

ESG Review

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Riyad Bank is committed to sustainability, driving impactful change through initiatives, collaborations, and programs.



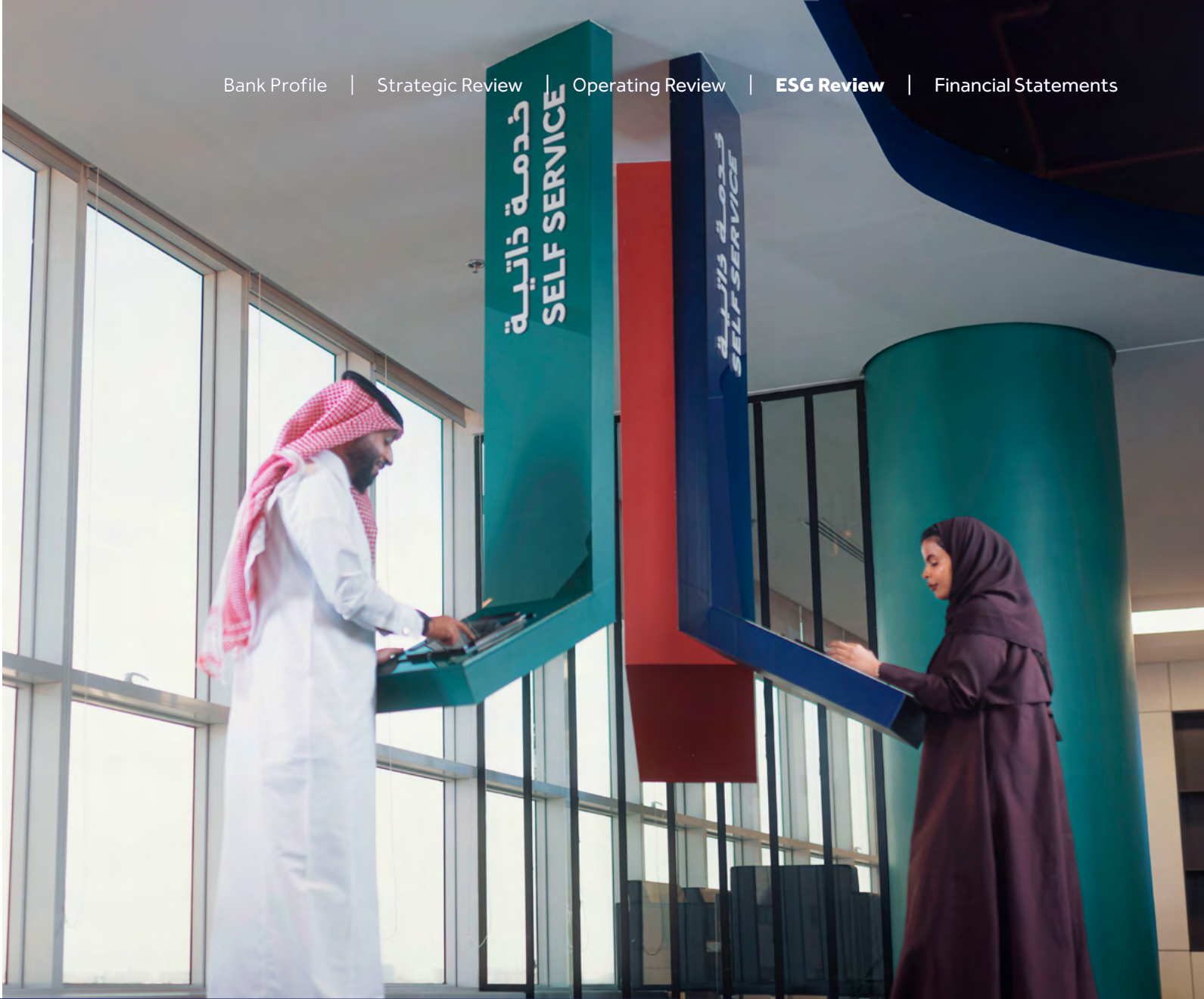
Sustainability Strategy and ESG Framework

Riyad Bank places sustainability at the core of its strategy, reinforcing its commitment to responsible banking and long-term value creation. By driving strategic environmental, social, and governance (ESG) initiatives, the Bank is shaping industry standards, supporting Saudi Arabia’s Vision 2030, and creating meaningful value for its customers, employees, partners, and communities.

As one of the Kingdom’s largest financial institutions, Riyadh Bank plays a critical role in advancing economic and sustainable progress. Its corporate strategy aligns with national objectives, integrating sustainability as a fundamental pillar. By embedding these principles across its operations, the Bank is fostering lasting impact while ensuring continued growth and resilience.

With a vision to lead in sustainable banking, Riyadh Bank has developed a commercially driven strategy focused on unlocking new opportunities. This includes generating revenue through sustainable financial products, aligning with emerging regulatory expectations from the Saudi Central Bank (SAMA), the Capital Market Authority (CMA), and the Ministry of Economy and Planning (MEP) to strengthen risk management, and enhancing ESG ratings through transparent disclosure and strategic implementation.

To reinforce accountability and transparency, the Bank has begun aligning its sustainability communication with ISSB’s IFRS S1 and S2 standards. This ensures high-quality, decision-useful disclosures that meet the expectations of investors, regulators, and the broader financial sector. Built on strong governance, strategic integration, proactive risk management, and measurable targets, Riyadh Bank is advancing its role in supporting Saudi Arabia’s sustainability ambitions.



ESG Awards and Recognitions

Riyad Bank’s commitment to sustainability has garnered notable industry accolades, affirming the Bank’s leadership in corporate responsibility and social impact:



Forbes: Top 50 Saudi Brands in CSR.



Prince Muqrin Award for Social Responsibility.



Euromoney: Best Bank for Corporate Responsibility in Saudi Arabia.



ISO 26000 Certification renewal.



Euromoney: Best Bank in Diversity and Inclusion in Saudi Arabia.



Social Responsibility Award for Companies (Silver Category) presented by the Minister of Human Resources and Social Development.



National Social Responsibility Award.

Sustainability Governance

At Riyadh Bank, robust governance underpins the sustainability strategy. Integrating sustainability across the Bank’s management layers, including creating sustainability committees at all levels of the organization, will support the Bank’s journey to sustainability leadership. Riyadh Bank intends to implement a 3-tier structure to create Board oversight and a best-in-class governance mechanism in line with recognized best practice. This governance structure will feature distinct mandates for each tier. In addition, Riyadh Bank has already expanded the charter of the Board to include sustainability matters. This gives the Board explicit oversight of sustainability.

This governance development seeks to enhance the existing governance currently provided by the CSR Committee, led by the Chairman and comprising the CEO, Chief Experience Officer (CXO), and divisional representatives. This committee, operating under the Communications and Customer Experience Division, sets clear standards, defines targets, evaluates new initiatives, and ensures ongoing CSR programs align with the Bank’s sustainability strategy.

Sustainability Governance Structure

In line with Riyadh Bank’s commitment for clear sustainability governance at the Board and Management levels, along with clear KPIs and incentives, and effective reporting and communication, the 3 tiers of governance and the respective mandates are outlined below:

- 1

Board Sustainability Committee
 - Set the direction for sustainability, including the KPIs.
 - Challenge and approve the sustainability strategy and plan – monitor and oversee implementation.
 - Challenge and approve sustainability disclosures.
 - Oversee impact of sustainability-related risks and opportunities to the Bank’s activities.
 - Oversee sustainability impact on the Bank’s activities.
- 2

Sustainability Committee Chaired by the CEO
 - Develop sustainability strategy and plan.
 - Implement sustainability strategy and plan (e.g., support creation of policies and commitments).
 - Approve targets and monitor progress.
 - Manage impact of climate-related risks and opportunities to the Bank’s activities.
 - Prepare ESG disclosures aligned with local regulatory standards.
- 3

Sustainability Working Group
 - Deliver on sustainability strategy and plan, in alignment with the Bank’s mission and vision.
 - Develop sustainability goals that align with the Bank’s mission and vision.
 - Develop and advocate for policies.
 - Raise awareness to educate employees on sustainability issues and practices.
 - Monitor progress on established goals and support in implementation of priority initiatives.

Integrate Sustainability in Executive Compensation

For key Executives, long-term incentives will be linked to the achievement of the net zero operations target to align leadership efforts with the Bank’s commitment to reducing its carbon footprint. Additionally, these incentives will be connected to the achievement of the Bank’s sustainable finance target, ensuring that Executives drive financial strategies that support long-term sustainability and responsible investment practices. This approach will reinforce the importance of leadership in steering the Bank toward its environmental and financial sustainability objectives.

Develop ESG Risk Management Frameworks and Policies

Riyad Bank is developing comprehensive ESG risk management policies, or enhancing existing policies, according to best practice. For example, the Bank will formally define ESG-related risks, develop exclusion and restriction policies for risk underwriting, and establish risk appetite statements and metrics related to ESG. The Bank will also update policies as needed to embed consideration of ESG risk management policies in primary use processes such as loan origination, underwriting, due diligence, and monitoring.

Sustainability Strategy

Sustainability is deeply embedded in Riyadh Bank’s corporate strategy, driving value creation and long-term resilience. By integrating sustainability into business planning, the Bank supports the Saudi Green Initiative and the transition to a low-carbon economy. Riyadh Bank has developed a comprehensive, Bank-wide sustainability strategy with a detailed 3-year roadmap to ensure effective execution and widespread impact.

Riyad Bank aspires to being a sustainability leader in the banking and financial sector and has identified several benefits associated with developing its sustainability strategy. This has led the Bank to develop a commercially focused sustainability strategy resulting in:

- Opportunities, such as new revenue streams from sustainable financial products.
- Alignment with emerging regulatory expectations from SAMA, the CMA, and the MEP, contributing to better risk management.
- Expected improvements in ESG ratings through implementation and disclosure of sustainability initiatives.

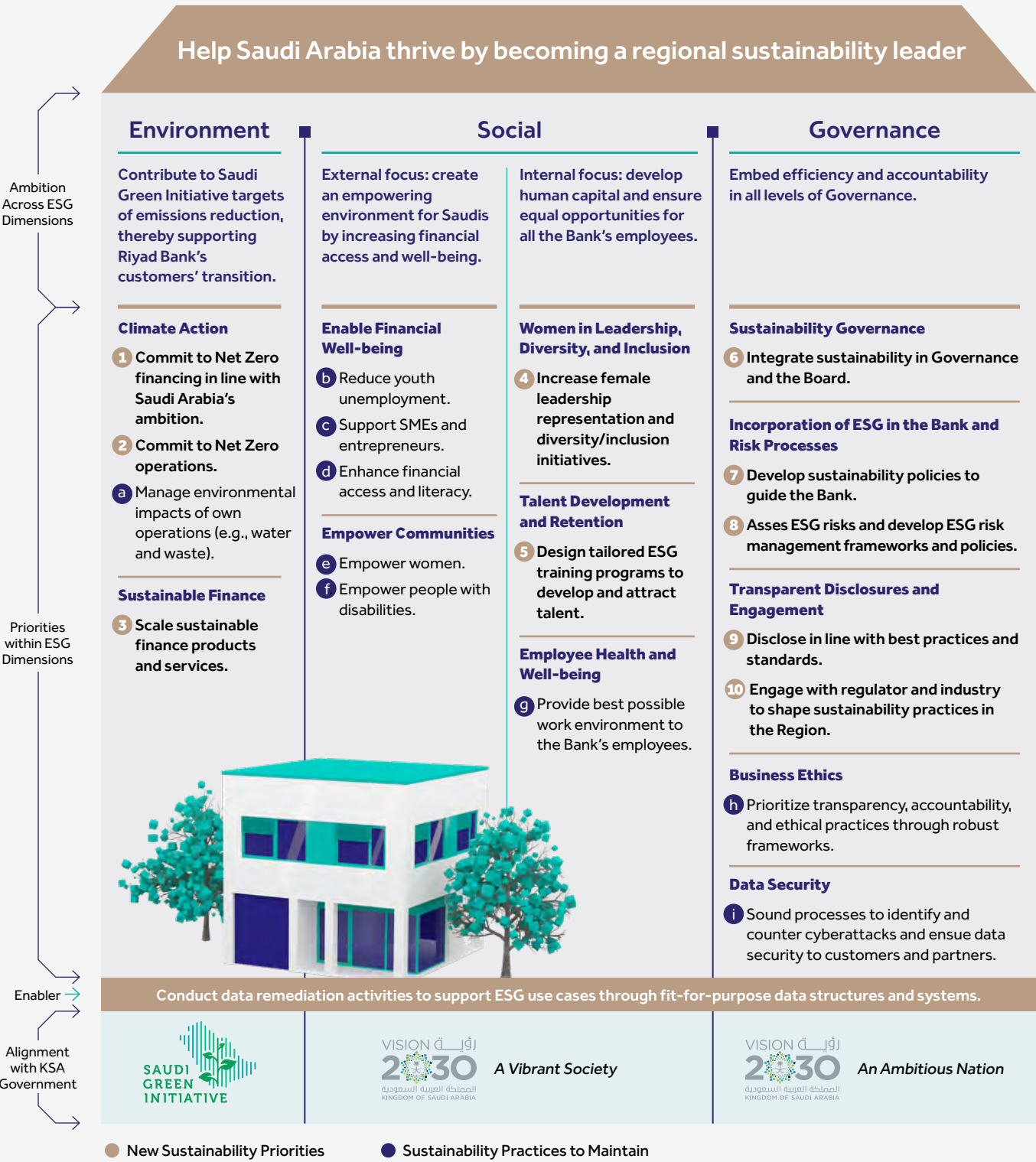
Its Corporate Social Responsibility (CSR) strategy has also been refreshed and embedded within the broader sustainability agenda to advance the Kingdom’s social development goals. Proactive engagement with stakeholders – including customers, investors, and regulators – ensures that the Bank’s sustainability strategy remains adaptive to evolving market dynamics.

As part of its commitment to knowledge sharing and industry collaboration, Riyadh Bank has published a white paper detailing its sustainability strategy development. This public resource serves as a practical guide for organizations advancing their own sustainability initiatives, reinforcing the Bank’s leadership in responsible banking and sustainable development.

Riyad Bank’s strategic framework distinguishes between 9 established sustainability practices to maintain, and 10 new sustainability priorities designed to drive further progress in sustainability.

Riyad Bank has developed its sustainability strategy in alignment with best-practice guidance, incorporating recommendations from the Science Based Targets initiative (SBTi) and the Glasgow Financial Alliance for Net Zero (GFANZ). The Bank has adopted methodologies from the Greenhouse Gas (GHG) Protocol, the Net Zero Banking Alliance (NZBA), and the United Nations Environment – Finance Initiative (UNEP FI) to ensure a comprehensive and science-driven approach to emissions reduction and sustainability.

Partnerships with industry best practice sustainability initiatives (PCAF, UN Global Compact, and PRB)




















Material Topics

Riyad Bank conducted a rigorous materiality assessment to identify the most critical sustainability matters shaping its long-term strategy. This structured approach involved reviewing global best practices, assessing the Bank's existing strengths, benchmarking against industry leaders, and designing strategic initiatives to address gaps. By prioritizing sustainability issues based on both

financial and impact materiality, the Bank ensured alignment with internationally recognized frameworks such as the UNEP FI Impact Protocol, the SASB Materiality Finder, and the EU's Corporate Sustainability Reporting Directive. The assessment also incorporated insights from regulators, ESG rating agencies, industry peers, and investors, refining the Bank's sustainability focus to drive meaningful progress.

Riyad Bank conducted a rigorous materiality assessment to identify the most critical sustainability matters shaping its long-term strategy.

Based on Riyadh Bank's detailed assessment, below is the final materiality matrix.

High		 Sustainable Finance  Community Relations and Development	 Financed Emissions  Corporate Governance  Incorporation of ESG in Credit Analysis
Medium	 Business Ethics  Data privacy and security	 Financial Access and Digitalization  Diversity and Inclusion  Employee Health and Well-being  (Local) Talent Attraction and 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
	Not very Likely	Likely	Very Likely

Impact Materiality Scale

The diagram illustrates the components of the Severity of Impact. At the top, a light blue box labeled "Severity of Impact" is connected by lines to three separate light blue boxes below it: "Scale", "Scope", and "Irremediable Character". Each of these boxes is further connected to a definition of that term.

Severity of Impact	Scale	Scope	Irremediable Character
	How acute the impact is	How widespread the impact is (e.g., number of individuals affected or extent of environmental damage)	How difficult it is to counteract or make good the resulting harm

Having covered the strong governance foundation of our strategy, the following sections will delve into the environmental and social pillars that drive our sustainability ambition. These areas are integral to our commitment to responsible growth, covering key initiatives and actions that enhance our environmental stewardship and social impact. This focus ensures that our sustainability strategy is comprehensive, addressing both our internal responsibilities and our broader contribution to society and the environment.

Please refer to the Methodological White Paper for more details.

Safeguarding Riyadh Bank's Environment

The Kingdom of Saudi Arabia has made ambitious commitments to transform its economy and contribute to global sustainability goals. Saudi Vision 2030 is a national program built around 3 primary themes: a vibrant society, a thriving economy, and an ambitious nation. Sustainability is central to these goals, and the Saudi Green Initiative (SGI) supports Vision 2030 by combatting climate change and protecting the environment. The Government has also committed to reaching net zero emissions by 2060.

Climate Action

Riyad Bank is actively working to reduce its climate impact through both operational and financed emissions reduction initiatives. The Bank has committed to achieving net zero emissions for its own operations (Scope 1 and 2) by 2035. It established a 2023 emissions baseline using the GHG Protocol and SBTi guidance, prioritizing emissions avoidance and reduction overcompensation. To reach net zero, Riyadh Bank has identified several decarbonization levers to be implemented, including:

- Improving energy efficiency through air conditioning upgrades.
- LED lighting.
- Using double glazing on windows.
- Replacement of high emission refrigerants with gases that have a lower global warming potential.

In sourcing renewable energy, Riyadh Bank prioritized purchase of i-RECs (and equivalent instruments) to match the quantity of electricity it purchases from the grid. Riyadh Bank acknowledges that Saudi Arabia's grid decarbonization efforts will naturally reduce its emissions over time but emphasizes the need for proactive measures to close the gap between its current footprint and its net-zero target.

Beyond its own operations, Riyadh Bank is addressing financed emissions by setting decarbonization targets for two priority sectors, which collectively contribute around 19% of its financed emissions, including:

- Power generation.
- Iron and steel.

The Bank has aligned its approach with the NZBA and the SBTi by measuring emissions intensity, setting targets, and assessing the financial feasibility of transitioning to lower-carbon investments. The Bank's strategy balances sustainability leadership with financial

viability, ensuring that its portfolio aligns with Saudi Arabia's Vision 2030 and the Saudi Green Initiative while maintaining strong economic performance. In addition, and as part of its ambitions, Riyadh bank has designed tailored ESG training programs to develop and attract talent.

Riyad Bank has made progress in delivering ESG training internally, including Board and Executive training sessions, and externally by facilitating the SAMA initiated Saudi ESG Banking Advisory Committee capacity building program, which seeks to upskill the banking sector. Internally, the Bank aims to train 100% of employees in mandatory ESG topics by 2026.

Sustainable Finance

Riyad Bank actively contributes to Vision 2030 by financing and accelerating the energy transition, catalyzing a new wave of sustainable investment to help the Kingdom reach net zero emissions by 2060. The Green and Renewable Banking offerings are at the heart of these efforts, enabling the Bank to drive impactful change and support environmentally responsible projects across sectors.

As part of the Riyadh Bank's sustainability strategy, the Bank continued with a second USD 750 Mn. AT1 Sustainability Sukuk issuance. The Bank has also enhanced its sustainable finance framework, and developed a transition finance framework, paving the way for new financing solutions that support clients in their shift toward more sustainable practices. The aim is to publish these frameworks during 2025.

Beyond its direct operations, Riyadh Bank is driving impactful change by setting a sustainable finance volume target of ﷲ 20 Bn. by 2030. This target underscores the Bank's dedication to supporting projects and initiatives that promote green energy, sustainable development, and climate resilience across the Kingdom. By integrating environmental considerations into its financial offerings, Riyadh Bank is fostering growth that benefits both the economy and the environment.

As part of its sustainability ambition, Riyadh Bank aims to **scale sustainable finance products and services**. Riyadh Bank prioritized developing several sustainable product and service offerings to establish its position as a leader in sustainable financing regionally.



Riyad Bank invests in energy efficiency, renewable energy, and lower-carbon financing.

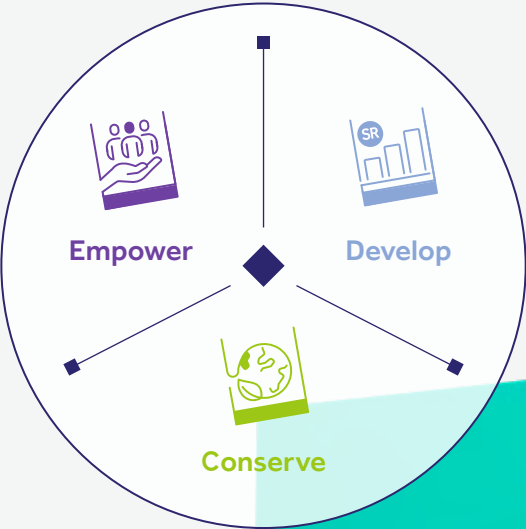
Supporting Society

Riyad Bank contributes to sustainable development through the Social Responsibility Program Bukra. The program aims to position Riyadh Bank as a leading member and add value to the community in the Kingdom of Saudi Arabia. Launched in 2019 and enhanced in 2024, the Bank's Bukra Corporate Social Responsibility Strategy aims to deliver quality corporate social responsibility initiatives in alignment with its strategy and operations, the United Nations Sustainable Development Goals (SDGs), and the Kingdom's Vision 2030.

Riyad Bank's strategy consists of 3 main pillars:

They are the principles that guide every activity the Bank undertakes, and every effort it makes.

The ultimate objective of the Bank's Bukra strategy is to advance the Kingdom's social development agenda as CSR leader.



Bukra
Social
Responsibility

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 Riyadh Bank's community

Enable Financial Well-being
Reduce Youth Unemployment

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

Support SMEs and Entrepreneurs

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

Enhance Financial Access and Literacy

- Enhance access to financial resources and services for marginalized 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 Ecosystems
Take Action on Water Scarcity

- Contribute to water conservation projects and initiatives in the Bank's communities.
- Raise public awareness around strategies for conserving water.

Protect and Restore the Bank's Environment

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

Signature Program 1

Signature Program 2

Existing and Future Bukra Programs

In line with its Bukra strategy, Riyad Bank continued to deepen and enhance its community engagement and related initiatives in 2024, contributing to the betterment of communities and society through a wide range of strategic partnerships, investments, programs, and initiatives.

Riyad Bank Signs Strategic Partnership with Misk Foundation

The 3-year strategic partnership with Misk on the Entrepreneur Track is a key part of Riyad Bank’s social responsibility, aimed at enhancing Saudi Arabia’s entrepreneurship ecosystem. This collaboration supports young entrepreneurs by providing crucial resources and fostering innovation, contributing significantly to the Kingdom’s economic diversification and the development of a sustainable entrepreneurial environment.

Global CSR Forum

Riyad Bank proudly participated as a strategic partner in the first Global CSR Forum, held under the patronage of King Salman bin Abdulaziz Al Saud and organized by the Ministry of Human Resources and Social Development. During the Forum, Riyad Bank launched its “Bukra Initiatives Social Impact Report for 2023”. This report highlights the Bank’s knowledge and contributions to the environment, economy, community, as well as its commitment to Sustainable Development Goals.

Riyad Bank partnered with Misk Foundation to support startups and sponsored 70 Fellows in the Misk Fellowship program.

The Fund for Martyr, Wounded, Pow, Missing in Action

Riyad Bank is proud to support the Martyrs Fund by funding several impactful initiatives that benefit over 5,500 individuals. These initiatives include providing medical insurance, services for people with disabilities, home renovations, and a mobile application for psychological consultations. This support reflects Riyad Bank’s commitment to social responsibility and its dedication to improving the quality of life for beneficiaries and their families.

Riyad Bank Musical Play “For Tomorrow” Riyad Bank, in collaboration with the Theater and Performing Arts Commission, successfully launched the musical play “For Tomorrow” at Princess Nourah Bint Abdulrahman University on 20, 21, and 22 June. The family event aimed to promote social responsibility values within the younger generation. The 3 day show attracted 2,112 attendees, and the ticket proceeds were donated to Sanad Children’s Cancer Support Association.

Digital Citizenship

In collaboration with MCIT, Riyad Bank activated the Digital Citizenship project and focused on enhancing digital citizenship by promoting key digital skills and safe technology use. The interactive storytelling series has successfully raised awareness among individuals, emphasizing the importance of a secure digital environment.

2024 Hajj Initiative

Riyad Bank, in collaboration with the Ministry of Hajj and Umrah and Hadiyah Association, has launched the “Tawqeer” initiative to enhance the pilgrims experience for the elderly and special needs pilgrims. The initiative delivered 200 manual wheelchairs, 100 electric wheelchairs, and 3 golf carts.

Ramadan Campaign

In a significant effort to support low-income families, Riyad Bank distributed 30,000 food baskets. This initiative involved active participation from the Bank’s employees and their families, who volunteered to assemble and distribute the baskets, fostering a sense of community and solidarity. Food baskets were distributed to 239 NGOs.

Misk Fellowship

As part of Riyad Bank’s ongoing commitment to youth empowerment, they proudly sponsored the seventh cohort of the Misk Fellowship program. This initiative, supported by the Bank’s Bukra Social Responsibility program, aims to equip young leaders with the skills needed to drive sustainable development. 70 Fellows benefited from intensive leadership training and 6 Sustainable Development Goals were addressed throughout the program. The program featured over 42 leadership sessions, helping to shape the next generation of Saudi leaders.

World Blood Donor Day

Riyad Bank launched a comprehensive blood donation campaign across multiple locations, including Riyadh, Jazan, Jeddah, Al-Khobar, Najran, Al-Esha, Al-Qassim, Al Madina, and Hafar Al-Batin. This initiative aimed to engage both employees and the wider community. The campaign achieved significant participation and impact. 1,019 Donors contributed to saving 3,057 lives.

Goals Achieved

Reached **30,339** beneficiaries through interactive stories, surpassing the target of **25,000**

Total schools: **82** (**11** government, **58** privates, **13** international)

Total students: **40,000**



Empowering People

Riyad Bank continues to lead the way in employee engagement and empowerment in the Kingdom. The Bank’s comprehensive approach, demonstrated through various initiatives, underscores its commitment to nurturing a skilled and satisfied workforce.

Learning and Development

Riyad Bank launched its Leaders 2025 program, which involved 224 leaders aiming to create tailored learning paths that align their development with the Bank’s strategic needs. The Bank also conducted technical assessments to identify skill gaps and development opportunities and offered a total of 99 training programs – 10 behavioral, 13 general, and 35 technical – benefiting 3,333 participants.

To further enhance learning, the Bank introduced new digital platforms that engaged over 200 employees. The Bank’s continuous improvement efforts also included automating the Job Rotation program and systematizing Individual Development Plans to maximize effectiveness.

Topic	2023	2024
Total training hours	372,584	205,128
Average training hours per employee	3.9	3.2

Organization Culture and Employee Experience

Riyad Bank introduced the Employee Value Proposition project (EVP), crafted to enrich its employees’ experience and enhance the Bank’s brand identity through a tailored approach. The design of the EVP will contribute to improve employee experience and organizational culture. Additionally, the Bank released its People Satisfaction and Engagement Survey, which allows valuable insights into its organizational environment and culture. The feedback from this survey will guide Riyad Bank in improving employee satisfaction and engagement through the next year, and ultimately fostering a more inclusive and fulfilling workplace for its employees.

Compensation and Benefits

As part of Riyad Bank’s commitment to empower its people, the Bank improved employee benefits by enhancing the education allowance and daycare allowance to provide better support for its employees and their families. Additionally, the Bank expanded the education allowance for employees’ children with disabilities, with no eligibility restrictions.

Riyad Bank continues to lead the way in employee engagement and empowerment in the Kingdom.

Employee Incentive Programs

Statement	Investment Savings (ﷲ ‘000s)		
	Employees’ Share	Bank’s Share	Total
Balance at the beginning of the year	64,491	24,032	88,523
Deposits in 2024	19,841	6,591	26,432
Withdrawals in 2024	-20,060	-5,473	-25,533
End-of-year Balance	64,272	25,150	89,422

Diversity and Inclusion

Riyad Bank is committed to championing women empowerment and establishing an environment where every woman can achieve her full potential. It has a range of commitments and initiatives aimed at advancing gender equality through:

- Equal Opportunity Commitment:** The Bank’s Human Capital policy affirms its commitment to providing equal opportunities in accordance with approved policies, procedures, and labor regulations. It upholds a strict non-discrimination policy based on gender, disability, age, or any other form of discrimination, ensuring fairness in hiring process, job performance and hiring announcements.
- Gender Pay Equality:** One of the key principles of the Human Capital Compensation Policy is applying fair compensation and reward system, ensuring that awards are granted based on performance while considering external competitiveness and internal equity.
- Leadership Development:** Several Programs have been offered by Riyad Bank to refine and develop employees’ skills, with specific tracks aimed at empowering women to become the future leaders.

Riyad Bank is proud to report an increase in female representation to 29% of its workforce, with 33% of new hires being women. The Bank’s commitment to promoting women into Executive roles has resulted in 3 out of the 14 Executive leadership positions now being held by females. This progress reflects Riyad Bank’s dedication to fostering diversity and empowering women at all levels within the Bank. Earlier this year, the Bank was honored to receive the award for “Saudi Arabia’s Best Bank for Diversity and Inclusion” from Euromoney.

In addition, Riyad Bank is dedicated to enabling an inclusive environment where everyone can thrive. The Bank is proud to highlight its ongoing efforts to empower people with disabilities through:

- Inclusive Employment:** 56
- Inclusivity Initiatives:** Riyad Bank is a Mowaamah-certified organization, affirming its commitment to being disability-confident. It provides a work environment that is accessible and friendly for PWDs.

Inclusive Employment

56

Riyad Bank launched its Leaders 2025 program, which involved

224

leaders

Through Riyad Bank’s Tamheer training program, the Bank welcomed

137

Saudi trainees

Topic*	2023	2024
Total Workforce	5,870	5,683
Breakdown by gender		
Females	1,698	1,640
Males	4,172	4,043
Breakdown by nationality		
Saudi Nationals	3,973	3,868
Non-Saudi nationals	1,897	1,815
Breakdown by age		
<30	1,254	1,353
31-50	4,330	4,078
>50	286	252
Inclusion		
Number of employees with disability	56	56

*This represents the Bank’s full-time employees.

Whistleblowing Policy

Riyad Bank upholds a strict Whistleblowing Policy, enabling employees to report suspected misconduct, illegal activities, or unethical behavior. This includes financial and administrative corruption, regulatory violations, fraudulent practices in financial statements or internal controls, and the concealment of such violations. The policy reinforces transparency, accountability, and a strong ethical culture across the Bank.

Collaboration with the Government

Through Riyad Bank’s Tamheer training program, the Bank welcomed 137 Saudi trainees, which lead to 26 full-time hires, with 97 individuals currently undergoing training. This initiative demonstrates the Bank’s commitment to developing Saudi talent. The Bank also actively participated in career fairs and hosted internship programs, successfully attracting and nurturing the future workforce of Riyad Bank.

Riyad Bank is committed to championing women empowerment and establishing an environment where every woman can achieve her full potential.



Risk Management

Riyad Bank acknowledges that sustainability-related risks, particularly climate risks, are financial risks. To address this, the Bank is developing a comprehensive risk management framework to assess and mitigate ESG risks across its operations. This framework integrates climate risk considerations into lending and investment decisions, enhances scenario analysis, and strengthens resilience against environmental and regulatory changes, ensuring long-term financial stability and responsible growth.

Climate risks present significant challenges for the financial sector, influencing credit, market, operational, and liquidity risks. These risks stem from both transition risks, driven by shifts toward a lower-carbon economy, regulatory changes, technological advancements, evolving stakeholder expectation, and physical risks, which include acute and chronic impacts of climate change, such as extreme weather events and shifting climate patterns. Riyadh Bank is integrating climate considerations into its risk frameworks to enhance resilience and ensure long-term financial stability.

To support this, the Bank has developed a climate risk heatmap, a qualitative tool designed to identify sectors most exposed to climate-related risks. The heatmap leverages multiple data sources, including:

- The Saudi and Middle East Green Initiatives.
- The G20 Climate Risk Atlas.
- Assessments from UNEP FI, Moody's, and SASB.

It assesses sector-specific exposure by analyzing policy changes, target announcements, projected climate trends, and financial impacts. Following international best practices, such as those set by the European

Central Bank (ECB) and the Climate Financial Risk Forum (CFRF), the heatmap evaluates risk drivers and their expected evolution, offering a sector-level perspective on material climate risks in the Saudi Arabian context.

While fully integrating climate risk into risk management and credit approval processes is an ongoing process, this heatmap marks a critical first step. It provides insights into climate-related cost and revenue impacts, serving as a foundation for future client-level climate scorecards and a more comprehensive ESG risk management framework. By proactively assessing climate risks, the Bank is strengthening its ability to manage financial exposure and align with global sustainability standards.



Strengthening Resilience

Against Climate Risks

Riyad Bank is developing a comprehensive risk management framework to assess and mitigate ESG risks across its operations.

Metrics and Targets

Accountability is central to Riyadh Bank’s sustainability commitments. The Bank has established clear metrics and targets to measure progress in climate action, social impact, and governance performance. Key ESG indicators, including financed emissions, energy efficiency improvements, social investment contributions, and diversity metrics, will be reported transparently. This ensures stakeholders can assess the Bank’s sustainability impact and progress toward long-term goals.

Based on Riyadh Bank’s materiality assessment, the following nine initiatives have been identified and classified as ‘priorities to maintain’:

Topic	Initiatives
Climate Action	a. Manage environmental impacts of own operations (e.g., water and waste).
Enhance Financial Well-being	b. Reduce youth employment. c. Support SMEs. d. Enhance financial access and literacy.
Empower Communities	e. Empower women. f. Empower people with disabilities.
Employee Health and Well-being	g. Provide best possible work environment for our employees.
Business Ethics	h. Prioritize transparency, accountability, and ethical practices through robust frameworks.
Data Security	i. Sound process to identify and counter cyberattacks and ensure data security to customers and partners.

9 New Sustainability Initiatives

01

Net Zero Financing in Line with KSA Targets

- Commit to Net Zero financing in line with KSA Net Zero ambition
- Set 2030 interim target for two priority sectors.

■ Target

Power sector emissions (tCO2e/GWh) = **186**

Iron & steel sector emissions (tCO2/t steel) = **1.3**

02

Net Zero Emissions for Own Operations

- Commit to Net Zero operations (scope 1 and scope 2 emissions)

■ Target

Net Zero scope 1 and scope 2 emissions by **2035**

03

Sustainable Finance

- Scale sustainable finance products and services.

■ Target

20 billion in sustainable financing by **2030**

04

Female Leadership and Diversity & Inclusion

- Increase female leadership representation and diversity/inclusion initiatives.

■ Target

20-30% female employment in leadership roles by **2027**

35-40% female involvement in our workforce by **2027**

05

ESG Training

- Design tailored ESG training programs to develop and attract talent.

■ Target

Train **100%** of employees in mandatory ESG topics by **2026**

06

a. Sustainability Committees

- Create sustainability governance structures across all levels.

■ Target

Establish the sustainability governance structure across all levels by **2025**

07

Overarching Sustainability Policy

- Develop an overarching sustainability policy to guide bank processes.

■ Target

Develop an overarching sustainability policy to guide bank processes by **2025**

08

Best Practices for Sustainability Disclosures

- Disclose in line with best practices and standards.

■ Target

ISSB aligned reporting by **2027**

09

Industry Collaboration to Advocate Sustainability

- Collaborate with industry to develop and advocate sustainability practices.

■ Target

Join **four** industry partnerships by **2027**

b. Executive Compensation and Sustainability KPIs

- Integrate sustainability in executive compensation.

■ Target

Integrate sustainability in executive compensation by **2025**



Sustainability at Riyad Bank in 2025

Riyad Bank aspires to lead the way in sustainability within the banking sector across the region. This commitment is grounded in the Bank’s firm belief that a robust sustainability strategy can drive meaningful benefits for its clients, investors, and society at large, creating lasting value for all its stakeholders.

Looking ahead, Riyadh Bank will roll out innovative sustainability products that meet the evolving needs of its customers while supporting responsible economic growth. These offerings underscore the Bank’s dedication to embedding sustainability into the very core of its business.

Riyad Bank’s Board has established a dedicated Sustainability Committee to oversee and guide its ESG efforts, ensuring they are fully aligned with the Bank’s strategic vision. This leadership structure supports the continuous monitoring of key targets, driving accountability and progress across all areas of the Bank’s ESG initiatives.

The ISSB’s IFRS1 and IFRS2 are expected to become a foundation for regulations and serve as a reference for the reporting standards. Riyadh Bank is working to disclose in line with best practices and standards, accounting for progressive harmonization of disclosure standards. The Bank started to include ISSB-aligned elements in its Annual Reports and progressively moving towards improving its alignment with ISSB standards. While the Kingdom’s reporting requirements are being developed, in the interim, the Bank will use ISSB reporting standards as a reference.

In delivering and implementing the Bank’s sustainability strategy, Riyadh Bank is also integrating its existing CSR programs, further enhancing its impact on the communities it serves. In addition, Riyadh Bank is planning to move to the new office building, which is being constructed in line with Leadership in Energy and Environmental Design’s (LEED) sustainable and efficient building standards, with the interior designed to achieve LEED certification.

Finally, the Bank is committed to improving its ESG reporting practices, both to offer greater transparency to its investors and society and to strengthen its position within ESG rating frameworks. This comprehensive approach underscores the Bank’s commitment to sustainable value creation as a guiding principle for Riyadh Bank’s future.

■ **Riyad Bank’s Board has established a dedicated Sustainability Committee to oversee and guide its ESG efforts.**



Governance

Members of the Board of Directors and its Committees

The Bank’s Board of Directors

The Bank is overseen by a Board of Directors consisting of 10 members elected by the General Assembly every 3 years. In its current tenure, the Board comprises 6 Independent members and 4 Non-Executive members, as defined by the Corporate Governance Regulations issued by the Capital Market Authority. In 2024, the Board convened for 9 meetings, with a 97.77% attendance rate.

Composition of the Board of Directors and Classification of its Members

	Membership Classification	Position	Member's Name
1	Non-Executive	Chairman of the Board of Directors	Abdullah Mohammed Al-Issa
2	Independent	Vice Chairman of the Board of Directors	Mutaz Kusai AlAzzawi
3	Independent	Board Member	Ibrahim Hassan Sharbatly
4	Independent	Board Member	Jamal Abdul-Karim Al-Rammah
5	Independent	Board Member	Abdul Rahman Ismail Tarabzouni
6	Non-Executive	Board Member	Omar Hamad Al-Madhi
7	Independent	Board Member	Mona Mohammed Al-Taweel
8	Non-Executive	Board Member	Nader Ibrahim Al-Wehibi
9	Independent	Board Member	Hani Abdullah Al-Johani
10	Non-Executive	Board Member	Yasser Abdullah Al-Salman

Board Meetings in 2024

Attendance Record of Board Members for 2024 Meetings, Including In-Person and Proxy Attendance										
	Member's Name	12.02.24	24.03.24	03.04.24	05.06.24	21.07.24	23.08.24	04.09.24	06.11.24	18.12.24
1	Abdullah Mohammed Al-Issa	✓	✓	✓	✓	✓	✓	✓	✓	✓
2	Mutaz Kusai AlAzzawi	✓	✓	✓	✓	✓	✓	✓	✓	✓
3	Ibrahim Hassan Sharbatly	✓	✓	✓	✓	✓	✓	✓	✓	✓
4	Jamal Abdul-Karim Al-Rammah	✓	✓	✓	✓	✓	✓	✓	✓	✓
5	Abdul Rahman Ismail Tarabzouni	✓	✓	✓	✓	✓	✓	✓	✓	✓
6	Omar Hamad Al-Madhi	✓	✓	✓	✓	✓	✓	✓	✓	✓
7	Mona Mohammed Al-Taweel	✓	✓	✓	✓	✓	✓	✓	✓	✓
8	Nader Ibrahim Al-Wehibi	✓	✓	✓	✓	✓	x	✓	✓	✓
9	Hani Abdullah Al-Johani	✓	✓	✓	✓	✓	✓	✓	✓	✓
10	Yasser Abdullah Al-Salman	✓	✓	✓	✓	✓	x	✓	✓	✓

Board Committees

Riyad Bank’s Board of Directors establishes specialized committees in accordance with the regulations set by the relevant authorities. These committees are instrumental in supporting the Board in fulfilling its duties and responsibilities as needed. The following is a summary of the key duties and responsibilities of the Bank’s Board Committees.

1. Executive Committee

Key Duties and Responsibilities

The Executive Committee holds the credit, banking, financial, and administrative authorities within the Bank, entrusted by the Board of Directors.

Comprising 5 members, it convened for 11 meetings in 2024, with an attendance rate of 98.18%.

Executive Committee Meetings in 2024

Attendance Record of Executive Committee Members at 2024 Committee Meetings													
	Member's Name	Position	09.01.24	25.02.24	18.03.24	23.04.24	28.05.24	09.07.24	06.08.24	10.09.24	15.10.24	26.11.24	10.12.24
1	Nader Ibrahim Al-Wehibi	Chairman	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
2	Mutaz Kusai AlAzzawi	Member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
3	Mona Mohammed Al-Taweel	Member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
4	Abdul Rahman Ismail Tarabzouni	Member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
5	Yasser Abdullah Al-Salman	Member	✓	✓	✓	✓	✓	x	✓	✓	✓	✓	✓

2. Audit Committee

Key Duties and Responsibilities

The Audit Committee exercises supervisory oversight of the financial reporting processes and compliance with relevant laws and regulations. It monitors the effectiveness and efficiency of the internal control system, recommends the selection of Auditors, studies and reviews interim and annual financial statements, and provides recommendations to the Board of Directors regarding these statements.

The Audit Committee comprises 5 members, with 3 external members namely Tariq Abdullah Al-Qaraawy, Eid Faleh Al-Shamri, and Waddah Ibrahim Al Sheikh Mubarak*. During 2024, the Audit Committee conducted 9 meetings, maintaining an attendance rate of 100%.

Audit Committee Meetings in 2024

Attendance Record of Audit Committee Members at 2024 Committee Meetings												
			11.02.24	27.03.24	28.04.24	13.05.24	21.07.24	12.08.24	13.08.24	20.10.24	11.11.24	24.12.24
Member's Name	Position											
1	Jamal Abdul-Karim Al-Rammah	Chairman	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
2	Mona Mohammed Al-Taweel	Member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
3	Tariq Abdullah Al-Qaraawy	External Member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
4	Eid Faleh Al-Shamri	External Member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
5	Waddah Ibrahim Al Sheikh Mubarak*	External Member	✓	✓	✓	✓	✓					

*He ceased to be a member as of 31 July, 2024, due to his resignation.

3. Risk Management Committee

Key Duties and Responsibilities

The Risk Management Committee supports the Board of Directors in fulfilling its responsibilities by comprehensively overseeing the Bank's risk strategy. This involves reviewing acceptable risk thresholds, providing recommendations to the Board, and monitoring the Executive Management's adherence to the risk limits approved by the Board. In this capacity, the Committee may review all aspects and categories of risks faced by the Bank, assess the Executive Management's adherence to these risk controls, and verify the sufficiency of the measures implemented to mitigate them.

The Risk Management Committee is composed of 3 members, with Abdul Latif Ali Al-Rasheed as an external member. Throughout 2024, the Committee held 5 meetings with an attendance rate of 100%.

Risk Management Committee Meetings in 2024

Attendance Record of Risk Management Committee Members at 2024 Committee Meetings							
			04.03.24	05.05.24	21.05.24	20.08.24	18.11.24
Member's Name	Position						
1	Hani Abdullah Al-Johani	Chairman	✓	✓	✓	✓	✓
2	Jamal Abdul-Karim Al-Rammah	Member	✓	✓	✓	✓	✓
3	Abdul Latif Ali Al-Rasheed	External Member	✓	✓	✓	✓	✓

4. Nomination and Remuneration Committee

Key Duties and Responsibilities

The Nomination and Remuneration Committee assists the Board of Directors in governance matters and proposes a compensation policy for members of the Board of Directors, its Committees, and Senior Management officials. It regularly reviews and evaluates the adequacy and effectiveness of the remuneration, compensation, and incentives policy to ensure that the goals are achieved, assesses remuneration payment methods, and ensures compliance with the rules and regulations set by the Saudi Central Bank. The Nomination and Remuneration Committee develops the nomination and selection policy for the Board membership and ensures that all members meet the statutory requirements for Board membership in accordance with the relevant regulations.

The Nomination and Remuneration Committee consists of 5 members, including 2 external members, namely Ahmad Mohammed Al-Falih and Ali Ahmed Al-Ghamdi. Throughout 2024, the Committee held 6 meetings with an attendance rate of 100%.

Nomination and Remuneration Committee Meetings in 2024

Attendance Record of Nomination and Remuneration Committee Members at 2024 Committee Meetings								
	Member's Name	Position	28.01.24	14.02.24	04.06.24	01.09.24	10.11.24	17.12.24
1	Mutaz Kusai AlAzzawi	Chairman	✓	✓	✓	✓	✓	✓
2	Nader Ibrahim Al-Wehibi	Member	✓	✓	✓	✓	✓	✓
3	Omar Hamad Al-Madhi	Member	✓	✓	✓	✓	✓	✓
4	Ahmad Mohammed Al-Falih	External Member	✓	✓	✓	✓	✓	✓
5	Ali Ahmed Al-Ghamdi	External Member	✓	✓	✓	✓	✓	✓

5. Strategic Planning Group

Key Duties and Responsibilities

The Strategic Planning Group oversees the formulation of the Bank’s strategic directions while monitoring and evaluating progress towards achieving strategic objectives. It provides crucial support to the Board of Directors in strategic planning processes and important strategic matters, including business development and expansion. Additionally, the Group monitors the Bank’s advancement towards its long-term financial and strategic objectives.

The Group consists of 5 members, and it held 2 meetings in 2024, maintaining an attendance rate of 100%.

Strategic Planning Group Meetings in 2024

Attendance Record of Strategic Planning Group Members at 2024 Group Meetings				
	Member's Name	Position	17.04.24	01.10.24
1	Abdullah Mohammed Al-Issa	Chairman	✓	✓
2	Ibrahim Hassan Sharbatly	Member	✓	✓
3	Abdul Rahman Ismail Tarabzouni	Member	✓	✓
4	Omar Hamad Al-Madhi	Member	✓	✓
5	Hani Abdullah Al-Johani	Member	✓	✓



Board Members

Abdullah Mohammed Al-Issa



Mutaz Kusai AlAzzawi



Ibrahim Hassan Sharbatly



Jamal Abdul-Karim Al-Rammah



Memberships in Other Listed Joint Stock Companies (inside the Kingdom)

- Chairman of the Board of Directors - Riyadh Bank

Current Positions

- Chairman of the Board of Directors - Assila Investment Company
- Chairman of the Board of Directors - Amias Holding Company
- Chairman of the Board of Directors - Amias Real Estate Company
- Chairman of the Board of Directors - Shipping and Travel Services Company Ltd.

Previous Positions

- Chairman of the Board of Directors - Abdullah Mohammed Al-Issa Engineering Consulting Office
- Vice Chairman of the Board of Directors - Clariant Switzerland
- Board Member - Saudi Basic Industries Corporation (SABIC)
- Chairman of the Board of Directors - Dur Hospitality Company
- Vice Chairman of the Board of Directors - Etihad Telecom Company (Mobily)
- Board Member - Saudi Arabian Mining Company (Maaden)
- Chairman of the Board of Directors - Arabian Cement Company
- Chairman of the Board of Directors - The National Medical Care Company
- Chairman of the Board of Directors - Cement Products Industries Company
- CEO - Assila Investment Company
- Chairman of the Board of Directors - Saudi Company for Construction Contracting
- Board Member - Jadwa Investment Company
- Board Member - Saudi Company for Hotels and Tourist Areas
- Board Member - Gulf Tourist Areas Company
- Board Member - King Faisal Schools
- Board Member - National Chemical Carriers Company
- Board Member - Tabuk Hotels Company
- Board Member - Riyadh Hotels and Entertainment Company Ltd.
- Board Member - The National Shipping Company of Saudi Arabia

Qualifications

- Master of Science in Engineering Project Management - Southern Methodist University, USA
- Bachelor of Industrial Engineering - Southern Methodist University, USA

Memberships in Other Listed Joint Stock Companies (inside the Kingdom)

- Vice Chairman of the Board of Directors - Riyadh Bank
- Chairman of the Board of Directors - Herfy Food Services
- Board Member - Savola Group
- Chairman of the Board of Directors - Arabian Cement Company
- Board Member - Etihad Telecom Company (Mobily)

Current Positions

- Board Member - Savola Food Company
- Board Member - Afia International Company
- Board Member - United Sugar Company
- Chairman of the Board of Directors - Al-Qatrana Cement Company, Jordan
- Board Member - Ready Mix Concrete and Construction Services Company, Jordan
- Board Member - United Sugar Company, Egypt
- Board Member - Afia International Company, Egypt
- Board Member - Alexandria Sugar Company, Egypt
- Board Member - The Queen Company for Food Industries, Egypt
- Board Member and Executive Director - Saudi Industrial Construction and Engineering Projects Company
- Board Member and Executive Director - Saudi Technology and Trade Company Ltd.
- Board Member and Executive Director - Al Wusataa Development Company

Previous Positions

- Board Member - Merle Lynch, Kingdom of Saudi Arabia
- Board Member - Al-Azzawi Group

Qualifications

- Bachelor of Computer Engineering - King Saud University

Memberships in Other Listed Joint Stock Companies (inside the Kingdom)

- Board Member - Riyadh Bank

Current Positions

- Chairman of the Board of Directors - First International Business Group
- Vice Chairman of the Board of Directors - Al Nahla Group and Contracting Company
- Vice Chairman of the Board of Directors - Saudi Arabian Marketing and Agencies Company Ltd. (SAMA-CO)
- Vice Chairman of the Board of Directors - Saudi Arabian Marketing, Agencies, and Contracting
- Vice Chairman of the Board of Directors - Fast Auto
- Vice Chairman of the Board of Directors - Al-Ameen Distinctive for Urban Development
- Vice Chairman of the Board of Directors - Al-Ameen Distinctive for Real Estate Investment
- Board Member - Smile Communications, Africa

Previous Positions

- Board Member - Commercial Union for Cooperative Insurance
- Vice Chairman of the Board of Directors - Jeddah Holding Development Company
- Board Member - Golden Coast, Egypt

Qualifications

- Bachelor of Business Administration - College of Commerce and Business Administration, Bristol, UK

Memberships in Other Listed Joint Stock Companies (inside the Kingdom)

- Board Member - Riyadh Bank

Current Positions

- -

Previous Positions

- Chairman of the Board of Directors - Saudi Aramco Insurance Company (Stellar)
- Board Member - Saudi Aramco Investment Management Company (SIAMCO)
- Board Member - Fujian Refining & Petrochemical Company, S-Oil
- Board Member - Gard Company
- Board Member - Bandlewood Corporation NV
- Board Member - Motor Oil Hellas Company
- Board Member - Jeddah Oil Refining Company
- Treasurer - Saudi Arabian Oil Company (Aramco)
- Chairman of the Compensation and Documentation Committee for a number of subsidiaries and joint companies - Aramco
- Member and Chairman of Committees - Aramco, as well as at several companies affiliated with Saudi Aramco and joint companies both inside and outside the Kingdom
- Finance General Manager - Aramco
- General Manager, Documentation - Aramco

Qualifications

- Management Executive Program - Harvard University, USA
- Bachelor of Management and Economics - University of Basrah
- Attended a number of management and finance programs at many international and domestic universities and institutions

Abdul Rahman Ismail
Tarabzouni



**Memberships in Other Listed Joint Stock Companies
(inside the Kingdom)**

- Board Member - Riyadh Bank
- Board Member - Jarir Marketing Company (Jarir Bookstore)

Current Positions

- CEO and Founder - STV
- Member of the Board of Trustees - King Fahd National Library

Previous Positions

- Chairman and Founder - Saudi Arabia's Venture Capital and Private Equity Association
- Board Member - Saudi Digital Payments Company (stc pay)
- Board Member - Saudi Technology Development and Investment Company (Taqnia)
- Board Member - Careem
- Board Member - IKEA Saudi Arabia
- Board Member - Intigral
- Board Member - Jawwy (from stc)
- Head of Global Business Development, Android - Google

Qualifications

- Master of Electrical Engineering and Computer Science - Massachusetts Institute of Technology, USA
- Bachelor of Computer Science and Engineering - Massachusetts Institute of Technology, USA

Omar Hamad
Al-Madhi



**Memberships in Other Listed Joint Stock Companies
(inside the Kingdom)**

- Board Member - Riyadh Bank
- Board Member - Aqua Power Company

Current Positions

- Head, Direct Investments in the Middle East and North Africa - Public Investment Fund
- Chairman of the Board of Directors - Saudi Iron and Steel Company (HADEED)
- Chairman of the Board of Directors - Tasaru Mobility Investments
- Vice Chairman of the Board of Directors - Saudi Fund of Funds Company (Jada)
- Vice Chairman of the Board of Directors - Regional Voluntary Carbon Market Company
- Board Member - Saudi Arabian Industrial Investment Company (Dussur)
- Board Member - El Seif Engineering Contracting
- Board Member and Chairman of the Executive Committee - Saudi Military Industries Company (SAMI)
- Board Member - 1957 Ventures
- Chairman of the Investment Committee - Industrial Electronics Company (ICE)
- Chairman of the Technical Investment Committee - Ceer Motors
- Chairman of the Board of Directors - Awad Capital, United Arab Emirates
- Chairman of the Board of Directors - Iliad Partners Tech Ventures, United Arab Emirates

Previous Positions

- Board Member - National Agricultural Development Company
- Board Member - Saudi Fisheries Company
- Senior Executive Director and Board Member - Abdul Latif Jameel Investments
- Senior Executive Director - Volkswagen Group Saudi Arabia
- Assistant Undersecretary - SGIA
- Consultant - McKinsey & Company
- Research Engineer - Saudi Arabian Oil Company (Aramco)

Qualifications

- Master of Business Administration - Massachusetts Institute, USA
- Bachelor of Chemical Engineering - University of Pennsylvania, USA

Mona Mohammed
Al-Taweel



**Memberships in Other Listed Joint Stock Companies
(inside the Kingdom)**

- Board Member - Riyadh Bank

Current Positions

- -

Previous Positions

- Adviser, Finance Minister's Team of Advisers - Ministry of Finance
- CEO - FAB Capital
- CEO - Emirates NBD Capital KSA
- Syndicated Loans Manager - HSBC Saudi Arabia
- Member of the Investment and Securities Committee - Riyadh Chamber of Commerce

Qualifications

- Master of Business Administration - George Washington University
- Bachelor of Accounting - King Saud University

Nader Ibrahim
Al-Wehibi



**Memberships in Other Listed Joint Stock Companies
(inside the Kingdom)**

- Board Member - Riyadh Bank
- Board Member - Saudi Basic Industries Corporation (SABIC)

Current Positions

- CEO - Gulf Catering Company
- CEO - Abdullah Ali Almunajem Sons Company

Previous Positions

- Board Member - Mudad Business Company
- Board Member - Clariant, Switzerland
- Board Member - Future Work Company
- Assistant Governor, Insurance Affairs - General Organization for Social Insurance
- Board Member - Jarir Marketing Company
- Board Member - The National Medical Care Company
- General Director, Planning and Development - General Organization for Social Insurance
- Secretary General for the Board of Directors - General Organization for Social Insurance
- Consultant, Pensions Administration - General Organization for Social Insurance

Qualifications

- Master of Arts in Social Protection Policies - Maastricht University, Netherlands
- Bachelor of Insurance - Indiana State University, USA



Hani Abdullah
Al-Johani

**Memberships in Other Listed Joint Stock Companies
(inside the Kingdom)**

- Board Member - Riyadh Bank

Current Positions

- Head of International Investments - Hassana Investment Company
- Board Member - Maarif for Education and Training
- Board Member - Maarif Holding Company
- Audit Committee Member - Jawda Integrated Real Estate
- Audit Committee Member - Osool Integrated Real Estate Co.
- Audit Committee Member - Raza Company

Previous Positions

- Audit Committee Member - Umm Al Qura for Development and Construction
- Board Member, Audit Committee Member, and Risk Committee Member - Dar Al Tamleek Company
- Director of Alternative Investments Department - Hassana Investment Company
- Investment Analyst in the Investment Research Department - General Organization for Social Insurance

Qualifications

- Bachelor of Commerce in Economics and Finance - Saint Mary's University, Canada



Yasser Abdullah
Al-Salman

**Memberships in Other Listed Joint Stock Companies
(inside the Kingdom)**

- Board Member - Riyadh Bank

Current Positions

- Head of the General Department of Finance - Public Investment Fund
- Vice Chairman of the Board of Directors - King Abdullah Financial District Company (KAFF)
- Board Member - Saudi Military Industries Company (SAMI)
- Board Member - Saudi Agricultural and Livestock Investment Company (SALIC)
- Board Member - Water Solutions Company
- Member of the Audit Committee - NEOM
- Member of the Audit Committee - Qiddiya Investment Company
- Member of the Audit Committee - Saudi Entertainment Ventures (SEVEN)
- Member of the Audit Committee - RSG
- Member of the Audit Committee - Riyadh Expo Development Company

Previous Positions

- Board Member - National Maritime Transport Company (Bahri)
- Board Member - National Water Company (NWC)
- Board Member - Saudi Railways Company (SAR)
- Executive Director, Financial Department - Saudi Agricultural and Livestock Investment Company (SALIC)
- General Manager, Investments - Etihad Etisalat (Mobily)
- Executive Director, Financial Affairs - Kingdom Holding Company

Qualifications

- Master of Accounting and Information Systems - Middle Tennessee State University, USA
- Bachelor of Accounting - King Saud University



Qualifications and Experience of External Committee Members

Names of Committee Members		Current Positions	Previous Positions	Qualifications
Audit Committee				
1	Tariq Abdullah Al-Qaraawy	<ul style="list-style-type: none">• Audit Committee Member - Riyadh Bank• Vice Chairman of the Board of Directors - Amana Cooperative Insurance Company• Audit Committee Member - Savola Group• Board Member, Financial Investment Funds - Osool and Bakheet Investment Company• Board Member - Evening Cups for Beverages Co.• Board Member - OceanX	<ul style="list-style-type: none">• Vice President of Compliance and Quality Assurance - Building Development Company• Board Member - Digital Innovations Company• Member of the Audit Committee - Tabuk Fish Company• Board Member, Chairman of the Executive Committee, and Member of the Nomination and Remuneration Committee - Salama Insurance Company• Founder and CEO - Idfaa Office for Management Consulting• Regional Director, Corporate Banking Group - Bank Albilad• Director, Strategy and Planning - Bank Albilad• Senior Relationship Manager, Corporate Banking - SABB Bank• Director, Islamic Banking and Corporate Banking - SABB Bank• Relationship Officer, Corporate Banking - The Saudi Investment Bank	<ul style="list-style-type: none">• Master of Accounting - George Washington University, USA• Bachelor of Accounting - King Saud University• Certified Management Accountant (CMA) - Institute of Management Accountants (IMA), USA• Certified Financial Manager (CFM) – IMA,USA

Names of Committee Members		Current Positions	Previous Positions	Qualifications
Audit Committee				
2	Eid Faleh Al-Shamri	<ul style="list-style-type: none">Audit Committee Member - Riyadh BankBoard Member and Audit Committee Member - Al Hassan Ghazi Ibrahim Shaker CompanyBoard Member, Audit Committee Member, and Nomination and Remuneration Committee Member - Aldrees Petroleum and Transport Services CompanyBoard Member and Audit Committee Member - Taiba Investment CompanyBoard Member and Audit Committee Member - Seera Group HoldingAudit Committee Member - Almarai CompanyAudit Committee Member - King Salman Park FoundationAudit Committee Member - Sports Boulevard Foundation	<ul style="list-style-type: none">Board Member and Chairman of the Audit Committee - Fawaz Abdulaziz Alhokair and Partners CompanyBoard Member and Chairman of the Audit Committee - Alitco CompanyBoard Member - GSCCOBoard Member and Chairman of the Investment Committee - Amana Cooperative Insurance CompanyBoard Member - RDB-ELSEIF COBoard Member - INMAIA Investment and Real Estate DevelopmentAudit Committee Member - Banque Saudi Fransi	<ul style="list-style-type: none">Bachelor of Science in Industrial Management - King Fahd University of Petroleum and MineralsAmerican Board of Chartered Accountants FellowshipAICPA Member since 1995
3	Waddah Ibrahim Al Sheikh Mubarak	<ul style="list-style-type: none">Audit Committee Member - Riyadh BankVice Chairman of the Executive Committee – Majd InvestmentHead of General Administration, Investments and Revenue Development - Al-Ahsa MunicipalityAudit Committee Member - Almoosa Health Group	<ul style="list-style-type: none">Member of the Executive Committee of the Investment Fund - King Faisal UniversityAssistant Professor - King Faisal UniversityHead of Finance Department - King Faisal UniversityLecturer - King Faisal UniversityTeaching Assistant - King Faisal UniversityExecutive Supply Chain Representative - SABICVice Dean of the College of Applied Studies - King Faisal University	<ul style="list-style-type: none">PhD in Finance - Middlesex University, UKMaster of Finance - University of Portsmouth, UKBachelor of Marketing King Faisal University

Names of Committee Members	Current Positions	Previous Positions	Qualifications
Nomination and Remuneration Committee			
1 Ahmad Mohammed Al-Falih	<ul style="list-style-type: none"> Nomination and Remuneration Committee Member - Riyadh Bank Vice Chairman of the Board of Directors, Member of the Executive Committee, and Chairman of the Nominations and Remuneration Committee - Al Jouf Cement Company Board Member and Member of the Executive Committee - Herfy Food Services Company Board Member - Technical United Board Member and Member of the Nominations and Remuneration Committee - Maharah Human Resources Company 	<ul style="list-style-type: none"> Board Member and Member of the Nominations and Remuneration Committee - Binladin International Holding Group Chairman of the Nominations and Remuneration Committee - Herfy Food Services Company Chairman of the Executive Committee of the Maintenance Sector - Saudi Services Company Limited Chairman of the Executive Committee of the Contracting Sector - Saudi Binladin Group Managing Director - Binladin International Holding Group Board Member and Executive Director - The Leading Commercial Representation Company Board Member - Mohammed Saleh Al-Sultan Consulting Professionals Board Member - Musa Abdul Aziz Al Mousa & Sons Board Member - Advanced Seal Company Board Member - Aluminum Products Co. (ALUPCO) Board Member - Holding Facilities Company Board Member - Easy Transport Company Consultant - Facilities Marketing Company General Manager - Facilities Marketing Company General Manager - Al-Mashreq Contracting Company General Manager - Olayan Food Services Company President - Tiné Company International Vice President - Riyadh International Catering Corp. (McDonald's) Vice President, Financial and Administrative Affairs - Saudi Company for Operation and Maintenance Project Engineer - Ministry of Health Project Engineer - Ibn Al-Bitar Company (SABIC) 	<ul style="list-style-type: none"> Bachelor of Civil Engineering - King Fahd University of Petroleum and Minerals

Names of Committee Members	Current Positions	Previous Positions	Qualifications
Nomination and Remuneration Committee			
2 Ali Ahmed Al-Ghamdi	<ul style="list-style-type: none"> Nomination and Remuneration Committee Member - Riyadh Bank General Manager, Executive Benefits and Compensation and Human Resources Business Partner - Saudi Basic Industries Corporation (SABIC) Board Member - Petrokemya (SABIC subsidiary) 	<ul style="list-style-type: none"> Board Member - Hadeed Company (SABIC subsidiary) Board Member - Gulf Petrochemical Industries Company Executive Director, Global Mobility Company - Saudi Basic Industries Corporation (SABIC) Executive Director, Executive Benefits and Compensation - SABIC Recruitment Department Manager - SABIC Human Resource Specialist - SABIC 	<ul style="list-style-type: none"> Bachelor of Business Administration (Management Systems) - Arab Open University

Names of Committee Members	Current Positions	Previous Positions	Qualifications
Risk Management Committee			
1 Abdul Latif Ali Al-Rasheed	<ul style="list-style-type: none"> Risk Management Committee Member - Riyadh Bank Director General, Cyber Security - Ministry of Industry and Mineral Resources 	<ul style="list-style-type: none"> Director General, Cyber Security - Saudi Air Navigation Services Head, Cyber Security - Engie Corporation Head, Cyber Security Project - Saudi Arabian Oil Company (Aramco) 	<ul style="list-style-type: none"> Master of Information Security - Georgia Institute of Technology, USA Bachelor of Computer Engineering - University of New Haven

Executive Management

Nadir Sami Al-Koraya
Chief Executive Officer
(CEO)



Abdullah Ali Al-Oraini
Chief Financial Officer



Majed Hamdan Al-Ghamdi
Chief Wholesale Officer



Mohammed Abo Al-Naja
Chief Corporate Banking Officer



Mazen Ghassan Pharaon
Chief Digital Officer



Enji Ahmed Al-Ghazzawi
Chief Operating Officer and Acting Chief
Human Capital Officer



Previous Positions

- Chief of Treasury and Investment - Riyadh Bank
- Executive Vice President, Treasury and Investment - Riyadh Bank
- Head of Treasury Department - Riyadh Bank
- Treasurer - Riyadh Bank
- Assistant General Manager, Treasury Group - Samba Bank

Qualifications

- Master of Business Administration - University of California, USA
- Bachelor of Civil Engineering - University of California, USA

Previous Positions

- Chief Financial Officer - Alawwal Bank
- Head of Accounting, Asset and Liability Management and Investor Relations Department - Saudi British Bank (SABB)
- Head of Capital and Liquidity Management - National Commercial Bank (NCB)
- Senior Financial Analyst - NCB

Qualifications

- Master of Management Science - University of Waterloo, Canada
- Bachelor of Science in Electrical Engineering - King Fahd University of Petroleum and Minerals

Previous Positions

- CEO of Retail Banking – Saudi National Bank (SNB)
- SEVP Head of Retail Banking Group – National Commercial Bank (NCB)
- SEVP Head of Corporate Banking Group – National Commercial Bank (NCB)
- EVP Head of Enterprise Risk Management – National Commercial Bank (NCB)
- Board Member and Chairman of the Credit Committee – Türkiye Finans Participation Bank (TFKB)
- Member of the Board’s Risk Committee – NCB Capital (NCBC)

Qualifications

- Harvard University, Harvard Business School: Advanced Management Program (AMP)
- University of Pennsylvania, The Wharton School: Executive Development Program (EDP)
- New York University, Stern School of Business: Master of Science in Risk Management
- King Abdul Aziz University (KAU): Bachelor of Science in Industrial Engineering

Previous Positions

- Executive Vice President and Head of Corporate Banking Service - Riyadh Bank
- Chief Corporate Banking Officer - Riyadh Bank
- Senior Vice President, Manager Multinationals - Riyadh Bank
- Regional Director of Corporate Banking, Central Region - Riyadh Bank
- Senior Manager, Corporate and Investment Banking - SAMBA Financial Group
- Senior Relationship Manager - Riyadh Bank

Qualifications

- Bachelor of Law - King Saud University, Kingdom of Saudi Arabia

Previous Positions

- Partner - Deloitte ME
- Digital Center Leader - Deloitte
- Chief Technology Officer - Samba Financial Group
- Project Leader for Launch - Alinma Investment Co.
- SPAN2 and PoS Program Leader – SAMA

Qualifications

- Bachelor of Computer Engineering - King Saud University

Previous Positions

- Chief Operating Officer - Riyadh Bank
- EVP of Operations - Riyadh Bank
- Faculty Member - King Saud University
- Assumed several positions at Riyadh Bank from the Operation Support Department to the Customer Call Center to managing the Loans operation, before moving to the Accounts Department. Managed the Comprehensive Services for the Central Region before heading the Operations Sector.

Qualifications

- Bachelor of Administrative Science - King Saud University

Abdulaziz Abdullah Al-Askar
Chief Risk Officer



Previous Positions

- Executive Vice President, Enterprise Risk Management - Riyadh Bank
- Executive Vice President, Corporate Credit - Riyadh Bank
- Manager, Credit Review and Approval Department - Riyadh Bank
- Credit Manager - Riyadh Bank
- Assistant Credit Officer - Riyadh Bank
- Banker (Credit) - Riyadh Bank

Qualifications

- Bachelor of Administrative Science - King Saud University

Hanadi Abdulrahman Al-Sheikh
Chief Transformation Officer



Previous Positions

- General Manager of Strategy – Tadawul

Qualifications

- Bachelor of Computer Science - George Washington University

Haifa Othman Bin Ahmed
Chief Experience Officer



Previous Positions

- Head of Customer Champion Department - Riyadh Bank
- Assumed various leading roles in the Bank's branches from Customer Service to Branch Manager before moving to the Customer Care Department as Head of the Department. Thereafter held the position of Acting Chief Experience Officer.

Qualifications

- Bachelor of Accounting and Business Management - King Saud University

Houssam Humaidan Alhumaidan
Chief Compliance Officer



Previous Positions

- Chief Country Compliance - UBS
- Head of Compliance and Anti-Financial Crime - Deutsche Bank
- Vice President of Compliance & MLRO - BNP Paribas
- Assistant Vice President, Compliance - Riyadh Bank
- Assistant Compliance Manager - SAMBA Financial Group

Qualifications

- Bachelor of Administrative Science - King Saud University

Ahmed Rabie Al-Rowaili
General Counsel



Previous Positions

- Chief Governance Officer and Secretary of the Board of Directors - SNB
- General Manager of Legal Affairs and Secretary General of the Board of Directors - Takamul Holding Company

Qualifications

- Master of Law - Seattle University, USA
- Bachelor of Administrative Science - King Saud University

Fawaz Naif Al-Kassar
Chief Internal Auditor



Previous Positions

- Chief Internal Auditor - anb and Alawwal Bank

Qualifications

- Master of Business Administration - University of Oregon, USA

Abdulmohsen Mohammed Altwaijri
Executive Vice President of Treasury



Previous Positions

- Treasurer - Riyadh Bank
- Director of Financial Market Department - Riyadh Bank
- Senior Financial Market Dealer - Riyadh Bank
- Acting Chief Financial Market Dealer - Riyadh Bank

Qualifications

- Bachelor of Finance - Roger Williams University, USA

Monther Hamad Alkhaldi
Executive Vice President of Branch Network and Sales, Acting Head of Retail Banking



Previous Positions

- Executive Vice President of Branch Network and Sales – Riyadh Bank
- Regional Manager for the Central Region – Banque Saudi Fransi

Qualifications

- Bachelor of History - King Faisal University

Evaluating the performance of the Board of Directors and its Committees

In accordance with the applicable laws and regulations and guidelines set by the relevant regulatory bodies in the Kingdom of Saudi Arabia, which require an annual performance evaluation of the Board of Directors and its Committees to assess work controls and procedures, identify strengths and weaknesses, and propose corrective measures aligned with the Bank’s interests, the Board undertook an internal evaluation. This involved members of the Board and its Committees participating in a comprehensive survey developed according to best governance practices, in collaboration with a third party. The findings and recommendations are then submitted to the Board to highlight strengths and suggest enhancements, as well as to identify weaknesses and recommend improvements. The Bank plans to maintain this annual performance evaluation for the Board and its Committees, engaging a third party every 3 years, in line with the applicable laws and regulations.

Actions taken by the Board of Directors to inform its members especially Non-Executives of Shareholders’ proposals and comments about the Company and its performance

This process involves documenting the proposals received from Shareholders during the General Assembly Meetings. Additionally, if the Bank receives any other proposals, they are communicated to the Chairman of the Board of Directors to be presented at the upcoming meeting and documented in the Board’s minutes, if applicable.

Audit Committee recommendations that conflict with the decisions of the Board of Directors or that were not adopted by the Board regarding the appointment, dismissal, fee determination, or performance evaluation of Riyad Bank’s Auditors, along with the rationale for such recommendations and the reasons for their non-adoption

There are no recommendations from the Audit Committee that conflict with the decisions of the Board of Directors, and the Board has not rejected any recommendations regarding the appointment, dismissal, fee determination, or performance evaluation of Riyad Bank’s Auditors.

Remuneration of the members of the Board of Directors, its Committees, and Senior Executives in 2024

The remuneration paid for the members of Riyad Bank’s Board of Directors, its Committees, and Senior Executives is determined in accordance with the frameworks and instructions set forth by regulatory authorities. This remuneration is generally governed by the regulations for determining and paying remuneration to the members of the Board of Directors and its Committees in financial institutions, the Bank Remuneration Rules issued by the Saudi Central Bank, the Key Principles of Corporate Governance for Financial Institutions under the Control and Supervision of the Saudi Central Bank, the Corporate Governance Regulations issued by the Capital Market Authority, the Companies Law issued by the Ministry of Commerce, and the Bank’s Articles of Association.

Upon the recommendation of the Nomination and Remuneration Committee, the Board of Directors determines the remuneration framework for Senior Executives. This ensures alignment with the strategic objectives of the Bank and aims to effectively incentivize Senior Executives towards achieving these objectives.

Remuneration of Board Members (﷼’000s)

	Member’s Name	Fixed Remuneration							Variable Remuneration	End of Service Benefits	Gross Total	Expense Allowance***
		Specific Amount*	Allowance for Attending Board Meetings	Total Allowance for Attending Committee Meetings**	In-Kind Benefits	Remuneration for Technical, Administrative, and Consulting Duties	Remuneration of the Chairman, Managing Director or Secretary, if a Member	Total				
Independent Members	Mutaz Kusai AlAzzawi	1,450	45	100	-	-	-	1,595	-	-	1,595	-
	Ibrahim Hassan Sharbatly	1,200	45	15	-	-	-	1,260	-	-	1,260	38.91
	Jamal Abdul-Karim Al-Rammah	1,450	45	85	-	-	-	1,580	-	-	1,580	42.42
	Abdul Rahman Ismail Tarabzouni	1,400	45	70	-	-	-	1,515	-	-	1,515	-
	Mona Mohammed Al-Taweel	1,400	45	120	-	-	-	1,565	-	-	1,565	-
	Hani Abdullah Al-Johani	1,450	45	40	-	-	-	1,535	-	-	1,535	-
	Independent Members	8,350	270	430	-	-	-	9,050	-	-	9,050	81.33
Non-Executive Members	Abdullah Mohammed Al-Issa	1,250	45	20	-	-	4,500	5,815	-	-	5,815	-
	Nader Ibrahim Al-Wehibi	1,450	40	100	-	-	-	1,590	-	-	1,590	-
	Omar Hamad Al-Madhi	1,400	45	40	-	-	-	1,485	-	-	1,485	-
	Yasser Abdullah Al-Salman	1,200	40	55	-	-	-	1,295	-	-	1,295	-
	Non-Executive Members	5,300	170	215	-	-	4,500	10,185	-	-	10,185	0
Total		13,650	440	645	-	-	4,500	19,235	-	-	19,235	81.33

* The remuneration for members of the Board of Directors is ﷼ 1,000,000 for each member. The additional remuneration for the Chairman of the Board of Directors is ﷼ 4,500,000. Additionally, the remuneration for each Committee membership is ﷼ 200,000 for each Committee member. The additional remuneration for the Chairman of each Committee is ﷼ 50,000.

** The allowance allocated for attending Board Committee meetings includes allowance for members of the Board of Directors who are not members of such Committee but are invited to attend by the respective Committee. Therefore, the total amount each member receives for attending the Committee meetings might differ from the attendance allowance stated for Committee members.

*** The expense allowance includes transportation and accommodation expenses for members of the Board of Directors and its Committees.

Remuneration of Members of Board Committees (ﷲ'000s)

	Member's Name	Fixed Remuneration (except for attendance allowance)	Allowance for Attending Meetings	Total	Expense Allowance*
Executive Committee Members					
1	Nader Ibrahim Al-Wehibi	250	55	305	-
2	Mutaz Kusai AlAzzawi	200	55	255	-
3	Abdul Rahman Ismail Tarabzouni	200	55	255	-
4	Mona Mohammed Al-Taweel	200	55	255	-
5	Yasser Abdullah Al-Salman	200	50	250	-
	Total	1,050	270	1,320	-
Audit Committee Members					
1	Jamal Abdul-Karim Al-Rammah	250	50	300	-
2	Mona Mohammed Al-Taweel	200	50	250	-
3	Tariq Abdullah Al-Qaraawy (External)	200	50	250	-
4	Eid Faleh Al-Shamri (External)	200	50	250	-
5	Waddah Ibrahim Al Sheikh Mubarak (External)**	116.66	25	141.66	7.93
	Total	966.66	225	1,191.66	7.93
Risk Management Committee Members					
1	Hani Abdullah Al-Johani	250	25	275	-
2	Jamal Abdul-Karim Al-Rammah	200	25	225	-
3	Abdul Latif Ali Al-Rasheed (External)	200	25	225	-
	Total	650	75	725	-
Nomination and Remuneration Committee Members					
1	Mutaz Kusai AlAzzawi	250	30	280	-
2	Nader Ibrahim Al-Wehibi	200	30	230	-
3	Omar Hamad Al-Madhi	200	30	230	-
4	Ahmad Mohammed Al-Falih (External)	200	30	230	-
5	Ali Ahmed Al-Ghamdi (External)	200	30	230	-
	Total	1,050	150	1,200	-
Strategic Planning Group Members					
1	Abdullah Mohammed Al-Issa	250	10	260	-
2	Ibrahim Hassan Sharbatly	200	10	210	-
3	Abdul Rahman Ismail Tarabzouni	200	10	210	-
4	Omar Hamad Al-Madhi	200	10	210	-
5	Hani Abdullah Al-Johani	200	10	210	-
	Total	1,050	50	1,100	-
	Members of Board Committees	4,766.66	770	5,536.66	7.93

* The expense allowance includes transportation and accommodation expenses for members of the Board of Directors and its Committees.
**He ceased to be a member as of 31 July, 2024, due to his resignation.

Salary and Compensation Statement for 6 Senior Executives (including the CEO and CFO):

Description	ﷲ'000s
Fixed remuneration	
Salaries	11,477
Allowances	2,730
In-kind benefits	210
Total	14,417
Variable remuneration	
Periodic remuneration	10,933
Dividends	-
Short-term incentive plans	-
Long-term incentive plans	6,311
Stock dividends	-
Total	17,244
End of service benefits	11,831
Total Executive remuneration for the Board, if available	-
Gross total	43,493

Assignment of Interests by Shareholders, Board Members, or Senior Executives

- There are no arrangements or agreements for any member of the Board of Directors or any of the Senior Executives to waive any salaries, remuneration, or compensation.
- There are no arrangements or agreements for any one of Riyadh Bank’s Shareholders to waive their rights to entitled dividends.

On 22 August, 2024, Riyadh Bank disbursed dividends to Shareholders at 80 Halalas per share for the first half of 2024. Upon approval by the General Assembly, the remaining dividends will be paid to Shareholders for the second half of 2024 at a rate of 90 Halalas per share. This will result in a total dividend payment of ﷲ 5,092 Mn., for 2024, equivalent to ﷲ 1.7 per share, or 17% of the nominal share value after zakat deductions.

Changes to Major Shareholders Ownership

The following table shows the primary Shareholders of the Bank, each of which owns 5% or more of the shares, and the changes in their equity as of the end of the trading day on 31 December, 2024:

Name of the Shareholder	Number of Shares at the Beginning of the Year	Number of Shares at the End of the Year	Net Change	% Change	% Ownership
Public Investment Fund	652,608,000	652,608,000	-	-	21.75%
General Organization for Social Insurance	311,714,495	311,714,495	-	-	10.39%
Al Nahla Trade & Contracting Co	262,149,903	262,149,903	-	-	8.73%
Aseela Investment Co.	240,000,000	240,000,000	-	-	8.00%

To compile the above data, Riyadh Bank relied on its records at the Saudi Stock Exchange (Tadawul) at the end of Tadawul’s session on 31 December, 2024.

Ownership of Riyadh Bank Shares by the Board Members, Senior Executives, and their Relatives, and the Respective Changes during 2024

The following tables detail any interest that belongs to members of the Board and Senior Executives, or their relatives, in shares or debt instruments of the Bank or any of its subsidiaries and any change that occurred thereof during the year:

The Board Members and their Relatives

Name of the Party Holding the Interest	Number of Shares at the Beginning of the Year	Number of Shares at the End of the Year	Net Change	% Change	Debt Instruments
Abdullah Mohammed Al-Issa	1,262,000	1,262,000	-	-	-
Relatives of Abdullah Mohammed Al-Issa	26,214,784	31,234,420	5,019,636	19.15	-
Jamal Abdul-Karim Al-Rammah	1,142	1,142	-	-	-
Relatives of Jamal Abdul-Karim Al-Rammah	-	-	-	-	-
Ibrahim Hassan Sharbatly	694,508	694,508	-	-	-
Relatives of Ibrahim Hassan Sharbatly	12,521,696	11,963,260	(558,436)	(4.46)	-
Hani Abdullah Al-Johani	-	-	-	-	-
Relatives of Hani Abdullah Al-Johani	-	-	-	-	-
Yasser Abdullah Al-Salman	-	-	-	-	-
Relatives of Yasser Abdullah Al-Salman	-	-	-	-	-
Mona Mohammed Al-Taweel	32,000	32,000	-	-	-
Relatives of Mona Mohammed Al-Taweel	626,400	634,400	8,000	1.28	-
Omar Hamad Al-Madhi	-	-	-	-	-
Relatives of Omar Hamad Al-Madhi	-	-	-	-	-
Abdul Rahman Ismail Tarabzouni	10	10	-	-	-
Relatives of Abdulrahman Ismail Tarabzouni	-	-	-	-	-
Mutaz Kusai AlAzzawi	1,347,000	1,347,000	-	-	-
Relatives of Mutaz Kusai AlAzzawi	1,741,200	1,741,200	-	-	-
Nader Ibrahim Al-Wehibi	-	-	-	-	-
Relatives of Nader Ibrahim Al-Wehibi	-	-	-	-	-

Senior Executives and their Relatives

Position	Name of the Party Holding the Interest	Number of Shares at the Beginning of the Year	Number of Shares at the End of the Year	Net Change	% Change	Debt Instruments
Chief Executive Officer (CEO)	Nadir Sami Al-Koraya	-	-	-	-	-
	Relatives of Nadir Sami Al-Koraya	2,267	432,381	430,114	>100	-
Chief Financial Officer	Abdullah Ali Al-Oraini	40,000	40,000	-	-	-
	Relatives of Abdullah Ali Al-Oraini	716	698	(18)	(2.51)	-
Chief Wholesale Officer	Majed Hamdan Al-Ghamdi	N/A	-	-	-	-
	Relatives of Majed Hamdan Al-Ghamdi	N/A	-	-	-	-
Chief Corporate Banking Officer	Mohammed Abo Al-Naja	-	-	-	-	-
	Relatives of Mohammed Abo Al-Naja	2,000	2,000	-	-	-
Chief Operating Officer and Acting Chief Human Capital Officer	Enji Ahmed Al-Ghazzawi	-	-	-	-	-
	Relatives of Enji Ahmed Al-Ghazzawi	1,000	1,000	-	-	-
Chief Digital Officer	Mazen Ghassan Pharaon	-	-	-	-	-
	Relatives of Mazen Ghassan Pharaon	-	200	200	NM	-
Chief Risk Officer	Abdulaziz Al-Askar	-	-	-	-	-
	Relatives of Abdulaziz Al-Askar	-	-	-	-	-
Chief Experience Officer	Haifa Othman Bin Ahmed	-	-	-	-	-
	Relatives of Haifa Othman Bin Ahmed	9,966	9,966	-	-	-
Chief Transformation Officer	Hanadi Abdulrahman Al-Sheikh	-	-	-	-	-
	Relatives of Hanadi Abdulrahman Al-Sheikh	3,300,000	3,300,000	-	-	-
General Counsel	Ahmed Rabie Al-Rowaili	-	-	-	-	-
	Relatives of Ahmed Rabie Al-Rowaili	-	-	-	-	-
Chief Internal Auditor	Fawaz Naif Al-Kassar	-	-	-	-	-
	Relatives of Fawaz Naif Al-Kassar	-	-	-	-	-

Position	Name of the Party Holding the Interest	Number of Shares at the Beginning of the Year	Number of Shares at the End of the Year	Net Change	% Change	Debt Instruments
Chief Compliance Officer	Houssam Humaidan Alhumaidan	N/A	-	-	-	-
	Relatives of Houssam Humaidan Alhumaidan	N/A	-	-	-	-
Executive Vice President of Treasury	Abdulmohsen Altwaijri	N/A	-	-	-	-
	Relatives of Abdulmohsen Altwaijri	N/A	-	-	-	-
Executive Vice President of Branch Network and Sales, Acting Head of Retail Banking	Monther Hamad Alkhalidi	N/A	-	-	-	-
	Relatives of Monther Hamad Alkhalidi	N/A	1,006	-	-	-
Chief Executive Officer (CEO)*	Tareq Abdulrahman Al Sadhan	-	N/A	-	-	-
	Relatives of Tareq Abdulrahman Al Sadhan	-	N/A	-	-	-
Acting Chief Compliance Officer**	Abdulrahman Mohammad Al-Zuwaidi	-	N/A	-	-	-
	Relatives of Abdulrahman Mohammad Al-Zuwaidi	-	N/A	-	-	-
Chief Human Capital Officer***	Mazen Mohamed Khalefa	-	N/A	-	-	-
	Relatives of Mazen Mohamed Khalefa	-	N/A	-	-	-
Chief Retail Banking Officer****	Waleed Khalid Al-Dhubaib	478	N/A	-	-	-
	Relatives of Waleed Khalid Al-Dhubaib	-	N/A	-	-	-

*The resignation of Tareq Abdulrahman Al-Sadhan from his position as the Chief Executive Officer of the Bank was accepted, effective 31 January, 2024

** Resigned from the position, effective 31 August, 2024

*** Resigned from the position, effective 13 October, 2024

**** Resigned from the position, effective 08 December, 2024

NM - Not Meaningful

General Assemblies Held during the Year 2024

In 2024, Riyadh Bank held 2 Assembly Meetings for its Shareholders. These were the Ordinary General Assembly on 14/09/1445H, corresponding to 24 March, 2024 and the Extraordinary General Assembly on 21/11/1445H, corresponding to 29 May, 2024. Below is the attendance record of the Board members for these 2 Assembly Meetings.

Name	Attendance	
	Ordinary General Assembly Held on 14/09/1445H, corresponding to 24 March, 2024	Extraordinary General Assembly Held on 21/11/1445H, corresponding to 29 May, 2024
Abdullah Mohammed Al-Issa (Chairman of the Board of Directors and Chairman of the Strategic Planning Group)	✓	✓
Mutaz Kusai AlAzzawi (Vice Chairman of the Board of Directors and Chairman of the Nomination and Remuneration Committee)	✓	✓
Ibrahim Hassan Sharbatly	✓	✓
Jamal Abdul-Karim Al-Rammah (Chairman of the Audit Committee)	✓	✓
Abdulrahman Ismail Tarabzouni	Could not attend	✓
Omar Hamad Al-Madhi	✓	✓
Mona Mohammed Al-Taweel	✓	✓
Hani Abdullah Al-Johani (Chairman of the Risk Committee)	✓	✓
Nader Ibrahim Al-Wehibi (Chairman of the Executive Committee)	✓	✓
Yasser Abdullah Al-Salman	✓	Could not attend

Number of Riyadh Bank’s Requests for Shareholders’ Records, their Dates, and Reasons during 2024:

	Date of the Request	Reason
1	01.02.24	Corporate actions
2	24.03.24	General assembly
3	26.03.24	Dividend entitlement
4	25.04.24	Corporate actions
5	28.04.24	Corporate actions
6	02.07.24	Corporate actions
7	13.08.24	Dividend entitlement
8	02.10.24	Corporate actions
9	04.11.24	Corporate actions
10	02.12.24	Corporate actions
11	31.12.24	Corporate actions

Assurances of the Board of Directors

- The accounting records have been meticulously prepared and are accurate.
- The internal control system was established on robust foundations and has been effectively implemented.
- There is unequivocal confidence in Riyadh Bank’s ongoing operational capabilities.
- Concerning contracts involving Riyadh Bank, neither the Chairman, Board members, the CEO, the Chief Financial Officer, nor any individual closely related to them, has or had a significant interest in such contracts, except as disclosed in the statement of transactions with related parties.
- There is no conflict of interests between the Company’s activities or any of its branches and the business pursuits of any Board member, past or present.

Interests in Voting Shares

No Stakeholder in the category of shares eligible to vote belonging to persons (except for members of the Board of Directors of Riyadh Bank and Senior Executives and their relatives) informed Riyadh Bank of these rights under Article 68 of the Rules for the Offer of Securities and Continuing Obligations, and any change in these rights during the fiscal year 2024.

External Auditors

During its convened session on 24 March, 2024, the Ordinary General Assembly of Riyadh Bank approved the appointment of “Ernst & Young” and “Deloitte & Touche and Associates” as the Bank’s external Auditors for the second and third quarters, as well as the annual audit of the fiscal year 2024, and the first quarter of the fiscal year 2025. Subsequently, in its forthcoming meeting, the General Assembly will deliberate on the potential reappointment or substitution of the current Auditors and determine the auditing fees for assessing Riyadh Bank’s financial statements for the fiscal year ending on 31 December, 2025. This will be decided after reviewing the Board of Directors’ recommendation, which is in turn based on the Audit Committee’s recommendation.

Auditors’ Qualifications on the Annual Financial Statements

The Auditors’ Report shows that the financial statements are free of any material misstatement, and there are no qualifications regarding them.

Recommendations of the Board of Directors to replace the Auditors and their Reasons

The Board of Directors did not recommend replacing the Auditors before the end of the period for which they were appointed.

Corporate Governance Regulations

In general, Riyadh Bank shall be obliged to apply the provisions set out in the Corporate Governance Regulations issued by the Capital Market Authority, the Key Principles of Governance in Financial Institutions under the Control and Supervision of the Saudi Central Bank and the directives set forth by the Saudi Central Bank. Riyadh Bank ensures its adherence to all corporate governance regulations and stays abreast of any updates in this regard. The Bank also keeps revising and updating its relevant policies and procedures in response to new regulatory requirements.

Riyad Bank Shari’ah Committee

The independent Shari’ah Committee at Riyadh Bank comprises of distinguished scholars entrusted with reviewing and supervising Islamic banking operations within the Bank to ensure compliance with Islamic Shari’ah principles and regulations.

The Shari’ah Committee provides Shari’ah rulings on Islamic products and services presented to it, and issues corresponding Shari’ah resolutions.

The Shari’ah Committee of Islamic Banking at Riyadh Bank consists of the following members:

His Excellency Sheikh/Prof. Abdulrahman bin Abdullah Al-Sanad

- Position: Chairman of the Shari’ah Committee.
- Independence Status: Independent.
- Chairman of the Shari’ah Committee at Riyadh Bank since 2024 and holds a Ph.D. in Comparative Jurisprudence from the Higher Judicial Institute at Imam Mohammad Ibn Saud Islamic University. He is the President of the General Presidency of the Commission for Promotion of Virtue and Prevention of Vice (PVPV) with ministerial rank, and an author of numerous publications and research papers on Shari’ah transactions. He previously held the position of Director of the Islamic University, Dean of the Higher Judicial Institute, and Chairman of Shari’ah boards for several commercial companies.

His Eminence Sheikh/Dr.Mohammed bin Abdullah Butayban

- Position: Member of the Shari’ah Committee.
- Independence Status: Independent.
- Member of the Shari’ah Committee at Riyadh Bank since 2024 and holds a Ph.D. in Comparative Jurisprudence from the Higher Judicial Institute at Imam Mohammad Ibn Saud Islamic University. He is a faculty member at King Faisal University, a Shari’ah advisor and trainer for various Shari’ah and financial institutions, a commercial arbitration practitioner, and an author of several Shari’ah publications and research papers.

His Eminence Sheikh/Dr. Zaid bin Abdulaziz Al-Shathri

- Position: Member of the Shari’ah Committee.
- Independence Status: Independent.
- Member of the Shari’ah Committee at Riyadh Bank since 2024 and holds a Ph.D. in Comparative Jurisprudence from the Higher Judicial Institute at Imam Mohammad Ibn Saud Islamic University, and a Master’s in Corporate Finance Law from the University of Westminster, UK. He is a faculty member at the Higher Judicial Institute, a Board member of the General Commission for the Guardianship of Trust Funds for Minors and their Counterparts, and a member of its Shari’ah Committee, and a member of the Shari’ah Committee for a financial company. He previously held the position of advisor to the Committee for the Resolution of Securities Disputes (CRSD) and the Appeal Committee for the Resolution of Securities Conflicts (ACRSC), and he is an author of various publications and research papers on Shari’ah transactions.

Products and Services presented in 2024 based on the decision of the Shari’ah Committee

Product Name/Decision
1. Account Management Agreement for Off-Plan Sale Projects.
2. Wasl Platform.
3. Riyadh Bank Additional Tier 1 Sukuk Program (USD-denominated).
4. Unified Shari’ah-Compliant Forward Commodity Sale Agreement between Dealers.
5. Terms and Conditions for International Transfers.
6. Terms and Conditions for Using Riyadh Bank Cards on Samsung Pay Platforms.
7. Terms and Conditions for Using Riyadh Bank Cards on Electronic Payment Platforms.
8. Lease Financing (Ijarah).
9. Terms and Conditions for “My Savings” Product (Hissalty).
10. Digital Platform for Medium, Small, and Micro Enterprises.
11. Digitization of Point-of-Sale Financing Applications.
12. Investment Fund Portfolio Display Service on Riyadh Bank Application.
13. Real Estate Financing Models.
14. Riyadh Bank Additional Tier 1 Sukuk Program (ﷲ-denominated).

Shari’ah Committee Resolutions in 2024			
Resolution No.	Title	Decision	Date
163/02/Sh	Credit Policy for Car Lease Financing Risks	The Shari’ah Committee resolved that there is no Shari’ah objection to working with the Credit Policy for car lease financing risks, emphasizing that clients who default on the last payment will be given a new lease contract for a specified period, after which the ownership of the car will be transferred to the client with a new contract.	16.01.24
164/04/Sh	Vehicle Replacement Request Form	The Shari’ah Committee resolved that there is no Shari’ah objection to working with the Vehicle Replacement Request Form, provided that it is presented to the Committee after being amended according to the comments recorded in the meeting minutes.	13.02.24
165/04/Sh	Shari’ah Governance Framework	The Shari’ah Committee approved the Shari’ah Governance Framework for Islamic Banking transactions.	05.03.24
165/05/Sh	Shari’ah Governance Policy	The Shari’ah Committee approved the Shari’ah Governance Policy for Shari’ah-compliant banking transactions.	05.03.24
166/01/Sh	Retail Collection and Recovery Program	The Shari’ah Committee resolved that there is no Shari’ah objection to the implementation of the Collection and Recovery program in the Retail Banking sector, emphasizing that the following comments should be added in future updates and presented to the Shari’ah Committee: 1. The repayment and rescheduling schedule should not include any increase in debt amounts. 2. The “automatic debit” feature should not impose any financial cost on the customer. 3. Clause (iii) on page 27 should not include any increase in debt or added fees. 4. Use the word Murabaha or Ijarah instead of loan.	26.03.24
166/04/Sh	Changing the Statement Date and Due Date for Credit Cards	The Shari’ah Committee resolved that there is no Shari’ah objection to changing the statement date and due date for credit cards.	26.03.24
167/02/Sh	Removing the Step of Approving the Murabaha Contract from Margin Financing Products	The Shari’ah Committee resolved that there is no Shari’ah objection to removing the aforementioned step, as it is already fulfilled in the preceding steps.	30.04.24
167/03/Sh	Transfer of Ownership Form	The Shari’ah Committee resolved that there is no Shari’ah objection to adopting the Transfer of Ownership Form.	30.04.24
168/01/Sh	Account Management Agreement for Off-Plan Sale Projects	The Shari’ah Committee resolved that there is no Shari’ah objection to adopting the Account Management Agreement document for off-plan sale projects.	07.05.24

Shari'ah Committee Resolutions in 2024			
Resolution No.	Title	Decision	Date
168/02/Sh	Account Management Fee Agreement for Off-Plan Sale Projects	The Shari'ah Committee resolved that there is no Shari'ah objection to adopting the Account Management Fee Agreement document for off-plan sale projects.	07.05.24
168/03/Sh	Document for Paying Expenses from the Project's Escrow Account	The Shari'ah Committee resolved that there is no Shari'ah objection to adopting the document for paying expenses from the project's escrow account.	07.05.24
168/04/Sh	Lease Financing Services Model - Traffic Services	The Shari'ah Committee resolved that there is no Shari'ah objection to adopting the Lease Financing Services Model - Traffic Services.	07.05.24
170/01/Sh	Models for After-Sales Services for the Car Lease Financing Product	The Shari'ah Committee resolved that there is no Shari'ah objection to adopting the models for after-sales services for the car lease financing product.	04.06.24
172/01/Sh	Wasl Platform	The Shari'ah Committee resolved that there is no Shari'ah objection to launching and operating the Wasl platform, provided that all these services do not conflict with the rules stipulated by the Saudi Central Bank and regulatory authorities, and do not conflict with the articles and clauses of the contracts and agreements signed with the Bank's customers.	11.07.24
172/02/Sh	Additional Tier 1 Sukuk Program denominated in US Dollars (The Program) for Riyadh Bank	The Shari'ah Committee resolved that the Program's structure and mechanism complies with the provisions and principles of Islamic Shari'ah, and it is permissible for anyone with an interest to purchase the certificates. It is also permissible for holders to sell their share in the secondary market at prevailing prices, which may be at par, premium, or discount, provided that the transaction documents are presented to the Shari'ah Committee for approval after being drafted.	22.07.24
173/01/Sh	Sukuk Program Transaction Documents	The Shari'ah Committee resolved to approve the implementation documents for Riyadh Bank's Sukuk program.	25.08.24
173/07/Sh	Unified Shari'ah-Compliant Forward Commodity Sale Agreement Between Dealers	After reviewing and discussing the agreement, and referring to resolution no. 52/01/Sh, the Shari'ah Committee resolved that there is no Shari'ah objection to implementing the amendments to the unified agreement for commodity sales between dealers.	25.08.24
173/09/Sh	Professional Code of Conduct and Governance Practices	The Shari'ah Committee approved the Professional Code of Conduct and Governance Practices document as presented, committing to implement it.	25.08.24

Shari'ah Committee Resolutions in 2024			
Resolution No.	Title	Decision	Date
174/01/Sh	Shari'ah Committee Regulations	The Shari'ah Committee resolved to approve working with the updated regulations.	04.09.24
175/02/Sh	Vehicle Lease Financing Models for Bank Customers and Employees	The Shari'ah Committee resolved that there is no Shari'ah objection to approving the lease financing models for vehicles.	17.09.24
175/03/Sh	Murabaha Sale Contract	The Committee resolved that there is no Shari'ah objection to implementing the Murabaha sale contract with the implemented amendments.	17.09.24
175/04/Sh	Terms and Conditions for International Transfers	After studying, reviewing, and referring to the Legal Advisor opinion no. 150.1, the Shari'ah Committee resolved that there is no Shari'ah objection to implementing the terms for international transfers between the Bank and Thunes, Mastercard, and Visa Direct.	17.09.24
175/05/Sh	Retail Financing Risk Acceptance Criteria v7.0	The Shari'ah Committee resolved that there is no Shari'ah objection to the implementation of the document.	17.09.24
176/08/Sh	Amendment to Goods and Services Benefits Agreement	After studying, reviewing, and referring to minutes 103, the Shari'ah Committee resolved that there is no Shari'ah objection to implementing the amendments to the goods and services benefits agreement.	15.10.24
176/10/Sh	Adoption of Shari'ah Governance Policy	The Shari'ah Committee resolved in meeting 176 to approve the Shari'ah Governance Policy for banking transactions compliant with Shari'ah principles.	15.10.24
176/11/Sh	Cancellation of Shari'ah Governance Framework	The Shari'ah Committee resolved in meeting 176 to approve the cancellation of the Shari'ah Governance Framework for Shari'ah-compliant banking transactions.	15.10.24
176/12/Sh	Terms for Riyadh Bank Cards on Samsung Pay Platform	After studying, reviewing, and examining the legal memorandum, the Shari'ah Committee resolved in meeting 176 that there is no Shari'ah objection to implementing the terms for operating Riyadh Bank cards on Samsung Pay electronic payment platforms.	15.10.24
176/13/Sh	Terms for Riyadh Bank Cards on Electronic Payment Platforms	After studying, reviewing, and examining the legal memorandum, the Shari'ah Committee resolved in meeting 176 that there is no Shari'ah objection to implementing the terms for operating Riyadh Bank cards on third-party electronic payment platforms.	15.10.24
177/01/Sh	Lease Financing	The Shari'ah Committee resolved that there is no Shari'ah objection to proceeding with the lease financing product.	30.10.24

Shari’ah Committee Resolutions in 2024			
Resolution No.	Title	Decision	Date
177/02/Sh	Terms and Conditions of Hasalty Product	The Shari’ah Committee resolved that there is no Shari’ah objection to proceeding with the Hasalty products’ terms and conditions document.	19.11.24
177/03/Sh	Digital Platform for SMEs	The Shari’ah Committee resolved that there is no Shari’ah objection to proceeding with the digital platform for small and medium enterprises, provided that services and financing procedures receive prior Shari’ah Committee approval.	19.11.24
177/04/Sh	Point of Sale Financing Application	The Shari’ah Committee resolved that there is no Shari’ah objection to proceeding with the point of sale financing application.	19.11.24
177/07/Sh	Investment Fund Portfolio Display Service	The Shari’ah Committee resolved that there is no Shari’ah objection to proceeding with the investment fund portfolio display service on Riyadh Bank’s application.	26.11.24
177/08/Sh	Real Estate Financing Models	The Shari’ah Committee resolved that there is no Shari’ah objection to proceeding with the real estate financing models.	26.11.24
177/10/Sh	Addition of “Bank Bears Return” Phrase	The Shari’ah Committee resolved that there is no Shari’ah objection to adding the phrase “Bank bears return and return amount for customer” to the Islamic return account product.	26.11.24
179/01/Sh	Sukuk Program Structure	The Shari’ah Committee, after reviewing the program structure and its mechanisms (taking into consideration the “continuation” on both above-mentioned pages), resolved that the structure complies with Shari’ah principles. Certificate holders may sell their shares in the secondary market at prevailing prices (par, premium, or discount) by way of dealing.	24.12.24
179/05/Sh	Business Standards Manual for Credit Cards v10.0	The Shari’ah Committee reviewed the presented proposal regarding the business standards manual and risk management for credit cards version 10.0, and found no Shari’ah objection to proceeding.	24.12.24
179/11/Sh	Shari’ah Advisory Workflows	The Shari’ah Committee resolved to approve the Shari’ah advisory work procedures as amended.	24.12.24
179/12/Sh	Shari’ah Audit Workflows	The Shari’ah Committee resolved to approve the Shari’ah audit work procedures as amended, provided that the Shari’ah audit report is approved by the Shari’ah Committee, not by the Head of Islamic Banking.	24.12.24

Shari’ah Committee Resolutions in 2024			
Resolution No.	Title	Decision	Date
180/01/Sh	Annual Shari’ah Audit Report 2024	The Shari’ah Committee reviewed the annual audit report, for the 2024 activities, submitted by the Shari’ah Audit team in the Islamic Banking Division on Monday 29/6/1446H corresponding to 30.12.24. The Committee thanks the Shari’ah Audit team at Riyadh Bank and commends all departments’ commitment to implementing the Committee’s decisions and recommendations.	30.12.24
180/02/Sh	Annual Shari’ah Compliance Report 2024	The Shari’ah Committee reviewed the annual compliance report for the 2024 activities, submitted by the Shari’ah Compliance team in Islamic Banking Division on Monday 29/6/1446H corresponding to 30.12.24. The Committee thanks the Shari’ah Compliance team and commends all departments’ swift handling of observations and commitment to implementing the Committee’s recommendations.	30.12.24
180/03/Sh	Shari’ah Audit Plan 2025	After reviewing the Shari’ah audit plan for the year 2025 the Shari’ah Committee approved the audit plan and recommended increasing the number of Shari’ah Auditors in the Islamic Banking Division to ensure proper implementation of the Committee’s directives and decisions.	30.12.24

Compliance

Compliance Statement in Riyadh Bank

The Compliance Division is an independent function responsible for identifying, evaluating, monitoring, and advising on compliance matters, supporting Riyadh Bank’s commitment to safeguarding its professional practices, and customers. By adhering to applicable laws and regulations and complying with international standards, Riyadh Bank ensures the highest standards of integrity and compliance in all areas of its operations.

The Compliance Division’s main objectives are to activate and enhance the compliance policy and its culture in all the Bank’s activities, and businesses, as well as protecting the Bank’s interests and to reduce the risk of non-compliance with regulations, requirements, and instructions. In addition, it is the Compliance Division’s role to enhance and maintain the confidence of Riyadh Bank’s integrity and reputation. Riyadh Bank provides the best standards of security and protection for its customers and Shareholders to prevent violations of laws and regulations.

The process of identifying the risk takes place periodically and continuously in order to avoid non-compliance via issuing internal policies and procedures that must be followed by all Riyadh Bank’s employees and Stakeholders. Riyadh Bank has zero tolerance towards any violation or non-compliance with applicable laws and regulations. The Bank has also implemented a Code of Conduct that is mandatory for all employees and concerned Stakeholders to fully comply with.

Code of Conduct and Business Ethics Policy

Riyad Bank’s ability to do what is right is an instrumental factor in its integrity and reputation. The Code of Conduct in Riyadh Bank is designed to guide employees on the expected ethical principles and standards.

The policy is prepared on the basis that everyone at Riyadh Bank is responsible for conducting business ethically and no one should ever forgo integrity or even seem that they have. The Bank values its reputation and considers it to be an integral part of its business. Riyadh Bank is also committed to doing business based on its own ethical standards and the value it provides to its customers and Stakeholders, not on gifts or offers that may be given or received.

The policy also provides clear guidance on what the Bank allows for its employees to accept or give in terms of gifts, benefits, favors, entertainment, etc. Riyadh Bank does not compromise its reputation by engaging in, or appearing to engage in, bribery or any form of corruption.

Anti-Money Laundering and Counter-Terrorist Financing Statement

Riyad Bank is firmly committed to the highest standards in combating money laundering and terrorism financing activities. Riyadh Bank is also committed to identifying potential money laundering and terrorism financing transactions with a high level of transparency and compliance with the applicable laws, rules, and guidelines issued by the Saudi Central Bank (SAMA), or other relevant regulatory authorities.

Additionally, Riyadh Bank has implemented a program to combat money laundering and terrorism financing to prevent the use of the Bank’s branches, trade finance centers, the Bank’s products and services in general, including its affiliates, as channels for illegal activities in connection with money laundering and terrorism financing activities.

This program is ensuring compliance with global requirements, including the Financial Action Task Force (FATF) recommendations, local laws, as well as the Saudi Central Bank (SAMA) regulations, and other regulatory requirements to prevent illegal transactions or activities.

Riyad Bank has established robust AML & CTF policies and procedures based on local and international guidelines to combat and prevent criminal activities. The subject policies and controls encompass several programs such as:

- Know Your Customer (KYC)
- Customer Due Diligence (CDD)
- Transaction monitoring
- Sanctions
- Training and awareness
- Reporting of suspicious activities

The AML and CTF programs are subject to independent reviews and evaluations by internal and external Auditors as well as the periodic inspections by the Saudi Central Bank (SAMA).

Whistleblowing Statement and Tools (including Violations Reporting and Anti-Bribery and Corruption)

Riyad Bank is committed to encourage the highest possible professional and best practice standards in all its businesses. To achieve this, it encourages an environment and culture in which all parties can report all forms of non-compliance.

A whistleblowing policy has been implemented, which is intended to ensure that all employees and Stakeholders feel supported in speaking up in confidence and reporting matters that they suspect may involve improper, unethical, or inappropriate conduct and alike within the Bank.

The policy is intended to enable those who become aware of wrongdoing to report their concerns, so that they can be properly investigated. Reports can be made anonymously. However, if reporters put their names to allegations this policy has been established to protect reporters from any act of retaliatory, intimidating, or threatening conduct, and ensures that reports are examined with high levels of professionalism.

Riyad Bank has also implemented a Code of Conduct and Business Ethics Policy which is intended to ensure that the Bank is applying a comprehensive mechanism to combat bribery and corruption which includes a set of roles and responsibilities for different Stakeholders, in order to ensure that it is subject to appropriate oversight. In addition, the Board of Directors provide an oversight to the anti-bribery, corruption mechanisms, and strategies implemented by the Bank, including any other relevant policies.

The Bank also established an appropriate control environment and channels for reporting of any potential bribery and corruption activities through whistleblowing using applicable internal and external means, including periodic testing for its effectiveness.

The Whistleblowing form is available through the following link:

<https://www.riyadbank.com/ar/about-us/compliance-statement/whistleblowing>

Know Your Customer / Customer Due Diligence

Riyad Bank has implemented robust KYC/CDD procedures to ensure comprehensive and accurate understanding of its customers in line with regulatory requirements.

All customers are required to present valid and updated identity documents in accordance with the applicable requirements. The Bank diligently applies proper due diligence measures to update and verify customer information, according to the customer risk profile rating or in case of a trigger event.

The Bank strictly prohibits accounts being opened by anonymous, numbered, non-resident individuals or entities in the country, and does not engage in any relationships with shell banks.

Transactions Monitoring System

The Bank has implemented a robust automated transaction monitoring system to identify potential suspicious transactions based on updated scenarios and internal procedures. The authorized officers thoroughly investigate and analyze these transactions to determine their legitimacy and take the appropriate actions accordingly. Suspicious transactions are reported internally and externally to the relevant competent authorities.

Riyad Bank takes immediate actions to rectify any violation to ensure compliance with the applicable laws and regulations, and implement corrective measures as required.

Financial Crime Risk Assessment

Riyad Bank has implemented sound risk assessment associated with money laundering and terrorist financing and other financial crimes. A comprehensive risk register is established to document and manage AML/CTF and other financial risks. Riyad Bank regularly reviews its internal controls to identify and address weaknesses ensuring resilient risk management process.

Sanctions Program

The Bank has a highly effective system for the screening of transactions and customers against the names listed by local authorities and international organizations, such as UN, OFAC, EU, UK, and Saudi Central Bank (SAMA).

This allows the Bank to identify and mitigate risks associated with sanctioned individuals and entities, ensuring that the Bank does not engage in any transactions or activities that could violate sanction requirements.

Personal Dealing and Insider Trading Oversight Policy

Riyad Bank has exhorted efforts to see that controls are put in place in order to ensure that there is no misuse of information by any of its employees.

Employees of Riyad Bank, it being a financial services company, may have access to material, non-public information (MNPI), or insider information about the Bank itself, its clients, or other companies. Riyad Bank strictly prohibits the misuse of MNPI or Insider Information used for any personal gain by employees.

Conflict of Interest Policy

Riyad Bank has a firmly committed fiduciary obligation towards its clients and Shareholders to act in their best interest. This means the Bank avoids and addresses, through controls, disclosures, or other appropriate steps, actual or potential conflicts of interest.

Training and Awareness

Compliance Training and Awareness are fundamental tools used to develop a robust compliance culture and is considered one of the main responsibilities of Compliance. Based on Riyad Bank’s training policy and the applicable laws and regulations, the Bank provides periodic training to all employees, including the Board of Directors, Senior Management, and new hires. The Bank utilizes several channels to provide training and awareness covering non-compliance and financial crime threats to ensure all employees are informed of the applicable regulations, instructions and developments.

Risk Management

The Bank has a sound risk culture, an enabling risk appetite, and an Enterprise Risk Management Framework (ERMF) in order to ensure a robust internal control environment and, an affective risk management oversight in the Bank.

Risk Culture

Risk culture is one of the critical principles of the Bank’s enterprise risk management to set the norms of behavior and actions around the management of risk. It shapes the Bank’s ability to identify, understand, assess, manage, and mitigate the current and future risks. It ensures that that proper risk culture is embedded within the Bank.

Risk Governance

The Board of Directors has an ultimate responsibility for the Bank’s strategy, governance, risk management, compliance, and financial soundness. The Board of Directors has a designated Risk Management Committee to have continuous oversight on risk management to ensure effective risk governance. The Saudi Central Bank (SAMA) and the Basel Committee have directed that the risk management function should be independent from other banking functions. To put in place an adequate operating structure to consider the risk and control, the Bank has implemented a 3 lines of defense approach with controls at different organizational units i.e. the operating units, other control areas, and Internal Audit. The Bank’s sound governance and risk management are reinforced by these 3 lines of defense approach, which is also an integral part of an ERMF.

Enterprise Risk Management Framework

Risk is inherent to Riyad Bank’s business activities and should be managed through a process of ongoing identification, measurement, and monitoring, subject to risk limits and other controls. This process of risk management is critical to Riyad Bank’s continuing profitability and each individual within the Bank is accountable for the risk exposures relating to their responsibilities.

Riyad Bank’s Enterprise Risk Management Framework (ERMF) provides a set of definitions of all the risks the Bank encounters.

Effective Risk Management is critical to Riyad Bank’ sustainable growth. It will require identifying, assessing, measuring, controlling, mitigating, and reporting the risks faced by the Bank. Furthermore, Riyad Bank’s ERM Framework should also allow establishing a clear linkage between Riyad Bank’s Business Strategy, Risk Appetite, and Capital Management.

Risk Appetite Framework

The Risk Appetite Framework (RAF) is an integral component of the Bank’s ERMF and is embedded in the Bank’s strategy and annual operating plan. The RAF establishes the overall approach through which the Bank ensures prudent risk-taking. It is established on the basis of best practices and outlines the process of developing a Risk Appetite Statement (RAS), governance, monitoring, and reporting. The RAS is integrated with the Bank’s strategic planning process and is approved by the Board on an annual basis.

In pursuit of its strategy, the Bank is exposed to various types of risks, including but not limited to credit risk, market risk, liquidity risk, operational risk, and cyber and information security risk. Strategic risk objectives, containing a full suite of quantitative metrics and qualitative statements are defined in the Risk Appetite Framework. The Bank also expresses risk appetite qualitatively in terms of policies, processes, procedures, and controls duly meant to manage risks that may or may not be quantifiable.

The Bank will continue to invest in a risk management ecosystem for all key existing and emerging risks.

Credit Risk

Credit risk is defined as the risk of financial loss resulting from the secondary party to a credit transaction not meeting (or not meeting completely) their financial obligations. Accordingly, the Bank developed a credit risk management framework and various policies that encompass all financing programs to ensure the Bank minimizes the overall risk in its credit portfolio and reduces losses incurred by financing activities.

The Bank operates in accordance with its stringent credit framework, policies, manuals, and procedures, which are reviewed regularly, considering latest updates and regulations of SAMA, BIS, risk dynamics, and market developments. Credit limits should be commensurate with the level of risk. Excessive concentration of credit risk should be avoided in all dimensions in both retail and corporate exposure.

The Bank's credit rating system conforms to international standards. The Bank, while having its own credit rating system, also incorporates the ratings of external agencies in the due diligence process. The credit risk assessment is executed through standardized measurement tools. This provides a comprehensive picture of the Bank's asset quality. In addition, it measures the probability of default which is a prerequisite for calculating expected credit losses in accordance with accounting standards.

The Bank's processes are constantly evolving in line with requirements of both local and international regulators. The Bank complies with all Basel requirements in measuring the capital adequacy ratio required to cover credit risk according to the standard method (Standardized Approach). The Bank uses internal credit risk models for credit assessments. These models are validated and reviewed annually by a third party. The validation includes tests that are carried out to ensure the reliability of the results of the credit rating models and their quantitative and qualitative aspects.

Real Estate Finance Risk

The Bank's total outstanding residential real estate finance portfolio as of 31 December, 2024 was 兆 66 Bn. The Bank has developed adequate policies and procedures to ensure that the appropriate insurance coverage is in place to hedge against potential financial losses associated with residential real estate portfolio. However, risk elements that are not part of the insurance coverage are dealt with according to the Bank's internal risk management framework.

Following are the different types of insurance covers that the Bank has utilized to hedge various risks associated with its residential real estate finance portfolio:

- **Life Insurance:** The life insurance provides financial protection in the event of death resulting from natural or accidental events, or a specified cause as per the insurance policy, in order to recover the outstanding financed amount from the insurance company.
- **Disability Insurance:** The disability insurance provides financial protection to recover the outstanding financed amount if the policyholder becomes fully and permanently disabled and is unable to work or engage in an income earning activity.

- **Property Insurance:** Property insurance provides coverage for physical damage or loss to the property caused by events such as fire, flood, or natural disasters etc. This is aimed to mitigate the financial impact of property damage, allowing the Bank to recover the costs due to unexpected/unforeseen events.

Market and Liquidity Risks

Market risk is the risk of losses resulting from fluctuations in market prices, of relevant instruments such as special commission rates, stock prices, foreign exchange rates, and any changes in the fair value of financial instruments and securities held by the Bank.

The Bank continuously measures and monitors risks pertaining to assets and liabilities resulting from fluctuations in fair values or future cash flows of financial instruments due to changes in market prices. This is achieved using risk structure, limits, and metrics approved by the Board of Directors and monitored by the Market and Liquidity Risk Management Department.

There is also a trade-off between liquidity and profitability, and an appropriate balance must be struck in all operations, while maintaining a strong liquidity position to increase customer confidence and improve the cost of funding. Additionally, periodic reports on market and liquidity risks are submitted to the Asset and Liability Management Committee and the Investments Committee. Such reports are then submitted to the Board's Risk Committee.

The Bank adopts the value at risk (VaR) standard, which is a tool to measure and quantify the level of financial risk in a Bank or a portfolio. The Bank can then monitor the changes and volatility of market prices and the relationship linking these changes to one another as a basic standard for measuring market risks. Moreover, several other advanced standards are used to improve analytical capabilities in managing market risks, including liquidity, stress tests, and analysis of market risk sensitivity.

The Bank continues to enhance its operations and systems to manage market and liquidity risks effectively and to implement the latest regulatory standards as per the requirements of SAMA and BIS.

Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people, and systems, or from external events. These risks arise in all activities undertaken by various business and support functions. They may also arise due to risks from third party service providers. Operational risk is inherent in all of the Bank's products, activities, processes, and systems. The effective management of operational risk is a fundamental element of a bank's risk management strategy.

The Bank has developed operational risk management and measurement policies, standards, and guidelines. They include, performing an independent view of the identified risks by business units and designing an effective test of key controls and risk tolerance, in addition to monitoring and reporting of the operation risk profile, operational risk training, and raising risk awareness. Also, there is an integrated risk-based approach that is compatible with the Bank's activities that includes:

- Identifying operational risks, including emerging risks, by means of improving various tools to effectively manage operational risks.
- Measuring operational risks using a standardized methodology for risk assessment in cooperation with the second line of defense departments.
- Evaluating operational risks and their impact on the Bank's strategic and executive operational objectives.
- Continuously monitoring the impact of operational risks to ensure that priorities are set in taking the corrective actions necessary to address risks.
- Submitting periodic reports to the Executive Management, the Operational Resilience Committee, and the Enterprise Risk Management Committee on important operational risk cases to obtain guidance on corrective action and approvals as needed.
- Identifying and sharing leading practices with the Management and competent officers in Risk Management.
- Enhancing awareness and knowledge of different risks in the Bank.

Technology Risk

In today's digital banking landscape, technology risk has emerged as a critical component of the Bank's operational risk framework. As technology underpins the core banking operations and strategic initiatives, effective management of technology-related risks is paramount to maintaining the Bank's competitive edge and ensuring operational resilience. The Bank has implemented a comprehensive technology risk management framework that aligns with its overall risk appetite and strategic objectives. Riyadh Bank's approach encompasses both existing and emerging technology risks, with a particular focus on digital transformation, secured delivery of services and systems resilience.

Key components of the technology risk management strategy include:

- Implementation of robust risk metrics and monitoring mechanisms aligned with the Bank's risk tolerance framework.
- Development and maintenance of an integrated technology risk register that synchronizes with the Bank's enterprise risk management framework.
- Regular assessment and documentation of critical control points, including gap analysis and enhancement recommendations.
- Execution of annual risk assessments, control testing, and validation procedures.
- Comprehensive evaluation of high-risk applications and systems through collaborative efforts with business units.
- Regular reporting of technology risk metrics and performance indicators to relevant governance committees.
- Systematic review of technology policies to ensure alignment with international best practices and SAMA regulatory requirements.

Technology risk management demonstrates the management commitment to maintaining a secure and resilient technological infrastructure while supporting the Bank’s digital transformation journey. Through continuous monitoring and enhancement of the control environment, Riyad Bank strives to protect its Stakeholders’ interests and maintain its position as a trusted financial institution in the Kingdom.

Cyber and Information Security Risks

Cyber and information security risks refer to risks arising from the possibility of breaching the necessary regulatory, technical, and procedural measures put in place to protect the Bank’s information from unauthorized access, disclosure, reproduction, as well as from use, modification, transfer, loss, theft, or misuse thereof in a deliberate and subversive, or accidental manner.

The Bank manages cyber and information security risks through a comprehensive practical framework via which governance is applied across all its information systems, practical procedures are organized, and implementation of the regulatory requirements and necessary rules is facilitated, ensuring the protection of the Bank’s informational assets to reduce various cyber and information security risks. Moreover, cyber and information security legislations issued by the relevant authorities are enforced. There is direct and complete supervision of all relevant activities from the viewpoint of cyber and information security. A process of cyber security testing and cyber security risk assessments established, and continuous monitoring of system events in correlation with cyber threat intelligence is performed for the purpose of identifying cyber security risks and taking necessary measures to immediately reduce/mitigate those risks.

The Bank is effectively complying with the applicable regulatory directives, international standards and best practices besides constantly enhancing the cyber security awareness program to promote a cyber security culture amongst all employees, contractors, vendors, and customers.

Data Privacy

Privacy risk refers to the protentional for personal data to be accessed, disclosed, or used in unauthorized ways that can harm the privacy of the individual or violate legal and regulatory requirements. This could result from compliance violations, data breaches, data misuse or mismanagement, insufficient data protection or improper access controls. This exposure of customer, employee, or third-party data can lead to legal liabilities, reputational damage, regulatory penalties, and loss of customer trust.

In compliance with the Saudi Personal Data Protection Law and other regulations and best practices, Riyad Bank has established an effective governance structure and implemented comprehensive data privacy policies, processes, technologies, and data protection controls to enable data subjects to practice their rights and safeguard the personal data of the Bank’s customers, employees, third parties, and all related data subjects.

Financial Crime Risks

In recent years financial crimes have emerged as a serious threat and challenge to financial institutions and their employees. Riyad Bank realizes the gravity of such crimes and their consequences. Therefore, efforts were made to take preventive measures of a strategic nature to combat and prevent financial crimes, which helped eliminate such crimes to a great extent.

The Bank was keen and took steps to incorporate the best international practices to execute its strategy to combat and monitor suspicious transactions related to anti-money laundering and combating terrorist financing, including controls designed to combat embezzlement, financial fraud, and monitor bank accounts. The Bank will continue to further strengthen the controls to prevent financial crimes.

The nature of the risks is dynamic and subject to change with the changes in the financial environment, types of crimes, and technologies used in the banking industry. Therefore, Riyad Bank’s strategy is subject to periodic reviews and frequent updates. In addition, a risk assessment review is also carried out periodically that encompasses the functions, departments, policies, and procedures for addressing risks of internal and external fraud and determines the level and nature of those risks. Since they may pose special risks, all new financial products and services are subject to a risk assessment by control functions before they are launched.

Riyad Bank sought to raise employee awareness by launching awareness programs throughout the year to boost commitment to combating financial crimes. The customer and concerned parties play an important role in helping the Bank to detect fraud. Accordingly, awareness and ad campaigns are launched to inform customers of the types of fraud they may face and how to report them.

ESG Integration into Risk Management

Integration of Environmental, Social, and Governance (ESG) Standards and Principles into banking practices is widely accepted as a major objective for successful management of climate risks in order to ensure long-term sustainability. Banks are increasingly expected to integrate climate-related risks into their traditional risk management frameworks, policies, and practices.

Climate risk can have a significant impact on banks, influencing credit risk, market risk, operational risk, and liquidity risk. Banks may face credit risk if borrowers are unable to pay back loans due to extreme weather events or impacts on their business models. Market risk may arise from a reduction in asset value, increased volatility, or repricing of securities and derivatives. Operational risk can result from disruptions in the Banks’ business continuity or reputational risk as customers become more climate conscious. Liquidity risk can be caused by increased outflows triggered by more withdrawals than anticipated (e.g., due to a climate-related event such as a wide area flood).

Riyad Bank has been developing its capacity in this regard starting with awareness about ESG and climate risks. The Bank has invested in training programs and workshops to improve its ESG-related risk management capabilities and knowledge, and to align with international best practice. Riyad Bank has initiated the integration of ESG into risk management policies and practices in line with its Sustainability Strategy. In this regard the Bank has successfully developed a sectoral level climate risk heat map with a KSA context. The heatmap has enabled the Bank to identify high-risk sectors and will support the next steps, such as the development of client-level climate scorecards.

Stress Testing

Stress-Testing is an integral tool to estimate and contain a range of qualitative and quantitative material risks enabling the Bank to identify current and potential vulnerabilities in the Bank’s exposures, which could result in material losses during stressed conditions.

Stress-Testing complements other approaches in the assessment of risks. Under the Internal Capital Adequacy Assessment Process (ICAAP) and Internal Liquidity Adequacy Assessment Process (ILAAP) exercises, it is the primary indicator of the Bank’s ability to withstand stress events and maintain sufficient levels of capital and liquidity at all times. It is used for the evaluation of the financial position of the Bank under severe but plausible shocks to assist in the decision-making within the Bank.

Risk Management develops and monitors the stress methodologies along with underlying assumptions to ensure the efficacy of stress models. The Stress-Testing exercise is conducted twice a year in line with SAMA’s requirements.

Pillar 3 Disclosures

Pillar 3 Disclosures requirements have been issued by the Basel Committee on Banking Supervision (BCBS). They require banks to publish a range of quantitative and qualitative disclosures, mainly covering risk, capital, leverage, and liquidity. These are published and posted on the Bank’s website www.riyadbank.com in accordance with SAMA instructions. Such disclosures are not subject to examination or review by the Bank’s external Auditors.

Effectiveness of Internal Controls

Riyad Bank has a well-established internal control system to ensure an effective internal control environment, in line with the “Guidelines on Internal Control” issued by SAMA. The system acts to ensure that strategic goals are achieved by protecting the Bank’s assets and guaranteeing operations are carried out pursuant to applicable guidelines. Internal controls include clear corporate governance that defines the roles and responsibilities of members of the Board and its Committees.

The Executive Management and its Committees ensure that risks related to regulatory requirements, strategy, financial performance, information technology, assets and liabilities management, liquidity, credit, operations, legal affairs, and information security are appropriately managed.

Bank employees and departments are responsible for the efficiency and effectiveness of their respective internal control environments. This assurance is provided through periodic self-assessment reviews of processes and controls to proactively identify areas of improvement and ensure timely remediation. Additionally, independent control functions and internal and external Auditors conduct reviews to ensure adequacy of the internal control environment.

The Compliance Department ensures compliance with regulatory requirements and guidelines. Meanwhile, the Internal Audit Department independently assesses the adequacy and efficiency of the internal control environment, by ensuring all applicable policies and procedures are implemented and practiced appropriately.

Senior Executive Management and the Audit Committee are regularly updated on the status of the internal control environment, as well as actions identified to improve its adequacy and effectiveness. They ensure timely implementation of the measures taken to mitigate all identified risks.

Annual assertions and acknowledgments of executive management pertaining to internal control

During the fiscal year ended on 31 December, 2024, the top management and regulators of the Bank emphasized that:

- The internal controls applied in the control system are safe and effective.
- The deficiencies and internal and external weaknesses are addressed to ensure the safety of Bank interests.

The Audit Committee’s opinion on the Bank’s control system for the year ended on 31 December, 2024

The Committee has reviewed during its meetings held on 2024 the periodic reports of the internal audit division, the compliance division and the risk management division, as well as the reports from regulators. Moreover, the Committee conducted a meeting separately with the external Auditors and reviewed their reports whereas the Committee has monitored regularly the efforts exerted by the control functions in the Bank and the executive management in order to secure addressing the observations that were detected and the implementation of controls that would mitigate its effect on the control system or prevent its recurrence thereof.

In accordance with the annual assertions and disclosures, which were provided to the Committee by the control functions and executive management, the Audit Committee finds that there are no control gaps or fundamental weakness within the Bank’s control system which effect the validity and fairness of the financial statements, noting that any internal control system regardless of its soundness and effectiveness of its application, could not provide absolute confirmation.

This comes within the Board’s objectives with respect of obtaining reasonable confirmations about the soundness and the effectiveness of the internal control systems.

