



بنك الرياض  
Riyad Bank

# Board of Directors Report

2024



Custodian of the Two Holy Mosques  
**King Salman bin Abdulaziz Al Saud**  
King of Saudi Arabia



His Royal Highness Prince  
**Mohammed bin Salman bin Abdulaziz Al Saud**  
Crown Prince and Prime Minister

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The Board of Directors of Riyadh Bank is pleased to present its Annual Report to the Shareholders on the performance of the Bank and its subsidiaries for the fiscal year ending on December 31, 2024, including information about the Bank’s activities, its most important achievements, strategies, financial results, the Board of Directors and its various committees, and other complementary information aimed at meeting the needs of the reader.



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# Bank Profile

6 About Riyadh Bank

■ Riyadh Bank drives growth and innovation, supporting Vision 2030 with trusted financial solutions.





# About Riyadh Bank

Since 1957, Riyadh Bank has grown into one of the largest financial institutions in Saudi Arabia and the Middle East, with a paid-up capital currently at SAR 30 Bn. The Bank’s team of over 7,500 dedicated employees, with a Saudization rate of 96% - one of the highest among large organizations in the Kingdom - stands as the cornerstone of its success and a source of immense pride.

Riyad Bank caters to the diverse needs of retail and corporate clients, including small and medium-sized enterprises, with a wide range of industry-leading conventional and Shari’ah-compliant products and services. As a trusted financier and arranger of syndicated loans across key sectors such as oil, petrochemicals, and major infrastructure projects, Riyadh Bank is honored to play a central role in supporting Saudi Arabia’s Vision 2030. Through its subsidiary, Riyadh Capital, the Bank leads in IPO advisory and asset management, earning numerous awards and cementing its position as a pioneer in the financial sector.

Riyad Bank’s cutting-edge banking and financial solutions are delivered through an extensive network of 333 strategically located licensed branches, more than 254,000 POS systems, and over 1,700 ATMs across the Kingdom. Complementing these is the Bank’s advanced digital banking platform, which leverages the latest technologies to provide fast, secure, and seamless services for its customers.

Extending beyond the Kingdom, Riyadh Bank’s presence now spans London, Houston, and Singapore, with a new representative office in China soon to follow. This growing international footprint reflects the Bank’s commitment to serving its customers wherever they are and driving its continued growth beyond limits.

**Vision**     **To be the most innovative and trusted financial solutions partner.**

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

**Values**     • **We Care** • **We Win** • **We are One Team**

## Operating Segments

### Retail Banking

Deposits, credit, and investment products for individuals and small to medium-sized businesses.

### Corporate Banking

Principally handling corporate customers’ current accounts, deposits, and providing loans, overdrafts, and other credit facilities and derivative products.

### Treasury and Investment

Principally providing money market, trading, and treasury services, as well as the management of the Group’s investment portfolios.

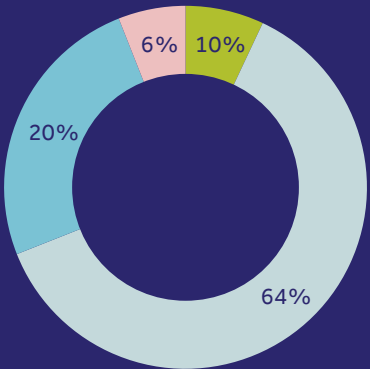
### Investment Banking and Brokerage

Investment management services and asset management activities related to dealing, managing, arranging, advising, and custody of securities.

The following lays out the contributions of each operating segment to the Bank’s total net income for 2024.

**Net Income\* before Zakat**  
**SAR 10.4 Bn.**

- 1,016 Mn. Retail Banking
- 6,641 Mn. Corporate Banking
- 2,079 Mn. Treasury and Investment
- 661 Mn. Investment Banking and Brokerage\*\*



\*The influence of other subsidiaries on the Bank’s results is not material.  
\*\*Represents Riyadh Capital.

# Strategic Review

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Riyad Bank's continued success is driven by a clear strategic vision, a focus on digital transformation, and a commitment to enhancing customer experience.

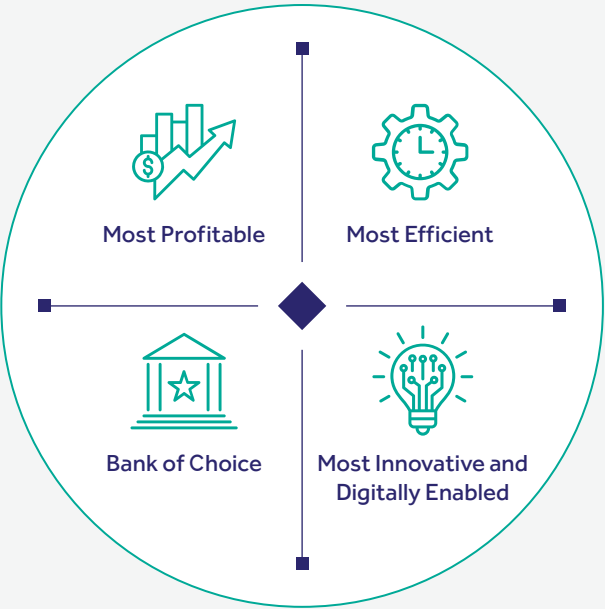




# Strategy and KPIs

## Strategic ambitions driving continued growth

The Bank’s strategy, initially established in 2017 and further refined in 2022, has always been committed to positioning Riyadh Bank as the **“the most innovative and trusted financial solutions partner”**. The strategy is crafted to accelerate growth and innovation through 4 essential strategic pillars:



These strategic pillars represent the Bank’s aspirations for 2025, and to realize them requires excellence across internal and external capabilities. Internally focusing on active risk management, accelerated launch of new products, overall organizational agility, and talent management. While externally, dedication is focused on customer experience, ecosystem expansion beyond traditional banking to emphasize sustainability and ESG, and collaboration with strategic partners to drive innovations and Fintech.

Fully aligned with the goals of Saudi Vision 2030 and the Bank’s commitments to corporate sustainability, this strategy allows the Bank to pursue its business ambitions while contributing to the greater good and success of the Kingdom.

Riyad Bank’s strategic aspirations are driven by key operating model tactics across its business units.

<b>Segments</b> Groups of Riyadh Bank customers with similar characteristics and behaviors, such as affluence and confidentiality.	<b>Strategic Approach</b> Focusing on the customer ecosystem beyond banking to create custom propositions for particular segment levels.
<b>Products</b> “What” the Bank offers the customers, from accounts to credit cards to loans.	<b>Strategic Approach</b> Developing customized relationships via risk-based pricing and capturing transactions, FX, fees, etc. to create wealth for customers.
<b>Channels</b> “How” the Bank offers services and products to serve customers through multiple touchpoints, such as branches, IVR, digital portal, and app.	<b>Strategic Approach</b> Mobile/digital first for sales and service.

## Strategic Drivers

Riyad Bank’s success in achieving its aspirations will be driven by 3 strategic drivers:

### Value through Innovation

Within the 2025 strategy, value will be driven by innovation across the entire customer experience. This entails developing tailored value propositions for the various customer segments in the Saudi market, offering products and services beyond banking, developing personalized relationships with customers, offering customized pricing, and providing state-of-the-art digital platforms for customers to conveniently interact with the Bank.

### Efficiency through Digitalization

A key focus of the strategy is the continuous enhancement of digital maturity across the Bank, to enable faster customer service, operational efficiency, and cost optimization. Digitalization covers all aspects of the Bank’s operations, including customer touch points (e.g., Riyadh Bank’s mobile application), customer journeys, and internal processes.

### Enablement through Next Gen Operating Model

Successful implementation of the strategy is supported by improvements across all enabler departments. This entails pioneering new ways of working (e.g., implementing Agile), upgrading existing systems (e.g., modernizing the Bank’s core IT infrastructure), and elevating the Bank’s culture.





## Roadmap to Success

Riyad Bank embarked on a carefully planned journey designed to steer the Bank towards its 2025 aspirations, through significant milestones. This journey is supported by multiple strategic initiatives that span across the Bank’s core business functions and support divisions. Riyadh Bank has launched ambitious initiatives and projects aimed at enhancing business/product offerings across all segments, improving technological and digital infrastructures, elevating customer experience through tailored products and personalized services, and equipping enabling divisions with advanced tools and processes. Several of these initiatives and projects have already reached completion, while the remainder are being closely monitored to ensure they meet strategic timelines and objectives.



## Strategic Pillars

Riyad Bank's corporate strategy outlines 4 strategic pillars with clear targets to be achieved that will collectively make Riyad Bank the Best Bank in the Kingdom:

	 <b>Most Profitable</b>	 <b>Most Efficient</b>	 <b>Bank of Choice</b>	 <b>Most Innovative and Digitally Enabled</b>
Description	Highest Shareholder value created sustainably.	Highest return on spend and operational excellence.	Best Bank for customers, employees, and society.	Most innovative and digitally enabled bank.
<b>Success Measurement Criteria</b>	<ul style="list-style-type: none"> <li>Return on Equity (RoE).</li> <li>Total Shareholder return.</li> <li>Profit growth.</li> </ul>	<ul style="list-style-type: none"> <li>Cost-to-income ratio.</li> </ul>	<ul style="list-style-type: none"> <li>Net Promoter Score (NPS) of customer satisfaction.</li> <li>Brand value.</li> <li>People Index:               <ul style="list-style-type: none"> <li>Employee engagement.</li> <li>Employee satisfaction.</li> <li>Talent measures.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Digital Maturity Index.</li> </ul>
<b>2024 Achievements</b>	<ul style="list-style-type: none"> <li>RoE increased significantly mainly due to the improvement in net income. The main driver of the net income improvement was growth in net interest income, which was driven by the impact of repricing and volume of the loan portfolio growth. In contrast, there was an increase in operating expenses, due to the continuous investment in the Bank from both a talent acquisition and a technology perspective.</li> </ul>	<ul style="list-style-type: none"> <li>The higher positive growth in operating income compared to the lower growth in operating expenses has led to the overall improvement in the cost-to-income ratio.</li> </ul>	<ul style="list-style-type: none"> <li>The consumer NPS for customer satisfaction improved by 4% at year-end compared to the first half.</li> <li>Riyad Bank's brand value in the Brand Finance Report increased significantly to SAR 9.48 Bn. (USD 2.53 Bn.) by year end.</li> <li>The People Index, comprised of several KPIs has had a significant impact on employee's engagement, satisfaction, and retention across their employment lifecycle. Each KPI had a defined target to be achieved by the end of 2024, which have successfully been achieved.</li> </ul>	<ul style="list-style-type: none"> <li>Several initiatives to enhance digital maturity on mobile banking for both corporate and retail customers, which has increased efficiency and security throughout the Bank's business units.</li> </ul>
<b>2025 Goals</b>	<ul style="list-style-type: none"> <li>Improve RoE and profit growth to achieve 2025 aspirations.</li> <li>Ensure a sustainable profit growth to achieve 2025 aspirations.</li> <li>Maintain position in Top 3 among peers in total Shareholder returns.</li> </ul>	<ul style="list-style-type: none"> <li>Improve cost-to-income ratio to achieve 2025 aspirations.</li> <li>Enhance time efficiency to achieve 2025 targets among multiple products.</li> </ul>	<ul style="list-style-type: none"> <li>Increase NPS for retail and corporate consumers across all segments and channels to achieve 2025 aspirations.</li> <li>Enhance brand value towards exceeding 2025 aspirations.</li> <li>Achieve People Index targets working towards 2025 aspirations to be the Bank of Choice.</li> </ul>	<ul style="list-style-type: none"> <li>Achieve higher digital maturity and increase digital sales by leveraging multiple digital platforms.</li> </ul>
<b>Principal Risks</b>	<ul style="list-style-type: none"> <li>High interest rates leading to higher cost of funds.</li> <li>Further slowdown in credit growth.</li> <li>More shifts towards interest bearing deposits.</li> </ul>	<ul style="list-style-type: none"> <li>Decreased customer engagement due to overly standardized processes that lack personalized interactions.</li> </ul>	<ul style="list-style-type: none"> <li>Competing with other banks for top talent might lead to difficulties in retaining skilled employees, affecting the Bank's ability to maintain a committed and talented workforce.</li> </ul>	<ul style="list-style-type: none"> <li>Delay in implementation or launch of the digital platforms.</li> <li>Regulatory approvals on new products and channels.</li> </ul>



# Financial Results

During another year of outstanding growth and results, Riyad Bank reported net profits of SAR 9,322 Mn. for the 12 months ending 31 December, 2024, reflecting an increase of 16% compared to SAR 8,046 Mn. during the same period in the previous year.

Despite ongoing economic changes and challenges, the Bank maintained its strong financial position by focusing on core banking activities, executing its strategy and continuing to innovate. Net loans and advances grew by 17% to reach SAR 320,089, Mn., up from SAR 274,398 Mn. in 2023, while customer deposits rose by 20% to SAR 306,423 Mn., compared to SAR 254,908 Mn. in the prior year. Total assets increased by 16% to SAR 450,379 Mn., compared to SAR 386,849 Mn. in 2023.

Total operating income for the year reached SAR 17,285 Mn., marking an increase of 9% from SAR 15,899 Mn. in 2023. Highlighting the strength of its asset base and the diversity of its financing and investment offerings, Riyad Bank achieved a 4% rise in net special commission income, amounting to SAR 12,873 Mn. in 2024, up from SAR 12,414 Mn. the previous year. Earnings per share climbed to SAR 3.01, compared to SAR 2.58 in 2023.

### Material Differences in Operating Results compared to the Previous Year\*

Description (SAR Mn.)	2024	2023	change	Change %
Net income after zakat	9,322	8,046	1,276	16%
Total operating income	17,285	15,899	1,386	9%
Net special commission income	12,873	12,414	459	4%
Earnings per share (SAR)	3.01	2.58	0.4	17%
Total assets	450,379	386,849	63,530	16%
Net investments	69,669	58,109	11,560	20%
Net loans and advances	320,089	274,398	45,691	17%
Customer deposits	306,423	254,908	51,516	20%

\*Certain comparative figures have been reclassified to conform to the current year classifications.

Riyad Bank reported net profits of

SAR  
9,322  
Mn.

Total operating income for the year reached

SAR  
17,285  
Mn.

Total assets increased to

SAR  
450,379  
Mn.

### A Summary of Riyad Bank’s Financial Results during the Past 5 Years

A) The following is an analysis of the most important items on the consolidated statement of financial position: \*

Description (SAR Mn.)	2024	2023	2022	2021	2020
<b>Assets</b>					
Cash and balances with banks, other financial institutions, and the Saudi Central Bank	45,174	41,609	53,980	43,232	55,579
Loans and advances, net	320,089	274,398	242,365	217,290	191,347
Investments, net	69,669	58,109	52,196	58,637	56,450
Property, equipment, and other real estate	7,271	6,138	3,774	3,020	2,752
Other assets	8,175	6,595	7,338	3,556	3,961
Total assets	450,379	386,849	359,653	325,736	310,088
<b>Liabilities</b>					
Balances with banks	43,949	42,464	38,760	43,134	41,789
Customer deposits	306,423	254,908	240,007	211,678	203,039
Other liabilities	32,064	29,219	24,712	23,624	20,905
Total equity	67,942	60,258	56,173	47,300	44,355

\*Certain comparative figures have been reclassified to conform to current year classifications.

B) The following is an analysis of the most important items on the consolidated income statement: \*

Description (SAR Mn.)	2024	2023	2022	2021	2020
Total operating income and Riyad Bank’s net share in the associates’ profits	17,315	15,911	13,519	11,535	11,224
Total operating expenses	6,918	6,940	5,691	4,817	5,740
Net income after zakat	9,322	8,046	7,019	6,025	4,715
Earnings per share (SAR)	3.01	2.58	2.32	2.01	1.57

\*Certain comparative figures have been reclassified to conform to current year classifications.

Geographical Analysis of the Total Revenue of Riyadh Bank and its Subsidiaries

The total revenue for the year ended on 31 December, 2024 amounted to SAR 15,183 Mn. from operations inside the Kingdom, and SAR 2,101 Mn. from operations outside the Kingdom.

Geographical Analysis of the Total Revenue of Riyadh Bank and its Subsidiaries Within the Kingdom (SAR Mn.):

Year	Western Region	Central Region*	Eastern Region	Total Revenue from Within the Kingdom
2024	3,288	9,758	2,137	15,183

\* The amount specified for the Central Region includes revenue from central investments related to the investment and treasury sector, amounting to SAR 6,575 Mn. These are not linked to a specific geographical sector within the Kingdom. It also includes revenue related to other regions that cannot be separated.

Geographical Analysis of the Total Revenue of Riyadh Bank and its Subsidiaries from Outside the Kingdom (SAR Mn.):

Year	GCC Countries and the Middle East Region	Europe	North and Latin America	Southeast Asia	Other Regions	Total Revenue from Outside the Kingdom
2024	1,003	508	457	22	111	2,101

Dividends

Riyad Bank complies with the relevant applicable regulations, and aligns with the below policies when distributing profits to Shareholders:

- a) 25% of the net profits shall be deducted to form the statutory reserve. The deduction may be stopped when the total reserve reaches the amount of the paid-up capital.
- b) Based on the recommendations of the Board of Directors and the approval of the General Assembly, the determined profits shall be distributed to the Shareholders from the net profits, relative to the number of shares held.

The Board of Directors recommended that the dividends be distributed as follows:

	(SAR'000s)
Retained earnings from 2023	11,277,171
Net profit after zakat for the year 2024	9,321,894
<b>Total</b>	<b>20,599,065</b>
<i>To be allocated and distributed as follows:</i>	
Cash dividends distributed to Shareholders for the first half of 2024	(2,396,000)
Tier 1 sukuk cost	(317,712)
Final dividends for 2023	(2,246,250)
Disposal of FVOCI equity	51,270
Transferred to the statutory reserve	(2,330,474)
<b>Retained earnings for the year 2024</b>	<b>13,359,899</b>

Riyad Bank distributed profits to Shareholders on 22 August, 2024 for the first half at 80 Halalas per share. The balance of the profits proposed to be distributed to the Shareholders for the second half of the year, at 90 Halalas per share, will be distributed, if approved by the General Assembly, bringing the total distributions for the full year 2024 to SAR 5,092 Mn., at SAR 1.7 per share. This is equivalent to 17% of the nominal value of the shares, after deducting zakat.

Bank's Credit Rating

Rating Agency	Long-term	Short-term	Future Outlook
Fitch	A-	F2	Stable
Standard & Poor's	A-	A-2	Positive
Moody's	A1	P-1	Stable

Finance and Debt Securities Issued

Riyad Bank successfully issued USD 750 Mn. Additional Tier 1 Sustainable Sukuk in September 2024 under its newly established USD 5 Bn. AT1 Program. The issuance, which aligns with the Bank's Sustainable Finance Framework and the KSA Vision 2030, attracted exceptional market interest, with the orderbook peaking at USD 3.8 Bn., representing a 5.1 times oversubscription rate. The strong demand enabled the Bank to upsize the transaction to USD 750 Mn. while achieving a final pricing of 5.50%. This landmark transaction enhances the Bank's capital structure while reinforcing its commitment to sustainable financing and growth objectives.

Riyad Bank also confirms the following:

- There are no debt instruments issued by the subsidiaries.
- There are no term loans due from subsidiaries with a local bank as at 31 December, 2024.
- The Bank did not issue or grant any convertible debt instruments, contractual securities, subscription rights notes, or similar rights during 2024.
- The Bank did not issue or grant any conversion or subscription rights under convertible debt instruments, contractual securities, subscription right memorandums, or any similar rights during 2024.
- The Bank, and its subsidiaries, have not made any refund, purchase, or cancellation of any redeemable debt instruments.

Disclosure of Treasury Shares held by Riyadh Bank and Details of their Uses

The Extraordinary General Assembly on 26 March, 2023, approved the employee stock incentive program, of which 5 Mn. shares were purchased as treasury shares and allocated to the employee stock incentive plan. The number of treasury shares held amounted to 4,972,566 shares as on 31 December, 2024.



Accounting Standards Followed

The Bank prepares the financial statements in compliance with the International Financial Reporting Standards (IFRS) as endorsed in the Kingdom of Saudi Arabia, and other standards and pronouncements endorsed by the Saudi Organization for Chartered and Professional Accountants (SOCPA), the Banking Control Law, the Regulations for Companies in the Kingdom of Saudi Arabia, and the by-laws of the Bank. These are audited by the external Auditors of the Bank in accordance with the International Standards on Auditing (“ISAs”) that are endorsed in the Kingdom of Saudi Arabia.

Statutory Payments

There are no final statutory payments due by Riyadh Bank for the year 2024, except for what is mentioned in the descriptions below:

Description	SAR'000s	
	Paid	Due
Zakat – Tax and Customs Authority (ZATCA) (regarding the fiscal year 2024)*	-	1,074,937
Taxes borne by Riyadh Bank on behalf of some non-resident entities (according to the terms of the contract)	69,518	-
Taxes owed to Riyadh Bank foreign branches in favor of official authorities outside the Kingdom	64,146	-
GOSI	135,048	-
Visa and passport costs	6,035	-
Any other regular payments**	9,378	-

\* Zakat will be paid for the year 2024, no later than 30 April, 2025.  
\*\* Governmental fees.

Statutory Violations and Penalties

Riyad Bank applies, in the course of its daily business, all banking systems, regulations, and rules issued by the supervisory authorities. Riyadh Bank is also keen to limit the occurrence of any violations and to take the necessary corrective actions if they occur.

Penal Decisions of the Saudi Central Bank:

Violation Subject	Fiscal Year 2024		Fiscal Year 2023	
	Number of Penal Decisions	Total Amount of Fines (SAR)	Number of Penal Decisions	Total Amount of Fines (SAR)
Violation of the Central Bank's supervisory instructions	36	16,533,330	29	19,688,595
Violation of the Central Bank's instructions regarding due diligence in combating money laundering and terrorist financing	0	0	0	0
Violation of the Central Bank's instructions for customer protection	3	467,500	0	0
Violation of the Central Bank's instructions for due diligence	0	0	0	0
Violation of the Central Bank's instructions regarding the level of performance of ATMs, points of sale, and SADAD machines	0	0	0	0

The statutory violations and penalties imposed by the supervisory, regulatory, or other judicial authorities in 2024:

Authority	Classification of the Violation	Number of Fines	Total Amount of Fines (SAR)
Secretariats and other government agencies	Fines from Municipalities, and other fines	19	1,238,700

Transactions with Related Parties

The following statement shows the balances resulting from related party transactions as on 31 December, 2024, which took place during the normal business cycle of Riyadh Bank:

Description	SAR'000s
	Total
Loans and advances	1,656,104
Customer deposits	32,804,878
Derivatives (at fair value)	(2,835)
Commitments and contingencies	2,507,843
Special commission income	91,256
Special commission expenses	1,189,542
Fee and commission income, net	279,115
Miscellaneous operating expenses	197,675

Transactions with related parties include a set of business contracts that are carried out for the account of Riyad Bank, in which the Major Shareholders, or members of the Board of Directors, or Senior Executives, or Subsidiaries have a direct or indirect interest, they are as follows:

Nature of the Contract	Related Party	Owner	Contract Expiry	Contract Duration (In Years)	Annual Value of the Contract /or Total Spend for the Year (SAR)
Renting the headquarters of the Sixtieth Street Branch 286 for exhibitions No. (1,2,3,5) - Riyadh	The General Organization for Social Insurance (GOSI) - Major Shareholders	The General Organization for Social Insurance (GOSI)	08.08.26	5	600,000
Renting an ATM site at Umm Al-Qura Makarim Hotel - Makkah Al-Mukarramah - Ajyad District	Eng. Abdullah Mohammed Al-Issa- the Chairman	Mohammed Ibrahim Al-Issa & Sons Co.	20.02.26	5	18,000
Renting ATM no. 2729 site at Marriott Hotel - Riyadh - Al-Maathar District	Eng. Abdullah Mohammed Al-Issa- the Chairman	Dur Hospitality Company - Riyadh Marriott Hotel	22.11.25	5	30,000
A service contract to review the operations of an auto leasing product	Public Investment Fund (PIF) - Major Shareholders	Elm Information Security Company	03.03.27	3	2,427,752
Contract to provide connectivity services of a second service provider (SJN)	Eng. Mutaz Kusai AlAzzawi - Vice Chairman of the Board of Directors	Etihad Etisalat Company - Mobily	24.07.26	2	48,600
A contract for linking the branches and buildings network for IPVPN data services	Public Investment Fund (PIF) - Major Shareholders	Saudi Telecom Company (stc)	30.05.25	5	18,699,232
An agreement to provide Yakeen (Direct) Service to add the number of Yakeen service output dependents	Public Investment Fund (PIF) - Major Shareholders	Elm Information Security Company	07.05.26	3	12,598,106
Public supplier contract for supply of the required stationery to the Bank's various departments and branches	Eng. Abdul Rahman Ismail Tarabzouni - Board Member	Jarir Marketing Company	22.01.26	7	1,950,000

Nature of the Contract	Related Party	Owner	Contract Expiry	Contract Duration (In Years)	Annual Value of the Contract /or Total Spend for the Year (SAR)
Data Supply Agreement between Masdr Data Solutions and Riyad Bank	The General Organization for Social Insurance (GOSI) - Major Shareholders	Masdr Data Solutions	02.01.25	4	50,022
A connectivity service providing a link to the Saudi Central Bank & Dammam Data Center shared network	Eng. Mutaz Kusai AlAzzawi - Vice Chairman of the Board of Directors	Etihad Etisalat Company - Mobily	30.01.25	1	48,600
SMS package	Public Investment Fund (PIF) - Major Shareholders	Saudi Telecom Company (stc)	29.06.25	3	73,870,000
Dakhli	Public Investment Fund (PIF) - Major Shareholders	Elm Information Security Company	16.07.26	3	1,500,000
A contract for managing cash centers, including ATM replenishment, cash handling, and transferring funds to bank branches.	Public Investment Fund (PIF) - Major Shareholders	National Security Service Company (SAFE)	30.06.27	4	45,494,947
54 contracts to rent ATM sites throughout the Kingdom	Eid Faleh Al-Shamri - Audit Committee Member	Aldrees Petroleum and Transport Services Company	20.08.28	5	2,917,000
Renting ATM no. 3108 site - Passenger Terminal - Dammam	Public Investment Fund (PIF) - Major Shareholders	Saudi Arabia Railways - (SAR)	21.07.24	5	20,000
Renting ATM no. 3227 site - Passenger Parking Spaces - Dammam	Public Investment Fund (PIF) - Major Shareholders	Saudi Arabia Railways - (SAR)	18.12.24	1	35,000
Renting ATM no. 3426 site - Passenger Terminal - Hofuf	Public Investment Fund (PIF) - Major Shareholders	Saudi Arabia Railways - (SAR)	19.06.23	1	15,000
Renting ATM no. 2513 site - Passenger Terminal - Riyadh	Public Investment Fund (PIF) - Major Shareholders	Saudi Arabia Railways - (SAR)	01.03.24	1	15,000



Nature of the Contract	Related Party	Owner	Contract Expiry	Contract Duration (In Years)	Annual Value of the Contract /or Total Spend for the Year (SAR)
Renting ATM no. 2824 site - Dry Port - Riyadh	Public Investment Fund (PIF) - Major Shareholders	Saudi Arabia Railways - (SAR)	06.07.24	1	15,000
Renting ATM no. 2823 site - Al Kharj Station	Public Investment Fund (PIF) - Major Shareholders	Saudi Arabia Railways - (SAR)	06.07.24	1	15,000
National Credit Data Pooling (NDP) Services	Abdulaziz bin Abdullah Al-Askar - Chief Risk Officer	Saudi Credit Bureau (SIMAH)	31.12.27	3	455,000
An Agreement to Record & Report OTC Derivatives	Abdulaziz bin Abdullah Al-Askar - Chief Risk Officer	Saudi Credit Bureau (SIMAH)	31.12.26	3	432,170
SIMA Full Membership Agreement - Individual Benchmarking Reports and SIMAH Scoring (Credit Performance Index )	Abdulaziz bin Abdullah Al-Askar - Chief Risk Officer	Saudi Credit Bureau (SIMAH)	31.12.25	1	18,099,429
Unified Framework Agreement to Purchase Off-Plan Housing Units - SEDRA 2	Public Investment Fund (PIF) - Major Shareholders	Developer / ROSHN Real Estate Company	31.12.26	4	200,000
Unified Framework Agreement to Purchase Off-Plan Housing Units - ALAROUS	Public Investment Fund (PIF) - Major Shareholders	Developer / ROSHN Real Estate Company	30.09.26	4	200,000
Authentication (Electronic Authenticator service)	Public Investment Fund (PIF) - Major Shareholders	Elm Information Security Company	24.11.26	3	249,264
An agreement to provide Yakeen (Direct) Service	Public Investment Fund (PIF) - Major Shareholders	Elm Information Security Company	23.11.26	3	1,110,796
A service contract to verify electronic link of different systems online	Public Investment Fund (PIF) - Major Shareholders	Elm Information Security Company	27.01.27	3	2,800,527
KAFD Network Bandwidth Upgrade	Eng. Mutaz Kusai AlAzzawi - Vice Chairman of the Board of Directors	Etihad Etisalat Company - Mobily	15.09.25	1	2,500,000

Nature of the Contract	Related Party	Owner	Contract Expiry	Contract Duration (In Years)	Annual Value of the Contract /or Total Spend for the Year (SAR)
Renting Car Parking Spaces at Granada Business	The General Organization for Social Insurance (GOSI) - Major Shareholders	The General Organization for Social Insurance (GOSI)	14.08.25	1	359,014
Renting Administrative Building at Granada Business	The General Organization for Social Insurance (GOSI) - Major Shareholders	The General Organization for Social Insurance (GOSI)	14.08.25	1	48,320,742
Buy 73 QuickNet SIM cards	Public Investment Fund (PIF) - Major Shareholders	Saudi Telecom Company (stc)	15.08.25	1	275,940
An agreement for providing cleaning, hospitality, landscaping, pest control, and logistics services in the Central Province	Public Investment Fund (PIF) - Major Shareholders	National Security Service Company (SAFE)	09.01.27	3	21,026,772
KAFD Network Bandwidth Upgrade	Public Investment Fund (PIF) - Major Shareholders	Saudi Telecom Company (stc)	08.10.25	1	2,163,000
Session Initiation Protocol (SIP) trunking service to link the bank to the main data center in Riyadh and Dammam.	Public Investment Fund (PIF) - Major Shareholders	Saudi Telecom Company (stc)	08.10.25	1	994,122
Session Initiation Protocol (SIP) trunking service to link the bank to the main data center in Riyadh and Dammam.	Public Investment Fund (PIF) - Major Shareholders	Saudi Telecom Company (stc)	08.10.25	1	286,858
Credit Shield Insurance Product for Credit Card Holders	Riyad Bank is one of the Major Shareholders	Liva Insurance	31.08.25	1	252,686
Providing Professional Services	A subsidiary of Riyad Bank	Riyadh Esnad Company	05.02.27	3	140,478,662
Professional and Consulting Services Agreement	A subsidiary of Riyad Bank	Jeel Digital Innovation Company Ltd.	13.09.27	3	44,861,192

Disclosure of Small, Medium, and Micro Enterprises Data

1- Qualitative Disclosure:

The approved definition of small, medium, and micro enterprises:  
Micro, small, and medium enterprises (MSMEs) are classified according to the definitions of the Saudi Central Bank, which is based on criteria such as annual turnover and number of employees.

In 2024, Riyadh Bank reaffirmed its commitment to the growth of MSMEs as part of Saudi Vision 2030, recognizing them as a dynamic and vital component of the national economy. The MSME sector now represents 22.5% of the Bank’s corporate lending portfolio, supported by a significant annual growth rate of 23.2%, underscoring the Bank’s role as a leading financial partner for small businesses.

Initiatives taken by Riyadh Bank to support these facilities, in addition to the number of employees, training initiatives, and workshops provided to customers and employees for the year 2024:

2024	Borrowing	Non-Borrowing
Sector they belong to	Corporate Banking	Retail Banking
Their administration	MSMEs	MSMEs
Number of employees serving the segment	250	63
Number of employees who have been given training courses	271	
Number of training days provided to employees	310	
Number of clients who have been given training courses	23,193	
Number of workshops provided to clients	18	
Number of training days provided to clients	282	
Number of centers or branches where the segment provides its services to clients	47	All branches of Riyadh Bank in all regions of the Kingdom

Awards obtained by the Bank in the MSMEs sector during the year 2024:

- Best Bank for SMEs in Saudi Arabia, presented by Euromoney.
- Best Bank for SMEs in the Middle East, presented by EMEA Finance Magazine.
- The “Finance Guarantee Program for SMEs (Kafala)” awarded Riyadh Bank:
  - Outstanding Performance Award - ranked first in 2024 based on the value of financing, guarantees, and the number of beneficiary enterprises the Bank supported.
  - Tourism Sector Award - ranked first in 2024 in terms of the value of financing and guarantees given, and for the number of beneficiaries supported in the Tourism Sector.
  - New SMEs Award - ranked first in 2024 for the number and value of borrowings by new SMEs for the first time.

Initiatives taken by Riyadh Bank to support these enterprises:

1. Product offering and programs development:

- Riyadh Bank has continued its USD 1 Bn. initiative, initially launched at LEAP Tech Conference in Saudi Arabia 2023, aimed at financing telecommunications and information technology enterprises. This initiative has successfully met its 2024 targets, demonstrating the Bank’s commitment to driving innovation and growth in the sector.
- Riyadh Bank conducted a comprehensive review of its existing product portfolio and undertook an in-depth analysis of its performance metrics. This assessment identified several opportunities for enhancement to further optimize the Bank’s offerings and strengthen its value proposition to clients.
- In Riyadh Bank’s commitment to delivering efficient and responsive services, the Bank has implemented significant technical enhancements within its credit application processing system. These upgrades are designed to streamline workflows, automate key processes, and reduce turnaround time (TAT) for credit applications. With that the Bank has improved processing speeds, enabling faster responses to client needs.
- Riyadh Bank has launched an initiative to enhance its corporate call center, specifically for SME clients. This initiative includes upgrading the call management system to handle calls effectively. With that the Bank is ensuring that SMEs receive prompt and knowledgeable support. Riyadh Bank has significantly increased the number of calls handled.

2. New agreements:

As part of Riyadh Bank’s commitment to advancing the MSME sector, the Bank has entered into new strategic partnership agreements and signed multiple Memorandum of Understandings (MOUs) with key entities such as:

- SME Authority (Monsha’at)
- Mudad
- Shwra
- Tabuk Chamber of Commerce
- Madinah Chamber of Commerce
- Namaa Al Munawara

These collaborations are designed to enhance support for MSMEs by leveraging shared resources. Network capabilities aim to provide MSMEs with tailored solutions and expanded opportunities, further empowering them to contribute to economic growth and innovation.



3. Opening of new centers:

In line with Riyadh Bank’s strategic focus on empowering the SME sector, the Bank has continued the establishment of new branches specifically dedicated to serving small and medium enterprises. This year, Riyadh Bank opened new branches at:

Riyadh	Hail	Hafar Al-Batin
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These branches are designed to provide a tailored banking experience, offering specialized financial products, advisory services, and dedicated support to meet the unique needs of SMEs. By expanding the branch network with a targeted approach, Riyadh Bank is enhancing accessibility for SMEs and reinforcing the Bank’s commitment to fostering growth and sustainability within this vital sector of the economy.

4. Sponsorships and participation in exhibitions:

As part of Riyadh Bank’s ongoing commitment to community engagement and sectoral development, the Bank actively participated in Biban24 Global and in a variety of sponsorships and exhibitions through the year including:

- Gathering 25
- Creative Summit “Riyadh”
- KAFALAH Annual Gathering Ceremony
- Biban24 Global
- Cityscape Global 2024

In addition to the Bank’s sponsorships and participation in major exhibitions, it was also actively involved in a series of workshops and discussion panels focused on enhancing knowledge:

- The E-commerce Week in “Riyadh, Jeddah, Al Khobar, Al Madinah, and Al Munawarah” with Monsha’at.
- The Retail Business Week in “Riyadh, Jeddah, Al Khobar, Al Madinah, and Al Munawarah” with Monsha’at.Sponsored the Entrepreneurship World Cup (EWC) to empower entrepreneurs and foster Saudi Arabia Startup ecosystem
- Finance Week in “Riyadh, Jeddah, Al Khobar, Al Madinah, and Al Munawarah” with Monsha’at.
- The Tourism Week in “Riyadh” with Monsha’at.
- Participated in discussion panel arranged by SIMAH & Biz2x to discuss the topic of Transformative Synergies in Finance: Revolutionizing SME growth through digital banking and evolving capital markets.
- Financial Management Camp in “Riyadh” with Monsha’at.
- Financial Management Awareness Session with Etimad.
- Participation in the financing track - Jazan Chamber.
- Participation as a Main Sponsor at the Fintech Endeavor.
- Participation as a Sponsor at the Winter of opportunities by “KAFALAH”.
- Sponsored Restatex Exhibition2024.
- Launching the SME Index in collaboration with S&P Global.

These initiatives underscore Riyadh Bank’s dedication to supporting events that drive economic growth, foster innovation, and strengthen relationships within the industry. Through its involvement, the Bank aims to promote its brand, connect with diverse Stakeholders, and contribute meaningfully to forums that empower small and medium-sized enterprises, financial literacy, and show case advancements in technology and banking solutions.

2- Quantitative Disclosure

2024	SAR’000s			
	Micro	Small	Medium	Total
Financing for small and medium enterprises - on-balance sheet items	8,853,198	14,481,391	28,007,505	51,342,094
Financing for small and medium enterprises - off-balance sheet items (nominal value)	1,168,899	5,269,096	12,551,108	18,989,103
On-balance sheet financing for small and medium-sized enterprises as a percentage of total on-balance sheet financing	2.7%	4.5%	8.6%	15.8%
Off-balance sheet financing for small and medium-sized enterprises as a percentage of total off-balance sheet financing	0.7%	2.9%	7.0%	10.6%
Total secured financing from the “Kafala” program (on and off- balance sheet)	1,162,745	4,233,542	5,710,859	11,107,146

2023	SAR’000s			
	Micro	Small	Medium	Total
Financing for small and medium enterprises - on-balance sheet items	4,980,980	13,518,456	23,164,342	41,663,778
Financing for small and medium enterprises - off-balance sheet items (nominal value)	886,100	3,933,418	10,612,649	15,432,167
On-balance sheet financing for small and medium-sized enterprises as a percentage of total on-balance sheet financing	1.8%	4.8%	8.3%	14.9%
Off-balance sheet financing for small and medium-sized enterprises as a percentage of total off-balance sheet financing	0.7%	3.0%	8.2%	11.9%
Total secured financing from the “Kafala” program (on and off- balance sheet)	222,553	3,985,665	4,420,819	8,629,037

# Digital Banking and Innovation

In 2024, Riyad Bank made significant strides in its innovation journey by achieving key milestones in artificial intelligence (AI), digitalization, and operational efficiency. Through strategic initiatives, the Bank achieved its annual targets by the end of the third quarter and significantly increased its ranking on the Digital Maturity Index.

This year, Riyad Bank underwent major transformations to optimize operations, enhance customer experience, and mitigate risks. In February, the Bank began significant experimentation with generative AI and large language models (LLMs), laying the groundwork for full-scale adoption in 2025. The Bank is currently preparing new on-site infrastructure to support these advanced technologies as part of its strategy for the years ahead.

In 2024, AI and machine learning technology were leveraged to develop and execute innovative use cases, including hidden affluent customer identification, fraud prevention targeting mule and victim accounts, smart lending services, cash optimization analytics, and enhanced support for cross-selling activities. These initiatives improved the customer experience, reduced risk, increased sales and enhanced operational efficiency.

## An Award-Winning Year

In 2024, Riyad Bank was honored with several notable recognitions for innovation in technology and digitization, including:



Additionally, the Bank obtained certifications under the SAMA Open Banking framework and earned recognition from the Financial Academy Fintech Bootcamp.

## Pioneering Data-Driven Innovation

In July, the Bank launched the Center of Intelligence (COI), the region's first within the banking sector, marking a significant advancement in Riyad Bank's commitment to innovation and operational excellence. The COI is a specialized hub dedicated to harnessing the power of advanced analytics, AI, and machine learning to transform banking processes and enhance customer experience.

The COI is designed to support intelligent decision-making, foster deeper customer insights, streamline risk management, and drive process automation across the Bank's operations. Through its data-driven initiatives, the COI is enabling smarter decision-making and improving efficiency across various banking functions. This pioneering approach underscores Riyad Bank's role as a leader in leveraging cutting-edge technology to set new standards in the financial industry.

## Empowering Fintech Innovation

Riyad Bank proudly introduced Venture Builder V57, a groundbreaking initiative designed to build, launch, and manage promising Fintech ventures. V57 is focused on fostering innovation and supporting the growth of pioneering financial technologies that have the potential to reshape the financial landscape.

By aligning with the Bank's strategic vision, V57 leverages digital transformation and emerging Fintech trends to drive impactful changes within the financial sector. This initiative underscores Riyad Bank's commitment to advancing the industry and empowering the next generation of Fintech entrepreneurs.

## Driving Progress in Open Banking

Riyad Bank has made significant strides in open banking this year, enabling secure data-sharing with approved third-party providers. This initiative supports the creation of personalized financial products, enhancing customer experience and encouraging innovation by leveraging the Bank's robust data management capabilities.

As part of Riyad Bank's commitment to this transformation, the Bank obtained all certifications under the open banking AIS (Account Information System) framework. The Bank worked with Jeel to successfully develop and deploy a proprietary consent management solution, ensuring customer data is handled securely and in compliance with industry standards. Additionally, the Bank is finalizing work on key open banking use cases, including account aggregation and personal finance management. Furthermore, Riyad Bank introduced a comprehensive WSL policy and procedure, strengthening its commitment to data security and customer privacy.

## Advancements from the Digital Innovation Company

Established in 2023, the Digital Innovation Company, known as Jeel, introduced several innovative, customer-centric solutions across the Bank. Among these, the AI-powered Personal Finance Management tool stands out, offering personalized financial advice to enhance financial health management for individual customers. Additionally, Riyad Bank launched Youth Banking Solutions, a digital-first initiative tailored for younger customers, featuring gamification and goal-based savings tools to foster financial literacy and engagement. The Bank also expanded its digital platform offerings for health and wellness banking solutions, leveraging AI-driven health and fitness insights to create a unique value proposition for health-conscious customers.

To strengthen data-driven decision-making, Riyad Bank collaborated with Jeel to upgrade the Bank's AI and data monetization capabilities. This enhancement enables deeper insights into customer trends and improves the automation of services. The Bank's efforts in upgrading data monetization have allowed for the provision of more targeted services, resulting in personalized experiences, and predictive engagement models.

Furthermore, Jeel focused on optimizing customer experience across digital platforms, employing insights from the Innovation Assurance Framework. This strategic approach led to higher engagement metrics, including increased use of mobile and online banking services, underscoring Riyad Bank's commitment to digital excellence.



### New Products and Partnerships

Riyad Bank introduced several innovative solutions aimed at enhancing customer service and operational efficiency. These advancements include the operationalization of a hidden affluent detection AI model, which helps to identify and serve high-potential customers more effectively. Additionally, a fraud prevention module designed to target mule accounts and protect potential fraud victims was introduced.

Riyad Bank also launched smart lending solutions for small and medium-sized enterprises, leveraging AI to make informed lending decisions based on data-driven insights. In the area of cash management, advanced analytics technology was introduced to streamline cash management processes and improve collection efficiency.

Riyad Bank's WSL platform, a comprehensive B2B2G (Business-to-Business-to-Government) solution, now enables seamless access to the Bank's services for organizations seeking to develop new products and enhance customer experiences. Key features of this platform include an application programming interface (API) simulator, sandbox, API testing module, orchestration layer, and an API marketplace, all of which cater to the needs of developers and partners.

Furthermore, Riyad Bank forged new partnerships to expand its embedded finance offerings. In collaboration with Arib, APIs were developed for embedded auto leasing finance, while a partnership with Holo enabled the creation of embedded mortgage finance APIs. The Bank also collaborated with Tamweel to provide embedded personal finance APIs. In addition, the Bank worked with Jeel on an internal program to foster innovation, where employees developed minimum viable products based on ideas generated through the MOLHEM platform.

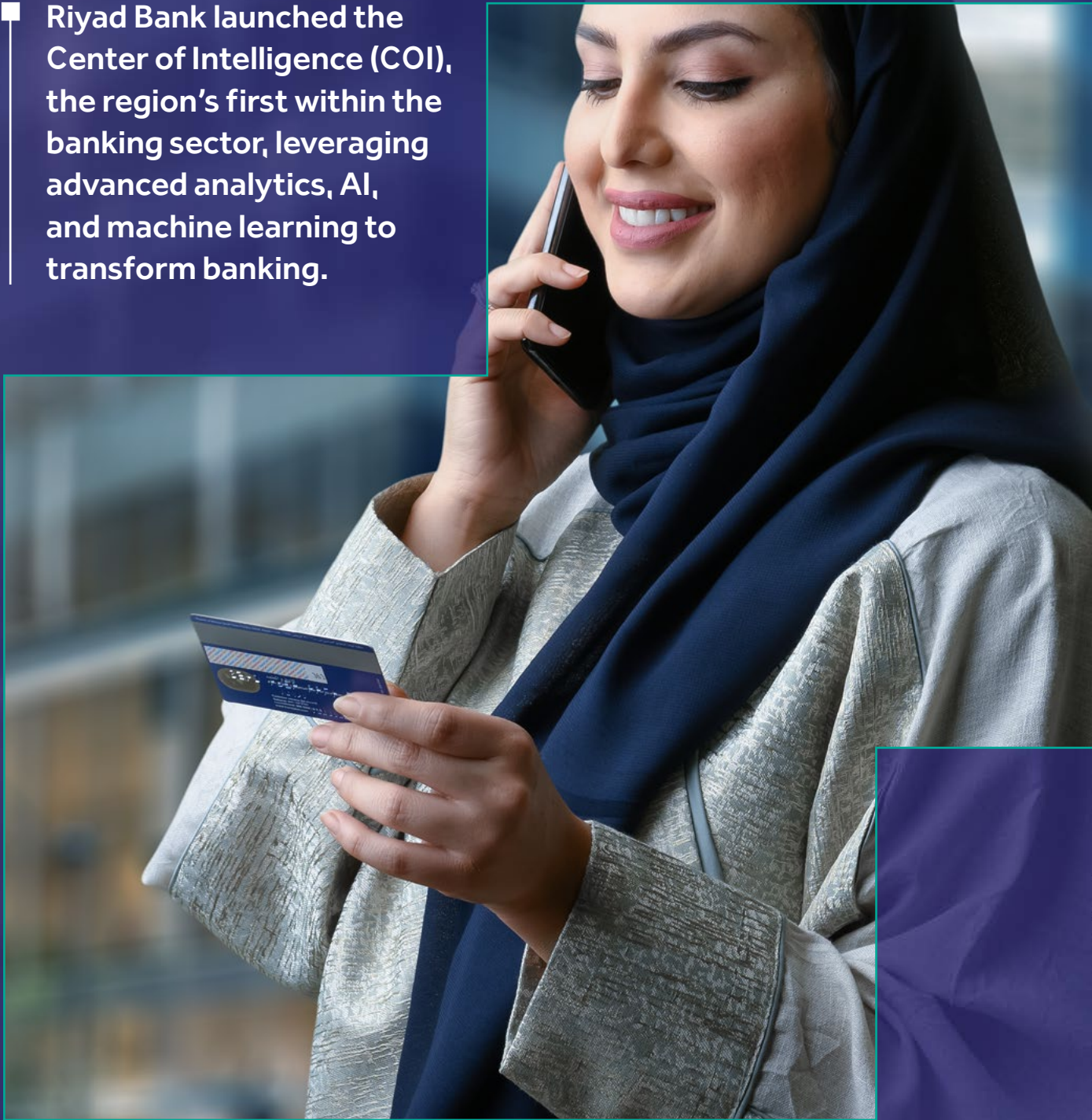
### Looking Forward to 2025

In the year ahead, Riyad Bank is set to enhance its customer experience, improve fraud detection, and reduce costs across various operations. In 2025, the COI will focus on personalization, predictive analytics, and efficiency, employing advanced cross-selling, AI-driven customer engagement, optimized cash management, and smart lending solutions. Additionally, the COI will enhance customer service with personalized AI support and streamlined back-office automation. In alignment with the Bank's commitment to data security, the COI will also adopt generative AI and LLMs through on-premises deployments.

In 2025, Riyad Bank aims to expand its open finance initiatives by collaborating with third-party Fintech and digital providers, establishing the Bank as a regional leader in this space. Key initiatives include pursuing Payment Initiation Services (PIS) certification with SAMA, launching digital payment APIs, deploying digital business process management, and offering Cash as a Service through Cortera with reserved virtual IBANs. These efforts will contribute to a more integrated financial ecosystem. In addition, the Bank will introduce embedded finance services for corporate and SME clients, enabling seamless integration with sectors like fast-moving consumer goods and retail, and supporting options such as personal loans and auto leases.

To support Riyad Bank's sustainability goals, Riyad Bank has partnered with Jeel to drive initiatives that promote awareness and adoption of digital and green assets, with a strong focus on compliance with environmental, social, and governance standards. Finally, Riyad Bank continues to make strides in implementing Wealth as a Service solution, further diversifying its offerings and enhancing customer wealth management options.

Riyad Bank launched the Center of Intelligence (COI), the region's first within the banking sector, leveraging advanced analytics, AI, and machine learning to transform banking.



# Customer Experience and Communication

Riyad Bank’s customers are at the heart of everything they do. In 2024, the Bank strengthened its commitment to delivering personalized and innovative solutions that foster trust and loyalty, ensuring every interaction reflects its dedication to meeting their evolving needs.

With customer experience as a core driver of its corporate strategy, the Bank has sustained its competitive edge and continued to explore new ways to enhance customer service and retention. Riyadh Bank enhanced satisfaction and achieved an impressive 4% increase in its overall Net Promoter Score (NPS) in year-end 2024 compared to the first half of the year. By creating more positive experiences for customers, the Customer Experience Department also reduced support needs and complaints as well as fostered organic growth across its business lines.

## Building Brand Loyalty

In 2024, Riyadh Bank achieved a significant milestone with a remarkable increase in brand value, rising from USD 2.06 Bn. to USD 2.53 Bn. This growth reflects the success of its rebranding efforts, including the launch of the newly designed retail and corporate credit and debit cards, which further solidified Riyadh Bank’s identity in the market. The official Riyadh Bank Sonic Identity was also introduced, adding a new auditory dimension to the brand experience. This initiative was particularly meaningful as it enhanced accessibility for individuals with visual disabilities and was implemented seamlessly across both internal and external channels.

The Bank reduced errors on mortgage loan requests by over 50%

Another key achievement was the successful launch of the brand perception campaign, “You Are the Story”, which emphasized the personal connection behind the Bank’s tagline, “Always with You”, and positioned Riyadh Bank as a brand that truly understands and represents its people. Additionally, significant progress was made in preparing for the move to the Bank’s new headquarters at King Abdullah Financial District, an ambitious step that symbolizes a new chapter for the Bank and its people. These milestones reflect Riyadh Bank’s continued commitment to innovation, inclusivity, and growth.

## Accelerating Digitalization

At Riyadh Bank, the focus on seamless digital experiences enhanced convenience, personalized services, and fostered more user-friendly interfaces for the customers. By leveraging data analytics, tailored product recommendations, alerts, and insights were offered, allowing customers to receive advice aligned with their unique financial goals. This level of personalization has proven instrumental in boosting customer satisfaction and loyalty.

In 2024, the Bank advanced its strategic commitment to digital transformation by prioritizing user-centric solutions and aligning business objectives with customer experience. The approach focused on enhancing digital platforms to deliver intuitive and seamless interactions, reflecting the Bank’s dedication to innovation and improving customer satisfaction.

As Riyadh Bank continues to prioritize digital strategies, they are transforming into a more agile, customer-centric organization, equipped to meet the evolving demands of modern banking. This transformation allows the Bank to connect more deeply with its customers, offering a dynamic and responsive banking experience that upholds its commitment to reliability and innovation.

## Prioritizing Customer Feedback

This year, Riyadh Bank delivered tangible progress in enhancing its product offerings, particularly in digital banking, by prioritizing customer feedback. The commitment to understanding and addressing customer needs is central to the Bank’s digital transformation strategy. Notably, a comprehensive 360-degree view of customer interactions was developed by gathering insights from surveys, complaints, branch visits, and the mystery shopper program.

Riyad Bank achieved a  
**4% increase**  
in Net Promoter Score

As part of the Bank’s ongoing efforts, the Voice of the Customer (VOC) program was expanded by introducing targeted initiatives, such as affluent banking experience assessments and employee experience evaluations. Additionally, an Automated Closed-Loop Feedback (CLF) process was implemented, to ensure continuous follow-up with customers at key touchpoints, including branches, digital banking, and contact centers for retail and corporate clients. This process has been instrumental in identifying areas for improvement and enhancing the overall customer experience.

The Bank’s commitment to listen to its customers also led them to establish a program that allows them to meet customers in branches and at the Bank’s CX Lab, gaining valuable insights directly from their experiences. These efforts were recognized when Riyadh Bank won the Best Use Case of Customer Analytics award at the Middle East Banking AI and Analytics Summit, highlighting its dedication to using data-driven insights to elevate the customer experience.



### Streamlining Processes

In 2024, Riyadh Bank focused on streamlining operations and enhancing the customer journey within its branches. By improving request quality and reducing error rates, Customer Experience worked to create a seamless experience that delivers on the promise of “doing things right the first time”. This commitment extended across the Bank, as the Department strengthened relationships with other divisions to provide a comprehensive customer experience enhancement service. The Bank focused on driving improvements across key initiatives, including digital projects and process enhancements, while reaffirming its commitment to quality through the renewal of important certifications.

To empower product and channel owners, the Department granted them direct access to the VOC and NPS role-based dashboards. This tool allows them to monitor performance, identify bottlenecks, and take action to improve the customer experience. It also initiated regular sessions with business Stakeholders to review VOC findings and implement actionable improvements.

Using a suite of international customer experience metrics - including NPS, turnaround time, error rate, engagement rate, acquisition, and retention rates – the Bank’s performance is benchmarked against GCC, Middle Eastern, and global financial standards. Notably, the Bank reduced errors on mortgage loan requests by over 50% and introduced a new feedback channel to gather and analyze customer insights more effectively, both ahead of schedule and within budget. These measures reinforce the Bank’s dedication to maintaining high standards in customer satisfaction and operational efficiency.

### Focus for 2025

Riyad Bank is deeply committed to advancing the customer’s experience and strengthening its brand value as it looks toward 2025. Building on recent achievements, the aim is to continue elevating brand

value, exceeding the current standing, and setting new benchmarks within the industry. The Bank’s focus is on enriching the lives of its people and customers by delivering meaningful experiences that go beyond traditional banking services - what the Bank proudly calls “Riyad Bank Experiences”. Additionally, the Bank is determined to position itself as the industry benchmark for communication and creativity, redefining how banks engage with their customers and communities.

For the year ahead, Riyadh Bank has set a range of ambitious customer experience objectives aimed at enhancing customer satisfaction and streamlining service delivery. A major focus will be on improving the Customer Listening Framework to empower the Customer Experience Department with tools to better understand and address customers’ key pain points. Additionally, machine learning-powered insights and analytics will be integrated into the VOC program to scale experience management, enabling a human touch in critical, high-value interactions aligned with specific business goals.

The Department plans to increase engagement and idea sharing across Riyadh Bank to foster enhancements to employee and customer experience in 2025. This strategy includes actively supporting the MOLHEM program and participating in platforms and bootcamps that promote innovation.

The Department will also implement proactive customer support measures such as machine learning-driven chatbots for quick and accurate responses, real-time notifications, and personalized recommendations. A focus on reducing error rates across retail products and services will aim to decrease branch visits, aligning with a “right things right, first time” approach that promotes efficiency and reliability in service delivery.

To further elevate the customer experience, Riyadh Bank is introducing a new digital experience to reinforce its customer experience core values. Enhancing customer journeys across products, services, and channels will ensure a seamless, cohesive experience, keeping the Bank responsive to evolving customer needs in a dynamic financial landscape.

Riyad Bank launched the newly designed retail and corporate credit and debit cards, which further solidified its identity in the market.





# Operating Review

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Riyad Bank's continued success is driven by customer growth, supporting Vision 2030 initiatives, and a commitment to innovative solutions and strategic investments.



# Retail Banking

Retail Banking achieved remarkable growth and sustained profitability in 2024, acting as a significant driver of Riyadh Bank’s financial performance. By leveraging strategic initiatives and enhancing customer experience, the Division delivered robust results across deposits, loans, and digital transformation, reinforcing the Bank’s position as a leader in the Saudi banking sector.

Despite market challenges, the Division sustained profitability while maintaining its positive contribution to Riyadh Bank’s total deposits. Operating income grew by 18% this year, supported by a 15% improvement in net special commission income and an 148% increase in fees and other income. Retail Banking achieved a 10% reduction in operating expenses as a result of cost optimization initiatives that supported the Bank’s strategic goals to increase efficiencies.

The Retail segment recorded single-digit growth in total deposits, increasing by 6% year-on-year. This growth was driven by multiple segments, including Private Banking, which achieved a remarkable increase in non-interest bearing (NIB) deposits. Loans expanded by 1%, with credit card receivables growing by 19%, fueled by targeted campaigns and portfolio optimization measures. Auto lease volumes also saw significant growth, increasing by 50% due to strategic initiatives that enhanced Riyadh Bank’s value proposition in the market.

Riyad Bank’s Retail Banking services earned accolades this year for innovation and customer experience. EMEA Finance Magazine recognized the Bank for the Best Private Banking in Saudi Arabia. The Qorus Reinvention Awards - MEA 2024 also selected Riyadh Bank for the Bronze Award for the Best Credit Card, in recognition of its Al-Hilal credit card.

## Upgrading the Digital Experience

In June 2024, the revamped Riyadh Mobile application was launched, marking a significant milestone in the Bank’s digital transformation journey. This initiative is part of the broader strategy to enhance customer experiences and streamline access to products and services through digital channels. The migration of customers to the new app is currently underway, with comprehensive marketing campaigns ensuring a smooth transition and promoting adoption among the client base.

Operating Income  
Grew by

18%

In June 2024, the revamped Riyadh Mobile application was launched, marking a significant milestone in the Bank’s digital transformation journey.

The revamped Riyadh Mobile application introduces a fully digital journey for applying to a range of financial products, including credit cards, personal loans, refinancing options, Qasset programs, and semi-digital auto lease solutions. These enhancements reaffirm the Bank’s commitment to innovation, convenience, and providing a seamless digital banking experience.

## Optimizing Network Efficiency

This year, Riyadh Bank emphasized collaboration between Retail Banking and Corporate Banking, aiming to maximize client engagement and deliver superior service. Through its cross-selling initiatives, branches have evolved into integrated service hubs, providing customers with seamless access to a wide array of products and services across various channels. This strategic reconfiguration has not only streamlined operations but also reinforced the Bank’s commitment to delivering a holistic and satisfying client experience.

Riyad Bank also undertook a comprehensive review of its branch and ATM network to optimize cost efficiency, align with strategic priorities, and maximize client engagement. By evaluating profitability, productivity, service metrics, and growth potential, Retail Banking implemented significant changes to streamline operations and enhance client satisfaction.

As of December 2024, Retail Banking had a total of 333 licensed branches compared to 335 the previous year. This change was driven by Riyadh Bank’s network optimization and supported by its digital initiatives, with the introduction of numerous products through the new mobile application.

Several underperforming branches were closed, and 15 locations were remodeled to reflect the modern brand image. This reconfiguration strengthened the role of branches as integrated service hubs, where clients can access comprehensive offerings from various channels. These strategic efforts have not only improved operational efficiency but also enhanced overall client satisfaction. In addition, 442 ATM locations were closed in 2024, in line with Retail Banking’s initiatives to optimize costs and improve efficiencies.

## New Products and Enhancements

In 2024, Riyadh Bank successfully launched a range of innovative retail products and enhancements designed to meet the evolving needs of their customers and to expand their market presence. One of the key highlights was the introduction of a multi-currency product, which was commercially launched and received an overwhelmingly positive response, addressing customer demands for flexible currency solutions.

15%

improvement in Net Special Commission

In the mortgage segment, new products and features were introduced, including the Real Estate Development Fund (REDF) initiative. This initiative provided a grace period for off-plan and self-construction projects, offering equalized installments that incorporated the REDF subsidy with a minimum payment of SAR 400 and a maximum tenure of 36 months. Additionally, down payment support subsidies for off-plan and self-construction projects were introduced, and mortgage offerings were expanded to include expatriates with premium residency, thereby broadening the Bank’s customer base. The commercial financing solutions were also enhanced, increasing the maximum finance amount and tailoring offerings for self-construction projects.

As part of the Bank’s commitment to enhancing customer engagement, the Hassad loyalty program was revamped, including a rebranding of card designs. This created significant excitement in the market and introduced fresh value propositions that have elevated the program’s appeal. These efforts reflect the Bank’s dedication to providing innovative and customer-centric financial solutions while strengthening its market position.



Expanding Private and Affluent Banking

In 2024, Riyadh Bank’s Private and Affluent Banking Divisions demonstrated robust growth and achieved several key milestones. These achievements underscore the Bank’s commitment to delivering premium financial solutions and personalized services to their high-net-worth and affluent clients.

Private Banking achieved remarkable success in attracting deposits to support the Bank’s funding needs, including NIB deposits, which registered 7.8% growth compared to December 2023. Additionally, Private Banking raised its already high NPS and customer satisfaction ratings, demonstrating its continuous efforts in improving customer satisfaction. To align with its strategic vision, Private Banking launched the slogan “Beyond Banking,” and introduced a new segment, Private+ which saw a successful soft launch.

Private Banking grew NIB deposits by 7.8%, improved customer satisfaction, and launched the “Beyond Banking” slogan.

Geographical expansion played a key role in the growth of Private Banking, with new offices established in key cities such as Al-Qassim, Al-Ahsa, Madina, Makkah, and Abha. The Division also introduced innovative offerings, including the Lombard lending program, a pre-approved credit solution for Private Banking clients that enhances Riyadh Bank’s commercial lending portfolio. Other product launches included the exclusive World Elite Credit Card and a family-focused proposition to accelerate wealth acquisition and management for affluent families.

Affluent Banking also saw strong performance, with operations supported by 46 dedicated Diamond Banking centers and 104 Golden Banking offices. The customer base grew by 8%, with new client acquisition showing significant momentum and reactivated clients growing by 28% in diamond segment.

New Riyadh Bank App:

Transforming Digital Banking for a Seamless Customer Experience

With the rapid pace of digital transformation and growing customer demand for streamlined, personalized services, Riyadh Bank identified the need to elevate its digital banking offering to new heights. The existing application, while functional, lacked the advanced features and intuitive design required to meet evolving customer expectations.

Riyad Bank launched a completely redesigned mobile application, combining modern design with an intuitive user interface tailored to individual needs. The app introduced innovative features such as customizable user experiences, electronic requests for credit cards and personal financing, and direct communication with customer service. The convenience aspect was enhanced with the updated “Hassad” loyalty program, ensuring seamless access to a wide range of banking services while maintaining the highest security and privacy standards.

This transformation redefined how customers interact with their finances, delivering greater efficiency, convenience, and satisfaction. By enabling users to complete transactions effortlessly and access exclusive offers, the new app not only improved customer engagement but also reinforced Riyadh Bank’s position as a leader in digital innovation. As a cornerstone of the Bank’s digital strategy, the app supports the Kingdom’s Vision 2030 goals, advancing financial inclusion and fostering a robust digital economy.

Supporting Saudi Vision 2030

At Riyadh Bank, the Retail Banking Division made significant contributions to support Saudi Government objectives and align with Vision 2030. A comprehensive range of initiatives promoted the financial well-being of Saudi citizens and the advancement of the banking and financial sector.

Riyad Bank advanced financial inclusion by extending financial services to underserved segments of the population, including women, youth, and those in remote areas. Notable achievements include a 4.5% increase in female customers and a 1% increase of

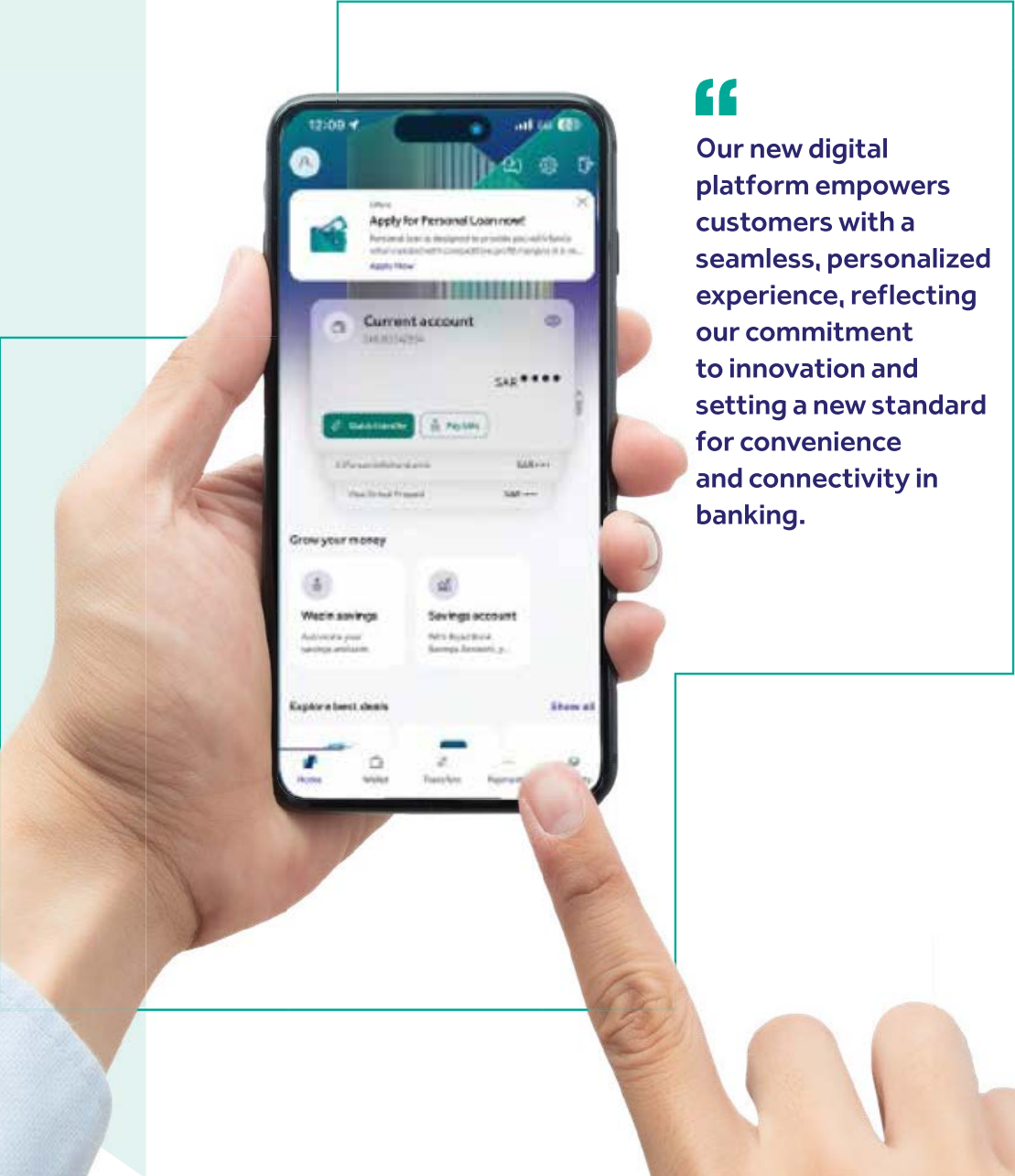
customers in remote areas. Additionally, there was a remarkable 18% increase in youth customers (under 18 years old).

Riyad Bank also accelerated its digital transformation across platforms, enabling greater adoption of non-cash transactions via card products and mobile applications. This included several key digital initiatives in partnership with the Saudi Government, such as the integration of donation platforms with the Ministry of Finance (MOF), the introduction of Samsung Pay and Google Pay, and advancements in data privacy across digital channels. Non-cash financial transactions accounted for 95% of Retail Banking activity in 2024.

In alignment with the housing initiatives under Vision 2030, Riyadh Bank signed a memorandum of understanding (MOU) with the National Developmental Housing Foundation (Sakan) during the Real Estate Future Forum 2024. This partnership focuses on charitable contributions to support families in need of housing through the Jood Eskan platform. Additionally, the agreement aims to raise awareness about developmental housing programs.

In line with the development of real estate financing solutions in the Saudi market and reference to the Bank’s cooperation with the Real Estate Development Fund, the initiative “Your Installment is Your subsidy” was developed in Riyadh Bank, which aims to enable REDF beneficiaries to obtain real estate financing for off-plan and self-construction products.

An MOU was signed with ROSHN to provide specialized banking services to ROSHN’s subcontractors and developers. This partnership underscores Riyadh Bank’s commitment to fostering private sector growth and supporting the Kingdom’s economic diversification goals.





### Looking Forward to 2025

Riyad Bank has an ambitious vision for Retail Banking in 2025, centered on deeper digital engagement, broader financial inclusion, and enhanced use of client data to deliver personalized offerings. With a focus on expanding its product and service portfolio, Retail Banking is well-positioned to achieve sustained growth and align with the Bank's long-term strategic goals.

This year, the plan is to enrich the Bank's liability product line with new features, aimed at driving customer deposit growth, strengthening market positioning, and promoting a savings culture in line with government objectives. The integration of Bancassurance products into the Bank's digital platforms will enable seamless customer experiences while creating an additional revenue stream.

Anticipating a steady decline in benchmark interest rates, the Bank plans to capture opportunities in the mortgage market, creating an attractive environment for homebuyers. Retail Banking will also introduce Investment Properties Financing, targeting individuals – particularly Private Banking clients – with enhanced product offerings.

Efforts in the credit card segment will continue with targeted campaigns and lifecycle optimization strategies to enhance customer engagement and sales. Retail Banking will develop new credit card products through strategic partnerships to meet customer transaction and lifestyle requirements.

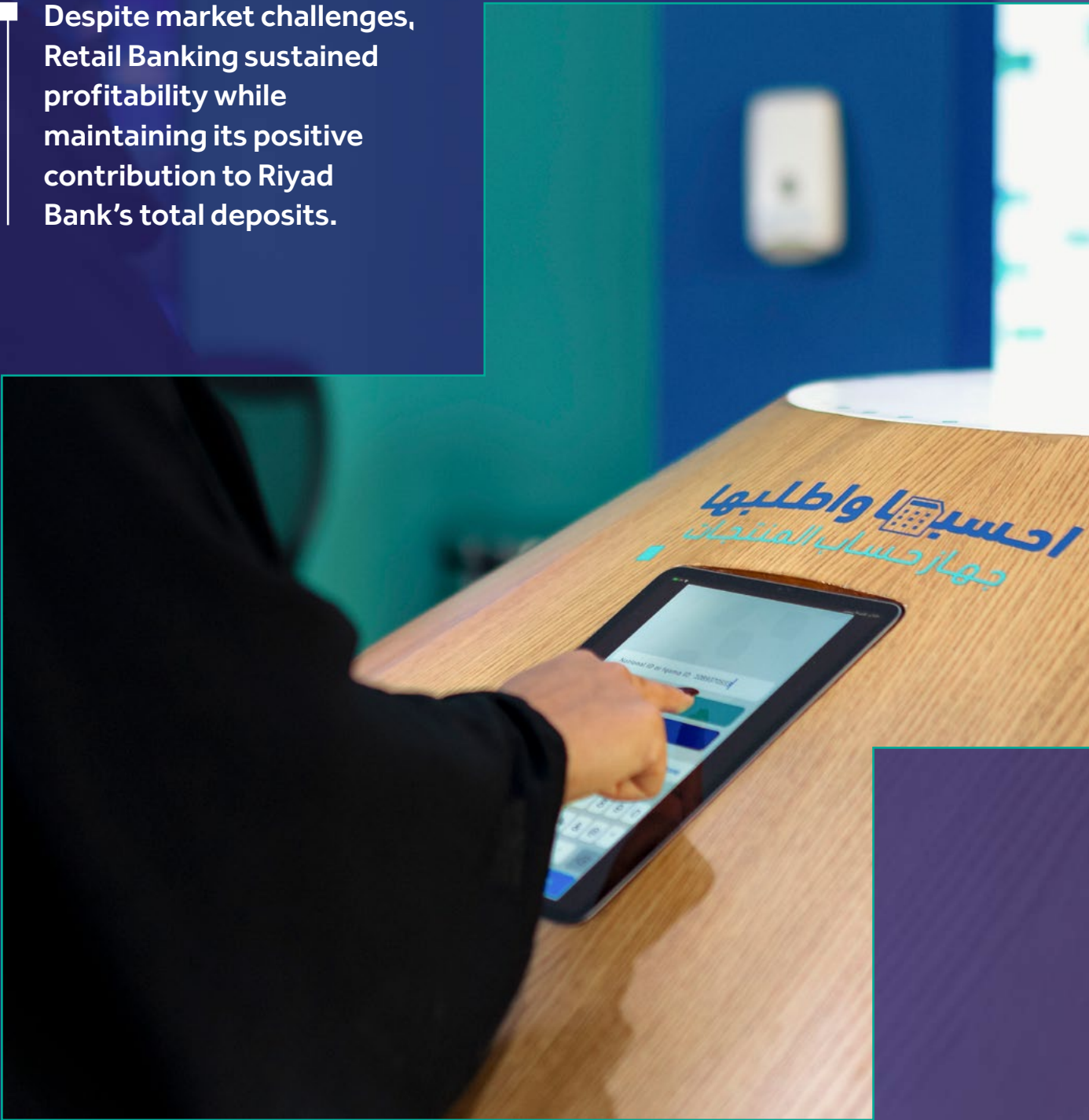
Private+, a new high-end tier within Private Banking services, will cater to affluent clients, offering a unique value proposition and supporting Riyad Bank's overall asset growth ambitions. In addition, the aim is to expand commercial lending within the Private Banking segment to complement the retail growth strategy.

To further strengthen Riyad Bank's digital presence, the mobile banking platform will be enhanced, to acquire new customers and promote higher adoption. The platform will undergo another phase of significant upgrades, after the release of the revamped Riyad Mobile, to align with the Bank's ambition to become a global leader in mobile banking.

Additionally, the modernization of Riyad Online will focus on enhancing its technology, user interface, and user experience to deliver a more robust and intuitive platform. The Bank will implement a state-of-the-art campaign management platform and advanced analytics capabilities to enhance personalization and communication strategies.

Finally, Riyad Bank will expand its reach in the auto leasing market. The Bank is pursuing a range of initiatives that will streamline the process for capturing and managing lease requests, including an automated solution to ensure efficiency and improve customer experience.

■ **Despite market challenges, Retail Banking sustained profitability while maintaining its positive contribution to Riyad Bank's total deposits.**



# Corporate Banking

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

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

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

## Key Financial Highlights

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

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

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

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

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

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

## Supporting the Kingdom’s Vision

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

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

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

## Executing Transformation 2025

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

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

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

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

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

## An Innovative New Brand

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



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

Upgrading Corporate Products and Processes

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

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

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

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

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

Real Estate and Environmental Sustainability Programs

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

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

A Key Player in the MSME Ecosystem

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

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

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

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

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

Looking Forward to 2025

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

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

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

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

Awards and Recognitions

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

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

Best Bank for SMEs in Saudi Arabia

Presented by Euromoney





# Treasury and Investment

The Treasury and Investment Division remained the key contributor to the Bank's bottom line. Despite the challenging market environment, it efficiently managed the Bank's liquidity and proprietary investments, and provided a wide range of innovative financial solutions to the Bank's customers.

### A Year of Landmark Achievements

In 2024, Treasury and Investment expanded its contribution to non-fund-based income for the Bank to SAR 1,388 Mn., an impressive growth of 39% compared to SAR 998 Mn. in 2023. Meanwhile, it contributed SAR 2,079 Mn. to the Bank's net income, a 5% reduction compared to SAR 2,188 Mn. in 2023.

The Division's efforts to provide customer-centric financial solutions helped to expand Riyad Bank's market share in fee and other income by 120 bps to 14%. It also continued to expand our presence in the derivatives market, achieving a notable growth in the local market that represented more than 23% of the total growth and the highest market share increase in 2024.

Treasury and Investment has achieved a significant milestone in 2024 with the successful issuance of a USD 750 Mn. Additional Tier 1 (AT1) Sustainable Sukuk. This landmark transaction set a record as the lowest coupon observed in the Saudi Banking Sector since 2022.

It attracted substantial interest with an order book that was oversubscribed 5x. As Riyad Bank's second sustainable issuance, it reinforces the Bank's position as a leader in environmental and responsible finance within the Kingdom, contributing to the nation's broader sustainability objectives.

The Division's investment strategy remained focused on managing the risk and prioritizing credit quality, which supported stable returns, reinforcing the Bank's commitment to sound financial stewardship. A defensive positioning combined with active management and superior credit selection mitigated the risks in an uncertain interest rate environment and volatile markets.

The Division successfully implemented the strategic initiative aimed at expanding the Bank's hedging capabilities. This initiative broadened the scope of the hedging business beyond Riyad Bank's own balance sheet, strengthening its risk management and expanding service offerings for clients.

Treasury and Investment contributed

**SAR**  
**2,079 Mn.**  
to the Bank's net income

Riyad Bank's market share in fee income grew by

**120 bps**

Treasury and Investment expanded its contribution to non-fund-based income for the Bank to

**SAR**  
**1,388 Mn.**

Treasury and Investment has achieved a significant milestone in 2024 with the successful issuance of a USD 750 Mn. Additional Tier 1 (AT1) Sustainable Sukuk.

Additionally, Riyad Bank served as the hedge provider for a mega SAR interest rate swap for a local bank, highlighting Riyad Bank's capability to provide its clients with the most competitive pricing and solidifying the Bank's position in the local derivatives market.

As part of the Bank's ongoing commitment to fostering strong relationships with domestic and international banks, the Treasury and Investment Division successfully executed several new treasury relationship master agreements, with additional agreements in advanced stages of execution. These partnerships are expected to enhance the Bank's market access and enable more competitive product pricing, reinforcing Riyad Bank's position in the financial markets.

### Looking Forward to 2025

In the year ahead, Treasury and Investment will continue to prioritize credit selection and make strategic investments in high-quality securities, with a focus on optimizing portfolio yield while carefully navigating market uncertainties. The Division's approach remains grounded in maintaining a balanced risk profile while seeking opportunities that deliver superior risk-adjusted returns for the Bank to enhance returns.

In 2025, priorities also include leveraging and expanding the Bank's recently established funding programs and sustainable finance initiatives. Additionally, Treasury is dedicated to building a diversified funding position, by both geography and product, aligning with the Bank's commitment to providing innovative financing solutions and sustainable growth for the Kingdom and beyond. With a further focus on widening the depositors base, the Bank is well connected to international financial firms, contributing to its funding capacity. The diversified funding pool optimally serves the Bank's growth aspiration and supports its liquidity position.

### Awards and Recognitions

**Winner of  
the Financial  
Institutions  
Bond Deal of  
the Year**

**Riyad Bank**  
**USD 750 Mn.**

AT1 Sustainable Sukuk has been selected as the Winner of the Financial Institutions Bond Deal of the Year 2024 at this year's Global Banking & Markets Saudi Arabia Awards.



# Subsidiaries

Riyad Bank’s subsidiaries play a vital role in driving its strategic ambitions and delivering value across key areas of its operations, from investment management and digital innovation to real estate, and human resources. Each subsidiary reflects the Bank’s unwavering commitment to excellence, innovation, and sustainability, enhancing its ability to meet the needs of its clients and support Saudi Arabia’s Vision 2030.

Subsidiary	Capital/Invested Amount (SAR)	Ownership %	Main Activity
Riyad Capital	500,000,000	100%	Engaged in investment services and asset management activities related to dealing, managing, arranging, advising, and custody of securities regulated by the Capital Market Authority, incorporated in the Kingdom of Saudi Arabia.
Ithra Al-Riyad Real Estate Company	10,000,000	100%	Formed with the objective to hold, manage, sell, and purchase real estate assets for owners or third parties for financing activities, incorporated in the Kingdom of Saudi Arabia.
1957 Ventures Fund	161,664,659	100%	Engaged in fostering innovation by investing in building FinTech ventures and offering comprehensive support, including resources, mentorship, and strategic insights, incorporated in the Kingdom of Saudi Arabia.
Curzon Street Properties Limited	9,350,760	100%	A property holding company, incorporated in the Isle of Man.
Riyad Financial Markets	18,750	100%	A netting and bankruptcy jurisdiction country, to execute derivative transactions with international counterparties on behalf of Riyad Bank, incorporated in the Cayman Islands.
Esnad Al-Riyadh	500,000	100%	A limited liability company registered in the Kingdom of Saudi Arabia to provide human resources services to the Group, incorporated in the Kingdom of Saudi Arabia.
Jeel Digital Innovation Company	100,000,000	100%	Engaged in systems analysis, application and operating systems development, hosting websites, financial technology solutions, and related activities, incorporated in the Kingdom of Saudi Arabia.

## Riyad Capital

Riyad Capital continues to solidify its position as a leading, fully-fledged investment manager, offering a comprehensive suite of services across asset and wealth management, brokerage, corporate investment banking, and securities services. The Company oversees assets under management SAR 93.7 Bn. (approximately USD 25 Bn.) and holds SAR 832 Bn. (approximately USD 222 Bn.) in assets under custody.

In 2024, Riyad Capital maintained its standing as the largest custodian in Saudi Arabia for 2 consecutive quarters, underscoring its operational excellence and strategic foresight.

Reinforcing its commitment to innovation and delivering rewarding investment opportunities, the Company signed a memorandum of understanding with E Fund, China’s largest fund manager. This partnership facilitates the exchange of investment expertise and enables cross-market access for the clients of both firms.

Additionally, Riyad Capital expanded its brokerage offerings to include margin lending, which positively impacted the Company’s overall financial performance. It also introduced direct client onboarding through its website and mobile application, streamlining processes and improving accessibility and client experience.

In the real estate sector, where Riyad Capital pioneered the first listed REIT in Saudi Arabia, the Company further strengthened its leadership by signing agreements worth over SAR 2.5 Bn. in 2024 to launch 2 new real estate funds.

In alignment with Saudi Vision 2030, Riyad Capital launched the 1957 Venture Fund, a closed-end investment fund supported by Riyad Bank. This initiative is designed to drive transformative growth in Saudi Arabia’s Fintech sector by fostering innovative business models and accelerating digital transformation.

Looking ahead, Riyad Capital remains dedicated to setting industry benchmarks through innovation, performance, and a relentless commitment to excellence. In 2025, the Company will focus on delivering cutting-edge products and exceptional services, enhancing accessibility, and building stronger client relationships to drive sustained growth.

Riyad Capital’s market-leading capabilities were recognized with the Global Banking & Markets Saudi Arabia 2025 Awards for ‘Best Fixed Income Fund Strategy and Performance’ and ‘Best Equity Fund Strategy and Performance’. Additionally, the Company was ranked among the Middle East’s top 5 asset management companies in 2024 by Forbes, and its CEO, Abdullah Abdulrahman Alshwer, PhD, CFA, was recognized as a key industry leader.

## Jeel Digital Innovation Company

**“Towards a More Innovative and Inspiring Future”**  
The year 2024 was pivotal for Jeel as it witnessed significant developments in its journey toward achieving its vision of fostering innovation and providing technological solutions that contribute to building a sustainable future. The company focused on enhancing digital transformation, ensuring compliance with regulatory requirements, and expanding strategic partnerships. Additionally, it implemented innovative programs that reflect its commitment to supporting the growth of the local and regional market and achieving a sustainable positive impact.

Jeel concentrated on helping customers digitize and automate their core processes, with a particular focus on areas of compliance, customer engagement, and financial services. By facilitating these critical processes, the company enabled its clients to improve efficiency and effectiveness, enhance customer experience, and maintain competitiveness despite the rapid developments in the financial ecosystem.

The company also succeeded in enhancing customer engagement and attracting more clients from various sectors, expanding into new areas beyond the financial technology sector. This allowed it to offer more diverse digital solutions, helping clients in different industries adopt modern technologies, improve operations, and ensure regulatory compliance, all while maintaining the flexibility necessary for growth.

The company paid special attention to compliance with government regulations and Islamic Shariah principles in all its digital initiatives, underscoring its commitment to maintaining client trust and market credibility. It successfully ensured full compliance with the Saudi Central Bank’s requirements for digital banking services and regulatory mandates, achieving excellent

performance scores in all relevant compliance indicators. Notably, the company obtained the Saudi Central Bank's approval to expand its activities, representing a significant milestone in its transformation from a financial technology company to a comprehensive digital service provider. Riyadh Bank's focus on compliance serves as a fundamental pillar ensuring the company's sustainable growth by aligning all its solutions with standards and regulatory requirements.

The company forged partnerships with leading institutions in the digital banking and technology sectors to expand its services and enhance the digital banking solutions offered to clients. These partnerships are a cornerstone of driving innovation and enabling the company to strengthen its market presence. Additionally, the collaboration agreements in the banking and retail sectors have facilitated the company's entry into new markets and its role as a complete technological enabler.

**Tangible Achievements and Accelerated Innovation Growth**

Jeel maintained stable financial performance in 2024, thanks to its ability to adapt to market conditions and regulatory changes. The company also made significant investments in its operational processes to support its continuous growth, expanding its digital infrastructure and enhancing its open finance platform to better serve its clients.

Additionally, the company enhanced its capabilities and services by signing a memorandum of understanding with Mastercard, enabling it to offer "Cash as a Service" and "Buy Now, Pay Later" solutions to its clients, supporting Riyadh Bank's initiatives within the digital financial services ecosystem.

In 2024, Jeel launched the Innovation Assurance Framework to assist clients in implementing digital strategies, managing related risks in line with regulatory requirements, and aligning their financial processes with future changes.

Also made significant enhancements to its open finance framework, enabling financial institutions to securely integrate third-party services and enhance collaboration across the entire financial technology ecosystem.

**Our Aspirations for 2025**

The strategic priorities of Jeel in 2025 will focus on three main pillars aimed at driving growth, enhancing security, and increasing regional expansion.

The company will continue to expand its open finance platform to facilitate collaboration among banks, financial technology companies, and external developers. This will provide a more comprehensive ecosystem of integrated financial services, improving accessibility and fostering innovation within the sector.

Moreover, the company seeks to build on the success of its Innovation Assurance Framework by intensifying efforts to help clients overcome emerging challenges, including artificial intelligence regulatory requirements and compliance with environmental, social, and governance (ESG) mandates. This focus underscores the company's commitment to assisting clients in navigating complex regulatory environments while promoting safe and responsible innovation.

As part of its plans to expand beyond Saudi Arabia, Jeel aims to enter other Gulf Cooperation Council (GCC) markets. It intends to leverage its extensive expertise in compliance and digital solutions to support the financial sector across the region, drive growth, and solidify its position as a leader in open finance and digital transformation.

**Riyad Capital added margin lending, boosting financial performance, while Jeel became a full technology enabler, expanding beyond Fintech to support a wide range of industries and clients.**





# 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

In 2024, Riyadh Bank reaffirmed its commitment to sustainability, strengthening its role as a leader in Environmental, Social, and Governance (ESG) practices. By advancing the strategic initiatives across the spectrum of ESG, Riyadh Bank is driving positive change within its industry and reinforcing the Bank's support for Saudi Arabia's Vision 2030, striving to create value for the Bank's customers, employees, partners, and communities.

Riyad Bank's efforts this year centered on establishing a comprehensive, Bank-wide sustainability strategy, with a 3-year road map that is aligned with industry best practices. This strategy will set the course for sustainability within the Bank and help shape development across the sector.

In alignment with Riyadh Bank's goal of sharing knowledge and supporting other organizations in accelerating their sustainability development, the Bank is preparing to release a whitepaper on its sustainability strategy development. This document, to be shared publicly, will provide a practical guide for others in their sustainability journey, emphasizing Riyadh Bank's commitment to ESG leadership.

The focus on social responsibility included significant strides in Diversity & Inclusion (D&I) and tailored ESG training programs designed to attract and develop diverse talent and future leaders. Through the Ministry of Economy and Planning's (MEP) Champions Program, Riyadh Bank's contribution to the MEP Corporate Sustainability Policy Development Working Group, and active involvement in the ESG Saudi Bank's Advisory Committee (EBAC), is helping to develop and shape sustainable policy frameworks within the Kingdom.

Through these initiatives and others, Riyadh Bank remains committed to being a force for positive change, continuously enhancing its impact as a trusted and forward-looking leader in the banking sector.

## Sustainable Finance Framework

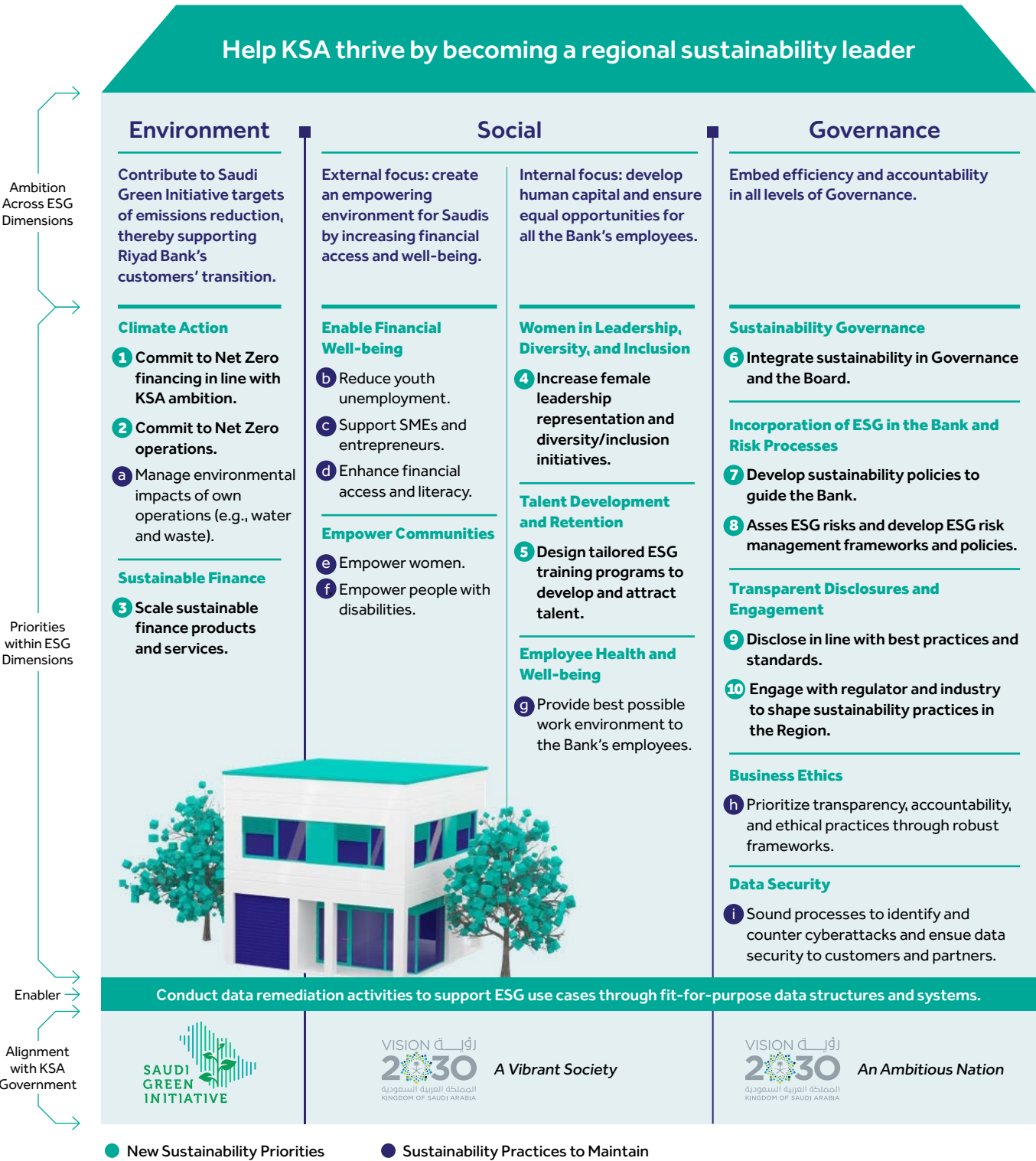
Riyad Bank actively contributes to Vision 2030 by financing and also accelerating the energy transition, catalyzing a new wave of sustainable investment to help the Kingdom reach net zero emissions by 2060. The Green and Renewable Banking offerings are at the heart of these efforts, enabling the Bank 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 in the early part of 2025.

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

## Sustainability Strategy

Riyad Bank has developed a comprehensive, Bank-wide sustainability strategy with a detailed 3-year roadmap to ensure effective execution and widespread impact.





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.

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.

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.
- Euromoney: Best Bank for Corporate Responsibility in Saudi Arabia.
- Euromoney: Best Bank in Diversity and Inclusion in Saudi Arabia.
- National Social Responsibility Award.
- Prince Muqrin Award for Social Responsibility.
- ISO 26000 Certification renewal.



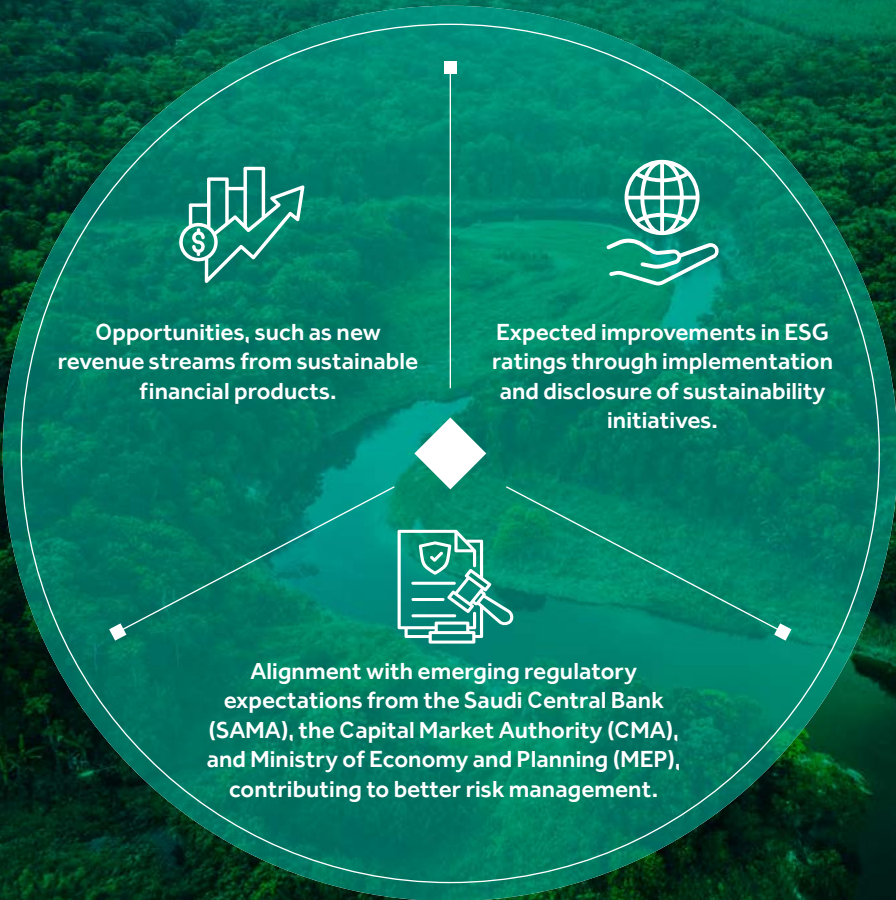
# Safeguarding Riyadh Bank's Environment

The Kingdom of Saudi Arabia (KSA) has made ambitious commitments to transform its economy and contribute to global sustainability goals. The KSA's 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 KSA aims to generate 50% of its power from renewable sources by 2030 and plant 10 billion trees. The Government has also committed to reaching net zero emissions by 2060.

Riyad Bank, as one of the Kingdom's largest financial institutions, supports the KSA's ambitions and recognizes that it has an important role in enabling the ambitions as well as aligning its own corporate strategy with the Government's goals. This includes the Bank's sustainability strategy, and within this, its corporate social responsibility (CSR) strategy. By embedding sustainability at the heart of its business, Riyadh Bank is

proud to be creating a positive impact for the KSA and delivering long-term value for its Stakeholders.

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:



## Riyad Bank's Net Zero and Sustainable Finance Commitments

Riyad Bank is steadfast in its commitment to advancing sustainability, aligning its initiatives with Saudi Arabia's Vision 2030 and the Kingdom's target of achieving net zero emissions by 2060. Recognizing its critical role in this transformation, Riyadh Bank has set ambitious goals to not only support national efforts but to lead the banking sector in sustainable practices.

The Bank is committed to achieving net zero emissions for its own operations (Scope 1 and 2) by 2035, setting a robust example for operational efficiency and environmental responsibility. Through innovative energy management, the adoption of renewable energy sources, and strategic carbon offsetting measures, the Bank is actively reducing its carbon footprint while maintaining operational excellence.

Beyond its direct operations, Riyadh Bank is driving impactful change by setting a sustainable finance volume target of SAR 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.

These commitments reflect Riyadh Bank's broader vision of becoming a sustainability leader in the region. By leveraging its resources, expertise, and market influence, the Bank aims to deliver long-term value to its Stakeholders while contributing meaningfully to the global sustainability agenda.

As part of the sustainability ambition, Riyadh Bank aims to:

### Scale sustainable finance products and services

Riyad Bank prioritized a number of sustainable product and service offerings to establish its position as a leader in sustainable financing regionally, with a focus on:

- Expansion of green loans.
- Launch of sustainability-linked loans.
- Launch of green bond/sukuk advisory.
- Launch of sustainability-linked bond advisory.
- Launch of sustainable client-managed fund.
- Expansion of EV loans.
- Launch of sustainable supply chain finance.
- Expansion of sustainable finance framework.
- Establishment of transition finance framework.

### Design tailored ESG training programs to develop and attract talent

Riyad Bank created a list of potential ESG training modules, including:

- Introduction to the importance of ESG and the role of banks.
- ESG ratings introduction.
- Introduction to baselining and target setting.
- Introduction to sustainable finance products.
- Introduction to climate risk heatmaps.
- Integration of climate into credit processes.
- Beyond climate – Nature.
- Beyond climate – Social.



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.

**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.

**Integrate climate-related risk and opportunity analysis in credit approval processes and enterprise risk management**

Climate-related risk is primarily assessed and managed in terms of its effect on credit risk – this will broaden and evolve in the future to cover other risk types, such as market risk, liquidity risk, and operational risk. Riyad Bank is exploring the inclusion of climate-related risks in all stages of the credit-underwriting, supporting climate risk analysis and implementing climate risk considerations in credit approval processes.

**Disclose in line with best practices and standards**

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

**Collaborate with industry to develop and advocate sustainability practices**

Riyad Bank is engaging with regulators and industry to shape sustainability practices.

Riyad Bank drives sustainability with net zero targets, innovative finance products, ESG integration, and industry collaboration, aligning with Vision 2030.



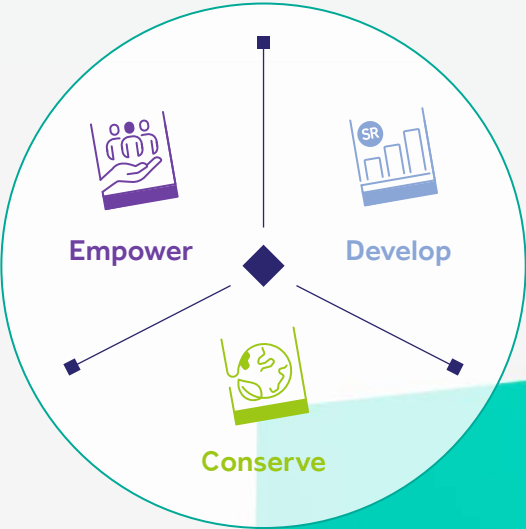
# Supporting Society

Riyad Bank contributes to sustainable development through the Social Responsibility Program Bukra. The program aims to position Riyad 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 (CSR) 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 become a leading example of how sustainable business practices can add value to employees, customers, and broader Saudi society.



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 Riyad 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



Riyad Bank's Corporate Social Responsibility Vision is to be the regional leader in sustainable practices that add value to employees, customers, Stakeholders, and communities across Saudi Arabia.

Riyad Bank delivers impactful corporate social responsibility practices integrated into the Bank's strategy and operations. The vision is outlined and driven through the Bank's Bukra strategy, which is also aligned to the Ten Principles of the UN Global Compact and the UN Convention on the Rights of Persons with Disabilities.

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:**

Riyad Bank is proud to announce the signing of a strategic partnership with the Mohammed Bin Salman Foundation (Misk), to support the entrepreneurial community and enhance the capabilities of young entrepreneurs in Saudi Arabia. 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.

#### **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 young generation. The 3 days of the 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 in 2024 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. 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.

**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.

## **Achievements and Recognition**

- In 2024, Riyad Bank was featured on Forbes Middle East amongst the top 50 Saudi brands in CSR, in recognition for its Bukra CSR program and its outstanding CSR initiatives that have a positive impact on the community. Riyad Bank achieved the third position within the private sector category according to the Saudi CSR Center.
- At the 2024 Global CSR Forum, Riyad Bank was honored with the Social Responsibility Award for Companies (Silver Category), in its first edition and presented by the Minister of Human Resources and Social Development, for the Bank's significant efforts and best practices in advancing corporate social responsibility.
- Riyad Bank was proud to receive the Prince Muqrin Award for Social Responsibility in Madina, presented by HRH Prince Salman Bin Sultan Al-Saud.



# 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:** Riyadh 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.

**Organization Culture and Employee Experience:** Riyadh Bank introduced the Employee Value Proposition project (EVP), crafted to enrich its employee’s experience and enhance the Bank’s brand identity through a tailored approach. The design of the EVP will contribute to an improved employee experience and organizational culture. Additionally, the Bank will release its People Satisfaction and Engagement Survey, which will provide valuable insights into its organizational environment and culture. The feedback from this survey will guide Riyadh Bank in improving employee satisfaction and engagement, ultimately fostering a more inclusive and fulfilling workplace for its employees.

**Compensation and Benefits:** As part of Riyadh 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 restrictions on grades or the number of children.

**Diversity and Inclusion:** Riyadh 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 Riyadh 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.

**Collaboration with the Government:** Through Riyadh 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 Riyadh Bank.

## Employee Incentive Programs

Statement	Investment Savings (SAR ‘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

# Sustainability at Riyadh 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.

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. 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.



# 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							
	Member's Name	Position	04.03.24	05.05.24	21.05.24	20.08.24	18.11.24
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	✓	✓



<div><div>Board Members</div><div><div><div><div>Abdullah Mohammed Al-Issa</div></div></div><div><div>Memberships in Other Listed Joint Stock Companies (inside the Kingdom)</div><div><ul style="list-style-type: none"><li>Chairman of the Board of Directors - Riyadh Bank</li></ul></div><div><div>Current Positions</div><div><ul style="list-style-type: none"><li>Chairman of the Board of Directors - Assila Investment Company</li><li>Chairman of the Board of Directors - Amias Holding Company</li><li>Chairman of the Board of Directors - Amias Real Estate Company</li><li>Chairman of the Board of Directors - Shipping and Travel Services Company Ltd.</li></ul></div><div><div>Previous Positions</div><div><ul style="list-style-type: none"><li>Chairman of the Board of Directors - Abdullah Mohammed Al-Issa Engineering Consulting Office</li><li>Vice Chairman of the Board of Directors - Clariant Switzerland</li><li>Board Member - Saudi Basic Industries Corporation (SABIC)</li><li>Chairman of the Board of Directors - Dur Hospitality Company</li><li>Vice Chairman of the Board of Directors - Etihad Telecom Company (Mobily)</li><li>Board Member - Saudi Arabian Mining Company (Maaden)</li><li>Chairman of the Board of Directors - Arabian Cement Company</li><li>Chairman of the Board of Directors - The National Medical Care Company</li><li>Chairman of the Board of Directors - Cement Products Industries Company</li><li>CEO - Assila Investment Company</li><li>Chairman of the Board of Directors - Saudi Company for Construction Contracting</li><li>Board Member - Jadwa Investment Company</li><li>Board Member - Saudi Company for Hotels and Tourist Areas</li><li>Board Member - Gulf Tourist Areas Company</li><li>Board Member - King Faisal Schools</li><li>Board Member - National Chemical Carriers Company</li><li>Board Member - Tabuk Hotels Company</li><li>Board Member - Riyadh Hotels and Entertainment Company Ltd.</li><li>Board Member - The National Shipping Company of Saudi Arabia</li></ul></div></div></div><div><div>Qualifications</div><div><ul style="list-style-type: none"><li>Master of Science in Engineering Project Management - Southern Methodist University, USA</li><li>Bachelor of Industrial Engineering - Southern Methodist University, USA</li></ul></div></div></div></div></div>	<div><div><div><div>Mutaz Kusai AlAzzawi</div></div></div><div><div>Memberships in Other Listed Joint Stock Companies (inside the Kingdom)</div><div><ul style="list-style-type: none"><li>Vice Chairman of the Board of Directors - Riyadh Bank</li><li>Chairman of the Board of Directors - Herfy Food Services</li><li>Board Member - Savola Group</li><li>Chairman of the Board of Directors - Arabian Cement Company</li><li>Board Member - Etihad Telecom Company (Mobily)</li></ul></div><div><div>Current Positions</div><div><ul style="list-style-type: none"><li>Board Member - Savola Food Company</li><li>Board Member - Afia International Company</li><li>Board Member - United Sugar Company</li><li>Chairman of the Board of Directors - Al-Qatrana Cement Company, Jordan</li><li>Board Member - Ready Mix Concrete and Construction Services Company, Jordan</li><li>Board Member - United Sugar Company, Egypt</li><li>Board Member - Afia International Company, Egypt</li><li>Board Member - Alexandria Sugar Company, Egypt</li><li>Board Member - The Queen Company for Food Industries, Egypt</li><li>Board Member and Executive Director - Saudi Industrial Construction and Engineering Projects Company</li><li>Board Member and Executive Director - Saudi Technology and Trade Company Ltd.</li><li>Board Member and Executive Director - Al Wusataa Development Company</li></ul></div><div><div>Previous Positions</div><div><ul style="list-style-type: none"><li>Board Member - Merle Lynch, Kingdom of Saudi Arabia</li><li>Board Member - Al-Azzawi Group</li></ul></div><div><div>Qualifications</div><div><ul style="list-style-type: none"><li>Bachelor of Computer Engineering - King Saud University</li></ul></div></div></div></div></div></div>	<div><div><div><div>Ibrahim Hassan Sharbatly</div></div></div><div><div>Memberships in Other Listed Joint Stock Companies (inside the Kingdom)</div><div><ul style="list-style-type: none"><li>Board Member - Riyadh Bank</li></ul></div><div><div>Current Positions</div><div><ul style="list-style-type: none"><li>Chairman of the Board of Directors - First International Business Group</li><li>Vice Chairman of the Board of Directors - Al Nahla Group and Contracting Company</li><li>Vice Chairman of the Board of Directors - Saudi Arabian Marketing and Agencies Company Ltd. (SAMA-CO)</li><li>Vice Chairman of the Board of Directors - Saudi Arabian Marketing, Agencies, and Contracting</li><li>Vice Chairman of the Board of Directors - Fast Auto</li><li>Vice Chairman of the Board of Directors - Al-Ameen Distinctive for Urban Development</li><li>Vice Chairman of the Board of Directors - Al-Ameen Distinctive for Real Estate Investment</li><li>Board Member - Smile Communications, Africa</li></ul></div><div><div>Previous Positions</div><div><ul style="list-style-type: none"><li>Board Member - Commercial Union for Cooperative Insurance</li><li>Vice Chairman of the Board of Directors - Jeddah Holding Development Company</li><li>Board Member - Golden Coast, Egypt</li></ul></div><div><div>Qualifications</div><div><ul style="list-style-type: none"><li>Bachelor of Business Administration - College of Commerce and Business Administration, Bristol, UK</li></ul></div></div></div></div></div></div>	<div><div><div><div>Jamal Abdul-Karim Al-Rammah</div></div></div><div><div>Memberships in Other Listed Joint Stock Companies (inside the Kingdom)</div><div><ul style="list-style-type: none"><li>Board Member - Riyadh Bank</li></ul></div><div><div>Current Positions</div><div><ul style="list-style-type: none"><li>-</li></ul></div><div><div>Previous Positions</div><div><ul style="list-style-type: none"><li>Chairman of the Board of Directors - Saudi Aramco Insurance Company (Stellar)</li><li>Board Member - Saudi Aramco Investment Management Company (SIAMCO)</li><li>Board Member - Fujian Refining &amp; Petrochemical Company, S-Oil</li><li>Board Member - Gard Company</li><li>Board Member - Bandlewood Corporation NV</li><li>Board Member - Motor Oil Hellas Company</li><li>Board Member - Jeddah Oil Refining Company</li><li>Treasurer - Saudi Arabian Oil Company (Aramco)</li><li>Chairman of the Compensation and Documentation Committee for a number of subsidiaries and joint companies - Aramco</li><li>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</li><li>Finance General Manager - Aramco</li><li>General Manager, Documentation - Aramco</li></ul></div></div><div><div>Qualifications</div><div><ul style="list-style-type: none"><li>Management Executive Program - Harvard University, USA</li><li>Bachelor of Management and Economics - University of Basrah</li><li>Attended a number of management and finance programs at many international and domestic universities and institutions</li></ul></div></div></div></div></div>
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**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 (KAJD)
- 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"><li>• Audit Committee Member - Riyadh Bank</li><li>• Vice Chairman of the Board of Directors - Amana Cooperative Insurance Company</li><li>• Audit Committee Member - Savola Group</li><li>• Board Member, Financial Investment Funds - Osool and Bakheet Investment Company</li><li>• Board Member - Evening Cups for Beverages Co.</li><li>• Board Member - OceanX</li></ul>	<ul style="list-style-type: none"><li>• Vice President of Compliance and Quality Assurance - Building Development Company</li><li>• Board Member - Digital Innovations Company</li><li>• Member of the Audit Committee - Tabuk Fish Company</li><li>• Board Member, Chairman of the Executive Committee, and Member of the Nomination and Remuneration Committee - Salama Insurance Company</li><li>• Founder and CEO - Idfaa Office for Management Consulting</li><li>• Regional Director, Corporate Banking Group - Bank Albilad</li><li>• Director, Strategy and Planning - Bank Albilad</li><li>• Senior Relationship Manager, Corporate Banking - SABB Bank</li><li>• Director, Islamic Banking and Corporate Banking - SABB Bank</li><li>• Relationship Officer, Corporate Banking - The Saudi Investment Bank</li></ul>	<ul style="list-style-type: none"><li>• Master of Accounting - George Washington University, USA</li><li>• Bachelor of Accounting - King Saud University</li><li>• Certified Management Accountant (CMA) - Institute of Management Accountants (IMA), USA</li><li>• Certified Financial Manager (CFM) - IMA, USA</li></ul>



Names of Committee Members		Current Positions	Previous Positions	Qualifications
Audit Committee				
2	Eid Faleh Al-Shamri	<ul style="list-style-type: none"><li>• Audit Committee Member - Riyadh Bank</li><li>• Board Member and Audit Committee Member - Al Hassan Ghazi Ibrahim Shaker Company</li><li>• Board Member, Audit Committee Member, and Nomination and Remuneration Committee Member - Aldrees Petroleum and Transport Services Company</li><li>• Board Member and Audit Committee Member - Taiba Investment Company</li><li>• Board Member and Audit Committee Member - Seera Group Holding</li><li>• Audit Committee Member - Almarai Company</li><li>• Audit Committee Member - King Salman Park Foundation</li><li>• Audit Committee Member - Sports Boulevard Foundation</li></ul>	<ul style="list-style-type: none"><li>• Board Member and Chairman of the Audit Committee - Fawaz Abdulaziz Alhokair and Partners Company</li><li>• Board Member and Chairman of the Audit Committee - Alitco Company</li><li>• Board Member - Gscco</li><li>• Board Member and Chairman of the Investment Committee - Amana Cooperative Insurance Company</li><li>• Board Member - RDB-ELSEIF CO</li><li>• Board Member - INMAIA Investment and Real Estate Development</li><li>• Audit Committee Member - Banque Saudi Fransi</li></ul>	<ul style="list-style-type: none"><li>• Bachelor of Science in Industrial Management - King Fahd University of Petroleum and Minerals</li><li>• American Board of Chartered Accountants Fellowship</li><li>• AICPA Member since 1995</li></ul>
3	Waddah Ibrahim Al Sheikh Mubarak	<ul style="list-style-type: none"><li>• Audit Committee Member - Riyadh Bank</li><li>• Vice Chairman of the Executive Committee – Majd Investment</li><li>• Head of General Administration, Investments and Revenue Development - Al-Ahsa Municipality</li><li>• Audit Committee Member - Almoosa Health Group</li></ul>	<ul style="list-style-type: none"><li>• Member of the Executive Committee of the Investment Fund - King Faisal University</li><li>• Assistant Professor - King Faisal University</li><li>• Head of Finance Department - King Faisal University</li><li>• Lecturer - King Faisal University</li><li>• Teaching Assistant - King Faisal University</li><li>• Executive Supply Chain Representative - SABIC</li><li>• Vice Dean of the College of Applied Studies - King Faisal University</li></ul>	<ul style="list-style-type: none"><li>• PhD in Finance - Middlesex University, UK</li><li>• Master of Finance - University of Portsmouth, UK</li><li>• Bachelor of Marketing King Faisal University</li></ul>

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

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

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

Executive Management

Nadir Sami Al-Koraya  
Chief Executive Officer (CEO)



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

Abdullah Ali Al-Oraini  
Chief Financial Officer



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

Majed Hamdan Al-Ghamdi  
Chief Wholesale Officer



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



**Mohammed Abo Al-Naja**  
Chief Corporate Banking Officer



**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

**Mazen Ghassan Pharaon**  
Chief Digital Officer



**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

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



**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 Riyadh 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 Riyadh 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 Riyadh 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 (SAR'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 SAR 1,000,000 for each member. The additional remuneration for the Chairman of the Board of Directors is SAR 4,500,000. Additionally, the remuneration for each Committee membership is SAR 200,000 for each Committee member. The additional remuneration for the Chairman of each Committee is SAR 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 (SAR'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	SAR'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 SAR 5,092 Mn., for 2024, equivalent to SAR 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 Altwajjri	N/A	-	-	-	-
	Relatives of Abdulmohsen Altwajjri	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 Riyad 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 Riyad 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 Riyad 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/Prof. Mohammed bin Abdullah Butayban

- Position: Member of the Shari’ah Committee.
- Independence Status: Independent.
- Member of the Shari’ah Committee at Riyad 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/Prof. Zaid bin Abdulaziz Al-Shathri

- Position: Member of the Shari’ah Committee.
- Independence Status: Independent.
- Member of the Shari’ah Committee at Riyad 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. Riyad 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 Riyad Bank Cards on Samsung Pay Platforms.
7. Terms and Conditions for Using Riyad 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 Riyad Bank Application.
13. Real Estate Financing Models.
14. Riyad Bank Additional Tier 1 Sukuk Program (SAR-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 Riyad 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 Riyad Bank

The Compliance Division is an independent function responsible for identifying, evaluating, monitoring, and advising on compliance matters, supporting Riyad Bank’s commitment to safeguarding its professional practices, and customers. By adhering to applicable laws and regulations and complying with international standards, Riyad 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 Riyad Bank’s integrity and reputation. Riyad 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 Riyad Bank’s employees and Stakeholders. Riyad 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 Riyad Bank is designed to guide employees on the expected ethical principles and standards.

The policy is prepared on the basis that everyone at Riyad 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. Riyad 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. Riyad 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. Riyad 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, Riyad 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's 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 SAR 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, Riyadh 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, Riyadh 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. Riyadh 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, Riyadh 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. Riyadh 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.



