aligned with industry trends to attract and retain the best talent in a competitive landscape.
- **Performance-Based Incentives**
High performance is acknowledged through a dynamic rewards program that motivates individuals to grow, innovate, and lead with impact.
- **Comprehensive Benefits**
From health and wellness to financial planning and work-life balance, our benefits package supports employees in all aspects of their lives.

By investing in fair and future-focused rewards, we're not only recognizing the value of our employees bring but also reinforcing a workplace culture rooted in appreciation, sustainability, and mutual growth. **stc** Kuwait currently does not have any Employee stock Ownership Plan (ESOP).



Fostering Diversity, Safety, and Well Being

Human Resources plays a key role in integrating sustainability across the organization, with a strong focus on employee well-being. A workforce that is healthy, supported, and equipped to grow contributes to long-term organizational stability and performance.

HR leads initiatives that promote mental health, work-life balance, and overall wellness, ensuring employees are supported in both their professional and personal lives. These efforts are closely aligned with the company’s broader commitments to diversity, inclusion, and continuous development.

By fostering a positive and inclusive work environment, HR helps reduce employee turnover and improve satisfaction. This, in turn, lowers the environmental and operational costs associated with frequent recruitment and onboarding. The approach supports the company’s broader objective to maintain a resilient and responsible organization.

Workforce Profile

	2022	2023	2024
Total full-time equivalent (FTE) employees	434	417	391

We provide workforce breakdown figures based on generational diversity, gender diversity and employment level of FTE employees.

Workforce Profile	2022	2023	2024	% in 2022	% in 2023	% in 2024
By Age Category						
< 30 years	60	55	67	14%	13%	17%
31 – 50 years	354	340	297	82%	82%	76%
> 50 years	20	22	27	5%	5%	7%
By Gender						
Women	94	88	94	21.7%	21.1%	24.1%
Men	340	329	297	78.3%	78.9%	75.9%

The following table shows the distribution of **stc** employees across various employee categories ranging from executive and senior management roles to entry-level positions. The notable increase in certain categories can be attributed to the integration of solutions **stc** into **stc** in 2024.

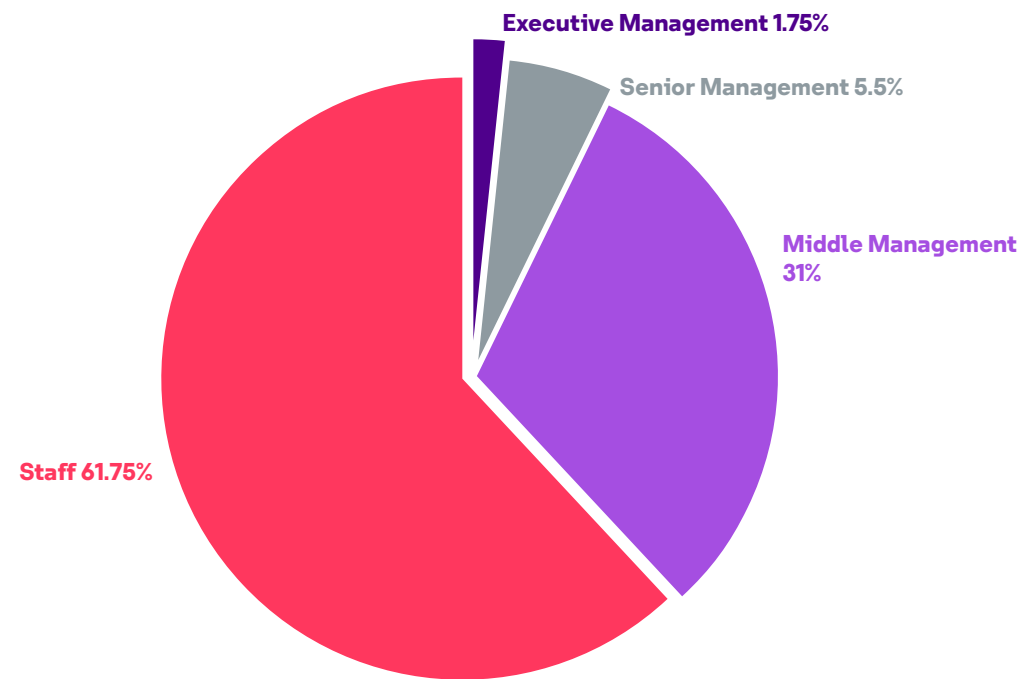
	2022	2023	2024
Executive Management	8	7	7
Senior Management	39	36	22
Middle Management	123	129	121
Staff	272	252	241

12.9%

Women in Junior and Middle Management

14.3%

Women in Senior and Executive Management



Women Representation in the Workforce

stc Kuwait continues to advance gender diversity through initiatives that support the recruitment and retention of women across the organization. These efforts are part of a wider strategy aimed at fostering a workplace where all employees have equitable opportunities for growth and success.

Rather than imposing mandatory hiring targets, **stc** Kuwait adopts a flexible approach that enables departments to contribute to gender balance in ways that suit their operational context. This empowers teams to align with the company’s diversity objectives while maintaining ownership of their talent management strategies.

Average Remuneration Ratio of Females to Males by Employee Category

Senior Management	88%
Junior Management	99%
Middle Management	100%
Professionals	103%
Staff	101%
Standard entry level wage compared to local minimum wage	100%

Kuwaitization

At **stc** Kuwait, we are proud to support Kuwait’s vision for a stronger and more inclusive economy. The national Kuwaitization initiative is an important step toward empowering local talent and strengthening the private sector. Across the organization, we have taken clear actions to support this goal. We actively recruit Kuwaiti professionals by participating in job fairs and career events, creating direct connections with graduates and experienced candidates. This approach reflects our commitment to opening meaningful opportunities and building long-term careers for national talent. We also invest in the development of our Kuwaiti employees, building essential skills for career growth through tailored training programs and a 24/7 e-learning platform. Our work environment is designed to support and retain top Kuwaiti talent. We offer competitive benefits and promote work-life balance to ensure our employees feel valued and motivated.

We have focused on creating career opportunities and growth from within. Through internal mobility, structured development paths, and mentorship programs, we aim to help them advance and realize their full potential, while contributing to **stc**’s long-term success.

Our commitment to Kuwaitization reflects a dual purpose: driving national development and building a stronger future for our business.

By empowering Kuwaiti talent, we enrich our organization with fresh perspectives, foster a culture of innovation, and ensure continued growth and adaptability in a rapidly changing telecommunications landscape.

Number of female national employees	66
Number of male national employees	166
Kuwaitization rate 2024	64%
Kuwaitization rate of Senior management in 2024	61.7%

Diversity and inclusion are fundamental to building a sustainable and forward-thinking **stc** Kuwait. We believe that embracing the unique perspectives and experiences of our people creates a workplace where every voice is heard and valued. This inclusive culture not only fosters innovation but also strengthens our connection with the communities we serve and supports our long-term success.

While we maintain high nationalization rates, with a large proportion of our employees being Kuwaitis, our workforce is enriched by a wide range of cultural and ethnic backgrounds. To better understand and celebrate this diversity, we actively listen to our colleagues and learn from their experiences, and we strive to create a supportive and welcoming environment. Our commitment to diversity and inclusion ensures that **stc** Kuwait remains a place where everyone can thrive and contribute to our shared goals.

New Hires and Turnover

Every successful journey starts with a strong beginning. That’s why we place great importance on the onboarding experience, ensuring new employees feel welcomed, informed, and inspired from day one. By offering the right resources and support, we help pave the way for long-term growth, meaningful contributions, and a rewarding career path within our dynamic and innovative environment.

Number of Male new hires	26
Number of Female new hires	21
> 30 years of age	29
Between 31 – 50 years of age	17
< 50 years of age	1
Total number of new hires	47

Turnover as a Path to Renewal

This year, our turnover rate saw an intentional increase driven by the launch of the Wafa’a program. An initiative designed to honor and reward our long-serving employees with generous end-of-service packages in recognition of their valuable contributions. At the same time, this strategic move opened new doors for rising talent within the organization, creating space for the next generation of leaders to grow, innovate, and shape the future of **stc**.

Enhancing Recruitment Efficiency: The Taleo Advantage

In our pursuit of innovation and operational excellence, we recognize that a great employee experience starts from day one. That’s why we’ve prioritized optimizing the new hire journey ensuring a seamless, efficient, and engaging process for every candidate who joins **stc** Kuwait.

To support this goal in 2024, we continue to use Taleo, a cloud-based applicant tracking system that brings measurable improvements to how we recruit and onboard talent.

Why Taleo?

This digital transformation isn’t just about speed it’s about smart, sustainable growth. Taleo enhances both candidate and business outcomes through:

• Streamlined Applications

A simple, intuitive interface enables candidates to apply and track their status with ease promoting transparency and engagement from the start.

• Accelerated Hiring Decisions

Our recruitment teams can now manage applications, conduct interviews, and issue offers faster than ever reducing our hiring cycle from two weeks to just 4–5 days.

• Cloud-Based Convenience

Taleo’s cloud platform ensures secure, anytime access from laptops, tablets, or smartphones. This allows for quick stakeholder approvals and digital archiving of offers, reducing administrative burdens and the potential for human error.

A Smarter, Greener Approach

Taleo enables us to:

• Cut Paper Usage

All documentation is managed digitally, eliminating the need for printed applications and contracts.

• Reduce Energy Waste

Automating and optimizing our recruitment workflows minimizes unnecessary resource consumption.

• Lower Candidate Travel

A faster and more transparent process reduces the number of in-person interactions required, helping reduce transportation-related emissions.

Smarter Hiring, Stronger Impact

The digitization of **stc**’s recruitment process has improved efficiency while advancing the company’s sustainability objectives. The transition to digital tools has reduced reliance on paper, shortened processing times, and streamlined workflows, contributing to a more resource-conscious hiring model.

The adoption of Taleo represents a strategic step in aligning operational processes with long-term ESG priorities. By integrating digital solutions into core functions, **stc** is improving the candidate experience and supporting its commitment to responsible and resilient business practices.

Turnover data

	Number	%
Male turnover	59	14.1%
Female turnover	15	3.6%
> 30 years of age	7	1.7%
Between 31-50 years	57	13.7%
< 50 years of age	10	2.4%
Total turnover	74	17.7%

stc Turnover Trend 2022 - 2024

Year	Turnover rate
2022	12.1%
2023	9.9%
2024	17.7%

Employee Benefits and Wellbeing

Employee Benefits

- Free voice and data lines
- 50% off for family lines
- Annual installment for devices
- School fees
- Annual (Airline) ticket for expats
- Medical insurance benefits - **stc** is committed to prioritizing employee well-being by continuously evaluating and enhancing its medical insurance coverage. Our approach ensures that health benefits remain competitive with market benchmarks while addressing the evolving needs of our employees and their families.

Newly launched in 2024

- Interest-free loans - In 2024, **stc** introduced an interest-free loan program as a financial support initiative for eligible employees. This program is designed to help employees address urgent or personal financial needs, enhancing their overall well-being and financial security.
- Mobile benefits - In 2024, **stc** introduced enhanced mobile phone allowances and device benefits to support employees’ communication needs and work efficiency by facilitating their digital connectivity.

stc Employee Benefits Overview

At **stc**, we believe that investing in our people is the foundation of our success. Our comprehensive benefits package is thoughtfully designed to support employees’ well-being, financial stability, and work-life balance. The following are key elements of our benefits program:

Employee Benefits

- Free Voice and Data Lines - All employees are provided with free mobile voice and data services to ensure seamless communication and connectivity.
- 50% Discount on Family Lines - We extend our telecommunication benefits to employees’ families by offering a 50% discount on up to three family lines.
- Device Installment Program - Employees can avail annual installment plans to purchase the latest mobile devices, with flexible payment options deducted directly from monthly payroll.

Family and Educational Support

- Education Allowance - We support employees with school-age children by offering partial reimbursement of school fees, reinforcing our commitment to work-family integration.
- Annual Airline Ticket for Expats - To foster a strong connection with their home country, expatriate employees are eligible for an annual round-trip airline ticket.
- Parental Leave - We provide maternity, paternity, and adoption leave policies to support parents at key stages of family life.
- Marriage, Examination & Hajj Leave - Employees can benefit from additional leave for significant personal events, including marriage, academic exams, and pilgrimage.
- Condolences Leave - In the unfortunate event of the loss of an immediate family member, we provide paid leave to support emotional and personal needs.



Medical & Wellness Benefits

- Comprehensive Medical Insurance - Our medical insurance plans are continuously evaluated and enhanced to remain competitive and comprehensive, covering employees and their immediate families.
- Life Insurance Coverage - **stc** offers group life insurance, ensuring financial protection for families in the event of an employee’s passing.
- Sick and Emergency Leave - Employees are entitled to paid sick and emergency leave, including support for medical appointments and critical care situations.

Leave and Flexibility

- Annual Paid Leave - Generous paid leave entitlements are provided to promote rest and rejuvenation.
- Flexible Working Hour - Employees are entitled to one flexible working hour per day, encouraging better time management and work-life balance.
- Four-Hour Monthly Personal Permission - Employees may take up to four hours per month for personal errands or appointments without salary deductions.

Financial Benefits

- Interest-Free Loans (Launched in 2024) - To enhance financial well-being, **stc** launched an interest-free loan program supporting employees in times of personal or urgent financial need.
- Annual Bonus and Merit Increases - Our annual performance-based bonus and merit system ensures fair recognition and reward for employee contributions.
- Allowances - **stc** provides various allowances including shift allowance, night shift compensation, headphone allowance, on-call allowance, and petrol allowance based on job requirements.
- Retirement and End-of-Service Provisions - We support long-term financial planning through a defined end-of-service benefit scheme, aligning with local labor laws and retirement expectations.

Workplace Flexibility and Support

- Work From Home (Introduced in 2024) - As part of our commitment to flexible working models, eligible employees may work remotely, supported with the necessary digital tools.

- Corporate Discount Program - **stc** employees have access to exclusive discounts across a wide range of products and services, from retail to wellness and travel.

Redefining the Workday

We believe a healthy work environment begins with listening. By giving employees a say in how they structure their workday, we create a culture built on trust, respect, and individual empowerment.

A Flexible Framework for a Thriving Workforce

- **Choice-Driven Schedules**
In 2019, we launched a company-wide survey inviting employees to choose the work schedule that best suits their lifestyle and productivity rhythms because when people feel heard, they perform at their best.
- **Adjustable Working Hours**
Our approach to time management goes beyond policy. By implementing flexible hours, we support a more relaxed and human-centered workplace culture one that enhances well-being, supports retention, and promotes sustained engagement.

By empowering our people to shape their daily routines, we’re cultivating a work environment where balance and productivity go hand in hand strengthening both individual success and organizational sustainability.

Annual leave		
Executive Management 45 days	Senior Management 35 days	Junior-Managerial 30 days
Other leave		
Sick leave 5 days	Maternity leave 70 days	
Unpaid leave 30 days	Paternity leave 2 days	
Exams leave 10 days	Hajj leave 21 days	
Condolence leave 3 days	Marriage leave 7 days	
Emergency / casual leave 5 days	Patient accompanying leave 15 days	



Parental Leave

At **stc**, we view parental leave as essential to supporting our employees in balancing professional and family responsibilities. We provide 70 days of maternity leave and 2 days of paternity leave, reinforcing our commitment to a supportive and family-friendly workplace for all.

	Women	Men
Number who took parental leave	2	14
Number who returned to work	2	14
Number who were still employed after 12 months (Retention)	2	13
Return to work rate	100%	100%
Retention rate	100%	93%

Employee Oriented Programs

Establishing the Employee Experience Unit

In line with our commitment to creating a thriving, people-centric workplace, **stc** Kuwait has established a dedicated Employee Experience Unit within the Human Resources Department. This unit is responsible for overseeing and enhancing the entire employee journey, from onboarding to offboarding, with a strong focus on building an inclusive, engaging, and empowering work environment.

- By placing employee well-being and satisfaction at the heart of our operations, the unit aims to:
- Strengthen employee engagement through targeted initiatives
 - Enhance internal communication and transparency
 - Cultivate a workplace culture rooted in support, appreciation, and collaboration

The Employee Experience team leverages data, insights, and employee feedback to continuously refine its strategies, ensuring that every individual feels heard, valued, and motivated to contribute to **stc**'s long-term success.

Key initiatives led by the Employee Experience Unit include:

- All Hands Meeting: A direct and transparent platform where the CEO engages with all employees to address concerns, share updates, and align everyone with the company's strategic goals.
- WithU Program: A company-wide initiative aimed at strengthening internal communication and promoting two-way dialogue to increase employee engagement and connectivity.
- **stc** Awards Program: Celebrating excellence by recognizing outstanding employee contributions, reinforcing a culture of appreciation and performance.
- Employee Gatherings: From Ghabga and seasonal camps for employees and their families, to sports events and internal networking sessions like "Levels," these activities foster team spirit and work-life balance.
- **stc** Champions Program: A group of handpicked employees serve as internal brand ambassadors, embodying and promoting **stc**'s values and culture while inspiring their peers and reinforcing a sense of pride and belonging.
- CHRO Coffee Meetings: Informal sessions led by the Chief Human Resources Officer, offering employees a safe space to raise questions or concerns regarding career development, performance, promotions, and more.

Through these efforts, the Employee Experience Unit plays a pivotal role in supporting a healthy workplace culture and ensuring that **stc** remains an employer of choice in Kuwait.

withU Initiative: Empowering Voices, Driving Change

The "withU" initiative is a strategic collaboration between the Employee Experience Unit and **stc** Kuwait's General Managers and CXOs. Designed to foster a culture of openness and empowerment, withU provides employees with a dedicated platform to express their views, raise concerns, and contribute ideas that can shape the future of their workplace.

At its core, withU is about listening and acting. A space where transparency, mutual respect, and two-way communication thrive. These sessions enable employees to openly share feedback, ask questions, and propose enhancements to the work environment, contributing to a more inclusive and dynamic organizational culture.

Spearheaded by the Employee Experience Unit, the initiative has conducted 21 interactive meetings to date. These sessions focus on:

- Clarifying employee benefits
- Outlining career progression opportunities
- Detailing performance evaluation and promotion criteria
- Addressing individual and collective employee concerns

By institutionalizing open dialogue through withU, **stc** Kuwait reaffirms its commitment to putting people first, creating a workplace where every voice matters, and every suggestion has the potential to drive meaningful, positive change.

HR Counselling Unit: Supporting Well-Being, Empowering Growth

The HR Counselling Unit plays a vital role in fostering a healthy, supportive, and resilient work environment at **stc** Kuwait. By offering confidential, professional guidance, the unit helps employees navigate both personal and professional challenges that may affect their performance, morale, or overall engagement.

Key Responsibilities Include:

- Delivering one-on-one counselling sessions to support employees facing work-related stress, interpersonal challenges, or career-related concerns.
- Providing guidance during sensitive situations, such as performance discussions, disciplinary actions, or career transitions.
- Partnering with line managers to implement effective support mechanisms and tailored interventions.
- Promoting mental well-being and work-life balance through targeted awareness campaigns and resource sharing.

In 2024, the HR Counselling Unit conducted a total of 57 counselling sessions, reflecting a proactive approach to employee support and psychological safety.

By resolving concerns early, the unit fosters a culture of trust and responsiveness, supporting employee retention, well-being, and engagement. These efforts contribute directly to long-term organizational stability and sustainability.

Flexible Work, Empowered Employees

In line with our ongoing efforts to cultivate a progressive and employee-centric workplace, **stc** introduced a Work-from-Home Policy, allowing employees to work remotely for up to 10 days per year. This initiative reflects our commitment to modern workforce needs, promoting flexibility while maintaining operational excellence.

Key Benefits of the Work-from-Home Policy:

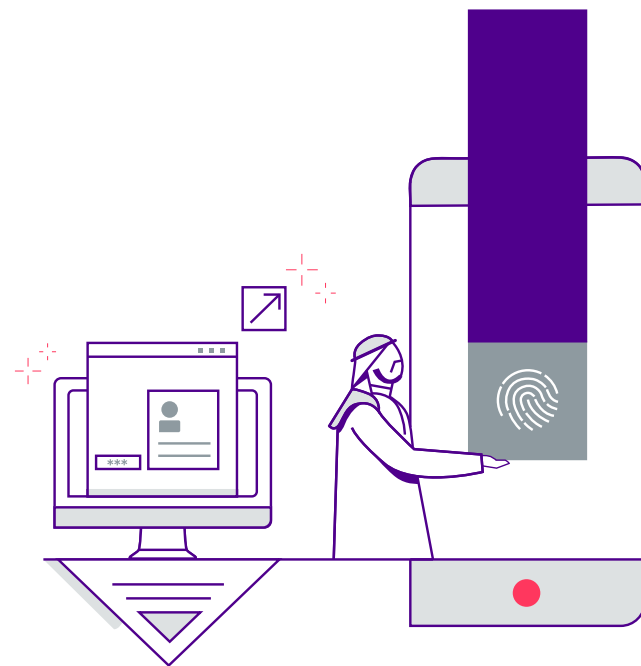
- Enhancing work-life balance: Giving employees the space to manage their personal and professional responsibilities more effectively.
- Boosting morale and productivity: A flexible work model helps reduce stress and enhance focus, leading to improved performance.
- Fostering innovation: Remote work encourages autonomy, enabling employees to think creatively and deliver results in a setting that suits their productivity style.
- Supporting sustainability goals: Fewer commutes translate to a reduced carbon footprint, aligning with our environmental commitments.
- Promoting inclusion and well-being: Particularly supportive for working parents, caregivers, and those seeking a more balanced lifestyle.

small move.

Big Impact.



The policy was widely adopted, with 385 employees benefiting from it in 2024. This reflects a positive shift toward a more flexible and trust-based work environment. Integrating flexibility into the organizational structure supports employee well-being and aligns with evolving workplace expectations.



Doubling the Middle Minutes

As part of our commitment to employee well-being, **stc** has doubled the middle minutes allowance, granting employees increased flexibility during the workday. This initiative is designed to promote a healthier work-life balance, empowering individuals to manage personal tasks without compromising their professional responsibilities. By offering greater autonomy over their schedules, we aim to foster a more supportive, productive, and engaged work environment.

Open Channels, Stronger Culture

A transparent workplace starts with open dialogue. We’ve established clear, accessible mechanisms that allow employees and stakeholders to seek guidance or raise concerns, confidently and confidentially.

- **Clear Communication Pathways**
Whether seeking ethical advice or reporting a concern, individuals can rely on dedicated, well-defined channels tailored to ensure responsiveness and confidentiality.
- **Confidential Reporting System**
We offer a secure and anonymous platform for raising issues, reinforcing our commitment to protection from retaliation and building a culture of trust.

In 2024, 37 incidents were reported through the internal grievance system and 6 were resolved. Our dispute resolution actions are guided by Kuwait Labor Law, which upholds principles of fairness and non-discrimination. Notably, there were no incidents of discrimination during the reporting period. By promoting openness and integrity, we have created a safe space for every voice, strengthening our governance practices and aligning our operations with the highest ethical standards.

Occupational Health & Safety at our Core

A safe workplace is a sustainable one. We are fully committed to maintaining a healthy, secure, and supportive environment for all employees and contractors. An approach that enhances productivity, morale, and overall operational excellence.

We believe that safety starts with awareness. Through a strong Health & Safety Policy, endorsed by our top leadership, we ensure full compliance with local and international laws, standards, and best practices. Our efforts extend beyond compliance to cultivating a workplace culture rooted in prevention and care, putting our people first every day. **stc** Kuwait maintains a proactive approach to workplace health and safety. Employees can report potential hazards or concerns through a dedicated email address (security@stc.com.kw) or by contacting the internal hotline (**50062257**). These reporting mechanisms are part of the Health, Safety, and Environment (HSE) system and are managed through the SD system request process.

To support ongoing awareness, **stc** distributes a monthly circular to all employees, reinforcing safety practices and encouraging prompt reporting of any risks or unsafe conditions.

To institutionalize our dedication, we are actively pursuing ISO 45001 certification, a globally recognized benchmark for occupational health and safety management systems. This step reflects our forward-thinking approach and commitment to continuous improvement.

Our goals with ISO 45001 include:

	
<ul style="list-style-type: none">• Building Trust: Reinforcing our reputation as a responsible and safety-conscious employer among employees, clients, and partners.	<ul style="list-style-type: none">• Streamlining Systems: Optimizing processes to ensure efficient, responsive, and proactive health and safety management.
	
<ul style="list-style-type: none">• Driving Performance: Systematically identifying and mitigating health and safety risks to reduce incidents and improve workplace well-being.	<ul style="list-style-type: none">• Embedding Safety in Culture: Fostering shared responsibility and awareness across all levels of the organization.

By moving towards ISO 45001 certification, we are not only elevating our internal standards but also reinforcing our broader commitment to sustainability and the long-term health of our people and partners.



3.5% in 2022 to 2% in 2023 to 0.8% in 2024

Employee Absentee Rate

Proactive Risk Management for a Safer Workplace

Maintaining a safe and healthy work environment requires more than reactive measures it calls for a proactive and systematic approach. At **stc**, we prioritize occupational health and safety through biannual comprehensive risk assessments designed to identify and mitigate potential hazards before they escalate.

These assessments are conducted in accordance with ISO 31000 as well as COSO standard, the internationally recognized standard for risk management, ensuring consistency, effectiveness, and accountability across all processes.

The risk management cycle includes:

- Identifying potential hazards across operations
- Assessing the likelihood and impact of each risk
- Evaluating associated threats to people, property, and continuity
- Implementing effective mitigation strategies to reduce or eliminate risks

In addition, we conduct incident investigations to uncover root causes, apply lessons learned, and reinforce a culture of continuous improvement in our Health, Safety, and Environment (HSE) practices. To ensure employee consultation and participation, employees are encouraged to submit their suggestions to the Shared Services Department, where each proposal is carefully reviewed and implemented if deemed valid.

Through these proactive measures, **stc** is building a safer, more resilient workplace protecting our people and supporting long-term organizational sustainability.

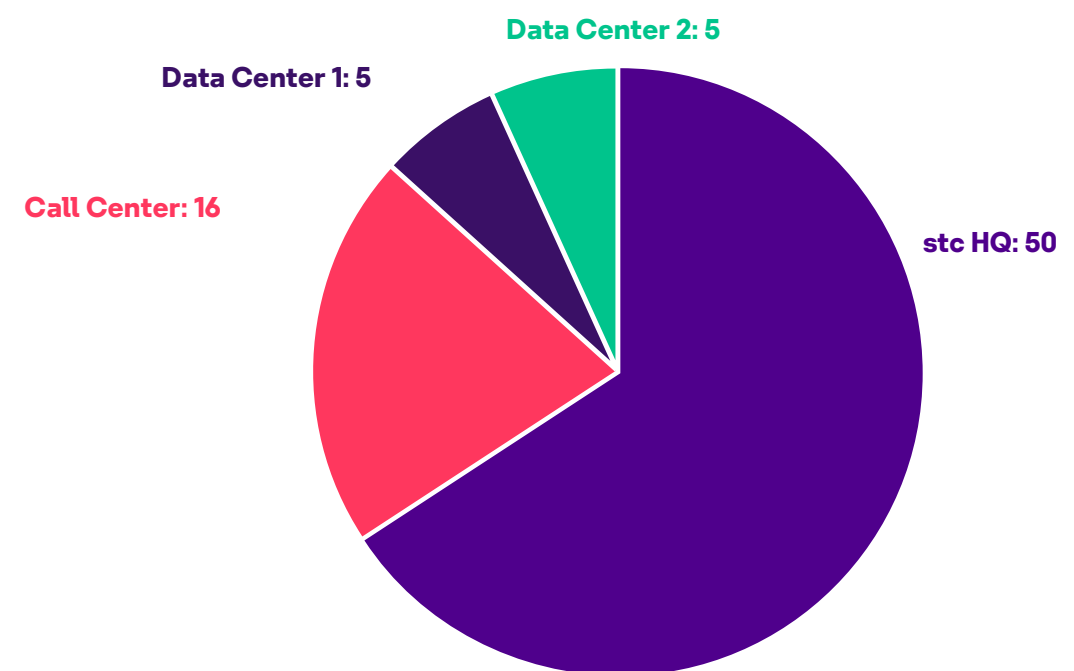
Targeted Risk Assessments Across Key Locations

In line with our commitment to maintaining a safe and secure work environment, comprehensive risk assessments were conducted across four critical **stc** locations: **Olympia Headquarters, Call Center, Data Center 1, and Data Center 2**

Each assessment focused on identifying specific hazards and evaluating potential risks unique to the operational activities and physical environments of each site.

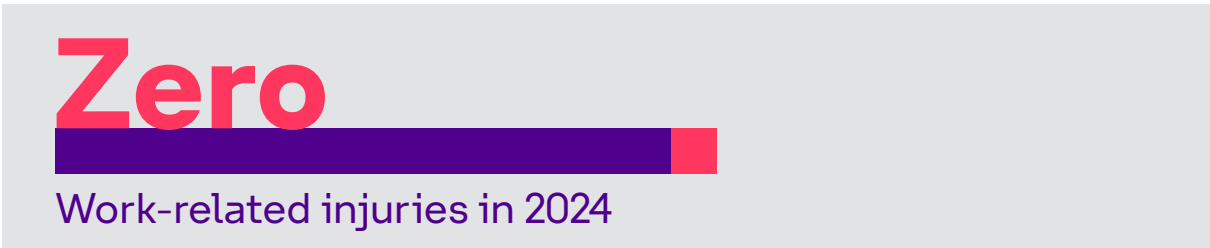
The findings from these assessments are visually summarized in the accompanying pie chart, illustrating the distribution of identified risks across the assessed locations. This targeted approach enables us to implement tailored mitigation strategies, strengthen workplace safety, and ensure continued compliance with international standards.

Total Risks Identified: 71



Our ongoing risk assessment efforts have led to a year-over-year increase in the identification and mitigation of Health, Safety, and Environmental (HSE) risks. This progress reflects **stc**'s unwavering commitment to fostering a safe and secure work environment and demonstrates the proactive measures we continue to take to uphold the highest standards in occupational health and safety.

Total Risks Identified



Building a Culture of Safety Through Training

stc is dedicated to equipping its workforce with the tools and knowledge necessary to maintain the highest standards of environmental, health and safety (EHS). Our comprehensive training programs are tailored to address sector-specific hazards, tasks, and operational contexts. These sessions empower employees to:

- Recognize and mitigate potential risks
- Adhere to environmental and safety regulations
- Safeguard their own well-being and the safety of colleagues and stakeholders

A total of 19 hours of health and safety training was disseminated to employees in 2024. Through continuous learning, we cultivate a proactive safety culture across all levels of the organization.

Please refer to the table below for a breakdown of the EHS training conducted in 2024.

Training type	Number of sessions	Employees covered
Fire drill (in collaboration with Kuwait Fire Force – KFF)	1	43
Emergency First Aid Administration (in collaboration with Ministry of Health - MOH)	2	62
Emergency Evacuation and Crisis Response (in collaboration with Ministry of Interior - MOI)	2	50



Developing Future Talent and Youth

Talent Incubation Program (TIP)

As part of its ongoing commitment to youth empowerment and talent development, **stc** Kuwait has launched the Talent Incubation Program (TIP), a unique and forward-thinking initiative designed specifically for young graduates. The program offers participants the opportunity to enhance their professional skills through hands-on experience across various business functions, while also positioning them for potential full-time employment within the company.

In its initial phase, 18 promising graduates were onboarded and distributed across six key sectors, giving them exposure to real-world challenges and the chance to contribute meaningfully to **stc**'s success. TIP reflects **stc**'s vision of nurturing future leaders and investing in the next generation of professionals who will shape the telecommunications industry.

Youth Development Program (YDP)

stc Kuwait launched the Youth Development Program (YDP) a strategic initiative designed to equip young talent with essential skills, practical experience, and growth opportunities. Through this program, **stc** aims to nurture future leaders by providing a structured and supportive environment where they can learn, contribute, and thrive.

During this year, two dedicated internship programs were implemented under the YDP framework, offering students and fresh graduates exposure to real-world business challenges and the chance to engage with industry professionals across various departments.



Mentorship Program

stc's Mentorship Program is designed to foster professional growth by pairing junior-level employees with experienced senior mentors. This initiative provides a structured platform for guidance, career development, and skill enhancement.

Through regular interactions, mentors offer valuable insights, share experiences, and support mentees in navigating their career paths. The program not only accelerates individual development but also strengthens knowledge transfer and collaboration across the organization contributing to a more engaged and future-ready workforce.



Case Study: Recognized as Kuwait's Ideal Employer of Choice

stc Kuwait is proud to have been ranked #1 Ideal Employer of Choice in the Universum survey for professionals in Information Technology and Engineering. This prestigious recognition underscores our ongoing efforts to cultivate a dynamic, inclusive, and empowering workplace. One that continues to attract and retain top-tier talent across the industry.

The Universum survey is grounded in a robust framework developed from over 30 years of global HR expertise, extensive research, and continuous engagement with talent and employers alike. The 2024 survey was conducted online between March and May, leveraging both Universum's proprietary panel and local panel partners to ensure a comprehensive and diverse respondent base.

Key Survey Details:

- Total Respondents: 400
- Target Groups:
 - Business Fields: 200
 - Engineering/IT (Technical Fields): 200
- Experience Levels:
 - 2–5 years: 100
 - 6–7 years: 100
 - 8–9 years: 100
 - 10+ years: 100

This recognition is a reflection of our people-first culture and a strong affirmation of the trust and admiration professionals place in **stc** Kuwait as an employer of choice.



2

Pillar 2: Caring for the Environment

Resource Management

stc is committed to responsible environmental management across its operations. The company maintains an Environmental Management System (EMS) that is aligned with all relevant environmental laws and regulations. This system reflects **stc**'s priorities in identifying and addressing key environmental issues related to its activities. In line with recognized best practices, our EMS is certified to the ISO 14001:2015 standard. The Sustainability Department oversees the EMS, working closely with other business units to ensure its effective implementation and continuous improvement. To support the EMS, **stc** has established a comprehensive set of policies and procedures, including:

- An EMS Policy and EMS Manual
- Procedures for corrective actions
- Processes for managing non-conforming services or products
- Management review meeting procedures
- Internal audit procedures
- Procedures for controlling documents and records
- An ongoing improvement process

Additionally, **stc** has adopted an Integrated Management System (IMS) Policy, which incorporates environmental considerations as a core component.

With resource sustainability a key focus at **stc**, we design our products to be more eco-friendly and built to last, while continuously adopting greener, more responsible practices across all areas of our operations. We believe that lasting impact begins with a sustainable mindset. By placing sustainability at the heart of everything we do, we strive to create meaningful change for our communities, our environment, and future generations.

Driving Innovation for a Greener Future: **stc** Kuwait's Sustainable Digital Solutions

stc Kuwait continues to lead the way in digital transformation by integrating cutting-edge technologies that reduce environmental impact, enhance customer satisfaction, and support national sustainability goals. Through its evolving digital portfolio, **stc** is committed to delivering seamless, eco-conscious experiences that align with the company's broader ESG strategy.

At the core of this transformation is the implementation of eSIM technology, a significant step toward a sustainable mobile ecosystem. By eliminating the need for plastic SIM cards

and reducing packaging materials, eSIMs contribute to lowering plastic waste and minimizing carbon emissions. To ensure widespread adoption, **stc** enhanced its backend infrastructure and introduced a simplified, secure digital onboarding process. Customers can now activate eSIMs through a fully digital journey anytime, anywhere providing convenience while upholding environmental responsibility.

This commitment was prominently demonstrated during the Gulf Cup 2024, where **stc** launched a FREE 10GB eSIM offering for fans, featuring a fully contactless, digital customer experience. The initiative, part of our efforts to integrate technology with sustainability, allowed visitors to authenticate, verify, and activate their SIMs digitally within minutes. This not only streamlined connectivity during one of the region's most celebrated sporting events but also helped eliminate significant plastic waste, showcasing how major events can adopt greener practices with scalable impact.

Another pillar of **stc**'s sustainable transformation is our move toward Digital Billing. By shifting from traditional printed invoices to electronic bills sent through digital platforms, we are significantly reducing paper usage across our operations. This shift also improves billing accuracy, enhances transparency, and allows customers to access and manage their accounts with greater flexibility. To support this initiative, **stc** launched customer awareness campaigns that promote digital literacy and ease the transition to paperless solutions.

Building on this momentum, we introduced Digital Contracts and Receipts, transforming the customer journey from activation to service renewal. Through secure digital identification capture and e-signature integration, customers can now complete transactions quickly and efficiently without paperwork. This initiative not only shortens wait times and reduces in-branch congestion but also furthers **stc**'s commitment to green operations.

In addition, we are integrating smart, cloud-based solutions across our internal operations to reduce energy consumption and enhance digital efficiency. Initiatives such as automated workflows, virtual customer service agents, and the digitization of back-office processes support the reduction of operational overhead while minimizing environmental footprint.

Looking ahead, **stc** is exploring the incorporation of AI and IoT technologies to monitor and optimize resource consumption, enhance energy efficiency, and improve environmental reporting. These forward-looking technologies will help the company not only track its own

small move.

Big Impact.

sustainability performance but also enable smart city partnerships that can benefit the broader community.

Through these ongoing efforts, **stc** Kuwait is positioning itself as a digital sustainability leader in the telecom sector. Offering innovative, scalable solutions that protect the planet while delivering unmatched value to its customers.

Relocation of Remote Radio Units (RRUs) Outside Telecom Shelters

stc has also relocated remote radio units (RRUs) outside telecom shelters to reduce the cooling demand inside these structures. By moving the RRUs outside, less heat is generated within the shelters, which decreases the need for air conditioning. This initiative was rolled out in phases starting in the second quarter of 2021 and continues to be implemented. The relocation of RRUs has led to a 10% reduction in cooling energy consumption in telecom shelters. This change has also improved thermal management inside the shelters and helped lower our overall energy demand, resulting in reduced greenhouse gas emissions.

Targeting Energy Efficiency

stc is making steady progress in energy efficiency through a series of focused initiatives across its operations. The company is integrating hybrid power solutions by combining diesel generators with battery systems, which helps optimize energy use and reduce reliance on traditional fuel sources. At the same time, the adoption of solar power solutions is increasing the share of renewable energy in our energy mix. To further support these efforts, advanced energy management systems such as DCIM have been deployed, allowing for real-time monitoring, analysis, and optimization of energy consumption. The transition to advanced battery technologies, such as lithium-ion and VRLA batteries, is also helping to improve efficiency and extend operational life. Together, these actions reflect **stc**'s broader commitment to reducing environmental impact by optimizing power solutions and lowering our carbon footprint.

Within our administrative buildings and offices, we have implemented a range of policies to reduce energy consumption. These include the use of energy-efficient lighting, such as LED lights and maximizing natural sunlight, as well as the installation of energy-efficient

Installation of Inverter Air Conditioners

To improve energy efficiency across our facilities, we have replaced conventional air conditioners with inverter air conditioners. Unlike traditional units that operate at a fixed speed, inverter air conditioners adjust their compressor speed based on cooling needs, resulting in lower energy use. This initiative began in the first quarter of 2022 and is ongoing, with continuous monitoring and maintenance to ensure optimal performance. Since installation, inverter air conditioners have reduced electricity consumption by approximately 10% compared to conventional systems. This reduction in energy use has also contributed to lower carbon emissions, supporting our environmental goals.

small move.
Big Impact.



Digital Reports

In 2024 we have continued our commitment to digital reporting and distribution, marking further progress in reducing our environmental footprint and promoting sustainable practices. A key milestone this year was the 84% reduction in printed annual reports, dropping from 250 copies in 2023 to just 40 in 2024. Our initiative to completely digitize reports enhanced accessibility while improving efficiency and reducing cost, reinforcing our goal towards responsible resource management.

windows with advanced glazing and insulation. We also place a strong emphasis on employee awareness and engagement, providing ongoing training and encouraging participation in energy-saving practices. Recycling and waste reduction programs are in place, targeting materials such as water bottles and boxes. In addition, office renovations are designed to enhance the capacity for energy-efficient lighting and HVAC systems.

Despite these efforts, 2024 brought several challenges to our energy reduction and conservation initiatives. Vandalism and theft of batteries, solar panels, and fuel led to operational disruptions and increased costs. Space constraints limited the installation of additional solar panels or battery systems in some locations. High initial costs and concerns about return on investment also presented barriers. Furthermore, harsh weather conditions, including high temperatures and sandstorms, impacted the efficiency and lifespan of our equipment.

Looking ahead, **stc** remains committed to further reducing energy consumption. Plans are in place to expand the use of green power, including the installation of more solar panels and the exploration of wind turbine solutions, as we continue to pursue a more sustainable future.

Waste Management

In 2024, **stc** continued to strengthen its waste management efforts through an ongoing partnership, established in 2023, with a local waste management company. This collaboration focuses on recycling electronic waste and other materials generated from operations, supporting responsible disposal and resource recovery.

For non-hazardous waste, materials that cannot be recycled, such as general office and food waste, are collected by the municipality and sent to landfill. Recyclable non-hazardous waste is sent to the local waste management company for processing, ensuring valuable materials are recovered and reused where possible. Hazardous waste, including electronic waste, is managed with particular care. All accumulated e-waste is sent to the local waste management company for safe dismantling and extraction of valuable components. Our approach includes both repurposing items through resale and recycling unusable equipment.

One of the main challenges faced in 2024 was finding a suitable alternative to disposable plastic bottles used by staff. Most other waste-related issues have been addressed or are under review in collaboration with the local waste management company, but identifying a sustainable solution for single-use plastics remains a priority.

Waste generated by **stc** primarily comes from office activities, network infrastructure, and customer services, including electronic waste, packaging, and general refuse. These impacts

arise from the company’s own operations, supply chain activities, and customer product disposal. **stc** is actively working to minimize waste through recycling initiatives, sustainable procurement, and responsible e-waste management.

Amount of recycled non-hazardous waste (Plastic and Paper) = 4.587 tons

		2024
Hazardous waste	E-waste (tons)	12.03
	Network waste generated – excl. e-waste (nos.)	16,190
Total waste generated (tons)		16.61

Looking ahead, **stc** plans to implement additional recycling initiatives and aims to use recovered materials within its operations wherever possible. These ongoing actions reflect the company’s commitment to reducing waste and promoting more sustainable resource use.



100% Digital Procurement

stc has achieved a fully paperless procurement process and is advancing toward a digital recruitment process. The company has also introduced digital receipts and bills for customers. In 2024, the main challenges to further digitization were legacy systems and high implementation costs. Plans are in place to expand digitization across all internal communications and replace remaining paper-based processes with digital alternatives.

Emissions Profile

stc reports on its direct emissions covering Scope 1 and 2 for 2024. The majority of our base stations are powered by electricity and the remaining by diesel powered generators. The following table gives the Scope 1 and Scope 2 emissions data for the reporting year, with emission intensity for Scope 1 at 54.56 tCO₂e/employee, Scope 2 emission intensity at 160.55 tCO₂e/employee and energy intensity at 926.32 GJ/employee.

Scope 1 emissions related data

	2022	2023	2024	% Change
Number of base stations	2,332	2,492	2883	15.7%
Number of base stations powered by diesel	502	506	434	-14.2%
Total diesel consumption (Litres)	14,006,171	13,919,207	13,269,974	-4.7%
Scope 1 (Direct) GHG emissions (tCO ₂ e)	42,973	44,752	38,844	-13.2%

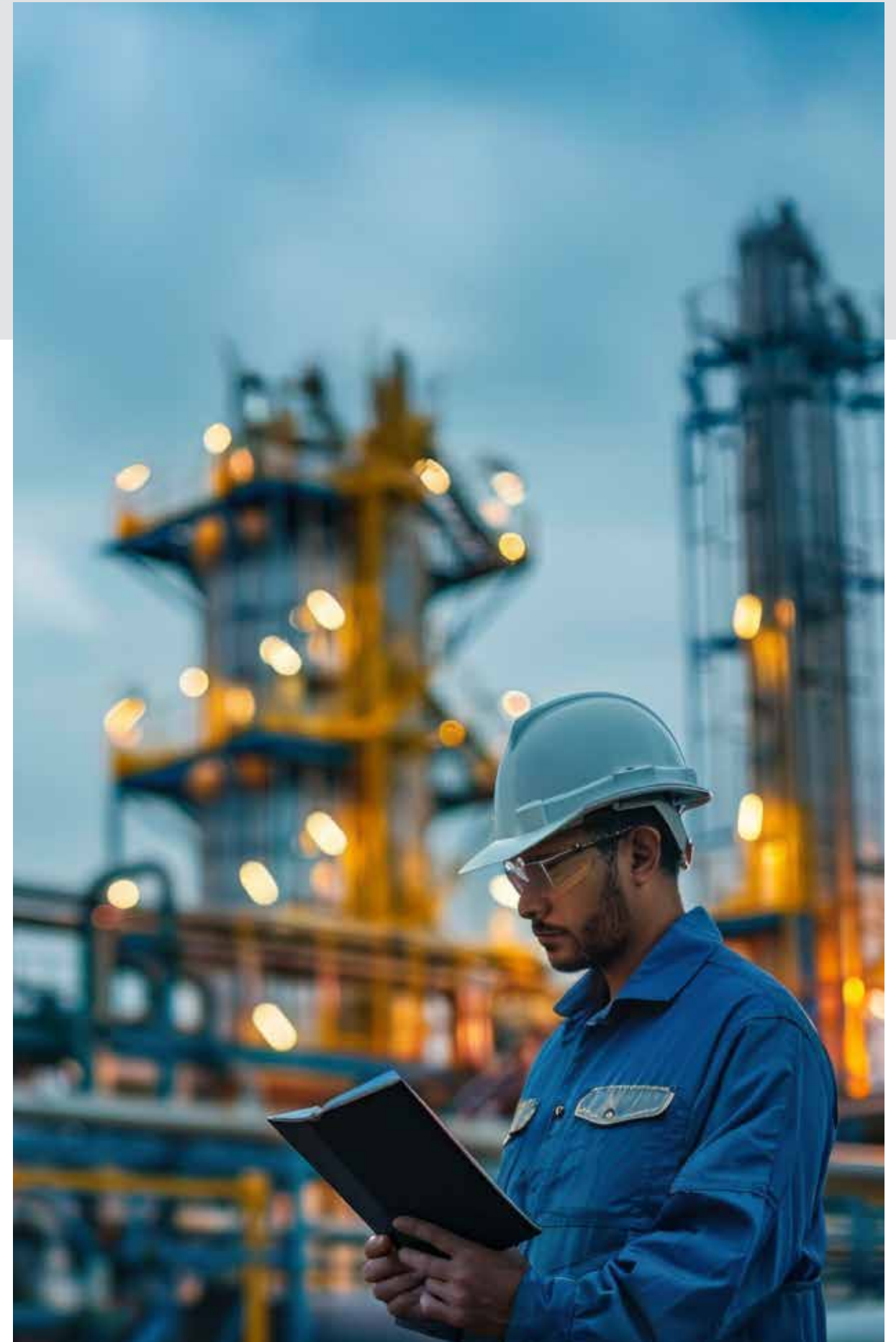
Scope 2 emissions related data

	2022	2023	2024	% Change
Energy consumption by Data centers (GJ)	26,748	37,408	37,754	0.9%
Energy consumption by Base stations (GJ)	600,574	630,713	621,791	-1.4%
Total energy consumption (GJ)	633,371	673,577	659,545	-2.1%
Scope 2 (Indirect) emissions (tCO ₂ e)	115,110	120,887	114,314	-5.44%

While this report discloses our Scope 1 (direct) and Scope 2 (indirect from purchased energy) greenhouse gas (GHG) emissions, we recognize that Scope 3 emissions, those generated across our value chain, represent a significant portion of a telecom operator's total carbon footprint.

Key Scope 3 categories for our sector typically include purchased goods and services, capital goods, business travel, employee commuting, waste generated in operations, and the use of sold products. At present, consistent and reliable data for these categories is not yet available across our operations.

We are taking steps to address this gap by developing internal systems, engaging with suppliers, and aligning with the GHG Protocol Corporate Value Chain (Scope 3) Standard. By expanding our emissions inventory to include Scope 3, we will be better positioned to manage climate-related risks, identify reduction opportunities, and align with global best practices.





3

Pillar 3: **Driving Digital Innovation**

Customers First, Progress Always

Our Customers

stc plays a pivotal role within the telecommunications sector, serving as a central hub for delivering advanced services, strengthening customer relationships, and driving innovation in a rapidly evolving industry. We are dedicated to understanding and meeting the changing needs and preferences of our consumers while ensuring seamless service delivery and exceptional customer experiences.

With a strong focus on customer satisfaction and market adaptability, **stc** leads strategic initiatives aimed at enhancing product offerings, refining pricing strategies, and broadening service availability to meet the dynamic demands of customers across Kuwait. From mobile and internet services to digital entertainment and value-added solutions, **stc** remains committed to providing innovative, reliable, and personalized experiences that empower individuals and enrich their digital lifestyles.

Moreover, **stc** continues to drive growth and strengthen its competitive edge in the telecommunications sector by leveraging market insights, embracing technological advancements, and cultivating strategic partnerships. These efforts are key to maintaining our leadership position and unlocking new opportunities in the fast-paced digital landscape. Through collaborative initiatives and a focus on customer satisfaction, **stc**'s mission is to connect individuals, businesses, and communities, empowering a more connected, inclusive, and digitally enabled society.

Customer Experience

Delivering exceptional customer experience remains a top priority for **stc**, as it not only drives satisfaction and loyalty but also supports the company's broader sustainability objectives. Through the adoption of digital solutions, process optimization, and the reduction of paper usage, we improve customer convenience while simultaneously advancing our environmental goals, minimizing waste, lowering carbon emissions, and promoting sustainable practices.

By providing reliable services and forward-thinking solutions that meet the evolving needs of customers, **stc** nurtures long-term trust and engagement, fostering sustainable business growth and delivering shared value to individuals, communities, and stakeholders. Aligning customer experience with environmental responsibility reinforces our commitment to resilience, sustainability, and ethical business practices.

91%

of customers who submit low satisfaction ratings are called back within the same day

New Services and Seamless, Secure Customer Experience

stc prioritizes security across its self-service channels, particularly for sensitive transactions such as purchasing new lines, claiming digital account ownership, and switching to eSIM. To safeguard these processes, **stc** has integrated with the PACI Kuwait Mobile ID app, allowing for seamless and secure identity verification in just a few clicks.

As part of our broader digital transformation strategy, we remain committed to enhancing the customer experience by introducing innovative platforms and applications. These digital solutions empower customers to manage their accounts, pay bills, and access a wide range of services conveniently through their smartphones or computers offering a user-friendly, secure, and efficient digital journey.

At **stc**, we are intensifying our efforts to measure customer satisfaction with the goal of continuously enhancing the overall customer experience. To achieve this, we have launched a series of Customer Satisfaction Surveys (CSATs) that capture feedback across various touchpoints and interactions, enabling us to gain a comprehensive view of customer sentiment.

100%

4G and 5G population coverage

We are committed to delivering a seamless and empowering customer experience that puts customer needs first and ensures continuous satisfaction.

95%

of customers who submit low satisfaction ratings are called back within the same day

an expected resolution timeframe. Once the interaction is completed, all customers receive a feedback survey. Complaints that receive low satisfaction scores (ratings of 1 or 2) are prioritized for follow-up by a dedicated team, which works to resolve outstanding concerns and identify recurring issues. Regular reports are generated by the Contact Center team to analyze complaint trends and improve service quality.

Customer Complaints

	2022	2023	2024
First Call Resolution Rate	88%	91%	91%
Average Wait Time (seconds)	13	15	13.6
Self Service	NA	86%	90%
Complaint Resolution Average time (days)	0.45	0.7	0.75

Customer Complaint Handling

At **stc**, we ensure that customer complaints are managed swiftly and systematically through all available service channels whether through in-store visits, the 102 helpline, or digital platforms. Upon receiving a complaint, our agents verify the customer's identity through the CRM system and assess the nature of the issue. Non-technical complaints are resolved on the spot whenever possible. If the complaint involves a technical issue or cannot be resolved immediately, a trouble ticket is created and forwarded to the relevant resolution team. Customers receive an SMS with the ticket reference and a link to track its status, along with

Customer Touchpoints

stc places exceptional customer service at the heart of its operations, ensuring customers remain seamlessly connected to what matters most. To enhance accessibility and convenience, we provide multiple channels for grievance reporting, immediate assistance and self-service support:



24/7 Call Center

Customers can dial 102 at any time to speak with trained service agents who assist with technical issues, service inquiries, and account-related concerns.



stc Branches

Our nationwide network of 64 retail branches provides in-person service for customers who prefer face-to-face interactions. Branch staff are trained to assist with new service activations, device purchases, billing inquiries, and technical support, ensuring a personalized and comprehensive customer care experience.



Social Media

stc's social media platforms are monitored by dedicated teams who respond to customer questions and help guide them to appropriate solutions.



My stc App

The mobile app allows customers to independently manage their services, including bill payments, usage monitoring, service activation, roaming settings, and device purchases. The app also includes live chat support and access to Qitaf loyalty program features.



User-friendly Website

The company's website offers access to information, troubleshooting resources, and real-time support through live chat, enabling users to resolve common issues and find relevant guidance.



24/7 Support via Chatbot

A dedicated chatbot on the website and WhatsApp offering real-time support, ensuring faster issue resolution and seamless account management.

Responsible Marketing and Business

stc Kuwait is committed to maintaining fair and ethical standards in product promotion, service usage, and sales. These efforts are guided by a Code of Ethics that reflects the company's values of honesty, integrity, and compliance with regulatory requirements.

Marketing and sales communications are designed to be clear, accurate, and transparent, ensuring customers receive reliable information about products and services. We follow all applicable local and international laws related to advertising, marketing, and sales, with particular attention to protecting customer privacy and ensuring fairness.

To support ethical conduct, **stc** Kuwait has established open feedback channels for customers to report any concerns. These are addressed promptly and appropriately. The company also engages in Corporate Social Responsibility initiatives that connect marketing and sales efforts with broader community and sustainability objectives.

Through these practices, **stc** Kuwait ensures ethical operations, responsible marketing, and fair promotion of products and services maintaining trust and transparency across all customer interactions.

B2C Customer Segments

Always ON: Everyday Connectivity for All

Key offerings:

- **Continuous Connectivity:** Subscribers benefit from seamless internet access, ensuring they always remain connected, even when data limits are reached, through throttled but uninterrupted service.
- **Flexible 5G Upgrades:** Customers can easily upgrade to 5G services, unlocking faster internet speeds and enhanced network performance without changing their plans.
- **Exclusive Promotions:** Always ON plans include special offers such as discounted smartphones, bonus data, and value-added services tailored to high-usage customers.
- **Personalized Customer Support:** Dedicated service channels ensure faster, more personalized assistance for Always ON customers, with solutions tailored to their usage patterns and preferences.

With these offerings, **stc** Kuwait continues to demonstrate its commitment to delivering consistent, high-value experiences for customers who rely on always-available digital connectivity.

Youth

In 2024, **stc** Kuwait enhanced its commercial engagement with the youth segment through a variety of innovative products and tailored offerings designed to align with the digital-first lifestyles of young consumers.



Key offerings:

- **"Youth All the Way" Plans:** **stc** introduced exclusive mobile plans that provide generous data allowances, social media bundles, and entertainment benefits at competitive prices. These plans were structured to offer flexibility and value, catering to students, gamers, and content creators alike.
- **Student-Centric Bundles:** Under the **solutions by stc** brand, tailored bundles were developed specifically for university and college students. These include cloud storage, access to productivity tools such as Microsoft 365, and affordable device installment plans.
- **Retail Promotions and Loyalty Rewards:** **stc** launched periodic youth-focused promotions across its retail and online channels, featuring discounted devices, student offers, and loyalty programs for customers under the age of 25.

These initiatives reinforced **stc**'s position as a youth-oriented digital provider, committed to empowering the next generation with affordable, relevant, and high-quality digital services.

Older Adults

In 2024, **stc** Kuwait introduced a series of initiatives to enhance digital accessibility for the elderly population. These efforts focused on simplifying mobile services and offering user-friendly options to ensure senior citizens could stay connected with ease.

Key offerings:

- **Simplified Mobile Plans:** **stc** launched basic mobile packages that include essential features, removing unnecessary complexities to ensure ease of use for older users.
- **User-Friendly Devices:** Understanding the needs of elderly customers, **stc** offered devices with larger displays, enhanced audio, and simplified user interfaces.
- **Dedicated Customer Support:** A specialized support line was introduced to assist elderly customers with personalized guidance and technical support tailored to their needs.

These initiatives reflect **stc** Kuwait's commitment to inclusivity, ensuring older generations are not left behind in the country's digital evolution.

Low-Income

To support the low-income segment in Kuwait, **stc** Kuwait implemented a range of commercial initiatives in 2024 aimed at bridging the digital divide and providing equitable access to telecom services.

Key offerings:

- **Affordable Prepaid Plans:** **stc** introduced budget-friendly prepaid plans that offer flexible call and data options, allowing individuals to stay connected without financial strain.
- **Low-Cost Devices:** In collaboration with hardware partners, **stc** provided a range of basic and entry-level smartphones at significantly reduced prices to improve accessibility.
- **Community-Based Programs:** **stc** conducted outreach initiatives to promote digital literacy and assist low-income communities in using digital tools effectively, enhancing their ability to engage with digital platforms and services.

Through these targeted measures, **stc** reinforced its role as a socially responsible provider, committed to ensuring that all segments of society have access to vital communication services.





Tamayouz (Premier Customers)

stc Kuwait continued to elevate its Tamayouz program. A premium loyalty initiative tailored for high-value customers seeking exclusive benefits and personalized service.

Key offerings:

- **Exclusive Rewards and Discounts:** Members enjoy a variety of benefits, including discounts on vanity mobile numbers, early access to new products and offers, priority servicing, and access to exclusive lifestyle and retail partner deals.
- **Complimentary Services:** Depending on their membership tier, customers receive free services such as international and local calling minutes, SMS bundles, and high-speed data allowances.
- **Strategic Partnerships:** **stc** Kuwait strengthened the value of Tamayouz through collaborations with luxury and financial service providers, including Kuwait Finance House, enabling combined rewards for VIP clientele across telecom and banking.
- **Tamayouz Lounge Experience:** To enhance customer experience, **stc** introduced a dedicated Tamayouz lounge, providing a premium in-store environment with personalized concierge-style service.

Through these initiatives, **stc** Kuwait affirms its commitment to offering elevated experiences and a high-touch service to its most loyal and valued customers.

Digital Transformation and Innovation at stc

stc's transformation journey is guided by a comprehensive digital strategy aimed at revolutionizing internal operations, elevating customer experiences, and reducing environmental impact. At the heart of this transformation is the digitization of internal business processes and related documentation, transitioning from traditional paper-based workflows to streamlined, efficient digital systems. By embracing cutting-edge technologies and innovative solutions, we strive to streamline operations, enhance efficiency, and unlock new pathways for growth. This commitment to continuous improvement not only strengthens our current market presence but also enables us to explore emerging opportunities. Reinforcing our position as a forward-thinking leader in an ever-evolving technological landscape.

stc has made significant strides in digitizing customer-facing processes and the supporting internal documentation, including contracts, reports, and billing. Simultaneously, internal efforts have focused on automating workflows, digitizing internal communications such as policies, reports, and memos, and enabling seamless information sharing across departments and locations. These initiatives not only enhance collaboration and productivity but also contribute to sustainability by significantly reducing paper usage and operational waste.

Enhanced Customer Digital Touchpoints

stc has modernized its customer-facing digital platforms, such as mobile apps, web portals, kiosks, and IVR systems to deliver a unified and user-friendly digital experience. These touchpoints empower customers to manage their accounts, access billing details, and utilize services with ease and consistency across all channels. By prioritizing accessibility and convenience, **stc** is strengthening customer engagement and loyalty, aligning with its vision to REACH in the digital space.

stc is also committed to minimizing its environmental footprint through digital innovation. Initiatives such as digitizing billing statements, invoices, and customer communications have led to reduced paper consumption and lower emissions associated with traditional mail delivery. In addition, the company is actively exploring renewable energy sources and implementing energy-efficient technologies as part of its broader commitment to sustainability. Through its holistic approach to digital transformation, **stc** is not only advancing operational excellence and customer satisfaction but also reinforcing its dedication to environmental responsibility and long-term sustainability.

2024 Digital Users

Average app monthly traffic

5%

increase from 2023

1,648,864

Average website monthly traffic

27%

increase from 2023

1,249,120

2024 Milestones and Achievements

As part of its ongoing commitment to innovation and customer-centricity, **stc** has strategically advanced its digital transformation journey across multiple dimensions. Through the intelligent deployment of cutting-edge technologies and customer experience enhancements, the company has created a more agile, responsive, and seamless digital ecosystem.

1. Intelligent Automation Through Chatbots

One of the most impactful initiatives has been the deployment of virtual chatbot technologies. Integrated across digital platforms, these systems automate routine inquiries and service requests. This led to a reduction in incoming support requests, easing the load on customer care teams, accelerating resolution times, and improving overall customer satisfaction.

2. Optimizing the Roaming Customer Journey

To better serve roamers, **stc** redesigned its digital experience for roaming services, simplifying activation flows and enhancing the user interface. This initiative resulted in a 20% increase in roaming activation rates, highlighting our responsiveness to the evolving needs of mobile customers.

3. Expanding the Digital Payment Ecosystem

Recognizing global payment trends, **stc** enabled Apple Pay and Google Pay across all its digital platforms. This enhanced the payment experience by offering customers faster, more secure options for bill settlement and service payments, strengthening our digital infrastructure and convenience.

4. Strengthening Digital Trust and Security

To enhance security and verification, **stc** integrated government authentication APIs into its digital systems. This seamless connection to Kuwait's official ID infrastructure improved customer verification and strengthened safeguards against digital fraud, increasing trust and digital security.

5. Enabling Self-Service with eSIM Technology

stc has transitioned to digital eSIMs through its self-care platforms, allowing customers to switch to eSIMs independently. This eliminates reliance on physical SIM cards and aligns with our vision for fully digital, frictionless service delivery.



6. Personalization Through Data Analytics

By adopting a data-first approach, **stc** enhanced its engagement strategy through analytics-driven personalization. Tailored offers based on behavioral insights have improved customer relevance and driven stronger relationships, satisfaction, and conversion rates.

7. Direct Service Activation

A new digital activation feature now allows businesses to instantly activate roaming and add-on services for employee lines. This solution reduces paperwork and physical interactions while ensuring fast, smooth service enablement.

8. Assign New SIM Feature

The “Assign New SIM” functionality enables administrators to activate new lines using available empty SIMs through a self-service interface. It simplifies MSISDN assignment, boosts operational efficiency, and supports a fully paperless workflow.

9. Streamlined Digital Ticketing System

Digital ticketing has been centralized into one system to simplify customer support processes. This enhancement reduces the need for less efficient channels and promotes a consistent, sustainable support experience.

10. Mobility eStore Launch

A dedicated eStore for mobility products has been launched, offering a user-friendly procurement experience with real-time order status updates. This initiative reduces paperwork and physical transactions, improving efficiency for business customers.

Case Study:

Enhancing International Connectivity

During high travel seasons such as summer and major holidays, **stc** Kuwait identified a recurring challenge: customers experienced slower browsing and download speeds while roaming internationally. This feedback highlighted a need to improve service quality during periods of peak demand.

In response, and as part of our ongoing commitment to delivering exceptional customer experiences, **stc** Kuwait prioritized expanding its IPX (IP Exchange) capacity. These upgrades were designed to reduce latency and provide seamless connectivity for customers abroad.



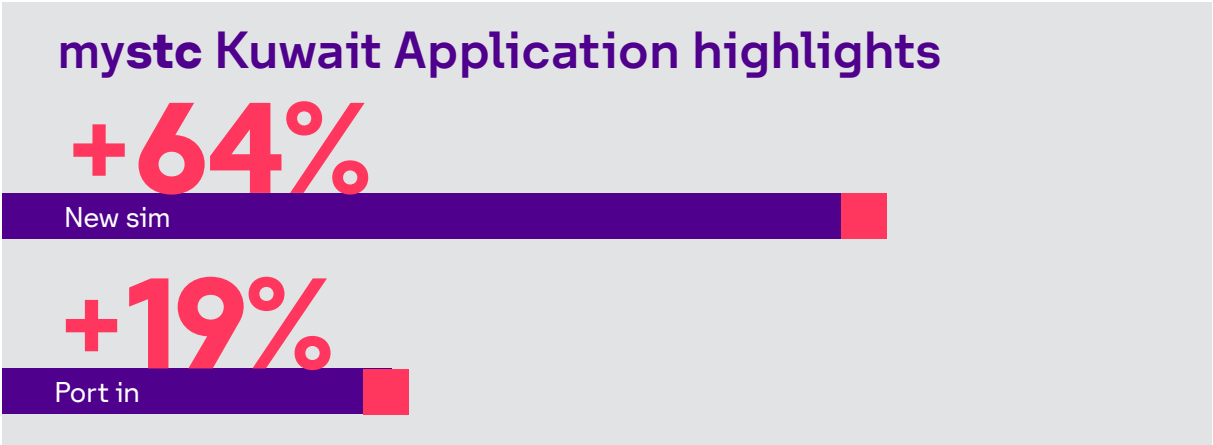
Key Milestones:

- In June 2024, the link capacity on the Dubai route was doubled from 1GB to 2GB.
- In November 2024, the Europe link underwent the same upgrade.

These network enhancements have significantly improved the quality and consistency of international roaming experiences. As a result, **stc** Kuwait saw a measurable increase in the number of roamers using its services, reflecting greater customer satisfaction and trust.

Sales Transactions

	2022	2023	2024
mystc sales transactions	28%	28%	35%
Other sales transactions (SSM +SMS+ outlet) without mystc	72%	68%	65%



Digital Support Channels

	2022	2023	2024
Digital self-service assisted support	60%	57%	59%
Human interaction support	40%	43%	41%

Case Study:

Expanding Innovation in Roaming Services

In Q4 2024, **stc** Kuwait initiated testing of a Voice-over-Data service to enhance call quality and connectivity for roaming customers. This advanced solution is currently supported by 10 operators across 8 countries, marking a key step in improving international customer experiences.

In parallel, **stc** continues to lead in regional connectivity, offering the most extensive 4G and 5G roaming coverage in the GCC. As of 2024, our network includes partnerships with 345 operators in 160 countries for 4G, and 165 operators in 82 countries for 5G reinforcing our commitment to global digital inclusion and service excellence.



These initiatives reflect our comprehensive approach to digital transformation, emphasizing automation, personalization, security, and empowerment. As a result, **stc** continues to lead the telecommunications sector by delivering forward-thinking, digitally native solutions that meet the evolving needs of today's connected consumers.

Supporting Entrepreneurs and SMEs

stc continued to play a pivotal role in driving the digital transformation of Kuwait's small and medium-sized enterprise (SME) sector, in alignment with the country's Vision 2035. Building on previous efforts, the company introduced a refreshed portfolio of customized and cost-effective packages specifically designed to support both emerging and established SMEs.

These packages include essential services such as Fixed and Cloud-based CCTV and PBX solutions, cloud productivity platforms like Google Workspace and Microsoft 365, and Tajer. A robust digital toolkit enabling businesses to launch or scale their online presence through e-commerce platforms, integrated PoS systems, and secure payment gateways.

To ensure best-in-class safety and performance, **stc** collaborates with top-tier regional and international technology providers. This commitment was further reflected in their participation in NEXUS 2024, a key digital economy event in Kuwait, where the company showcased new tools including Maktabi, a smart office solution for SMEs, and Modar, a cloud-based platform offering advanced network management and connectivity solutions.

In parallel, the company reinforced its partnership with the soft skills learning platform Dawrat, empowering entrepreneurs with essential business and digital skills.

Through these comprehensive efforts, **stc** has cemented its role as a leading enabler of SME growth in Kuwait, offering integrated solutions that meet the evolving needs of the country's entrepreneurial landscape.



InspireU Program

In 2024, **stc** advanced the InspireU accelerator in Kuwait with the launch of its second intake, providing selected startups with a six-month intensive boot camp, workspace access in Kuwait and Saudi Arabia, mentorship, licensing support, international networking opportunities such as MWC, Silicon Valley, and LEAP, as well as financial backing of KWD 8,000 per project. By year-end, **stc** participated in the InspireU graduation ceremony in Riyadh, celebrating 44 startups, including five Kuwaiti ventures across fintech, cybersecurity, AI, IoT, and gaming.

The program has become a catalyst for empowering entrepreneurs, helping startups translate ideas into scalable businesses through access to resources, expertise, and commercial partnerships. For Kuwait, the success of local ventures highlights InspireU's role in strengthening the national startup ecosystem and supporting economic transformation. More broadly, the initiative demonstrates **stc**'s commitment to entrepreneurship under the Weyak pillar, while reinforcing Kuwait's Vision 2035 by fostering innovation, job creation, and sustainable growth.





4

Pillar 4: Enriching Lives

Community Engagement and Impact

stc Kuwait further deepened its longstanding commitment to supporting and empowering the community through its extensive and sustainable corporate social responsibility (CSR) program. Embracing its role as a leading enabler of social development, **stc** continued to launch and participate in impactful initiatives designed to foster positive change and long-term growth across Kuwaiti society.

With a strategic focus on key pillars such as education, environmental sustainability, youth empowerment, entrepreneurship, and sports, our initiatives were thoughtfully designed to empower individuals, nurture businesses, and create opportunities for the younger generation. By leveraging our resources and expertise, we sought to bridge gaps, address emerging societal needs, and drive meaningful transformation within the community.

In 2024, **stc**'s CSR activities evolved under three major umbrellas:

- Weyak: Promoting entrepreneurship and supporting small and medium-sized enterprises (SMEs) by providing resources, mentorship, and opportunities for growth.
- Upgrade: Investing in education and digital literacy programs to equip youth with future-ready skills and support local academic initiatives.
- Because We Care: Raising awareness about health, wellness, environmental protection, and other humanitarian causes through targeted campaigns and community programs.

stc's efforts were driven by strategic partnerships with government institutions, private sector organizations, educational bodies, and non-profit entities. This collaborative approach enabled broader societal engagement, ensuring that initiatives were inclusive, impactful, and aligned with the community's evolving needs.

This year, 250 dedicated volunteers contributed a remarkable 2,400 hours of service. Their collective commitment and generosity have made a meaningful difference in our community, exemplifying the spirit of teamwork and social responsibility that defines **stc**. Looking forward, we are dedicated to broadening our CSR vision by prioritizing initiatives that drive innovation, sustainability, and inclusivity. With a clear focus on creating lasting, positive change, **stc** aims to strengthen its role as a catalyst for societal progress, empowering individuals, businesses, and communities to thrive in a dynamic and rapidly changing world.

Total amount spent on CSR initiatives in 2024	460,000 KWD
% of projects completed	100%
SROI (social return on investment)	Expand brand loyalty among local communities and the youth segment, while strengthening nationwide brand awareness.

CSR Activities Conducted in 2024

Flare

As part of its ongoing commitment to empowering local talent and entrepreneurs, **stc** sponsored the Flare Festival 2024, held from 21-23 November at Marina Crescent. This initiative falls under **stc**'s "Weyak" program, which is part of its wider CSR strategy aimed at supporting small businesses and community-driven platforms. Widely recognized as one of Kuwait's leading fitness festivals, the Flare Festival attracted over 3,500 registered athletes competing across multiple sports disciplines, and more than 8,000 participants and attendees over the course of three action-packed days. The event provided a dynamic platform for aspiring athletes to showcase their skills, engage in healthy competition, and connect with the wider fitness community. **stc**'s participation further highlights its role as an enabler of growth and innovation within the local entrepreneurial and sports ecosystem.



Winter Wonderland (WWL)

The strategic partnership with the Touristic Enterprises Company to launch “Winter Wonderland Kuwait,” the largest and first-of-its-kind entertainment project in Kuwait, is now in its second season. This sponsorship aligns with **stc**’s comprehensive and sustainable CSR program.

The number of visitors exceeded 600,000 within a time span of just under four months. As part of its strategic partnership with the Touristic Enterprises Company, **stc** organized a number of activities aimed at inspiring innovation and creativity, in addition to various events and competitions held in collaboration with its strategic partners. These efforts reflect the company’s strong commitment to its CSR program.



Innovation and Education at WWL

As part of its commitment to education through its Upgrade learning initiatives, **stc**’s pavilion at “Winter Wonderland” was transformed into a hub for innovation and learning through collaboration with Dawrat.com and DJI Kuwait. We hosted a comprehensive photography training course as part of this initiative.



Robotics and Coding Sessions

In collaboration with the Sabah Al-Ahmad Center for Talent and Creativity, we hosted educational workshops at our pavilion at Winter Wonderland Kuwait. These workshops offered hands-on sessions focused on robotics and coding. This initiative further demonstrated our commitment to fostering fun, entertainment, and community engagement through innovative and dynamic events.

Environmental-focused Events

Sustainability Farming Workshop

In collaboration with Aspire Club, **stc** organized a workshop focused on sustainable farming and gardening practices. The workshop encouraged the use of biodegradable newspaper pots instead of plastic. The aim was to educate children on the importance of environmental stewardship and encourage eco-friendly activities. The event was attended by 50 children aged between 4 and 13. Additionally, a creative writing workshop titled “My Story, My Creation” was held to enhance the children’s intellectual and writing skills.



Beach and Desert Cleaning

In collaboration with the Ministry of Municipalities, **stc** launched an environmental campaign as part of its broader sustainability program. This initiative underscores the company’s ongoing commitment to environmental preservation by focusing on cleaning key natural sites, including the Al-Mutlaa Desert and the coastal areas. The campaign, held on 3 February 2024, brought together a dedicated team from Kuwait Municipality, the Public Relations team, and **stc** employees, reinforcing a collective effort to promote environmental responsibility and community engagement.



Sponsorship of the Sustainability Forum

stc proudly served as a strategic sponsor of the Sustainability Forum, organized by the Kuwait Transparency Association. The forum, themed “Government and Environmental Sustainability: Effective Pathways and Practices,” focused on the successes of the private sector in adopting sustainability concepts and their impact on the local economy.

Titled “Private Sector Successes in Adopting the Concept of Sustainability and Its Impact on the Local Economy,” the forum provided a platform for key stakeholders to discuss innovative practices and strategies that contribute to environmental sustainability.

This sponsorship is part of **stc**’s broader commitment to sustainability, aligned with the company’s vision and the “small move, Big Impact” program, which focuses on fostering long-term sustainability and positive environmental impact across Kuwait.



Bloom Market by SEEDs

stc proudly sponsored the Second Bloom Market, organized by SEEDs, the first company in Kuwait specializing in consultancy and services for green buildings and sustainability. This collaboration reflects **stc**’s ongoing commitment to environmental responsibility and sustainable practices. The market launched a Plastic-Free Month initiative, supported by **stc** as part of its 2024 Sustainability Program, “small move, Big Impact.”

The Bloom Market took place at The Avenues Mall from 11-13 July 2024, where **stc** reinforced its dedication to sustainability and encouraged the community to take meaningful steps towards reducing plastic waste. This event highlights our commitment to driving positive change and fostering sustainable living practices across Kuwait.



Ramadan Campaigns “With Goodness, We Go Further”

Partnership with the Zajil Volunteer Team: As part of its Ramadan campaign, **stc** collaborated with the Zajil Volunteer Team to support community members during this special time of year. The initiative involved distributing Iftar meals throughout the holy month of Ramadan, assisting worshippers during the last 10 days of Ramadan, and organizing the largest Iftar table for fasting individuals, which served over 3,000 meals in Al-Mubarakiya. This campaign was organized in partnership with Kuwait Municipality, Gastronomica restaurant chain, Zajil Volunteer Team, and the “Jahez-Kuwait” app.

Aspire Club for Children: Initiated on 19 March, **stc** sponsored the Aspire Club for Children for the third consecutive year. The initiative aimed at spreading positivity and empowering young minds. The activities included distributing Iftar meals, Quran memorization and recitation sessions in collaboration with the Imam of the Grand Mosque, Sheikh Omar Abdullah Al-Dumkhi, and celebrating Qarqe’an at the **stc** village. Additionally, coloring books were distributed to children at the Ministry of Social Affairs.



Quran Memorization Competition: In partnership with the Imam of the Grand Mosque, Sheikh Omar Abdullah Al-Dumkhi, **stc** hosted a Quran memorization competition as part of its 2024 Ramadan campaign. The event, held at Al-Rashed Mosque in Adliya, welcomed over 80 contestants. Two categories were featured: the first for ages 7-9 and the second for ages 10-13.

The Last Ten Days of Taraweeh Prayers: During the last ten days of Ramadan, **stc** organized a special hospitality service for worshippers at mosques across Kuwait. This service included providing refreshments and ensuring comfort for the elderly by offering chairs and refrigerators.

Qarqe’an: In addition to organizing a festive Qarqe’an celebration during the Al-Qabas Padel Championship, **stc** hosted another event at its pavilion at Winter Wonderland Kuwait, embracing the traditional Ramadan spirit and providing a delightful atmosphere for the community.



WIYAK Ghabqa

Through its CSR strategy, **stc** supports entrepreneurs by offering innovative platforms that strengthen their market presence and help their businesses grow. In 2024, **stc** organized more than four dedicated gatherings, including the “WIYAK Ghabqa” during Ramadan, all aimed at fostering meaningful networking opportunities and collaboration.

These events attracted between 70 to 200 entrepreneurs from various sectors, creating a dynamic environment for knowledge exchange and building strong connections among some of the most influential figures in Kuwait’s business community.

As part of its strategic focus on empowering the private sector and supporting the development of SMEs, **stc** hosted key networking events at prestigious venues such as Roka and Melenzane restaurants in October, and Joe Café in June. These gatherings are a part of a wider series of initiatives designed to drive sustainable economic growth and contribute to societal progress.



small move.

Big Impact.

Sports and Community Initiatives

Brisk International Padel Championship

In line with our commitment to supporting the sports community in Kuwait, **stc** proudly sponsored the Brisk International Padel Championship, held from 28-30 January 2024, at the El Padel Academy courts. This initiative reflects our dedication to fostering a positive and sustainable impact through sports, particularly within the growing padel scene.

The three-day tournament brought together 144 teams from various countries, competing across five different categories. By sponsoring such events, **stc** continues to encourage healthy lifestyles, community engagement, and the growth of regional sports talent.

Al-Qabas Padel Championship 2024

For the third consecutive year, **stc** proudly sponsored the highly anticipated Al-Qabas Padel Championship, held during the holy month of Ramadan. The tournament featured a variety of categories, drawing in a vibrant crowd of over 5,000 spectators daily who gathered to support their favorite players. This event not only highlighted **stc**'s ongoing commitment to sports and community engagement but also contributed to the celebration of Ramadan through a highly energetic and festive atmosphere. The sponsorship reflects our dedication to promoting healthy, active lifestyles and strengthening our ties with the local community.



Kuwait University Collaboration

stc has established a strategic partnership with the Media Department at the Faculty of Arts, Kuwait University, marking the beginning of an ongoing collaboration that includes the sponsorship of a designated lounge for Media Department students. This partnership also focuses on organizing joint activities and events to enrich the student experience. As part of this collaboration, **stc** launched the "**stc** Diwaniya" for Media Department students, providing a recreational space for students to relax and unwind between or after lectures, fostering a sense of community and well-being. In addition, we proudly sponsored the graduation ceremony for the Faculty of Arts students at Kuwait University, celebrating the achievements of outstanding students. This sponsorship is part of **stc**'s "Upgrade" educational initiative, underlining the company's commitment to supporting education, nurturing young talent, and contributing to the academic community.

Youth Empowerment and Education Initiatives

Kuwait University Honoring and Graduating Event

The KU Honoring and Graduating event celebrated the achievements of students who successfully completed their academic journey. As part of this special occasion, **stc** proudly provided catering services to ensure a memorable experience for all attendees. The event featured an elegant selection of refreshments and meals, thoughtfully curated to complement the celebratory atmosphere. By offering top-quality catering, **stc** contributed to making the graduation ceremony a grand and enjoyable occasion, highlighting its commitment to supporting educational milestones and fostering positive community engagement.



KTech Sponsorship

In 2024, **stc** signed a Memorandum of Understanding with Kuwait Technical College (KTECH) as part of the educational initiative "Upgrade," aimed at empowering students through various educational activities and initiatives. As part of this collaboration, **stc** sponsored the Python programming competition organized by KTECH, which was held for public school students from 5-6 March 2024, with the final event on 9 March 2024. Over 30 public high schools participated, showcasing the talents and skills of the next generation in the field of programming. This partnership reflects **stc**'s commitment to supporting education and fostering innovation in the community.



“Watheefti” Job Fair

stc proudly participated as a Platinum Sponsor in the third edition of the “Watheefti” Job Fair, one of the largest job opportunity events in Kuwait. The fair, held from 17-19 October 2024, at Arena Kuwait, 360 Mall, attracted over 30,000 visitors. Under the patronage and presence of the Minister of Higher Education and Acting Minister of Education, Dr. Nader Al-Jalal, the event provided a unique platform for job seekers and professionals to connect with more than 120 companies across 14 diverse sectors, including finance, healthcare, logistics, technology, real estate, retail, oil and gas, food and beverage, and sports. Through our participation, we reaffirmed our commitment to fostering talent development and creating career opportunities in Kuwait.



Dawrat Sponsorship

In alignment with the goals of our “WiYAK” initiative in its second season, **stc** has forged a strategic partnership with the “Dawrat” platform, a leading online education and digital courses service. This collaboration will provide a wide array of workshops, online courses, and specialized lectures designed to equip individuals with valuable skills. The educational offerings will cover a diverse range of topics, including photography, videography, cooking, sports and fitness, as well as travel and video blogging. Through this partnership, we aim to empower the community with practical knowledge and enhance personal development opportunities.

small move.
Big Impact.

Graduation Ceremony for Special Education Students

For the second consecutive year, **stc** sponsored the graduation ceremony for special education students in collaboration with the Ministry of Education (MOE), as part of its commitment to supporting and empowering individuals with special needs. This sponsorship, aligned with **stc**’s “Upgrade” initiative, saw 100 students with special needs being honored for their academic achievements. The event highlighted our ongoing efforts to foster inclusivity and create opportunities for all individuals, regardless of their abilities, to thrive and succeed.



Collaboration with Injaz

In May 2024, **stc** partnered with Injaz Kuwait to deliver the “Junior iCamp” workshop for more than 60 sixth-grade students at Kuwait English School. This activity was part of our Upgrade education initiative and challenged students to harness creative thinking to develop innovative project ideas. **stc** volunteers played a dual role, providing constructive guidance throughout and serving on the judging panel to evaluate and reward the most compelling proposals. The event not only ignited students’ inventive spirit but also reinforced **stc**’s commitment to nurturing the next generation through immersive learning experiences and strategic educational partnerships.



Collaboration with the Ministry of Electricity, Water and Renewable Energy (MEW)

In December 2024, **stc** partnered with the Ministry of Electricity, Water and Renewable Energy to launch a social media awareness campaign on conserving water and electricity. The initiative aimed to educate the public on efficient consumption practices, emphasizing the importance of collective responsibility in safeguarding national resources for future generations. Through informative posts and community engagement, the campaign promoted a sustainable mindset and supported national priorities in environmental stewardship. This collaboration reflects **stc**'s ongoing commitment to sustainability and its role in driving positive behavioral change across Kuwaiti society.



Alignment with National and Global Frameworks

stc's community initiatives are aligned with broader sustainability agendas, reinforcing both national priorities and international standards. Activities under the Because We Care, Upgrade, and Weyak umbrellas directly support several UN Sustainable Development Goals (SDGs), particularly those related to quality education (SDG 4), decent work and economic growth (SDG 8), reduced inequalities (SDG 10), sustainable cities and communities (SDG 11), responsible consumption and production (SDG 12), and climate action (SDG 13).

These initiatives also complement Kuwait Vision 2035, which emphasizes human capital development, environmental stewardship, and economic diversification, while aligning with the Bursa Kuwait ESG Disclosure Guide by promoting transparency, community investment, and responsible business practices. Through this approach, **stc** ensures that its CSR programs not only address local community needs but also contribute to global sustainability efforts.

small move.
Big Impact.

Healthcare-focused Initiative

stc Enhances Patient Experience at Al-Amiri Hospital through Strategic Sponsorship

As part of its CSR initiatives, **stc** collaborated with the Ministry of Health and Al-Amiri Hospital to support patient care and comfort. In November 2024, **stc** sponsored the provision of patient chairs, screens, and televisions inside patient rooms, aiming to create a more comfortable and supportive environment for patients and their companions. This initiative reflects our ongoing commitment to promoting community well-being and enhancing the healthcare experience in Kuwait.



Annual Blood Drive

In June 2024, **stc** organized its annual blood donation drive in collaboration with the Kuwait Central Blood Bank. Timed to coincide with World Blood Donor Day, the initiative encouraged employees across the company to contribute to community health through voluntary blood donation. The activity received strong participation from staff at all levels with 51 staff members volunteering, reflecting a shared commitment to supporting national health services and raising awareness about the importance of safe blood supplies. The drive reinforced **stc**'s "Because We Care" pillar, highlighting the company's role in promoting well-being and strengthening its partnership with key health institutions in Kuwait.



Responsible Procurement and Sustainable Supply Chain Practices

As part of **stc**'s broader commitment to responsible business practices and sustainability, the Procurement Department has taken a leading role in transforming the company's supply chain into a model of efficiency, transparency, and environmental stewardship. Tasked with sourcing critical goods and services, negotiating contracts, and managing supplier relationships, the department operates at the intersection of operational excellence and ethical responsibility.

In alignment with **stc**'s sustainability vision, the department has implemented significant digital advancements most notably achieving a fully paperless procurement process. By adopting e-procurement platforms and electronic document management solutions, **stc** has eliminated traditional paper-based workflows. This milestone has not only enhanced process efficiency but has also led to a marked reduction in resource consumption and environmental impact.

The shift to a digital procurement ecosystem promotes several key outcomes: improved transparency, enhanced data security, streamlined collaboration, and increased accessibility especially in remote or decentralized work environments. These capabilities ensure that procurement decisions are made swiftly, securely, and in full compliance with regulatory and ethical standards.

Supplier Code of Conduct

Business partners, suppliers, and subcontractors are subject to third-party due diligence and are required to adhere to **stc**'s anti-corruption standards through contractual agreements. The Supplier Code of Conduct outlines expected ethical behavior, including anti-corruption guidelines, reinforced through ongoing communication and compliance checks. **stc** also collaborates with external partners to promote shared accountability and alignment with international best practices.

In addition, the Code emphasizes Environmental, Health, and Safety (EHS) and Sustainability Practices. Suppliers are required to provide a safe and healthy workplace for their workforce, consistent with the best available international standards of public health and hygiene. They are also expected to conduct business in an environmentally responsible and sustainable manner, reducing negative impacts on the environment and society.

57.7%

Percentage of Expenditure Towards Local Suppliers

90.5%

Percentage of Local Suppliers

stc Kuwait's complete transition of its procurement process to an electronic system, resulted in a **100% reduction of paper-based documents**. In the reporting period, **300 letters of award were digitally signed, and 3,088 electronic orders were sent to suppliers**. By embedding sustainability into procurement strategy, **stc** continues to minimize waste, reduce emissions associated with traditional processes, and foster a greener supply chain. The Procurement Department's efforts not only support internal sustainability goals but also set a benchmark for responsible procurement within the wider industry.

This transformation underscores **stc**'s unwavering dedication to innovation, efficiency, and environmental responsibility, reinforcing its position as a forward-thinking organization committed to creating long-term value for both the business and its stakeholders. In an effort to promote local partnerships and contribute to economic growth within the community, **stc** Kuwait spent nearly **232.4 million KWD** during the reporting period, with over **57% directed to local suppliers**, underscoring our strong support for the local economy.

Total procurement spending (KWD)	232,430,609
Amount spent on local suppliers (KWD)	134,001,273
Amount spent on non-local suppliers (KWD)	98,429,336
Number of total suppliers	1,331
Number of local suppliers	1,204
Number of foreign suppliers	127

Sustainability-Driven Procurement Initiatives

Sustainable SIM Cards

In 2024, **stc** Kuwait transitioned to producing 600,000 SIM cards using recycled PVC instead of conventional PVC. Conventionally, manufacturing this volume would generate approximately 24 metric tons of PVC waste and 4.56 tons of CO₂ emissions. By using recycled PVC, emissions were reduced to 1.92 tons of CO₂, **representing a 57% reduction and preventing the release of 2.64 tons of CO₂**. Beyond the climate impact, this initiative also mitigates long-term waste, as PVC is a material that can persist in landfills for decades if not properly recycled.

Elimination of Plastic Bags

In 2024, **stc** Kuwait eliminated the use of single-use plastic bags across all operations, replacing them with sustainable alternatives. Previously, the company generated approximately 10.3 tons of plastic waste annually, equivalent to nearly 2 million plastic bags of various sizes. By making the switch, **stc** Kuwait **prevented the release of an estimated 14-20 tons of CO₂ emissions every year - the same environmental benefit as planting 600-900 trees annually**. This initiative not only reduces greenhouse gas emissions but also prevents thousands of plastic bags from persisting in landfills for centuries and curbs the spread of microplastics in marine and terrestrial ecosystems.

Recycling of End-of-Sale (EOS) Devices

In 2024, **stc** Kuwait partnered with Tadwire to recycle and process end-of-sale (EOS) devices under strict environmental and security standards. The program was conducted with full compliance to local and international regulations and authorized by Kuwait's Environmental Public Authority (EPA). Approximately 3,910 kg of e-waste was collected and diverted from landfill, with output materials including ferrous and non-ferrous metals, plastics, and cartons returned to the recycling stream. This initiative contributed **to an estimated 3,998.2 kg of CO₂ savings**, while ensuring responsible handling of electronic waste and protecting data security through a certified chain of custody.

Together, these actions demonstrate **stc** Kuwait's commitment to reducing its environmental footprint, strengthening procurement integrity, and contributing to a more sustainable value chain.

توقيع مذكرة تفاهم و شراكة مع تدويري MOU signing ceremony for a strategic partnership with Tadwire



E-Waste Recycling Initiative

In May 2024, **stc** signed a memorandum of understanding with Tadwire, Kuwait's first dedicated recycling facility, supported by the National SME Fund. The partnership aims to reduce electronic waste across **stc**'s operations, offices, and the broader community through collection, recycling, and public awareness campaigns. The initiative underscores **stc**'s commitment to environmental stewardship within its sustainability framework and aligns with Kuwait Vision 2035. By leading in e-waste management and educating the public about responsible disposal of electronic products such as smartphones and routers, **stc** and Tadwire are actively fostering a more sustainable future for Kuwait.

Corporate Ethical Procurement & Supply Certification



In May 2024, **stc** Kuwait achieved the CIPS Corporate Ethical Procurement & Supply Certification, valid for 12 months. This recognition demonstrates the company's commitment to embedding integrity, transparency, and ethical standards across its procurement and supply chain practices. By aligning with CIPS global best practices, **stc** Kuwait ensures that supplier relationships are managed responsibly, risks are mitigated, and procurement activities contribute positively to sustainable development.



5

Pillar 5: Acting with Integrity

Governance and Board Oversight

Operating with Integrity

At the core of our purpose lies integrity a principle that guides our actions and decisions. We cultivate a collaborative environment, support ambitious goals, and remain committed to sustainable business practices.

Board of Directors

In 2024, **stc**'s Board of Directors, composed of eight members, remained focused on overseeing the company's strategic direction and safeguarding shareholder interests. The Board actively fulfilled its governance responsibilities, including monitoring Executive Management performance. Over the course of the year, the Board held eight meetings to ensure consistent oversight of operations.

To support effective governance, the Board conducts regular peer evaluations to assess both individual and collective performance. These evaluations help reinforce accountability and inform governance improvements. The Board also receives regular updates from management on key functions, enabling oversight of ethical conduct and compliance with internal policies.

stc follows a structured process for nominating and electing Board members, in line with regulatory requirements and best practices. This includes public announcements for nominations, rigorous eligibility screening, assessment of candidate independence, and review by the Nomination and Remuneration Committee before Board approval. Candidate profiles are disclosed as required, and final elections are held at the General Assembly, with results reported to the relevant regulatory authorities. All candidates must meet strict criteria for legal eligibility, integrity, professional competence, language proficiency, regulatory awareness, and compliance with Capital Markets Authority standards.



**Dr Mahmoud Ahmad
Abdulrahman**
Chairman
Independent Member



Mr. Turki Abdulaziz Al Naim
Board Member
Representative
of **stc** Gulf Holding 1



Eng. Moeed Huwajj Alsloom
Vice Chairman
Representative of Saudi Telecom
Company **stc**



**Eng. Ziad Ben Hamad
AlHasson**
Board Member
Representative of **stc** Gulf
Holding 3



**Mr. Abdulaziz Abdullah
Al Ghamdi**
Board Member
Representative of Saudi
Telecom Company **stc**



**Sheikh Mohammed Salman
Hamoud Al-Sabah**
Board Member
Representative of Kuwait
Investment Authority



Eng. Bader Saleh Al-Anazi
Board Member
Representative
of **stc** Gulf Holding



Dr. Mithqal Sartawi
Board Member
Independent Member



Board of Directors*	2024
Total Number of Board Members	8
Non-Executive Members of BOD	6
Independence Members of BOD	2
Executive Members of BOD	-
Gender Profile	
Male Members of the BOD	8
Female Members of the BOD	-
Age Profile	
Number of BOD under 30	-
Number of BOD between 30 – 50	5
Number of BOD above 50	3
Nationalities	
Kuwaiti Members of BOD	3
Saudi Members of BOD	5

*The Board of Directors consists of nine members, but the seat allocated to the Public Institution for Social Security remained vacant as of December 31st 2024.

Board Members Skills Matrix

Board Member	Finance / Investment	Telecom / Tech	Governance / Legal	Strategy & Leadership	ESG / Public Sector
Dr. Mahmoud A. Abdulrahman		✓	✓	✓	✓
Eng. Moaeed H. Alsloom	✓	✓	✓	✓	✓
Dr. Mithqal Sartawi	✓	✓	✓	✓	✓
Eng. Ziad H. AlHasson		✓		✓	
Mr. Mohammed S. H. Al-Sabah	✓		✓	✓	✓
Mr. Turki A. Al Naim	✓	✓		✓	✓
Eng. Bader Al-Anazi	✓	✓	✓	✓	
Mr. Abdulaziz A. Al-Ghamdi	✓	✓	✓	✓	

*Detailed biographies of all Board members are available in the **stc** Kuwait Annual Report 2024. This Sustainability Report highlights the Board's composition, diversity, skills, and ESG oversight responsibilities.

Roles and Responsibilities of the Board of Directors

The Board of Directors Charter clearly defines the roles, responsibilities, and obligations of Board members to uphold strong governance. **stc** has a Board of Directors’ Charter, that is fully compatible with the requirements of the Corporate Governance rules, which includes defining the tasks and responsibilities of the Board of Directors, including but not limited to:

3.7 years

Average tenure

- Adopting strategic goals, plans and policies.
- Approving the annual budget estimates as well as the interim and annual financial statements.
- Overseeing major capital expenditure of the company, and asset owning and disposal.
- Ensuring the company’s commitment to policies and procedures, which ensure **stc**’s respect for applicable internal systems and regulations.
- Ensuring the accuracy and integrity of the data and information that must be disclosed, in accordance with the applicable policies and procedures of disclosure and transparency process.
- Developing a plan/policy to include sustainability factors in the company’s overall strategy, main business plans, risk measurement and management process, if necessary.

stc maintains job descriptions for Board members, that clearly defines their individual tasks and responsibilities. An authority matrix is also in place, outlining the respective authorities of the Board of Directors, Executive Management and committees.

stc’s senior executives are responsible for preparing reports on financials, risks, compliance, performance, and other key topics, which are then reviewed by the Management Committee for accuracy and alignment with strategic objectives. The Board of Directors or its committees review and approve these disclosures, requesting revisions as needed. This reporting process is guided by Board and Committee Charters and a dedicated policy that ensures Board members have timely access to all relevant information for effective oversight. Reports are provided quarterly and annually, with additional updates as needed for urgent or critical matters.

Board members may also participate in annual ESG and sustainability workshops led by internal or external experts, covering topics such as global trends, climate risk, human rights, and regulatory developments. New Board members receive induction programs that include the organization’s sustainability commitments and frameworks. Ongoing education is encouraged through conferences, seminars, and courses on sustainable finance, responsible business, and governance best practices.

The Board has approved a Conflict of Interest Policy that applies to all directors, executives, and employees. Board members and senior executives are required to submit annual declarations disclosing any interests that may affect their decisions, with ad-hoc disclosures required for new conflicts arising during the year. Regular awareness campaigns help all staff recognize and address potential conflicts. Anonymous reporting channels, such as a whistleblower hotline, are available for concerns about undisclosed conflicts. The Board also reviews the policy regularly to ensure it remains up to date with regulations and organizational changes.

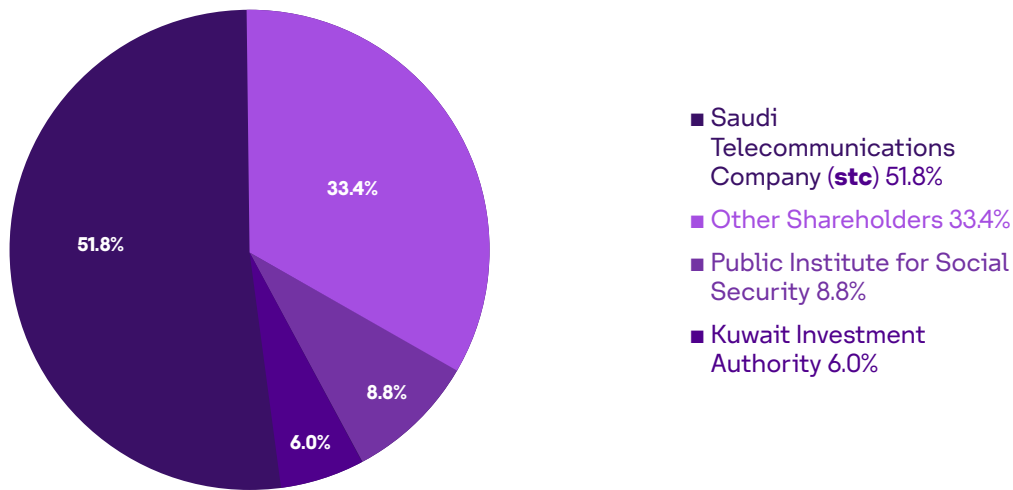
The Board of Directors continued to align **stc**’s Corporate Governance System with leading international standards and applicable local regulations, working through its committees in

coordination with Executive Management.

A procedures guide was adopted to ensure that Board members receive accurate and timely information in line with relevant laws and regulations. The guide outlines the process for requesting and sharing information with the Board and sets clear expectations for maintaining the confidentiality of information accessed through their roles.

The Board of Directors have a responsibility to achieve optimal financial and operational results and to implement the company’s strategic plan effectively. In its current session, the Board has achieved notable accomplishments for the fiscal year ended 31 December 2024. These achievements reflect the positive progress and tangible indicators demonstrated by **stc** this year across financial, marketing, and technical fields. In its sixteenth year of operation, **stc** was able to compete successfully in a highly competitive market, gaining subscribers’ satisfaction by offering promotions, competitive prices, new services and enhancing customers’ loyalty. These efforts contributed positively to operating revenues and profitability, strengthening **stc**’s position and supporting the development of the telecommunications sector in Kuwait. As a result, **stc** continues to serve Kuwaiti society, contribute to the national economy, and deliver attractive returns to shareholders.

stc Kuwait - Shareholders’ Structure



Board Oversight & Governance

In 2024, **stc** Kuwait took an important step to strengthen its governance framework by updating the **Board Charter** to explicitly incorporate sustainability considerations. This update ensures that ESG factors are acknowledged at the highest level of decision-making and reinforces the Board’s role in guiding the company’s long-term sustainability journey.

By embedding sustainability into its governance foundations, **stc** Kuwait demonstrates its commitment to aligning business strategy with responsible practices, regulatory expectations, and stakeholder interests. This development reflects the Board’s recognition that environmental, social, and governance issues are integral to building long-term value and resilience.

ESG Training for the Board of Directors

In 2024, **stc** Kuwait provided its Board of Directors with dedicated ESG training, underscoring the company’s commitment to strong governance and informed oversight of sustainability. The training, delivered by an international expert in environmental verification and sustainable business practices, covered:

- **Foundations of ESG** – understanding environmental, social, and governance factors and their relevance to telecoms.
- **Reporting Frameworks and Regulations** – including international reporting standards, sustainable finance developments, and evolving investor expectations.
- **Global Trends and Climate Change** – insights on climate science, the impacts of global warming on business operations, and the importance of aligning with the UN Sustainable Development Goals.
- **Sector Opportunities** – practical insights on decarbonisation, circularity in telecom operations, digital inclusion, and governance best practices.
- **Case Studies** – examples from leading global telecom peers showcasing leadership in climate action, e-waste reduction, renewable energy use, and digital inclusion.

This training equipped the Board with enhanced knowledge of ESG risks and opportunities, ensuring that sustainability considerations are integrated into strategic discussions and decision-making at the highest level.

Board Committees

The Board of Directors has formed a number of independent committees, and the instructions and rules of governance issued by the Capital Markets Authority have been considered when forming these committees. There are four Board committees, namely the **Audit Committee**, the **Risk Management Committee**, the **Nominations and Remunerations Committee**, and the **Executive Committee**.

Audit Committee	Formation Date: 10 July 2023 Re-formation Date: 1 April 2024	Committee Term: 3 years	Number of Members: 4
Committee Members:	Name	Position	Classification
	Eng. Bader Ben Saleh Al-Anazi	Chairman	Non-executive
	Public Institute for Social Security	Member	Non-executive
	Mr. Abdulaziz Ben Abdullah Al-Ghamdi	Member	Non-executive
	Dr. Mithqal Mohammad Sartawi	Member	Independent

The Committee performs several duties including:	<ul style="list-style-type: none">• Reviewing the interim financial statements before presenting them to the Board of Directors and expressing an opinion and recommendation to the Board of Directors in order to ensure the fairness and transparency of financial data and reports.• Examining accounting topics and understanding their impact on financial statements.• Evaluating the adequacy and effectiveness of the Internal Control Systems applied within the company and preparing a report that includes the Committee's opinion and recommendations in this regard.• Appointing an independent external auditor to examine and evaluate the internal control systems and submitting an annual report to the Committee stating its opinion and recommendations prior to presenting the same to the Board of Directors and sending it to the Capital Markets Authority.• Evaluating the efficiency of the information security procedures and the internal control system applied in this regard.• Technical supervision of the Internal Audit Department activities and reviewing the results of the internal audit reports and regulatory authorities.• Monitoring the external auditor's work, and discussing any obstacles or difficulties encountered by the external auditor, which may include any scope activities limitations of the independent external auditor or difficulties in obtaining required information, or any significant disagreements with the management.• Reviewing the reports submitted by the Sharia Supervisory Board, ensuring compliance with the provisions of the Islamic Sharia, and submit its recommendations to the Board.• Ensuring that the company is in compliance with laws, policies, regulations, instructions and provisions of Islamic Sharia.
Committee's Achievements:	<p>The Committee has accomplished many achievements during the reporting period, including:</p> <ul style="list-style-type: none">• Reviewing the financial statements (quarterly and annually) before submitting them to the Board of Directors.• Discussing the reports submitted by the Internal Audit Department related to results of the audit outcome on the company's departments and activities and approving the Annual Internal Audit plan.• Discussing the quarterly and annual reports of the Internal Sharia Audit and the reports of the Sharia Supervisory Board in the presence of the Sharia Audit team and the Sharia Supervisory Board.• Discussing the Compliance Reports.• Approving the objectives of the Key Performance Indicators (KPIs) of the Internal Audit Department.

Risk Management Committee	Formation Date: 1 April 2024	Committee Term: 3 years	Number of Members: 4
Committee Members:	Name	Position	Classification
	Mr. Abdulaziz Abdullah Al Ghamdi	Chairman	Non-executive
	Eng. Bader Saleh Al-Anazi	Member	Non-executive
	Sh. Mohammad Salman Al Sabah	Member	Non-executive
	Dr. Mithqal Mohammad Sartawi	Member	Independent
The Committee performs several duties including:	<ul style="list-style-type: none">• Preparing and reviewing the Risk Management strategies and policies, as well as the tendency of the risks before being approved by the Board of Directors.• Ensuring the implementation of these strategies and policies, and that they commensurate with the nature and size of the company's activities.• Ensuring the availability of adequate resources and systems to manage the risks.• Ensuring that Risk Management personnel have a full understanding of the risks surrounding the company and increasing employees' awareness of the risk culture.		
Committee's Achievements:	<p>The Committee has accomplished many achievements during the reporting period, including:</p> <ul style="list-style-type: none">• Maintaining the ISO 31000 Certification for Risk Management.• Reviewing Legal Cases Status and action plans.• Reviewing the Business Continuity Crisis Plan.• Enhancing the (Top Risk) reporting dashboard to reflect the status of risks for all Kuwait subsidiaries.• Discussing the quarterly reports submitted by the Risk Management Department.• Enhancing the number of Key Risk Indicators from 30 to 32.• Discussing and reviewing cyber security related risks on a quarterly basis.• Approving the objective, plan and KPIs for the Risk Management Department for 2025.		



The Nomination and Remuneration Committee	Formation Date: 1 April 2024	Committee Term: 3 years	Number of Members: 4
Committee Members:	Name	Position	Classification
	Dr. Mahmoud Ahmad Abdulrahman	Chairman	Independent
	Eng. Moeed bin Howejj Al-Salloum	Member	Non-executive
	Mr. Turki Abdulaziz Al Naim	Member	Non-executive
	Eng. Zaid Ben Hamad Al Hasson	Member	Non-executive
The Committee performs several duties including:	<ul style="list-style-type: none">• Recommending the acceptance of the nomination and re-nomination of the Board members and Executive Management.• Developing a clear policy for Board members’ and Executive Managements’ remunerations.• Determine the appropriate skills required for Board of Directors membership in the Board of Directors and review these requirements on an annual basis.• Determine the mechanism for evaluating the performance of the Board as a whole and the performance of each member of the Board and the Executive Management.		
Committee’s Achievements:	<p>The Committee has accomplished many achievements during the reporting period, including:</p> <ul style="list-style-type: none">• Development of human resources programs in the company.• Reviewing the authority matric in addition to the policies and procedures.• Recommending the Board of Directors holding a workshop on the opportunities and challenges of digital financial services in the telecommunications sector.• Launching the Board of Directors’ Performance and Effectiveness Assessment Program for the year 2024.		
Executive Committee	Formation Date: 1 April 2024	Committee Term: 3 years	Number of Members: 4
Committee Members:	Name	Position	Classification
	Eng. Moeed bin Howejj Al-Salloum	Chairman	Non-executive
	Dr. Mahmoud Ahmad Abdulrahman	Member	Independent
	Mr. Turki Abdulaziz Al Naim	Member	Non-executive
	Eng. Zaid Ben Hamad Al Hasson	Member	Non-executive
The Committee performs several duties including:	<ul style="list-style-type: none">• Discussing the Strategy, Action Plan and estimated budget before presenting it to the Board of Directors.• Following up on the implementation of the strategic plan and performance indicators periodically.• Reviewing the company’s performance in general, the performance of all of the company’s sectors in detail, and discussing deviations from the work plan and the estimated budget.		
Committee’s Achievements:	<p>The Committee has accomplished many achievements during the reporting period, including:</p> <ul style="list-style-type: none">• Reviewing the strategy and work plan for the next three years.• Studying the estimated budget.• Following up on the operational performance of the company periodically.• Studying the investment opportunities.		

Executive Management

stc has established clear job descriptions that define the tasks and responsibilities associated with each position. In addition, a formally approved Authority Matrix is in place to delegate decision-making powers across all sectors within the organization.

The responsibilities of the Executive Management include, but are not limited to, the following:

- Implementing all internal policies, regulations, and systems as approved by the Board of Directors.

- Executing the strategic direction and annual plans endorsed by the Board of Directors.
- Preparing periodic financial and non-financial reports that reflect the company’s progress in relation to its strategic goals and presenting these reports to the Board of Directors.
- Overseeing daily operations and managing ongoing business activities.
- Actively fostering a culture rooted in ethical values and developing robust internal control and risk management systems. This includes ensuring these systems are effective, sufficient, and aligned with the risk appetite set by the Board of Directors.

stc is supported by a highly qualified Executive Management team, comprising the following members:

Eng. Muataz Abdullah Aldharab	Chief Executive Officer
Mr. Khalid Fahad Almayouf	Chief Financial Officer
Mr. Khalid Fahad AlSudairy	Chief Strategy Officer
Mr. Issam Issa Al Asousi	Chief Corporate Affairs Officer
Eng. Amer Issam Atoui	Chief Consumer Officer
Eng. Fahad AbdulRahman Al Ali	Chief Technology Officer & e-Portal CEO
Mr. Abdulaziz Saud Al-Mathkoor	Chief Human Resources Officer
Mr. Mohammad Fadhel Al-Sabea	Chief Audit Executive
Mrs. Anowd Hammad Muthaib	Chief Transformation and Synergies Officer

Corporate Governance

stc is committed to strong corporate governance by adopting best practices and high standards, to build trust with shareholders, customers, and employees.

By embedding honesty, fairness, integrity, and transparency into its governance framework, **stc** ensures accountability in all stakeholder interactions.

Corporate Risk Management and Oversight

To support effective risk management, a comprehensive internal control program is developed by the Board to identify, assess, and mitigate risks across the organization. It regularly reviews the program’s effectiveness and ensures necessary adjustments are made to maintain strong operational controls.

Additionally, the oversight of audit activities comes under the responsibility of the Board, which oversees the independence and effectiveness of the Internal Audit Department. Its responsibilities include approving the internal audit charter, reviewing and endorsing the audit plan, and ensuring that management promptly addresses audit findings and recommendations.

stc’s organizational structure ensures that the Board is regularly informed about the organization’s risk management framework, enabling the Board to thoroughly evaluate Corporate, Operational, Technological, Financial and Legal & Compliance risks. Risk assessments are reviewed, and mitigation strategies are monitored for effectiveness.

As part of maintaining transparency and accountability, engagement with the external auditor involves approving the audit plan, reviewing findings, and confirming that management resolves any identified control issues.

2024 Compliance & Regulatory Snapshot

<div>100%</div> <div>Regulatory Submission Compliance</div>	<div>97%</div> <div>Product Approval Success Rate</div>	<div>848</div> <div>CITRA Complaints Resolved</div>	<div>0</div> <div>Fines Or Legal Violations</div>	<div>ISO 37301</div> <div>Certification Achieved</div>
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Corporate governance and transparency are maintained by the Board through accurate, and comprehensive disclosures to shareholders and stakeholders according to the rules established by regulatory bodies. This responsibility includes the quarterly review of financial statements, the Management Discussion and Analysis (MD&A), and all other relevant regulatory filings to uphold investor confidence and regulatory compliance.

Compliance and Regulatory Functions

The Regulatory Affairs Department plays a strategic and enabling role in ensuring that all **stc** Kuwait operations are fully compliant with the applicable regulatory frameworks. As the telecommunications sector continues to evolve rapidly, driven by digital transformation, data proliferation, and shifting policy landscapes, the department ensures alignment with external regulatory expectations while empowering internal functions to operate and innovate within a secure, compliant, and risk-mitigated environment.

In line with the Regulatory Affairs Policy, the department serves as the official interface and compliance shield with governmental bodies, particularly the Communication and Information Technology Regulatory Authority (CITRA), the Ministry of Communications (MoC), and other relevant authorities. This is achieved through robust trust-based relationships built on continuous communication and daily engagement.

Through these channels, the department delivers regulatory intelligence and strategic guidance across all **stc** functions, ensuring that operational, technical, financial, and commercial initiatives remain aligned with regulatory requirements from the outset.

Key Regulatory Achievements in 2024:

- Conducted regulatory impact assessments for all instruments issued by CITRA, MoC, and other relevant entities.
- Provided expert guidance to internal teams to mitigate regulatory risks and support strategic initiatives.
- Supported the Legal Department in preparing and filing grievance submissions to CITRA and represented **stc** in all related legal hearings.
- Delivered professional responses to all CITRA public consultations, in coordination with **stc** Group.

- Led the execution of **stc**'s regulatory agenda, mandated by executive management through the Regulatory Agenda Committee.
- Represented **stc** in industry-level coordination on joint regulatory issues requiring unified operator positions.
- Secured approvals for **stc** products and offers from CITRA, achieving an approval success rate of 97%.
- Resolved 848 customer complaints escalated to CITRA, strengthening customer satisfaction and compliance.
- Coordinated and responded to all data requests from CITRA and other authorities, achieving 100% compliance with submission deadlines, thereby avoiding regulatory penalties.

- By embedding regulatory compliance as a pillar of sustainable governance, the Regulatory Affairs Department contributes to:
- Reducing regulatory and operational risks,
 - Ensuring uninterrupted business continuity, and
 - Fostering innovation within clearly defined regulatory parameters.

Compliance is a foundational pillar of the company's commitment to ethical conduct, regulatory adherence, and excellence in corporate governance. In an environment shaped by evolving laws and industry standards, the Compliance Department plays a critical role in ensuring that **stc** consistently meets all legal, regulatory, and internal policy requirements.

By establishing comprehensive compliance frameworks, conducting regular audits, and offering guidance across all organizational levels, the department safeguards **stc**'s integrity, reputation, and operational stability. It also promotes a culture of transparency and accountability, encouraging ethical behavior and sound decision-making throughout the company.

Through its proactive risk management approach and alignment with best practices, the Compliance Department reinforces **stc**'s dedication to operating with integrity, responsibility, and respect for all stakeholders.

stc has strengthened its Compliance Management Program to align with ISO 37301, establishing a standardized and effective framework for managing regulatory requirements. Compliance with the organization's foundation is proactively identified and mitigated

through regular assessments, training, and reporting mechanisms. The Board of Directors holds ultimate responsibility for overseeing compliance, ensuring that all corporate activities and governance practices remain in alignment with applicable laws, internal regulations, and the strategic direction of the company.

By positioning compliance as a strategic enabler rather than a constraint, this initiative fosters a culture of integrity and strengthens **stc**'s foundation for long-term, sustainable success.

During the reporting period, the organization recorded no significant instances of non-compliance with applicable laws, regulations, or regulatory requirements. Also, there were no fines imposed or paid in 2024 related to non-compliance with laws or regulations. There were also no incidents of non-compliance related to the health and safety impacts of products and services during the reporting period.

Code of Ethics and Business Conduct Policy

The Board ensures our organization's ethical standards are upheld through the adoption and active oversight of the Code of Ethics and Business Conduct Policy, which promotes a culture of integrity and ethical behavior across all levels of the organization. It also reviews the policy periodically and approves necessary updates to reflect evolving best practices and organizational needs.

The company has enhanced the formal Conflict of Interest Policy and maintains a dedicated register to document actual or potential conflict of interest cases in a transparent and systematic manner.

During the reporting period, regular awareness initiatives and mandatory annual disclosures were conducted to reinforce understanding of the policy and support early identification of potential conflicts. The maintained register serves as a governance tool to ensure accountability and facilitate ongoing monitoring. No significant concerns were escalated to the Board of Directors or its committees during this period.

Elevating **stc**'s Culture of Integrity

As part of **stc**'s ongoing efforts to strengthen its culture of ethics and integrity, the Compliance Department launched a dedicated awareness campaign focusing on key topics such as Conflict of Interest and the Code of Ethics. This campaign aimed to reinforce employees' understanding of ethical expectations and their responsibilities in upholding **stc**'s values.

To ensure a sustained impact, the campaign was supported by a series of continuous initiatives, including interactive training sessions, informative awareness videos, and targeted email communications. These tools were designed to provide practical guidance, highlight real-life scenarios, and encourage open dialogue around ethical behavior. By embedding these practices into day-to-day operations, the Compliance Department continues to promote a proactive and well-informed workforce committed to integrity at all levels of the organization.

Internal Audit and Controls

In 2024, the integration of sustainability into corporate strategy and reporting continued to gain momentum as organizations deepened their commitment to transparency, accountability, and long-term value creation. At **stc**, the Internal Audit Department plays a

critical role in supporting this transition by serving as a strategic partner in the governance of sustainability practices.

Through independent assurance, the Internal Audit function evaluates the effectiveness of internal controls related to ESG objectives. It also provides data-driven insights and actionable recommendations to enhance performance, address emerging risks, and strengthen alignment with sustainability frameworks.

By embedding sustainability considerations into audit planning and execution, the department contributes to our ability to integrate responsible practices across core operations, mitigate ESG-related risks, and uphold the company's commitment to ethical and sustainable business conduct.

Internal Audit Qualifications

The Internal Audit Department at **stc** continues to serve as a cornerstone of effective governance, risk management, and organizational improvement. Composed of a team of highly skilled professionals, the department conducts comprehensive audits and assessments across all business functions to identify potential risks, evaluate the adequacy of controls, and recommend enhancements that support strategic and operational objectives.

Led by experts holding internationally recognized certifications including CIA, CPA, CFE, CISA, CISM, ISO 22301 (BCMS), ISO 31000, ISO 20000, COBIT 5, and ITIL the team brings a diverse and specialized skill set capable of addressing complex challenges in today's dynamic business environment. Their qualifications are further strengthened by advanced leadership capabilities, ensuring both strategic insight and operational rigor.

Internal audit provides independent assurance and advisory services in governance, risk management, and compliance by evaluating internal controls, identifying improvements, and supporting responsible business conduct. Employees can seek guidance from the Compliance or Legal Affairs Department on interpreting ethics and anti-corruption policies. The Code of Ethics and Business Conduct Policy outlines procedures for resolving ethical questions and lists contact points for advice. Regular awareness campaigns increase employee understanding of these policies and clarify when and how to seek support. Secure whistleblowing channels are available for reporting concerns or misconduct, and significant cases are reviewed by the Audit Committee to ensure proper resolution.

Through independent evaluations and value-driven recommendations, the Internal Audit Department reinforces **stc**'s culture of integrity, transparency, and accountability. Its work plays a vital role in fostering continuous improvement, supporting informed decision-making, and creating long-term value across the organization.

Internal Audit Department Activity 2024

Total reports	31
Agreed corrective action plans	496
Business-focused reviews	50%
Technology-focused reviews	50%
Special Activities	
Special reviews	3
Whistleblowing	3
Key Risk Indicators monitored through data analytics function	204

Anti-competition and Anti-corruption

At **stc**, we remain unwavering in our commitment to the highest standards of ethical conduct and fair competition within the Kuwaiti telecommunications market. We operate with zero tolerance for bribery and corruption and actively promote a competitive environment where innovation thrives, and all industry players can succeed on merit.

Our approach is grounded in full compliance with all applicable laws and regulations, including Kuwait’s Competition Protection Law No. (72) of 2020 and its executive bylaw. These regulations form the foundation of our operational integrity and guide all aspects of our business from day-to-day interactions to strategic product launches and marketing campaigns.

stc Policies

To embed these principles across the organization, **stc** has implemented a robust compliance and ethics framework that includes the following policies:

- **Comprehensive Code of Conduct**
Clearly defining expected behaviors for all employees, the Code prohibits any form of corruption and reinforces our values of integrity, fairness, and responsibility.
- **Whistleblowing Policy**
The Whistleblowing Policy, also approved by the Board, provides a confidential process for employees and stakeholders to report concerns related to misconduct or unethical behavior. Reports are submitted through secure channels and escalated to the Permanent Investigation Committee or directly to the Board Chairman or Audit Committee if senior management is involved. The Internal Audit Department submits a semi-annual summary of reported cases to the Audit Committee, with high-risk issues escalated immediately, ensuring regular and transparent oversight of critical risks by the Board. This empowers Empowering employees to confidentially report any suspected misconduct or unethical practices, helping to ensure accountability at all levels of the organization.
- **Remuneration Policy**
The organization also has a comprehensive remuneration policy for the highest governance body and senior executives, covering compensation and benefits. The policy ensures fairness, transparency, and alignment with governance standards. Remuneration is tied to both individual and collective performance, including financial results and the management of economic, environmental, and social impacts. This approach promotes accountability, ethical leadership, and long-term value creation for stakeholders.

Enhancing Operational Efficiency Through Document Approval Automation

In 2024, **stc** continued to build on its digital transformation journey by further optimizing its internal operations, most notably through the automation of its document approval processes. This shift from manual workflows to a fully digitized system has increased organizational efficiency, accuracy, and agility.

Previously, approvals relied on paper-based methods involving multiple layers of manual review and physical routing, often leading to delays, administrative bottlenecks, and a higher risk of human error. To address these challenges, **stc** implemented an automated system that enables end-to-end digital processing from initiation to final sign-off routing requests electronically through predefined approval paths.

This transition has resulted in faster turnaround times, improved traceability, and enhanced transparency. It also supports **stc**’s sustainability objectives by reducing paper usage and minimizing the environmental impact of administrative operations. Approval requests are now routed to relevant stakeholders through secure digital workflows, enabling reviews and sign-offs with ease, regardless of location.

The system provides real-time visibility into the status of each request, allowing decision-makers to monitor progress, identify delays, and act promptly. This shift has optimized efficiency, improved collaboration, and positioned the company to better meet the demands of a fast-paced digital environment.

These policies are actively communicated and readily accessible, fostering a culture of transparency, ethical awareness, and mutual trust.

Additionally, **stc** conducts targeted compliance assessments and internal monitoring to proactively detect and prevent any violations. Ongoing employee training further strengthens understanding of relevant laws, internal policies, and ethical responsibilities, ensuring that compliance is integrated into the fabric of our operations.

By maintaining this strong governance framework, we aim to build enduring trust with our customers, partners, regulators, and the broader community. We believe that fair competition not only drives sector-wide innovation but also ensures that consumers benefit from high-quality, diverse, and responsibly delivered telecommunications services.

stc Kuwait has Achieved

3.9 Rating Out of 4

in the **stc** Group governance and excellence assessment demonstrating leadership in corporate governance and adherence to excellence standards across key operational domains

Centralized Document Repository

To further enhance internal governance and streamline operations, **stc** has taken proactive steps to address inefficiencies in its document review and approval cycles. As internal processes have grown more complex, the volume and frequency of approvals have increased placing a burden on stakeholders and contributing to delays.

In response, **stc** implemented a centralized SharePoint portal as the unified repository for all corporate documents. This digital platform enables seamless access, version control, and transparency, reducing reliance on manual workflows. It ensures that documents are readily available for review, collaboration, and compliance purposes.

Building on the previously implemented automated approval system, **stc** has centralized over 950 documents including policies, procedures, manuals, and charters within the portal. Accessible to all employees, it supports consistency, accountability, and efficient internal operations. The transition to a fully paperless environment has also reduced paper usage, accelerated review timelines, and improved overall process efficiency across the organization.

This year, focused efforts were made to strengthen engagement with subsidiaries, ensuring their alignment with applicable laws, regulations, and global best practices. By reinforcing a unified approach to governance and quality, we are building a best-in-class governance framework that protects stakeholder interests and drives operational excellence at the group level.

Together, these initiatives underscore our commitment to leveraging digital transformation not only to increase productivity but also to uphold strong governance, regulatory compliance, and strategic alignment across its entire organization.

Find below the areas of improvements identified by the Quality Assurance Department:

Year	OFI	ISO Certificate
2021	105	ISO 9001 27001
2022	178	ISO 9001 27001
2023	72	ISO 9001 14001 20000 27001 22301 31000
2024	7	ISO 9001 14001 20000 27001 22301 31000

Internal Compliance Monitoring, Reporting and Whistleblowing

	2022	2023	2024
Number of whistleblowing incidents received	4	1	3
Total number of incidents assessed/resolved	4	1	3
% number of incidents assessed/resolved	100%	100%	100%

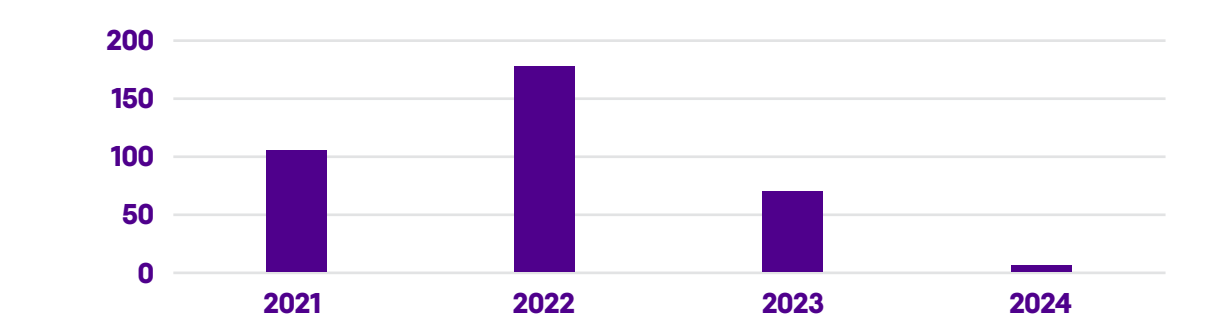
In 2024, **stc** continued to uphold its strong commitment to ethical business practices, maintaining a clean legal record with no public corruption cases filed against the company or its employees.

As part of our zero-tolerance policy toward bribery and corruption, all employees are required to complete mandatory online anti-corruption training. This training serves as a key component of our compliance program, clearly outlining expectations for ethical behavior and reinforcing a shared responsibility to act with integrity.

By investing in continuous education and cultivating a transparent corporate culture, we ensure that integrity remains central to its operations safeguarding the trust of stakeholders and supporting long-term business sustainability.

Beyond internal process optimization, **stc** has also prioritized governance across its wider group structure.

Total Opportunities for Improvement (OFIs) Identified Through Internal Assessments (2021–2024)



Operational Policies and Commitments

Across our operations and stakeholder engagements, **stc** has implemented a comprehensive set of policies aimed at enhancing our ESG performance. These policies are regularly reviewed and updated to ensure alignment with evolving best practices and to uphold our commitment to transparency, accountability, and responsible business conduct.

stc Kuwait Approved

950 Digital Documentation

as of 2024



Outlined below is a selection of key **stc** policies currently in effect.

- Anti-fraud Corruption Policy
- Code of Ethics and Business Conduct
- Conflict of Interest Policy
- Nominations and Remunerations Committee Charter
- Audit Committee Charter
- Data Privacy Policy
- Corporate Cyber Security Policy
- Corporate Social Responsibility Policy
- Procurement Policy
- Risk Management Policy
- Shareholders Rights Protection Policy
- Sustainability Policy
- Whistleblowing Policy
- Compliance Policy
- Code of Conduct Policy
- Integrated Management Systems Policy

Respect for Human Rights

stc Kuwait respects and promotes human rights across our operations, ensuring the creation of sustainable value and an equitable future for all. We aim to operationalize human rights through responsible business practices directed towards our employees, customers, suppliers and the broader community.

Safeguard data and privacy of our customers - We prioritize the protection of our customers'

and employees' privacy. In response to the growing risks and complexities of cybercrime, we maintain rigorous data privacy and cybersecurity standards as we advance and expand our digital businesses and services.

Facilitate access to services and digital inclusion - We aim to provide equitable access to communication services across diverse population segments. In 2024, **stc** launched targeted initiatives for youth, the elderly, and low-income communities, recognizing that digital connectivity is a fundamental enabler of participation, opportunity, and empowerment. From affordable and tailored mobile plans for students to simplified services and dedicated support for senior citizens, we continue to remove barriers to access. Additionally, by offering low-cost devices and promoting digital literacy among underserved groups, **stc** actively works to bridge the digital divide and foster inclusive, connected communities.

Provide a safe and equitable workplace - Our employees have access to a work environment that upholds fundamental human rights and encourages both personal and professional development. Pursuing an approach centered on fair treatment, dignity, and respect in the workplace, in line with principles of non-discrimination, equity, and inclusion, we have initiatives that promote health, work-life balance, and career advancement. We aim to raise the standard of living for our people through programs such as flexible working arrangements and mental health support. Continuous learning opportunities enable employees to excel both within and outside the workplace.

Ensuring supplier compliance - Suppliers are required to obtain approval from local authorities to operate in the marketplace and must adhere to our code of ethics, which establishes clear expectations regarding respect for human rights.

Internal Stakeholder Engagement

Engaging with stakeholders and conducting General Assembly meetings are vital parts of our corporate governance, directly influencing our company's sustainability and success.

We understand the importance of involving key stakeholders, such as Investor Relations, Compliance, Regulatory Affairs, Legal Affairs, Public Relations, Branding, and Treasury in our decision-making. Transparent communication and meaningful engagement, including through General Assembly meetings, help build trust and credibility while ensuring we meet regulatory standards and legal requirements.

By actively collaborating with stakeholders, we emphasize ethical practices, reinforce our corporate values, and manage risks, all of which contribute to the long-term sustainability and strength of our business.

Moreover, involving the Treasury in dividend-related processes allows us to adopt a balanced financial strategy addressing both immediate needs and long-term value creation for investors and society. This integrated approach highlights our dedication to responsible corporate governance and sustainable business practices.

ISO 37301:2021 Certification for Compliance Management Systems

In January 2025, **stc** Kuwait achieved a remarkable milestone by becoming the first company in the State of Kuwait to be awarded the ISO 37301:2021 Certification for Compliance Management Systems. This internationally recognized certification is a testament to **stc**'s unwavering commitment to excellence in compliance. It reflects the company's proactive approach in embedding a culture of compliance within its operations, ensuring alignment with the highest ethical, legal, and operational standards.

The preparation for this certification started in June 2024 and ended with a rigorous external audit conducted by an internationally accredited consulting firm. The process thoroughly assessed the company's compliance structure and job descriptions, the Compliance Department's framework and working papers, regulatory risk assessments, and the reports issued to management, in line with the ISO standards. The successful outcome of this audit not only validates the strength and maturity of **stc**'s compliance framework but also reinforces its position as a responsible, ethical, and transparent organization listed on Boursa Kuwait.

The ISO 37301 certification is more than a formal recognition; it highlights our strategic vision in building long-term trust with all stakeholders, including customers, regulators, shareholders, and partners. It strengthens the company's ability to manage regulatory risks effectively and enhances its reputation as a regional telecom leader operating in line with global best practices.

Best Corporate Governance Telecom Company - Kuwait 2024

The Compliance Department was instrumental in securing **stc** Kuwait's recognition as the "Best Corporate Governance Telecom Company – Kuwait 2024" at the tenth Annual GBO Awards. This achievement highlights the department's commitment to transparency, ethical conduct, and accountability while implementing a robust compliance program within **stc**'s Corporate Governance framework.

By aligning internal policies with external regulations, mitigating risks, and conducting targeted awareness sessions, the department has enhanced **stc**'s governance standards and contributed to securing prestigious industry accolades.

This award was part of a series of accolades won by **stc** Kuwait, including the following:

- Corporate Governance and Stakeholder Protection Award in 2021 from Capital Finance International (CFI.co).
- The Best Corporate Governance Telecom Company Award in 2021 from the International Finance Awards.

These honors reflect the department's sustained impact, positioning **stc** Kuwait as a leader in corporate governance within the telecom industry.



ESG Risk Management

At **stc** Kuwait, effective risk management supports long-term growth, protects shareholder value, and reinforces our responsibilities to stakeholders. Operating in the telecommunications sector involves responding to technological change, evolving regulations, cybersecurity risks, and economic fluctuations each with the potential to influence our performance and sustainability outcomes.

Our Enterprise Risk Management (ERM) framework is designed to identify, assess, and address risks across the organization. This approach supports the stability of our strategic objectives and helps maintain business continuity.

Environmental, Social and Governance (ESG) Risk Overview

stc Kuwait reaffirmed its commitment to sustainability, aligning operations with ESG principles and best practices. The table below outlines key potential risks and corresponding mitigation efforts, which are critical for maintaining long-term value and stakeholder trust.



Environmental • Social • Governance

Category	Key Potential Risk	Mitigation Measurement
Environmental	High energy consumption from network operations and data centers (Carbon Emissions and Energy Use)	- Infrastructure modernization with energy optimization at design level
Environmental	Extreme weather) affecting network infrastructure (Climate Change Resilience)	- Climate risk assessments - Disaster-resilient infrastructure design - Backup power systems in critical area
Environmental	Improper disposal of electronic equipment and devices (E-Waste Management)	- Partnering with certified recyclers
Social	Breaches lead to loss of consumer trust and legal exposure (Data Privacy and Cybersecurity)	- ISO 27001 certification across all systems - Continuous penetration testing - Multi-layered data encryption standards - PCIDSS
Social	High attrition rates, lack of digital skills (Workforce and Labor Relations)	- Fair wages, diversity and inclusion strategies - Mental health support and flexible working policies - A corporate incubator and accelerator program focused on nurturing ICT-driven startups and fostering innovation in the digital ecosystem
Social	Potential health concerns associated with electromagnetic fields (EMFs) emitted by network infrastructure and devices, including occupational safety risks for workers during deployment and maintenance activities (Exposure and Occupational Health)	- Adhering to international safety standards - Enforcing robust health and safety protocols to protect employees and contractors across all operations
Governance	Changing government law, spectrum, and tax regulations (Regulatory Compliance)	- Real-time regulatory tracking by Compliance team - Active participation in policy dialogues. - Dedicated Compliance team
Governance	Failure to engage effectively with stakeholders and misalignment with community and regulatory expectation (Stakeholder Engagement)	- Establishing open and regular communication channels with stakeholders - Feedback mechanisms to ensure alignment with community, investor, and regulatory expectations
Governance	Corruption, fraud, or lack of transparency (Ethical Business Practices)	- Periodic ethics and anti-bribery awareness - Whistleblower policies - Internal and Third-party audits - Code of ethics/ integrity training

All ESG risk mitigation measures and their corresponding risk levels are periodically reviewed by the Risk Management team and integrated into the ERM framework.

In line with this approach, risk management at **stc** Kuwait is closely integrated with our overall sustainability strategy. We align risk governance, frameworks, and activities with both **stc** Kuwait and **stc** Group’s sustainability objectives. Risks are addressed proactively across all business areas, focusing on their potential impact on sustainability goals. To support this, we foster a risk-aware culture by training and empowering employees to identify and mitigate risks affecting sustainability performance.

stc Kuwait integrates risk management into its strategic planning, decision-making, and operational processes to address risks that could impact our objectives and operational effectiveness. Our structured, company-wide approach fosters risk awareness, implements effective controls, and develops departmental risk profiles that include sustainability considerations. As a result, risks can be compared across the organization, and each business unit manages its risks and pursues sustainable opportunities within our established risk limits.

The Board Risk Management Committee (BRMC) conducts quarterly reviews and updates of the ERM framework to ensure its alignment with evolving internal and external environments, including emerging sustainability challenges and opportunities. As a publicly listed company governed by the Kuwait Capital Markets Authority (CMA) regulations and adhering to guidelines from the Kuwait Ministry of Communication, the Communication and Information Technology Regulatory Authority (CITRA), the Committee of Sponsoring Organizations (COSO), and ISO 31000:2018, we continuously enhance our ability to anticipate and respond to current and emerging risks, including those with sustainability implications.

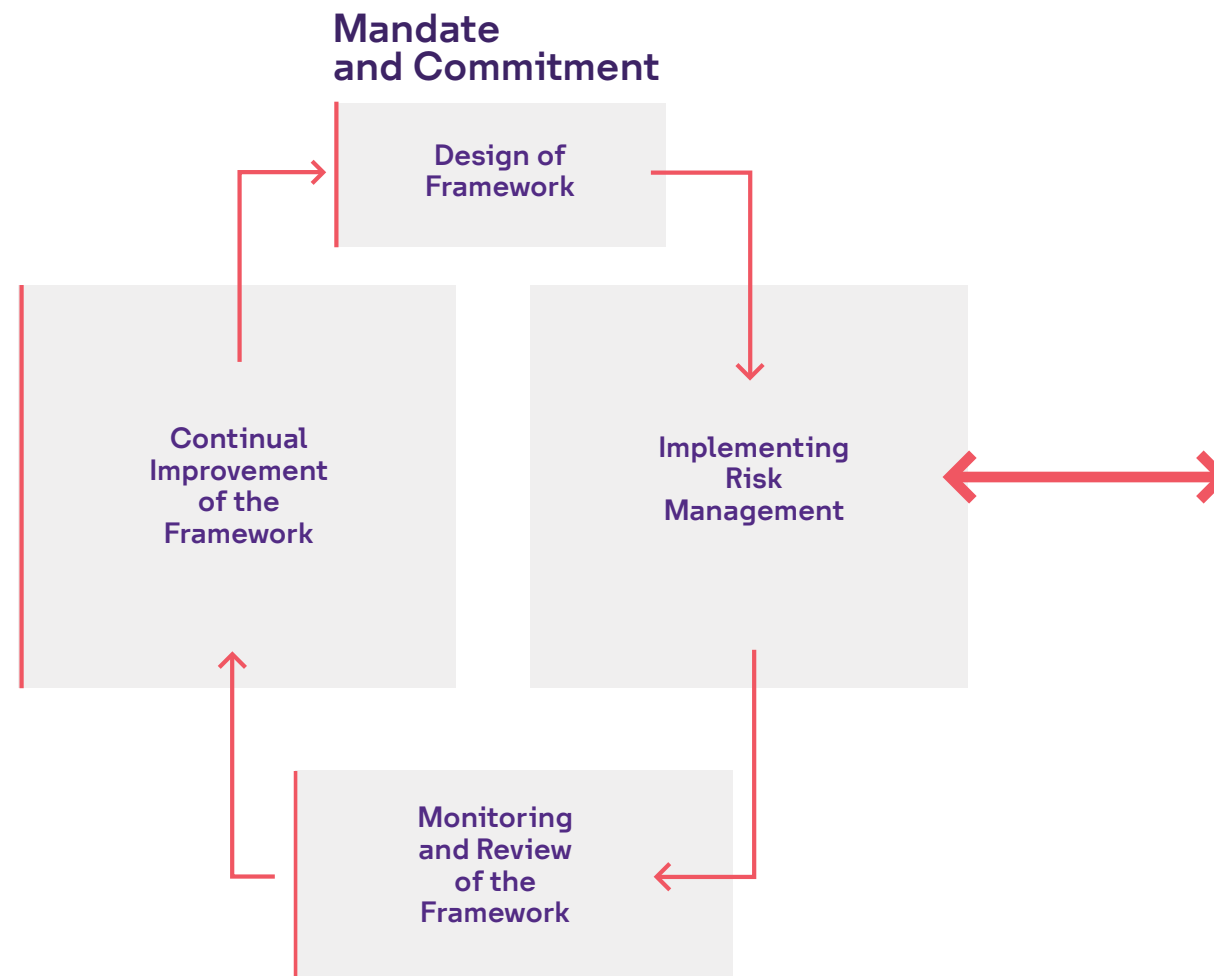
Sustainable Enterprise Risk Management Governance:
stc Kuwait’s management is committed to clearly defining and communicating strategic objectives that are essential for the company’s success and long-term sustainability, ensuring alignment with achievement timelines. The organizational structure includes the Risk Management Department (RMD), which reports directly to the **Board Risk Management Committee**, providing effective oversight of risks, including ESG-related risks. Recognizing the inherent nature of business risks, we implement robust controls to mitigate these risks to acceptable levels, supporting both corporate and functional goals, including sustainability targets. Our comprehensive governance protocols establish clear approval processes, define responsibilities, and provide a framework for monitoring strategic initiatives and sustainability commitments. **stc** Kuwait remains fully compliant with all relevant laws and regulations, which helps reinforce a culture of accountability and risk awareness throughout our operations, including environmental and social responsibilities.

Principles

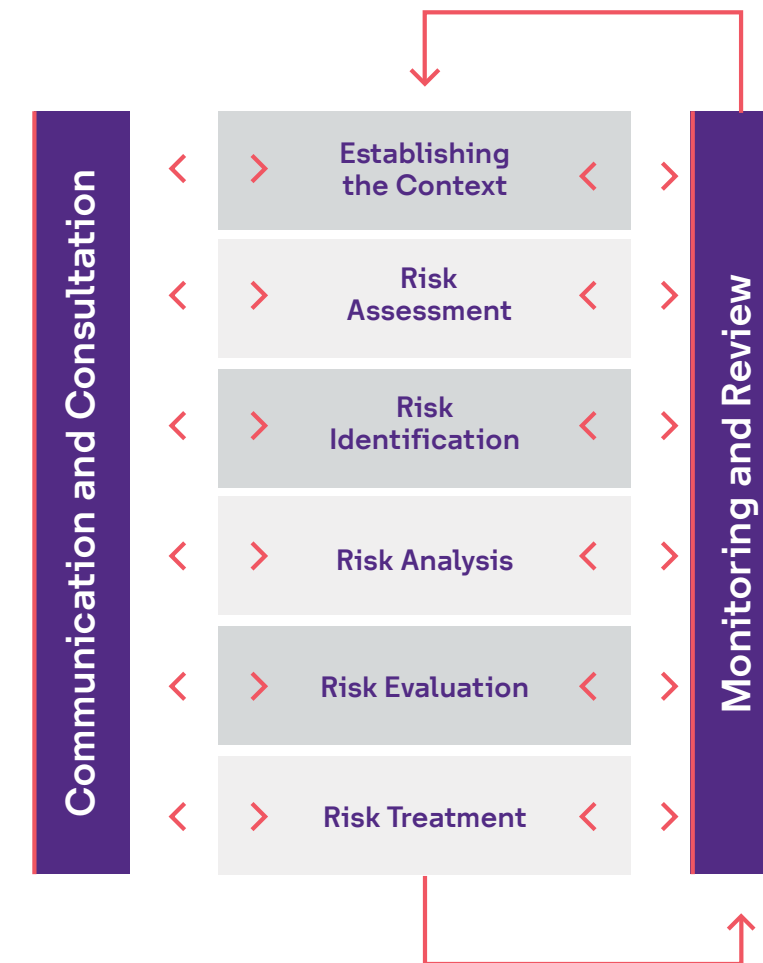
1. Creates value
2. Integral part of organizational processes
3. Part of decision making
4. Explicitly addresses uncertainty
5. Systematic, structured and timely
6. Based on the best available information

7. Tailored
8. Takes human and cultural factors into account
9. Transparent and inclusive
10. Dynamic, Iterative and responsive to change
11. Facilitates continual improvement of the organization

Framework



Processes





stc Kuwait's ERM framework enables the effective implementation of risk management through a structured and consistent approach to identifying, measuring, managing, mitigating, and reporting on risks, including those with environmental, social, and economic impacts. This approach helps inform decision-making and builds resilience across the company and its subsidiaries, contributing to overall sustainability.

The RMD Context Document, applies to all operational areas at **stc** Kuwait and is a fundamental component of our risk framework. It considers internal and external contexts such as internal and external ISO 31000 related audits, entailing Certification Audit for the first year followed by two Surveillance Audits for the following two years.

The framework also includes developing and monitoring key risk indicators (KRIs), our defined risk appetite to ensure risk management aligns with organizational objectives, stakeholder interests, and the changing environments in which we operate, including evolving sustainability priorities.

stc's Risk Appetite:

The Risk Appetite Statement is a foundational element of **stc** Kuwait's ERM framework, outlining the types and levels of risk the company is willing to accept in pursuit of its strategic goals and long-term value creation, while also considering our sustainability objectives. It establishes clear boundaries for acceptable and unacceptable risks across all areas of **stc** Kuwait's operations, ensuring alignment with our vision, objectives, and commitment to sustainability.

The Risk Appetite Statement underpins the principles that guide decision-making across the organization, defining thresholds for risk acceptance and management, and providing a clear framework for evaluating risks in the context of strategic and operational decisions, including those related to ESG factors. As such, it serves as a critical reference point for major decisions within the company.

stc Kuwait's risk appetite is classified as "Open," reflecting our readiness to assume risks in key strategic areas such as Digital Transformation, Customer Satisfaction, Service Sustainability, Employee Growth, and Third-Party Risk Management, all of which have implications for our broader sustainability agenda. While we embrace calculated risk-taking in these areas, we ensure that robust risk mitigation controls are in place to manage and address any potential threats, including environmental and social impacts.

stc Kuwait's risk appetite reflects the evolving nature of the telecommunications industry, shaped by technological developments, market dynamics, and the company's strategic focus on value leadership and sustainability. While open to innovation and market opportunities, the company adopts a conservative stance toward risks related to regulatory compliance, legal obligations, ethical conduct, and environmental and social responsibility.

stc Kuwait's risk appetite is regularly reviewed and updated to remain relevant as business strategies and market conditions change, including emerging sustainability trends and risks. The Risk Appetite System is continuously refined through collaboration between the ERM team, the CEO, and Executive Management, with final approval from the Board of Directors. Risk tolerance levels are clearly defined for all major key business areas, using both quantitative and qualitative measures to maintain a proactive and balanced approach to risk management, protecting the company's objectives and minimizing potential risks, including those that could affect our sustainability performance.

stc's Risk Management and Mitigation:

Risk management at **stc** Kuwait is a shared responsibility across all levels of the organization, including employees, suppliers, and contractors, where applicable. We are dedicated to fostering a strong risk culture where proactive risk identification, assessment, and mitigation are integral to daily operations, including those related to environmental and social impacts.

The RMD, led by the General Manager of Risk Management and supported by a team of experts and managers, is primarily responsible for driving the risk management process. This includes identifying, documenting, and validating key risks, and working with managers to develop and implement mitigation strategies that support the company's objectives, including our sustainability commitments.

Key Risk Indicators (KRIs) are a vital component of our ERM framework. By tracking these indicators, we can identify potential issues early, allowing us to take timely and appropriate measures to mitigate risk exposure and protect the long-term value of the company and its contribution to a sustainable future.

stc Kuwait’s KRIs are closely aligned with the critical areas of our business, including operational performance, cybersecurity, financial stability, compliance, market competitiveness, and, increasingly, environmental and social performance. These indicators are tracked and reported quarterly to assess the effectiveness of our risk management processes and ensure timely responses to internal and external changes, including sustainability issues.

To support a strong risk-aware culture, the Risk Management Department (RMD) has established a network of “Risk Champions” across business functions. These individuals track both emerging and ongoing risks and provide regular updates, with increasing focus on sustainability-related exposures.

stc Kuwait promotes risk awareness among General Managers, executives, and employees through targeted communications, including reminder emails, policy updates, and briefing sessions that incorporate sustainability where relevant. New employees and members of the Board Risk Management Committee (BRMC) receive dedicated training as part of the company’s onboarding process, introducing **stc** Kuwait’s integrated approach to risk management and its alignment with sustainability objectives.

This collaborative approach ensures that risk management is comprehensive, dynamic, and fully integrated into all business areas, promoting a unified and proactive stance across the organization towards both traditional and sustainability-related risks. Risk treatment measures include avoiding, mitigating, transferring, or accepting risks. Selecting the most suitable treatment option requires balancing implementation costs and efforts with the potential benefits, considering legal, regulatory, and other critical factors, such as social responsibility and environmental protection.

To facilitate clear risk understanding and reporting, **stc** Kuwait categorizes risks and assesses their potential impact across seven dimensions: Financial, Governance, Regulatory and Compliance, Reputation and Community (including social impact), Network Reliability, Customer Experience and Service Quality, Human Resources, and Health, Safety and Environmental. Each risk category is managed/mitigated as follows:

Our risk heatmap provides a visual overview of **stc** Kuwait’s key risks, highlighting their potential impact and likelihood, including those related to sustainability. It serves as a critical tool for prioritizing risk treatment actions and making informed decisions regarding risk management strategies for both traditional and sustainability-related risks.

Enhancing Risk Management in 2024

stc Kuwait proactively began assessing its ESG impacts through a risk-focused lens, aligning these evaluations with established Corporate Sustainability frameworks. This approach includes analyzing risks and opportunities associated with climate change, and socio-economic challenges.

By conducting in-depth research and engaging extensively with stakeholders, **stc** Kuwait identifies critical sustainability risks and implements early mitigation strategies. This forward-thinking helps the company to adapt to changing conditions and highlights its commitment to a more sustainable future through strong risk management and planning.

A key milestone in this year was the execution of a comprehensive Crisis Simulation Scenario Exercise, a cornerstone of **stc** Kuwait’s business continuity strategy. Designed to rigorously test preparedness and response capabilities across a range of potential crises, this initiative ensures the company is well-positioned to handle situations that could disrupt operations and impact our sustainability commitments.

The simulation explored a variety of realistic and complex scenarios, including natural disasters, cyber-attacks, warfare, fires, and supply chain disruptions. ESG considerations were seamlessly integrated into the exercise, enabling **stc** Kuwait to assess both immediate operational impacts and broader environmental and social effects on employees and communities.

By simulating these multifaceted scenarios, **stc** Kuwait evaluated its response protocols, identified areas for improvement, and strengthened its overall crisis management capabilities. This initiative was instrumental in enhancing operational resilience and reinforcing the company’s commitment to safeguarding business continuity while maintaining a proactive approach to managing risks effectively, including risks related to our sustainability performance.

In the year ahead, **stc** Kuwait will continue to strengthen its ERM commitment and capabilities by proactively identifying, evaluating, and mitigating risks that may impact the achievement of our strategic objectives, including our ambitious sustainability goals.

By applying a comprehensive and structured ERM framework, we aim to improve our risk resilience, navigate challenges more effectively and capitalize on opportunities within an increasingly complex and dynamic business landscape, while further advancing our sustainability agenda.

Looking ahead, we remain committed to cultivating a culture of risk awareness and continuous improvement, ensuring that risk management serves as a cornerstone of our long-term success and sustainability.

As of the End of 2024, stc Kuwait Holds the Following Certifications:

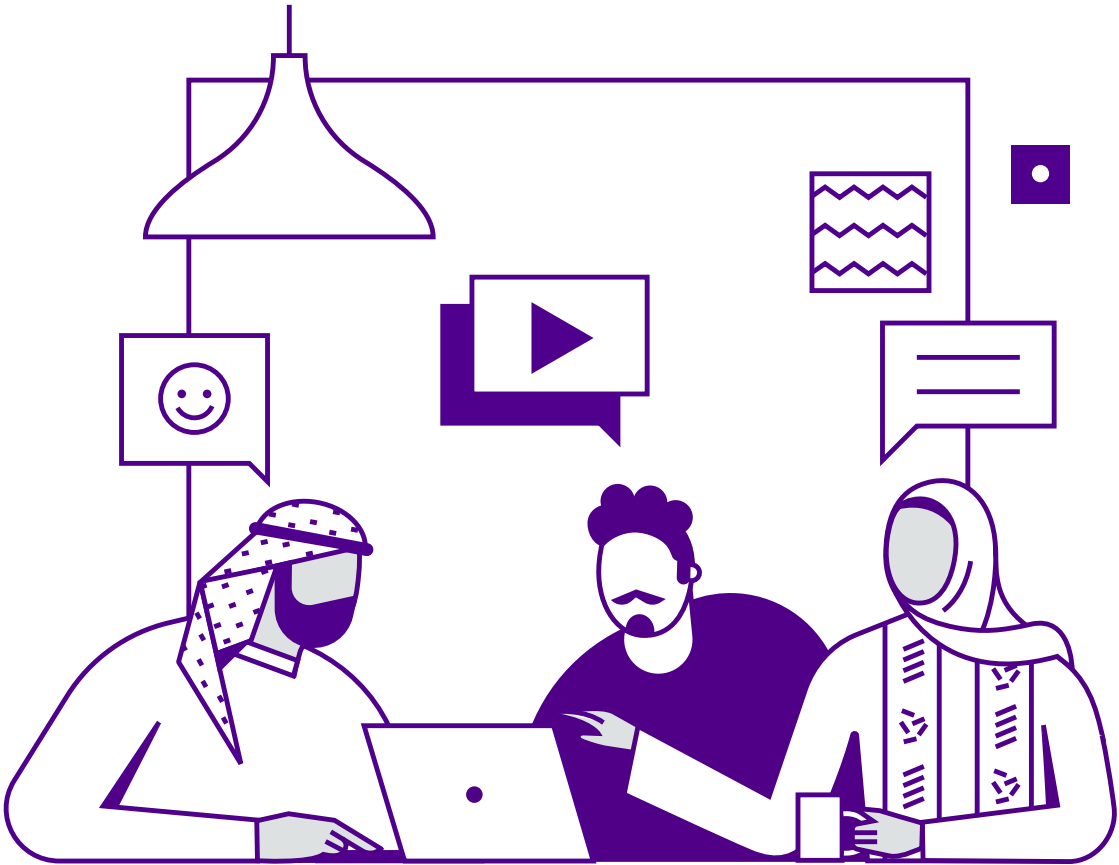
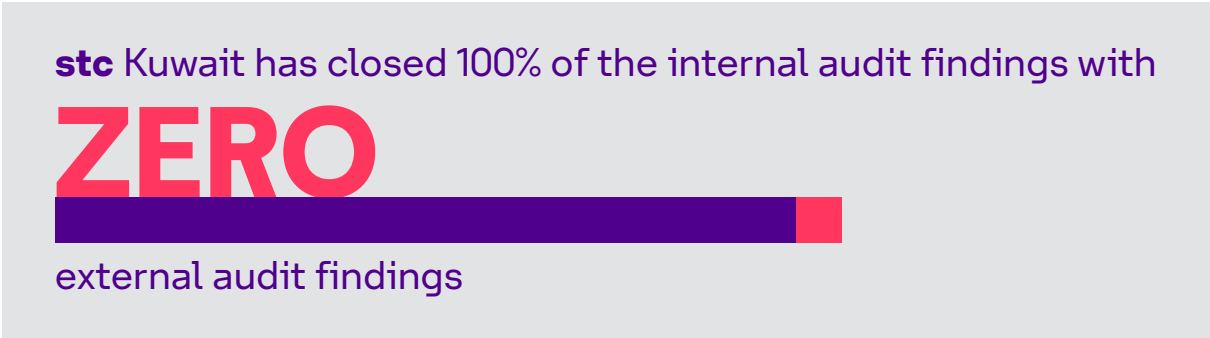
9001:2015 Quality Management Systems	14001:2015 Environmental Management Systems	45001:2018 Occupational Health and Safety Management Systems	27001:2022 Information Security Management System	20000-1:2018 IT Service Management Systems	22301:2019 Business Continuity Management Systems
37301:2021 Compliance Management Systems	31000:2018 Risk Management Systems	PCI Compliance Certification Payment Card Industry Compliance Certificate	CMMI Dev ML 3 Certification Capability Maturity Model Integration Certification (For Software Development)		

Quality Assurance Achievements

stc has achieved multiple ISO certifications, reflecting our strong commitment Quality, Environmental Management, Information Security, IT Services, Business Continuity, Occupational Health and Safety, Compliance Management and Risk Management.

These certifications demonstrate our dedication to excellence and compliance, assuring stakeholders of our adherence to global standards. The Quality Assurance Department manages internal and external ISO audits to identify opportunities for ongoing improvement. These achievements reflect **stc**'s emphasis on operational excellence, resilience, and building stakeholder trust.

stc requires all suppliers to conduct thorough safety evaluations of their products, approving only those that meet quality assurance standards for distribution. Additionally, **stc** ensures that every product delivered to clients includes a detailed user manual with clear instructions for safe and proper use, helping to reduce the risk of incidents from misuse or negligence.



Business Continuity

We believe that effective response to disruptions is critical to maintaining long-term stability and meeting stakeholder expectations. Our business continuity approach focuses on building operational resilience to ensure that essential services remain available to customers and communities, reinforcing responsible and reliable performance across the organization.

Our Approach to Business Continuity

- **Forward-thinking Risk Management:** We proactively identify and assess a wide spectrum of potential threats, from environmental events to technological and supply chain vulnerabilities. Our ongoing risk assessments and adaptive mitigation strategies are designed to minimize the likelihood and potential impact of these challenges.
- **Dynamic Business Continuity Planning (BCP):** Our BCP framework provides a clear roadmap for navigating diverse disruptive scenarios. By defining critical business processes, establishing stringent Recovery Time Objectives (RTOs) and Recovery Point Objectives (RPOs), and conducting regular testing and updates, we ensure a swift, coordinated, and effective response to minimize operational downtime and potential losses.
- **Agile Crisis Management Capabilities:** Dedicated crisis management teams are equipped with the expertise and protocols necessary to effectively respond and communicate during disruptions. Clear roles, responsibilities, and well-defined communication channels support timely and informed decisions. We continuously learn and improve our practices based on insights from past events and industry best practices.
- **Sustainability The Bedrock of Our Resilience:** Embedding sustainable practices throughout our operations strengthens our resilience. Our investments in employee well-being, robust infrastructure, ethical sourcing, and a health and safety are integral to our long-term preparedness and contribute to a more sustainable and resilient **stc**.

Our Journey of Continuous Improvement

Our commitment to business continuity is an ongoing journey of refinement and enhancement. We regularly test and simulate our plans to ensure they are effective, and our employees are well-prepared to execute their responsibilities. By actively seeking feedback and embracing opportunities for improvement, we strive to maintain at the forefront of business continuity preparedness.



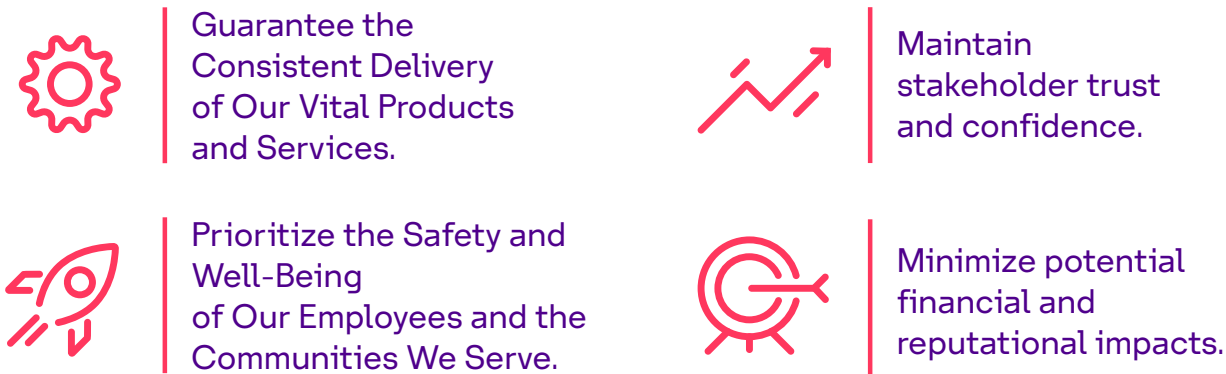
Cultivating a Culture of Preparedness Through Awareness and Training

We recognize that a well-informed and prepared workforce is fundamental to our resilience. Through engaging awareness sessions and impactful training initiatives, we empower our employees to actively contribute to risk mitigation and business continuity efforts.

Targeted and Engaging Awareness Programs:

- **Role-Specific Content:** We deliver tailored awareness sessions to meet the unique needs and responsibilities of different roles and departments.
- **Interactive Learning:** Utilizing workshops, simulations, and gamified activities encourages active participation, enhances knowledge retention, and promotes a proactive approach to preparedness. Our sessions incorporate multimedia resources, real-world case studies, and expert insights to deliver engaging and informative content that resonates with our employees.

Our focus on business continuity allows us to:



We are dedicated to building a future where **stc** is prepared for challenges and grows stronger, reinforcing our role as a responsible and sustainable organization.



Enhancing Efficiency Through the Digital Transformation of Business Impact Analysis

To improve operational excellence, we successfully digitized our Business Impact Analysis (BIA) process. This shift from traditional methods has significantly enhanced efficiency and provided more accurate and timely insights into our critical business functions. Our digital transformations involved:

Embracing Digital Agility:

- **Automated Insights:** Integrating advanced data analysis tools to automate the analysis of BIA data, quickly generate reports and quickly identifying critical processes and potential vulnerabilities, thereby optimizing resource allocation.
- **Seamless Collaboration:** Implementing a digital platform that facilitates real-time collaboration among departments and stakeholders, enabling faster decisions and improved information flow throughout the BIA process.

Benefits of Digitization: This transformation has resulted in:

- **Optimized Resource Utilization:** Automated analysis and streamlined workflows have reduced the time and resources required for conducting BIAs, enabling more frequent and agile assessments.
- **Improved Data Reliability:** Automation minimizes the risk of human error, leading to more accurate and dependable BIA results.
- **Increased Stakeholder Engagement:** User-friendly digital surveys and mobile accessibility have increased participation and provided a more holistic understanding of potential impacts across the organization.
- **Informed Decision-making:** Real-time data enables stakeholders to make informed decisions regarding risk mitigation strategies and resource allocation.

Crisis Management Simulation

stc strengthened its approach to operational resilience through a comprehensive crisis management simulation involving senior leadership. The exercise tested the company’s readiness across a range of realistic scenarios, with a dedicated focus on ESG-related risks and response strategies.

Scenarios were selected based on critical operations to ensure relevance and impact. The simulation was led by certified crisis management professionals with deep experience in the telecommunications sector across Kuwait and the MENA region. Preparation included collaborative workshops with key teams, pre-approved materials, and a rehearsal to support effective execution and coordination.

During the immersive one-day simulation, top management actively engaged in a realistic crisis environment, guided by expert facilitators. A detailed debrief session followed, enabling immediate reflection and identification of key lessons. This strategic initiative yielded significant outcomes.



- Increased Crisis Management Awareness: Top management gained deeper insights into critical crisis management principles through dedicated sessions and tailored materials.
- Stronger Crisis Response Framework: The simulation resulted in refined and documented process flows and guidelines, further strengthening **stc**’s ability to effectively respond to future incidents.
- Scenario-Based Preparedness: Comprehensive exercise guidelines provided a solid foundation for understanding and effectively addressing specific crisis scenarios.
- Actionable Insights for Sustainable Improvement: A post-exercise report and executive presentation highlighted key lessons learned, valuable takeaways, and identified areas of strength. The report also addressed environmental impacts and potential social implications for employees and the wider community aligning with **stc**’s commitment to ESG principles.

This exercise underscores **stc**’s proactive approach ensuring business continuity and addressing the broader sustainability implications of potential crises. These valuable insights gained from this simulation will help strengthen **stc**’s resilience and support responsible conduct during challenges, contributing to the long-term sustainability of our operations and the well-being of all stakeholders.

Maintaining Our Standards: ISO 22301 Certification

Our unwavering commitment to business continuity management is further demonstrated by our achievement and consistent maintenance of ISO 22301 certification since 2018. We successfully transitioned to the ISO 22301:2019 standard in 2020, and our certification remains a testament to our ongoing dedication.

Key Sustainability Highlights from the 2024 Simulation:

- ESG considerations were integrated into the design and execution of the simulation scenarios.
- The exercise included focused analysis of possible environmental and social impacts of various crisis events.
- **stc** demonstrated a clear commitment to operational resilience and responsible business practices.
- Lessons learned directly support the long-term sustainability of operations and stakeholder well-being.

39
Prioritized Critical
Process in 2024

100%
Business Impact Analysis
Coverage

100%
Network Nodes Critical
Drill Exercises

100%
Information Technology Critical
Applications Drill Exercises

100%
Data Backup and
Recovery Success Rate

100%
Adherence to Regulatory Requirements
Related to Business Continuity

100%
Success Rate of Recovery
Exercises

100%
Mitigated Business
Continuity Risks

Cybersecurity and Data Privacy

Cybersecurity remains a top priority at **stc**, reflecting our ongoing commitment to protecting sensitive information, ensuring service continuity, and preserving the confidence of our customers and stakeholders.

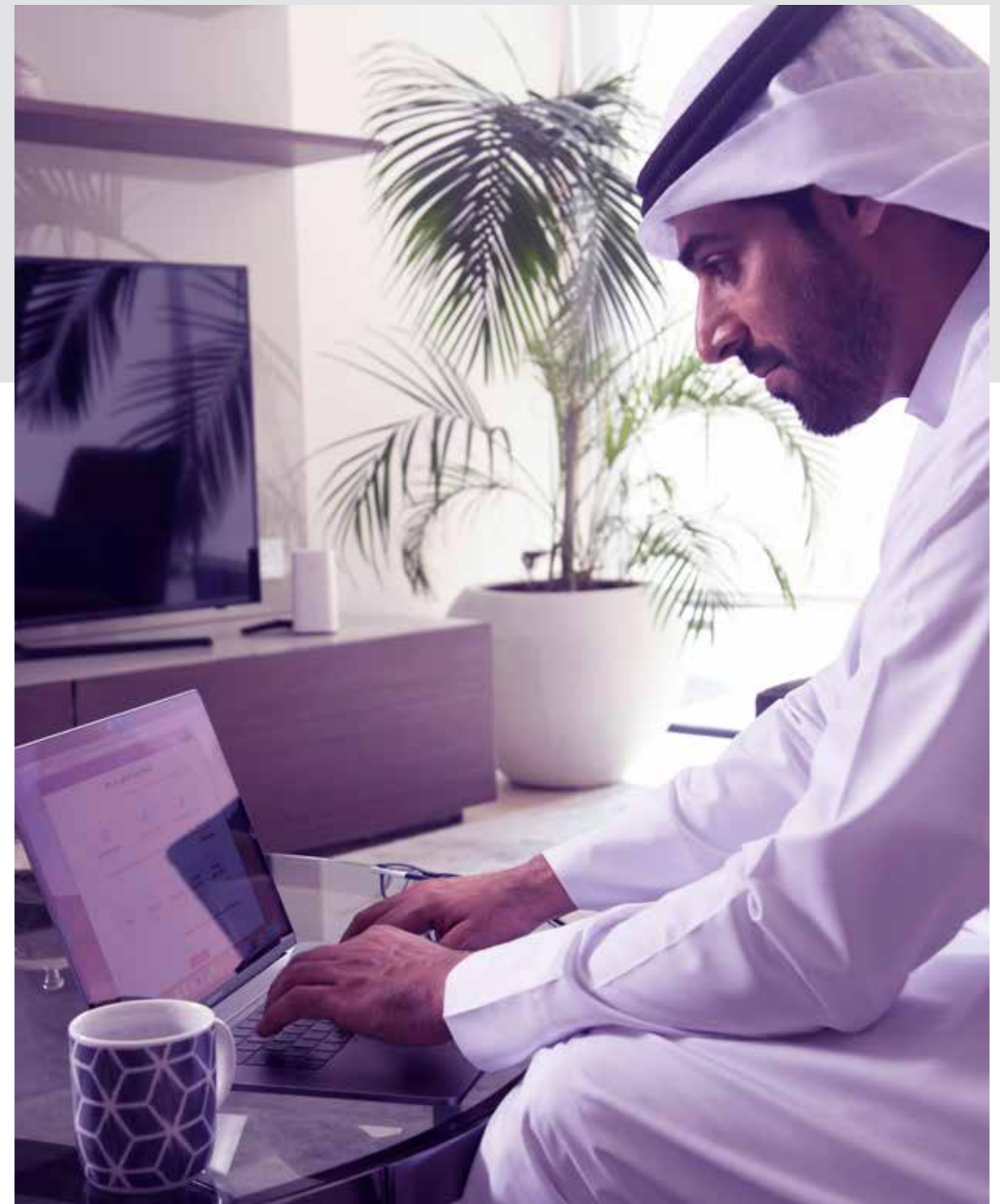
The governance structure at **stc** Kuwait includes the Chief Technology Officer (CTO), the Cybersecurity Steering Committee, and a dedicated Cyber Security team. Together, they oversee security initiatives, develop risk management strategies, and ensure the protection of customer and organizational data. The CTO sets the strategic direction for IT security, while the Cybersecurity Steering Committee ensures alignment with business objectives. During this year, **stc** faced 1,078 attempted cyber-attacks, highlighting the ever-evolving threats in today's digital landscape. Yet, through our comprehensive cybersecurity framework and proactive defense strategies, we successfully prevented all breaches, maintaining a record of zero incidents. This outstanding accomplishment demonstrates the strength of our cybersecurity systems and the relentless efforts of our expert teams in safeguarding our digital environment.

Data Privacy and Protection

As a leading telecommunications provider, **stc** Kuwait has taken proactive steps to strengthen data privacy and protection. We have developed and adopted a comprehensive data privacy and protection framework, aligned with local regulatory requirements (CITRA) and international best practices, including the EU General Data Protection Regulation (GDPR). Additionally, for financial information security, **stc** complies with the Payment Card Industry Data Security Standard (PCI DSS) as a certified entity, adding an extra layer of rigorous protection.

Our framework is built on a top-down approach, covering the core pillars of data privacy and protection from governance structures and process management to advanced technical controls ensuring complete integration of privacy principles across all operational levels.

stc recognizes data as a critical asset and has implemented a flexible cybersecurity strategy to address a rapidly changing threat landscape. In place of traditional controls, the company has adopted Zero Trust Architecture and a data-centric security model to better defend against complex cyber risks.



During the year, **stc** completed 26 cybersecurity audits, including 20 internal information system assessments and 6 external audits. These actions reflect a continued focus on strengthening cyber resilience and operational reliability.

stc remains fully compliant with applicable legal, cybersecurity, and industry standards. Ongoing investments in advanced technologies, employee awareness programs, and security enhancements help safeguard the digital environment and support the trust placed in us by customers, employees, and stakeholders.

As cyber threats evolve, **stc** stays vigilant, innovative, and committed to strengthening cybersecurity, ensuring the confidentiality, integrity, and availability of information assets across the organization.

1,078 Number of Attempted Cyber Attacks	13 Complaints from Regulatory Bodies
0 Number of Cyber Breaches	20 Complaints Received from Outside Parties and Substantiated by the Organization
100% of Compliance with Legal, Regulatory and Cyber Security Requirements	0 Total Number of Substantiated Complaints Received Concerning Breaches of Customer Privacy
100% % of Frameworks, Policies and Standards Fully Aligned with Legal and Regulatory Requirements	0 Number of data Security Breaches
20 Number of Internal Information System Audits	0 Number of Data Security Breaches Involving Customers' Personally Identifiable Information (Pii)
6 Number of External Information System Audits	0 Total Number of Identified Leaks, Thefts, Or Losses Of Customer Data
758,423 Number of Spam Messages Reports Handled	00:15 Average Time to Respond to Security Critical High Incidents in Accordance with Guidelines and Standards
410,980 Number of Scam Phone Numbers Handled	82% CS Business Enablement Index (BEI)
412,281 Annual Number of Targeted Cover Fraud Incidents Identified and Successfully Intervened	

Training and Awareness

stc places strong emphasis on cybersecurity awareness and responsible practices to protect both company and customer information. Cybersecurity training is a mandatory part of the employee development framework and plays a key role in strengthening the organization's defenses against emerging digital threats.

This year, **stc** expanded its cybersecurity awareness initiatives to include topics such as data privacy, secure data handling, phishing prevention, and ransomware. These campaigns

reached employees, contractors, and members of the public, broadening the program's reach and effectiveness. As a result, the phishing response rate reached 100%, with a 98% reporting rate.

Additional controls were implemented, including a strict policy on USB device usage and enhanced endpoint security to prevent USB-based attacks and monitor for unauthorized access.

Through consistent awareness efforts, continuous training, and proactive engagement, **stc** reaffirms its commitment in 2024 to safeguarding sensitive information, strengthening its digital defenses, and maintaining the trust of customers and stakeholders.

Security Awareness Campaigns Rolled Out in 2024

stc Kuwait intensified its commitment to cybersecurity awareness through a series of comprehensive initiatives aimed at employees, contractors, and the wider community:

- **Monthly Online Training:** Assigned one cybersecurity training session per month to all employees and contractors totaling 12 specialized training sessions ensuring continuous updates on the latest security trends and best practices.
- **Phishing Attack Simulations:** Conducted three phishing simulation exercises to assess and enhance employees' and contractors' ability to detect and respond to phishing threats. The simulations demonstrated a significant improvement in overall cybersecurity awareness and response rates.
- **Data Privacy and Classification Campaign:** Rolled out a dedicated campaign to reinforce the importance of proper data handling, classification, and protection among all staff members.
- **Cybersecurity Induction Training:** Delivered over 60 cybersecurity induction sessions for new joiners throughout the year, embedding a strong security mindset from the start of their journey at **stc**.
- **Community Engagement:** Organized five public cybersecurity workshops at universities and schools across Kuwait, contributing to national efforts to raise cybersecurity awareness among youth and the broader public.

Through these initiatives, **stc** continues to lead by example in building a secure and cyber-resilient culture both internally and within the wider community.

Sponsorship of the Gulf Cybersecurity Conference

In November 2024, **stc** served as the main sponsor of the 5th Gulf Cybersecurity Conference and Exhibition, one of the region's most prominent platforms for advancing digital security. The event gathered more than 500 participants from government and private sector organizations to discuss emerging cyber risks and the latest protection strategies. At the conference, **solutions by stc** showcased its portfolio of advanced services including managed detection and response, AI-driven threat detection, and extended detection and response solutions designed for complex hybrid environments. Through this engagement, the company reinforced its role as a trusted partner in safeguarding digital infrastructure, supporting Kuwait's Vision 2035, and contributing to a more resilient national cybersecurity framework.

GRI Content Index

Statement of use	stc has reported in accordance with GRI Standards for the period starting from January 1st, 2024, to December 31st, 2024
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standards(s)	Not Applicable

Gri Standard/Other Source	Disclosure	Location	Omission		
			Requirements For Omission	Reason For Omission	Explanation For Omission
GRI 2: General Disclosures 2021	2-1 Organizational Details	A. Empowering Tomorrow: Our Sustainability Vision B. Empowering Tomorrow: Our Sustainability Vision C. Empowering Tomorrow: Our Sustainability Vision D. Empowering Tomorrow: Our Sustainability Vision			
	2-2 Entities Included In Sustainability Reporting	A. The Entity Included In Sustainability Reporting Is Stc Kuwait B. Stc Kuwait Discloses Audited Consolidated Financial Statements In Its Annual Report C. Location Of Operations As A Focus Of This Report Is Kuwait			
	2-3 Reporting Period, Frequency And Contact Point	Refer To 'About This Report'			
	2-4 Restatements Of Information	None			
	2-5 External Assurance	No Sustainability Report Assurance Conducted			

Gri Standard/Other Source	Disclosure	Location	Omission		
GRI 2: Activities and Workers	2-6 Activities, Value Chain And Other Business Relationships	A. Sectors In Which Stc Kuwait Is Active – Empowering Tomorrow: Our Sustainability Vision B. Customers And Markets Served- Empowering Tomorrow: Our Sustainability Vision, Customers First, Progress Always			
	2-7 Employees	A. Fostering Diversity, Safety And Well-Being B. Fostering Diversity, Safety And Well-Being C. Employee Data Compilation Methodology Is Based On Headcount D. Fostering Diversity, Safety And Well-Being E. Fostering Diversity, Safety And Well-Being			
	2-8 Workers Who Are Not Employees	A. Fostering Diversity, Safety And Well-Being B. Fostering Diversity, Safety And Well-Being C. Fostering Diversity, Safety And Well-Being			
GRI 2: Governance	2-9 Governance Structure And Composition	A. Governance And Board Oversight B. Governance And Board Oversight C. Esg Risk Management			
	2-10 Nomination And Selection Of The Highest Governance Body	A. Governance And Board Oversight B. Governance And Board Oversight			
	2-11 Chair Of The Highest Governance Body	Governance And Board Oversight			
	2-12 Role Of The Highest Governance Body In Overseeing The Management Of Impacts	A. Empowering Tomorrow: Our Sustainability Vision B. Empowering Tomorrow: Our Sustainability Vision, Governance And Board Oversight C. Empowering Tomorrow: Our Sustainability Vision, Governance And Board Oversight			
	2-13 Delegation Of Responsibility For Managing Impacts	A. Empowering Tomorrow: Our Sustainability Vision B. Governance And Board Oversight			

Gri Standard/Other Source	Disclosure	Location	Omission		
	2-14 Role Of The Highest Governance Body In Sustainability Reporting	A. Governance And Board Oversight			
	2-15 Conflicts Of Interest	A. Governance And Board Oversight			
	2-16 Communication Of Critical Concerns	A. Governance And Board Oversight B. Governance And Board Oversight			
	2-17 Collective Knowledge Of The Highest Governance Body	A. Governance And Board Oversight			
	2-18 Evaluation Of The Performance Of The Highest Governance Body	Governance And Board Oversight			
	2-19 Remuneration Policies	A. Governance And Board Oversight B. Governance And Board Oversight			
	2-20 Process To Determine Remuneration	A. Fostering Diversity, Safety And Well-Being B. Governance And Board Oversight			
	2-21 Annual Total Compensation Ratio		Annual Total Compensation Ratio	A. Confidentiality Constraints B. Confidentiality Constraints C. Not Applicable	A. Confidentiality Constraints B. Confidentiality Constraints C. Not Applicable
	2-22 Statement On Sustainable Development Strategy	A. Refer To 'Message From The Chairman'			
	2-23 Policy Commitments	A. Empowering Tomorrow: Our Sustainability Vision, Governance And Board Oversight B. A Standalone Human Rights Policy Yet To Be Developed C. Policies Are Not Publicly Available D. Empowering Tomorrow: Our Sustainability Vision E. Governance And Board Oversight F. Governance And Board Oversight			
	2-24 Embedding Policy Commitments	Governance And Board Oversight			
	2-25 Processes To Remediate Negative Impacts	A. Esg Risk Management B. Governance And Board Oversight, Customers First, Progress Always, Fostering Diversity, Safety And Well-Being C. Esg Risk Management D. Customers First, Progress Always, Fostering Diversity, Safety And Well-Being E. Governance And Board Oversight, Esg Risk Management			
	2-26 Mechanisms For Seeking Advice And Raising Concerns	Governance And Board Oversight			

Gri Standard/Other Source	Disclosure	Location	Omission		
	2-27 Compliance With Laws And Regulations	A. Governance And Board Oversight B. Governance And Board Oversight			
	2-28 Membership Associations	Empowering Tomorrow: Our Sustainability Vision			
	2-29 Approach To Stakeholder Engagement	A. Empowering Tomorrow: Stakeholder Engagement			
	2-30 Collective Bargaining Agreements	None			
GRI 3: Material Topics 2021	3-1: Process To Determine Material Topics	A. Empowering Tomorrow: Materiality B. Empowering Tomorrow: Materiality			
	3-2: List Of Material Topics	A. Empowering Tomorrow: Materiality B. Empowering Tomorrow: Materiality			
Resource Management					
GRI 3: MATERIAL TOPICS 2021	3-3 Management Of Material Topic	Resource Management			
GRI 301: MATERIALS 2016	301-1 Materials Used By Weight Or Volume		Materials Used By Weight Or Volume	Information Unavailable	Information Unavailable
	301-2 Recycled Input Materials Used		Recycled Input Materials Used	Information Unavailable	Information Unavailable
	301-3 Reclaimed Products And Their Packaging Materials		Reclaimed Products And Their Packaging Materials	Information Unavailable	Information Unavailable
GRI 306: WASTE 2020	306-1 Waste Generation And Significant Waste Related Impacts	Resource Management			
	306-2 Management Of Significant Waste Related Impacts	Resource Management			
	306-3 Waste Generated	Resource Management			
	306-4 Waste Diverted From Disposal	Resource Management			
	306-5 Waste Directed To Disposal	Resource Management			
Energy And Climate Change					
GRI 3: MATERIAL TOPICS 2021	3-3 Management Of Material Topic	Resource Management			
GRI 302: ENERGY2016	302-1 Energy Consumption Within The Organization	Emissions Profile			
	302-2 Energy Consumption Outside Of The Organization		Energy Consumption Outside Of The Organization	Information Unavailable	Information Unavailable
	302-3 Energy Intensity	Emissions Profile			
	302-4 Reduction Of Energy Consumption	Emissions Profile			
	302-5 Reductions In Energy Requirements, Products, And Services	Emissions Profile			

Gri Standard/Other Source	Disclosure	Location	Omission		
GRI 305: EMISSIONS 2016	305-1 Direct (Scope 1) Ghg Emissions	Emissions Profile			
	305-2 Energy Indirect (Scope 2) Ghg Emissions	Emissions Profile			
	305-3 Other Indirect (Scope 3) Ghg Emissions		Other Indirect (Scope 3) Ghg Emissions	Information Unavailable	Information Unavailable
	305-4 Ghg Emissions Intensity	Emissions Profile			
	305-5 Reduction Of Ghg Emissions	Emissions Profile			
	305-6 Emissions Of Ozone Depleting Substances		Emissions Of Ozone Depleting Substances	Information Unavailable	Information Unavailable
Supply Chain Management					
GRI 3: MATERIAL TOPICS 2021	3-3 Management Of Material Topic	Responsible Procurement And Sustainable Supply Chain Practices , Sustainability Driven Procurement Initiatives			
GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT 2016	308-1 New Suppliers That Were Screened Using Environmental Criteria	Responsible Procurement And Sustainable Supply Chain Practices , Sustainability Driven Procurement Initiatives			
	308-2 Negative Environmental Impacts In The Supply Chain And Actions Taken	None			
GRI 204: PROCUEMENT PRACTICES 2016	204-1 Proportion Of Spending On Local Suppliers	Responsible Procurement And Sustainable Supply Chain Practices , Sustainability Driven Procurement Initiatives			
GRI 407: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING 2016	407-1 Operations And Suppliers In Which The Right To Freedom Of Association And Collective Bargaining May Be At Risk		Operations And Suppliers In Which The Right To Freedom Of Association And Collective Bargaining May Be At Risk	Not Applicable	Not Applicable
GRI 408: CHILD LABOR 2016	408-1 Operations And Suppliers At Significant Risk For Incidents Of Child Labor	Responsible Procurement And Sustainable Supply Chain Practices , Sustainability Driven Procurement Initiatives			
GRI 409: FORCED OR COMPULSORY LABOR 2016	409-1 Operations And Suppliers At Significant Risk For Incidents Of Forced Or Compulsory Labor	Responsible Procurement And Sustainable Supply Chain Practices , Sustainability Driven Procurement Initiatives			
GRI 414: SUPPLIER SOCIAL ASSESSMENT 2016	414-1 Percentage Of Suppliers That Were Screened Using Social Criteria	Responsible Procurement And Sustainable Supply Chain Practices , Sustainability Driven Procurement Initiatives			
	414-2 Percentage Of New Suppliers That Were Screened Using Social Criteria	Responsible Procurement And Sustainable Supply Chain Practices , Sustainability Driven Procurement Initiatives			
Talent Management					
GRI 3: MATERIAL TOPICS 2021	3-3 Management Of Material Topic	Fostering Diversity, Safety And Well-Being			

Gri Standard/Other Source	Disclosure	Location	Omission		
GRI 401: EMPLOYMENT 2016	401-1 New Employee Hires And Employee Turnover	Fostering Diversity, Safety And Well-Being			
	401-2 Benefits Provided To Full Time Employees That Are Not Provided To Temporary Or Part Time Employees	Fostering Diversity, Safety And Well-Being			
	401-3 Parental Leave	Fostering Diversity, Safety And Well-Being			
GRI 404: TRAINING AND EDUCATION 2016	404-1 Average Hours Of Training Per Year Per Employee	Fostering Diversity, Safety And Well-Being			
	404-2 Programs For Upgrading Employee Skills And Transition Assistance Programs (Includes Severance Pay)	Fostering Diversity, Safety And Well-Being			
	404-3 Percentage Of Employees Receiving Regular Performance And Career Development Reviews	Fostering Diversity, Safety And Well-Being			
Diversity, Equality And Inclusivity					
GRI 3: MATERIAL TOPICS 2021	3-3 Management Of Material Topic	Fostering Diversity, Safety And Well-Being			
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY2016	405-1 Diversity Of Governance Bodies And Employees	Governance And Board Oversight, Fostering Diversity, Safety And Well-Being			
	405-2 Ratio Of Basic Salary And Remuneration Of Women To Men	Fostering Diversity, Safety And Well-Being			
GRI 406 NON-DISCRIMINATION 2016	406-1 Incidents Of Discrimination And Corrective Actions Taken	Fostering Diversity, Safety And Well-Being			
Health, Safety And Wellness					
GRI 3: MATERIAL TOPICS 2021	3-3 Management Of Material Topic	Fostering Diversity, Safety And Well-Being			
GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018	403-1 Occupational Health And Safety Management System	Fostering Diversity, Safety And Well-Being			
	403-2 Hazard Identification, Risk Assessment And Incident Investigation	Fostering Diversity, Safety And Well-Being			
	403-3 Occupational Health Services	Fostering Diversity, Safety And Well-Being			
	403-4 Worker Participation, Consultation And Communication On Occupational Health And Safety	Fostering Diversity, Safety And Well-Being			

Gri Standard/Other Source	Disclosure	Location	Omission		
	403-5 Worker Training On Occupational Health And Safety	Fostering Diversity, Safety And Well-Being			
	403-6 Promotion Of Worker Health	Fostering Diversity, Safety And Well-Being			
	403-8 Workers Covered By Occupational Health And Safety Management System	Fostering Diversity, Safety And Well-Being			
	403-9 Work-Related Injuries	None			
	403-10 Work-Related Ill-Health	None			
GRI 416 CUSTOMER HEALTH AND SAFETY 2016	416-1 Assessment Of The Health And Safety Impacts Of Product And Service Categories	Esg Risk Management			
	416-2 Incidents Of Non-Compliance Concerning The Health And Safety Impacts Of Products And Services	None			
Business Ethics And Governance					
GRI 3: MATERIAL TOPICS 2021	3-3 Management Of Material Topic	Governance And Board Oversight, Esg Risk Management			
GRI 205 ANTICORRUPTION 2016	205-1 Operations Assessed For Risks Related To Corruption	Governance And Board Oversight, Esg Risk Management			
	205-2 Communication And Training About Anti-Corruption Policies	Governance And Board Oversight			
	205-3 Confirmed Incidents Of Corruption And Actions Taken	Governance And Board Oversight			
GRI 402 LABOR/ MANAGEMENT RELATIONS 2016	402-1 Minimum Notice Periods Regarding Operational Changes	Three Months Is The Provided Notice Period			
Digital Innovation And Experience					
GRI 3: MATERIAL TOPICS 2021	3-3 Management Of Material Topic	Customers First, Progress Always			
Accessibility And Digital Inclusion					
GRI 3: MATERIAL TOPICS 2021	3-3 Management Of Material Topic	Customers First, Progress Always			
Data Privacy, Security And Management					
GRI 3: MATERIAL TOPICS 2021	3-3 Management Of Material Topic	Cybersecurity And Data Privacy			
GRI 418 CUSTOMER PRIVACY 2016	418-1 A Any Substantiated Complaints Of Data Breaches Or Loss Of Customer Data	Cybersecurity And Data Privacy			
	418-1 B Number Of Incidents (Identified Leaks, Thefts, Data Breaches Or Losses Of Customer Data)	Cybersecurity And Data Privacy			

Gri Standard/Other Source	Disclosure	Location	Omission		
Customer Relations And Satisfaction					
GRI 3: MATERIAL TOPICS 2021	3-3 Management Of Material Topic	Customers First, Progress Always			
GRI 417: MARKETING AND LABELING 2016	417-1 Requirements For Product And Service Information And Labeling	Customers First, Progress Always			
	417-2 Incidents Of Non-Compliance Concerning Product And Service Information And Labeling	None			
	417-3 Incidents Of Non-Compliance Concerning Marketing Communications	None			
Community Contribution And Development					
GRI 3: MATERIAL TOPICS 2021	3-3 Management Of Material Topic	Community Engagament And Impact			
GRI 413 LOCAL COMMUNITIES 2016	413-1 Operations With Local Community Engagement, Impact Assessments, And Development Programs	Community Engagament And Impact			
	413-2 Operations With Significant Actual And Potential Negative Impacts On Local Communities	None			
Human Rights					
GRI 3: MATERIAL TOPICS 2021	3-3 Management Of Material Topic	Empowering Tomorrow: Our Sustainability Vision			

Boursa Kuwait Sustainability Disclosures Index

Metric	Calculation	Disclosure / Page Number
Environmental		
GHG Emissions	E1.1) Total Amount, In Co2 Equivalents, For Scope 1 (If Applicable)	Emissions Profile
	E1.2) Total Amount, In Co2 Equivalents, For Scope 2 (If Applicable)	Emissions Profile
	E1.3) Total Amount, In Co2 Equivalents, For Scope 3 (If Applicable)	Not Measured
Emissions Intensity	E2.1) Total Ghg Emissions Per Output Scaling Factor	Emissions Profile
	E2.2) Total Non-Ghg Emissions Per Output Scaling Factor	Not Measured
Energy Usage	E3.1) Total Amount Of Energy Directly Consumed	Emissions Profile
	E3.2) Total Amount Of Energy Indirectly Consumed	Not Measured
Energy Intensity	Total Direct Energy Usage Per Output Scaling Factor	Emissions Profile
Energy Mix	Percentage: Energy Usage By Generation Type	Na
Water Usage	E6.1) Total Amount Of Water Consumed	Not Measured
	E6.2) Total Amount Of Water Reclaimed	Not Measured
Environmental Operations	E7.1) Does Your Company Follow A Formal Environmental Policy? Yes/ No	Resource Management
	E7.2) Does Your Company Follow Specific Waste, Water, Energy, And/Or Recycling Polices? Yes/No	Na
	E7.3) Does Your Company Use A Recognized Energy Management System? Yes/No	Resource Management
Environmental Oversight	Does Your Board/Management Team Oversee And/Or Manage Climate-Related Risks? Yes/No	Na
Environmental Oversight	Does Your Board/Management Team Oversee And/Or Manage Other Sustainability Issues? Yes/No	Yes
Climate Risk Mitigation	Total Amount Invested, Annually, In Climate-Related Infrastructure, Resilience, And Product Development	N/A
Social		
Gender Pay Ratio	Ratio: Median Male Compensation To Median Female Compensation	Fostering Diversity, Safety And Well-Being
Employee Turnover	S3.1) Percentage: Year-Over-Year Change For Full-Time Employees	Fostering Diversity, Safety And Well-Being
	S3.2) Percentage: Year-Over-Year Change For Part-Time Employees	Na
	S3.3) Percentage: Year-Over-Year Change For Contractors And/Or Consultants	N/A
Gender Diversity	S4.1) Percentage: Total Enterprise Headcount Held By Men And Women	Fostering Diversity, Safety And Well-Being

Metric	Calculation	Disclosure / Page Number
	S4.2) Percentage: Entry- And Mid-Level Positions Held By Men And Women	Fostering Diversity, Safety And Well-Being
	S4.3) Percentage: Senior- And Executive-Level Positions Held By Men And Women	Fostering Diversity, Safety And Well-Being
Temporary Worker Ratio	S5.1) Percentage: Total Enterprise Headcount Held By Part-Time Employees	Na
	S5.2) Percentage: Total Enterprise Headcount Held By Contractors And/Or Consultants	Na
Non-Discrimination	Does Your Company Follow A Sexual Harassment And/ Or Non-Discrimination Policy? Yes/No	Fostering Diversity, Safety And Well-Being
Injury Rate	Percentage: Frequency Of Injury Events Relative To Total Workforce Time	None
Global Health and Safety	Does Your Company Follow An Occupational Health And/ Or Global Health And Safety Policy? Yes/No	Fostering Diversity, Safety And Well-Being
Child and Forced Labor	S9.1) Does Your Company Follow A Child And/Or Forced Labor Policy? Yes/No	N/A - Though Related Information Found In Responsible Procurement And Sustainable Supply Chain Practices , Sustainability Driven Procurement Initiatives
	S9.2) If Yes, Does Your Child And/Or Forced Labor Policy Also Cover Suppliers And Vendors? Yes/No	N/A - Though Related Information Found In Responsible Procurement And Sustainable Supply Chain Practices , Sustainability Driven Procurement Initiatives.
Human Rights	S10.1) Does Your Company Follow A Human Rights Policy? Yes/No	No, Though Related Information Found In Empowering Tomorrow: Our Sustainability Vision
	S10.2) If Yes, Does Your Human Rights Policy Also Cover Suppliers And Vendors? Yes/No	No, Though Related Information Found In Empowering Tomorrow: Our Sustainability Vision
Nationalization	S11.1) Percentage Of National Employees	Fostering Diversity, Safety And Well-Being
	S11.2) Direct And Indirect Local Job Creation	Fostering Diversity, Safety And Well-Being And Community Engagament And Impact
Governance		
Board Diversity	G1.1) Percentage: Total Board Seats Occupied By Men And Women	Governance And Board Oversight
	G1.2)Percentage: Committee Chairs Occupied By Men And Women	Governance And Board Oversight
Board Independence	G2.1) Does Your Company Prohibit Its Ceo From Serving As Board Chair? Yes/No	N/A - Though Stc Does Not Currently Have A Combined Ceo And Chair
	G2.2) Percentage: Total Board Seats Occupied By Independents	Governance And Board Oversight
Incentivized Pay	Are Executives Formally Incentivized To Perform On Sustainability? Yes/No	No
Collective Bargaining	Percentage: Total Enterprise Headcount Covered By Collective Bargaining Agreement(S)	N/A
Supplier Code of Conduct	G5.1) Are Your Vendors Or Suppliers Required To Follow A Code Of Conduct? Yes/ No	Yes, Responsible Procurement And Sustainable Supply Chain Practices

Metric	Calculation	Disclosure / Page Number
	G5.2) If Yes, What Percentage Of Your Suppliers Have Formally Certified Their Compliance With The Code?	N/A, Refer To Responsible Procurement And Sustainable Supply Chain Practices
Ethics and Anti-Corruption	G6.1) Does Your Company Follow An Ethics And/Or Anti-Corruption Policy? Yes/No	Yes, Refer To Governance And Board Oversight
	G6.2) If Yes, What Percentage Of Your Workforce Has Formally Certified Its Compliance With The Policy?	N/A - Related Information In Governance And Board Oversight
Data Privacy	G7.1) Does Your Company Follow A Data Privacy Policy? Yes/No	Cybersecurity And Data Privacy
	G7.2) Has Your Company Taken Steps To Comply With Gdpr Rules? Yes/No	Yes
Sustainability Reporting	G8.1) Does Your Company Publish A Sustainability Report? Yes/No	Yes
	G8.2) Is Sustainability Data Included In Your Regulatory Filings? Yes/No	Yes
Disclosure Practices	G9.1) Does Your Company Provide Sustainability Data To Sustainability Reporting Frameworks? Yes/No	Yes
	G9.2) Does Your Company Focus On Specific Un Sustainable Development Goals (Sdgs)? Yes/No	Yes
	G9.3) Does Your Company Set Targets And Report Progress On The Un Sdgs? Yes/No	No
External Assurance (Recommended)	Are Your Sustainability Disclosures Assured Or Validated By A Third Party? Yes/No	No