

The 14th Extraordinary General Assembly Meeting of Al Rajhi Bank by means of modern technology 08/05/2022

Meeting Agenda

#	Item
1.	Voting on the Board of Directors report for the fiscal year ended 31st December 2021.
2.	Voting on the Bank's financial statements for the fiscal year ended 31st December 2021.
3.	Voting on the Bank's Auditor report for the fiscal year ended 31 st December 2021.
4.	Voting on releasing the Board of Directors Members from their liabilities for the fiscal year ended 31st December 2021.
5.	Voting on the Board resolution dated 29/06/2021 regarding distribution of dividends to shareholders for the first half of the fiscal year ended 31st December 2021 at SAR (1.40) per share, representing (14%) of the share face value.
6.	<p>Voting on the Board recommendation to increase the Bank's capital by granting bonus shares as follows:</p> <ul style="list-style-type: none"> A) Total amount of increase: SAR 15,000 MM. B) Capital before increase: SAR 25,000 MM. Capital after increase: SAR 40,000 MM. Increase Percentage: 60%. C) Number of Shares before Increase: 2,500 MM. Number of Shares after Increase: 4,000 MM. D) This recommendation aims to enhance the Bank's funding to achieve strong growth rates at the next years. E) The increase will be made through capitalization of SAR 15,000 MM from Retained Earnings account by granting 3 shares for each 5 shares. F) In case of shares fractions, the Bank will collect all fractions in one portfolio to be sold at market price; then their value to be distributed to eligible shareholders as per their share within a period not exceeds 30 days from the allocation of new shares to each shareholder. G) In case of capital increase is approved by the Bank shareholders during the Extraordinary General Assembly meeting, the eligibility of bonus shares shall be for shareholders owning shares at the end of the trading day of the Bank's General Assembly meeting and are registered in the Bank's Shareholders Registry at the Securities Depository Center (Edaa) at the end of the second trading day after the Extraordinary General Assembly meeting.
7.	Voting on amending Article No. (3) of ARB AoA related to Company Objectives.
8.	Voting on amending Article No. (6) of ARB AoA related to capital increase, if the Extraordinary General Assembly approved item No. (6).
9.	Voting on amending Article No. (10) of ARB AoA related to Register of Shareholders.
10.	Voting on amending Article No. (11) of ARB AoA related to Preferred Shares.
11.	Voting on amending Article No. (14) of ARB AoA related to Management of the Company.
12.	Voting on amending Article No. (15) of ARB AoA related to Termination of Board Membership.
13.	Voting on amending Article No. (16) of ARB AoA related to Powers of the Board.
14.	Voting on amending Article No. (17) of ARB AoA related to Executive Committee.
15.	Voting on amending Article No. (19) of ARB AoA related to Powers of Chairman, Deputy Chairman and Secretary of the Board.
16.	Voting on amending Article No. (21) of ARB AoA related to Powers of the Managing Director.

17.	Voting on amending Article No. (22) of ARB AoA related to Composition of BACC.
18.	Voting on amending Article No. (31) of ARB AoA related to Calling for Assemblies Meeting.
19.	Voting on amending Article No. (39) of ARB AoA related to Auditor Appointment.
20.	Voting on amending Article No. (41) of ARB AoA related to Auditor Reports.
21.	Voting on amending Article No. (43) of ARB AoA related to Financial Documents.
22.	Voting on amending Article No. (44) of ARB AoA related to Dividend Distribution.
23.	Voting on the delegation of the Board of Directors to distribute interim cash dividend on semi-annually or quarterly basis for the fiscal year 2022.
24.	Voting on the appointment of the Bank's external auditors, from among nominees, as per the Board nomination based on Audit Committee recommendation, to examine, review and audit the primary financial statements for the first, second and third quarter financial statements and annual financial statements for the fiscal year 2022, and to approve their fees.
25.	Voting on the payment of SAR (5,130,000) as remunerations and compensations to the Members of the Board of Directors and its Committees for the period from 1 st January 2021 to 31 st December 2021.
26.	Voting on the payment of SAR (818,494) as remunerations and compensations to the Members of the Board Audit & Compliance Committee for the period from 1 st January 2021 to 31 st December 2021.
27.	Voting on amending Board Audit & Compliance Committee charter.
28.	Voting on amending Board Nominations and Compensations charter.
29.	Voting on delegating the Ordinary General Assembly authorization powers stipulated in Paragraph (1) of Article (71) of the Companies Law to the Bank's Board of Directors, for a maximum period of one year from the date of approval by the General Assembly to delegate its powers, or until the end of the term of the delegated Board of Directors, whichever is earlier, in accordance with the conditions contained in the Regulatory Rules and Procedures related to Listed Joint Stock Companies which issued pursuant to the Companies Law.
30.	Voting on the business and contracts concluded between the Bank and Al Rajhi Company for Cooperative Insurance, in which the Chairman of the Board of Directors Mr. Abdullah bin Sulaiman Al Rajhi has an indirect interest, being the Chairman of the Company's Board of Directors, and to authorize the same for the upcoming year. The transactions contain a contract of Bankers Blanket Bond "BBB", at arm's length basis, for a period of one year with a value of SAR 9,509,000 for 2021.
31.	Voting on the business and contracts concluded between the Bank and Al Rajhi Company for Cooperative Insurance, in which the Chairman of the Board of Directors Mr. Abdullah bin Sulaiman Al Rajhi has an indirect interest, being the Chairman of the Company's Board of Directors, and to authorize the same for the upcoming year. The transactions contain a contract of Directors and Officers Policy, at arm's length basis, for a period of one year with a value of SAR 3,182,000 for 2021.
32.	Voting on the business and contracts concluded between the Bank and Al Rajhi Company for Cooperative Insurance, in which the Chairman of the Board of Directors Mr. Abdullah bin Sulaiman Al Rajhi has an indirect interest, being the Chairman of the Company's Board of Directors, and to authorize the same for the upcoming year. The transactions contain a contract of Properties All Risk Policy, at arm's length basis, for a period of one year with a value of SAR 3,194,000 for 2021.
33.	Voting on the business and contracts concluded between the Bank and Al Rajhi Company for Cooperative Insurance, in which the Chairman of the Board of Directors Mr. Abdullah bin Sulaiman Al Rajhi has an indirect interest, being the Chairman of the Company's Board of Directors, and to authorize the same for the upcoming year. The transactions contain a contract of Motor Insurance Agreement, at arm's length basis, for a period of one year with a value of SAR 509,261,000 for 2021.
34.	Voting on the business and contracts concluded between the Bank and Al Rajhi Company for Cooperative Insurance, in which the Chairman of the Board of Directors Mr. Abdullah bin Sulaiman Al Rajhi has an indirect interest, being the Chairman of the Company's Board of Directors, and to authorize the same for the upcoming year. The transactions contain a contract of Group Credit Takaful Policy - Mortgage Insurance, at arm's length basis, for a period of one year with a value of SAR 172,885,000 for 2021.
35.	Voting on the business and contracts concluded between the Bank and Al Rajhi Company for Cooperative Insurance, in which the Chairman of the Board of Directors Mr. Abdullah bin Sulaiman Al Rajhi has an indirect interest, being the Chairman of the Company's Board of Directors, and to authorize the same for the upcoming year. The transactions contain a contract of Fire and Allied Perils Policy - Mortgage Insurance, at arm's length basis, for a period of one year with a value of SAR 11,149,000 for 2021.

Attachment regarding item # 5

Details of the dividends distributed to shareholders
for the first half

A statement of the details of the distributed Dividends for the first half of the year 2021, approved by the Board of Directors' decision on 29/06/2021					
The Total amount distributed	Number of Shares Eligible for Dividends	Dividend per share	Percentage of Dividend to the Share Par Value	Eligibility date	Distribution Date
3,500 SAR Millions	2,500 Million Shares	SAR 1.40	%14	2021/07/06	2021/07/14

Attachment regarding item # 7 to 22

Amending Article No. (3) of ARB AoA related to Company Objectives

Amending Article No. (6) of ARB AoA related to capital increase, if the Extraordinary General Assembly approved item No. (6).

Amending Article No. (10) of ARB AoA related to Register of Shareholders

Amending Article No. (15) of ARB AoA related to Termination of Board Membership.

Amending Article No. (19) of ARB AoA related to Powers of Chairman, Deputy Chairman and Secretary of the Board.

Amending Article No. (39) of ARB AoA related to Auditor Appointment.

Amending Article No. (41) of ARB AoA related to Auditor Reports.

Amending Articles (11) (14) (16) (17) (21) (22) (31) (43) (44) of the bank's bylaws related to replacing the name "Saudi Central Bank" instead of "Saudi Arabian Monetary Authority".

#	Article	Before Amendment	After Amendment
1	Article No. (3)	The objectives of the Company shall be to engage in banking and investment activities in accordance with the provisions of the Company's Memorandum of Association, the Banking Control Act and other applicable laws and regulations in the Kingdom of Saudi Arabia as well as by-laws, resolutions and rules that are issued by a resolution of the Minister of Finance and National Economy based on a recommendation of Saudi Central Bank Authority , in compliance with the nature of Company activities and Saudi applicable by-laws. To achieve these objectives, the Company shall engage in banking and investment activities for its own account and for the account of third parties, within the Kingdom of Saudi Arabia and abroad, as well as the limits and conditions that are stipulated by Saudi Arabian Monetary Authority , including the following operations:	The objectives of the Company shall be to engage in banking and investment activities in accordance with the provisions of the Company's Memorandum of Association, the Banking Control Act and other applicable laws and regulations in the Kingdom of Saudi Arabia as well as by-laws, resolutions and rules issued by Saudi Central Bank , in compliance with the nature of Company activities and Saudi applicable by-laws. To achieve these objectives, the Company shall engage in banking and investment activities for its own account and for the account of third parties, within the Kingdom of Saudi Arabia and abroad, as well as the limits and conditions that are stipulated by Saudi Central Bank , including the following operations:
2	Article No. (6)	Capital of the Company shall be (SAR 25,000,000,000) twenty-five billion Saudi Riyal fully paid, divided into (SAR 2,500,000,000) two billion and five hundred million nominal shares of equal value of ten (10) Saudi Riyal each. All shares shall be ordinary shares of equal cash value in terms of rights and obligations of all aspects. The Company shall also have the right to increase or decrease its capital without prejudice to the provisions of this Memorandum of Association, Companies Law, Banking Control Law and all other applicable laws and regulations.	Capital of the Company shall be (SAR 40,000,000,000) forty billion Saudi Riyal fully paid, divided into (SAR 4,000,000,000) four billion nominal shares of equal value of ten (10) Saudi Riyal each. All shares shall be ordinary shares of equal cash value in terms of rights and obligations of all aspects. The Company shall also have the right to increase or decrease its capital without prejudice to the provisions of this Memorandum of Association, Companies Law, Banking Control Law and all other applicable laws and regulations.
3	Article No. (10)	Company shares shall be negotiated under the provisions of Capital Market Law. Transfer of title in the share subject of negotiation against the Company or third parties shall be valid only from the date of its recording in the said register. Subscription or ownership of shares implies an acceptance on part of the shareholder of the Company's Articles of Association and commitment to comply with the resolutions issued by the	Company shares shall be negotiated under the provisions of Capital Market Law. Transfer of title in the share subject of negotiation against the Company or third parties shall be valid only from the date of its recording in the said register. Subscription or ownership of shares implies an acceptance on part of the shareholder of the Company's Articles of Association and commitment to comply with the resolutions issued by the

		<p>general assemblies of shareholders in accordance with the provisions of these Articles of Association, whether attended or not and whether he approved or disapproved such resolutions.</p> <p>Notwithstanding the foregoing, the Board of Directors may refrain from registration or approval of any transfer of share ownership if such transfer results in violation of applicable Saudi laws and regulations. Transfer of share ownership against the Company or third parties shall not be valid unless recorded by the Company under the applicable laws and regulations. No obligations shall be incurred on part of the Company or the Board of Directors against any person who refrains from recording the proposed transfer of share ownership in accordance with the terms and conditions of this paragraph. Additionally, the Company may sell, buy and mortgage its shares, including treasury shares in accordance with the statutory controls.</p>	<p>general assemblies of shareholders in accordance with the provisions of these Articles of Association, whether attended or not and whether he approved or disapproved such resolutions.</p> <p>Notwithstanding the foregoing, the Board of Directors may refrain from registration or approval of any transfer of share ownership if such transfer results in violation of applicable Saudi laws and regulations. Transfer of share ownership against the Company or third parties shall not be valid unless recorded by the Company under the applicable laws and regulations. No obligations shall be incurred on part of the Company or the Board of Directors against any person who refrains from recording the proposed transfer of share ownership in accordance with the terms and conditions of this paragraph. Additionally, the Company may sell and buy its shares, including treasury shares in accordance with the statutory controls.</p>
4	Article No. (11)	<p>The extraordinary General Assembly of the Company may, in accordance with the principles established by the competent authority and after obtaining the non-objection of Saudi Arabian Monetary Authority, issue preferred shares, buy the same, convert ordinary shares into preferred shares or convert preferred shares into ordinary shares. Preferred shares shall not empower their holder to vote in the General Assemblies of the shareholders. However, these shares entitle their holders to the right to obtain a percentage more than the ordinary shareholders of the net profits of the company after setting the statutory reserve apart.</p>	<p>The extraordinary General Assembly of the Company may, in accordance with the principles established by the competent authority and after obtaining the non-objection of Saudi Central Bank, issue preferred shares, buy the same, convert ordinary shares into preferred shares or convert preferred shares into ordinary shares. Preferred shares shall not empower their holder to vote in the General Assemblies of the shareholders. However, these shares entitle their holders to the right to obtain a percentage more than the ordinary shareholders of the net profits of the company after setting the statutory reserve apart.</p>
5	Article No. (14)	<p>The Company shall be managed by a Board of Directors composed of 11 members, with no more than two executive members while independent members may not be less than the minimum provided by Laws and Regulations; members shall be appointed by the shareholders in the ordinary general meeting for three years after obtaining SAMA's non-objection against their appointment, those members whose membership period is ended may always be reappointed, With exception to the foregoing the Founders have nominated the first Board of Directors for a</p>	<p>The Company shall be managed by a Board of Directors composed of 11 members, with no more than two executive members while independent members may not be less than the minimum provided by Laws and Regulations; members shall be appointed by the shareholders in the ordinary general meeting for three years after obtaining Saudi Central Bank non-objection against their appointment, those members whose membership period is ended may always be reappointed, With exception to the foregoing the Founders have nominated the first Board of</p>

		term of five years composed of the following Directors:-, etc.	Directors for a term of five years composed of the following Directors:-, etc.
6	Article No. (15)-B	<p>Saudi Arabian Monetary Authority shall be notified in the event that the position of a given member becomes vacant. The Board may nominate a member to the vacant position, who shall be competent and experienced and shall be appointed after obtaining the approval of Saudi Arabian Monetary Authority. The appointment shall be communicated to Ministry of Commerce and Investment, Capital Market Authority and Saudi Arabian Monetary Authority within five working days from appointment date. Such appointment shall also be submitted to the first meeting of the Ordinary General Assembly, and the new member shall complete the term of his predecessor. If the vacancy develops in the First Board of Directors that has been appointed for a term of five years, the Board of Directors, subject to the prior approval of the Saudi Arabian Monetary Authority, shall fill out the vacant position for the remaining term. In this case, the appointment resolution shall be subject to the approval of the following ordinary General Assembly.</p>	<p>Saudi Central Bank shall be notified in the event that the position of a given member becomes vacant. The Board may nominate a member to the vacant position, who shall be competent and experienced and shall be appointed after obtaining the approval of Saudi Central Bank. The appointment shall be communicated to Ministry of Commerce, Capital Market Authority and Saudi Central Bank within five working days from appointment date. Such appointment shall also be submitted to the first meeting of the Ordinary General Assembly, and the new member shall complete the term of his predecessor. If the vacancy develops in the First Board of Directors that has been appointed for a term of five years, the Board of Directors, subject to the prior approval of Saudi Central Bank, shall fill out the vacant position for the remaining term. In this case, the appointment resolution shall be subject to the approval of the following ordinary General Assembly.</p>
7	Article No. (16)	<p>Without prejudice to the powers of the General Assembly, the Board of Directors shall enjoy the widest authorities with regard to managing the company business and supervising its affairs in a manner that achieve its objectives. In this regard, the Board shall have all the powers and carry out all works and dispositions that the Company is entitled to take under these Bylaws, Articles of Association or other than those expressly stated in these Bylaws as expressly assigned the General Assembly. The Board of Directors shall also be authorized to enter into financial obligations for terms not exceeding three years, sell or pledge property, release Company debtors of their obligations, enter into reconciliation, accept arbitration and, more specifically, incorporate subsidiary companies and amending its Articles of Association, pursuant to Banking Control Act and Saudi Arabian Monetary Authority Regulations.</p>	<p>Without prejudice to the powers of the General Assembly, the Board of Directors shall enjoy the widest authorities with regard to managing the company business and supervising its affairs in a manner that achieve its objectives. In this regard, the Board shall have all the powers and carry out all works and dispositions that the Company is entitled to take under these Bylaws, Articles of Association or other than those expressly stated in these Bylaws as expressly assigned the General Assembly. The Board of Directors shall also be authorized to enter into financial obligations for terms not exceeding three years, sell or pledge property, release Company debtors of their obligations, enter into reconciliation, accept arbitration and, more specifically, incorporate subsidiary companies and amending its Articles of Association, pursuant to Banking Control Act and Saudi Central Bank Regulations.</p>

8	Article No. (17)	The Board of Directors shall form an executive committee, after obtaining Saudi Arabian Monetary Authority Non-Objection, consisting of Board members. Subject to the guidelines and restrictions stipulated by the Board of Directors from time to time, the committee shall exercise all the powers entrusted to it by the Board of Directors. However, the executive committee shall not have the right to amend any resolutions, rules or regulations that have been issued by the Board.	The Board of Directors shall form an executive committee, after obtaining Non-Objection of Saudi Central Bank , consisting of Board members. Subject to the guidelines and restrictions stipulated by the Board of Directors from time to time, the committee shall exercise all the powers entrusted to it by the Board of Directors. However, the executive committee shall not have the right to amend any resolutions, rules or regulations that have been issued by the Board.
9	Article No. (19)	<p>A. The Board of Directors shall appoint one of its non-executive members as a Chairman, in addition to a Deputy Chairman who shall take over the duties of the absent Chairman, subject to the approval of Saudi Arabian Monetary Authority in both cases. Chairman of the Board may call for Board meetings; chair Board and General Assembly meetings; represent the Company before competent authorities, judicial bodies and third parties. The Chairman shall also take all other functions assigned to him by the Board. The Board may appoint one of its members as a managing director.</p> <p>B. The Board of Directors shall appoint a secretary of the Board. The Board shall determine the Secretary's working conditions, remuneration, and shall be entrusted with taking minutes of Board deliberations and resolutions and recording them in a special register and maintaining this register.</p>	<p>A. The Board of Directors shall appoint one of its non-executive members as a Chairman, in addition to a Deputy Chairman who shall take over the duties of the absent Chairman, subject to the approval of Saudi Central Bank in both cases. Chairman of the Board may call for Board meetings; chair Board and General Assembly meetings; represent the Company before competent authorities, judicial bodies and third parties. The Chairman shall also take all other functions assigned to him by the Board. The Board may appoint one of its members as a managing director.</p> <p>B. The Board of Directors shall appoint a secretary of the Board after obtaining Non-Objection of Saudi Central Bank. The Board shall determine the Secretary's working conditions, remuneration, and shall be entrusted with taking minutes of Board deliberations and resolutions and recording them in a special register and maintaining this register.</p>
10	Article No. (21)-A	The Board of Directors may appoint one of its members as a managing director of the Company for a specific period in accordance with terms and conditions to be determined by the Board. The Board shall also have the right to terminate such appointment. Additionally, an appointment of a managing director shall be terminated automatically if he fails to exercise his stated functions for any reason. The managing director shall receive the numeration that is determined by the Board of Directors. Appointment of the managing director by the first Board of Directors shall be subject to the prior approval of Saudi Arabian Monetary Authority .	The Board of Directors may appoint one of its members as a managing director of the Company for a specific period in accordance with terms and conditions to be determined by the Board. The Board shall also have the right to terminate such appointment. Additionally, an appointment of a managing director shall be terminated automatically if he fails to exercise his stated functions for any reason. The managing director shall receive the numeration that is determined by the Board of Directors. Appointment of the managing director by the first Board of Directors shall be subject to the prior approval of Saudi Central Bank .

11	Article No. (22)	<p>The Audit and Compliance Committee shall be composed under a resolution of the Ordinary General Assembly after obtaining non-objection of Saudi Arabian Monetary Authority, from members other than the executive Board members, whether shareholders or others, provided that the number of members shall not be less than three members and not more than five members. The resolution shall specify the duties of the Committee, the controls of its work, and the remuneration of its members.</p>	<p>The Audit and Compliance Committee shall be composed under a resolution of the Ordinary General Assembly after obtaining non-objection of Saudi Central Bank, from members other than the executive Board members, whether shareholders or others, provided that the number of members shall not be less than three members and not more than five members. The resolution shall specify the duties of the Committee, the controls of its work, and the remuneration of its members.</p>
12	Article No. (31)	<p>An Ordinary General Assembly of shareholders shall convene upon call from the Board of Directors. The Board of Directors shall also call for an Ordinary General Assembly upon the request of the auditor, Audit and Compliance Committee or a number of shareholders who represent a minimum 5% of the Company's capital. The Auditors may call for a meeting of the Assembly in case the Board does not call for such meeting within thirty days from the date on which the auditors call for that meeting. The competent authority shall call for an Ordinary General Assembly in the cases set out in Article (90) of Companies Act.</p> <p>The call for General Assembly meeting and its agenda shall be published in a daily newspaper in circulation in the city of the head office of the Company, twenty one days, at least, prior to the stated deadline of the meeting. A call may also be forwarded to the shareholders by registered mail. Such call shall include the agenda of the meeting. A copy of this call and the agenda shall be forwarded to the Directorate General of Companies of the Ministry of Commerce, Capital Market Authority and Saudi Arabian Monetary Authority within the stated deadline for circulation.</p>	<p>An Ordinary General Assembly of shareholders shall convene upon call from the Board of Directors. The Board of Directors shall also call for an Ordinary General Assembly upon the request of the auditor, Audit and Compliance Committee or a number of shareholders who represent a minimum 5% of the Company's capital. The Auditors may call for a meeting of the Assembly in case the Board does not call for such meeting within thirty days from the date on which the auditors call for that meeting. The competent authority shall call for an Ordinary General Assembly in the cases set out in Article (90) of Companies Act.</p> <p>The call for General Assembly meeting and its agenda shall be published in a daily newspaper in circulation in the city of the head office of the Company, twenty one days, at least, prior to the stated deadline of the meeting. A call may also be forwarded to the shareholders by registered mail. Such call shall include the agenda of the meeting. A copy of this call and the agenda shall be forwarded to the Directorate General of Companies of the Ministry of Commerce, Capital Market Authority and Saudi Central Bank within the stated deadline for circulation.</p>
13	Article No. (39)	<p>An Ordinary General Assembly shall annually appoint two auditors who are licensed to operate in the Kingdom of Saudi Arabia, and shall determine their fees, provided that their term of employment does not exceed the statutory period specified in the relevant regulations and bylaws. The company may reappoint the two auditors two years after the expiry of such term or replace them.</p>	<p>An Ordinary General Assembly shall annually appoint two auditors who are licensed to operate in the Kingdom of Saudi Arabia - after obtaining Non-Objection of Saudi Central Bank - and shall determine their fees, provided that their term of employment does not exceed the statutory period specified in the relevant regulations and bylaws. The company may reappoint the two auditors two years after the expiry of such term or replace them.</p>

14	Article No. (41)	Auditors of Company accounts shall submit to the annual General Assembly a report incorporating their opinion with regard to the Company's position relating to enabling them have access to the requested information and receiving the requested clarification and highlighting any breach or violation to the provisions of the Companies Law or these Articles of Association as well as their opinion on the fair representation of Company accounts to its actual financial position.	Auditors of Company accounts shall submit to the annual General Assembly a report incorporating their opinion with regard to the Company's position relating to enabling them have access to the requested information and receiving the requested clarification and highlighting any breach or violation to the provisions of Companies Law, Banking Control Law , or these Articles of Association as well as their opinion on the fair representation of Company accounts to its actual financial position.
15	Article No. (43)	At the end of each fiscal year, the Board of Directors shall prepare the financial statements of the company, in addition to a report on the activities of the Company and its financial position for the closing fiscal year and the proposed method of dividend distribution of net profits. The Board shall put these documents at the disposal of auditor of Company accounts within a minimum of forty-five (45) days from the date of General Assembly meeting. These documents shall also be signed by the Chairman of the Board of Directors, CEO and CFO, and shall be deposited at the Company's head office at the disposal of shareholders who shall be allowed to access to these documents within a minimum of twenty-one (21) days of the date of General Assembly meeting. The Chairman of the Board of Directors shall provide the shareholders with the company's financial statements and the management report, unless they are published in a daily newspaper that shall be in circulation in the town where the Company head office is located. Copies of these documents shall also be forwarded to the Directorate General of Companies, Capital Market Authority and Saudi Arabian Monetary Authority within a minimum of twenty-one (21) days from the date of General Assembly meeting.	At the end of each fiscal year, the Board of Directors shall prepare the financial statements of the company, in addition to a report on the activities of the Company and its financial position for the closing fiscal year and the proposed method of dividend distribution of net profits. The Board shall put these documents at the disposal of auditor of Company accounts within a minimum of forty-five (45) days from the date of General Assembly meeting. These documents shall also be signed by the Chairman of the Board of Directors, CEO and CFO, and shall be deposited at the Company's head office at the disposal of shareholders who shall be allowed to access to these documents within a minimum of twenty-one (21) days of the date of General Assembly meeting. The Chairman of the Board of Directors shall provide the shareholders with the company's financial statements and the management report, unless they are published in a daily newspaper that shall be in circulation in the town where the Company head office is located. Copies of these documents shall also be forwarded to the Directorate General of Companies, Capital Market Authority and Saudi Central Bank within a minimum of twenty-one (21) days from the date of General Assembly meeting.
16	Article No. (44)	A. The Company's annual net profits after deduction of all overhead and other expenses, allowance for doubtful debts, investment losses and contingent obligations as deemed appropriate by the Board of Directors in compliance with the provisions of Banking Control Law and directives of Saudi Arabian Monetary Authority , shall be distributed as follows:..., etc.	A. The Company's annual net profits after deduction of all overhead and other expenses, allowance for doubtful debts, investment losses and contingent obligations as deemed appropriate by the Board of Directors in compliance with the provisions of the Banking Control Law and directives of Saudi Central Bank , shall be distributed as follows:..., etc.

		<p>B. Subject to Paragraph (A) of this Article, relevant regulatory rules, and the non-objection of Saudi Arabian Monetary Authority, interim dividends shall be distributed semi-annually or quarterly.</p>	<p>B. Subject to Paragraph (A) of this Article, relevant regulatory rules, and the non-objection of Saudi Central Bank, interim dividends shall be distributed semi-annually or quarterly.</p>
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Attachment regarding item # 27

Amending Board Audit & Compliance Committee charter

#	Section	Before Update	After Update
1.	All Charter	Saudi Arabian Monetary Authority (SAMA)	Saudi Central Bank (SAMA)
2.	All Charter	Compliance Department.	Compliance Group.
3.	4. Committee Structure and Membership Criteria	3.The minimum number of the committee members is three and maximum number is five, all should be non-executives as per SAMA and CMA definitions, at least one member should be an independent director as per CMA definition of an Independent Director.	3.The minimum number of the committee members is three and maximum number is five, all should be independent.
6.The Chairman of the Board Audit and Compliance Committee should a non-executive Board member.		6.The Chairman of the Board Audit and Compliance Committee should an independent Board member.	
7.The Chairman of the Audit and Compliance Committee should not be related to other members of the Board or have any financial or business relationship with any members of the Board.		Deleted.	
8.The Chairman of the Audit & Compliance committee should not have any relationship with executive directors, key executives or Major Shareholders of the bank that could affect his independence.		Deleted.	
11.A member of the Audit and Compliance Committee should not have availed any financing facilities (credit cards, credit facility, guarantees, etc..) from the Bank in his own name or in concert with his family members (first degree) of more than SAR 300,000. In addition, the members should not have a business relationship with any other member of the Board or Senior Management.	9.Neither of the committee members shall have a credit relationship with the bank in his name or in the name of one of his relatives, or in any capacity with the Bank, its board members, or its executive staff.		

4.	8.2. Internal Audit	<p>3.Recommend for approval by the Board of Directors the appointment, replacement or dismissal of the chief Internal Auditor.</p> <hr/> <p>6.Review internal control system and report its opinion and recommendations as deemed necessary.</p> <hr/> <p>New addition</p>	<p>3.Recommend for approval by the Board of Directors the appointment, replacement or dismissal of the chief Internal Auditor and propose its compensation.</p> <hr/> <p>6.Examine and review internal and financial control systems and risk management system, and report its opinion and recommendations as deemed necessary.</p> <hr/> <p>8.Evaluate efficiency and competency of internal controls, policies, procedures and reporting process and the Bank' compliance thereof and provide recommendation to improve it.</p>
5.	8.5 Duties related to Compliance Group	<p>1.Determine the adequacy and effectiveness of the Compliance Department in executing the compliance policy and manual.</p>	<p>1.Determine the adequacy and effectiveness of the Compliance Group in executing the compliance policy and program.</p>
6.	8.7 Other Responsibilities	<p>4.Ensure adequacy of risk management systems within the Bank.</p>	<p>Deleted.</p>
7.	8.8 Duties related to Anti-fraud	<p>New addition</p> <hr/> <p>New addition</p> <hr/> <p>New addition</p>	<p>1.Periodically evaluating the Bank's policy in combating financial fraud to verify that it is effectively implemented.</p> <hr/> <p>2.Recommend to the Board to approve the Bank's strategy of combating financial fraud and Anti-fraud policy.</p> <hr/> <p>3.Set a mechanism to follow up on the recommendations and corrective actions adopted by the committee.</p>
8.	8.9 Duties related to Shariah Group	<p>New addition</p> <hr/> <p>New addition</p>	<p>1.Determine targets of Shariah internal audit mission after consultation with Shariah Committee.</p> <hr/> <p>2.Review results and observations of Shariah internal audit.</p>

Attachment regarding item # 28

Amending Board Nominations and Compensations charter

#	Section	Before Update	After Update
1.	6. Duties, Roles and Responsibilities of the Committee	New addition.	9. Assess the performance of the Shariah Board members based on competence, knowledge, contribution and effectiveness.
New addition.		9. Make recommendations to the BoD to implement the compensation and appropriate salary to Sharia Board Members, such remuneration shall be commensurate with the duties and responsibilities of these members and consistent with SAMA's relevant instructions.	
12. Search for new BoD membership nominees, in light of the BoD requirements and the best interests of the Bank.		12. Identifying and proposing candidates for selection as members of the Board and executive management in light of the BoD requirements and the best interests of the Bank.	
New addition.		16. Coordinate with the Human Resources to develop the replacement and succession policy, and ensure the executive management's compliance therewith	
		New addition.	17. Make recommendations to the BoD for appointing Sharia Board Members.

Attachments regarding item # 29 to 35

limited examination report and the notification of the chairman of the board to the shareholders about the business and contracts that the members of the board have any direct or indirect interest in

Date: 23/3/2022
20/8/1443H

Dear Esteemed Shareholders of Al Rajhi Bank

Greeting,

Subject: Chairman of the Board of Directors' Declaration of Transactions with Related Parties for the Year Ended December 31, 2021

With reference to the requirements of Article (71) of the Companies Law promulgated by Royal Decree No. M / 3 of 1437 AH, which stipulates that a member of the Board of Directors should not have any interest whether directly or indirectly, in the transactions or contracts made for the account of the bank, except with an authorization from the General Assembly, and in accordance with the Related Party Transactions and Dealing with Conflicts of Interest Policy of the bank, we would like to inform you that the bank has implemented a number of transactions and contracts related to the activities of the bank in which some members of the Board of Directors of Al Rajhi Bank have a direct or indirect interest, and the bank is seeking to obtain an authorization from the shareholders thereof.

The bank has used the authorization granted to it by the General Assembly under Article No. (56) of the Regulatory Rules and Procedures issued pursuant to the Companies Law relating to Listed Joint Stock Companies by the Board of the Capital Market Authority in 1438H, which are amended in 1442H, to authorize the transactions and contracts that are done for the bank, in which the Board Member has any direct or indirect interest, provided that the amount of business and contracts is less than 1% of the bank's revenues according to the last audited financial statements and less than SAR 10 million.

A list of business and commercial contracts related to the activities of the bank in which some members of the Board of Directors of Al Rajhi Bank have a direct or indirect interest in them is shown below:

1- Insurance Contracts (To obtain an authorization from the General Assembly)

#	Related party	Associated party with related party	Position at the bank	Type of association with related party	Service	Period	Terms & conditions	Amount for 2021 in SAR
1	Al-Rajhi Company for Cooperative Insurance	Abdullah bin Sulaiman Al Rajhi	Board Member	Board member of the Company	Bankers Blanket Bond "BBB"	Annual contract	without preferred conditions or benefits	9,509,000

#	Related party	Associated party with related party	Position at the bank	Type of association with related party	Service	Period	Terms & conditions	Amount for 2021 in SAR
2	Al-Rajhi Company for Cooperative Insurance	Abdullah bin Sulaiman Al Rajhi	Board Member	Board member of the Company	Directors and Officers Policy	Annual contract	without preferred conditions or benefits	3,182,000
3	Al-Rajhi Company for Cooperative Insurance	Abdullah bin Sulaiman Al Rajhi	Board Member	Board member of the Company	Properties All Risk Policy	Annual contract	without preferred conditions or benefits	3,194,000
4	Al-Rajhi Company for Cooperative Insurance	Abdullah bin Sulaiman Al Rajhi	Board Member	Board member of the Company	Motor Insurance Agreement	Annual contract	without preferred conditions or benefits	509,261,000
5	Al-Rajhi Company for Cooperative Insurance	Abdullah bin Sulaiman Al Rajhi	Board Member	Board member of the Company	Group Credit Takaful Policy – Mortgage	Annual contract	without preferred conditions or benefits	172,885,000
6	Al-Rajhi Company for Cooperative Insurance	Abdullah bin Sulaiman Al Rajhi	Board Member	Board member of the Company	Fire and Allied Perils Policy – Mortgage	Annual contract	without preferred conditions or benefits	11,149,000

2- Commercial Contracts and Services Contracts (The bank has used the authorization granted to its Board of Directors by the General Assembly)

#	Related party	Associated party with related party	Position at the bank	Type of association with related party	Service	Period	Terms & conditions	Amount for 2021 in SAR
1	Fursan Travel & Tourism Co.	Abdullah bin Sulaiman Al Rajhi	Board Member	Owned by Board member	Travel & tourism services contract	Pricing contract for a period of one year automatically renewed for a similar period	Standard conditions without preferences	942,428
2	Berain Company	Badr bin Mohammed Al Rajhi	Board Member	Board member of the Company	Mineral water supply services	Pricing contract for a period of one year automatically renewed for a similar period	Standard conditions without preferences	316,497

3- Rental Contracts (The bank has used the authorization granted to its Board of Directors by the General Assembly)

#	Related party	Associated party with related party	Position at the bank	Type of association with related party	Service	Period	Terms & conditions	Amount for 2021 in SAR
1	Mohammed Abdulaziz Al-Rajhi and Sons Investment Company	Badr bin Mohammed Al Rajhi	Board Member	Board member of the Company	Lease contract for the Southern Regional Administration building	Seven years – automatically renewable for similar period	Lease contract	282,373

#	Related party	Associated party with related party	Position at the bank	Type of association with related party	Service	Period	Terms & conditions	Amount for 2021 in SAR
2	Mohammed Abdulaziz Al-Rajhi and Sons Investment Company	Badr bin Mohammed Al Rajhi	Board Member	Board member of the Company	Lease contract for direct sales office in Abha	Seven years – automatically renewable for a similar period	Lease contract	46,000
3	Mohammed Abdulaziz Al-Rajhi and Sons Investment Company	Badr bin Mohammed Al Rajhi	Board Member	Board member of the Company	Lease contract for ATM site	Five years – automatically renewable for a similar period	Lease contract	40,250
4	Abdullah Al Othaim Investment Co.	Abdulatif bin Ali Al Seif	Board Member	Board member of the Company	Lease contract for ATM site	Four years – automatically renewable for a similar period	Lease contract	46,000
5	Abdullah Al Othaim Investment Co.	Abdulatif bin Ali Al Seif	Board Member	Board member of the Company	Lease contract for ATM site	One year – automatically renewable for a similar period	Lease contract	63,250
6	Abdullah Al Othaim Investment Co.	Abdulatif bin Ali Al Seif	Board Member	Board member of the Company	Lease contract for ATM site	Five years – automatically renewable for a similar period	Lease contract	51,750
7	Abdullah Al Othaim Investment Co.	Abdulatif bin Ali Al Seif	Board Member	Board member of the Company	Lease contract for ATM site	Ten years	Lease contract	41,400
8	Abdullah Al Othaim Investment Co.	Abdulatif bin Ali Al Seif	Board Member	Board member of the Company	Lease contract for ATM site	Five years – automatically renewable for a similar period	Lease contract	34,500
9	Abdullah Al Othaim Investment Co.	Abdulatif bin Ali Al Seif	Board Member	Board member of the Company	Lease contract of Silah branch	Five years – automatically renewable for a similar period	Lease contract	230,000
10	Abdullah Al Othaim Investment Co.	Abdulatif bin Ali Al Seif	Board Member	Board member of the Company	Lease contract of Silah branch	Five years – automatically renewable for a similar period	Lease contract	351,672

#	Related party	Associated party with related party	Position at the bank	Type of association with related party	Service	Period	Terms & conditions	Amount for 2021 in SAR
11	Abdullah Al Othaim Investment Co.	Abdulatif bin Ali Al Seif	Board Member	Board member of the Company	Lease contract of Silah branch	Five years – automatically renewable for a similar period	Lease contract	195,500

In addition, the bank provides credit facilities or issues letters of guarantee to a number of members of the Board of Directors and to 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 Saudi Central Bank, and these facilities have been disclosed in note No. (30) of the bank's final financial statements as of December 31, 2021.

Best Regards,




Abdullah Bin Sulaiman Al Rajhi
Chairman of the Board of Directors Al-Rajhi Bank



KPMG Professional Services

Riyadh Front, Airport Road
P. O. Box 92876
Riyadh 11663
Kingdom of Saudi Arabia
Commercial Registration No. 1010425494

Headquarters in Riyadh

كي بي إم جي للاستشارات المهنية

واجهة الرياض، طريق المطار
صندوق بريد ٩٢٨٧٦
الرياض ١١٦٦٣
المملكة العربية السعودية
سجل تجاري رقم ١٠١٠٤٢٥٤٩٤

المركز الرئيسي في الرياض

Independent Limited Assurance Report to Al Rajhi Banking and Investment Corporation on the Chairman's Declaration under the Requirements of Article (71)

To the Shareholders of Al Rajhi Banking and Investment Corporation

We were engaged by the management of **Al Rajhi Banking and Investment Corporation** (the "Bank") to carry out a limited assurance engagement in order to state whether anything has come to our attention that causes us to believe that the subject matter detailed below ("Subject Matter") has not been prepared, in all material respects, in accordance with the applicable criteria ("Applicable Criteria") set out below.

Subject Matter

The Subject Matter for our limited assurance engagement relates to the Chairman's declaration enclosed in the attached Appendix 1 ("the Declaration"), prepared by the Bank's management in accordance with the requirements of Article (71) of the Saudi Arabian Regulations for Companies, and presented by the Chairman of the Bank, which sets out the transactions carried out by the Bank during the year ended 31 December 2021 in which any of the members of the Board of Directors ("BoD") of the Bank had a direct or indirect personal interest.

As noted in the Declaration, credit facilities or letters of guarantee issued by the Bank to members of the BoD and/or to companies and institutions related to members of the BoD under the same terms and conditions as those offered to the public are not included in the Declaration. These transactions have been disclosed in note 30 to the audited consolidated financial statements of the Bank for the year ended 31 December 2021.

Applicable Criteria

We have used Article (71) of the Saudi Arabian Regulations for Companies issued by Ministry of Commerce ("MoC") (1437H – 2015G) as the applicable criteria.

Management Responsibility

The management and the Chairman of the Bank are responsible for the preparation and appropriate presentation of the Subject Matter in accordance with the Applicable Criteria. Further, the Bank's management is responsible for establishing and maintaining internal controls relevant to the preparation and presentation of the Subject Matter that is free from material misstatement, whether due to fraud or error.



Independent Limited Assurance Report (continued)

To the Shareholders of Al Rajhi Banking and Investment Corporation (continued)

Management Responsibility (continued)

This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and presentation of the Subject Matter. It also includes selecting the Applicable Criteria and ensuring that the Bank complies with the Saudi Arabian Regulations for Companies issued by MoC on 22 Safar 1437H (corresponding to 4 December 2015); designing, implementing and effectively operating controls to achieve the stated control objectives; selecting and applying policies; making judgments and estimates that are reasonable in the circumstances; and maintaining adequate records in relation to the Subject Matter information.

The management of the Bank is also responsible for preventing and detecting fraud and for identifying and ensuring that the Bank complies with laws and regulations applicable to its activities. The management of the Bank is responsible for ensuring that staff involved with the preparation of the Subject Matter information are properly trained, systems are properly updated and that any changes in reporting encompass all significant business units.

Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Subject Matter based on our limited assurance engagement conducted in accordance with the International Standard on Assurance Engagements ("ISAE") 3000, "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" as endorsed in the Kingdom of Saudi Arabia; and the terms and conditions for this engagement as agreed with the Bank's management.

Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and, as such, do not provide all of the evidence that would be required to provide a reasonable level of assurance. The procedures performed depend on the assurance practitioner's judgment, including the risk of material misstatement of the Subject Matter, whether due to fraud or error. While 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.

Independence and Quality Controls

We are independent of the Bank in accordance with the professional code of conduct and ethics as endorsed in the Kingdom of Saudi Arabia that are relevant to our assurance engagement, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Our firm applies International Standard on Quality Control 1, 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.

Summary of Procedures

The 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.

As part of this limited assurance engagement, we have not performed any procedures by way of audit, review or verification of the Subject Matter, nor of the underlying records or other sources from which the Subject Matter was extracted. Accordingly, we do not express such an opinion.



Independent Limited Assurance Report (continued)

To the Shareholders of Al Rajhi Banking and Investment Corporation (continued)

Summary of Procedures (continued)

Our procedures included:

- Obtaining the Declaration that sets out, pursuant to the Saudi Arabian Regulations for Companies referred to in the Applicable Criteria, business and contracts performed involving any of the BoD members of the Bank during the year ended 31 December 2021, either directly or indirectly;
- Reviewing the minutes of meetings of the BoD that indicate notifications to the BoD by certain director(s) of actual or potential conflicts of interest in relation to business and contracts involving the BoD member, either directly or indirectly;
- Checking that the minutes of meetings record that the relevant director(s) who notified the BoD of actual or potential conflicts of interest did not vote on the resolution to recommend the related transaction(s) and/or contract(s);
- On a sample basis, obtaining the required approvals along with supporting documents for the transactions included in the Declaration; and
- Ensuring the transaction amounts included in the Declaration agree, where applicable, to the transaction amounts disclosed in note 30 to the audited consolidated financial statements of the Bank for the year ended 31 December 2021.

Limited Assurance Conclusion

Our conclusion has been formed on the basis of, and is subject to, the matters outlined in this report. We believe the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Based on our limited assurance procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the Subject Matter has not been prepared, in all material respects, in accordance with the Applicable Criteria.

Restriction of Use of Our Report

Our report has been prepared upon the request of the Bank's management to be presented to the shareholders in their ordinary general assembly meeting in accordance with the requirements of Article (71) of the Saudi Arabian Regulations for Companies, and should not be used for any other purpose.

KPMG Professional Services

Khalil Ibrahim Al Sedais
License no. 371



Al Riyadh, 24 March 2022
Corresponding to: 21 Sha'aban 1443H

The Annual report of the Audit Committee for the year ending 31 Dec 2021

During the financial year of 2021, Audit and Compliance Committee held six meetings to discuss and examine its annual plan matters in addition to other related topics.

The following table illustrates dates of BACC meetings and attendees' information during 2021:

Meeting Number	Date	Attendees Number	Meeting Number	Date	Attendees Number
First	31 January	All members	Fourth	29 July	All members
Second	18 April	All members	Fifth	21 October	All members
Third	10 June	All members	Sixth	21 November	All members

Audit and Compliance Committee comprises five members including two Board members and three independent members as follows:

BACC Members – Al Rajhi Bank KSA	
Name	Membership
Abdulatif bin Ali Al Seif	Committee Chairman and Board member
Raeed bin Abdullah Al Tamimi	Committee Member and Board member
Dr. Abdullah bin Ali Al Muneef	Committee Member
Farraj bin Mansour Abothenain	Committee Member
Walid bin Abdullah Tamairik	Committee Member

This report summarizes Audit and Compliance Committee works for the year ended 31 December 2021 including its significant activities and duties it performed and followed up in line with its Charter approved by the Bank's General Assembly.

First: Financial Statements

During its meetings, BACC discussed interim quarterly and annual consolidated financial statements of the Bank for 2021 including many subjects related to the management and external auditors as follows:

- Discussed the Bank's quarterly consolidated financial statements with the external auditors and management.

- Discussed the Bank's annual consolidated financial statements as of 31/12/2021 with the external auditors and management.
- Followed up Zakat accounting processing with the concerned parties taking into consideration SAMA instructions.
- Followed up results of recovering VAT, which was paid by the Bank for customers against their first house, from Ministry of Housing.
- Followed up its instructions related to compliance with IFRS and disclosures required to be included in accounting process for payments deferral.
- Reviewed the process of calculating expected credit losses and evaluation of Covid-19 impact on RBG and CBG in 2021.
- Reviewed outstanding legal cases that influence the Bank's financial statements and adequacy of related provisions.
- Discussed results of SAMA Payment Deferral program to support MSME in facing Covid-19 impacts.
- Discussed many cases with Zakat, Tax and Customs Authority related to historical treatment of VAT paid by ARB for the first house buyers.

Second: External Auditors

- Reviewed and discussed the annual management letter issued by external auditors for 2021, auditor's report observations, management reply to the report observations and progress in related corrective plans.
- Discussed audit services proposals received from external auditors and recommended to appoint external auditors to audit the financial statements for the fiscal year 2022 in ARB KSA, ARBJ and ARBK.
- Reviewed, discussed and approved the external auditors' plan for 2022 that includes their objectives, process and plan to provide quarterly and annual auditing services, external auditors teams and their roles in addition to requirements and assurance of independency, professional ethics and other requirements.
- Verified independency of external auditors.
- Reviewed disclosure provided by KPMG regarding many out-of-scope services related to quarterly and annual auditing for financial statements to verify that it has no impact on KPMG independency and to make sure that there is no violation to related laws and regulations. As a result, many recommendations were issued by the Committee.

Third: Internal Audit

BACC followed up results of Internal Audit Group activities and progress of its business plan for 2021. Also, it discussed significant observations, approved many charters and policies related to Group activities as follows:

- Discussed and approved Internal Audit Group strategic plan for 2022-2024, initiatives, performance KPIs including ARBK & ARBJ.
- Discussed major results of Internal Audit Group activities for 2021 for different categories of the Bank and international branches as well as Internal Audit Group reports and submitted related recommendations.
- Followed up progress of closing observations and implementing recommendations of IA by executive managements and international branches and submitted related recommendations.

- Instructed Internal Audit Group to follow up all observations contained in the annual management letter for 2021 issued by the external auditors.
- Approved CIA KPIs for 2022.
- Ensured effectiveness and independency of Internal Audit and lack of constraints on its scope of work.
- Reviewed Internal Audit Charter and recommended to the Board to approve the same.
- Revised and approved Internal Audit Department Charter as per periodic updates requirements.
- Followed up level of human capital adequacy for Internal Audit Group in the Bank and its international branches including recruiting qualified staff for vacancies in internal audit.
- Followed up progress of using internal audit means and tools in functions of auditing and electronic papers.
- Reviewed Internal Control Committee approvals to change target dates of closing some observations as per submitted justifications.

Fourth: Compliance

BACC followed up results of Compliance Group activities and progress of its business plan for 2021 Also, it discussed significant observations, approved many charters and policies related to Group activities as follows:

- Raising level of compliance with laws and instructions issued by SAMA and competent regulators in KSA.
- Continuous enrich of compliance culture in the Bank to avoid risks related to non-compliance, particularly regular risks, reputation risks, and financial penalties risks.
- Supported Compliance Group in managing Anti-Fraud Department and followed up it work progress through periodic reports.
- Followed up and supported Compliance Group to ensure sufficient staff as per SAMA instructions and requirements of Compliance, AML and CTF departments, commercial concealment, anti-bribery, anti-corruption, and anti-fraud.
- Followed up ARB's performance of implementing Compliance Group plan regarding training, awareness, and efforts exerted by Compliance Group in cooperation with Al Rajhi Training Academy.
- Followed up SAMA inspection visits to Compliance Group and provided full support to the Group including meeting all requirements of inspection team and following up closure of observations monitored by Inspection team and its status and closure target dates.
- During its meeting, reviewed all SAMA and other regulators fines of 2021 and Compliance Group efforts to avoid such fines.
- Discussed progress of existing projects to develop automated systems of Compliance & Financial Crimes Group and supported it with required budget.
- Continuous discussion for Financial Crimes Dept., SAS performance evaluation, combating financial fraud efforts, and major whistleblowing cases.
- Discussed and approved many of Compliance Group policies during 2021 and recommend to the Board to approve the same.
- Working on applying best practices of AML, CTF, combating financial fraud, anti-bribery, anti-corruption, combating commercial concealment, and whistleblowing.
- Reviewed Compliance Group policies for 2021 and provided recommendations to the Board of Directors to approve the policies approved by the Committee.

- Approved updated Compliance Group structure for 2021 which includes new departments and instructed Compliance Group to include number of employees of each department/unit in Compliance Group.
- Continuous follow up and review of any challenges, gaps, or delay of business groups in closing monitored observations. Compliance Group was instructed by the Committee to report urgently of such failure in closing monitored observations.
- Discussed and reviewed matters related to international branches and instructed Compliance Group to make field visits as per the approved plan.
- Discussed and approved Compliance and Financial Crimes Group Plan and program for 2021.
- Reviewed important laws, instructions and regulations issued by SAMA such as “Banking Control Law draft, Principals of Compliance, Anti-Fraud Principals”.
- Discussed and updated the charter of Compliance Committee in KSA and international branches (Jordan & Kuwait).

Fifth: Sharia Group

- BACC reviewed results of Shariah auditing and progress level of Sharia Control Dept. activities as per the approved plan for 2021. In addition, it discussed significant observations related to products and observation closure updates.

Sixth: Other Activities

- Discussed its inquiries about Employee Fund with HR Group and representatives of PWC and Clever Chance.
- Reviewed ARB strategy for Data Management, artificial intelligence, main projects related to data infrastructure, data governance, and related legislative requirements and submitted its recommendation thereof.
- Followed up progress of implementing Related Party Automated System requirements and coordinate with concerned parties to apply the system by IT Dept. as per priorities and available resources.
- Discussed, with Treasury Group, official evaluation of SOW with respect to products, governance, main risks, hedging strategy and infrastructure. Also, it reviewed applicable procedures of products pricing and systems used to obtain direct market prices of products as well as level of compliance with SAMA regulations. In addition, it reviewed the procedures put in place for sale and trading operations which, in turn, explain work process clearly and directly.

Seventh: BACC Resolutions

During meetings of 2021, BACC issued its recommendations related to (76) resolutions; from which (59) resolutions were executed and (17) resolutions are on track.

Eighth: Audit & Compliance Committee’s Opinion on Internal Control System for the Year ended 31/12/2022

During 2021, Al Rajhi Bank exerted all possible efforts to ensure adequacy and effectiveness of internal control system in compliance with SAMA requirements. In addition, the activities executed in 2021, including review of internal control system adequacy, have resulted in

providing reasonable assurances for adequacy of applicable internal control process along with providing an assurance that the systems and procedures required to identify, assess and handle the Bank's high risks are in place and effectively applied.

Thus, the Committee found no significant weaknesses which affect internal control system adequacy.

According to the results of internal control system evaluation process, Al Rajhi Bank has sufficient and adequate internal control system being monitored continuously noting that no internal control system can provide absolute assurances.

Best Regards,