SUSTAINABILITY REPORT   2023

LEAD.
IMPACT.
TRANSFORM.

Mobily

THEME OF THE YEAR

LEAD. IMPACT. TRANSFORM.

Mobily's theme – Lead. Impact. Transform. – speaks to its ambitions to innovate its services and the growing role Mobily is playing in transforming the Saudi Telecommunication, Media and Technology (TMT) sector. This forward-thinking approach not only highlights Mobily's commitment to excellence but also reflects how it is adapting to the fast-changing digital landscape.

Mobily has also demonstrated its dedication to responsible business practices through its improved ESG ratings, particularly its improved, trendsetting MSCI A rating for 2023. By integrating sustainability into its core operations, Mobily contributes to a better future for all while driving the broader understanding of sustainability.

Ultimately, these initiatives solidify Mobily's reputation as a forward-thinking, innovative company that promotes the economic, environmental and social sustainability of the TMT sector in the Kingdom and the Middle East region.

A REMARKABLE YEAR OF
SUSTAINABLE GROWTH

Mobily's remarkable journey this year underscores its successful strategic focus and operational excellence, cementing its role as a transformative force within the TMT sector, ready to shape the future of digital connectivity and innovation in alignment with Saudi Vision 2030.

ABOUT THIS REPORT

LEADING IN SUSTAINABILITY

THIS SUSTAINABILITY REPORT DESCRIBES MOBILY'S ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) PERFORMANCE FOR 2023. IN THIS REPORT, MOBILY IS ALSO REFERRED TO AS "THE COMPANY".

Reporting Period

This Sustainability Report covers the Company's operations for 1 January to 31 December 2023, in line with its annual financial reporting cycle.

Reporting Scope

This Sustainability Report covers Mobily's operations in the Kingdom of Saudi Arabia (KSA). Unless specified, data from subsidiaries, clients, contractors and suppliers are not included. Financial data is expressed in Saudi Riyals (SAR).

Target Audience

This Sustainability Report is potentially of interest to existing and prospective Stakeholders, with information relevant to how Mobily creates, preserves and minimizes the erosion of value for key Stakeholders including employees, clients, regulators and society at large.

Materiality

The concept of materiality for reporting is to ensure companies include factors that could significantly affect value creation, and that they have inclusive processes for identifying these factors. Mobily's ESG materiality assessment is a structured, comprehensive and independently facilitated process. The Company considers its external operating environment, approach to creating a value and risk universe, its most significant impacts on human, natural, social and relationship capitals, and the views and interests of Stakeholders. Mobily also considers industry standards and global best practice in sustainability reporting. This report has been structured to reflect these focus areas and associated issues. Material matters and the process followed to determine these matters are detailed in the Materiality Assessment section of this report.

For a full appraisal of Mobily's sustainability story, this report should be read in conjunction with the Annual Report (available on the Mobily Investor Relations webpage) which provides extra detail on the Company's strategy, governance practices and performance.

Reporting Standards

The Sustainability Report shows how sustainability (and specifically as it relates to ESG) is integrated into Mobily's strategy and operations. Mobily considered the Global Reporting Initiative (GRI) and Sustainability Accounting Standards Board (SASB) standards, the Guidance on Social Responsibility (ISO 26000) and the Accountability Principles Standard (AA1000) when compiling this report. As a proud signatory to the United Nations Global Compact (UNGC), Mobily is committed to upholding its 10 principles. This document also serves as a Communication on Progress (CoP) for the UNGC.

Forward-looking Statements

This report contains forward-looking statements about the Company's finances, operations and sustainability ambitions. Given that these statements are "forward-looking", they are subject to uncertainty as events outside and within the Company change in unpredictable ways. Given the known and unknown risks and uncertainties, some estimates and assumptions mentioned in this report might prove inaccurate. Factors such as market conditions (global and local), a changing competitive landscape and new

regulations could affect the veracity of our forward-looking statements. Mobily disclaims any intention to mislead the reader and assumes no obligation to update or revise any forward-looking statement once this report has been published, even if new information becomes available, or for any other reason. The forward-looking information disclosed in this Sustainability Report has not been reviewed, audited or otherwise reported on by the Company's auditors.

STRATEGIC THEMES

Mobily's Sustainability Framework forms the basis of this report, in accordance with the following strategic themes:

POSITIVE COMMUNITY IMPACTS

ACCOUNTABLE ENTERPRISE

SAFEGUARDING THE PLANET

RESPONSIBLE EMPLOYER

MARKETPLACE AND CUSTOMERS

Feedback

Using this document as a baseline for future reports, the Company aims to improve its reporting year-on-year. Please email your views on Mobily's progress and ambitions.

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Tel: +966560314099

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MOBILY AT A GLANCE

About Mobily

Mobily is an important provider of integrated telecommunications services, catering to a wide array of customers throughout Saudi Arabia, including individuals, businesses and carriers. The Company offers its services via a modern wireless network, which is one of the largest in terms of coverage in Saudi Arabia and the Middle East. Additionally, Mobily operates one of the region's most extensive fiber networks and possesses one of the largest data center systems globally.

Mobily was established in 2004 as Etihad Etisalat Company after it won the bid for Saudi Arabia's

second Global System for Mobile Communications (GSM) license. Today, Mobily is one of Saudi Arabia's top telecommunications services companies, offering comprehensive ICT solutions that include:
• Communications services
• IT services
• Managed services
• Cloud services
• Marketing, development, design, installation, management and distribution of content
• Data center services
• Big data
• Digital services
• E-commerce
• Devices

• Software
• Applications
• Cybersecurity
• Information security
• Artificial intelligence
• Internet of Things (IoT)

Mobily's initial public offer (IPO) was in October 2004, on Saudi Arabia's Stock Exchange (Tadawul). Since then, Mobily has amassed a share capital of SAR 7,700 million as of 31 December 2023. Etisalat Emirates Group is Mobily's major shareholder, with ownership of 27.99%; the balance is owned by a diverse group of institutional and retail investors.

Geographic Footprint

Mobily's network infrastructure, including long-distance, metropolitan and fiber network infrastructures, extends across the Kingdom.

Mobily's International Gateway

Mobily operates an extensive international gateway in partnership with a range of global partners, supported by overland and submarine cables. International gateway destinations include Egypt, Jordan, Iraq, Kuwait, Bahrain, Qatar, Yemen, India, Singapore, the wider Asia Pacific region, the USA and Europe.

ASHBURN
LONDON
MARSEILLES
FRANKFURT
AMSTERDAM
DAMMAM
RIYADH
DUBAI
FUJAIRAH
JEDDAH
SINGAPORE

Mobily's Saudi Fiber Network

Mobily reaches customers through a total of 422 exclusive channels (67 flagship stores and 355 fully branded outlets), along with 1,629 non-exclusive channels (third-party retailers POS).

HADITHA
JUDAIDAH
HAQL
KHAFJI
QURAYAT
ARAR
Ring-9
HAFER AL BATIN
JUBAIL
Ring-6
TABOUK
BURAYDAH
DAMMAN DHARAN KHOBAR
Ring-5
KHOBAR
Ring-4
Ring-12
MAJMAH
AL-HAFOOF/AL-AHSA
SALWA
UNIZAH
RIYADH
Ring-2
Ring-7
BATHA
DAWADMI
KHARJ
Ring-1
Ring-8
TAIF
MAKKAH
JEDDAH
KING ABDULLAH ECONOMIC CITY
Ring-11
Ring-3
Ring-13
ABHA
KHAMIS MUSHEET
Ring-10
JIZAN

— Fiber Network Rings
● FTTH Coverage
● Terrestrial Border POI

3G and 4G

98% coverage

60,670 km of network – including long-distance, metropolitan and fiber infrastructure

422 exclusive stores and outlets

1,629 third-party retailers

5G

84% coverage (based on Saudi Arabia's 7 largest cities)

52 cities covered

5,900+ Sites

2023 Expanding Footprint

770 new 4G sites

205 new fiber sites

850 new 5G sites

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OUR STORY

2004
- The Company is incorporated
- Awarded Saudi Arabia's first 3G and second GSM licenses
- Starts building out Mobily's GSM network

2005
- Launches "Mobily" as the customer-facing brand
- Begins commercial operations

2006
- Launches Saudi Arabia's first 3.5G services
- Signs partnership agreement with Integrated Telecom Company (ITC) to build advanced fiber-optic network

2007
- Receives the Gulf Cooperation Council (GCC)'s award for the Best Gulf Public Joint Stock Company

2008
- Joins a consortium for global expansion to the Saudi National Fiber-Optic Network (SNFN)
- Acquires Bayanat Al-Oula Company and Zajil International Network for Telecommunication Company, and invests in Holool Aloula Company

2009
- Participates in Tata Global Network (TGN) Gulf Cable System

2012
- Launches cloud server for customers, with self-service on-demand features
- Creates growth partnerships with leading international companies to spearhead transformation to ICT environment

2011
- Launches 4G services
- Introduces eco-friendly SIM cards

2010
- Launches Multi SIM service and SMS Plus service
- Develops 5-year strategy: "Growth, Efficiency, Differentiation (GED)"

2013
- Launches Elite Graduate program (see page 107)
- Opens first Tier IV certified data center in Asia, Middle East and North Africa
- Launches program to train Saudi females in smartphone programming and maintenance

2014
- Invests in National Company for Business Solutions (United Arab of Emirates) and Mobily Ventures Holding (Bahrain)
- Offers 4G data roaming services – a world first

2015
- Announces 1-year Turnaround strategy
- Implements diverse initiatives to build the next generation of human capital in Saudi Arabia

2016
- Announces 1-year Way Forward strategy
- Supports Saudi Arabia's Vision 2030 and the National Transformation Plan
- Launches "QYADY" program for senior staff

2020
- Announces 3-year GAIN strategy: (Growing core revenue; Accelerating digital revenue streams; Implementing and refining efficient delivery; Nurturing a positive experience for all)
- Rolls out eSIM services across Saudi Arabia
- Completes first 5G voiceover New Radio (VoNR) in the Middle East
- Installs energy efficient air containment systems, reducing consumption by up to 40%
- Receives ISO certification for Business continuity management system; the first telecommunications company in the Middle East and North Africa (MENA) to achieve this

2019
- Starts 5G network testing
- Launches Saudi Arabia's first joint ICT Academy

2018
- Implements brand refresh
- Begins the process of implementing a national call center and national customer care center

2017
- Announces 3-year RISE strategy (Regaining commercial strength; Igniting the customer experience and digital excellence; Streamlining to gain agility and efficiency; Enabling world-class execution)
- Issued with a unified license that allows Mobily to offer a full range of telecommunication services

2021
- Receives the Communications and Information Technology Commission (CICT)'s Best User Experience Award for 2021
- Receives SIP Trunk Service Provider Award from Cisco Interoperability Portal
- Receives Frost & Sullivan's Saudi Arabian Internet of Things (IoT) Enabling Technology Leadership Award
- Is recognized as the fastest growing telecommunications company in the Middle East by Brand Finance
- Implements smart meter system to measure Mobily's power consumption

2022
- Implements ESG strategy for ESG performance excellence
- Establishes an Environmental Policy
- Forms a centralized environmental team to oversee environmental impacts
- Launches fintech arm, Mobily Pay, for all users
- Wins 2 Ookla Speedtest Awards at the 2022 Mobile World Congress (Top Rated-Mobile Network and Top Rated-Fixed Network in Saudi Arabia)
- Is the Platinum sponsor of the Saudi Games 2022
- Launches energy-generating tower using eco-friendly sources

2023
- Achieves A in MSCI ESG Ratings*
- Is recognized as the Fastest Growing Telecommunications Brand in the Middle East by Brand Finance
- Achieves highest revenues, EBITDA and net profit in a decade
- Covers over 84% of residents in the Kingdom's 7 main cities with 5G network
- Wins Best Customer Experience Award 2022 at the ICT Indicators Forum, hosted by the CST
- Wins Best CEO – Labor Awards; presented by the Minister of Human Resources and Social Development

*In 2024, post financial year-end, Mobily was upgraded to an AA rating

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OUR CHARTER

Vision

Leadership in Enriching Your Digital World

Values

Mobily's 2023-27 strategy focuses on delivering innovative products and outstanding customer experience, driving sustainable revenue growth and value creation for our shareholders and all our Stakeholders to "evolve into the TMT Company of the future", made possible through our dynamic corporate culture and shared core values:

AGILE
We are open, flexible and make every second count

COURAGEOUS
We are brave enough to take bold steps and determined to see them through

CARING
We treat you as an individual and value diversity in thought and perspective

CLEAR
We keep things black and white

Associations and Memberships

Asia-Africa-Europe 1 (AAE-1)

Cullen International

SAMENA Telecommunications Council

TM Forum

International Telecommunication Union (ITU)

Global System for Mobile Communications (GSMA)

United Nations Global Development Program

United Nations Global Compact (UNGC)

Digital Cooperation Organization

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MESSAGE FROM THE CHAIRMAN

LEAD. IMPACT. TRANSFORM.

Mobily's business approach is built on sustainability and the cultivation of trust among our Stakeholders; customers, employees, partners and shareholders. We achieve this by delivering a strong ESG performance across 5 strategic pillars:

SAFEGUARDING THE PLANET

MARKETPLACE AND CUSTOMERS

RESPONSIBLE EMPLOYER

POSITIVE COMMUNITY IMPACTS

ACCOUNTABLE ENTERPRISE

> **We are proud to present Mobily's fourth Sustainability Report. Our sustainability strategy is guided by Saudi Vision 2030's goals and the UN Global Compact (UNGC) and its Sustainable Development Goals (SDGs). In delivering value to Stakeholders, we remain steadfast in upholding the highest standards of corporate governance, ethical conduct and environmental stewardship.**

MR. ABDULKARIM IBRAHIM ALNAFIE
CHAIRMAN

Mobily remains an important contributor to Saudi society, contributing to local employment and to a vision of a self-reliant Saudi society that is an asset to the world. We are proud of the many partnerships and collaborations that Mobily made in 2023, in information security as well as in AI, sustainability and network performance, among other areas.

It is a great honor for Mobily to be associated with the 2023 CORE Diriyah E-Prix in partnership with Formula E. This event marks an exciting new era of electromobility, which not only supports the Kingdom's vision to diversify its energy portfolio but also fosters economic growth. We commend the significant progress achieved in this area and recognize the Kingdom's commitment to its Green Initiative targets, highlighting our unwavering dedication to sustainability and alignment with the Vision 2030 goals. Together, we are leading the way for a more sustainable future.

Mobily is currently participating in several giga projects – local large-scale projects to promote economic growth, tech innovation and tourism – that are instrumental to the nation's development. For NEOM, Saudi Arabia's new city on the Red Sea, we became the first operator to ensure fixed connectivity, as we partner with other ICT players to help transform the Kingdom into a digital hub.

My thanks and respect go to my fellow Board members and to the Executive management for another wonderful year of achievements. I look forward to our continued growth, with a strong focus on the key issues of sustainability, by which we improve lifestyles and opportunities of our nation, while protecting our natural heritage for the enjoyment of future generations. On behalf of Mobily and the Board, I also extend our appreciation to the Custodian of the Two Holy Mosques and His Royal Highness, the Crown Prince, for their phenomenal leadership in driving the Kingdom's Vision 2030 targets and outcomes.

We are deeply honored to have achieved significant recognition through various prestigious Awards in 2023.

Fastest Growing Telecommunications Brand in the Middle East

BRAND FINANCE – 113% GROWTH IN BRAND VALUE SINCE 2019

Best Customer Experience Award 2022 for the second consecutive year

CST

MOBILY'S COMMITMENT TO SUSTAINABILITY AND LONG-TERM INVESTMENTS ALIGNS WITH VISION 2030'S BROADER OBJECTIVES, EMPHASIZING RESPONSIBLE BUSINESS PRACTICES, ECONOMIC VIABILITY AND JOB CREATION FOR SAUDI CITIZENS. WE WILL PARTNER WITH PRIVATE AND PUBLIC ORGANIZATIONS, IN THE INTERESTS OF POSITIVE COMMUNITY IMPACTS. OUR E-HEALTH PARTNERSHIP WITH SAUDI ARABIA'S MINISTRY OF HEALTH, AND 100,000 TRAINING OPPORTUNITIES FOR THE WAAD INITIATIVE, ARE TESTIMONY TO OUR IMPACTFUL INVESTMENTS.

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MESSAGE FROM THE CEO

PIONEERING MARKET LEADERSHIP AND SUSTAINABLE SUCCESS

Revenue
SAR 16.8 bn
6.7% ↗

Net Income
SAR 2.2 bn
34.7% ↗

Net Debt-to-EBITDA Ratio
1.20x
(record low for Mobily)

> Mobily has once again grown to new heights, with record revenues, EBITDA and net profit for the last decade. At the same time, our care for the environment and our people, while creating lasting financial value for our most important Stakeholders, set us apart as leaders in the industry.

ENG. SALMAN ABDULAZIZ ALBADRAN
CHIEF EXECUTIVE OFFICER

The Business and Wholesale segments experienced increased demand from business-to-business (B2B) clients and giga projects, while the Consumer segment continued to demonstrate steady growth despite operating in an intensely competitive market.

We are pleased to have fulfilled the expectations of our investors through strong financial performance. However, in line with our commitment to sustainability, we understand that true success is measured not only by financial gains but also by our dedication to safeguarding society and the environment for future generations.

Today, large corporations are under increasing pressure to contribute to social cohesion and development, while actively working to minimize their environmental impact, particularly in addressing the challenges of climate change. Mobily's vision - "Leadership in Enriching Your Digital World" - is closely aligned with our new strategy, which emphasizes delivering exceptional experiences for all Stakeholders, including customers, investors, employees and partners.

At Mobily, we prioritize sustainability at the core of our corporate governance. We are committed to the UNGC's 10 principles and integrate sustainable practices into all our operations. We uphold the principles of transparency, accountability and ethical leadership, ensuring our business practices contribute meaningfully to societal and environmental well-being. In today's digitally interconnected world, we recognize the critical importance of trust. We have fortified our cybersecurity infrastructure to ensure the highest standards of data protection and privacy for our customers. Furthermore, by enhancing transparency throughout our supply chain, we have forged stronger partnerships and embraced responsible sourcing practices that reflect our dedication to sustainability. This comprehensive approach reinforces our commitment to driving long-term social and environmental progress, as we continue shaping a future built on sustainability and trust.

Our customers are our most valuable Stakeholders, and their experiences with our services are fundamental to the sustainability of our business. Consequently, we have broadened Mobily's strategy to encompass Total Experience Leadership, which focuses on streamlining, digitalizing and measuring customer experience. In recognition of our efforts in this area, Mobily was honored with the LEAD Award for Customer Experience Excellence in 2023, as well as the Communications, Space and Technology Commission's (CST) Best Customer Experience Award for 2022.

To cultivate a thriving work environment, Mobily actively seeks out exceptional talent, and embeds diversity, equality and inclusion at the core of its strategy. We take a firm stance against discrimination and unfairness and in ensuring Digital Access and Inclusion.

WE TAKE GREAT PRIDE IN CONTRIBUTING TO SAUDIZATION AND ARE PROUD TO BE IN THE PLATINUM CATEGORY, THE HIGHEST TIER, OF THE MINISTRY OF LABOR AND SOCIAL DEVELOPMENT'S SAUDI NATIONALIZATION SCHEME.

Mobily is proud of the success of our in-house events, activities, and learning and development initiatives, which are consistently yielding positive results. In 2023, Brand Finance recognized Mobily as the fastest-growing telecommunications brand in the region, with an 18% increase in brand value compared to 2022. This accomplishment reflects a remarkable 113% growth in brand value since 2019. We are most honored to be the Kingdom's seventh most valuable brand; a top 10 achievement to inspire us to greater heights.

Mobily received numerous recognitions and Ratings, Awards and Certificates for its outstanding leadership, innovation and customer experience, which is a testament to the tireless efforts and commitment from employees across Mobily.

IN 2023, WE IMPROVED OUR ESG RATINGS AND SCORES ACROSS 6 PRESTIGIOUS GLOBAL ESG RATINGS, INCLUDING ACHIEVING AN A RATING FROM MSCI – A FIRST FOR A SAUDI TELECOMMUNICATIONS COMPANY.

As we continue to capitalize on growth opportunities within the Kingdom's dynamic market, we remain committed to ensuring sustainable growth. We will continue to invest in our infrastructure, especially in our 5G network, to enhance our service quality and coverage. We will also expand our data center capacity to meet the growing demand for cloud computing and data storage. Moreover, we will provide IoT solutions to enable digital transformation and efficiency.

Harnessing the favorable winds of business and technology requires a parallel commitment to ethics, strong governance and meaningful engagement with pressing issues such as climate change. We will continue to implement renewable solutions in an effort to reduce emissions and support the Kingdom's Vision 2030 aspirations.

Acknowledgements

I thank our Board of Directors for their visionary leadership in a year of record-breaking growth and success. I am also most grateful to the Executive management for their execution of Mobily's strategy, and for driving Mobily's vision and values.

Thank you to our employees for their professionalism, dedication and excellence, which have enabled us to achieve new milestones and face the future with great confidence. Your contributions are the key to our outstanding performance in 2023 and our ability to create value for all our Stakeholders over the long-term.

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YEAR IN REVIEW

REMARKABLE PROGRESS AND LEADERSHIP

SAFEGUARDING THE PLANET

Partnered with ITU on

Green
Digital Action

Removed

23,074
obsolete batteries from technical buildings, for recycling

- Launched **Mobily's Recycling initiative** to promote the circular economy to employees, Stakeholders and the wider community; with 22 workshops, attended by 565 employees

- Reduced **energy consumption** through equipment optimization, with a **3.17% reduction** from 284 GWh to 275 GWh

- Increased the number of **green plants** for offices by **20%** to 845 plants

MARKETPLACE AND CUSTOMERS

Maintained

zero
information security breaches in 2023

Awarded

Best Customer Experience
2022 at the ICT Indicators Forum

- Increased **TRI*M score** from 96 to 99

- Achieved **5G coverage** for over 84% of residents in the Kingdom's 7 main cities; 770 new sites added to the 4G network; fiber coverage increased by 205 sites

RESPONSIBLE EMPLOYER

Maintained

zero
lost-time injuries or fatalities

Received

Best CEO
Labor Award; presented by the Minister of Human Resources and Social Development

- Conducted **20 Sustainability Awareness sessions**, attended by 537 employees

- Hired **83% Saudis** out of total new hires, including full-time employees and contractors

POSITIVE COMMUNITY IMPACTS

Forged

MoU
with Saudi Ministry of Health on e-health services

Served

millions
of pilgrims to the holy sites during Hajj 2023

- Sponsored **Biban, Diriyah E-Prix, LEAP and Capacity Europe** events

- Contributed to the Kingdom's **Waad initiative** for training and development, offering 100,000 training opportunities

ACCOUNTABLE ENTERPRISE

Improved

ESG rating
across 6 renowned ESG indices

Provided

2,764
combined hours of training on human rights and diversity

- Won **first place** in the Middle East for the Best Digital 2022 Annual Report Award

- Spent **92%** of total procurement on local suppliers

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RATINGS, AWARDS AND CERTIFICATES

Sustainability Ratings

In 2023, Mobily showed improvement in its sustainability (ESG) ratings and performance indicators as evaluated by premier global standards organizations.

Rating	2023	2022
Morgan Stanley Capital International (MSCI)	A*	BBB
FTSE Russel ESG Index	2.6/5	1.9/5
ESG Invest	52/100	45/100
Dow Jones Sustainability World Index (S&P)	33/100	25/100
CSR Hub	52%	34%
Sustainalytics	31.2**	31.8

*In 2024, post financial year-end, Mobily was upgraded to an AA rating
**Lower score indicates better results

In 2023, for the first time, Simah Rating Agency, a Saudi Arabian credit rating agency also known as "Tassnief" assigned Mobily an AA- rating – "high quality, relatively low credit risk" – for the long-term and a T2 rating – "high quality, very low credit risk" – on short-term risk. The rating reflects Mobily's position in the market, as well as its satisfactory network coverage, appropriate business risks and strong financial risk profile.

Awards

Marketplace and Customers

Mobily was the first Saudi operator to win Opensignal's new Live Video Experience Award. The Company was also the winner of the Video Experience Award and shared the 5G Video Experience and 5G Live Video Experience Awards.

The Communications, Space and Technology Commission (CST) honored Mobily with the Best Customer Experience Award 2022.

The Global Carriers Award named Mobily the Best Middle East Carrier; recognizing Mobily's outstanding customer service and performance, and its contribution to the Middle East's telecommunications sector.

Won Leadership in Excellence and Development (LEAD) Award for Customer Experience Excellence; indicating Mobily's commitment to top-quality service and customer experience in the TMT industry.

Responsible Employer

Mobily's CEO, Eng. Salman Albadran was named the Best CEO for Large Establishments at the Labor Awards, an initiative of Saudi Arabia's Ministry of Human Resources and Social Development to honor Saudi organizations that invest in Saudi employees.

Best Chief Human Resources Officer (CHRO) Award 2023 at the Arabian Business Awards, recognizing the Company's excellence in talent management and recognizing Mobily as an HR leader.

Mobily was honored with the prestigious Society for Human Resource Management (SHRM) Talent Management and Development Award, at the MENA Star Awards 2023, clinching the coveted first place (Gold). This achievement highlights the Company's commitment to nurturing talent and fostering career growth.

Positive Community Impacts

Survey2connect, a research platform, honored Mobily with the Research Excellence accolade, for innovation and excellence in market research.

Accountable Enterprise

The Middle East Investor Relations Association (MEIRA) awarded Mobily with the Best Digital Annual Report in 2022 in the Middle East; and second place for the Best Printed Annual Report in 2022 in the Middle East.

The Global Business Outlook honored Mobily with the Best Investor Relations Telecommunication Company Award in Saudi Arabia.

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Certificates

Procurement Excellence Program (PEP) Certificate
from the Chartered Institute of Procurement and Supply (CIPS)

Mobily is the **first telecommunications company** in the Kingdom to earn this certificate

The Saudi Quality Certificate (or Hayyak) for Beneficiary Service Centers
from the Saudi Standards, Metrology and Quality Organization

Mobily is the **first telecommunications operator** in the Kingdom to receive this certificate

Local Content Certificate
awarded by the Saudi Arabian Government for the fourth consecutive year

ISO Certificates

- **ISO 31000** (Risk management systems)
- **ISO 22301:2019** (Societal security — Business continuity management systems) since 2019
- **ISO 10002** (Quality management – Customer satisfaction — Guidelines for complaints handling in organizations)
- **ISO 45001:2018** (Occupational health and safety management systems)
- **ISO 9001** (Quality management systems – Legal Services) since 2019

Pertaining to information security:
- **ISO 27001:2022** (Information security management)
- **ISO 270018** (Protecting personal data in the cloud)

Mobily is also working towards the following ISO certifications:
- **ISO 37301** (Compliance management systems)
- **ISO 22361** (Crisis management)

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SUSTAINABILITY AT MOBILY

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SUSTAINABILITY GOVERNANCE MODEL

From a governance perspective, the Board of Directors has ultimate oversight on sustainability matters. The Sustainability Committee – chaired by the CEO – reviews and approves the strategic framework and KPIs aligned with Mobily's vision and objectives, and monitors the Company's sustainability performance on a monthly basis.

The responsibility for leading the Company's sustainability efforts on a day-to-day basis falls under Investor Relations (IR), supervised by the Chief Financial Officer (CFO). This team is tasked with setting the strategic direction and focus areas for sustainability, as well as regularly monitoring the implementation of KPIs. Additionally, they provide support to Sustainability Champions in other business areas and functions to ensure the realization of Mobily's sustainability ambitions.

Board of Directors

Sustainability Committee

Chief Financial Officer

Investor Relations Department

Sustainability Champions

SUSTAINABILITY STRATEGY AND FRAMEWORK

Mobily is committed to building long-term value for Stakeholders. This is achieved through sound corporate governance, minimizing risks, environmental stewardship and by being a responsible and ethical corporate citizen. Mobily has various programs and practices to improve ESG performance, while mitigating risks, for the Company and its Stakeholders.

Mobily's 3-year sustainability strategy and framework is designed to enhance the Company's ESG performance and contribute to the social and economic development of the Kingdom, in keeping with the worthy aims of Saudi Vision 2030. Mobily's sustainability strategy and framework – built around 5 key pillars – outlines the Company's vision and goals for addressing environmental, social and economic challenges. It sets sustainability priorities, guiding the Company's decision-making to those ends.

Mobily conducts ongoing awareness campaigns to inform and educate employees about the importance of sustainability.

IN 2023, THE COMPANY CONDUCTED 20 SUSTAINABILITY AWARENESS SESSIONS, ATTENDED BY 537 EMPLOYEES

POSITIVE COMMUNITY IMPACTS
- Digital Access and Inclusion
- Community Investments and Relations

ACCOUNTABLE ENTERPRISE
- Corporate Governance, Ethics and Integrity
- Transparency
- Sustainable Economic Value

SAFEGUARDING THE PLANET
- Climate Change and Energy Management
- Waste Management and Circularity
- Water Management

RESPONSIBLE EMPLOYER
- Health and Safety
- Diversity and Inclusion
- Talent Management

MARKETPLACE AND CUSTOMERS
- Data Privacy, Security and Protection
- Customer Relationships and Satisfaction
- Digital Innovation
- Responsible Marketing

Mobily

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MATERIALITY ASSESSMENT

Mobily conducted a comprehensive materiality assessment to ensure its alignment with the latest ESG trends in the industry and in the Kingdom, concluded in 2024, to reflect the most material matters applicable to this report.

This assessment considered factors such as the Company's sustainability strategy and values, Stakeholder inputs, regulatory changes, the Kingdom's Vision 2030, sustainability disclosures from peers, industry standards and the UN SDGs. The purpose of the assessment was to review and validate Mobily's focus areas, identify opportunities and prioritize sustainability topics that hold the greatest significance for the Company and its Stakeholders. By

conducting this assessment, Mobily ensures that its sustainability efforts meet Stakeholder expectations and address the most relevant issues within the TMT industry.

From the materiality assessment, Mobily prioritized 16 critical issues that are considered material to both the Company and its Stakeholders. These issues were carefully analyzed and consolidated to form the basis of Mobily's Sustainability Framework.

Top Material Issues Rationale

Customer Relations and Satisfaction, Data Privacy, Security and Protection, and Digital Innovation have been identified as Mobily's top 3 material issues. These issues are critical

to the Company's success and sustainability due to their direct impact on customer experience and satisfaction, financial performance and regulatory compliance. By prioritizing these areas, Mobily can strengthen its competitive position, enhance customer loyalty and mitigate potential risks.

As a company operating in the telecommunications sector, these issues are particularly important. Customer satisfaction is essential for retaining subscribers, data privacy and security are paramount due to the sensitive nature of customer information, and digital innovation is crucial for staying competitive and offering cutting-edge services.

Customer Relations and Satisfaction

Mobily's commitment to customer satisfaction is essential for its long-term success. A strong customer relationship, built on trust, loyalty and satisfaction, is the cornerstone of a thriving business.

Mobily has invested significantly in enhancing its customer experience. This includes implementing customer-centric initiatives such as personalized offers, streamlined customer support channels and loyalty programs. By prioritizing customer satisfaction, Mobily aims to foster long-lasting relationships and reduce churn. Additionally, Mobily actively monitors customer feedback through surveys and social media to identify areas for improvement and address customer concerns promptly.

Data Privacy, Security and Protection

Data privacy and security are paramount in today's digital age. Customers expect their personal information to be protected, and breaches of data privacy can lead to significant financial losses, reputational damage and regulatory fines.

Mobily recognizes the importance of safeguarding customer data and has implemented robust security measures to protect against unauthorized access, data breaches and cyber threats. These measures include encryption technologies, regular security audits and employee training on data privacy best practices. By prioritizing data security, Mobily demonstrates its commitment to protecting customer information and maintaining trust.

Digital Innovation

Digital innovation is crucial for Mobily to stay competitive in a rapidly evolving market. By investing in new technologies and services, Mobily can enhance its offerings, improve customer experience and attract new subscribers.

Mobily has embraced digital innovation to stay ahead of the competition and provide cutting-edge services to its customers. This includes investing in emerging technologies such as 5G, IoT and AI. By leveraging these technologies, Mobily can offer innovative solutions, improve network performance and enhance the overall customer experience. Additionally, Mobily actively collaborates with technology partners to explore new opportunities and drive digital transformation within the industry.

Pyramid diagram:
1. Customer relations and satisfaction
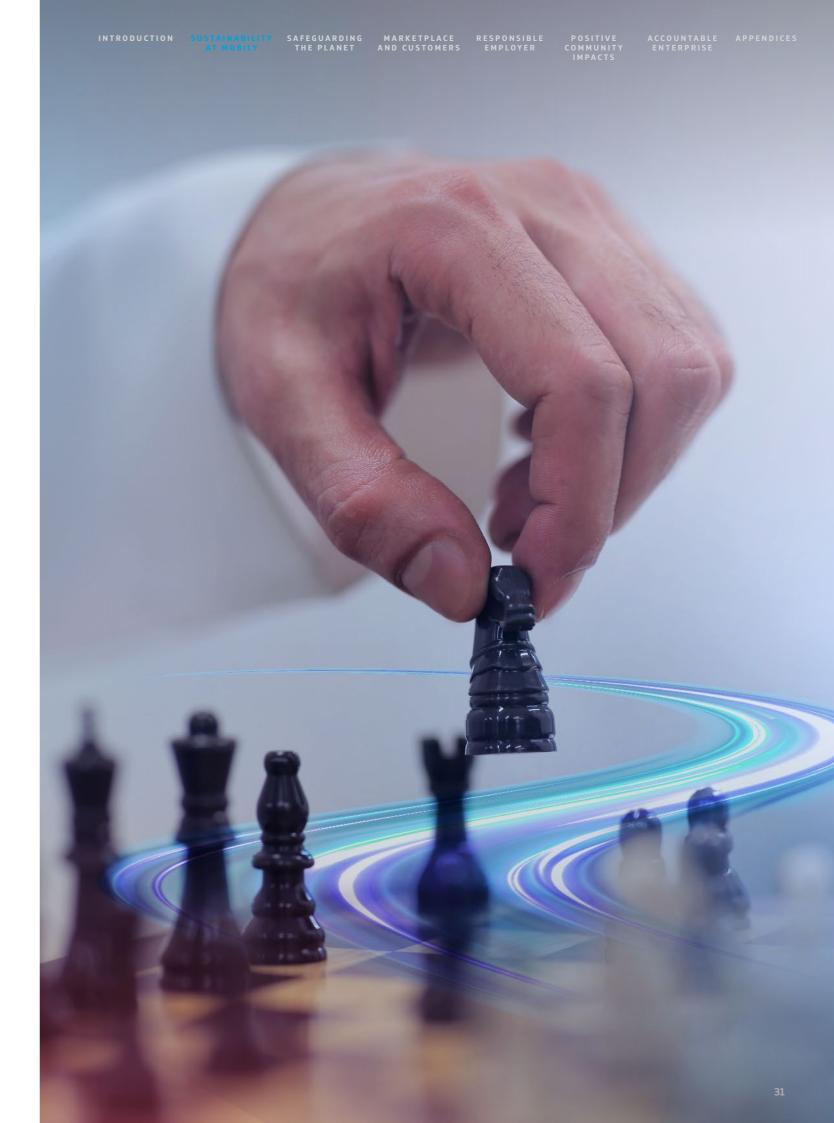2. Data privacy, security and protection
3. Digital innovation

Climate change and energy management
Digital access and inclusion
Corporate governance, ethics and integrity
Waste management and circularity
Responsible marketing
Diversity and inclusion
Talent management
Water management
Responsible supply chain
Health and safety
Transparency
Community investments and relations
Sustainable Economic Value

Materiality matrix — Significance to Stakeholders (y-axis) vs Significance to Organization (x-axis)

Most Important
1. Customer relations and satisfaction
2. Data privacy, security and protection
3. Digital innovation
4. Climate change and energy management
5. Digital access and inclusion
6. Corporate governance, ethics and integrity
7. Waste management and circularity
8. Responsible marketing

Very Important
9. Diversity and inclusion
10. Talent management
11. Water management
12. Responsible supply chain
13. Health and safety
14. Transparency
15. Community investments and relations

Important
16. Sustainable economic value

● Environmental   ● Social   ● Governance

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Material Issues	Relevant Strategy Pillar	How Mobily Manages It
1. Customer relations and satisfaction	Marketplace and Customers	Mobily is continuously improving its customer service to enhance the customer's experience.
2. Data privacy, security and protection	Marketplace and Customers	Mobily implements industry-leading mechanisms in data privacy, security and protection. These include encryption, truncation, masking and hashing.
3. Digital innovation	Marketplace and Customers	Mobily provides services that support new digital opportunities and new business ventures, including autonomous transport, smart cities and digitally enhanced healthcare. Mobily is a key player in the Saudi digital ecosystem.
4. Climate change and energy management	Safeguarding the Planet	Mobily integrates sustainable approaches throughout its operations, with a focus on minimizing greenhouse gas emissions and reducing energy consumption.
5. Digital access and inclusion	Positive Community Impacts	Mobily delivers advanced technology and equal opportunities to its customers. The Company supports digital inclusion across the Kingdom by providing greater digital access and capabilities.
6. Corporate governance, ethics and integrity	Accountable Enterprise	Mobily's corporate governance approach promotes communication, transparency and accountability, in the interests of long-term value for shareholders and other Stakeholders.
7. Waste management and circularity	Safeguarding the Planet	Mobily values the natural environment and aims to protect biodiversity by minimizing waste-to-landfill and promoting the responsible disposal of electronic products.
8. Responsible marketing	Marketplace and Customers	Mobily is committed to fair and responsible marketing practices, characterized by transparency and truthfulness, and aligned with Saudi Arabia's social values and the cultures of the communities it serves.
9. Diversity and inclusion	Responsible Employer	Mobily's human resource policies prevent discrimination, promote fairness and enable advancement based on merit and fitness for role.
10. Talent management	Responsible Employer	Mobily recruits and nurtures talented employees who contribute to long-term value creation with a specific focus on Saudi nationals, in alignment with the Saudi Vision 2030.
11. Water management	Safeguarding the Planet	Mobily is committed to minimizing its water footprint and ensuring that it uses water responsibly across its operations.
12. Responsible supply chain	Accountable Enterprise	Mobily has a vital role to play in not only implementing sustainability best practices within the Company, but also ensuring that its supply chain upholds high standards of governance while safeguarding the environment and people.
13. Health and safety	Responsible Employer	Mobily has a comprehensive approach to health and safety, that includes risk management initiatives, HSE training programs, and certifications and audits to ensure adherence to HSE practices.
14. Transparency	Accountable Enterprise	Mobily maintains transparent relationships with its Stakeholders and continually strives to deliver equitable and sustainable value to them.
15. Community investments and relations	Positive Community Impacts	Mobily enjoys strong and rewarding relationships with its communities, and it seeks out partnerships and initiatives that benefit Stakeholders.
16. Sustainable economic value	Accountable Enterprise	Mobily sustains a business model that ensures financial profitability and generates long-term value for its investors.

Most Important

Very Important

Important

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DRIVING SUSTAINABLE PROGRESS

ACCOUNTABLE ENTERPRISE
- Corporate governance, ethics and integrity
- Transparency
- Responsible supply chain
- Sustainable economic value

- Formally integrate sustainability at the corporate level
- Strive for transparency, integrity and good governance by following international best practices
- Achieve sustainable growth contributing to a thriving Saudi Arabian economy, through direct economic activities and infrastructure, platforms and digital services

Mobily's commitment to the best global and local practices of governance supports employee's health, safety, development and training. By following these guidelines and procedures, the Company is managed and performs according to the Stakeholders' expectations and their right to transparency and the best financial performance.

RESPONSIBLE EMPLOYER
- Health and safety
- Diversity and inclusion
- Talent management

- Ensure high levels of motivation, satisfaction and commitment to sustainability
- Understand our duty of care to protect our employees and contractors from any harm
- Ensure everyone has access to the same opportunities and the same, fair treatment

Mobily's personal and professional development programs provide Mobily employees with the best learning opportunities, while bolstering their operational productivity and enabling the digital transformation strategy. All this contributes to excellent customer service and information security.

- **Regulators**
- **Board of Directors**
- **Shareholders**
- **Suppliers**

- **Employees**

SAFEGUARDING THE PLANET
- Climate change and energy management
- Waste management and circularity
- Water management

- Contribute to the Saudi Green Initiative, leading the way to a sustainable future for KSA
- Follow international best practices to safeguard shared resources

Mobily's commitment to the best environmental practices is in line with regulations, the Kingdom's Vision 2030, and other corporate governance frameworks. It also makes Mobily more economically viable in the long-term.

- **Government**
- **Communities**

Mobily

- **Customers**

- **Government**
- **Communities**

MARKETPLACE AND CUSTOMERS
- Data privacy, security and protection
- Customer relations and satisfaction
- Digital innovation
- Responsible marketing

- Enable rapid societal development through well-designed and executed digital platforms and services
- Ensure privacy and security of customer data
- Achieve high levels of customer satisfaction with excellent customer care
- Adopt socially responsible elements in our marketing strategies

Mobily provides secure and high-quality services that help achieve strong financial results enabling Mobily to support the community financially, enhance youth skills by preparing them for the labor market, and support the empowerment of Saudi cadres in the ICT sector.

POSITIVE COMMUNITY IMPACTS
- Digital access and inclusion
- Community investments and relations

- Support local communities in which Mobily operates, and positively impact them
- Work with communities to address issues of opportunity, access, knowledge and skill in relation to using technology

By supporting healthy, happy communities, Mobily also has the opportunity to become a role model of rationalization in water, energy and waste for society through ongoing environmental campaigns.

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STAKEHOLDER ENGAGEMENT

Mobily considers its Stakeholders as partners, and actively engages with them as part of its approach to sustainability. Each Stakeholder is unique, with their own interests and concerns, and therefore Mobily makes every effort to consider their ideas and recommendations. Mobily engages with Stakeholders on an ongoing basis, through various channels.

Stakeholder Group	Communication Channels	Key Issues and Responses
Internal Stakeholder (BoD, Executive management and Employees)	• Emails • One-on-one and group meetings • Face-to-face engagement	**Remuneration:** We aim to provide our employees with fair, competitive salaries and benefits. **Employment satisfaction:** Mobily continuously tracks its employee satisfaction levels through surveys and by maintaining open dialogue with staff members. We aim to create an environment that attracts the best talent to our business, including through mental health and wellness initiatives. **Training and skills development:** Mobily actively provides training and development opportunities to our employees, thereby opening opportunities for them to move into better positions at Mobily while enhancing our access to internal talent with the best and most relevant skills. **Diversity and inclusion:** We value our staff members from diverse walks of life, especially women, young adults and the disabled. Our work environment is geared towards supporting previously marginalized groups of people. We launch targeted initiatives aimed at attracting female talent across all positions. **Transparency:** We understand that employees feel safe, and even thrive, when they have sufficient information about the Company's performance and operations. Our internal communication channels support open engagement with our teams. For more about how Mobily serves its employees, please see page 80 (Responsible Employer)
Regulators	• Ad hoc face-to-face engagement • Electronic communication	**Compliance:** It is important that Mobily upholds the highest standards of compliance, and we keep a close watch on incoming regulation to ensure compliance. **Market insight:** As a major player in the TMT sector, Mobily's reporting and performance supports the development of relevant guidelines and regulations for the industry. For more about how Mobily ensures regulatory compliance, please see page 118 (Accountable Enterprise)
Government	• Official channels • Responses to official requests for engagement	**Vision 2030:** The Kingdom is united in its drive to achieve a vibrant society, a thriving economy and an ambitious nation by 2030. Mobily contributes to the goals and targets outlined in the Vision through its operations and activities. Telecommunications as a sector supports many of the key sectors outlined in Vision 2030, including commerce, medicine and education. **Compliance:** Mobily prioritizes the highest standards of compliance with all laws and regulations. **Contribution to the national fiscus:** Mobily has zero-tolerance for any corruption or unethical behavior. For more about how Mobily supports Vision 2030, please see page 36 (Aligning with National and International Priorities)
Communities	• Social media • Community events and engagements • Community initiatives	**Mobily's community investments:** Mobily believes in empowering and uplifting the community, especially those who are most vulnerable. Not only do our customers and employees come from the communities we operate in, but it is our responsibility as a major telecommunications brand to use our influence for the good of the community. **Local supply chain:** Mobily actively seeks to empower local businesses and SMEs through our procurement practices. For more about how Mobily supports the community, please see page 104 (Positive Community Impacts)

Stakeholder Group	Communication Channels	Key Issues and Responses
Customers	• Social media • Mobily application and website • Customer care omnichannel • SMS's	**Reliable, accessible and affordable products and services:** Mobily aims to provide the best of TMT products and services to our customers through ongoing research and innovation. **Digitization:** The Company's pursuit of market-leading innovation includes digital support and services that provides even greater convenience and accessibility to our customers. **Data privacy:** Mobily prioritizes the security and privacy of customer data, ensuring it is handled with the utmost care and protected by advanced security measures. **Customer care and experience:** We take care of our customers by anticipating their needs through market research, providing good service and inviting engagement through our various feedback channels. For more about how Mobily serves its customers, please see page 58 (Marketplace and Customers)
Shareholders	• General Assembly meetings • Mobily IR phone, email, application and webpage • Results announcements • One-on-one meetings and correspondence • Local and international conferences	**Sustainable financial performance:** Mobily is expanding its footprint, as well as its products and services, and has achieved pleasing growth during the year, which reflects in the economic value we create for shareholders. Our economic model is built on good governance and financial management principles that support growth in the long-term. **Dividends and return on investment:** Mobily aims to reward its valued shareholders for the faith they place in the Company, in line with its dividends policies. For more about Mobily's financial performance, refer to our Annual Report. A summary is available on page 142 (Sustainable Economic Value)
Suppliers	• Email • Contracts and service agreements	**Sustainable financial performance:** Mobily understands that its financial growth in the long-term helps to support the Kingdom's economic performance, partly through the financial benefit we transfer to our vendors and suppliers. We also uphold our suppliers to a high standard of governance through our Supplier Code of Conduct, which supports sustainable growth and accountability for both Mobily and its vendors. **Local supply chain:** Mobily actively seeks to empower local businesses and SMEs through our procurement. For more about how Mobily serves its customers, please see page 140 (Responsible Supply Chain)
Natural Environment*	• Engagement with environmental organizations • Tracking through international research • Initiatives to limit our water, waste and carbon impacts	**Climate change and emissions:** Mobily understands that global warming will affect every aspect of our lives and cause irreversible harm to the planet. We actively limit our contribution to climate change by minimizing emissions, both by pursuing sustainable energy and through energy-saving initiatives. **Water stewardship:** Mobily implements water-saving initiatives to secure the supply of water for future generations. **Waste and biodiversity:** Waste contributes to the destruction of the environment, especially non-renewable waste such as plastic. E-waste is of particular concern for Mobily. We aim to minimize our waste output, both at an operational level and through our products and services. For more about Mobily's environmental initiatives, please see page 40 (Safeguarding the Planet)

* Although the natural environment is not a traditional Stakeholder group, we value our planet and actively seek to minimize negative impacts on biodiversity

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ALIGNING WITH NATIONAL AND INTERNATIONAL PRIORITIES

Mobily is a proudly Saudi Arabian company. Sustainability is not only a matter for the Company, but for the Kingdom. Mobily's contribution to the sustainability of the Kingdom should be seen in the context of the Saudi Vision 2030, the Kingdom's blueprint for a transformed country with a diversified, sustainable economy. As a leading TMT company,

Mobily contributes to the objectives of Vision 2030 in areas such as digital transformation, economic diversification, attracting foreign investment, enhancing quality of life and environmental sustainability.

While Mobily broadly endorses the global sustainability and ESG movement, it approaches these issues

from a Saudi Arabian perspective, which has its own unique cultural context and economic challenges. Mobily believes that the necessary push for modernization should be balanced with the respect and honoring of age-old traditions and ways of life that have sustained communities for generations.

SAFEGUARDING THE PLANET

Page 40

Vision 2030
- Reduce all types of pollution (e.g. air, sound, water, soil)
- Safeguard the environment from natural threats
- Grow contribution of renewables to national energy mix
- Ensure sustainable use of water resources

UNGC
7, 8, 9

SDGs

CST Strategy 2023
- Maximize recycling Waste Electrical and Electronic Equipment (WEEE)
- Ensure ICT runs on renewable energy in smart cities
- ICT companies to commit to Science Based Targets (SBTi)
- Prioritize investment in technology innovation supporting progress on SDGs

GRI
GRI 301, 302, 303, 305, 306, 308

MARKETPLACE AND CUSTOMERS

Page 58

Vision 2030
- Improve quality of services provided in Saudi cities
- Improve the access to healthcare services
- Develop and diversify entertainment opportunities to meet population's needs
- Enhance ease of doing business
- Develop the digital economy

UNGC
9

SDGs

CST Strategy 2023
- Protect consumers
- Enable KSA digitalization
- Promote an inclusive digital future for all
- Increase national digital coverage including underserved customers
- Prioritize investment in technology innovation supporting progress on SDGs

GRI
GRI 201, 207, 416, 417

RESPONSIBLE EMPLOYER

Page 80

Vision 2030
- Build a life-long learning journey
- Develop our brightest minds in priority fields
- Increase women participation in the labor market
- Enable integration of people with disabilities in the labor market

UNGC
3, 4, 5, 6

SDGs

CST Strategy 2023
- Enable ICT labor diversification and inclusion
- Prioritize investment in technology innovation supporting progress on SDGs

GRI
GRI 401, 402, 403, 404, 405, 406, 413

POSITIVE COMMUNITY IMPACTS

Page 104

Vision 2030
- Improve the access to healthcare services
- Increase public participation in sports and athletic activities
- Improve equity of access to education (esp. in rural areas)
- Improve readiness of youth to enter the labor market
- Grow SME contribution to the economy
- Encourage volunteering
- Enhance businesses' focus on the sustainability of the economy
- Empower non-profit organization to create a deeper impact

UNGC
1, 2

SDGs

CST Strategy 2023
- Achieve regulatory excellence and enhance organizational effectiveness
- Prioritize investment in technology innovation supporting progress on SDGs

GRI
GRI 202, 203, 414

ACCOUNTABLE ENTERPRISE

Page 118

Vision 2030
- Improve quality of services provided in Saudi cities
- Ensure the formation of an advanced capital market
- Develop the digital economy
- Develop promising local companies into regional and global leaders
- Nurture and support the innovation and entrepreneurship culture

UNGC
1, 10

SDGs

CST Strategy 2023
- Protect consumers
- Promote investment and competition
- Achieve regulatory excellence and enhance organizational effectiveness

GRI
GRI 2, 204, 205, 206, 418

03

SAFEGUARDING THE PLANET

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Mobily supports the Saudi Green Initiative, a broad-ranging ambition to reduce climate pollutants, and improve quality of life for Saudi citizens by protecting the Kingdom's natural gifts. The initiative has 3 overarching targets: emissions reduction, afforestation (the restoration of forests), and land and sea protection. Mobily will play its part in ensuring that economic and technological advancement does not come at an environmental cost, but instead will serve "green growth".

In 2023, Mobily had no instances of non-compliance with environmental laws and regulations.

MOBILY IS ALIGNING ITS OPERATIONS WITH SAUDI ARABIA'S VISION THROUGH ITS SAUDI GREEN INITIATIVE (SGI) TO ACHIEVE NET-ZERO CARBON EMISSIONS BY 2060. BY FOCUSING ON SUSTAINABLE PRACTICES, INVESTING IN RENEWABLE ENERGY, AND ENHANCING ENERGY EFFICIENCY ACROSS ITS SERVICES, MOBILY AIMS TO CONTRIBUTE TO SAUDI ARABIA'S BROADER ENVIRONMENTAL GOALS AND SUPPORT THE TRANSITION TO A LOW-CARBON ECONOMY.

HIGHLIGHTS

20%
increase in the number of **green plants** for offices

3.17%
reduction in **energy consumption** through equipment optimization

20%
increase in investment in **sustainable technologies**

23,074
obsolete batteries removed from technical buildings and sent for reusing

Launched the **Mobily Recycling initiative** to promote the circular economy to employees, Stakeholders and the wider community; with 22 workshops, attended by 565 employees

Participated in **Green Digital Action**, launched by the International Telecommunication Union (ITU)

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APPROACH

ISO
14001:2015

ISO
ISO 50001

Mobily adheres to environmental laws and regulations relating to its business operations, including the National Center for Environmental Compliance regulations as well as the National Center for Waste Management regulations. The Company implements measures that minimize its environmental footprint by reducing CO_2 emissions, pollution and waste.

Mobily follows a robust Environmental Management System (EMS) aligned with ISO 14001:2015 standards, ensuring proper management of environmental aspects across its operations. This includes promoting environmental awareness among employees through dedicated programs, thus fostering a corporate culture that values ecological sustainability.

Mobily maintains equipment to ensure its continued availability and integrity. To ensure physical and environmental security, Mobily implements measures to protect against natural disasters, malicious attacks and environmental threats. Equipment is strategically placed in areas with low susceptibility to flooding and electromagnetic interference. Environmental controls are in place to mitigate risks from fire, water, humidity, dust and heat. Critical areas are monitored and controlled to maintain optimal environmental conditions.

In alignment with global sustainability goals, the Saudi Arabian Communications, Space and Technology Commission (CST) is taking a proactive stance on green digital initiatives, with its e-Waste Management Regulations and its participation in Green Digital Action, a collaborative initiative launched by the International Telecommunication Union (ITU). Green Digital Action encourages ICT and digital companies to use their technologies for climate monitoring, adapting to climate change, and establishing early warning systems; as well as contributing to climate mitigation and fostering circular economies. Mobily is a proud partner of the ITU and is most supportive of the CST's involvement in this effort to drive down emissions – and to improve systems of measurement – for the sake of climate action.

Environmental Sustainability Policy

Mobily emphasizes the role of employees and contractors in ensuring all work is carried out with minimum risk to the environment. Mobily's Environmental Sustainability Policy is prominently displayed at all workplaces, for easy perusal by employees and contractors. The policy commits the Company to abide by all legal and regulatory requirements, as well as with international standards: notably the Environmental Management ISO 14001 (Environmental Management Systems) and ISO 50001 (Energy management systems).

View Mobily's Environmental Sustainability Policy here:

Functions Responsible for Environmental Management

The Health, Safety, Security and Environment & Quality Assurance (HSSE & QA) department is directly responsible for environmental compliance, i.e. compliance to laws and regulations, to the ISO standards (14001 and 50001), and to Mobily's commitments to Stakeholders. This department is also responsible for establishing structures, procedures and controls (e.g. performance targets) that are annually renewed and reported on to the public.

The policy commits Mobily to training and awareness-raising for employees, contractors and suppliers in environment and energy management; and it commits all departments/functions of the Company to the prevention of pollution, to more efficient energy and water use, and to waste reduction through reuse and recycling. According to the policy all departments/functions must incorporate sustainable development principles for new build and refurbishment projects, thus creating a built environment that meets high environmental performance standards.

The policy calls for the Procurement department to implement a Sustainable Procurement Policy that considers full-

life cost and environmental impacts when purchasing goods and services; and that technical specifications within each department should take this into account. The Environmental Sustainability Policy also encourages the adoption of energy-efficient products and services, as well as eco-friendly design principles.

Vendors

Mobily works closely with different vendors to minimize the environmental impact of the materials, equipment and services it procures. Saudi regulators – such as the Saudi Standards Metrology and Quality Organization (SASO), the

Saudi Arabian Mark of Aquaculture Quality (SAMAQ) and the Ministry of Environment, Water and Agriculture (MEWA) – set specific regulations to ensure procured materials are ethical, and environmentally sustainable. Mobily strictly adheres to these regulations.

During the selection of any vendor/service provider, the new supplier must adhere to specific environmental standards and regulations to be part of Mobily's procurement process; with contractual clauses stipulating their environmental compliance requirements.

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Beautification and Optimization

Integrating nature into urban planning is one way that Vision 2030 is promoting sustainable urban living. Mobily supports this national effort, and is careful in its design and architecture, to build structures that blend in with the landscape, and that – as far as possible – draw on the natural surrounds for inspiration. Mobily's towers are designed to have a minimal environmental, and a non-intrusive aesthetic impact. These include towers that blend into their surroundings, such as those resembling palm trees or using mosaic designs; with extra care taken to preserve natural vistas in historic and recreational areas. Mobily is also greening its workplaces.

In 2023, Mobily increased the number of office green plants by 20% to 845 plants. These indoor plants placed inside offices, flagships and warehouses act as natural air filters for removing pollutants and keeping the air fresh for employees. Our indoor plants also contribute to the goals of the Saudi Green Initiative (SGI).

845 plants

across Mobily's offices, an increase of 20% since 2022

CASE STUDY

Warehouse and Logistics Transformation Journey

Mobily's project to optimize warehouse operations and reduce costs focused on consolidating warehouse facilities, improving operational efficiency and implementing sustainable practices.

This transformation journey yielded significant benefits for the Company. By consolidating redundant warehouses, implementing efficient processes and prioritizing sustainability, the Company achieved substantial cost savings.

Additionally, the project's focus on sustainability, including recycling initiatives, contributed to a reduced environmental footprint. The Riyadh warehouse renovation expanded storage space by 1,364 square meters (+26%), enhancing operational efficiency. Furthermore, the optimization of Jeddah and Dammam 3PL hubs led to a remarkable 75% reduction in costs. These combined efforts not only improved the Company's financial performance but also positioned it as a more sustainable and efficient operator.

14
rented warehouses closed

SAR 2 million
in annual savings

SAR 365,000
reduction in annual operational costs

Environmental Awareness

Mobily is committed to spreading the message of environmental awareness to its employees and the society at large, in keeping with the principles of the Saudi Vision 2030, relating to the respect of the country's natural heritage, beautifying the environment and improving livability. Mobily uses various digital channels to spread the environmental message to employees (e.g. Mobily Internal Communication, Mobily Snapchat and Yammer) as well as environmental awareness posters. The topics include paperless work environments, e-waste, energy conservation and environmental conservation days.

Mobily also launched the Waste Awareness Guide in 2023 to promote sustainable practices and environmental responsibility. The guide emphasizes the importance of waste recycling and outlines the "3Rs" concept: Reduce, Reuse and Recycle. It explains the benefits of recycling, including reducing landfill waste, conserving natural resources and minimizing pollution. The guide provides practical tips for reducing waste, such as using reusable items and sharing digital copies. It also details the types of waste that can be recycled and the proper disposal methods. By following the guidelines in this guide, Mobily employees can contribute to a more sustainable future and protect the environment.

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CLIMATE CHANGE AND ENERGY MANAGEMENT

Approach

According to the World Economic Forum, digital solutions can reduce global emissions by up to 20% through, for example, digital innovations that improve energy efficiency and mobility efficiency. Mobily enables B2B customers to deliver such solutions to the market, ensuring that Saudi Arabia remains on the cutting edge when it comes to marshalling Fourth Industrial Revolution technology for the sake of emissions reductions.

In the narrower focus, Mobily is deeply committed to reducing emissions associated with its own operations. There are various ways of doing so, the key one being to replace diesel-fueled generators with renewable sources at remote wireless sites, where the electricity grid does not reach. Mobily is currently testing a hybrid solution that uses solar and wind.

Data centers are another key area where Mobily is endeavoring to reduce energy consumption. Currently, these are being run off the Saudi Arabian grid. Mobily lauds the government's efforts to green the grid, using various initiatives to do so.

Last year, Mobily launched its first renewable energy-powered telecommunications tower. The Company has also introduced new features and capabilities in its telecommunications equipment to minimize power usage, such as reducing radio transmission times during periods of low traffic.

Mobily is committed to using energy-efficient products, modernizing its hardware for sake of energy efficiency, and following a smart CAPEX strategy that considers power consumption and environmental impacts in investment decisions.

Energy Consumption

Mobily monitors energy consumption monthly, reviewing its Saudi Electricity Company (SEC) billing and invoices, and fuel consumption of generators. The Company is reducing energy consumption through technology upgrades, enhanced Standard Operating Procedures (SOPs), and improved energy monitoring and reporting. Mobily also engages its employees, customers, vendors and partners in energy-saving practices that contribute to energy optimization efforts.

Mobily's expansion of 5G networks in 2023 is based on a technology called Time Division Duplex 5G (TD5G) combined with Massive Multiple-Input Multiple-Output (mMIMO). This technology uses less power for each unit of data transmitted, which leads to lower CO_2 emissions. This is good for the environment and helps promote sustainability. Other specific energy-saving initiatives include:

- Installation of air containment systems in data centers
- All lighting and air conditioners automatically turned off from 5:00 PM
- Device enhancements: changing lighting fixtures to LEDs, and converting microwave, TV, water dispenser and ACs to an inverter type

CASE STUDY

Investment in Sustainable Technologies

Description
In 2023, Mobily increased its investment in sustainable technologies by 20% to enhance energy efficiency and reduce environmental impact. The Company implemented several key initiatives, including:
- Replacing 23,330 traditional bulbs with energy-efficient LED lights
- Refitting 592 air conditioning units with energy-efficient HVAC inverters
- Installing 32 motion sensors in meeting rooms, lobbies and corridors to automatically turn off lights when not in use
- Installing 56 timers to switch off lights after office hours

Impact
These initiatives collectively contributed to a 3.17% reduction in energy consumption in 2023, representing a significant achievement given the Company's record growth during the year. Mobily's commitment to sustainability underscores its dedication to improving operational efficiency while promoting environmental responsibility.

Electricity Consumption

275 GWh
2023
Non-renewable energy sources	Renewable energy sources
274.82 GWh	**0.18 GWh**

284 GWh
2022
Non-renewable energy sources	Renewable energy sources
283.82 GWh	**0.18 GWh**
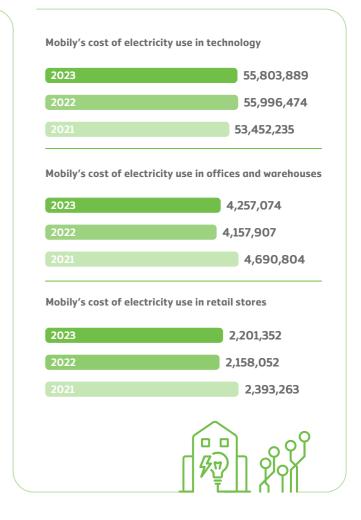
269 GWh
2021
Non-renewable energy sources	Renewable energy sources
N/A	**N/A**
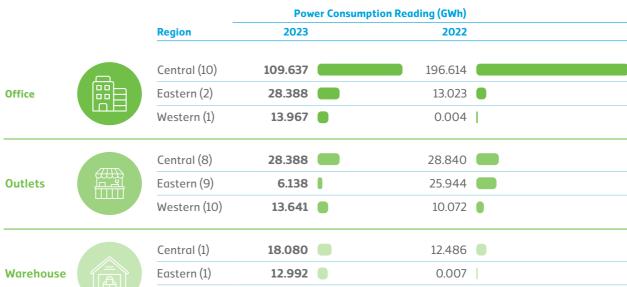
Electrical Consumption Baseline (SAR)

Mobily's cost of electricity use in technology
Year	Value
2023	55,803,889
2022	55,996,474
2021	53,452,235

Mobily's cost of electricity use in offices and warehouses
Year	Value
2023	4,257,074
2022	4,157,907
2021	4,690,804

Mobily's cost of electricity use in retail stores
Year	Value
2023	2,201,352
2022	2,158,052
2021	2,393,263

	Region	Power Consumption Reading (GWh)	
		2023	2022
Office	Central (10)	**109.637**	196.614
	Eastern (2)	**28.388**	13.023
	Western (1)	**13.967**	0.004
Outlets	Central (8)	**28.388**	28.840
	Eastern (9)	**6.138**	25.944
	Western (10)	**13.641**	10.072
Warehouse	Central (1)	**18.080**	12.486
	Eastern (1)	**12.992**	0.007
	Western (1)	**0.003**	0.003

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Mobily will continue to reduce its energy consumption and install electricity saving devices across its operations. The Company is also exploring renewable energy and other solutions to reduce its reliance on the grid, thus reducing its Scope 2 emissions, and contributing to the broader goals of Vision 2030 as they relate to energy.

CASE STUDY

Enhancing Telecommunication Connectivity with Renewable Energy

Overview

This case study details the modernization efforts undertaken at Cell Enhancer Site 8041, which took place from September 2022 to April 2023. The primary objective was to replace the outdated 2G wireless technology with advanced 4G capabilities and establish a sustainable power source utilizing solar energy.

Background

The locality of Cell Enhancer Site 8041 caused challenges, given the absence of a stable SEC power source for the existing 2G technology. The site needed a solution to enhance telecommunication wireless capabilities while minimizing reliance on traditional power sources.

Actions Implemented

1. Replacement of Wireless Technology:
- Switched from 2G to a combination of 2G and 4G (G9-L8 configuration)

2. Energy Efficient Products:
- Deployed dual-band Radio Remote Units (RRU) operating on 800 and 900 MHz, resulting in a 7-8% reduction in power consumption compared to the previous dual single-band RRUs
- Implemented HU start features, offering an additional 1-5% power savings

3. System Enhancements:
- Upgraded power systems to support higher demands, allowing up to 36KW for 5G integration instead of the previous 3.6KW
- Utilized high-density lithium batteries that required 2U of space instead of traditional 6.5U units, significantly optimizing space utilization
- Incorporated high-capacity solar panels, reducing the area required from 4 m2 to 2.5 m2 for solar infrastructure
- Introduced 3 levels of anti-theft measures: alarm cables, anti-theft slots and bolts, ensuring the security of the equipment

Outcomes

- **Increased stability:** The site retained availability for 3 continuous hours within the first 4 months of operation, demonstrating marked stability compared to sites reliant on conventional power sources
- **User growth:** Its modernization increased user capacity, accommodating approximately 20 additional users
- **Enhanced throughput:** The network achieved a steady throughput rate of up to 25 Mbits/sec, supporting increased data demands
- **Energy generation:** The solar installation generated an average of 25KW per day, while daily consumption was recorded at 21KW, demonstrating a surplus energy generation capacity
- **Cost savings:** By eliminating the need for diesel and generator systems, the site realized significant operational savings
- **Environmental impact:** The project contributed to a reduction of 28.5 tons of carbon emissions annually, equivalent to the environmental benefit of approximately 1,561 trees

Future Trials

The project team has outlined 2 planned trials for August and November 2024. These will focus on:
- Testing hybrid generator systems
- Testing hybrid generator systems combined with solar energy solutions

Conclusion

The modernization of Cell Enhancer Site 8041 showcases a successful integration of renewable energy with telecommunication advancements, leading to operational efficiencies, user growth and substantial environmental benefits. The project not only enhances the site's performance but also serves as a model for future technology deployments in similarly underserved areas.

Greenhouse Gas (GHG) Emissions

Emissions at Mobily

Restatement of Emissions

Mobily has tracked and measured its emissions for several years, given the rising importance of climate-related issues. For the 2023 reporting period, Mobily engaged an independent third-party to review its emissions-related disclosures and uncovered an incorrect allocation of Scope 1 and 2 emissions. Mobily acknowledges the oversight and corrects it in this report. Emissions are categorized as follows:

The meaning of emissions data

Scope 1

Direct emissions issued by sources that are owned or controlled by Mobily

Scope 2

Indirect emissions from Mobily's activities, from sources that are not owned or controlled by Mobily (e.g. purchased electricity)

Mobily's approximately 2,000 diesel generators are the primary source of its Scope 1 emissions, while electricity from the national grid is Mobily's main source of Scope 2 emissions. Mobily does not currently measure its Scope 3 emissions. The Company measures its emissions based on financial and operational control.

In 2023, Mobily improved its measuring systems, applying advanced smart meter technology at technical sites to monitor and manage energy consumption.

Replacement of Generators

In 2023, Mobily replaced a total of 470 old permanent and temporary generators with grid energy sourced from the Saudi Electricity Company (SEC). This transition will lead to several enhancements, including:
- Reduced greenhouse gas emissions
- Improved air quality
- Noise reduction
- Resource conservation
- Cost savings and increased efficiency

Additionally, 315 end-of-life permanent and temporary generators were replaced with new units. This replacement will contribute to:
- Further noise reduction
- Mitigation of oil leakage
- Additional reductions in GHG

Emissions from Premises and Commercial Outlets

Mobily calculates its GHG emissions on annual basis in line with international standards. Compared to 2022, the Company reduced its Scope 2 GHG emissions for offices, warehouses, outlets and technical buildings by 7.2% and emissions from diesel generators by 19%, contributing to a reduction in total Scope 1 and 2 emissions of 5.7% in 2023 compared to 2022. Mobily constantly evaluates its emissions, finding ways to optimize energy efficiency through improved controls.

→ Outlook

Mobily is developing a hybrid solution aimed at increasing the use of lithium batteries while reducing the operational hours of generators. This solution is currently undergoing final evaluation and is expected to be implemented in 2025. By adopting this initiative, Mobily aims to achieve a reduction in carbon emissions, depending on the number of lithium batteries deployed and the power consumption at each site.

Mobily is working on a GHG plan to reduce emissions in accordance with the overarching Vision 2030 objective of reaching net-zero by 2060. This will include mitigation strategies, an implementation plan and a framework for tracking progress against reduction targets, set against agreed local and global regulations and standards. The plan will also involve Stakeholders, to seek buy-in from all parties who can contribute to the Company lowering its emissions. The Company is also deliberating framework agreements with several vendors to supply "green farm" generators (solar, wind, power cube solutions).

Emissions (Tons of CO$_2$)

	2023	2022
Scope 1 Emissions	**171,786**	**211,497**
Diesel generators to network sites	169,567	209,271
Diesel generators to data centers and technical sites	2,219	2,219
Technical sites' vehicles*	6.6	6.6
Scope 2 Emissions**	**618,300**	**626,000**
Offices, outlets, warehouses and technical buildings (SEC)	151,300	163,000
Network sites (SEC)	467,000	463,000
Total Scope 1 and 2 Emissions	**790,086**	**837,497**

*Calculated based on operational travel by Mobily's employees.
**Calculated based on the International Energy Agency (IEA)'s global average data.

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WASTE MANAGEMENT AND CIRCULARITY

Approach

The Saudi Arabian Government, through Vision 2030, has articulated the need for the Kingdom to adopt sustainable resource management and encourage industries and businesses to reduce waste and promote a circular economy. In keeping with the aims of the Vision, Mobily has a comprehensive waste management process that covers the entire lifecycle of waste from collection to segregation, treatment and disposal. Through this process, Mobily ensures that waste is handled in an environmentally responsible manner. This approach not only minimizes the environmental impact of waste but also promotes resource conservation and reduces reliance on landfill disposal.

The Company has an agreement with the Saudi Investment Recycling Company (SIRC). SIRC is leading the Kingdom's circular economy drive, as per the Waste Management National Regulator Framework. Mobily is working with SIRC and aligning to their recommendations to promote the aims of a circular economy.

Mobily generated zero waste for technology, network and IT in 2023

In alignment with the principles of a circular economy, Mobily is giving preference to the purchase of electronic and electrical equipment that consists of disposable materials only. The Company is also working hard to include buyback deals with vendors, by which they take back obsolete equipment and recycle it through third-party recyclers. It should be noted that thanks in part to existing buyback arrangements with Ericsson, Nokia and Huawei, for 2023 Mobily generated zero waste for technology, network and IT.

IN TERMS OF TECHNOLOGY, IT AND NETWORK EQUIPMENT, IN 2023 MOBILY RECOVERED 14,800 MATERIALS, REUSING 674. 9,500 OF THESE MATERIALS WILL BE SCRAPPED AND 4,626 ARE TO BE REUSED IN 2024 AND 2025. IN 2023, THE COMPANY REUSED 360 MATERIALS FROM MATERIAL RECOVERED IN 2022.

Mobily recognizes the importance of data collection to manage waste. In 2023, Mobily developed a baseline for solid waste, from which it plans to reduce its waste in the coming years. Our baseline figures are as follows:

Waste Generated by Operations	2023
Wastepaper and single use plastics from offices	3,665 kg
Wastepaper and single use plastics from warehouses	26,350 kg
Old/used/damaged batteries, removed from technical buildings for recycling by third-party	23,074 batteries
Oil from technical buildings properly disposed of and recycled	1,664 liters

Mobily's products are mainly made from plastic, paper, microchips and copper.

Products and Materials	kg
SIM cards	54,000
Paper and cardboard	154,000
Batteries	884,190
Total	1,092,190

The Company actively engages with Stakeholders, including employees and contractors, to track waste. By collecting data on waste generation, Mobily gains valuable insights for its waste management strategies. Mobily has a centralized data repository from which it can generate a dashboard and reports for energy and environment inputs, thereby enabling better monitoring and management of resources.

All solid waste is properly managed and handled by a company authorized and certified by the National Center for Environment Compliance waste management. Disposal is properly managed by the third-party service provider for hazardous waste such as batteries and used oil.

Reduce, Reuse, Recycle

Mobily's general waste consists mainly of carton boxes, plastic cups, paper, tissues, sales items, plastic materials/adhesive and e-waste. Mobily applies the principle of the 3Rs (reduce, reuse, recycle) to these items, the ideal being to first reduce or reuse, and only recycle or throw away as a last resort.

The Company launched the Mobily Recycling initiative in 2023 to educate employees, Stakeholders and the wider community about the benefits of recycling, encouraging them to play their part at work and at home in the circular economy. Employees are encouraged to make use of the readily available indoor and outdoor waste recycling bins across the Company's 3 main regions.

In 2023, the Mobily Recycling initiative was responsible for a total of 2,615 kg of paper, plastic and metal waste being recycled

Mobily's warehouse uses a third-party company to handle waste management activities, including collection, segregation and treatment of waste. The service provider produces monthly reports for tracking and monitoring of performance on waste management.

Mobily has an agreement with a third-party contractor, authorized by the National Center for Environment Compliance, to manage the recycling and disposal of batteries from Mobily's technical buildings and data centers. The Company ensures that

In 2023, Mobily removed 23,074 obsolete batteries from its technical buildings

As part of the Mobily Recycling initiative, the Company held

22 **workshops, attended by**

565 **employees, where recycling was promoted.**

all hazardous waste, such as obsolete batteries, undergoes proper recycling processes off-site. In 2023, Mobily signed an agreement with Ericsson to recycle expired electronic devices, which will promote responsible waste management and environmental protection.

Mobily supports the CST's Recycle Your Device initiative, to encourage people to recycle their electronic devices. This initiative is part of the Company's commitment to environmental responsibility. In compliance with this program, the Mobily Mega King Abdullah Riyadh Flagship store provided an e-waste collection area, where Mobily staff and customers can drop off all types of electronic devices: e.g. mobiles, fixed phones, modems, printers, laptops and computers. Depending on the condition of the device, they are either repaired and donated to a needy family, or disposed of, according to environmentally safe specifications.

Mobily conducts various initiatives to reduce paper; the Company's Treasury department contributed to Mobily's ESG goals by digitizing the bank guarantee issuance process through an electronic portal. This digital transformation reduced paper consumption, ink usage and employee commuting, enhancing operational efficiency and lowering carbon emissions.

Key Performance Indicators	2023	2022	2021
Reduction of paper-based documents due to introduction of electronic procurement processes (approximate)	4,000	9,500	11,400
Number of electronically issued invoices	13,681	11,760	12,106
Number of digitally signed contracts	217	200	80
Number of electronic orders sent to suppliers	2,586	2,953	2,894
Number of suppliers that were trained in the electronic management of negotiations, orders and invoices	>500	>500	>500

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Mobily makes use of embedded SIMs (eSIMs) to reduce, and ultimately eliminate, the need for physical SIM cards, which are usually made of plastic. Reducing physical SIMs decreases demand for raw materials and reduces environmental impact. In 2023, Mobily generated 300,000 eSIM cards, which helped to reduce reliance on raw materials.

In 2023, Mobily procured the following for use by customers or other third parties:

Material	Product	2023	2022
Non-renewable	SIM cards	10,500,000	16,100,000
	Handsets	400,000	300,000
	Data terminals	100,000	100,000
	Scratch cards	29,000,000	60,000,000
Renewable	Scratch cards	29,000,000	60,000,000
	Paper, cardboard and packaging boxes (kg)	26,350	135,575

Buyback Deals

Mobily has established buyback deals to recycle expired electronic devices, emphasizing a commitment to sustainability and responsible electronic waste management. Under this collaboration, Ericsson, Nokia and Huawei are responsible for recycling equipment sold to the Company that has become obsolete. While no devices were recycled through these partnerships in 2023, as they will be recycled the following year, the buyback initiated at the end of the year included 70% electric materials and 30% obsolete materials. The actual recycling process is set to take place in 2024, marking the Company's commitment to responsible environmental stewardship in the telecommunications industry.

Vendor	Total Number of Buyback Assets in 2023
Nokia	281
Ericsson	42,560
Huawei	53,122

Environmentally Safe Hazardous Materials

Used Oil

Mobily has an agreement with a third-party contractor, authorized by the National Center for Environment Compliance, to manage the recycling and disposal of used oil from Mobily's technical buildings and data centers. In 2023, 1,664 liters of used oil from Melgah and Abha technical buildings were properly disposed of and recycled. On average, each site generates around 36-40 liters monthly of oil waste.

E-waste

E-waste refers to all items of electrical and electronic equipment and their parts that have been discarded. It includes a wide range of products – almost any item with circuitry or electrical components with power or a battery supply. In 2023, Mobily recycled 23,074 old/used/damaged batteries, which were removed from technical buildings across its operations.

In 2023, Mobily also discarded 116 items of the following: laptops, laser jet printers, small printers, computer monitors, CPUs, cables and other accessories.

The third parties who take on Mobily's e-waste follow the Responsible Recycling Practices (R2) Standard (Developed by the R2 Technical Advisory Committee), which is a widely recognized standard in the e-waste recycling industry that ensures recycled materials are handled in an environmentally and socially responsible manner.

→ Outlook

Mobily will continue to implement environmentally safe practices for managing hazardous materials, including e-waste and oil by-products. The Company's outlook focuses on developing innovative recycling programs and promoting the use of certified e-waste handlers to minimize environmental impact and promote responsible resource management.

WATER MANAGEMENT

Approach

Mobily is dedicated to responsible water management and conservation practices and ensures compliance with national water regulations. It sources all its water from the National Water Company (NWC) and discharges it into the NWC sewerage pipeline. Mobily monitors its water consumption monthly by reviewing its NWC invoices thereby using it as a tracking system to assess its water usage and performance.

Performance

Mobily has implemented a comprehensive water saving program that includes installing water saving fixtures such as reducers in toilet and kitchen facilities, and water saving spray faucets for handwashing taps. These specially designed controls help minimize water consumption while maintaining functionality and user experience. The water leak detection sensors, installed in some of our buildings, help to find leaks for speedy repair.
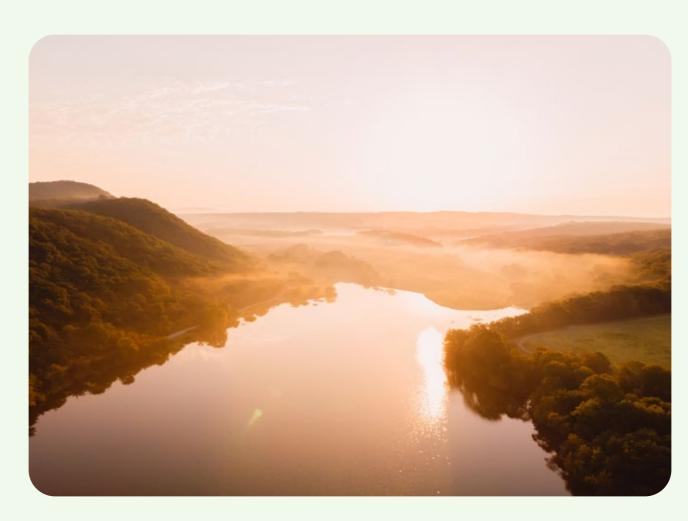
In 2023, based on billing statements from the NWC, Mobily's total water discharge was 11,508 m3, with a total water consumption of 23,015 m3.

2022	2023
22,610 m3	23,015 m3

Given the increase in Mobily's operations and financial results, a marginal increase in water consumption is unsurprising. However, Mobily will continue exploring ways to steward water effectively.

→ Outlook

Mobily is committed to promoting sustainable water use across its operations through its comprehensive water-saving program. The Company will continue to implement various initiatives, including the installation of water-saving fixtures for offices and operational areas. The Company recognizes that water is a vital resource to be safeguarded for future generations and will continue to find ways to use it more efficiently.

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OUTLOOK

As Mobily advances in its environmental sustainable journey, the Company is faced by challenges. These include the increasing demand for accurate data and how to access it, ensuring that our Stakeholders truly engage with the process and overcome the lack of awareness or understanding of the importance of the environment to Mobily, and effectively incorporating environmental issues into our decision-making processes. These challenges are not unique to Mobily, but we are determined to keep improving and, in doing so, challenge and lead the sector in safeguarding the natural environment.

Mobily is committed to promoting sustainability internally through a comprehensive approach to construction and operations. The Company is drafting a policy for sustainable construction that mandates the use of renewable

and recyclable materials in any new Mobily building. This initiative aims to create eco-friendly structures that minimize waste and emissions.

In addition to sustainable construction, Mobily is developing a Sustainability Engagement policy. This policy will require all relevant Stakeholders – employees, contractors, customers and suppliers – to adopt sustainable practices and actively drive sustainability initiatives.

To assess its environmental processes, Mobily is conducting an external audit that will evaluate quantitative indicators and develop a roadmap for managing e-waste. This effort will also include an environmental impact assessment focusing on waste generation, water consumption and water discharge. Specific targets for this sustainability initiative include reducing paper usage and decreasing the generation of single-use plastics. Mobily also
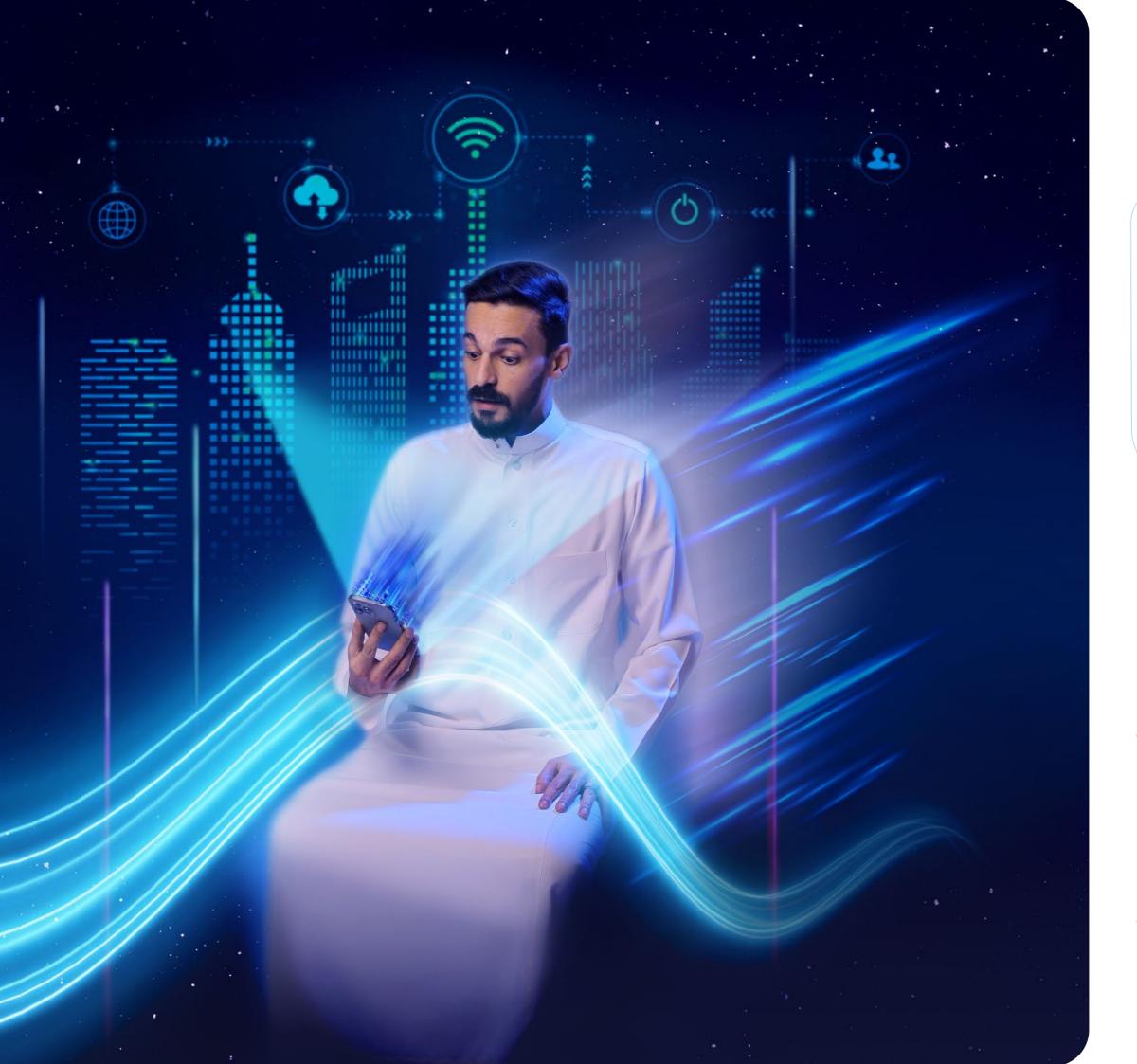
aims to implement year-on-year reductions in office waste, such as plastic cups, tissues and paper.

In 2024, Mobily will develop a Greenhouse Gas (GHG) Plan, which will set targets for carbon reduction, identify initiatives to achieve these targets, and designate key Stakeholders responsible for implementation. As 2024 unfolds, Mobily plans to further enhance its sustainability efforts by deploying renewable energy sources, including the installation of rooftop solar panels to generate renewable electricity for its operations, thereby reducing reliance on the national grid.

Additionally, Mobily aims to achieve certification for ISO 50001 (Energy Management Systems) and ISO 14001:2015 (Environmental Management Systems) in the near future, reinforcing its commitment to sustainability and environmental stewardship.

04

MARKETPLACE AND CUSTOMERS

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Customers are the most important Stakeholder group; their trust translates into the economic value that supports all operations and drives financial and non-financial impacts. The Company is committed to delivering top-quality products and services, expanding its footprint and ensuring a robust telecommunications network that supports the Kingdom's economy.

HIGHLIGHTS

84%+
Achieved 5G coverage for **over 84% of residents** in the Kingdom's 7 main cities

850
new sites added to the 5G network

205
fiber coverage increased by **205 new sites**

99
TRI*M score (to assess customer satisfaction and loyalty) increased from 96 to 99

Best Customer Experience Award 2022 at the ICT Indicators Forum, hosted by the CST

6%
Growth of **FTTH base** by almost 6% YOY

The Saudi Standards, Metrology and Quality Organization (SASO) issued Mobily with a **Quality Certificate (Hayyak) for Beneficiary Service Centers**

Zero
data and information security breaches in 2023

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DIGITAL INNOVATION

Approach

The Company is a key driver of digital transformation in the Kingdom, enhancing network quality and range, and improving services for customers, while lowering costs. This leads to new opportunities for both personal and business growth.

Mobily is playing an important role in helping Saudi Arabia diversify its economy, "driving growth in new industries, attracting investment, and providing entrepreneurs with the tools for success" as the Vision expresses it. As an enabling partner, Mobily is committed to the cause of helping the Kingdom build a thriving and sustainable digital economy. This will be best achieved by Mobily delivering on its mission to be a leading TMT player in the region. Key growth areas for Mobily include product differentiation, market segmentation and digital development.

Please refer to page 49 of the Annual Report for a detailed description of our strategy.

Protect consumers and ensure the provision of quality services
In the past 2 years, Mobily has been at the forefront in the sector for customer experience and satisfaction. In line with Mobily's new strategy, the Company emphasized the importance of the customer experience.

Promote investment and competition
Mobily's diversified investment strategy aligns with its aspirations to evolve into a TMT company.

Enable digitalization of Saudi Arabia
Mobily's new strategy involves expanding its digital offerings for both B2B and B2C segments. This includes positioning itself as a one-stop-shop for digital products tailored to the needs of SMEs.

Achieve regulatory excellence and enhance organizational effectiveness
Mobily's new strategy broadens the concept of CX (customer experience) to TX (total experience), indicating the Company's commitment to satisfy all its Stakeholders, including regulators.

Network Infrastructure

Mobily contributes greatly to the network infrastructure that underpins the Kingdom's digital services. Mobily's network provides more than 98% of the Kingdom's population with 3G and 4G coverage. Its advanced 5G network covers 52 cities with over 5,900 5G sites, giving over 84% of the population in Saudi Arabia's 7 largest cities 5G access. Mobily's expansive network, including long-distance, metropolitan and fiber network infrastructures, spans 60,670 km, connecting all major Saudi cities.

Mobily also plays its part in supporting digital infrastructure for the region, operating an extensive international gateway, supported by overland and submarine cables, in partnership with a range of global partners. International gateway destinations include Egypt, Jordan, Iraq, Kuwait, Bahrain, Qatar, Yemen, India, Singapore, the wider Asia Pacific region, the USA and Europe.

Mobily delivers solutions for national and international carriers, internet service providers (ISPs), hyperscalers (companies that operate large-scale cloud computing services and data centers), over-the-top (OTT) media platforms such as streaming services, cloud providers and enterprises.

Mobily boasts a robust network infrastructure, including:

5 submarine cables
(SEA-ME-WE-6, Africa-1, AAE-1, TGN-Eurasia, and TGN-Gulf)

4 strategic landing stations

12 points of presence

Additionally, Mobily operates 15 tier-certified data centers with a total capacity of 122 MW, serving top-tier cloud providers and international carriers.

Fintech Innovation

Etihad Fintech Company, known as Mobily Pay, was launched in October 2022, and is an important sub-brand for Mobily that testifies to the Company's fintech ambitions. Mobily Pay offers a digital e-wallet with various functionalities: e.g. card payments, wallet-to-wallet transfers, local and international bank transfers, bill payments and gift sending. Such fintech innovations contribute to the development of Saudi Arabia's digital economy, supporting digital transformation and financial sector advancement in the Kingdom and in the region.

In its first full year in operation, the Mobily Pay app achieved a 4.7/5 customer feedback score in app stores; a remarkable achievement. In 2023, Mobily Pay focused on increasing brand awareness and gaining market share to support Mobily's strategy for new revenue growth. The platform also worked to enhance customer lifetime value by leveraging Mobily's non-core services. In 2023, and specifically at LEAP International Technology Conference, Mobily signed multiple strategic partnerships with public and private organizations to expand Mobily Pay's capabilities and market reach. Mobily Pay's MoUs and partnership agreements include the following:

MOBILY'S EXPANSIVE NETWORK, INCLUDING LONG-DISTANCE, METROPOLITAN AND FIBER NETWORK INFRASTRUCTURES, SPANS 60,670 KM, CONNECTING ALL MAJOR SAUDI CITIES

HUAWEI
Huawei
Huawei is including Mobily Pay on the app gallery to provide customers with easier access

Charity Orphans Care Foundation (Ekhaa)
Mobily Pay provided this charity with a new wallet donation option

SDAIA
Saudi Authority for Data and Artificial Intelligence
Mobily Pay is collaborating with them on facilitating donations and boosting social responsibility

ERICSSON
Ericsson
Mobily Pay is working with Ericsson to develop new products and services, improve project efficiency, and better manage multiprocessor data applications

Bitaqaty
Bitaqaty
Providing commercial voucher services to promote e-commerce

Mozn
Mozn
Enhancing Mobily Pay's security features and fraud detection

surepay
SurePay
Providing innovative financial services and solutions to enhance the national digital economy

Abyan Capital
Abyan
Providing innovative and safe robo-investment

Mobily Pay stands out by providing secure, efficient everyday payments with competitive fees. Key features include multi-language support, scheduled transfers, utility bill payments and instant money transfers using the Instant Payment System (IPS). It has also launched a valuable cashback rewards program for prepaid cards and introduced the Qattah Split Payment feature that allows customers to share expenses. Further features include convenient payments for charitable donations, an important consideration given the Company's commitment to social sustainability.

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Performance

Mobily expanded its data center capacity and partnered with Equinix, the world's largest global data center and Internet Exchange platform provider, to strengthen its position in the global internet market. Such accomplishments are key to Mobily's digital goals, including infrastructure optimization, saving on international direct dial traffic, expanding submarine cable capacity and generating additional revenue through network sharing. These goals support Mobily's vision of establishing a digital hub that connects both domestic and international markets.

Mobily's partnership with Equinix allowed the Company to establish a full carrier-neutral Internet Exchange (IX) in the JED1 data center facility. This traffic gateway connects the Kingdom, Europe, Asia and Africa, and improves the peering ecosystem in the region. The JED1 data center also functions as a network-dense and neutral interconnection hub, which makes a compelling commercial case for global and regional internet service providers (ISPs), operators, over-the-top services and platforms (OTTs), content providers and enterprises to land and peer in Jeddah.

The Company modernized its Fiber-to-the-X (FTTX) network to support speeds up to 10G. It also launched a 1G package and extended coverage to 60,670 kilometers. The Communications, Space and Technology Commission (CST) awarded Mobily coverage for 451 zip codes.

According to the latest Opensignal Report, Mobily's average mobile internet download speed improved to 38.0 Mbps in 2023; with an average mobile 5G speed of 210.9 Mbps. With reduced network latency, Mobily ranked #1 in download speeds for 3 gaming platforms: PlayStation, Xbox and STEAM. Based on the CST's fourth quarter Game Mode Report, Mobily also

led in speeds for 11 out of the 16 most popular games, including FIFA, Call of Duty and PUBG. Furthermore,

MOBILY RECORDED THE LOWEST LATENCY FOR 2 POPULAR SOCIAL MEDIA PLATFORMS IN SAUDI ARABIA

The latency was 25 milliseconds (ms) for X, 14 ms for Snapchat and 5 ms for both Instagram and Facebook.

In 2023, to capitalize on the growing Saudi Arabian gaming industry, which is expected to reach USD 1.3 billion by 2025, Mobily expanded its gaming services. The Company launched an e-sports and gaming portal called Mobily Gamers, creating a one-stop hub for participants to play and watch games. It offered gaming bundles that allowed users to enjoy unlimited usage of a variety of popular games. It also sold gaming devices on its e-Shop platform, where customers can find the latest and top gaming products.

The Customer Value Management (CVM) initiatives resulted in a 5% reduction in prepaid consumer churn compared to 2022. The Company also achieved a 6% increase in prepaid recoveries, contributing significantly to base growth in 2023. In its goal to digitize and automate 100% of internal and external processes by 2025, Mobily achieved 61% of this by the end of 2023.

Mobily successfully orchestrated the migration of customers from prepaid to postpaid, contributing to the growth of the postpaid customer base. It also reduced postpaid consumer churn by 4% year-on-year.

The Company harnessed the power of machine learning to develop a proactive, predictive model for prepaid customer dormancy periods, achieving

3X GREATER ACCURACY THAN TRADITIONAL METHODS

This innovation showed how cutting-edge technology can enhance customer insights.

During the Hajj season, the Company employed artificial intelligence (AI) and digital twin technology to improve network performance.

500+
AI operations

76%
fewer malfunctions

99.7%
customer satisfaction with the quality in VoLTE services

99.4%
customer satisfaction with the quality of internet browsing services

Through AI-driven statistical modeling, Mobily increased digital recharge for prepaid users by 42% in Q3-2023 compared to Q2-2023. This boosted customer convenience and produced savings in sales commission for recharge cards.

The Company also improved credit risk assessments for postpaid customers by developing a new scoring system. This innovative approach led to a large decrease in the customer default rate, contributing to financial sustainability and responsible risk management.

In terms of the customer experience, there were various performance improvements in 2023:

Re-established the Emergency Credit service and transformed the International Credit Transfer service

Launched Mobily Gamers, an e-sports and gaming portal, to foster engagement and growth within the dynamic Saudi Arabian gaming industry

Implemented a permanent 50% discount on monthly postpaid subscriptions for customers with special needs

Enhanced customer support services (using chatbot), boosting platform transactions by 43% compared to 2022

Analyzed customer calls, leading to targeted initiatives like app upgrades, streamlined bill issuance and enhanced Interactive Voice Response (IVR) functionality, reducing call center inquiries

Launched the Total Experience program, solidifying Mobily's leadership in customer experience

Powered customer-centric digital transformation with chatbot enhancements, application processing interface (API) services, eSIM improvements and self-service options

Introduced AppleCare+ support for a wider range of Apple devices, providing additional protection and peace of mind for customers

Introduced a Customer Experience Management (CEM) platform

SUCH INITIATIVES HAVE LED TO A 40% DECREASE IN CUSTOMER COMPLAINTS

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In addition, Mobily's indicators for the CST service level agreements also improved markedly compared to 2022. Mobily continued to partner with established vendors such as Ericsson, Nokia and Huawei to develop solutions for 5G. The Company also partnered with Huawei to provide integrated IoT solutions as well as intelligent customer experience management.

Certificates and rewards relating to customer excellence include:

Saudi Standards, Metrology and Quality Organization (SASO) issued Mobily with a Quality Certificate (or Hayyak) for Beneficiary Service Centers (a first for a Saudi Arabian telecommunications company)

Leadership in Excellence Award for Development (LEAD) for Customer Experience Excellence

Best Customer Experience Award 2022 at the ICT Indicators Forum, hosted by the CST

TRI*M Index rating of 99 (96 in 2022) for customer satisfaction*

ISO Certificate for Customer Service

Local Content Certificate for the fourth consecutive year

Mobily obtained certification for the following data centers from Uptime Institute Certified Gold, proving that they demonstrate a high level of operational performance and reliability:

- **Fursan Data Center:** Tier III
- **Melgha 2 Data Center Ground Floor:** Tier IV, which is the highest tier
- **Jeddah 2 (FAYHA) Data Center – 4th Floor:** Tier III

⊕ Outlook

Looking ahead, Mobily will continue to prioritize digital innovation to better serve its customers, with a specific focus on enhancing its network infrastructure, analytics and data centers.

In 2024, Mobily Pay plans to evolve its product offerings to attract a broader audience, including youth, teenagers and domestic workers. The app will enhance the customer's experience to become the most convenient and rewarding digital wallet, while also investing in AI-based fraud detection and prevention systems.

In terms of infrastructure improvements, Mobily is developing 2 new international cables, expected to be operational by 2025. In the year ahead, Mobily will continue its strategy to future-proof its technology. Building on its previous strategy, Mobily's new approach prioritizes core services and system integration, contributing to Saudi Vision 2030's goal of transforming the Kingdom into a digital hub. In 2024, Mobily will continue to extend its national network,

including the rapid acceleration of its 5G network and expansion of 4G. It will increase its data core by expanding mobile broadband, fixed broadband and Voice over Long Term Evolution (VoLTE). It will also implement spectrum re-farming, and enable new capabilities such as international gateway modernization, 5G standalone deployment and 5G private network, and slicing proof of concept and testing. Finally, Mobily will increase the use of AI and automation across its network to stay ahead of global and regional technology trends.

The Company's proactive strategy in promoting the digital economy establishes it as a reliable partner in the ongoing growth and development of Saudi Arabia's digital landscape. Mobily has specifically outlined the following goals:

- Enhancing the Company's digital maturity index score to 3 out of 5 by 2024
- Digitizing and automating 100% of internal and external processes by 2025
- Reducing business support system operating expenses by 30% by 2027

MOBILY WILL INCREASE THE USE OF AI AND AUTOMATION ACROSS ITS NETWORK TO STAY AHEAD OF GLOBAL AND REGIONAL TECHNOLOGY TRENDS

*TRI*M, developed by consulting firm Simon-Kucher & Partners, is a tool to assess customer satisfaction and customer loyalty

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DATA PRIVACY, SECURITY AND PROTECTION

Approach

Mobily complies with CST regulations and the Personal Data Protection Law in terms of collecting personal data and protecting the rights of data subjects. As per the Saudi Arabian Telecommunication and Information Technology Act (Article 23), telecommunications companies cannot disclose user information without consent. The Saudi Telecommunication Act Bylaws (Articles 58 and 59) also emphasize user privacy and confidentiality, restricting data collection, processing or disclosure without consent. Prior to launching any service based on customer data, Mobily, as per legislation, performs a Privacy Impact Assessment (PIA) as regulated by the CST. The PIA's verification results are documented and submitted to the CST for approval who must approve it before the service provider can launch the service. In adherence to CST regulations and Personal Data Protection Law (PDPL) requirements for data monetization, Mobily does not sell customers' personal data to third parties. Mobily was recently acknowledged by the CST for its compliance with data privacy regulations.

Mobily's comprehensive Information Security Policy aligns the Company with international standards such as PCI-DSS, ISO27001, ISO27011, ISO27017, ISO27018, ISO27032, CSA Star and ISF, and stringent local regulations from the National Cybersecurity Authority (NCA) and National Data Governance Interim Regulations (NDMO). The policy covers all information and assets associated with information processing facilities of Mobily and its subsidiaries, and it is applicable to all their employees and contractors. It outlines a robust framework for implementing and maintaining effective security measures to safeguard against potential threats and vulnerabilities; a vital defense mechanism against cyber risks that could undermine Mobily's operations and tarnish its reputation. Mobily also uses cutting-edge technologies and methodologies for data protection, coupled with regular audits on its cybersecurity management system.

Mobily is committed to upholding the privacy of its customers' data, as outlined in its Privacy Policy. The Privacy Policy applies to all of Mobily's business divisions and subsidiaries. This policy offers a thorough overview of how the Company manages personally identifiable information gathered from users and visitors. It acts as a guideline for the appropriate handling, storage and protection of customer data in compliance with relevant privacy regulations and best practices. Mobily has KPIs across relevant divisions of the Company to ensure compliance with privacy and security commitments.

Mobily's Data Privacy Policy contains clear provisions regarding data collection and usage. The policy clearly delineates the purposes of collecting personal information, the methods employed to gather it, and the Company's approach to third-party interactions. For example, the policy specifies that personal information is collected to address inquiries, deliver products and services, and inform customers of new offerings. Furthermore, it clarifies that non-personal information may be used to personalize content but is not linked to personal data.

The policy also outlines the mechanisms through which both types of data are collected. Personal information is gathered via channels such as website visits, calls and social media interactions. Non-personal information is collected through means such as operating system type and version, and cookies.

To safeguard data privacy, Mobily's policy limits third-party access to personal information. Only trusted partners involved in operations or service provision are granted access, and they are bound by confidentiality agreements. Moreover, the policy stipulates that Mobily may disclose personal information to judicial authorities upon legal request, adhering to applicable Saudi Arabian laws.

Personal data is handled with care, limited to necessary and legitimate use. Any non-compliance with information security policies is promptly reported and tracked. A formal disciplinary action process with correct and fair treatment shall be defined against any information security breach and non-compliance to information security policies and standards. Mobily also invests in educating all users, including employees, contractors and third-party users, to protect sensitive information.

View Mobily's Privacy Policy here

Security controls have been integrated into every step of the information lifecycle, including creation, classification, storage, usage and destruction by Mobily, to strengthen data protection safeguards. The procedures in place help to reduce potential risks and guarantee that client data is kept confidential, intact and readily available.

In addition, Mobily uses a variety of security measures to strengthen its data privacy processes, including encryption, truncation, masking and hashing. These safeguards give another degree of security against misuse or unauthorized access to sensitive data.

Mobily has implemented a robust incident management process to address data security breaches promptly and effectively. The Company has a dedicated Incident Response team, responsible for handling information security incidents and taking necessary actions to contain and resolve them quickly. The team follows best practices and works diligently to minimize the impact of incidents and reduce the likelihood of future occurrences. Through this process, Mobily ensures timely reporting, analysis and response to security incidents, thereby enhancing its overall security posture and maintaining the trust of its customers.

MOBILY USES CUTTING-EDGE TECHNOLOGIES AND METHODOLOGIES FOR DATA PROTECTION, COUPLED WITH REGULAR AUDITS ON ITS CYBERSECURITY MANAGEMENT SYSTEM

Cybersecurity Strategy

In 2023, Mobily launched a new cybersecurity strategy (RESILIENT) for the period 2023-2027. RESILIENT builds on the successes of the preceding strategy (GUARD) and is aligned with the Company's vision.

The strategy is built on the following pillars:

R	Forging a **reliable** digital shield	Improving Mobily's cybersecurity capabilities for the protection of digital landscape.
E	Striving for cybersecurity **excellence**	Following a clear path to create a safe, secure and resilient environment for Mobily. This will enable Stakeholders at all levels to work together to improve the cybersecurity capabilities for safeguarding Mobily.
S	**Safeguarding** business interests and brand value	Ensuring the security of all services offered to customers and safeguarding their information, thereby enhancing the trustworthiness of our brand value.
I	**Improving** brand value	Innovating cybersecurity capabilities to safeguard the Mobily business, thereby increasing brand value.
L	**Leading** the way towards a safer digital future	Pioneering the cybersecurity program or path to a more secure digital future.
I	Leveraging **intelligence** for deeper cyber resilience	Utilizing intelligence to enhance cyber resilience on a deeper level.
E	**Ensuring** secure business and digital growth	Ensuring the security of all services offered to customers and digitizing all their information.
N	**Nurturing** cyber talent and promoting cyber awareness	Fostering cybersecurity skills, enhancing employees' cybersecurity skills and upgrading Mobily's cyber awareness program.
T	Ultimately become a **trusted** enabler for a secure digital world	Ultimately establishing Mobily cybersecurity as a reliable facilitator for safeguarding the digital world.

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This forward-looking strategy involves building a "cyber resilient" network, a highly skilled cyber workforce and robust compliance measures. It emphasizes continuous improvement and adaptability to the evolving cybersecurity landscape, allowing Mobily to explore new revenue opportunities through secure digital offerings.

MOBILY'S PRIVACY POLICY GIVES CUSTOMERS THE RIGHT TO ACCESS, RECTIFY AND DELETE THEIR DATA. THEY CAN EXERCISE THESE RIGHTS AND WITHDRAW THEIR CONSENT BY CALLING 1100

Security Training and Awareness

Mobily's Security Awareness strategy involves educating employees in data privacy, cybersecurity (e.g. phishing attacks) and information security.

Mobily's Cybersecurity Awareness program ensures employees and contractors are aware of new security threats and have the required knowledge to deal with them. The program follows a cyclical approach of assessing, educating, reinforcing and measuring improvements. Various security topics are covered, including safe social networking, social engineering, phishing, workplace security and password security. It is available for all employees and contractors and shared through interactive videos, assessments, phishing simulations, emails and posters. Awareness programs are conducted in Arabic and English.

Security Awareness Program Highlights in 2023

12
sessions

~9,000
employees

The Company also offers cybersecurity awareness campaigns aimed especially at employees working from home, noting the importance of cybersecurity measures and the protection of sensitive data for remote working environments.

Furthermore, the Company adopted several initiatives to reinforce its workforce's knowledge in 2023. It conducted a survey to assess employee awareness and identify areas requiring attention to improve overall company security posture. It also conducted an intellectual property workshop covering patents, trademarks, copyrights and trade secrets, providing employees with valuable insights for protecting company assets.

Cybersecurity Steering Committee

Mobily's Cybersecurity Steering Committee (CSSC) consists of the Heads of all units within the Company, including the CEO, and is responsible for evaluating and enhancing Mobily's cybersecurity program based on industry best practices and emerging regulations. The CSSC has several key objectives, such as establishing governance protocols with internal Stakeholders to align the cybersecurity strategy, programs and corporate policies.

The CSSC also oversees issues of confidentiality, integrity of information, availability of information, data and customer privacy. One of the Committee's critical responsibilities is to ensure compliance with government mandates concerning cybersecurity.

In addition to the CSSC, Mobily has an Operational Cybersecurity Steering Committee. This Committee consists of members from each unit and Heads of the Cybersecurity departments. Its responsibilities include reviewing cybersecurity findings from external audits, discussing remediation plans for internal cybersecurity audit findings, and reviewing security vulnerabilities and non-compliance results to recommend appropriate actions.

Incident Response

Mobily employs a comprehensive approach to breach prevention and incident response, underpinned by a dedicated Incident Response (IR) team comprised of expert professionals. This team is equipped with the tools and processes to address data breaches or leakages. Additionally, a specialized Cyber Threat Intelligence (CTI) team utilizes a suite of advanced on-premises and cloud-based intelligence resources to stay abreast of potential data breaches or leakages. To enhance internal monitoring and detection capabilities, Mobily utilizes network detection and response (NDR) and data loss prevention (DLP) technologies. Together, these resources ensure that Mobily maintains robust defenses against cyber threats.

Partnerships for Improved Information Security

Mobily pursues partnerships that will improve information security for the Company and the industry at large. Such partnerships include various agreements signed at the Black Hat Middle East and Africa, a leading cybersecurity conference, held in Riyadh:

Partner	Objectives	Impact on Mobily
AppSec	Collaborate on IoT security solutions, including penetration testing and API security solutions.	Mobily engaged with customers to understand market demand for application security, customizing their offering and establishing a go-to-market plan. AppSec educated the Mobily sales and pre-sales teams about application security and the strategies for planning and selling to targeted customers.
Alinma Bank	Collaborate on a roadmap for cybersecurity solutions, and on a Managed Security operation Center (MSoC).	Mobily engaged on a solution for the development of a roadmap to offer cybersecurity solutions over the coming years. The Company started with a Managed Security operation Center (MSoC) offering and conducted multiple meetings to assess requirements.
Trend Micro	Aims to enhance collaboration in providing Managed Security solutions. The MoU's objectives include planning and hosting security solutions in Mobily's data centers, providing cloud security solutions, providing managed extended detection and response (XDR), and collaborating in launching joint PR and marketing campaigns.	Mobily is engaging on 2 issues: the first one aims to build a local TrendMicro node in the Mobily Data Center; the second is for cybersecurity opportunities with Mobily customers. Mobily sees substantial potential for Trend Micro solutions within the education sector.
Netskope	Aims to enhance collaboration and development of partnerships in the field of cybersecurity. The MoU's objectives include strengthening partnerships in providing Secure Access Service Edge (SASE) and collaborating in hosting solutions and data centers in the region.	Mobily had several customer engagements. The Company started the discussion to build a local Netskope node in the Mobily Data Center, and had meetings with Netskope's top management to discuss collaboration areas including account mapping.
Emircom	Aims to collaborate on the next-generation managed Security Operation Center (SoC). The MoU's objectives include hosting cybersecurity solutions in the Mobily cloud, building capabilities in the management of cybersecurity events and information, and providing a next-generation managed SoC as a service.	Mobily successfully engaged with numerous customers in banking and education, among others. Emircom established a SoC facility in Riyadh to provide services to Mobily customers.
Saudi Paramount Computer Systems (SPCS)	Aims to collaborate in the development and design of cybersecurity solutions. The MoU's objectives include designing of and consulting on cybersecurity solutions, and developing and supporting cybersecurity solutions.	SPCS provides cybersecurity services, which includes the international certificate required to keep licensing and services offered to customers and tenants.
CyberArrow	Aims to collaborate on developing and digitizing Governance, Risk and Compliance (GRC) with AI. The MoU's objectives include GRC being hosted in the Mobily cloud as well as compliance with the regulations.	CyberArrow will play a major role in new vendor and third-party onboarding. It will ensure that cybersecurity controls are implemented at the early stage of any engagement to reduce the emerging risks associated with third parties.

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Vulnerability Management

The Cybersecurity division at Mobily is responsible for managing vulnerability processes for the Company's information systems, which includes identifying, assessing, prioritizing, remediating and monitoring known vulnerabilities.

Prior to deploying new systems, the Cybersecurity function performs a thorough vulnerability assessment, establishing minimum baseline security standards. The function ensures ongoing security of Mobily's systems, with regular vulnerability scans conducted internally and externally, quarterly or more frequently depending on the need. To do so, the Company uses tools such as Qualys, a cloud-based security and compliance provider, along with other automated vulnerability scanning tools.

Mobily divisions are responsible for reviewing their own remediation activities and conducting additional scans to verify their effectiveness. The Company has implemented tools and systems such as malware protection to monitor cybersecurity, as recommended by the National Cybersecurity Authority (NCA); e.g. the Security Information and Event Management (SIEM) tool, which detects cybersecurity occurrences. Additionally, Mobily deploys a malware protection program to safeguard Mobily's information and systems.

Through these measures, Mobily effectively manages vulnerabilities, strengthens its cybersecurity defenses and responds promptly to threats. The Company's commitment to regular vulnerability scans, its adoption of advanced security tools and its collaboration with the NCA is testimony to its dedication to maintaining a secure and resilient information infrastructure.

Asset Identification

Vulnerability Scanning

Vulnerability Reporting

Vulnerability Remediation

Data Breach Response Plans

Mobily's data breach response plans address both data breaches and unintentional data leakages. As part of its proactive measures, the Cyber Threat Intelligence (CTI) team proactively conducts monitoring and detection, while the Vulnerability Assessment and Penetration Testing (VAPT) team conducts regular assessments to identify vulnerabilities timeously. In terms of reactive measures, the plans include robust incident response protocols and CTI actions to swiftly manage and mitigate the effects of any data breaches, ensuring a comprehensive defense mechanism is consistently maintained.

Data Governance

Mobily's Cybersecurity Steering Committee (CSSC), which involves Mobily's CEO and C-Suite level, reports security risks to the Board of Directors as required. All new suppliers and partners need to comply with the policy before contracting; existing suppliers are part of the regular compliance program.

Mobily's Data Governance Office (DGO) ensures the security and privacy of the Company's data. This department steers data management for Mobily, in the interests of compliance and efficiency and in accordance with Mobily's Data Governance Policy, which aims to improve oversight, guidance and quality of data, across people, processes, technology and governance.
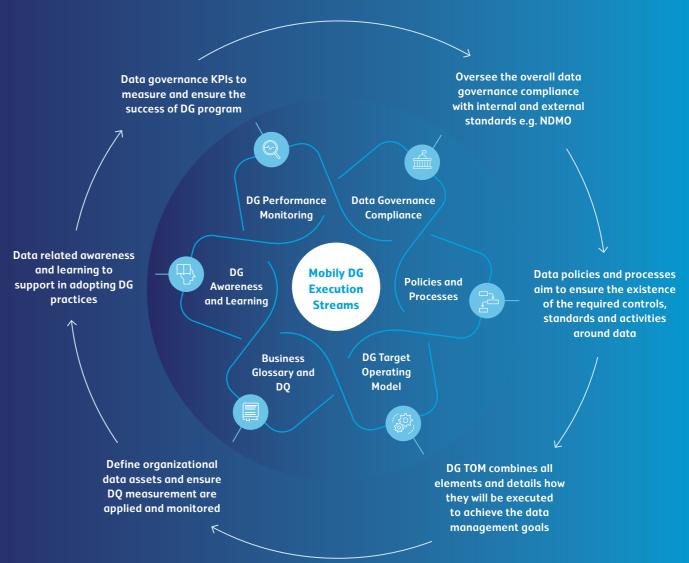
The policy applies to all Mobily units, employees, contractors, consultants and applications. It is guided by compulsory principles to support the improvement of managing and securing data at Mobily, with a scope covering all processed and/ or controlled data by Mobily on its systems, through any communication channel.

MOBILY'S INFORMATION SECURITY POLICY IS ENDORSED AND APPROVED BY THE BOARD. ITS INFORMATION SECURITY SYSTEMS ARE AUDITED INTERNALLY AND EXTERNALLY AT LEAST ONCE A YEAR

Mobily conducts data governance training courses for employees, which includes topics such as data security and compliance, data stewardship (assigning responsibilities for managing data) and data handling practices. The Company also conducts awareness sessions across all units to share the latest trends in data governance, and the importance of personal data protection.

In compliance with the local Telecommunications Act, Mobily does not disclose user information without the user's consent and emphasizes user privacy and confidentiality and restriction of data collection and processing. When data is requested by trusted third parties, the DGO follows a strict process of checking the legalities and cybersecurity risks of the request, as well as ensuring the internal data owner gives approval, and that for personal data, consent is given and PII masking controls and minimum required data are applied for the task.

MOBILY IS COMMITTED TO PROTECTING THE PRIVACY OF ITS CUSTOMERS AND OTHER INDIVIDUALS BY ADHERING TO THE SAUDI PERSONAL DATA PROTECTION LAW (PDPL) PRINCIPLE OF "DATA MINIMIZATION," WHICH ENSURES THAT ONLY NECESSARY DATA IS COLLECTED AND PROCESSED. WHEN THIRD PARTIES PROPOSE TO SHARE DATA WITH MOBILY IN THEIR CONTRACT DRAFTS, MOBILY ACCEPTS THE ADHERENCE TO PDPL REGULATIONS.

Data governance KPIs to measure and ensure the success of DG program

Oversee the overall data governance compliance with internal and external standards e.g. NDMO

Data related awareness and learning to support in adopting DG practices

Data policies and processes aim to ensure the existence of the required controls, standards and activities around data

Define organizational data assets and ensure DQ measurement are applied and monitored

DG TOM combines all elements and details how they will be executed to achieve the data management goals

DG Performance Monitoring

Data Governance Compliance

DG Awareness and Learning

Mobily DG Execution Streams

Policies and Processes

Business Glossary and DQ

DG Target Operating Model

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Auditing and Compliance

Mobily strictly adheres to all data privacy, security and protection laws, and specifically to the Saudi Arabia Personal Data Protection Law. The Company's Internal Audit division conducts regular audits on its data privacy and security management and control system. The Kingdom's relevant regulatory authorities (the NCA and the CST) conduct external assurances.

Mobily's Approval Certificate of the Work Regulation, approved by the KSA's Ministry of Labor and Social Development, formally defines disciplinary action procedures for information security breaches and non-compliance with information security policies and standards. During 2023, the Company continued to work closely with concerned parties in the Kingdom to protect minors from internet misuse and inappropriate content. The solutions for this scourge include web filtering and reporting channels. Mobily has a web security service for overall content protection, and it partners with the Saudi Federation for Cybersecurity to detect bugs.

Performance

Mobily's information security management systems certifications cover and are implemented across 100% of Mobily's operations. Mobily aimed for a zero-incident status in 2023, and succeeded in meeting this, containing all attacks that had targeted operations or customers.

In 2023, Mobily signed MoUs about cybersecurity defenses with industry leaders at the Black Hat, e.g. with Saudi Paramount Computer Systems. Mobily also signed an MoU with Cisco to boost cybersecurity operations.

As a leading operator, Mobily is at the forefront of digital innovation and cybersecurity initiatives in Saudi Arabia. The Company is committed to driving digital innovation and ensuring a secure online environment and is proud to be a key participant in the Kingdom's initiative to implement the Resource Public Key Infrastructure (RPKI) protocol.

RPKI is a crucial step towards enhancing internet security by verifying the authenticity of routing information and preventing routing hijacks. Mobily has been honored for its contributions to RPKI implementation, and the Saudi's significant progress towards the implementation of this protocol globally from 15% to 95%, placing the Kingdom at the top-place among G20 countries. This reflects the Company's dedication to cybersecurity and its commitment to creating a safer and more secure online environment for all.

Mobily maintains all international certificates required for cloud services, Mobily Pay, Mobily apps, Point-of-Sales and other related services. Mobily's adherence to data protection and privacy standards is evidenced by its compliance with globally recognized certifications and standards, including:

In 2023, to bolster its defenses against emerging cyber threats, Mobily updated its vulnerability management and penetration testing processes, along with its cybersecurity crisis response plan. The Company also introduced new products that use AI, automation and cutting-edge technology (e.g. Next Generation Managed System on Chip and Automated Governance, Risk and Compliance) to enhance its cybersecurity portfolio for the Saudi market. Other highlights in data privacy, security and protection include:

- Completed the network design documentations for the organization (e.g. network diagrams, device specifications, IP address assignments, security protocols, implementation plans, etc.)
- Enhanced incident response and crisis management with cyber crisis playbooks, periodic cyber drills, among other enhancements
- Enhanced Security Orchestration, Automation and Response (SOAR) capabilities
- Upgraded Security Information and Event Management (SIEM) technology
- Developed cybersecurity awareness and training programs

Key Performance Indicators	2023	2022	2021
Number of attempted cyber attacks	15,008	16,041	6,696
Number of actual cyber attacks	1,581	2,082	1,182
Number of data breaches	0	0	0
Number of data security breaches involving customers' personally identifiable information	0	0	0
Number of monetary losses due to legal proceedings associated with customer privacy	0	0	0
Number of law enforcement requests for customer information	0	0	0
Number of customers whose information was requested	0	0	0

→ Outlook

Mobily's key information security goals for 2024 include automating vulnerability tracking and reporting for all company assets, modernizing security assets and enhancing security infrastructure coverage. To do so, the Company will roll out a Cybersecurity Compliance framework, an improved Cybersecurity Governance framework and a Threat Intelligence framework. Mobily's short-term data plan includes media monitoring, analyzing social media platforms and other online channels to detect security threats or reputational risks. The plan also includes the roll out of an integrated identity and access management (IAM) system, ensuring that all assets are adequately protected and accessible only to the right individuals.

PCI Data Security Standard (DSS)

Cloud Security Alliance (CSA) Star Certification

Regulatory frameworks from the National Cybersecurity Authority (NCA), the National Data Management Office (NDMO) and the CST

Cybersecurity Framework of the Saudi Arabian Monetary Authority (SAMA)

ISO 27001:2022 (Information security management)

ISO 27018 (Protecting personal data in the cloud)

ISO 27017:2015 (Public cloud services)

ISO 27032:2012 (Cybersecurity)

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CUSTOMER RELATIONSHIPS AND SATISFACTION

Approach

Mobily adheres to CST requirements to protect the rights of its customers. The Company's Customer Rights Policy ensures that customers receive transparent and accurate information about its services, as well as its pricing, privacy and confidentiality policies.
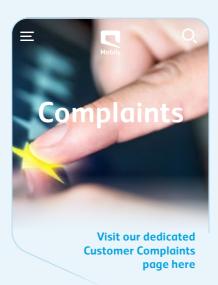
Addressing Customer Complaints

To ensure that customers receive the assistance they require, Mobily has various channels for submitting service requests, including digital platforms, social media and call centers. Mobily seeks feedback from customers through service request evaluation surveys. Complaints are handled through a dedicated call center. Depending on the complexity, complaints are resolved immediately by call center agents or escalated to specialized back-office teams.

Mobily has a dedicated section on its website for customer grievances, Customer Complaints Right, a mechanism that is taken most seriously by the Company.

Mobily is fully committed to transparency in the sales process and has implemented several initiatives to ensure this transparency. These initiatives include providing clear information to customers regarding any changes to offerings during and after interactions, eliminating hidden charges, offering tailored advice based on individual circumstances, enabling the subscription of services through digital channels with a simple opt-in and opt-out option, securing customer information through authentication and maintaining open communication.

To identify areas for improvement, Mobily conducts transaction surveys and root cause analyses of negative scores. Additionally, new and existing customers receive welcome calls to ensure clarity regarding package details. Terms and conditions, as well as service details, are readily available and clear at all sales and interaction touchpoints. Mobily also emphasizes the fair treatment of customers when reviewing and releasing services and products. These initiatives aim to enhance transparency, trust and customer satisfaction throughout the sales and service processes.

Complaints

Visit our dedicated Customer Complaints page here

Mystery Shopper Assessment

Mobily has a Mystery Shopper Assessment program as part of its commitment to improving the customer experience. This program involves undercover employees visiting Mobily locations and assessing various aspects of the customer journey, including products, services, facilities and operational quality. These assessments are based on compliance with Mobily's customer journey guidelines and training. This program plays a crucial role in continuously improving the quality of products, services and overall customer experience provided by Mobily.

Mystery Shopper Assessment Results	2023	2022	2021
Overall score	94.8	95.5	95
Outlet external condition	94.8	97	97.5
Token machine	98.0	96.8	98.5
Outlet internal condition	95.8	98.5	97.3
Advertising material availability and display	100.0	99.5	99.8
Interaction with agent	93.7	93.3	92.3
Agent's physical appearance	78.8	79.8	81

Experiences Department

Mobily's Experiences Department focuses on fostering a customer-centric culture in the Company, whereby all departments are motivated to enhance their interactions with beneficiaries, including customers, shareholders and partners. The Beneficiaries Experience Policy provides a consistent framework for achieving these objectives. In terms of enhancing the beneficiary experience, Mobily emphasizes the following principles:

Expectations
Managing beneficiary expectations with clear and transparent communication

Effort
Streamlining processes and reducing cognitive load for a positive and effortless beneficiary journey

Personalization
Personalizing interactions to meet individual needs

Empathy
Displaying empathy and professionalism at all times in dealing with beneficiaries

Clarity
Offering full transparency (e.g. on pricing and products) before and after the purchase

Support
Prioritizing ease of use in customer journeys

Trust
Being transparent (e.g. data usage) and safeguarding beneficiary information and empowering them to manage their account digitally

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Performance

In 2023, Mobily expanded its Fiber-to-the-home (FTTH) utilization, thus empowering consumers. This included:

- Relaunched Mobily TV with new platform and content; and enabling it for FTTH users

- Established new smart home proposition
- Introduced Sell and Deliver model for FTTH partner
- Unlocked the zones for all FTTH partners to enable wider geographic targeting of new acquisitions, instead of having to geofence

Such improvements to services helped Mobily grow its FTTH base by almost 6% YOY.

Importantly, Mobily's TRI*M score for customer satisfaction increased from 96 to 99 in 2023, while other operators in the Kingdom saw their scores decline or stagnate.

	2023	2022	2021
Retail satisfaction	89.2%	88.9%	86.8%
Number of First Call Resolution (FCR)	86.0%	85.0%	84.6%

Customer Complaints	2023	2022	2021
Number of customer complaints	889,123	926,279	875,657
Number of customer complaints resolved	889,123	926,269	864,071

We are pleased to have achieved the following certifications, testifying to Mobily's commitment to customers:

ISO 9001:2015
Quality management systems

ISO 10002:2018
Customer satisfaction

➔ Outlook

Mobily foresees that consumers will trend toward more personalized customer experiences, tailored to individual lifestyles. The Company is committed to expanding its core offerings with the introduction of innovative products; and it is also exploring value-added solutions. Special attention, through targeted campaigns and offers, will be given to the gaming demographic.

Mobily will elevate the digital experience, positioning it as a primary channel in its customer engagement strategy. The Company will also continue to enhance and

expand its 5G and Fiber-to-the-X (FTTX) coverage to support higher speeds for users, developing Fiber-to-the-room capabilities as well as tailored gaming packages.

Aligned with the Company's transformation strategy, Mobily has identified a set of transformation initiatives with defined business outcomes for the next 3 to 5 years. Additionally, the Company also aims to continue to collaborate with partners and play its part in helping the Kingdom achieve the digitalization goals of Vision 2030, in keeping with the themes of Saudi Arabia's ICT strategy, which is championed by the CST.

RESPONSIBLE MARKETING

Approach

Responsible marketing is a material issue for Mobily, by which the Company commits itself to images and narratives that are positive, life-affirming and true. The Company's marketing campaigns are broadly aligned with Saudi Vision 2030, presenting the natural and cultural advantages of the Kingdom, as well as its growing leadership position in technology.

Mobily complies with the Kingdom's strict regulations on consumer protection and follows global best practice in ensuring consumers have all the information they need to make informed purchase decisions. Mobily also recognizes that a sustainable business is one in which consumers trust the Company's products and services and believe that they are being given good advice.

Performance

In the interests of customer excellence, Mobily's marketing is transparent and truthful, and the Company includes sustainability messaging on its products. The Company also posts relevant content on its social media accounts to ensure product visibility and reach. In 2023, Mobily initiated programs to inform customers about product features and applications that promote responsible, efficient, cost effective and environmentally friendly use.

IN 2023, MOBILY HAD ZERO INCIDENTS OF INAPPROPRIATE MARKETING AND ADVERTISING AND INCURRED NO PENALTIES RELATED TO MARKETING

In the year under review, the Company also implemented a new Customer Experience Management (CEM) platform, in partnership with Huawei.

The intelligent platform helps Mobily shift from network-centric customer management to a customer-centric focus. It will enhance the customer experience along multiple dimensions, including technology, purchasing and marketing.

➔ Outlook

Mobily will continue to emphasize socially responsible and ethical aspects in its marketing message. As a proud Saudi Arabian Company, and as a digital innovator for the region, Mobily will communicate with customers and Stakeholders about what it is doing to grow the TMT industry and to contribute to the diversification of the Saudi economy. Ultimately, Mobily will continue to align its marketing messages to Saudi Arabia's social values and the cultures of the communities it serves; presenting itself as an ethical Company whose products and services are innovative and affordable, and that they are contributing to society and to the economy of the region.

05

RESPONSIBLE EMPLOYER

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HIGHLIGHTS

20
Conducted **20 Sustainability Awareness sessions**, attended by 537 employees

150+
HR department held over **150 corporate engagement** events

Launched the **Happiness Guideline Code**; to contribute to a positive and engaging work environment

Best CEO – Labor Awards; presented by the Minister of Human Resources and Social Development

Best CHRO Award 2023 at the Arabian Business Awards

Zero
lost-time injuries or fatalities

83%
In 2023, 83% of new hires, including full-time employees and contractors, were Saudi

Mobily is dedicated to developing its employees, both in terms of their careers and more broadly in the interests of their general well-being and fulfilment. Mobily will continue to promote employee satisfaction, and to sustain a talented and engaged workforce that drives the Company and the Saudi telecommunications industry to meet its enormous potential.

Mobily's HR team communicates and engages with all employees on matters important to them and the Company as a whole. Employees are kept up to date on Mobily's strategy and objectives, giving them a clear understanding of how their role fits into the broader picture of the Company's mission. This approach fosters a sense of purpose and alignment, enabling employees to see the direct impact of their work on the organization's strategic goals.

Mobily's Human Resources (HR) strategy focuses on:

- Employee behavior
- Corporate culture
- Performance
- Effective collaboration
- Attracting and keeping talent

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TALENT MANAGEMENT

Approach

Mobily has consistently demonstrated its commitment to human capital development and fostering a positive workplace environment. As evidenced by the Company's recent awards, Mobily has been externally recognized as an "Employer of Choice" in the last 3 years. The achievements include winning the Best Recruitment and Talent Management Strategy Award by CIPD in 2021, being named the fourth best workplace in Saudi Arabia in 2022, receiving the Talent Management and Development Award at the MENA Star Awards 2023 as well as the Best CEO Award for Large Establishments at the Labor Awards. These accolades highlight Mobily's unwavering dedication to investing in its employees, creating a thriving work environment and fostering growth within the organization.

In 2023, Mobily accelerated its HR digital transformation program, which is to harness technology to improve HR processes and improve the work experience of employees. The program also aligns human resources and capital with Mobily's overall organizational goals.

At the core of the HR strategy is the HR TMT role model, which aims to shift the Company toward an integrated TMT business through a focus on 3 key pillars: Capability Development, HR Excellence and Culture Transformation.

In line with Mobily's vision, strategy and values, the Company is committed to creating a culture that is:

- **Courageous:** Rewards people who take risks, moving things forward
- **Agile:** Fosters growth and innovation
- **Clear:** Encourages transparent, honest communication
- **Caring:** A kind and inclusive environment

In 2023, Mobily also focused on improving its Employee Value Proposition (EVP), and paid special attention to:

- Upskilling and reskilling to align capabilities with new market requirements
- Promoting culture and well-being
- Establishing a reward philosophy
- Enhancing organizational efficiency
- Fostering diversity and inclusion
- Leveraging HR digital and analytics capabilities

Mobily prioritizes inclusivity and diversity in its workforce, and includes employees with various special needs, with buildings and facilities made accessible to all.

Employee Engagement

Through the HR department's internal communications and employee events, the Company improves shared understanding and promotes the adoption of Mobily's values and its vision. Mobily encourages all employees to participate in its semi-annual Employee Engagement Survey, or what is called the Mobily Health Index (mHi).

The mHi organizational culture model incorporates elements that directly and indirectly address various aspects of employee well-being, including job satisfaction, purpose, happiness and stress. The model includes components such as Adaptability, Involvement, Mission, Consistency, Quality, and Employee Satisfaction. By measuring these elements, Mobily can gain insights into how its culture is influencing employee engagement, motivation and overall performance. Engagement, as measured by factors like a strong sense of purpose, enthusiasm, pride, passion and energy towards one's work, is a key indicator of employee well-being and overall organizational success.

This bi-annual survey provides a valuable opportunity for employees to express their concerns and general feedback, such as opportunities for improvement. Notably, in the most recent survey conducted in 2023, the Employee Engagement Survey score improved to 69%, from 43% in 2022.

Key Performance Indicators	2023	2022
Total score	69%	43%
Culture score	71%	35%
Values score	71%	65%
Strategic Direction		
Engagement	22%	4%
Sustainability	73%	67%
Digitalization	76%	71%
Mission		
Strategic direction	60%	27%
Goals and objectives	66%	26%
Vision	69%	28%
Consistency		
Coordination and integration	81%	53%
Agreement	81%	52%
Core values	69%	39%
Involvement		
Capability development	45%	18%
Team orientation	56%	25%
Empowerment	75%	46%
Adaptability		
Creating change	82%	49%
Customer focus	73%	45%
Organizational learning	64%	39%

CASE STUDY

Happiness Day

On 20 March 2023, Mobily held an internal event (Happiness Day), which was open to all employees from all regions and attended by around 3,500 people. The event aimed to recognize employees for their contributions to the Company and to boost morale, in a spirit of togetherness and shared activity.

The Happiness Day event featured icebreaker activities, a theatrical performance by international circus experts, and the distribution of giveaways to attendees.

The feedback from employees after the event indicated that it was positively received by employees, who felt valued and recognized and who enjoyed connecting with fellow employees in a relaxed, fun setting.

Unit's Gathering

This event in March 2023 was held to celebrate the Company's achievements and recognize the contributions of its employees throughout the year. The event took place in a beautiful rural setting, outside working hours, providing a relaxed and enjoyable atmosphere for around 3,500 employees to socialize and connect.

Meet and Greet

This unique gathering was designed to facilitate the integration of new employees. The event provided a platform for new joiners to interact with their managers and learn more about the Company's culture and what the Company expects of employees.

Impact of these events:

Events like these contributed to an excellent employee engagement score and a lower employee turnover rate in 2023. Such factors are also linked to improved profits and improved sustainability performance.

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Compensation and Benefits and Employee Value Proposition

Having a highly skilled, motivated and engaged workforce is essential for long-term sustainable success. To attract and retain top talent, Mobily is dedicated to offering fair and competitive compensation and benefits that align with market standards. This strategy helps draw in skilled individuals who can drive the Company's growth and success.

Mobily's comprehensive employee benefits, including health insurance and educational benefits, among others, are designed to enhance employees' well-being and professional development. Furthermore, performance-based component for incentives pay, as well as non-compensation benefits, including pension and retirement, cover all officer and non-officer employees. By offering these comprehensive benefits, Mobily fosters an environment where employees feel valued and motivated to excel in their roles, ultimately enhancing the Company's EVP.

Total Rewards

Mobily's Total Rewards program is aimed at ensuring benefits and rewards are aligned to the strategy and goals of the Company, as well as Saudi peer companies and global best practices, and that these are optimized for retaining valuable expertise. In 2023, Mobily achieved the following goals as part of its Total Rewards program:

- Implemented a new salary increase policy based on merit, backed with the necessary new policies and procedures
- Introduced a recognition and reward program ("executive remuneration review"), which led to improved employee retention and engagement rates

- Implemented a clear and transparent promotion process ("overall promotion"), ensuring equal opportunities for eligible employees
- Utilized reputable compensation surveys and data analysis tools to ensure accuracy and reliability in comparing salaries and benefits with relevant market peers ("overall remuneration benchmarking")
- Clearly articulated adjustments to Total Rewards packages, highlighting enhanced benefits, career growth opportunities and reasons to remain at Mobily ("overall retention")

Mobily believes that pay should be fair and just, and broadly reflect market conditions and the valued contributions of employees. Compared to 2022, in 2023 the annual total compensation for Mobily's highest-paid individuals did not increase as a ratio compared to Mobily's median total compensation.

Benefits Provided to Employees

The following benefits are provided to Mobily employees:

- Annual passage allowance for Saudi nationals
- Headset allowance
- Company's products and services to staff
- School allowance
- Fuel allowance
- Acting assignment allowance
- Out of Kingdom assignment allowance
- Medical insurance
- Health and Fitness Club subscription
- Social insurance scheme
- End of service benefits (EOSB)
- Car allowance

- Hajj assignment management reward
- Car parking allowance
- Nursery allowance (for female staff only)
- Discounted corporate rates for parental medical insurance
- Car loans (eligible employees and loan amounts determined by job grade)

> **MOBILY REVIEWS ITS BENEFIT SCHEMES PERIODICALLY, ENSURING THE COMPANY STAYS UPDATED WITH INDUSTRY TRENDS AND MARKET PRACTICES WHILE ALSO TAKING EMPLOYEE FEEDBACK INTO ACCOUNT**

Mobily also prioritized its employees' well-being by collaborating with key partners, further widening the benefits provided to them. These collaborations included:

- **My Bank Event:** Mobily partnered with distinguished banks to offer its employees exclusive financial services and benefits at the "My Bank Event" held in the Company's premises. This initiative provides employees with convenient access to banking solutions and helps them make informed financial decisions.

- **Medical Services Evaluation:** Mobily values employee feedback and conducted a survey to evaluate the quality of medical services provided to employees. This initiative helps identify areas for improvement and ensures that employees receive the best possible care.

Performance-based Benefits

Mobily conducts annual individual performance appraisals based on management by objectives for all of its employees.

Key Performance Indicator	2023
Number of employees who benefitted from performance-based pay*	2,021

*Performance-based pay covers all employees who joined the Company before October of the year

Mobily acknowledges its employees' contributions to the Company's success by awarding a merit increase. This initiative is implemented annually, recognizing outstanding performance and fostering a culture of motivation and appreciation.

Retirement Benefits

Annuity, death and disability benefits are payable to eligible participants under the Saudi Arabian Social Insurance Law. Employers and employees alike are required to take part in the program. The Social Insurance Regulations lay forth the requirements for receiving these benefits. Based on the employee's basic income and housing allowance, both the employer and employee contribute to the plan.
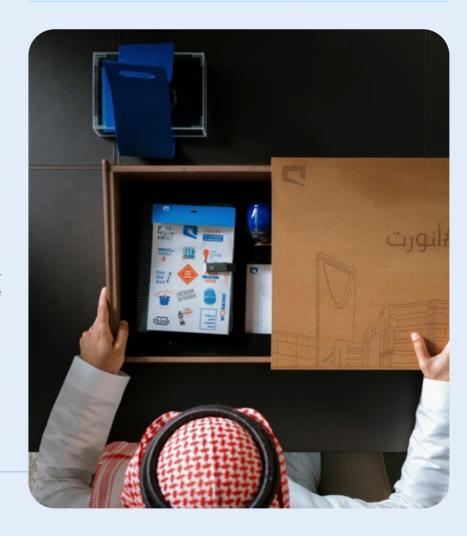
End of Service Benefits

According to the Saudi Arabian Labor Law, all Mobily employees are eligible to earn End of Service Benefits (EOSB), unless their employment is terminated for violations outlined in the Labor Law (Article 80). An employee's total service length is the basis for the EOSB calculation.

After the first 2 years of employment but before the fifth, a pro-rata gratuity is due for any years of service that are not fully completed. A gratuity is computed for each unfinished year after 5 years of service. Upon completion of service as specified in the employment contract or in circumstances when employment ended for reasons beyond the employee's control, such as being called up for Saudi Military Service, the full EOSB is paid to the employee.

Furthermore, in the event that an employee's employment is terminated for a cause not addressed in Article No. 80 of the Labor Law, the employee is entitled to receive their full EOSB.

Employee Nationality	Employee Contribution	Employer Contribution
Saudi	• 9% utilized for retirement benefits • 1% SANED	• 9% for retirement benefits • 1% SANED • 2% to cover occupational hazards
Non-Saudi		• 2% to cover occupational hazards

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Minimum Wage Rules

Mobily provides equitable and competitive compensation to all employees, regardless of their location, including those who are earning minimum wage. Mobily adheres to minimum wage regulations and offers job-related allowances that are contingent upon the position of each employee, although the Company does not offer any compensation or benefits that are specifically designed for minimum wage employees. The Company is committed to fostering a work environment that is inclusive and supportive, ensuring that all employees are treated fairly and have the opportunity to develop and progress.

Work From Home Policy

Well-managed remote work practices enhance employee well-being, improve productivity by saving on commuting time, and lowers emissions. Mobily's Remote Work Policy aligns to the Company's commitment to digital transformation and to a supportive employee experience. The policy is balanced to allow employees to enjoy remote working benefits, combined with the Company's productivity and performance. It is designed to boost morale and ultimately contribute to happier and more productive workplaces.

In 2023, Mobily reviewed its remote working policy and increased the remote working days, to enhance employee satisfaction and promote its sustainability goals.

Performance Reviews

Where employees need help, guidance and support in meeting performance expectations, Mobily conducts performance development reviews and career development reviews.

Key Performance Indicators	2023	2022	2021
Percentage of employees who received a performance development review	2.0%	1.9%	3.7%
Percentage of employees who received a career development review	2.8%	1.8%	2.5%

Grievances

Mobily has a supportive work environment that values honest communication and encourages employees to report grievances as soon as these arise. An internal mechanism is in place, providing clear guidelines for addressing and resolving such grievances. Transparency and confidentiality are prioritized throughout the grievance reporting and resolution process. The Company investigates all grievances thoroughly, taking appropriate actions to address them.

The goal is to ensure the well-being and satisfaction of employees by promptly addressing their concerns and creating a positive work environment.

In cases where the grievance concerns a decision taken against an employee, the employee may send a written letter, email or other form of notification within 3 working days, protesting the fairness of the decision. The HR department evaluates the letter and replies to the concerned employee within 5 working days.

Key Performance Indicators	2023	2022	2021
Number of performance grievances filed in the reporting period	40	34	64
Number of these performance grievances addressed or resolved	40	34	63
Percentage of performance rating revisions (%)	100%	100%	98%

Learning and Development

Mobily conducts a yearly Learning Needs Analysis (LNA). This is a baseline for objective learning requirements and priorities. The annual LNA determines gaps in employee skill levels, knowledge and aptitude to meet business needs.

To ensure employees have the appropriate skills and knowledge, Mobily offers a range of training programs and workshops that cover various aspects of their job roles. These programs address both technical competencies and soft skills. Mobily also encourages a culture of continuous learning and personal growth, providing employees with access to online learning resources. Overall, Mobily's management approach is to equip employees with the necessary skills, knowledge and resources to perform their roles effectively, while also providing avenues for their continued growth and advancement within the Company.
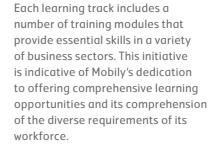
In 2023, Mobily offered various structured learning materials and courses:

59,000
learning hours

12
learning tracks that span multiple disciplines

74
courses

1,428
employees attended

Each learning track includes a number of training modules that provide essential skills in a variety of business sectors. This initiative is indicative of Mobily's dedication to offering comprehensive learning opportunities and its comprehension of the diverse requirements of its workforce.

Mobily also encouraged other learning opportunities:

315
employees completed LinkedIn e-learning courses

812
employees completed KnowledgeCity e-learning courses

48
employees received unique individual training, based on their requests and designed to meet their specific needs

Furthermore, Mobily conducted 20 Sustainability Awareness sessions, attended by 537 employees.

Mobily's onboarding program, known as #Anwarat, includes regular "executives meetings". These meetings connect new employees with Executive leaders, fostering a sense of inclusion and open communication from the outset of their careers.

The graduation of the fifth batch from Mobily's Elite Graduate program and the launch of the sixth batch highlight the Company's ongoing efforts to develop and empower human capital. This key initiative has become a cornerstone of Mobily's strategy to nurture talent and prepare future leaders. Mobily enhanced the Elite program framework for recent graduates, aligning it with the Company's new strategy and current market demands; and emphasizing critical skills and competencies necessary in today's dynamic TMT sector.

In partnership with Emeritus, a leading online platform for professional development, Mobily offers a High Potential program (HiPo) to top employees. The initiative involves upskilling high-potential young talent and future leaders at Mobily. Through tailored development modules, these employees are equipped with the essential skills and knowledge needed to succeed as business leaders.

Mobily's performance development program for underperforming employees provides training/development programs to help employees improve their functional skills to meet the required skills levels.

As part of the Waad initiative, through which the Ministry of Human Resources and Social Development aims to provide training opportunities for a million citizens by 2025, Mobily contributes 100,000 training opportunities. This effort demonstrates Mobily's dedication to investing in people and supporting national development goals.

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Performance

Mobily demonstrated its commitment to employee rights and transparency by launching an updated Human Resources Policy this year. This policy clarifies employee rights, obligations and Company regulations, ensuring a fair and equitable workplace.

At the MENA Star Awards 2023, Mobily was honored with the prestigious Society for Human Resource Management (SHRM) Talent Management and Development Award, clinching the coveted first place (Gold). This achievement highlights the Company's commitment to nurturing talent and fostering career growth.

In 2023, Mobily's HR department held over 150 corporate engagement events, including workshops and special events. These gatherings served as platforms for collaboration, learning and celebration of collective achievements, boosting corporate morale. Mobily also launched an AI Hackathon for its employees. This initiative harnesses the creativity and expertise of the workforce, particularly those with a keen interest in AI, to come up with innovative solutions in response to the Company's challenges and opportunities. The winners were recognized for their exceptional contributions to AI development. Such initiatives underline Mobily's dedication to leveraging advanced technologies for problem-solving, while fostering innovation and collaboration among employees.

In 2023, the Company signed an MoU with the Saudi Center for Commercial Arbitration Academy to collaborate on professional development in the field of commercial arbitration. The Company also launched a variety of events and initiatives to promote health and happiness within the workforce. Mobily's recent launch of the Happiness Guideline Code aims to create a positive and engaging work environment. The Code defines key indicators of employee satisfaction and well-being and provides clear effective communication protocols to enhance collaboration and overall employee satisfaction. Mobily's Change Ambassadors program also aims to create a more engaged work environment.

Mobily also introduced the iCare program in 2023, a personalized engagement initiative that recognizes employees' personal milestones and occasions. From work anniversaries and birthdays to personal life events like marriages, new births and expressions of sympathy during tough times, iCare brings a personal touch to employee recognition, demonstrating the Company's care and attention to employees' lives outside of work.

During the year, Mobily fostered employee engagement through launching the "Mobily Fantasy Premier League" in collaboration with Mobily's gaming hub, Mobily Gamers. This online game allowed employees to compete and showcase their knowledge of football, creating a fun and interactive environment.

Mobily also provided valet parking services and a shuttle service for employees in 2023, increased parking slots for all Central Region employees by 55%, and provided VIP parking service for VIP guests.

Mobily's employee engagement score (mHi) reveals how various HR programs affect employee behavior. Notably, all 18 employee engagement scores showed improvement from 2022 to 2023; the Employee Engagement Survey improved from 43% to 69%. The Employee Engagement Survey consists of 2 equal sets of scores – culture and values. Both scores improved in 2023: culture score, from 35% to 71% and the values score from 65% to 71%. Related to these scores, is the reduced employee absentee rate, from 3.23% in 2022 to 3.09% in 2023.

Awards, Certifications and Recognition for Mobily's HR in 2023

Best CEO – Labor Awards; presented by the Minister of Human Resources and Social Development

Best CHRO Award 2023 at the Arabian Business Awards

SHRM Talent Management and Development Award

Total Safety Management ISO 45001 for 2023 – 2026

Workforce Size

In 2023, Mobily had a total of 2,518 employees, an increase from 2,398 in 2022. Of these 1,004 are on a fixed term or temporary contract; an increase from 662 in 2022; 268 employees were female, an increase from 224 in 2022 and 2,250 were male. Mobily's percentage of female employees rose from 9% in 2022 to 11% in 2023. A total of 2,158 employees were Saudi nationals, compared to 2,074 in 2022, and 360 were expatriates, from across 28 different countries.

Note: the below figures exclude trainees, students, and outsourced staff. All employees are full-time.

	Gender		Region		
	Male	**Female**	**Central**	**Western**	**Eastern**
Permanent employees	2,250	268	1,448	574	443
Temporary employees	0	0	0	0	0
Full-time employees	2,250	268	1,448	574	443
Part-time employees	0	0	0	0	0
Total	**2,259**	**268**	**1,448**	**574**	**443**

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Key Performance Indicators	2023	2022	2021
Workforce Size			
Total number of employees	2,518	2,398	2,316
Full time employees	2,518	2,398	2,316
Part time employees	0	0	0
Total number of contractors	1,134	1,592	1,759
Workforce by Employment Level			
Senior management	72	69	73
Middle management	832	820	786
Staff	1,614	1,509	1,457
Workforce by Gender Profile			
Headcount female	268	224	159
Headcount male	2,250	2,174	2,157
Percentage of females (%)	11%	9%	7%
Percentage of males (%)	89%	91%	93%
Workforce by Age Category			
Workforce by age 18-30	290	224	131
Workforce by age 31-50	2,111	2,092	2,110
Workforce by age 51+	117	82	75
National Identity			
Nationalization rate of senior management (%)	86%	86%	79%
Nationalization rate among total workforce (%)	86%	86%	85%
Total number of national employees (FTE)	2,158	2,074	1,977
Total number of expats (FTE)	360	324	339
Hires			
Workforce by age 18-30	160	180	86
Workforce by age 31-50	203	144	160
Workforce by age 51+	13	1	3
Total number of new hires	376	325	249
Turnover			
Turnover rate* (%)	10%	10%	9.6%
Total number of employees who left the organization	252	247	223
Percentage of employees who signed a Code of Conduct declaration (%)	100%	100%	100%
Employee absenteeism rate**	3.09	3.23	3.21

*Calculation: (Number of leavers/total number of staff)
**Absenteeism rate includes sick leave, uncertified sick leave, injury sick leave, escort leave, local emergency leave, suspension leave, unauthorized leave, unpaid leave, Eddah, Hajj leave and sports leave.

Training at Mobily

Recognizing the importance of continuous learning and development, Mobily celebrated the International Education Day by acknowledging its most dedicated learners. The Company analyzed participation in the e-learning platform and awarded prizes to the top 10 learners to inspire a culture of continuous learning and skill improvement.

Key Performance Indicators	2023	2022	2021
Training			
Total hours of training for employees	47,880	95,329	231,852
Average hours of training per female employee	8.30	11.57	47
Average hours of training per male employee	8.23	10.15	62
Average hours of training per employee	8.23	10.04	60
Average training hours – Saudi nationals	8.16	9.17	81
Training Sessions			
Total number of females attended training	443	367	269
Total number of males attended training	2,242	2,851	2,017
Total number of staff attended training	2,685	3,218	2,290

⊙ Outlook

In 2024, Mobily will conduct a training needs analysis, followed by new e-learning platforms for employees and their families. The Company has targeted 80 trainees for its Cooperative program. Furthermore, graduate development, under the Elite program, will be enhanced with core skills and leadership skills by the end of 2024. Similarly, HR is delivering 8 HiPo training modules in leadership skills for high-potential employees in 2024. New e-learning platforms targeting employees and their families, called the Assassiyat Platform, will also be rolled out.

To enhance employee engagement, Mobily sets itself the following goals:

1. **Improve Communication:** Foster open, transparent and consistent communication between employees and leadership to build trust and clarity

2. **Enhance Employee Well-being:** Promote a healthy work-life balance by providing resources for mental and physical health, alongside creating a supportive environment

3. **Foster a Positive Work Culture:** Cultivate a culture of respect, inclusion and collaboration, ensuring that all employees feel a sense of belonging and can actively contribute to the organization's values and goals

4. **Cultivate an Appreciation Culture:** Regularly acknowledge and reward employees for their contributions to enhance motivation and job satisfaction

By achieving these goals, the Company aims to create a more engaged, motivated and productive workforce, ultimately driving improved organizational performance and growth.

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HEALTH AND SAFETY

Approach

Mobily believes that all accidents and the resultant injuries and losses are preventable. It recognizes that employees are the Company's most valued "asset", and that their safety should never be compromised for operational expedience. Mobily provides high standards for Health, Safety and Environment (HSE), safeguarding the lives of employees, customers, contractors and community members; and protecting property as well as the natural environment.

Mobily's Occupational Health and Safety (OH&S) function maintains the Company's OH&S Manual, in consultation with management and other relevant staff. The manual is thoroughly communicated to all employees and is part of their onboarding awareness. Heads of departments are responsible for the effective implementation of the OH&S Manual across the full scope of their responsibilities and operations.

Mobily promotes a positive safety culture and maintains a risk management framework that supports ongoing improvements in OH&S performance. The Company actively pursues certifications and audits of its HSE practices. By seeking external validation of health and safety systems, Mobily ensures that practices adhere to recognized standards and are continuously improved. Actions to improve OH&S performance include:

- Maintaining up to date OH&S manuals and programs in accordance with ISO 45001:2018, benchmarked to global best practice, and fulfilling legal requirements

- Periodically assessing OH&S risk exercises to identify risks/hazards in the workplace and control and mitigate them accordingly

- Implementing OH&S policies and procedures at all premises

- Integrating OH&S into all relevant business decisions as a contribution towards sustainability and safety

- Implementing training and awareness programs to ensure employees are aware of OH&S standards, and that safety awareness is part of the Company's culture

- Setting clear disciplinary agreements around HSE violations; and rewards for meeting targets

- Adhering to civil defense requirements, equipping all facilities with fire alarm systems and firefighting systems

Mobily' Safety department encourages employees to report all unsafe accidents or conditions, and it promotes ease of access and exiting for Mobily's facilities. In case of emergencies, employees can email safety@mobily.com.sa or call the Emergency Hotline at 0560311999.

Tips and other health and safety content were shared on internal platforms under the "Your Health and Safety Matter" campaign. Topics covered included:

- Critical facility security measures
- Winter heating safety
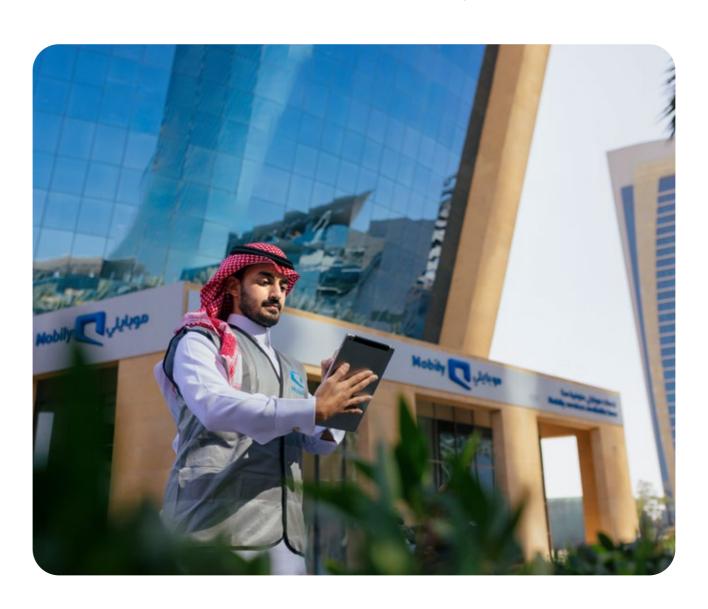- Make Mobily Free from e-Waste

- Fire extinguisher know-how
- Tips to follow in the event of a fire
- Avoiding fires, including vehicle fires

Performance

The Company identifies potential safety and health risks through various means: employee training, awareness and consultation; formal hazard identification; and risk assessment processes.

In 2023, Mobily committed to an HSE Digitization project. This is partially complete, with a safety data collection tool, and automated inspection forms having been instituted. Mobily also launched a Health and Safety Booklet in the year under review.

> **IN 2023, MOBILY CONDUCTED HAZARD IDENTIFICATION AND RISK ASSESSMENT (HIRA) TRAINING, HEALTH AND SAFETY E-TRAINING AMONG ITS WORKFORCE. A FOLLOW-UP SURVEY INDICATED THAT 95% OF MOBILY EMPLOYEES REPORTED BEING AWARE OF SAFETY ISSUES**

Health and Safety Policy

Mobily's comprehensive Health, Safety and Environment (HSE) Policy is intended to ensure the safety and well-being of employees, customers, contractors and the community, as well as the protection of the environment. The policy mandates that HSE should be integrated into business decisions as an important consideration. The HSE Policy is aligned with Mobily's risk management framework.

> **MOBILY'S HEALTH AND SAFETY MANAGEMENT SYSTEM IS ISO 45001:2018 (OCCUPATIONAL HEALTH AND SAFETY) CERTIFIED**

Health and Safety Initiatives

Mobily organized various initiatives aimed at fostering a healthy and safe environment for its people. These initiatives included:

- **World First Aid Day:** Mobily utilized the occasion to spread awareness about how first aid can save lives

- **Mobily Health Zone Event:** In collaboration with its insurance partner Tawuniya, Mobily provided free health and nutrition advice, supported by a medical team, for employees across all of its offices and in all regions

- **Seasonal Influenza Vaccination:** Mobily prioritized employee well-being by offering seasonal influenza vaccinations twice this year. This initiative aimed to reduce the risk of contracting and spreading the flu. The Company facilitated vaccinations by organizing on-site clinics in its premises, while also encouraging visits to accredited health centers

- **Stay Fit Event:** Mobily organized the "Stay Fit" event to promote employee health and well-being. The event featured exclusive offers and discounts on fitness products and services, encouraging employees to adopt a healthier lifestyle

- **Tawuniya Vitality Event:** Mobily partnered with Tawuniya to offer the "Tawuniya Vitality" program, promoting employee health and wellness. This program includes medical checkups, fitness activities and healthy lifestyle counseling, encouraging employees to prioritize their well-being

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In 2023, employees participated in:

789
safety inspection visits across **278** sites

1,576
observation closings

15
HSE awareness programs, fostering open communication, gathering feedback and providing guidance and support to enhance employees' health, safety and environmental awareness

54
fire drills

189
safety engagement meetings

173
e-Learning training programs for health and safety

6
HIRA workshop trainings for internal departments

74
physical on-site training sessions for fire drills

Key Performance Indicators	2023	2022	2021
Total work hours in a year*	2,351,312	4,084,080	3,294,480
Total work hours in a year (full-time employees and contractors): 8 hours per day/5 days a week	5,493,120	2,941,440	4,095,456
Employee fatalities	0	0	0
Contractor fatalities	0	0	0
Employee lost time injuries	0	0	0

*Includes Mobily employees (8 hours per day/5 days a week) and HR contract staff, assuming 2/3 of this staff is working for 6 days in a week and 1/3 for 5 days.

Health and Safety Training and Drills	2023	2022	2021
Total hours of HSE training provided to employees	274	68	235
Average hours of HSE training per employee	2	27.39	2.9
Number of HSE training sessions hosted	252	64	N/A
Number of employees who participated in HSE training sessions	565	452	N/A
Total cost of HSE training (SAR)	57,824	0	30,866
Total number of emergency response drills conducted	54	64	61
Safety accident investigations initiated	0	2	2
Safety accident investigations completed	0	2	2

SINCE 2020, THROUGH TO 2023, MOBILY HAD NO EMPLOYEE OR CONTRACTOR WORK-RELATED INJURIES, ILLNESSES OR FATALITIES

⊙ Outlook

Mobily has several goals aimed at continuously improving health and safety within the organization. These goals include conducting 900 inspection visits to ensure compliance with occupational safety and health requirements, carrying out 90 fire drills, and implementing 90 training sessions focused on occupational safety and health. Additionally, the Company is committed to maintaining zero accidents and work-related injuries. Furthermore, Mobily has the general goal to improve the awareness of employees with regards to their health and safety, through trainings, communications and awareness sessions.

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DIVERSITY AND INCLUSION

Approach

Mobily fosters a culture of inclusivity to harness the strengths and talents of its diverse workforce. Its policies and practices are based on principles of fairness and equal treatment, backed by training and education to foster understanding on the subject.

The Company recognizes that diversity encompasses various dimensions, including race, ethnicity, nationality, gender, age, religion, knowledge and background, and disability, among others. By embracing diversity, Mobily aims to tap into a wealth of experiences, insights and ideas that contribute to the sustainability of the organization.

In its commitment to inclusivity, Mobily strives to provide equal opportunities for employees to grow their careers and contribute to the success of the Company. The Company actively promotes an open and respectful work environment that encourages collaboration, mutual respect and understanding.

Female Empowerment

The 2023 Saudi ICT Sector Strategy mandates a 50% increase in female participation in the telecommunications/ICT sector. The objective of Saudi Vision 2030 is to increase the percentage of women in the workforce to 30% by 2030. Similarly, 2030 Leaders, a program designed to cultivate Saudi leaders, is dedicated to enabling women to make a meaningful contribution to the advancement of Saudi Arabia. In keeping with Mobily's principles of sustainability and ESG, the Company is contributing to the advancement of women in the workplace in support of these initiatives. Additionally, Mobily anticipates additional opportunities to foster diversity and inclusion in the near future as it transitions to a TMT.

Mobily has implemented numerous initiatives to promote female participation in the workforce. In 2023, the Company implemented proactive strategies to recruit and retain exceptional female professionals by offering 5 career fairs and a variety of talent development programs, recognizing the significance of gender diversity and inclusion. On 25 April, Mobily conducted a special celebratory event called Girl's in ICT Day.

Mobily engages in the Saudi Human Resources Development Fund's Tamheer initiative, which provides high caliber candidates, including women, with essential skills and knowledge for future employment. Upon completing the program, participants can choose to pursue a full-time position with Mobily or seek opportunities elsewhere, utilizing the expertise they have gained. In 2023, the number of women employees increased to 268 compared to 224 in 2022.

Mobily's Tamheer program, the Company's on-the-job training initiative for graduates, emphasizes the importance of bringing women into the workforce, with the female percentage of Tamheer trainees at 64%: 80 out of a total 125.

Mobily's Cooperative program was established in partnership with Saudi universities from across the Kingdom, allowing students to gain practical work experience while they study. Employees support students in various functions related to their fields of study. This program bridges the gap between education and practical experience, providing students with valuable business and management skills while enhancing their learning through workshops.

In 2023, there were 43 female participants (59%), compared to 29 (48%) in 2022. In 2023, Mobily's Elite Graduate program gave opportunities to 4 women to advance their careers at the Company.

In support of working mothers, Mobily provides a daycare subsidy for employees with children under the age of 4.

Parental Leave

Mobily places a high value on the well-being of its employees and recognizes the importance of offering assistance during significant life events, such as childbirth. The Company's Maternity Leave Policy provides new mothers with 10 weeks of paid maternity leave in compliance with Saudi Arabian regulations and its Human Resources Policy. This leave is flexible, enabling mothers to commence their leave up to 4 weeks prior to the anticipated delivery date. Furthermore, female employees are permitted to extend their maternity leave by 1 month; however, this extension is not compensated. Mothers are also entitled to an additional hour of rest/breastfeeding each workday for a period of 2 years after the birth when they resume to work.

Additionally, Mobily acknowledges the significance of providing assistance to fathers. Within 2 months of the birth of their infant, male employees are entitled to 3 days of paid parental leave. This policy is indicative of Mobily's dedication to cultivating a supportive environment for all employees during significant family milestones.

Saudi Nationalization

Mobily is committed to empowering Saudi talent and increasing the participation of Saudi nationals in the job market. The Company collaborates with universities and institutes to help students meet graduation requirements and secure employment, either at Mobily or elsewhere. By focusing on recent graduates, Mobily aims to enhance their transition into the workforce while contributing to the economic stability of the Kingdom.

Saudi Arabia's Vision 2030 aims to increase the level of Saudi nationalization in the telecommunication/ICT sector to 50%. To these ends, Mobily is in the Platinum category for its overall nationalization efforts; and it exceeds the mandated requirements for nationalization within its management team. The Company is committed to continuing its Saudi nationalization across all organizational levels. In 2023, 83% of new hires at Mobily (including full-time employees and contractors) were Saudi.

> 📑 *See the above section Workforce Size for the KPIs on nationalization.*

People with Disabilities

People with disabilities go through the same rigorous recruitment process as other applicants, but Mobily ensures that they are given fair consideration and offered equal opportunities to contribute their skills and talents. Upon verification of their fitness for the tasks their job requires, people with disabilities are integrated into Mobily's workforce, and facilities are provided to ensure equal access to amenities.

Should an employee become disabled during their tenure, Mobily commits to do all it can to keep them in employment, regardless of disability, and does not terminate employment based on disability. In line with its commitment to fostering inclusivity, Mobily creates a suitable work environment that caters to the specific needs of individuals with disabilities.

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Performance

In 2023, Saudi nationals accounted for 86% of the total workforce at Mobily, totaling 2,158 employees, compared to 2,074 in 2022. Notably, for 2023, 62 of the 72 in senior management were Saudi nationals, compared to 56 in 2022. In this period, 704 of the 832 in middle management were Saudi nationals, compared to 688 in 2022.

Key Performance Indicators	2023	2022	2021
KSA nationalization in the organization	2,158	2,074	1,975
% KSA nationalization rate in the organization	86%	86%	85%
KSA nationals employed at senior management	62	56	59
% KSA nationals employed at senior management	3%	3%	3%
KSA nationals employed at middle management	704	688	641
% KSA nationals employed at middle management	33%	33%	32%
Technical staff who are KSA nationals (IT + Technology)	315	315	296
KSA nationals in sales workforce	644	621	670
% Female KSA nationals which equates to total female population	11%	9%	7%

As a Company operating in Saudi Arabia, Mobily adheres to the Saudi Nationalization Scheme (Nitaqat), a policy implemented by the Ministry of Labor and Social Development. This policy requires Saudi companies to hire Saudi nationals on a quota basis. Mobily reports the number of Saudi and non-Saudi employees in this report, achieving a Saudization ratio of 86%. Despite this requirement, our non-Saudi workforce also includes individuals from 28 different nationalities, demonstrating a diverse and inclusive work environment. Mobily firmly believes in the value of diversity and its positive impact on the quality of our workforce.

In 2023, Mobily increased its number of female employees to 268, from 224 in 2022. The Company hired 376 new employees, 90 of whom were females; of this cohort of female hires, 8 were given positions in middle management. Compared to 2022, the Company increased its percentage of females in leadership by 6.67%, its percentage of females employed by 16.42%, and its females in development programs by 28.75% in 2023.

Female Employment Focus	2023	2022	2021
Number of female employees	268	224	159
Female employment rate	11%	9%	7%
Number of new hires	376	325	249
Total hired female employees	90	96	43
Females hired in senior management	0	1	0
Females hired in middle management	8	12	20
Female employment rate	24%	30%	17%
Females in senior management	1	1	0
Females in middle management	45	34	20
Females in all management positions	46	35	20
Percentage females in senior management	1%	1%	0%
Percentage females in middle management	5%	4%	3%
Percentage females in all management positions	5%	4%	3%

*Note: Mobily's management structure consists only of middle and senior levels, with no junior management positions

Mobily recognizes the importance of parental leave in fostering a supportive and inclusive work environment. By offering generous parental leave benefits, the Company demonstrates its commitment to empowering employees to balance their personal and professional responsibilities. This table provides an overview of parental leave utilization and return-to-work rates for both female and male employees. In 2023, all 12 female employees who took maternity leave returned to work afterwards.

Parental Leave	2023	2022	2021
Female Employees			
Women who took parental leave	12	6	9
Number of female employees who returned to work after maternity leave ended (return to work)	12	7	8
Number of female employees who returned to work from maternity leave who were still employed 12 months after return to work (retention)	11	7	8
Return to work rate (%)	100%	100%	89%
Retention rate	92%	88%	100%
Male Employees			
Men who took parental leave	144	152	188
Number of male employees who returned to work after paternity leave ended (return to work)	144	152	188
Number of male employees who returned to work from paternity leave who were still employed 12 months after return to work (retention)	144	152	188

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The Company takes pride in having individuals with disabilities as part of its workforce and remains dedicated to promoting diversity, inclusion and equal opportunities for all individuals, including those with disabilities. In 2023, Mobily employed 15 individuals with disabilities.

Mobily showed its commitment to diversity by conducting training sessions throughout the year, in which employees were informed on Mobily's principles around diversity and the importance of creating a friendly and welcoming environment for those from all backgrounds.

Key Performance Indicators	2023
Number of trainings provided on diversity and inclusion	5
Number of employees attended the diversity and inclusion training	146

Number of employees with special needs

2023	2022
15	**15**

2021
16

⊙ Outlook

Mobily recognizes the importance of fostering a harmonious workforce that values innovation and professional excellence. To do so, emphasis is placed on merit and fitness for position, without favoring, or discriminating against, a citizen based on gender, ethnicity, race or physical disability.

Mobily will continue to increase the number of females across its various training programs, ensuring that they are given the opportunity to thrive in an inclusive and diverse work environment. In a changing world, Mobily will sustain its successful operations by ensuring that all voices are heard, and that top talent is discovered and nurtured, regardless of the physical appearance of the individual.

Mobily plans to increase its participation in additional career fairs for women, such as those at Princess Noura Bint Abdulaziz University. Such efforts will help grow the percentage of female employees. Additionally, Mobily intends to diversify its recruitment by participating in events in various regions across the Kingdom, such as the Technical Capability Forum in the Northern Region.

06

POSITIVE COMMUNITY IMPACTS

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HIGHLIGHTS

Served millions of pilgrims to the holy sites during Hajj 2023

Contributed to the Kingdom's Waad initiative for training and development, offering 100,000 training opportunities

Signed an agreement with the Saudi Ministry of Health by which Mobily will enhance healthcare in the Kingdom through e-health and biotechnology solutions

In the interests of improving digital access for the Kingdom, Mobily signed numerous partnership agreements with leading global tech players at the LEAP International Technology Conference

73 students participated in Mobily's Cooperative program, of which 43 were women; 125 participated in the Tamheer program, of which 80 (64%) were women; 13 participated in the Elite Graduate program, of which 4 were women

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COMMUNITY INVESTMENTS AND RELATIONS

Approach

Mobily's community investments, or corporate social responsibility (CSR), are focused on enriching the talent pool, fostering fulfilling lives and enabling societal growth through support and access. This is all to be achieved in the following areas of community involvement objectives:

Mobily plays a positive and supportive role across Saudi society and in the countless communities where it delivers its services. Through a wide range of carefully selected initiatives and activities, Mobily leverages its scale, resources and the commitment of its employees to support worthy causes and events. The Company also supports the work of Non-Government Organizations (NGOs) by utilizing its extensive community reach and by establishing mutually beneficial relationships with donors and charities.

Overall, Mobily remains committed to aligning business objectives with societal well-being, setting an example for responsible corporate conduct. Its initiatives, whether aimed at environmental care, educational support or societal upliftment, are driven by the desire to serve and strengthen society. In doing so, it aims to foster a culture of sustainability and growth that benefits everyone.

Supporting education

Raising awareness about the importance of sports for social development

Environmental protection through measures such as waste management and recycling

Providing technical support, education and awareness on technology

Giving women equal opportunities

Increasing awareness of and providing support for health issues
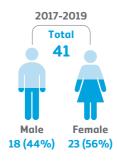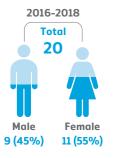
Investing in Human Capital

Elite Graduate Program

Mobily offers opportunities for newly graduated men and women through its Elite Graduate program. This program trains them in different operational units within the Company, providing them with valuable experience and skills.
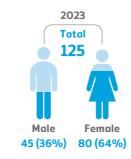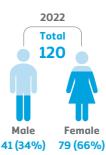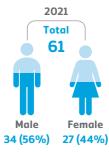
	2023*		2021 – 2023		2017-2019		2016-2018	
Total	**13**		**15**		**41**		**20**	
	Male	Female	Male	Female	Male	Female	Male	Female
	9 (69%)	4 (31%)	9 (60%)	4 (40%)	18 (44%)	23 (56%)	9 (45%)	11 (55%)

*The decrease in the total number of participants in 2023 is due to shortening the duration of the program from 2 years with 2 batches to 1 year with 1 batch.
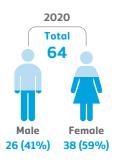
Tamheer Program

Mobily is involved in the Saudi Human Resources Development Fund's Tamheer initiative, which provides young people with the skills and knowledge needed for future job opportunities. After finishing the Tamheer program, participants can choose to take on a full-time role at Mobily or look for jobs elsewhere. In 2023, Mobily sponsored 125 individuals in the Tamheer program, with 80 of them (64%) being female.
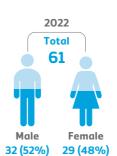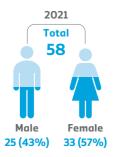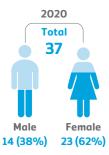
	2023		2022		2021		2020	
Total	**125**		**120**		**61**		**64**	
	Male	Female	Male	Female	Male	Female	Male	Female
	45 (36%)	80 (64%)	41 (34%)	79 (66%)	34 (56%)	27 (44%)	26 (41%)	38 (59%)

Cooperative Program

Mobily offers a Cooperative program in collaboration with universities throughout the Kingdom, allowing students to gain practical work experience while they study. Employees at Mobily also support these students in their academic pursuits. This program bridges the gap between education and practical experience by equipping students with business and management skills; it also enhances their learning through specialized workshops. In 2023, 73 students took part in Mobily's Cooperative program, of which 43 (59%) were women.

	2023		2022		2021		2020	
Total	**73**		**61**		**58**		**37**	
	Male	Female	Male	Female	Male	Female	Male	Female
	30 (41%)	43 (59%)	32 (52%)	29 (48%)	25 (43%)	33 (57%)	14 (38%)	23 (62%)

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Community Investments*

Sponsoring initiatives aligned with Vision 2030

Mobily sponsors various events and initiatives that align with its focus areas mentioned at the beginning of this section, i.e. to do with education, health, sports, technology and opportunities for women. The following are some of the important community initiatives that Mobily was proud to be a part of.

Biban 23 Forum

In line with its commitment to supporting small and medium enterprises and enhancing community welfare through digital empowerment, Mobily was a digital partner and sponsor of the Biban 23 Forum. This forum was organized by the General Authority for Small and Medium Enterprises (Monsha'at), bringing together local and international business leaders and entrepreneurs for collaboration, innovation and growth. The event included 350 speakers and 750 exhibitors.

By sponsoring the Biban 23 Forum, Mobily positioned itself at the forefront of digital transformation in the Kingdom, particularly impacting the SME sector. Saudi Arabia's Vision 2030 places a strong emphasis on entrepreneurship as a key driver for economic diversification and development.

Hajj Season

In Hajj season, Mobily used digital twinning to create a virtual imprint of the real network architecture; this helped to improve network performance, as it increased 5G coverage. Mobily also employed AI technology, which also helped improve network performance, ensuring pilgrims enjoyed the benefits of a technological tourist hub, which is what Vision 2030 foresees.

Seamless Saudi Arabia

Mobily Pay served as a Diamond sponsor for Seamless Saudi Arabia 2023, which is the leading event for the payments, fintech, e-commerce and retail industries. As the Diamond sponsor, Mobily Pay presented its latest innovations and solutions in these fields. This initiative offered Mobily the opportunity to connect with industry leaders, share insights and keep up with the latest trends and developments.

CORE Diriyah E-Prix

Mobily renewed its partnership with the ABB FIA Formula E World Championship, sponsoring season 9 of the 2023 CORE Diriyah E-Prix. This aligns with Mobily's commitment to sustainability and its corporate strategy. It aims to support the championship's sustainability initiatives, like promoting electric vehicle adoption, in line with Vision 2030 and Saudi Arabia's goal for net-zero emissions by 2060.

LEAP 2023

LEAP is an international technology conference held in Riyadh, Saudi Arabia, that brings together innovators, entrepreneurs and tech industry leaders. As a sponsor and participant in LEAP 2023, Mobily showcased its latest innovations and solutions.

Ambassadors of Giving Initiative

In 2023, Mobily sponsored the Ambassadors of Giving initiative, along with the Red Crescent Authority, which focuses on visitor safety at the Holy Mosques; and Mobily participated in the "No Hajj without a permit" campaign, which regulates the Hajj pilgrimage for safety and well-being. Mobily also participated in initiatives to enhance children's online safety. Mobily is involved in The Ehsan platform, a charitable platform developed by – among other government agencies – the Ministry of Communications and Information Technology.

Fusion

Mobily, and 2 other industry peers, launched Fusion, a data company offering innovative solutions to government entities. Fusion equips Saudi Arabian Government entities with advanced technological tools to make smarter and faster decisions regarding service delivery.

CASE STUDY

Mobily Supports e-health in Saudi Arabia

On 1 November 2023, Mobily signed an MoU with the Saudi Ministry of Health (MoH) through which Mobily will enhance healthcare in the Kingdom through digital health (e-health) and biotechnology solutions. The MoU was signed on the sidelines of the World Health Forum in Riyadh, where health policymakers and leaders from around the world discussed topics, such as improving healthcare access, improving health outcomes through innovative technologies and addressing public health challenges. Part of the agreement involves Mobily developing and operating managed services in laboratories. The joint cooperation between Mobily and the Saudi Ministry of Health will enhance e-health services in the Kingdom. It will also see the launch of sustainable programs related to e-health, biotechnology and laboratories to improve Saudi healthcare. This agreement will raise the performance of health services, provide more accurate diagnoses and ensure effective patient care, aligning with Saudi Arabia's Vision 2030 that includes the need for advanced digital health solutions to address health challenges and improve the quality of life for citizens.

Mobily's Platforms Used for Public Awareness Programs

Mobily participates in various awareness programs, offering free text messaging and social media messaging for governmental and non-governmental organizations. Such free text messaging on behalf of third parties (e.g. storm warnings) is offered for the public good.

Mobily also publishes awareness messages for the Zakat platform during the holy month of Ramadan to urge citizens to pay Zakat, an Islamic practice of charitable giving, in the right ways. In the interests of an improved visitor experience to the Kingdom, the Company participates in awareness messages for the large Hajj pilgrimage, for smaller Umrah pilgrimages and for other mass tourism events.

Mobily also supports the Ministry of Environment, Water and Agriculture (MEWA), in spreading awareness about Environment Week as a national occasion, and about the duty that citizens have to reduce waste and maintain a clean natural environment.

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* Contributions to or expenditures for political campaigns or organizations, lobbying, trade associations, tax-exempt entities, or other groups that influence political campaigns or public policy and legislation are not applicable to Saudi Arabia. There are no regulations nor practices in place within the Kingdom for such activities.

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Investing in Local Content

For the fourth consecutive year, Mobily received the local content certificate for its commitment to supporting local content initiatives and enhancing the local economy. In 2023, Mobily collaborated with 26 small and medium-sized enterprises (SMEs), in the interests of helping them sustain their operations and to benefit from Mobily's supply chain. In 2023, Mobily encouraged 2 SIM card manufacturing suppliers to set up factories in Saudi Arabia. These businesses created jobs and opportunities in the local community.

Such initiatives contribute to localizing the supply chain, making it more resilient. Mobily also maintains strict oversight of its suppliers' ethical compliance, preventing non-compliant companies from partnering with Mobily.

In 2024, Mobily will continue to engage with suppliers and business partners on environmental, social and governance (ESG) issues as part of its supplier risk assessment process.

For more details on responsible procurement, see Responsible Supply Chain.

Performance

Mobily encouraged its employees to donate blood on World Blood Donor Day in 2023. The Company promotes blood donation through the Wateen App, making it easier for employees to locate nearby blood donation centers. This initiative highlights the importance of blood donation and contributes to saving lives.

The Company also organized the "Your Giving is Life" event in its premises to raise awareness about blood donation and its benefits. The Company encourages employees to donate blood and highlights the positive impact on public health.

Key Performance Indicators	2023	2022	2021
Total value of community investments (SAR million)	6.8	26.3	1
Total number of local community development programs based on local community needs	1	1	1
Number of projects sponsored	0	7	3

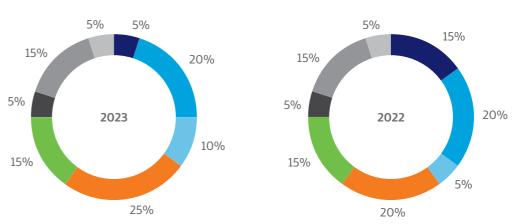| Key Performance Indicators	2023	2022	2021
Percentage of total procurement spending on local suppliers	92%	84.5%	95%
Number of SME suppliers engaged (registered with the Company)	26	N/A	N/A
Number of women-owned suppliers engaged	N/A	N/A	N/A
Number of local suppliers	291	315	269
Number of foreign suppliers	92	70	86

In 2023, Mobily made various impactful contributions to the communities in which it operates.

Partnered with 2023 CORE Diriyah E-Prix to advance electric vehicle adoption, contributing to Vision 2030's environmental goals

Sponsored and participated in LEAP 2023, an International Technology Conference in Riyadh, displaying cutting-edge technologies and inspiring digital progress for the Kingdom

Sponsored the Biban 23 Forum as a digital partner, promoting small businesses, organized by Saudi Arabia's General Authority for Small and Medium Enterprises (Monsha'at)

Offered innovative solutions, technologies and reliable services to millions of pilgrims who visited the holy sites during Hajj 2023

Contributed to the Kingdom's Waad initiative for training and development, offering 100,000 training opportunities

Sponsored and took part in Capacity Europe 2023, an annual conference for digital infrastructure operators and global connectivity enablers

Sponsored and took part in Seamless Saudi Arabia, promoting fintech solutions

Signed an MoU with the Ministry of Health to provide e-health solutions for the Kingdom

Signed an MoU with Charity Orphans Care Foundation (Ekhaa) to provide a new wallet donation option for Mobily Pay customers in an effort to support and encourage charitable work

Key Performance Indicators

2023
- 5%
- 5%
- 20%
- 10%
- 25%
- 15%
- 15%
- 5%
- 15%

2022
- 5%
- 15%
- 20%
- 5%
- 20%
- 15%
- 15%
- 5%
- 15%

- Social impact assessments (such as gender impact assessments), based on participatory processes
- Environmental impact assessments and ongoing monitoring
- Public disclosure of results of environmental and social impact assessments
- Local community development programs based on local communities' needs
- Stakeholder engagement plans based on Stakeholder mapping
- Broad based local community consultation committees and processes that include vulnerable groups
- Work councils, occupational health and safety committees and other worker representation bodies to deal with impacts
- Formal local community grievance processes

⊕ Outlook

Mobily will continue its journey in supporting the Kingdom's efforts to develop the tourism, entertainment, sports and culture sectors, thereby solidifying its role as a leader in sustainability within Saudi Arabia's TMT sector.

Going forward, Mobily will pursue the following community themes, in addition to current initiatives:

- Partner with the Saudi Green Initiative to plant trees across the Kingdom
- Collaborate with community charities
- Collaborate with environmental charities

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DIGITAL ACCESS AND INCLUSION

Approach

Mobily's commitment to digital access and inclusion is evidenced by its significant infrastructure investments, such as 5G, submarine cables and data centers. The Company is a key driver of digital transformation and digital infrastructure development in the Kingdom. Such transformation and developments are key to creating new digital opportunities, and to enabling innovative digital ventures, including autonomous transport, smart cities and e-health.

As part of its TMT vision, Mobily is also making strides in fintech, aiming to broaden the community's access to financial services and enhance financial literacy. Leveraging its extensive customer base and strong brand reputation, Mobily is well-placed to introduce digital and fintech services that deepen customer relationships, and ultimately benefit communities and consumers.

Mobily actively seeks to improve digital inclusion and access of elderly people, children, people with disabilities, low-income households and people in remote areas of development.

Speed and Access Enhancements

Mobily aims to enhance the user experience through improved network performance, call quality and internet speed, and through minimizing downtime for maintenance. In 2023, Mobily topped the Opensignal rankings for video experience, securing first place in 3 categories: Video Experience, Live Video Experience and Availability. The Company also shared the top position in the 5G Video Experience and 5G Live Video Experience categories. Overall, Mobily users experienced significant improvements across all metrics compared to the previous year.

Overall Experience

Video Experience in 0-100 Points
Mobily 60.0

Live Video Experience in 0-100 Points
Mobily 56.5

Games Experience in 0-100 Points
Mobily 53.2

5G Experience

5G Video Experience in 0-100 Points
Mobily 71.5

5G Live Video Experience in 0-100 Points
Mobily 67.5

5G Games Experience in 0-100 Points
Mobily 66.5

Coverage

Coverage in 0-100 Points
Mobily 5.5

Availability % of Time
Mobily 97.8

Consistency

Consistent Quality % of Tests
Mobily 56.4

Mobily's ongoing and ambitious rollout of 5G across the Kingdom ensures high-speed internet access.

5G coverage expanded to
52 cities

5,900 sites

84% in 7 main cities

4G coverage expanded with
770 new sites

Fiber network extended to
60,670 km

In 2023, Mobily signed an MoU with Telecom Egypt for a Red Sea cable crossing. Mobily also worked on 2 new international cables that will be ready in 2025 and will boost connectivity with Europe and Asia through high-speed, low-latency connections.

The Company modernized its FTTX network to support higher speeds of up to 10G and it launched a 1G package in 2023. While the technology faced new regulations, Mobily's fiber network extended its coverage to over 60,000 km, and it was awarded coverage of 451 zip codes from the CST.

According to the latest Opensignal Report, Mobily's mobile internet speed improved in 2023:

Average download speed
38.0 Mbps

5G average download speed
210.9 Mbps

Lowest latency
for 2 of the most popular social media platforms in Saudi Arabia

With its network latency reduced, Mobily topped the download speed percentage for the most popular gaming platforms in Saudi and it performed well in supporting video conferencing platforms.

In addition, Mobily takes a collaborative approach to improving digital access for the Kingdom, partnering with various organizations and companies to do so. Below is a list of the partnerships announced at the LEAP International Technology Conference, held in Riyadh in 2023.

أبيان المالية
ABYAN CAPITAL

Abyan
to provide the best innovative and safe robo-investment

SDAIA
to facilitate donations and promote social responsibility

surepay

SurePay payments
to provide unique and new financial services and solutions to contribute to enhancing the national digital economy

المؤسسة الخيرية لرعاية الأيتام
Charity Orphans Care Foundation (Ekhaa)
to provide this charity with a new Mobily Pay wallet donation option

Bitaqaty

Bitaqaty
to provide commercial voucher services in order to promote e-commerce

HUAWEI

Huawei
to include Mobily Pay on the app gallery in order to provide customers with easier access

ERICSSON

Ericsson
to develop services and products

Mozn

Mozn
to enhance Mobily Pay's security features and fraud detection

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Inclusion of People with Special Needs

Mobily offers a 50% lifetime discount to individuals with special needs on certain postpaid packages, including those who are deaf, mute and hearing-impaired. By offering them discounted packages, Mobily ensures that those with special needs can stay connected and enjoy the benefits of mobile services; just like everyone else.

Peering Agreements

Through its settlement-free peering model, Mobily demonstrates its dedication to an open internet and its role in building a connected digital society. In line with this commitment, it has adopted a settlement-free peering model for network interconnection agreements, contributing to a more robust and resilient internet infrastructure. The Company's peering engagements are guided by industry best practices and are in the interests of network optimization. To ensure alignment with the evolving technological landscape, Mobily monitors traffic patterns, network performance and industry developments on an ongoing basis.

Network Neutrality

In accordance with principles of net neutrality – i.e. level playing field for all content providers and users – Mobily is committed to providing a fair and open internet experience for all customers, whereby internet traffic is treated equally, regardless of its source or destination. However, Mobily operates within the framework of the Saudi Arabian Telecommunication and Information Technology Act (Article 24), which empowers the CST to implement internet filtering to restrict access to specific content deemed offensive, harmful to public morals or involved in illegal activities like cyber crime. Additionally, the CST can restrict access to content that threatens national security. Mobily fully adheres to these regulations as outlined by the CST. The Company actively filters such content to ensure a safe and secure online environment for users. It is important to note that this filtering does not discriminate against any specific website or content provider. Beyond regulatory requirements, Mobily does not engage in any practices that would prioritize certain content or websites for faster access.

Performance

Mobily actively engaged in the "open access" arrangement with the CST and 6 other operators in 2023. By utilizing the current fiber-optic infrastructure, promoting investments and providing subscribers with additional options, this project aims to improve service quality.

Throughout the year, Mobily's expansion in capital expenditure (CAPEX) backed revenue growth and gave priority to rolling out 5G services in key locations. The business has also made investments in digital automation, IoT infrastructure, cloud computing and data centers, submarine cable connections and finance (via Mobily Pay).

This CAPEX rationalization promotes innovation in goods and services and is consistent with Mobily's digital transformation strategy. In order to guarantee that everyone has access to the internet and inclusion, the Company is also dedicated to building out its fiber-optic infrastructure, encouraging healthy competition, and making enticing offers.

Mobily is committed to bridging the digital divide and promoting digital inclusion for all its customers. To this end, the Company has a zero-rating program for a range of government websites and applications. Customers can visit Mobily's Free Usage page for a comprehensive list of zero-rated government services. This page is updated as agreements with government entities evolve.

Mobily's various inclusion initiatives are detailed in the following table.

Stakeholder	Mobily's Initiatives
Elderly people	Elderly customers can access benefits from Mobily's various partners, including comprehensive health and homecare services across the Kingdom, with access facilitated through virtual consultation platforms to widen the reach.
Children	Children can access Mobily's gaming store partners across the Kingdom, in addition to access to our one-stop gaming hub (Mobily Gamers), connecting them with popular games and gamers to watch, with gift cards and vouchers curated specifically for them.
People with disabilities	Mobily offers a 50% lifetime discount for disabled customers on its postpaid monthly subscription.
Low-income households	Mobily offers special products and services to low-income households, especially tailored for affordability.
Remote areas development	Mobily provides 5G network coverage for remote areas, which ensures speeds and service levels comparable to FTTH.

MOBILY HAS AN AMANA PROGRAM TO PROMOTE DIGITAL LITERACY AND SAFE ONLINE PRACTICES AMONG THE YOUTH. THE PROGRAM ENCOURAGES RESPONSIBLE USE OF THE INTERNET AND TECHNOLOGY, MAKING USE OF EDUCATIONAL AND AWARENESS CAMPAIGNS

For more information about this program, please see page 127 of this report.

⊘ Outlook

Mobily will continue to play a leading role in Saudi Arabia's TMT sector, delivering more efficient and more affordable access to the internet, digital services and fintech. The Company will continue to focus on digital inclusion to bridge the connectivity gap, providing better access to services in underserved areas, and strengthening peering agreements to optimize network performance and interconnectivity. These efforts will improve customer experience, promote fair access to digital resources and drive sustainable growth.

07

ACCOUNTABLE ENTERPRISE

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HIGHLIGHTS

Updated internal policies, procedures and control systems to ensure full alignment with the CST and the CMA

Launched Ask Governance, a service that gives employees quick and accurate answers to governance-related inquiries

Provided 2,764 hours of training on human rights and diversity, to foster a culture of inclusivity and respect within the workplace

Zero cases of legal action against Mobily for anti-competitive behavior, anti-trust or monopoly practices

Launched Dividend Payment Inquiry webpage, giving investors convenient access to their dividend payment status

Held over 100 meetings with investors and analysts; delivering consistent, clear and accurate updates on operational and financial performance of the Company, resulted in increased average target share price by 16.3%

First place in the Middle East for the Best Digital 2022 Annual Report Award

92%
of total procurement spent on local suppliers

Mobily's success and reputation are linked to its commitment to being an accountable enterprise that follows global best practices in good corporate governance. A sustainable institution is one in which the hierarchy of decision-making is transparent, where roles and responsibilities are clearly defined, where individuals are held to account for breaches in ethics and whistleblowers feel safe enough to report these, and where leadership is trusted for its integrity. Mobily's management and its Board of Directors are fully committed to sustaining such an organization.

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CORPORATE GOVERNANCE, ETHICS AND INTEGRITY

Approach

Mobily's approach to corporate governance should be seen in the context of its commitment to sustainability: both the sustainability of the Company and society. The Company supports the Saudi Vision 2030 in its objective to "Foster values of equity and transparency."

Corporate governance, ethics and integrity is a top-6 material issue.

The Company manages this material issue by promoting communication, transparency and accountability, which contributes to trust among Stakeholders and to long-term value for shareholders.

Mobily has implemented a rigorous Ethics and Compliance program, guided by its Corporate Compliance department. This program encompasses detailed policies,

regular ethics and compliance training for employees, compliance evaluations and risk assessments.

Mobily contracted an external auditor to conduct an independent, third-party Compliance Maturity Assessment. The assessment identified gaps in Mobily's compliance program compared to the global benchmark. Mobily is also on track to achieve ISO 37301 certification for compliance management systems.

Key Performance Indicators	2023	2022	2021
Percentage of Board seats occupied by women* (UN SDG-5)	0%	0%	0%
Percentage of Board seats occupied by Independent Directors	60%	60%	60%
Executive members of the Board of Directors	0	0	0
Non-Executive members of the Board of Directors	4	4	4
Female members of the Board of Directors	0	0	0
Male members of the Board of Directors	10	10	10
Independent members of the Board of Directors	6	6	6
Non-independent members of the Board of Directors	4	4	4

*While Mobily is open to female applicants for Board positions, no applications were received from women to fulfill those positions.

Board of Directors

In keeping with governance best practice, the Chairman of the Board and CEO roles are separate, and the Chairman is an Independent member.

In the interest of gaining a rounded perspective on its challenges, and for leadership to consider the full range of risks and opportunities, Mobily believes that the Board should include a diversity of professional experience, skills and backgrounds. Mobily's Board includes members with accreditation and depth of experience in information technology, telecommunications and digital regulation/law, risk management, banking, finance, accounting, business management, strategy and corporate governance.

Mobily is committed to fostering a diverse and inclusive Board environment. The Company believes that a diverse Board brings a variety of perspectives and experiences to the organization. By offering equal opportunities for Board membership applications, we aim to attract talented individuals from diverse backgrounds, including women.

Cumulative voting determines the selection of members to the Board of Directors. In line with the Company's bylaws (Article 16), Mobily welcomes applications from all qualified natural individuals, including women, to serve on its Board of Directors. Interested female and male applicants can submit their

CVs for consideration during the nomination period, which is announced on the Stock Exchange (Tadawul). The Nomination and Remuneration Committee will then review the CVs to ensure that nominees meet the required qualifications and have not been charged with any crimes against honor and integrity. Ultimately, it is the shareholders' General Assembly that votes to select the members who receive the highest number of cumulative votes.

The members of the Board consist of 10 males, of which 5 are Independent and 5 are Non-Executive. In 2023, the Board met 9 times, with a 97% attendance rate.

Committees

In accordance with the Bylaws and Corporate Governance Regulations issued by Saudi Arabia's Capital Market Authority (CMA), Mobily has 4 Board Committees. These committees consist of appointed members with operational experience relevant to the matters they oversee. Each committee operates under its own charter.

- Audit Committee
- Executive Committee
- Nomination and Remuneration Committee
- Risk Management Committee

Independence and expertise:

All of Mobily's Board Committees are chaired by Independent members. This ensures that these committees operate with objectivity and are free from any undue influence from management.

Mobily's Audit Committee demonstrates a strong commitment to independence and oversight. Comprised of 4 Independent members and 1 Non-Executive

member, and chaired by an Independent non-Board member, the Committee ensures that its members are free from any conflicts of interest or undue influence from management. This composition aligns with best practices in corporate governance and provides the Committee with the necessary objectivity to effectively fulfill its responsibilities.

The members of the Audit Committee of Mobily bring a wealth of financial expertise to the table. These members have collectively served in various high-level financial roles within renowned organizations, demonstrating their deep understanding of financial matters. Their backgrounds encompass a wide range of financial disciplines, including accounting, finance, risk management and governance. This diverse expertise ensures that the Audit Committee is well-equipped to oversee the Company's financial reporting practices.

Further signifying Mobily's commitment to risk management, the Board Risk Management

Committee Chairman, Eng. Homood Altuwaijri (Independent member), has demonstrated extensive Executive-level experience in risk management at a group level within a public company. During his 4-year tenure as Executive Vice President for Legal and Auditing at SABIC, Eng. Altuwaijri was responsible for overseeing a range of critical functions within the Group's global governance structure. These responsibilities included legal affairs, internal audit, environmental, health, safety and industrial security, as well as Enterprise Risk Management and data quality functions.

The Annual Report offers a comprehensive overview of the Company's governance practices and in-depth insights into the operations and decision-making processes of Mobily.

For detailed information regarding committee members, their roles, responsibilities and meetings held in 2023, please refer to pages 101 to 110 of the 2023 Annual Report.

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Board Election

Mobily's Board is elected by the Company's shareholders in accordance with the Company's bylaws (Article 16), with a current membership tenure of 3 years. The current term of the Board began on 1 December 2021 and will end on 30 November 2024. Mobily considers the following criteria for nominating and selecting Board members:

Stakeholder views: Applicant profiles are filtered by the Nomination and Remuneration Committee in accordance with Mobily's policies for Board membership. The General Assembly votes to approve their membership. According to the Company's bylaws (Article 28), Mobily allows proxy access, enabling qualified shareholders to nominate Board members for election at the General Assembly. In accordance with the Corporate Governance Regulations of CMA (Article 13), the Board must grant investors the opportunity to effectively participate and vote at the General Assembly meetings. Furthermore, the Board must ensure that all investors are treated fairly and equally, as stipulated in the same regulations (Article 4). This includes ensuring that non-resident shareholders enjoy the same voting rights as resident shareholders and that there is no discrimination among shareholders who own the same type or class of shares. The Board must not prevent shareholders from accessing any of their rights.

Diversity: All those who could potentially add value to Mobily, regardless of background, experience and gender are welcome to apply for Board membership. The Company's policies for Board membership mandate diversity in educational background and professional experience, giving priority to applicants with expertise needed on the Board at the time.

Independence: Mobily policy requires that a third of Board seats are reserved for Independent members.

Competencies relevant to Mobily's impacts: Mobily prioritizes applicants with specialist expertise required by the Board to improve their oversight and decision-making. The Nomination and Remuneration Committee annually reviews the Board's needs in terms of skills and experience, preparing a description of qualifications and capabilities required of nominees for Board membership and Executive management.

Board Membership Expiration and Vacancies

As outlined in Mobily's bylaws (Article 17), the Board membership shall expire at the end of its term or for any of the reasons terminating the membership in the Board of Directors or requesting its termination in accordance with any law or instructions in force in the Kingdom. Nonetheless, the Ordinary General Assembly may at all times remove all or some of the Board members. In this case, the Ordinary General Assembly shall elect a new Board of Directors or a replacement of the removed Board member, as the case may be, in accordance with the provisions of the Companies Law.

Assessment of the Board of Directors' Performance

To enhance the effectiveness of the Board, and to ensure best practice in the field of governance, Mobily regularly conducts independent assessments. Periodically, an external assessment is carried out by a specialist governance consultant. Results of this assessment are used to identify any required enhancements and action plans to be taken to implement the required enhancements. In November 2022, Mobily engaged Governance Compass, a specialist governance consultant, to assess the effectiveness and performance of the Board. All members of the Board and its Committees proved transparent and cooperative as they responded to the requirements of the independent consultant. The final assessment results were submitted to the Board of Directors in March 2023. The recommendations of the consultant were duly implemented.

MOBILY'S BOARD IS ELECTED BY THE COMPANY'S SHAREHOLDERS IN ACCORDANCE WITH THE COMPANY'S BYLAWS (ARTICLE 16), WITH A CURRENT MEMBERSHIP TENURE OF 3 YEARS. THE CURRENT TERM OF THE BOARD BEGAN ON 1 DECEMBER 2021 AND WILL END ON 30 NOVEMBER 2024.

The Agenda of the General Assembly

In line with Mobily's bylaws (Article 27), the Board of Directors considers matters that shareholders wish to include in the General Assembly. Shareholders who hold at least 10% of the Company's shares have the right to request that additional items be added to the agenda. They also have the right to request an additional General Assembly. Shareholders are granted a vote on Company-wide pay policies at the General Assembly, and they vote to approve the Remuneration Policy.

The Ordinary General Assembly, as per the Corporate Governance Regulations of CMA (Article 12), has the authority to make decisions on various matters related to the Company's affairs. These include, but are not limited to, electing and removing Board members, approving related party transactions, monitoring the Board's compliance with regulations and discharging them from liability, reviewing financial statements and Board reports, deciding on dividend distributions, appointing external auditors, utilizing the Company's reserves, forming new reserves, allocating funds for social purposes and approving the sale of significant Company assets. These decisions are crucial for the overall governance and direction of the Company.

The Extraordinary General Assembly, as per the Corporate Governance Regulations of CMA (Article 11), has the authority to make significant decisions that affect the Company's structure and operations. These decisions include amending the Company's bylaws, increasing or decreasing its share capital, utilizing reserve funds, deciding on the Company's liquidation, approving share buybacks, issuing different types of shares, issuing convertible debt instruments, allocating shares to employees and suspending preemptive rights for shareholders. These decisions require extraordinary authority and are typically reserved for special meetings of shareholders.

Regarding voting at General Assemblies, Mobily's bylaws (Article 31) stipulate that each shareholder is entitled to one vote per share they hold, i.e. voting power is proportional to the total number of shares owned. Cumulative voting is exclusively implemented in the election of the Board of Directors, giving minority shareholders a greater voice in the election process and enhancing corporate governance. Mobily's voting rights are equal for resident, foreign and non-resident shareholders across all voting items, adhering to applicable local regulations. It is important to note that Mobily maintains a single class of shares (Ordinary Shares).

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Ethics and Compliance

Ethics and compliance lie at the heart of good corporate governance. Mobily is firmly committed to the integration of ethics into its corporate governance systems, ensuring transparency, accountability and the long-term sustainability of the Company. The Company's leadership displays openness and honesty in their dealings, which sets the tone for these traits to permeate the entire organization, helping foster a culture of ethical behavior and accountability.

Mobily has established a comprehensive governance structure to address business ethics and corruption. At the highest level, the Board of Directors assumes responsibility for overseeing these critical areas. They play a pivotal role in approving the Code of Ethics and Professional Conduct, ensuring its alignment with the Company's values and legal requirements. To provide dedicated focus on ethical matters, Mobily has a dedicated Ethics department. Additionally, the Company manages corruption issues through the Internal Audit department, which reports directly to the Audit Committee. This dual approach ensures a robust and effective system for safeguarding Mobily's integrity and compliance.

The Board's Audit Committee is also responsible for overseeing the Company's compliance. It ensures the Company's adherence to relevant regulations, rules, policies and instructions. This includes reviewing the findings of supervisory and regulatory authorities and ensuring that appropriate actions are taken. The Committee also reviews contracts and proposed related party transactions, submitting its findings to the Board of Directors. In addition, the Committee reports to the Board on any issues that require action and provides recommendations for appropriate steps. To facilitate effective compliance reporting, the Committee proposes necessary policies and processes for Stakeholders to follow when submitting complaints or reporting violations.

Anti-competitive Behavior

Mobily avoids anti-competitive behavior by strictly adhering to the relevant laws and regulations governing fair competition and anti-monopolistic practices as outlined in its Code of Ethics and Professional Conduct. The Company understands the serious consequences of violating these laws, including legal and financial penalties that can harm its reputation and business. Mobily's employees are committed to conducting business in a way that fosters fair competition and avoids prohibited practices such as agreements, arrangements or coordination with competitors. The Company encourages open communication and transparency and has a dedicated Regulatory Affairs and Public Policy unit to provide guidance and support on competition-related matters.

In 2023, no legal action pertaining to anti-competitive behavior, anti-trust violation or monopoly practices was taken against Mobily. This indicates the Company's adherence to fair competition principles and compliance with relevant laws and regulations. It also underscores the fact that Mobily is committed to fair, responsible and ethical business practice, and that it adheres to the spirit of healthy market competition and consumer welfare.

ZERO LEGAL ACTION TAKEN AGAINST MOBILY FOR ANTI-COMPETITIVE BEHAVIOR, ANTI-TRUST VIOLATIONS OR MONOPOLY PRACTICES

Code of Ethics and Professional Conduct

Mobily's Code of Ethics and Professional Conduct sets high standards of professional ethics, across a range of sustainability themes, for the entire organization. It outlines Mobily's various commitments towards:

- **The work environment:** A fair, safe, healthy, environmentally friendly workplace

- **The market:** Regulatory compliance, anti-corruption and fraud, fair competition, gift policy, relationships with suppliers and partners

- **Customers and community:** Privacy protection, information security, environmental sustainability

- **Investors:** Anti-money laundering, compliance with capital market regulations, intellectual property rights, anti-fraud

The code includes details on the confidential channels (email, ethics hotline, in-person) for employees to report suspicious activity, without fear of reprisal. It is mandatory for all employees to acknowledge and sign this code as part of onboarding with Mobily.

Mobily streamlined compliance by launching the Compliance Consultation Digital Service. This online platform allows employees to submit inquiries related to the code, compliance culture or other related documents. This service fosters a culture of ethical behavior and simplifies access to compliance resources. Employees are also provided with a dedicated email to inquire about this service.

The Code of Ethics and Professional Conduct is updated regularly, or as and when required to meet the requirements of changes in the operating environment. It was crafted along the guidelines global best practice, with reference to, among other leading guidelines, the Society of Corporate Compliance and Ethics (SCCE) and Ethisphere.

Supplier Code of Conduct

Supply chain management is of growing concern for sustainability practitioners. Mobily's Supplier Code of Conduct is aligned to local laws and holds suppliers to the highest ethical standards in terms of anti-corruption, money laundering, human rights and information security, among others. The publicly available Supplier Code of Conduct is a guiding document for suppliers and third parties engaged with Mobily. It is mandatory for all suppliers and third parties who have dealings with the Company to acknowledge, sign and uphold this code as part of vendor registration with Mobily.

Anti-Harassment

Mobily is dedicated to protecting its reputation on matters of ethics, and it is dedicated to protecting the privacy, safety and dignity of its employees. Mobily strictly governs sexual and non-sexual harassment, whereby an employee faces undue coercion for purposes that are not work related, and that cause emotional or moral harm. Mobily fully complies with the Ministry of Labor's directives on workplace harassment and has included them in its Code of Ethics and Professional Conduct. Mobily has also instituted an Anti-Harassment Code, to spread awareness among employees and contractors, as well as third-party vendors in Mobily's premises, for the recognition and prevention of workplace harassment and address any cases of harassment in a strict and fair manner. Cases of harassment shall be reported and escalated to the Harassment Complaints Committee through the designated email channel (HC@mobily.com.sa). The Committee shall treat all cases with utmost confidentiality.

100%
OF MOBILY SUPPLIERS HAVE SIGNED THE SUPPLIER CODE OF CONDUCT

100%
OF MOBILY EMPLOYEES HAVE SIGNED THE ANTI-HARASSMENT CODE

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Anti-Fraud and Whistleblowing

Fraud is used to describe offences including, but not limited to, deception, bribery, forgery, extortion, corruption, theft, conspiracy, embezzlement, misappropriation, false representation, concealment of material facts and collusion.

Mobily is committed to whistleblower protection for those who come forward with genuine concerns about misconduct, such as fraud. The Company's policies and procedures safeguard whistleblowers from retaliation and provide them with secure channels to report their concerns. Employees can report instances of misconduct via Mobily's dedicated ethics hotline – via phone (at: 0560311477) or email (at: Ethics. hotline@mobily.com.sa) – and be assured that their confidentiality will be maintained.

MOBILY HAS A ZERO-TOLERANCE ATTITUDE TOWARDS FRAUD, CORRUPTION, BRIBERY AND UNETHICAL BEHAVIOR

Mobily's approach to fraud and whistleblowing, which applies to all employees and third parties who engage with the Company, includes the following principles:

• Mobily has a zero-tolerance attitude towards fraud, corruption, bribery and unethical behavior

• Mobily's Code of Conduct outlines the standards of ethical behavior mandate which must be followed by employees, and all third parties engaged with the Company

• In accordance with the Anti-Corruption and Whistleblowing Policy, any case of suspected fraud, corruption or breaches of the Code of Conduct must be reported immediately

• Mobily commits to ongoing awareness-raising and training for employees around fraud and corruption

• Mobily prosecutes or applies other appropriate sanctions against those who have committed fraud

Conflict of Interest

In 2023, Mobily established a Conflict of Interest Policy, which applies to Board level, Executive management,

employees and vendors. This has been shared with all relevant Stakeholders, with a committee constituted to oversee conflicts of interest. The Conflict of Interest Policy was endorsed by the Audit Committee and approved by the Board of Directors. Together with the Gift and Hospitality Policy and the Related Parties Transactions Process, the Conflict of Interest Policy governs direct and indirect interest matters that may adversely affect the integrity, or the performance of the Board and its committees, Executive management and employees.

In accordance with the Corporate Governance Regulations of CMA (Article 12), Mobily shareholders are empowered through the General Assembly to approve related party transactions. This includes granting permission to Board members who may have direct or indirect interests in businesses and contracts executed on behalf of the Company, provided that such transactions comply with the Companies Law and its implementing regulations, demonstrating the shareholders' ultimate authority in significant corporate decisions.

Equitable Bidding Practices and Shareholder Rights

Mobily is committed to ensuring that all shareholders are treated fairly and equitably during any merger or acquisition process. In accordance with the Merger and Acquisitions Regulations of CMA, the Company adheres to the following principles:

Equal treatment of shareholders ①

• **(Article 3):** All shareholders of the same type or class of Mobily shares must be treated equally by an offeror
• **(Article 31):** No preferential arrangements or conditions may be offered to individual shareholders that are not extended to all shareholders

Board of Directors' duties ②

• **(Article 16):** An offer must be presented to the Company's Board of Directors or independent financial advisor before being made public
• **(Article 33):** Shareholders will not be required to appoint proxies or take specific actions unless necessary after the offer becomes unconditional

Informed decision-making ③

• **(Article 3):** Shareholders must be provided with sufficient information and advice to enable them to make informed decisions about accepting or rejecting an offer
• **(Article 35):** Relevant information about the offer, including announcements, statements and circulars, will be made equally available to all shareholders through various channels, including the Company's website and regulatory information services

Shareholder rights ④

• **(Article 3):** The Company's Board will act in the best interests of all shareholders and will provide advice that is independent and free from conflicts of interest
• **(Article 18):** The Board will consider the interests of all shareholders, employees and creditors when making recommendations
• **(Article 38):** Any agreements or arrangements between the offeror and the Company's Board members or shareholders will be disclosed in the offer document

Mobily's bylaws (Article 43) empowers the Company's shareholders to hold the Board accountable for violations of the Companies Law or these Articles, negligence or errors that result in damages to the Company. If the Company fails to initiate a liability suit against the Board members, shareholders representing at least 5% of the Company's capital can take the initiative. However, such a suit must be filed with the primary objective of benefiting the Company and must be based on valid grounds. Additionally, shareholders who suffer personal harm due to the Board's actions can file individual lawsuits against the responsible members.

Amana Program and Training

Mobily's Business Ethics program, "Amana", meaning "trust" in Arabic, demonstrates the Company's dedication to maintaining the highest ethical standards and ensuring adherence to applicable laws and regulations. Through Amana, Mobily implements the above codes, as well its compliance systems, with mechanisms for monitoring and reporting compliance issues or deviations. Routine audits and internal reviews are conducted to ensure that the Company's operations are in line with legal and ethical requirements. Amana also has a training and education component, by which employees can access online training on the Code of Ethics and Professional Conduct. Amana is a dedicated internal program

to encourage an attitude among employees and contractors of zero-tolerance to corruption, bribery and unethical behavior.

In 2023, Executive management was given a presentation on related party transactions to educate it on the details of this important ethical consideration. Mobily also conducted various leadership workshops to develop and promote a compliance culture.

Mobily recognizes the importance of ethical conduct among its vendors and has taken proactive steps to foster ethical standards within its supply chain. In 2023, the Company conducted multiple online awareness sessions for its vendors in order to promote ethical standards.

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The table below provides a detailed breakdown of the various training and awareness programs conducted in the interests of promoting zero-tolerance for corruption, bribery and unethical behavior.

Key Performance Indicators	2023
Number of trainings provided on Code of Ethics and Professional Conduct	5
Number of employees attended the Code of Ethics and Professional Conduct training	2,835
Number of trainings provided on Ethics	5
Number of employees attended the Ethics training	28
Number of trainings provided on Integrity and Compliance culture	3
Number of employees attended the Integrity and Compliance culture training	58
Number of trainings provided on Conflict of Interest	1
Number of employees attended the Conflict of Interest training	187
Number of trainings provided on Compliance, Bribery and Anti-corruption and Fraud Policy	5
Number of employees attended the Compliance, Bribery and Anti-corruption and Fraud Policy training	31

Effectiveness of Internal Control System

Corporate sustainability, in terms of business ethics, relies on a system of internal controls, to ensure that business operations align with legal and ethical requirements.

Mobily's Executive management is responsible for implementing a comprehensive and cost-effective internal control system proportionate to the Company's risks. The Audit Committee monitors the internal control system, making recommendations, where necessary, to improve the system.

For a detailed review of Mobily's internal control system please refer to pages 143-146 of the Annual Report.

Mobily's internal control system provides assurance on the achievement of the Company's goals, on the reliability of financial reports, on compliance (with policies, laws, regulations) and on risk management, among other functions. The internal control system plays an important role in preventing fraud

and in protecting the Company's assets, including intellectual and reputational assets.

The Audit Committee reviews the reports of the Internal Audit department, the external auditor and the various departments involved in auditing, risk and assurance. For 2023, the Audit Committee found no major weaknesses in Mobily's internal control system. It did, however, find opportunities for improvement, in response to changes within the Company. The observations were reported to Executive management, which drew up a plan to implement the Audit Committee's recommendations. The Audit Committee will follow up on implementation of the plan, as per the agreed timelines.

For a comprehensive review of the Company's performance in terms of risk, compliance and governance, please refer to the Governance section in the Annual Report, pages 101-144.

Mobily appointed a new external auditor in 2023, after the 7-year tenure of the previous firm came to

an end; with the decision approved by shareholders at the General Assembly. In 2023, Mobily made some refinements and amendments to its Remuneration Policy for Directors of the Board, members of committees and Executive management, which was also approved by the shareholders at the General Assembly. Such changes strengthen Mobily's governance framework, ensuring continued alignment with the Company's operations, best practices and relevant regulations. Furthermore, the Company extended the maximum term of its Board of Directors from 3 to 4 years, allowing for greater continuity and stability in leadership, and enabling the Board to effectively oversee Mobily's long-term strategic direction.

View Mobily's Remuneration Policy 2023 here:

Compliance Framework

Mobily's rigorous Compliance framework safeguards its business through 5 key building blocks:

Leadership Engagement and Accountability: The Board and Executive management display strong leadership in setting the example for ethics and compliance, to safeguard business interests and long-term value, including reputational value, aligned with global best practices.

Ethics and Compliance Standards and Policies: Mobily has all the policies and procedures in place to deal with issues of ethics and compliance, including the recently added Gifts and Hospitality Policy, Conflict of Interest Policy and the Related Parties Transactions Process.

View Mobily's Code of Ethics and Professional Conduct here:

Code of Ethics & Professional Conduct

Awareness and Communications: Continuous internal communication across all levels amplifies awareness about ethical conduct and compliance obligations.

Assessment and Monitoring: Structured assessments identify, prioritize and tackle potential compliance risks, ensuring strong internal controls. In 2023, compliance assessments included key areas such as validating Mobily's approved delegation of authorities' decisions, Consumer Sales Policy, related party transactions, and reviewing various contractual annexures from an ethics and compliance perspective.

Compliance Reporting: Dedicated channels and assured non-retaliation encourage employees to report concerns anonymously, empowering ethical action.

Human Rights Commitment

Mobily's commitment to human rights is articulated in the Company's Human Resources Policy and its Human Rights Code.

View Mobily's Human Rights Code here:

Through its proactive human rights initiatives, Mobily fosters a culture of respect, equality and dignity for employees and for all Stakeholders. Mobily' adherence to human rights, in line with its commitment to the UNGC's 10 principles, applies to customers, suppliers and Stakeholders, and its key principles include non-discrimination, freedom of association, safe working conditions and the prevention of child and forced labor.

Mobily is dedicated to upholding labor rights. This commitment aligns with both Saudi Arabian labor laws and the International Labor Organization's (ILO) standards.

The Company respects the rights of its employees to freedom of association and collective bargaining, as permitted by Saudi law. Mobily achieves this through a Human Rights Code that guarantees a safe work environment. This code reflects the Company's commitment to a workplace free from violence,

harassment, intimidation and other unsafe or disruptive conditions, stemming from both internal and external threats. Security measures are provided to employees as needed, while always respecting their privacy and dignity.

The code empowers employees to report suspected violations in good faith through a dedicated email address (hrhelpdesk@mobily.com.sa). Mobily guarantees no retaliation against employees who report actual or potential violations. The Company will investigate, address and respond to all reported concerns, taking appropriate legal action when necessary.

Furthermore, Mobily has established a dedicated Employee Engagement department. This department facilitates discussions on pressing labor concerns and proposes actions for improvement, fostering a positive work culture. This comprehensive approach reflects Mobily's overarching commitment of fostering a workplace where labor rights are upheld, and employees feel valued.

These and other principles in the Human Rights Code are listed below:

- Respect human rights: No discrimination based on ethnicity, language, gender, among other things

- A workplace that is inclusive and diverse; that is free of harassment, unequal treatment and discrimination; and that offers a supportive and motivating environment

- A workplace that is safe, secure and healthy

- Zero-tolerance for child labor (defined as under 15 years of age as per local law) and for forced labor, both in the Company and its supply chain

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- Adherence to labor laws and regulations
- Communication to employees of their rights and responsibilities
- A fair and functional grievance mechanism
- Inform the public about Mobily's human rights commitments and responsibilities

Mobily aligns with all human rights-related legislation in Saudi Arabia (Child Protection, Protection from Abuse, Anti-trafficking in Persons) and with international frameworks on human rights, including the United Nations Declaration of Human Rights (UDHR), the United Nations Global Compact (UNGC), the United Nations Sustainable Development Goals (UNSDGs) and the Human Rights Commission of Saudi Arabia. In aligning with these national and international standards, Mobily shows that it is committed to a forward-looking approach to human rights and to the fair and just treatment of the individual.

Performance

In 2023, Mobily introduced several key policies and processes as part of its commitment to uphold ethical standards, including a Gifts and Hospitality Policy. The recently introduced Related Parties Transactions Process ensures the integrity of transactions between Mobily and related parties, safeguarding against conflicts of interest.

Mobily works with Bizagi to improve on and simplify its compliance management process, enabling systematic and streamlined collaboration among Stakeholders.

The Company also reviewed its corporate bylaws in 2023 to ensure alignment with the updated Saudi Companies Corporate Law (issued by Royal Decree, No. M/132 on 1/12/1443 AH). This review resulted in several amendments to Mobily's bylaws, strengthening the Company's governance framework and aligning it with the latest regulatory requirements.

View Mobily's Bylaws here:

In 2023, Mobily enhanced its Delegation of Authority (DoA) to cover both strategic and operational authorities. The Company is implementing a more robust DoA structure that distinguishes strategic decision-making authorities from operational decision-making authorities. This initiative promotes better decision-making, and more appropriate levels of authority and accountability across management levels, enabling the Board to focus on their strategic oversight role, as opposed to day-to-day decision-making.

In 2023, the Governance team closely monitored the changes and updates announced by the CST, the CMA and other key regulatory bodies. Based on this assessment, Mobily updated its internal policies, procedures and control systems to ensure full alignment. This included revising the Data Governance Policy, Information Security Policy and other critical governance documents.

In 2023, Mobily launched its Ask Governance service, an internal service for department heads and other employees to raise governance-related inquiries and receive quick and accurate answers, ensuring a unified approach to governance matters across the Company.

In 2023, Mobily implemented comprehensive compliance training programs to ensure ethical behavior and adherence to the Company's Code of Conduct among employees. These programs covered a broad range of topics, including business ethics and the importance of maintaining high ethical standards in professional conduct. Additionally, Mobily provided training on human rights and diversity to foster a culture of inclusivity and respect within the workplace. The total training hours for employees in the areas of human rights and diversity amounted to 2,764 hours. During these training sessions, employees were educated on the significance of equal opportunity, non-discrimination and the value of embracing diversity in all aspects of their work.

In 2023, 20 subsidiary Board members were included in a Corporate Governance program provided by INSEAD, a non-profit business school for graduates, to enhance the governance of the Company's subsidiaries.

In 2023, there were no cases of legal action against Mobily for anti-competitive behavior, anti-trust or monopoly practices.

⊙ Outlook

In 2024, Mobily will continue to strengthen its governance framework to better align with Stakeholder expectations. The Company will also update strategic policies to align them with the Company's vision, mission and values, and engage with key Stakeholders to ensure their perspectives have been incorporated. Robust monitoring and review mechanisms will be implemented to ensure consistent policy adherence.

Strengthening Board oversight and effectiveness is another priority, which will involve evaluating Board composition, diversity and independence to ensure optimal representation of skills, experience and perspectives. Mobily will also continue to enhance the Board's understanding of the evolving business landscape, through training; and ensure the Board is receiving the right information at the right time, through leveraging data analytics, and promoting constructive discussions. Refining performance evaluation criteria for the Board and its committees is another area of focus.

The Company will assess its current governance maturity level using recognized frameworks to identify gaps and areas for improvement, and KPIs to measure progress.

By implementing these governance goals and targets, Mobily will improve its decision-making processes, enhance transparency and foster a culture of accountability and ethical behavior.

Mobily will continue to stay on the leading edge of corporate ethics with the following priorities:

- Enact the newly developed compliance governance artifacts to ensure ongoing compliance with relevant laws and regulations
- Monitor compliance with approved authorities and targeted corporate policies
- Conduct additional awareness/trainings on ethics and compliance related new risk areas/topics
- Review related party transactions
- Obtain ISO 37301 (Compliance management) certification
- Review its policies and codes on an ongoing basis, including the Human Rights Code

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TRANSPARENCY

Approach

Mobily is committed to giving investors and other Stakeholders all the facts they need to make an informed decision about the Company. These facts, figures and findings are reported accurately and timeously through Mobily's various communication channels, including through social media, via email, the press and formal engagement, both in person and online.

Essential Elements for Achieving Transparency:

Transparent Engagements:
Mobily places a high priority on transparency in all interactions and engagements. By delivering honest and clear information, the Company cultivates trust and openness with all Stakeholders

Clear and Direct Communications:
Clear communication is vital for fostering strong relationships. Mobily communicates directly and simply, avoiding potential confusion or misunderstanding

Fair and Equal Treatment:
The Company is dedicated to treating every Stakeholder with fairness and equality. Mobily appreciates the importance of diversity and inclusion, ensuring that all voices and concerns have an opportunity to be heard

Mobily promotes organizational transparency through the implementation of the Transparency and Disclosure Policy. This policy serves as a guide, providing comprehensive and necessary information to Stakeholders. Mobily ensures that internal processes, channels and its Company website are transparent, enabling its Stakeholders to stay informed.

Board and Executive's Pay

As outlined in the Nomination and Remuneration Committee Charter (Article 4.2), shareholders are granted a vote on the Company-wide pay policies at the General Assembly. The Remuneration Policy is reviewed and updated periodically and voted on by shareholders, ensuring regular input on the Company's compensation practices. In 2023, the Remuneration

Policy of the Company was approved based on the minutes of the General Assembly meeting. The vote includes Directors on the Board, its committees and senior executives, ensuring that shareholders have a say in the pay of top executives.

Mobily discloses the remuneration of its Board members and Executive management in accordance with the Corporate Governance Regulations of CMA (Article 90). These local regulations require companies to disclose the total remunerations granted to the Board members and Executive management, directly or indirectly, without any omission or misleading information, and whether these were in cash or other benefits of any nature. In case they were shares of the Company, the value of the shares is the market value on the due date. Companies shall

disclose a breakdown of all received remunerations by the Board and its Committee members, and the total remuneration for 5 senior executives who have received the highest compensation from the Company, provided that the CEO and CFO are among them, ensuring transparency and accountability in executive compensation.

Mobily's commitment to sustainability is further reinforced by its linkage of executive compensation to the achievement of sustainability ESG strategy KPIs of the year. This practice aligns with the Company's broader goals of promoting ESG practices. By tying executive pay to sustainability performance, Mobily incentivizes its leadership to prioritize these initiatives and drive positive change.

Clawback and Malus

In line with Mobily's Remuneration Policy approved by the Company's General Assembly, the Board of Directors' remuneration is subject to a clawback policy. Bonuses or other incentives may be suspended or recovered if determined to be based on inaccurate information. This mechanism safeguards against the misuse of position for personal gain. Moreover, the approved remuneration for each employee in the Executive management may vary depending on the job grade, mission, responsibilities of the employee, practical experience and skills, in addition to the results achieved during the year in question. Salaries and benefits allocated to the Executive management shall include basic salary, benefits and allowances based on the Company's approved policy.

The Nomination and Remuneration Committee plays a crucial role in overseeing the implementation of Mobily's Remuneration Policy. The Committee ensures that remuneration is aligned with the Company's objectives, verifies the integrity of actions taken, and reports any material deviations to the Board. This oversight role is crucial for identifying instances where clawback may be warranted.

In addition to the Remuneration Policy, the Companies Law (Article 29) provides a legal basis for Mobily to take legal action against managers or Board members who cause damage to the Company through their wrongful acts, negligence or omissions. This empowers Mobily to pursue clawback in cases of Board and executive misconduct. Specifically, the article outlines

the circumstances under which shareholders can initiate derivative actions against managers or Board members.

Furthermore, the Labor Law (Article 80) allows for compensation to be claimed from workers who have unlawfully taken advantage of their position for personal gain. This provision can also be extended to executives who have used their positions to enrich themselves at the Company's expense.

In accordance with the Company's HR Policy and strategic objectives, Mobily's Executive management bonus is performance-driven and based on pre-defined KPIs, ensuring a direct link between compensation and results. To mitigate risks associated with inaccurate data, the Company has implemented robust internal controls and performance evaluation processes where all employees, including senior executives, are rewarded after year-end.

Mobily's Internal Work Regulation (Article 74) reinforces the Company's right to claim compensation for damages caused by an employee's actions, negligence or failure to comply with regulations. This provision further supports the concept of clawback by allowing Mobily to recover losses resulting from executive misconduct.

Business Continuity and Risk Management

Mobily emphasizes sustainable business practices and effective risk management to ensure business continuity and strategic implementation. The Company's risk

management framework consists of Enterprise Risk Management (ERM) and Business Continuity Management (BCM); which are key must-haves for Mobily to optimize operations, reduce disruptions and ensure long-term sustainability.

The Board Risk Management Committee concerns itself with strategic risks and with risk oversight. The Executive Risk Management Committee (ERMC) is responsible for tactical and operational risks. Heads of divisions are responsible for their departmental risk registers. The risk registers are regularly updated, allowing employees to proactively identify and report potential risks throughout the organization.

As part of Mobily's risk management solution, the top risk registers are automated. Mobily uses MetricStream, a GRC software solutions, to automate its BCM system, in terms of both operation and workflow. The scope of this system covers Mobily's entire operations.

Mobily has a comprehensive awareness campaign for risk management. It starts at the onboarding program (Anwarat), while ongoing awareness campaigns are delivered through multiple channels such as emails, workshops, events, etc. In addition, through the active participation of Stakeholders, including C-Suite and regulators, Mobily has conducted several crisis simulation exercises and BCM drills, such as desktop exercises.

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Managing Risk and Continuity

Mobily's ERM function deals with risk management, identifying and mitigating risks to the Company's strategic, reputational, financial, compliance and operational objectives. The Business Continuity Management (BCM) function is responsible for ensuring effective responses and maintaining operational availability during disasters. The BCM and Risk functions have embedded robust processes throughout the organization to manage issues that threaten Company profits and economic value, as well as its reputation and operating license. These processes address potential disruptions and ensure the continuity of operations and services.

- Annual update of risk appetite
- Regular risk registers update
- Quarterly emerging risks scan (internal and external)
- Comprehensive monitoring and reporting for top risk profile
- Compliance certificate to ISO 31000 requirements
- Consistent risk rating criteria considering controls, mitigations and key risk indicators
- Continuous training and awareness
- Automation of risk management processes

- ISO 22301 certified (for 9 consecutive years)
- BIAs and BCPs in place for all critical services and operations
- Regular testing and exercises are conducted for BCP and DRP
- Continuous training and awareness
- Crisis management including CM Manual, teams, plan and CM communication
- BCM process automated through system

Crisis Management

A crisis is a highly abnormal, unstable and complex situation that poses a threat to Mobily's strategic objectives, reputation and even its existence. In response, the Company's Executive management allocates resources to effectively address crises and protect Mobily's assets, and by extension Stakeholder interests. Mobily has a Crisis Management Team (CMT), led by the CEO and composed of CxOs and their representatives. The CMT Manual, maintained by Mobily's Business Continuity department, outlines the framework for deploying resources, facilitating communication and providing training to manage a crisis. It also details the decision-making process in such situations. With a dedicated CMT and a clear crisis management framework, Mobily demonstrates its proactive approach to crisis preparedness, ensuring it can handle crises and safeguard Stakeholders' interests.

CMT Activation

The CMT Manual has criteria for incident classification, escalation and resolution, categorizing incidents as low, moderate, high, significant or critical. Critical incidents are treated as crises, prompting the BCM team to recommend CMT activation to the CMT Head. Upon approval, the CMT takes control of the situation, providing guidance and support to minimize impact and ensure a swift, coordinated resolution.

Crisis Communication

Mobily has developed a comprehensive crisis communication strategy that covers both internal communication and external engagement with Stakeholders and the media. The objectives are to ensure timely communication with employees and vendors involved in crisis management; provide verified information to Stakeholders to minimize rumors and maintain credibility; facilitate information flow among internal teams, Stakeholders and the media; prioritize the welfare of personnel and their families; and retain the confidence of Stakeholders and the media.

Crisis Simulation

Mobily recognizes the importance of crisis preparedness through regular simulations. As part of its annual BCM program, the Company conducts various crisis scenarios and compares actual results to expected outcomes. These exercises assure management and Stakeholders of Mobily's readiness, resilience and capability to manage crises.
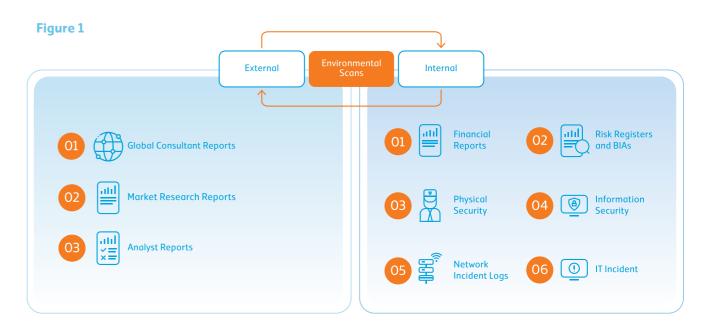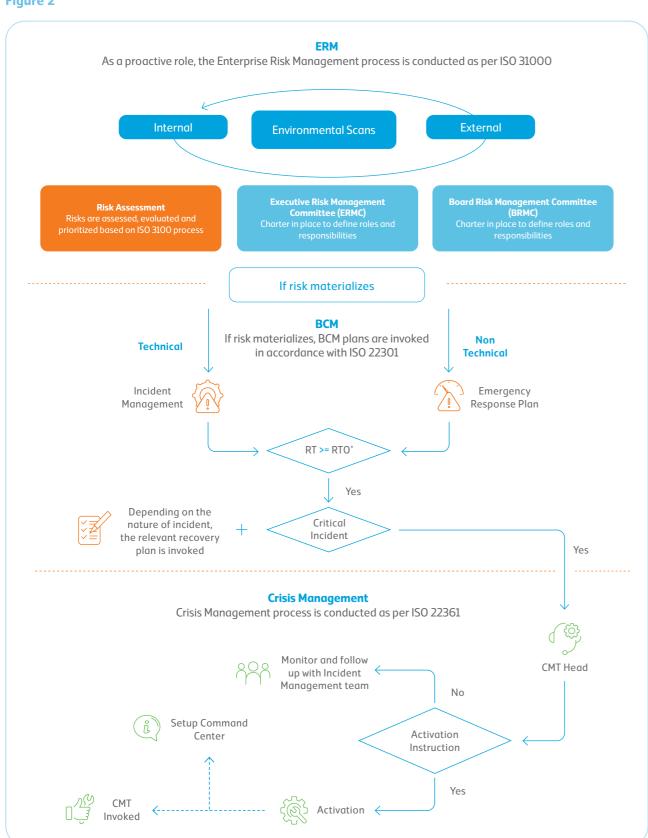
Figure 1

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Figure 2

ERM
As a proactive role, the Enterprise Risk Management process is conducted as per ISO 31000

- Internal
- Environmental Scans
- External

Risk Assessment
Risks are assessed, evaluated and prioritized based on ISO 3100 process

Executive Risk Management Committee (ERMC)
Charter in place to define roles and responsibilities

Board Risk Management Committee (BRMC)
Charter in place to define roles and responsibilities

If risk materializes

BCM
If risk materializes, BCM plans are invoked in accordance with ISO 22301

Technical   **Non Technical**

Incident Management   Emergency Response Plan

RT >= RTO*

Yes

Depending on the nature of incident, the relevant recovery plan is invoked

Critical Incident   Yes

Crisis Management
Crisis Management process is conducted as per ISO 22361

CMT Head

Monitor and follow up with Incident Management team

Setup Command Center

Activation Instruction

No

Yes

CMT Invoked   Activation

* Recovery time (RT) | Recovery Time Objective (RTO)

Performance

Investment Community Practices and Investor Trust

In 2023, Mobily's Investor Relations (IR) team further enhanced its reporting practices, fortifying all shareholder reporting and disclosure with more details, providing investors with deeper insights into the Company's performance. The Annual Report underwent a significant expansion, with new chapters and a more compelling narrative presenting Mobily's full story. In line with global best practices, the Sustainability Report adopted the GRI standards, offering an even more comprehensive picture of Mobily's commitment to ESG principles.

In 2023, Mobily launched its Dividend Payment Inquiry webpage, which gives investors convenient access to their dividend payment status. The IR team also introduced revamped IR and sustainability webpages, as well as an IR app, a dedicated IVR phone line system for investor inquiries, and a webpage for Mobily's General Assembly meeting for investors to participate and vote remotely.

The IR team's dedication, including participation in 10 renowned and prestigious investor conferences and roadshows and holding over 100 meetings with investors and analysts throughout the year, yielded tangible results, most notably in the form of increased investor engagement. This confidence translated into a 16.3% increase in the average target share price, an indicator of Mobily's growing appeal within the investment community. The team's

strategic efforts also contributed to a significant expansion of Mobily's investor base, with institutional investors reaching 77.8% and foreign investors accounting for 19.4% of the investor pool.

The following acknowledgements and awards speak to the Company's commitment and dedication to transparency:

- First place in the Middle East for the Best Digital 2022 Annual Report Award by MEIRA
- Second place in the Middle East for the Best Printed 2022 Annual Report Award by MEIRA
- Honorary award for Mobily's effective efforts in developing an Investor Relations Toolkit for listed companies from the Saudi Stock Exchange (Tadawul)
- Best Investor Relations Telecommunications Company Award in Saudi Arabia by the Global Business Outlook (GBO)
- Fastest Growing Telecoms Brand in the Middle East 2023 by Brand Finance

Lawsuits and Penalties

In 2023, the Committee for the Consideration of Violations of the Telecommunication and Information Technology Act passed several decisions, including penalties, against Mobily. The Company appealed such decisions in accordance with the Telecommunication and Information Technology Act and its Executive Regulations. Such decisions were based on various reasons, including rejection of number transfer requests, terms and conditions of providing service to customers, and other reasons.

The Company seeks to avoid a recurrence of such penalties through the following actions:

- Analyzing and addressing the causes of violations in coordination with the relevant units of the Company
- Enhancing compliance with the CST's resolutions and instructions
- Raising organizational awareness about new laws, regulations and instructions
- Taking the necessary escalation actions if required

In addition to the above, through the development of the organizational commitment mechanisms and tools and allocating the necessary HR resources and policies to address violations within the legal period in compliance with CST's regulations.

The CST's Committee for the Consideration of Violations of the Communications Law has passed several decisions, including penalties against Mobily amounting to SAR 21 million as at 31 December 2023 (31 December 2022: SAR 76 million). The Group filed multiple lawsuits against CST at the Board of Grievances in order to oppose such resolutions of the CST Violation Committee which remains outstanding and based on the status of these lawsuits as of 31 December 2023, the Group's management believes that sufficient provisions have been recorded.

The Group, in its ordinary course of business, is subject to proceedings, lawsuits and other claims. However, based on the status of these lawsuits as of 31 December 2023, the Group's management believes that sufficient provisions have been recorded.

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Risk Management and Business Continuity

During 2023, Mobily received ISO 31000 certification for its Risk management system; while maintaining its ISO 22301:2019 (Societal security — Business continuity management systems) certification.

During the year, Mobily signed an MoU with CyberArrow to collaborate on enhancing Governance, Risk and Compliance (GRC), using AI and digitalization. The MoU's objectives

are to host GRC in the Mobily cloud and automate for more seamless regulatory compliance.

In 2023, Mobily established a Disaster Recovery Center to enhance the resilience of its critical IT applications. This center provides secondary resilience to Mission Critical IT applications, while the existing data centers will continue to provide primary resilience in active-active mode. Moreover, the Disaster Recovery Institute International shortlisted Mobily for its prestigious

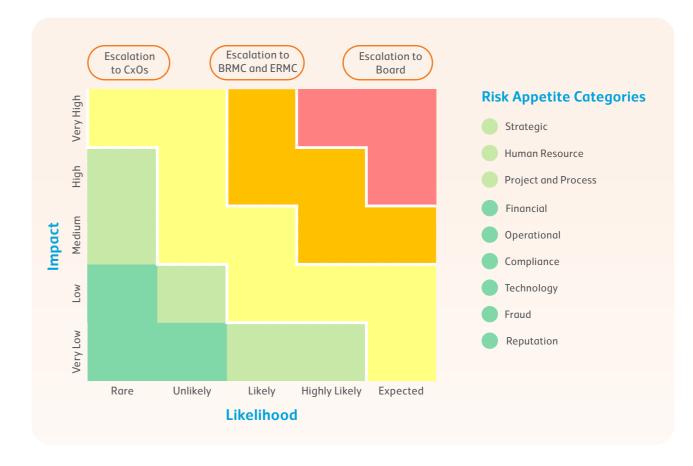"Most Effective Recovery of the Year" award.

THERE WERE NO MATERIALLY HARMFUL RISK EVENTS IN 2023, AND THE COMPANY MAINTAINED A HANDLE ON THE MAJOR RISKS THAT MIGHT DISRUPT OPERATIONS, PROFITS, AND SOCIAL AND ENVIRONMENTAL SAFETY

Company Risks

Risk Category	Risk Name	Key Drivers	Management Response
Strategic Risk	Strategy execution	• Delivering growth • Balancing long-term sustainability with short-term growth opportunities • Capabilities to drive and execute strategy • Macroeconomic conditions	• Strategy and business development expertise enhancement • Corporate Project Management Office (PMO) in place with frequent reporting on the progress of strategic projects • Close monitoring of strategic goals and KPIs • Regular market research
Project Risk	Enterprise digital transformation	• Resources to support planned transformational initiatives • Corporate wide agility to deliver on transformation projects • Business requirements • Change management	• Expedite the implementation of digital transformation projects • Create clear value realization program
Compliance Risk	Regulatory decisions	• Evolving regulatory regime creates uncertainty and delays • Regulations and decisions impacting level playing field in the market • Data privacy	• Strong corporate governance and compliance are in place to ensure compliance with all regulatory requirements • Regular engagement with government entities on relevant key matters impacting Mobily and the whole sector
Technology Risk	Cyber attacks	• Vulnerabilities and threats • Cybersecurity governance • Implementation of cybersecurity controls • Staff awareness	• IT teams work together to implement security controls and prevent cyber attacks; in compliance with the National Cybersecurity Authority (NCA) and ISO requirements • Employee training to maintain and raise levels of awareness
Strategic Risk	Subsidiaries governance and operation	• Governance practices and integration with Mobily • Dependency on third parties • Market competition	• Clear operating model in place • Subsidiary Management unit established to oversee the subsidiaries performance • Board of Directors, Audit Committee and all relevant committees in place with clear Charters and Delegation of Authorities

Figure 3

Escalation Levels and Risk Appetite Categories

→ Outlook

Mobily is introducing automation to improve its risk management environment. Once implemented, the system will provide a risk dashboard to management, thereby enabling better decision-making. The dashboard will cover key risk indicators as well as drivers covering top risks, emerging risks and key departmental risks.

In 2024, Mobily commenced with climate risk as one of its strategic risk areas. Additionally, Mobily has started tracking risk indicators covering ESG. As part of its endeavor to enhance organizational resiliency, Mobily will focus on crisis management through benchmarking its crisis management practices against international standards and best practices, with the goal of achieving ISO 22361 (Crisis management) certification.

Mobily remains steadfast in its commitment to maintaining transparency and open communication with shareholders and all Stakeholders. The Company will continue to provide timely and accurate information, ensuring that Stakeholders have a clear understanding of its performance, strategic direction and governance practices. By fostering transparency and building trust, Mobily aims to strengthen its relationships with Stakeholders and contribute to the overall success of the Company.

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RESPONSIBLE SUPPLY CHAIN

Approach

Mobily recognizes the importance of responsible procurement and a responsible supply chain, as part of its commitment to good governance and ESG more generally. Mobily has implemented a procurement program that considers the environmental impact of the products and services it acquires. The Company promotes the purchase of sustainable options by considering factors like resource usage, environmental friendliness and lifecycle assessments. By emphasizing sustainable procurement practices, Mobily supports a greener supply chain.

The Company engages suppliers on a regular basis and has implemented robust systems to ensure fair procurement procedures. Mobily conducts regular audits to ensure compliance with established systems and guidelines, and suppliers must sign Mobily's Supplier Code of Conduct and Mobily's policies around data security and privacy. The DGO ensures that suppliers' contracts comply with Mobily's Data Privacy Policy and the PDPL. Management of transfer are carried out by the Cybersecurity team and the engagement owner to ensure that the data is stored in locations that comply with regulations like the National Cybersecurity Authority's (NCA) requirements. Mobily holds regular meetings with top suppliers to update them on the latest policy requirements, and to discuss challenges and opportunities for a more sustainable supply chain.

Performance

For the fourth consecutive year the Saudi Arabian Government awarded Mobily with the local content certificate, for supporting local content initiatives and strengthening the local economy. In 2023, Mobily engaged with 26 SMEs. Mobily also conducted ESG awareness sessions for top vendors and collaborated with 5 suppliers on this project. The topics of the sessions included defining ESG and integrating it into the corporate culture. The aim of this is to raise awareness about sustainability, encouraging partners to adopt ESG measures.

Mobily strictly manages ethical compliance of suppliers, blocking non-compliant companies from doing business with Mobily.

IN 2023, MOBILY BLOCKED 11 SUPPLIERS FOR REASONS OF NON-COMPLIANCE WITH ETHICAL ASPECTS. THIS COMPARES TO 14 IN 2022

CASE STUDY

Local Content Support

Background

In 2023, Mobily recognized the importance of strengthening the local supply chain and enhancing operational resilience within Saudi Arabia's telecommunications sector.

Initiative

To achieve this goal, Mobily collaborated with 2 SIM card manufacturer suppliers, encouraging them to establish local servers and factories in the region; in the interests of localizing the supply chain and fostering economic growth within the community.

Impact

The establishment of these local facilities resulted in significant benefits, creating numerous job opportunities and contributing to the overall economic development of the area. By localizing production, Mobily enhanced the resilience of its supply chain, reducing dependency on external sources and enabling quicker market response times.

Conclusion

This initiative demonstrates Mobily's dedication to sustainable development, showcasing how strategic partnerships strengthen local economies and enhance supply chain resilience.

As part of sustaining a responsible supply chain, Mobily is digitalizing its processes in dealing with suppliers as evidenced by the table below. Digitalization helps with data collection and analysis and also improves oversight and efficiency.

Key Performance Indicators	2023	2022	2021
Reduction of paper-based documents with the electronic procurement process (an approximate if actual numbers not available)	4,000	9,500	11,400
Number of electronically issued invoices	13,681	11,760	12,106
Number of digitally signed contracts	217	200	80
Number of electronic orders sent to suppliers	2,586	2,953	2,894
Number of suppliers that were trained in the electronic management of negotiations, orders and invoices	>500	>500	>500
Number of suppliers identified as having significant actual and potential negative impacts	11	9	10
Suppliers with whom improvements were agreed upon because of audit	N/A	N/A	10
Number of suppliers blocked for reasons of non-compliance with ethical aspects	11	14	3

⊙ Outlook

In terms of sustainable procurement, Mobily is actively initiating engagement with suppliers and business partners on ESG topics. As Mobily expands its sustainability circle of influence, it will start to engage with suppliers and business partners on ESG topics through supplier risk assessments and surveys in 2024. The Company is also preparing to roll out a pilot project aimed at pre-qualifying contractors based on their compliance with Health, Safety and Environment (HSE) requirements. This initiative will enhance operational standards and underline Mobily's dedication to sustainability.

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SUSTAINABLE ECONOMIC VALUE

Approach

Mobily endeavors to sustain a business model that ensures financial profitability and generates long-term value for its investors, and for its Stakeholders. Mobily is publicly listed on the Saudi Stock Exchange and is making an important contribution to the Kingdom's economy, to its telecommunications and TMT industry and to the realization of Vision 2030. The Company believes in promoting sustained and sustainable profits, that reward investors over the short to long-term. Mobily recognizes that financial performance should not be sought at the cost of sustainability and ESG imperatives.

Fraud Prevention and Network Optimization

Mobily is committed to robust fraud prevention and to network optimization. In line with this, the Company explored the integration of an active call testing solution, checking audio clarity, drop rates, overall call quality, call setup times, etc. to ensure the system meets service standards and enhance its existing fraud management system. Mobily launched a proof of concept (PoC) for mobile termination rate and arbitrage detection in 2023 and continues to evaluate the technology landscape to determine the best approach for these challenges.

Treasury

In 2023, Mobily achieved its ESG goals by digitizing the bank guarantee process through an electronic portal. This reduced the use of paper, ink and commuting, improving efficiency and lowering carbon emissions. The Company also automated the rollover process with an existing lender, further minimizing paper use and the need for wet signatures.

Additionally, Mobily is automating Trade Financial Products, like Letters of Guarantees (LGs) and Letters of Credit (LCs), via the SWIFT network. This innovation will reduce power consumption and eliminate the need for manual application submissions to banks.

Performance

Mobily enjoyed an excellent financial performance in 2023. SNB Capital and Aljazira Capital upgraded the Company to "Buy" based on its attractive valuation discount, positive dividend outlook and growing return on investment (ROI). This upgrade, combined with a total of 13 "Buy" ratings from prestigious local and international research houses, shows that analysts have great faith in Mobily's potential.

Key Performance Indicators	2023 (SAR)	2022 (SAR)
Direct Economic Value Generated		
Revenues	16,763	15,717
Economic Value Distributed		
Operating costs	6,475	7,053
EBITDA	6,625	6,179
Dividends paid to shareholders*	1,116.5	885.5
Donations and sponsorships	6.8	26.3
Employee wages and benefits	270	301
Payments to providers of capital (shareholders, financial institutions, etc.)**	2,455.5	1,995.4
Paid Zakat	119.3	77.2
Paid income tax	1.7	2.5
Outstanding penalty resolutions***	21	76
Community investments	6.8	26.3
Economic Value Retained		
Net profits	2,232	1,657
Total operating income	2,977	2,328

* The amount in 2023 represents the dividend recommendation.
** The amount in 2023 represents the dividend recommendation as well as the gross debt reduced/paid.
***Contingent liabilities: Mobily filed multiple lawsuits against CST at the Board of Grievances in order to oppose such resolutions of the CST Violation Committee, which remain outstanding

Category	2023 (Millions)	2022 (Millions)
Number of wireless subscribers	11.8	11.3
Number of wireline subscribers*	0.291	0.277
Number of broadband/fiber subscribers	0.293	0.278

* Wireline/Fixed voice service eligibility is limited to Mobily's existing fixed broadband/fiber base.

CASE STUDY

Streamlining Bank Statement Monitoring (SWIFT MT940)

Description

In 2023, Mobily implemented a Treasury Management System (TMS) function that generates automated alerts for any bank connected to the Company that fails to share MT940 statements. This advancement replaced the previous manual monitoring process, which involved overseeing 24 bank accounts.

Outcomes/Impact

The automated alert system significantly improved time efficiency by providing immediate notifications for missing statements. This enhancement eliminated the risk of missing cash transactions, both incoming and outgoing, resulting in improved accuracy in overall cash management.

Beneficiaries

The streamlined process benefited various departments, including the Legal department, Credit Control, Finance department and end-users.

Outlook

The key goals, in terms of improved financial controls, is for Mobily to advance digital transformation through automation and analytics, including budgeting, costing and profitability systems. Mobily has initiated its Enterprise Performance Management (EPM) system, for costing and to streamline budgeting and forecasting processes. This transformation, which is underway, will provide valuable insights for the Company into product profitability and will support data-driven decision-making.

Mobily will continue to make substantial contributions to Saud Arabia's TMT industry, in the form of paying regulatory fees and taxes, and in the form of its substantial investments in infrastructure, which ultimately contribute to the Kingdom's aims of a being a digital and technology hub, for the region and for the world.

Mobily's growing economic contribution will continue to improve the prospects of its employees and contractors, and of their families.

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APPENDICES

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GRI CONTENT INDEX

GRI CONTENT INDEX ESSENTIALS SERVICE 2024

Statement of use	Mobily has reported in accordance with the GRI Standards for the period 1 January to 31 December 2023.
GRI 1 used	GRI 1: Foundation 2021

For the Content Index – Essentials Service, GRI Services reviewed that the GRI content index has been presented in a way consistent with the requirements for reporting in accordance with the GRI Standards, and that the information in the index is clearly presented and accessible to the stakeholders.

The service was performed on the English version of the report.

GRI STANDARD	DISCLOSURE	Location and/or direct answers
GRI 2: General Disclosures 2021	2-1 Organizational details	Pages 8-9 (Mobily at a Glance) *Annual Report: Pages 22-23 (Shareholder's Information)*
	2-2 Entities included in the organization's sustainability reporting	Page 8 (Mobily at a Glance)
	2-3 Reporting period, frequency and contact point	Page 2-3 (About This Report)
	2-4 Restatements of information	Page 49 (Greenhouse Gas (GHG) Emissions)
	2-5 External assurance	This report has not been externally assured.
	2-6 Activities, value chain and other business relationships	Pages 8-9 (Mobily at a Glance) *Annual Report: Pages 14-15 (About Mobily), 120-121 (About Mobily)*
	2-7 Employees	Pages 80-101 (Responsible Employer)
	2-8 Workers who are not employees	Page 89 (Workforce Size)
	2-9 Governance structure and composition	Pages 120-131 (Corporate Governance, Ethics and Integrity)
	2-10 Nomination and selection of the highest governance body	Page 122 (Board Election) *Annual report: Pages 109-110 (Nomination and Remuneration Committee)*
	2-11 Chair of the highest governance body	Pages 120-123 (Board of Directors)
	2-12 Role of the highest governance body in overseeing the management of impacts	Page 26 (Sustainability Governance Model)
	2-13 Delegation of responsibility for managing impacts	Page 26 (Sustainability Governance Model)

GRI STANDARD	DISCLOSURE	Location and/or direct answers
	2-14 Role of the highest governance body in sustainability reporting	The Board is responsible for approving this report before publication. Page 26 (Sustainability Governance Model)
	2-15 Conflicts of interest	Page 126 (Conflicts of Interest) *Annual Report: Pages 108 (The Duties and Responsibilities of the Committee Members), 122 (Important Events)*
	2-16 Communication of critical concerns	*Annual Report: Pages 109-110 (Executive Committee)*
	2-17 Collective knowledge of the highest governance body	*Annual Report: Page 144 (Article 37 – Paragraph 2)*
	2-18 Evaluation of the performance of the highest governance body	Page 122 (Assessment of the Board of Directors' Performance) *Annual Report: Page 144 (Article 39 – Paragraph D)*
	2-19 Remuneration policies	*Annual Report: Pages 116-119 (Compensation and Remuneration)*
	2-20 Process to determine remuneration	*Annual Report: Pages 116-119 (Compensation and Remuneration)*
	2-21 Annual total compensation ratio	Mobily does not report its total compensation ratio at this stage.
	2-22 Statement on sustainable development strategy	Pages 14-15 (Message from the Chairman)
	2-23 Policy commitments	Pages 27 (Sustainability Strategy and Framework), 36-37 (Aligning with National and International Priorities)
	2-24 Embedding policy commitments	Pages 27 (Sustainability Strategy and Framework), 36-37 (Aligning with National and International Priorities)
	2-25 Processes to remediate negative impacts	Pages 74 (Addressing Customer Complaints), 86 (Grievances)
	2-26 Mechanisms for seeking advice and raising concerns	Page 86 (Grievances)
	2-27 Compliance with laws and regulations	Pages 124-129 (Ethics and Compliance), 137 (Lawsuits and Penalties) *Annual Report: Pages 141 (Lawsuits and Violations), 144-145 (Corporate Governance Compliance)*
	2-28 Membership associations	Page 12 (Associations and Memberships)
	2-29 Approach to stakeholder engagement	Pages 34-35 (Stakeholder Engagement) *Annual Report: Pages 18-19 (Stakeholder Engagement)*
	2-30 Collective bargaining agreements	Page 129 (Human Rights Commitment)

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GRI STANDARD	DISCLOSURE	Location and/or direct answers
Material topics		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Pages 28-30 (Materiality Assessment)
	3-2 List of material topics	Page 30 (Materiality Assessment) Mobily's material matters are listed as follows: • **Customer relations and satisfaction** • **Data privacy, security and protection** • **Digital innovation** • **Climate change and energy management** • **Digital access and inclusion** • **Corporate governance, ethics and integrity** • **Waste management and circularity** • **Responsible marketing** • **Diversity and inclusion** • **Talent management** • **Water management** • **Responsible supply chain** • **Health and safety** • **Transparency** • **Community investments and relations** • **Sustainable economic value**
Customer relations and satisfaction		
GRI 3: Material Topics 2021	3-3 Management of material topics	Pages 74-76 (Customer Relationships and Satisfaction)
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Page 142 (Direct Economic Value Generated)
	201-3 Defined benefit plan obligations and other retirement plans	Pages 84-86 (Compensation and Benefits and Employee Value Proposition) *Annual Report: Pages 196-197 (Provision for End of Service Benefits)*
	201-4 Financial assistance received from government	Mobily received no financial assistance from government during the reporting period.
Data privacy, security and protection		
GRI 3: Material Topics 2021	3-3 Management of material topics	Pages 66-73 (Data Privacy, Security and Protection)

GRI STANDARD	DISCLOSURE	Location and/or direct answers
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Mobily experienced zero data breaches in 2023. No data security breaches involving customers' personally identifiable information took place.
Digital innovation		
GRI 3: Material Topics 2021	3-3 Management of material topics	Pages 60-64 (Digital Innovation)
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Page 142 (Direct Economic Value Generated)
	201-3 Defined benefit plan obligations and other retirement plans	Pages 84-86 (Compensation and Benefits and Employee Value Proposition) *Annual Report: Pages 196-197 (Provision for End of Service Benefits)*
	201-4 Financial assistance received from government	Mobily received no financial assistance from government during the reporting period.
Climate change and energy management		
GRI 3: Material Topics 2021	3-3 Management of material topics	Pages 46-49 (Climate Change and Energy Management)
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Pages 46-48 (Energy Consumption)
	302-4 Reduction of energy consumption	Pages 46-48 (Energy Consumption)
	302-5 Reductions in energy requirements of products and services	Pages 46-48 (Energy Consumption)
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Page 49 (Emissions from Premises and Commercial Outlets)
	305-2 Energy indirect (Scope 2) GHG emissions	Page 49 (Emissions from Premises and Commercial Outlets)
	305-4 GHG emissions intensity	Page 49 (Greenhouse Gas (GHG) Emissions)
	305-5 Reduction of GHG emissions	Page 49 (Greenhouse Gas (GHG) Emissions)

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GRI STANDARD	DISCLOSURE	Location and/or direct answers
Digital access and inclusion		
GRI 3: Material Topics 2021	3-3 Management of material topics	Pages 112-115 (Digital Access and Inclusion)
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Pages 112-115 (Digital Access and Inclusion)
	203-2 Significant indirect economic impacts	Pages 106-111 (Community Investments and Relations)
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Pages 106-111 (Community Investments and Relations)
	413-2 Operations with significant actual and potential negative impacts on local communities	Pages 106-111 (Community Investments and Relations)
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Page 140 (Responsible Supply Chain)
Corporate governance, ethics and integrity		
GRI 3: Material Topics 2021	3-3 Management of material topics	Pages 120-131 (Corporate Governance, Ethics and Integrity)
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	Pages 124 (Ethics and Compliance), 125 (Code of Ethics and Professional Conduct), 126 (Anti-Fraud and Whistleblowing)
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Page 124 (Anti-competitive Behavior)

GRI STANDARD	DISCLOSURE	Location and/or direct answers
Waste Management and Circularity		
GRI 3: Material Topics 2021	3-3 Management of material topics	Pages 50-52 (Waste Management and Circularity)
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Page 50 (Waste Management and Circularity)
	306-2 Management of significant waste-related impacts	Pages 50-52 (Waste Management and Circularity)
	306-3 Waste generated	Page 50 (Waste Management and Circularity)
	306-4 Waste diverted from disposal	Page 50 (Waste Management and Circularity)
	306-5 Waste directed to disposal	Page 51 (Waste Management and Circularity)
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Pages 50-52 (Waste Management and Circularity)
Responsible marketing		
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 77 (Responsible Marketing)
GRI 417: Marketing and Labeling 2016	417-3 Incidents of non-compliance concerning marketing communications	Mobily did not experience any penalties related to marketing in 2023.
Diversity and inclusion		
GRI 3: Material Topics 2021	3-3 Management of material topics	Pages 96-100 (Diversity and Inclusion)
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Pages 96-100 (Diversity and Inclusion)
	405-2 Ratio of basic salary and remuneration of women to men	Pages 84-86 (Compensation and Benefits and Employee Value Proposition)

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GRI STANDARD	DISCLOSURE	Location and/or direct answers
Talent management		
GRI 3: Material Topics 2021	3-3 Management of material topics	Pages 82-91 (Talent Management)
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Page 86 (Minimum Wage Rules)
	202-2 Proportion of senior management hired from the local community	Nationalization rate of Senior Management: 86%
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Pages 89-90 (Workforce Size)
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Pages 84-86 (Compensation and Benefits and Employee Value Proposition)
	401-3 Parental leave	Page 99 (Parental Leave)
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Page 91 (Training at Mobily)
	404-2 Programs for upgrading employee skills and transition assistance programs	Page 91 (Training at Mobily)
Water Management		
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 53 (Water Management)
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Page 53 (Water Management > Performance)
	303-5 Water consumption	Page 53 (Water Management > Performance)
Responsible Supply Chain		
GRI 3: Material Topics 2021	3-3 Management of material topics	Pages 140-141 (Responsible Supply Chain)
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Pages 140-141 (Responsible Supply Chain > Performance)
	308-2 Negative environmental impacts in the supply chain and actions taken	Pages 140-141 (Responsible Supply Chain > Performance)

GRI STANDARD	DISCLOSURE	Location and/or direct answers
Health and safety		
GRI 3: Material Topics 2021	3-3 Management of material topics	Pages 92-94 (Health and Safety)
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Pages 92-93 (Health and Safety)
	403-2 Hazard identification, risk assessment, and incident investigation	Pages 93-94 (Health and Safety > Performance)
	403-3 Occupational health services	Page 92 (Health and Safety)
	403-4 Worker participation, consultation, and communication on occupational health and safety	Page 94 (Health and Safety)
	403-5 Worker training on occupational health and safety	Page 94 (Health and Safety)
	403-6 Promotion of worker health	Page 92 (Health and Safety Initiatives)
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Page 92 (Health and Safety)
	403-8 Workers covered by an occupational health and safety management system	Page 92 (Health and Safety Policy)
	403-9 Work-related injuries	Page 94 (Health and Safety)
	403-10 Work-related ill health	Page 94 (Health and Safety)

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GRI STANDARD	DISCLOSURE	Location and/or direct answers
Transparency		
GRI 3: Material Topics 2021	3-3 Management of material topics	Pages 132-139 (Transparency)
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	Pages 124 (Ethics and Compliance), 125 (Code of Ethics and Professional Conduct), 126 (Anti-Fraud and Whistleblowing)
Community investments and relations		
GRI 3: Material Topics 2021	3-3 Management of material topics	Pages 106-111 (Community Investments and Relations)
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Pages 112-115 (Digital Access and Inclusion)
	203-2 Significant indirect economic impacts	Pages 106-111 (Community Investments and Relations)
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Pages 106-111 (Community Investments and Relations)
	413-2 Operations with significant actual and potential negative impacts on local communities	Pages 106-111 (Community Investments and Relations)
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Pages 140-141 (Responsible Supply Chain > Performance)
	414-2 Negative social impacts in the supply chain and actions taken	Pages 140-141 (Responsible Supply Chain > Performance)

GRI STANDARD	DISCLOSURE	Location and/or direct answers
Sustainable Economic Value		
GRI 3: Material Topics 2021	3-3 Management of material topics	Pages 142-143 (Sustainable Economic Value)
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Page 142 (Direct Economic Value Generated)
	201-3 Defined benefit plan obligations and other retirement plans	Pages 84-86 (Compensation and Benefits and Employee Value Proposition) *Annual Report: Pages 196-197 (Provision for End of Service Benefits)*
	201-4 Financial assistance received from government	Mobily received no financial assistance from government during the reporting period.
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Pages 112-115 (Digital Access and Inclusion)
	203-2 Significant indirect economic impacts	Pages 106-111 (Community Investments and Relations)

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SASB TELECOMMUNICATIONS INDUSTRY METRICS

Topic	SASB Code	SASB Metric	Page number or direct response
Environmental Footprint of Operations	TC-TL-130a.1	Total energy consumed	47-49
		percentage grid electricity and	47
		percentage renewable	47
Data Privacy	TC-TL-220a.1	Description of policies and practices relating to targeted advertising and customer privacy	66-73
	TC-TL-220a.2	Number of customers whose information is used for secondary purposes	73
	TC-TL-220a.3	Total amount of monetary losses as a result of legal proceedings associated with customer privacy	73
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Activity Metrics

Activity Metric	SASB Code	Page number / direct answer
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Number of wireline subscribers	TC-TL-000.B	143
Number of broadband subscribers	TC-TL-000.C	143
Network traffic	TC-TL-000.D	60-64

UN GLOBAL COMPACT INDEX

Mobily is a proud signatory of the United Nations Global Compact (UNGC) and is committed to upholding its Ten Principles in the areas of human rights, labor, environment, and anti-corruption.

This index outlines how Mobily's sustainability initiatives, strategies, and governance practices align with the UNGC principles. Through continuous integration of these principles into our operations and stakeholder engagement, we demonstrate our dedication to responsible business conduct and sustainability leadership. Below is a detailed table indicating our alignment with each of the Ten Principles, including relevant sections of this report for further reference.

Core Value	Principles	Mobily's corresponding written commitment	Sustainability report reference
Human Rights	Principle 1 Businesses should support and respect the protection of internationally proclaimed human rights.	Mobily's Human Rights Code	Pages 129-130 (Human Rights Commitment)
	Principle 2 Businesses should make sure that they are not complicit in human rights abuses.	Mobily's Human Rights Code	Pages 129-130 (Human Rights Commitment)
Labour	Principle 3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	Mobily's Human Rights Code	Pages 129-130 (Human Rights Commitment)
	Principle 4 Businesses should uphold the elimination of all forms of forced and compulsory labor.	Mobily's Human Rights Code	Page 129 (Human Rights Commitment)
	Principle 5 Businesses should uphold the effective abolition of child labor.	Mobily's Human Rights Code	Page 129 (Human Rights Commitment)
	Principle 6 Businesses should uphold the elimination of discrimination in respect of employment and occupation.	Mobily's Human Rights Code	Page 129 (Human Rights Commitment)
Environment	Principle 7 Businesses should support a precautionary approach to environmental challenges.	Environmental Sustainability Policy	Pages 40-55 (Safeguarding the Planet)
	Principle 8 Businesses should undertake initiatives to promote greater environmental responsibility.	Environmental Sustainability Policy	Page 40 (Safeguarding the Planet > Highlights) Pages 42-45 (Safeguarding the Planet > Approach)
	Principle 9 Businesses should encourage the development and diffusion of environmentally friendly technologies.	Environmental Sustainability Policy	Page 40 (Safeguarding the Planet > Highlights) Page 46 (Investment in Sustainable Technologies)
Anti-Corruption	Principle 10 Businesses should work against corruption in all its forms, including extortion and bribery.	Code of Ethics & Professional Conduct Suppliers Code of Conduct	Pages 124-129 (Ethics and Compliance)

MOBILY SUSTAINABILITY REPORT 2023

INTRODUCTION   SUSTAINABILITY   SAFEGUARDING   MARKETPLACE   RESPONSIBLE   POSITIVE   ACCOUNTABLE   APPENDICES
                AT MOBILY   THE PLANET   AND CUSTOMERS   EMPLOYER   COMMUNITY   ENTERPRISE
                                                                              IMPACTS

LIST OF ACRONYMS

Acronym	Meaning
AAE	Asia-Africa-Europe 1
AI	Artificial Intelligence
API	Application processing interface
BCM	Business Continuity Management
CAPEX	Capital expenditure
CEM	Customer Experience Management
CFO	Chief Financial Officer
CHRO	Chief Human Resources Officer
CICT	Communications and Information Technology Commission
CIPS	Chartered Institute of Procurement and Supply
CMA	Capital Market Authority
CMT	Crisis Management Team
CSA	Cloud Security Alliance Star Certification
CSR	Corporate Social Responsibility
CSSC	Cybersecurity Steering Committee
CST	Communications, Space and Technology Commission
CTI	Cyber Threat Intelligence
CVM	Customer Value Management
CX	Customer experience
DGO	Data Governance Office
DLP	Data loss prevention
DSS	PCI Data Security Standard
EBITDA	Earnings Before Interest, Taxes, Depreciation, and Amortization

Acronym	Meaning
EMS	Environmental Management System
EOSB	End of Service Benefits
EPM	Enterprise Performance Management
ERM	Enterprise Risk Management
ERMC	Executive Risk Management Committee
ESG	Environment, Social and Governance
EVP	Employee Value Proposition
FCR	First Call Resolution
FTE	Full-time employees
FTTH	Fiber to-the-home
FTTX	Fiber-to-the-X
GAIN	Growing core revenue; Accelerating digital revenue streams; Implementing and refining efficient delivery; Nurturing a positive experience for all
GBO	Global Business Outlook
GCC	Gulf Cooperation Council
GED	Growth, Efficiency, Differentiation
GHG	Greenhouse Gas Emissions
GRC	Governance, Risk and Compliance
GRI	Global Reporting Initiative
GSM	Global System for Mobile Communications
GSMA	Global System for Mobile Communications
GWH	Gigawatt-hour
HIRA	Hazard Identification and Risk Assessment

Acronym	Meaning
HR	Human Resource
HSE	Health, Safety and Environment
HSSE	Health, Safety, Security and Environment
HU	Heating Unit
HVAC	Heating, Ventilation, and Air Conditioning
IAM	Identity and access management
ICT	Information and Communication Technology
IEA	International Energy Agency
ILO	International Labor Organization
IoT	Internet of Things
IP	Internet Protocol
IPO	Initial public offer
IPS	Instant Payment System
IR	Investor Relations
ISO	International Organization for Standardization
IT	Information Technology
ITC	Integrated Telecom Company
ITU	International Telecommunication Union
IVR	Interactive Voice Response
IX	Internet Exchange
KG	Kilogram
KPI	Key Performance Indicator
KSA	Kingdom of Saudi Arabia
LEAD	Leadership in Excellence and Development

Acronym	Meaning
LEAP	International technology conference held in Riyadh, Saudi Arabia
LNA	Learning Needs Analysis
MEIRA	Middle East Investor Relations Association
MENA	Middle East and North Africa
MEWA	Ministry of Environment, Water and Agriculture
mHi	Mobily Health Index
mMIMO	Massive Multiple- Input Multiple-Output
MSCI	Morgan Stanley Capital International
MSoC	Managed Security operation Center
MW	Megawatt
NCA	National Cybersecurity Authority
NDMO	National Data Management Office
NDR	Network detection and response
NWC	National Water Company
OH&S	Occupational Health and Safety
OTT	Over-the-top
PDPL	Personal Data Protection Law
PEP	Procurement Excellence Program
PIA	Privacy Impact Assessment
PII	Personally Identifiable Information
PMO	Project Management Office
PR	Public Relations
QA	Quality Assurance
RESILIENT	Mobily's new cybersecurity strategy for the period 2023-2027

Acronym	Meaning
RISE	Regaining commercial strength; Igniting the customer experience and digital excellence; Streamlining to gain agility and efficiency; Enabling world-class execution
ROI	Return on Investment
RRU	Radio Remote Units
SAMA	Saudi Arabian Monetary Authority
SAMAQ	Saudi Arabian Mark of Aquaculture Quality
SANED	Saudi Arabian National Employment Support Program
SAR	Saudi Riyals
SASB	Sustainability Accounting Standards Board
SASE	Secure Access Service Edge
SASO	Saudi Standards, Metrology and Quality Organization
SBT	Science Based Targets
SBTi	Science Based Targets initiative
SCCE	Society of Corporate Compliance and Ethics
SDAIA	Saudi Data & AI Authority
SDGs	Sustainable Development Goals
SEC	Saudi Electricity Company
SGI	Saudi Green Initiative
SHRM	Society for Human Resource Management
SIEM	Security Information and Event Management
SIM	Subscriber Identity Module or Subscriber Identification Module

Acronym	Meaning
SIRC	Saudi Investment Recycling Company
SME	Small and Medium-sized Enterprise
SMS	Short Message Service
SNFN	Saudi National Fiber-Optic Network
SOAR	Security Orchestration, Automation and Response
SOPs	Standard Operating Procedures
SPCS	Saudi Paramount Computer Systems
SWIFT	Society for Worldwide Interbank Financial Telecommunication
TD5G	Time Division Duplex 5G
TGN	Tata Global Network
TMS	Treasury Management System
TMT	Telecommunication, Media and Technology
TX	Total experience
UDHR	United Nations Declaration of Human Rights
UN	United Nations
UNGC	United Nations Global Compact
USA	United States of America
USD	U.S. Dollar
VAPT	Vulnerability Assessment and Penetration Testing
VoNR	Voiceover New Radio
WEEE	Waste Electrical and Electronic Equipment
XDR	Extended detection and response
YOY	Year-on-year

Mobily

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