Sustainability Report 2025

بنك الرياض
Riyad Bank

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INTRODUCTION

About this report

This Sustainability Report 2025 provides a comprehensive overview of Riyad Bank's ESG performance, strategic initiatives, and progress toward its sustainability goals. The report aligns with international best practices and frameworks, including the Global Reporting Initiative (GRI), the International Sustainability Standards Board (ISSB) and the Sustainability Accounting Standards Board (SASB) requirements. It reflects Riyad Bank's commitment to transparency, accountability, and continuous improvement in integrating sustainability into its core business operations.

The report covers the period from January 1 to December 31, 2025, and includes quantitative data, qualitative insights, and case studies that demonstrate the Bank's impact and leadership in sustainable finance, climate action, social responsibility, and governance. The scope of environmental information covers all Riyad Bank Group (including its own operations and subsidiaries). For key social and governance metrics and information, including employee-related data and products and services, the scope covers Riyad Bank. The report addresses the priorities and expectations of customers, employees, investors, regulators, and the broader community.

This report is complemented by the Annual Report 2025 published by Riyad Bank.

The report was approved by the Board of Directors on 12th May, 2026.

Message from the Chairman

Since 2017, Riyad Bank has advanced its ambition to be among the Kingdom's most profitable and efficient banks, a Bank of Choice for customers and employees, and a leader in digital innovation. Strong governance, disciplined execution, and rigorous performance management have helped us emerge as one of Saudi Arabia's most digitally enabled, performance-driven platforms. Building on this momentum, the bank-wide Strategy 2030 positions the Bank to support national priorities, enable sustainable growth, and consolidate its position as a strong, resilient leading bank by 2030. Our Sustainability Strategy, introduced in 2025, is firmly embedded in Strategy 2030 and is central to delivering this ambition.

Governance, oversight, and risk

We have further strengthened our governance and oversight of sustainability through dedicated structures, Board-level oversight, and clear roles and responsibilities across committees and management. The Board's view on sustainability matters is complemented with oversight from executives and dedicated working groups, ensuring a culture of ownership and expertise drives our actions. Sustainability considerations are consistently reflected in strategic decisions, business planning, and performance monitoring. This year the Bank also enhanced the integration of Environmental, Social and Governance (ESG) and climate considerations across broader risk management and lending practices.

Climate commitment and sustainable finance

Riyad Bank remains firmly committed to achieving net-zero in our operations and portfolio in line with KSAs ambitions of low-carbon future. These commitments are aligned with our ambition to be leading and trusted partner in the Kingdom's economic transformation. Our targets are ambitious and reflect an approach of early action, thoughtful planning, and sustained efforts to supporting an orderly transition. We view sustainable finance as a defining element of the Bank's strategic direction. Surpassing our initial SAR 20 billion mobilization ambition ahead of schedule, we have now achieved an eligible sustainable finance portfolio of SAR 31 billion as of December 31, 2025, highlighting strong client demand and the Bank's capability to originate and structure solutions at scale. Additionally, since the Bank has surpassed its target, we have set a new target of SAR 60 billion by 2030.

Shaping the sustainability landscape

As one of the Kingdom's leading financial institutions, we continue to play a constructive role in the advancement of sustainability practices across KSA's banking sector. We work constructively with national bodies, including the Saudi Central Bank (SAMA), Saudi ESG Banks Advisory Committee (EBAC), and the Ministry of Economy and Planning (MEP), where we contribute practical market insight and implementation experience that support the evolution of sustainability practices across the nation. This engagement demonstrates our leadership by integrating sustainability into banking to boost growth, competitiveness, and national priorities.

Inclusive growth and community impact

Sustainability at Riyad Bank goes beyond climate action. Through our CSR strategy "Bukra'" we expanded financial-literacy programs such as My Banking Journey to underserved regions and scaled initiatives such as Bukra Nursery, supporting the Saudi Green Initiative. We strengthened SME and entrepreneurship support, including through partnerships such as the Misk Foundation to build founders' capabilities and improve their access to finance. Our CSR initiatives also empower women through education, employability, and entrepreneurship, contributing to broader economic participation. These actions reflect our belief that inclusive prosperity and environmental stewardship are mutually reinforcing foundations of long-term value.

Advancing with confidence

The Board remains confident in the Bank's direction and progress. In the years ahead, we will continue advancing toward our net-zero ambitions, scaling sustainable-finance solutions, and embedding sustainability considerations across governance, risk management, and decision-making. On behalf of the Board, I thank our shareholders for their confidence, and our customers, communities, and colleagues for their trust and commitment. Together, we will continue to help shape a resilient, inclusive, and sustainable future for the Kingdom.

Abdullah Mohammed Al-Issa

Chairman of the Board

Message from the CEO

Over the past year, Riyad Bank has continued to translate its sustainability ambition into measurable action. As we progress into the next phase of transformation, our Strategy 2030 provides clear direction in a rapidly evolving environment. Anchored on five pillars – strong shareholder value; delighting customers and employees; a digital-first approach; building for the future; and being a trusted, resilient, and sustainable bank. Strategy 2030 is reinforced by our Sustainability Strategy, launched in 2025. Together, they guide how we operate responsibly, finance purposefully, and drive inclusive growth in close alignment with Vision 2030 and the Kingdom's diversification ambitions.

Advancing governance, risk and data quality

In 2025, we further strengthened governance and accountability by establishing a three-tier sustainability governance structure, with clear responsibilities for oversight for Board, Board-level committees, executive committees and specialized working groups. The Bank also enhanced its risk policies and framework by integrating ESG and climate considerations into credit due diligence and portfolio monitoring, ensuring that climate risks are reflected in our customers' transition journeys. This is underpinned by our three lines-of-defense model for risk management, ensuring clear ownership and independent oversight. A key enabler of our sustainability agenda has been our improved data remediation program through better customer engagement, integration of our internal systems and use of external credible data sources, which work together to deliver higher data quality, consistent metrics, and long-term traceability across the Bank's sustainability information.

Progressing on climate ambitions

Riyad Bank has adopted two clear and complementary net-zero targets: net-zero operational emissions by 2035, and net-zero financed emissions by 2060. Operational footprint reduction is driven by targeted efficiency initiatives, improved emissions measurement, and stronger tracking and monitoring across our facilities and operations. In parallel, we enhanced financed-emissions assessment in priority sectors and expanded analytical capabilities required to set credible interim targets and support portfolio decarbonization, while managing both physical and transition climate risks.

Financing the transition

In 2025, we exceeded our initial SAR 20 billion sustainable finance ambition by 55% ahead of schedule, reflecting sustained demand from clients across sectors. In light of this achievement we have set a new target of SAR 60 billion by 2030. We further strengthened our framework-based approach by updating our Sustainable Finance Framework and launching a robust Transition Finance Framework, one of the more comprehensive offerings in the region. Both frameworks received Second Party Opinions (SPO), validating their quality and effectiveness. Designed to support credible transition pathways, including in emissions-intensive sectors, the framework enables us to engage constructively with clients as they invest in decarbonization and new technologies critical to the Kingdom's economic transformation. Looking ahead, we will broaden solutions spanning renewables, energy efficiency, sustainable infrastructure, affordable housing, and innovation for micro-, small-, and medium-sized enterprises (MSMEs).

Fostering a culture of inclusion

Our people are central to our success. We continued to invest in talent development, leadership programs, and career progression, while maintaining one of the highest Saudization rates in the Kingdom. Women's representation continued to increase across levels, supported by inclusive policies and targeted development opportunities. Importantly, we maintained a low gender pay gap of approximately 2%, reflecting our commitment to fairness and equality. Robust human capital systems, extensive benefits, and inclusive practices help us attract, develop, and retain the talent we need for a digital, customer-centric, and sustainability-driven future.

Strengthening collaborations

Riyad Bank strengthened its regional leadership through active participation in global and local sustainability platforms. As a signatory to the UN Global Compact (UNGC), Principles for Responsible Banking (PRB), Partnership for Carbon Accounting Financials (PCAF), and CDP we continue aligning our practices with international standards. Our chairmanship of the PCAF Middle East and North Africa (MENA) Region Database Working Group, alongside collaboration with SAMA's EBAC and the MEP's corporate sustainability working groups, advanced regional governance, consistent data protocols, and improved ESG implementation across the Kingdom and the Middle East. Our engagement with the Loan Market Association (LMA) enables Riyad Bank to advance sustainable finance practices and align its lending activities with international principles. These strategic partnerships position Riyad Bank at the forefront of sustainable banking in Saudi Arabia.

Looking forward, with thanks

As we look forward, our priorities are clear – to progress toward our net-zero goals, scale sustainable and transition finance solutions, enhance our sustainability governance and risk management systems and capabilities. We will also continue investing in our people, technology, and partnerships to support long-term growth and resilience.

I acknowledge that the dedication of our employees, the trust of our customers, and the support of all stakeholders are imperative for Riyad Bank's journey towards a sustainable future. Our collective ambition will drive a resilient, inclusive, and prosperous financial landscape for the Kingdom and the communities we serve.

Nadir S. Al-Koraya

Chief Executive Officer

About Riyad Bank

Riyad Bank is one of the largest financial institutions in the Kingdom of Saudi Arabia (KSA) and the Middle East. Established in 1957, the Bank employs a professional and dedicated workforce of more than 7,000 employees (including contractors), with one of the highest national employment rates in Saudi Arabia (96 %). The Bank provides a comprehensive range of products and services fully compliant with Islamic Sharia' to meet the needs of both retail and corporate customers, including small and medium-sized enterprises (SMEs). The Bank plays a leading role in various areas of finance and investment across Saudi Arabia. This leadership is reflected in its participation in large-scale projects aligned to Vision 2030, its financing of key sectors such as housing, energy, and SMEs, and its continued role in advancing digital banking innovations within the Kingdom.

The Bank has a network of 224 operational branches, more than 168,000 points of sale (PoS) terminals, and over 1,600 ATMs strategically located throughout the Kingdom. To support international customers, the Bank operates a branch in London, agency in Houston (USA) and representative office Singapore. The Bank's electronic banking services, web-based platforms, and mobile applications, use the latest technologies to address customers' banking needs with utmost ease, convenience, and security.

The Bank operates across four main business segments:

- **Retail Banking:** Catering to individual customers through a broad portfolio of personal finance products, mortgages, credit cards, deposit accounts, and digital banking services. This segment focuses on enhancing customer experience through innovative digital solutions and accessible branch networks
- **Corporate Banking:** Serving small, medium and large enterprises with tailored financing, treasury, trade finance, and cash-management solutions. The segment supports corporate clients in managing liquidity, capital expenditure, and growth initiatives aligned with their strategic objectives.
- **Treasury and Investment:** Providing liquidity management, money market, trading, and treasury services. This segment plays a central role in optimizing the Bank's investment portfolio, managing market risks, and supporting capital markets activity, contributing significantly to financial stability and performance.
- **Investment and Brokerage Services:** Through its wholly owned subsidiary Riyad Capital, the Bank offers investment management and asset-management activities related to dealing, managing, arranging, advising, and custody of securities, extending a full spectrum of investment-banking and brokerage services in the Kingdom.

2025 highlights

SAR 18.4 billion
Operating Income

SAR 519 billion
Assets

SAR 10.4 billion
Net profit

SAR 31 billion
Sustainable finance

224
Branches

>7,000
Full-time and Outsourced Employees

Mission, vision and values

Vision

To be the most innovative and trusted financial solutions partner

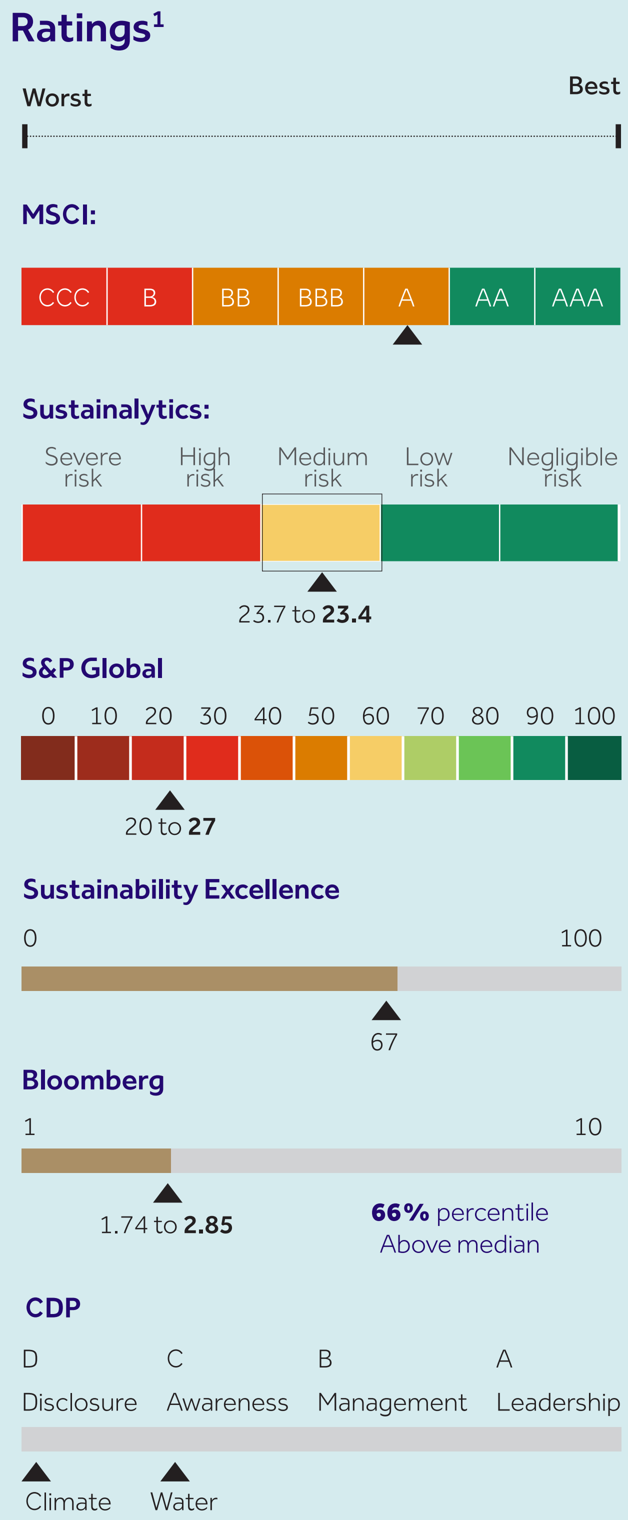
Mission

To help people, organizations, and society achieve their aspirations by being their trusted and caring financial solutions partner

Values

We Care, We Win, We are One Team

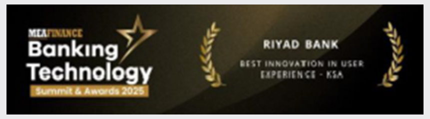
Ratings



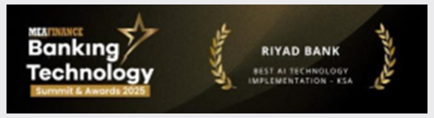
[1]ESG ratings are lagging indicators, derived from information disclosed in 2024; as such, they primarily reflect Riyad Bank's ESG performance and reporting during that year.

Awards

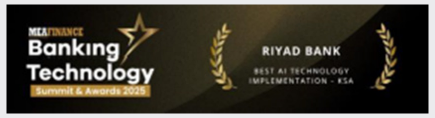
Best Mobile Banking Services – KSA
Provided by: MEAFINANCE



Best Innovation in User Experience – KSA
Provided by: MEAFINANCE



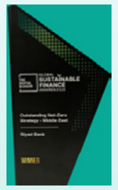
Best AI Technology Implementation – KSA
Provided by: MEAFINANCE



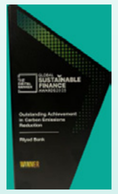
Best Innovation in Retail Banking – KSA
Provided by: MEAFINANCE

Financial Institution Bond Deal of the Year
Provided by: Global Banking & Markets

Project Finance Loan House of the Year
Provided by: Global Banking & Markets



Outstanding Net-Zero Strategy – Middle East
Provided by: The Digital Banker

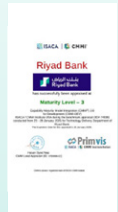


Outstanding Achievement in Carbon Emission Reduction
Provided by: The Digital Banker

Best Bank for SME's in Saudi Arabia
Provided by: Middle East Banking Awards

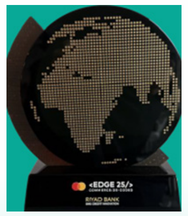
Best Local Bank in Saudi Arabia
Provided by: Middle East Banking Awards

Best Private Bank in Saudi Arabia
Provided by: Middle East Banking Awards

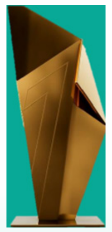


Best Private Bank in Saudi Arabia
Provided by: Middle East Banking Awards

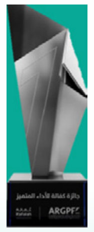
Customer Excellence Awards
Provided by: SS&C Blue Prism



SME Credit Innovation Presented
Provided by: Mastercard



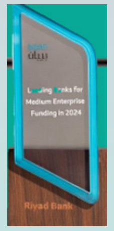
Outstanding Performance Award in the Banking Sector
Provided by: Kafalah



Small Business Financing Award
Provided by: Kafalah

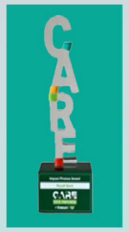
Technology Sector Support Award
Provided by: Kafalah

Tourism Sector Support Award
Provided by: Kafalah

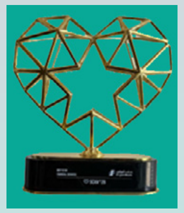


Top Bank in Medium Enterprises Financial Value Award
Provided by: Monsha'at

Predictive and Generative AI Leadership Award
Provided by: DataRobot



Impact Finance Award
Provided by: ESG MENA



Best CX in Financial Services
Provided by: SCXA 26

Best Use of Customer Insights and Feedback
Provided by: SCXA 26

Best Measurement in Customer Experience – Strategic Approach
Provided by: ICXA 25

Best use of Customer Insight and Feedback – Financial Services
Provided by: ICXA 25

EXECUTIVE SUMMARY

Sustainability strategy

As Riyad Bank enters a new phase of transformation, Strategy 2030 sets a clear ambition to become one of Saudi Arabia's most innovative and resilient banks, anchored on five pillars: strong shareholder value, delighting customers and employees, digital-first approach, building for the future, and become a trusted, resilient, and sustainable bank. The Bank's Sustainability Strategy, launched in 2025, acts as a core enabler of Strategy 2030, strengthening resilience, guiding responsible growth, and ensuring long-term value creation.

This sustainability agenda was shaped through a structured materiality assessment aligned with global practices and informed by insights from stakeholders. The findings from the materiality assessment shown in the chart led to two focused outcomes: ten new strategic priorities to bridge the gap between the Bank's sustainability practices and global best practices, and nine priorities to maintain, reflecting existing strengths. Together, these strategic priorities form Riyad Bank's Sustainability Strategy and provide a clear roadmap for embedding sustainability across the organization. More details on the sustainability strategy development are available in the Strategy Whitepaper.

Materiality assessment

Severity \ Likelihood	Not Very Likely	Likely	Very Likely
High		Sustainable Finance Community relations & development	Financed emissions Corporate Governance Incorporation of ESG in Credit Analysis
Medium	Business Ethics Data Privacy & security	Financial access & digitalization Diversity & inclusion Employee health & wellbeing (Local) talent attraction & retention	Transparent disclosures Portfolio impacts on water Portfolio impacts on waste and pollution Portfolio impacts on land and biodiversity
Low		Sustainable procurement	Operational GHG Emissions

2025 highlights

In 2025 the Bank reinforced the foundations needed to scale its sustainability agenda, focusing on governance, risk management, sustainable finance and social impact. Governance was streamlined into board oversight, executive leadership and dedicated working groups, strengthening accountability and coordinated decision making.

ESG and climate considerations were further integrated into the enterprise risk framework and credit processes, enhancing risk identification, assessment, monitoring and mitigation across the Bank's three lines of defence. A data remediation program significantly improved data consistency, traceability, and analytical capacity, strengthening emissions accounting, sustainable-finance tracking, risk management, and future reporting.

Climate action is pursued through complementary operational and portfolio targets, with commitments to achieve net zero operational emissions by 2035 and net zero financed emissions by 2060. Sustainable finance remains a core strategic lever: the Bank surpassed its initial SAR 20 billion sustainable finance mobilisation target ahead of schedule and continued to refine its framework based approach, including the rollout of an updated sustainable finance framework and a new transition finance framework that supports credible decarbonization pathways in hard-to-abate sectors.

Beyond climate, the report highlights inclusive growth and social impact through Bukra, the Bank's CSR strategy, alongside progress in human capital development, customer access and inclusion, and responsible business practices. These initiatives are reinforced by active engagement with national stakeholders and global platforms, positioning Riyad Bank as a leader in sustainable banking and a catalyst for the Kingdom's economic and environmental transformation.

Riyad Bank 2025 highlights and updates

Help KSA thrive by becoming a regional sustainability leader

Environment

1 Commit to Net Zero financing in line with KSA net zero ambition

2060 Target:
- Net Zero financed emissions

2025 Updates:
- Enhanced financed emissions calculation of priority sectors
- Expanded financed emissions calculation to full corporate loan portfolio

2 Commit to Net Zero operations

2035 Target:
- Net zero operations

2025 Updates:
- Scope 1 emissions of **2,992** tCO_2e and Scope 2 emissions of **65,925** tCO_2e
- Reduced Scope 1+2 emissions achieving **-9%** operational footprint vs. 2024

3 Scale sustainable finance products and services

Targets:	Updates:
SAR **20** billion sustainable finance by 2030	SAR **31** billion achieved by 2025. New target of SAR **60** billion by 2030
Update sustainable finance and transition finance framework	Sustainable finance framework achieved **'very good'** result by Moody's SPO, transition finance framework a **'good'** result
Launch 7 no-regret products	On track: To be launched in 2026

- Manage environmental impact of own operations

Social

4 Increase women leadership representation and diversity / inclusion initiatives

2027 Targets:	2025 Updates:
35-40% women in workforce	**29.9%** women in workforce
20-30% women in leadership	**11.4%** women in leadership

5 Design tailored ESG training programs to develop and attract talents

2026 Target:	2025 Update:
100% employees trained on ESG topics	**98%** employees completed the training

- Reduce youth unemployment
- Support SMEs and entrepreneurs
- Enhance financial access and literacy
- Empower women
- Empower people with disabilities
- Provide best possible work environment to Bank's employees

indicates Riyad Bank's strategic ESG priorities to maintain

Governance

6 Create sustainability governance structures across all levels

2025 Targets:	Updates:
Establish sustainability governance structures	Achieved: Established three-tier structure
Integrate sustainability in executive compensation	Achieved: Sustainability key performance indicators (KPIs) embedded in the executive compensation

7 Sustainability policies

2025 Target:	Update:
Develop an overarching sustainability policy	On track: The policy has been developed and is pending the final approval

8 ESG risk management frameworks and policies

Target:	Update:
Develop ESG risk management frameworks and policies	Achieved Phase 1: Capacity building: The ESG and climate risk policy has been developed and is pending final approval Phase 2 is on track: Implementation phase

9 Disclose in line with best practices and standards

2025 Target:	Update:
ISSB aligned reporting	On track: Began alignment in 2024

10 Engage with regulator and industry to shape Sustainability practices in the region

2025 Target:	Update:
Join four industry partnerships	Achieved: Riyad Bank is now a signatory to UNGC, UN PRB, PCAF, CDP and LMA

- Prioritize transparency, accountability and ethical practices through robust frameworks
- Sound processes to identify and counter cyberattacks and ensure data security to customers and partners

indicates Riyad Bank's strategic ESG priorities to maintain

ENVIRONMENT

Operations environmental footprint

Riyad Bank is committed to managing its environmental footprint through a holistic sustainability strategy that begins with the management and reduction of greenhouse gas (GHG) emissions from its own operations. This approach also prioritizes optimizing energy consumption, conserving water resources, and reducing waste generation across all areas of the Bank's activities. In addition, by directing 95% of its 2025 spending to local suppliers, Riyad Bank supports local economic development and minimizes the environmental impact, reflecting its dedication to environmental stewardship and responsible business practices.

Electricity

In 2025, Riyad Bank's total electricity consumption for its office buildings was 32,536,448 kWh, 73,375,671 kWh for Saudi branches, and 3,930,818 kWh for ATMs. During this year, the Bank relocated its headquarters from the old office in the heart of Riyadh and Grenada to a new, more energy-efficient building in the King Abdullah Financial District (KAFD). This move contributed to a reduction in overall energy usage. Most of Riyad Bank's offices are located in Saudi Arabia, where electricity is supplied by the national grid. Additionally, the Bank operates single office buildings in Singapore, London, and Houston, each sourcing electricity from their respective regional grids.

Waste

Waste reduction and responsible disposal are also key priorities. In partnership with Naqaa, Riyad Bank recycled 10,280 kg of plastic and paper waste in 2025. Additionally, four reverse vending machines (RVMs), operated in collaboration with the Saudi Investment Recycling Company (SIRC), recycled 115,022 plastic bottles in 2025. The Bank continues to expand its paperless banking initiatives to minimize paper waste.

The Bank is actively developing data on total solid waste recycled, reused, or disposed, and these initiatives already demonstrate Riyad Bank's proactive approach to waste management and its commitment to continuous improvement.

Water

Water conservation is addressed through the installation of smart faucet sensors and eco-friendly flushing systems across branches and offices. The Bank has also upgraded plumbing fixtures, with new faucets, mixers, and hand sprays that save more water compared to older models, as well as high-quality and efficient water closets and lavatories, and more reliable, energy-efficient water pumps with fewer malfunctions.

Environmental performance

Category	2023	2024	2025
Electricity			
Total electricity consumption (kWh)	113,911,075	119,426,027	110,790,848
Electricity consumption intensity (kWh / employee)	19,366	21,007	20,027
Water			
Total water consumption (m^3)	212,700	245,548	205,519
Water consumption intensity (m^3 / employee)	36	43	37
Waste			
Total recycled waste (tonnes)	2.6	14.4	13.2

Operational emissions

Riyad Bank recognizes that addressing operational emissions is fundamental to environmental stewardship and the credibility of its broader sustainability agenda. The Bank's focus is on managing and reducing Scope 1 and Scope 2 emissions, which encompass direct emissions from owned and controlled sources as well as indirect emissions from purchased electricity. This commitment is aligned with international best practices and the global ambition to limit warming in line with the Paris Agreement.

To underpin this commitment, Riyad Bank has established a target to achieve net zero Scope 1 and Scope 2 emissions by 2035. The Bank's 2023 emissions baseline was calculated in accordance with the Greenhouse Gas (GHG) Protocol, covering all subsidiaries and foreign offices to ensure a comprehensive inventory of emissions sources. In 2023, Scope 1 emissions totalled 3,683 metric tonnes of CO_2 equivalent, primarily from fugitive emissions associated with refrigerant gases used in air conditioning systems. Scope 2 baseline emissions, stemming from electricity purchased primarily from the national grid, were recorded at 67,837 metric tonnes of CO_2 equivalent, calculated using both market-based and location-based approaches.

In 2025, Riyad Bank achieved a 33.2% reduction in Scope 1 emissions and a 7.4% reduction in Scope 2 emissions compared to 2024. Compared to the 2023 baseline, the reductions are approximately 18.8% for Scope 1 and 2.8% for Scope 2 emissions.

Scope	2023	2024	2025
Scope 1 (tCO_2e)	3,683	4,480	2,992
Scope 2 (tCO_2e)	67,837*	71,144	65,925
Total (tCO_2e)	**71,519**	**75,624**	**68,917**

*Scope 2 emissions for the year ended 31 December 2023 have been restated from 55,668 tCO_2e to 67,837tCO_2e. This restatement results from enhancements in our data collection methodology and the integration of additional external data sources, providing a more accurate and comprehensive representation of our operational footprint.

Riyad Bank's net zero strategy prioritizes emissions avoidance and reduction. The Bank is rolling out Building Management Systems (BMS) in branches to monitor and optimize electricity use in real time. Infrastructure upgrades include the widespread installation of LED lighting, motion detectors for lighting fixtures, photocell & timer for external lighting, double-glazing on windows, and the replacement of legacy air conditioning units with high-efficiency Variable Refrigerant Flow (VRF) systems. The new VRF HVAC systems are significantly more electricity efficient than older units, deliver higher energy efficiency ratios (EER), reduce electricity consumption, and lower long-term costs for spare parts.

The Bank is also transitioning away from high-emission refrigerants, opting for alternatives with lower global warming potential. Electricity savings programs are implemented across head offices, warehouses, and branches, and the Bank's digital and paperless banking solutions indirectly reduce electricity demand by minimizing the need for paper production and printing. Employee awareness campaigns, such as participation in Earth Hour, reinforce a culture of resource responsibility.

Currently, all electricity consumed in KSA operations is supplied by the National Grid and is not yet certified as renewable, but the Bank is exploring future sourcing of renewable electricity. For example, the Bank is exploring options such as registering for International Renewable Energy Certificates (i-RECs), which will allow the Bank to match its electricity consumption with renewable energy generation as the market matures in Saudi Arabia. The Bank aims for a 90% reduction in Scope 1 and 2 emissions by 2035, with any remaining emissions offset using high-quality carbon removal credits.

Portfolio environmental footprint

Why financed emissions matter

Portfolio emissions are a key indicator of Riyad Bank's climate-related impact because the majority of a bank's climate footprint typically sits in its financing activities rather than in its own operations. Quantifying and disclosing financed emissions supports the Bank's climate strategy, strengthens risk management (e.g., transition and physical risks embedded in credit exposure), and responds to stakeholder expectations regarding transparency and progress toward net-zero ambitions. As a result of the commitment, Riyad Bank is the first bank in KSA to set sectoral targets and disclose full corporate portfolio emissions.

Prioritized sectors

Riyad Bank has prioritized the power generation, iron & steel, and oil & gas sectors because they were identified as the most emissions relevant parts of the portfolio, together contributing to a significant portion of financed emissions, making them the most effective starting point for action, disclosure, and portfolio steering. Beyond emissions concentration, these sectors were also selected because they sit at the center of Saudi Arabia's near- and long-term economic transformation and energy transition.

1. Power generation

Saudi Arabia's power capacity is expected to grow 70% by 2030 and more than fourfold by 2050, driven mainly by a 20 fold expansion of renewables and a 50% increase in natural gas capacity as oil fired generation is retired under the Liquid Displacement Program[2]. This rapid shift creates a large pipeline of financing needs for renewable project development and gas back up plants, while the sector accounts for a sizeable share of the Bank's financed emissions, making it a priority for both emissions reduction and growth opportunities.

2. Iron & steel

By 2030, domestic iron production in Saudi Arabia is expected to increase by 90%, rising from 7 million tonnes to 14 million tonnes. During the same period, steel output is projected to grow by 65%, from 15 million tonnes to 25 million tonnes. These expansions are driven by a 34% increase in demand for iron and steel across the MENA region[2], which is fueled by large-scale infrastructure and mega-projects. Saudi producers already use low-carbon natural-gas-based direct reduced iron electric arc furnace (DRI-EAF)technology, giving the sector an emissions intensity below the global average. With the renewable energy implementation plans in Saudi Arabia, the electricity used in the process is also expected to see substantial carbon footprint reduction leading to a lower overall product footprint per ton of steel. The Bank focuses on the midstream segment, which generates 85 % of sector emissions[2], to capture the greatest decarbonization impact and to support the transition toward hydrogen-based green steel.

3. Oil & gas

Fossil fuels are expected to supply 40-60 % of global energy demand through 2050[2], meaning oil and gas will remain a core energy source for the next three decades Saudi Arabia's oil and gas production is among the world's most cost efficient and least GHG-intense thanks to low flaring, minimal water handling and high efficiency operations. The sector's strategic importance is reinforced by Saudi Arabia's plans for large-scale clean-hydrogen, carbon capture utilization and storage (CCUS), Liquid Fuel Displacement Program, and expanded gas use, giving Riyad Bank clear levers to support a lower-carbon transition while maintaining its sectoral financing portfolio.

For more details on the Bank's sector prioritization, please see the methodological white paper.

Approach to financed emissions

PCAF is a global, industry led standard that guides banks and investors on how to calculate the greenhouse gas (GHG) emissions embedded in their portfolios. As a PCAF signatory, the Bank is expected to measure and disclose financed emissions using PCAF's Global GHG Accounting and Reporting Standard. For details on the methodology, please refer to the appendix.

Baselining and target setting

Leveraging the GHG Protocol and PCAF methodology, Riyad Bank measured the financed emissions intensity of its commercial loan portfolio for 2023. By applying sector specific emission factors, the Bank established a first reference point: 193 tCO_2e/GWh for power, and 1.3 tCO_2e/t steel for iron & steel. These baseline intensities provide a transparent snapshot of current portfolio performance and serve as the fixed benchmark against which future reductions will be tracked.

Aligning the baselines with International Energy Agency (IEA) Net-Zero pathways, Science Based Targets initiative (SBTi) and Net Zero Banking Alliance (NZBA) sectoral approaches, the Bank established 2030 intensity targets for the two sectors where it has sufficient confidence: 186 t CO_2e/GWh for power and 1.3 t CO_2e/t steel for iron & steel.

Current year reporting

For 2025, Riyad Bank again quantified the climate impact of its financing portfolio to provide an update on its progress. The Bank provides overall exposure and financed emissions split into Scopes 1, 2, and 3, for the years 2023 to 2025. In addition, a sectoral breakdown is provided, including transparent disclosure of emissions from prioritized high-intensity sectors (power generation and iron & steel). Finally, data quality scores are disclosed for the years 2023 to 2025, separated by Scopes.

Overall, the Bank's exposure grew significantly. Between 2023 and 2025, the outstanding amount of corporate loans increased from SAR 171.6 billion to SAR 266.1 billion, or more than 55% within two years. At the same time, total apportioned emissions increased by 50% to 63 $mtCO_2e$, lowering intensity from 244 to 238 tCO_2e per SAR million loan exposure. Scope 1 and 2 emissions, on the other hand, grew disproportionately, leading to an increase in emission intensity. This is driven primarily by growth in the power sector, tripling the portfolio exposure weight from 7% to 22%. Power is the most emission-intensive sector after the iron & steel, which manifests in the growth of Scope 1 emissions by 160%.

Within the power sector, Scope 1 and 2 intensity also increased due to a change in the mix of financed technologies. While renewables, particularly solar, more than doubled in terms of absolute exposure, the Bank also built up a sizable portfolio of natural gas-fired projects. This bridge technology currently accounts for 47% of loan exposure in the power sector (18% in 2023), increasing the production-based intensity from 193 to 285 tCO_2e/GWh produced. While an increase in gas-fired projects was anticipated, the Bank continues to seek to expand its exposure to renewable energy. The objective is to capitalize on opportunities stemming from the ambitious target of 50% renewable electricity by 2030, as set out in Vision 2030, where an acceleration in renewable projects coming online can already be observed.

For iron and steel, our priority is to enhance borrower-specific data while currently relying on locally-based proxies.

Metric	2023	2024	2025
Total exposure in scope (SAR million)	171,590	217,167	266,123
Coverage of PCAF asset classes (%)	56%	59%	61%
Coverage of commercial loans and advances (%)*	94%	95%	96%
Financed Emissions – Scope 1 (tCO_2e)	7,766,082	12,375,267	20,087,666
Financed Emissions – Scope 2 (tCO_2e)	1,229,892	1,405,654	1,701,122
Total Financed Emissions – Scope 1+2 (tCO_2e)	8,995,974	13,780,922	21,788,788
Financed Emissions – Scope 3 (tCO_2e)	32,906,083	34,733,366	41,644,591
Portfolio Intensity – Scope 1+2 (tCO_2e / SAR million exposure)	52	63	82

* Includes business loans, project finance, and commercial real estate. Not covered: high net-worth individuals due to methodological limitations.

[2] Riyad Bank Sustainability Strategy Methodological Whitepaper

PCAF Scores	2023	2024	2025
Weighted Data Quality Score – Scope 1	4.14	4.08	4.10
Weighted Data Quality Score – Scope 2	4.14	4.08	4.10
Weighted Data Quality Score – Scope 3 Upstream	4.18	4.10	4.11
Weighted Data Quality Score – Scope 3 Downstream	4.16	4.09	4.11

The Bank has also undertaken enhancements with regard to data quality since publication of the Strategy Whitepaper, which was based on the 2023 portfolio. The original assessment had an overall PCAF score of 4.85, the latest analysis is closer to 4.1. Consequently, results from the initial assessment have been restated. Enhancements included a higher share of actual borrower emissions (particularly, with PCAF 2 score), modeling of the full portfolio with a higher share of PCAF 4 scores, refined emission factors, and better mapping of individual facilities to sectors (or technologies in the power sector).

The Bank strives to continually improve its data quality and processes to enhance disclosures going forward. This includes the completeness and accuracy of borrower-specific data, as well as the mechanisms to capture, store, and keep the data continually updated. In addition, the objective is to add more sectors to the list of priority sectors and expand the covered asset classes beyond the currently analyzed commercial loans.

Financed emissions

Sector	Exposure 2025 (SAR million)	Exposure 2025 (%)	Scope 1 (tCO_2e)	Scope 2 (tCO_2e)	% of total apportioned emissions**	Scope 3 (tCO_2e)
Iron & Steel*	1,667	0.6%	1,382,761	143,283	7.0%	2,351,854
Oil & Gas*	12,741	4.8%	501,309	83,544	2.7%	12,174,246
Power*	34,549	13.0%	13,101, 470	25,992	60.2%	1,445,088
Agriculture, forestry and fishing	2,235	0.8%	23,802	5,129	0.1%	109,798
Commerce	23,150	8.7%	117,192	136,945	1.2%	3,211,547
Construction	25,176	9.5%	162,341	142,681	1.4%	4,110,805
Electricity, Water, Gas and Sanitary Services	7,290	2.7%	165,089	83,019	1.1%	93,553
Financial & Insurance	18,656	7.0%	10,718	26,446	0.2%	1,743,261
Government	3,079	1.2%	13,728	15,512	0.1%	152,049
Installment Purchases	720	0.3%	41	320	0.0%	2,343
Manufacturing	25,632	9.6%	3,864,071	549,956	20.3%	7,634,458
Mining and Quarrying	2,257	0.8%	31,902	26,561	0.3%	1,690,121

*Priority sectors (carved out from broader sector classification)
** Scope 1+2 emissions

Financed emissions

Sector	Exposure 2025 (SAR million)	Exposure 2025 (%)	Scope 1	Scope 2	% of total apportioned emissions**	Scope 3
Miscellaneous	5,945	2.2%	7,094	16,491	0.1%	930,451
Personal Investment	27	0.0%	119	144	0.0%	1,300
Real Estate	46,452	17.5%	66,078	211,853	1.3%	2,972, 020
Services	23,929	9.0%	304,511	127,342	2.0%	673,196
Share Investment	10,676	4.0%	520	7,380	0.0%	1,375,360
Telecommunications	2,420	0.9%	1,992	29,939	0.1%	33,122
Tourism	15,348	5.8%	253,566	46,227	1.4%	340,553
Transportation	4,173	1.6%	79,362	22,356	0.5%	599,467
Total	**266,123**	**100%**	**20,087,666**	**1,701,122**	**100%**	**41,644,591**

Selected priority sectors	Physical Intensities Baseline*	Update 2025	Physical Intensities Target 2030
Power	**193** tCO_2e/GWh	**285** tCO_2e/GWh	**186** tCO_2e/GWh
Iron & Steel	**1.3** tCO_2e/t steel	**1.3** tCO_2e/t steel	**1.3** tCO_2e/t steel

*Physical intensities are based on Scope 1+2 for the selected sectors. Baseline values restated against values published in the Bank's Strategy Whitepaper.

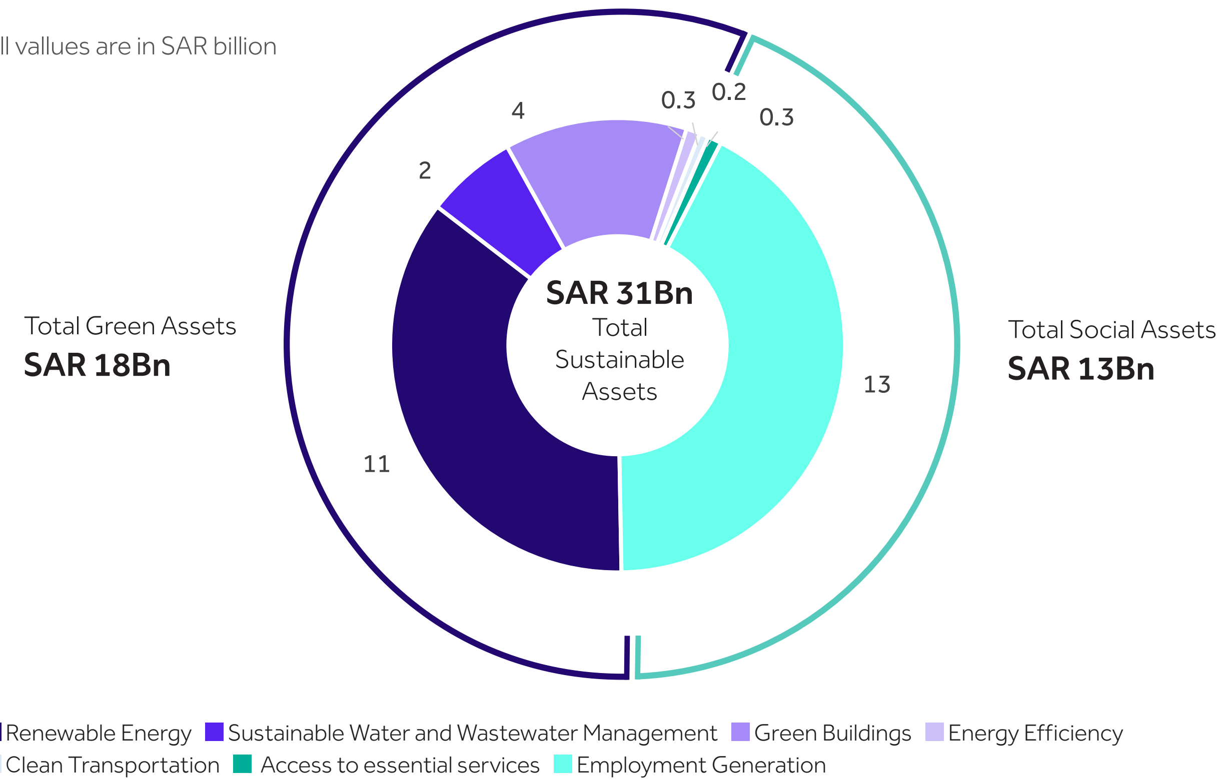
Sustainable finance

Sustainable finance is central to Riyad Bank's strategy and a key driver of the Kingdom of Saudi Arabia's economic transformation. As Saudi Arabia advances Vision 2030 and its commitment to net zero by 2060, Riyad Bank recognizes the critical role that financial institutions play in aligning capital allocation with national sustainability priorities and international best practices. The Bank's sustainable finance approach is underpinned by strong governance, clear frameworks, and disciplined reporting, overseen by the Sustainable Finance Working Group (SFWG).

Riyad Bank set a target to achieve SAR 20 billion in sustainable finance by 2030. This target was established using financials as of the end of December 2023 and was achieved well ahead of schedule and the figure currently stands at SAR 31 billion. Since then, the Bank has set a new target of SAR 60 billion by 2030. Riyad Bank has furthered its financing commitment through the issuance of USD 750 million sustainability Sukuk in 2022, a follow-on sustainability Sukuk with the same size in 2024, and a EUR 300 million green loan bilateral facility in 2025, marking significant milestones in the Bank's sustainable finance journey. Proceeds from these sustainable finance issuances have been allocated to a diversified portfolio of eligible green and social projects under the Bank's sustainable finance framework. This includes financing for renewable energy developments, sustainable water and wastewater infrastructure, and programs that support employment generation and MSME growth. As part of our commitment to financial inclusion, affordable housing represents 67% of our SAR 67.7 billion mortgage portfolio. These assets, totaling SAR 45.5 billion, are subsidized via the Real Estate Development Fund (REDF) to support national homeownership goal. Through these transactions, Riyad Bank has mobilized capital toward projects that deliver measurable environmental and social impact, supported by clearly defined eligibility criteria and transparent reporting practices. More details about Riyad Bank's issuances can be found in the upcoming allocation and impact report which will be released in Q2 2026.

Sustainable finance portfolio

All vallues are in SAR billion

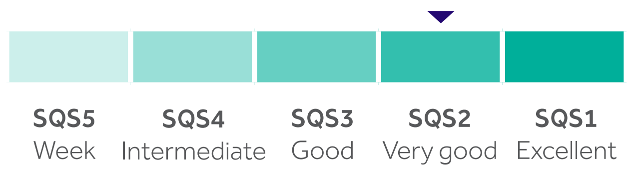


Given that the Bank exceeded its original SAR 20 billion sustainable finance target for 2030, the new target has been expanded to SAR 60 billion by 2030. This increase reflects strong national momentum in renewable energy, affordable housing, and green building projects, alongside rapid growth in transition sectors such as power, oil & gas, and metals. These market dynamics, driven by Saudi Arabia's shift toward renewables, industrial decarbonization, and large-scale housing demand, support a significantly higher sustainable finance ambition.

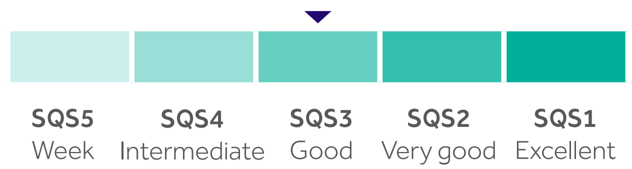
Riyad Bank's sustainable finance ambition is bold and forward-looking, positioning the Bank as an enabler for sustainable development in Saudi Arabia and the wider region. This ambition is underpinned by two foundational frameworks, the Sustainable Finance Framework (SFF) and the Transition Finance Framework (TFF), which define eligibility, governance, and processes for all sustainable and transition finance activities. The SFF and TFF were both developed and reviewed in Q4 of 2025 and published in Q1 of 2026 upon successful receipt of a SPO which validates their alignment with international guidelines and best practices. Both frameworks are aligned with the latest International Capital Market Association (ICMA) and LMA principles, and market best practice. Their launch in early 2026 marks a significant achievement for the Bank, demonstrating leadership in the Saudi market and the wider GCC region, and the Bank's ability to anticipate and respond proactively to emerging international standards. Riyad Bank obtained SPOs for both frameworks to validate their robustness and market alignment.

Moody's second party opinion

Sustainable finance framework



Transition finance framework



The Bank committed to scaling "no-regret" sustainable finance products and services. These products deliver clear environmental and social benefits with minimal downside risk. Progress to date has focused on building robust frameworks and sectoral targets, with further product innovation anticipated as the market evolves. Riyad Bank's ambition is to continue developing new green and sustainability-linked products and innovative solutions that address emerging market needs, positioning the Bank at the forefront of sustainable finance innovation. The no-regret sustainable finance products will continue to be developed and will become a key focus in 2026.

Sustainable finance KPI's for progress

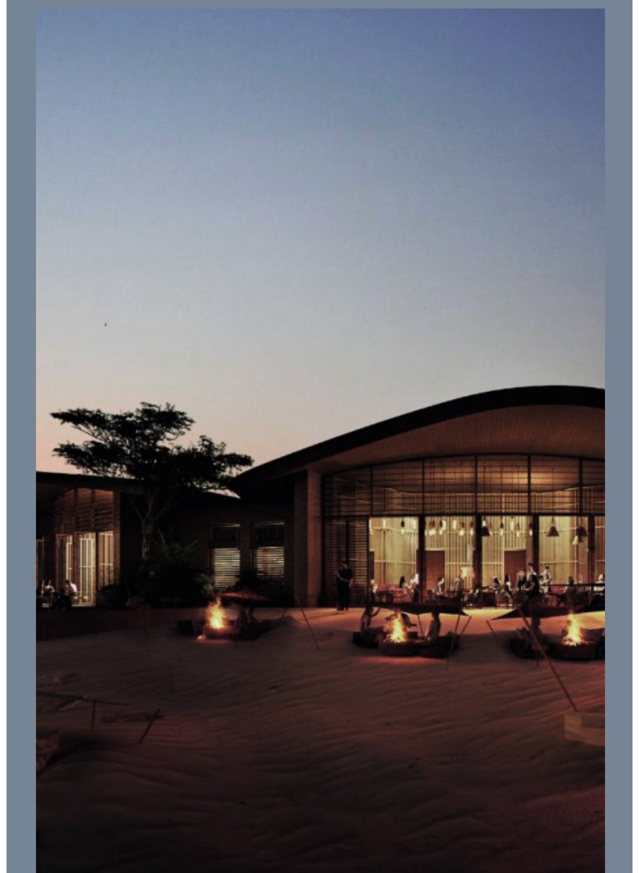
Setting sustainable finance target	Updating sustainable finance framework	Establishment of transition finance framework	No regret sustainable finance products
Scope: Riyad Bank set a target of SAR 20 billion in sustainable financing by 2030	**Scope:** To update the Banks sustainable financing framework	**Scope:** To develop a new transition finance framework	**Scope:** Commitment to scaling products and services with clear environmental and social benefits and minimal ownside risk
Progress: Achieved SAR 31 billion New target is SAR 60 billion by 2030	**Progress:** Completed in 2025	**Progress:** Completed in 2025	**Progress:** Key focus for 2026

Furthermore, Riyad Bank is committed to a diversied debt issuance strategy that extends beyond sukuks. In January 2026, the Bank issued a USD 1 billion sustainable bond, demonstrating its capability to offer various debt instruments. This approach reflects the Bank's dedication to meeting market demands while supporting sustainable finance initiatives and transformative projects.

Case Study: Red Sea Global

Red Sea Global (RSG) is a Saudi based developer of regenerative tourism destinations that prioritises low carbon construction, renewable energy generation, advanced water recycling and low impact mobility to set new standards for environmental stewardship in the Kingdom.

AMAALA, RSG's flagship ultra luxury wellness resort on the north western Red Sea coast, incorporates these sustainable features. The project was led and financed by Riyad Bank's SAR 6.5 billion green credit facility, which follows a Green Loan Framework aligned with the ICMA's Green Bond and Loan Principles. This financing enables the delivery of renewable energy systems, water recycling facilities and low impact mobility solutions, generating energy savings, reducing emissions and enhancing biodiversity while supporting Saudi Arabia's net zero and Vision 2030 objectives.



Case Study: NASEEM

In partnership with the Environment Fund, the Bank launched NASEEM, a SAR 1 billion financing program designed to mobilize private capital for environmental projects across the Kingdom. As the largest financing initiative dedicated to the environmental sector in Saudi Arabia, NASEEM represents a flagship example of how Riyad Bank is mobilizing private capital to support the Kingdom's environmental priorities. The program supports the development of green infrastructure and environmental solutions by combining Environment Fund support with Riyad Bank's commercial financing capabilities. The program aims to unlock investment in environmental projects while enabling businesses to develop innovative solutions that contribute to national and global sustainability objectives. NASEEM targets enterprises of all sizes – including SMEs, large corporates, and mega projects – across focus areas such as environmental services, meteorology, waste management, vegetation development, and wildlife protection.

Sustainable finance framework

Riyad Bank undertook a comprehensive update of its SFF in 2026. The revised SFF is designed to reflect the latest ICMA green, social, and sustainability-linked bond principles updated in June 2025 and the LMA green, social and sustainability linked loan principles updated in March 2025. The revision also incorporates the Saudi Vision 2030 priorities, and evolving regulatory and market expectations. Key updates to the SFF include more granular eligibility criteria for green and social requirements, as well as enhanced requirements for impact measurement and reporting and the integration of new product categories such as blue finance. The framework now mandates that all projects financed under the SFF must demonstrate clear, measurable environmental or social benefits and align with recognized international taxonomies. Finally, Moody's has awarded the updated SFF an SPO score of "Very Good."

Eligible activities under the SFF include renewable energy, energy efficiency, clean transportation, sustainable water and wastewater management, pollution prevention and control, green buildings, environmentally sustainable management of living natural resources and land use, terrestrial and aquatic biodiversity, climate change adaptation, circular economy, and green financing instruments. Social-eligible activities encompass affordable basic infrastructure, access to essential services, affordable housing, employment generation, food security, and sustainable food systems, and socioeconomic advancement and empowerment. The SFF also introduces strict exclusion criteria: financing is explicitly prohibited for fossil fuel projects, thermal coal mining, nuclear power generation, unsustainable forestry, weapons, gambling, liquor, tobacco, and any activities that violate human rights or environmental laws. All eligible projects must pass a rigorous environmental and social risk assessment and be screened against the Bank's exclusion list before approval.

In 2025, the Bank designed a comprehensive Environmental and Social (E&S) risk assessment for all prospective clients and transactions and aims to roll it out in 2026. This includes plans to integrate its Environmental and social (E&S) Risk Questionnaire results directly into our ESG Scorecard. E&S considerations are fully embedded within the Bank's due diligence and credit evaluation processes, where each project is assessed against internal ESG policies, regulatory requirements, and relevant international standards. Projects in higher-risk sectors undergo enhanced due diligence and are subject to additional monitoring and approval requirements. In addition to client-level scoring, all clients and projects are assigned an industry-based E&S risk category (Low, Medium, or High) based on the inherent ESG risks associated with their sector. This categorization guides the depth of due diligence, determines the level of oversight, and triggers escalation procedurwes.

The updated SFF also strengthens governance and reporting requirements. Every eligible transaction is reviewed by the SFWG, and the allocation of proceeds is tracked through a dedicated register. Impact reporting is now aligned with ICMA's Harmonized Framework for Impact Reporting, and third-party assurance is required for both allocation and impact data. These enhancements ensure that Riyad Bank's sustainable finance activities remain credible, transparent, and aligned with both national and international standards.

Transition finance framework

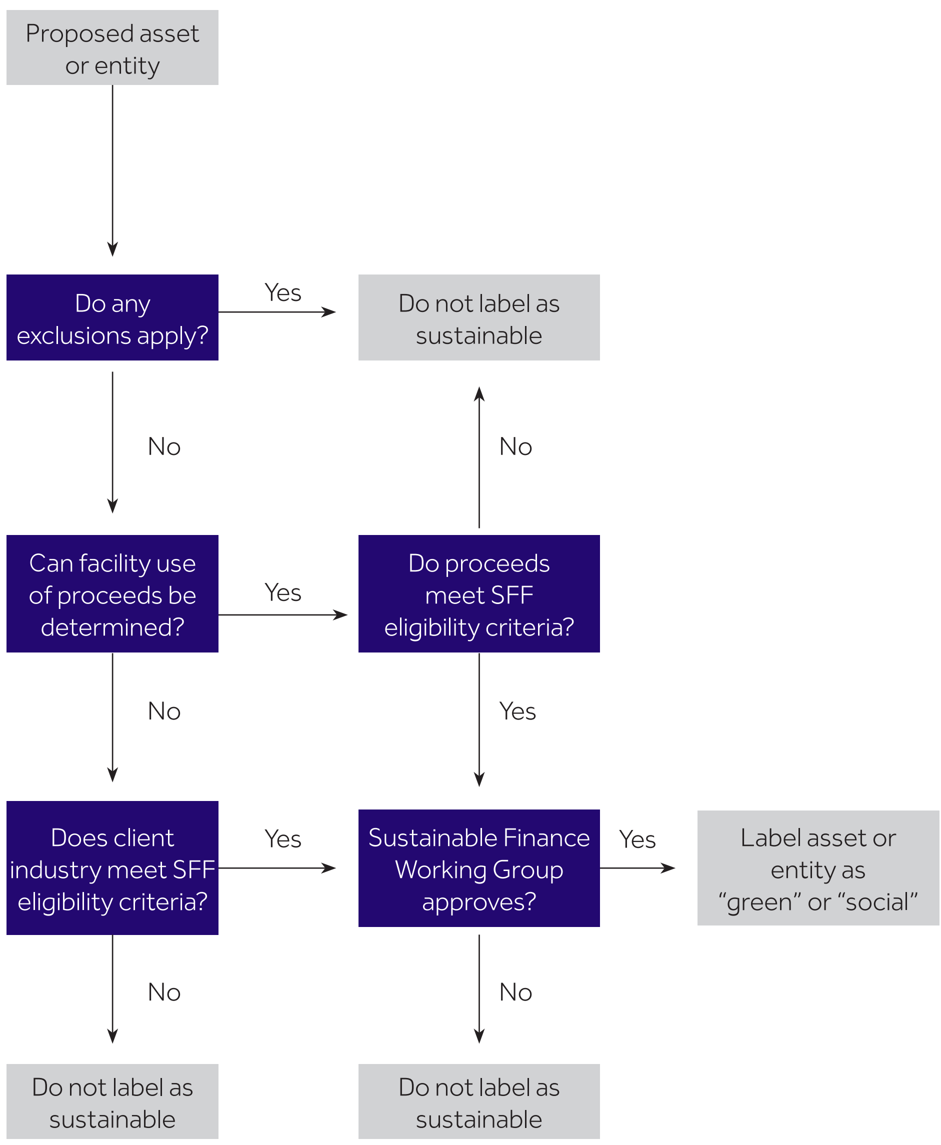
In parallel, Riyad Bank launched its first TFF in 2026 to address the specific challenges and opportunities in hard-to-abate sectors. The establishment of the TFF is one of four sustainable finance KPIs set out in Riyad Bank's sustainability strategy, reflecting a strategic focus on scaling credible transition finance alongside broader sustainable finance priorities. The Riyad Bank TFF is rooted in the recognition that hard-to-abate sectors such as steel, cement, chemicals, oil and gas, and heavy transport are responsible for a substantial share of the Kingdom's emissions and therefore require tailored financial solutions to support their decarbonization journeys. The framework sets out robust criteria for what qualifies as transition finance, emphasizing that eligible activities must be on a credible, science-based, and time-bound pathway toward alignment with net zero goals and the Paris Agreement. In doing so, the TFF is designed to align with evolving international best practice, including the LMA Guide to Transition Loans and the ICMA Climate Transition Bond Guidelines published in June 2025. Moody's assigned the TFF an SPO score of "Good," providing independent assurance on the framework's overall quality and alignment with market expectations for transition finance.

Qualifying transition finance activities include investments in agriculture, aluminum, automotive, aviation, carbon capture utilization & storage, cement, chemicals, emissions reductions on existing fossil fuels, hydrogen, iron & steel, logistics, mining, nuclear and shipping. To be eligible, a project or company must demonstrate a clear transition plan, including interim decarbonization targets, transparent disclosure, and a commitment to avoid "carbon lock-in." The TFF excludes any financing that supports the expansion of unabated fossil fuel capacity, new coal assets, or projects that lack a credible transition pathway. All transition finance transactions are subject to enhanced environmental and social due diligence and must be approved by the SFWG in accordance with the framework.

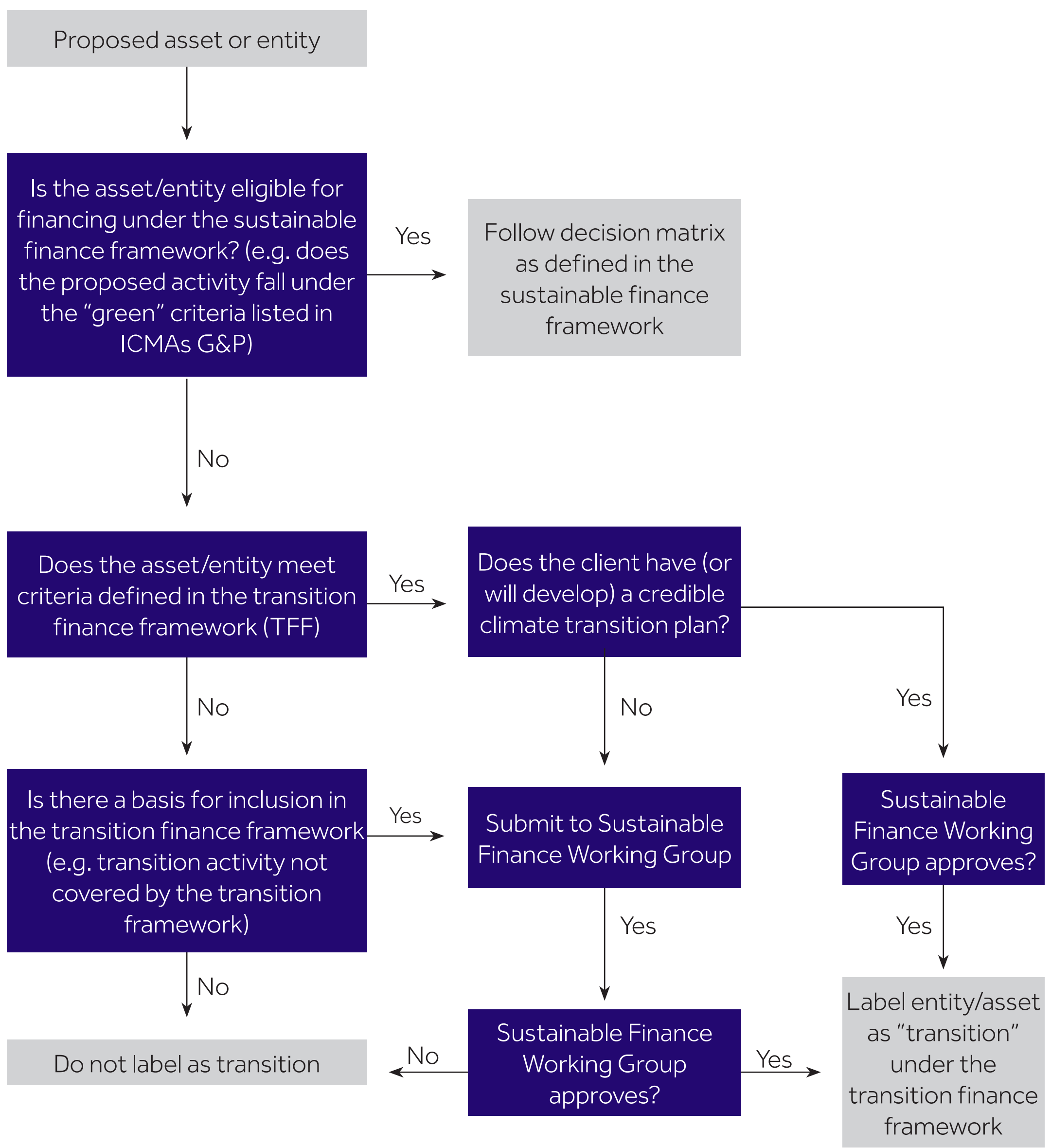
The launch of the TFF is also accompanied by strengthened reporting and monitoring requirements. All transition finance activities are tracked separately and reported on an annual basis, with disclosure of both allocation and climate impact metrics. External assurance is sought to validate the alignment of financed activities with the framework's criteria.

Decision tree for sustainable or transition financing

Identifying eligible sustainable financing



Identifying eligible transition financing



Eligible Sustainable Finance Activities

Eligible green activities

- Renewable energy
- Energy efficiency
- Clean transportation
- Sustainable water and wastewater management
- Pollution prevention and control
- Green buildings
- Environmentally sustainable management of living natural resources and land use
- Terrestrial and aquatic biodiversity
- Climate change adaptation
- Eco-efficient and/or circular economy adapted products, production technologies and processes
- Green financing instruments

Eligible social activities

- Affordable basic infrastructure
- Access to essential services
- Affordable housing
- Employment generation
- Food security and sustainable food systems
- Socio-economic advancement and empowerment

Eligible Transition Finance Activities

Transition activities

- Agriculture
- Aluminum
- Automotive
- Aviation
- Carbon capture utilization and storage
- Cement
- Chemicals
- Emissions Reduction on Existing Fossil Fuels
- Hydrogen
- Iron and Steel
- Logistics
- Mining
- Nuclear
- Shipping

SOCIAL

Our CSR strategy “Bukra”

Riyad Bank’s Corporate Social Responsibility (CSR) strategy, known as “Bukra,” reflects the Bank’s commitment to advancing the KSA’s social development agenda through impactful and sustainable initiatives. Established in 2019 and updated in 2024, Bukra is anchored in a robust governance framework that ensures strategic oversight and accountability. The Bank’s Board Sustainability Committee (BSC) provides dedicated board-level supervision of CSR activities, overseeing the alignment of Bukra with Riyad Bank’s broader sustainability objectives and national priorities.

Bukra is designed to deliver programs that generate meaningful and long-term social impact across diverse segments of society. It aligns closely with Saudi Vision 2030 and the Saudi Green Initiative, supporting the Kingdom’s transformation into a vibrant, sustainable economy. The strategy is organized around three core pillars: enabling financial well-being, empowering communities, and conserving ecosystems. Each pillar addresses critical societal challenges and opportunities, leveraging Riyad Bank’s position as a leading financial institution to create value beyond banking. The strategy is implemented through several initiatives in partnership with national entities and NGOs.

Vision

To advance the Kingdom’s social development agenda as a CSR leader

Mission

To deliver world-class CSR programs that have a meaningful and long-term social impact on Riyad Bank’s community

Enable Financial Wellbeing

- Provide mentorship, job training, and skills to young people

Support SMEs & Entrepreneurs

- Provide training, mentoring, and technology solutions for entrepreneurs
- Facilitate access to financing opportunities for SMEs and entrepreneurs

Enhance Financial Access & Literacy

- Enhance access to financial resources and services for underserved communities
- Improve financial literacy through educational programming and resources

Empower Communities

Empower Women

- Increase access to education for women and girls
- Offer technical training and employment resources to women
- Boost awareness and inclusive hiring practices to encourage female workforce participation

Empower People with Disabilities

- Minimize societal stigma linked to individuals with disabilities
- Establish workplace and community accessibility projects
- Offer vocational training to people with disabilities

Conserve Our Ecosystems

Take Action on Water Scarcity

- Contribute to water conservation projects and initiatives in our communities
- Raise public awareness around strategies for conserving water

Protect and Restore our Environment

- Support protected areas and habitat restoration projects
- Preserve the environment through community clean-up and recycling efforts
- Revitalize ecosystems by planting trees

Signature Programs

[3] Marginalized and underserved communities are groups of people that require additional support due to social, economic, environmental, or health-related factors. The Saudi Human Resources and Social Development developed social security system provides financial support, rehabilitation, and to vulnerable citizens, such as elderly, widows, orphans, divorced women, women without family support, and children of Saudi widows.

Enable financial well-being

Financial well-being is a foundational pillar of Bukra, reflecting Riyad Bank’s belief that economic empowerment is essential for social progress. The Bank has implemented a comprehensive suite of initiatives aimed at reducing youth unemployment, supporting SMEs and enhancing financial access and literacy for underserved communities.

Riyad Bank maintains a clear focus on supporting MSMEs and entrepreneurs, recognizing their critical role in economic development. For 2025, the Bank had set target to train and mentor 5,000 entrepreneurs and provide finance solutions to 200 SMEs.

A key element of Riyad Bank’s MSME support is its partnership with the Entrepreneurship Track at Mohammed Bin Salman Foundation (Misk Foundation). Through this collaboration, the Bank has supported over 41,546 beneficiaries and helped create 5,400 jobs. Programs held throughout 2025 such as the Misk Startup School, Launchpad, and Accelerator delivered targeted training, mentorship, and investment readiness support for small business owners. For example, the Misk Launchpad engaged 311 participants in 13 sessions with a 91.3% satisfaction rate, while the Accelerator provided a 12-week program for 20 startups to scale without equity dilution. The Bank’s involvement in Misk’s Entrepreneurship Annual Event and Innovation Week further strengthened the entrepreneurial ecosystem by facilitating knowledge exchange and product development. These efforts advance Riyad Bank’s commitment to drive social development and support MSMEs effectively.

Misk Foundation Success Stories

Collaborative deals

The Entrepreneurs’ Community enabled startups to close over SAR 4.9 million in collaborative deals.

Network growth

83% of members enhanced their professional networks and 69% accessed opportunities unavailable to them individually, reflecting strong ecosystem connectivity.

Knowledge and mentorship

With over 800 active learners and 450+ knowledge accounts, the Knowledge Hub empowered founders through expert-led sessions that improved strategic decision-making.

Riyad Bank’s commitment to enhancing financial access and literacy is deeply embedded in its strategy to empower marginalized and underserved communities[3]. In 2025, the Bank launched its signature program My Banking Journey, a comprehensive program designed to elevate financial literacy across remote and underserved regions of Saudi Arabia. This initiative specifically targets diverse segments of the society, including senior citizens, women entrepreneurs, children, and people with disabilities, youth, ensuring that financial education is accessible and inclusive.

My Banking Journey awareness bus travelled to eight cities and governorates across four key regions: Asir, Al-Baha, Al-Madinah (including AlUla), and Hail expanding outreach across the Kingdom At each location, the Bank conducted tailor-made workshops and interactive sessions covering essential topics such as saving, budgeting, digital banking, investment, and responsible financial decision-making. These sessions were designed to be engaging and practical, combining expert guidance with interactive experiences to develop a deeper understanding of financial management. Through the program, the Bank reached nearly 510,000 beneficiaries. The program's success underscores Riyad Bank's ongoing commitment to bridging financial literacy gaps increasing access to capital and enabling all segments of society to participate fully in the Kingdom's economic development.

My Banking Journey Success Stories

Extensive reach across the Kingdom

Covered 8 cities across Asir, Al-Baha, Al-Madinah and Hail with the Riyad Bank awareness bus.

Financial literacy and inclusion for the underserved

Reached ~510,000 beneficiaries benefitting from workshops on financial topics such as saving, investment, budgeting, and digital banking.

Empower communities

Empowering communities is central to Bukra's social agenda, with a particular emphasis on advancing gender equality and supporting people with disabilities. Riyad Bank recognizes that social inclusion and equal opportunity are vital for sustainable development and economic prosperity.

Women's empowerment is pursued through increased access to education, technical training, and inclusive hiring practices. In 2025, the Bank implemented targeted women's empowerment programs in Makkah, offering training in computer skills, English language, and vocational areas such as sewing. By providing women from disadvantaged[4] families training courses in professions like embroidery and beauty services, the Bank enables them with skills and equipment to start their own enterprises and become self-reliant wage earners. The Bank has made significant progress through these initiatives, with 242 participants enrolled in educational programs, exceeding a target of 200, and 150 engaged in on-the-job training against the target of 100. These efforts align with the Kingdom's Vision 2030 goals to enhance women's participation in the workforce.

A key element of this empowerment strategy is Bukra's signature program, "My Banking Journey," which extends financial literacy and entrepreneurial support to underserved communities, including women entrepreneurs and productive families. In 2025, the Bank delivered a dedicated workshop on Entrepreneurship and Productive Families[5], benefiting 556 female participants. This program exemplifies Riyad Bank's holistic approach to community empowerment by combining education, skill-building, and practical support to foster sustainable economic growth.

Riyad Bank also remains deeply committed to empowering people with disabilities. The Bank set a target to improve community access for 100 individuals with disabilities and has exceeded this goal by reaching 140 beneficiaries. In partnership with the Disabled Children's Association, Riyad Bank supports the "Haram Children Program," which provides comprehensive medical, educational, and rehabilitation services to 100 children with disabilities. On the International Day of Persons with Disabilities in 2025, Riyad Bank launched a campaign "With us, nothing will stop you" and shared stories of employees with disabilities to raise awareness and promote inclusion.

Volunteerism is a vital component of community engagement. The Bank set an ambitious target of 2,000 volunteer hours annually across various programs. In 2025, this target was surpassed with a total of 24,866 volunteer hours contributed by employees and community members alike. A notable example is the Al-Hajj initiative, where over 500 volunteers supported pilgrims' safety and comfort by distributing essential supplies and providing assistance to thousands. This initiative highlights Riyad Bank's strong culture of service and its commitment to meaningful community impact. During Ramadan, 100 employees supported to assemble food baskets for low-income families, reaching a total of 35,000 beneficiaries.

Conserve ecosystems

Environmental stewardship is a fundamental pillar of Bukra, reflecting Riyad Bank's dedication to supporting the Kingdom's environmental objectives and the global fight against climate change. The Bank's conservation efforts are closely aligned with the Saudi Green Initiative, which aims to transform Saudi Arabia's environmental landscape through ambitious targets such as planting 10 billion trees and achieving net zero emissions by 2060.

Under this pillar, Bukra focuses on three key areas: addressing water scarcity, protecting natural habitats, and restoring ecosystems through community-driven initiatives. The Bank's efforts complement national strategies to safeguard water resources, increase waste recycling and ensure sustainable management of resources.

Signature program within this pillar is the Bukra Nursery, which has a target of planting 4,000,000 trees by 2032. The Bank made excellent progress by planting 400,000 trees in 2025, reaching a cumulative to 880,000. This large-scale afforestation effort has resulted in an estimated annual carbon footprint reduction of 10,000 tonnes, significantly contributing to carbon sequestration and enhancing biodiversity and ecosystem resilience. The Bukra Nursery has also received international recognition, including a visit from the Food and Agriculture Organization (FAO) during Ramadan 2025, which featured a tree-planting activity and a community Iftar, underscoring the Bank's integration of environmental action with cultural and social engagement.

In addition to the ongoing reforestation initiatives, Riyad Bank recognizes water conservation as a critical environmental priority for the Kingdom. While the Bank's environmental efforts in 2025 focused primarily on tree planting, the Bank laid the groundwork for expanded water conservation and awareness initiatives, which will form a key area of focus in 2026 in line with the Sustainability Strategy.

Bukra Nursery Highlights

Afforestation and ecosystem resilience

400,000

trees planted in 2025, reaching a cumulative of

880,000

International recognition

Visited by the Food and Agriculture Organization (FAO) for an understanding of the Bukra Nursery project success and community activities during Ramadan

[4] Disadvantages families are families registered in KSA social security.
[5] Productive Families: micro business from home.

Diversity and inclusion

Highlights

29.9% Women representation in workforce

11.4% Women representation in leadership roles

2% Average gender pay gap across the Bank

96% Saudization rate, among the highest in the Kingdom

0.86% Persons with disabilities among employees

Riyad Bank's commitment to diversity and inclusion is deeply embedded in its human capital strategy. Upholding internationally recognized human rights and labor standards, Riyad Bank aligns its practices with the UNGC principles, ensuring that respect for dignity, equality, and fairness is at the core of its employment policies.

The Bank has set ambitious targets to increase female representation within its workforce and leadership ranks, aiming for 35-40% women in the overall workforce and 20-30% in leadership roles by 2027. This strategic focus addresses identified gaps and reflects Riyad Bank's dedication to fostering gender diversity as a driver of organizational excellence. As of 2025, women constitute 29.9% of the total workforce and hold 11.4% of leadership positions, marking steady progress towards these goals.

These efforts are complemented by equitable compensation practices. The Bank ensures equal opportunities and compensation for all employees, irrespective of gender. In 2025, the average gender pay gap stood at 2% (implying that women were paid 2% lower than men), an improvement from 5% in 2024, demonstrating Riyad Bank's ongoing commitment to closing this gap and promoting fairness across all levels.

The Bank's inclusivity extends to integrating persons with disabilities, targeting 1% workforce participation, with current representation at 0.86%. Riyad Bank is committed to a disability-inclusive workplace. Investments include accessible facilities, assistive technologies, and specialized career consulting programs that support employees with disabilities in their development and advancement. These initiatives embody the Bank's broader philosophy of equal opportunity and proactive removal of employment barriers.

Riyad Bank's approach to diversity and inclusion is holistic, encompassing not only recruitment and representation but also fostering an inclusive culture where all employees feel valued and empowered. The Bank's policies explicitly prohibit discrimination and harassment, ensuring a respectful workplace for all. Training programs on diversity awareness and unconscious bias are regularly conducted to sensitize employees and leaders alike, reinforcing the Bank's values and expectations.

In 2025, the Bank had a total of 5,532 employees and 1,512 outsourced roles and temporary workers. The Bank's workforce diversity metrics for 2024 and 2025 illustrate the tangible outcomes of these commitments:

The table below provides a summary of women in leadership roles in 2025

Topic	2024	2025
Females	1,644	1,654
Males	4,041	3,978
Saudi Nationals	5,474**	5,300
Non-Saudi Nationals	211**	232
<30	1,163	1,081
30-50	4,283	4,190
>50	239	261
Number of employees with disability	56	48
Total Workforce*	**5,685**	**5,532**

*The table represents the Bank's full-time employees

**Breakdown of workforce by nationality is restated for 2024, due to update in methodology used.

Saudization

Riyad Bank proudly upholds a Saudization rate of 96%, underscoring its strong commitment to supporting national employment priorities and fostering the development of local talent. Saudi nationals form the majority of the Bank's workforce, aligning with regulatory requirements and reinforcing Riyad Bank's deep connection to the communities it serves.

The Bank actively invests in nurturing Saudi talent through targeted development initiatives. The Fursan Al-Riyad Graduate Development Program is a flagship effort designed to prepare young Saudis for future leadership roles. In 2025, Riyad Bank launched a new Fursan Al-Riyad batch, welcoming 22 trainees who are undergoing extensive training to build their skills and capabilities. Complementing this, the Bank's internship programs, including Tamheer and Coop, provided practical training to 252 fresh Saudi graduates during the year.

Talent development and retention

13.6

hours of training per FTE

98%

Riyad Bank staff completed mandatory training on ESG topics

2,000+

seats offered to employees in external training sessions with leading institutions

Riyad Bank encourages and supports training and development of employees while ensuring that sufficient time is allocated to it. It places a strong emphasis on talent development recognizing that continuous learning and employee growth are vital to the Bank in sustaining its competitive edge and achieving strategic objectives. The Bank fosters a culture of development through accessible training platforms, structured performance management, and comprehensive career support, ensuring employees are empowered to reach their full potential. The HC Policy guides the Bank's framework of human capital development and outlines in detail the roles and responsibilities of employees, managers, human capital department, and the management. The policy is approved by the Board and reviewed and endorsed by the management-level People Committee and board-level Nomination and Compensation Committee.

Learning and development

Riyad Bank's learning and development ecosystem is anchored by the Riyad Academy, an e-learning platform offering a wide range of training programs across technical, business, and behavioral competencies. The Academy is accessible by all employees and supports at all levels with courses designed to embed the Bank's values, enhance core skills, and address evolving business needs. In 2025, the Riyad Academy included specialized ESG training covering sustainable business practices, corporate sustainability, and environmental management, which 98% of employees completed, including contractors and outsources staff.

The Bank actively encourages professional certification, providing support for employees to obtain qualifications relevant to their roles. Employees can apply for reimbursement of fees and costs associated with obtaining specialized professional certifications and educational memberships, with prior approval from the Human Capital Division. Riyad Bank's commitment to employee development is reinforced through partnerships with leading institutions such as IESE Business School, Emeritus, Moody's, Fitch Learning, and The Financial Academy, Leoron, Vinsys and Growship collectively offering more than 2,000 training seats and a diverse portfolio of unique courses, reflecting the Bank's investment in broad-based skill development.

Riyad Bank maintains a public training calendar that schedules programs targeting core competencies, business skills, and leadership development. Technical training programs are tailored to enhance employees' expertise in areas such as fintech, cybersecurity, and data analytics, aligning with the Bank's digital transformation priorities.

In 2025, the Bank delivered a total of >98,000 hours of training with an average of 13.6 hours of training per employee, an increase from 7.3 hours per employee in 2024. The table below summarizes the Bank's trainings metrics.

Training metrics*	2024	2025
Average training (hours/FTE)	7.3	13.6
Total training hours	**41,328**	**98,845**

*Includes FTEs only

Performance management is an integral part of the development process. The Bank conducts an annual performance lifecycle for all employees, beginning with self-evaluation on behavioral competencies and, for non-branch employees, KPIs. Managers then hold year-end performance dialogues focused on achievements and development needs, followed by formal appraisals recorded in the Human Capital Management System (HCMS). In 2025, all employees participated in this cycle, which emphasizes clear goal setting, continuous feedback, and competency assessments aligned with the Bank's strategic objectives.

Career progression is supported through the internal mobility program Masirati, which in 2025 facilitated movement for nine employees, enabling talent to grow within the Bank. Additionally, the Career Counseling Program, launched in 2025, provided approximately 200 counseling sessions where trained counselors assist employees in aligning their skills and interests with career opportunities, enhancing job satisfaction and productivity. Complementing this, Riyad Talk held 5 events in 2025 offer forums for employees to explore career paths, network, and engage with leadership, fostering a culture of growth and alignment with the Bank's strategic direction.

Riyad Bank maintains Succession Planning Policy that ensures business continuity and leadership pipeline by systematically identifying successors for all Critical and Key Roles. In 2025, the Bank achieved 100% coverage of critical roles with nominated successors. Candidates undergo rigorous assessments, including psychometric questionnaires, competency-based interviews, and reviews of past performance and career aspirations. The policy defines multiple readiness levels for successors ensuring a structured and phased approach to leadership development.

Individual Development Plans (IDPs) are mandatory for all incumbents and successors, with progress regularly monitored. The Human Capital Division leads succession planning in close collaboration with senior management and the CEO, who reviews and approves the plan before it is recommended to the Board. This governance ensures strong oversight and alignment with the Bank's strategic objectives, effectively mitigating risks related to key personnel transitions.

Employee engagement

Employee engagement is seen as a key driver of organizational performance and culture. The Bank conducts an Annual Engagement & Satisfaction Survey each year, typically before the end of the calendar year, to gather comprehensive feedback from employees across all functions and levels.

The latest survey results for 2025 indicate an engagement score of 67% for the Riyad Bank Group (including subsidiaries Esnad, Jeel and overseas) and 66% for Riyad Bank FTEs. The score represents on-going efforts by the Human Capital team to act on employee feedback, enhancing workplace satisfaction, communication, and overall well-being. The Bank remains committed to maintaining an open dialogue with its workforce, ensuring that employee voices continue to shape the Bank's culture and strategic priorities.

Employee benefits / incentives program

Riyad Bank offers a comprehensive benefits and incentives program designed to motivate, support and retain talent. The package includes competitive remuneration, health insurance, retirement plans, paid leave, and allowances aligned with Saudi labor law and market standards. The Bank also provides relocation support for employees transferring between locations, including travel tickets and relocation allowances, ensuring smooth transitions.

Allowances

Education Allowance

- All staff at Senior Vice President grade and above
- Maximum 3 children per staff, children must be residing in the Kingdom

Disability Allowance

- All grades with children with disabilities
- Eligibility is for entitled children per employee is not limited

Day Care Allowance

Female staff shall be granted a day care allowance, for each child below 5 years old

Metro Subscription

Riyad Bank offers a subsidy to cover 50% of the Riyadh Metro monthly subscription for employees who do not have parking in the Bank This helps further drive Scope 3 emission reduction related to business travel

Personal and Housing Loan

Employees are eligible to apply for personal and real estate financing after completing the probation period and receiving full support from the Bank, subject to DBR compliance

- Personal Financing: Up to SAR 3 million
- Real Estate Financing: Up to SAR 5 million

Advance Salary

The salary advance can be granted up to a maximum of three times within a 12-month period, under the following condition:

- If the employee's leave exceeds two weeks and the return to work is after the 20th day of the calendar month

Tarabut Program

Employees can obtain a personal loan with zero interest (0%) up to four months' gross salary with capping based on performance ratings

Family Support Program

In the event of an employee's death while on active duty, their family shall receive compensation equivalent to 12 months of basic salary, with a minimum of SAR 150,000

Investment Plans

Years of service	Employee contribution from basic salary	Bank contribution from monthly salary
Employees can apply immediately after joining the Bank	From 1-15%	Up to 6%

Working Remotely and Flexible Working Hours

Employees have the right to choose suitable working hours, with up to 2 hours of flexibility each day, in coordination with their direct manager. Additionally, employees may request to work remotely one day per month, subject to their manager's approval. New mothers can also benefit from flexible working arrangement of working remotely after their maternity leave as per the following:

Return from Maternity:

First week	5 days
Second week	3 days
Third week	3 days
Fourth week	2 days

Medical Insurance

Medical insurance covers all employees as per the approved medical policy.

- Covers staff + wife + all unmarried dependents (males until the age of 25 and females until marriage)

Medical Insurance for Parents:

- Available for employees who wish to add their parents
- Employees can split the payment into installments to facilitate payment

Auto Lease

Employees are eligible to apply for auto financing after completing the probation period, with a maximum financing amount of SAR 800,000, in compliance with the Debt Burden Ratio (DBR)

Financing Duration:

Up to 60 months (5 years)

Employee turnover

Riyad Bank closely monitors employee turnover as part of its talent management strategy. The total turnover rate in 2025 was 11.9%. In 2025, the Bank welcomed 689 new employees, representing a diverse mix by age and gender, reflecting its commitment to attracting talent across generations. These figures highlight Riyad Bank's focus on maintaining workforce stability while infusing fresh skills and perspectives.

Total turnover rate

2024	2025
12.8%	11.9%

Riyad Bank New Joiners	2024	2025
Female	263	192
Male	477	480
<30 years	223	196
30-50 years	510	470
>50 years	7	6
Total new hires	**724**	**689**

Health and well-being

Riyad Bank maintains a safe and healthy work environment and protects the physical and psychological well-being of all employees, contractors, and stakeholders. The Bank's Occupational Safety and Health (OSH) policy, which covers employees and contractors, outlines the framework designed to minimize workplace hazards and promote a culture of safety across all its facilities, aligning with local regulations and international best practices. This policy is periodically reviewed and recommended by the Bank's Management Committee and board-level Risk Management Committee (RMC) and approved by the Board. The Bank adheres to the Health and Safety in the Workplace rulebook by the Ministry of Human Resources as well as SAMA's requirements. All of the Bank's suppliers also have health, safety and environment (HSE) obligations – they must comply with all applicable regulations, follow Riyad Bank's policy and uphold good industry practices. Suppliers are required to take full responsibility for safety and adequacy of their operations, including environmental aspects. The Bank is committed to uphold human rights and has developed an ESG risk scorecard which has coverage on human rights. This scorecard will be rolled out and implemented over the next 24 months.

A key component of Riyad Bank's health and safety strategy is comprehensive training delivered through the Riyad Academy e-learning platform. In 2025, 98% of full-time employees completed the "Occupational Safety and Health Guide in the Workplace" training. This training covers essential safety principles, risk identification, and preventive measures to ensure both mental and physical safety at work. In addition, the "First Aid" online training, completed by 99% of full-time employees in 2025, equips staff with critical skills in basic trauma life support, burn care, cardiac arrest support, and emergency response techniques. Contractors and outsourced personnel also undergo these training programs ensuring a well-rounded approach to workplace safety.

When a workplace injury occurs, the line or department manager promptly reports the incident to the Human Capital (HC) department, submitting required documentation including the Occupational Safety and Health Notice form, medical report, and any reports from the party handling the incident. The HC team processes these documents to record the incident accurately and reflect it in the social security system. This process ensures that corrective actions are implemented, monitored, and followed up to prevent recurrence and continuously improve workplace safety.

In a pioneering move to enhance employee wellbeing, Riyad Bank became the first financial institution in Saudi Arabia to integrate with the Ministry of Health's unified digital health platform, Sehhaty Business, in 2025. Sehhaty offers a comprehensive suite of health services including immediate consultations, appointment booking and reviews, remote consultations, medication search, digital health wallets, and access to medical reports and sick leaves. The platform also supports family health management, vital signs monitoring, educational content, and preventive services such as COVID-19 screening and vaccination appointments. Through this integration, Riyad Bank provides managers with interactive dashboards and reports that enable them to track workplace health indicators, while automating medical processes and health reporting for employees. This streamlines health management and fosters a proactive approach to occupational health. Serving all employees and their dependents, including children, the elderly, and people with special needs, Sehhaty's bilingual services (Arabic and English) elevate organizational wellbeing into a sustainable digital practice, significantly improving overall employee satisfaction and health outcomes.

Customer engagement

Riyad Bank is deeply committed to delivering inclusive, accessible, and customer-centric banking services. The Bank's strategy focuses on broadening financial inclusion, supporting MSMEs, enhancing customer experience, and leveraging digital innovation to meet evolving customer needs.

Access and inclusion

Riyad Bank's strong customer service network

224 branches

1,670 ATMs

168,000+ Point of Sale

Riyad Bank operates 224 branches across the Kingdom, all compliant with stringent safety and accessibility standards. Complementing physical access, the Bank offers a wide range of digital and self-service channels, including online banking, mobile applications, phone banking, more than 1,670 ATMs, Cash Deposit Machines (CDMs), kiosks, and over 168,000 PoS terminals. These channels ensure customers can conveniently access banking services anytime, anywhere.

The Bank's commitment to financial inclusion is reflected in its no-cost retail current accounts, which all customers can open easily via digital platforms or branches. Riyad Bank actively supports underserved segments through financial literacy programs and accessible banking solutions, ensuring equitable access regardless of gender, ethnicity, nationality, or profession.

Riyad Bank offers loan modification options to customers facing financial difficulties. This service allows customers to request rescheduling or restructuring of loan terms to better align repayments with their financial capacity. Such flexibility supports customer retention, reduces default risk, and promotes financial stability for both clients and the Bank.

A key pillar of Riyad Bank's inclusive approach is its focus on serving people with disabilities (PWDs). Recognizing that approximately 5-6% of Saudi Arabia's population aged five and above live with disabilities[6], the Bank has embedded accessibility and inclusivity into its customer service ethos. The Bank's policy on Dealing with PWDs guides all employees to ensure PWD are treated fairly and without derogation and discrimination. To equip employees with the skills to serve this segment effectively, employees receive mandatory training "Dealing with Clients with Disabilities" through the Riyad Academy, completed by 98% of full-time employees and inclusive of contractors. This training emphasizes recognizing the strengths and capabilities of customers with disabilities, fostering respectful and empowering interactions.

Riyad Bank also supports the Ministry of Municipalities and Housing's "Sakani" program by offering affordable mortgage financing under government-subsidized schemes, and partners with the Cultural Fund to finance private sector cultural projects, fostering growth in sectors such as film, music, and heritage.

Focus on MSME customers

Riyad Bank plays a leading role in MSME financing and aspires to become the indisputable leader of the MSME market in KSA. The Bank's MSME strategy is ambitious and will be supported by an optimized coverage model that includes a unified digital channel and a segmented relationship management approach: virtual relationship managers for micro and non-borrowers, and dedicated relationship managers for small and medium borrowers.

A cornerstone of this strategy is Riyad Bank's active participation in the government-led Kafalah Finance Guarantee Program. This initiative provides guarantees to MSMEs that may lack sufficient collateral, enabling them to access financing that would otherwise be unavailable through conventional banking channels. By mitigating credit risk, the Kafalah program empowers the Bank to extend credit to a broader range of MSMEs, supporting entrepreneurship and economic diversification in line with Saudi Vision 2030.

Digital account opening services specifically designed for startups and MSMEs streamline access to essential banking products, reducing onboarding friction and accelerating time to service. The Bank's digital platforms, including mobile and web applications, are integral to delivering a seamless MSME banking experience.

In 2025, Riyad Bank signed a cooperation agreement with Saudi EXIM (Saudi Export Import Bank) to facilitate and ensure access to financing for local exporters from the SME market to complete their export operations. In collaboration with Infra Saudi, Riyad Bank also launched the Social Infrastructure Projects Financing Program (SIFP) with the aim to provide innovative financing solutions for healthcare and education projects in the Kingdom, including co-financing and credit guarantees.

Total MSME facilities (All amounts in SAR '000s) – as defined by SAMA (link)		**2023**	**2024**	**2025**
Micro	**Total**	**5,867,080**	**10,022,097**	**20,756,437**
	On-balance sheet	4,980,980	8,853,198	19,317,183
	Off-balance sheet	886,100	1,168,899	1,431,457
Small	**Total**	**17,451,874**	**19,750,487**	**37,201,820**
	On-balance sheet	13,518,456	14,481,391	31,311,261
	Off-balance sheet	3,933,418	5,269,096	5,874,110
Medium	**Total**	**33,766,991**	**40,558,613**	**53,780,455**
	On-balance sheet	23,164,342	28,007,505	40,628,161
	Off-balance sheet	10,612,649	12,551,108	13,144,823
Total MSME	**Total**	**57,095,945**	**70,331,197**	**111,706,994**
	On-balance sheet	**41,663,778**	**51,342,094**	**91,256,604**
	Off-balance sheet	**15,432,167**	**18,989,103**	**20,450,390**

Facilities under Guarantee Fund Program (Kafalah)		**2023**	**2024**	**2025**
Micro	Amount (SAR '000s)	222,553	1,162,745	965,393
Small	Amount (SAR '000s)	3,985,665	4,233,542	3,853,317
Medium	Amount (SAR '000s)	4,420,819	5,710,859	6,218,508
Total MSME	**Amount (SAR '000s)**	**8,629,037**	**11,107,146**	**11,037,218**

[6] According to Population and Housing Census, 2022

Customer satisfaction

Riyad Bank places customer satisfaction at the heart of its operations, employing a comprehensive suite of feedback and performance metrics. The Bank conducts annual post-interaction surveys measuring Net Promoter Score (NPS), Customer Satisfaction (C-SAT), turnaround times, error rates, and complaint volumes. These metrics are reported directly to the CEO and the Customer care Committee, ensuring executive oversight and accountability.

The Bank has made progress in improving customer experience across both digital and traditional channels. The 2025 NPS increase reflects enhanced service delivery, with non-digital channels notably exceeding their target and achieving a 27% improvement year-over-year. This improvement is attributed to focused initiatives such as personalized customer outreach, streamlined mortgage loan journeys, and enhanced branch services.

Digital channels showed a 17% increase in NPS compared to 2024, reflecting ongoing enhancements to the Bank's mobile app and online platforms. The Bank's digital transformation efforts, including AI-powered chatbots and predictive analytics, have contributed to faster, more intuitive customer interactions, driving higher satisfaction and engagement.

To ensure that the Bank excels in customer service and satisfaction, relevant trainings are available for employees on topics such as customer centricity, customer service excellence, time & service mastery.

Complaints handling

Riyad Bank has a robust mechanism to ensure that customers' concerns are dealt with proactively. The Bank's Customer Experience team is equipped to address customer concerns and ensure effective complaint resolution. Complaints have decreased by 23% compared to the previous year, with 100% compliance to service level agreements (SLAs) for resolution timelines. Riyad Bank closed the feedback loop by personally contacting over 10,000 customers to understand and resolve their concerns, demonstrating a commitment to continuous improvement and customer trust.

The Bank's complaint resolution fully complies with SAMA's consumer protection guidelines, ensuring transparency, fairness, and clear communication in all customer interactions.

Consumer Protection and Advertising Controls

The Bank's Product and Service Advertising Controls Policy is designed to ensure fair, transparent, and responsible marketing practices. The policy mandates that all advertising materials be clear, accurate, and not misleading, with full disclosure of terms, fees, and conditions. Riyad Bank adheres to SAMA's consumer protection guidelines which inform our communication with customers, advertising and debt collection practices. The Bank follows the 10 principles of consumer protection outlined by SAMA:

- Equitable and fair treatment
- Disclosure and transparency
- Education and awareness
- Behavior and work ethic
- Protection against fraud and misuse
- Protection of data and information privacy
- Complaints handling
- Competition
- Outsourcing
- Conflict of interest

Oversight of advertising content is managed through a multi-layered review process involving the Communication & Customer Experience Division, Retail Banking, Corporate Banking, and Compliance teams. All materials undergo rigorous scrutiny before publication to ensure alignment with SAMA's guidelines and internal standards.

The Bank prohibits misleading statements, unauthorized use of intellectual property, and any promotion that could harm the Bank's reputation or violate competition laws. Customer consent is required for the use of personal data in advertising, and all offers must be honored as stated.

Additionally, Riyad Bank's New Products and Services Policy establishes procedures for the development, approval, and launch of new banking products and services. The policy requires comprehensive risk assessments, feasibility studies, and compliance checks before any product or service is introduced to the market. It mandates obtaining SAMA's no-objection letters and internal approvals, ensuring that all offerings meet regulatory standards and customer protection requirements. This integrated approach guarantees that new products and services are marketed responsibly, with clear communication of risks and benefits, thereby safeguarding customer interests and maintaining the Bank's reputation.

This governance framework is supported by regular training for employees involved in marketing and product promotion, reinforcing the Bank's commitment to ethical advertising and consumer protection. The Bank provides trainings to customer facing employees on topics related to customers' protection such as cheques forgery detection and prevention, anti-fraud, risk management & data privacy, detecting counterfeits.

Digitalization

2025 marked a pivotal year in Riyad Bank's digital transformation journey, characterized by a strategic shift from isolated digital initiatives to a unified, institution-wide operating model. This model is designed to deliver the Bank's long-term digital ambition, measured through a comprehensive digital maturity index. The Bank onboarded 72% of new-to-bank retail customers digitally a 63% increase from 2024, Digital transactions exceeded SAR 560 million, accounting for 94.3% of total retail transactions.

A cornerstone of Riyad Bank's digital leadership is its pioneering use of artificial intelligence (AI) and advanced analytics. During the 2025 Money 20/20 summit, Riyad Bank showcased its AI capabilities as the engine of its intelligent transformation. Collaborating with leading technology partners such as NVIDIA and DataRobot, the Bank is developing and piloting cutting-edge AI solutions, including Generative AI (Gen-AI) and Agentic AI, to automate workflows, enhance decision-making, and drive operational excellence.

Digital Transformation Highlights

72%

new-to-bank retail customers onboarded digitally

94.3%

retail transactions executed digitally

Operational efficiencies enabled by AI

Riyad Bank's AI innovations have delivered tangible operational efficiencies across multiple domains. The ATM Cash Forecast Model uses predictive analytics to optimize cash replenishment schedules, reducing operational costs and minimizing carbon emissions associated with logistics. Staff Level Optimization tools dynamically adjust workforce deployment based on real-time demand data, improving resource allocation and service efficiency. The 5-Star Digital Segmentation system categorizes customers by behavior and preferences, enabling highly personalized engagement strategies while reducing environmental impact through paperless communications. Additionally, the End-of-Relationship Prediction Solution identifies customers at risk of attrition early, allowing the Bank to implement proactive retention strategies that foster trust and demonstrate social responsibility.

Strategic Partnerships

NVIDIA

Riyad Bank's collaboration with NVIDIA focuses on developing Generative and Agentic AI solutions that enhance automation and intelligent decision-making capabilities.

DataRobot

The partnership with DataRobot strengthens the Bank's AI-driven analytics and machine learning models, delivering predictive insights that improve operational efficiency and customer outcomes.

Key initiatives

The Bank's participation in the Money 20/20 summit highlighted its AI capabilities, including Gen-AI and Agentic AI solutions, reinforcing Riyad Bank's position as an innovation leader. Practical AI-powered use cases such as dynamic pricing, SME smart sales optimization, and AI-driven fraud detection have been successfully implemented, boosting revenue, operational efficiency, and risk management. Furthermore, advanced AI tools like the RB AI Assistant for Human Capital policies and the CXC AI Assistant Chatbot have streamlined internal workflows and enhanced customer communication, contributing to improved operational effectiveness and customer satisfaction.

Through these comprehensive digital and AI-driven initiatives, Riyad Bank continues to transform its operations and customer experience, setting new benchmarks for innovation and excellence in the Saudi banking sector. Through these comprehensive digital and AI-driven initiatives, Riyad Bank continues to transform its operations and customer experience, setting new standards for innovation and excellence in the Saudi banking sector.

2025 Digitalization Highlights

Real-time fraud detection enhancing security

Predictive analytics for dynamic product pricing

AI-powered SME sales insights improving conversion

RB AI Assistant and CXC Chatbot streamlining HR and customer service


Our Real Award
Our employees progress
Our employees persistence
Our employees success
12:17
Monday, D

GOVERNANCE

Sustainability governance

Board oversight

The Board of Directors (BoD) holds ultimate accountability for Riyad Bank's sustainability performance and is responsible for overseeing the development and implementation of the Bank's sustainability strategy and policies. The Board ensures that sustainability and climate-related considerations are embedded within the Bank's long-term value creation model, guiding strategic planning and decision-making at the highest level.

To ensure effective oversight, the Board delegates specific responsibilities to its dedicated committees, primarily the BSC and the RMC. These committees work closely together to provide comprehensive governance of both sustainability risks and opportunities.

Board Sustainability Committee

The BSC is the primary body responsible for the strategic oversight of sustainability at Riyad Bank. The committee's mandate is defined in its charter and it is tasked with providing strategic direction and ownership of ESG and climate-related opportunities and risks. The BSC ensures that these factors are integrated into the Bank's core strategy, performance metrics, and public disclosures. The committee regularly reviews and recommends the Bank's sustainability policies, strategy, and key pillars to the Board, ensuring alignment with the overall business strategy. It also approves key performance indicators for the sustainability pillars, oversees the implementation of the sustainability strategy and related programs, and reviews relevant reports and disclosures. The BSC is also responsible for reviewing the annual budget for CSR programs and initiatives and recommending it for Board approval. Any other tasks assigned by the Board are carried out by the committee and reported back periodically.

To ensure it has the necessary expertise, the BSC includes an external advisory director with specialized knowledge of sustainability. The BSC meets at least twice a year to review strategy, guide implementation, and assess progress, receiving formal updates from the Executive Sustainability Strategy Committee and key findings from the RMC. The committee also oversees the setting of sustainability targets and monitors progress, ensuring that the Bank's strategy and major decisions remain aligned with its sustainability commitments and that trade-offs are carefully considered.

Risk Management Committee

The RMC is responsible for overseeing the Bank's risk management strategy, ensuring effective policies and frameworks are in place, and recommending acceptable risk levels to the Board. Key responsibilities include reviewing and approving risk management policies, setting and monitoring risk limits, defining reporting requirements, and assessing the adequacy of risk management systems. The RMC meets at least four times a year and is required to hold meetings at least once every six months to maintain oversight and responsiveness. The committee also collaborates closely with Executive Management, including the Chief Risk Officer, and the Audit Committee to address issues affecting financial risk management and ensure compliance with established risk limits. Members of the RMC are appointed by the BoD and must include non-executive board members with relevant expertise

Management Oversight

Management is responsible for translating the Board's strategic direction on sustainability into operational execution and for establishing the controls, procedures, and governance routines required to manage sustainability-related risks and opportunities. This responsibility is implemented through dedicated executive committees, supported by working groups and specialist functions that embed sustainability and climate-related considerations across day-to-day decision-making.

Riyad Bank has delegated specific management responsibilities to two primary executive-level committees. Each committee is aligned to a Board-level committee to ensure clear oversight, structured reporting, and accountability for delivery.

Executive Sustainability Strategy Committee

The Executive Sustainability Strategy Committee (ESC) is the Bank's primary management body responsible for implementing the sustainability strategy.

Membership of the Executive Sustainability Strategy Committee

This committee coordinates the execution of sustainability initiatives across business units and control functions to ensure consistent implementation across the organization.

The ESC monitors progress against defined sustainability targets and ensures that sustainability initiatives remain aligned with the Bank's overall business objectives. It reports directly to the BSC on performance, progress, and key implementation matters. The ESC meets minimum five times per year to review performance, address delivery challenges, and guide the ongoing execution of the sustainability strategy.

Enterprise Risk Management Committee

The Enterprise Risk Management Committee (ERMC) provides executive oversight for the implementation of ESG and climate risk management across the Bank. Its mandate is to ensure that ESG and climate risk considerations are systematically embedded into day-to-day risk management processes and business decisions, in line with the Bank's broader Enterprise Risk Management framework.

The ERMC shall receive and reviews detailed ESG and climate risk monitoring results on a quarterly basis. These reports shall be compiled by the ESG Risk Management Section and include the escalation of significant issues, key exposures and trends, and updates on mitigation plans. The ERMC shall report its key findings, actions, and activities to the RMC to support Board-level oversight of ESG and climate-related risks.

Working groups

Management is supported by structured controls, procedures, and dedicated working groups that operationalize sustainability strategy and strengthen the Bank's ability to manage sustainability-related risks and opportunities in a consistent and coordinated manner.

Sustainability Strategy Working Group

The Sustainability Strategy Working Group (SSWG) is responsible for the day-to-day operationalization of the approved sustainability strategy. The group tracks progress against strategic objectives, identifies implementation needs, and recommends best practices to strengthen delivery. The SSWG meets bimonthly, or more frequently as required, to ensure initiatives remain on track and challenges are addressed in a timely manner. The working group is chaired by the Head of ESG & Sustainability Department and includes representation from key divisions of Riyad Bank, including Enterprise Risk Management (ERM) ensuring broad organizational engagement and alignment.

Sustainable Finance Working Group

The SFWG is responsible for governing and implementing the Bank's SFF and TFF. The group oversees regulatory compliance related to sustainable finance activities and monitors the impact and performance of sustainable finance initiatives, supporting consistent governance and integrity in how sustainable finance is originated, classified, and reported. The group convenes at least on a quarterly basis. The Head of Sustainable Finance Section chairs the SFWG, which includes representatives from across the Bank, including credit, business and risk.

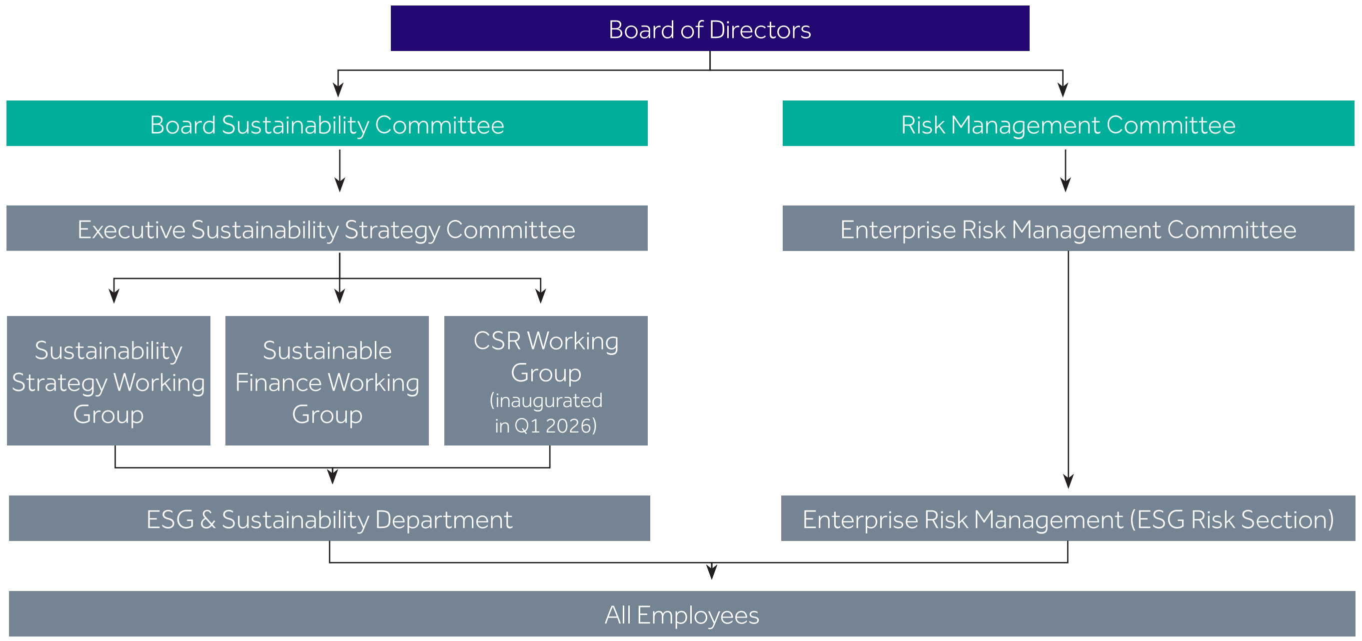
CSR Working Group

The CSR Working Group was inaugurated in Q1 2026 and will provide strategic leadership in delivering the bank's CSR strategy, ensuring effective implementation of the CSR plan across all business areas. This group will coordinate initiatives, monitor progress, and drive continuous improvement in the bank's social responsibility efforts.

Coordinating functions and supporting capabilities

To strengthen execution and provide specialist expertise, Riyad Bank has established centers of excellence that embed ESG considerations across the organization. The ESG & Sustainability Department is responsible for executing the Sustainability Strategy and coordinating ESG initiatives across all business lines. Developing and delivering financing solutions that meet ESG criteria, and driving the bank's CSR programs and community engagement. The ESG Risk section, under the Enterprise Risk Management, supports the Bank by developing ESG and climate risk methodologies and assessment tools, such as ESG risk scorecards, climate scenario analysis capabilities, executing the ESG risk data strategy, and monitoring ESG-related Key Risk Indicators (KRIs). Together, they align ESG priorities with the bank's overall objectives and ensure consistent implementation throughout Riyad Bank.

In addition, these functions provide advisory support to business and control functions. They also deliver training and awareness programs across the Bank to build capabilities and support consistent implementation.



ESG integration into risk framework

Risk governance

Oversight of ESG and climate risks is embedded within Riyad Bank's established governance bodies, including the BoD, RMC, and ERMC. These committees ensure streamlined governance and enterprise-wide risk oversight, with ESG and climate risk responsibilities incorporated into mandates and terms of reference that cover all risk types faced by the Bank. Key management-level committees such as the Main Credit Committee, Asset and Liability Committee, and Credit Risk Management Committee are actively consulted on specific ESG and climate risk topics, including credit decisions and scenario analyses.

Riyad Bank's ESG and climate risk oversight is underpinned by the Risk Management Framework which provides the formal framework that supports the governance structure and ensures consistent identification, assessment, monitoring and reporting of these risks across the Bank.

To support overall risk management, Riyad Bank runs a comprehensive ESG and climate risk training and awareness program that covers all elements of the ESG risk management framework. A dedicated ESG risk team acts as a center of excellence, building expertise and facilitating cross functional collaboration. Operational information, including structured ESG and climate risk reports are shared with the RMC and ERMC on a quarterly basis, while urgent or exceptional developments trigger immediate ad hoc notifications.

Integration across the Bank

In 2025, the Bank initiated an ESG & Climate Risk capability-building project to strengthen how ESG and climate-related risks are identified, assessed, managed, and reported across the organization. The development and design phase is now complete and is set out in detail in this chapter, while 2026 and 2027 will focus on rolling out the new tools, processes, and practices, alongside ongoing awareness and capacity-building initiatives across the Bank.

The Bank defines ESG risk as environmental, social and governance risks arising from the Bank, its clients or third parties, which act as a cross cutting driver of credit, market, liquidity, operational and reputational risks. The Bank defines climate risk as physical and transition risks that affect the Bank's operations, assets, value, clients or third parties and similarly influence these same risk categories.

ESG and climate-risk considerations are embedded throughout the Bank's Three-Lines-of-Defense model, with each business line and function responsible for identifying, assessing and managing material ESG and climate-related risks as part of its risk-ownership duties. This integration covers both direct risks from the Bank's own operations and indirect risks arising from clients, counterparties, vendors and investments.

3 lines of defence

1st line of defence

Operational Management

Business units and front-line functions identify and manage ESG and climate risks during client onboarding, credit assessment, business continuity planning, facility management, and vendor due diligence.

2nd line of defence

Risk and Compliance

The ESG Risk Management Section and risk control teams develop methodologies, monitor key risk indicators, and ensure policy compliance.

3rd line of defence

Internal Audit

Internal audit provides independent assurance on the effectiveness of ESG and climate risk integration across the Bank.

Risk identification

The Bank maintains a central Enterprise Risk Coverage Matrix that includes ESG and climate-related risks, including physical and transition risk drivers. This matrix supports the identification of emerging risks and provides a comprehensive description of ESG and climate risk coverage across the Bank. All business lines and functions identify and manage material ESG and climate-related risks as part of their risk ownership responsibilities, in line with the Bank's Enterprise Risk Management Framework.

Material ESG and climate-related risk drivers are identified and monitored across the following transmission channels:

- **Credit:** Potential borrower defaults or collateral devaluation due to physical risks or transition risks.
- **Market:** Fluctuations in asset valuations driven by climate-sensitive sectors or geographies and shifts in investor sentiment.
- **Liquidity:** Reduced funding availability or higher funding costs for exposures perceived to carry elevated ESG or climate risk.
- **Operational:** Business disruption from climate-related events, and supply chain vulnerabilities.
- **Reputational / Greenwashing:** Public scrutiny and regulatory expectations can expose the Bank to criticism if it is seen as lagging, financing harmful activities, or failing to meet its ESG commitments.

When identifying ESG and climate related risks, the Bank will apply three time horizon categories: short term (up to 3 years), medium term (3 to 10 years) and long term (more than 10 years).

Risk Measurement

Portfolio- level

The Bank applies both qualitative and quantitative methodologies to measure and control material ESG and climate-related risks, in line with the Risk Appetite Framework. Outputs are used to identify concentrations, monitor trends, and support escalation and decision-making at portfolio and client level.

Risk materiality assessment

The Bank performs a regular risk materiality assessment of inherent and residual ESG and climate risk materiality across all risk types to:

(i) Identify the most material risks,

(ii) Highlight priority transmission channels (credit, market, liquidity, operational, reputational), and

(iii) Guide the allocation of management attention and resources.

This assessment is conducted at least every two years, or more frequently where there are material changes in the ESG or regulatory landscape. ESG and climate-related KRIs are monitored within Risk Appetite to track emerging risks and strengthen management oversight. Below is a list of prioritized risk types and their measurement approaches:

Credit

- **Climate risk heatmap:** Classifies exposures by sensitivity to physical and transition risk (high/medium/low) to identify higher-risk sectors and geographies and inform proactive or corrective measures.
- **Scenario analysis and stress testing:** Assesses potential financial and operational impacts of climate pathways on credit portfolios.
- **ESG risk scorecards:** Embedding in the corporate credit process (and project finance where applicable) to differentiate ESG risk levels across clients and support risk-informed decisions; use is determined by the ESG Risk Management Section and approved by the ERMC, with material issues escalated to the Credit Risk Management Committee.

Operational

- **Operational risk assessments:** Incorporation of climate-related considerations into business resilience assessments for key sites and into business-as-usual operational risk processes.
- **Third-party risk assessment:** Inclusion of ESG factors in vendor assessment during onboarding and due diligence.

Liquidity

- **Liquidity risk assessments:** Qualitative and quantitative scenario analysis, anchored in a qualitative scenario narrative, to evaluate potential funding risks linked to changes in market perception of the Bank's ESG and climate profile.

Market

- **Market risk assessments:** Qualitative and quantitative scenario analysis to evaluate valuation impacts of ESG and climate risk drivers on trading and investment portfolios.

Reputational/Greenwashing

- **Reputational and greenwashing risk assessments:** are managed through multiple controls, including the Sustainable Finance process (external Second Party Opinions and internal ESG review), the Bank's ESG Exclusion and Screening Criteria, ESG risk scorecards within credit and vendor due diligence, and monitoring delivery against public ESG and climate commitments.

High-risk exposures identified through the risk materiality assessment, climate-risk heatmap, climate scenario analysis and ESG risk scorecards receive enhanced ESG and climate due-diligence. They may be subject to conditional approval by the Credit Review Committee. Additional mitigation measures can be applied, in line with the Bank's Risk Appetite Framework and applicable regulatory requirements. The outputs of ESG and climate-risk measurement, such as scenario analysis and stress-testing results, are fed into the Bank's Internal Capital Adequacy Assessment Process (ICAAP). Those results also inform the Internal Liquidity Adequacy Assessment Process (ILAAP) and the Bank's broader strategic-planning processes.

Customer level

ESG risk scoring for corporate clients starts with front line business units and functions screening prospective customers against the ESG exclusion and screening criteria as part of their risk ownership duties. Once a client clears this screen, an ESG risk scorecard is used to evaluate its ESG exposure for selected sectors and for large clients. If detailed project data are available, the scorecard is applied at the project level; otherwise, the assessment is performed at the overall customer level. ESG risk scoring will be governed in line with the Bank's Corporate Credit Policy and Risk Acceptance Criteria (RACs), with the resulting ESG score and any related approvals incorporated as a supplement to the standard corporate credit assessment and approval workflow.

Integrating ESG into credit assessments and approval processes

Client onboarding and data collection

1. Front line business lines collect financial, project and ESG risk-related data from clients as part of onboarding process.
2. Clients or projects are screened against the Bank's ESG exclusion criteria before credit assessment proceeds.
3. Collected information forms the input for the ESG risk scorecard and credit assessment.

Credit assessment

4. An ESG risk scorecard is applied to assess the client's or project's ESG risk exposure.
5. Where sufficient information is available scoring is performed at the project level; otherwise, at the customer level.
6. ESG results and insights are embedded into the existing credit assessment, providing additional insights.

Review and approval

7. Credit and ESG outcomes are reviewed together by relevant credit committees.
8. Elevated-risk shall be discussed in detail in the credit review committee for additional scrutiny, with respective stakeholders providing advisory input if needed.

Risk Monitoring

Portfolio-level

1) **Ongoing monitoring –** ESG and climate related risks are tracked regularly using both qualitative and quantitative Key Risk Indicators (KRIs).

2) **Quantitative limits –** Thresholds and limits are set progressively to align with the Bank's Risk Appetite Framework; any breach triggers a review of the Bank's strategy and may lead to engagement with the affected customer or counter party.

3) **Data sources –** Information is drawn from internal systems, client provided data (e.g., questionnaires), publicly available data, proprietary databases, and, where necessary, external experts or data providers.

4) **Scope of monitoring –** The process covers portfolio and sector level exposures, counter party performance, third party relationships, and the Bank's own operations.

Customer-level

1) **Scorecard driven monitoring –** ESG risk scorecards are used to continuously monitor each customer for compliance with the Bank's ESG and Climate Risk Policy and Sustainable Finance Framework.

2) **Project level detail –** When sufficient project level information is available, scoring and monitoring are performed at that granularity; otherwise, the assessment remains at the overall customer level.

ESG and climate risk mitigation is integrated across portfolios, clients, and third parties, with actions tracked, reviewed, and reported to senior management using established tools and governance processes.

Sustainability data transformation

Riyad Bank is undertaking data remediation efforts to enhance its sustainability strategy and achieve leadership in both local and regional markets. The Bank recognizes the critical role of sustainability data and effective data structures in meeting regulatory requirements, satisfying investor demands, and enhancing commercial capabilities. By improving data quality, accuracy, and reliability, Riyad Bank aims to fill data gaps and establish a single source of truth for essential ESG data. This initiative is expected to improve portfolio management, and enhance operational excellence, which will result in improving the Bank's ESG score and boost stakeholder confidence through increased transparency and accurate reporting.

Riyad Bank's data remediation work underpins its sustainability strategy through seven key use cases: computing financed and operational emissions, implementing sustainable finance frameworks, disclosing against ISSB requirements, creating climate risk heatmaps, developing client-level climate scorecards, and conducting climate scenario analysis. To support these use cases, the Bank is focusing on four main actions: consolidating existing data into a single layer, mapping and cross-referencing sector codes to ISIC and NACE, sourcing additional data via relationship managers, and subscribing to third-party data providers.

Business ethics

Riyad Bank's approach to business ethics is grounded in a commitment to transparency, accountability, and responsible conduct across all aspects of its operations. The Bank's integrity and reputation are built on clear ethical frameworks that guide the behavior of all employees, executive officers, consultants, contractors, and third-party workers. Central to this is the Code of Conduct and Business Ethics Policy approved by the BoD, which sets out the standards and principles expected in daily interactions with customers, stakeholders, and colleagues. All staff are required to complete annual training on the Code of Conduct, with 99% of employees participating in this training in the reporting year.

Ethical conduct is further reinforced through mandatory training programs, with 98% of staff - including contractors and outsourced personnel, successfully completing courses in Functional Behaviors and Professional Responsibilities. A list of additional trainings offered by the Bank to support robust compliance across various topics is provided in table below. These trainings help ensure employees maintain high standards of professionalism and ethical conduct in their daily work.

Training Name	% of Staff* Who Took the Training
Risk Management & Data Privacy	98%
Compliance	99%
Anti-money Laundering & CTF	98%
Cyber & Information Security & Privacy	98%
Anti-Fraud	98%
Dealing with Clients with Disabilities	98%
First Aid	99%
Business Continuity	98%
ESG (Environmental, Social and Governance)	98%
Functional Behaviors and Professional Responsibilities	99%
Insider Trading	99%

*Staff includes full time employees and contractors

Whistleblowing

The ethical framework is further supported by the Whistleblowing Policy, which encourages employees and stakeholders to report any suspected violations of ethical or legal standards. The policy guarantees confidentiality and protection from retaliation, fostering an environment where concerns can be raised in good faith and addressed appropriately. The Bank provides clear channels for reporting issues such as compliance breaches, or unethical conduct, and ensures all reports are handled promptly, fairly, and with due process. Confidentiality is maintained through restricted access, and anti-retaliation measures protect those who speak up. This approach strengthens ethical culture, supports regulatory compliance, and helps identify and address risks across the organisation.

Mechanisms in place typically include multiple reporting channels (Whistleblowing Hotline, Whistleblowing Email Address, Intranet Page (Hala), Riyad Bank Official Website, Whistleblowing Section-Head Office), clear guidance on what should be reported and what information to provide, defined triage and escalation procedures for high-severity matters, and structured case management to log, track, investigate, and close reports with appropriate oversight. The Bank also reinforces protections through documented non-retaliation standards, controlled access to case information on a need-to-know basis, and timely feedback to whistleblowers where possible, alongside awareness communications and training so employees and stakeholders understand how to raise concerns and trust that they will be handled properly.

Conflict of interest

Managing potential conflicts of interest is another cornerstone of the Bank's ethical standards. The Conflict-of-Interest Policy requires all employees to disclose any personal interests that could influence their professional judgment or actions. Transparent processes are in place to review and resolve such situations, ensuring objectivity and safeguarding the Bank's interests. In practice, this is supported by defined disclosure mechanisms and clear guidance on what constitutes a conflict, including actual, potential, or perceived conflicts arising from personal relationships, outside employment or business interests, financial holdings, gifts and hospitality, procurement or vendor interactions, and any situation where an employee's private interest could compete with - or appear to compete with - the Bank's interests. The policy also sets expectations for timely declaration and ongoing updates, so disclosures are made at onboarding and refreshed whenever circumstances change, with employees required to proactively escalate concerns and seek guidance where uncertainty exists.

Once disclosed, conflicts are assessed through documented review and approval workflows, typically involving line management and relevant control functions (e.g., Compliance, Risk, Human Capital, Legal), with decisions recorded to ensure consistency, accountability, and auditability. Mitigation actions are applied proportionately to the risk, such as recusal from decision-making, segregation of duties, restriction of access to sensitive information, enhanced supervision, changes to reporting lines, divestment of a conflicting interest, or - where necessary - prohibition of the activity or relationship. Ongoing monitoring and periodic attestations further reinforce compliance, helping the Bank detect emerging conflicts early and maintain trust with relevant stakeholders.

Related party transactions

Furthermore, the Related Party Transactions Policy ensures that all transactions with related parties are conducted at arm's length, fully disclosed, and subject to rigorous review and approval. This approach prevents undue influence and protects the interests of the Bank and its stakeholders. In addition, the policy establishes clear definitions of related parties and related party transactions, and sets out governance and control requirements to ensure such transactions are identified early, assessed consistently, and managed in line with applicable regulatory expectations. It requires that proposed transactions are appropriately documented and transparently reported, with independent review and escalation to the relevant approving authorities where required, including enhanced scrutiny for higher-risk or higher-value transactions.

The policy also supports ongoing oversight by requiring monitoring and periodic reporting of related party exposures and transactions, helping the Bank detect concentration, preferential terms, or other integrity risks and ensuring that any actual, potential, or perceived conflicts are addressed through defined mitigation actions and decision controls (e.g., segregation of duties and recusal from approvals where applicable).

Anti-bribery and corruption

Riyad Bank maintains a strong commitment to combating bribery and corruption across all areas of its operations. The Bank's Code of Conduct and Business Ethics Policy outlines clear expectations and guidance regarding the acceptance and provision of gifts, benefits, and entertainment, reinforcing a strict zero tolerance approach to bribery and corruption. Roles and responsibilities are defined throughout the organization, with oversight by the BoD to ensure effective implementation and monitoring of anti-bribery measures. All employees, contractors, and outsourced personnel are required to complete regular

Information security

training on the Code of Conduct to ensure they are well-informed about the standards required and to help foster a culture of integrity and accountability.

In addition, Riyad Bank enforces strict standards for the prevention of financial crime through its Anti-Money Laundering and Counter-Terrorist Financing Policy. The Bank's approach is aligned with local and international regulations, and sets out clear procedures for detecting, preventing, and reporting suspicious activities. Training is an important part of this framework, with 98 percent of staff, including contractors and outsourced personnel, successfully completing specialized training in Anti-Money Laundering and Counter-Terrorism Financing during the reporting year. These efforts ensure that employees are prepared to recognize and respond to potential risks, protecting the Bank's operations and reinforcing its commitment to ethical and compliant business practices.

Due to robust internal policies and proactive oversight, Riyad Bank has not experienced controversies related to business ethics or corruption, nor any major instances of representatives acting in ways that could compromise the Bank's integrity or reputation.

Riyad Bank recognizes that protecting information assets is fundamental to maintaining trust, ensuring regulatory compliance, and supporting the secure delivery of financial services. The Bank applies a range of measures to safeguard sensitive data, including strong policies, advanced technologies, and ongoing staff awareness. This commitment covers all aspects of data protection, risk management, and incident response, ensuring that information remains secure in an evolving threat landscape.

Cybersecurity

The Bank's approach to cybersecurity is governed by a comprehensive Cyber and Information Security Policy, which sets requirements for protecting information assets, defines roles and responsibilities, and ensures compliance with regulatory standards and international best practices. This policy supports the secure delivery of digital services and maintains operational resilience across the Bank.

Cybersecurity oversight is multi-layered. The BoD and the board-level Risk Management Committee provide strategic direction and approval, while the Cyber Security Committee at management level, chaired by the Chief Risk Officer, supervises implementation and ongoing risk management. Every employee and department is responsible for safeguarding the Bank's systems, supported by regular security awareness initiatives and training.

Risk management and controls

Technology risk is integrated into the Bank's operational risk framework. The Bank maintains an integrated technology risk register and employs risk metrics and monitoring mechanisms that align with its risk tolerance. Regular assessments of critical control points, gap analyses, and enhancement recommendations are conducted to ensure the effectiveness of controls. Annual risk assessments, control testing, and validation procedures are standard practice, complemented by comprehensive evaluations of high-risk systems and applications. Technology risk metrics and performance indicators are reported regularly to Cyber Security committees, and technology policies are reviewed to remain current with regulatory and industry standards.

Threat monitoring and incident response

The Bank continuously monitors system events using cyber threat intelligence to identify and address risks in real time. Regular cybersecurity testing and risk assessments are carried out, with immediate measures taken to mitigate any identified risks. Incident management and event monitoring processes ensure rapid and effective response to data breaches or cyberattacks. The Bank enforces relevant cyber and information security legislation and maintains oversight of all related activities to ensure regulatory compliance and ongoing protection of information assets.

Awareness and preparedness are essential components of the Bank's cybersecurity program. Mandatory training on cyber and information security is delivered to all staff, including contractors and outsourced personnel. In 2025, 98% of staff completed this training, which covers the significance of cybersecurity, employee responsibilities, common threats, data classification, incident response, and requirements for partnering entities. This comprehensive approach ensures that personnel understand their role in protecting the Bank's digital assets and critical infrastructure.

Data privacy

The Bank is committed to protecting the privacy and rights of its customers, employees, and third parties. Data privacy is a foundational element of the Bank's digital strategy, ensuring that personal data is handled with care, transparency, and in accordance with all applicable laws and regulations.

Privacy notice

The Bank's data privacy policies are aligned with the Saudi Personal Data Protection Law and other relevant standards. These policies govern the collection, use, sharing, and retention of personal data, and set out strict requirements for data security and compliance. The Bank's Privacy Notice, available publicly here, details the Bank's commitments and practices regarding customer data.

Personal data privacy policy

Riyad Bank's Personal Data Privacy Policy is designed to protect the privacy and confidentiality of personal data belonging to employees, customers, business partners, and other individuals, in line with Saudi Arabia's Personal Data Protection Law (PDPL) and National Data Management Office (NDMO) requirements. The policy applies across the Bank and its subsidiaries and sets out core privacy principles, lawfulness, fairness, transparency, purpose limitation, data minimisation, accuracy, storage limitation, integrity, confidentiality, and accountability, supported by defined governance and controls over the full data lifecycle. It explains how personal data is collected and used only for specific, legitimate purposes using secure methods, and requires that individuals are informed about what data is collected, why it is processed, how long it is retained, and whether it will be shared, including the circumstances in which third parties may process data on the Bank's behalf.

The policy also clarifies data subject rights and the mechanisms available to exercise them (including the ability to withdraw consent where applicable), and sets out the legal bases the Bank relies on for processing, such as legal obligations, contractual necessity, consent, vital interests, legitimate interests, and regulatory compliance, with explicit consent requirements for sensitive personal data, credit data, and certain automated decision-making activities, as well as guardian consent where required for minors or legally incompetent persons.

In addition, it reinforces security and privacy-by-design expectations through safeguards intended to prevent loss, unauthorised access, alteration, damage, or disclosure, and promotes responsible handling through controlled access, appropriate sharing arrangements, and clear accountability for compliance, enabling the Bank to meet business needs while protecting individual privacy and maintaining customer and stakeholder trust.

Partnerships and engagement

Riyad Bank recognizes that advancing sustainability requires active collaboration with global and national partners. In 2025, the Bank accelerated its sustainability journey by forging strategic partnerships and engaging with key organizations to drive positive changes within the banking sector and across the Kingdom.

Global partnerships

To reinforce its commitment to responsible business practices, the Bank joined the UNGC, thereby aligning its operations with the ten universally accepted principles covering human rights, labor, environment, and anti-corruption. Moreover by signing the UN PRB, the Bank has embedded sustainability into its core strategy, and ensured that its business activities support the United Nations Sustainable Development Goals (SDGs) and the Paris Agreement.

In addition, the Bank also became a CDP Capital Markets Signatory, further elevating its approach to environmental disclosure and climate risk reporting. Furthermore, the adoption of the PCAF standards enables the Bank to accurately measure, manage, and transparently report its financed emissions. Riyad Bank also serves as the chair of the PCAF MENA Region Database Working Group, actively contributing to the development of regional governance frameworks, coordinating emissions data mapping, and spearheading capacity-building initiatives to improve the quality and accessibility of financed emissions data throughout the region.

Finally, Riyad Bank's engagement with the LMA underscores its commitment to sustainable finance. As an active LMA member, the Bank helped develop the LMA's "Guide to Transition Loans," positioning it as a standard-setter for transition pathways and emerging-market practices. This partnership aligns the Bank's lending with internationally recognised principles, supporting the shift to a low-carbon and, sustainable economy.

National collaboration and advocacy

Within Saudi Arabia, Riyad Bank plays an active role in shaping the sustainable finance landscape. As a member of SAMA's EBAC, the Bank contributes to the development of industry-wide recommendations and best practices for sustainable banking. The Bank is also one of only two financial institutions participating in the MEP Corporate Sustainability Policy Development Working Group. This group is responsible for elevating corporate sustainability practices and standards for companies across the Kingdom.

The Bank's leadership in sustainability has been recognized under MEP's flagship programs in 2024, where it was named one of 19 'Sustainability Champions' in Saudi Arabia. As part of this initiative, the Bank mentors other corporates. By sharing its expertise and experience in sustainability and ESG. The Bank has mentored Jeel and Esnad, a key milestone of this mentorship is exhibited through the publication of their sustainability reports in 2025. These mentorship initiatives have helped both organizations develop their sustainability strategies and enhance their disclosures, catalyzing transformation and raising the standard of sustainability practices throughout the Kingdom.

By building strong partnerships and engaging with key stakeholders, Riyad Bank is helping to shape the future of sustainable banking both locally and globally. These collaborations ensure that the Bank stays at the forefront of best practices, supports the development of effective sustainability policies, and contributes to the broader transformation of the financial sector in line with national and international priorities.

APPENDIX

International Sustainability Standards Board Index

Pillar	Description	Disclosure references and or/explanation
Governance		
Board oversight	How responsibilities for sustainability and climate-related risks and opportunities are reflected in the terms of reference, mandates, role descriptions and other related policies applicable to that body(s) or individual(s)	Riyad Bank has board oversight over all sustainability and climate matters. See Sustainability governance section
	How the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to sustainability and climate-related risks and opportunities	The Bank has ensured appropriate skills, where necessary expertise was needed. See Sustainability governance section
	How and how often the body(s) or individual(s) is informed about sustainability and climate-related risks and opportunities	The frequency of board delegations is detailed in the governance section. See Sustainability governance section
	How the body(s) or individual(s) oversees the setting of targets related to sustainability and climate-related risks and opportunities, and monitors progress towards those targets, including whether and how related performance metrics are included in remuneration policies	Overseeing of targets and its monitoring is done by the board and its board sustainability committee, however sustainabiity and climate related matters are not linked to remuneration policies. See Sustainability governance section
Management oversight	Whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee	Management responsibilities are delegated to executive-level committees. See Sustainability governance section
	Whether management uses controls and procedures to support the oversight of sustainability and climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.	The executive committee charters detail how management exercise oversight over sustainability and climate related matters See Sustainability governance section
Strategy		
Sustainability-related risks and opportunities	Describe sustainability and climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects;	Sustainability and climate related opportunities are determined through the materiality assessment and then further expanded upon in the bank's sustainability strategy and framework. See Riyad Bank Sustainability Strategy Whitepaper
	Explain, for each climate-related risk the entity has identified, whether the entity considers the risk to be a climate-related physical risk or climate-related transition risk;	Physical and transition risk are identified as part of risk assessments, please see ESG integration into risk framework section
	The definitions of 'short term', 'medium term' and 'long term' and how these definitions are linked to the planning horizons used by the entity for strategic decision-making	Time horizons are defined by the bank as part of the risk framework. See Risk identification section
Business model and value chain	A description of the current and anticipated effects of sustainability and climate-related risks and opportunities on the entity's business model and value chain and where they are concentrated	Anticipated effects on the Bank's activities are detailed in the risk framework. See ESG integration into risk framework section
Strategy and decision-making	How the entity has responded to, and plans to respond to, sustainability and climate-related risks and opportunities in its strategy and decision-making, including how the entity plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation	All targets and strategies are detailed in the bank's approach to sustainability. See Riyad Bank Sustainability Strategy Whitepaper
	Current and anticipated changes to the entity's business model, including its resource allocation, to address climate-related risks and opportunities;	The Bank's current and anticipated changes to their business is detailed in their approach to sustainability. See Riyad Bank Sustainability Strategy Whitepaper
	Current and anticipated direct and indirect mitigation and adaptation efforts	The Bank's current and anticipated efforts are detailed in their approach to sustainability. See pages Riyad Bank Sustainability Strategy Whitepaper

Pillar	Description	Disclosure references and or/explanation
Strategy and decision-making	Any climate-related transition plan the entity has, including information about key assumptions used in developing its transition plan, and dependencies on which the entity's transition plan relies; and	The Bank has prioritized its climate-related transition plan through its sustainable finance efforts. See Sustainable finance section
	How the entity plans to achieve any climate-related targets, including any greenhouse gas emissions targets, described in accordance with paragraphs 33–36.	All climate related targets and effort to achieve these targets are detailed in the Bank's approach to sustainability. See Riyad Bank Sustainability Strategy Whitepaper
Financial position, financial performance and cash flows	The effects of climate-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period over the short, medium and long term, taking into consideration how climate-related risks and opportunities are included in the entity's financial planning	Riyad Bank is actively working to assess its sustainability and climate risk impacts on its financials
Resilience	A climate resilience assessment must explain how the entity's strategy and business model would respond to scenario derived climate impacts, the key uncertainties, and its short , medium and long term capacity—financial flexibility, asset management options, and current/planned climate related investments—to adapt, mitigate risks and seize opportunities.	Riyad Bank is actively working to assess its resilience to climate
Risk management		
	Detail the processes and related policies the entity uses to identify, assess, prioritize and monitor sustainability- climate-related risks.	All details of the risk processes is detailed in its risk framework. See ESG integration into risk framework section
Metrics and Targets		
	Entity shall disclose information on its GHG including, Scope 1, Scope 2, Scope 3 emissions.	The Bank reports on all scopes. See Operational emissions section and approach to financed emissions section

Sustainability Accounting Standards Board Index

Commercial Banks

Topic	Metric	Code	Riyad Bank input
Data Security	(1) Number of data breaches, (2) percentage that are personal data breaches, (3) number of account holders affected	FN-CB-230a.1	(1) 0 (2) 0% (3) 0
	Description of approach to identifying and addressing data security risks	FN-CB-230a.2	Riyad Bank has robust structures to protect bank's data infrastructures, manage cybersecurity risks, and incident response. For details, please refer to the Information security section of this report and "Cyber and Information Security Risk" section of 2025 Annual Report
Financial Inclusion & Capacity Building	(1) Number and (2) amount of loans outstanding that qualify for programs designed to promote small business and community development	FN-CB-240a.1	Refer to "Disclosure of Small, Medium, and Micro Enterprises Data" section of RB 2025 Annual Report
	(1) Number and (2) amount of past due and nonaccrual loans or loans subject to forbearance that qualify for programs designed to promote small business and community development	FN-CB-240a.2	Amount: Past due amount SAR 1,035,718,905
	Number of no-cost retail checking accounts provided to previously unbanked or underbanked customers	FN-CB-240a.3	Riyad Bank offers all clients no-cost retail current (checking) accounts without fees / charges for basic banking services
	Number of participants in financial literacy initiatives for unbanked, underbanked, or underserved customers	FN-CB-240a.4	509,585 benefitted through My Banking Journey program focusing on financial literacy for underserved groups Please also refer to "Disclosure of Small, Medium, and Micro Enterprises Data" section of the 2025 Annual Report
Incorporation of Environmental, Social, and Governance Factors in Credit Analysis	Description of approach to incorporation of environmental, social and governance (ESG) factors in credit analysis	FN-CB-410a.2	Riyad Bank's Risk Management Policy and ESG and Climate Risk Policy guide the Bank's approach to management of ESG and climate risks For a more detailed understanding of our approach, please refer to the ESG integration into risk framework section
Financed Emissions	Absolute gross financed emissions, disaggregated by (1) Scope 1, (2) Scope 2 and (3) Scope 3	FN-CB-410b.1	Please refer to the Approach to Financed Emissions section of this report
	Gross exposure for each industry by asset class	FN-CB-410b.2	Please refer to the Approach to Financed Emissions section of this report
	Percentage of gross exposure included in the financed emissions calculation	FN-CB-410b.3	Please refer to the Approach to Financed Emissions section of this report
	Description of the methodology used to calculate financed emissions	FN-CB-410b.4	Please refer to the Approach to Financed Emissions and Financed Emissions Methodology section of this report

Topic	Metric	Code	Riyad Bank input
Business Ethics	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, antitrust, anti-competitive behaviour, market manipulation, malpractice, or other related financial industry laws or regulations	FN-CB-510a.1	Total amount of operational losses net of recoveries (no exclusions) in SAR ('000s): 36,059 Total number of operational risk losses in SAR ('000s): 67
	Description of whistleblower policies and procedures	FN-CB-510a.2	Riyad Bank has a Whistleblowing Policy, which encourages employees and stakeholders to report any suspected violations of ethical or legal standards. The policy guarantees confidentiality and protection from retaliation, fostering an environment where concerns can be raised in good faith and addressed appropriately. For more details, please refer to our Business ethics section
Systemic Risk Management	Global Systemically Important Bank (G-SIB) score, by category	FN-CB-550a.1	Riyad Bank is designated as a D-SIB by SAMA only. (https://rulebook.sama.gov.sa/en/list-domestic-systemically-important-banks-d-sibs-2025) Please refer to Riyad Bank's 2025 Q4 Basel III report
	Description of approach to integrate results of mandatory and voluntary stress tests into capital adequacy planning, long-term corporate strategy, and other business activities	FN-CB-550a.2	RB performs an enterprise-wide risk assessment on a periodic basis and submits ICAAP and ILAAP reports to SAMA annually and a stress testing report to SAMA biannually. RB also conducts stress testing in response to material risk events, including geopolitical and market events. Risk committees receive these reports to ensure the bank's business planning activities reflect the outcomes The Bank also incorporates the climate scenario analysis into ICAAP. For more details please refer to Riyad Bank Annual Report 2025, Pillar 3 disclosures and the ESG integration into risk framework for more details
Activity Metrics	(1) Number and (2) value of checking and savings accounts by segment: (a) personal and (b) small business	FN-CB-000.A	Amount: Current balance of SME checking and savings account SAR 5,223,853
	(1) Number and (2) value of loans by segment: (a) personal, (b) small business, and (c) corporate6	FN-CB-000.B	Please refer to "Disclosure of Small, Medium, and Micro Enterprises Data" and "Supporting Saudi Vision and corporate landscape" sections of 2025 Annual Report

Global Reporting Index (Content Index)

GRI Standard	Disclosure	Reference
GRI 1	Statement of use	Riyad Bank has reported the information cited in this GRI content index for the period 1 January to 31 December 2025 with reference to the GRI Standards About this report
GRI 2 General Disclosures	2-1 Organizational details	ESG Report: About Riyad Bank Riyad Bank Annual Report 2025
	2-2 Entities included in the organization's sustainability reporting	Unless specified, information on the Bank's subsidiaries is not included in this report
	2-3 Reporting period, frequency and contact point	ESG Report: About this report
	2-4 Restatements of information	Restatements have been explicitly described against respective disclosure, where applicable
	2-5 External assurance	This Report has not been externally assured
	2-6 Activities, value chain and other business relationships	ESG Report: About Riyad Bank Riyad Bank Annual Report 2025
	2-7 Employees	ESG Report: Diversity and inclusion
	2-8 Workers who are not employees	ESG Report: Diversity and inclusion
	2-9 Governance structure and composition	ESG Report: Sustainability governance Riyad Bank Annual Report 2025
	2-10 Nomination and selection of the highest governance body	Riyad Bank Annual Report 2025
	2-11 Chair of the highest governance body	Riyad Bank Annual Report 2025
	2-12 Role of the highest governance body in overseeing the management of impacts	ESG Report: Sustainability governance Riyad Bank Annual Report 2025
	2-13 Delegation of responsibility for managing impacts	ESG Report: Sustainability governance Riyad Bank Annual Report 2025

GRI Standard	Disclosure	Reference
GRI 2 General Disclosures	2-14 Role of the highest governance body in sustainability reporting	ESG Report: About this report
	2-15 Conflicts of interest	ESG Report: Business ethics Riyad Bank Annual Report 2025
	2-16 Communication of critical concerns	ESG Report: Sustainability governance
	2-17 Collective knowledge of the highest governance body	Riyad Bank Annual Report 2025
	2-18 Evaluation of the performance of the highest governance body	Riyad Bank Annual Report 2025
	2-19 Remuneration policies	Riyad Bank Annual Report 2025
	2-20 Process to determine remuneration	Riyad Bank Annual Report 2025
	2-21 Annual total compensation ratio	Riyad Bank Annual Report 2025
	2-22 Statement on sustainable development strategy	ESG Report: Executive summary
	2-23 Policy commitments	ESG Report: Business ethics ESG Report: UNGC
	2-24 Embedding policy commitments	ESG Report: Business ethics ESG Report: UNGC
	2-25 Processes to remediate negative impacts	ESG Report: Business ethics
	2-26 Mechanisms for seeking advice and raising concerns	ESG Report: Business ethics
	2-27 Compliance with laws and regulations	Riyad bank Annual Report 2025 ESG Report: SASB

GRI Standard	Disclosure	Reference
	2-28 Membership associations	ESG Report: Partnerships and engagement
	2-29 Approach to Stakeholder engagement	ESG Report: Materiality assessment
	2-30 Collective bargaining agreements	Not applicable to Riyad Bank
GRI 3: Material Topics 2021	3-1 Process to determine material topics	ESG Report: Materiality assessment
	3-2 List of material topics	ESG Report: Materiality assessment
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	ESG Report: Sustainable Finance Riyad Bank Annual Report 2025
	201-2 Financial implications and other risks and opportunities due to climate change	ESG Report: Materiality assessment ESG Report: ESG integration into risk framework
	201-3 Defined benefit plan obligations and other retirement plans	Riyad Bank does not implement any benefit plans for its employees or workers
	201-4 Financial assistance received from government	Not applicable to Riyad Bank
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	ESG Report: Partnerships and engagement ESG Report: Our CSR Strategy "Bukra"
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	95% of 2025 spending to local suppliers
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Riyad Bank Annual Report 2025 ESG Report: Anti-bribery and corruption
	205-2 Communication and training about anti-corruption policies and procedures	ESG Report: Anti-bribery and corruption
GRI 207: Tax 2019	207-1 Approach to tax	Riyad Bank Annual Report 2025
	207-3 Stakeholder engagement and management of concerns related to tax	Riyad Bank Annual Report 2025
	207-4 Country-by-country reporting	Riyad Bank Annual Report 2025

GRI Standard	Disclosure	Reference
GRI 302: Energy 2016	302-1 Energy consumption within the organization	ESG Report: Electricity
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	ESG Report: Water
	303-5 Water consumption	ESG Report: Water
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	ESG Report: Waste
	306-2 Management of significant waste-related impacts	ESG Report: Waste
	306-3 Waste generated	ESG Report: Waste
	306-4 Waste diverted from disposal	ESG Report: Waste
	306-5 Waste directed to disposal	ESG Report: Waste
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	ESG Report: Employee Turnover
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	ESG Report: Learning and development
	404-2 Programs for upgrading employee skills and transition assistance programs	ESG Report: Learning and development
	404-3 Percentage of employees receiving regular performance and career development reviews	ESG Report: Talent development and retention
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	ESG Report: Diversity and inclusion
	405-2 Ratio of basic salary and remuneration of women to men	ESG Report: Diversity and inclusion
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments and development programs	ESG Report: Our CSR Strategy "Bukra"
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	ESG Report: Data privacy

Principles of Responsible Banking Index

Principles	Description	Report reference
Principle 1: Alignment	Riyad Bank's sustainability strategy embeds climate ambition, responsible finance, robust ESG governance, community impact and people centric development into its core business model. It commits to net zero emissions by 2060 (with an interim operational target for 2035), expands green and social financing, and aligns its actions with Saudi Vision 2030, the Saudi Green Initiative and a suite of international standards, including the UN SDGs, Global Compact, Principles for Responsible Banking, PCAF, CDP, ISO 26000 and ISSB reporting frameworks. This approach ensures that sustainability drives long term value creation for stakeholders while supporting the Kingdom's economic diversification and environmental goals.	The Bank's sustainability strategy is detailed in the Riyad Bank Sustainability Strategy Whitepaper Additionally, the partnerships and engagement section of the report details all international standards, see Partnerships and engagement section
Principle 2: Impact & Target Setting	Riyad Bank identifies where it can deliver the greatest ESG impact and translates these priorities into clear ambitions, programs, and performance tracking aligned with Saudi Vision 2030. The bank prioritizes climate action by scaling sustainable finance through its Sustainable Finance Framework, including the issuance of sustainability sukuk to mobilize capital for eligible green and social activities. It also focuses on inclusive growth through MSME financing and digital enablement, alongside people and community priorities delivered through CSR and wider social initiatives. Strong governance underpins this approach by embedding accountability, oversight, and monitoring so that progress against targets is measured consistently across the bank.	Environmental targets are detailed across Environment chapter, Whilst social targets are detailed across pages Social chapter
Principle 3: Clients & Customers	Riyad Bank embedding responsible engagement throughout its client lifecycle. The bank offers a growing suite of sustainable finance products, including green and social loans, sukuks and a digital MSME platform to channel capital toward environmentally and socially beneficial projects. ESG criteria are woven into lending policies and risk assessments, supported by a comprehensive Sustainable Finance Framework, exclusion policies and staff ESG training. Through active dialogue with high impact clients, the bank helps finance decarbonization measures, promotes best practice adoption and backs national green initiatives, thereby aligning client activities with the bank's broader sustainability objectives.	Client engagement for environmental initiatives are detailed in Portfolio environmental footprint section, Whilst social initiatives are detailed across Social chapter
Principle 4: Stakeholders	Riyad Bank consults, engages, and partners with a broad set of internal and external stakeholders to support delivery of its sustainability strategy. The bank engages employees through surveys, feedback channels, roadshows, training and hands on participation in sustainability initiatives to embed a sustainability culture across day to day operations. It collaborates with clients by maintaining ongoing dialogue and providing sustainable finance solutions and advisory support, especially for higher impact sectors. The bank also works with regulators and public sector entities to align with national priorities and contribute to an enabling environment for sustainable finance, while engaging with industry peers and international initiatives to share knowledge, adopt best practices and strengthen consistent approaches to issues such as climate measurement and disclosure.	Stakeholder engagement is detailed in partnerships and engagement section of the report
Principle 5: Governance & Culture	Riyad Bank has reinforced its governance and accountability framework to embed sustainability across the organization. The Board of Directors, together with the Risk Management Committee and other oversight bodies, sets strategic direction, integrates material ESG risks into the enterprise risk framework and holds senior management accountable for performance. Executive committees translate this direction into actionable plans, allocate resources and embed sustainability KPIs into the objectives of all business units, ensuring that ESG considerations are woven into daily decision making. Progress is monitored through integrated performance metrics, regular public reporting and alignment with international standards.	The report has a dedicated Governance chapter
Principle 6: Transparency & Accountability	The Bank guarantees accountability by operating a robust governance framework that includes dedicated committees and support functions responsible for overseeing sustainability and climate related issues. Transparency is reinforced through publicly disclosed charters, regular reporting and clear commitments, ensuring stakeholders can track progress and hold the Bank to its sustainability objectives.	The report has a dedicated governance section, see Governance chapter as well as a partnerships and engagement section of the report

United Nations Global Compact Index

Riyad Bank has committed to the Ten Principles of the UN Global Compact covering human rights, labour, environment, and anti-corruption, and to embedding these principles into its strategy, culture, and day-to-day operations. Riyad Bank has also publicly announced its membership in the UN Global Compact. Please see linked the Letter of commitment.

The key remaining obligation is to report progress annually through the UN Global Compact's Communication on Progress (CoP), starting in 2026, in line with UNGC reporting requirements. This will include a CEO-signed statement of continued support and completion of the online CoP questionnaire describing actions to implement the Ten Principles and contribute to the SDGs.

UNGC's 10 principles	Description
Human rights	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and
	Principle 2: make sure that they are not complicit in human rights abuses
Labour	Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining
	Principle 4: the elimination of all forms of forced and compulsory labour
	Principle 5: the effective abolition of child labour; and
	Principle 6: the elimination of discrimination in respect of employment and occupation
Environment	Principle 7: Businesses should support a precautionary approach to environmental challenges
	Principle 8: undertake initiatives to promote greater environmental responsibility; and
	Principle 9: encourage the development and diffusion of environmentally friendly technologies
Anti-Corruption	Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery

Financed emissions methodology

This appendix outlines Riyad Bank's approach to measuring financed emissions, including the methodologies, data sources, and key limitations applied. As a signatory to PCAF, the Bank applies recognized industry standards and is committed to continuous methodological and data-quality improvement.

Scope of the Analysis

Financed emissions are calculated in accordance with the Global Standard for Financed Emissions developed by PCAF and the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard, specifically Category 15 (Investments). The primary reporting year for this disclosure is 2025. In addition, financed emissions for 2023 and 2024 are disclosed for the first time (aside from partial disclosures in our white paper), having been calculated retrospectively and in parallel using the same methodological approach. Counterparty data for each reporting year is determined using the most recent year-end figures, with the values disclosed in this reporting cycle all reflecting end-of-year data, respectively.

The Bank applies the financial control consolidation approach to define its organizational boundary. The financed emissions boundary is aligned with the Bank's financial reporting perimeter and includes all on-balance sheet exposures over which the Bank exercises financial control. Emissions are calculated for outstanding drawn balances as of the reporting date. Off-balance sheet exposures are excluded.

The portfolio scope currently includes corporate lending (including bilateral and syndicated loans) and project finance exposures for Power Generation. Other asset classes, including retail lending (such as mortgages and auto loans), listed equity and corporate bonds, and additional investment categories, are excluded from the current reporting boundary. The Bank follows a phased implementation approach. As internal data collection processes, counterparty engagement, and quantification methodologies mature, additional asset classes may be incorporated in future reporting periods.

The Bank includes Scope 1, Scope 2, and Scope 3 emissions of counterparties within the financed emissions calculation, as described in subsequent sections of this methodology. All emissions are attributed to the Bank in accordance with the PCAF methodology for Category 15 (Investments).

Data Quality Hierarchy

The Bank applies the full data quality hierarchy defined by PCAF, depending on counterparty-level data availability. A sequential hierarchy is applied, prioritizing reported emissions and resorting to estimation approaches where necessary.

Reported Scope 1, Scope 2, and Scope 3 emissions are obtained through an external data provider and reflect the most recent consolidated data available. Verified or assured emissions are classified as PCAF Score 1, while non-assured reported emissions are classified as Score 2. Where reported data exists, it is used directly in the financed emissions calculation.

For priority sectors – oil & gas, iron & steel, and power generation – physical production data is used where available. Emissions are estimated by multiplying production volumes by sector-specific physical intensity factors (e.g., boe, MWh, tonnes of steel). This production-based approach corresponds to PCAF Score 3.

Where reported or physical data is unavailable, but revenue and capital structure information is available, a sector-specific economic intensity approach is applied. Company emissions are estimated as revenue multiplied by sectoral emission intensity. This corresponds to PCAF Score 4.

If emissions, production, revenue, and capital data are all unavailable, PCAF Score 5 approach is applied. Sectoral asset turnover ratios are used to approximate revenue from exposure, and sector-average emission intensities are applied. This represents the highest estimation uncertainty.

PCAF Score	Method Applied	Description
1	Verified reported emissions	Audited or assured counterparty emissions data
2	Unverified reported emissions	Publicly reported, non-assured emissions data
3	Physical production-based estimation	Production × sector-specific physical intensity (priority sectors)
4	Economic intensity-based estimation	Revenue × sector emission intensity, attributed by capital share
5	Exposure-based estimation	Sector asset turnover ratios and average emission intensities applied

Calculation and Attribution Approach

Financed emissions are calculated by attributing a portion of each counterparty's total emissions to the Bank based on its financial exposure. In general terms, the financed emissions FE for a counterparty are calculated as:

$$FE = E_{counterparty} \times AF$$

where $E_{counterparty}$ represents the total emissions of the counterparty (Scope 1, 2, and, where included, Scope 3), and AF is the attribution factor representing the Bank's share of the counterparty's economic or financial footprint.

In general, the attribution factor is based on the Bank's outstanding loan exposure relative to the total capital of the counterparty:

$$AF_{loan} = \frac{\text{Outstanding Loan Exposure}}{\text{Total Capital (Debt + Equity)}}$$

The financed emissions for a loan are then:

$$FE_{loan} = E_{counterparty} \times \frac{\text{Outstanding Loan Exposure}}{\text{Total Capital}}$$

For listed companies, the denominator in the attribution factor is the Enterprise Value Including Cash (EVIC). For project finance, the equivalent attribution approach is applied, using the outstanding amount as numerator.

Data Sources and Limitations

Counterparty financial and production data are sourced primarily from the Bank's internal records. Reported emissions (where available), sector-specific economic intensities, and asset turnover ratios are sourced from external data providers. For companies in priority sectors – oil & gas, power generation, and iron & steel – where physical activity data is available, emissions are calculated using physical intensity multiplied by production volume. Regional emission factors are used when available, otherwise, global intensity factors serve as proxies. To provide a comprehensive perspective, the full lifecycle is considered where feasible. For example, in oil & gas the Scope 3 downstream emissions from combustion are included to reflect the use of sold products. This ensures that the Bank's financed emissions estimates reflect both operational, upstream, and downstream impacts where material.

The Bank's financed emissions estimates are subject to several limitations that primarily arise from data availability, regional coverage, and methodological uncertainty. Reported emissions, including Scope 1 and Scope 2, are incomplete in the Bank's operating region, and consistent disclosure of Scope 3 emissions remains limited. As a result, the Bank relies on sectoral proxies and modeled estimates, which are not always region-specific or updated and available in real-time. For example, economic intensities are based on global models, as limited regional data availability impedes robust local emission factor modeling.

Estimation uncertainty also arises from factors such as fluctuations in revenue, commodity prices, and exchange rates, particularly when global intensity factors are applied in the absence of regional data. These uncertainties are more pronounced for sectors with high exposure to volatile markets, such as oil & gas.

Despite these limitations, the Bank applies the full PCAF data quality hierarchy, prioritizes reported and physical data where available, and clearly documents the assumptions and proxies used. This approach ensures that financed emissions estimates are robust, comparable over time, and aligned with best-practice standards for transparency.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Riyad Bank