



ORDINARY GENERAL ASSEMBLY MEETING (First Meeting)

Attendance in-person and via
modern technology means.

14 Ramadan 1445

24 Mar 2024



Attached list

- General Assembly Meeting Agenda.
- Attached the First item - Audit committee report.
- Attached the Fifth item - Amending the Remuneration Policy for Board Members, Committees and Senior Management Officers
- Attached the Seventh item - Board of Directors 'Recommendation to Distribute Cash Dividends to Shareholders for the Second Half of 2023,
- Attached from 11 to 14 items - Business and contracts



General Assembly Meeting Agenda

AGENDA ITEMS

#	ITEM
1	Viewing the board of director's report for the fiscal year ending on 31 December 2023 and to discuss it. (Attached)
2	Viewing the financial statements for the fiscal year ending on 31 December 2023 and to discuss it.
3	Voting on the External Auditors Report on the Bank's accounts for the fiscal year ending on 31 December 2023 and to discuss it.
4	Voting on the discharge of the board members for the fiscal year ending on 31 December 2023.
5	Voting on amending the policy Remuneration for Board Members, Committees and Senior Management Officers. (Attached)
6	Voting on paying an amount of (19,135,000) Riyals as remuneration to the Board members for the fiscal year ending on 31 December 2023.
7	Voting on the Board of Directors 'Recommendation to Distribute Cash Dividends to Shareholders for the Second Half of 2023, amounting to (2,246,250,000) Saudi riyals at a rate of (75) halalah per share, which represents 7.5% of the book value of the share after deducting zakat, for the (2,995,000,000) shares due for dividends, Eligibility for dividends to the Bank's shareholders who own shares at the end of the day of the General Assembly meeting, and who are registered in the Bank's records at the Securities Depository Center Company (Edaa) at the end of the second trading day following the due date, and these profits will be disbursed as of Tuesday 02 April 2024 corresponding to 23 Ramadan 1445 AH. . (Attached)
8	Voting on delegating the Board of Directors to distribute interim dividends on a biannual / quarterly basis for the fiscal year 2024
9	Voting on the appointed of external auditors from among the candidates recommended by the Audit Committee to audit the Bank's annual financial statements for the second, third quarters and annual financial statements for the fiscal year 2024 and the first quarter of the fiscal year 2025, and provide Zakat and TAX services along with determining their fees.
10	Voting on authorizing the Board of Directors the power of license included in paragraph (1) of Article (27) of the Companies Law, for one year from the date of approval of the General Assembly or until the end of the Board of directors' term whichever is proceeds, in accordance with the Implementing Regulation of the Companies Law for Listed Joint Stock Companies.
11	Voting on the business and contracts concluded between the bank and the General Organization for Social Insurance (GOSI) where the board member Mr. Hani Abdullah Al-Juhani (works in the Hassana Investment Company, which is the investment arm of GOSI) has indirect interest. It consists of a rental contract for Riyadh bank HQ building (Granada Oasis) in Riyadh, was made without any preferential conditions or benefits, at a cost of SAR 20,712,296 For the remaining period of the contract, which ends on the date 14/08/2024G. (Attached)
12	Voting on the business and contracts concluded between the bank and the General Organization for Social Insurance (GOSI) where the board member Mr. Hani Abdullah Al-Juhani (works in the Hassana Investment Company, which is the investment arm of GOSI) has indirect interest. It consists of a rental contract for renting the headquarters of the 60th Street branch 286 for exhibitions No. (1,2,3,5) in Riyadh, was made without any preferential conditions or benefits, at a cost of SAR 1,600,000 For the remaining period of the contract, which ends on the date 08/08/2026G. (Attached)

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Voting on the business and contracts concluded between the bank and the General Organization for Social Insurance (GOSI) where the board member Mr. Hani Abdullah Al-Juhani (works in the Hassana Investment Company, which is the investment arm of GOSI) has indirect interest. It consists of a rental contract renting 20 parking spots in Granada Business in Riyadh, was made without any preferential conditions or benefits, at a cost of SAR 360,000 For the remaining period of the contract, which ends on the date 14/08/2024G. [\(Attached\)](#)

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Voting on the business and contracts concluded between the bank and the General Organization for Social Insurance (GOSI) where the board member Mr. Hani Abdullah Al-Juhani (works in the Hassana Investment Company, which is the investment arm of GOSI) has indirect interest. It consists of a rental contract renting 218 Al-Murabba branch at King Abdulaziz Street in Riyadh, was made without any preferential conditions or benefits, at a cost of SAR 633,333 For the remaining period of the contract, which ends on the date 20/07/2025G. [\(Attached\)](#)



Item Attachments

Attachments of the Item No. 1

Viewing the board of director's report for the fiscal year ending on 31 December 2023 and to discuss it.

Riyad Bank

Annual Audit Committee Report on Riyad Bank's Control System for the year ended on 31 December 2023

During the year 2023, a number of (9) meetings were held once a month where the audit committee is composed of five members; two independent members from the Board members and three external independent ones.

Members of Audit Committee:

- Jamal AbdulKarim Al-Rammah	<i>Chairman of Committee & Board Member</i>
- Mona Mohammad Al Tawil	<i>Committee Member & Board Member</i>
- Tareq Abdullah Al-Qaraawy	<i>External member</i>
- Eid Faleh Al Shamri	<i>External member</i>
- Wadhaah Ibrahim Al Sheikh Mubarak	<i>External member</i>

Roles & Responsibilities of Main Audit Committee:

First: Financial Reports and Controls:

- Reviewing the basic accounting policies and procedures and any amendments made thereon;
- Reviewing the accounting matters and important reports and presenting the financial statements and all account activities/ statutory items to verify its conformity with the accounting standards and legal disclosure rules;
- Reviewing the accounting policies and practices and their effectiveness, application and provision, besides evaluating how the accounting records and governance reports are adequate;
- Reviewing the recommendations of the executive management with respect to the credit allocations, investments, Bank's policies regarding the credit risk classification and other financial assets;
- Reviewing the recommendations of the executive management relevant to the provisions of bad or doubtful debts, and any other provisions with respect to loses or significant legal issues;
- Reviewing the Bank's policies regarding transactions with related parties and the contracts and dealings carried out by the Bank with the related parties, besides a statement of all such dealings in order to review their approval and verify their disclosure in the financial statements;

- Reviewing how the internal controls prepared by the executive management are effective and efficient, including the internal controls on financial reports in order to prevent any fraudulent actions or mistakes and control the information security and risk management of the Bank, and
- Review and adopt the bank's disclosure policy, as well as reviewing the reports on how the controls and procedures of such policy are effective.
- **Second: External Auditors**
- Recommend to the Board regarding the nomination and dismissal of external auditors, besides determining their remuneration, term of employment, terms of contracting and getting the consent of the shareholders in the general assembly meeting;
- Review and verify how the external auditors are independent and impartial and the effectiveness of audit process at least once a year, taking into consideration the relevant professional and regulatory requirements in this regard;
- Review and approve the annual external auditors' plan, and
- Discuss the Management Letter issued from the external auditors and follow-up carrying out the recommendations with the executive management.

Third: Internal Audit Management:

- Review and adopt the annual plan of internal audit management and any fundamental amendments made thereon, including obliging with the International Standards for the Professional Practice of Internal Auditing adopted by the Institute of Internal Auditors;
- Control, supervise and review the performance of the Chief Internal Auditor in accordance with the accredited annual performance standards, as well as performing the activities of internal audit management within the Bank to check the availability and effectiveness of the required resources on implementing their assigned works and tasks;
- Review what the Chief Internal Auditor provides regarding the annual report on the effectiveness and efficiency of internal control systems of the Bank and to the extent of compliance of such in this regard;
- Follow-up the implementation of the corrective actions made by the executive management with respect of the observations provided in the reports of internal audit Department, and
- Review the independence of the internal auditors from the executive management, and verify that there are no unreasonable restrictions on the works exercised by the Chief Internal Auditor.

Fourth: Risk Management & Internal Controls

- Review the policies of risk management with regards to the significant risk assessment processes;

- Review the most important risks relevant to internal controls and the actions adopted by the management to monitor and control these risks, and
- Review the risk management reports and activities to ensure the prevention of fraud and other related risks.

Fifth: Compliance

- Review the effectiveness of compliance control system with the laws, systems, results of investigations and follow-ups regarding any case (including disciplinary actions) conducted by the executive management.
- Adopt the annual compliance plan.
- Review, amend and adopt the compliance policies.
- Review the reports presented by the compliance Chief relevant to the procedures adopted by the management to ensure adherence to the Bank policies and procedures, in addition to the rules and regulations determined by Saudi Central Bank and the Capital Market Authority.

Sixth: Annual assertions & acknowledgments of executive management pertaining to internal control

During the fiscal year ended on 31st of December 2023, the top management and control functions in the Bank confirmed that:

- The soundness and effectiveness of the Banks internal controls applied in the control system of the Bank.
- Addressing the deficiencies and internal & external weaknesses to ensure the safety of Bank's interests.

Seventh: The Audit Committee's opinion on the Bank's control system for the year ended on 31/12/2023

The Committee has reviewed during its meetings held on 2023 the periodic reports of the internal audit division, the compliance division and the risk management division, as well as the reports from regulators. Moreover, the Committee conducted a meeting separately with the external auditors and reviewed their reports whereas the Committee has monitored regularly the efforts exerted by the control functions in the Bank and the executive management in order to secure addressing the observations that were detected and the implementation of controls that would mitigate its effect on the control system or prevent its recurrence thereof.

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

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

Chairman of Audit Committee

Board Member

//Handwriting Signature//

Jamal AbdulKarim Al-Rammah

On behalf of the Audit Committee

Attachments of the Item No. 5

Voting on amending the policy Remuneration for Board Members, Committees and Senior Management Officers.

Remuneration Policy for Board Members, Committees and Senior Management Officers

Item	Source text	Text after modification
Preface	New	<p><u>This policy was issued in accordance with the provisions of the applicable laws and regulations such as the Bank's Basic Law, the Companies Law, the Banking Law, the instructions of the Saudi Central Bank, the Capital Market Authority and its executive regulations, including the Corporate Governance Regulations and other relevant regulations, taking into account the regulations and decisions issued by the Bank in light of what exists, was introduced or amended under those laws and regulations issued by the competent authorities (the authority that It plays a regulatory, supervisory or supervisory role for the banking sector in the Kingdom of Saudi Arabia). While emphasizing that any conflict that may be contained in this policy with any applicable laws and regulations, the priority is the application of the statutory or legal text contained in the regulation and its updates wherever they are stipulated and the exclusion of what contradicts it in the internal policies, and whatever this policy ignores due to the provisions of those laws and regulations.</u></p>
Objectives	<p>This policy aims to set and define the controls and principles governing the mechanism of organizing the remuneration received by the members of the Board of Directors, members of the committees emanating from the Board of Directors and senior management officials of the Bank.</p> <p>The goal is to dedicate a clear remuneration policy – to be approved by the General Assembly and take into account the adoption of standards related to the performance, disclosure and verification of implementation – to urge the members of the Board of Directors and senior management to make strategies successful, develop business, and achieve long- and short-term visions.</p>	<p>This policy aims to develop and define controls and principles governing the mechanism of organizing remuneration received by members of the Board of Directors, members of committees emanating from the Board of Directors, and senior management officials <u>(in accordance with the Delegation of Authority approved in the bank)</u>, to urge the members to succeed the strategies, business development, and the realization of long- and short-term visions.</p>
Scope	<p>This policy shall apply to the Bank, and its branches within the Kingdom, without applying it to subsidiaries^{*†}. This policy shall also apply to the bank's foreign branches unless the foreign branches have their own remuneration policy in accordance with the regulations of the country in which the branch is located.</p> <p>This policy includes the controls and principles of organizing and determining the remuneration of the members of the Board of Directors, the committees</p>	<p>This policy shall apply to the Bank, and its branches within the Kingdom, without applying to subsidiaries*. <u>It also</u> shall apply to the bank's foreign branches unless the foreign branches have their own remuneration policy in accordance with the regulations of the country in which the branch is located.</p> <p>[*] Subsidiaries - outside the scope of this policy - are supervised by boards of directors, boards of directors, and independent executive management, and therefore these companies are not subject</p>

Remuneration Policy for Board Members, Committees and Senior Management Officers

Item	Source text	Text after modification
	<p style="color: red;">emanating from the Board, and senior management officials, and takes into account in this policy the following of standards related to the performance of the members of the Board of Directors of the Bank and its senior management, and the disclosure of mechanisms for determining these remunerations, and verification of implementation, in addition to the criteria for periodic review of the policy, its update, and its approval by the General Assembly.</p> <p>**Subsidiaries - outside the scope of this policy - are supervised by boards of directors, boards of directors, and independent executive departments, and therefore these companies are not subject to the same remuneration or disclosure program prescribed for the bank as a listed Saudi joint stock company.</p>	<p>to the remuneration program or disclosure prescribed by the bank as a listed Saudi joint stock company.</p>
Principles and Controls	<p style="color: red;">In light of the provisions of the articles regulating the remuneration of the members of the Board of Directors, its committees, and senior management officials in the relevant laws and regulations issued by the competent authorities (the entity that plays a regulatory, supervisory or supervisory role for the banking sector in the Kingdom of Saudi Arabia); the remuneration of the members of the Board of Directors, its committees and senior management officials is regulated in accordance with the following principles and rules:</p>	<p>The remuneration of the Bank's Board of Directors, its committees and senior management officials is regulated in accordance with the following principles and rules:</p>
Principles and Controls	<p>General principles</p> <p>I. The bank shall be committed to applying the provisions of its articles of association, the corporate system and the executive regulations issued by the competent authorities of the banking sector, while stressing that any conflict that may be contained in this policy with any applicable laws and regulations is the first is the application of the statutory or legal text contained in the system or regulation and its updates wherever they are received and the exclusion of what contradicts it in the internal policy. What is silent about this policy is due to the provisions of the applicable law and regulations.</p>	<p>I. The Bank shall comply with the provisions of its Articles of Association <u>and the relevant regulations</u> issued by the competent authorities.</p> <p>II. The members of the Board of Directors may not <u>participate in</u> voting on the clause of remuneration of the members of the Board of Directors at the General Assembly meeting.</p>

Remuneration Policy for Board Members, Committees and Senior Management Officers

Item	Source text	Text after modification
	<p>II. The members of the Board of Directors may not vote on the clause of remuneration of the members of the Board of Directors at the General Assembly meeting.</p>	
Principles and Controls	<p>Controls for determining and organizing the remuneration of members of the Board of Directors and its committees</p> <p>A. The Board of Directors shall, upon the recommendation of the Nomination and Remuneration Committee, determine the annual remuneration of the members of the Board of Directors and its committees in accordance with the following rules and principles:</p> <ol style="list-style-type: none"> 1. The remuneration shall be commensurate with the work and responsibilities carried out by the member and borne as a result of his membership and the sessions he attends in the Council and its committees. 2. Remuneration is a motivating factor for members towards achieving the bank's strategic visions and objectives. 3. The remuneration shall be commensurate with the Bank's activity, size, skills and experience necessary for its management, development and sustainability. 4. Remuneration shall be reasonably sufficient to attract, motivate and retain board-members with appropriate competence and experience. 	<p>Controls for determining and organizing the remuneration of members of the Board of Directors and its committees</p> <p>The Board of Directors shall, upon the recommendation of the Nomination and Remuneration Committee, determine the annual remuneration of the members of the Board of Directors and its committees, <u>provided that the total remuneration paid to the members of the Board of Directors and its committees collectively does not exceed the amount of (30,000,000) riyals – thirty million riyals -</u>, in accordance with the following controls and principles:</p> <ol style="list-style-type: none"> 1. The remuneration shall be commensurate with the work and responsibilities carried out by the member and borne as a result of his membership and the sessions he attends in the Council and its committees. 2. Remuneration shall be a motivating factor for members towards achieving the Bank's strategic visions and objectives to be achieved. 3. The remuneration shall be commensurate with the Bank's activity, size, skills and experience necessary for its management, development and sustainability. 4. Remuneration shall be reasonably sufficient to attract, motivate and retain members with appropriate competence and experience.
	<p>B. An external member (non-members of the Board of Directors) in one of the committees emanating from the Board of Directors (including the Audit Committee) shall be entitled to an annual remuneration of (120,000) Saudi</p>	<p><u>The Board of Directors shall, upon the recommendation of the Nomination and Remuneration Committee, determine the allowance for attending meetings attended by</u></p>

Remuneration Policy for Board Members, Committees and Senior Management Officers

Item	Source text	Text after modification
	Riyals (one hundred twenty thousand Saudi Riyals). The Board of Directors may otherwise determine the amount upon the recommendation of the Nomination and Remuneration Committee.	<u>the members of the Board of Directors and its committees, taking into account the limit set out in paragraph (A) above.</u>
Principles and Controls	C. In order to attract highly experienced competencies, the external member (non-members of the Board of Directors and from outside the Kingdom) in the committees emanating from the Board of Directors shall be entitled to an additional remuneration based on the recommendation of the Nomination and Remuneration Committee.	-
Principles and Controls	D. In addition to what is mentioned in paragraph (a) above, a member of the Board of Directors shall be entitled to an allowance of 5000 Saudi Riyals (five thousand Saudi Riyals) for attending each session of the Board, whether attendance is through direct presence in the session, or through the use of any communication technology agreed upon by the members of the Board of Directors.	-
Principles and Controls	E. In addition to what is mentioned in paragraph (b) above, a member of the Committee emanating from the Board of Directors (whether a member from inside or outside the Board) shall be entitled to an allowance of 5000 Saudi Riyals (five thousand Saudi Riyals) for attending each session of the Committee, whether attendance is through direct presence in the session, or through the use of any communication technology agreed upon by the members of the Committee.	-
Principles and Controls	F. In all cases, the total remuneration and financial or in-kind benefits received by the member of the Board of Directors shall not exceed the limits prescribed by law.	-
Principles and Controls	G. The Bank shall pay all costs and expenses (including travel and accommodation expenses) incurred by the Board Member / External Member in order to attend the meetings of the Board or its committees,	C. The Bank shall pay all costs and expenses (including <u>first-class travel expenses or equivalent</u> and accommodation <u>expenses</u>) incurred by the Board Member / External

Remuneration Policy for Board Members, Committees and Senior Management Officers

Item	Source text	Text after modification
	and such costs and expenses shall not be calculated from the annual remuneration.	Member in order to attend the meetings of the Board or its committees, and such costs and expenses shall not be calculated from the annual remuneration.
	New	d. The Bank shall provide a liability insurance policy for the members of the Board of Directors and its committees.
Principles and Controls	H. The Bank shall not grant any percentage of its net profits as remuneration to any of the members of the Board of Directors.	e. The Bank does not grant any percentage of its net profits as remuneration to any of the members of the Board of Directors.
Principles and Controls	X. The Bank shall not grant shares in kind as remuneration to any of the members of the Board of Directors or the committees emanating from the Board of Directors.	-
Principles and Controls	XI. The Board of Directors shall disclose in its annual report - in accordance with the statutory requirements - the details of the remuneration, related policies as well as the mechanisms for determining them.	f. The Board of Directors shall disclose in its annual report - in accordance with the statutory requirements - all remunerations, compensations and expenses received by the members in accordance with the disclosure requirements issued by the competent authorities.
Principles and Controls	<p>Suspension and/or refund of the bonus</p> <p>The payment of the remuneration and/or the recovery of the remuneration paid to any of the members of the Board of Directors shall be suspended, or compensation shall be claimed for damage to the Bank's reputation, when the following are achieved:</p> <p>A. If it is found that the remuneration paid to any of the members of the Board of Directors is based on incorrect or misleading information presented to the General Assembly or included in the annual report of the Board of Directors, it must return them to the Bank, and the Bank has the right to demand its refund.</p>	No modification

Remuneration Policy for Board Members, Committees and Senior Management Officers

Item	Source text	Text after modification
	<p>B. If a member is absent from attending the meetings of the Board of Directors three consecutive times during one-year without a legitimate excuse accepted by the Board of Directors, and the General Assembly decides to terminate his membership, in this case such member shall not be entitled to any remuneration for the period following the last meeting he attended, and he shall return all the remuneration paid to him for that period.</p>	<p>If a member of <u>the Board of Directors</u> is absent from attending three meetings during <u>one year, three consecutive meetings or five separate meetings during his term of office</u> without a legitimate excuse accepted by the Board of Directors, the General Assembly <u>may</u> terminate his membership <u>based on a recommendation from the Board of Directors</u>, in which case such member shall not be entitled to any remuneration for the period following the last meeting he attended, and he must return all the remuneration paid to him for that period. <u>The Board of Directors may also suspend the payment of remuneration to members of its committees if he is absent from attending three meetings during one year, three consecutive meetings or five separate meetings during the term of membership of the Committee without a legitimate excuse acceptable to the Board of Directors.</u></p>
Principles and Controls	<p>Controls for determining and organizing the remuneration of senior management officials</p> <p>The Board of Directors shall determine, upon the recommendation of the Nomination and Remuneration Committee, the remuneration of senior management officials, and the recommendations of the Committee when determining such remuneration shall be based on the following controls and principles:</p> <ol style="list-style-type: none"> I. The rewards should be consistent with the strategic objectives of the bank and be effective in motivating senior management officials to achieve those goals. II. Remuneration shall be determined based on the level of the job, the tasks and responsibilities entrusted to the occupant, academic qualifications, practical experience, skills, and level of performance. III. To aim to attract, retain and motivate senior management officials with professional competencies. IV. Taking into account the practices of peer financial institutions in determining remuneration. 	No modification

Remuneration Policy for Board Members, Committees and Senior Management Officers

Item	Source text	Text after modification
	<p>V. Be consistent with the size, nature and degree of risk of the Bank, discourage participation in high-risk short-term operations, and be consistent with the Bank's risk policy approved by the Board of Directors.</p> <p>VI. Not to cause any conflict of interest that would negatively affect the interest of the bank and its ability to achieve its objectives.</p> <p>VII. The Board of Directors shall disclose in its annual report - in accordance with the statutory requirements - the details of the policies related to remuneration and the mechanisms for determining them, and the salaries, bonuses, bonuses and options for owning shares received by the Bank's senior management officials.</p>	
Policy Review	The Nomination and Remuneration Committee shall review this policy whenever appropriate to ensure that it is updated according to the relevant developments, and this policy shall not be amended except in accordance with the prescribed statutory conditions and after obtaining the approval of the General Assembly.	No modification
Enforcement	This policy shall be effective from the date of its approval by the General Assembly.	This policy shall be effective from the date <u>of its adoption</u> by the General Assembly.
Policy <u>Adoption</u> Approval	This policy was approved by the decision of the Board of Directors No. 7/C/665 dated 12/02/2018 and by a decision of the General Assembly on 26/03/2018.	-

Attachments of the Item No. 7

**Voting on the Board of Directors recommendation to distribute cash dividends to Shareholders
for the Second Half of 2023**

Dividends details distributed to shareholders for the first half of the fiscal year ending in 31 December 2023

Date of the board's decision	2023-07-19 Corresponding to 1445-01-01
The Total amount distributed	SAR 1,947,806,284
Number of Shares Eligible for Dividends	2,996,625,053
Dividend per share	SAR 0.65 after deduction of Zakat
Percentage of Dividend to the Share Par Value(%)	6.5 %
Eligibility date	2023-07-27 Corresponding to 1445-01-09
Distribution Date	2023-08-07 Corresponding to 1445-01-20

Dividends details that will be distributed to shareholders for the second half of the fiscal year ending in 31 December 2023

Date of the board's decision	2024-02-12 Corresponding to 1445-08-02
The Total amount distributed	SAR 2,246,250,000
Number of Shares Eligible for Dividends	2,995,000,000
Dividend per share	SAR 0.75 after deduction of Zakat
Percentage of Dividend to the Share Par Value(%)	7.5 %
Eligibility date	2024-03-24 Corresponding to 1445-09-14
Distribution Date	2024-04-02 Corresponding to 1445-09-23

Item attachments

Business and Contracts

From: Item 11 to 14



Ernst & Young Professional Services (Professional LLC)
Paid-up capital (SR 5,500,000 – Five million five hundred thousand Saudi Riyal)
Head Office
Al Faisaliah Office Tower, 14th Floor
King Fahad Road
P.O. Box 2732
Riyadh 11461
Kingdom of Saudi Arabia

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LIMITED ASSURANCE REPORT TO THE SHAREHOLDERS OF RIYAD BANK (A SAUDI JOINT STOCK COMPANY)

Scope

We have been engaged by Riyad Bank (the “Bank”) 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, to report 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 2023.

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 notification 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.
- Notification presented by the Bank’s Board of Directors to the Ordinary General Assembly (Appendix A) dated 12 February 2024.
- Declarations submitted by some of the Bank’s Board of Directors’ members regarding the transactions and contracts in which some members of the Bank’s Board of Directors have a direct or indirect personal interest in them.
- Meeting minutes of the Board of Directors meeting which include disclosures by some of the Bank’s Board of Directors’ members regarding transactions and contracts in which some members of the Bank’s Board of Directors have a direct or indirect personal interest in them.

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 RIYAD BANK (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 (Revised)') that is endorsed in the Kingdom of Saudi Arabia, and the terms of reference for this engagement as agreed with the Bank on 01 February 2024. 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 (the "Code"), 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.



LIMITED ASSURANCE REPORT TO THE SHAREHOLDERS OF RIYAD BANK (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 dated 12 February 2024.
- Obtained the declarations from some of the Bank's Board of Directors' members for the transactions and contracts done with the Bank's in which some members of the Bank's Board of Directors have a direct or indirect personal interest in them.
- Obtained Board of Directors minutes of meetings that indicates some members' notification to the Board of Directors of transactions and contracts done with the Bank in which some members of the Bank's Board of Directors have a direct or indirect personal interest in them.
- 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 2023.

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: 10 Sha'ban 1445H
(20 February 2024)

**Dear Esteemed Shareholders of Riyad Bank
Greeting,**

**Subject: Board of Directors' Declaration of Transactions with Related Parties for the
Year Ended 31 December 2023**

With reference to the requirements of Article (71) of the Companies Law promulgated by Royal Decree No. M / 132 of 1443 AH, which stipulates that the board member shall, as soon as he becomes aware of any direct or indirect interest he may have in the business transactions and contracts made for the benefit of the company, notify the board of the same. Such notification shall be recorded in the minutes of the Board meeting when it convenes. Such a member may not take part in voting on the resolution to be issued in this regard by the Board and the General Assembly. In addition, the Board shall inform the General Assembly, when it convenes, of the business transactions and contracts in which the board member has a direct or indirect interest. Such notification shall be accompanied by a special report to be drawn up by the company's auditor in accordance with the auditing standards applicable in the Kingdom, 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 Riyad 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. (64) of the Implementing Regulation of the Companies Law for Listed Joint Stock Companies issued to the Companies Law by the Capital Market Authority in 1438H, which are amended in 1444H, 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 Riyad Bank have a direct or indirect interest in them is shown below:

Rental Contracts:

#	Related party	Associated party with related party	Position at the Bank	Type of with the related Association party	Service	End of Contract	Annual contract value (SAR)
1	General Organization for Social Insurance (GOSI)	Hani Abdullah Al-Jehani	Member of the Board of Directors	Chief Investment Officer of International Markets in Hassana Investment Company.	Renting the General Administration Building (Granada Oasis)	14.08.2024	31,068,444
2	General Organization for Social Insurance (GOSI)	Hani Abdullah Al-Jehani	Member of the Board of Directors	Chief Investment Officer of International Markets in Hassana Investment Company.	Renting the headquarter of 286 Sixtieth Street for exhibitions No. (1,2,3,5) - Riyadh	08.08.2026	600,000
3	General Organization for Social Insurance (GOSI)	Hani Abdullah Al-Jehani	Member of the Board of Directors	Chief Investment Officer of International Markets in Hassana Investment Company.	Renting 20 Granada Business parking lots for relationship managers in the corporate banking division	14.08.2024	360,000
4	General Organization for Social Insurance (GOSI)	Hani Abdullah Al-Jehani	Member of the Board of Directors	Chief Investment Officer of International Markets in Hassana Investment Company.	Renting Al Murabba branch 218 King Abdulaziz Street in Riyadh	20.07.2025	400,000

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, where applicable, have been disclosed as per IAS 24 (Related Party Disclosures) in note No. (38) of the bank's final financial statements as of 31 December 2023.

Best Regards,

Yasir Abdullah Al-Salman	Board Member
Hani Abdullah Al-Jehani	Board Member
Nader Ibrahim Al-Wehibi	Board Member
Mona Mohammed Al-Tawil	Board Member
Omar Hamad Al-Madhi	Board Member
Abdulrahman Ismail Tarabzouni	Board Member
Jamal Abdul-Karim Al-Rammah	Board Member
Ibrahim Hassan Sharbatly	Board Member
Mutaz Kusai AlAzzawi	Vice-Chairman of the Board
Abdullah Mohammed Al-Issa	Chairman of the Board



**For inquiries, please contact the
Shareholders Affairs during official
working hours on telephone no.**

**0114013030 Ext: (6111)
Sha@RiyadBank.com**