

### **Extraordinary General Assembly Meeting Agenda**

- 1- Reviewing and discussing the Board of Directors' Report for the fiscal year ending on 31/12/2024G.
- 2- Reviewing and discussing the bank's financial statements for the fiscal year ending on 31/12/2024G.
- 3- Voting on the Auditors report on the bank's accounts for the fiscal year ending on 31/12/2024G, after discussing it.
- 4- Voting on the Board of Director's recommendation to distribute cash dividends for the second half of the fiscal year 2024G by 0.50 SR per share, i.e. a total of SR 1,245.67 million representing 5% of share's nominal value, provided that the entitlement to dividends is for shareholders holding the shares by the end of the trading day of the Assembly date, and those registered in the bank's shareholders registry held with the Securities Depository Center Company (Edaa) at the end of the second trading day following the General Assembly meeting, and the distribution of dividends will be implemented within 15 days from the date of entitlement (Assembly Date), where the distribution will begin on Thursday 29/05/2025G, corresponding to 02/12/1446H. Therefore, the total dividends distributed to shareholders for the fiscal year ending on 31/12/2024G is SR 2,445.21 million by 1.50 SR per share, representing 15% of share's nominal value. (attached)
- 5- Voting on delegating the Board of Directors to distribute interim dividends on a biannually or quarterly basis for the fiscal year ending on 2025G.
- 6- Voting on the discharge of Directors from their liabilities for the fiscal year ending on 31/12/2024G.
- 7- Voting on paying an amount of (SAR 16,040,000) as remuneration to the Board of Directors for the fiscal year ending on 31/12/2024G.
- 8- Voting on delegating the Ordinary General Assembly's powers to Board of Directors as stipulated in paragraph (1) of Article (27) of the Companies Law, for a period of one year from the General Assembly's approval, or until the end of the Board of Directors' term whichever is earlier, in accordance with the terms stated in the Implementing Regulations of the Companies Law for Listed Joint Stock Companies.
- 9- Voting on delegating the Ordinary General Assembly's powers to Board of Directors as stipulated in paragraph (2) of Article (27) of the Companies Law, for a period of one year from the General Assembly's approval, or until the end of the Board of Directors' term whichever is earlier, based on the Standards for Competing Business with Banque Saudi Fransi approved by the Ordinary General Assembly on December 2021.

- 10- Voting on the appointment of external auditors for the bank from among the candidates based on the Audit Committee's recommendation to examine, review and audit the second, third quarter and annual financial statements of the fiscal year ending on 2025G, and the first quarter of the fiscal year ending on 2026G, together with the determination of their remuneration.
- 11- Voting on amending Nomination and Remuneration Committee Charter. (attached)
- 12- Voting on amending ESG Policy Framework. (attached)
- 13- Voting on amending Remuneration Policy for Senior Management. (attached)
- 14- Voting on business and contracts concluded between the bank and ABANA Enterprise Group Company, in which the Board of Directors member, Mr. Abdulrahman Al Rashed, has an indirect interest, which is a contract of maintenance of cash counting machines and leasing for cash counting machines, with a total amount of SAR 1,325,545.79 paid for 2024, without preferential terms. (attached)
- 15- Voting on business and contracts concluded between the bank and Alkhaleej Training and Education, in which the Board of Directors member, Mr. Abdulrahman Al Rashed, has an indirect interest, which is a contract of manpower and professional services from 01/01/2024G to 31/12/2024G, with a total amount of SAR 11,866,742.94 paid for 2024, without preferential terms. (attached).
- 16- Voting on business and contracts concluded between the bank and Alkhaleej Training and Education, in which the Board of Directors member, Mr. Abdulrahman Al Rashed, has an indirect interest, which is a contract of rental for the call center desk from 01/01/2024G to 31/12/2024G, with a total amount of SAR 396,000.00 paid for 2024, without preferential terms. (attached).
- 17- Voting on business and contracts concluded between the bank and Burj Assila For Hotel Services Company, in which the Board of Directors member, Mr. Bader Al Issa, has an indirect interest, which is providing Hotel services, with a total amount of SAR 168,404.35 paid for 2024, without preferential terms. (attached)
- 18- Voting on business and contracts concluded between the bank and Malathik Real Estate Investment Company, in which the Board of Directors member, Mr. Abdulrahman Al Rashed, has an indirect interest, which is providing car parking, from 01/04/2024G to 31/03/2025G with a total amount of SAR 491,000.00 , without preferential terms. (attached)

- 19- Voting on business and contracts concluded between the bank and Panda Retail Company, in which the Board of Directors member, Mr. Bader Al Issa, has an indirect interest, which is a contract to rent ATM sites, from 01/12/2021G to 31/01/2025G, with a total amount of SAR 216,500.00 paid for 2024 without preferential terms. (attached)
- 20- Voting on the purchase by Bank of a number of its shares with a maximum of (15,000,000) of its shares to allocate them within the bank's Share-Based Employee Remuneration Plans. The purchase will be financed through the bank's own resources, and the board of directors will be authorized to complete the purchase process within a maximum period of eighteen (18) months from the date of the Extraordinary General Assembly's decision. The purchased shares will be kept by the Bank for a period not exceeding ten (10) years from the date of Extraordinary General Assembly approval, as a maximum period until shares are allocated to the eligible employees. Once the said period lapses, the bank shall follow the rules and procedures stipulated in the relevant laws and regulations. (attached)



## **Audit Committee Report to the General Assembly 2024**

Internal Use

A blue ink handwritten signature, appearing to be "P. J. J.", located in the bottom right corner of the page.

## 1. Introduction

The Audit Committee ("AC" or the "Committee") is an independent sub-committee of the Board of Directors established by a resolution of the General Assembly of Banque Saudi Fransi ("BSF" or the "Bank"). The Committee assists the Board of Directors in fulfilling the responsibility on matters related to the Bank's financial statements, internal control system, internal audit process, related party transactions and the Bank's approach to monitoring compliance with laws, regulations and codes of conduct.

In line with the requirements of the Corporate Governance regulations, the AC presents a report to the Board of Directors that provides results of performing its responsibilities along with its opinion on the adequacy of the internal control system.

The Committee consists of five members chaired by an independent Board member and four independent members. The Committee Members are collectively knowledgeable of materials presented to the Committee, have relevant work experience, appropriate qualifications and have a thorough understanding of the roles and responsibilities of the Directors and Executive Management. They also have a good understanding of laws and regulations issued by the Saudi Central Bank (SAMA), Capital Market Authority (CMA) and other regulatory bodies.

## 2. Committee meetings

During 2024 and in line with its annual plan, approved by the Bank's Board of Directors, the Committee held eight (8) meetings. The Committee also submitted a quarterly activity reports to the Board of Directors, with the aim of providing reasonable assurances on the Bank's control environment.

## 3. Key activities performed within the scope of the Committee's responsibilities

The Committee completed several activities during 2024 meetings, in line with the AC's Charter and in accordance with regulations from SAMA and CMA. The following is a summary of the Committee's key activities:

### A. Financial Statements

The AC reviewed the quarterly and annual financial statements, where significant issues were discussed with the External Auditors including performance ratios, estimates, significant accounting and reporting issues, reasons for material changes, the adequacy of disclosures and the extent of applying prevailing accounting policies and applicable International Financial Reporting Standards (IFRS). The Committee also, obtained the External Auditors' statement on the level of cooperation of BSF Management in providing the required information and confirmation of no material observations noted. The Committee provided recommendations on the quarterly and annual financial statements to the Board of Directors in line with the requirements of SAMA and CMA.

### B. External Auditors

The Committee is responsible of recommending the appointment of External Auditors, as well as follow up on their performance and ensure their independence. The following is a summary of the committee's activities in this regard:

- The Committee recommended to the Board of Directors the nomination of the External Auditors after reviewing the submitted proposals, that included financial and technical analysis.
- The Committee approved the External auditors' plan to review the Bank's financial statements including Terms of Reference, scope of work, materiality, independence and ethics confirmation, key phases of audit, audit timelines, work plan, significant audit risks and focus areas, involvement of specialists, coordination with Internal Audit and Compliance, and coverage for main Bank's activities etc.
- The Committee obtained a statement from the External Auditors, confirming their independence in accordance with applicable regulations and standards.
- The Committee discussed with the External Auditors the annual Management Letter and directed Senior Management through the Internal Audit Group to track implementation of the agreed corrective action plans on the agreed target dates.

### C. The Internal Auditors

The Committee is responsible for direct oversight over the activities of the Bank's Internal Audit Group to ensure the function's independence and to assist in obtaining the required resources to carry out their tasks effectively. The Committee's role over Internal Audit Group included the following:

- The Committee approved the Internal Audit plan for the year 2024, and the 4 years' strategic plan for the period 2024 to 2027 taking into consideration the Bank's overall risks assessment and regulatory directives.
- Followed up on the Internal Audit activities through the quarterly reports that included a detailed presentation on progress of the Internal Audit plan implementation, audit reports issued each quarter and significant reported observations.
- Followed up on the progress of closing reported issues in previous internal audit reports, and retargeting of overdue observations.
- Followed up on the progress of validating the closure of reported observations in various SAMA inspection reports.
- Approved the Internal Audit Group Organization Chart, budget and objectives of the Group Chief Audit Executive for year 2024 to enable the Internal Audit Group to practice its role effectively.
- Approved the updated Internal Audit Group Charter and recommended the Committee charter for the Board approval, to be in line with International Standards, best practices and instructions of SAMA and CMA.
- Ensured effectiveness of the Internal Audit Group, including conformance with the Internal Audit Standards and conformance to SAMA Principles of Internal Auditing for Local Banks Operating in the Kingdom of Saudi Arabia;
- Reviewed Internal Audit Group's performance to ensure that it is able to perform its responsibilities independently and objectively.

#### D. Compliance

The Chief Compliance Officer who functionally report to the Chief Executive Officer (based on the SAMA's Compliance principles for banks and commercial institutions operating in the Kingdom of Saudi Arabia, issued in September 2020), attends the Committee quarterly meetings. The Chief Compliance Officer submits quarterly reports that include the results of compliance assessment, details on Anti-fraud and Anti Bribery and Corruption issues, regulatory non-compliance issues. In addition, the Compliance function is subject to periodic independent review by the Internal Audit Group.

The Committee contributed in ensuring the Bank's compliance with relevant laws, regulations, policies and instructions through reviewing the multiple reports and discussing issues of non-compliance and providing the required recommendations. The Committee's oversight on Compliance activities include the following:

- Reviewed and approved of the Compliance Annual Program for year 2024.
- Discussed quarterly reports of the Compliance Group covering Financial Crimes and Anti-Money Laundering updates, Status of implementation of SAMA Counter Fraud Framework, Bribery/Corruption and Whistleblowing updates,
- Reviewed the Annual Compliance Report and the adequacy of efforts to enhance the Bank's level of compliance.
- Discussed penalties and violations imposed on the Bank and the adequacy of actions plans to address the root causes to avoid similar instances.
- Reviewed the status of key SAMA directives and current status of their implementation.
- Reviewed SAMA inspection reports, as well as assessing the progress in closing reported observations.
- Reviewed list of related party transactions and the reasons on a quarterly basis. The Committee's opinion on the adequacy of the internal control system
- Reviewed significant fraud cases, types of fraud, analysis and statistics on fraud cases and relevant preventive / control measures implemented to mitigate the risk;

**4. Audit Committee's opinion on the adequacy of the internal control system**

Based on the approved Internal Control Policy and results of continuous evaluation of the Bank's internal controls by various control functions (Internal Audit Group, Compliance Group, and Risk Management), and the External Auditors, the Committee considers the current internal control system of the Bank as adequate and effective.



Abdullatif Alothman

The Chairman of the Audit  
Committee

## **Item (4)**

**Details of the proposed dividends distribution for 2nd half 2024**

## Details of the proposed dividends distribution for the 2<sup>nd</sup> half of 2024

Item	Details
The Total amount distributed	SAR 1,245.67 Millions
Number of Shares Eligible for Dividends	2,491,332,298 shares
Dividend per share	SAR 0.50 after deduction of Zakat
Percentage of Dividend to the Share Par Value (%)	5%
Eligibility date	The entitlement for the for the second half of the year 2024 is for shareholders holding the shares by the end of the trading day of the Assembly date, and those registered in the bank's shareholders registry held with the Securities Depository Center Company (Edaa) at the end of the second trading day following the General Assembly meeting
Distribution Date	The distribution of dividends will be implemented within 15 days from the date of entitlement (Assembly Date), where the distribution will begin on Thursday 29/05/2025G, corresponding to 02/12/1446H

**Item (11)**

**Amending Nomination and Remuneration Committee Charter**

Nominations and Remunerations Committee Charter	
Current Clause	Clause after proposed changes
	4.4.1 Ensure achieving BSF's diversity goals, assess the effectiveness of diversity initiatives and recommend strategies for enhancing diversity within the Bank, including recruitment practices, leadership development, and employee engagement programs, ensuring alignment with local regulations, business objectives and industry best practices;
5.8.1. The Office of a member of the Committee shall be vacated: a) If the <del>person</del> holding it resigns his/her office or <del>dies</del> ; b) If the <del>person</del> at any time <del>has been</del> bankrupt <del>or insolvent</del> , or <del>compounds</del> with <del>his/her</del> creditors or <del>suspends payment</del> ; c) If the <del>person is facing mental challenges, or become rationally unfit</del> ; d) If the <del>person</del> has been absented from three (3) <del>consecutive</del> meetings <del>or five (5) non-consecutive meetings of the Committee, as the case may be, or from all such meetings for a continuous period of six (6) months, whichever is longer, without leave of absence from the Committee concerned, or without good cause; and</del> e) If the <del>person</del> incurs any of the disqualifications mentioned in Article ( <del>19</del> ) of the Bank's bylaws.	5.8.1. The Office of a member of the Committee shall be vacated: a) Upon the expiry of the member term or the termination of the member's validity in accordance with any regulations and rules in force in the Kingdom; b) If the <del>member</del> holding it resigns his/her office or <del>retires</del> ; c) If the <del>member</del> at any time <del>is declared</del> bankrupt, or <del>applies for</del> settlement with creditors or <del>ceases to pay his debts or convicted of a crime involving moral turpitude</del> ; d) if the <del>member</del> died or becomes incapacitated; e) If the <del>member</del> has been absented from three (3) meetings <del>per year without a legitimate excuse to be accepted by the Committee</del> ; f) If the <del>member</del> does not meet the membership conditions in accordance with the stated regulations of relevant legislative authorities in the Kingdom; g) If the <del>member</del> incurs any of the disqualifications mentioned in Article ( <del>17</del> ) of the Bank's bylaws.
6.7.1 The Committee may meet personally or via <del>telephone or video conference</del> .	6.7.1 The Committee may meet personally or via <del>modern means of technology</del> .

## **Item (12)**

### **Amending ESG Policy Framework**

ESG Policy Framework	
Current Clause	Clause after Proposed Changes
<p><b>Review, Update &amp; Maintenance</b></p> <ul style="list-style-type: none"> <li>The minimum frequency for reviewing this policy is once in <del>two (2)</del> years or when required. The ESG <del>Board</del> Committee is responsible for ensuring that this document is reviewed and approved as per the DoA.</li> </ul>	<p><b>Review, Update &amp; Maintenance</b></p> <ul style="list-style-type: none"> <li>The minimum frequency for reviewing this policy is once in <b>three (3)</b> years or when required. The <b>Board Strategy &amp; ESG</b> Committee is responsible for ensuring that this document is reviewed and approved as per the DoA.</li> </ul>
<p><b>Applicability &amp; Commitment</b></p> <p>This framework applies to all groups and business units at BSF. All the Bank staff and contractors working either on permanent or temporary basis may follow this framework. BSF and its Board of Directors are firmly committed to integrate ESG across our banking operations, and to support social and charitable activities and programs.</p>	<p><b>Applicability &amp; Commitment</b></p> <p>This framework applies to all groups and business units at BSF. All the Bank staff and contractors working either on permanent or temporary basis may follow this framework. BSF and its Board of Directors are firmly committed to integrate ESG across our banking operations, and to support <b>environmental programs</b>, social and charitable activities and programs.</p>
<p><b>Related Charters, Policies &amp; Manuals:</b></p> <ul style="list-style-type: none"> <li>Audit Committee charter</li> <li>ESG <del>Board</del> Committee charter</li> <li><del>Board Strategy Committee charter</del></li> <li>Code of Conduct and Professional Ethics at <del>Banque Saudi Fransi</del></li> <li>Corporate Governance <del>Manual</del></li> <li>Whistleblowing <del>policy</del></li> </ul>	<p><b>Related Charters, Policies &amp; Manuals:</b></p> <ul style="list-style-type: none"> <li><b>Board</b> Audit Committee charter</li> <li><b>Board Strategy &amp; ESG</b> Committee charter</li> <li>Code of Conduct and Professional Ethics at <b>BSF</b></li> <li>Corporate Governance <b>Framework</b></li> <li>Whistleblowing &amp; <b>ABC Manual</b></li> </ul>
<p><b>Governance Framework</b></p> <p>BSF is committed to meeting the highest standards of governance in line with all laws and requirements issued by regulatory bodies. In addition to improving transparency and accountability to deliver value for all stakeholders. The Bank has established, and advocated for, a robust governance framework starting with the formation of Board of Directors and its committees and the formation of management committees.</p> <p>BSF's Board committees are:</p> <ul style="list-style-type: none"> <li>Audit Committee;</li> <li>Executive Committee;</li> <li>Board Risk Committee;</li> <li>Nomination &amp; Remuneration Committee;</li> <li>Board Strategy Committee;<del>and</del></li> <li><del>ESG Board Committee.</del></li> </ul> <p>While the committees of the board support ensuring effectiveness of decision-making via assisting the BoD in performing its duties and responsibilities, BSF's management committees assist both the Board, the Board committees as well as the executive management in discharging its responsibilities which is classified in two levels; the first level of management committees report to a Board related committee such as: Management Credit Committee, Compliance Committee and Risk Committee...etc., the second level of management committees report to a first level of management committee <del>such as; Regional Credit Committee, Head Office Credit Committee...etc.</del> In addition, the bank has a Shariah Committee that supervises compliance with Sharia rules and principles and its application in the Bank. This structure effectively addresses the roles and responsibilities of the Board and management and provides structures, policies, and tools to ensure sustainable long-term growth.</p>	<p><b>Governance Framework</b></p> <p>BSF is committed to meeting the highest standards of governance in line with all laws and requirements issued by regulatory bodies. In addition to improving transparency and accountability to deliver value for all stakeholders. The Bank has established, and advocated for, a robust governance framework starting with the formation of Board of Directors and its committees and the formation of management committees. BSF's Board committees are:</p> <ul style="list-style-type: none"> <li><b>Board</b> Audit Committee;</li> <li>Executive Committee;</li> <li>Board Risk Committee;</li> <li>Nomination &amp; Remuneration Committee;</li> <li>Board Strategy &amp; <b>ESG</b> Committee.</li> </ul> <p>While the committees of the board support ensuring effectiveness of decision-making via assisting the BoD in performing its duties and responsibilities, BSF's management committees assist both the Board, the Board committees as well as the executive management in discharging its responsibilities which is classified in two levels; the first level of management committees report to a Board related committee such as: Management Credit Committee, Compliance Committee and Risk <b>Management</b> Committee...etc., the second level of management committees report to a first level of management committee. In addition, the bank has a Shariah Committee that supervises compliance with Sharia rules and principles and its application in the Bank. This structure effectively addresses the roles and responsibilities of the Board and management and provides structures, policies, and tools to ensure sustainable long-term growth.</p>
<p><b>Board of Directors Remuneration</b></p> <p>BSF's Board of Directors and Board Committee members are entitled to receive remuneration to encourage achieving the success of BSF and its</p>	<p><b>Board of Directors Remuneration</b></p> <p>BSF's Board of Directors and Board Committee members are entitled to receive remuneration to encourage achieving the success of BSF and its long-term development. Such remuneration is determined based on BSF's Remuneration and Compensation Policy for Board, <b>and</b> Board Committees</p>

<p>long-term development. Such remuneration is determined based on BSF's Remuneration and Compensation Policy for Board, Board Committees <del>and Senior Executives</del> which is approved by the general assembly. Moreover, details of the Board and Board committees' remunerations are disclosed annually in line with BSF's Transparency &amp; Disclosure policy.</p>	<p>which is approved by the general assembly. Moreover, details of the Board and Board committees' remunerations are disclosed annually in line with BSF's Transparency &amp; Disclosure policy.</p>
<p><b>2.1.2 Risk Management</b> The Risk Management Framework is established to ensure strong risk management awareness and culture, and to embed these practices in day-to-day business activities and responsibilities. Risk management provides the foundation and organizational arrangements for designing, implementing, monitoring, reviewing and continually improving risk management throughout the Bank. BSF's approach is to identify, analyze and respond appropriately to all risks.</p> <p>BSF has carefully formulated a framework that guides and defines how risks (including those related to ESG) are measured and managed. It reflects the appetite of the BoD, executive management and Board committees towards monitoring and mitigating risks associated with strategy, financial performance, technology, asset and liability management, credit, operations, legal affairs, organizational affairs and information security. In addition, specific policy guidelines are defined for each business unit that address key areas of risk relevant to their primary activities. Independent and thorough risk reviews are also conducted for each new business transaction, namely investment and financing.</p>	<p><b>2.1.2 Risk Management</b> The Risk Management Framework is established to ensure strong risk management awareness and culture, and to embed these practices in day-to-day business activities and responsibilities. Risk management provides the foundation and organizational arrangements for designing, implementing, monitoring, reviewing and continually improving risk management throughout the Bank. BSF's approach is to identify, analyze and respond appropriately to all risks. <b>In addition, BSF continues to explore the application of ESG risk assessment in financing activities through the use of ESG Due Diligence Toolkit to help the Bank review the ESG performance of new deals and portfolio companies by evaluating criteria related to environmental, social, and governance risks.</b></p> <p>BSF has carefully formulated a framework that guides and defines how risks (including those related to ESG) are measured and managed. It reflects the appetite of the BoD, executive management and Board committees towards monitoring and mitigating risks associated with strategy, financial performance, technology, asset and liability management, credit, operations, legal affairs, organizational affairs and information security. In addition, specific policy guidelines are defined for each business unit that address key areas of risk relevant to their primary activities. Independent and thorough risk reviews are also conducted for each new business transaction, namely investment and financing.</p>
<p><b>2.1.3 Data Privacy and Security</b> BSF will assure that customer information is secured and will follow the guidelines of all applicable privacy and data protection laws and regulations. BSF is committed to maintaining and improving information security within accepted best practice and minimizing its exposure to risks in order to protect BSF assets and stakeholders.</p> <p>BSF recognizes the importance of technology, information and cybersecurity risks, which the Bank has invested in a unique Cybersecurity Development Program that develops cyber skillset amongst local talent and promotes BSF in the local banking sector for cybersecurity.</p>	<p><b>2.1.3 Data Privacy and Security</b> BSF will assure that customer information is secured and will follow the guidelines of all applicable privacy and data protection laws and regulations. <b>BSF is committed to following the National Personal Data Protection Law (PDPL) to ensure the highest standards of data privacy, safeguarding the confidentiality and integrity of customer information in alignment national and international best practices.</b> BSF is <b>also</b> committed to maintaining and improving information security within accepted best practice and minimizing its exposure to risks in order to protect BSF assets and stakeholders.</p> <p>BSF recognizes the importance of technology, information and cybersecurity risks, which the Bank has invested in a unique Cybersecurity Development Program that develops cyber skillset amongst local talent and promotes BSF in the local banking sector for cybersecurity.</p>

<p>Cybersecurity in BSF is an independent entity under Risk Management Group and managed by Senior Level Executive – Chief Information Security Officer (CISO) who is responsible for establishing and maintaining the enterprise vision, strategy, and program on cybersecurity. <del>The BSF Cybersecurity Governance Committee</del> consisting of Group Heads from all relevant Groups support the overall cybersecurity <del>governance</del> in BSF.</p> <p>BSF Board of Directors recognize cybersecurity as strategic enabler to accomplish corporate mission and achieve business goals, and hence, treat cybersecurity as high priority. BSF and its Board of Directors are firmly committed to maintain high standards of Cybersecurity over its assets and information.</p> <p>The bank's overall position on cybersecurity is "Protect BSF data and reputation by providing a secure and resilient digital banking environment and security posture which is in compliance with local and international cybersecurity standards and regulations".</p>	<p>Cybersecurity in BSF is an independent entity under Risk Management Group and managed by Senior Level Executive – Chief Information Security Officer (CISO) who is responsible for establishing and maintaining the enterprise vision, strategy, and program on cybersecurity.</p> <p><b>The BSF Information Security Governance Committee</b> consisting of Group Heads from all relevant Groups support the overall cybersecurity <b>strategy</b> in BSF.</p> <p>BSF Board of Directors recognize cybersecurity as strategic enabler to accomplish corporate mission and achieve business goals, and hence, treat cybersecurity as high priority. BSF and its Board of Directors are firmly committed to maintain high standards of Cybersecurity over its assets and information.</p> <p>The bank's overall position on cybersecurity is "Protect BSF data and reputation by providing a secure and resilient digital banking environment and security posture which is in compliance with local and international cybersecurity standards and regulations".</p>
<p><b>2.2.2 Sustainable Lending and Investing</b></p> <p>BSF believes in integrating ESG principles in lending and investment activities. This involves identifying material issues that affect business decisions, following-up on these issues within the due diligence processes and subsequent credit/investment reviews. BSF applies responsible lending rules in accordance with SAMA rules, taking into consideration a robust internal credit policy where credit history and scoring is applied to calculate an accurate debt burden ratio. In alignment with the government vision to promote small businesses, we aim to finance more micro and small businesses.</p>	<p><b>2.2.2 Sustainable Lending and Investing</b></p> <p>BSF believes in integrating ESG principles in lending and investment activities. This involves identifying material issues that affect business decisions, following-up on these issues within the due diligence processes and subsequent credit/investment reviews. BSF applies responsible lending rules in accordance with SAMA rules, taking into consideration a robust internal credit policy where credit history and scoring is applied to calculate an accurate debt burden ratio. In alignment with the government vision to promote small businesses, we aim to finance more micro and small businesses. <b>The bank aims to explore the incorporation of ESG factors to its retail products offerings. BSF also continues to explore the integration of ESG factors in credit assessments and risk appetite, as well as list of sector exclusions or identified as climate sensitive sectors through the calculation of financed emissions.</b></p>
<p><b>2.2.3 Responsible Procurement</b></p> <p>BSF is committed to ethical, fair and transparent dealings with our suppliers. BSF aims to maintain good relationships with suppliers, and to support local suppliers to streamline our value chain.</p> <p>BSF have implemented a fully automated Enterprise Resource Planning system that will deliver a huge improvement of all procurement-related activity and is fully aligned with the Bank's vision to become the most modern and innovative Bank in the region.</p> <p>BSF aims to assess suppliers financially, socially and environmentally. This will allow the bank to build a strategic relationship with its suppliers and endorse business sustainability and continuity, as well as enhancing its spending efficiency and cost control.</p>	<p><b>2.2.3 Responsible Procurement</b></p> <p>BSF is committed to ethical, fair and transparent dealings with our suppliers. BSF aims to maintain good relationships with suppliers, and to support local suppliers to streamline our value chain. <b>Our supplier management practices and interactions are rooted in a set of strategic, tactical, and operational processes that guide our supplier engagement and relationships. The bank is committed to explore the integration of ESG factors into its procurement processes through the adoption of a responsible procurement program.</b></p> <p>BSF have implemented a fully automated Enterprise Resource Planning system that will deliver a huge improvement of all procurement-related activity and is fully aligned with the Bank's vision to become the most modern and innovative Bank in the region.</p> <p>BSF aims to assess suppliers financially, socially and environmentally. This will allow the bank to build a strategic relationship with its suppliers and endorse business sustainability and continuity, as well as enhancing its spending efficiency and cost control.</p>

### 2.3.1 Responsible Customer Relations and Satisfaction

BSF success depends on maintaining strong and healthy relationships with its customers. The bank strives to remain close to the customer and offer the best financial services. BSF will provide transparent and responsible financial advice and communication to our customers to enable better financial decisions.

The Bank has implemented a Customer Relationship Management System for its corporate customers that helps the Bank maintain clear visibility on customer activity, identify prospect customers, manage tasks (e.g.: customer follow ups), create customizable internal reports (e.g.: related to customer phone calls and meetings), monitor branch activity through dashboard and/or campaign reports and other various functions. BSF also evaluates the needs of all its customers through market research to ensure competitive services and products. All financial products and services provided to the customer must be accompanied complete and correct information.

BSF has also developed the necessary policies and procedures to be followed by Stakeholders when submitting complaints or reporting any violations. The Bank is committed to resolving all complaints in a timely and fair manner and rectifying process weaknesses, which adversely affect the service delivery to customers or other third parties, and promoting an organization structure that values complaints as a tool for continuous improvement. The ~~Consumer Protection and Customer Complaints Division (CPCCD)~~ is an independent and centralized control function that is entrusted with the responsibilities of leading and managing consumer protection and customer complaints, ~~CPCCD's~~ key role entails monitoring BSF complying with SAMA requirements related to consumer protection through customer complaints from various channels by performing a review, validation, and reporting of all customers' complaints received, the main objective is the upkeep and protection of the Bank's reputation, and the continuous improvement of customer experience to better leverage development and growth.

### 2.3.1 Responsible Customer Relations and Satisfaction

BSF success depends on maintaining strong and healthy relationships with its customers. The bank strives to remain close to the customer and offer the best financial services. BSF will provide transparent and responsible financial advice and communication to our customers to enable better financial decisions.

The Bank has implemented a Customer Relationship Management System for its corporate customers that helps the Bank maintain clear visibility on customer activity, identify prospect customers, manage tasks (e.g.: customer follow ups), create customizable internal reports (e.g.: related to customer phone calls and meetings), monitor branch activity through dashboard and/or campaign reports and other various functions. BSF also evaluates the needs of all its customers through market research to ensure competitive services and products. All financial products and services provided to the customer must be accompanied complete and correct information.

BSF has also developed the necessary policies and procedures to be followed by Stakeholders when submitting complaints or reporting any violations. The Bank is committed to resolving all complaints in a timely and fair manner and rectifying process weaknesses, which adversely affect the service delivery to customers or other third parties, and promoting an organization structure that values complaints as a tool for continuous improvement. The **Customer Care Group (CCG)** is an independent and centralized control function that is entrusted with the responsibilities of leading and managing consumer protection and customer complaints, **CCG's** key role entails monitoring BSF complying with SAMA requirements related to consumer protection through customer complaints from various channels by performing a review, validation, and reporting of all customers' complaints received, the main objective is the upkeep and protection of the Bank's reputation, and the continuous improvement of customer experience to better leverage development and growth.

<p><b>2.3.2-Digitization</b></p> <p>Digitization and automation of processes is a key enabler to achieve the Bank's strategy and core pillar of its vision of becoming "the go-to Bank for Digital. This is not only to enhance the customer experience, but also to help facilitate seamless integration with relevant government entities, credit bureaus and other stakeholders. This digitization will also provide simple and convenient access to product offerings and customer service tools. BSF strives to continually getting more efficient by increasing the use of automation and digitization across the Bank, making processes faster and more accurate, raising customer service levels and driving profitability. The bank understands the centrality of digitization to this vision, and is committed to being a leader in the Kingdom's Banking sector in the deployment of digital solutions and technologies.</p>	<p><b>2.3.2 Digitalization</b></p> <p>Digitalization and automation of processes is a key enabler to achieve the Bank's strategy and core pillar of its vision of becoming "the go-to Bank for Digital. This is not only to enhance the customer experience, but also to help facilitate seamless integration with relevant government entities, credit bureaus and other stakeholders. This digitalization will also provide simple and convenient access to product offerings and customer service tools. BSF strives to continually getting more efficient by increasing the use of automation and digitalization across the Bank, making processes faster and more accurate, raising customer service levels and driving profitability. The bank understands the centrality of digitalization to this vision, and is committed to being a leader in the Kingdom's Banking sector in the deployment of digital solutions and technologies.</p>
<p><b>2.4.1 Talent Attraction, Retention and Development</b></p> <p>In regards of BSF compensation policy, the Bank set forth its Compensation Philosophy to ensure that there is a documented overview of the principles that will underpin the design and administration of compensation policy across Banque Saudi Fransi in order to enhance its ability to attract, retain, and motivate employees all while remaining compliant with applicable banking regulation and aligned to market best practice.</p>	<p><b>2.4.1 Talent Attraction, Retention and Development</b></p> <p>In regards of BSF compensation policy, the Bank set forth its Compensation Philosophy to ensure that there is a documented overview of the principles that will underpin the design and administration of compensation policy across BSF in order to enhance its ability to attract, retain, and motivate employees all while remaining compliant with applicable banking regulation and aligned to market best practice.</p>
<p><b>2.4.2 Employee Engagement, Wellbeing and Satisfaction</b></p> <p>Driven by a commitment to provide the best working environment for its employees, BSF strives to be well informed on matters affecting employee engagement and job satisfaction. Therefore, BSF conducts the employee engagement survey on annual basis, identifies the key engagement and job satisfaction factors, sets action plans with the involvement and alignment of the senior management team, and monitors progress year-on-year.</p> <p>The Bank has an internal grievance mechanism to protect the rights of its employees and to help foster a strong safety mindset among employees as well as delivering a health and safety training. The internal procedure ensures that the grievances are taken seriously, thoroughly investigated, and resolved.</p>	<p><b>2.4.2 Employee Engagement, Wellbeing and Satisfaction</b></p> <p>Driven by a commitment to provide the best working environment for its employees, BSF strives to be well informed on matters affecting employee engagement and job satisfaction. Therefore, BSF conducts the employee engagement survey on annual basis, identifies the key engagement and job satisfaction factors, sets action plans with the involvement and alignment of the senior management team, and monitors progress year-on-year. <b>BSF has implemented a dedicated well-being program called "Testahil" with the aim of increasing awareness about the importance of workplace health and emotional well-being.</b></p> <p>The Bank has an internal grievance mechanism to protect the rights of its employees and to help foster a strong safety mindset among employees as well as delivering a health and safety training. The internal procedure ensures that the grievances are taken seriously, thoroughly investigated, and resolved.</p>
<p><b>2.5.2 Environmental management</b></p> <p>BSF is fully committed to protecting the environment. The bank is conscious of its environmental responsibilities and seeks to limit its environmental impact. BSF has implemented a range of measures to make a tangible impact and ensures effective monitoring, managing, and reporting on its progress to minimize GHG emissions and energy consumption. BSF also aims to deploy water saving mechanisms and recycling initiatives, and to increase responsible paper use by utilizing electronic platforms as an alternative means for document sharing and archiving.</p>	<p><b>2.5.2 Climate change &amp; Environmental management</b></p> <p>BSF is fully committed to <b>tackling the issues related to climate change &amp;</b> protecting the environment. The bank is conscious of its environmental responsibilities and seeks to limit its <b>negative</b> environmental impact. BSF has implemented a range of measures to make a tangible impact and ensures effective monitoring, managing, and reporting on its progress to minimize GHG emissions and energy consumption. BSF also aims to deploy water saving mechanisms and recycling initiatives, and to increase responsible paper use by utilizing electronic platforms as an alternative means for document sharing and archiving. <b>BSF is committed to explore practical approaches for waste reduction, recycling, and responsible waste disposal in all its operations. Ultimately, BSF recognizes the value of environmental protection and promises to reduce its ecological footprint through policies that comply with environmental laws and good business practices.</b></p>
<p><b>3.1 Roles and responsibilities</b></p> <p>A robust approach to corporate governance is a key focus for BSF. The bank adopts best practices in this field, applying a transparent approach to</p>	<p><b>3.1 Roles and responsibilities</b></p> <p>A robust approach to corporate governance is a key focus for BSF. The bank adopts best practices in this field, applying a transparent approach to</p>

<p>create value for all the Bank’s stakeholders. BSF follows a Corporate Governance <b>Manual</b> to set out BSF’s Governance framework of policies, procedures, systems and controls by which the relationship between the Board, Executive Directors, shareholders and stakeholders are clearly regulated and their interests are protected.</p>	<p>create value for all the Bank’s stakeholders. BSF follows a Corporate Governance <b>Framework</b> to set out BSF’s Governance framework of policies, procedures, systems and controls by which the relationship between the Board, Executive Directors, shareholders and stakeholders are clearly regulated and their interests are protected.</p>
<p><b>3.1.2 ESG Governance Framework</b></p> <p>To achieve a disciplined and well-governed structure for ESG, BSF formed an ESG <b>Board</b> Committee <b>at the Board level</b>, ESG <b>Management</b> Committee <b>at the management level</b>, and appointed ESG champions to ensure integrated results.</p> <p><b>ESG Board Committee:</b> supports the Board of Directors in achieving its targets in terms of ESG pillars to support BSF’s ongoing commitment to sustainable finance, environmental stewardship, health and safety, diversity and inclusion, corporate social responsibility, corporate governance and other sustainability and responsibility matters which are an integral part of enhancing the Banks’s long-term shareholder value.</p> <p>For more details, you may refer to the <b>ESG</b> Board Committee charter.</p> <p><b>ESG Management Committee:</b> represents and assists the ESG <b>Board</b> Committee in fulfilling its oversight responsibilities relating to ESG related commitments, strategies, objectives, progress, performance and activities, with the aim to have the highest standard and practices in areas of ESG applied by BSF.</p>	<p><b>3.1.2 ESG Governance Framework</b></p> <p>To achieve a disciplined and well-governed structure for ESG, BSF formed a <b>Board level</b> ESG Committee, <b>Management level</b> ESG Committee, and appointed ESG champions to ensure integrated results.</p> <p><b>Board Strategy &amp; ESG Committee:</b> supports the Board of Directors in achieving its targets in terms of ESG pillars to support BSF’s ongoing commitment to sustainable finance, environmental stewardship, health and safety, diversity and inclusion, corporate social responsibility, corporate governance and other sustainability and responsibility matters which are an integral part of enhancing the Banks’s long-term shareholder value.</p> <p>For more details, you may refer to the <b>relevant</b> Board Committee charter.</p> <p><b>ESG Management Committee:</b> represents and assists the <b>Board level</b> ESG Committee in fulfilling its oversight responsibilities relating to ESG related commitments, strategies, objectives, progress, performance and activities, with the aim to have the highest standard and practices in areas of ESG applied by BSF.</p> <p><b>ESG Division:</b> Serves as a focal point for all ESG matters and overseas implementation of ESG-related strategies, policies, programs, initiatives, and disclosures, including the facilitations of meetings for the Board &amp; Management level ESG Committees, engaging with stakeholders. Monitoring the Bank’s ESG KPI performance, and advising in integrating ESG into products, services, and business strategies.</p>

**Item (13)**

**Amending Remuneration Policy for Senior Management**

Remuneration Policy for Senior Management	
Current Clause	Clause after proposed changes
Table of Abbreviations and Definitions  Variable Compensation /Variable Remuneration: Performance-based remuneration, which is comprised of the annual performance bonus plan, sales incentive plan, and the long-term <del>incentive</del> plan.	Table of Abbreviations and Definitions  Variable Compensation /Variable Remuneration: Performance-based remuneration, which is comprised of the annual performance bonus plan, sales incentive plan, and the long-term <b>retention</b> plan.
1.3.1 The authority to amend this policy rest with the General Assembly upon Board of Directors recommendation;	1.3.1 The authority to amend this policy rests with the General Assembly upon Board of Directors' recommendation;
1.3.2 Any amendment to this <del>document should</del> be as per the process set out in the DoA;	1.3.2 Any amendment to this <b>policy shall</b> be <b>addressed</b> as per the process set out in the DoA;
1.3.3 The minimum frequency for reviewing this policy is two (2) years. <del>However, the policy must be reviewed / updated</del> earlier if required. NRC is responsible for ensuring that this document is reviewed and approved as required; and	1.3.3 The minimum frequency for reviewing this policy is two (2) years, <b>or</b> earlier if required. NRC is responsible for ensuring that this document is reviewed and approved as required; and
1.3.4 This policy <del>shall be a permeant</del> part of the induction program provided to the Board of Directors upon their <del>election</del> , and Senior Management upon their appointment. It is the duty of the new members to understand and familiarize themselves with this policy.	1.3.4 <b>It shall be the responsibility of the Corporate Governance Division and the Human Resources Group to ensure, respectively, that this</b> policy <b>is an essential</b> part of the induction program provided to the Board of Directors <b>or Board Committees' Members</b> upon their <b>appointment</b> , and Senior Management upon their appointment. It is the duty of the new members to understand and familiarize themselves with this policy.
1.4.1 <del>Banque Saudi Fransi</del> (also referred to as <del>"BSF"</del> or the "Bank") shall commit to this policy which shall be implemented from the date of its approval by the General Assembly, and shall be duly disclosed in accordance with the disclosure requirements issued by the relevant regulators.	1.4.1 <b>BSF</b> (also referred to as the "Bank") shall commit to this policy which shall be implemented from the date of its approval by the General Assembly, and shall be duly disclosed in accordance with the disclosure requirements issued by the relevant regulators.
1.4.2 The provisions of this policy <del>came</del> to express the law and the applicable rules and regulations, and in the event of any amendments thereof, or any conflict or inconsistency between the provisions of this policy and the applicable laws, rules and regulations, the latter shall prevail, and the new amended provisions shall be applicable to this policy and complied with from its effectiveness date.	1.4.2 The provisions of this policy <b>are established</b> to express the law and the applicable rules and regulations, and in the event of any amendments thereof, or any conflict or inconsistency between the provisions of this policy and the applicable laws, rules and regulations, the latter shall prevail, and the new amended provisions shall be applicable to this policy and complied with from its effectiveness date.
<b>2. Purpose of the Policy</b>  The purpose of this document is to set out BSF's policy on the remuneration of the Senior Management to ensure that they are rewarded fairly, in-line with the Bank's objectives, <del>and</del> in accordance with the Companies Law issued by a Royal Decree, regulations of the Saudi Central Bank (SAMA), as well as regulations of the Capital Market Authority (CMA) and other applicable laws and regulations.	<b>2. Purpose of the Policy</b>  The purpose of this document is to set out BSF's policy on the remuneration of the Senior Management to ensure that they are rewarded fairly, in-line with the Bank's objectives, in accordance with the Companies Law issued by a Royal Decree, regulations of the Saudi Central Bank (SAMA), as well as regulations of the Capital Market Authority (CMA) and other applicable laws and regulations.
<b>3.1 Applicability</b>  This policy applies to the Senior Management of BSF, including regular, contractual FTE employees and insourced employees	<b>3.1 Applicability</b>  This policy applies to the Senior Management of BSF, including regular, contractual FTE employees and insourced employees hired through third

hired through third party service providers – <del>if</del> applicable.	party service providers – <b>where</b> applicable.																	
<b>3.2 Remuneration Definition</b>  Remunerations are: Amounts, allowances, profits and their equivalent, periodic or annual bonuses linked to performance, long or short-term incentive plans and any other in-kind benefits excluding the actual reasonable expenses and fees incurred by the Bank to enable <del>the</del> Senior Management of BSF to perform <del>his/her</del> duties.	<b>3.2 Remuneration Definition</b>  Remunerations are: amounts, allowances, profits and their equivalent, periodic or annual bonuses linked to performance, long or short-term incentive plans and any other in-kind benefits excluding the actual reasonable expenses and fees incurred by the Bank to enable Senior Management of BSF to perform <b>their</b> duties.																	
<b>4.2 Related Policies &amp; Procedures, and Internal Documents</b>  Certain other policies and procedures are relevant to this policy. These include, in particular: <table><tr><th>Policy</th></tr><tr><td>Board of Directors Charter</td></tr><tr><td>NRC charter</td></tr><tr><td>Bank's Bylaws</td></tr><tr><td>Human Resources Policy</td></tr><tr><td>The Delegation of Authority Manual</td></tr><tr><td>Share-based Employee Remuneration Plans</td></tr><tr><td>Code of Conduct and Professional Ethics At Banque Saudi Fransi</td></tr></table>	Policy	Board of Directors Charter	NRC charter	Bank's Bylaws	Human Resources Policy	The Delegation of Authority Manual	Share-based Employee Remuneration Plans	Code of Conduct and Professional Ethics At Banque Saudi Fransi	<b>4.2 Related Policies &amp; Procedures, and Internal Documents</b>  Certain other policies and procedures are relevant to this policy. These include, in particular: <table><tr><th>Policy / Procedure / Document</th></tr><tr><td><b>Audit Committee Charter</b></td></tr><tr><td>Board of Directors Charter</td></tr><tr><td>NRC charter</td></tr><tr><td>Bank's Bylaws</td></tr><tr><td>Human Resources Policy</td></tr><tr><td>The Delegation of Authority Manual</td></tr><tr><td>Share-based Employee Remuneration Plans</td></tr><tr><td>Code of Conduct and Professional Ethics At Banque Saudi Fransi</td></tr></table>	Policy / Procedure / Document	<b>Audit Committee Charter</b>	Board of Directors Charter	NRC charter	Bank's Bylaws	Human Resources Policy	The Delegation of Authority Manual	Share-based Employee Remuneration Plans	Code of Conduct and Professional Ethics At Banque Saudi Fransi
Policy																		
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Human Resources Policy																		
The Delegation of Authority Manual																		
Share-based Employee Remuneration Plans																		
Code of Conduct and Professional Ethics At Banque Saudi Fransi																		
<b>5.1 Policy Objective</b>  It is BSF's policy that BSF's Senior Management are compensated fairly, while addressing the risk of misconduct <del>that may be associated with</del> improper reward practices, in accordance with applicable laws and regulations, <del>while promoting effective risk management and achieving financial soundness and stability of the bank.</del>	<b>5.1 Policy Objective</b>  It is BSF's policy that BSF's Senior Management are compensated fairly, while addressing the risk of misconduct, improper reward practices <b>and promoting effective risk management while achieving financial soundness and stability of the Bank</b> , in accordance with applicable laws and regulations.																	
<b>5.2.1</b> Attracting qualified and distinguished persons to assume the roles entrusted to the Bank's management, based on their personal knowledge, experience, and aspirations. In return, the Bank shall offer them wages and remunerations commensurate with their individual capabilities and personal expectations, thus ensuring equitable pay internally while maintaining a competitive edge externally. Meanwhile, the Bank shall retain those who adhere to the values, regulations, and work procedures of <del>Banque Saudi Fransi;</del>	<b>5.2.1</b> Attracting qualified and distinguished persons to assume the roles entrusted to the Bank's management, based on their personal knowledge, experience, and aspirations. In return, the Bank shall offer them wages and remunerations commensurate with their individual capabilities and personal expectations, thus ensuring equitable pay internally while maintaining a competitive edge externally. Meanwhile, the Bank shall retain those who adhere to the values, regulations, and work procedures of <b>BSF;</b>																	
<b>5.2.7</b> Ensuring that the incentives system is reviewed periodically and does not encourage participation in high risk transactions to achieve short-term profits and <del>it</del> complies with BSF's risk policy approved by the Board, and ensuring that the incentives system addresses the risk of misconduct	<b>5.2.7</b> Ensuring that the incentives system is reviewed periodically and does not encourage participation in high risk transactions to achieve short-term profits and complies with BSF's risk policy approved by the Board, and ensuring that the incentives system addresses the risk of misconduct that may be associated with improper reward practices;																	

that may be associated with improper reward practices;	
5.2.10 BSF shall ensure that Control Functions and Human Resources function are adequately involved in remuneration design and decision-making to ensure effective remuneration incentives in addressing misconduct risk;	5.2.10 BSF shall ensure that Control Functions and Human Resources function are adequately involved in <b>the</b> remuneration design and decision-making to ensure effective remuneration incentives in addressing misconduct risk;
5.2.12 The remuneration provided shall be consistent with the Bank's strategy and objectives;	5.2.12 The remuneration provided <b>to Senior Management</b> shall be consistent with the Bank's strategy and objectives;
<del>5.2.15 Attract talented professionals and retain and motivate them without exaggeration;</del>	-
<del>5.2.16 Take into consideration the appropriate remuneration for new appointments;</del>	-
<p><b>5.3.1 Performance Management</b></p> <p>4. Performance assessments and remuneration outcomes should consider all risks, including those associated with the bank main activities and those stemming from conduct that may not be consistent with laws and regulatory requirements, internal policies and procedures or the bank's risk management framework. <del>These factors should be given due weightage in performance measurement.</del></p> <p>6. The performance measurement of senior level employees should be based on longer-term performance of BSF and accordingly the performance based component of their remuneration should not be based solely on the current year's performance. The performance assessments of senior management and other employees who have an oversight responsibility within the bank should also include considerations regarding their relevant oversight responsibility in relation to the risk of misconduct within their <del>business line</del>;</p>	<p><b>5.3.1 Performance Management</b></p> <p>4. Performance assessments and remuneration outcomes should consider all risks, including those associated with the bank main activities and those stemming from conduct that may not be consistent with laws and regulatory requirements, internal policies and procedures or the bank's risk management framework.</p> <p>6. The performance measurement of senior level employees should be based on longer-term performance of BSF and accordingly the performance based component of their remuneration should not be based solely on the current year's performance. The performance assessments of senior management and other employees who have an oversight responsibility within the bank should also include considerations regarding their relevant oversight responsibility in relation to the risk of misconduct within their <b>function</b>;</p>
<p><b>5.3.2 Remuneration Structure</b></p> <p>2. The mix of forms of remuneration can vary between managers based on criteria<del>s</del> set in this policy, and may include (but not limited to) cash, equity and other forms of remuneration, and should take into account the full range of financial and non-financial incentives in an employment relationship;</p> <p>4. BSF shall ensure that a substantial portion (between a</p>	<p><b>5.3.2 Remuneration Structure</b></p> <p>2. The mix of forms of remuneration can vary between managers based on <b>the</b> criteria set in this policy, and may include (but not limited to) cash, equity and other forms of remuneration, and should take into account the full range of financial and non-financial incentives in an employment relationship;</p> <p>4. BSF shall ensure that a substantial portion (between a minimum of 40%</p>

<p>minimum of 40% and a maximum of 60%) of the Variable Remuneration of Senior Management (inclusive of both the Annual Performance Bonus, and the Long-term <del>Incentive</del> Plan) is subject to deferral with a minimum vesting period of not less than three years. The proportion of Variable Remuneration to be deferred, its form (which shall be in shares), and the vesting period shall be determined based on the nature of the business, its risks and the seniority and activities of the concerned Senior Manager, and in line with SAMA Banks Remuneration Rules;</p> <p>5. All Variable Remuneration, deferred or otherwise, shall be subject to leaver provisions which illustrate the applicable terms covering the various scenarios of separation of employment, which are covered in more detail within the Human Resources Policy;</p> <p>6. All Variable Remuneration, deferred or otherwise, will be subject to Remuneration Adjustment, which includes mechanisms to adjust the remuneration, through In-year Adjustment, or Malus, or Clawback arrangements, which can reduce the variable remuneration before or after it is awarded or paid. This allows <del>Banque Saudi Fransi</del> to adjust remuneration to account for risks that have subsequently occurred, including Misconduct, or in the event of negative contributions of the bank and/or the relevant line of business in any year during the vesting period, any unvested amounts may be clawed back, subject to the realized performance of the bank and the business line, among other factors. Remuneration Adjustment is covered in more detail within the Human Resources Policy;</p> <p>8. Where a Senior Manager is provided remuneration in the form of shares, the payout in shares shall be subject to an appropriate share retention policy, which is covered in more detail within the Human Resources Policy;</p> <p>9. The remuneration structure of employees working in control functions such as <del>risk management, compliance, and internal audit</del>, should be designed to ensure objectivity and independence of these functions. In this regard, it should be ensured that performance measurement and determination of remuneration of such employees are not dealt with by any person working in/associated with the business areas monitored by them;</p>	<p>and a maximum of 60%) of the Variable Remuneration of Senior Management (inclusive of both the Annual Performance Bonus, and the Long-term <b>Retention</b> Plan) is subject to deferral with a minimum vesting period of not less than three years. The proportion of Variable Remuneration to be deferred, its form (which shall be in <b>BSF</b> shares), and the vesting period shall be determined based on the nature of the business, its risks and the seniority and activities of the concerned Senior Manager, and in line with SAMA Banks Remuneration Rules;</p> <p>5. All Variable Remuneration, deferred or otherwise, shall be subject to leaver provisions which illustrate the applicable terms covering the various scenarios of separation of employment, which are covered in more detail within the Human Resources Policy <b>as well as the Share-based Employee Remuneration Plans documents</b>;</p> <p>6. All Variable Remuneration, deferred or otherwise, will be subject to Remuneration Adjustment, which includes mechanisms to adjust the remuneration, through In-year Adjustment, or Malus, or Clawback arrangements, which can reduce the variable remuneration before or after it is awarded or paid. This allows <b>BSF</b> to adjust remuneration to account for risks that have subsequently occurred, including Misconduct, or in the event of negative contributions of the bank and/or the relevant line of business in any year during the vesting period, any unvested amounts may be clawed back, subject to the realized performance of the bank and the business line, among other factors. Remuneration Adjustment is covered in more detail within the Human Resources Policy;</p> <p>8. Where a Senior Manager is provided remuneration in the form of shares, the payout in shares shall be subject to an appropriate share retention policy, which is covered in more detail within the Human Resources Policy <b>as well as the Share-based Employee Remuneration Plans documents</b>;</p> <p>9. The remuneration structure of employees working in control functions such as <b>Risk Management, Compliance, and Internal Audit</b>, should be designed to ensure objectivity and independence of these functions. In this regard, it should be ensured that performance measurement and determination of remuneration of such employees are not dealt with by any person working in/associated with the business areas monitored by them;</p>
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<p><b>5.3.3. Alignment of Senior Management Remuneration to Misconduct Risk and Other Risks, and the Role of Senior Management in Addressing these Risks</b></p> <p>3. Senior Management shall promote clear and well-understood legal, professional and internal conduct standards as well as ethical values <del>and</del> that are tailored and cascaded to individual business units, and shall ensure that such standards are adhered to, and shall ensure such standards are taken into account when assessing performance and promotion potential, <del>and</del> that individuals are held accountable for ensuring that their own conduct is consistent with <del>these</del> values and standards. <del>Lastly</del>, ensure that the potential consequences of misconduct on remuneration are clearly explained to all employees.</p> <p>4. Senior Management (through the Chief Human Capital Officer) shall submit a report to the Nomination and Remuneration Committee, <del>as well as</del> SAMA, at least on a semi-annual basis, on measures taken and steps to be taken within the framework of applying the Banks Remuneration Rules issued by SAMA and any relevant Laws, Regulations, Principles and Standards.</p>	<p><b>5.3.3. Alignment of Senior Management Remuneration to Misconduct Risk and Other Risks, and the Role of Senior Management in Addressing these Risks</b></p> <p>3. Senior Management shall promote clear and well-understood legal, professional and internal conduct standards as well as ethical values that are tailored and cascaded to individual business units, and shall ensure that such standards are adhered to, and shall ensure such standards are taken into account when assessing performance and promotion potential.</p> <p>4. Senior Management shall ensure that individuals are held accountable for ensuring that their own conduct is consistent with <b>BSF</b> values and standards, <b>also</b> ensure that the potential consequences of misconduct on remuneration are clearly explained to all employees.</p> <p>5. Senior Management (through the Chief Human Capital Officer) shall submit a report to the Nomination and Remuneration Committee, <b>and the Saudi Central Bank (SAMA)</b>, at least on a semi-annual basis, on measures taken and steps to be taken within the framework of applying the Banks Remuneration Rules issued by SAMA and any relevant Laws, Regulations, Principles and Standards.</p>
<p><b>5.3.4 Remuneration Adjustment</b></p> <p>3. Remuneration Adjustment should allow BSF to adjust remuneration to account for risks that have subsequently occurred, including instances of employee misconduct or material error, material downturn in performance or <del>a</del> material failure of risk management;</p>	<p><b>5.3.4 Remuneration Adjustment</b></p> <p>3. Remuneration Adjustment should allow BSF to adjust remuneration to account for risks that have subsequently occurred, including instances of employee misconduct or material error, material downturn in performance or material failure of risk management;</p>
<p><b>5.3.5 Paying Remunerations</b></p> <p>Wages and remunerations shall be directly deposited in Saudi Riyals in the Senior Manager's <del>Banque Saudi Fransi</del> account, as per the Bank's internal policies and procedures.</p>	<p><b>5.3.5 Paying Remunerations</b></p> <p>Wages and remunerations shall be directly deposited in Saudi Riyals in the Senior Manager's <b>BSF</b> account, as per the Bank's internal policies and procedures.</p>

**Items (14) to (19)**

**Business and contracts where the members of the Board have  
direct or indirect interest**

## **LIMITED ASSURANCE REPORT TO THE SHAREHOLDERS OF BANQUE SAUDI FRANSI (A SAUDI JOINT STOCK COMPANY)**

### **Scope**

We have been engaged by Banque Saudi Fransi (the “Bank”) and its subsidiaries (collectively referred to as the “Group”) to perform a ‘limited assurance engagement,’ as defined by International Standards on Assurance Engagements endorsed in the Kingdom of Saudi Arabia, here after referred to as the engagement, on the Bank’s compliance with the requirements of Article (71) of the Companies’ Law (the “Subject Matter”) contained in the Bank’s attached notification (Appendix A) which is presented by the Bank’s Board of Directors to the Ordinary General Assembly on the transactions and contracts in which some members of the Bank’s Board of Directors have a direct or indirect personal interest in them dated 31 December 2024.

### **Criteria Applied by the Bank**

In preparing the Subject Matter the Bank applied the below criteria (the “Criteria”). Such Criteria were specifically designed for the declaration presented by the Bank’s Board of Directors to the Ordinary General Assembly (Appendix A). As a result, the subject matter information may not be suitable for another purpose.

- Article (71) of the Companies’ Law issued by the Ministry of Commerce (“MC”) (1443H -2022G).
- Notification presented by the Bank’s Board of Directors to the Ordinary General Assembly (Appendix A) dated 11 March 2025.
- Board of Directors resolution which includes approvals of the Bank’s Board of Directors’ on the transactions and contracts in which some members of the Bank’s Board of Directors have a direct or indirect personal interest in, as presented in the notification, by the Bank’s Board of Directors to the Ordinary General Assembly (Appendix A).

### **Bank’s Responsibilities**

The Bank’s management is responsible for selecting the Criteria, and for presenting the Subject Matter in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the Subject Matter, such that it is free from material misstatement, whether due to fraud or error.

### **Our Responsibilities**

Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

**LIMITED ASSURANCE REPORT  
TO THE SHAREHOLDERS OF BANQUE SAUDI FRANSI (A SAUDI JOINT STOCK COMPANY)  
(continued)**

**Our Responsibilities (continued)**

We conducted our engagement in accordance with the *International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* (“ISAE 3000”) that is endorsed in the Kingdom of Saudi Arabia, and the terms of reference for this engagement as agreed with the Bank on 11 March 2025. Those standards require that we plan and perform our engagement to express a conclusion on whether we are aware of any material modifications that need to be made to the Subject Matter in order for it to be in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

**Our Independence and Quality Management**

We have maintained our independence and confirm that we have met the requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) that is endorsed in the Kingdom of Saudi Arabia, and have the required competencies and experience to conduct this assurance engagement.

Our firm also applies International Standard on Quality Control 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements*, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

**Description of Procedures Performed**

Procedures performed in a limited assurance engagement vary in nature and timing and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management’s internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Subject matter and related information and applying analytical and other appropriate procedures.

**LIMITED ASSURANCE REPORT  
TO THE SHAREHOLDERS OF BANQUE SAUDI FRANSI (A SAUDI JOINT STOCK COMPANY)  
(continued)**

**Description of Procedures Performed (continued)**

Our procedures included:

- Obtained the notification presented by the Bank's Board of Directors to the Ordinary General Assembly (Appendix A) regarding the transactions and contracts entered between some of the Board of Directors' members directly or indirectly with the Bank.
- Obtained the Board of Directors resolution which includes approvals of the Bank's Board of Directors' on the transactions and contracts in which some members of the Bank's Board of Directors have a direct or indirect personal interest in, as presented in the notification, by the Bank's Board of Directors to the Ordinary General Assembly (Appendix A).
- Discussing with the management the contracts and transactions between the Board of Directors' members either directly or indirectly with the Bank during the year ended 31 December 2024.

We also performed such other procedures as we considered necessary in the circumstances.

**Other Matter**

The attached notification (Appendix A) is stamped by us for identification purposes only.

**Conclusion**

Based on our procedures and the evidence obtained, we are not aware of any material modifications that need to be made to the Subject Matter, in order for it to be in accordance with the Criteria applied by the Bank referred to above.

for Ernst & Young Professional Services



Rashid S. Roshod  
Certified Public Accountant  
License No. (366)



Riyadh: 23 Ramadan 1446H  
(23 March 2025)

March 11, 2025  
Ramadan 11, 1446

Ref: SEG/MGT/4/2025

The shareholders of Banque Saudi Fransi (BSF),

In reference to Article (71) of the Companies Law, we the Board of Directors of Banque Saudi Fransi (BSF) confirm that the information mentioned in Appendix (A) contain all business and contracts for the financial year ended 31 December 2024 where the members of the Board of Directors of BSF have direct or indirect interest.

In addition, the Bank provides credit facilities and/or issues letters of guarantee to a number of members of the board of directors and/or companies and institutions related to members of the board, and these facilities are subject to the controls stipulated in the Banking Control Law and the instructions issued by the Saudi Central Bank. These facilities have been disclosed in note (37) of the Bank's consolidated financial statements as of 31 December 2024.

Regards,

### Banque Saudi Fransi Board of Directors

  
Mazin Abdulrazzak Al Romaih  
Chairman of the Board

  
**Abdallah Abdulmalik Alshaikh**  
Corporate Secretary



## Appendix A

Mentioned below are the contracts and businesses which were performed in the financial year 2024 without preferential terms where members of the Board of Directors have direct or indirect interest.

	The nature of business or contract	The amount of business or contract (SAR)	Start date of the contract	End date of the contract	Contract status	Name of the Board member or any person related to them
1	<b>ABANA Services:</b> A- Maintenance of Cash Counting Machines B- Leasing for Cash Counting Machines <b>(ABANA Enterprise Group)</b> * Some transactions are related to legacy invoices for a service that was provided previously.	Various based on services.  Total amount paid for 2024:  1,325,545.79	Variable according to the type of service provided to the bank		Active	Abdulrahman Alrashed's brother Abdulaziz Al Rashed <b>(Board of Directors member)</b>
2	<b>Manpower and professional services</b> Al Khaleej Training and Education (SMARTLINK)	Total amount paid for 2024:  11,866,742.94	1-1-2024	31-12-2024	Active	Abdulrahman Alrashed's brother Abdulaziz Al Rashed <b>(Board of Directors member)</b>
3	<b>Rental for the call centre desk</b> Al Khaleej Training and Education (SMARTLINK)	Total amount paid for 2024:  396,000.00	1-1-2024	31-12-2024	Active	Abdulrahman Alrashed's brother Abdulaziz Al Rashed <b>(Board of Directors member)</b>
4	<b>Hotel services</b> Burj Assila For Hotel Services Company (ShangriLa Jeddah) *No longer a related party after 07-07-2024.	Total amount paid for 2024: 168,404.35	Variable according to the type of service provided to the bank.			Bader Al Issa <b>(Board of Directors member)</b>
5	<b>ATM Sites</b> (Panda Retail Company)	Total amount paid for 2024:  216,500.00	1-12-2021	31-1-2025	Active	Bader Al Issa <b>(Board of Directors member)</b>
6	<b>Car Parking</b> (Malathik Real Estate Investment Company)	491,000.00	1-4-2024	31-3-2025	Active	Abdulrahman Alrashed's brother Salah Al Rashed <b>(Board of Directors member)</b>

## **Item (20)**

**Financial adequacy report issued by the External Auditor**

## **LIMITED ASSURANCE REPORT ON THE SCHEDULE OF INFORMATION PREPARED IN CONNECTION WITH THE IMPLEMENTING REGULATION OF THE COMPANIES LAW FOR LISTED JOINT STOCK COMPANIES RELATING TO THE PROPOSED BUY-BACK OF SHARES TRANSACTION TO THE SHAREHOLDERS OF BANQUE SAUDI FRANSI (A SAUDI JOINT STOCK COMPANY)**

### **Scope**

We have been engaged by Banque Saudi Fransi (a Saudi Joint Stock Company) (the “Bank”) to perform a ‘limited assurance engagement’, as defined by International Standards on Assurance Engagements, here after referred to as the engagement, to report on whether anything has come to our attention that causes us to believe that the Schedule in relation to the proposed buy-back of shares from its shareholders (the “Subject Matter”) which was prepared by the management of the Bank as set out in the attached (Appendix A), has not been reported and presented fairly, in all material respects, in accordance with the applicable criteria mentioned below.

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Schedule, and accordingly, we do not express a conclusion on this information.

### **Criteria Applied by the Bank**

In preparing the Subject Matter, the Bank applied the below criteria (the “Criteria”). Such Criteria were specifically designed for the Schedule prepared by the management of the Bank in relation to the proposed buy-back of shares transaction of the Bank. As a result, the subject matter information may not be suitable for another purpose.

- Requirements stipulated in Paragraph 3 of Article 17 of the Implementing Regulation of the Companies’ Law for Listed Joint Stock Companies issued by the Board of the Capital Market Authority (“CMA”) pursuant to Resolution No. 8-127-2016 dated 16/1/1438H (corresponding to 17/10/2016G) based on the Companies’ Law issued by Royal Decree No. M/3 dated 28/1/1437H (corresponding to 10/3/2015G) as amended by the Resolution of the Board of the CMA No. 2-114-2024 Dated 4/4/1446H corresponding to 7/10/2024G based on the Companies Law Issued by Royal Decree No. M/132 dated 1/12/1443H.

### **Bank’s Responsibilities**

The Bank’s management is responsible for selecting the Criteria, and for presenting the Subject Matter in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the Subject Matter, such that it is free from material misstatement, whether due to fraud or error.

### **Our Responsibilities**

Our responsibility is to express a conclusion on the presentation of the Subject Matter based on evidence we have obtained.

We conducted our engagement in accordance with the *International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* (“ISAE 3000 (Revised)”) that is endorsed in the Kingdom of Saudi Arabia, and the terms of reference for this engagement as agreed with the Bank on 5 March 2025. Those standards require that we plan and perform our engagement to express a conclusion on whether we are aware of any material modifications that need to be made to the Subject Matter in order for it to be in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

**LIMITED ASSURANCE REPORT ON THE SCHEDULE OF INFORMATION PREPARED IN CONNECTION WITH THE IMPLEMENTING REGULATION OF THE COMPANIES LAW FOR LISTED JOINT STOCK COMPANIES RELATING TO THE PROPOSED BUY-BACK OF SHARES TRANSACTION TO THE SHAREHOLDERS OF BANQUE SAUDI FRANSI (A SAUDI JOINT STOCK COMPANY) (continued)**

**Independence and Quality Management**

We have maintained our independence and confirm that we have met the requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) that is endorsed in the Kingdom of Saudi Arabia, and have the required competencies and experience to conduct this assurance engagement.

Our firm also applies International Standard on Quality Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, that is endorsed in the Kingdom of Saudi Arabia, which requires that we design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

**Description of Procedures Performed**

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Subject Matter and related information and applying analytical and other appropriate procedures.

Our procedures included:

1. Compared the total assets, total liabilities, total contingent liabilities and retained earnings included in the attached Schedule as at 31 December 2024 to the Bank's consolidated financial statements and accounting records as at 31 December 2024.
2. Checked the arithmetical accuracy of the net assets (which represents the balance after deducting the total liabilities and total contingent liabilities from total assets) included in the Schedule as at 31 December 2024 prior to and after deducting the balance of estimated cost of purchasing treasury shares.
3. Recalculated the estimated cost of purchasing treasury shares which was calculated based on the average share prices from 1 January 2025 to 20 March 2025 provided by the management multiplied by the proposed number of shares to buy back.

**LIMITED ASSURANCE REPORT ON THE SCHEDULE OF INFORMATION PREPARED IN CONNECTION WITH THE IMPLEMENTING REGULATION OF THE COMPANIES LAW FOR LISTED JOINT STOCK COMPANIES RELATING TO THE PROPOSED BUY-BACK OF SHARES TRANSACTION TO THE SHAREHOLDERS OF BANQUE SAUDI FRANSI (A SAUDI JOINT STOCK COMPANY) (continued)**

**Description of Procedures Performed (continued)**

4. Compared the working capital included in Appendix A with the calculation provided by the management where the working capital was computed by deducting the total liabilities maturing within 1 to 5 years extracted from note (35 “A”) in the audited consolidated financial statements for the year ended 31 December 2024 and contingent liabilities within 1 to 5 years extracted from note (21 (i)) in the audited consolidated financial statements for the year ended 31 December 2024, from total assets maturing within 1 to 5 years extracted from note (35 “A”) in the audited consolidated financial statements for the year ended 31 December 2024.
5. Recalculated the balance of excess working capital mentioned in the attached schedule after deducting the amount of estimated cost of purchasing treasury shares, from working capital as calculated by management.
6. Recalculated the balance of excess retained earnings mentioned in the attached schedule after deducting the balance of estimated cost of purchasing treasury shares and amount of treasury shares held from retained earnings as at 31 December 2024 as per the consolidated financial information.
7. Compared the total number of proposed shares to be bought back with the approval received from the relevant authority.

**Inherent limitation of procedures performed**

- The adequacy of working capital was determined based on Management’s analysis of assets and liabilities by expected maturity and other assumptions. The requirements mentioned in the Criteria that were followed by Management in preparing the Subject Matter do not define or determine what constitutes an adequate working capital. Our work has been limited to the procedures performed as described in *Description of Procedures Performed* section of our report.
- The share price of the Bank on the actual date of execution of the proposed buy-back of shares transaction may be substantially different from the share price used in arriving at the estimated purchase cost of the proposed buy-back of shares transaction in the Schedule as at the date prepared by the management and accompanying our report. Further, the working capital following the proposed buy-back of shares transaction may also differ significantly from the calculation made by management and reflected in the Schedule.
- The consolidated financial information as of 31 December 2024, are stated in order of liquidity and the working capital cannot be derived directly from the consolidated statement of financial position. The realization of the working capital as projected in the Schedule may therefore differ depending on the result of the Bank’s operations and realization of projected assumptions for the future periods.
- Our procedures are subject to inherent limitations and, accordingly, errors or irregularities may occur and not be detected.

**LIMITED ASSURANCE REPORT ON THE SCHEDULE OF INFORMATION PREPARED IN CONNECTION WITH THE IMPLEMENTING REGULATION OF THE COMPANIES LAW FOR LISTED JOINT STOCK COMPANIES RELATING TO THE PROPOSED BUY-BACK OF SHARES TRANSACTION TO THE SHAREHOLDERS OF BANQUE SAUDI FRANSI (A SAUDI JOINT STOCK COMPANY) (continued)**

**Conclusion**

Based on our procedures and evidence obtained, and subject to the inherent limitations as described above, we are not aware of any material modifications that need to be made to the Subject Matter as of 13 April 2025 and as stated in the attached (Appendix A), in order for it to be in accordance with the Criteria.

**Other Matter**

The attached (Appendix A) is stamped by us for identification purposes.

**Restricted Use**

This report is intended solely for the information and use of the Bank and the CMA, to assist the Bank in fulfilling its reporting obligations to CMA in accordance with the Criteria and is not intended to be and should not be used by anyone other than those specified parties.

for Ernst & Young Professional Services



Rashid S. Roshod  
Certified Public Accountant  
License Number 366

Riyadh: 15 Shawwal1446H  
(13 April 2025)





### Sub-schedule "C" : Treasury Shares

Based on the latest audited financial statements of the Bank as of 31 December 2024, the following table shows that treasury shares balance would not exceed the retained earnings balance of the Bank after the purchase of treasury shares.

SAR '000			
Retained Earnings	Amount of Treasury Shares Currently held	Estimated cost of purchasing treasury shares	Excess retained earnings
A	B	C	D = A – (B + C)
4,509,836	188,111	299,100	4,022,625

**Sub-schedule "D" : Number of shares proposed to be purchased:**

No of shares	15,000,000
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**Ramzy Darwish**  
Chief Financial Officer  


[illegible]

Barque Saudi Fransi, Saudi Joint stock company. Capital of SAR 25,000,000,000 . CR No. 1010073368 (Unified Number 7000025333) P.O. Box 56006 Riyadh 11554, Telephone +966128999999, Riyadh 12624-2722, Building No. 7569 AlMadhar 1 AlMurabba Unit No. 2, Founded under license duly promulgated by royal decree No. 23/m dated 17/06/1397H, and it is under Saudi Central Bank supervision and control.