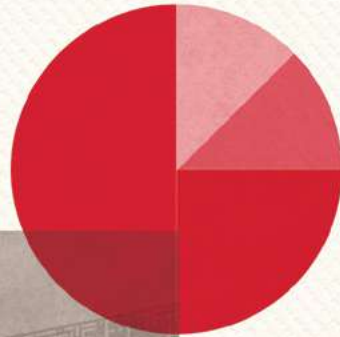


Solid Foundation, For A Sustainable



FUTURE



Bank Albilad
Annual Report
2022



Custodian of the Two Holy Mosques
KING SALMAN BIN ABDULAZIZ AL SAUD



His Royal Highness Prince
**MOHAMMED BIN SALMAN BIN
ABDULAZIZ AL SAUD**
Crown Prince and Prime Minister

AT A GLANCE

FINANCIAL HIGHLIGHTS

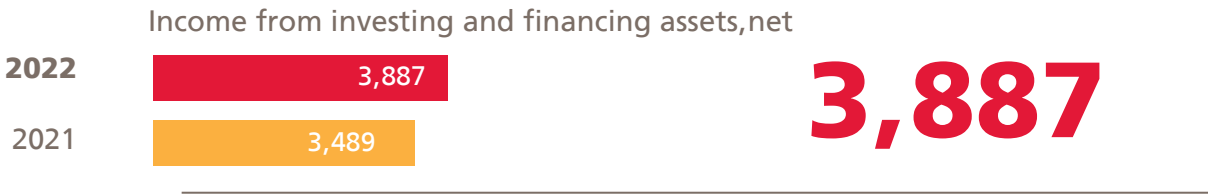
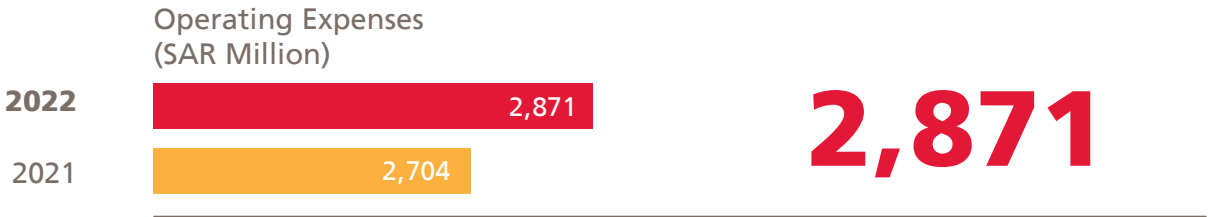
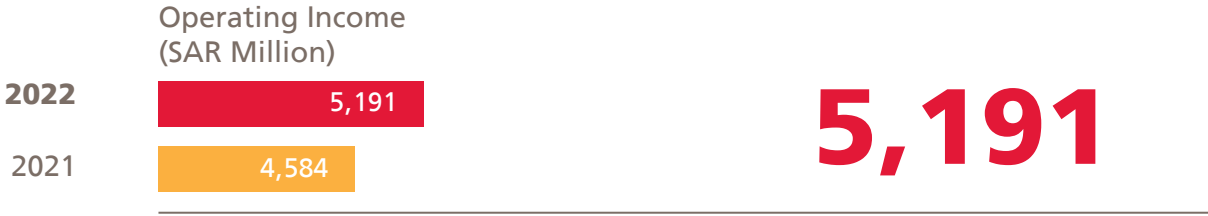
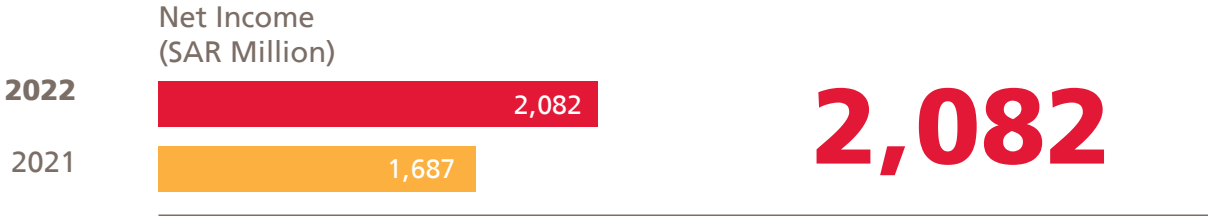


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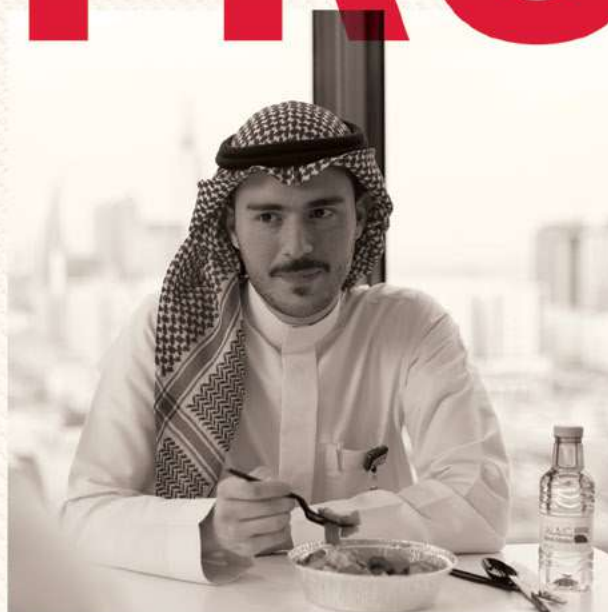
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BANK PROFILE



01

ABOUT US

Bank Albilad is a Saudi joint stock company, established by Royal Decree in 1425H (corresponding to 2004) with a corporate capital of SAR 10,000,000,000. It is headquartered in Riyadh, Kingdom of Saudi Arabia, and listed (ALBILAD) on Tadawul, the Saudi Stock Exchange.

The Bank operates over 105 branches across the Kingdom of Saudi Arabia, as well 7 sales centres and over 152 remittance centres operated by our subsidiary Enjaz. The Bank provides Sharia-compliant services to personal, corporate and SME clients, supporting the latter through specialized centres in a number of cities throughout the Kingdom.

OUR HISTORY

Established in 2004, Bank Albilad was the Kingdom's 11th bank. The original shareholders to invest in the Bank were 8 of the country's leading money exchangers: Mohammad & Abdullah AlSubaiei Exchange Co., Heirs of Abdulaziz bin Sulaiman AlMugairin, AlRajhi Trading Exchange Est., AlRajhi Trading Est., Mohammad Salih Sayrafi Est., Abdulmohsen AlOmari Est., Yousef Abdulwahab Numatallah Co., and Ali Hazaa' & Partners for Trading & Exchange.

These shareholders contributed SAR 1.5 billion towards Bank Albilad, while the public also paid SAR 1.5 billion. The shareholders' experience and expertise have proven extremely beneficial for the Bank's progress.

Since listing, it has expanded substantially through deposits, financing, and remittances. The Bank owns Albilad Investment Company (Albilad Capital), which carries out investment and asset management activities, in addition to Albilad Real Estate Company, which carries out registration procedures related to real estate guarantees obtained by the Bank from its customers, in addition to Enjaz Payment Services Company, which operates the payments activity, and the bank is a major shareholder in a number of joint stock companies.



OPERATING HIGHLIGHT

22%

Increase in the number of mobile app users

20,000

Hours of training delivered

70%

Of new customers from retail have onboarded digitally

3,600

Training seats

Awards & Honors

The Governor of the **Saudi Central Bank** inaugurates the **INNOVATION CENTER** AT BANK ALBILAD

Forbes

Bank AlBilad is on the Forbes List of the 30 Top Banks in the Middle East

Best Bank in Customer Experience Innovation for the year 2022 award presented by

FINNOVEX
GLOBAL SERIES

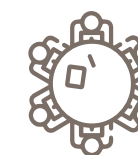
Best **Customer Experience Award** by the Ministry of Municipal and Rural Affairs and Housing



Global Business Outlook as the Most **Innovative Digital Bank** of Saudi Arabia

The Governor of the Saudi Central Bank inaugurates **Joint Operations Center to Combat Financial Fraud** hosted by Bank AlBilad.

STRATEGIC DEVELOPMENT



Appoints New members for the Board of Directors

Successfully increased its share capital to SAR

10
Billion



Hived-down Enjaz as a

100%

own subsidiary i.e. Enjaz Payment Services Company, licensed by the Saudi Central Bank as a Major Electronic Money Institution



Established the **of Environmental Sustainability and Food Security** in partnership with King Faisal University

OUR MAJOR INITIATIVES



Completed **73+ CSR Programs and initiatives** under (Albilad_Mubadara)

NEW PRODUCTS & SERVICES

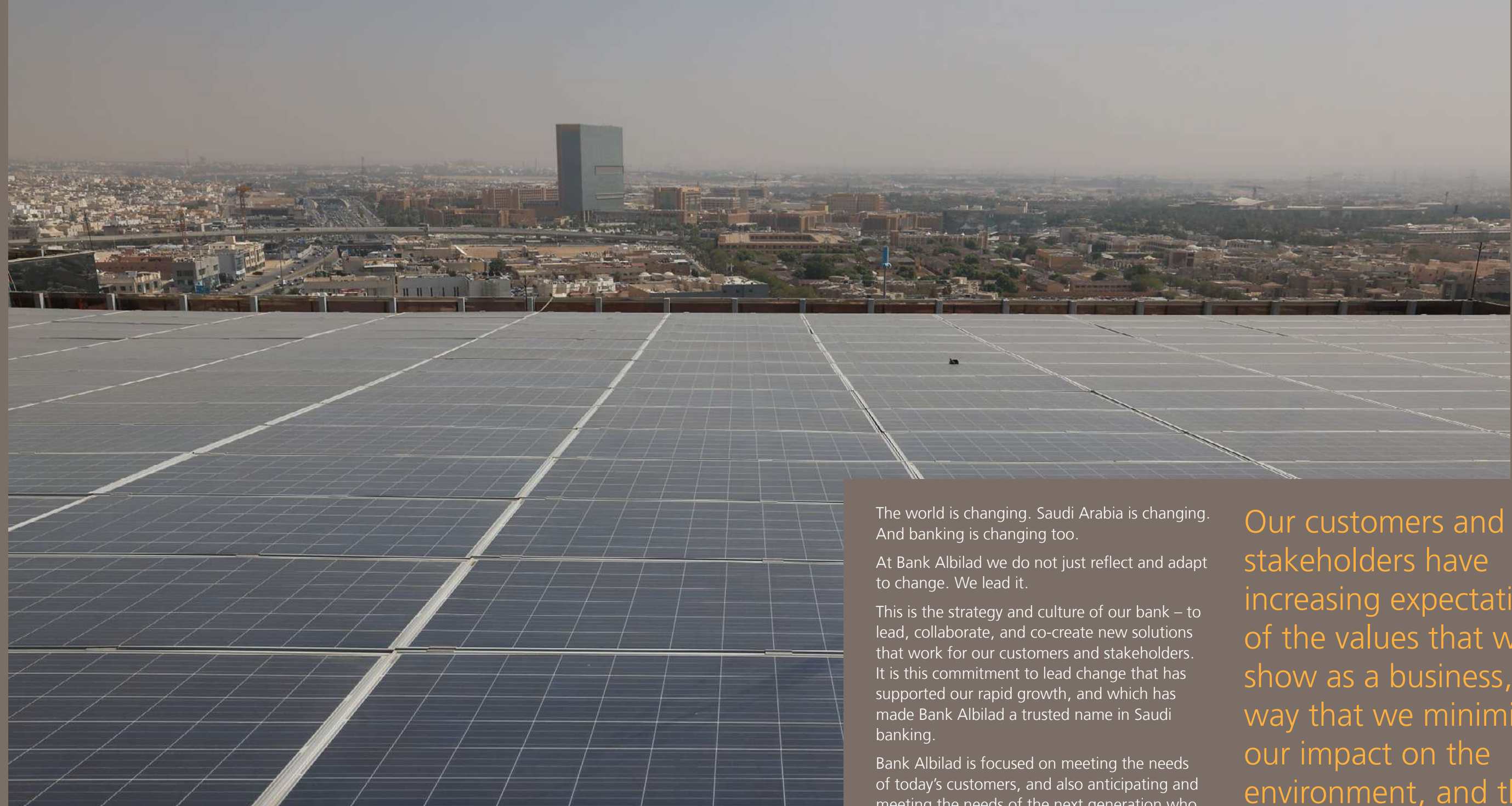
Launch of Commodities
for Personal Finance for
New, Top-up and
Refinance available **24/7**

Developers Portal for
Fintech and Partners
to test and consume
APIs

Opening of new
**Stand Alone
branches** of Bank
AlBilad all over the
Kingdom

Entrepreneurs **Financing** Program

Cooperation Agreement with UnionPay Company giving UPI customers full access to all BAB's points of sale (POS), ATMs and online merchants	Mobily and Bank AlBilad formed partnership for Mobily Pay , mobile payment system will allow users to get access to digital financial services, such as money transfers within Saudi Arabia and abroad, bill payments, and bank card issuance
 Careem signs agreement with Bank AlBilad to deliver daily earnings to Captains in Saudi Arabia with an over 80% reduction in transaction fees	
AGREEMENTS & PARTNERSHIPS	Agreement with Saudi EXIM Bank documentary credit insurance policy (DCIP) & Etimad platform
Cooperation Agreement with REDF to provide services of program "Tatweer" to the companies and institutions of the real estate sector	Agreement with the Small and Medium Enterprises Bank (SME Bank) to provide early financing programs for small and medium enterprises
 The Saudi Automobile and Motorcycle Federation (SAMF) signed a sponsorship agreement with Bank AlBilad, to become a Strategic Sponsor of the Formula 1 race in the Kingdom	



SOLID FOUNDATIONS FOR A SUSTAINABLE FUTURE

The world is changing. Saudi Arabia is changing. And banking is changing too.

At Bank Albilad we do not just reflect and adapt to change. We lead it.

This is the strategy and culture of our bank – to lead, collaborate, and co-create new solutions that work for our customers and stakeholders. It is this commitment to lead change that has supported our rapid growth, and which has made Bank Albilad a trusted name in Saudi banking.

Bank Albilad is focused on meeting the needs of today's customers, and also anticipating and meeting the needs of the next generation who have changing expectations of how and when they bank.

By understanding changing needs, we position ourselves for future growth, by adopting new technologies, innovating with partners across the fintech ecosystem, and preparing for a future built around Banking as a Service (BaaS).

The nature of our journey means that there is no defined endpoint. No point where we will rest and consider our task complete. We are always moving forward, evolving new and innovative ways of operating that are setting new standards in banking.

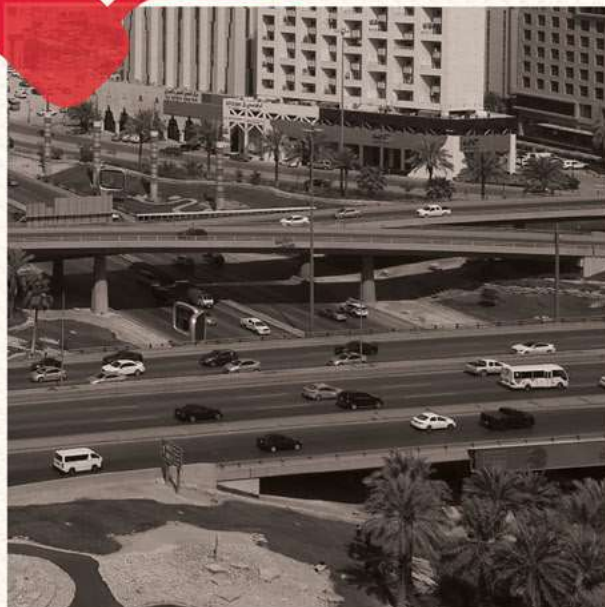
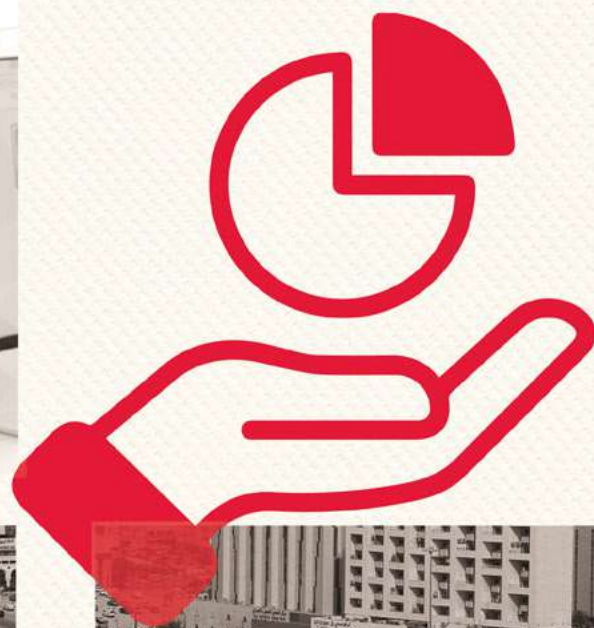
Our customers and stakeholders have increasing expectations of the values that we show as a business, the way that we minimise our impact on the environment, and the contribution that we make to Vision 2030.

And it is not just what we do that is changing.

Those values are evident at every level of the organisation, from the boardroom to the branch counter.

The Bank has shown rapid and sustained growth since its foundation. We now have a solid platform for the next phase of our development.

02



REVIEW



STRATEGIC



CHAIRMAN'S STATEMENT



**Nasser Mohammed
AlSubeaei**
Chairman

Our values inspire us to support the long-term sustainable economic programs of the Kingdom as embodied in Vision 2030.

Ladies and Gentlemen, Bank Albilad Shareholders

PEACE BE UPON YOU

On behalf of the Board of Directors, I am pleased to present the Annual Report and audited Financial Statements for Bank Albilad for the year ended 31 December 2022.

Bank Albilad is an organization genuinely committed to its values of initiative and innovation, care and partnership, and trust and accountability in delivering innovative Islamic banking services. These values inspire us to support the long-term sustainable economic programs of the Kingdom as embodied in Vision 2030.

Overall, I am very pleased with our achievements in 2022, which requires thanks to the members of the Board of Directors and members of the Board of Directors for the previous session, and I commend our management team and all our ambassadors for their dedication and hard work.

OUTSTANDING FINANCIAL PERFORMANCE

This year, we witnessed a remarkable development in all our activities, and our financial statements recorded significant growth in all indicators, whether in terms of financing, deposits, operating income or net profits, as the results of the year 2022 showed an increase in the bank's net income to exceed SAR 2 billion,

an increase of 23% compared to last year, recording an unprecedented achievement in the history of our journey, when it took 15 years from the date of the bank's inception in 2004 to achieve more than SAR 1 billion in Net income in 2019, we were able to reach SAR 2 Billion in a short span of three years. Moreover, the Bank increased its capital to SAR 10 billion to enhance capital adequacy and further invest in operations. However, I am proud of the difference that the Bank continues to make for the people, businesses, and communities that we serve. This is because making a difference is central to our mission.

CREATE A UNIQUE CUSTOMER EXPERIENCE

Supporting these numbers are our pioneering innovations in the digital space, competitive value propositions and unparalleled customer experience, which won the Bank several national and international awards, in the process. Our commitment to innovation was best exemplified through the launch of the Horizon Innovation Centre to promote partnerships and

The bank net income reached

SAR 2Billion

The bank's net income
Increasing by

23%

compared to last year

Our strong brand reputation, consistent track record of growth, our capabilities and culture, and our commitment to sustainability allow us to look to the future with confidence and continue building 'Solid Foundations for a Sustainable Future'.

#Albilad_Mubadarah

more than **70**
— programs & initiatives

entrepreneurship in the fintech space which should lead to the development of future-oriented banking services that are seamless and innovative.

One of the highlights of this year was the establishment of Enjaz Payment Services Company as a wholly owned subsidiary of the Bank, licensed by the Saudi Central Bank as a major electronic financial institution. The company is responsible for all payments and remittance activities that were managed through the Bank's business division. This establishment of Enjaz company comes in line with the Bank's business strategy to leverage its potential as a FinTech player in line with the objectives of Vision 2030.

SUSTAINABILITY INITIATIVES

We remain very ambitious as a Bank, but we know that to deliver our mission for future generations we must operate as a responsible business, too. We sustained our Corporate Social Responsibility (CSR) initiatives through our Corporate Social Responsibility Program #Albilad_Mubadarah which have exceeded more than 70 programs and initiatives. We made donations through the Ihsan platform for charitable causes. Meanwhile, we are also installing universal access facilities in our branches for people with disabilities whenever possible. The Bank also hosted the Joint Operations Center to combat financial fraud under the sponsorship of the Saudi Central Bank. All of these exemplify our spirit of giving and solidarity with the community for the greater good.

We continue to make major contributions to delivering Vision 2030, in particular, the Financial Sector Development Program initiatives in the

Our strong brand reputation, consistent track record of growth

field of savings and financial inclusion, home ownership, financing SMEs and supporting the private sector in general.

Our strong brand reputation, consistent track record of growth, our capabilities and culture, and our commitment to sustainability allow us to look to the future with confidence and continue building 'Solid Foundations for a Sustainable Future'.

OUR THANKS AND APPRECIATION

In closing, I extend on behalf of the members of the Board of Directors and the ambassadors of Bank Albilad, my sincerest gratitude to the Custodian of the Two Holy Mosques and his faithful Crown Prince – may Allah protect them – for their support, guidance, and leadership to the financial and banking sector, and to all sectors for the growth and prosperity of the Kingdom and its citizens and residents.

I also express my appreciation and gratitude to the Ministry of Finance, the Ministry of Commerce, the Saudi Central Bank, and the Capital Market Authority, for their support to the financial and banking sector in the Kingdom through their plans, programs, regulations, and insights ensuring its stability.

Finally, I extend my thanks and appreciation to our customers, investors, partners and shareholders for their trust and confidence throughout these years, to the executive management and ambassadors of Bank Albilad. I look forward to our continued progress towards achieving our future goals.

Nasser Mohammed AlSubeaei
Chairman of the Board of Directors

CEO'S STATEMENT

Abdulaziz M. Al-Onaizan

Chief Executive
Officer



Ladies and Gentlemen, Bank Albilad Shareholders Peace be upon you

This year's report is called 'Solid Foundations for a Sustainable Future'. Bank Albilad has gone from strength to strength. The Bank is among the top Banks in the Middle East, based on the value of assets, market value, net profit, and revenue.

Since our foundation in 2004, Bank Albilad has firmly established itself as one of the key players in the Saudi Arabian financial sector. Guided by the insight and wisdom of our board, we delivered value to all stakeholders. We see our role in delivering modern Islamic banking an important driver of the Kingdom's economy. This is true whether we are supporting homeownership, providing SMEs with necessary

milestones driven by record income. All business lines performed very well across the board. The Bank's Net Income for the current year grew by 23% to SAR 2.1 Billion, compared to SAR 1.7 Billion in 2021. This is mainly due to the growth of the Bank's Total Operating Income, which increased by 13% to SAR 5.2 Billion. Total Assets grew by 17% to SAR 129.5 Billion, sustained by the growth in Retail and Corporate financing of 12% and 8%, respectively while Deposits were up by 17%. The bank achieved a return on average assets of about 1.7%, while the return on average shareholders' equity was 16.4%, and earnings per share reached to 2.09 riyals per share.

This growth has been delivered through strong leadership at board level and the talent, dedication and commitment of our ambassadors.

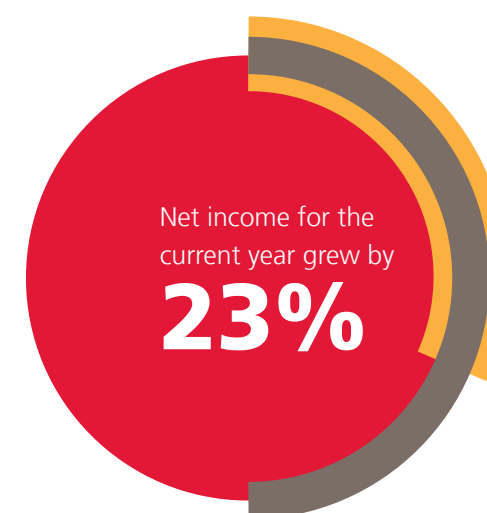
INNOVATING FOR A DYNAMIC BUSINESS

At the heart of our growth is innovation. We introduced new as well as enhanced existing products and services, pivoted to new processes, leverage current technologies, and aligned the right people to the right roles which sustained our performance and delivered efficiency in our core operations. Innovation will remain a core element of our future growth strategy, driving us forward to even greater achievements.

In line with the continuous efforts and ongoing strategy towards growth and expansion in innovative digital services, and in alignment with the Financial Sector Development Program of the Kingdom's Vision 2030, as well as working to develop payments and financial technology services, we have incorporated Enjaz Payment Services Company as a subsidiary owned by the bank aiming to transform Enjaz to a new era in

financing support, or enabling corporates to expand and contribute to the Kingdom's progress.

This year, the Bank has achieved several



which it contributes to Saudi Arabia's transition towards a cashless society. This strategic move comes as a part of the bank's efforts to enhance its competitive ability in digital payments services which will contribute to further enriching the customer experience and enhancing financial inclusion to support and develop the national economy.

This year witnessed another important milestone in our innovation journey, with the launch of the Bank's new Horizons Innovation Centre. This new centre will promote cooperation with fintech companies and innovation partners. In time, this will lead to the incubation of new innovative financial services in support of the Financial Sector Development Program under Vision 2030. The Bank also took the initiative to host the Joint Operations Center to Combat Financial Fraud. The center brings together all Saudi banks under one roof that will monitor and address all cases of financial fraud that bank customers may be exposed to thereby improving customer experience.

The Open Banking Framework recently introduced by SAMA will create significant impact in the financial industry. Therefore, it was an opportune time for Bank Albilad to have signed a memorandum of understanding with Saudi Payments and technical agreements with other innovation partners to support to the introduction of new, innovative products and services.

PARTNERSHIP FOR GROWTH

Partnerships helped our business thrive, acquire new client base, and create new revenue streams.

We recently signed a joint financing agreement with the Small and Enterprise (SME) Bank. Providing facilities to this important sector will support the objectives of Financial Sector Development Program (FSDP) to increase the contribution of MSMEs to GDP from 20% to

35% by 2030. We also entered into agreement with the Saudi Export-Import Bank aimed at promoting the development of Saudi non-oil exports. We maintain an excellent partnership with the Ministry of Housing and Real Estate Development Fund (REDF), within the framework of the Tatweer Program which increased the size of our mortgage business.

Our partnerships with Mobily Pay, Thunes and Union Pay will make us an even stronger player in the highly competitive mobile payment, remittance, and fintech space.

EMPOWERING EMPLOYEES

Speaking about our Ambassadors, our strength is our people. Therefore, we will continue attracting the best qualified personnel, which represents the real capital of the Bank. We focused on identifying new ways to upskill, support and reward staff, and to ensure that they continue to play pivotal role in delivering value for the Bank.

Training to improve skills and competencies at all levels are being facilitated through our advanced Albilad Academy Portal and outsource training. On talent development, we rolled out the Advanced Ambassador Program to develop the most talented, high performing staff and facilitate their career progression into senior positions in the Bank. We also have the Albilad Future program that recruits bright young talents and prepares them to become future officers. 2022 saw the enrolment of two batches composed of 53 trainees from diverse backgrounds.

Working together in implementing sound governance, strengthening processes and controls, ensuring security and safety, and

COMMUNITIES, ACTING ON THE ENVIRONMENT

Each year, the Bank supports local communities through a variety of Corporate Social Responsibility (CSR) initiatives through Corporate Social Responsibility Program #Albilad_Mubadarah. In 2022, Bank Albilad's social responsibility initiatives and programs have exceeded more than 70. We also made sizeable donations through the Ihsan platform for charitable causes. We introduced various ways to incorporate more power-efficient materials in some of our branches, which included LED lighting and solar panel solutions, as well as reducing the energy consumed by the Bank's ATMs and increasing the amount of waste recycled annually.

Finally, I express my sincerest gratitude to the Custodian of the Two Holy Mosques and the Crown Prince – may Allah protect them – and the Ministry of Finance, the Saudi Central Bank (SAMA), the Ministry of Commerce, and the Capital Market Authority, for their continued support in ensuring a robust and stable banking sector and economy.

I am grateful to our customers, partners, and shareholders for their untiring support to the Bank throughout the year. I would like to thank our Board of Directors, for their guidance, encouragement, and support as we set out to meet our strategic objectives in 2022 and continue building a solid foundation for the future.

In closing, our Ambassadors, thank you for your significant contribution that helped us successfully reach an excellent position in the market today.

Abdulaziz M. Al-Onaizan,
Chief Executive Officer

Total Operating Income
SAR 129.5
million

In 2022, Bank Albilad's social responsibility initiatives and programs have exceeded more than 73.

STRATEGY

2022-2026

Since our launch in 2004, we have delivered consistent and rapid growth, quickly establishing ourselves as an important leader in modern Islamic financial solutions. One of the factors underpinning this has been our ability to remain agile, adapting and refining our strategy to respond to the changing needs of shareholders, customers, and wider society. In 2022, we undertook a major strategy review to ensure that as the economy continued to recover from the disruption of a global pandemic, Bank Albilad was best placed to deliver value

for the entire eco system including retail and corporate customers

shareholders, stakeholders, and

contribute to the vision 2030 aspirations

This resulted in a refined set of objectives which will steer our work as we move forward.

VISION

To be the preferred choice of innovative Islamic banking solutions

MISSION

To leverage digital transformation, network and human capital to deliver the highest levels of customer experience and competitive value propositions in the best interest of our clients, employees, shareholders and the communities we serve

OUR STRATEGIC OBJECTIVES



Solid and Sustainable Growth

- Maintain and improve profitability
- Maximize legacy business growth
- Enhance cards product portfolio
- Sustain home finance market share
- Innovate with PF products



Partnership for Growth

- Expand agent banking and strategic partnership
- Build on fintech arm
- Enhance remittance MS
- Innovate with Issuing, acquiring, and digital wallet



Innovative Islamic Banking for SMEs

- Strengthen product offering for transaction banking Leadership in digital offering
- Introduce various financing programs for MSMEs
- MSMEs Expand corporate finance offerings
- Increase utilization of existing clients



Digital Leadership

- Build digital value proposition for Retail & Corporate clients
- Improve time to market
- Optimize physical and digital channels
- Improve customer service and sales



OUR VALUES

- Initiative and Innovation
- Care and Partnership
- Trust and Accountability

OUR CONTRIBUTION



Vision 2030 is a bold and ambitious plan to diversify the Saudi Arabian economy to deliver prosperity and improved quality of life for everyone who lives and works in the Kingdom.

As a significant contributor to the Saudi Arabian financial sector, Bank Albilad has an important role to play across the three themes of the Vision: a vibrant society, a thriving economy, and an ambitious nation.

Our Islamic banking services and products are providing support for individuals and businesses across the Kingdom. In particular, by focusing on the provision of leading-edge digital solutions we are engaging with younger people to give them access to banking products that meet modern needs.

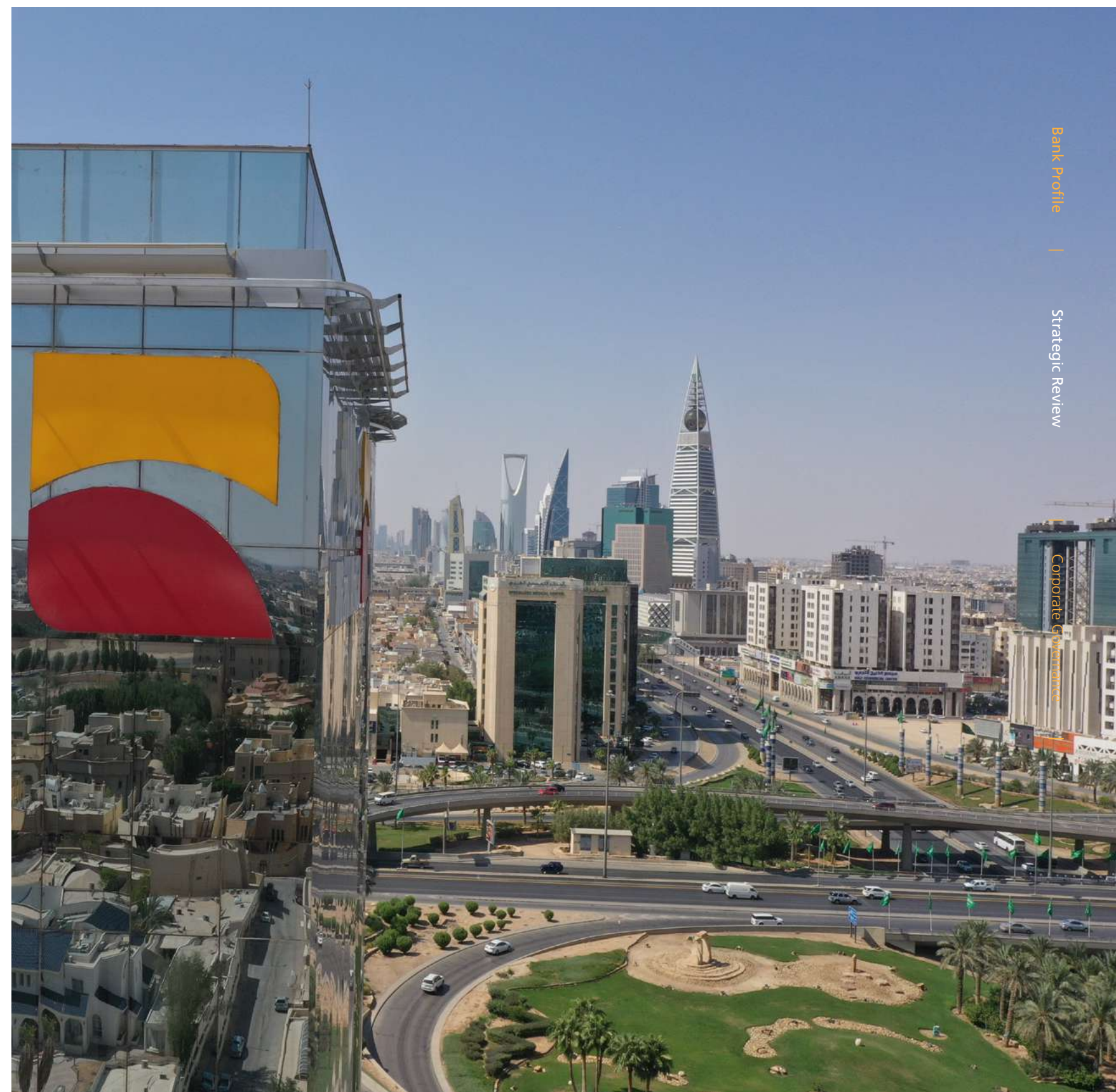
Bank Albilad's range of Shariah-compliant savings products is also contributing to the overarching Vision objective to increase household savings from 6% to 10% of total household income whilst our homeownership solutions are helping to meet the Kingdom's target to increase homeownership to 70% by 2030 from 60% in 2020.

At the same time, our focused activities supporting the SME sector will support a key engine of economic growth.

Our future as a Bank is closely tied to the future success of the Kingdom as a whole. In 2022, we continued to deliver a robust strategy that is entirely aligned with the mission, aims and objectives of Vision 2030.

Our Head Office Building, Albilad Tower in Riyadh, is now using solar energy, a measure

which has alone reduced
CO₂ emissions by **194**
Tonnes per year.



SUSTAINABILITY

Bank Albilad is a bank focused on tomorrow as well as today. This means that we strive to operate in a way that balances the need for economic growth with positive environmental and social outcomes. We achieve this by both direct investment, and by constantly evolving how we operate as a business to reflect the increasing importance of acting in a socially and environmentally sustainable manner.

Bank Albilad has developed many key sustainability initiatives that are designed to promote social and environmental objectives.

One of the key partnerships we have developed is with King Faisal University. We have worked with the University to establish a Chair of

Our Head Office Building, Albilad Tower in Riyadh, is now powered by solar energy, a measure which has alone reduced CO2 emissions by 194 tonnes per year.

We have worked with the King Faisal University to establish a Chair of Environmental Sustainability and Food Security.

Environmental Sustainability and Food Security to carry out world-leading research into these critical issues.

Bank Albilad has also made significant progress in mainstreaming environmental sustainability in how we work. We also have implemented new policies to reduce paper use and to encourage recycling by those working on site.

And our approach to sustainability also extends to socially focused initiatives. In 2022, we launched the second phase of our Savings Awareness Initiative, which targets personnel of ministries, government, semi-governmental and private agencies, as well as university and school students.

CORPORATE AND SOCIAL RESPONSIBILITY (CSR)

This socially responsible approach is embedded in the culture of our team. Staff are encouraged and supported to engage with initiatives that add value to the local communities that we serve.

Mubadarati programme benefitting

11,048 children and their families.

SOCIAL RESPONSIBILITY			
#Albilad Mubadara			
VOLUNTEERING		SUSTAINABILITY	
 GENERAL	 PROFESSIONAL	 ENVIRONMENT	 COMMUNITY
<ul style="list-style-type: none">• Male and female ambassadors general volunteering• Volunteering within the Bank's social initiatives	<ul style="list-style-type: none">• Male and female Ambassadors volunteering in specialized fields such as accounting and information technology to help non-profit organizations	<ul style="list-style-type: none">• Optimal exploitation of natural resources• Recycling• Afforestation• Environmental awareness	<ul style="list-style-type: none">• Integrate disabled persons to take advantage of the Bank's services.• Food basket• Training and employment opportunities for citizens• Developing Saudi youth competencies

In 2022, Bank Albilad has delivered a range of impactful programmes that have improved the lives of the communities that we serve:

Lifestyle Saving Initiative benefited **39,000** people.



Charitable Association of Restoration reached over 1300 families.

Mubadarati programme for the Association of Children with Disabilities' **11,048** children. 11 centres organized 311895 individual sessions benefitin



Ramadan food basket, **8000** food baskets throughout the kingdom



- We have worked with the waqf Foundation for the rehabilitation and employment of persons with disabilities, on the International Day of Down Syndrome. This initiative stems from the Bank's commitment to removing barriers to access for those with disabilities.
- We continue to partner with Rheumatology Association to support joint replacement operations for patients with rheumatism in the Al-Baha region
- Recycling Within the social responsibility programs for environmental preservation, Bank Albilad supports the plastic and paper recycling program, where recycling containers have been distributed to all floors in the head office building- Bank Albilad Tower in Riyadh.

The recycling process aims to preserve the environment through reducing pollution caused by plastic wastes and lesser dependence on logging to produce paper.

Ambassadors a contributed to the recycling of 3,006 kg

- Al-Khobar Corniche Afforestation Initiative In line with the Saudi Green Initiative aimed at sustainability and the development of vegetation, Al-Bilad volunteer team participated in planting 4,000 seedlings in cooperation with the Eastern Province Municipality, Al-Khobar Municipality, the Eastern Green Initiative, and a number of interested parties in the region
- Ihsan platform support Participation in the donation campaign for the Ihsan platform in month of Ramadan by One Million Riyals .
- Use of clean energy The solar energy system was inaugurated in the Head Office Building - Albilad Tower in Riyadh over an area of 1,743 square meters to produce renewable and sustainable energy to preserve the environment, reduce environmentally harmful carbon emissions and contribute to the provision of:

- More than 80 thousand liters of fuel per annum.
- Reducing carbon dioxide emissions by 194 tons per annum.
- Reducing nitrogen and sulfur oxides emissions at a rate of 1,872 kilograms per annum.

Since Bank Albilad ambassadors started their career with the Bank, they have been keen to participate in sustainability initiatives. The Bank is proud of its accomplishments, for participating in volunteer work in the distribution of Bank Albilad and Enjaz Ramadan Food and Other initiatives of more than 2,500 volunteer hours.

The recycling process aims to preserve the environment through reducing pollution caused by plastic wastes and lesser dependence on logging to produce paper.

- more than 20,000 volunteer hours for sponsors for several initiatives that contribute to volunteer work

Bank Albilad recognises the responsibility that it has to invest in and support community activities that contribute to improving the lives of people across Saudi Arabia. This is something that we are committed to doing and staff from all levels of the business play an important role in this wider work.

As we move forward into 2023, we will continue to focus our efforts on supporting those in our Kingdom who require it the most.

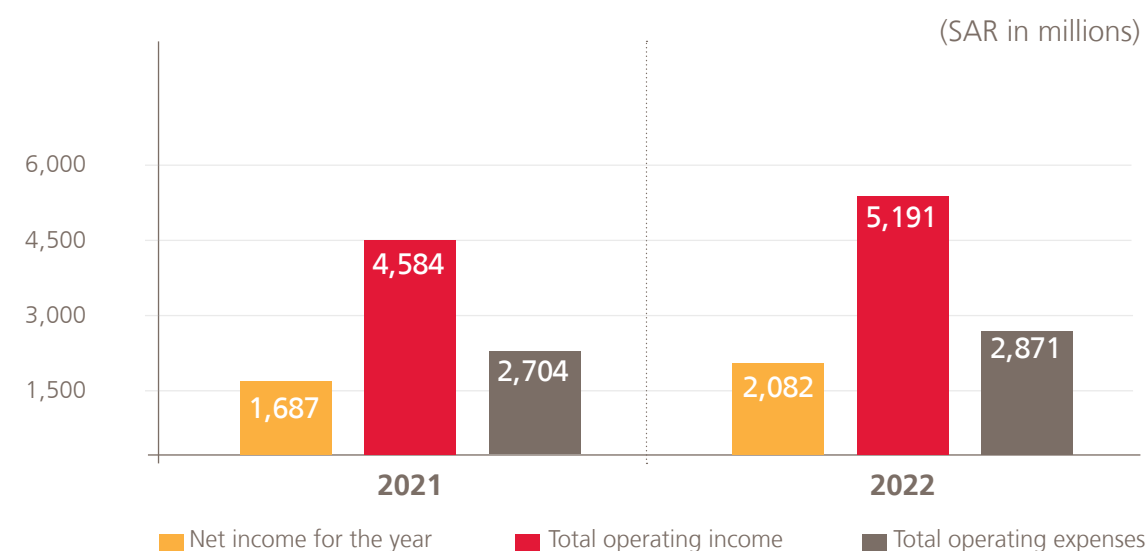


FINANCIAL REVIEW

Net profit of year 2022
SAR million **2,082**

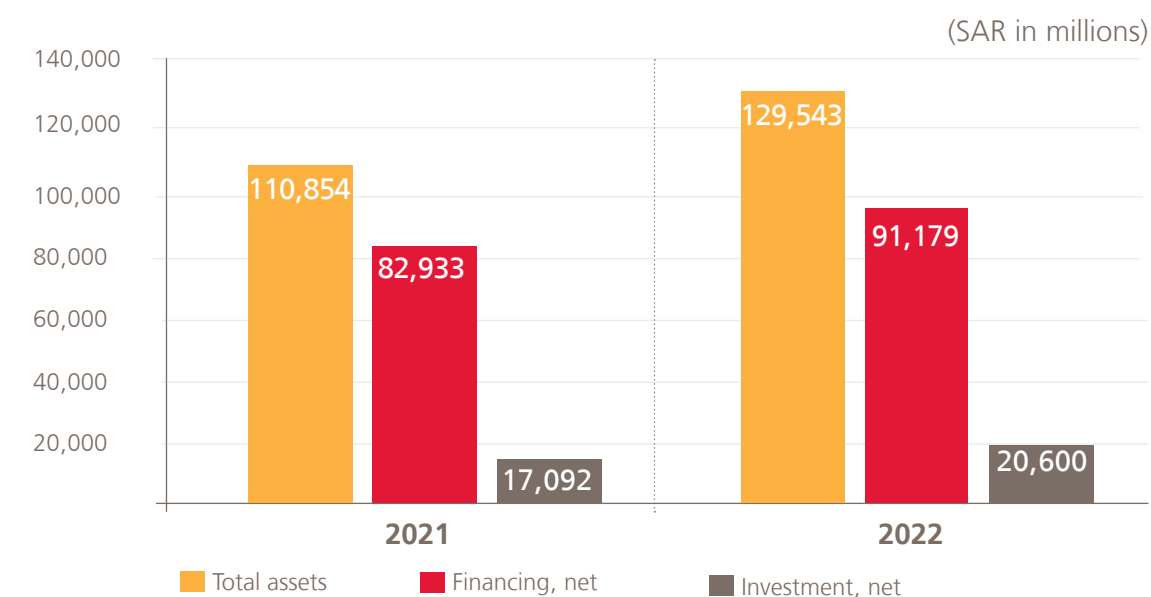
The annual financial results of Bank Albilad showed for the year ended 31-12-2022, a continuous growth of profits as a result of growth in all activities of the bank, where the bank's net income increased by 23% to reach SAR 2,082 million compared to SAR 1,687 million for the previous year.

The bank continued to achieve an increased level of revenue which witnessed an increase achieved on the basis of total operating income of SAR 5,191 million, an increase of 13%, which resulted mainly from higher financing and investment revenues. The total operating expenses increased by 6% to reach SAR 2,871 million as a result of the increase in salaries and employee related expenses and other general and administrative expenses.



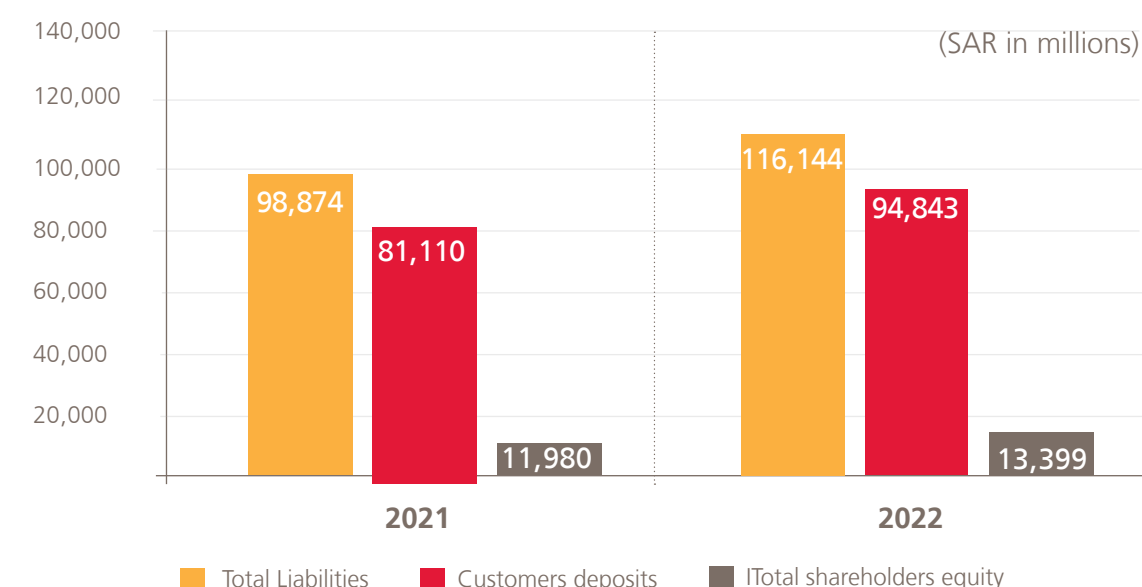
On the Financial position side, net financing increased to reach SAR 91,179 million, an increase of 10% and investments grew to SAR 20,600 million, an increase of 21% compared to

the same period of the previous year, which led to growth in the bank's total assets by 17% to reach SAR 129,543 million.



On the liabilities side, deposits increased to reach SAR 94,843 million, or 17%, compared to the same period in the previous year. The total equity amounted to SAR 13,399 million, an increase of SAR 1,419 million, or 12% at the end

of December 2022, compared to SAR 11,980 million at the end of December 2021, mainly due to the increase in the bank's net income. The number of ordinary issued shares reached 1000 million shares.



The capital adequacy ratio for the pillar I at the end of 2022 was 18%. After zakat, the bank achieved a return on average assets of about 1.7 %, while the return on average shareholders' equity was 16.4%, and earnings per share reached 2.09 riyals per share.

The bank was able to achieve positive financial and operational results and growth during the year 2022, as it achieved growth rates that exceeded the goals set, as a result to the bank's policies and business strategies that were implemented during the year.

MARKET PICTURE: A GROWING ECONOMY

2022 was a year where the Saudi Arabian economy experienced substantial and accelerated growth, providing a positive operating context for Bank Albilad to increase its market share across all sectors of activity.

As the economy continued to recover following the disruption of the Covid pandemic, higher oil and non-oil activities drove growth within the Kingdom. As a result of the conflict between Russia and Ukraine, higher oil prices have strengthened the medium-term fiscal outlook within the Kingdom, whilst inflationary pressures within the economy have been successfully contained by government and central bank initiatives.

Supported by high vaccination rates and swift COVID-19 response policies, Saudi Arabia continued to recover strongly from the pandemic-induced recession in 2022.

Additionally, restricted supplies of Russian gas to global markets have led to Saudi Arabian oil production increasing faster than anticipated in line with OPEC+ raising output quotas by 50% in July and August 2022.

The latest official data suggest that the economy grew by 11 percent during the first half of 2022—the fastest growth pace since 2011. This record



growth was mainly driven by the oil sector, which registered a rapid 21.6 percent growth rate. The non-oil sector also continued its strong recovery registering a 6 percent growth during the first half of 2022.

In the longer term, ambitious plans to build new infrastructure in the Kingdom will continue to drive wider economic growth. This will also present new opportunities for Bank Albilad to consolidate its market position.

Public debt remains low and is expected to stay constant as the government plans to refinance the existing debt instead of using the large fiscal surplus to repay it.

Following high levels of economic growth in 2022, the World Bank has forecast more moderate growth for the coming period, projecting 3.7% and 2.3% for 2023 and 2024 respectively.

We have grown quickly as a business and have established a strong foundation for future expansion. With a positive economic outlook, this foundation means that the Bank is well-positioned for a prosperous future. However, our focus now must be on the consolidation of the progress we have made and developing a balanced and sustainable operating model that delivers long-term value for investors, customers, and the Kingdom.

This will be reflected in our own growth rates, as the Bank seeks to adopt a long-term strategy that delivers steady increases over time.

BUSINESS REVIEW

Our Business Division encompasses our core banking functions of Retail, Corporate, and Treasury. Ensuring that these three functions work in harmony is key to the successful running of Bank Albilad.

Successful delivery of these key banking functions has been the cornerstone for our rapid development since the Bank's foundation in 2004. It has provided the foundation for Bank Albilad to grow into what it is today.

As a new entrant into a mature finance sector, our first priority was to build our brand, create a customer base, and develop a wide portfolio of financial products that reflected the needs of businesses and individuals within the Kingdom. Our growth trajectory has been achieved on three core pillars, - the strength of our team, the clarity of our strategy, and the quality of our partnerships.

Firstly, we have always been clear, that our successes as a business are the result of the dedication and knowledge of our expert team. They are relentless in their desire to create banking products and experiences that place the customer at the heart of everything that we do. In 2022, we continued to invest in that team, to ensure that we have the skills that we need to

operate with agility in a rapidly changing sector. In an increasingly competitive labour market, this has included looking at new ways to support training and development and to ensure that key staff are retained across the business.

Secondly, we have maintained a clear focus on our strategy. From our inception, our approach has been to adopt a long-term view that generates returns that are sustainable over a longer period. From developing new products that are Sharia-compliant to innovating in digital delivery, all of our activities are based on a long-term plan that aligns with the broader vision that is set out in Vision 2030.

Finally, our successes in the last year have increasingly resulted from the strong partnerships that we have developed with key strategic areas of government and with businesses in key growth sectors, such as sports and entertainment. We are partnering with key ministries on initiatives. These partnerships will be critical to our future growth.

As we move forward into 2023, our team, strategy, and partnerships provide a solid foundation for sustainable growth that will deliver value for shareholders and customers and benefit the wider Saudi Arabian economy.





RETAIL BANKING

Bank Albilad - Retail Banking is committed to provide end-to-end financial services that meets its client's needs & expectation with best customer experience. Accordingly, Retail Banking strategy was developed to ensure creating value proposition and increasing market-share by focusing on five key themes:

- Product Portfolio Diversification.
- Enhance Customer base and penetration.
- Enhanced customer experience
- Accelerate Digital transformation
- Expansion Through Affiliation

In 2022 Bank Albilad invested in optimizing and revamping our network of branches and creating a seamless customer experience. Our foundation for this was already strong, with Bank Albilad owning the 5th largest branch network in Saudi Arabia.

We have seen particularly strong growth in the Bank Albilad Mortgage Market Share, building on the sustained and steady growth that we have

seen in recent years. Our market share increased in 2022.

This growth has been delivered through close partnership working with government initiatives to further support the Saudi housing market, the Bank's partnerships with the Ministry of Municipal & Rural Affairs & Housing and the government's Real Estate Development Fund (REDF) continued to help widen access to affordable home purchase solutions in 2022. This work includes products such as subsidized profit products for ready units, self-construction, off-Plan, land and self-construction, and equity release. This year, Bank Albilad and the Real Estate Development Fund signed an agreement of "Housing support packages" aimed at providing innovative financing solutions by the bank to the beneficiaries of the "Sakani" program and the Real Estate Development Fund.

These strategic partnerships are a key strand of our approach, working with diverse partners from across the public sector to deliver value and growth within the wider Saudi Arabian economy. Aligning Retail Banking strategy with the Saudi Vision 2030.

As we move forward into 2023, we will continue to develop and deploy innovative new products and services. We will also maintain our focus on driving further improvements in our service quality and customer experience, strengthen our loyalty programs, focus on the affluent segment, and accelerate our digital transformation.

TREASURY

2022 can be summarized as a year where growth was recorded by those banks with foresight aligned with their ability to navigate a treacherous macroeconomic environment strewn by high inflation and sharp rate rises. In this regard, BAB Treasury can claim its place amongst the best banks that not only negotiated the unpredictability with exemplary management of liquidity and investments, but also ensured that the other parts of the bank maintained their double-digit asset growth with little or no constraint.

2022 was a remarkable year where we realised some crucial initiatives, key among them was establishing the structuring and hedging desk to provide cutting edge Islamic derivative solutions catering to the needs of the underserved sophisticated clients seeking Shariah compliant hedging solutions.

Especially gratifying were the investments made by the Investment desk in several structured investments in the form range accrual and collared notes and multi-index ETF linked notes; milestone achievements in pursuit of continued diversification.

Treasury continued to innovate and expand its product range to meet the ever-evolving requirements of its customers. 2022 marked the launch of several new products for the Bank's professional customers, namely Wakala Collar Deposit, and the Flexi Forward hedging product amongst others.

The successful implementation of the new state-of-the-art Treasury Management System (TMS) was another landmark accomplishment in line with Treasury's strategy for improved technological solutions which will allow for the

development of innovative derivative structures and better risk management whilst positioning Treasury as a flexible and dynamic enabler for improved and robust decision-making across the bank's business streams.

The story of BAB Treasury has always been characterised by consistent growth in profitability (3-year growth rate = 2020 8.9%, 2021 50.4% and 2022 9.1%). 2022 continued this trend, with the Return on Treasury Assets (ROTA) growing at 15.7%, and assets at 27.8% in 2022, translating into continuous value creation for the bank's shareholders.

We believe that 2023 will be a defining moment for Treasury as we aim to position ourselves as the preferred choice in the Islamic derivatives space allowing us to target a wider audience (corporates and individuals). We will continue to diversify our investment portfolio by adding newer asset classes and expand our financial institution relationships beyond the GCC.

Lastly, digitalisation is expected to become the over-arching growth enabler in the future, and we have already begun to implement digital solutions for our customers. Likewise, we take

great pride that our business objectives also contribute to the goals of Financial Sector Development Program (FSDP), or toward human resource development or indeed toward gender diversification which in turn align with and hope to support the delivery of the Kingdom's wider Vision 2030.

Growth in profitability (3-year growth rate = 2020 8.9%, 2021 50.4% and 2022 9.1%). 2022 continued this trend, with the Return on Treasury Assets (ROTA) growing at 15.7%, and assets at 27.8% in 2022,



CORPORATE BANKING

Bank Albilad's Corporate Banking Group (CBG) is responsible for establishing and maintaining the Bank's relationships with Corporate Customers, Funds and Financial Institutions in addition to the Syndicated Loans and Global Transaction Services (GTS).

In 2022, Bank Albilad achieved strong performance in Trade Finance Operations which generated a higher level of commissions and fees. This helped the Bank significantly increase its market share in corporate banking. By year-end, Corporate Banking had achieved growth in assets of 15.8%, and a 70% year-on-year rise in the volume of trade finance business.

As an Islamic bank, in 2022 we have continued to specialise in developing and providing corporate financing solutions that are fully complied with the Islamic Shariah rules. This has helped us establish an increasingly significant role within the Kingdom's corporate banking sector.

In 2022, we established a new Business Unit with a strategic goal of supporting the delivery of Vision 2030 initiatives by exploring strategic business opportunities with Government and Quasi-Government entities. This has a particular focus on existing and new companies with shareholding by Public Investment Fund (PIF) as well as the Governmental entities, to create a value proposition that drives profitability.

One area of particular emphasis has been



supporting the Kingdom's growing MSME sector. This included formalising a partnership with the newly established SME Bank to increase the availability of funds directed to finance this sector.

This is vital not just for Bank Albilad, but for the Kingdom as a whole. The MSME sector is identified as of central importance in Vision 2030, driving the economic success of the wider Kingdom. This year, we have worked alongside MSME businesses to develop new products and services that meet their requirements. Corporate banking has historically been delivered in a more traditional manner than retail. However, our strategy in 2022 has been to apply some of the

learning and innovation around digitalisation developed through our retail work to corporate banking in general and MSME support in particular.

This core value has also underpinned our approach of seeking to develop alliances with major international banks to capture more learning about the successful digitalisation of business banking services and to learn from international best practice.

This year we have seen significant growth across the entire business sector, with specific development in industries such as real estate, manufacturing, and hospitality. As the Saudi economy continues to grow, MSME businesses

will grow too. This means that with the right products and services in place, Bank Albilad is well-positioned to continue to expand its market share and to both support a growing economy, and benefit from it.

In real estate, in particular, we have built upon the cooperation agreement signed with Wafi in 2021 to facilitate financing to support off-plan real estate projects. Our involvement reduces project risk for developers and ultimately supports the Kingdom's strategic objective of increasing housing supply and homeownership. This is one of several initiatives to build the collaborative relationships that we need for the future.

As we move into 2023, our growth in

market share for MSME support will also be supplemented by an increasingly proactive strategy to provide financial services for major blue-chip companies. This balanced approach will reduce business risk and maximise the value delivered for shareholders, customers, and the economy.

This reflects the core values of 'Initiative and Innovation' which is at the heart of our Corporate Banking offer.



SUBSIDIARIES

ENJAZ PAYMENT SERVICES

In 2022, Bank Albilad established Enjaz as a wholly-owned payments arm based in Riyadh.

The new company Enjaz Payment Services is fully licensed by the Saudi Central Bank as a Major Electronic Money Institution. Enjaz will handle all payments and remittances activities currently operated as a business division in the bank.

The spinout of Enjaz into a separate company is in line with the wider business strategy of Bank Albilad. The Board recognised that to capitalize on Enjaz's value and full potential as a Fintech player, a new vehicle was required. This led to the establishment of Enjaz as a new wholly-owned subsidiary.

Separation from our core banking activities will allow Enjaz to compete in the high-growth Fintech space with more operational flexibility within an evolving regulatory framework. This will enable a clearer strategic focus on diversifying revenue streams and targeting new segments for growth. This is fully in alignment with the aims and objectives of Vision 2030.

The establishment of a standalone company gives Enjaz a unique position in the FinTech marketplace. Whilst emerging FinTech competitors have only a digital presence, by building on the infrastructure of its corporate parent, Enjaz enjoys a combination of both physical and digital footprints.

This approach is already bringing fresh benefits to



Enjaz, Bank Albilad, consumers, and partners in the Fintech sector. Enjaz services have now been extended to third parties, and new Remittance Partnership Agreements have been signed with both Thunes and VISA. These agreements will enhance our value proposition and increase our market share.

The new operating model is also delivering value to investors by reducing costs and maximising profit. In 2022, profit increased by 2%.

As we move forward, we will continue to diversify our product range to extend far beyond the traditional remittance business. This is a journey we have already embarked upon. In 2022, we continued to move further into the payments market through the marketing of Enjaz and Payroll Cards. This year we issued a further 218,108 cards (digital and physical), contributing to a total of 719,000 cards in use.

This will help further enhance Enjaz's reputation as the right partner and preferred option for Consumers and Corporate clients alike. Our ambition is to continue to invest and drive innovation to establish Enjaz as the most effective and customer-focused FinTech company both locally and globally.



ALBILAD CAPITAL

Albilad Capital's strategy in 2022 was to expand its reach with institutional investors, high-net-worth individuals, and retail institutions. Our primary objective was to increase the market for our multi-asset platform and to promote our investing processes and product innovation to a wider audience. We also leveraged our team's performance track record to market our DPM services in the equity and Sukuk markets. This delivered significant financial success for the business.

Our strategy of innovation and expansion has delivered major success in 2022, with major growth across our total revenues. We have delivered a 12% year-on-year increase in total Revenues to reach SAR 267 million. The strength of our portfolio has also increased, with Assets Under Management now totalling SAR 11.7 billion, whilst our Assets Under Admin Services also grew by 5% to now total SAR 9.3 billion. Our Sukuk Agent Services reach a total value of SAR 1.1 billion. Collectively, this creates a strong foundation for future growth.

These achievements have delivered value to investors, customers, and the wider Saudi Arabian economy. As a business, Albilad Capital already had a strong reputation as a sector pioneer in offering innovative investment services and solutions to clients. In 2022, we have consolidated this position, winning the GIFA award for Excellence in Shariah-Compliant Asset Management.

In order to access new markets and demographics, we continue to develop and construct new innovative ideas. In line with Bank Albilad's overall strategy, we have expanded our reach by utilizing new digital technologies.

We have reached almost 120,000 social media followers across channels in 2022, a 70% increase from the previous year. The number of visits to our website have risen by 60% to 800,000. We believe that new media is a crucial tool for reaching Saudi Arabia's younger generations and promoting access to and use of Islamic investment and savings products. This year also saw another major milestone for Albilad Capital, with our successful listing of the first Exchange Traded Fund (ETF) that invests in USA Equities on the Saudi Exchange Main Market.

Alongside this, we also expanded our offering, increasing the number of Exchange Traded Funds and mutual funds from 21 to 29 funds, and obtained the Capital Market Authority Board's approval on an Initial Public Offering of Morabaha Marina Financing Company (the "Company") as the sole financial advisor to the Company.

As we move forward, we are committed to continuing to innovate our product range and expand our market share to bring greater value to customers and investors. Our activities are also fully aligned with the ambitions set out in Vision 2030. By opening up savings and investment solutions to a wider section of the population, and removing barriers to increase access, we are helping Saudi Arabians build their savings base. Our investment products are also supporting businesses from key sectors to invest effectively to support future business growth and employment within the Kingdom.

We will continue on our journey of innovation, to deliver market-leading Islamic investment and saving solutions that meet the changing needs of our society.





DIGITAL TRANSFORMATION AND INNOVATION

Digital is no longer a differentiator for banking; it has become a core part of banking offerings that customers expect and Bank Albilad is an acknowledged leader in the Saudi Market as a digital transformation Leader in the Digital Banking Space. We were the first bank in the Kingdom to allow customers to open accounts online, and we continue to be at the forefront of new innovations that remove friction and deliver a fully integrated end-to-end service to our retail and business customers.

The digitalisation of Bank Albilad banking products and services have been rapid and have taken place over a relatively short period of time. We have now reached a position where digital is now integrated into all of our activities and is a clear expectation across our customer groups, - retail, corporate, and 3rd party players (TPPs) engaged in BaaS and Open Banking solutions. However, this does not mean that innovation stops there, we remain focused on future innovation to add value to our customers, increase efficiency, and drive future value to shareholders and the Kingdom as a whole.

We have leveraged our expertise to carry out

development of new digital products in personal finance and home finance. This work has led to the development of two new products which will launch shortly and will provide full end-to-end customer journeys in both areas.

In 2022, we have successfully launched end to end digital process for Personal Finance and Credit cards. Moreover, we have seen significant growth of some of our products. Customers can open savings accounts within minutes via Albilad App or Albilad Net; This has helped deliver a 22% year-on-year increase in the number of mobile app users and 70% of new customers from retail have onboarded digitally. Our Investment Wakalah term deposit account has found strong market support, with deposits growing by 42x during the last 12-month period, and number of deals growing by 37.5x over the same period. These products are now providing digital Islamic savings solutions to over 11.8K customers.

Our strategy is focused on embracing digital as a core value, introducing Open Banking to empower strategic alliance and partnerships, and transforming businesses digitally for more

Our Investment
Wakalah term deposit
account has found
strong market support,
with deposits growing
by

42x

inorganic growth which will serve our customers, partners, internal processes and enhance overall experiences.

For both business and retail customers, in 2022 we have continued to develop our product range to provide new and innovative banking solutions. We partnered with Careem to streamline earnings for Careem Captains, simplifying payments and supporting SAMA's aspiration to reduce cashless transactions in the Kingdom. Also, we successfully launched a full suite of services for Mobily Wallet, a new mobile wallet in partnership with a major telecom provider, Mobily.

Bank Albilad has also made major advances during 2022 to consolidate our position as a sector leader when it comes to service innovation. The world of finance is rapidly changing in Saudi Arabia and worldwide. The emergence of fintech companies and new challenger banks that are developing new products and services represents both a threat to incumbent providers but also an opportunity for new partnerships.

A key part of our strategy to engage with new entrants and established businesses is the Bank's Horizon Innovation Centre, launched in 2022. This Centre will support Bank Albilad in



digital Islamic savings solutions to
over

11.8K
customers

connecting with emerging fintech companies to deliver new financial products/solutions to them. We see these strategic alliances as a key pillar to deliver sustainable and organic growth of the business and to maintain our position as a sector leader in digitalisation.

The new Horizon Innovation Centre is vital to achieving our long-term aims as a bank. We know that finding the right partners and partnerships is increasingly important for building unique and agile digital platforms. As the increasing integration of the digital economy and financial services continues and accelerates, the new Centre will position Albilad to successfully exploit the many opportunities that will come with the pivot to Banking as a Service (BaaS).

Central to our partnership approach will be continuing to expand our work on Open Banking to deliver a suite of new services that integrate seamlessly with third-party applications. In 2022 we have achieved an initial release of our Open Banking platform.







Innovations delivered with partners through Open Banking integration will be a key part of our strategy moving forward. Not only will these new products meet the changing needs of customers and businesses, but they will also expand our offer to reach new groups and increase financial inclusion in the Kingdom. This will support us in delivering key strands of the Kingdom's Vision 2030.

To remain at the leading edge of innovation and drive future growth, Bank Albilad will continue to invest in developing digital solutions and services that will meet the need of tomorrow's customers as well as today's.

OUR PEOPLE

Everything that Bank Albilad delivers is ultimately achieved by the people who work within our business.

Our 3500-strong staff team is the key driver of our growth, and all of our successes have been enabled by our strong, skilled, and committed team. Our people are the primary resource that drives change within the business.

 3,065 Training Seat 210 Training Session	 4,000+ Training User 20,000+ Training Hours	 79 Training Seat 39 Training Session
 59 Training Seat 25 Training Session	 417 Training Seat 22 Training Session	 30 Training Seat 14 Comformance

In 2022, the Bank reverted to a business model that was established before the Covid pandemic. The pandemic forced us to modify the way we worked in a range of ways that challenged both the business and the people within it. It changed how we used our buildings, delivered services to customers, and carried out internal processes such as staff training.

As we have emerged into a post-pandemic period, we are finding ways of working which in some cases return to pre-pandemic models and in others reflect the learning that we have captured from new ways of working developed during the pandemic.

This year we have also been responding to an increasingly tight employment market, where businesses are having to do much more to attract and retain the skilled staff that they need for success.

We have invested in expanding the training and development of all staff, with a return to face-to-face training across the business. We have also focused our strategy on identifying our most talented performers to put strategies in place that can support career development and ensure that we can best use their skills, and improve retention.

This has also been supported by a revision of our rewards strategy to align compensation and incentives with what is on offer in an increasingly competitive market. This strategy has considered not just pay rates, but also non-financial rewards, training and development opportunities, and other benefits that we offer to our staff team.

We have also increased our focus on the work we do to establish Bank Albilad as a great place to work. This has included a focus on a range of initiatives to improve staff motivation and well-being, ranging from “bring your child to work days” to events themed around the World Cup.

Our driver is to create a culture which is recognised as the best workplace possible for our dedicated team, with unrivalled opportunities for

individuals to grow and thrive in their roles.

Not only is this delivering the Bank’s business strategy, but it is also contributing to the wider aims of Vision 2030. We are already a Platinum Level employer when it comes to rates of Saudization, with 93% of our staff being Saudi Arabians. We are also working to increase diversity within our staff team, reaching new levels of women in our workforce.

As we move forward into 2023, we will continue to strive to be a sector leader in how we support people within the organisation.

We will be launching a new app for staff early in the year, building on development work carried out in 2022. This will allow all of our staff to access Human Resources services whenever, and wherever they are. This will include booking leave, accessing training opportunities, and seeing new internal opportunities for career progression.

As a business, we are clear that supporting our workforce is critical for our continued growth. This can only be achieved through a combination of strategy and culture. As we move forward, we plan to do more to consult with and engage staff, for instance through an annual employee survey, to develop new approaches to support them.

People will remain at the heart of Bank Albilad’s strategy. Our successes are shared, as are our challenges. This will remain a major focus of work in 2023.

Our vision is to have the best workplace possible where staff are supported and nurtured to grow in their careers and deliver value for the Bank

03



CORPORATE



GOVERNANCE

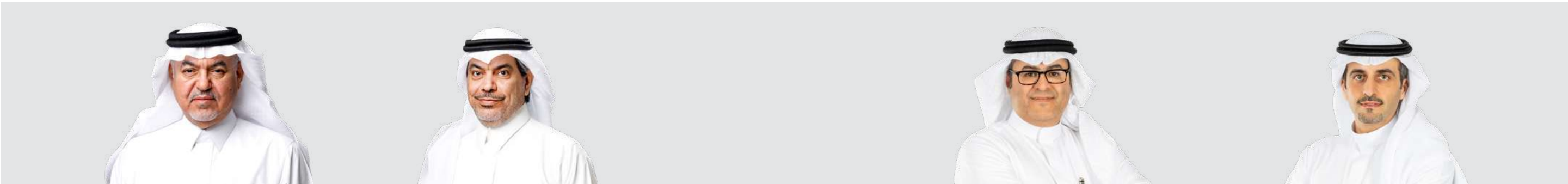


BOARD OF DIRECTORS



Mr. Khalid Abdulrahman AlRajhi
Non-Executive Member

Mr. Nasser bin Suleiman Al-Nasser
Independent Member

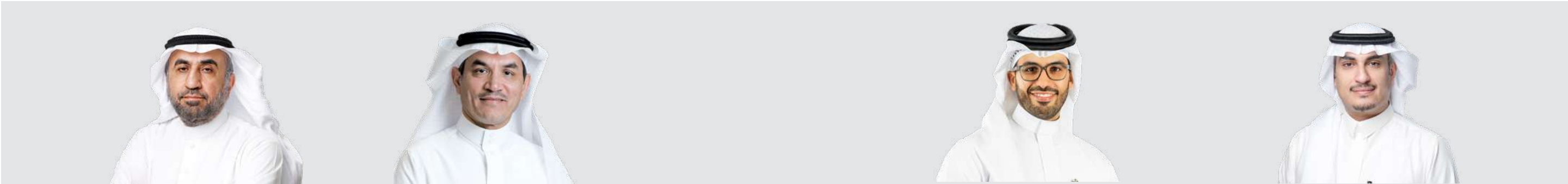


Mr. Nasser Mohammed AlSubeaei
Chairman – Non-executive member

Mr. Adeeb Mohammed Abanumai
Vice Chairman – Independent Member

Mr. Mohammed Abdulrahman AlRajhi
Non-Executive Member

Mr. Haitham Mohammed Al-Fayez
Independent Member



Dr. Zeyad Othman Alhekail
Independent Member

Mr. Abdulaziz Mohammed AlOnaizan
Executive Member – Chief Executive Officer

Mr. Muadh Abdulrahman Al-Husseini
Independent Member

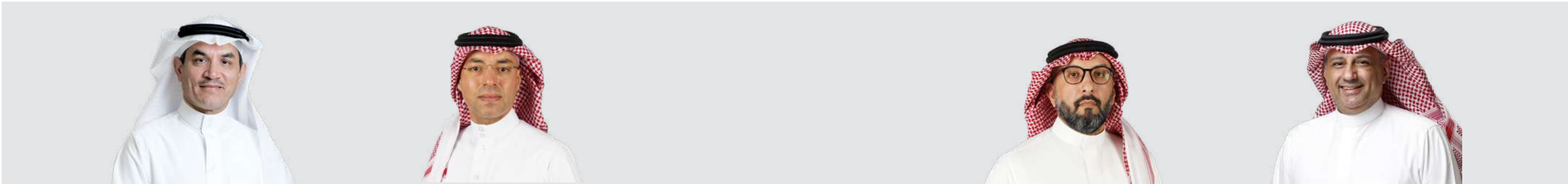
Mr. Haytham Sulaiman AlSuhaimi
Non-Executive Member

EXECUTIVE MANAGEMENT



Mr. Hisham Ali AlAkil
Executive Vice President of
Finance

Mr. Samer Mohammed Farhoud
Executive Vice President of
Treasury

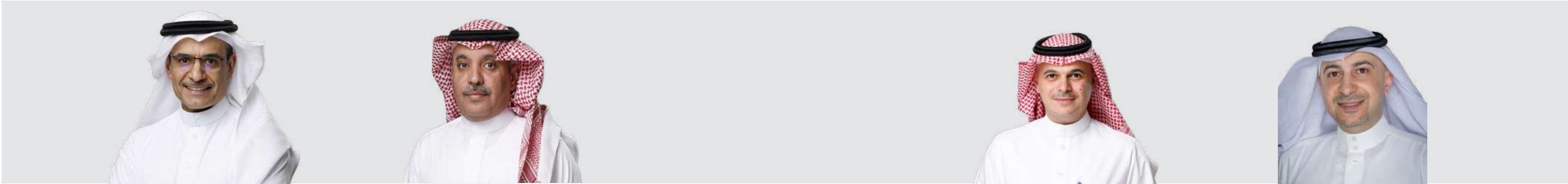


Mr. Abdulaziz Mohammed AlOnaizan
Chief Executive Officer

Mr. Bashaar Yahya B Al Qunaibit
Senior Executive Vice President
Businesses

Mr. Abdullah Saad Salem Al Ruwais
Executive Vice President of
Retail Banking

Mr. Haitham Medainy AlMedainy
Executive Vice President of
Human Resources



Mr. Saleh Suliman AlHabib
Executive Vice President
Shared Services

Mr. Abdullah Mohammed Alarifi
Executive Vice President of
Risk management

Mr. Saad Ibrahim Aldrees
Executive Vice President of
Corporate Banking

Mr. Abdulaziz Saleh Mohammad Alghufaili
Chief Technology Officer

GOVERNANCE

The Bank, led by the Board of Directors, works to promote the continued existence of an effective, advanced and sustainable governance system, formulate strategic objectives and transform them into appropriate work programs, and work to achieve them while adhering to the standards of transparency, disclosure and justice, to achieve the bank's strategy, vision, mission and sustainable development, as governance - as a concept of the bank - is rules and procedures for leading and directing the bank, including mechanisms that regulate the relationship between the Board of Directors, executive management, shareholders and stakeholders, as these rules and procedures are applied to facilitate the process of Making decisions and achieving justice and transparency in financial transactions and the business environment to create growing value for the bank and protect the rights of shareholders, investors and stakeholders. The Bank's governance is based on fair treatment based on equality between the interests of different parties such as shareholders, investors and other stakeholders from management, customers, suppliers, regulators and other relevant government agencies, and for the community, taking into account the three dimensions of sustainability (socio-environmental and economic). The Board of Directors and Executive Management are constantly emphasizing the importance of adhering to governance controls as an effective means to develop the concepts of transparency, integrity, control and high professional performance. This report confirms the extent of the bank's commitment to the provisions and principles of corporate governance in accordance with the laws, regulations, requirements and instructions

of the regulatory and regulatory authorities such as the Saudi Central Bank (SAMA) and the Capital Market Authority (CMA), and accordingly, the bank's governance documents and updates have been approved, and the most prominent of what has been done in this regard during the year 2 202AD is the update of many of the Documents to comply with the updates of the regulations and instructions, and their approval, whether from the Board of Directors or from the General Assembly as required by the laws and regulations for approval, such as updating the Audit Committee Regulations, the policy of rules and controls for nomination and appointment in the Board of Directors and its committees, the replacement policy for the members of the Board of Directors and its committees, b. The recommendation of the Board of Directors to the General Assembly, and the Board of Directors also approved the formation of a new committee of executive management committees The "Information Technology Committee", and the adoption of its bylaws, in accordance with the requirements of the Information Technology Framework issued by the Saudi Central Bank and in accordance with the conditions of formation, membership, tasks and responsibilities specified in the framework and the relevant documents and controls.

The Board of Directors and its committees are constantly working to follow up on the executive management to ensure its permanent and effective commitment to the implementation of these regulations and policies.



BOARD GOVERNANCE

The Board of Directors consists of ten members, elected at the Extraordinary General Assembly Meeting held on 11/04/2022, for a period of three years starting on 7/04/2022 and ending on 16/04/2025:

A. MEMBERS OF THE BOARD OF DIRECTORS FOR THE YEAR 2022

M	NAME	POST	CLASSIFICATION
1	Mr. Nasser Mohammed Al-Subaie*	Chairman of the Board of Directors	Non-Executive
2	Mr. Fahad bin Abdullah bin Dakheel**	Vice Chairman	Non-Executive
3	Mr. Samir Omar Baissa**	Member	Independent
4	Mr. Khalid bin Abdulaziz Al-Muqairen ***	Member	Non-Executive
5	Mr. Ahmed bin Abdulrahman Al-Hussan**	Member	Independent
6	Dr. Ziad Othman Al-Hogail*	Member	Independent
7	Mr. Abdulaziz Mohammed Al-Onaizan*	Member - Chief Executive Officer	Executive
8	Mr. Adeeb Abanmi*	Vice Chairman of the Board of Directors for the current session	Independent
9	Mr. Khalid bin Abdulrahman Al-Rajhi*	Member	Non-Executive
10	Mr. Nasser bin Sulaiman Al-Nasser*	Member	Independent
11	Mr. Mohammed Abdulrahman Al-Rajhi*	Member	Non-Executive
12	Mr. Haitham Mohammed Al-Fayez *	Member	Independent
13	Mr. Moaz Abdulrahman Al-Husseini *	Member	Independent
14	Mr. Haitham Sulaiman Al-Suhaimi*	Member	Non-Executive

* Members of the Board of Directors in the current term, whose membership began on 17 April 2022.
** Members of the Board of Directors in the previous term whose term ended on 16 April 2022.
*** Submitted his resignation from the membership of the Board of Directors on 17 April 2022.

B. QUALIFICATIONS, FUNCTIONS AND EXPERIENCE OF DIRECTORS

Mr. Nasser Mohammed Al-Subaie - Chairman - Non-Executive Member

Mr. Nasser bin Mohammed Al-Subaie has 40 years of experience in the financial, banking, investment and real estate fields, and holds a bachelor’s degree in accounting from King Saud University.

Membership in the boards of directors of existing companies or of their directors	Inside the Kingdom / Outside the Kingdom	Legal entity	Membership in the boards of directors of former companies or their directors	Inside the Kingdom / Outside the Kingdom	Legal entity
Mohammed Ibrahim Al-Subaie and sons investment Company (MASIC)	Inside the Kingdom	Closed joint company			
Thakher Company	Inside the Kingdom	Closed joint company	Dur Hospitality Company	Inside the Kingdom	Listed joint company
ALARGAN Projects Company	Inside the Kingdom	Closed joint company			
Akwan Real Estate Company	Inside the Kingdom	Closed joint company			

Dr. Ziad Othman Alhekail - Independent Member

Dr. Ziad Othman Alhekail has long experience in many fields, and is currently a businessman, consultant, president and member of a number of boards and committees of several companies, including chairing the board of directors of both the Advanced Communications and Electronics Systems Company and the National Aquaculture Company (NAQUA). MR. Alhekail holds a PhD and Master’s degree in Electrical Engineering from Ohio State University, USA, and a Bachelor’s degree in Electrical Engineering from King Saud University.

Membership in the boards of directors of existing companies or of their directors	Inside the Kingdom / Outside the Kingdom	Legal entity	Membership in the boards of directors of former companies or their directors	Inside the Kingdom / Outside the Kingdom	Legal entity
National Aquaculture Company (Naquwa)	Inside the Kingdom	Closed Joint Company	Awqaf Sulaiman bin Abdulaziz Al-Rajhi Holding Company	Inside the Kingdom	Limited Liability
Advanced Communication and Electronics Systems Co.	Inside the Kingdom	Closed Joint Company	Saudi Grain & Feed Holding Company	Inside the Kingdom	Limited Liability
Knowledge Link Company	Inside the Kingdom	Limited Liability	-	-	-
Sulaiman Al Rajhi Real Estate Investment Company	Inside the Kingdom	Limited Liability	National Company for Information Systems	Inside the Kingdom	Limited Liability
Diyar Al Khuzami Company	Inside the Kingdom	Closed Joint Company	Sulaiman Al Rajhi Company for Education and Development	Inside the Kingdom	Limited Liability
Amlak Company	Inside the Kingdom	Limited Liability	Advanced Educational Company	Inside the Kingdom	Closed Joint Company
SEIDCO Holding Company	Inside the Kingdom	Closed Joint Company	National Agriculture Company	Inside the Kingdom	Limited Liability
			Central Cooling Company	Inside the Kingdom	Limited Liability
			Jabal Omar Company	Inside the Kingdom	Listed Joint Company
Osos Arak Investment Company	Inside the Kingdom	Limited Liability	-	-	-

Mr. Abdulaziz Mohammed Al-Onaizan – Executive Member – Chief Executive Officer

Mr. Abdulaziz bin Mohammed Al-Onaizan has a extensive banking experience of more than thirty years, during which he held leadership positions in several local banks such as SAMBA Financial Group, Arab National Bank and Alinma Bank, and is currently the CEO of Bank Albilad, Chairman of the Board of Directors of Bayan Credit Information Company and Chairman of the Board of Directors of Enjaz Payment Services and the Vice Chairman of Albilad Capital Company. Mr. AlOnaizan holds a bachelor’s degree in quantitative methods from King Saud University and attended many advanced courses and programs from specialized international institutes.

Membership in the boards of directors of existing companies or of their directors	Inside the Kingdom / Outside the Kingdom	Legal entity	Membership in the boards of directors of former companies or their directors	Inside the Kingdom / Outside the Kingdom	Legal entity
Albilad Capital Company	Inside the Kingdom	Closed Joint Company	Alinma Investment Company	Inside the Kingdom	Closed joint company
			Alinma Bank	Inside the Kingdom	Listed joint company
			Arab National Bank	Inside the Kingdom	Listed joint company
Bayan Credit Bureau	Inside the Kingdom	Closed Joint Company	Samba Financial Group	Inside the Kingdom	Listed joint company
Enjaz Payment Services Company	Inside the Kingdom	Closed joint company	-	-	-

Mr. Adeeb Abanmi - Vice Chairman - Independent Member

Mr. Adeeb bin Mohammed Abanmi has a long functional and practical experience, as he previously worked as a second continuous disclosure consultant in the Capital Market Authority and a member of the Board of Directors of the Saudi Tunisian Bank, Al-Maather REIT Company and Jazan Energy and Development Company, and is currently a member of the Board of Directors of Bin Saedan Real Estate Company, National Poultry Company, Al-Maarefa University Company, and a member of a number of audit committees in a number of public and Closed joint company companies. Mr. Abanmi holds a master’s degree in accounting from the University of Miami, USA and a bachelor’s degree. in Accounting from King Saud University.

Membership in the boards of directors of existing companies or of their directors	Inside the Kingdom / Outside the Kingdom	Legal entity	Membership in the boards of directors of former companies or their directors	Inside the Kingdom / Outside the Kingdom	Legal entity
National Poultry Company	Inside the Kingdom	Closed joint company	Saudi Tunisian Bank	Outside the Kingdom	Government contribution equally Between the Arab Kingdom Saudi Arabia and the Republic Tunisian
Bin Saedan Real Estate Company	Inside the Kingdom	Closed joint company			
Almaathar Fund REIT	Inside the Kingdom	Real Estate Investment Traded Fund	Jazan Energy and Development Company	Inside the Kingdom	Listed Joint Company
Jazan Energy and Development Company	Inside the Kingdom	Closed joint company			

Mr. Khalid bin Abdulrahman Al-Rajhi - Non-Executive Member

Mr. Khalid bin Abdulrahman Al-Rajhi has a long experience in a number of fields, having previously served as a member of the Board of Directors of the Saudi Telecom Company, Chairman of the Audit Committee, and a member of the Investment Committee, and is currently the Chairman of the Board of Directors of the Saudi Cement Company and a member of the Board of Directors of the Saudi Cement Company on the Board of Directors of Albilad Capital Company He also holds the position of Chairman and CEO of Abdulrahman Saleh Al-Rajhi & Co. Ltd. In addition, he is a board member of Tanami Arabia Company. Mr. Alrajhi holds a Bachelor’s degree in Finance from King Fahd University of Petroleum and Minerals.

Membership in the boards of directors of existing companies or of their directors	Inside the Kingdom / Outside the Kingdom	Legal entity	Membership in the boards of directors of former companies or their directors	Inside the Kingdom / Outside the Kingdom	Legal entity
Saudi Cement Company	Inside the Kingdom	Listed joint company	Dana Gas Company	Outside the Kingdom	Listed joint company
			NAS Company	Outside the Kingdom	Listed joint company
Tanami Arabia Company	Inside the Kingdom	Closed joint company	Saudi Telecom Company	Inside the Kingdom	Listed joint company
Albilad Capital Company	Inside the Kingdom	Closed joint company	National Shipping Company of Saudi Arabia	Inside the Kingdom	Listed joint company
Abdul Rahman Saleh Al Rajhi & Partners Co. Ltd.	Inside the Kingdom	Limited Liability	Saudi United Cooperative Insurance Company (Walaa)	Inside the Kingdom	Listed joint company
			Takween Advanced Industries	Inside the Kingdom	Listed joint company

Mr. Nasser bin Sulaiman Al-Nasser - Independent Member

Mr. Nasser has several experience in operations and technology management through several previous senior positions as CEO of Saudi Telecom Group (STC), Chief Technology and Operations Officer at Mobily, Chairman of the Board of Directors of the Arab Internet and Communications Services Company (Solutions). Mr. Alnasser holds a Bachelor’s degree in Electrical Engineering from King Saud University.

Membership in the boards of directors of existing companies or of their directors	Inside the Kingdom / Outside the Kingdom	Legal entity	Membership in the boards of directors of former companies or their directors	Inside the Kingdom / Outside the Kingdom	Legal entity
Leading Medical Solutions	Inside the Kingdom	one person	Saudi Telecom Group	Inside the Kingdom	Listed joint company
-	-	-	Arabian Internet & Telecommunications Services Co.	Inside the Kingdom	Listed joint company
-	-	-	Etihad Telecom Company	Inside the Kingdom	Listed joint company

Mr. Mohammed Abdulrahman Al-Rajhi - Non-Executive Member

Mr. Mohammed bin Abdulrahman bin Abdulaziz Al-Rajhi has many experiences for more than 30 years in several investment fields such as the banking sector and the real estate sector through his previous work as a sector manager at Bank Al-Jazira and Al-Rajhi Real Estate Investment Company and as CEO in charge of Al-Rajhi Trading Establishment for Exchange. Mr. Alrajhi holds a bachelor's degree in business administration from King Abdulaziz University.

Membership in the boards of directors of existing companies or of their directors	Inside the Kingdom / Outside the Kingdom	Legal entity	Membership in the boards of directors of former companies or their directors	Inside the Kingdom / Outside the Kingdom	Legal entity
Al Rajhi Real Estate Investment Company	Inside the Kingdom	Limited Liability	Bank AlJazira	Inside the Kingdom	Listed joint company

Mr. Haitham Mohammed Al-Fayez - Independent Member

Mr. Haitham has more than 15 years of experience as a former Chief Executive Officer of Local Investments at Kingdom Holding Company (KHC), Head of Direct Investments at Saudi Aramco, Jadwa Investment Company as Head of Capital Investments, and is currently the CEO of Awqaf Investment Company.

Membership in the boards of directors of existing companies or of their directors	Inside the Kingdom / Outside the Kingdom	Legal entity	Membership in the boards of directors of former companies or their directors	Inside the Kingdom / Outside the Kingdom	Legal entity
Awqaf Investment Company	Inside the Kingdom	Closed Joint Company	Kingdom Holding Company	Inside the Kingdom	Listed Joint Company
Kadana Development & Development Company	Inside the Kingdom	Closed Joint Company	Saudi Aramco Company	Inside the Kingdom	Listed Joint Company
um Al-Qura Company for Development and Construction	Inside the Kingdom	Closed Joint Company	Jadwa Company	Inside the Kingdom	Listed Joint Company

Mr. Haitham Sulaiman Al-Suhaimi - Non-Executive Member

Mr. Haitham bin Sulaiman Al-Suhaimi has experience in wealth and investment management through holding several positions in Albilad Capital Company, he is the Head of Business Development Department since March 2020, Head of Wealth Management between 2018 and 2020, Financial Analyst for Investment Banking and Private Equity between 2016 and 2018, Head of Marketing and Sales at SAPEN UAE between 2012 and 2014, and is currently a member of the Board of Directors of several owned funds of Albilad Capital. Mr. Alsuhaimi holds a Master's degree in Investment and Financial Risk from the University of Westminster in UK and a Bachelor's degree in Business Administration from Al Ghurair University in the UAE.

Membership in the boards of directors of existing companies or of their directors	Inside the Kingdom / Outside the Kingdom	Legal entity	Membership in the boards of directors of former companies or their directors	Inside the Kingdom / Outside the Kingdom	Legal entity
Member of the Board of Directors of Albilad Gold ETF	Inside the Kingdom	Fund licensed by the Capital Market Authority	-	-	-
Member of the Board of Directors of Albilad Fund REIT Holding	Inside the Kingdom	Fund licensed by the Capital Market Authority	-	-	-
Member of the Board of Directors of Albilad Government Sukuk ETF	Inside the Kingdom	Fund licensed by the Capital Market Authority	-	-	-
Member of the Board of Directors of Albilad Saudi Riyal Murabaha Fund	Inside the Kingdom	Fund licensed by the Capital Market Authority	-	-	-
Member of the Board of Directors of Nusaned Fund	Inside the Kingdom	Fund licensed by the Capital Market Authority	-	-	-
Member of the Board of Directors of Participation Solutions for Information Technology	Inside the Kingdom	Limited Liability	-	-	-
Member of the Board of Directors of Telad Investment Company	Inside the Kingdom	Closed joint company	-	-	-
Member of the Board of Directors of Wasm Business Company for Information Technology	Inside the Kingdom	Closed joint company	-	-	-

Mr. Muath Abdulrahman Al-Husseini - Independent Member

Mr. Muath bin Abdulrahman Al-Husseini has many experiences through his previous work at Deutsche Bank as Head of Financial Solutions and Risk Management in the Middle East and North Africa, as well as he worked at SABB Bank in the Treasury Department as a Senior Treasury Advisor, and he is the co-founder and CEO of Ehata Capital. Mr. Alhusseini holds a Bachelor's degree in Management Information Systems with honors from King Fahd University of Petroleum and Minerals, he also holds the Chartered Financial Analyst (CFA) and the Financial Risk Manager Certificate. FRM certified.

Membership in the boards of directors of existing companies or of their directors	Inside the Kingdom / Outside the Kingdom	Legal entity	Membership in the boards of directors of former companies or their directors	Inside the Kingdom / Outside the Kingdom	Legal entity
Ehata Financial Company	Inside the Kingdom	Limited Liability	-	-	-
Saudi Lendo Company	Inside the Kingdom	Closed Joint Company	-	-	-
Saudi Mining Services Co.	Inside the Kingdom	One Person Closed Joint Company	-	-	-
Dan Company	Inside the Kingdom	Closed Joint Company	-	-	-

C. RECORD OF ATTENDANCE AT 2022 BOARD MEETINGS

In order to enhance its role, the Board of Directors held (9) meetings during the year 2022.

Board of Directors Meetings Held During the Year 2022 and Attendance Record:

#	Name	Position	Meeting Date and number									
			24/01/2022	14/03/2022	17/04/2022	13/05/2022	13/05/2022	23/08/2022	10/09/2022	12/12/2022	29/12/2022	
			01/22	02/22	03/22	04/22	05/22	06/22	07/22	08/22	09/22	
1	Mr. Nasser Mohammed Al-Subaie	Chairman of the Board of Directors	√	√	√	√	√	√	√	√	√	
2	Mr. Adeeb Abanmi	Vice Chairman	√	√	√	√	√	√	√	√	√	
3	Dr. Ziad Othman Alhogail	Member	√	√	√	√	√	√	√	√	√	
4	Mr. Abdulaziz Mohammed Al-Onaizan	Member	√	√	√	√	√	√	√	√	√	
5	Mr. Khalid Abdulrahman Al-Rajhi	Member	√	√	√	√	√	√	√	√	√	
6	Mr. Haitham Sulaiman Al-Suhaimi	Member	√	√	√	√	√	√	√	√	√	
7	Mr. Nasser bin Sulaiman Al-Nasser	Member	-	-	√	√	√	√	√	√	√	
	Mr. Mohammed Abdulrahman Al-Rajhi	Member	-	-	√	√	√	√	√	√	√	
	Mr. Haitham Mohammed Al-Fayez	Member	-	-	√	√	√	√	√	√	√	
8	Mr. Moaz Abdulrahman Al-Husseini	Member	-	-	√	√	√	√	√	√	√	
9	Mr. Fahad bin Abdullah bin Dakheel	Vice Chairman	√	√	-	-	-	-	-	-	-	
	Mr. Samir Omar Baissa	Member	√	√	-	-	-	-	-	-	-	
	Mr. Khalid bin Abdulaziz Al-Muqairen	Member	√	√	-	-	-	-	-	-	-	
10	Mr. Ahmed bin Abdulrahman Al-Hussan	Member	√	√	-	-	-	-	-	-	-	

(1) The new members of the current term of the Board, which began on 17/04/2022. (√) Attended - (X) apologize
(2) Members whose membership expired at the end of the previous term of the Board on 16/04/2022.

A. BALANCE OF SHARES OWNED BY MEMBERS OF THE BOARD OF DIRECTORS, THEIR SPOUSES AND MINOR CHILDREN

The number of shares owned by Members of the Board of Directors, their spouses and minor children at the beginning and end of fiscal year 2022:

No.	Stakeholder name	Number of shares at the beginning of 2022	Number of shares at the end of 2022	Net change	Change %
1	Mr. Nasser Mohammed AlSubeaei	2,742,563	3,006,676	264,113	%10
2	Dr. Zeyad Othman Alhekail	-	-	-	-
3	Mr. Abdulaziz Mohammed AlOnaizan	385,185	87,448	(297,737)	%(77)
4	Mr. Adeeb Mohammed Abanumai	-	-	-	-
5	Mr. Haytham Sulaiman AlSuhaimi	-	-	-	-
6	Mr. Khalid bin Abdulrahman AlRajhi	68,387,386	91,260,056	22,872,670	%33
7	Mr. Mohammed bin Abdulrahman AlRajhi	3,000	20,869	17,869	%596
8	Mr. Nasser Sulaiman Alnasser	-	-	-	-
9	Mr. Muadh Abdulrahman Alhussaini	-	-	-	-
10	Mr. Haitham Mohammed Alfayez	-	-	-	-

B. SENIOR EXECUTIVES CURRENT AND PREVIOUS POSITIONS, QUALIFICATIONS AND EXPERIENCE

Name	Current position	Previous positions	Qualifications	Experience	Specialty
Mr. Abdulaziz Mohammed AlOnaizan	Chief Executive Officer	Chief Business Officer at Bank Albilad	Bachelor	35 years	Quantitative Methods
Mr. Bashaar Yahya B Al Qunaibit	Senior Executive Vice President Businesses	Chief Business Officer – SABB Takaful	Bachelor	20 years	Business Administration
Mr. Saleh Suliman AlHabib	Executive Vice President Shared Services	General Manager of Corporate at Bank Albilad	Bachelor	28 years	Accounting
Mr. Abdullah Mohammed Alarifi	Executive Vice President of Risk	General Director of Credit Policy at Bank Albilad	Bachelor	26 years	Accounting
Mr. Hisham Ali AlAkil	Executive Vice President of Finance	Chief Financial Officer – Al Rajhi Capital	Master	21 years	Accounting
Mr. Samer Mohammed Farhoud	Executive Vice President of Treasury	Chief Executive Officer – Deutsche Gulf Finance	Bachelor	35 years	Computer Engineering
Mr. Abdullah Saad Salem Al Ruwais	Executive Vice President of Retail Banking	CEO- Saudi Financial lease contract registry company	Bachelor	22 years	Computer Science
Mr. Jameel Nayef Alhamdan*	Executive Vice President of Corporate Banking	General Director of Corporate – Bank Albilad	Bachelor	17 years	International Business Administration
Mr. Haitham Medainy AlMedainy	Executive Vice President of Human Resources	Head of Recruitment at the Saudi British Bank (SABB)	Bachelor	26 years	Computer Engineering
Mr. Saad Ibrahim Aldrees	Executive Vice President, Corporate Banking	Head of FI & Global Transaction Services	Master	17 years experience	Business Administration
Abdulaziz Saleh Mohammad Alghufaili	Chief Technology Officer	CTO - Saudi Industrial Development Fund	Master	21 years experience	Computer Info Systems

* Resigned in December 2022

C. BALANCE OF SHARES OWNED SENIOR EXECUTIVES, THEIR SPOUSES AND MINOR CHILDREN:

The number of shares owned by Senior Executives, their spouses and minor children at the beginning and end of fiscal year 2022:

No.	Stakeholder name	Position	Number of shares at the beginning of 2022	Number of shares at the end of 2022	Net change	Change %
1	Mr. Abdulaziz Mohammed AlOnaizan	Chief Executive Officer	385,185	87,448	(297,737)	-77%
2	Mr. Saleh Suliman AlHabib	Executive Vice President of Shared Services	183,918	245,224	61,306	33%
3	Mr. Abdullah Mohammed Alarifi	Executive Vice President of Risk	106,925	142,566	35,641	33%
4	Mr. Samer Mohammed Farhoud	Executive Vice President of Treasury	33,873	-	(33,873)	-100%
5	Mr. Haitham Medainy AlMedainy	Executive Vice President of Human Resources	28,629	21,838	(6,791)	-24%
6	Mr. Hisham Ali AlAkil	Executive Vice President of Finance	48,432	64,575	16,143	33%
7	Mr. Abdulaziz Saleh Alghufaili	Chief Technology Officer	-	-	-	-
8	Mr. Bashar Yahya Alqunaibit	Senior Executive Vice President Businesses	-	-	-	-
9	Mr. Saad Ibrahim Alderees	Executive Vice President of Corporate Banking	4,541	-	(4,541)	-100%
10	Mr. Abdullah Saad AlRuweis	Executive Vice President of Retail Banking	-	-	-	-
11	Mr. Jameel Naif Alhamdan*	Executive Vice President of Corporate Banking	21,883	29,177	7,294	33%

* Resigned in December 2022

BOARD COMMITTEES

The committees of the Board of Directors exercise their duties and responsibilities based on the relevant governance documents, regulations and policies approved by the Board of Directors - or the General Assembly, as the case may be - which determine their authority and work procedures, and these committees were formed with the formation of the Board of Directors for the current term for a period of three years from 17/04/2022 until 16/04/2025.

A. EXECUTIVE COMMITTEE

The responsibilities of the Executive Committee are to ensure the effectiveness of the decision-making process at the highest levels to achieve the Bank's objectives flexibly and according to the scheduled schedule, assist the Board of Directors in carrying out its responsibilities, activate its role in promoting, following up and implementing the Bank's strategy to support the effectiveness of performance, review and monitor the Bank's business on a regular basis, take decisions and submit the necessary recommendations to the Board.

The Committee in its current session consists of five members of the Board of Directors, and the Committee has met fourteen meetings during the year 2022, and the following is a statement of the meetings of the Committee and the names of the attendees:

MEETINGS OF THE EXECUTIVE COMMITTEE HELD DURING THE YEAR 2022 AND ATTENDANCE RECORD

#	Name	Position	Meeting Date and number													
			02/01/2022	17/01/2022	24/01/2022	08/02/2022	10/03/2022	05/04/2022	13/05/2022	06/06/2022	04/07/2022	15/08/2022	10/09/2022	23/10/2022	14/11/2022	04/12/2022
			01/22	02/22	03/22	04/22	05/22	06/22	07/22	08/22	09/22	10/22	11/22	12/22	13/22	14/22
1	Mr. Nasser bin Mohammed Al-Subaie	Chairman of the Committee	√	√	√	√	√	√	√	√	√	√	√	√	√	√
2	Mr. Abdulaziz Mohammed Al-Onaizan	Member	√	√	√	√	√	√	√	√	√	X	√	√	√	√
3	Mr. Khalid Abdulrahman Al-Rajhi	Member	√	√	√	√	√	√	√	√	√	√	√	√	√	√
4	Mr. Nasser bin Suleiman Al-Nasser	Member	-	-	-	-	-	-	√	√	√	√	√	√	√	√
5	Mr. Haitham bin Suleiman Al-Suhaimi	Member	-	-	-	-	-	-	√	√	√	√	√	√	√	√
1	Mr. Fahad bin Abdullah bin Dakhil	Member	√	√	√	√	√	√	-	-	-	-	-	-	-	-
2	Mr. Khalid bin Abdulaziz Al-Muqairen	Member	√	√	√	√	√	√	-	-	-	-	-	-	-	-

(1) New members of the current term of the Committee, which began on 17/04/2022. (√) Attended - (X) apologize

(2) Members whose membership expired at the end of the previous term of the Committee on 16/04/2022.

B. NOMINATION AND REMUNERATION COMMITTEE

The responsibility of the Committee is to review annually the required needs of appropriate skills for the membership of the Board of Directors and its committees in proportion to their nature and regulations, as well as to review the structure and composition of the Board of Directors and its committees from time to time, make recommendations on the strengths and weaknesses of the members, submit proposals to overcome them, submit its recommendations in this regard to the Board of Directors and regarding candidates for membership of the Board and its committees, qualifications and experience appropriate for membership, and ensure on an annual basis the independence of the independent members of the Board and the absence of conflicting interests, as well as The Committee is responsible for studying, developing, updating and proposing policies related to the remuneration and incentives of the members of the Board, its committees and the executive management, as well as the policy and mechanism of replacement for the members of the Board of Directors, its committees and the executive management, and submitting the necessary recommendations to the Board of Directors to approve the organizational structure of the Bank and the related updates and amendments.

The Committee consists in its current session of three members, including one member of the Board of Directors and two members from outside, and the Committee met (6) meetings during the year 2022, and the following are the biographies of members from outside the Board and they are:

Mr. Khalid Saleh Al-Hathal

Mr. Khalid bin Saleh Al-Hathal has more than 30 years of experience in a number of diverse fields, banking and commercial, through holding many positions, including the position of Executive Director of Shared Services in Al-Faisaliah Group previously and CEO of Ann Company Ltd. and many other companies, and currently holds the position of CEO of Muzn Investment Company and many memberships in the boards of directors and committees of a number of companies, and holds a master's degree and a bachelor's degree in business administration from Indiana University in United States of America.

Mr. Samir Omar Baissa

Mr. Samir Omar Baissa has a long experience in the banking field, including Regional Manager for the Western Region at the National Commercial Bank, General Manager of the Branch Network at Banque Saudi Fransi, Business Development Consultant at Riyadh Bank, and is currently a member of the Board of Directors of the Saudi Company for Tools and Tools SACO. He holds an MBA from California State University and a Bachelor's degree in Business Administration from King Abdulaziz University.

MEETINGS OF THE NOMINATION AND REMUNERATION COMMITTEE HELD DURING THE YEAR 2022 AND ATTENDANCE RECORD

#		Name	Position	Meeting Date and number				
				23/01/2022	09/03/2022	07/06/2022	25/08/2022	06/12/2022
				01/22	02/22	03/22	04/22	05/22
1	1	Mr. Haitham M. Al-Fayez	Chairman of the Committee	-	-	√	√	√
2		Mr. Samir Omar Baissa	Member	√	√	√	√	√
3		Mr. Khalid bin Saleh Al-Hathal	Member	√	√	√	√	√
4	2	Mr. Amr Hosni Altaher	Member	√	√	-	-	-

(1) A new member in the current term of the Committee, which began on 17/04/2022 (√) Attended - (X) apologize
(2) A member whose membership expired at the end of the previous term of the Committee on 16/04/2022.

A. RISK COMMITTEE

The Risk Committee is one of the committees at the same level as the Board of Directors. Its main purpose is to provide advice and consultation to the Board on current and future overall plans and strategies in relation to the Bank’s capacity and ability to bear risks. The Committee also supervises the Executive Management’s implementation of these plans and strategies. In general, the Committee assists the Board in overseeing all the activities and decisions related to the Risk Management Group at the Bank. Such activities and decisions include market, credit, investment, financial, Information technology & Cybersecurity and operating risks as well as liquidity, reputation, business continuity and technical systems risks. In addition, the Committee is to review the Bank’s internal risk policies and present them to the Board of Directors for approval. The Committee also seeks approval on the distribution amount of acceptable credit risks, responsibilities and other approved risks from the Board of Directors in a manner that does not conflict with the duties and responsibilities of other committees of the Broad of Directors, as well as supervising the approved risk limitations and ensuring that the bank has adequate policies and procedures approved by the competent authorities.

The current Committee consists of 3 Board members, and held 4 meetings during 2022.

The following is the attendance record of Committee Members’ meetings in 2022:

No.	Stakeholder name	Position	27/02/2022 (01/21)	23/05/2022 (02/21)	29/08/2022 (03/21)	28/11/2022 (04/21)
1	Mr. Muath bin Abdulrahman Al-Husseini	Chairman of the Committee	√	√	√	√
2	* Mr. Haitham M. Al-Fayez	Member	-	√	√	√
3	Mr. Mohammed Abdulrahman Al-Rajhi	Member	-	√	√	√
4	** Mr. Faisal bin Talib Humaid	Member				
5	*** Mr. Ahmed Abdulrahman Al-Hussan	Former Chairman of the Committee	√	-	-	-
6	* Mr. Haitham bin Suleiman Al-Suhaimi	Member	√	-	-	-

* New members in the current session of the Committee, which began on 17/04/2022 (√) Attended - (X) apologize
** New member of the Risk Committee in December 2022.
Members whose membership expired at the end of the previous session of the Committee on 16/04/2022.

B. COMPLIANCE AND GOVERNANCE COMMITTEE

The responsibility of the Committee is to supervise and maintain the strengthening and application of the highest standards of governance by ensuring on behalf of the Board of Directors that sound governance practices are followed in all the Bank’s activities, and the Committee also works to ensure that the Bank complies with all approved local, regional and international laws, regulations and rules related to its activities, and to conduct a permanent review of the general governance framework and related mechanisms, and the responsibility of reviewing the regulations of the committees of the Board of Directors and the Executive Management and submitting recommendations to the Board of Directors thereon. Monitor and ensure that the Bank has sufficient mechanisms to identify cases of conflict of interest in all transactions and operational activities. The Committee also approves the annual Compliance and Anti-Financial Crime Sector plan/program, and is responsible for reviewing the annual compliance report submitted to the Saudi Central Bank, following up on the adequacy, effectiveness and independence of the Compliance and Combating Financial Crimes Sector with regard to the implementation of the compliance policy and manual, combating financial crimes, reviewing the periodic and annual reports of each of them, ensuring the effective correction of any gaps or violations that are monitored or identified, and evaluating the sector and the compliance plan/program.

The Committee consists in its current session of three members, including two members of the Board of Directors and a member from outside it, and the Committee met (5) meetings during the year 2120, and below is the biography of a member of the Committee from outside the Board in the current session:

Mr. Samir Omar Baissa

Mr. Samir Omar Baissa has a long experience in the banking field, including Regional Manager for the Western Region at the National Commercial Bank, General Manager of the Branch Network at Banque Saudi Fransi, Business Development Consultant at Riyadh Bank, and is currently a member of the Board of Directors of the Saudi Company for Tools and Tools SACO. He holds an MBA from California State University and a Bachelor's degree in Business Administration from King Abdulaziz University.

Meetings of the Compliance and Governance Committee held during the year 2022 and attendance record

#	Name	Position	Meeting Date and number				
			23/01/2022	09/03/2022	07/06/2022	25/08/2022	06/12/2022
			01/22	02/22	03/22	04/22	05/22
1	Doctor Ziad Bin Othman Alhogail	Chairman of the Committee	√	√	√	√	√
2	Mr. Samir Omar Baissa	Former Chairman of the Committee and a current member	√	√	√	√	√
3	Mr. Muath bin Abdulrahman Al-Husseini	Member	√	√	√	√	√

* Mr. Abdulaziz bin Abdullah Al-Akel joined the membership of the Committee on 17/04/2022 (√) Attended - (X) apologize

** The membership of Mr. Jasser bin Abdul Karim Al-Jasser in the Committee ended on 16/04/2022

F. AUDIT COMMITTEE

The Audit Committee is responsible for the supervision of the internal audit division. This includes ensuring the independence and effectiveness of the Internal Audit division in undertaking its responsibilities, ascertaining the availability of its required human resources, approving its strategic and annual audit plans and monitoring its implementation, reviewing reports issued by the internal Audit Division, following up the corrective action plans provided by the business, and ensuring that external quality assessment is conducted over Internal Audit work activities at least once every 5 years. In addition, the committee approves the strategic and annual plan of the Sharia Internal Audit. The committee also nominates the bank's external auditors, determine their Fees, supervises their activities, reviews their audit plan, evaluates their performance, verifies their independence and the level of cooperation of the bank's management with them, discusses their observations, studies the interim and annual financial statements, and recommends their approval to the Board of Directors. The Committee also, reviews the contracts and transactions proposed by the Bank with related parties. In addition to the other supervisory duties that fall within the scope of the Committee duties as stipulated in its charter approved by the General Assembly.

The Committee currently consists of 3 Members, 1 from the Board (Committee Chairman) and 2 non-board Members. The biographies of the current Non-Board Members are as follows:

Mr. Mohammed Farhan bin Nader

Mr. Mohammed bin Farhan bin Nader has a variety of experiences in banking and consultancy through his work experiences in local and international consulting firms. He holds the American and Saudi Fellowship of Certified Public Accountants and holds a master's degree in Business Administration from Heriot-Watt University, Britain, and a bachelor's degree in Accounting from the King Saud University.

Mr. Abdulaziz bin Abdullah Al-Akel.

Mr. Abdulaziz bin Abdullah Al-Akel has a long experience through his previous work as Deputy Chief Internal Auditor at Arab Bank and Director of Information Technology Audit at Riyadh Bank, Al Rajhi Bank and Bank Albilad, in addition to his work in the field of Information Technology at the Ministry of Defense and Aviation and as a consultant to Auditor company, Mr. Abdulaziz is currently a member of the Board of Directors and Chairman of the Audit Committee of the National Environment Recycling Company. He is a certified internal auditor from the Institute of internal Control in America, a certified risk analyst from the American Academy of Financial Management, a certified risk information system controller from the audit and Control of Information Systems in America and holds a bachelor's degree in computer science from Monmouth University, USA.

The Committee held (7) meetings during the year 2022, and the following below a list of these meetings and members attendance:

#	Name	Adjective	Meeting Date and number						
			First meeting 01/02/2022	Second meeting 08/03/2022	Third meeting 19/04/2022	Fourth meeting 07/06/2022	Fifth meeting 26/07/2022	Sixth meeting 14/10/2022	Seventh meeting 20/12/2022
1	Mr. Adeeb Mohammed Abanumai	President	√	√	√	√	√	√	√
2	Mr. Mohammed bin Farhan bin Nader	Member	√	√	√	√	√	√	√
3	Mr. Abdulaziz A. Al-Akel	Member*	-	-	√	√	√	√	√
4	Mr. Jasser bin Abdulkarim Al-Jasser	Former Member **	√	√	-	-	-	-	-

* Mr. Abdulaziz bin Abdullah Al-Akel joined the membership of the Committee on 17/04/2022

** The membership of Mr. Jasser bin Abdul Karim Al-Jasser in the Committee ended on 16/04/2022

(√) Attended - (X) apologize

G. SHARIA COMMITTEE

The main purpose of the Sharia Committee is to assist the Board of Directors in performing its duties and responsibilities by enhancing confidence in the compliance with the Sharia provisions and principles prescribed by the bank. The committee provides Sharia consultation and supervises the bank's business in a manner that ensures the protection of shareholders and all stakeholders interests. The committee exercises its duties independently, not affected by any influence that may hinder it from issuing objective Sharia decisions while discussing sharia matters put before it, and issuing Sharia decisions with regards

to practicing Islamic banking, in order to achieve the bank’s vision, mission and values that preserve its identity, in accordance with the principles and provisions of the Islamic law. Upon the issuance of the Sharia Governance Framework by the Saudi Central Bank.

The committee works closely with the Board of Directors and is formed in accordance with the general regulations and conditions for forming approved committees prescribed by the bank. The Sharia committee consists of 3 specialized and competent members who are well-versed in the jurisprudence of financial transactions and economics, according to the approved formation in the General Assembly on 09-10-1443 AH corresponding to 04-11-2022 AD, The members are:

H.E. Sheikh Prof. Dr. Abdullah Musa Al-Amar (Chairman of the Committee)

H.E. Sheikh Prof. Dr. Abdullah Musa Al-Amar was an ex-professor of Jurisprudence, the College of Sharia, Imam Muhammad bin Saud Islamic University, a part-time advisor at the Ministry of Islamic Affairs, Dawah and Guidance, and an undersecretary of the Jurisprudence Department, College of Sharia, Imam Muhammad bin Saud Islamic University. He holds a Master’s degree and Doctorate degree from the Jurisprudence Department, College of Sharia, Imam Muhammad bin Saud Islamic University in 1407 AH. He has a number of books, including:

- Lottery and its areas of application in Islamic jurisprudence.
- Study of abstraction of carefulness book.
- Rules of mourning
- The life of H.E. Sheikh Muhammad bin Ibrahim Al Sheikh (in cooperation with others).

H.E. Sheikh Dr. Muhammad Saud Al-Osaimi (Member)

H.E. Sheikh Dr. Muhammad bin Saud Al-Osaimi is the General Supervisor of Maqased Economic Advisory, and was previously an Associate Professor at the College of Economics and Administrative Sciences, Imam Muhammad bin Saud Islamic University. He holds a Master’s degree and Doctorate degree in economics from the University of Colorado, Boulder, USA in 1414 AH. He has several books, including:

- How commercial banks work for non-specialists?
- Credit cards, the economic aspects of different payment cards.
- Translation of the book “Death of Money”, by Joel Curtisman.
- The economic aspects of traffic accidents.

H.E. Sheikh Prof. Dr. Yusuf Abdullah Al-Shubaili (Member)

H.E. Sheikh Prof. Dr. Yusuf bin Abdullah Al-Shubaili is a professor of Jurisprudence at the Higher Judicial Institute, Imam Muhammad bin Saud Islamic University. He is a member of the Sharia Board of the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI), he holds a Master’s Degree and Doctorate degree from the Department of Comparative Jurisprudence, the Higher Judicial Institute, Imam Muhammad bin Saud Islamic University in 1422 AH. He has several books, including:

- Credit cards and the related provisions in Islamic jurisprudence.
- Investment services in banks and their provisions in Islamic jurisprudence.
- Purposes of Islamic legislation.
- Financial transactions.

The Sharia committee held 17 meetings in 2022, and below is a statement of the committee’s meetings and the names of the attendees:

		Meeting number and date																
Name	Nature of Membership	31/03/2022	20/04/2022	18/05/2022	24/05/2022	07/06/2022	29/06/2022	27/07/2022	31/08/2022	18/09/2022	27/09/2022	18/10/2022	01/11/2022	07/11/2022	06/12/2022	11/12/2022	20/12/2022	26/12/2022
		488	489	490	491	492	493	494	495	496	497	498	499	500	501	502	503	504
H.E. Sheikh Abdullah Suleiman Al-Manea	Committee Chairman (prior)	√	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
H. E Sheikh Prof. Dr. Abdullah Muhammad Al-Mutlaq	Vice Chairman (prior)	√	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
H.E. Sheikh Prof. Dr. Abdullah Musa Al-Amar	Committee Chairman	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
H.E. Sheikh Dr. Muhammad Saud Al-Osaimi	Member	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
H. E. Sheikh Prof. Dr. Yusuf Abdullah Al-Shubaili	Member	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√

- The committee was reconstituted in the General Assembly on 09-10-1443 AH corresponding to 04-11-2022 AD to include the membership of each of the committee members His Eminence Sheikh Abdullah Al-Ammar, Sheikh Yusef Al-Shubaili, Sheikh Muhammad Al-Osaimi.
- (√) Attended - (X) apologize

REMUNERATIONS & COMPENSATIONS

Remuneration and compensation and the process of disclosing them shall be determined based on what is stated in the Companies Law and its regulations and in accordance with the provisions of the "Regulatory Controls and Procedures issued in implementation of the Companies Law for Listed Joint Stock Companies and their Updates, and the Corporate Governance Regulations and Updates" that the remuneration policies and mechanisms for determining them must be disclosed, as well as in accordance with what is determined by the rules, principles and regulations of the Saudi Central Bank and the Capital Market Authority, the relevant approved international standards, and the bank's policies and related documents, and the following is a presentation of the mechanism for determining remuneration and allowances for the members of the Board. And its committees, and details of what the members of the Board, its committees and senior executives have received:

Remuneration Policy of Directors and Committees

The remuneration of the members of the Board of Directors and its committees shall be subject to the provisions related to the Companies Law and its regulations, such as the regulatory controls and procedures issued in implementation of the Companies Law for listed joint stock companies, the updated Corporate Governance Regulations and their updates, the relevant circulars and principles of the Saudi Central Bank, and the Bank's Articles of Association, and their standards and provisions determine the policy related to the remuneration of the members of the Board of Directors, its committees and senior executives. The following is a statement of the most important of these provisions and a presentation of the most important items of the mechanisms for determining the remuneration of the members of the Board of Directors and its committees:

1. GENERAL PROVISIONS FOR REMUNERATION

1-1 The amount paid to the members of the Board shall not exceed (5%) five percent of the net profits, and in all cases, the total financial or in-kind remuneration and benefits received by the member of the Board of Directors, with the exception of the member of the Board of Directors and the Chairman of the Audit Committee, shall not exceed the amount of five hundred thousand riyals annually, including attendance allowance, which shall not exceed five thousand riyals per meeting, and in accordance with the controls prescribed in the Companies Law, the regulatory controls and procedures of the Companies Law, the Corporate Governance Regulations, and the principles of The instructions (circulars) of the Saudi Central Bank, and the relevant policies of the Bank.

1.2 A member of the Board of Directors may receive remuneration for his membership in the Audit Committee formed by the General Assembly, or for any executive, technical, administrative or advisory work or positions under an additional professional license assigned to him in the Bank, in addition to the remuneration that he may receive as a member of the Board of Directors and in the committees formed by the Board of Directors, in accordance with the Companies Law, the Company's Articles of Association and this Policy.

1.3 In the event that any member of the Committee is absent from attending meetings, an amount shall be deducted from his annual remuneration commensurate with the percentage of his absence, by dividing the total amount of the remuneration by the total number of meetings held by the Committee during the year, and deducting the remuneration due to the member for the meeting or meetings he did not attend.

1-4 The members of the Board of Directors may not vote on the item of remuneration of the members of the Board of Directors in the General Assembly.

1.5 If the General Assembly decides to terminate the membership of any member of the Board of Directors who is absent due to his failure to attend three consecutive meetings of the Board without a legitimate excuse, such member shall not be entitled to any remuneration for the period following the last meeting he attended, and he shall return all remuneration paid to him for that period.

1.6 The remuneration of the members of the Board of Directors may vary in amount to reflect the extent of the member's experience, terms of reference, tasks, independence, number of meetings attended and other considerations.

2. MECHANISMS FOR DETERMINING THE REMUNERATION OF THE MEMBERS OF THE BOARD AND ITS COMMITTEES

2-1 Subject to the above general rules, and in accordance with the provisions of the Companies Law and its regulations, such as the regulatory controls and procedures issued in implementation of the Companies Law for listed joint stock companies, the updated Corporate Governance Regulations, and the relevant circulars and principles of the Saudi Central Bank, especially those related to the minimum limit and the maximum limit that should not exceed five hundred thousand Saudi Riyals (500 thousand Saudi Riyals), the mechanisms for determining the remuneration for the members of the Board and its committees addressed by this policy shall be determined in accordance with what is issued by the Management of policies and decisions, taking into account the special provisions of the Audit Committee in accordance with the Companies Law and its Regulations, and the relevant rules and regulations in particular.

2.2 In addition to the lump sum remuneration and the amount of attendance allowance in accordance with the controls specified above, each member of the Board of Directors shall be paid the value of the actual expenses incurred by the Member to attend the meetings of the Board of Directors and its committees, including accommodation expenses and first-class air travel expenses.

2.3 In addition to the lump sum remuneration and the amount of attendance allowance in accordance with the controls specified above, each member of the Board Committees (outsiders) shall be paid the value of the actual expenses incurred by the Member to attend the meetings of the Committee, including accommodation expenses and expenses for business class air travel.

1. POLICY AND MECHANISMS OF REMUNERATIONS FOR EXECUTIVE MANAGEMENT MEMBERS

Without prejudice to the above-mentioned rules and general standards, and in accordance with the related Laws and Regulations, the updated Companies Governance Regulation, principles and circulars of the Saudi Central Bank, the mechanisms of the remunerations of the employees in general, and

Senior Executives in particular, shall be determined according to the policies and decisions issued by the Board of Directors. These mechanisms shall take into consideration the relevant controls and standards mentioned in the Nominations and Remunerations Committee’s regulations, as approved by the General Assembly, as well as the rules of remunerations issued by the Saudi Central Bank such as:

1. To conform to the Bank’s strategy and objectives.
2. To specify the standards for giving remuneration and the disclosure thereof; and to ensure their implementation.
3. To focus on linking remuneration standards with performance.
4. To determine the remuneration on the basis of position, tasks and responsibilities, academic qualifications, work experiences, skills and level of performance.
5. The remuneration must be appropriate to the size, nature and level of risks faced by the Bank.
6. The amounts of remunerations and incentives related to performance shall be determined based on profit rate relevant to risk level and as per the rules and principles of the Saudi Central Bank in connection with remunerations and incentives, as well as the standards of the Financial Stability Board (FSB).

Pursuant to the Saudi Central Bank’s circular No. 391000083183 dated 28/7/1439H, the clause pertaining to the maximum limit of remuneration for Board Members and Board Committee Members at no more than SR 500,000 annually (as stipulated in the Saudi Central Bank’s circular No. 381000063670 dated 14/6/1438), is no longer applicable to the Bank’s Chairman of the Board as referred to in Clause 81 of the Companies Law.

(1) Remunerations for current and previous Board of Directors

(1) Remuneration of the members of the Board of Directors (previous and current term):

Name	Fixed Rewards						Variable Rewards									
	Fixed Amount	Allowance for attending meetings of the Board	Total allowance for attending committee meetings	In-kind benefits	Technical, administrative and consulting work rewards	Remuneration of the Chairman of the Board, Managing Director or Secretary if he is one of the members	Total	Profit Percentage %	Periodic bonuses	Short-term incentive plans	Long-term incentive plans	Awarded Shares	Total	End of Service Benefits	Total	Expense allowance
First: Independent Members																
1. Adeb Bin Muhammad Abanmi	320,000	45,000	35,000	-	-	-	400,000	0.030	300,000	-	-	-	300,000	-	700,000	-
2. Ziad Bin Othman Alhogail	320,000	45,000	25,000	-	-	-	390,000	0.00	110,000	-	-	-	110,000	-	500,000	-
3. Nasser Bin Suleiman Alnasser (*)	227,068	35,000	40,000	-	-	-	302,068	0.00	42,575	-	-	-	42,575	-	344,643	-
4. Haitham bin Mohammed Al-Fayez (*)	227,068	35,000	30,000	-	-	-	292,068	0.00	120,630	-	-	-	120,630	-	412,698	-
5. Muath bin Abdulrahman Al-Husseini (*)	227,068	35,000	30,000	-	-	-	292,068	0.00	120,435	-	-	-	120,435	-	412,503	-
6. Samir Ben Omar Baissa (**)	92,932	10,000	20,000	-	-	-	122,932	0.00	49,369	-	-	-	49,369	-	172,301	13,439
7. Ahmed bin Abdulrahman Al-Hussan (**)	92,932	10,000	5,000	-	-	-	107,932	0.00	31,945	-	-	-	31,945	-	139,877	-
Total	1,507,068	215,000	158,000	-	-	-	1,907,068	0.00	774,954	-	-	-	774,954	-	2,682,022	13,439
Second: Non-Executive Members																
1. Nasser bin Mohammed Al-Subaie	320,000	45,000	70,000	-	-	-	435,000	0.00	110,000	-	-	-	110,000	-	545,000	-
2. Khalid bin Abdulrahman Al-Rajhi	320,000	45,000	70,000	-	-	-	435,000	0.00	60,000	-	-	-	60,000	-	495,000	-
3. Haitham bin Suleiman Al-Suhaimi	320,000	45,000	45,000	-	-	-	410,000	0.00	60,000	-	-	-	60,000	-	470,000	-
4. Mohammed bin Abdulrahman Al-Rajhi (*)	227,068	35,000	15,000	-	-	-	277,068	0.00	42,575	-	-	-	42,575	-	319,643	33,494
5. Fahad bin Abdullah bin Dakheel (**)	92,932	10,000	30,000	-	-	-	132,932	0.00	17,425	-	-	-	17,425	-	150,357	-
6. Khalid bin Abdulaziz Al-Muqairen (**)	92,932	10,000	30,000	-	-	-	132,932	0.00	17,425	-	-	-	17,425	-	150,357	-
Total	1,372,932	190,000	260,000	-	-	-	1,822,932	0.00	307,425	-	-	-	307,425	-	2,130,357	-
Third: Non-Executive Members																
1. Abdulaziz bin Mohammed Al-Onaizan	320,000	45,000	65,000	-	-	-	430,000	0.00	55,714	-	-	-	55,714	-	485,714	-

Clarifications:

- (*) New members of the Board of Directors in the current term of the Board which began on April 17, 2022
- (**) Members of the Board of Directors in the previous term of the Board whose term of office expired on 16 April 2022.

(2) Remuneration of Board Committees - Members from outside the Board - (Previous and Current Session):

Committee Members	Fixed Rewards (except for meeting attendance)	The exchange of meetings	Total
Members of the Nomination and Remuneration Committee:			
1. Khalid bin Saleh Al-Hathal	110,000	25,000	135,000
2. Sameer Bin Omar Baissa (***)	78,055	15,000	93,055
3. Amr Hosny Eltaher (**)	31,945	10,000	41,945
Total	220,000	50,000	270,000
Audit Committee Members:			
1. Muhammad Bin Farhan Bin Nader	110,000	35,000	145,000
2. ABedAl-Aziz bin Abdullah Al-Aqel (*)	78,055	25,000	103,055
3. Jasser Bin Abdul Karim Aljaser (**)	31,945	10,000	41,945
Total	220,000	70,000	290,000
Risk Committee Members:			
1. Muath bin Abdulrahman Al-Husseini (****)	31,945	5,000	36,945
2. Faisal Bin Talib Bin Humaid (*****)	00	00	00
Total	31,945	5,000	36,945
Members of the Compliance and Governance Committee:			
1. Muath bin Abdulrahman Al-Husseini (****)	31,945	10,000	41,945
2. Sameer Bin Omar Baissa (***)	78,055	10,000	88,055
Total	110,000	20,000	130,000
Members of the Shariah Committee:			
1. SheikhAbdullah bin Suleiman Al-Manea (**)	34,849	7,500	42,349
2. Sheikh Prof. Abdullah bin Mohammed Al-Mutlaq (**)	34,849	7,500	42,349
3. Sheikh Prof. Abdullah bin Musa Al-Ammar	283,205	107,500	390,705
4. Sheikh Dr. Mohammed bin Saud Al-Osaimi	212,877	107,500	320,377
5. Sheikh Prof. Yousef bin Abdullah Al-Shubaily	212,877	107,500	320,377
Total	778,657	337,500	1,116,157

Clarifications:

- (*) The new members of the committees in the current term, which began on April 17, 2022.
- (**) Members of the committees in the previous term which ended on April 16, 2022.
- (***) After the end of his membership in the previous term of the Board, he continued as a member from outside the Board

in the Nomination and Remuneration Committee and the Compliance and Governance Committee.

(****) He was a member from outside the Board in the previous term of the Risk Committee and the Compliance and Governance Committee, and continued to be a member of the Compliance and Governance Committee and Chairman of the Risk Committee after becoming a member of the Board in its current term.

(*****) A new member joined the Risk Committee during the month of December 2022.

2. Details of remunerations, salaries, allowances and other compensation paid to Senior Executives

Statement	7 Senior Executives including CEO and CFO SAR (000)
Salaries and compensations	17,740
Annual and periodic allowances and remunerations	33,120
Total	50,860

MECHANISMS AND METHODS USED TO EVALUATE THE PERFORMANCE OF THE BOARD AND COMMITTEES MEMBERS:

In evaluating its performance and the performance of its committees and members, the Board of Directors relies on a mechanism that includes the Nomination and Remuneration Committee, by virtue of its competence, to conduct an annual evaluation of the Board of Directors and its affiliated committees, through forms and an evaluation mechanism specially designed for this purpose, as the Nomination and Remuneration Committee approved that the Corporate Secretariat and Governance to prepare for the evaluation process according to the updated models and mechanism approved for that. The committee supervised, studied and discussed the results of the evaluation of the Board and its committees, identified the strengths and recommended work to strengthen them and weaknesses, recommended work to address them, and worked to present a summary of the results with the recommendations of the Committee necessary for the Board of Directors.

It was also approved to contract with a specialized company to carry out the next evaluation process at least every three years.

INTERNAL AUDIT

Internal Audit is an independent and objective function that reports directly to the Audit Committee formed by the general assembly of the bank and aims to provide reasonable assurances to the audit committee and the senior management of the bank about the adequacy and effectiveness of the internal control system, through the application of a systematic approach to assess and improve the effectiveness of governance and risk management processes and oversight. Internal Audit follows the risk-based audit methodology in the planning and implementation of audit work. It also follows up on correcting the observations contained in the reports of internal audits, external auditors, and regulatory and supervisory bodies to ensure that they are implemented according to the set

target dates and that the implemented actions ensure the integrity of internal control controls. The Internal Audit Division applies a quality assurance program that covers all Internal Audit activities and contributes to raising the level of performance and adherence to internal audit standards and applying best practices.

The Internal Audit scope of the work includes all the activities and departments of the bank and subsidiaries that do not have an independent audit committee and audit department. In 2022, Internal Audit carried out the internal audit work according to its plan approved by the audit committee, which is based on an integrated study and a comprehensive assessment of risks for the units subject to audit (universe items) at the bank’s level. In addition, the Internal Audit carried out many other tasks assigned to it by the Bank’s management, Audit Committee or the Central Bank of Saudi Arabia.

INTERNAL CONTROL SYSTEM

The Bank’s executive management is responsible for creating an appropriate and effective internal control system that includes policies and procedures prepared under the supervision of the Board of Directors to achieve the Bank’s strategic objectives. Accordingly, an integrated internal control system has been developed as recommended by the regulatory and supervisory authorities, starting with the general governance framework in the bank, which defines the roles and responsibilities assigned to the Board of Directors, its committees, as well as the executive management committees, to ensure the availability of appropriate control at the level of the bank. All administrative units of the Bank are making concerted and integrated efforts to improve the control environment through the continuous development and review of policies and procedures to reduce any abuses and to avoid and correct any deficiencies in the internal control system.

In addition to the control work carried out by the Bank’s regulatory authorities, including the Compliance and Financial Crime Sector and the Risk Management Group, internal audit is an independent line of defense for the executive management, and its scope of work includes evaluating the effectiveness of the internal control system, including compliance with approved policies and procedures. Audit reports containing weaknesses in the internal control system as well as corrective actions are submitted to the Audit Committee and the CEO. The Audit Committee monitors the adequacy and effectiveness of Internal control system to reduce risks and protect the interests of the Bank.

Based on the results of the continuous evaluation of the internal control system during the year 2021, the Board of Directors believes that the internal control system is adequately designed and implemented effectively and that there are no control gaps or material weaknesses in the Bank’s business for the year 2021, and this comes based on reasonable assurances by the Board of Directors about the soundness of the design and effectiveness of the application of the internal control system, and the Bank’s management believes that the internal control system currently in force is adequate, works effectively and is monitored on a regular basis, and seeks Constantly strengthening the internal control system, note that any internal control system regardless of the soundness of its design and the effectiveness of its application cannot provide absolute assurance.

Dividend Policy

The Bank’s annual net profits determined by the Bank after deducting all general expenses and other costs and the formation of reserves necessary to meet doubtful debts, investment losses and

contingent liabilities that the Board of Directors deems necessary in accordance with the provisions of the Banking Control Law, the Companies Law and its regulations and the directives of the Saudi Central Bank shall be distributed as follows:

- 1. The amounts necessary to pay the Zakat prescribed by the shareholders shall be calculated, and the Bank shall pay these amounts to the competent authorities.
- 2. At least twenty-five percent (25%) of the remaining net profits after deduction of Zakat shall be carried forward to the statutory reserve until the said reserve becomes at least equal to the paid-up capital.
- 3. An amount of not less than (5%) five percent of the paid-up capital shall be allocated from the remaining profits after deduction of the statutory reserve and zakat for distribution to shareholders as proposed by the Board of Directors and decided by the General Assembly. If the remaining percentage of the profits due to the shareholders is not sufficient to pay this percentage, the shareholders may not demand payment in the following year or years, and the General Assembly may not decide to distribute a percentage of the profits in excess of what was proposed by the Board of Directors.
- 4. The remaining shall be used after the allocation of the amounts mentioned in paragraphs (1,2,3) as recommended by the Board of Directors and approved by the General Assembly.

MAJOR SHAREHOLDERS:

The Bank’s major shareholders who owned more than 5% of shares as at the end of trading on 31 December 2022 are as follows:

No.	Stakeholder name	Percentage (%)
1	Mohammed Ibrahim Alsubaei & Sons Company	19.34
2	Abdullah Ibrahim Alsubei Investment Co.	11.14
3	Mr. Khalid Abdulrahman AlRajhi	9.12
4	Mr. Abdulrahman Abdulaziz Saleh AlRajhi	6.66

GENERAL ASSEMBLY MEETINGS HELD DURING THE YEAR 2022

Bank Albilad held an Extraordinary General Assembly Meeting for its shareholders during the fiscal year 2022, which is the twelfth Extraordinary General Assemblyon 10 Ramadan 1443AH corresponding to 11 April 2022:

- a. Record of attendance of the members of the Board of Directors and the chairmen of the committees for the extraordinary general assembly meeting held during the year 2022
- The meeting of the Assembly was held by means of modern technology, and the attendance was from the members of the Board of Directors as follows:

M	Name	Attendance Record
1	Mr. Nasser Mohammed Al-Subaie (Chairman)	√
2	Mr. Fahad bin Abdullah bin Dakheel (Vice Chairman)	√
3	Mr. Khalid bin Abdulaziz Al-Muqairen	√
4	Mr. Khalid Abdulrahman Al-Rajhi	√
5	Mr. Ahmed Abdulrahman Al-Hussan	√
6	Mr. Samir Omar Baissa	√
7	Dr. Ziad Othman Alhogail	√
8	Mr. Abdulaziz Mohammed Al-Onaizan	√
9	Mr. Adeeb Abanmi	√
10	Mr. Haitham Sulaiman Al-Suhaimi	√

THE RESULTS OF THE VOTING ON THE ITEMS OF THE GENERAL ASSEMBLY WERE AS FOLLOWS:

- 1) Approval on the Board of Directors' report for the fiscal year ending on 31 December 2021.
- 2) Approval on the external auditors report for the fiscal year ending on 31 December 2021.
- 3) Approval on the financial statements for the fiscal year ending on 31 December 2021.
- 4) Approval on appointing the auditors for the Bank (Ernst & Young (EY) and Price Waterhouse Coopers (PwC)) from among the candidates based on the Audit Committee's recommendation. The appointed auditors shall examine, review and audit the (second, third) quarter and annual financial statements of the fiscal year 2022, and the first quarter of the fiscal year 2023, and the determination of the auditors' remuneration.
- 5) Approval on releasing the members of the Board of Directors from their liabilities for the fiscal year ending on 31 December 2021.
- 6) Approval on the Board of Directors recommendation to increase the capital by way of issuing bonus shares as follows:
 - a) Total amount of increase: SAR 2,500 Million
 - b) Capital before increase: SAR 7,500 Million. Capital after increase: SAR 10,000 Million. Increase percentage: 33.33%
 - c) Number of shares before increase: 750 Million shares. Number of shares after increase: 1,000 Million shares.
 - d) This recommendation aims to enhance the Bank's financial solvency and retain its resources in operational activities.

e) The capital increase will be made through the capitalization of SAR 2,500 M from the retained earnings by granting one share for every three shares.

f) In the event of stock fractures, the fractions will be grouped into a single portfolio for all shareholders and sold at the market price and then distributed to the shareholders entitled to the grant each according to their share within 30 days of the date of the determination of the shares due to each shareholder.

g) In case the Bank's shareholders approved in the extraordinary general assembly on the increase of the capital, the shareholders registered in the Bank's shareholders' register with the Securities Depository Center Company (Edaa) by the end of the second trading day following the date of the Extraordinary General Assembly meeting, will be eligible for the bonus shares.

h) Approval on to amend Article No. 7 relating to Capital, of the Articles of Association of the Bank.

7) Approval on delegating the Board of Directors to distribute interim dividends on a semi-annual or quarterly basis for the fiscal year 2022.

8) Approval on paying an amount of (SAR 3,520,000) as remuneration to the Board members by (320) thousand riyals for each member for the fiscal year ending on 31 December 2021.

9) Approval on the election of 11 of board members from among the candidates for the next term, which will start from 17 Apr 2022 for a period of three years ending on 16 Apr 2025. The following members were elected:

- 1) Mr. Nasser bin Mohammed Ibrahim Al-Subaie - Non-executive
- 2) Mr. Mohammed Abdulrahman Abdulaziz AL Rajhi - Non-executive
- 3) Mr. Khalid Abdulrahman Saleh Al Rajhi - Non-executive
- 4) Mr. Abdulaziz Mohammed Ali AlOnaizan – Executive
- 5) Mr. Khalid Abdulaziz Al Mukairin - Non-executive
- 6) Mr. Haytham Suliman Abdulaziz Alsuheimi - Non-executive
- 7) Mr. Haitham Mohammad Abdulrhman Alfayez – Independent
- 8) Dr. Zeyad Othman Ibrahim Alhekail – Independent
- 9) Mr. Adeeb Mohammed Abanumai – Independent
- 10) Mr. Nasser Sulaiman Abdullah AlNasser – Independent
- 11) Mr. Muadh Abdulrahman Hasan Alhusaini – Independent

10) Approval on forming the Audit Committee, defining its duties, operating controls, and remuneration for its members for the new term that starts on 17 Apr 2022 for a period of three years ending on 16 Apr 2025, noting that the candidates are:

- 1) Mr. Adeeb Mohammed Abanumai
- 2) Mr. Mohammed Farhan bin Nader
- 3) Mr. Abdulaziz Abdullah Alakil

11) Approval on forming the Shariah Committee for the new term that starts on 17 Apr 2022 for a period

of three years ending on 16 Apr 2025, noting that the candidates are:

1) Dr. Abdullah Musa Al-Amar

2) Dr. Muhammad Saud Al-Osaimi

3) Dr. Yusuf Abdullah Al-Shubaili

12) Approval on the amendments of the Audit Committee Charter.

13) Approval on the amendments of the succession policy for members of the Board of Directors and its committees.

14) Approval on the amendments of the policy of rules and controls for nomination and appointment in the Board of Directors and its committees.

15) Approval on the amendments of Rules and standards proceeding to BoD member of competing with the Bank or any of its activities.

16) Approval on delegating to the Board of Directors the authorisation powers of the General Assembly stipulated in paragraph (1) of Article 71 of the Companies Law, for a period of one year starting from the date of the approval by the General Assembly or until the end of the delegated Board of Directors' term, whichever is earlier, in accordance with the conditions set forth in the Regulatory Rules and Procedures issued pursuant to the Companies Law relating to Listed Joint Stock Companies.

CODE OF ETHICS AND CONDUCT

The principles and rules of professional and ethical conduct and related principles form the cornerstone of Bank Albilad Group's business ethics and behavior, as their application helps the bank to achieve its vision and mission, protect all its stakeholders, including investors, customers and customers, as well as protect its interests and develop its business, reputation and brand. The Bank has gained its good reputation as a result of its commitment to the application of its principles and banking values based on the provisions of Islamic Sharia and committed to the laws, regulations and instructions of regulatory authorities such as the Saudi Central Bank and the Capital Market Authority, as well as the sincerity, commitment and dedication of all the Bank's employees to serve its customers and ensure the provision of the best possible banking service to them in accordance with the highest professional and ethical level. Trust, responsibility, honesty and respect are essential elements and fundamental pillars of this reputation and a source of value that the Bank provides to its customers and the obligations it has placed on itself towards multiple stakeholders, to maintain the values and principles of the Bank, which obliges all employees without exception to perform their work and tasks in a manner that reflects a good image of the Bank and its employees and ensures the preservation of the Bank's reputation and spares it any damages or risks resulting from any abnormal behavior inside and outside the Bank, whether inside and outside the Kingdom of Saudi Arabia. All employees must treat others with dignity and respect, take responsibility for their actions, act in accordance with the letter and spirit of laws and regulations, and be open, honest and frank in order to make high-level decisions based on facts.

Compliance And Anti Financial Crime

Bank Albilad considers that compliance with regulations, standards and instructions issued by the

regulatory and supervisory authorities is one of the most important success factors of the bank and maintains its reputation and credibility and the interests of shareholders and depositors, as well as providing protection against regulatory and legal penalties. And it is on the top priority of the bank.

Compliance And Anti Financial Crime Division Role

Compliance is an independent function that identifies, assesses and monitors non-compliance risks, provides advice and consultation, and reports on compliance issues, with the objective of protecting the bank and its ambassadors from being exposed to regulatory or administrative penalties, financial losses, or loss of reputation that occur as a result of failure to comply with regulations, instructions, controls and the code of principles and rules of professional and ethical conduct.

The Compliance and Anti Financial Crime Division ensures that all the bank's policies, manuals and procedures comply with regulations and instructions issued by the regulatory and supervisory authorities as well as ensures the proper implementation of these policies, manuals and procedures in the bank.

Compliance and Anti Financial Crimes Division has several general roles and responsibilities. Following are Some of the specific functions fall under the Division:

- Anti-Money Laundering, Combat of terrorist financing and Preventing Proliferation and Combating Commercial Concealment.
- Combat Financial Fraud and Financial Crimes
- Providing advisory and support to all administrative units
- Anti-corruption and whistleblowing
- Identify, analyze and assess the risks of non-compliance related to the bank's customers, services, products, geographical areas, delivery channels, and setting appropriate controls and standards.
- Strengthen relations with regulatory and supervisory authority
- Training and awareness
- Report on non-compliance issues and provide recommendations related to the processes of resolving those issues

Monitor And Evaluate The Effectiveness Of Implementing Regulations And Instructions

The Compliance and Anti Financial Crimes Division is responsible for ensuring that the bank's policies, directives, procedures, products and services are in line with the regulations and instructions issued by the regulatory and legislative bodies and monitoring the effectiveness of the proper implementation of these policies, directives and procedures.

COMPLIANCE INITIATIVES

Bank Albilad aims to enhance the culture of its employees and the community related to compliance and anti-financial crimes.

One of the Compliance and Anti Financial Crime Division functions is to organize the education and

awareness of staff on compliance and anti-financial crimes subjects. The Bank continuously conducts training on compliance, including compliance, AML&CTF and anti-financial fraud and corruption training to all the Bank's Ambassadors to enhance their knowledge of all relevant compliance regulations, and to develop their skills and capabilities in the compliance area, in addition to the specialized training to Compliance and Anti Financial Crime Division employees, online courses to the Bank's employees, and training for new hires which emphasizes compliance and anti-financial crimes. Further, our compliance and anti-financial crimes training extends to the Board of Directors where we concentrate on enhancing the board members knowledge related to relevant rules and regulations.

Bank Albilad is committed to follow the rules and regulations to protect the Bank and its customers from risks. Documents have been prepared for the Bank's employees on the appropriate implementation of compliance regulations, rules, and standards through policies and procedures and other documents such as compliance manual and internal rules.

Human Resources Policy

The Bank's compliance with rules, laws and regulations, is one of the most important bases and factors of its success, excellence and maintenance of its reputation and credibility. It is obligatory, therefore, that all the Bank's staff are committed to recognize the importance of compliance with regulations, instructions and policies related to the bank's business and the tasks assigned thereto, and apply them without any violation, breach or negligence.

Business Continuity

The Bank recognizes the criticality of business continuity and has a robust Business Continuity Plan (BCP) to enable it to respond to any serious and/or disruptive incident in a timely and appropriate manner. During 2022, two comprehensive tests (BCP Test – cyber security Test) were carried out to ensure the effectiveness of the Plan. In addition, a continuous seven -day recovery test was conducted on all critical IT operations by switching them over to the Bank's Disaster Recovery Centre (DRC).

The Bank also conducted Sudden Test for Disaster Recovery (DR) that lasted for Three – Days which held the transfer critical IT to Disaster Recovery Centre. (DRC).

The Bank will continue to upgrade and update its disaster recovery , Business Continuity and crisis management capabilities, as well as provide ongoing training in all Divisions and Departments which also include (ABIC – Enjaz payment solution) Quarterly with continues update for online training in ALBILAD ACADEMY specific to business continuity, to ensure its optimum response capability in the event of a major incident.

RISK MANAGEMENT

A Primary part of the nature of a bank's businesses to be exposed to risks. To mitigate them, these risks are monitored and managed by the Risk Management Group in the bank which is responsible for managing credit risks, market risks, operational risks, and information security risks. And abiding by the requirements of Saudi Central Bank and Basel Committee. A full description of these risks is found in the representations attached to the consolidated financial statements notes from 30 to 35 considering them complements to the report of the Board of Directors. Below is a short summary of these risks:

Such risks are monitored and managed through the Bank's Risk Management Group, whose tasks include managing a range of risks, as well as ensuring compliance with the requirements of the Saudi Central Bank (SAMA) and the Basel Committee.

Throughout 2022, the Risk Management Group continued to focus on improving the effectiveness of its risk management system, while implementing best practices to ensure that the Bank's activities maintain the right balance between achieved returns and expected risks.

The Group's framework is based on three key pillars, namely the sound principles of risk management, the organizational structure and risk measurement and monitoring. These practices should align with the banking activities to ensure that risks are maintained at an acceptable level. The Risk Management Group operates separately and independently from the Bank's other business groups and divisions, in line with SAMA's guidelines and Basel Committee's requirements.

The Bank implements frameworks to identify, measure, monitor and manage risks, covering credit risk, market risk, liquidity risk, operational risk , information security and cybersecurity risk. The Bank regularly reviews the policies and systems of risk management, and keeps up with market and product changes, in order to adopt and implement best international banking practices. The most important risks are summarized as follows:

1. Credit Risk: Credit risk is one of the key risks to which the Bank is exposed, mainly through financing and investment activities. Managing credit risks involves multiple units that operate under a unified system in accordance with approved credit policies and procedures.

a. Measurement of Credit Risk Rating : The Bank measures the rating of credit risk to identify the qualitative and quantitative amounts of risk to which it might be exposed, and to determine the rating of credit risks to which the Bank is actually exposed. The Bank employs an advanced system for the internal assessment of the rating of credit risk to which corporate banking, private banking, financial institution clients, corporations and small and medium enterprise clients may present. This assessment helps measure the probability of default, the volume of projected default and the likely amount of losses resulting from such default. To ensure a more accurate and fair assessment of risk rating , the Bank continues to improve its assessment methods and applies a different assessment methodology. Additionally, the Bank has put in place a system to measure the level of risk for retail banking clients.

b. Credit Risk Mitigation and Control: The Bank employs several methods of assessment aimed at mitigating the degree of credit risk within reasonable levels. Such methods include analyzing future data in order to measure the client's ability to meet financing obligations. Credit approvals in such cases are issued by several levels and several credit committees composed of Bank executives, or by Board-level committees. The approval depends on the rating of credit risk, potential credit loss and the total volume of credit facilities provided to each client depending on the credit authority matrix.

In addition to these measures, the Bank requires clients to provide such reasonable collateral as is deemed necessary against the facilities to be provided. There are many types of collateral against facilities, such as cash coverage, mortgage against investments and assets for the Bank, mortgage of commercial and residential real estate assets, acknowledge assignment of project proceeds in certain instances of project financing, as well as requiring financial, personal or third-party guarantees against the facilities. Guarantees under Kafalah guarantee program for the financing of small and medium enterprises (SMEs) should be collected as long as the program's terms are met. However, financing for

individuals is on the basis of approved program criteria that involve specific credit standards to be met.

This type of financing also requires that the credit portfolio involves no concentration of credit risk, as well as the conformity of credit exposure levels with relevant established controls, be it exposure to a certain entity or a specific sector or activity and the bank sets internal limits to monitor the credit concentrations.

c. Monitoring and Reporting: The Bank, at minimum, conducts a comprehensive annual credit review of the financial and credit positions of all clients who are financed through corporate and retail banking services. This review ensures that the client's status, and their financing needs, is sustainable and that the smooth functioning of credit relations with them remain viable. The Bank also conducts reviews that involve regular visits to financed clients throughout the year. The bank also measures and monitors early warning signs for its clients on a periodical basis to ensure the quality of their credit Position.

High credit risk corporate clients are categorized as clients who require special attention. Their credit exposure is closely and carefully monitored and reviewed bi-annually in order to properly mitigate the risk exposure. On the other hand, the Bank conducts comprehensive monitoring of the portfolio of retail banking clients who have obtained credit facilities for consumer purposes. This involves the evaluation of established standards for each segment in the portfolio independently, The bank also takes the necessary insurance coverage against the retail financing portfolio to ensure that the risks are mitigated upon the death of the customer, God forbid, in addition to insurance coverage on the real estate subject to financing for customers in the retail financing portfolio to mitigate the risks associated with this type of financing.

The Bank calculates the appropriate level of credit provisions in its records and financial statements in accordance with recognized international financial standards for accounts that may incur losses. This measure is adopted when there are indications that circumstances exist which may affect the expected cash flow of these assets or investments and that such provisions are required. The bank also reviews the inputs and assumptions employed to specify expected credit losses such as adjusting the factors/ inputs of the macroeconomy that the bank uses in the form of expected credit losses including missing payment rates taking into consideration the economic changes that occur from time to time

The Bank also prepares a comprehensive monthly status report for its portfolio, analyzing the concentration of credit exposure, and comparing it with approved percentages. This report is submitted for the Bank's Senior Management's for review and supervision.

2. Market Risk: Market risks are among the key risks to which bank activities are exposed, where fluctuations in price, profit margin rates and foreign exchange rates lead to negative outcomes and may consequently result in losses for the Bank. Additionally, the sudden and significant change in these rates may affect the Bank's liquidity position as well as its financing ability. Market risk involves several main risks to which the Bank is exposed, including:

Profit rate risk: Known as the potential impact on the Bank's profitability due to fluctuations in market return rates. These changes often occur as a result of overall market activity, or due to economic changes or specific reasons affecting the borrower.

Foreign exchange risk: The risk resulting from Exchange rate fluctuations, which impacts both the Bank's profitability and shareholder rights and exposes the Bank to increased risk.

Managing the Bank's market risk is generally based on monitoring market risk exposure to increase return within the limits of approved market risk policies, as well as within the Bank's acceptable risk levels.

The Bank is exposed to market risks from the following sources:

Trading portfolios: Risk exposure in the case of foreign exchange trading portfolios arising from meeting the Bank's and clients' requirements for foreign exchange.

Non-trading portfolios: Risk exposure in the case of non-trading portfolios mainly occurs due to non-conformity of assets and their maturity dates with the maturity dates of liabilities. It also occurs due to the impact of rate fluctuations upon re-investment.

3. Liquidity risk: Considered one of the most critical risks to which the banking sector in general as well as individual banks could be exposed, liquidity risk takes into consideration the Bank's potential inability to meet financing requirements at reasonable cost (liquidity financing risk) or its inability to liquidate its position reasonably quickly while maintaining an appropriate price level (market liquidity risk).

Market and Liquidity Risk Governance: Managing market risks helps to place limits as well as monitor compliance by implementing policies and controls that are approved and adopted by the Board of Directors. The Assets and Liabilities Committee is responsible for managing market risks on a strategic level in accordance with its delegated duties and responsibilities. Additionally, portfolio and product limitations, as well as risk types, are identified based on the levels of market liquidity and associated credit risks.

The Market Risk Management sector is categorized as an independent supervisory function, responsible for a range of activities. These include:

The effective implementation of market risk policies; the development of the Bank's market risk management techniques and methods; the development of measurement mechanisms and behavioral assumptions of liquidity and investment; the immediate reporting to Senior Management of any violation of established limits and controls in accordance with the approved procedure and adopted by the Board; reporting to the Assets and Liabilities Committee and the Board, of any exposure to market risks and limit violations.

In order to limit exposure to liquidity risk, the Bank seeks to diversify financing sources to help reduce the degree of concentration and maintain an acceptable level of liquid assets. The Bank also puts in place policies and standards aimed at managing liquidity risks, and develops a contingency plan in accordance with the Basel Committee's best practices regarding liquidity risk management. A regular review of liquidity risk management policies and measures is subject to the approval of the Assets and Liabilities Committee and the Board of Directors.

Moreover, additional controls and measures often help maintain market risk exposure within an acceptable level of readiness in the case of adverse events. These measures include stress tests. Stress testing on a regular basis helps identify the impact of fluctuating profit rates and foreign exchange rates, as well as other risk factors that affect the Bank's profitability, capital adequacy and liquidity. These results are periodically sent to the Executive Management and the Board of Directors for their assessment of the potential financial impact on the Bank's profitability of exceptional circumstances. Over the course of 2022, the Risk Management Group continued improved the performance of IT

systems that help measure liquidity and Market risks and manage assets and liabilities, as well carried out relevant studies, reports and stress tests as part of a comprehensive system developed to measure market and liquidity risks.

4. Operational Risk: Operational risk is the risk of losses arising from the inadequacy or failure of internal operations, individuals, technical systems or external incidents. This definition of Operational risks includes legal risk – but excludes strategic risk and reputation risk. To this end, Operational risk is an inherent risk in all the Bank’s products, activities, operations and technical systems, resulting from internal factors, unlike credit and market risks, which arise from external factors. Taking these aspects into consideration, the Bank adopts a strategy based on the active and effective involvement of its Executive Management in managing this type of risk, which can potentially affect the Bank’s various activities. As part of its continuous efforts to limit the effects of operating risk, and consequently help achieve its strategic objectives, the Bank adopts the following practices:

- i) Analysis and evaluation of objectives and activities, in order to better limit exposure to operating risk
- ii) Identification of potential Operational risk in existing and new products, services as well as in IT activities, operations and systems. This is achieved primarily through measuring operational risk in order to identify any potential gap that may lead to operational losses, and developing corrective measures to prevent future losses. It also involves evaluating risks inherent in the Bank’s various activities, as well as monitoring elements in place to manage these risks. Collecting data for key risks indicators to monitor exposure levels of Operational risks. These indicators act as an early warning indicators before the risk occurs.
- iii) A proactive approach to operating risk management.
- iv) Continuous and independent assessment of policies, procedures and Bank performance.
- v) Compliance with the guidelines and regulations issued by regulatory bodies as well as international standards of risk management.
- vi) Regular reporting to the Bank’s Executive Management and Board of Directors about risk assessment and operating losses, as well as corrective measures put in place to manage the risks.

6. Information Security Risk: In view of the increased reliance on information and telecommunication technologies, there is an increased risk, both emerging and potential, that could critically threaten companies’ networks and information security. The Bank’s Information Security Department is responsible for supporting the growth of the Bank’s IT capability by mitigating information and cyber security risks. This is achieved by applying information security standards within the organization, which include Availability, Integration and Confidentiality. These efforts go hand in hand with a continuous evaluation of risks to ensure increasing security in all tech-related services and technologies adopted by the Bank in order to service its client base. Evaluating information security risks includes the following steps:

- i. Evaluating any new services, technological projects or changes adopted by the Bank in its efforts to improve e-services.
- ii. Evaluating the level of response to cyber security incidents periodically to ensure the effectiveness of the procedure.

iii. Evaluating and detecting security Vulnerabilities within the Bank’s offering, by looking for any gaps and testing for breaches existing in highly sensitive data systems, which may occur due to the digital transformation within the organization.

iv. Periodically evaluating risks targeted at business and IT divisions to detect any vulnerabilities or risks related to security in the procedures or regulations of security systems.

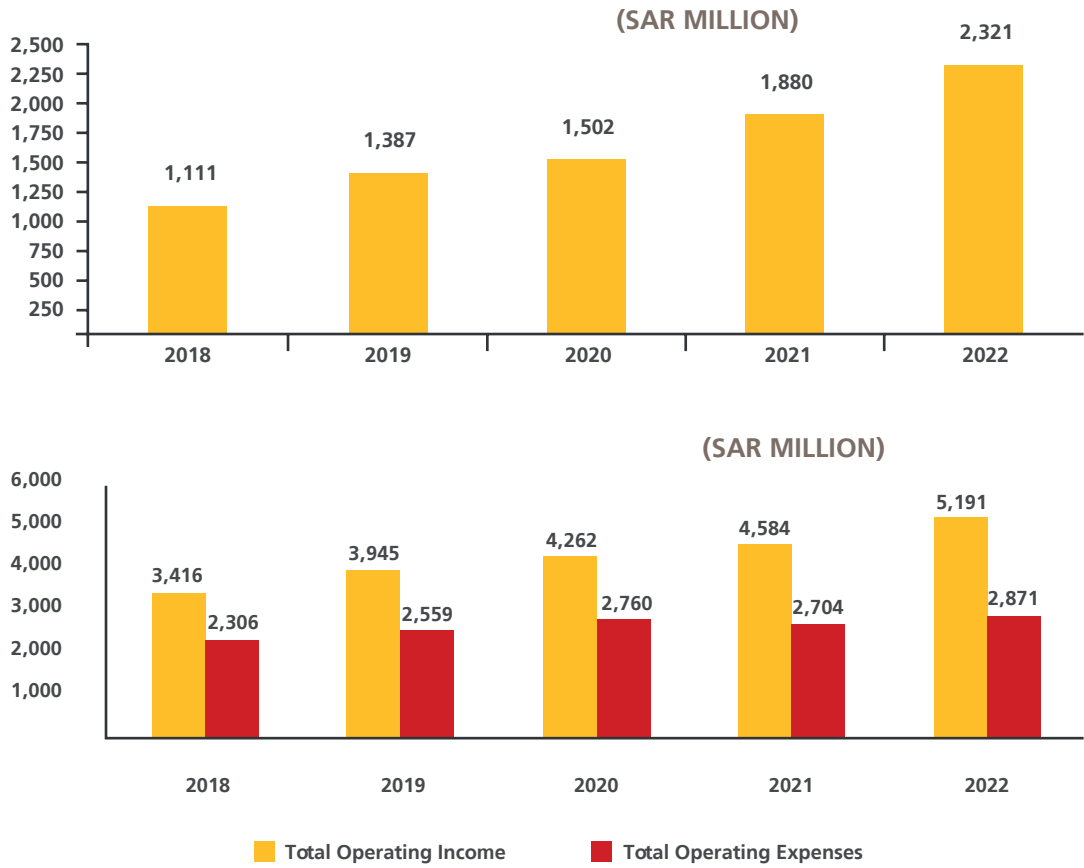
v. Overseeing the implementation of compliance with relevant regulations, making sure cyber security controls are properly and adequately implemented.

OPERATIONAL RESULTS

During the year 2022, the Bank net income of SAR 2,082 million after Zakat compared to SAR 1,687 million in 2021, an increase of 23%.

Further, the Bank net income before Zakat for the year 2022 of SAR 2,321 million compared to a net income of SAR 1,880 million in 2021, an increase of 23%. This growth was mainly due to the increase of total operating income by 13%, as a result of the net income of investment and financing assets increase by 11%, to reach SAR 3,887 million. The total operating expenses increased by 6% to reach SAR 2,871 million, as a result of the increase in Salaries and employee related expenses and other general and administrative expenses

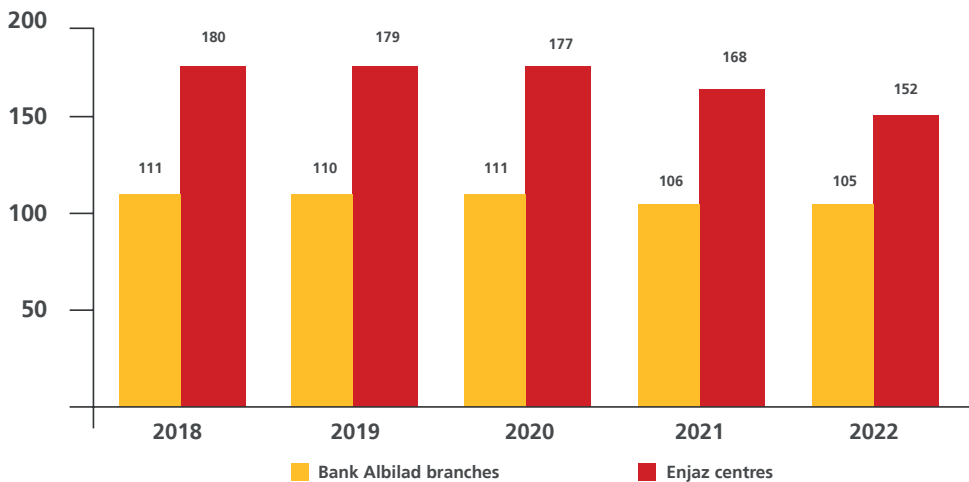
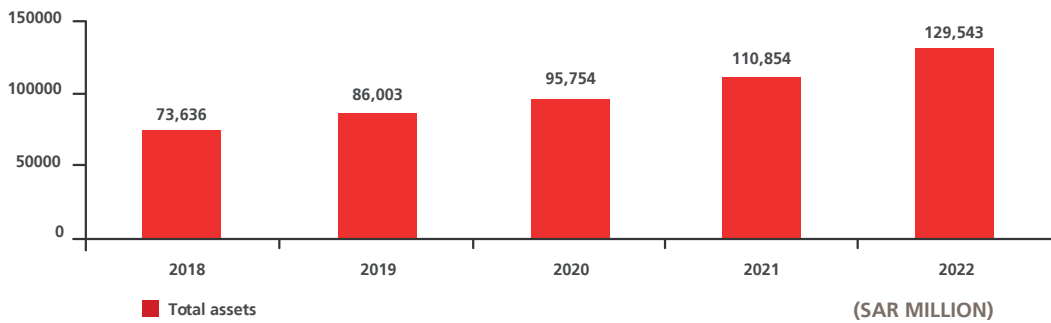
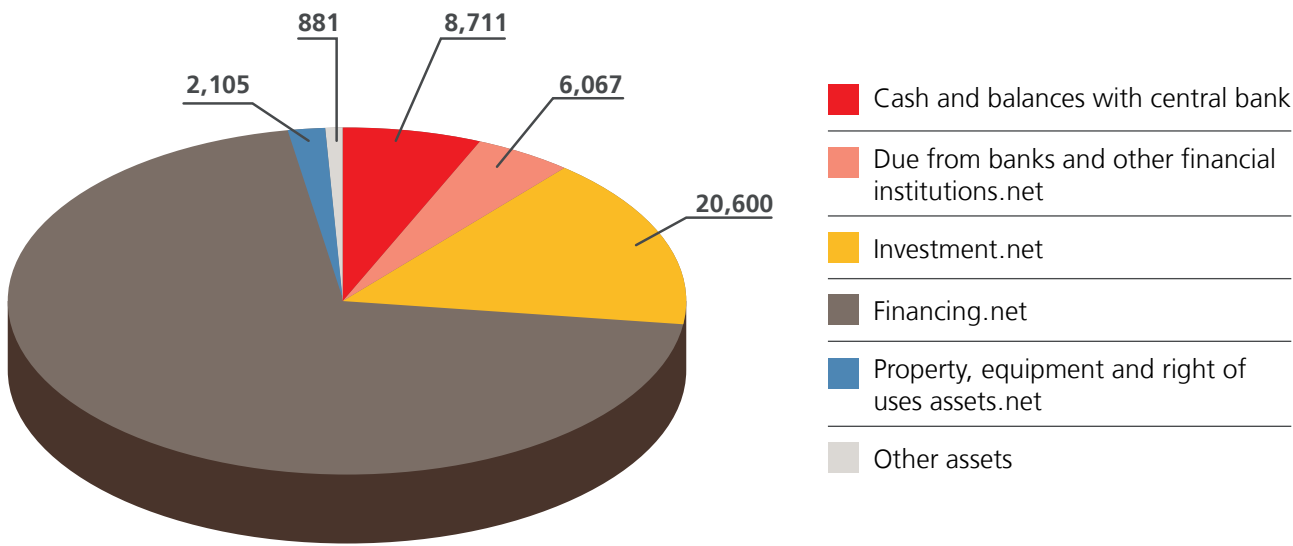
NET INCOME OF THE BANK’S SHAREHOLDERS IN THE PAST FIVE YEARS



FINANCIAL POSITION:

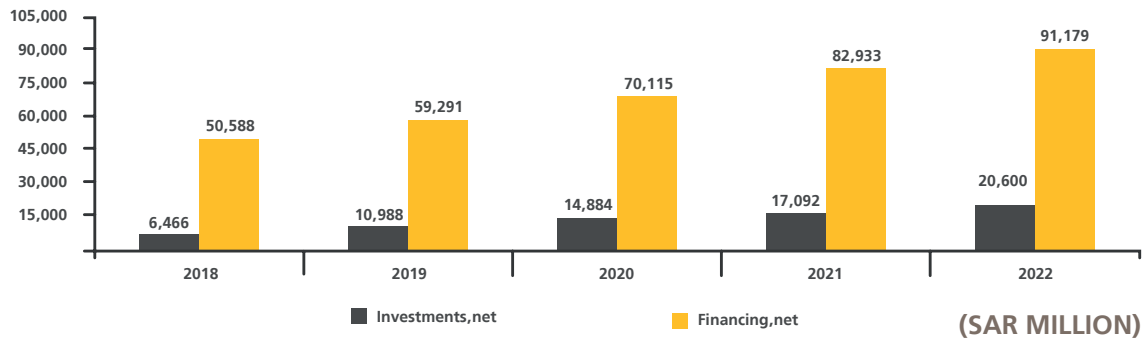
Assets

By the end of the year 2022, the bank's assets amounted to SAR 129,543 million, compared to SAR 110,854 million in the 2021, i.e. an increase of SAR 18,689 million or 17% compared to last year. The increase in financial assets is due to the increase in the bank's financing and investments.



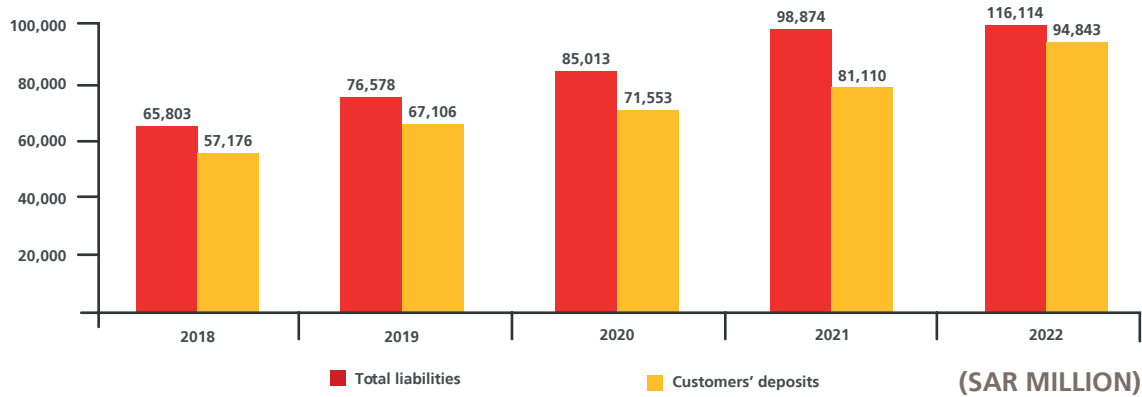
NET FINANCING AND INVESTMENTS

The net financing portfolio increased by SAR 8,246 million or 10% to reach SAR 91,179 million at the end of December 2022. Likewise, the investment portfolio recorded an increase of SAR 3,508 million or 21% to reach SAR 20,600 million.



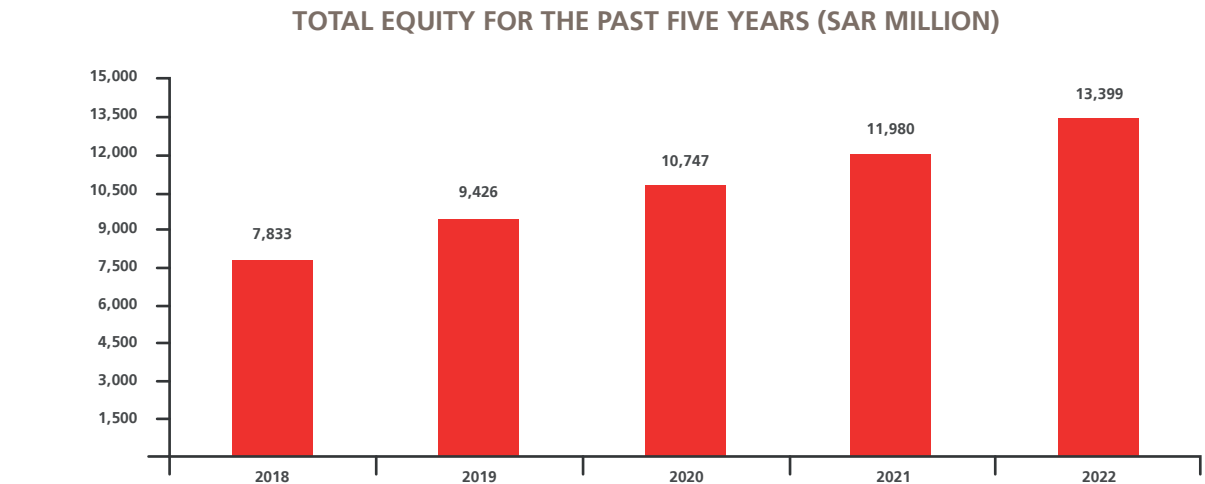
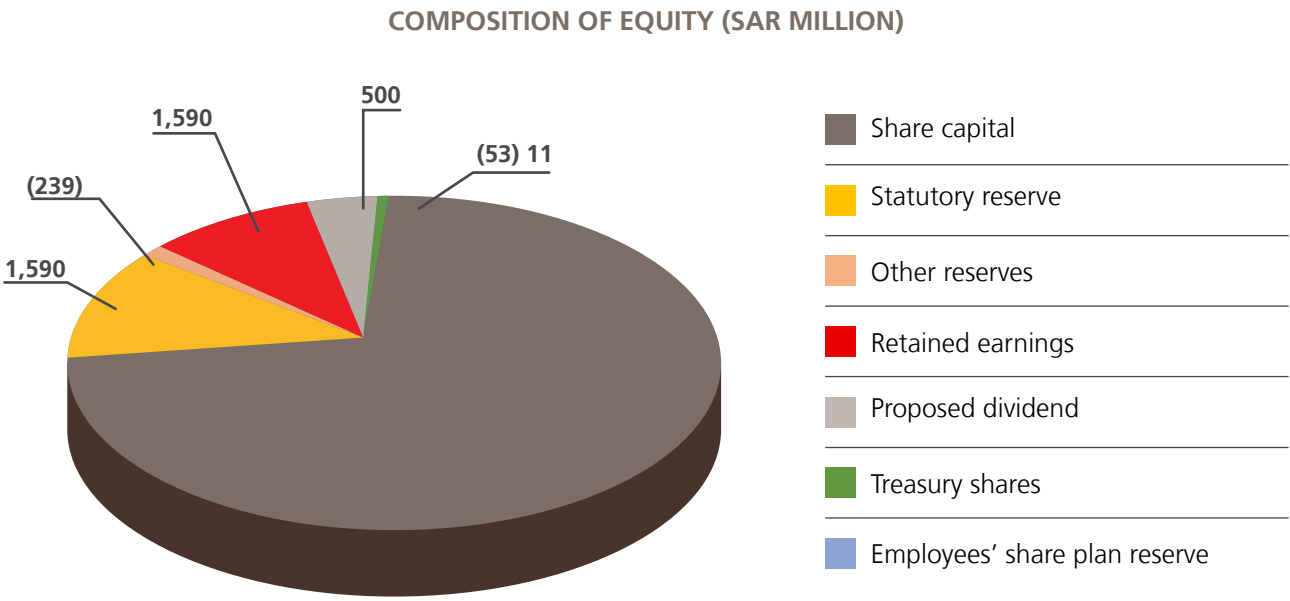
CUSTOMERS' DEPOSITS

The Customers' deposits increased by SAR 13,732 million or 17%, to reach SAR 94,843 million by the end of the year 2022, compared to SAR 81,110 million by the end of the year 2021.



OWNERS’ EQUITY

Total equity recorded an increase of SAR 1,419 million, or 12% to reach SAR 13,399 million by the end of December 2022, compared to SAR 11,980 million by the end of December 2021. This is mainly attributed to the increase of the bank’s net income. Issued common shares totaled 1,000 million shares. Capital adequacy ratio of 17.70% by the end of 2022. The bank’s return on average assets reached 1.7% after zakat deduction, whereas return on average equity reached 16.4% and earnings per share amounted to SAR 2.09.



FINANCIAL STATISTICS

The following is an analysis of the most important items in the consolidated statement of financial position:

(SAR million)	2022	2021	2020	2019	2018
Investments, net	20,600	17,092	14,884	10,988	6,466
Financing, net	91,179	82,933	70,115	59,291	50,588
Total assets	129,543	110,854	95,754	86,003	73,636
Customers' deposits	94,843	81,110	71,553	67,106	57,176
Total liabilities	116,144	98,874	85,013	76,578	65,803
Total owners' equity to the Bank's shareholders	13,399	11,980	10,741	9,426	7,833

(SAR million)	2022	2021	Change	Change %
Investments, net	20,600	17,092	3,508	%21
Financing, net	91,179	82,933	8,246	%10
Total assets	129,543	110,854	18,689	%17
Customers' deposits	94,843	81,110	13,733	%17
Total liabilities	116,144	98,874	17,270	%17
Total owners' equity to the Bank's shareholders	13,399	11,980	1,419	%12

ANALYSIS OF THE MAIN ITEMS OF THE CONSOLIDATED STATEMENT OF INCOME

(SAR million)	2022	2021	Change	Change %
Income from investing and financing assets, net	3,887	3,489	398	11%
Fee and commission, net	669	731	(62)	(9%)
Exchange income, net	398	313	85	27%
Total operating income	5,191	4,584	607	13%
Impairment charge for expected credit losses, net	551	570	(19)	(3%)
Total operating expenses	2,871	2,704	167	6%
Net income for the year before zakat	2,321	1,880	441	23%
Zakat for the year	239	194	45	23%
Net income for the year after zakat	2,082	1,687	395	23%

(SAR million)	2022	2021	2020	2019	2018
Income from investing and financing assets, net	3,887	3,489	3,293	2,824	2,164
Fee and commission, net	669	731	627	677	843
Exchange income, net	398	313	362	314	316
Total operating income	5,191	4,584	4,262	3,945	3,416
Impairment charge for expected credit losses, net	551	570	695	543	490
Total operating expenses	2,871	2,704	2,760	2,559	2,306
Net income for the year before zakat	2,321	1,880	1,502	1,387	1,111
Zakat for the year	239	194	153	143	498
Net income for the year after zakat	2,082	1,687	1,349	1,244	613

APPLIED ACCOUNTING STANDARDS

These consolidated financial statements of the Group as at and for the year ended 31 December 2022 and 31 December 2021, respectively, were prepared in compliance with the International Financial Reporting Standards ("IFRS") respectively, and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants ("SOCPA") and the Banking Control Law and the Regulations for Companies in the Kingdom of Saudi Arabia.

Key business sectors and activities of the Bank and its subsidiaries

The Bank and its subsidiaries practice the following activities:

Retail banking:	Services and products to individuals, including deposits, financing, remittances and currency exchange.
Corporate banking:	Services and products to corporate customers including deposits, financing and trade services.
Treasury:	Money market and treasury services.
Investment banking and brokerage:	Investment management services and asset management activities related to dealing, managing, arranging, advising and custody of securities.

Impact of key activities on the Bank businesses and total revenues are illustrated as follows

2022 (SAR million)	Activity Revenues	%
Retail banking	2,768	%53
Corporate banking	1,414	%27
Treasury	742	%15
Investment banking and brokerage	267	%5
Total	5,191	%100

Geographical analysis of the Bank total operating income and its subsidiaries

Analysis of the total operating income by region

(SAR Million)	Central	Western	Eastern	Total
Total Income for the Year 2022	3,473	982	736	5,191

Most of Bank Albilad's revenue (including its subsidiaries) are mainly achieved inside the Kingdom of Saudi Arabia. The Bank has no branches or companies operating outside the Kingdom of Saudi Arabia.

Subsidiaries of the Bank

The Bank has three subsidiaries as follows:

Company Name	Date of Establishment	Main Activity	Money Capital	The country is the main place of its operations	State of Incorporation	Percentage of ownership
Albilad Investment Company (Albilad Finance)	20 November 2007	Carry out investment services and asset management activities such as dealing, arranging and managing, advising and custody of securities	SAR 200M	Riyadh, Saudi Arabia	Saudi Arabia	100%
Albilad Real Estate Company (1)	17 September 2006	Carrying out registration procedures related to real estate guarantees obtained by the bank from its customers	500K Saudi Riyal	Riyadh, Saudi Arabia	Saudi Arabia	100%
Enjaz Payment Services Company ²	October 8 2022	Payments & Remittances Services	SAR 200M	Riyadh, Saudi Arabia	Saudi Arabia	99%

(¹) Bank Albilad established Albilad Real Estate Company Ltd. on September 17, 2006. One Person Limited Liability Company Owned by the Bank by 100%. Done Convert to One Person Company Closed contribution (Albilad Real Estate Company) ب Date 7/4/2022M.

After that, and after the approval of the Board of Directors, it was decided to establish Financial Solutions Investment Company on 21/4/2022

It was decided to convert Albilad Real Estate Company Ltd. into Albilad Real Estate Company for a closed joint stock company on 7/4/2022

After that, and after the approval of the Board of Directors, it was decided to establish Financial Solutions Investment Company on 21/4/2022

(2) It's done Establishment A company Accomplish Services Payments company As a company Contribution Closed Owned Who is it bank Country by 99% بEquivalent to 19.8 million (nineteen million eight hundred thousand) shares worth 198 (One hundred Ninety-eight million Saudi Riyals, و"Financial Solutions for Investment" Company A subsidiary of Albilad Real Estate Company, a subsidiary of the Bank, by 1%, equivalent to (200) two hundred thousand shares worth 2 (two) million Saudi Riyals.

Strategic investments

These consolidated financial statements comprise the financial statements of the Bank and its subsidiaries, "Albilad Investment Company", "Albilad Real Estate Company" and "Enjaz Payment Services Company".

Company Name	Establishment date	Main activity	Authorized capital	Paid capital	Country of operations	Country of establishment	Ownership (%)
Bayan Credit Information Company	30 November 2015	The Company provides credit information services, valuation services, credit valuation and consultation for companies and businesses.	SAR 100 million	SAR 75 million	Riyadh, Kingdom of Saudi Arabia	Kingdom of Saudi Arabia	18.75%
SaudiFinancial Lease Registration Company "Sajil"	14 December 2017	Registration of financial lease contracts	Thirty eight million three hundred and ninety two thousand eight hundred and fifty Saudi riyals	Thirty eight million three hundred and ninety two thousand eight hundred	Riyadh, Saudi Arabia	Saudi Arabia	2.30%
Saudi Financial Support Services Company "Sanid"	9 July 1984	Installation and maintenance of banking and cash machinery and equipment, Management and operation of cash centers, Providing payment services for points of sale and secure and smart electronic outlets ATMs, automatic deposits, wholesale of banking and cash machinery devices and equipment, Transportation of cash, precious metals and documents of value	SAR 25 Million	SAR 25 Million	Riyadh, Saudi Arabia	Saudi Arabia	5.00%
Kinan International Real Estate Development Company	13 April 2004	Development and management of residential communities and commercial centers in various cities of the Kingdom	SAR 1.7 Billion	SAR 1.7 Billion	Riyadh, Saudi Arabia	Saudi Arabia	6.78%

Summary of the financial results of the Bank and its subsidiaries (Group) as of 31 December 2022

2022 (SAR thousand)	Retail banking	Corporate banking	Treasury	Investment banking and brokerage	Total
Total assets	58,022,131	44,450,264	26,015,078	1,055,383	129,542,856
Total liabilities	59,423,524	23,526,969	33,034,229	159,186	116,143,908
Net income from investment and financing assets	2,161,894	1,229,852	444,622	50,300	3,886,668
Fee, commission and other income, net	606,109	184,424	297,204	217,027	1,304,764
Total operating income	2,768,003	1,414,276	741,826	267,327	5,191,432
Impairment charge for expected credit losses, net	194,386	327,441	26,179	2,646	550,652
Depression and amortization	246,732	36,716	3,908	3,054	290,410
Total operating expenses	2,033,852	583,515	117,447	135,895	2,870,709
Net income for the year before zakat	734,151	830,761	624,379	131,432	2,320,723

These consolidated financial statements comprise the financial statements of the Bank and its subsidiaries, "Albilad Investment Company", "Albilad Real Estate Company" and "Enjaz Payment Services Company".

Penalties imposed on the Banks and its subsidiaries by the Supervisory Authorities

During the year 2022, financial penalties were imposed on the Bank and its subsidiaries because of violations in the operating activities. All of which have been remedied.

The table below illustrates the penalties imposed on the Bank by the Saudi Central Bank:

Penalty subject	2021		Penalty subject	2022	
	Number of penal decisions	Total amount of financial penalties SAR		Number of penal decisions	Total amount of financial penalties SAR
Violation of the instructions given by the Saudi Central Bank	4	245,000	Violation of the instructions given by the Saudi Central Bank	3	256,500
Violation of the instructions given by the Saudi Central Bank related to customers' safety	2	1,584,800	Violation of the instructions of Sarie system	1	10,000
Violation of the instructions given by the Saudi Central Bank on counterfeit currency	7	45,000	Violation of the instructions given by the Saudi Central Bank on counterfeit currency	4	25,000
Violation of the instructions related to data request	1	504,000	Violation of the instructions related to data request	1	32,500
Violation of the instructions related to AML & CTF	1	365,000	Violation of the instructions related to Anti-Fraud	4	2,888,560
Violation of the instructions related to Examination instructions	1	18,000	Violation of the instructions related to Banking products and services	1	1,510,000
Violation of the instructions related to financial security measures	1	100,000	Violation of the instructions related to self-assessment	2	152,500
Total	17	2,861,800	Total	16	4,875,060

The table below illustrates the penalties imposed on the Bank from supervisory and regulatory authorities

Supervisory authorities	Number of penalties	Total number of penalties SAR	Penalties Brief
ATM violations for the year of 1442 AH	31	237,000.00	Increasing the percentage of construction on the site beyond the permissible limit + unavailability of entry and exit paths + lack of setback + posters
ENJAZ Branches violations for the year 1442 AH	29	58,000.00	Violation plates (flag)
Albilad Branches violations for the year 1442 AH	1	2,000.00	Violation plates (flag)
Total	61	297,000.00	-

The Bank seeks to avoid the recurrence of these penalties by adopting policies and allocating the necessary resources in line with the instructions of the supervisory and regulatory authorities.

SMALL, MEDIUM AND MICRO ENTERPRISES

Qualitative disclosure

During 2022, the Bank was keen to complete its expansion policy in this sector, to contribute and implement the Kingdom's Vision 2030 and to meet the needs of this sector in terms of banking by providing distinguished financing programs and innovative, specialized banking solutions directed to several governmental and private sectors.

Accordingly, the Bank's contribution in the financings' Guarantee for Small and Medium Enterprises program "Kafalah" has been increased significantly and advanced positions are obtained at the "Finance Gateway" affiliated to The Small, Medium and Micro enterprises Authority "Monshaat", which stimulates maximum benefit from Kafalah program for the small, medium, and micro enterprises sector. Also, BAB signed an agreement with the SMEs' bank to support the sector and meet the financing gap and needs, in addition to , Several strategic partnerships with supervisory and regulatory authorities for this sector were also discussed, in addition to supporting the targeted activities within the Kingdom's Vision 2030.

As well as continuing to strengthen the relationship with customers and provide them with the best banking practices through holding several specialized workshops for them presented by several specialists in the field of trade finance and electronic services. And conducting several questionnaires about the services provided to survey the opinions of customers and evaluate their experience with the bank and work to improve it.

Quantitative Disclosure (SAR million – 2022)

Details	Micro	Small	Medium	Total
Direct facilities provided to MSMEs	345	1,429	9,696	11,470
Indirect facilities provided to MSMEs (face value)	899	472	1,473	2,845
Direct facilities provided to MSMEs as percentage to total direct facilities	0.77%	3.17%	21.48%	25.41%
Indirect facilities provided to MSMEs as percentage to total indirect facilities	8.42%	4.42	13.80%	26.65%
Direct and indirect facilities				
Number direct and indirect facilities customers	1041	561	207	1809
Number of direct and indirect facilities guaranteed by Kafalah Program	188	274	77	539
Total direct and indirect facilities guaranteed by Kafalah Program	87	604	617	1308

(SAR million – 2022)

Details	Micro	Small	Medium	Total
Direct facilities provided to MSMEs	121	943	10,665	11,729
Indirect facilities provided to MSMEs (face value)	613	225	1,095	1,934
Direct facilities provided to MSMEs as percentage to total direct facilities	0.14%	1.10%	12.46%	13.71%
Indirect facilities provided to MSMEs as percentage to total indirect facilities	6.21%	2.28%	11.08%	19.57%
Number of direct and indirect facilities				
Number direct and indirect facilities customers	952	278	214	1,444
Number of direct and indirect facilities guaranteed by Kafalah Program	101	194	75	370
Total direct and indirect facilities guaranteed by Kafalah Program	59	385	582	1,026

Financing and issued Sukuk

In the course of its normal activities, Bank Albilad exchanges finance with other banks and the Saudi Central Bank. On August 30, 2016, the Bank issued 2,000 Tier 2 Sukuk Certificates (Sukuk) of SR 1 million each, and payable quarterly in arrears on February 28, May 30, August 30, November 30 each year until August 30, 2026, on which date the Sukuk will be redeemed. During 2021, the Bank exercised the call option on its previous sukuk and recalled Sukuk amounting to SAR 1,061 million. These arrangements were approved by the regulatory authorities and the Board of Directors of the Bank.

On April 15, 2021, the Bank issued 3,000 Tier 2 Sukuk Certificates (Sukuk) of SR 1 million each, and payable quarterly each year until April 15, 2031. The Bank has a call option which can be exercised on or after April 15, 2026 as per the terms mentioned in the related offering circular. The expected profit distribution on the sukuk is the base rate for three months in addition to a profit margin of 1.65%. The Bank has not defaulted on any of payments (profit / principal) due during the year.

The offer also included an option for the holders of the SAR 2 billion Sukuk (due 2026) that were previously issued by the Bank (the “Previous Sukuk”) to exchange their investment in the Previous Sukuk with an investment in the Tier 2 Sukuk, subject to the terms and conditions of the Sukuk. Certain Sukuk holders with carrying value of SR 939 million have exercised their exchange option and subscribed into the investment in the Tier 2 Sukuk.

Basic and diluted earnings per share

Basic and diluted earnings per share for the years ended December 31, 2022 and 2021 is calculated by dividing the net income for the year attributable to the equity holders by the weighted average number of outstanding shares 2022: 996

million shares (2021: 996 million shares - restated) after accounting for treasury shares and issuance of bonus shares during the current year. Basic and diluted earnings per share for the year ended December 31, 2021 have been adjusted to take into account the issuance of bonus shares.

End of service benefits

The bank’s employees end of service is provided according to the Saudi labor law and is included among other liabilities in the consolidated statement of financial position.

Employees’ share program

The Bank offers its eligible employees an equity-settled share-based payment plan as approved by central bank. As per the plan, eligible employees of the Bank are offered stocks to be withheld out of their annual bonus payments.

The cost of the plan is measured by reference to the fair value at the date on which the stocks are granted.

The cost of the plan is recognized over the period in which the service condition is fulfilled, ending on the date on which the relevant employees become fully entitled to the stock option (‘the vesting date’). The cumulative expense recognized for the plan at each reporting date until the vesting date, reflects the extent to which the vesting period has expired and the Bank’s best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the consolidated statement of income for a year represents the movement in cumulative expense recognized as at the beginning and end of that year.

The Bank, with the approval from central bank, has entered into an agreement with an independent third-party for custody of the shares under the plan, plus any benefits accrued there-on.

The Bank has following share-based payment plans outstanding at the end of the year. Significant features of these plans are as follows:

Maturity dates	Between January 2023 and December 2025
Total number of shares granted	1,048,643
Grant Period	3 Years
Method of settlement	Equity
Fair value of share on grant date	Average SAR 45.88

The shares are granted only under service condition with no market condition associated with them.

Transactions with related parties

In the ordinary course of activities, the Group transacts business with related parties. Related party transactions are governed by limits set by the Banking Control Law and the regulations issued by central bank.

The nature and balances of transactions with the related parties for the years ended December 31 are as follows:

A) DIRECTORS, KEY MANAGEMENT PERSONNEL, OTHER MAJOR SHAREHOLDERS, THEIR AFFILIATES BALANCES AND OTHERS:

Details	2022 SAR '000
Finance*	1,987,593
Finance**	3,708,490
Commitments and contingencies	115,537
Deposits	26,823

*The amounts of credit facilities used according to the definition of the related parties according to the international financial reporting standards.
** The values of the amounts of the credit facilities used according to the definition of the related parties in accordance with the international standards for financial reports and the Saudi Central Bank.

B) GROUP’S MUTUAL FUNDS

These are the outstanding balances with Group’s mutual funds as of December 31:

Details	2022 SAR '000
Customers deposits	148
Investments - units	268,545

C) INCOME AND EXPENSE

Directors, Key management personnel, other major shareholders and their affiliates and mutual funds managed by the Group:

Details	2022 SAR '000
Income	210,897
Expenses	8,658

The total amount of compensation paid to key management personnel during the year is as follows:

Details	2022 SAR '000
Employee benefits	151,667

Major shareholders are those who own 5% or more of the bank’s capital. Senior executives mean those persons who have the authority and responsibility to carry out the planning, direction and supervision of the Bank’s direct and indirect activities.

The following table lists information of the activities and contracts to which the Bank was a party and in which any of the Board Members or Senior Executive or any person related to any of them has interest in, during 2022 (all amounts in SAR).

No.	Related Party	Member/Person with Direct or Indirect Interest	Reason	Type/nature of relationship or conflict	Contract Amount	Contract Date
1	Mr. Abdulrahman Saleh Al-Rajhi	Mr. Khalid Abdulrahman Al-Rajhi	(Father) Member of the Board of Directors of Bank Albilad	Lease contract for Enjaz Center – Khafji Governorate, owned by Mr. Abdulrahman bin Saleh Al-Rajhi	150,000 SR	From 11/04/2010 To 10/04/2024
2	Mr. Abdulrahman Abdulaziz Al-Rajhi	Mr. Abdulrahman Abdulaziz Al-Rajhi	One of the major shareholders of Bank Albilad	Lease contract for Enjaz Main Center - Yanbu City, owned by Mr. Abdulrahman bin Abdulaziz bin Saleh Al-Rajhi	180,000 SR	From 09/08/2010 To 08/08/2025
3	Mr. Abdulrahman Abdulaziz Al-Rajhi	Mr. Abdulrahman Abdulaziz Al-Rajhi	One of the major shareholders of Bank Albilad	Lease contract for Al-Bilad Al-Khabib Branch - Buraidah City, owned by Mr. Abdulrahman bin Abdulaziz bin Saleh Al-Rajhi	400,000 SR	From 01/06/2005 To 31/05/2025
4	Mohammed Ibrahim Al Subaie & Sons Company (MASIC)	Mr. Nasser bin Mohammed Al-Subaie	Chairman of Bank Albilad Member of the Board of Directors of MASIC	ATM site lease contract - Riyadh city owned by Mohammed Ibrahim Al-Subaie & Sons Company (MASIC)	25,000 SAR	From 01/12/2019 To 30/11/2029
		Mohammed Ibrahim Al Subaie & Sons Company (MASIC)	One of the major shareholders of Bank Albilad			
		Mr. Khalid bin Saleh Al-Hathal	Member of the Nomination and Remuneration Committee, Bank Albilad Member of Albilad Capital Board of Directors Member of the Board of Directors of MASIC			
5	Masic Logistics Company	Mr. Nasser bin Mohammed Al-Subaie	Chairman of Bank Albilad Member of the Board of Directors of MASIC	An ATM site - Riyadh city held a return on investment for MASIC Logistics.	60,000 SAR	From 18/03/2018 To 17/03/2028

No.	Related Party	Member/Person with Direct or Indirect Interest	Reason	Type/nature of relationship or conflict	Contract Amount	Contract Date
6	Mohammed Ibrahim Al Subaie & Sons Company (MASIC)	Mr. Nasser bin Mohammed Al-Subaie	Chairman of Bank Albilad Member of the Board of Directors of MASIC	Lease contract for the center of Enjaz of the southern Khalidiya branch - Dammam city, owned by Mohammed bin Ibrahim Al-Subaie & Sons Company	174,790 SR	From 05/12/2016 To 04/12/2026
		Mohammed Ibrahim Al Subaie & Sons Company (MASIC)	One of the major shareholders of Bank Albilad			
		Mr. Khalid bin Saleh Al-Hathal	Member of the Nomination and Remuneration Committee, Bank Albilad Member of Albilad Capital Board of Directors Member of the Board of Directors of MASIC			
7	Mohammed Ibrahim Al Subaie & Sons Company (MASIC)	Mr. Nasser bin Mohammed Al-Subaie	Chairman of Bank Albilad Member of the Board of Directors of MASIC	Lease contract for the location of an ATM - Riyadh city, owned by Mohammed bin Ibrahim Al-Subaie & Sons Company	100,000 SAR	From 03/07/2015 To 02/07/2025
		Mohammed Ibrahim Al Subaie & Sons Company (MASIC)	One of the major shareholders of Bank Albilad			
		Mr. Khalid bin Saleh Al-Hathal	Member of the Nomination and Remuneration Committee, Bank Albilad Member of Albilad Capital Board of Directors Member of the Board of Directors of MASIC			

No.	Related Party	Member/Person with Direct or Indirect Interest	Reason	Type/nature of relationship or conflict	Contract Amount	Contract Date
8	Mohammed Ibrahim Al Subaie & Sons Company (MASIC)	Mr. Nasser bin Mohammed Al-Subaie	Chairman of Bank Albilad Member of the Board of Directors of MASIC	Lease contract for the second industrial center - Riyadh, owned by Mohammed bin Ibrahim Al-Subaie & Sons Company	472,000 SR	From 15/11/2016 To 14/11/2026
		Mohammed Ibrahim Al Subaie & Sons Company (MASIC)	One of the major shareholders of Bank Albilad			
		Mr. Khalid bin Saleh Al-Hathal	Member of the Nomination and Remuneration Committee, Bank Albilad / Member of Albilad Capital Board of Directors Member of the Board of Directors of MASIC			
9	Kinan International Real Estate Development Company	Mr. Abdullah Al-Arifi	- As a member of the Board of Directors of Kinan International Company - representing Bank Albilad - Deputy Chief Risk Officer	Lease contract for Albilad Dana Mall 729 branch -First three years 133,504 -Second three years 146,020 -The last four years 158,536	133,504 SR	From 01/01/2019 To 31/12/2028
10	Riyadh Development Company	Mr. Nasser bin Mohammed Al-Subaie	- Chairman of Bank Albilad - Kinship (father) with Mr. Majid bin Nasser Al-Subaie, member of the Board of Directors of Riyadh Development Company	Car Auction Agreement	Individual prices	From 05/04/2022PM To 04/04/2023PM
		Mr. Khalid bin Saleh Al-Hathal	- Member of the Nomination and Remuneration Committee, Bank Albilad / Member of Albilad Capital Board of Directors			

No.	Related Party	Member/Person with Direct or Indirect Interest	Reason	Type/nature of relationship or conflict	Contract Amount	Contract Date
11	Riyadh Development Company	Mr. Nasser bin Mohammed Al-Subaie	- Chairman of Bank Albilad - Kinship (father) with Mr. Majid bin Nasser Al-Subaie, member of the Board of Directors of Riyadh Development Company	Money Transfer Services and Counting	Individual prices	From 28/12/2022pm To 27/12/2023pm
		Mr. Khalid bin Saleh Al-Hathal	- Member of the Nomination and Remuneration Committee, Bank Albilad / Member of Albilad Capital Board of Directors			
12	Saudi Automotive Services Co. (SASCO)	Mr. Nasser bin Mohammed Al-Subaie	- Chairman of Bank Albilad - Kinship (father) with Mr. Majid bin Nasser Al-Subaie, member of the Board of Directors of SASCO	Lease contract for an ATM location - Taif city - owned by SASCO	65,000 SR	From 01/01/2021 To 31/12/2025
13	Khalid Company Abdulaziz Al-Muqairen and his children	Mr. Khalid bin Abdulaziz Al-Muqairen	Member of the Board of Directors of Bank Albilad (Resigned from the Bank's Board of Directors on 17 April 2022)	Lease contract for offices No. (101, 102, 103, 104) leased to Albilad Capital Company, located on King Fahd Road in Riyadh (Smart Tower), and owned by Khalid Company Abdulaziz Al-Muqairen Sons Holding has the right to lease the property.	2,000,700 SAR	From 01/01/2021 To 31/12/2023
14	Khalid Company Abdulaziz Al-Muqairen and his children	Mr. Khalid bin Abdulaziz Al-Muqairen	Member of the Board of Directors of Bank Albilad (Resigned from the Bank's Board of Directors on 17 April 2022)	Lease contract for office No. (401) leased to Albilad Investment Company, located on King Fahd Road in Riyadh (Smart Tower), and owned by Khalid Company Abdulaziz Al-Muqairen Sons Holding the right to lease the property	247,650 SR	From 01/01/2021 To 31/12/2023
15	Albilad Capital Company	Albilad Capital Company	Albilad Capital is wholly owned by Bank Albilad	Support Services Contract	2,500,000	From 01/01/2017 and the contract continues

No.	Related Party	Member/Person with Direct or Indirect Interest	Reason	Type/nature of relationship or conflict	Contract Amount	Contract Date
16	Albilad Capital Company	Albilad Capital Company	Albilad Capital is wholly owned by Bank Albilad	Rent an office inside the branch of Takhassusi in Riyadh Bank Albilad	281,964	There is no contract between Albilad Capital and Bank Albilad
17	Albilad Capital Company	Albilad Capital Company	Albilad Capital is wholly owned by Bank Albilad	Rent an office inside Al Rayyan branch in Riyadh - Bank Albilad	151,698	There is no contract between Albilad Capital and Bank Albilad
18	Albilad Capital Company	Albilad Capital Company	Albilad Capital is wholly owned by Bank Albilad	Bank Albilad Sukuk Custody Management Contract Storage fee for 2022	87,500	From 30/08/2016 To 30/08/2026
19	Albilad Capital Company	Albilad Capital Company	Albilad Capital is wholly owned by Bank Albilad	Renewal of a letter of guarantee - in the amount of 100 million riyals - from Bank Albilad	137,500	from 01/01/2022 To 31/12/2022
20	Albilad Capital Company	Albilad Capital Company	Albilad Capital is wholly owned by Bank Albilad	Issuance of a letter of guarantee - in the amount of SAR 1 million - from Bank Albilad	625	from 15/06/2022 to 15/09/2022
21	Albilad Capital Company	Albilad Capital Company	Albilad Capital is wholly owned by Bank Albilad	Conclusion of a forward sale contract with Bank Albilad	49,900,000	from 21/02/2022 to 16/02/2023
22	Bank Albilad	Albilad Capital Company	Albilad Capital is wholly owned by Bank Albilad	Bank Albilad Portfolio Management Contract	1,468,493 Administration Fees for 2022	From 10/12/2016
23	Aljawhara Bint Fahad Bin Dakhil	Mr. Fahad Bin Dakhil	Daughter of the Chairman of Albilad Capital	Margin financing contract	36,399,859	From 17/01/2022 to 16/01/2023
24	Aljawhara Bint Fahad Bin Dakhil	Mr. Fahad Bin Dakhil	Daughter of the Chairman of Albilad Capital Company	Margin Financing Contract	17,489,917	From 14/08/2022 to 13/08/2023
25	Aljawhara Bint Fahad Bin Dakhil	Mr. Fahad Bin Dakhil	Daughter of the Chairman of Albilad Capital Company	Margin Finance Contract Repayment	17,489,917	From 14/08/2022 To 13/08/2023
26	Abdullah bin Fahad bin Dakhil	Mr. Fahad Bin Dakhil	Son of the Chairman of Albilad Capital Company	Margin Financing Contract	381,849	from 20/11/2022 to 14/11/2023
27	Abdul Rahman Saleh Al Rajhi Company & Partners Ltd.	Khalid Abd El , RahmanN Al , Rajhi	Member of the Board of Directors of Albilad Capital Company	Investment Banking Advisory Contract	0.25% of the agreed finance amount	Contract Activation Date 6/1/2022
28	Procure Specialty Care Hospital	Mr. Khalid Abdulrahman Al Rajhi	- Member of the Board of Directors of Bank Albilad	ATM site lease contract - Riyadh city	20,000 SAR	From 01/06/2020 To 31/05/2025

No.	Related Party	Member/Person with Direct or Indirect Interest	Reason	Type/nature of relationship or conflict	Contract Amount	Contract Date
29	Riyadh Development Company	Mr. Nasser bin Mohammed Al-Subaie	- Chairman of Bank Albilad - Kinship (father) with Mr. Majid bin Nasser Al-Subaie, member of the Board of Directors of Riyadh Development Company	Lease contract for Enjaz Al-Haraj branch 174	96,900 SR	From 07/02/2018 To 04/12/2023
		Mr. Khalid bin Saleh Al-Hathal	- Member of the Nomination and Remuneration Committee at Bank Albilad / - Member of the Board of Directors of Albilad Capital - Member of the Board of Directors of Riyadh Development Company			
30	DirectFN - Post Trade Technology Program	Mr. Saleh bin Suleiman Al-Habib	- Executive Vice President of Shared Services	Software license agreement	727,500 SR	From 2021/03/26 To 2024/03/25
31	Saudi Automotive Services Co. (SASCO)	Mr. Nasser bin Mohammed Al-Subaie	- Chairman of Bank Albilad - Kinship (father) with Mr. Majid bin Nasser Al-Subaie, member of the Board of Directors of SASCO	Lease contract for ATM location - Taif city - owned by SASCO	90,000 SAR	From 01/01/2021 To 31/12/2025
32	Abdullah Ibrahim Al Subaie Real Estate Company	Abdullah Ebrahim Al-Subaie Investment Company (One Person Company)	- Major shareholders of Bank Albilad	Lease contract for a branch of Bank Albilad - Aqrabiya Branch 921 owned by Abdullah bin Ibrahim Al-Subaie Real Estate Company	2,590,600 SAR	from 01/03/2005 To 12/11/2024

No.	Related Party	Member/Person with Direct or Indirect Interest	Reason	Type/nature of relationship or conflict	Contract Amount	Contract Date
33	Saudi Automotive Services Co. (SASCO)	Mr. Nasser bin Mohammed Al-Subaie	Chairman of Bank Albilad	ATM site lease contract - Makkah City - owned by SASCO	80,000 SAR	22-Nov-2017 21-Aug-2022
			Kinship (father) with Mr. Majid bin Nasser Al-Subaie, member of the Board of Directors of SASCO			
34	Saudi Automotive Services Co. (SASCO)	Mr. Nasser bin Mohammed Al-Subaie	Chairman of Bank Albilad Kinship (father) with Mr. Majid bin Nasser Al-Subaie, member of the Board of Directors of SASCO	ATM site lease contract - Makkah City - owned by SASCO	280,000 SR	22-Nov-2017 21-Aug-2022
35	Makan Company	Mr. Jasser bin Abdulkarim Al-Jasser	- Member of the Audit Committee at Bank Albilad	Real Estate Valuation - Self Construction	Individual prices	16-Feb-2020 15-Feb-2023
			- Kinship (brother) with Mr. Khalid bin Abdul Karim Al-Jasser, member of the Board of Directors of Makan Company			
36	Alkhaleej Training and Education Company	Mr. Musab Abdulrahman Al-Sheikh	- Member of the Audit Committee of Albilad Finance - Member of the Board of Directors of Alkhaleej Training and Education Company	Labour Services Contract No. 14HRD02003	Individual prices	3-Mar-2021 2-Mar-2022
37	Saudi Lease Contracts Registration Company	Raed Muhammad Alabd Alkarim	Member of the Board of Directors of the Saudi Lease Contracts Registration Company	Lessors Agreement	375,000	17-Mar-2019 16-Mar-2023
		Abdullah Saad Salem Al-Ruwais	Member of the Executive Committee of the Saudi Lease Contracts Registration Company			

No.	Related Party	Member/Person with Direct or Indirect Interest	Reason	Type/nature of relationship or conflict	Contract Amount	Contract Date
38	Bayan Credit Bureau	Yousef Bin Muhammad Alkhilaiwi	CGO and Secretary General of the Bank representing Bank Albilad at Bayan Credit Bureau	Membership Agreement	Individual Rates	25-Sep-2017 24-Sep-2021
		Abdulaziz Mohammed Alonaizan	Chairman of the Board of Directors Chairman of the Executive Committee	Membership Agreement	Individual Rates	22-Mar-2017 21-Mar-2018
39	Bayan Credit Bureau	Abdulaziz Mohammed Alonaizan	Chairman of the Board of Directors Chairman of the Executive Committee	Memorandum of Understanding	Individual Rates	25-Sep-2017 24-Sep-2022
40	ALARGAN Homes Company	Mr. Nasser bin Mohammed Al-Subaie	- Chairman of Bank Albilad - Member of the Board of Directors of Alargan Homes Company	ATM site contract - Jubail city owned by Alargan Homes Company	90,000.00	5-Aug-2018 4-Aug-2025
		Khalid Saleh Al-Hathal	- Member of the Nominations and Remuneration Committee at Bank Albilad /	contract for ATM locations - Yanbu city owned by Alargan Homes Company	80,000.00	1-Sep-2018 31-Aug-2025
			- Member of the Board of Directors of Albilad Capital - Member of the Nomination and Compensation Committee at Alargan Company		80,000.00	1-Sep-2018 31-Aug-2025
41	Saudi Exchange	Zaid Muhammad Almufarah	Independent Board Member at Tadawul - Chief Executive Officer of AlbiladFinance	Listing Service Continuation Form	-	1-Apr-2017 31-Mar-2027
42	Albilad Real Estate	Saleh Suleiman Alhabeeb	Chairman of the Board of Directors	Mohammedia Land Contract - Regional Administration	50,000	1-Jul-2022 30-Jun-2055
		Anas Mohammed Alammash	CEO			
		Raed Muhammad Alabd Alkarim	Vice Chairman			
43	Albilad Real Estate	Saleh Suleiman Alhabeeb	Chairman of the Board of Directors	Land contract of the land of Al-Munsia	50,000	1-Sep-2022 31-Aug-2055
		Anas Mohammed Alammash	CEO			
		Raed Muhammad Alabd Alkarim	Vice Chairman			

No.	Related Party	Member/Person with Direct or Indirect Interest	Reason	Type/nature of relationship or conflict	Contract Amount	Contract Date
44	Albilad Real Estate	Saleh Suleiman Alhabeeb	Chairman of the Board of Directors	Alworoud District contract	50,000	1-Jan-2021 31-Dec-2053
		Anas Mohammed Alammash	CEO			
		Raed Muhammad Alabd Alkarim	Vice Chairman			
45	Albilad Real Estate	Saleh Suleiman Alhabeeb	Chairman of the Board of Directors	Rawda Branch Land Contract	50,000	25-Sep-2018 31-Dec-2050
		Anas Mohammed Alammash	CEO			
		Raed Muhammad Alabd Alkarim	Vice Chairman			
46	Albilad Real Estate	Saleh Suleiman Alhabeeb	Chairman of the Board of Directors	Naseem Land Contract	50,000	1-Jan-2021 31-Dec-2053
		Anas Mohammed Alammash	CEO			
		Raed Muhammad Alabd Alkarim	Vice Chairman			
47	Albilad Real Estate	Saleh Suleiman Alhabeeb	Chairman of the Board of Directors	Alhamra Land Contract	50,000	1-Jan-2021 31-Dec-2053
		Anas Mohammed Alammash	CEO			
		Raed Muhammad Alabd Alkarim	Vice Chairman			
48	Albilad Real Estate	Saleh Suleiman Alhabeeb	Chairman of the Board of Directors	Alsafraa Land Contract	50,000	1-Jan-2021 31-Dec-2053
		Anas Mohammed Alammash	CEO			
		Raed Muhammad Alabd Alkarim	Vice Chairman			
49	Albilad Real Estate	Saleh Suleiman Alhabeeb	Chairman of the Board of Directors	Safa Land Contract	50,000	1-Jan-2021 31-Dec-2053
		Anas Mohammed Alammash	CEO			
		Raed Muhammad Alabd Alkarim	Vice Chairman			
50	Albilad Real Estate	Saleh Suleiman Alhabeeb	Chairman of the Board of Directors	South of Azizia Makkah Land Contract	50,000	1-Jan-2021 31-Dec-2053
		Anas Mohammed Alammash	CEO			
		Raed Muhammad Alabd Alkarim	Vice Chairman			
51	Albilad Real Estate	Saleh Suleiman Alhabeeb	Chairman of the Board of Directors	Alsadad Land Contract	50,000	1-Jan-2021 31-Dec-2053
		Anas Mohammed Alammash	CEO			
		Raed Muhammad Alabd Alkarim	Vice Chairman			

No.	Related Party	Member/Person with Direct or Indirect Interest	Reason	Type/nature of relationship or conflict	Contract Amount	Contract Date
52	Albilad Real Estate	Saleh Suleiman Alhabeeb	Chairman of the Board of Directors	Alrawdah Land Contract	50,000	1-Jan-2021 31-Dec-2053
		Anas Mohammed Alammash	CEO			
		Raed Muhammad Alabd Alkarim	Vice Chairman			
53	Albilad Real Estate	Saleh Suleiman Alhabeeb	Chairman of the Board of Directors	Rabwah Land Contract	50,000	1-Jan-2021 31-Dec-2053
		Anas Mohammed Alammash	CEO			
		Raed Muhammad Alabd Alkarim	Vice Chairman			
54	Albilad Real Estate	Saleh Suleiman Alhabeeb	Chairman of the Board of Directors	South Dhahran Land Contract	50,000	1-May-2021 30-Apr-2054
		Anas Mohammed Alammash	CEO			
		Raed Muhammad Alabd Alkarim	Vice Chairman			
55	Albilad Real Estate	Saleh Suleiman Alhabeeb	Chairman of the Board of Directors	Alhezam Road Land Contract	50,000	1-May-2021 30-Apr-2054
		Anas Mohammed Alammash	CEO			
		Raed Muhammad Alabd Alkarim	Vice Chairman			
56	Albilad Real Estate	Saleh Suleiman Alhabeeb	Chairman of the Board of Directors	Dammam Corniche Land Contract	50,000	1-Jan-2021 31-Dec-2053
		Anas Mohammed Alammash	CEO			
		Raed Muhammad Alabd Alkarim	Vice Chairman			
57	Albilad Real Estate	Saleh Suleiman Alhabeeb	Chairman of the Board of Directors	Khalidiya Land Contract	50,000	1-Jan-2021 31-Dec-2053
		Anas Mohammed Alammash	CEO			
		Raed Muhammad Alabd Alkarim	Vice Chairman			
58	Albilad Real Estate	Saleh Suleiman Alhabeeb	Chairman of the Board of Directors	Mirqab Land Contract	50,000	1-Jan-2021 31-Dec-2053
		Anas Mohammed Alammash	CEO			
		Raed Muhammad Alabd Alkarim	Vice Chairman			
59	Albilad Real Estate	Saleh Suleiman Alhabeeb	Chairman of the Board of Directors	Al Faisaliah Land Contract	50,000	1-Jan-2021 31-Dec-2053
		Anas Mohammed Alammash	CEO			
		Raed Muhammad Alabd Alkarim	Vice Chairman			

No.	Related Party	Member/Person with Direct or Indirect Interest	Reason	Type/nature of relationship or conflict	Contract Amount	Contract Date
60	Albilad Real Estate	Saleh Suleiman Alhabeeb	Chairman of the Board of Directors	Tahlia Land Contract	50,000	1-Jan-2021 31-Dec-2053
		Anas Mohammed Alammash	CEO			
		Raed Muhammad Alabd Alkarim	Vice Chairman			
61	Albilad Real Estate	Saleh Suleiman Alhabeeb	Chairman of the Board of Directors	Hittin Land Contract	50,000	25-Dec-2022 24-Dec-2055
		Anas Mohammed Alammash	CEO			
		Raed Muhammad Alabd Alkarim	Vice Chairman			
62	Albilad Real Estate	Saleh Suleiman Alhabeeb	Chairman of the Board of Directors	Al-Hada Al-Khobar Land Contract	50,000	22-Jan-2023 21-Jan-2056
		Anas Mohammed Alammash	CEO			
		Raed Muhammad Alabd Alkarim	Vice Chairman			
63	Albilad Real Estate	Saleh Suleiman Alhabeeb	Chairman of the Board of Directors	Altakhassusi Road Land Contract	50,000	22-Jan-2023 21-Jan-2056
		Anas Mohammed Alammash	CEO			
		Raed Muhammad Alabd Alkarim	Vice Chairman			
64	Albilad Real Estate	Saleh Suleiman Alhabeeb	Chairman of the Board of Directors	Unaizah Land Contract	50,000	22-Jan-2023 21-Jan-2056
		Anas Mohammed Alammash	CEO			
		Raed Muhammad Alabd Alkarim	Vice Chairman			
65	Albilad Real Estate	Saleh Suleiman Alhabeeb	Chairman of the Board of Directors	Rass Land Contract	50,000	1-Nov-2022 31-Oct-2056
		Anas Mohammed Alammash	CEO			
		Raed Muhammad Alabd Alkarim	Vice Chairman			
66	Albilad Real Estate	Saleh Suleiman Alhabeeb	Chairman of the Board of Directors	Nozha District land contract	50,000	1-Nov-2022 31-Oct-2053
		Anas Mohammed Alammash	CEO			
		Raed Muhammad Alabd Alkarim	Vice Chairman			

No.	Related Party	Member/Person with Direct or Indirect Interest	Reason	Type/nature of relationship or conflict	Contract Amount	Contract Date
67	Albilad Real Estate	Saleh Suleiman Alhabeeb	Chairman of the Board of Directors	Shifa District Riyadh Land Contract	50,000	15-Nov-2022 14-Nov-2024
		Anas Mohammed Alammash	CEO			
		Raed Muhammad Alabd Alkarim	Vice Chairman			
68	Albilad Real Estate	Saleh Suleiman Alhabeeb	Chairman of the Board of Directors	Nokra District Land Contract - Hail	50,000	5-Feb-2023 4-Feb-2025
		Anas Mohammed Alammash	CEO			
		Raed Muhammad Alabd Alkarim	Vice Chairman			

Outstanding statutory payments (SAR million)

Details	2022	2021
Legal Zakat (1)	239	194
General Organization for Social Insurance (GOSI) 2)	8.8	8.4

(1) Legal Zakat – As per the Zakat Acknowledgement to be submitted for 2022, the Bank estimated the outstanding Zakat for 2022 with SAR 239 million (2021: SAR 194 million).

(2) The Bank estimated the outstanding amount due to the General Organization for Social Insurance (GOSI) for 2022 with SAR 8.8 million (2021: SAR 8.4 million) paid during January 2023.

VALUE OF STATUTORY PAID AND ACCRUED PAYMENTS FOR THE PERIOD ENDING ON 31 DECEMBER 2022: (SAR THOUSAND)

Item	Paid	Accrued until the end of the annual fiscal year and not paid	Brief	Reasons
Zakat	256,713	-	Annual Zakat for 2021 plus the annual installment of settlement for 2022	Zakat for 2022 which will be paid in April 2023
Withholding tax for non-residents	8,130	559	Withholding tax for non-residents	December 2022 tax which will be paid in Jan 2023
VAT	124,093	10,662	VAT	December 2022 tax which will be paid in Jan 2023
General Organization for Social (GOSI)	101,708	7,071	Social insurance payments paid during 2022	Social insurance payments for December 2022 which will be paid in Jan 2023

Item	Paid	Accrued until the end of the annual fiscal year and not paid	Brief	Reasons
Visa and passport costs	2,606	-	Renewal of residency fees, exit and return fees, and sponsorship transfer	Renewal of foreign employee residency, exit and return fees, and sponsorship transfer
Capital Market Authority	1,167	-	Fees for Capital Market Authority	Fees of the Capital Market Authority in addition to fees for registering employees with it
Municipality fees	7,115	-	Annual Municipality fees	Annual Municipality fees

Albilad Capital Company (SAR million – 2022)

Item	Paid	Accrued until the end of the annual fiscal year and not paid	Brief	Reasons
Zakat	11,954	13,143	Zakat due for 2022	Annual zakat for 2022
Tax	2,427	74	Tax for non-residents	Tax for non-residents due for Dec 2022
VAT	34,404	5,960	VAT	VAT due for Dec 2022
General Organization for Social Insurance (GOSI)	6,827	605	Social insurance payments paid during 2022	Social insurance payments for December 2022
Visa and passport costs	31	-	Renewal of residency fees, exit and return fees, and sponsorship transfer	Renewal of foreign employee residency, exit and return fees, and sponsorship transfer
Labor office fees	121	-	Work permit fees for foreign employees	Work permit fees for foreign employees
Capital Market Authority	388	-	Fees for Capital Market Authority	Fees of the Capital Market Authority in addition to fees for registering employees with it
Municipality Fees	10	-	Annual Municipality fee	Annual Municipality fee
Renewal of the commercial register	15	-	Renewal of the commercial register and the Chamber of Commerce from 19/04/2022 to 23/04/2024	Annual fee

Capital adequacy

The Group’s objectives when managing capital are to comply with the capital requirements set by central bank; to safeguard the Group’s ability to continue as a going concern; and to maintain a strong capital base. Capital adequacy and the use of regulatory capital are monitored regularly by the Group’s management. central bank requires holding the minimum level of the regulatory capital of and maintaining a ratio of total regulatory capital to the risk-weighted asset at or above the agreed minimum of 8%.

The Group monitors the adequacy of its capital using ratios established by central bank. These ratios measure capital adequacy by comparing the Group’s eligible capital with its consolidated statement of financial position assets and commitments at a weighted amount to reflect their relative risk. SAMA through its Circular Number 391000029731 dated 15 Rabi Al-Awwal 1439H (3 December 2017), which relates to the interim approach and transitional arrangements for the accounting allocations under IFRS 9, has directed banks that the initial impact on the capital adequacy ratio as a result of applying IFRS 9 shall be transitioned over five years.

As part of the latest SAMA guidance on Accounting and Regulatory Treatment of COVID-19 Extraordinary Support Measures, Banks are now allowed to add-back up to 100% of the transitional adjustment amount to Common Equity Tier 1 (CET1) for the full two years’ period comprising 2021 and 2022 effective from 31 March 2021 financial statement reporting. The add-back amount must be then phased-out on a straight-line basis over the subsequent 3 years.

THE FOLLOWING TABLE SUMMARIZES THE GROUP’S PILLAR-I RISK WEIGHTED ASSETS, TIER I AND TIER II CAPITAL AND CAPITAL ADEQUACY RATIOS.

Details	2022 (SAR '000)
Credit Risk RWA	88,162,110
Operational Risk RWA	8,712,282
Market Risk RWA	2,242,872
Total Pillar-I RWA	99,117,264
Tier I Capital	13,446,502
Tier II Capital	4,102,026
Total Tier I & II Capital	17,548,528
Capital Adequacy Ratio %	
Tier I ratio	13.57%
Tier I + Tier II ratio	17.70%

Basel Notes – Third Pillar

These notes have been prepared by virtue of SAMA's requirement of quantitative and qualitative notes related to Basel Third Pillar. For reviewing these notes, please visit the Bank’s website: www.bankalbilad.com.

Independent Auditors

In the General Assembly meeting held on 10 Ramadan 1443H, corresponding to 11 April 2022, Ernst & Young Professional Services and PricewaterhouseCoopers have been appointed as external auditors of the Bank for the fiscal year 2022. As for the year 2023, the auditors will be appointed at the meeting of the General Assembly scheduled to be held in the early second quarter 2023.

Independent Auditors’ Report

The auditors submitted unqualified audit report on the Bank’s consolidated financial statements for the current fiscal year.

Credit rating

The below table illustrates the credit rating for the Bank:

Rating Agency	Long-term	Short-term	Future overview
Moody's	A3	P-2	Stable

Communication with Shareholders

Based on the bank’s keenness to strengthen its relationship with shareholders, all investors and customers, and believing in the principle of transparency and disclosure of information, the bank’s board of directors works on an ongoing basis, in accordance with the principles of governance that work to ensure fair dealing for all shareholders and determine the responsibility of the board of directors towards the bank and its shareholders, and the bank follows in this the regulations, standards and guidelines of the Saudi Central Bank, the Capital Market Authority, the recommendations of the Basel Committee and others on corporate governance, as the bank provides comprehensive and adequate information on all its activities and business. which is guaranteed and published in the annual report and summary financial statements, and on the Saudi Exchange website, as well as its participation in investor conferences inside and outside the Kingdom, as well as in the bank’s website (www.bankalbilad.com), which contains in addition to that additional information and news about the bank such as capital increases, as well as dividends of shares that have been distributed to shareholders, inquiries about unreceived profits and other tools, as well as responding to all inquiries raised by shareholders, and encouraging shareholders to participate in annual general assembly meetings. The bank continues focusing on developing the bank’s website and the mechanisms of communication with shareholders and investors.

Actions taken by the Board of Directors to inform its Members of shareholders’ feedback about the Bank and its performance

The bank continuously works to protect the rights of all stakeholders, especially shareholders, which has been included, whether in the bank’s articles of association or in the relevant policies, manuals and procedures, and one of the most important related rights is the right to attend ordinary and extraordinary general assembly meetings, discuss the announced agenda, ask questions to the board, auditors and executive management, and what includes submitting proposals and observations about the bank and its performance, in accordance with the specific mechanisms for that, which are informed to the members of the board of directors, whether they were made during the general assembly meetings through the minutes of the meeting or by presenting the proposals received from shareholders and others through the channels designated to the members at the first meeting held by the Board and including the minutes of the meeting - if any -, noting that most of the members of the current Board are either non-executive or independent and one executive member.

Voting shares interests

There are no interest rights in the category of voting shares for individuals who informed the Bank of these rights (except for the Bank’s Board Members, Senior Executives and their spouses and minor children)

Waiver of the Interests rights of the Shareholders, Board Members or Senior Executives

- 1 There are no arrangements or agreements with any one of the Board Members or the Senior Executives for the waiver of salaries, remunerations or compensations.
- 2 There are no arrangements of agreements with any of the shareholders for the waiver of profit rights

Number of Bank’s requests for shareholders’ registration with dates and reasons

No.	Property File Date	Property File Date
1	2022/1/3	Bank procedures
2	2022/2/2	Bank procedures
3	2022/3/2	Bank procedures
4	2022/4/4	Bank procedures
5	2022/5/9	Bank procedures
6	2022/6/2	Bank procedures
7	2022/7/4	Bank procedures
8	2022/8/2	Bank procedures
9	2022/9/4	Bank procedures
10	2022/10/3	Bank procedures
11	2022/11/2	Bank procedures
12	2022/12/4	Bank procedures

Compliance with Corporate Governance Regulations

The Bank shall comply with the updated Corporate Governance Regulations issued by the Capital Market Authority on 13/2/2017, its updates, the regulatory controls and procedures issued in implementation of the Companies Law for Listed Joint Stock Companies and their updates, the main principles of governance in financial institutions subject to the supervision and supervision of the Saudi Central Bank, their updates, and other regulatory instructions and controls issued in accordance with the Companies Law, its updates and regulations, and the Bank’s relevant policies and documents.

The Bank has committed to implement all the provisions of the aforementioned Corporate Governance Regulations, with the exception of sub-paragraph (b) related to (disclosure of senior executives’ remuneration) of subparagraph (4) of paragraph (a) of Article (90) and related to paragraph (b) of the same article, as it was partially complied with by disclosing the total remuneration of the aforementioned senior executives.

Board Acknowledgments

The Board of Directors of the Bank affirms the following:

- The account records have been properly prepared.
- The internal control system has been properly developed and effectively implemented.
- There is no doubt whatsoever about the Bank’s ability to continue its activities.

In conclusion, the Board of Directors, the CEO and all the ambassadors of the Bank have the honor to extend their deepest thanks and appreciation to the Custodian of the Two Holy Mosques King Salman bin Abdulaziz Al Saud - may Allah protect him, and to His Royal Highness Prince Mohammed bin Salman bin Abdulaziz, Crown Prince and the Prime Minister - may Allah protect him - for the assistance, support and encouragement received by the banking sector and financial institutions, and thanks to the Ministry of Finance, the Ministry of Commerce, the Saudi Central Bank and the Capital Market Authority.

The Board of Directors and the CEO would also like to extend their thanks and appreciation to all the Bank’s shareholders and customers for their support and trust. They also thank Albilad ambassadors for their sincere efforts to develop and improve performance and achieve the Bank’s goals and objectives.

CONCLUSION

With a clear strategy in place, a talented staff team, and a culture that nurtures innovation and creativity, the future of the business looks positive.

We are confident that our rapid development to date has created a firm foundation for the next stage in our journey. Our business fundamentals are strong, with high liquidity, a growing customer base and product range, and a track record of innovation that positions us well for the future.

Our aspiration now is to use that foundation to grow in a sustainable way that adds value to customers, shareholders, and the Kingdom of Saudi Arabia. This will be about what we do, but it will also be about how we work.

Key to our future success will be innovation and partnerships. The new Horizons Innovation Centre will give us a unique opportunity to develop both strands, working closely with a new generation of innovators who are developing products and services for the next generation of Saudi Arabians.

And that innovation will focus not only on products for our customers but also on the systems and processes that we have in place as a Bank.

The solid foundations are in place, and we look forward to a sustainable future.

2022 has been another
year of expansion and
growth for Bank Albilad.

Disclaimer

This report may contain certain information or data including management's assessment of the Bank's future plans and operations, its expectations based on current facts, which may be uncertain and expressed in words such as "believe," "plan," "estimate," "anticipate," "predict," "intend," "will," "may," "could," "would," "should" and the like, so this information should not be relied upon on its own to make any investment decision. To avoid known and unknown risks and uncertainties, the bank's actual performance and financial results in future periods differ materially from any expectations inferred. The most important risks were mentioned in the risk section and other sections of the report. According to the laws and regulations in force in the Kingdom, Bank Albilad and its subsidiaries and officials will not be held responsible for any kind for any loss or damage that may be incurred as a result of using the information contained in this report