

**The 65th Ordinary General
Assembly Meeting**
(First Meeting)



General Assembly Meeting Agenda

(First Meeting)



Bank AlJazira invites its shareholders to attend the Ordinary General Assembly Meeting No. 65 (the 1st meeting) by means of modern technology

General Assembly Meeting Agenda

1. Reviewing and discussing the Board of Directors Annual Report for the fiscal year ending 31 December 2022.
2. Reviewing and discussing the Financial Statements for the fiscal year ending 31 December 2022.
3. Voting on the auditor's Report on the bank accounts for the fiscal year ending on 31 December 2022 after discussing it.
4. Voting on releasing the Board members from their liability for the fiscal year ending 31 December 2022.
5. Voting on paying an amount of SAR 4,625,000 as remuneration to the Board Members for the fiscal year ending on 31st December 2022.
6. Voting to authorize the Board of Directors to distribute interim dividends to the shareholders on semi-annual or quarterly basis, against the fiscal year 2023.
7. Voting on appointing the Bank's External Auditors among the candidates based on the Audit Committee recommendation as to examine, review and audit the financial statements for the second, third quarter along with 2023 year end financials and the first quarter for the year 2024 and determining their fees.
8. Voting on the amendment of remuneration and compensation of members of the Board of Directors, committees and executive management Policy. (Attached).
9. Voting on the amendment of Nomination and Remuneration Committee charter. (Attached).
10. Voting on the amendment of the policies, standards and procedures for the membership of the Board of Directors. (Attached).
11. Voting to delegate the Board of Directors with the authority of the General Assembly with the license mentioned in Section (1) of Article (27) of the Companies Law, for a one year period effective upon the AGM approval date or up to ending of the authorized Board term, whichever is earlier, in accordance with the Regulatory Rules and Procedures issued pursuant to the Companies Law relating to Listed Joint Stock Companies.
12. Voting on the participation of the Board Member Mr. Abdulwahab Abdulkarim Albetari in a business competing with the Bank's business .(Attached).
13. Voting on the participation of the Board Member Mr. Mohammed Saad Bindawood in a business competing with the Bank's business. (Attached).
14. Voting on the businesses and contracts that will take place between the Bank and AlJazira Cooperative Takaful Company which is considered a Related Party as Eng. Abdulmajeed Al-Sultan a BAJ member of the board of directors, and Mr. Naif Al-Abdulkareem the CEO & MD of the bank have an indirect interest in it being members of the board of directors of AlJazira Cooperative Takaful Company. These



businesses and contracts are related to the collective insurance agreement for the personal finance portfolio, the collective insurance agreement for the real estate finance portfolio, the collective insurance services agreement for the Bank's employees, the loan portfolio protection services agreement for the Bank's employees, insurance agreements for Property All Risk Mortgage Employees, customers and own properties, Banker Blanket bond, Bancassurance Distribution Agreement that amounted to SAR 94.2 MM in 2022 and were done without any preferential treatment. (Attached).

15. Voting on the businesses and contracts that will take place between the Bank and AlJazira Capital Company which is considered a Related Party as Eng. Tariq O. Alkassabi the chairman of the bank, and Mr. Naif Al-Abdulkareem the CEO & MD of the bank, have an indirect interest in it being members of the board directors of AlJazira Capital Company. These businesses and contracts are related to Shared services agreement, Custody service agreement, Agreement for placement of time deposits by AJC, Agreement for provision of money market funds by BAJ, Agreement for letters of guarantee, Agreements for investment advisory services, Agreements for foreign exchange transactions and branch lease expense sharing agreement that amounted to SAR 53.1 MM in 2022 and were done without any preferential treatment. (Attached).

Sincerely,
Bank AlJazira Board of Directors



**Audit Committee
Annual Report 2022**



1. Introduction:

The Audit Committee (the “Committee”) of Bank Aljazira (the “Bank”) is pleased to present to the shareholders of the Bank its annual report for the financial year ending on December 31st, 2022 which includes details of its performance as stipulated in the Companies Law and its executive regulations, and the opinion of the Committee regarding the adequacy of the internal and financial control systems and Risk Management Group of the Bank and what tasks and activities that were carried out by the Committee that fall within the scope of its competence, in line with the Companies Law and based on the relevant regulatory requirements.

2. Scope of The Audit Committee:

The Committee is responsible for the general oversighting over the Bank’s activities and submits all its observations and recommendations to the Board of Directors of the Bank. The Committee has the right to review records and documents and to request any clarification from members of the board of directors or the executive management of the Bank. The Committee performs its responsibilities, including supervising the Internal Audit, Compliance and Anti-Money Laundering Groups, review their reports, as well as the results of the internal control system evaluation, in addition to reviewing the quarterly and annual financial statements, the accounting policies followed by the Bank, nominate and recommend external auditors to the Board of Directors, reviewing the reports of control functions regarding the Bank’s compliance with applicable regulations, and assess appropriate tools through which the Bank’s staff can communicate their observations on any violation.

In alignment with the tasks and responsibilities assigned to the Committee as per the approved charter, the Audit Committee perform an essential and important role in supporting the board of directors to fulfill its duties regarding the integrity of the Bank's financial statements, the qualifications and independence and effectiveness of the external auditors, the Bank's disclosure procedures, the effectiveness of the Internal Audit Group, the evaluation and examination of the adequacy of the Bank's internal accounting systems and financial controls, as well as compliance with the code of conduct.

The Audit Committee is comprised of a chairperson chosen from (independent) board members and at least two external independent members with relevant experience and knowledge. The Committee meets at least four times a year and the meetings are attended by the head of the Internal Audit Group, Chief Financial

Officer, and head of the Compliance and Anti-Money Laundering Group on an ongoing basis. The CEO and senior executives attend the Committee meetings as requested by the Committee.

3. Audit Committee Charter:

In accordance with corporate governance mandatory requirements, the Committee's charter was reformulated in line with the regulatory requirements. The Committee charter was approved by the Bank's General Assembly that was held on 18th Ramadan 1443 AH / April 19th, 2022.

4. Audit Committee Members:

The following are the members of the Audit Committee who were selected for the Board's term started on January 1st, 2022 and ending on December 31st, 2024 during the Bank's Extraordinary General Assembly meeting held on 10th Rabi'II 1443 AH / November 15th, 2021.

Committee Member Name	Membership
Saad Ibrahim Almushawah (Independent)	Chairperson-Independent Board Director
Fawzi Ibrahim Alhobayb (Independent)	Member-Independent-External
Dr. AbuBaker BaGabir (Independent)	Member-Independent-External

5. Committee Meetings:

The Committee held (5) five meetings during 2022 as below:

Member Name	Meeting 1 31 st January	Meeting 2 9 th February	Meeting 3 24 th April	Meeting 4 31 st July	Meeting 5 19 th October
Saad Ibrahim Almushawah	√	√	√	√	√
Fawzi Ibrahim Alhobayb	√	√	√	√	√
Dr. AbuBaker BaGabir	√	√	√	√	√



6. Audit Committee responsibilities and its activities during 2022:

During 2022, the Committee performed several activities as summarized below:

- **Financial Statements:**

The Audit Committee reviewed the quarterly and annual financial statements of the Bank, where relevant matters were discussed with Finance Group and the external auditors, review and verify causes of deviations, the adequacy of disclosures, the extent of implementing accounting policies and standards, and discussing all relevant aspects. The external auditors' feedback was obtained regarding the cooperation of the Bank's management in terms of providing all required documents and responding to raised inquiries. The external auditors confirmed that there were no material observations affecting the integrity of the Bank's financial statements. Accordingly, the Committee submitted its recommendation to the Board of Directors.

- **External Auditors:**

The Committee recommended to the Board of Directors and the General Assembly the nominated external auditors for the Bank, after reviewing the offers. Whereas, the Bank's General Assembly, held on Ramadan 18th, 1443 AH / April 19th, 2022 approved the reappointment of PricewaterhouseCoopers and EY as the Bank's external auditors to examine, review, and audit the financial statements for the second, third quarters as well as the annual statement for the fiscal year 2022 and first quarter 2023 and determine their fees.

Also, the Committee approved the annual audit review plan submitted by the external auditors. The Committee also discussed with the external auditors the annual management letters and the observations raised and directed the concerned departments to implement and follow up the corrective action plans.

- **Internal Audit:**

The Committee approved the annual internal audit plan and the comprehensive strategic plan for the next four years. The Committee also followed up and reviewed the periodic reports issued by the Bank's Internal Audit Group, the progress of implementing the approved plans, reviewed significant observations and provided the necessary directions to address any deficiencies.

- **Compliance:**

The Committee discussed the periodic reports of the Compliance and Anti-Money Laundering Group, following up on the adequacy of the enhancement level of compliance, reviewed significant observations and reports issued by regulatory inspections and the non-compliance with the regulations and instructions and provided its recommendations.

7. Results of the annual internal review of the effectiveness of the Bank's internal control

The Bank adopts an internal control framework based on three lines of defense. The various departments and business sectors in the Bank correspond their activities in accordance with the rules and regulations established and approved by the competent functions represent the first line of defense. The second line of defense is represented by control functions including the Compliance Group, Risk Management Group, the Finance Group, and the Information Security Group, which are concerned with assessing, measuring and monitoring various levels of risks in terms of daily operations, credit operations and information security to ensure compliance with the controls set in place and with the aim of meeting the Bank's regulatory requirements. These departments submit periodic reports to the Management Committees and the Board's Sub-Committees, including the Board Risk Committee. The Internal Audit Group carries out the tasks of the third line of defense concerned with conducting the necessary audits and reviews that ensure the Bank and its employees are complying with the approved policies and procedures based on the work of the Internal Audit Group implemented during the year 2022, which covered the main activities of the Bank.

Generally, there is a reasonable assurance of the effectiveness of the internal control systems in terms of covering the important control aspects that materially affect the Bank's achievement of its objectives.

8. The audit Committee's opinion on the adequacy of the internal control system:

The executive management of the Bank is responsible for establishing and maintaining an effective internal control system that includes all policies, procedures, and processes that have been designed under the supervision of the Board of Directors to achieve the strategic objectives of the Bank. An integrated system for internal control has been designed in the Bank as recommended by the regulatory and supervisory authorities. The Bank evaluates and monitors the internal control system through its control functions and the concerned Committees.

Based on the periodic reports presented to the Committee by the Internal Audit Group, the Compliance Group, the Risk Management Group, as well as the external auditors, and based on the annual confirmations and disclosures obtained from the executive management, the Audit Committee considers that the internal control system currently in place is operating with an acceptable and reasonable level of effectiveness. Taking into consideration that any internal control system, regardless of the soundness of its design and effectiveness of its implementation, cannot provide absolute assurance.

Audit Committee Chairperson



Saad Ibrahim Almushawah





Eighth Item

Table of Amendments to the
Remuneration and compensation
of members of the Board of
Directors, committees and
executive management Policy



#	Article	Remuneration and Compensation of members of the Board of Directors, committees and executive management Policy	
		Before	After
1	Definitions	Company: Bank Aljazeera and its subsidiaries.	Company: Bank Aljazeera
2		Board Committees: They are the sub-committees emerging from the Bank Board of Directors; its rules, work method, and members' selection are determined by decisions of the Board and/or the General Assembly; inside and outside directors shall participate in these committees to cooperate with the Board of Directors in carrying out its tasks and duties, and specifying its scope of work according to its the rules and regulations. The Bank Board of Directors formed Audit Committee, Nominations and Remunerations Committee, Executive Committee, Risks Committee, Governance Committee, Social Responsibility Committee or others.	Board Committees: They are the sub-committees or independent committees emerging from the Bank Board of Directors; its rules, work method, and members' selection are determined by decisions of the Board and/or the General Assembly; inside and outside directors shall participate in these committees to support the Board of Directors in carrying out its tasks and duties, and specifying its scope of work according to its the rules and regulations. The Bank Board of Directors formed Audit Committee, Nominations and Remunerations Committee, Executive Committee, Risk Management Committee, Sustainability and Social Responsibility Committee or others.
3		None	Independent committees: They are committees of a special nature. Its rules, work method, and members' selection are determined by decisions of the Board or any of its committees. Inside and outside directors shall participate in these committees to carry out specific duties. These committees' scope of work and its organizational affiliation with either the Board or any of its committees are determined according to its rules and regulations. It has been taken into account to form a committee of a special nature, namely Sharia Committee.
4		Executive board member: It is a member of the bank's board of directors who is a member of the executive management of the financial institution; it participates in the daily management of its various duties; it receives a monthly salary and benefits in return.	Executive Board Member: A full-time member of the executive management of a financial institution who participates in its daily business.
5		Non-executive board member: It is a member of the bank's board of directors who provides technical advice, shares its opinion, and does not participate in any way in managing the bank and following up on its daily business. It does not receive a monthly or annual salary from the bank.	Non-Executive Board Member: A part-time member of the executive management of a financial institution who does not participate in its daily business.

6		<p>Independent Board Member: It is a member of the Bank's Board of Directors who enjoys complete independence from the management and the Bank; it is able to exercise its duties, express opinions and vote objectively and impartially. Independence means the availability of the ability to judge matters after taking into account all relevant information without prejudice to its position and decisions. None of the conditions stipulated in the main principles of governance in financial institutions subject to the control and supervision of the Central Bank of Saudi Arabia shall apply to this member.</p>	<p>Independent Board Member: A member who enjoys complete independence in terms of position and decisions; none of the conditions stipulated in the main principles of governance in financial institutions subject to the control and supervision of the Central Bank of Saudi Arabia apply to this member.</p>
7		None	<p>Outside Director: It is the natural person who is selected in any board committees to make benefit of his scientific and practical expertise for the interest of the bank or any other external party. This director enjoys complete independence.</p>
8		None	<p>Member of the Independent Committee: It is the natural person who is selected in the Board's independent committees to make benefit of his scientific and practical expertise for the interest of the bank or any other external party. This director enjoys complete independence.</p>
9		<p>Remunerations: are amounts, allowances, profits, and equivalent, periodic or annual bonuses related to performance, short or long-term incentive plans, and any other in-kind benefits except for the reasonable actual expenditures incurred by the Bank on behalf of a member of the Board of Directors for the purpose of performing his work. Fixed remunerations include salaries, allowances, and in-kind benefits. Variable remunerations include periodic bonuses, profits, short/long-term incentive plans, and bonus shares.</p>	<p>Remunerations: are amounts, allowances, profits, and equivalent, periodic or annual bonuses related to performance, short or long-term incentive plans, and any other in-kind benefits except for the reasonable actual expenditures incurred by the Bank on behalf of a member of the Board of Directors for the purpose of performing his work. Fixed remunerations include salaries, allowances, and in-kind benefits. Variable remunerations include periodic remunerations, profits, and short/long-term incentive plans.</p>
10	Preamble	<p>The Corporate Law states that the company should state in its articles of association the method of remunerating the members of the Board of Directors. This law permits that this remuneration should be a specific salary for the member, an allowance for attending meetings, in-kind benefits, or a certain percentage of profits; it is permissible to combine two or more of these benefits.</p>	<p>The Corporate Law and the main principles of governance issued by the Central Bank of Saudi Arabia and the corporate governance regulations issued by the Capital Market Authority state that the company/bank should state in its articles of association the method of remunerating the members of the Board of Directors. This law permits that this remuneration should be a specific salary for the member, an allowance for attending meetings, in-kind benefits, or a certain percentage of profits; it is permissible to combine two or more of these benefits.</p>



11		<p>The provisions of the Corporate Law have stipulated that if the remuneration of the members of the Board of Directors is a specific percentage of the profits of the company (the bank), this percentage may not exceed 10% of the net profits after deducting the expenses, depreciation and legal reserve decided by the General Assembly and after distributing profits to the shareholders.</p>	<p>The provisions of the Corporate Law have stipulated that if the remuneration of the members of the Board of Directors is a specific percentage of the profits of the company (the bank), this percentage may not exceed 10% of the net profits after deducting the expenses, depreciation and legal reserve decided by the General Assembly and after distributing profits to the shareholders of not less than 5% of the paid-up capital of the company, provided that the entitlement to this remuneration is proportionate to the number of sessions attended by the member; any contrary assessment shall be null and void.</p>
12		<p>While the main principles of governance issued by the Saudi Arabian Monetary Agency and the corporate governance regulations issued by the Capital Market Authority require that the company / bank regulations should include the method through which the bonuses are paid to members of the Board of Directors; it is permissible that these compensations be in the form of a specific salary or attendance allowance against sessions, in-kind benefits, or a percentage of the profits. It is permissible to combine two or more of these benefits.</p>	Deleted
13		<p>In accordance to Bank Al-Jazira's purpose to comply with the supervisory controls, it was taken into account to draft a general framework for this compensation and reward policy of the bank, which was recommended by the Bank's Board of Directors in its meeting held on September 17, 2019 to be approved by the Bank's General Assembly in its meeting held on December 16, 2019.</p>	Deleted
14	<p>Bank Aljazira's remuneration and compensation policy framework</p>	<p>In general, compensations and remunerations paid to members of the Board of Directors of Bank Aljazira, whether executive or non-executive members, or outside directors are determined in accordance with the frameworks developed by the regulatory controls and instructions issued by the supervisory authorities.</p>	<p>In general, compensations and remunerations paid to members of the Board of Directors of Bank Aljazira, whether executive or non-executive members, independent members, or outside directors are determined in accordance with the frameworks developed by the regulatory controls and instructions issued by the supervisory authorities.</p>

15		The bank's remuneration and compensation policy framework, in general, is governed by the provisions of the corporate law, the bank's articles of association, its governance document, and the directives and decisions of the Board of Directors. thus, this policy shall be considered complementary and compatible with the bank's master policy of compensation and rewards (PAR – Master Compensation Policy Document), as well as the provisions of the main principles of corporate governance issued by the Saudi Arabian Monetary Agency and corporate governance regulations issued by the Capital Market Authority.	The bank's remuneration and compensation policy framework, in general, is governed by the provisions of the corporate law, the bank's articles of association, its governance document, and the directives and decisions of the Board of Directors. Thus, this policy shall be considered complementary and compatible with the bank's articles of association and Nominations and Remuneration Committee's regulations as well as the provisions of the main principles of corporate governance issued by the Saudi Arabian Monetary Agency and corporate governance regulations issued by the Capital Market Authority.
16		The remuneration of the members of the Board of Directors may vary in amount to reflect the extent of the member's experience, specializations, tasks, independence, number of sessions attended and other considerations.	The remuneration of the members of the Board of Directors or committees may vary in amount to reflect the extent of the member's experience, specializations, tasks, independence, number of sessions attended and other considerations.
17		None	These regulations are subject to periodic review for the purpose of developing and updating them in line with the relevant laws and regulations and according to the Board's appropriate decision. No amendment may be made to them except with the Board of Directors' recommendation and the General Assembly's approval.
18	Remunerations and compensations of bank Aljazir's Board of Directors	The limits of annual compensation granted to a member of the Board of Directors should not exceed SR 500,000 as stipulated in the provisions of the Corporate Law except for the Audit Committee Members.	The limit of annual compensation granted to a member of the Board of Directors should not exceed SR 500,000 as stipulated in the provisions of the Corporate Law except for the Chairman of the Board of Directors and the Chairman of the Audit Committee.
19	Remunerations and compensations of Board of Directors members in terms of the Board committees	The members of the Audit Committee shall receive an additional membership allowance of (SR 100,000). This compensation shall be in a lump sum and on an annual basis.	The members of the Audit Committee of the Board's independent members shall receive an additional membership allowance of (SR 120,000). This compensation shall be in a lump sum and on an annual basis. Moreover, they will receive an amount of (SR 5000) in lieu of attending each meeting of the committee. Thus, the limit of additional annual compensation granted to a committee independent member does not exceed the amount of SR 150,000.

20	Compensation of committee members from outside the bank's board of directors	In accordance with the supervisory instructions and the rules and provisions of the committees emanating from the Bank's Board of Directors, outside directors are appointed to participate in the duties and activities of the Board's sub-committees or others. The following requirements govern the scope of compensation granted to members of these committees from outside the Board of Directors:	In accordance with the supervisory instructions and the rules and provisions of the committees emanating from the Bank's Board of Directors and independent committees, outside directors are appointed to participate in the duties and activities of the Board's sub-committees or independent committees. The following requirements govern the scope of compensation granted to members of these committees from outside the Board of Directors:												
21		Each member of the Bank's outside directors of the emanating committees shall receive a lump sum as compensation and allowance for its participation in the work of the Board's sub-committees, amounting to (SR 100,000) annually.	Each member of the Bank's outside directors of the emanating committees shall receive a lump sum as compensation and allowance for its participation in the duties of the sub-committees. This compensation shall be determined according to the recommendation of the Nominations and Remunerations Committee in line with the classifications below: The above-mentioned classifications shall be related to the committee's work nature but they shall be determined according to the recommendation of the Nominations and Remunerations Committee and the Board's approval. <table border="1" data-bbox="930 1245 1401 1350"> <thead> <tr> <th>Classification</th> <th>Amount</th> <th>Period</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>SR 120,000</td> <td>Annually</td> </tr> <tr> <td>2</td> <td>SR 150,000</td> <td>Annually</td> </tr> <tr> <td>3</td> <td>SR 200,000</td> <td>Annually</td> </tr> </tbody> </table>	Classification	Amount	Period	1	SR 120,000	Annually	2	SR 150,000	Annually	3	SR 200,000	Annually
Classification	Amount	Period													
1	SR 120,000	Annually													
2	SR 150,000	Annually													
3	SR 200,000	Annually													
22		Each outside director shall receive an amount of (SR 5,000) for attending each session of the Board's sub-committees in which he is a member, whether his attendance is directly or through any of the telecommunication methods.	Each outside director shall receive an amount of (SR 5,000) for attending each session of the Board's sub-committees in which he is a member, whether his attendance is directly or through any of the telecommunication methods with a maximum of SR 50,000 annually.												
23		None	Members of the Sharia Committee receive a membership allowance of (SR 300,000); this compensation is a lump sum and on an annual basis. Moreover, the member shall receive (SR 3000) for attending each session of the committee meetings provided that the limit of the annual compensation granted to the member does not exceed the amount of SR 350,000.												



24		The Bank shall pay all reasonable actual expenses incurred by committee members in order to attend Board committee meetings, and any other assignments including Iqama, accommodation, subsistence, travel and transportation expenses.	The Bank shall pay all reasonable actual expenses incurred by committee members in order to attend Board committee meetings, and any other assignments including Iqama, accommodation, subsistence, travel and transportation expenses.
25	Executive management's Remunerations and compensations	The remunerations and compensations of the bank's senior executives consist of a fixed amount paid in the form of basic salaries, housing allowance and other annual allowances proposed by the committee and approved by the board.	The remunerations and compensations of the bank's senior executives consist of a fixed amount paid in the form of basic salaries, housing allowance and other annual allowances proposed by the committee and approved by the board.
26	Committee secretaries' remunerations and compensations	In addition to the salary of the Board of Directors Secretary as specified in the employment contract, the Secretary of the Board of Directors receives additional compensation against the secretarial duties of the Board of Directors; it is an annual lump sum of (SR 50,000), and another additional compensation against the duties of secretary of the sub-committees amounting to (SR 50,000) annually. Moreover, the secretary shall receive an allowance of (SR 1,500) for each meeting, and the secretary does not receive any other compensation against any secretarial duties for any other committees.	The secretary of the committees emanating from the Board of Directors and the Sharia Committee shall receive an amount of (SR 50,000) annually.
27	Remunerations and compensations payment methods	The remunerations and compensations of the members of the Board of Directors and outside directors against their participation, and the expenses incurred by them to participate in the meetings of the Board and committees on an annual basis shall be calculated in terms of these participations. The dues shall be paid at the end of each year; they will be addressed through the concerned department of the bank, and the following procedural controls shall be taken in consideration:	The remunerations and compensations of the members of the Board of Directors and outside directors against their participation in the meetings of the Board and committees on an annual basis shall be calculated in terms of these participations. The following controls and procedures must be taken into account when disbursing remunerations to members of the Board and the independent and sub-committees:
28		The Secretary of the Board and the competent department of the bank shall take the necessary procedures for preparing and disbursing bonuses in accordance with this policy.	The Secretary of the Board and the Financial Department of the Bank shall carry out the necessary procedures for preparing and disbursing remuneration in accordance with this policy, after obtaining the approval of the Board of Directors.

29	The General Assembly's approval of the Board of Directors' remuneration and compensation	The bank should include within the General Assembly agenda the amount of remunerations and compensations paid to the members of the Board of Directors for the ended fiscal year, so that they are approved by the General Assembly.	The bank should include within the General Assembly agenda the amount of remunerations and compensations paid to the members of the Board of Directors for the ended fiscal year, so that they are approved by the General Assembly.
30	Termination of the Board of Directors' membership	None	Upon a recommendation from the Board, the General Assembly may terminate the membership of any member who has been absent from attending three consecutive meetings of the Board without a legitimate excuse. If the General Assembly decides to terminate the membership of a member of the Board of Directors who was absent due to his failure to attend three consecutive meetings or five separate meetings of the Board during his membership period without a legitimate excuse accepted by the Board, then this member shall not be entitled to any remuneration for the period following the last meeting he attended, and he must return all remunerations paid to him for that period





Ninth Item

Table of Amendments to the
Nomination and Remuneration
Committee charter



Policy/Regulation	Nomination and Remuneration Committee charter	
Issuer:	Nomination and Remuneration	
	Update Cause	To comply with the main principles of governance in financial institutions issued by the Central Bank in June 2021 and the Corporate Governance Regulations issued by the Capital Market Authority in July 2021
Article	Before	After
Edition/index	None	Edition/index
Preamble	Whereas, the regulatory requirements stipulate that the amendments made to the previously approved version of the General Assembly must be presented. On October 3, 2021, the Board of Directors of Bank Aljazira approved the required amendments with compliance to the rules and regulations issued by the supervisory authorities and to amend the regulations and organizational rules of the Remuneration and Nomination Committee accordingly as approved by the General Assembly.	Whereas, the regulatory requirements stipulate that the amendments made to the previously approved version of the General Assembly must be presented. On October 3, 2021, the Board of Directors of Bank Al-Jazira recommended the General Assembly's approval of the required amendments in order to comply with the rules and regulations issued by the supervisory authorities, and to amend the committee's regulations and organizational rules accordingly as approved by the General Assembly Meeting held on November 15, 2021. The regulations come as follows:
Article	Before	After
Duties and responsibilities of the committee	Determining the period of time that the member should allocate for the Board of Directors and committees' duties	Determining the schedule of initial annual meetings to organize the time that the member has to allocate for the Board of Directors' and the committees' duties provided that during which the members' performance is monitored and evaluated, new members are nominated, and the remunerations and incentives policy is discussed.
	Conducting an annual review of the necessary requirements of appropriate skills or experience for membership of the Board of Directors, membership of independent and sub-committees, and executive management positions	Conducting an annual review of the necessary requirements of skills or appropriate experience for membership of the Board of Directors, members of independent and sub-committees, and executive management positions with administrative reference to the CEO or one of the Board committees
	Developing job descriptions for executive members, non-executive members, independent members and senior executives.	Approval of job descriptions for members of the Board of Directors, members of committees, and executive management positions with administrative reference to the CEO or one of the Board committees.
	Reviewing the structure of the Board of Directors, committees, and executive management and proposing recommendations regarding changes that can be made.	Reviewing the structure of the Board of Directors, committees, and executive management, and proposing recommendations regarding changes that can be made to the Board of Directors to take a decision regarding them as needed.

Article	Before	After
	Figuring out strengths and weaknesses in the board of directors and committees, and proposing solutions to address them in line with the interest of the bank	Figuring out strengths and weaknesses in the Board of Directors and committees, and proposing solutions to address them in line with the interest of the Bank as needed.
	The Committee shall be responsible for proposing the necessary mechanisms for evaluating the performance of the Board, its members and committees on an annual basis to be approved by the Board. This shall be done through appropriate performance measurement indicators, provided that the strengths and weaknesses are identified and treatment methods should be proposed in accordance with the interest of the bank.	The Committee shall be responsible for proposing the necessary mechanisms for evaluating the performance of the Board, its members and committees on an annual basis to be approved by the Board. This shall be done through appropriate performance measurement indicators related to the extent to which the Bank's strategic objectives, the quality of risk management, the adequacy of internal control systems, and others are achieved, provided that strengths and weaknesses are identified and a proposal to address them is in line with the interest of the Bank is developed.
	None	Ensuring that the amount of remunerations is consistent with prevailing local norms and regulatory systems and related to achievement of the interests of shareholders and the Bank's long-term strategic goals. The incentive system is reviewed periodically and does not encourage participation in high-risk operations to achieve short-term profits; in addition it must go in line with bank's risk policy approved by the Board.
Article	Before	After
Nominations aspects	The committee shall be concerned with researching and proposing candidates for selection as members of the Board and Executive Management, and developing a clear policy for the remuneration of members of the Board, its committees and Executive Management in accordance with the relevant instructions of the Central Bank.	The committee shall be concerned with researching and proposing candidates for selection as members of the Board, approving the appointment of senior executives in the bank whose reference is directly to the CEO and positions that require no-objection from the Central Bank, and preparing a clear policy for the remuneration of members of the Board, its committees and the executive management in accordance with the relevant instructions of the Central Bank.
	Compliance with the laws of professional conduct consistent with the professional and ethical standards in force in the Bank.	Having a high professional behavior consistent with the professional and ethical standards applicable in the Bank.
	Must be in good health that enables him to save time and effort to consider the issues submitted to the Board of Directors and to contribute effectively to the meetings of the Board of Directors.	Must be in good health that enables him to save time and effort to consider issues submitted to the Board of Directors and to contribute effectively to the meetings of the Board of Directors or its committees.



	Have a good reputation and not be accused of any issues of honor and morality.	Have a good reputation and not be accused of any issues related to honor and morals or have been previously convicted of a crime involving violation or breach of trust/ dishonesty
Article	Before	After
Nominations aspects	Have the desire to accept the membership of the Board of Directors and to be ready to perform the duties entrusted to him in the Board of Directors.	Have the desire to adhere to the membership of the Board of Directors or its committees and be ready to perform the duties entrusted to him in the Board of Directors or its committees.
	No member of the Board of Directors may be a member of the Board of Directors of more than five joint stock companies at the same time.	The candidate should not be a board member of more than five joint stock companies at the same time.
	A member nominated for the Board or any committees may not be a member of a board or a sub-committee of a bank operating in the Kingdom of Saudi Arabia.	The candidate should not be a member of a board or a sub-committee of a bank operating in the Kingdom of Saudi Arabia.
	A nominated member of the Sharia Committee may not be a member of a bank operating in the Kingdom of Saudi Arabia.	A candidate in the Sharia Committee cannot be a member of one of the Sharia committees in banks operating in the Kingdom of Saudi Arabia.
	Recommending the Board of Directors to nominate members of the Board and committees from outside the Board, including members of the Sharia Committee, and re-nominate them in accordance with the approved policies and standards, taking into account not to nominate any person previously convicted of a breach of trust.	Recommending the Board of Directors to nominate Board members and committee members from outside the Board, including members of the Sharia Committee, and re-nominate them in accordance with the approved policies and standards.
Article	Before	After
Nominations aspects	Preparing a description of the capabilities and qualifications required for Board of Directors' and committees' members from outside the Board and occupying executive management positions.	Approving a description of the capabilities and qualifications required for Board of Directors' and committees' members from outside the Board and occupying executive management positions with administrative reference to the CEO or one of the Board committees.
	Developing special procedures in the event of a vacancy in the position of a member of the Board, committees, management or senior executives.	Developing special procedures in the event of a vacancy in the position of a member of the Board, sub-committees, or executive management with administrative reference to the CEO or one of the Board's committees

	<p>Recommending the approval of the appointments of committee members and senior executives in the bank, whose appointment requires obtaining a “no-objection” from the Central Bank of Saudi Arabia (SAMA), proposing and implementing replacement policies of the board, its committees, and executive leadership of the bank through coordination with the bank’s human resources department, and ensuring that Executive management’s commitment in this regard.</p>	<p>Recommending the approval of the appointments of Board’s and its committees’ member, and senior executives of the bank, whose appointment requires obtaining a “no-objection” from the Central Bank of Saudi Arabia (SAMA), and proposing and implementing replacement policies of the board and its committees, approving replacement policies for the bank’s executive leadership through coordination with the bank’s human capital group, and following up on their implementation.</p>
Article	Before	After
Remuneration and Compensation Aspects	<p>Preparing a clear policy for the remuneration of members of the Board of Directors, the independent and emerging committees, and executive management, and submitting it to the Board of Directors for consideration in preparation for its approval by the General Assembly, provided that the policy follows standards related to performance, circulating them and ensuring their implementation</p>	<p>Preparing a clear policy for the remuneration of the members of the Board of Directors, the independent and emerging committees, and the executive management with administrative reference to the CEO or one of the Board committees, and submitting its recommendations to the Board of Directors for consideration in preparation for approval by the General Assembly, provided that the policy follows standards related to performance, circulating them and ensuring their implementation</p>
	<p>Clarifying the relationship between the granted remuneration and the applicable remuneration policy, and indicating any material deviation from this policy</p>	<p>Evaluating the relationship between the granted remuneration and the applicable remuneration policy, and indicating any material deviation from this policy</p>
	<p>Periodically Reviewing and verifying the compliance of the remuneration policy and rules, as well as the applications and frameworks of the governance structure with the directives of the Central Bank of Saudi Arabia (SAMA) regarding remuneration, principles of financial stability and principles of good governance, and evaluating their effectiveness in achieving its related objectives.</p>	<p>Periodically reviewing and verifying the compliance of the remuneration policy and rules with the directives of the Central Bank of Saudi Arabia (SAMA) regarding remuneration and the principles of financial stability.</p>
Article	Before	After
Remuneration and Compensation Aspects	<p>Organizing the process of granting shares of the Bank to members of the Board of Directors and Executive Management, whether newly issued or purchased shares by the Bank.</p>	Deleted



	Remuneration should be provided to urge members of the Board of Directors and executive management to succeed and develop the bank in the long term; the variable part of the remuneration should be related to long-term performance, discouraging participation in high-risk operations to achieve short-term profits, the bank's risk policy approved by the board.	Remuneration should be provided to urge members of the Board of Directors and executive management with administrative reference to the CEO or one of the Board committees to succeed and develop the bank in the long term, reduce participation in high-risk operations to achieve short-term profits, and follow the bank's risk policy approved by the board.
	Cases of remuneration suspension or refunding if it was found that it was decided on the basis of inaccurate information provided by a member of the Board of Directors or the Executive Management; this is to prevent utilizing the positions to get undeserved remunerations.	Developing a policy to deal with cases of remuneration suspension or refunding. This is to prevent utilizing the positions to get undeserved remunerations.
Article	Before	After
Training and Evaluation Aspects	1. Preparing programs for the newly appointed members of the Board of Directors, committees and executive management to figure out the company's workflow and activities, especially the following: a. Company's strategy and objectives.	1. Preparing an induction program for the members of the Board of Directors, its sub-committees, and the executive management with administrative reference to the CEO or one of the newly appointed board committees to figure out the bank's workflow and activities, especially the following: a. Bank's strategy and objectives.
	The committee evaluates the performance of the Board of Directors and its committees on an annual basis, and it is advisable to use an external party to evaluate the performance on a larger scale every (3) years.	The committee evaluates the performance of the Board of Directors and its committees on an annual basis, and it is advisable to use an external party to evaluate the performance on a larger scale once every (3) years.
	Ensuring the availability of an effective system to evaluate the performance of the financial institution's employees at all levels in an objective and systematic manner. Specifically, the evaluation of the performance of the executive management must be based on the long term, and not be limited to one year's performance only.	Ensuring the availability of an effective system to evaluate the performance of the Bank's employees at all levels in an objective and systematic manner, and to link the Bank's annual objectives to the executive management with the long-term strategy approved by the Board.

Article	Before	After
Committee's authority	Seeking assistance from experts, specialists, or others to study the issues that fall within its duties and responsibilities after the approval of the Board of Directors.	Seeking assistance from experts, specialists, or others to study the issues that fall within its duties and responsibilities, or the issues referred by the Board of Directors within the limits of its competence.
	none	Reviewing the rewards and compensation policy and submitting recommendations to the Board of Directors for approval. Approving the human resources policy and the work charter rules policy. Approving the debt relief requests of the executive management.
Committee's regulations	Developing the required arrangements of periodic evaluation of the committee's performance	Developing a periodic mechanism for evaluating the performance of the committee in accordance with its approved work rules
Article	Before	After
Committee's Meetings	For the validity of the meeting, the presence of the majority of the committee members is required, and a committee member may - in cases of necessity - attend through using one of the means of communication after the approval of the committee, and a committee member may delegate another member to attend the sessions and vote on his behalf.	For the validity of the meeting, the presence of the majority of the committee members is required, and a committee member may - in cases of necessity - attend through using one of the means of communication, and a committee member may delegate another member to attend the sessions and vote on his behalf.
	The decisions of the committee are issued by the majority of the votes of the members attending, and when the votes are equal, the side with which the chairman of the committee voted will prevail, emphasizing that voting by proxy is not permitted.	The decisions of the committee are issued by the majority of the votes of the members attending, and when the votes are equal, the side with which the chairman of the committee voted will prevail.
Regulations Revision	These regulations are subject to periodic review on an annual basis for the purpose of developing and updating them in line with the relevant laws and regulations and according to what the Board deems appropriate. No amendment may be made to them except with the approval of the Board of Directors and the approval of the General Assembly of the Bank's shareholders.	These regulations are subject to periodic review for the purpose of developing and updating them in line with the relevant laws and regulations and according to what the Board deems appropriate. No amendment may be made to them except with the approval of the Board of Directors and the approval of the General Assembly of the Bank's shareholders.



Tenth Item

Table of Amendments to the
policies, standards and
procedures for the membership
of the Board of Directors



Article	Before	After
Definitions	<p>Related Party</p> <p>A. Substantial Shareholders of the Bank.</p> <p>B. Board members of the Bank or any of its affiliates and their relatives</p> <p>C. Senior Executives of the Bank or any of its affiliates and their relatives.</p> <p>D. Board members and Senior Executives of Substantial Shareholders of the Bank.</p> <p>E. Entities, other than companies, owned by a Board member or any Senior Executive of the bank or their relatives, or owned by the external auditor of the bank.</p> <p>F. Non-joint stock companies in which a Board member or a Senior Executive of the bank or any of their relatives, or the external auditor of the bank, is a partner.</p> <p>G. Companies in which a Board member or a Senior Executive or any of their relatives is a member of its Board of directors or is one of its Senior Executives.</p> <p>H. Joint stock companies in which a member of the Board or a Senior Executive or any of their relatives owns (5%) or more, subject to the provisions of paragraph (D) of this definition.</p> <p>I. Companies in which a Board member or a Senior Executive or any of their relatives has influence on their decisions even if only by giving advice or guidance.</p> <p>J. Any person whose advice or guidance influence the decisions of the Bank, the Board and the Senior Executives.</p> <p>K. Holding companies, Subsidiaries or affiliates.</p>	<p>Related Party</p> <p>A. Substantial Shareholders of the Bank.</p> <p>B. Board members of the Bank or any of its affiliates and their relatives.</p> <p>C. Senior Executives of the Bank or any of its affiliates and their relatives.</p> <p>D. Shariah Committee members of the bank and their relatives.</p> <p>E. Board members and Senior Executives of Substantial Shareholders of the Bank.</p> <p>F. Entities, other than companies, owned by a Board member or a Shariah committee member or a Senior Executive of the Bank or their relatives.</p> <p>G. Non-joint stock companies in which a Board member or a Shariah committee member or a Senior Executive of the Bank or any of their relatives is a partner.</p> <p>H. Companies in which a Board member or a Shariah committee member or a Senior Executive or any of their relatives is a member of its Board of directors or is one of its Senior Executives.</p> <p>I. Joint stock companies in which a member of the Board or a Shariah committee member or a Senior Executive or any of their relatives owns (5%) or more, subject to the provisions of clause (E), mentioned above.</p> <p>J. Companies in which a Board member or a Shariah committee member or a Senior Executive or any of their relatives has influence on their decisions even if only by giving advice or guidance.</p> <p>K. Any person whose advice or guidance influence the decisions of the Bank, the Board and the Senior Executives.</p> <p>L. Holding companies, Subsidiaries or affiliates.</p>



Twelfth Item

Competing Businesses



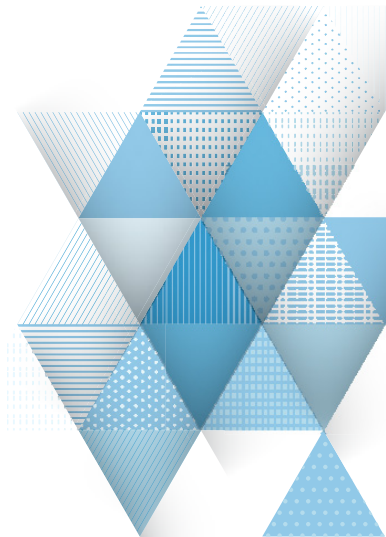
Osool & Bakheet Investment Company

Osool & Bakheet Investment Company (OBIC), is a Saudi closed joint stock company. The main activities for OBIC represent in Dealing as principle and agent, Investment Fund Management, Discretionary Portfolio Management and Custody.



Thirteenth Item

Competing Businesses



Dar Al Tamleek

Dar Al Tamleek is one of the largest companies in Saudi Arabia and was established in 2008 to help people find and acquire their dream home. Since then, Dar Al Tamleek has helped over 85,000 family members achieve homeownership, making it the kingdom's leading expert in home financing solutions.

The company offers a variety of programs, each program is tailored to a specific segment of people in the kingdom to match their particular needs and budgets, to make sure that everyone can own their dream home. Dar Al Tamleek operates in Riyadh, Jeddah, and Dammam along with over 15 locations to better serve the vast majority of the population.





**Appendix of Items
Fourteen & Fifteen**
(Related Party Transactions)



Board of Directors' Declaration under Article 71 of the Companies Law of transactions in which Directors of Bank AlJazira (the "Bank", or "BAJ") have direct or indirect interest, for the year ended December 31, 2022.

According to the requirements set in Article (27) and Article (71) of the Companies Law issued by the Royal Decree No. 132/m for the year 1443H, which states that any member of the Board of Directors (BoD) is not allowed to have a direct or indirect interest in the businesses and contracts undertaken by Bank AlJazira unless permitted by the General Assembly. We would like to inform you that the Bank intends to renew a number of the contracts and commercial transactions of the Bank in which certain members of the BoD have a direct or indirect interest. The Bank seeks to obtain the shareholders' authorization thereon, as follows:

- A. The agreements and transactions that will take place between the Bank and AlJazira Takaful Ta'awuni Company (AJT) which is considered a Related Party as Eng. Abdulmajeed Ibrahim Al-Sultan, Vice Chairman of BAJ Board of Directors, and Mr. Naif Abdulkareem AlAbdulkareem, the CEO & MD of the Bank, have an indirect interest in these by being members of Board of Directors of AlJazira Takaful Ta'awuni Company. These contracts are the collective insurance agreement for the personal finance portfolio, the collective insurance agreement for the real estate finance portfolio, the collective insurance services agreement for the Bank's employees, the loan portfolio protection services agreement for the Bank's employees, insurance agreements for Property All Risk Mortgage Employees, customers and own properties, Banker Blanket bond, Bancassurance Distribution Agreement and their licensing for the next year. These transactions in 2022 amounted to SAR 94.2 MM and were done without any preferential treatment.
- B. The agreements and transactions that will take place between the Bank and AlJazira Capital Company (AJC) which is considered a Related Party as Eng. Tarek Othman Al-Kasabi, Chairman of BAJ Board of Directors, and Mr. Naif Abdulkareem Al-Abdulkareem, the CEO & MD of the Bank, have an indirect interest in these by being members of Board of Directors of AlJazira Capital Company. These contracts are Shared services agreement, Custody service agreement, Agreement for placement of time deposits by AJC, Agreement for provision of money market funds by BAJ, Agreement for letters of guarantee, Agreements for investment advisory services, Agreements for foreign exchange transactions and branch lease expense sharing agreement and their licensing for the next year. There transactions in 2022 amounted to SAR 53.1 MM and were done without any preferential treatment.

The detailed list of transactions with respect to above related parties, entered during the year ended December 31, 2022 is attached in Annexure 1.

Further, the Bank entered into transactions with certain other related parties during the year ended December 31, 2022, but are not included above as these were below the delegated threshold approved by the shareholders for notification.



Handwritten signatures and initials, including the name 'AAA'.

Head Office: Jeddah - Saudi Arabia

المركز الرئيسي: جدة - المملكة العربية السعودية

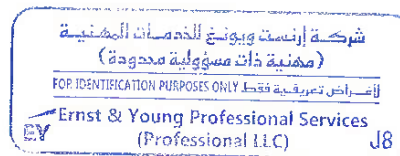
A Saudi Joint Stock Company - Fully Paid Capital SAR 8,200,000,000
Tax Identification Number: 300000226900003 - C.R. No. 4030010523
National Address: King Abdulaziz Road, Al Shati, Building No. 7724
Zipcode 23513, Additional No. 3551, Unit No. 1, P.O. Box 6277, Jeddah 21442
Telephone: +966 12 6098888 - Fax +966 12 6098881 - www.baj.com.sa
Bank AlJazira is under the supervision of Saudi Central Bank

شركة مساهمة سعودية - رأس المال 8,200,000,000 ريال مدفوع بالكامل
رقم التعريف الضريبي: 300000226900003 - س.ت. 4030010523
العنوان الوطني: بنك الجزيرة، طريق الملك عبدالعزيز - الشاطئ، رقم المبنى 7724
الرمز البريدي 23513، الرقم الإضافي 3551، وحدة رقم 1، ص.ب. 6277 جدة 21442
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بنك الجزيرة يخضع لإشراف ورقابة البنك المركزي السعودي

BANK ALJAZIRA
RELATED PARTY TRANSACTIONS
FOR THE YEAR ENDED DECEMBER 31, 2022

ANNEXURE 1

S. No	Purpose	Transaction amount in 2022 in SAR
A	Aljazira Takaful Ta'awuni (AJT)	
1	Personal Dinar Insurance Policy	21,673,036
2	Mortgage Insurance Policy	27,393,485
3	Group Life Insurance Policy	2,197,742
4	Staff Credit Cover Policy	537,466
5	Property All Risk- Mortgage Employee	33,521
6	Property All Risk- Mortgage Customer	1,905,579
7	Property All Risk –Own Property	329,744
8	Banker Blanket bond	6,300,000
9	Bancassurance Distribution Agreement	659,000
10	Return on time deposits investments	1,483,004
11	Claims received	31,667,326
12	Dividend paid	15,104
		94,195,007
B	Al Jazira Capital Company (AJC)	
1	Service Level Agreement	2,750,900
2	Return on time deposits investments	275,316
3	Financing income earned on money market placements	30,956,765
4	Fees and commission income	675,576
5	Custody fee expense	7,337,234
6	Investment advisory fee	2,642,388
7	Rent and building related expense	6,249,689
8	Loss on foreign exchange contracts	2,244,238
		53,132,107



Head Office: Jeddah - Saudi Arabia

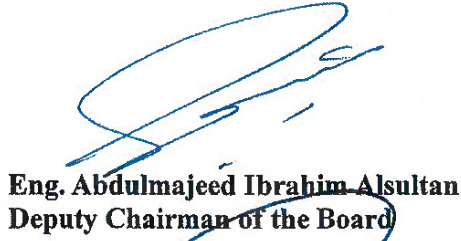
المركز الرئيسي: جدة - المملكة العربية السعودية

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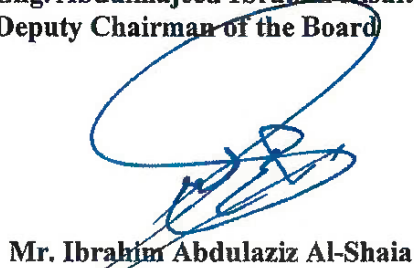
Eng. Tarek Othman AlKasabi
Chairman of the Board



Eng. Abdulmajeed Ibrahim AlSultan
Deputy Chairman of the Board



Mr. Naif Abdulkareem AlAbdulkareem
CEO and Managing Director



Mr. Ibrahim Abdulaziz Al-Shaia



Mr. Adil Saud Dahlawi



Mr. Mohammed Saad Bin Dawood



Mr. Saad Ibrahim Almushawah



Mr. Abdullatif Khalifa Almulhem



Mr. Abdulwahab Abdulkarim AlBetairi



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موقع الكتروني: www.baj.com.sa



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Paid-up capital (SR 5,500,000 – Five million five hundred thousand Saudi Riyal)
King's Road Tower, 13th Floor
King Abdul Aziz Road (Malek Road)
P.O. Box 1994
Jeddah 21441
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Tel: +966 12 221 8400

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ey.ksa@sa.ey.com
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LIMITED ASSURANCE REPORT TO THE SHAREHOLDERS OF BANK ALJAZIRA (A SAUDI JOINT STOCK COMPANY)

Scope

We have been engaged by Bank AlJazira (the "Bank") to perform a 'limited assurance engagement,' as defined by International Standards on Assurance Engagements that are endorsed in Kingdom of Saudi Arabia, here after referred to as the engagement, to report on whether anything has come to our attention that causes us to believe that the subject matter detailed below ("Subject Matter"), has not been reported and presented fairly, in all material respects, in accordance with the applicable criteria mentioned below.

Subject Matter:

The subject of the limited assurance engagement is related to the declaration as attached in (Appendix 1), which was prepared by the Members of the Board of Directors (the "BOD") of Bank AlJazira (the "Bank") to be submitted to the Ordinary General Assembly Meeting, in respect of the transactions and contracts in which any of the members of the BOD of the Bank has a direct or indirect personal interest, occurred during the year ended 31 December 2022, in order to comply with the requirements of Article (71) of the Companies' Law.

Criteria applied by the Bank:

In preparing the Subject Matter, the Bank applied the following criteria ("Criteria"). Such Criteria were specifically designed in order to comply with the requirements of Article (71) of the Companies' Law; As a result, the subject matter information may not be suitable for another purpose.

1. Article (71) of the Companies' Law issued by Ministry of Commerce ("MOC")
2. Declaration submitted by the members of the BOD to the Ordinary General Assembly Meeting (Appendix 1).
3. The declarations submitted by the members of the Bank's BOD in respect to the transactions and contracts in which any of the members of the Bank's BOD has a direct or indirect personal interest.
4. The Bank's accounting records for the year ended 31 December 2022.

Management Responsibility:

The management of the Bank is responsible for selecting the Criteria, and for presenting the Subject Matter above 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.



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

Our responsibilities

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

We conducted our engagement in accordance with the *International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* ('ISAE 3000'), and the terms of reference for this engagement as agreed with the Bank on 22 February 2023. 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 Control

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, and have the required competencies and experience to conduct this assurance engagement.

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

Description of procedures performed

Procedures performed in a limited assurance engagement vary in nature and timing 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.



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

Description of procedures performed (continued)

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.

As per the engagement letter, our procedures included, but were not limited to:

- Obtaining the BOD members' declaration that includes the financial information about the transactions and contracts in which any of the members of the Bank's BOD has a direct or indirect personal interest, occurred during the year ended 31 December 2022, according to the requirements of Article (71) of the Companies Law (Appendix 1).
- Reviewing the BOD resolution that indicate the BOD member's notification to the BOD on the transactions and contracts for the year ended 31 December 2022.
- Obtaining the declarations submitted by the Bank's BOD in respect to the transactions and contracts in which any of the members of the Bank's BOD has a direct or indirect personal interest.
- Comparing the financial information in Appendix 1 to the Bank's accounting records for the year ended 31 December 2022.

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

Other Matters:

The attached (Appendix 1) has been 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 as of 31 December 2022 and for the year ended 31 December 2022, in order for it to be in accordance with the Criteria.

for Ernst & Young Professional Services

Rashid S. Roshod
Certified Public Accountant
License No. 366

Jeddah: 8 Sha'aban 1444H
28 February 2023





THANK YOU

