

# Corporate Banking

The Corporate Banking Division sustained strong momentum in 2024, achieving remarkable results and promoting synergies across the Bank’s business units. Its targeted transformation and innovation initiatives were key drivers of the Bank’s impressive growth in net income.

By aligning the Bank’s strategic approach with market demands, the Division successfully delivered a compelling value proposition across its segments, from micro and small- and medium-sized enterprises (MSMEs) to large corporates. This progress underscores Riyad Bank’s commitment to supporting diverse business needs with tailored solutions and strengthening its competitive position within the corporate banking landscape.

This year, the Division focused on expanding its market share within high-growth sectors by leveraging previous initiatives in segmentation, data analytics, and market intelligence. These efforts enabled more precise targeting, optimized resource allocation, and enhanced the Division’s channels, products, and capabilities.

## Key Financial Highlights

In 2024, Corporate Banking earned 64% of Riyad Bank’s total income, compared to 62% in 2023. The Division’s assets increased by 27% from ₪ 182 Bn. to ₪ 230 Bn. Total operating income also rose from ₪ 8.4 Bn. to ₪ 9.1 Bn., representing an improvement of 8%. Net special commission income increased by 5% year-on-year to ₪ 7.0 Bn., while fees and other income increased by 22% to ₪ 2.1 Bn.

Operating expenses totaled ₪ 2.5 Bn. for 2024, a 13% reduction compared to ₪ 2.9 Bn. in 2023. Corporate Banking’s net income saw a 19% improvement, from ₪ 5.6 Bn. in 2023 to ₪ 6.6 Bn. in 2024. These results highlight the Division’s strong financial performance and ongoing commitment to delivering value to clients and Shareholders.

Corporate Banking earned  
**64%**  
of Riyad Bank’s total income

Riyad Bank held a  
**21.5%**  
market share in MSME financing within Saudi Arabia by the end of the third quarter

Riyad Bank has committed  
**₪ 31.3 Bn.**  
of its balance sheet to key sectors

Corporate Banking continued to be a strategic partner in advancing the Kingdom’s Vision 2030 objectives.

## Supporting the Kingdom’s Vision

Corporate Banking continued to be a strategic partner in advancing the Kingdom’s Vision 2030 objectives. The Division’s role is essential in driving economic transformation through support for giga projects, infrastructure, and social initiatives, with a strong emphasis on sectors such as education, healthcare privatization, tourism, and entertainment.

The Bank has committed ₪ 31.3 Bn. of its balance sheet to key sectors, with funding spanning giga projects, industrial and logistics sectors, public-private partnership initiatives, and critical infrastructure developments aimed at driving economic growth and creating jobs across the Kingdom. Notable projects include the Neom Green Hydrogen Project, Neom Trojena Dams, Neom Construction Villages, and the Amaala Multi-Utilities Project, which supports infrastructure for the Red Sea’s Amaala development. The Division also supported the Kingdom’s sustainability agenda, financing renewable and green projects in power and water with USD 4.3 Bn. in Islamic finance transactions.

To further these goals, the Division has expanded its Business Initiatives and Enablers Development Center, dedicated to advancing Vision 2030 objectives within government entities. Additionally, its specialized Government and Public Sector segment provides a comprehensive range of tailored banking products and services to meet the unique requirements of public projects.

## Executing Transformation 2025

The Corporate Banking Division remains fully aligned with the Bank’s goals and 2025 strategy to be the Best Bank in Saudi Arabia. With clearly defined objectives, gap assessments, and targeted initiatives, the Division supports the Bank’s vision to advance digital capabilities and drive internal efficiencies.

In 2024, the Division introduced a series of digital enhancements to elevate client experiences and improve relationship management. A notable achievement was the work of the Merchant Acquiring Solutions unit, which focused on new digital capabilities and operational efficiency. Among the key projects started this year was the Point of Sales (PoS) Profitability Reporting initiative, an advanced profitability model that refines insights on business opportunities, identifies product strengths and weaknesses, and enables portfolio optimization to boost revenues and reduce costs.

Other key initiatives include introducing the new eCommerce Gateway, which will provide a cost-effective gateway to streamline payment processing, as well as the integration of eCommerce UnionPay to support a new Chinese scheme, which expands Riyad Bank’s global transaction acceptance.

Additionally, the Corporate Cards – Smart Data program that will be introduced along with the Commercial Credit Card for corporate clients, providing customizable spending controls, improved expense management, and dedicated credit facilities to meet specific client requirements, all will be availed for the Bank’s corporate clients.

In alignment with Riyad Bank’s broader transformation strategy, Corporate Banking has also invested heavily in human capital. The Division emphasizes employee well-being and continues to expand cultural programs that enhance skills and strengthen engagement.

## An Innovative New Brand

In line with Riyad Bank’s 2025 Strategy objectives, the Division executed a major project to revamp its corporate online banking platform under the new brand name, “Riyad Business”. This transformation focuses on improving digital solutions, providing a seamless, efficient experience for corporate clients, and enhancing customer satisfaction and retention.

By centralizing operations, the Division streamlined services and reduced operational costs. The new corporate dashboard aggregates each corporate client's financial accounts, displaying total asset values across cash balances, investments, and deposits. This feature offers customers an immediate snapshot of their financial position, supporting strategic decision-making.

**Upgrading Corporate Products and Processes**

Riyad Bank kicked off the launch of new SME cards for MSMEs, offering flexible limits and easy access to funds for essential business expenses.

In order to maximize the efficiency of the trade finance operations, the Bank has initiated the implementation of machine learning for document checking. This is a building block for the operations transformation toward reliable, cost-effective, and sustainable transaction processing. This ideation was well recognized by MEA Finance and the Bank was awarded for this milestone.

To enhance customer support, Corporate Banking initiated a Conversational AI Corporate Chatbot project, which will assist customers with a wide range of financial and non-financial transactions across platforms such as the website, Riyad Online, Riyad Trade Finance, Interactive Voice Response, and social media.

Furthermore, the Division initiated the Supply Chain Finance Program and the Approved Payable Finance Program to offer fully digitalized, end-to-end solutions tailored for corporate customers, strengthening the Bank's position in supply chain finance.

The Acquiring Solutions Division also reached several milestones in expanding digital services. This included enhancing POS offerings to better meet merchant needs, and launching Phase 2 of Riyad Business, which provides merchants with greater online visibility over transactions, claims, and terminal maintenance. Additionally, it rolled out visa Local Settlement Service to facilitate UAE-dirham transactions, offering "Bank as a Service" capabilities for seamless, localized transaction processing.

**Real Estate and Environmental Sustainability Programs**

Riyad Bank continues to support strategic national goals through targeted financing initiatives. The Off-Plan Developer Guarantee Program, Damanat, developed in partnership with the Real Estate Development Fund, provides a first-of-its-kind financing solution for off-plan sales. The scheme offers guarantees that cover up to 80% of financing needs in the real estate development sector.

Furthermore, the Guarantee Program with the Environment Fund supports financing for projects focused on environmental and sustainability goals, with guarantees covering up to 80% of financing for eligible clients. These initiatives underscore Riyad Bank's commitment to fostering growth in real estate and environmental sustainability, aligning with the Kingdom's strategic development goals.

**A Key Player in the MSME Ecosystem**

The Corporate Banking Division has continued its commitment to supporting MSMEs in alignment with the Government's targeted MSME support program and the national objective of enhancing private-sector contributions to the GDP. As of the end of the third quarter of 2024, Riyad Bank held a 21.5% market share in MSME financing within Saudi Arabia, as reported by the Saudi Central Bank.

This year, the Division made several key achievements in this area, including acquiring 1,987 new clients, which translated into a 23% growth in MSMEs loans. Efforts included launching new loan initiatives, particularly in the telecommunications sector, establishing new partnerships, and organizing 18 workshops with industry partners to further assist MSMEs.

The Division also engaged in major internal and external events to foster entrepreneurship and support MSMEs. Key initiatives included sponsorship of the Real Estate Future Forum and participation in the Retail Business Week across major cities like Riyadh, Jeddah, and Al Khobar. Additionally, Corporate Banking signed agreements with various chambers, including the Tabuk Chamber and Al Madinah Chamber, to enhance MSME access to its services. Riyad Bank's sponsorship of the

Forum on Entrepreneurship and Modern Work Patterns further underscored the Bank's commitment to fostering an entrepreneurial environment.

Throughout the year, the Division conducted specialized workshops and forums in partnership with Monsha'at to support MSME growth through innovative digital banking solutions and capital market access. These initiatives underscore Riyad Bank's dedication to building a strong, supportive ecosystem for MSMEs, reinforcing the Bank's role as a leading financial partner in their growth journey.

**Looking Forward to 2025**

In 2025, Corporate Banking aims to sustain growth by offering a comprehensive product suite, expanding its client base, and strengthening partnerships with the Government and Vision 2030 initiatives.

Looking ahead, the Division anticipates increased demand for financing driven by Vision 2030's diversification goals and the growing needs of the corporate sector, including MSMEs. It plans to expand its asset base by diversifying sectors and scaling operations for MSMEs through new digital platforms.

Additionally, Riyad Bank is well-positioned to support the transition to net-zero carbon emissions, aligning with regulatory efforts on climate risk. Corporate Banking intends to play a key role in financing transformative projects that will reshape the Kingdom's economic and social landscape.

Moving forward, Riyad Bank's Corporate Banking is poised to play a critical role in funding a wide array of strategic projects aligned with Vision 2030. Strategic priorities include transformative initiatives that will contribute to reshaping the economic and social fabric of the Kingdom.

**Awards and Recognitions**

Riyad Bank earned multiple awards and recognitions in 2024 with support from the Corporate Banking Division. These included:

- JPMorgan's **"Elite Quality Recognition"** Award for outstanding achievement of best-in-class MT103 and MT202, related to payment efficiency.
- **"Best Innovation in Trade Finance"** from MEA Finance for implementation of machine learning in trade operations.
- **Ranked #1** in terms of number of entities financed by all participants (banks and non-banks) with Kafalah.
- **"Outstanding Performance", "Tourism Sector Award",** and **"New SMEs Award"** from Kafalah.
- **"Best Bank for SMEs in the Middle East"** Award from EMEA Finance Magazine.
- **"Best Bank for SMEs in Saudi Arabia"** from Euromoney.

**Best Bank for SMEs in Saudi Arabia**

*Presented by Euromoney*

