

# Executive Committee Charter

Executive Committee Charter approved by the Board of Directors on 13 December 2021 AD

## 1.1 Executive Committee Charter

### 1.1.1 Committee Structure

1.1.1.9 The Executive Committee shall consist of five members and the Board of Directors shall appoint the Committee at the beginning of each session of it from the board members or others.

1.1.1.10 It is preferred to invite the Executive Vice President of Risk or his/her delegate and the Executive Vice President of Corporate Banking or his/her delegate to attend the discussion of credit cases item in meetings without having the right to vote on the resolutions.

1.1.1.11 The CEO shall not be the Chairman of the Executive Committee.

1.1.1.12 The Chairman of the Risk Committee of the Board of Directors may not be the Chairman or a member of the Executive Committee.

1.1.1.13 The secretary general of the Bank shall undertake the tasks of the secretary of the Committee, and in case of his/her absence for any reasons, he/she shall be substituted by his/her deputy or whoever is assigned to do his/her works, unless the Committee decides to assign someone else.

1.1.1.14 In the event of a vacancy in the position of the Chairman/member of the Committee, the Board of Directors shall appoint, upon the recommendation of the Nomination and Remuneration Committee, alternate member in the vacant position, who meets the requirements and conditions of appointment stipulated in this Regulation and the policies and mechanisms of appointment and replacement of members of the Board of Directors and its affiliated committees and the relevant laws and regulations. The new

member shall complete the term of his/her predecessor, and the Board can be satisfied with the number of Committee members without appointing an alternate, provided that they meet the minimum number of Committees formation, which is (3 members).

### **1.1.2 Tasks and Responsibilities**

The Executive Committee shall supervise all business operations of the Bank and take quick decisions with regard to issues and matters related to the Bank and review, follow up, and approve main financial, non-financial, commercial, investment, operational decisions that fall within its powers. Through its Chairman, the Committee shall submit to the Board of Directors a report on any important issue as well as determine the topics that fall within its specialties to be submitted to the Board, in addition to any topics that do not fall within the specialties of other committees. The Committee shall specifically undertake the following responsibilities:

1.1.2.9 Participating in issuing the strategy of the Bank, whose implementation extends to several years, and making recommendations to the Board of Directors for approval.

1.1.2.10 Reviewing and evaluating the progress achieved in implementing the strategy and making recommendations to the Board of Directors in order to take the appropriate decisions.

1.1.2.11 Approving the participation in new or existing companies, increasing and decreasing their capital, increasing and decreasing the Bank's shares in them, or making recommendations to the Board of Directors to take appropriate decisions regarding them, in accordance with the limits of financial and administrative powers and the relevant regulatory documents of the Bank.

1.1.2.12 Making recommendation to the Board of Directors about the establishment of subsidiaries wholly owned by the Bank or owning a share of more than 50% in new or existing companies regardless of the capital of the company.

1.1.2.13 Reviewing matters related to mergers and acquisitions, investments, selling investments, settling and structuring debts, and taking appropriate decisions in this regard, including approving the sale of mortgaged or vacated properties as a guarantee the debts of customers in default in the cases that fall within its financial powers, or making recommendations to the Board of Directors to take appropriate decisions regarding this if this does not fall within its financial powers.

1.1.2.14 Approving the resolutions to appoint, dismiss, promote, or demote and amend the job titles related to the following positions: Deputy Chief Operating Officer (DCOO) and the Deputy Chief Financial Officer (DCFO) upon a recommendation from the CEO, while taking into account the requirements for appointment in the leadership positions in the financial institutions subjected to the supervision of the Saudi Central Bank and the relevant controls.

1.1.2.15 Making recommendation to the Board of Directors (upon a recommendation from the Nomination and Remuneration Committee) to approve the amendment to the organizational structure of the first level of the Bank, including CEO and his/her immediate staff from the rank of director of department or higher, with the exception of Internal Audit, Compliance and Anti-Financial Crimes, General Secretariat and Governance, so the recommendation to the Board of Directors is from the competent committee of the Board of Directors or the one supervising it or / according to what is stated in the regulations of those committees.

1.1.2.16 Choosing and appointing one of the current members of the Bank's Board of Directors or one of its executive management employees to represent the Bank in the membership of the boards of directors of companies and/or institutions in which the Bank participates/contributes other than the subsidiaries whose board members are appointed based on the recommendation of the Committee submitted to the Board of Directors as it is considered the general assembly of the Bank's subsidiaries.

1.1.2.17 Approving and adopting a resolution to conduct investigations and determining the entity and forming the committee for this, provided that the resolution includes its formation and specifies its powers in relation to the following positions holders and ranks:

1.1.2.17.1 CEO, based on a recommendation from the competent committee of the Board of Directors.

1.1.2.17.2 Senior employees till the third rank, based on a recommendation from the CEO.

1.1.2.17.3 Senior employees of sectors of a special nature or special supervision: (Executive Vice President of Risk, Executive Director of Internal Audit, Executive Director of Compliance and Anti-Financial Crimes, and Executive Director of Governance) upon the recommendation of the competent committee of the Board of Directors or in accordance with what is specified in its regulation complies with the relevant regulatory rules.

1.1.2.18 Reviewing the approval of deviation from the approved budget within 10-20% of the total allocated operational budget.

1.1.2.19 Reviewing and approving or amending the list of charities listed on the donations agenda of the Bank.

1.1.2.20 Approving the amounts of donations provided to charities listed on the donations agenda of the Bank for amounts that exceed the specified limit in the powers matrix.

1.1.2.21 Approving the grant amounts allocated by the Bank to governmental or social activities that exceed the limit specified in the powers matrix.

1.1.2.22 Reviewing and approving the capital and operating expenditures liabilities whose value ranges between SAR 10 - 50 million.

1.1.2.23 Making recommendations to the Board of Directors to take the appropriate resolution regarding capital and operating expenditures that exceed SAR 50 million.

1.1.2.24 Reviewing and approving all types of credit facilities that fall within the limits of its powers according to the credit facilities approval powers matrix approved by the Board of Directors while writing down the recommendations for the credit facilities that their approval falls within the limits of the Board of Directors' powers.

1.1.2.25 Reviewing and making recommendation to the Board of Directors to approve all the powers of the Executive Management except credit powers.

1.1.2.26 Approving settlements of bad debts that fall within its powers and making recommendations about settlements that fall within the powers of the Board of Directors, including debts that include partial debt forgiveness.

1.1.2.27 Reviewing the items of the Bank's annual balance sheet and making recommendation it to the Board of Directors for approval.

1.1.2.28 Making recommendation to the Board of Directors to approve the issuance of financial instruments for no more than a certain amount in case the Bank needs it, based on the recommendation of the Risk Committee.

### 1.1.3 Meetings of the Committee:

The Executive Committee shall meet six times at least annually and it may meet also whenever the Chairman of the Committee deemed it necessary. The Committee shall carry out its deliberations and issue its resolutions according to the mechanism stipulated in the General Provisions of the Board Committees.

### 1.1.4 Reports Submission Provisions

The Committee shall abide by submitting its minutes and reports to the Board of Directors according to the mechanism stipulated in the General Provisions of the Board Committees.

### 1.1.5 Provisions of Amendment to the Regulation

This Regulation shall be updated/ amended/ developed based on a recommendation from the Executive Committee and a review by the Compliance and Governance Committee and approval of the Board of Directors.

### 1.1.6 General and Final Provisions:

The clauses and provisions of this Regulation came to express the laws, regulations, rules and controls issued by the regulatory authorities, which are binding and in force as soon as they are issued or amended, and in the event of any amendments to them or any differences in them emerged, the new developments are complied with on the dates specified for compliance with them and the rules and provisions shall be updated/ amended according to them.