



البنك العربي الوطني  
arab national bank

## الجمعية العامة غير العادية

٢٠٢٤

يدعو مجلس ادارة البنك العربي الوطني مساهميه الى حضور اجتماع الجمعية العامة غير العادية (الاجتماع الاول)  
عن طريق وسائل التقنية الحديثة

يسر مجلس ادارة البنك العربي الوطني دعوة السادة المساهمين الكرام الى حضور اجتماع الجمعية العامة غير العادية الذي سيعقد بإذن الله في تمام الساعة التاسعة والنصف من مساء يوم الثلاثاء ١٦ رمضان ١٤٤٥ هـ الموافق ٢٦ مارس ٢٠٢٤ م وذلك عن طريق وسائل التقنية الحديثة.

## Extraordinary General Assembly Meeting

2024

**The Board of Directors of The Arab National Bank invites its shareholders to attend the Extraordinary General Assembly Meeting (First Meeting) by Means of Modern Technology.**

**The Board of Directors of The Arab National Bank is pleased to invite its honorable shareholders to attend the Extraordinary General Assembly Meeting (the first meeting), which is scheduled to be held, at 9:30 pm on Tuesday 16/09/1445 H corresponding to 26/03/2024 G, by Means of Modern Technology.**

Extraordinary General Assembly Agenda

بنود الجمعية العامة غير العادية

1- Reviewing and discussing the Board of Directors' report for the Financial year ending on 31-12-2023.( attached)	١- الاطلاع على تقرير مجلس الإدارة للسنة المالية المنتهية في ٣١-١٢-٢٠٢٣م ومناقشته (مرفق)
2- Reviewing and discussing the financial statements for the fiscal year ending on 31-12-2023.	٢- الاطلاع على القوائم المالية عن السنة المالية المنتهية في ٣١-١٢-٢٠٢٣م ومناقشتها.
3-Voting on the Auditor's report for the Financial year ending on 31-12-2023.( attached)	٣- التصويت على تقرير مراجع الحسابات ومناقشته عن السنة المالية المنتهية في ٣١-١٢-٢٠٢٣م (مرفق)
4- Voting on the appointment of the external auditors among the candidates based on the Audit Committee's recommendation. The appointed auditors shall examine, review and audit the (first, second, third,) quarters and the annual financial statements of the fiscal year 2024 G, In addition to the first quarter of 2025 G, along with determining their fees.	٤- التصويت على تعيين مراجعي الحسابات للبنك من بين المرشحين بناء على توصية لجنة المراجعة وذلك لفحص ومراجعة وتدقيق القوائم المالية للربع الأول والثاني والثالث والسني من العام المالي ٢٠٢٤ م والربع الأول من العام المالي ٢٠٢٥ م وتحديد أتعابهم.
5- Voting on discharge of Board of Directors members for fiscal year 2023.	٥- التصويت على ابراء ذمة اعضاء مجلس الادارة عن السنة المالية ٢٠٢٣م.
6-Voting on authorizing the Board of Directors to distribute interim (semiannual or quarterly) dividends for the fiscal year 2024.	٦- التصويت على تفويض مجلس الإدارة بتوزيع أرباح مرحلية نصف أو ربع سنوية عن العام المالي ٢٠٢٤ م.
7-Voting on disbursing an amount of (5,140,000) SAR as a remuneration to the Board members against fiscal year ended 31-12-2023.	٧- التصويت على صرف مبلغ (٥,١٤٠,٠٠٠) ريال مكافآت لأعضاء مجلس الإدارة عن السنة المالية المنتهية في ٣١-١٢-٢٠٢٣م
8- Voting on delegating to the Board of Directors the authorization powers of the General Assembly stipulated in paragraph (1) of Article twenty seven from the Companies Law, for a period of one year starting from the date of the General Assembly approval or until the end of the delegated Board of Directors 'cycle, whichever is earlier, in accordance with the conditions set forth in the Implementing Regulation of the Companies Law for Listed Joint Stock Companies.	٨- التصويت على تفويض مجلس الإدارة بصلاحيه الجمعية العامة العادية بالترخيص الوارد في الفقرة (١) من المادة السابعة والعشرون من نظام الشركات، وذلك لمدة عام من تاريخ موافقة الجمعية العامة أو حتى نهاية دورة مجلس الإدارة المفوض أيهما أسبق، وفقاً للشروط الواردة في اللائحة التنفيذية لنظام الشركات الخاصة بشركات المساهمة المدرجة.
9- Voting on the amendment Remuneration Policy for Board of Directors, Sub-board Committee Members and Executives (Attached).	٩- التصويت على تعديل سياسة مكافآت أعضاء مجلس الإدارة واللجان المنبثقة عن المجلس والإدارة التنفيذية (مرفق).
10- Voting on the amendment of Article (3) from the Bank's Bylaws related to the Company's purposes (Attached).	١٠- التصويت على تعديل المادة (٣) من النظام الأساس للبنك والمتعلقة بأغراض الشركة (مرفق).
11- Voting on the amendment of Article (4) of the Bank's Bylaws related to participation and ownership in Companies (Attached).	١١- التصويت على تعديل المادة (٤) من النظام الأساس للبنك والمتعلقة بالمشاركة والتملك في الشركات (مرفق).
12- Voting on the amendment of Article (5) of the Bank's Bylaws related to The Head Office of the Company (attached).	١٢- التصويت على تعديل المادة (٥) من النظام الأساس للبنك والمتعلقة بالمركز الرئيسي للشركة (مرفق)
13- Voting on the amendment of Article (7) of the Bank's Bylaws related to the Capital (attached).	١٣- التصويت على تعديل المادة (٧) من النظام الأساس للبنك والمتعلقة برأس المال (مرفق).
14- Voting on the amendment of Article (8) of the Bank's Bylaws related to subscription in the Company's shares (attached).	١٤- التصويت على تعديل المادة (٨) من النظام الأساس للبنك والمتعلقة بالإكتتاب في أسهم الشركة (مرفق).
15- Voting on the amendment of Article (9) of the Bank's Bylaws related to the types and categories of shares (attached).	١٥- التصويت على تعديل المادة (٩) من النظام الأساس للبنك والمتعلقة بأنواع الأسهم وفئاتها (مرفق).
16- Voting on the amendment of Article (10) of the Bank's Bylaws related to the trading of shares (attached).	١٦- التصويت على تعديل المادة (١٠) من النظام الأساس للبنك والمتعلقة بتداول الأسهم (مرفق).
17- Voting on the amendment of Article (11) of the Bank's Bylaws related to Sale of Partly Paid-Up Shares (attached).	١٧- التصويت على تعديل المادة (١١) من النظام الأساس للبنك والمتعلقة ببيع الأسهم الغير مستوفاة القيمة (مرفق).
18- Voting on the addition of Article (12) of the Bank's Bylaws related to Conversion of Shares (attached).	١٨- التصويت على إضافة المادة (١٢) من النظام الأساس للبنك والمتعلقة بتحويل الأسهم (مرفق).
19- Voting on the amendment of Article (13) of the Bank's Bylaw, related to Sale and Buy back Company Shares (attached).	١٩- التصويت على تعديل المادة (١٣) من النظام الأساس للبنك والمتعلقة ببراء وبيع الشركة لأسهمها (مرفق).
20- Voting on the amendment of Article (14) of the Bank's Bylaws related to the capital increase (attached).	٢٠- التصويت على تعديل المادة (١٤) من النظام الأساس للبنك والمتعلقة بزيادة رأس المال (مرفق).
21- Voting on the amendment of Article (15) of the Bank's Bylaws related to Capital Reduction (attached)	٢١- التصويت على تعديل المادة (١٥) من النظام الأساس للبنك والمتعلقة بتخفيض رأس المال (مرفق).
22- Voting on the amendment of Article (16) of the Bank's Bylaws related to Issuance of Debt Instruments & Financing Sukuk (attached).	٢٢- التصويت على تعديل المادة (١٦) من النظام الأساس للبنك والمتعلقة بإصدار أدوات الدين والصكوك التمويلية (مرفق).

23- Voting on the amendment of Article (17) of the Bank's Bylaws related to the Board of Directors formation (attached).	٢٣- التصويت على تعديل المادة (١٧) من النظام الأساس للبنك والمتعلقة بتشكيل مجلس الإدارة (مرفق).
24- Voting on the amendment of Article (18) of the Bank's Bylaws related to Expiration or termination of membership of the Board (attached).	٢٤- التصويت على تعديل المادة (١٨) من النظام الأساس للبنك والمتعلقة بانتهاء أو إنهاء عضوية المجلس (مرفق).
25- Voting on the addition of Article (19) of the Bank's Bylaws related to Expiry of the term of the Board of Directors, resignation of its members, or membership vacancy (attached).	٢٥- التصويت على إضافة المادة (١٩) من النظام الأساس للبنك والمتعلقة بانتهاء مدة مجلس الإدارة أو اعتزال أعضائه أو شغور العضوية (مرفق).
26- Voting on the amendment of Article (20) of the Bank's Bylaws related to the vacant position in the Board (attached).	٢٦- التصويت على تعديل المادة (٢٠) من النظام الأساس للبنك والمتعلقة بالمركز الشاغر في المجلس (مرفق).
27- Voting on the amendment of Article (21) of the Bank's Bylaws related to the powers of the Board (attached).	٢٧- التصويت على تعديل المادة (٢١) من النظام الأساس للبنك والمتعلقة بصلاحيات المجلس (مرفق).
28- Voting on the amendment of Article (22) of the Bank's Bylaws related to the remuneration of the Board members (attached).	٢٨- التصويت على تعديل المادة (٢٢) من النظام الأساس للبنك والمتعلقة بمكافأة أعضاء مجلس الإدارة (مرفق).
29- Voting on the amendment of Article (23) of the Bank's Bylaws Concerning the Chairman, Vice- Chairman and Managing Director (attached).	٢٩- التصويت على تعديل المادة (٢٣) من النظام الأساس للبنك والمتعلقة برئيس مجلس الإدارة ونائبه والعضو المنتدب (مرفق).
30- Voting on the amendment of Article (24) of the Bank's Bylaws related to the Board Meetings (attached).	٣٠- التصويت على تعديل المادة (٢٤) من النظام الأساس للبنك والمتعلقة واجتماعات المجلس (مرفق).
31- Voting on the amendment of Article (25) of the Bank's Bylaws related to Board Meetings and decisions(attached).	٣١- التصويت على تعديل المادة (٢٥) من النظام الأساس للبنك والمتعلقة واجتماع المجلس وقراراته (مرفق).
32- Voting on the addition of Article (26) of the Bank's Bylaws related to Issuance of Board Decisions in Urgent Matters (attached).	٣٢- التصويت على إضافة المادة (٢٦) من النظام الأساس للبنك والمتعلقة بإصدار قرارات المجلس في الأمور العاجلة (مرفق).
33- Voting on the amendment of Article (27) of the Bank's Bylaws related to the deliberations of the Board (attached).	٣٣- التصويت على تعديل المادة (٢٧) من النظام الأساس للبنك والمتعلقة بمدولات المجلس (مرفق).
34- Voting on the deletion of Article (28) of the Bank's Bylaws related to the Constituent Assembly (attached)	٣٤- التصويت على حذف المادة (٢٨) من النظام الأساس للبنك والمتعلقة بالجمعية التأسيسية (مرفق).
35- Voting on the deletion of Article (29) of the Bank's Bylaws related to Powers of the Constituent Assembly (attached).	٣٥- التصويت على حذف المادة (٢٩) من النظام الأساس للبنك والمتعلقة باختصاصات الجمعية التأسيسية (مرفق).
36- Voting on the amendment of Article (29) of the Bank's Bylaws related to the Audit Committee (attached).	٣٦- التصويت على تعديل المادة (٢٩) من النظام الأساس للبنك والمتعلقة بلجنة المراجعة (مرفق).
37- Voting on the amendment of Article (30) of the Bank's Bylaws of association related to Shareholder General Assembly Meetings (attached).	٣٧- التصويت على تعديل المادة (٣٠) من النظام الأساس للبنك والمتعلقة واجتماع الجمعية العامة للمساهمين (مرفق).
38- Voting on the amendment of Article (32) of the Bank's Bylaws related to the Powers of the Extraordinary General Assembly (attached).	٣٨- التصويت على تعديل المادة (٣٢) من النظام الأساس للبنك والمتعلقة باختصاصات الجمعية العامة غير العادية (مرفق).
39- Voting on the deletion of Article (33) of the Bank's Bylaws related to Assembly Attendance Register (attached).	٣٩- التصويت على حذف المادة (٣٣) من النظام الأساس للبنك والمتعلقة بسجل حضور الجمعيات (مرفق).
40- Voting on the amendment of Article (33) of the Bank's Bylaws related to Calling for the Assemblies (attached).	٤٠- التصويت على تعديل المادة (٣٣) من النظام الأساس للبنك والمتعلقة بدعوة الجمعيات (مرفق).
41- Voting on the amendment of Article (34) of the Bank's Bylaws related to Quorum for Meetings of the Ordinary General Assembly (attached).	٤١- التصويت على تعديل المادة (٣٤) من النظام الأساس للبنك والمتعلقة بنصاب اجتماع الجمعية العامة العادية (مرفق).
42- Voting on the amendment of Article (35) of the Bank's Bylaws related to Quorum for Meetings of the Extraordinary General Assembly (attached).	٤٢- التصويت على تعديل المادة (٣٥) من النظام الأساس للبنك والمتعلقة بنصاب اجتماع الجمعية العامة غير العادية (مرفق).
43- Voting on the amendment of Article (36) of the Bank's Bylaws related to voting at Assemblies (attached).	٤٣- التصويت على تعديل المادة (٣٦) من النظام الأساس للبنك والمتعلقة بالتصويت في الجمعيات (مرفق).
44- Voting on the amendment of Article (37) of the Bank's Bylaws related to Decisions of the Assemblies (attached).	٤٤- التصويت على تعديل المادة (٣٧) من النظام الأساس للبنك والمتعلقة بقرارات الجمعية (مرفق).
45- Voting on the amendment of Article (38) of the Bank's Bylaws related to the discussion at Meetings of Assemblies (attached).	٤٥- التصويت على تعديل المادة (٣٨) من النظام الأساس للبنك والمتعلقة بالمناقشة في الجمعيات (مرفق).
46- Voting on the amendment of Article (39) of the Bank's Bylaws and related to assembly Meeting Minutes (attached).	٤٦- التصويت على تعديل المادة (٣٩) من النظام الأساس للبنك والمتعلقة بمحاضر الجمعيات (مرفق).
47- Voting on the amendment of Article (40) of the Bank's Bylaws related to Appointment Removal, and Resignation of Company Auditor (attached).	٤٧- التصويت على تعديل المادة (٤٠) من النظام الأساس للبنك والمتعلقة بتعيين مراجع حسابات الشركة وعزله واعتزاله (مرفق).
48- Voting on the amendment of Article (41) of the Bank's Bylaws related to the powers of the Auditor (attached).	٤٨- التصويت على تعديل المادة (٤١) من النظام الأساس للبنك والمتعلقة بصلاحيات مراجع الحسابات (مرفق).
49- Voting on the amendment of Article (42) of the Bank's Bylaws related to the financial year (attached).	٤٩- التصويت على تعديل المادة (٤٢) من النظام الأساس للبنك والمتعلقة بالسنة المالية (مرفق).
50- Voting on the amendment of Article (43) of the Bank's Bylaws and related to financial documents (attached).	٥٠- التصويت على تعديل المادة (٤٣) من النظام الأساس للبنك والمتعلقة بالوثائق المالية (مرفق).

51- Voting on the addition of Article (44) of the Bank's Bylaws related to Creation of Reserves (attached).	٥١- التصويت على إضافة المادة (٤٤) من النظام الأساس للبنك والمتعلقة بتكوين الاحتياطيات (مرفق).
52- Voting on the amendment of Article (45) of the Bank's Bylaws related to Distribution of Dividends (attached).	٥٢- التصويت على تعديل المادة (٤٥) من النظام الأساس للبنك والمتعلقة بتوزيع الأرباح (مرفق).
53- Voting on the amendment of Article (46) of the Bank's Bylaws related to Entitlement to Dividends (attached).	٥٣- التصويت على تعديل المادة (٤٦) من النظام الأساس للبنك والمتعلقة باستحقاق الأرباح (مرفق).
54- Voting on the amendment of Article (47) of the Bank's Bylaws related to Distribution of Dividends to Holders of Preferred Shares (attached).	٥٤- التصويت على تعديل المادة (٤٧) من النظام الأساس للبنك والمتعلقة بتوزيع الأرباح للأسهم الممتازة (مرفق).
55- Voting on the amendment of Article (48) of the Bank's Bylaws related to the Company's losses (attached).	٥٥- التصويت على تعديل المادة (٤٨) من النظام الأساس للبنك والمتعلقة بخسائر الشركة (مرفق).
56- Voting on the amendment of Article (49) of the Bank's Bylaws related to Expiration of the Company (attached).	٥٦- التصويت على تعديل المادة (٤٩) من النظام الأساس للبنك والمتعلقة بانقضاء الشركة (مرفق).
57- Voting on the amendment of Article (50) of the Bank's Bylaws related to the final provisions (attached).	٥٧- التصويت على تعديل المادة (٥٠) من النظام الأساس للبنك والمتعلقة بأحكام ختامية (مرفق).
58- Voting on the deletion of Article (52) of the Bank's Bylaws related to Liability Action (attached).	٥٨- التصويت على حذف المادة (٥٢) من النظام الأساس للبنك والمتعلقة بدعوى المسؤولية (مرفق).
59- Voting on the amendment of Article (52) of the Bank's Bylaws related to the final provisions (attached).	٥٩- التصويت على تعديل المادة (٥٢) من النظام الأساس للبنك والمتعلقة بأحكام ختامية (مرفق).
60- Voting on the rearrangement and numbering of the Bylaws and renaming some articles to comply with the amendments proposed in the above items if approved (attached).	٦٠- التصويت على إعادة ترتيب مواد النظام الأساس وترقيمها وإعادة تسمية بعض المواد لتتوافق مع التعديلات المقترحة في البنود أعلاه في حال الموافقة عليها (مرفق).
61- Voting on contracts and business dealings between the bank and Alkhaleej Training and Education Company, in which Board Chairman, Mr. Salah Rashid Alrashed, has an indirect interest, relating to manpower supply agreement (labour services) executed in the ordinary course of business of Arab National Bank. The total transactions with the bank during the year 2023 amounted is SR (14,148,310) and without conditions or preferential benefits (attached).	٦١- التصويت على الأعمال والعقود التي تمت بين البنك وشركة الخليج للتدريب والتعليم والتي لرئيس مجلس الإدارة الأستاذ/ هشام عبد اللطيف الجبر، مصلحة غير مباشرة فيها، وهي عبارة عن اتفاقية تقديم خدمات عمالية لصالح البنك العربي الوطني. وقد بلغ إجمالي التعاملات مع البنك (١٤,١٤٨,٣١٠) ريال سعودي خلال العام ٢٠٢٣م، وبدون شروط أو مزايا تفضيلية. (مرفق)
62- Voting on contracts and business dealings between the bank and Walaa Cooperative Insurance Company in which Board Member, Mr. Hesham Abdullatif Aljabr, has an indirect interest being a board member of Walaa Cooperative Insurance Company, relating to renewal of insurance policies for the benefit of Arab National Bank. The total transactions with the bank during the year 2023 amounted is SR (68,152,829) without conditions or preferential benefits (attached).	٦٢- التصويت على الأعمال والعقود التي تمت بين البنك وشركة ولاء للتأمين التعاوني والتي لعضو مجلس الإدارة الأستاذ/ هشام عبد اللطيف الجبر، مصلحة غير مباشرة فيها، بصفته عضو مجلس إدارة شركة ولاء للتأمين التعاوني، وهي عبارة عن تجديد لوثائق تأمين لصالح البنك العربي الوطني. وقد بلغ إجمالي التعاملات مع البنك خلال عام ٢٠٢٣م مبلغ (٦٨,١٥٢,٨٢٩) ريال سعودي، بدون شروط أو مزايا تفضيلية. (مرفق)

البند رقم (١)  
الاطلاع على تقرير مجلس الإدارة ومناقشته  
تقرير لجنة المراجعة

Item No (1)  
Reviewing and discussing the  
Board of Directors'  
Audit committee report

البنك العربي الوطني  
Arab National Bank

Audit Committee Report

تقرير لجنة المراجعة

Audit Committee assessment of the adequacy of the Bank's

تقييم لجنة المراجعة حول كفاية نظام الرقابة الداخلية للبنك

The Audit Committee (AUCOM) during 2023 reviewed various reports on the adequacy of internal controls and systems including the financial statements and risk reports. AUCOM reviews the minutes of the various management committees, for example, Risk Management Committee, Compliance Committee. The AUCOM discussions and decisions are documented in the meetings' minutes and matters requiring attention are escalated to the Board.

خلال عام ٢٠٢٣ م قامت لجنة المراجعة بمراجعة تقارير مختلفة حول كفاية ضوابط الرقابة الداخلية والأنظمة بما في ذلك القوائم المالية وتقارير المخاطر. وتضطلع لجنة المراجعة بمراجعة محاضر لجان الإدارة المختلفة مثل لجنة إدارة المخاطر ولجنة الالتزام. ويتم توثيق مناقشات لجنة المراجعة وقراراتها في محاضر الاجتماعات وتصعيد المسائل التي تتطلب الاهتمام إلى مجلس الإدارة.

During this year, the AUCOM members met with the Chief Internal Auditor, Chief Operations Officer, Chief Risk Officer, Chief Compliance Officer, Chief Finance Officer and External Auditors and have obtained updates on matters that require AUCOM's attention. AUCOM also received internal audit reports, regulatory reports and external auditors' management letters issued during the year and reviewed the management action plans for the issues raised.

وخلال هذا العام عقد أعضاء لجنة المراجعة اجتماعات مع رئيس المراجعة الداخلية والرئيس التنفيذي للعمليات والرئيس التنفيذي للمخاطر والرئيس التنفيذي للامتثال ورئيس الرقابة المالية ومراجعي الحسابات الخارجيين، حيث اطلعت على آخر المستجدات بشأن المسائل التي تتطلب اهتمام لجنة المراجعة. أيضا تلقت لجنة المراجعة تقارير المراجعة الداخلية، وتقارير السلطات الرقابية، وخطابات الإدارة من مراجعي الحسابات الخارجيين الصادرة خلال العام، وراجعت خطط عمل الإدارة للمسائل التي تم رفعها.

AUCOM also through the Reports and Documents raised to them From the management reviewed the effectiveness of the system of internal control and procedures for compliance with the Arab National Bank internal policies, relevant regulatory and legal requirements in the Kingdom of Saudi Arabia and whether management has fulfilled its duty in having an effective internal control system, seeking independent assurance from internal audit to assess the adequacy and effectiveness of such internal controls.

قامت لجنة المراجعة أيضاً من خلال التقارير والمستندات المرفوعة لها من الإدارة التنفيذية بمراجعة فعالية نظام الرقابة الداخلية وإجراءات الالتزام بالسياسات الداخلية للبنك العربي الوطني والمُتطلبات التنظيمية والقانونية ذات الصلة في المملكة العربية السعودية وما إذا كانت الإدارة قد استوفت واجبها بإيجاد نظام رقابة داخلية فعّال والسعي للحصول على تأكيد مُستقل عن المراجعة الداخلية لتقييم مدى كفاية وفعالية هذه الضوابط الداخلية.

AUCOM assures the Board and shareholders that to the best of its knowledge that Arab National Bank Internal Control system is adequate and operating effectively; and no significant deficiency in the internal control system; and it is recommendation pertaining to the appointment, dismissal, assessment or determining the remuneration of the external auditors or appointing Chief Internal Auditor were adopted by the Board.

تؤكد لجنة المراجعة لمجلس الإدارة والمساهمين كفاية وفعالية تطبيق نظام الرقابة الداخلية في البنك العربي الوطني، حيث لم يتبين وجود خلل جوهري في نظام الرقابة الداخلية، كما تؤكد أن توصيات اللجنة المتعلقة بالتعيين والفصل والتقييم أو تحديد مكافآت مراجعي الحسابات الخارجيين أو تعيين الرئيس التنفيذي للرقابة الداخلية قد تم اعتمادها من المجلس.

التاريخ: ٢٣/٠٧/١٤٤٥ هـ الموافق ٠٤/٠٢/٢٠٢٤ م.

### تواقيع رئيس وأعضاء لجنة المراجعة



ثامر مسفر الوادعي  
(رئيس لجنة المراجعة)



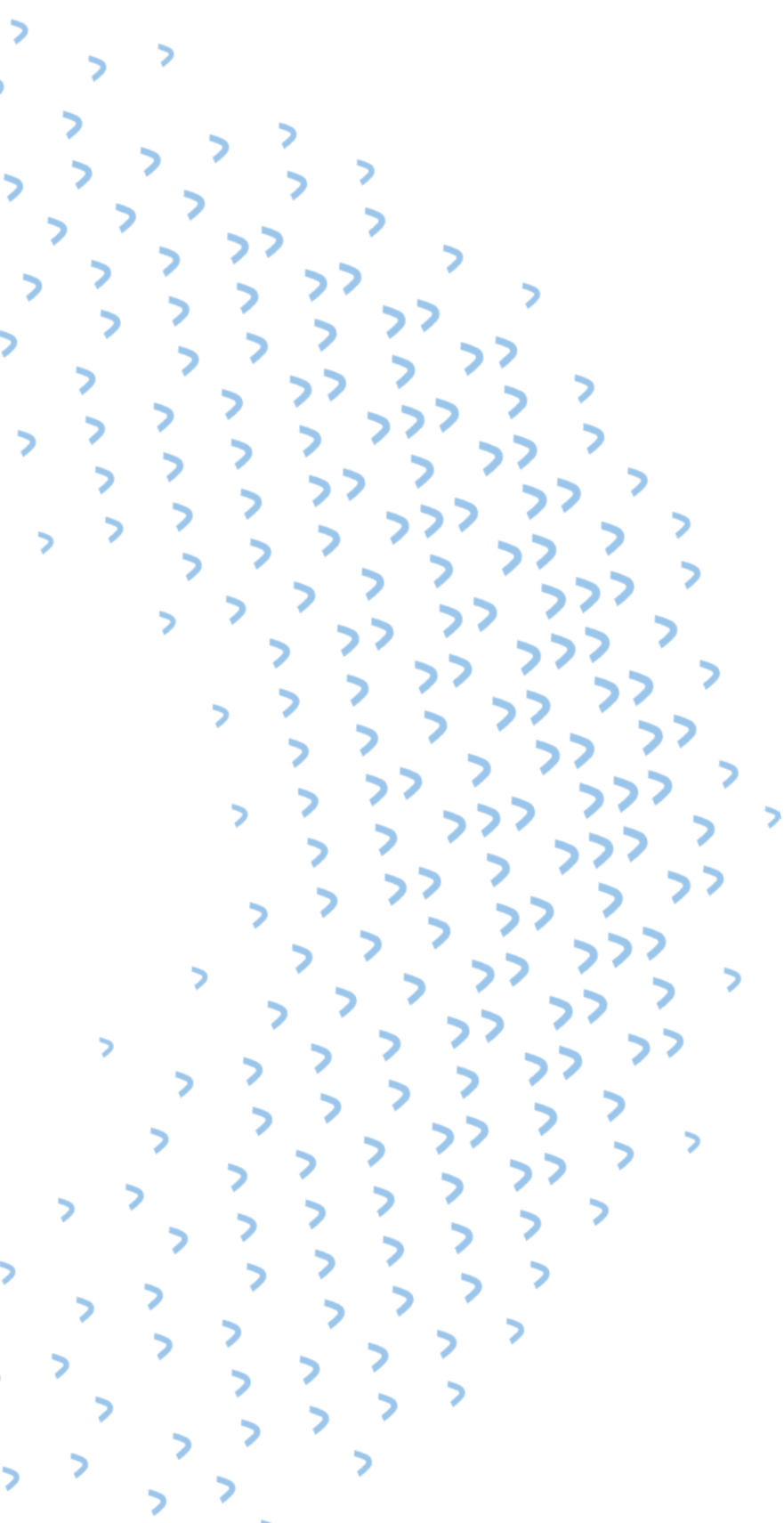
خالد محمّد البواردي  
(عضو لجنة المراجعة)



فهد محمّد السّالم  
(أمين سر لجنة المراجعة)



عبد الله صايل العنزي  
(عضو لجنة المراجعة)



البند رقم (٣)  
تقرير مراجع الحسابات

**Item No (3)**  
**Auditors report**



## **Independent Auditors' Report**

### **To the Shareholders of Arab National Bank (A Saudi Joint Stock Company)**

#### **Report on the audit of the consolidated financial statements**

##### **Opinion**

We have audited the consolidated financial statements of Arab National Bank (“the Bank”) and its subsidiaries (collectively referred to as “the Group”), which comprise the consolidated statement of financial position as at 31 December 2023, and the consolidated statement of income, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, which includes material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2023, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (“IFRSs”) that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants (“SOCPA”) (collectively referred to as “IFRSs that are endorsed in the Kingdom of Saudi Arabia”).

##### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (“ISAs”) that are endorsed in the Kingdom of Saudi Arabia. Our responsibilities under those standards are further described in the Auditors’ Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) that is endorsed in the Kingdom of Saudi Arabia (“the Code”), that is relevant to our audit of the consolidated financial statements, and we have fulfilled our other ethical responsibilities in accordance with that code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### **Key audit matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements for the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

**Independent Auditors’ Report**

**To the Shareholders of Arab National Bank (A Saudi Joint Stock Company) (continued)**

**Report on the audit of the consolidated financial statements (continued)**

**Key audit matters (continued)**

Key audit matter	How our audit addressed the key audit matter
<p><b><i>Expected Credit Loss on loans and advances</i></b></p> <p>As at 31 December 2023, the gross loans and advances of the Group amounted to SAR 155.56 billion (2022: SAR 147.75 billion) against which an Expected Credit Loss (“ECL”) allowance of SAR 3.33 billion (2022: SAR 3.92 billion) was recorded.</p> <p>The determination of ECL involves significant estimation and management judgement and this has a material impact on the consolidated financial statements of the Group. The key areas of judgement and uncertainty include:</p> <ol style="list-style-type: none"> <li>Categorisation of loans into Stages 1, 2 and 3 based on the identification of:           <ol style="list-style-type: none"> <li>exposures with a significant increase in credit risk (“SICR”) since their origination; and</li> <li>individually impaired / defaulted exposures.</li> </ol> <p>In accordance with the requirements of IFRSs, the Group measures ECL based on the credit losses expected to arise over the next twelve months (‘12 month ECL’), unless there has been a significant increase in credit risk since origination or default, in which case, the allowance is based on the ECL expected to arise over the life of the loans and advances (‘Lifetime ECL’). The Group has applied additional judgements to identify and estimate the likelihood of borrowers that may have experienced SICR.</p> </li> <li>Assumptions used in the ECL model for determining the probability of default (“PD”), loss given default (“LGD”) and exposure at default (“EAD”) include, but are not limited to, assessment of the financial condition of the borrower, expected future cash flows, developing and incorporating forward looking assumptions, macroeconomic factors and the associated scenarios and expected probability weightages.</li> </ol>	<ul style="list-style-type: none"> <li>■ We updated our understanding of management’s assessment of the ECL allowance against loans and advances, including the Group’s internal rating model, accounting policy, and model methodology, including any key changes made during the year.</li> <li>■ We assessed the Group’s accounting policy for ECL allowance and the ECL methodology against the requirements of IFRSs as endorsed in the Kingdom of Saudi Arabia.</li> <li>■ We assessed the design and implementation, and tested the operating effectiveness of the key controls (including relevant General IT controls and specific IT application controls) over:           <ul style="list-style-type: none"> <li>● the ECL model (including governance over monitoring of the models and any model updates performed during the year, including approval of ECL Committee of key inputs, assumptions and management overlays, if any);</li> <li>● the classification of loans and advances into stages 1,2 and 3 and timely identification of SICR and the determination of default / individually impaired exposures;</li> <li>● the IT systems and applications supporting the ECL model; and</li> <li>● the integrity of data inputs into the ECL model.</li> </ul> </li> <li>■ For a sample of customers, we assessed:           <ul style="list-style-type: none"> <li>● the internal ratings determined by management based on the Group’s internal rating model and considered these assigned ratings in light of the external market conditions and available industry information. We also assessed that these were consistent with the ratings used as inputs in the ECL model; and</li> <li>● management’s computations for ECL via analyzing the reasonableness, completeness, accuracy and appropriateness of the inputs including assumptions used therein such as but not limited to probability of default and loss given default percentages..</li> </ul> </li> <li>■ For selected customers, we evaluated management’s assessment of recoverable cash flows, including the impact of collateral, and other sources of repayment, if any.</li> </ul>

**Independent auditors’ report**

**To the shareholders of Arab National Bank (A Saudi Joint Stock Company) (continued)**

**Report on the audit of the consolidated financial statements (continued)**

**Key audit matters (continued)**

Key audit matter	How our audit addressed the key audit matter
<p><i>Expected Credit Losses on loans and advances (continued)</i></p> <p>3. The need to apply overlays to ECL model’s output using credit judgement to reflect all relevant risk factors that might not have been captured by the ECL model.</p> <p>We considered this as a key audit matter as the application of these judgments and estimates, have given rise to greater estimation uncertainty and the associated audit risk around ECL calculation as of 31 December 2023.</p> <p><i>Refer to note 3.6 to the consolidated financial statements, which describes the accounting policy related to the allowance for expected credit losses, note 2.6.1 which contains the disclosure of critical accounting judgements, estimates and assumptions relating to ECL on financial assets and the impairment assessment methodology used by the Group, note 7 which contains the disclosure of impairment losses on loans and advances and note 32.4 for details of credit quality analysis and key assumptions and factors considered in determination of ECL.</i></p>	<ul style="list-style-type: none"> <li>■ We assessed the Group’s criteria for the determination of SICR and identification of “default” or “individually impaired” exposures. For a sample of exposures, we assessed the appropriateness of the staging classification of the Group’s loans and advances portfolio based on the Group’s staging classification policy, knowledge of corresponding customers and analysis of related financial information.</li> <li>■ We assessed the governance process implemented and the qualitative factors considered (in light of the prevailing facts and circumstances of the corresponding loans and advances), by the Group when applying any management overlays or making any adjustment to the output from the ECL model, due to data or model limitations or otherwise.</li> <li>■ We assessed the reasonableness of underlying assumptions used by the Group in the ECL model, including forward looking assumptions, keeping in view the uncertainty and volatility of economic scenarios.</li> <li>■ We tested the completeness and accuracy of data supporting the ECL calculations.</li> <li>■ We involved our specialists to assist us in assessing model calculations, evaluating interrelated inputs (including EAD, PDs and LGDs) and assessing the reasonableness of assumptions used in the ECL model, particularly around the macroeconomic variables, forecasted macroeconomic scenarios and probability weights and assumptions used in any manual adjustments made to the output from the ECL model.</li> <li>■ We assessed the adequacy of disclosures in the consolidated financial statements relating to this matter against the requirements of IFRSs that are endorsed in the Kingdom of Saudi Arabia.</li> </ul>

**Independent auditors' report**

**To the shareholders of Arab National Bank (A Saudi Joint Stock Company) (continued)**

**Report on the audit of the consolidated financial statements (continued)**

**Key audit matters (continued)**

Key audit matter	How our audit addressed the key audit matter
<p><b><i>Valuation of derivative financial instruments</i></b></p> <p>As at 31 December 2023, the positive and negative fair values of derivatives held by the Group amounted to SAR 1.80 billion (2022: SAR 2.96 billion) and SAR 1.40 billion (2022: SAR 2.16 billion), respectively.</p> <p>The Group has entered into various derivative transactions, including commission rate and cross currency swaps, forward foreign exchange and commodity contracts, commission rate futures and options and currency and commodity options. Swaps, forwards and options derivative contracts are over the counter (OTC) derivatives that are not traded in active markets and hence, the valuation of these contracts is subjective as it takes into account a number of assumptions which often involves the exercise of judgement by management and model calibrations including adjustments to the counterparty's own credit risk.</p> <p>The majority of these derivatives are held for trading purposes. Certain commission rate swaps are categorized as fair value hedges or cash flow hedges in the consolidated financial statements.</p> <p>An inappropriate valuation of derivatives could have a material impact on the consolidated financial statements and a hedge accounting impact in the case of hedge ineffectiveness.</p> <p>We considered this as a key audit matter as there is complexity and subjectivity involved in determining the valuation in general and, in certain cases, due to the use of complex modelling techniques.</p> <p><i>Refer to note 3.13 of the consolidated financial statements which describes the accounting policy relating to derivatives financial instruments and hedge accounting, note 2.6.2 which contains the disclosure of critical accounting judgements, estimates and assumptions relating to fair value financial instruments and note 11 which explains the derivative positions and valuation methodology used by the Group.</i></p>	<p>We assessed whether the controls over the valuation of derivatives had been appropriately designed and implemented. We selected a sample of derivative financial instruments and:</p> <ul style="list-style-type: none"> <li>▪ Involved our specialists to assist us in performing an independent valuation of the derivatives and compared the result with management's valuation;</li> <li>▪ Tested the accuracy of the particulars of derivatives by comparing the terms and conditions with relevant agreements and deal confirmations;</li> <li>▪ Assessed the key inputs to the derivative valuation models;</li> <li>▪ Evaluated the hedge effectiveness assessment performed by the Group and the appropriateness of related hedge accounting; and</li> <li>▪ Assessed the adequacy of disclosures in the consolidated financial statements relating to this matter against the requirements of IFRSs that are endorsed in the Kingdom of Saudi Arabia.</li> </ul>

## **Independent auditors' report**

### **To the shareholders of Arab National Bank (A Saudi Joint Stock Company) (continued)**

#### **Report on the audit of the consolidated financial statements (continued)**

#### **Other information included in the Group's 2023 Annual Report**

Other information consists of the information included in the Group's 2023 annual report, other than the consolidated financial statements and our auditors' report thereon. Management is responsible for the other information in the annual report. The annual report is expected to be made available to us after the date of this auditors' report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above, when it becomes available, and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

#### **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs that are endorsed in the Kingdom of Saudi Arabia, the applicable requirements of the Regulations for Companies, the Banking Control Law in the Kingdom of Saudi Arabia and the Bank's Bylaws, and for such internal control as management determines is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, i.e. the Board of Directors, are responsible for overseeing the Group's financial reporting process.

#### **Auditors' Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs that are endorsed in the Kingdom of Saudi Arabia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

**Independent auditors' report****To the shareholders of Arab National Bank (A Saudi Joint Stock Company) (continued)****Report on the audit of the consolidated financial statements (continued)****Auditors' Responsibilities for the Audit of the Consolidated Financial Statements (continued)**

As part of an audit in accordance with ISAs that are endorsed in the Kingdom of Saudi Arabia, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

**Independent auditors' report****To the shareholders of Arab National Bank (A Saudi Joint Stock Company) (continued)****Report on the audit of the consolidated financial statements (continued)****Auditors' Responsibilities for the Audit of the Consolidated Financial Statements (continued)**

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Report on Other Legal and Regulatory Requirements**

Based on the information that has been made available to us, nothing has come to our attention that causes us to believe that the Bank was not in compliance, in all material respects, with the applicable requirements of the Regulations for Companies, the Banking Control Law in the Kingdom of Saudi Arabia and the Bank's Bylaws in so far as they affect the preparation and presentation of the consolidated financial statements.

**KPMG Professional Services**  
P O Box 92876  
Riyadh 11663  
Kingdom of Saudi Arabia

**Saleh Mohammed S. Mostafa**  
Certified Public Accountant  
License No. 524



4 Sha'ban 1445H  
(14 February 2024)

**Deloitte and Touche & Co.**  
**Chartered Accountants**  
P.O. Box 213  
Riyadh 11411  
Kingdom of Saudi Arabia

**Mazen A. Al-Omari**  
Certified Public Accountant  
License No. 480



البنك العربي الوطني  
Arab National Bank

Audit Committee Report

تقرير لجنة المراجعة

Audit Committee assessment of the adequacy of the Bank's

تقييم لجنة المراجعة حول كفاية نظام الرقابة الداخلية للبنك

The Audit Committee (AUCOM) during 2023 reviewed various reports on the adequacy of internal controls and systems including the financial statements and risk reports. AUCOM reviews the minutes of the various management committees, for example, Risk Management Committee, Compliance Committee. The AUCOM discussions and decisions are documented in the meetings' minutes and matters requiring attention are escalated to the Board.

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During this year, the AUCOM members met with the Chief Internal Auditor, Chief Operations Officer, Chief Risk Officer, Chief Compliance Officer, Chief Finance Officer and External Auditors and have obtained updates on matters that require AUCOM's attention. AUCOM also received internal audit reports, regulatory reports and external auditors' management letters issued during the year and reviewed the management action plans for the issues raised.

وخلال هذا العام عقد أعضاء لجنة المراجعة اجتماعات مع رئيس المراجعة الداخلية والرئيس التنفيذي للعمليات والرئيس التنفيذي للمخاطر والرئيس التنفيذي للامتثال ورئيس الرقابة المالية ومراجعي الحسابات الخارجيين، حيث اطلعت على آخر المستجدات بشأن المسائل التي تتطلب اهتمام لجنة المراجعة. أيضا تلقت لجنة المراجعة تقارير المراجعة الداخلية، وتقارير السلطات الرقابية، وخطابات الإدارة من مراجعي الحسابات الخارجيين الصادرة خلال العام، وراجعت خطط عمل الإدارة للمسائل التي تم رفعها.

AUCOM also through the Reports and Documents raised to them From the management reviewed the effectiveness of the system of internal control and procedures for compliance with the Arab National Bank internal policies, relevant regulatory and legal requirements in the Kingdom of Saudi Arabia and whether management has fulfilled its duty in having an effective internal control system, seeking independent assurance from internal audit to assess the adequacy and effectiveness of such internal controls.

قامت لجنة المراجعة أيضاً من خلال التقارير والمستندات المرفوعة لها من الإدارة التنفيذية بمراجعة فعالية نظام الرقابة الداخلية وإجراءات الالتزام بالسياسات الداخلية للبنك العربي الوطني والمُتطلبات التنظيمية والقانونية ذات الصلة في المملكة العربية السعودية وما إذا كانت الإدارة قد استوفت واجبها بإيجاد نظام رقابة داخلية فعّال والسعي للحصول على تأكيد مُستقل عن المراجعة الداخلية لتقييم مدى كفاية وفعالية هذه الضوابط الداخلية.



AUCOM assures the Board and shareholders that to the best of its knowledge that Arab National Bank Internal Control system is adequate and operating effectively; and no significant deficiency in the internal control system; and it is recommendation pertaining to the appointment, dismissal, assessment or determining the remuneration of the external auditors or appointing Chief Internal Auditor were adopted by the Board.

تؤكد لجنة المراجعة لمجلس الإدارة والمساهمين كفاية وفعالية تطبيق نظام الرقابة الداخلية في البنك العربي الوطني، حيث لم يتبين وجود خلل جوهري في نظام الرقابة الداخلية، كما تؤكد أن توصيات اللجنة المتعلقة بالتعيين والفصل والتقييم أو تحديد مكافآت مراجعي الحسابات الخارجيين أو تعيين الرئيس التنفيذي للرقابة الداخلية قد تم اعتمادها من المجلس.

التاريخ: ٢٣/٠٧/١٤٤٥ هـ الموافق ٠٤/٠٢/٢٠٢٤ م.

### تواقيع رئيس وأعضاء لجنة المراجعة



ثامر مسفر الوادعي  
(رئيس لجنة المراجعة)



خالد محمّد البواردي  
(عضو لجنة المراجعة)



فهد محمّد السّالم  
(أمين سر لجنة المراجعة)



عبد الله صايل العنزي  
(عضو لجنة المراجعة)

البند رقم (٩)

سياسة مكافآت أعضاء مجلس الإدارة واللجان المنبثقة  
عن المجلس والإدارة التنفيذية

Item No (9)

Remuneration Policy for Board of  
Directors, Sub-board Committee  
Members and Executives



**Summary of the changes to the Remuneration Policy for Board of Directors, Sub-board Committee Members and Executives:**

No.	Article	Before	After
1.	Table of Contents	(Added)	8) Maximum Remuneration for Board of Directors Members and Sub-Board Committee Members
2.	6.General Standards for Remuneration	<ul style="list-style-type: none"> <li>The remuneration must be consistent with the Bank’s strategy and objectives, as well as the magnitude, nature and level of risks facing the Bank, without resulting in any conflict of interest.</li> <li>The sector in which the Bank operates in addition to practices of other banks shall be taken into consideration in determining the remuneration, while avoiding any consequential unjustified increase in the size of remuneration.</li> <li>(Added):</li> </ul>	<ul style="list-style-type: none"> <li>The remuneration must be consistent with the Bank’s strategy and long-term objectives, as well as the magnitude, nature and level of risks facing the Bank and its risk policy, without resulting in any conflict of interest.</li> <li>The prevailing local customs and the sector in which the Bank operates in addition to practices of other banks shall be taken into consideration in determining the remuneration, while avoiding any consequential unjustified increase in the size of remuneration.</li> <li>It takes into account the bank's business model, financial position, operational performance and business prospects.</li> </ul> <p>(Deleted)</p>



No.	Article	Before	After
		<ul style="list-style-type: none"><li>The comply with the Saudi Central Bank rules related to the remuneration and compensation, and in-kind benefits or allowance for attendance payable to board Members and its Committees as applicable.</li></ul>	
3.	8. Maximum Remuneration for Board of Directors Members and Sub-Board Committee Members	( A new article has been added)	<b>8. Maximum Remuneration for Board of Directors Members and Sub-Board Committee Members</b>  The total amount of remuneration received by Board of Directors Member and Sub-Board Committee Member must not exceed a sum of (1,500,000) Saudi Riyals.
4.	9. Disclosure of Remuneration	(Added)	<ul style="list-style-type: none"><li>The Saudi Central Bank receives a report on the total remuneration of Board Members and Committees annually.</li></ul>

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## Definitions

## التعريفات

**Bank or ANB:** Arab National Bank

**البنك:** البنك العربي الوطني.

**Board or Board of Directors:** The Board of Directors of the Bank.

**المجلس أو مجلس الإدارة:** مجلس إدارة البنك.

**Board Committees:** Committees emanating from the Board of Directors of the Bank.

**اللجان المنبثقة:** اللجان المنبثقة عن مجلس إدارة البنك.

**Executive Management:** The functions, roles and responsibilities entrusted to those positions who take, propose, and implement strategic decisions and manage the business processes including Senior Management positions that requires SAMA's non-objection for appointment.

**الإدارة التنفيذية:** المهام والأدوار والمسؤوليات المسندة إلى مناصب الأفراد الذين يعملون على اتخاذ القرارات الاستراتيجية واقتراحها وتنفيذها وإدارة العمليات التجارية للمؤسسة المالية، بما في ذلك مناصب الإدارة العليا التي تتطلب عدم ممانعة البنك المركزي السعودي للتعيين.

**Independent Member:** A member who enjoys complete independence in his/her position and decisions and none of the independence affecting issues stipulated under the Corporate Governance Regulations issued by the Capital market Authority and the Key Principles of Governance in Financial Institutions issued by the Saudi Central Bank.

**العضو المستقل:** عضو يتمتع بالاستقلال التام في مركزه وقراراته، ولا تنطبق عليه أي من عوارض الاستقلال المنصوص عليها في لائحة حوكمة الشركات الصادرة عن هيئة السوق المالية والمبادئ الرئيسية للحوكمة في المؤسسات المالية الصادرة عن البنك المركزي السعودي.

**Remunerations:** Amounts, allowances, dividends and the like, periodic or annual bonuses linked to performance, long or short-term incentive plans and any other in-kind benefits except the actual reasonable expenses and fees incurred by the Bank to enable the Board and sub Committee member to perform his duties.

**المكافآت:** المبالغ والبدلات والأرباح وما في حكمها، والمكافآت الدورية أو السنوية المرتبطة بالأداء، والخطط التحفيزية قصيرة أو طويلة الأجل، وأي مزايا عينية أخرى، باستثناء النفقات والمصاريف الفعلية المعقولة التي يتحملها البنك عن عضو مجلس الإدارة واللجان المنبثقة عن المجلس لغرض تأدية عمله.

**Disclosure:** The official disclosure of material information and events that have taken place and have an impact on the bank.

**الإفصاح:** الكشف الرسمي للمعلومات والأحداث الجوهرية التي حصلت ولها تأثير على البنك.

**Malus:** Reducing the value of all or part of the deferred remuneration based on ex-post risk adjustment before it has vested.

**الاقطاع:** تقليل قيمة كل أو جزء من المكافأة المؤجلة استنادًا إلى تسوية المخاطر اللاحقة قبل منحها.

**Clawback:** The process where an individual has to return ownership of an amount of variable remuneration paid in the past or which has already vested to the bank under certain conditions.

**الاسترداد:** العملية التي يتعين على الفرد إعادة ملكية مقدار المكافآت المتغيرة المدفوعة في الماضي، أو الممنوحة إلى البنك بالفعل في ظل ظروف معينة.

## 1. Purpose

This Policy aims to establish clear remuneration standards for ANB's Board Members, Board committees Members and Executive Management in consistence with relevant rules and regulations. It also aims to attract qualified individuals who possess suitable academic, technical and managerial competences to encourage them to achieve the success of the Bank and its long-term development in addition to perform their duties and responsibilities through adopting plans and programs that motivate remuneration and linked to performance which contributes to improvement of Bank performance, and serve of the greater good of its shareholders.

## 2. Scope of Application

This Policy applies to Members of the Board of Directors, Board Committees and Executive Management of the bank.

## 3. Application Responsibility

The Nomination and Remuneration Committee (NRC) will, in coordination with the bank's executive management, monitor application of this Policy, verify sound application practices and correct associated deviations, if any.

## 4. Board Committees

- 1) Executive Committee
- 2) Risk Committee
- 3) Nomination and Remuneration Committee
- 4) Strategy Committee
- 5) Audit Committee
- 6) Any other Board committee the Board may constitute.

## 5. Roles and Responsibilities

### Board of Directors Responsibilities:

- The overall design and oversight of the remuneration system that promotes prudent risk-taking behaviors and business practices, and

## ١. الهدف

تهدف هذه السياسة إلى وضع معايير واضحة للمكافآت الخاصة بأعضاء مجلس إدارة البنك وأعضاء لجانته المنبثقة وكبار التنفيذيين بما يتفق مع الأنظمة واللوائح ذات العلاقة، كما تهدف إلى جذب أفراد ذوي كفاءة علمية وفنية وإدارية وخبرة مناسبة، بما يحفزهم على إنجاح البنك وتنميته على المدى الطويل إضافةً لتأدية مهامهم وواجباتهم من خلال تبني خطط وبرامج محفزة للمكافآت ومرتبطة بالأداء، مما يساهم في تحسين أداء البنك وتحقيق مصالح مساهميه.

## ٢. نطاق التطبيق

تنطبق هذه السياسة على مجلس الإدارة واللجان المنبثقة عنه والإدارة التنفيذية بالبنك.

## ٣. مسؤولية التطبيق

تقوم لجنة الترشيحات والمكافآت وبالتنسيق مع الإدارة التنفيذية بمتابعة تطبيق هذه السياسة والتحقق من سلامة الإجراءات المتخذة، وتقويم أي انحرافات قد تنشأ في التطبيق.

## ٤. اللجان المنبثقة عن مجلس الإدارة

- ١) اللجنة التنفيذية
- ٢) لجنة المخاطر
- ٣) لجنة الترشيحات والمكافآت
- ٤) اللجنة الاستراتيجية
- ٥) لجنة المراجعة
- ٦) أي لجان تابعة أخرى يقوم مجلس إدارة البنك بتشكيلها.

## ٥. الأدوار والمسؤوليات

### مسؤوليات مجلس الإدارة

- التصميم والإشراف العام على نظام المكافآت الذي يعزز ممارسات الأعمال وسلوكيات المخاطرة الحذرة، ومن ثم لا يُفوض هذه المسؤولية إلى الإدارة التنفيذية.

accordingly will not delegate this responsibility to Executive Management.

- Promoting effective governance, sound remuneration practices, ethical behavior and compliance with laws, regulations, and internal conduct standards, and ensuring accountability for misconduct; in addition to the following:
  - a) Overseeing and holding Executive Management accountable for implementing and participating in the design of the remuneration system that effectively delineates how remuneration tools address misconduct risk or other imprudent risk-taking behavior.
  - b) Engaging actively with Executive Management, including challenging Executive Management's remuneration assessments and recommendations if warranted when serious or recurring misconduct occurs and ensure that root cause analysis is performed, lessons learned are promulgated bank-wide and new policies are adopted, as necessary to prevent it from happening again.
- Ensuring that Executive Management put in place policies and procedures that ensure effective control and adherence to SAMA remuneration principles, and any relevant Laws, Regulations, Principles and Standards.
- Reviewing and, approving the remunerations of the Executive Management based on the recommendations of the Nomination and Remuneration Committee.
- Ensuring that an annual review of the remuneration (internally through Internal Audit or externally commissioned by a recognized firm) is carried out independently without the intervention of Executive Management. The review must assess compliance with SAMA remuneration rules and relevant laws and regulations. Principles and Standards, as well as the bank's internal policies that are prepared according to the referred rules. The Board will consider the results of such a review when making decisions related to remuneration, and could briefly disclose those results in the Board of Directors Annual Report.

- تعزيز الحوكمة الفعّالة وممارسات المكافآت السليمة والسلوكيات الأخلاقية، والامتثال للأنظمة واللوائح ومعايير السلوكيات الداخلية، وكذلك مسؤولية ضمان المساءلة بشأن سوء السلوك، إضافةً إلى ما يأتي:

(أ) الإشراف على الإدارة التنفيذية ومساءلتها بشأن تنفيذ نظام المكافآت والمشاركة في تصميمه بحيث يُحدد بصورة فعّالة كيفية معالجة أدوات المكافآت مخاطر سوء السلوك أو غيرها من سلوكيات المخاطرة غير الرشيدة.

(ب) المشاركة الفعّالة مع الإدارة التنفيذية، بما في ذلك تنفيذ تقييمات وتوصيات المكافآت المقدمة من الإدارة التنفيذية إذا لزم الأمر عند حدوث سوء سلوك جسيم أو متكرر، والتأكد من إجراء تحليل الأسباب الجذرية ونشر الدروس المستفادة على مستوى البنك واعتماد السياسات الجديدة، حسب الاقتضاء، لمنع حدوث ذلك مجدداً.

- التأكد من أن الإدارة التنفيذية تضع السياسات والإجراءات التي تضمن فاعلية الرقابة والالتزام بقواعد مكافآت البنوك الصادرة عن البنك المركزي السعودي وأي أنظمة ولوائح ومبادئ ومعايير ذات صلة.

- مراجعة مكافآت الإدارة التنفيذية واعتمادها، استناداً إلى توصيات لجنة الترشيحات والمكافآت.

- التأكد من إجراء مراجعة سنوية للمكافآت (داخلياً من خلال قسم التدقيق الداخلي، أو بتكليف خارجي من شركة معترف بها) بصورة مستقلة دون تدخل من الإدارة التنفيذية ويجب أن تُقيم المراجعة الامتثال لقواعد مكافآت البنوك الصادرة عن البنك المركزي السعودي وأي أنظمة ولوائح ومبادئ ومعايير ذات صلة، وكذلك السياسات الداخلية للبنك التي تُعد وفقاً للقواعد المشار لها. ويضع المجلس في الحسبان نتائج هذه المراجعة عند اتخاذ قرارات تتعلق بالمكافآت، وقد يكشف هذه النتائج بإيجاز في التقرير السنوي لمجلس الإدارة.



## Executive Management Responsibilities:

## مسؤوليات الإدارة التنفيذية:

- Implement the remuneration system that promotes effective governance, sound remuneration practices, ethical behavior and comply with laws, regulations, and internal conduct standards.
  - Promote, develop and communicate conduct expectations and clearly link remuneration and conduct standards, including as part of the performance assessment process. Ensure that the potential consequences of misconduct on remuneration are clearly explained to all employees; hence ensuring transparency by clearly communicated in writing to all affected employees the value of remuneration adjustments made to variable remuneration and the reasons for such adjustment.
  - Follow-up on the publication of the desired aspirations of every department in the Bank regarding ethical behavior and work practices that are in compliance with the laws, regulations and internal standards of behavior, and the application and achievement of these aspirations.
  - Identify, monitor and report on relevant indicators of misconduct risk in every department in the Bank, as well as monitoring the role of each department in the Bank in escalating and remediating identified deficiencies or other important matters in an appropriate and timely fashion, in such a way as to allow inclusion of relevant feedback and changes in the performance assessment process if needed.
  - Submit a report to the Nomination and Remuneration Committee on a semi-annual basis on measures taken and steps to be taken within the framework of applying the Banks Remuneration Rules issued by SAMA and any relevant Laws, Regulations, Principles and Standards.
- تطبيق نظام المكافآت الذي يعزز الحوكمة الفعالة، وممارسات المكافآت السليمة والسلوكيات الأخلاقية والامتثال للأنظمة واللوائح ومعايير السلوكيات الداخلية.
  - تعزيز توقعات السلوك وإعدادها وإبلاغها، والربط الواضح بين معايير السلوك والمكافآت، بما في ذلك كجزء من عملية تقييم الأداء، والتأكد من شرح العواقب المحتملة لسوء السلوك بشأن المكافآت شرحًا واضحًا لجميع الموظفين مع التأكيد بضمن الشفافية من خلال إبلاغ جميع الأفراد المتضررين كتابيًا بصورة واضحة بقيمة تسويات المكافآت التي أجريت على المكافآت المتغيرة، وأسبابها.
  - متابعة نشر الطموحات المنشودة لكل إدارة في البنك فيما يتعلق بالسلوكيات الأخلاقية وممارسات العمل التي تتمثل للأنظمة واللوائح والمعايير الداخلية للسلوك، وتطبيق هذه الطموحات وتحقيقها.
  - تحديد المؤشرات ذات الصلة لمخاطر سوء السلوك في كل إدارة بالبنك ومراقبتها والإبلاغ عنها، وكذلك مراقبة دور كل إدارة بالبنك في تصعيد وتصحيح أوجه القصور المحددة أو غيرها من المسائل المهمة بأسلوب مناسب وفي الوقت المحدد، وبطريقة تتيح إدراج التعقيبات والتغييرات ذات الصلة في عملية تقييم الأداء إذا دعت الحاجة.
  - تقديم تقريرًا إلى لجنة الترشيحات والمكافآت على أساس نصف سنوي على الأقل بشأن التدابير المتخذة والخطوات التي يتعين اتخاذها في إطار تطبيق قواعد مكافآت البنوك الصادرة عن البنك المركزي السعودي وأي أنظمة ولوائح ومبادئ ومعايير ذات صلة.

## 6. General Standards for Remuneration

Without prejudice to regulatory requirements, ANB's Bylaw and requirements of the relevant governance regulations, the Nomination and Remuneration Committee recommends to the Board remuneration of Board Members, Board Committees Members and Executive Management in accordance with the following criteria:

- Remuneration must be fair, equitable and proportionate with the duties, tasks and responsibilities assigned to and performed by the Members of the Board and its Committee, as well as the goals set by the Board for achievement during the fiscal year.
- The remuneration must be consistent with the Bank's activities, its size and the required skills for its management.
- The remuneration must be consistent with the Bank's strategy and long-term objectives, as well as the magnitude, nature and level of risks facing the Bank and its risk policy, without resulting in any conflict of interest.
- The remuneration must be reasonably sufficient to attract, motivate and retain suitably qualified and experienced board members.
- The prevailing local customs and the sector in which the Bank operates in addition to practices of other banks shall be taken into consideration in determining the remuneration, while avoiding any consequential unjustified increase in the size of remuneration.
- It takes into account the bank's business model, financial position, operational performance and business prospects.
- Remuneration shall be determined based on the job level, duties and responsibilities of the job holder, academic qualifications, practical experience, skills and performance level.
- When disbursing the member's annual remuneration, the term of office, together with the joining and leaving dates, regardless of the reason, will be taken into consideration.

## ٦. المعايير العامة للمكافآت

دون الإخلال بالمتطلبات النظامية والنظام الأساس للبنك ومتطلبات لائحة الحوكمة ذات العلاقة، تختص لجنة الترشيحات والمكافآت بالتوصية للمجلس بمكافآت أعضائه وأعضاء اللجان المنبثقة وكبار التنفيذيين وفقاً للمعايير التالية:

- أن تكون المكافآت عادلة ومتناسبة مع اختصاصات العضو والأعمال والمسؤوليات التي يقوم بها ويتحملها أعضاء مجلس الإدارة أو اللجان المنبثقة عنه بالإضافة إلى الأهداف المحددة من قبل المجلس المراد تحقيقها خلال السنة المالية.
- أن تكون المكافآت متناسبة مع نشاط البنك وحجمه والمهارات اللازمة لإدارته.
- مراعاة انسجام المكافآت مع استراتيجية البنك وأهدافه طويلة المدى ومع حجم وطبيعة ودرجة وسياسة المخاطر لديه وألا ينشأ عنها تضارب المصالح.
- أن تكون المكافأة كافية بشكل معقول لاستقطاب أعضاء مجلس إدارة ذوي كفاءة وخبرة مناسبة وتحفيزهم والإبقاء عليهم.
- يؤخذ في الاعتبار الأعراف المحلية السائدة والقطاع الذي يعمل به البنك وممارسات البنوك الأخرى في تحديد المكافآت مع تفادي ما قد ينشأ عن ذلك من ارتفاع غير مبرر للمكافآت.
- تراعى نموذج العمل والوضع المالي والأداء التشغيلي وآفاق الأعمال الخاصة بالبنك.
- تحدّد المكافآت بناءً على مستوى الوظيفة، والمهام والمسؤوليات والمؤهلات العلمية، والخبرات العملية، والمهارات، ومستوى الأداء.
- عند صرف المكافأة السنوية للعضو يتم الأخذ بعين الاعتبار مدة وتاريخ الالتحاق والمغادرة بصرف النظر عن السبب.
- يجوز لعضو مجلس الإدارة الحصول على مكافأة مقابل أي أعمال أو مناصب تنفيذية أو فنية أو إدارية أو استشارية - بموجب ترخيص مهني- إضافية يكلف بها في البنك، وذلك بالإضافة إلى المكافأة التي يمكن أن يحصل عليها بصفته

- A board member may be entitled to remuneration for any additional executive, technical, managerial or advisory services or roles – pursuant to a professional license - assigned to the member at the Bank. This is in addition to the remuneration the member could earn in his capacity as board member or board committee member, in accordance with the Companies' Law and the bank's Bylaw.
- A board member may be entitled to remuneration in consideration for his membership of board committees and attendance at board committee meetings, as long as such remuneration complies with regulatory and supervisory rules.
- The remunerations of board members may vary depending on the board member's experience, the duties undertaken, independency, and number of meetings attended.

## 7. Remuneration Governing Principles and Rules

Pursuant to the rules governing remuneration of the Members of the Board and its Committees stipulated in the Companies Law, the Implementing Regulations of the Companies Law for Listed Joint Stock Companies, the Corporate Governance Regulations and the Bank's Bylaw, remuneration of Board, Board Committee Members and Executive Management will be consistent with the following principles and rules:

### Remuneration of Board and Board Committee Members:

- The Bank's board member's remuneration consists of a specified sum, meeting attendance allowance, benefits or a certain percentage of the net profits, or a combination of two or more of these elements.
- Board members may not vote on the remuneration of board and board committee members agenda item at the General Assembly meeting.
- Remuneration of the Independent Board Members must not be based on a certain percentage of the Bank's profits, nor shall it be directly or indirectly based on the Bank profitability.

عضواً في مجلس الإدارة وفي اللجان المشكلة من قبل مجلس الإدارة، وفقاً لنظام الشركات ونظام البنك الأساس.

- يجوز لعضو مجلس الإدارة الحصول على مكافأة مقابل عضويته في اللجان المنبثقة عن المجلس، وحضور اجتماعات تلك اللجان بشرط الالتزام بتعليمات الجهات الرقابية والإشرافية فيما يتعلق بالمكافآت.
- يجوز أن تكون مكافآت أعضاء مجلس الإدارة متفاوتة المقدار بحيث تعكس مدى خبرة العضو واختصاصاته ومهامه واستقلاله وعدد الجلسات التي يحضرها.

## ٧. المبادئ والقواعد المنظمة للمكافآت

في ضوء الأحكام المنظمة لمكافآت أعضاء مجلس الإدارة ولجانته المنبثقة والمنصوص عليها في نظام الشركات، اللائحة التنفيذية لنظام الشركات الخاصة بشركات المساهمة المدرجة، ولائحة حوكمة الشركات، ونظام البنك الأساس، تكون مكافآت أعضاء مجلس الإدارة ولجانته المنبثقة عنه وكبار التنفيذيين وفقاً للمبادئ والقواعد التالية:

### أعضاء مجلس الإدارة ولجانته المنبثقة عنه:

- تتكون مكافأة أعضاء مجلس الإدارة في البنك من مبلغ معين أو بدل حضور عن الجلسات أو مزايا عينية أو نسبة معينة من صافي الأرباح، ويجوز الجمع بين اثنين أو أكثر من هذه المزايا.
- لا يجوز لأعضاء مجلس الإدارة التصويت على بند مكافآت مجلس الإدارة واللجان المنبثقة عنه في اجتماع الجمعية العامة.
- يجب ألا تكون مكافأة أعضاء مجلس الإدارة المستقلين نسبة من الأرباح التي يحققها البنك أو أن تكون مبنية بشكل مباشر أو غير مباشر على ربحية البنك.

- The remuneration entitlement shall be proportionate to the number of meetings attended by the member, and any determination contrary thereto is null and void.
- Disbursement of allowances e.g. travel and accommodation expenses shall be tied to attendance at meetings, and the actual and reasonable costs incurred by members towards attendance at the meetings. Such costs and expenses are excluded from the annual remuneration.
- The remuneration shall be suspended or reclaimed if it is determined that it was set based on inaccurate information provided by a member of the board, board committee or executive management, in order to prevent abuse of the power to obtain unmerited remuneration.
- The decision of the board to suspend disbursement of remuneration if not already paid, or reclaim it in whole or in part pursuant to the preceding paragraph, will be based on case merits and circumstances.
- In case the General Assembly decides to terminate membership of an absent board member who fails to attend three consecutive board meetings or five non-consecutive board meetings during his membership without a legitimate excuse accepted by the Board, then such member will not be entitled to any remunerations against the period following the last meeting attended, and such board member shall refund all remuneration paid against that period.

#### Remuneration of Bank Executive Management:

- The Managing Director has the authority to approve increase in salary up to 15%; beyond that requires Executive Committee (EXCOM) approval based on NRC recommendation. EXCOM has the authority to approve bonus pool based on NRC recommendations.
- The Bank has a Performance Management System in place to measure Executive Management

• يجب أن يكون استحقاق المكافأة متناسباً مع عدد الجلسات التي يحضرها العضو، وكل تقدير يخالف ذلك يكون باطلاً.

• يتم صرف التعويضات مثل نفقات السفر والإقامة وفقاً لحضور الجلسات والنفقات الفعلية المعقولة التي يتحملها الأعضاء في سبيل حضور الاجتماعات وتستننى هذه النفقات والمصاريف من ضمن المكافأة السنوية.

• يتم إيقاف صرف المكافأة أو استردادها إذا تبين أنها تقرر بناءً على معلومات غير دقيقة قدمها عضو مجلس الإدارة أو عضو أحد اللجان المنبثقة أو الإدارة التنفيذية وذلك لمنع إساءة استخدام السلطة للحصول على مكافآت غير مستحقة.

• يكون قرار المجلس في الفقرة السابقة، إما بإيقاف صرف المكافأة إذا كانت لم تصرف له - أو استردادها جزئياً أو كلياً تبعاً لظروف وملابسات الحالة.

• إذا قررت الجمعية العامة إنهاء عضوية من تغيب من أعضاء مجلس الإدارة بسبب عدم حضوره ثلاثة اجتماعات متتالية أو خمسة اجتماعات متفرقة للمجلس خلال مدة عضويته دون عذر مشروع يقبله المجلس، فلا يستحق العضو أي مكافآت أو مزايا عن الفترة التي تلي آخر اجتماع حضره، ويجب عليه إعادة جميع المكافآت التي صرفت له عن تلك الفترة.

#### مكافآت الإدارة التنفيذية:

• يندرج تحت صلاحية العضو المنتدب الموافقة على زيادة الأجر حتى 15% ويتطلب ما أعلى من ذلك موافقة اللجنة التنفيذية وفقاً لتوصية لجنة الترشيحات والمكافآت. وصلاحية الموافقة على الحجم الإجمالي المخصص للمكافآت مع اللجنة التنفيذية وفقاً لتوصية لجنة الترشيحات والمكافآت.

• لدى البنك نظام لقياس أداء الإدارة التنفيذية بناءً على كفاءة الأهداف / والسلوكيات بطريقة موضوعية. يتم تغطية الإجراء في سياسة المكافآت.

performance based on objectives/behavioral competencies in an objective manner. The procedure is covered in the Remuneration Policy.

- Current and potential risks should be taken into account when determining the size and distribution of the variable remuneration. The variable remuneration of Executive Management whose actions have a material impact on the risk exposure of the bank should, therefore, be determined in line with several factors covered under the Remuneration Policy.
- The performance measurement of executive management should be based on longer-term performance of the bank and accordingly, the performance - based component of their remuneration should not be based solely on the current year's performance. The performance assessments of executive management and other employees who have an oversight responsibility within the bank should also include considerations regarding their relevant oversight responsibility in relation to the risk of misconduct within their business line.
- Remuneration adjustment for executive management to be approved by the Board through NRC recommendation as per Clawback and Malus Policy.

## 8. Maximum Remuneration for Board of Directors Members and Sub-Board Committee Members

The total amount of remuneration received by Board of Directors Member and Sub-Board Committee Member must not exceed a sum of (1,500,000) Saudi Riyals.

## 9. Disclosure of Remuneration

- The Board is committed to disclosing the Board and Executive Management remuneration policies in complying with disclosure requirements.
- Remuneration paid to Board and Executive Management, both directly and indirectly, must be disclosed in a precise, transparent and detailed manner under the Board of Directors' Report, without concealment or misrepresentation, whether paid in cash or in the form of benefits, regardless of their nature or description.

• يجب أن تؤخذ المخاطر الحالية والمحتملة في الاعتبار عند تحديد حجم وتوزيع المكافأة المتغيرة. لذلك، يجب تحديد المكافآت المتغيرة للإدارة التنفيذية التي تؤثر أعمالها بشكل جوهري على تعرض البنك للمخاطر بما يتماشى مع العديد من العوامل التي تغطيها سياسة المكافآت.

• يجب أن يعتمد قياس الأداء المالي على أداء البنك على المدى الطويل للإدارة التنفيذية المشاركة في أنشطة المخاطر، وبالتالي لا ينبغي أن تستند مكافآتهم على أداء العام الحالي فقط. وينبغي أيضاً أن تتضمن تقييمات أداء الإدارة التنفيذية والموظفين الآخرين الذين يقع على عاتقهم مسؤولية إشرافية داخل البنك اعتبارات تتعلق بمسؤوليتهم الإشرافية ذات الصلة فيما يخص مخاطر سوء السلوك في إطار مجال الأعمال الخاص بهم.

• يجب الموافقة على تعديل المكافآت للإدارة التنفيذية من قبل مجلس الإدارة وفقاً لتوصية لجنة الترشيحات والمكافآت وفقاً لسياسة الاسترداد والاقتطاع.

## ٨. الحد الأعلى لمكافآت أعضاء مجلس الإدارة واللجان المنبثقة

يجب أن لا يتجاوز مجموع ما يحصل عليه عضو مجلس الإدارة ولجانه من مكافآت مبلغ وقدره (١,٥٠٠,٠٠٠) ريال سعودي.

## ٩. الإفصاح عن المكافآت

- يلتزم المجلس بالإفصاح عن سياسة المكافآت لأعضاء المجلس والإدارة التنفيذية بالبنك حسب متطلبات الإفصاح.
- الإفصاح بدقة وشفافية وتفصيل في تقرير مجلس الإدارة عن المكافآت الممنوحة لأعضاء مجلس الإدارة والإدارة التنفيذية بصورة مباشرة أو غير مباشرة، دون إخفاء أو تضليل، سواء أكانت مبالغ أم منافع، أيأ كانت طبيعتها واسمها.

- The Saudi Central Bank receives a report on the total remuneration of Board Members and Committees annually.
- The Board of Directors' report to the General Assembly shall contain a comprehensive and detailed statement on remuneration and compensation paid to each of the following recipients individually:
  - Board members.
  - Five Bank's Senior Executives who received the highest remuneration/compensation, provided that the Chief Executive Officer and the Chief Financial Officer are among them.
  - Board Committees Members.

It shall also contain a statement of amounts paid to Board Members in their capacity as Executives employees or Directors, or amounts paid to them in consideration for any technical, executive, management or advisory services rendered, as well as a statement of the number of board meetings held and the number of meetings attended by each member beginning from the date of the last General Assembly.

- The relation between the remuneration paid and the remuneration policy in force must be clarified, including highlighting any material deviation from the policy.
- Disclosure shall be in accordance with Appendix (1) to the Corporate Governance Regulations issued by the Capital Market Authority.

## 10. Effective Date

The Policy shall take effect upon its approval by the General Assembly.

## 11. Periodic Review

The Nomination and Remuneration Committee will conduct a periodic review of the Policy every three years or when deemed necessary, and will raise any amendments to Board for subsequent approval by the Bank's General Assembly.

- يتم تزويد البنك المركزي السعودي بتقرير حول إجمالي مكافآت أعضاء مجلس الإدارة ولجانه بشكل سنوي.

- يشتمل تقرير مجلس الإدارة إلى الجمعية العامة على بيان شامل بالتفاصيل اللازمة بشأن المكافآت والتعويضات المدفوعة لكل مما يلي على حدة:

- أعضاء مجلس الإدارة.
- خمسة من كبار التنفيذيين بالبنك ممن تلقوا أعلى المكافآت على أن يكون من ضمنهم الرئيس التنفيذي والمدير المالي.
- أعضاء اللجان المنبثقة عن مجلس الإدارة.

وأن يشتمل كذلك على بيان ما قبضه أعضاء المجلس بوصفهم عاملين أو إداريين أو ما قبضوه نظير أعمال فنية أو تنفيذية أو إدارية أو استشارات. إضافة لبيان بعدد جلسات المجلس وعدد الجلسات التي حضرها كل عضو من تاريخ آخر اجتماع للجمعية العامة.

- توضيح العلاقة بين المكافآت الممنوحة وسياسة المكافآت المعمول بها، وبيان أي انحراف جوهري عن هذه السياسة.

- أن يكون الإفصاح وفقاً للملحق رقم (١) في لائحة حوكمة الشركات الصادرة عن هيئة السوق المالية.

## ١٠. تاريخ السريان

تدخل هذه السياسة نطاق التطبيق بعد اعتمادها من الجمعية العامة.

## ١١. المراجعة الدورية

تقوم لجنة الترشيحات والمكافآت بإجراء مراجعة دورية لهذه السياسة مرة كل ثلاث سنوات أو متى ما دعت الحاجة، وتقوم برفع أي تعديلات إلى مجلس الإدارة تمهيداً لاعتمادها من الجمعية العمومية للبنك.

البنود من (١٠) الى (٦٠)  
تعديل مواد النظام الأساس للبنك

**Items from No (10) To No (60)  
Amendment to Articles of the bank's  
bylaw Agenda Item**

## Summary of the changes to the Company Bylaws:

No.	Article	Before	After	Remarks
1.	Chapter 1 Article (1)	Chapter 1 Article (1): Incorporation <b>of the Company:</b>	Chapter 1: <b>Incorporation of the Company</b>  Article (1): <b>Incorporation</b>	
2.	Article (3): Objectives of the Company:	The objectives of the Company are to engage in banking operations in accordance with the provisions of the Banking Control Law and the provisions of other laws and regulations of the Kingdom of Saudi Arabia The Company, whether for its own account or for the account of others inside or outside the Kingdom of Saudi Arabia, carries out all types of banking operations, including the following operations:  K. Opening accounts in the name of the Company at domestic or foreign banks or other financial institutions.	The objectives of the Company are to engage in banking operations in accordance with the provisions of the Banking Control Law and the provisions of other laws and regulations of the Kingdom of Saudi Arabia <b>and instructions issued by Saudi Central Bank (SAMA)</b> . The Company, whether for its own account or for the account of others inside or outside the Kingdom of Saudi Arabia, carries out all types of banking operations, including the following operations:  <b>11. Opening and operating</b> accounts in the name of the Company at domestic or foreign banks or other financial institutions.	The article has been updated for further clarification purposes
3.	Article (4): Partnership and Ownership	The Company may establish companies on its own (with limited liability or closed joint-stock), provided that the capital is not less than (5) million SAR. It may also own stocks and shares	The Company may establish companies on its own (with limited liability or closed joint-stock), provided that the capital is not less than (5) million SAR. It	The article has been updated for further clarification purposes



No.	Article	Before	After	Remarks
	in Companies	in other existing companies or merge with them. It may participate with others in the establishment of joint-stock or limited liability companies, after fulfilling the requirements of the regulations and instructions followed in this regard. The Company may also dispose of these stocks or shares, provided that this does not include mediation in their trading.	may also own stocks and shares in other existing companies or merge with them. It may participate with others in the establishment of joint-stock or limited liability companies, after fulfilling the requirements of the regulations and instructions followed in this regard, <b>and after obtaining the written non-objection from SAMA.</b> The Company may also dispose of these stocks or shares, provided that this does not include mediation in their trading.	
4.	Article (5): The Head Office of the Company:	The head office of the Company is located in the city of Riyadh, and the Extraordinary General Assembly may move the head office to any other city in the Kingdom of Saudi Arabia. The Company may establish branches, offices, or agencies <b>for it</b> inside or outside the Kingdom of Saudi Arabia by a decision of the Board of Directors. <b>This is should be</b> subjected to the provisions of the laws and regulations in force in the Kingdom of Saudi Arabia.	The head office of the Company is located in the city of Riyadh, and the Extraordinary General Assembly may move the head office to any other city in the Kingdom of Saudi Arabia. The Company may establish branches, offices, or agencies inside or outside the Kingdom of Saudi Arabia by a decision of the Board of Directors (" <b>Board</b> "), <b>subject to the provisions of the laws and regulations in force in the Kingdom of Saudi Arabia. After having obtained the written no-objection from SAMA.</b>	The article has been updated in accordance with the requirements issued by the Saudi Central Bank.
5.	Chapter 2: Capital & Shares	Chapter 2	Chapter 2: <b>Capital &amp; Shares</b>	The article has been updated for further clarification purposes

No.	Article	Before	After	Remarks																
6.	Article (7): Capital:	The Company's capital is set at 15,000,000,000 SAR ( <b>fifteen billion Saudi Riyals</b> ), divided into (1,500,000,000) shares ( <b>one billion and five hundred million shares</b> ) of equal nominal value, each with a nominal value of ten (10) SAR, all of which are ordinary shares.	<ol style="list-style-type: none"> <li>The Company's <b>issued</b> capital is set at <b>fifteen billion Saudi Riyals</b> (15,000,000,000 SAR), <b>paid in full</b> divided into <b>one billion and five hundred</b> (1,500,000,000) <b>shares</b> of equal nominal value, each with a nominal value of ten <b>Saudi Riyal</b> (10) SAR), all of which are ordinary shares.</li> <li><b>Shares of the same type or class shall be of equal nominal value, and may not be issued for less than their nominal value.</b></li> </ol>	The article has been amended to comply with the requirements stipulated in Article (103) and (106) of the New Companies Law 2022G.																
7.	Article (8) Subscription to the Company's shares:	Article (8): Subscription:	Article (8) Subscription <b>to the Company's shares:</b>	The article has been updated for further clarification purposes																
8.	Article (8) Subscription to the Company's shares:	<p>The founders subscribed in (840,000) <b>eight hundred and forty thousand shares in the Company's capital and paid all the value of their shares in cash as follows:</b></p> <table border="1"> <thead> <tr> <th>Name</th> <th>No. of Shares</th> <th>Percentage</th> <th>Paid value Saudi Riyals</th> </tr> </thead> <tbody> <tr> <td><b>1- Saudi founders</b></td> <td><b>240,000</b></td> <td><b>16%</b></td> <td><b>24,000,000</b></td> </tr> <tr> <td><b>2- Arab Bank</b></td> <td><b>600,000</b></td> <td><b>40%</b></td> <td><b>60,000,000</b></td> </tr> <tr> <td><b>Total</b></td> <td><b>840,000</b></td> <td><b>56%</b></td> <td><b>84,000,000</b></td> </tr> </tbody> </table>	Name	No. of Shares	Percentage	Paid value Saudi Riyals	<b>1- Saudi founders</b>	<b>240,000</b>	<b>16%</b>	<b>24,000,000</b>	<b>2- Arab Bank</b>	<b>600,000</b>	<b>40%</b>	<b>60,000,000</b>	<b>Total</b>	<b>840,000</b>	<b>56%</b>	<b>84,000,000</b>	The founders <b>and shareholders have subscribed to all the shares of the issued capital, amounting to fifteen billion (15,000,000,000 riyals) riyals, paid in full.</b>	The article has been modified for further clarification and in accordance with the new Companies Law 2022G.
Name	No. of Shares	Percentage	Paid value Saudi Riyals																	
<b>1- Saudi founders</b>	<b>240,000</b>	<b>16%</b>	<b>24,000,000</b>																	
<b>2- Arab Bank</b>	<b>600,000</b>	<b>40%</b>	<b>60,000,000</b>																	
<b>Total</b>	<b>840,000</b>	<b>56%</b>	<b>84,000,000</b>																	

No.	Article	Before	After	Remarks
		<p>The proceeds of this subscription amounting to 84,000,000 SAR (eighty-four million SAR) was deposited with the Arab Bank Limited in Riyadh, in an account opened in the name of the Arab National Bank (under establishment), as indicated by the certificate issued by the said bank. In the event that the number of subscribed shares exceeds the number of shares offered for public subscription, shares shall be allocated to subscribers in proportion to the number of shares they have subscribed to, and the Board of Directors shall have a special preference for small subscribers.</p> <p>In the event that any of the shares offered for public subscription to Saudi citizens are not covered, within a period of thirty days or a subsequent period determined by the Company, the Company shall allocate the unsubscribed shares to the Saudi founders in proportion to the number of shares they have subscribed for upon incorporation, in return for paying the full value in cash, as well as expenses. The shareholders acknowledge that the value of all shares has been fulfilled and the capital has been paid in full.</p>		
9.	Article (9): Types and Classes of Shares	Article (9): <b>Preference Shares:</b>	Article (9): <b>Types and Classes of Shares</b>	The article has been updated for further clarification purposes
10.	Article (9): Types and	The Extraordinary General Assembly of the Company may, according to the principles set by the competent authority, and after obtaining the	<b>1. Pursuant to relevant laws &amp; regulations,</b> The Extraordinary	The article has been amended to comply with the requirements

No.	Article	Before	After	Remarks
	Classes of Shares	<p>Saudi Central Bank's (SAMA) non-objection in advance, <b>issue preference shares or decide to purchase the same, convert ordinary shares into preferred shares, or convert preferred shares into ordinary ones.</b> Preferred shares do not give the right to vote at the General Assemblies of shareholders. These shares give their holders the right to obtain a percentage of the Company's net profits in priority over the ordinary shares holders, after statutory reserve has been set aside.</p>	<p>General Assembly of the Company may, according to the principles set by the competent authority, and after obtaining the SAMA <b>written non-objection in advance, issue different types and classes of shares, the amendment or cancellation of any of the rights, obligations, or restrictions associated with said shares; the conversion of any type or class of shares into another type or class, if such conversion results in the amendment or cancellation of the rights or obligations associated with the type or class of shares to be converted; or the issuance of shares of a particular type or class that would prejudice the rights of another class of shareholders, shall require the approval of a special assembly composed, in accordance with Article (89) of the Companies Law.</b></p> <p>2. Preferred shares do not give the right to vote at the General Assemblies of shareholders, <b>unless the Company fails to pay holders of those shares the specified</b></p>	<p>stipulated in Article (110) of the New Companies Law 2022G, and Article (42) of the Implementing Regulations of the Companies Law issued by the Capital Market Authority 2023G.</p>

No.	Article	Before	After	Remarks
			<p>percentage of the Company's net profits after deduction of reserves (if any) for three consecutive years, and each Preferred Share shall have one vote in the General Assembly.</p> <p>3. Preferred shares give their holders the right to obtain a percentage of the Company's net profits in priority over the ordinary shareholders, after statutory reserve has been set aside.</p>	
11.	Article (10): Trading in Shares:	Article (12): Trading in Shares:	Article (10): Trading in Shares:	
12.	Article (10): Trading in Shares:	<p>The shares subscribed by the founders may not be traded until the financial statements have been published for two fiscal years, each of which is not less than twelve (12) months from the date of the Company's incorporation. The deeds of these shares shall be marked with an indication of their type, the date of incorporation of the Company, and the period during which trading is prohibited.</p> <p>However, during the prohibition period, the ownership of shares may be transferred in accordance with the provisions of the sale of rights from one of the founders to another founder or from the heirs of one of the founders, in the event of his/her death, to third parties or in the event of execution on the funds of the</p>	<p>The Company's shares are traded in accordance with the provisions of the Capital Market Laws and its implementing regulations and subject to the Saudi Central Bank (SAMA) instructions.</p>	The article has been amended for further clarification and in order to align with the new Companies Law 2022G.

No.	Article	Before	After	Remarks
		<p>insolvent or bankrupt founder, provided that the priority of owning those shares is given to the other founders.</p> <p>The provisions of this Article shall apply to what the founders subscribe to, in the event of an increase in the capital, before the expiry of the prohibition period.</p>		
13.	Article (11): Sale of Partly Paid-Up Shares:	Article (10): Sale of Partly Paid-Up Shares:	Article (11): Sale of Partly Paid-Up Shares:	
14.	Article (11): Sale of Partly Paid-Up Shares:	<p>A shareholder shall pay the value of a share at the specified dates. If a shareholder fails to pay on the due date, the Board may, after notifying such shareholder by registered mail sent to their address as recorded in the shareholder register, sell such share in a public auction or in the capital market, as the case may be, in accordance with the rules set by the competent authority.</p> <p>The Company shall receive the amounts due thereto from the sale proceeds and shall repay any remaining amount to the shareholder. If the sale proceeds are insufficient to cover these amounts, the Company may satisfy such amounts from the shareholder.</p> <p>However, the shareholder in default up to the sale date may pay the due amount, in addition to any expenses incurred by the Company.</p>	<p>1. A shareholder shall pay the remaining value of a share at the specified dates. If a shareholder fails to pay on the due date, the Board may, after notifying such shareholder by registered mail or through any means of contemporary technology, sell such share in a public auction or in the capital market, as the case may be, in accordance with the rules set by the relevant laws &amp; regulations.</p> <p>2. The Company shall receive the amounts due thereto from the sale proceeds and shall repay any remaining amount to the shareholder. If the sale proceeds are insufficient to cover these amounts,</p>	The article has been amended to comply with the requirements stipulated in Article (115) of the New Companies Law 2022G.

No.	Article	Before	After	Remarks
		<p>The Company shall cancel the sold share according to the provisions of this Article, and shall give the purchaser a new share bearing the number of the canceled share, shall indicate in the shareholder register that the sale has taken place, and shall mention the name of the new shareholder.</p>	<p>the Company may satisfy such amounts from the shareholder's property.</p> <p>3. Rights associated with shares the value of which is not paid by the due date shall be suspended until such shares are sold or the due amount is paid in accordance with the provision of paragraph (1) of this article; such rights include the right to receive dividends and attend shareholder assemblies and vote on their decisions. However, the non-paying shareholder up to the sale date may pay the due amount, in addition to any expenses incurred by the Company; in such case, he /she shall have the right to demand payment of dividends.</p>	
15.	Article (11): Issuance of Shares:	<p>The shares are nominal, and they may not be issued for a value lesser than their nominal value. The Company may issue shares for a value higher than their nominal value, provided that the difference in value is added in a separate item within the shareholder rights and may not be distributed to shareholders as dividend. A share is indivisible against the Company. If a share is owned by multiple persons, they shall select one of them to represent them in exercising the rights relating</p>	(This article has been deleted)	The article (11) Issuance of Shares has been merged with article (7) and amended for clarification purposes.

No.	Article	Before	After	Remarks
		to the share. These persons shall be jointly liable for the obligations arising from the share ownership.		
16.	Article (12): Conversion of Shares:		<p>1. The Company may convert one type or class of shares into another type or class of shares by resolution of the Extraordinary General Assembly and in accordance with provisions stipulated in the Companies Law and its implementing regulations.</p> <p>2. Ordinary and Preferred shares and their classes may be converted into redeemable shares or any classes subject to the approval of all shareholders of the company.</p>	The article has been added to comply with the requirements stipulated in Article (109) of the New Companies Law 2022G.
17.	Article (13): Sale and Buy-back (Purchase) of Company Shares:	Article (13): <b>Shareholder Register:</b>	Article (13): <b>Sale and Buy-back (Purchase) of Company Shares:</b>	The article has been amended for clarification.
18.	Article (13): Sale and Buy-back (Purchase) of Company Shares:	<p>1) <b>The Company's shares are traded in accordance with the provisions of the Capital Market Law.</b></p> <p>2) The Company may, after obtaining the SAMA's non-objection, buy <b>or sell</b> its ordinary or preferred shares in accordance with the controls set by the <b>regulatory authorities</b>, and the shares purchased by the Company shall not have votes in the shareholders' Assemblies.</p>	<p>1. The Company may, after obtaining SAMA's <b>written non-objection, and with the approval of the extraordinary general assembly</b>, buy back its ordinary, preferred shares <b>or redeemable shares</b> in accordance with the controls set by the <b>relevant laws &amp; regulations</b>.</p>	This article has been made to comply with the requirements stipulated in the Implementing Regulations of the Companies Law, Chapter Six 2023G.



No.	Article	Before	After	Remarks
			<p>2. After obtaining SAMA's written non-objection, the Company may in addition buy back its shares to use them as treasury shares for the purpose of allocating them to an employee share incentive plan. The shares purchased by the Company shall not have votes in the shareholders' Assemblies in accordance with relevant laws &amp; regulations.</p> <p>3. The Company may, with the approval of the Board of Director, sell its treasury shares without prejudice to the Extraordinary General Assembly's resolution on the approval of buying these shares.</p>	
19.	Article (14): Capital Increase:	1) The Extraordinary General Assembly may, after obtaining the approval of SAMA, decide to increase the Company's capital, provided that the original capital has been fully paid up. The capital is not required to be fully paid up if the unpaid portion of the capital relates to shares issued in exchange for the conversion of debt instruments or financing instruments into shares and the prescribed period for conversion into shares has not expired yet.	1. The Extraordinary General Assembly may, after obtaining the written approval of the Saudi Central Bank, decide to increase the Company's issued capital, provided that the original issued capital has been fully paid up. The capital is not required to be fully paid up if the unpaid portion of the capital relates to shares issued in exchange for the conversion of debt instruments or financing instruments into shares and	The article has been amended to comply with the requirements stipulated in Article (127) and Article (131) of the New Companies Law 2022G.

No.	Article	Before	After	Remarks
		<p>2) The Extraordinary General Assembly may, in all cases, allocate all or part of the shares issued for capital increase to employees of the Company and/or all or part of its subsidiaries. Shareholders may not exercise pre-emptive rights if the Company issues shares for employees.</p> <p>3) At the time the Extraordinary General Assembly issues a <b>resolution</b> approving the capital increase, a shareholder will be entitled to a pre-emptive right to subscribe to the new shares issued against cash contribution. Such a shareholder shall be <b>informed</b> of their pre-emptive right <b>by publishing a notice in a daily newspaper and on Tadwul website, or by notifying them through registered mail</b> of the <b>resolution</b> of capital increase as well as of the conditions, duration and commencement and expiry date of the subscription.</p>	<p>the prescribed period for conversion into shares has not expired yet.</p> <p>2) The Extraordinary General Assembly may, in all cases <b>according to relevant laws &amp; regulations</b>, allocate all or part of the shares issued for capital increase to employees of the Company and/or all or part of its subsidiaries. Shareholders may not exercise pre-emptive rights if the Company issues shares for employees.</p> <p>3) <b>In all cases, the nominal value of the new shares shall be equal to the nominal value of the original shares of the same type or class.</b></p> <p>4) At the time the Extraordinary General Assembly issues a <b>decision</b> approving the capital increase, a shareholder will be entitled to a pre-emptive right to subscribe to the new shares issued against cash contribution. Such a shareholder shall be <b>notified of</b> their pre-emptive right, <b>if any, by registered mail sent to the address stated in the shareholders' register or by any means of technology.</b> And Such shareholder shall also be notified of the decision of</p>	

No.	Article	Before	After	Remarks
		<p>4) The Extraordinary General Assembly may stop application of the pre-emptive right vested in shareholders to subscribe to the capital increase against cash contribution or may <b>vest</b> such right in persons other than the shareholders in the cases in which it believes this is <b>appropriate</b> for the Company's interest.</p> <p>5) A shareholder may sell or assign the pre-emptive right <b>during the period from the date the General Assembly resolution, approving the capital increase, is adopted until the last day of subscription to the new shares related to such right, in accordance with the controls set by the competent authority.</b></p> <p>6) Subject to Paragraph (4) above, the new shares shall be distributed to holders of pre-emptive right who requested subscription in proportion to their pre-emptive right of the total pre-emptive rights resulting from the capital increase, provided that the shares they receive do not exceed the number of new shares</p>	<p>capital increase as well as of the conditions <b>and method of subscription</b>, duration and commencement and expiry date of the subscription <b>subject to the type and class of shares owned by the shareholder.</b></p> <p>5) The Extraordinary General Assembly may stop application of the pre-emptive right vested in shareholders to subscribe to the capital increase against cash contribution or may <b>grant</b> such right in persons other than the shareholders in the cases in which it believes this is <b>deemed beneficial</b> for the Company's interest.</p> <p>6) <b>In accordance with the terms stipulated under the Banking Control Law and SAMA instructions, the Companies Law, and its Implementing Regulations</b>, a shareholder may sell or assign the pre-emptive right <b>with or without financial consideration.</b></p> <p>7) Subject to Paragraph <b>five (5)</b> above, the new shares shall be distributed to holders of pre-emptive right who requested subscription in proportion to</p>	

No.	Article	Before	After	Remarks
		<p>they requested. The remainder of the new shares shall be distributed to holders of pre-emptive right who requested more than their respective shares in proportion to their pre-emptive right of the total holders of pre-emptive right who requested more than their respective shares in proportion to their pre-emptive right of the total pre-emptive rights resulting from the capital increase, provided that the shares they receive do not exceed the number of new shares they requested. The remaining shares shall be offered to third parties, unless the Extraordinary General Assembly decides or the Capital Market Law states otherwise.</p>	<p>their pre-emptive right of the total pre-emptive rights resulting from the capital increase, provided that the shares they receive do not exceed the number of new shares they requested, <b>taking into consideration the type and class of their shares</b>. The remainder of the new shares shall be distributed to holders of pre-emptive right who requested more than their respective shares in proportion to their pre-emptive right of the total holders of pre-emptive right who requested more than their respective shares in proportion to their pre-emptive right of the total pre-emptive rights resulting from the capital increase, provided that the shares they receive do not exceed the number of new shares they requested. The remaining shares shall be offered to third parties, unless the Extraordinary General Assembly decides or the Capital Market Law states otherwise.</p>	
20.	Article (15): Capital Reduction:	<p>The Company's capital may, by <b>resolution</b> of the Extraordinary General Assembly, be reduced, following the approval of the Saudi Central Bank, if the capital exceeds the Company's need or if the Company suffers losses. In the latter case only, the capital may be reduced, provided that the Company's capital is not less than the</p>	<p>1. The Company's capital may, by <b>decision</b> of the Extraordinary General Assembly, be reduced, following the <b>written</b> approval of the Saudi Central Bank, if the capital exceeds the Company's need or if the Company</p>	<p>The article has been amended to comply with the requirements stipulated in Article (134) and Article (135) of the New Companies Law 2022G.</p>

No.	Article	Before	After	Remarks
		<p>minimum stipulated in the Companies Law and Banking Control Law, in accordance with the instructions issued by SAMA. <b>The reduction resolution may only be issued after the Extraordinary General Assembly examines the auditor's report explaining the reasons for the reduction, the Company's obligations, and the effect of the reduction on these obligations.</b></p> <p>If the capital reduction is a result of the capital being in excess of the Company's need, the creditors shall be invited to submit their objections to the reduction within <b>sixty days from the date the reduction decision is published in a daily newspaper distributed in the area where the Company's head office is located.</b> If a creditor objects to such reduction and submits to the Company their documents on the specified date, the Company shall pay their debt, if already due, or shall provide them with sufficient guarantee to satisfy their debt, if it is due in the future.</p>	<p>suffers losses. In the latter case only, the capital may be reduced, provided that the Company's capital is not less than the minimum stipulated in the Companies Law and Banking Control Law, in accordance with the instructions issued by <b>the Saudi Central Bank.</b></p> <p><b>2. However, the decision to decrease the capital shall not be issued until a statement prepared by the Board of Directors stating the grounds for such decrease, the Company's liabilities, and the effect of the decrease on satisfying such liabilities. Said statement shall include the report of the Company's auditor.</b></p> <p><b>3. If the capital reduction is a result of the capital being in excess of the Company's need, the creditors shall be invited to submit their objections -if any - to the reduction within (45) days prior to the date set for the extraordinary general assembly meeting to decide on the decrease. The invitation shall include a statement indicating the amount of capital prior to and after the decrease, the date of the meeting, and the date the decrease becomes effective. If a creditor objects to such reduction</b></p>	

No.	Article	Before	After	Remarks
			<p>and submits to the Company their documents on the specified date, the Company shall pay their debt, if already due, or shall provide them with sufficient guarantee to satisfy their debt, if it is due in the future.</p> <p>4. If a creditor notifies the company of his objection to the decrease and the company fails to pay his due debt or to provide him with a sufficient guarantee if his debt is not due, he may petition the competent judicial authority prior to the date set for deciding on the decrease in the Extraordinary General Assembly meeting. The competent judicial authority may, in such case, order the payment of the debt, the provision of a sufficient guarantee, or the adjournment of the extraordinary general assembly meeting, as the case may be.</p> <p>5. Capital decrease shall not be invoked against a creditor who has submitted his application on the dates stipulated above, unless his due debt is paid or he is provided with a sufficient guarantee for undue amounts.</p> <p>6. Equality among holders of shares of the same type and class shall be observed upon the decrease of capital.</p>	

No.	Article	Before	After	Remarks
21.	Article (16): Issuance of Debt Instruments & Financing Sukuk	Article (16): <b>Issuing Debentures and Deeds:</b>	Article (16): <b>Issuance of Debt Instruments &amp; Financing Sukuk</b>	
22.	Article (16): Issuance of Debt Instruments & Financing Sukuk	<p>(a) The Company may, after obtaining the written non-objection of SAMA, issue <b>debentures and deeds which are in conformity with the provisions of Islamic Shari'a, in one or several parts, by one or a series of issuances, from time to time, as per the times, amounts and conditions determined by the Board of Directors, without needing to resort to the shareholders' General Assembly in this regard, provided that such instruments and deeds shall not be convertible to shares, and provided that the value of such instruments and deeds shall not exceed the value of the Company's capital.</b></p> <p>(b) <b>The Company's Board of Directors may take all the procedures necessary for issuing debentures and deeds and obtain the necessary approvals from the competent authorities; the Board of Directors may authorize a person or a group of other persons in accordance with the powers granted to it, and give them the right to authorize others.</b></p>	<p>1. The Company may, after obtaining the written non-objection of <b>SAMA, and in accordance with Capital Market Law and relevant regulations, issue negotiable debt instruments and financing sukuk.</b></p> <p>2. The Company's Board of Directors may take all the procedures necessary for issuing debentures and deeds and obtain the necessary approvals from the competent authorities; the Board of Directors may authorize a person or a group of other persons in accordance with the powers granted to it, and give them the right to authorize others.</p>	The article has been amended to comply with the requirements stipulated in Article (117) of the New Companies Law 2022G.
23.	Chapter 3: The Board of Directors	Chapter 3 Article (17): The Board of Directors:	Chapter 3: <b>The Board of Directors</b> Article (17): <b>Formation of the Board of Directors:</b>	

No.	Article	Before	After	Remarks
	Article (17): Formation of the Board of Directors:			
24.	Chapter 3: The Board of Directors Article (17): Formation of the Board of Directors:	<p>The Company shall be managed by a Board of Directors comprising ten (10) members, for a period of three years, subject to renewal, after obtaining the written non-objection of SAMA before nominating any of them.</p> <p>The General Assembly of shareholders shall elect <b>six</b> members of the Board, using cumulative voting. And as long as the Arab Bank <b>Limited</b> owns the percentage of at least <b>(40%)</b> of the shares, it may, after obtaining a written non-objection from SAMA, appoint <b>four (4)</b> of the board members, and may replace them or replace any one or more of them; and such appointment shall be effected by a <b>resolution</b> to be issued by the board of directors of the Arab Bank <b>Limited</b>, and shall notify such resolution by way of a letter to be addressed to the Company's Board of Directors.</p>	<ol style="list-style-type: none"> <li>1. The Company shall be managed by a Board of Directors comprising ten (10) members, <b>all being natural persons</b> for a period of three years, subject to renewal, after obtaining the written non-objection of SAMA before nominating any of them.</li> <li>2. The General Assembly of shareholders shall elect <b>seven (7)</b> members of the Board, using cumulative voting (<b>Elected Members</b>). And as long as the Arab Bank <b>PLC</b> owns the percentage of at least <b>(30%)</b> of the shares, it may, after obtaining a written non-objection from SAMA, appoint <b>three (3)</b> of the Board members (<b>Assigned Members</b>), and may replace them or replace any one or more of them; and <b>having obtained SAMA's written non-objection</b>, such appointment <b>or replacement</b> shall be effected by a <b>decision</b> to be issued by the Board of Directors of the Arab Bank <b>PLC</b>, and shall notify such <b>decision</b> by way of a letter to be addressed to the Company's Board of Directors. <b>Any shareholding</b></li> </ol>	The article has been amended to comply with the requirements stipulated in Article (68) of the New Companies Law 2022G, and Article (5) of the Implementing Regulations of the Companies Law issued by the Capital Market Authority 2023G.



No.	Article	Before	After	Remarks
			<p>percentage enjoyed by Arab Bank PLC that exceeds the above-mentioned percentage is entitled to use it to elect one of the seven (7) elected members through cumulative voting.</p> <p>3. Arab Bank PLC may not use its voting rights on the basis of which it was appointed to elect the remaining members of the Board of Directors.</p>	
25.	Article (18): Expiration or termination of membership of the Board	Article (18): <b>Expiry of Board Membership:</b>	Article (18): Expiration or termination of membership of the Board	
26.	Article (18): Expiration or termination of membership of the Board	<b>Membership of a Board member will expire upon the expiry of his/her term, resignation, death, and if it is established that a Board member is in breach of his/her duty in a way which is harmful to the Company's interest; on condition that the approval of the Ordinary General Assembly is obtained, or upon the expiration of his/her membership under any regulations or instructions which are in effect in the Kingdom of Saudi Arabia; or if a judgment has been issued to declare his/her bankruptcy or insolvency, or if he/she submits a settlement application with his/her creditors, or if he/she stops paying his/her debts or if he/she becomes</b>	<b>1. Membership of the Board of Directors ends with the expiry of its term or with the expiration of the member's eligibility in accordance with laws &amp; regulations in force in the Kingdom. The General Assembly may, based on a recommendation from the Board of Directors, terminate the membership of any member who fails to attend three (3) consecutive meetings or five (5) non-consecutive meetings during the course of his/her membership without</b>	The article has been amended to comply with the requirements stipulated in Article (6) of the Implementing Regulations for the Companies Law issued by the Capital Market Authority 2023G.

No.	Article	Before	After	Remarks
		<p>unconscious, or if he/she has a mental disorder, or if it is established that he/she has committed an act which is contrary to honesty and morals, or if he/she is convicted of forgery. However, the Ordinary General Assembly may, at any time, dismiss all or part of the Board members without prejudice to the right of a dismissed member to claim compensation if he/she is dismissed for an unacceptable reason or at an inappropriate time. A Board member may step down, provided that this takes place at an appropriate time, otherwise such member shall be liable to the Company for the damage caused by stepping down.</p>	<p>an excuse acceptable to the Board, subject to the instructions issued by SAMA.</p> <p>2. The Ordinary General Assembly may, at any time, and pursuant to written notice to be sent to SAMA, remove all or part of the Board members. In this case, the Ordinary General Assembly shall elect a new Board of Directors or a replacement for the dismissed member (as the case may be) in accordance with the provisions of the Companies Law and its Implementing Regulations and instructions issued by SAMA.</p>	
27.	<p>Article (19): Expiry of the term of the Board of Directors, resignation of its members, or membership vacancy:</p>	<p>( A new article has been added)</p>	<p>1. The Board of Directors shall, before the end of its session, call the Ordinary General Assembly to convene to elect a Board of Directors for a new session. In the event of failure to elect a Board for a new term and the term of the current Board has lapsed, the members of such Board shall continue to perform their duties until a new Board is elected, provided that the period of such continuation of the lapsed Board does not exceed (90) days from the end date of the Board's term. And the Board shall undertake all necessary procedures to</p>	<p>The article has been added to comply with the requirements stipulated in Article (6) of the Implementing Regulations for the Companies Law issued by the Capital Market Authority 2023G.</p>

No.	Article	Before	After	Remarks
			<p>elect a new replacement Board before the expiry of the period specified in this paragraph.</p> <p>2. In the event that the Chairman and members of the Board resign, they shall call for the Ordinary General Assembly meeting to convene in order to elect a new Board, and such resignation shall not be effective until a new Board is elected, provided that the period of such continuation of the resigned Board does not exceed (120) days from the date of such resignation. And the Board shall undertake all necessary procedures to elect a new replacement Board before the expiry of the period specified in this paragraph.</p> <p>3. A member of the Board of Directors may resign from the membership of the Board by virtue of a written notification addressed to the Chairman of the Board. If the Chairman of the Board resigns, the notification must be directed to the remaining members of the Board and the Secretary of the Board. Resignation</p>	

No.	Article	Before	After	Remarks
			is effective - in both cases - from the date specified in the notification.	
28.	Article (20): Vacant Positions in the Board:	Article (19): Vacant Positions in the Board	Article (20): Vacant Positions in the Board:	
29.	Article (20): Vacant Positions in the Board:	<p>If the position of a Board member becomes vacant, the Board may, after obtaining a written non-objection from the Saudi Central Bank, <b>appoint a member to temporarily fill the vacancy, in the order of obtaining votes in the Assembly that elected the Board</b>, provided that such member meets the conditions of experience and competence required. The <b>Ministry of Commerce</b>, the Capital Market Authority, <b>and SAMA</b> shall be notified within (5) <b>five working</b> days from the date of appointment. <b>The appointment shall be presented to the Ordinary General Assembly in its first meeting, and the new member completes the term of his/her predecessor only.</b> If the Board of Directors fails to convene due to not satisfying the minimum number of members as prescribed in <b>the Companies Law</b> or these Bylaws, the existing members shall call for an Ordinary General Assembly within sixty (60) days to elect the required number of members. <b>However, SAMA shall be notified upon the resignation of a member or the termination of his/her membership for any reason other than the expiration of the Board term, within five (5) working days as of the date he/she left the</b></p>	<p>1. If the position of a Board member becomes vacant, <b>due to the death or resignation of any of its members, and this vacancy does not result in a breach of the conditions necessary for the validity of the meeting of the Board due to a decrease in the number of its members below the minimum,</b> the Board may, <b>in the event that the member whose position became vacant was one of the elected members of the Board – appoint a board member temporarily in the vacant position</b> after obtaining a written non-objection from the Saudi Central Bank provided that such member meets the required conditions of experience and competence. <b>The appointment shall be presented to the Ordinary General Assembly in its first meeting, and the new Interim member completes the term of his/her predecessor only.</b></p>	The article has been amended to comply with the requirements stipulated in Article (69) of the New Companies Law 2022G.

No.	Article	Before	After	Remarks
		work, subject to the relevant disclosure requirements.	<p>2. If the member whose position became vacant is one of the members appointed by the Arab Bank PLC, the appointment shall be made in accordance with the method stipulated in Article Seventeen (17) of these Bylaws.</p> <p>3. In both cases, the Commercial Registry, the Capital Market Authority, shall be notified within (15) days from the date of appointment, and notifying SAMA within (5) working days.</p> <p>4. If the Board of Directors fails to convene due to not satisfying the minimum number of members as prescribed in these Bylaws, the existing members shall call for an Ordinary General Assembly within sixty (60) days to elect the required number of members.</p>	
30.	Article (21): Powers of the Board:	Article (20): Powers of the Board:	Article (21): Powers of the Board:	
31.	Article (21): Powers of the Board:	Without prejudice to the powers reserved for the General Assembly, and subject to the provisions of the relevant regulations and instructions, the Board of Directors shall have all the necessary powers for managing the Company's business and supervising its affairs;	1. Subject to the provisions of the Banking Control Law and the instructions issued by SAMA taking into account the powers reserved for the General Assembly, the Board of	The article has been amended to comply with the requirements stipulated in Article (75) and Article (77) of the New Companies Law 2022G.

No.	Article	Before	After	Remarks
		<p>in order to <b>carry out its duties, the Board shall</b> exercise all powers, and shall perform all the works and actions, which the Company may perform under these Bylaws <b>or the Memorandum of Association or otherwise, provided that the Bylaws do not expressly provide for conducting such works by the General Assembly.</b> The Board of Directors, in particular, shall have the full right to conclude an agreement for technical management between the Company and Arab Bank <b>Limited;</b> <b>and</b> the Board of Directors shall have the power to obtain loans for periods exceeding three (3) years, to purchase real estate (Subject to the relevant <b>regulations in this regard</b>), to sell and mortgage the same, and to discharge the Company's debtors of their obligations, to reconcile and accept arbitration.</p> <p>The Board may <b>assign any of these powers to the Chairman of the Board or the Managing Director, or any other Board member, or any of the employees who are authorized by the Company or are working for it. The Board may, from time to time, authorize another person with respect to certain power or powers</b> for the duration and terms which are deemed appropriate by the Board. <b>However, the Board may not donate any part of the Company's funds, except within the limits determined by the regulations in force in the Kingdom of Saudi Arabia.</b></p>	<p>Directors shall have all the <b>powers</b> necessary for managing the Company's business and <b>achieving its purposes</b>, in order to exercise all powers, and shall perform all the works and actions, which the Company may perform under these Bylaws.</p> <p>2. The Board of Directors, in particular, shall have the full right to conclude an agreement for technical management between the Company and Arab Bank <b>PLC after obtaining the written no-objection from SAMA.</b></p> <p>3. The Board of Directors shall have the power to obtain loans for periods exceeding three (3) years, to purchase real estate (Subject to the relevant <b>laws</b>) <b>The Board may also oversee the Company's assets, provided the Board obtains the approval of the General Assembly when selling assets whose value exceeds twenty five percent (25%) of the value of the company's total assets, whether the sale is made through one transaction or several transactions. In this case, the transaction that leads to exceeding twenty five percent (25%) of the value of the company's assets shall require the approval of the General Assembly. Such</b></p>	

No.	Article	Before	After	Remarks
			<p>percentage is calculated from the date of the first transaction that took place during the previous twelve (12) months. The Board also has the power to sell real estate and mortgage the same, in addition to the acceptance of the mortgage in favour of the bank (mortgage) and to discharge the Company's debtors of their obligations, to reconcile and accept arbitration. However, the Board may not donate any part of the Company's funds, except within the limits determined by the laws in force in the Kingdom of Saudi Arabia.</p> <p>4. The Board may within the limits of its powers, assign authorize one or more of its members, or a third party to undertake specific work(s) for the duration and terms which are deemed appropriate by the Board.</p>	
32.	Article (22): Remuneration of the Board Members:	<b>Article (21):</b> Remuneration of the Board Members:	<b>Article (22):</b> Remuneration of the Board Members:	
33.	Article (22): Remuneration of the Board Members:	The remuneration of the Board of Directors shall be a <b>certain percentage of the net profits and within the limits stipulated in</b> the Companies Law and its Implementing Regulations. The Company shall pay to the Board members all the actual expenses incurred	<b>1. Subject to the instructions and limits issued by SAMA,</b> the remuneration of the Board of Directors shall be a <b>fixed amount, and an allowance for attending meetings, in accordance with the provisions stipulated in the Companies</b>	The article has been amended to comply with the requirements stipulated in Article (76) of the New Companies Law 2022G.

No.	Article	Before	After	Remarks
		<p>by them in order to attend the meetings of the Board and other committees, including travel, accommodation, and housing expenses.</p> <p>The Board's report to be submitted to the Ordinary General Assembly must include a comprehensive statement of all <b>benefits received by the Board members during the financial year, including bonuses</b>, expense allowances and other benefits. The report must also include a statement of the amounts received by the Board members in their capacity as <b>officers or administrators, or any other amounts received thereby in consideration of technical or administrative activities or consultations</b>.</p>	<p>Law, its Implementing Regulations, <b>and related regulatory instructions</b>. The Company shall pay to the Board members all the actual <b>and reasonable</b> expenses incurred by them in order to attend the meetings of the Board and other committees, including travel, accommodation, and housing expenses.</p> <p>2. The Board's report to be submitted to the <b>annual</b> Ordinary General Assembly must include a comprehensive statement of all <b>the amounts each</b> Board members received <b>or were entitled to receive</b> during the fiscal year <b>in the form of remuneration, meeting allowances, expense allowances and other benefits</b>. The report must also include a statement of the amounts received by the Board members in their capacity as <b>employees or executives, or in exchange for technical, administrative, or consulting services as well as an account of the number of Board meetings and the number of meetings attended by each member</b>.</p>	
34.	Article (23): The Chairman, Vice-	<b>Article (22):</b> The Chairman, Vice-Chairman and Managing Director:	<b>Article (23):</b> The Chairman, Vice-Chairman and Managing Director:	



No.	Article	Before	After	Remarks
	Chairman and Managing Director:			
35.	Article (23): The Chairman, Vice-Chairman and Managing Director:	<p>Subject to the provisions of the Banking Control Law and the instructions issued by SAMA, the Board shall appoint from among its members a Chairman, Vice-Chairman and Managing Director, and the Chairman of the Board shall be Saudi national. It is not permissible to combine the position of the Chairman of the Board of Directors with any other executive position in the Company. The Managing Director shall be selected from among the members appointed by Arab Bank <b>Limited</b>.</p> <p>The Board shall determine the special remuneration to be paid to each of the Chairman of the Board and the Managing Director in addition to the remuneration determined for each member of the Board of Directors in accordance with Article (21) of these Bylaws, provided that the total remuneration of the Chairman does not exceed twice the remuneration of a member of the Board of Directors, as stipulated in Article (21) of these Bylaws and within the limits provided for in the Companies Law, its Implementing Regulations, and the official instructions issued in this regard.</p>	<p>1. Subject to the provisions of the Banking Control Law and the instructions issued by SAMA, the Board shall appoint <b>at its first meeting -after obtaining the written no-objection from SAMA-</b> from among its members a Chairman <b>of the Board</b>, Vice-Chairman and Managing Director, and the Chairman of the Board shall be Saudi national.</p> <p>2. It is not permissible to combine the position of the Chairman of the Board of Directors with any other executive position in the Company. The Managing Director shall be selected from among the members appointed by Arab Bank <b>PLC</b>.</p> <p>3. The Board shall determine the special remuneration to be paid to each of the Chairman of the Board and the Managing Director in addition to the remuneration determined for each member of the Board of Directors in accordance with Article <b>twenty two (22)</b></p>	The article has been amended to comply with the requirements stipulated in Article (78) and Article (79) of the New Companies Law 2022G.

No.	Article	Before	After	Remarks
		<p>The Chairman of the Board of Directors shall have the right to authorize other Board members, or others, with all or part of what is stated above, and give such agents the power to authorize <b>others</b>, including the appointment of legal counsels, lawyers and legal representatives for the Company from among the Company's <b>staff</b> (inside or outside the Kingdom of Saudi Arabia) in accordance with <b>the exception contained in the paragraphs (a,e) of Article (18) of the Code of Law Practice</b>, and he/she shall grant them the right to sign on</p>	<p>of these Bylaws, provided that the total remuneration of the Chairman does not exceed twice the remuneration of a member of the Board of Directors, as stipulated in Article <b>twenty two (22)</b> of these Bylaws and within the limits provided for in the Companies Law, its Implementing Regulations, and the official instructions issued in this regard.</p> <p><b>5. The term of the Chairman, the Vice Chairman, the Managing Director, and the secretary shall not exceed the term of their respective memberships in the Board, and the Board of directors may remove the chairman, vice-chairman, managing director, and Board secretary, or any of them, from their positions. However, this shall not result in the termination of their Board membership.</b></p> <p><b>A) Powers of the Chairman:</b></p> <p><b>2. The Chairman of the Board of Directors shall have the right to authorize or delegate (by written decision) some of his powers to any other Board members, or third parties,</b></p>	

No.	Article	Before	After	Remarks
		<p>behalf of the Company within the scope of the powers of attorney granted to them, and to represent the Company before all private and official authorities, courts, judicial bodies and committees to defend, plead and claim with respect to any lawsuit filed by or against the Company, inside or outside the Kingdom, at all stages of litigation, and he/she shall have the right to remove them;</p> <p>Powers of the Managing Director:</p> <p>The Managing Director shall be the first executive official, and he shall act in accordance with the provision of Article (22) of these Bylaws, and without contravening the provisions of the Banking Control Law and the instructions issued by SAMA, he/she shall conduct the Company's daily affairs, which include, but are not limited to, the following business and actions:</p> <p>13. To purchase, sell, mortgage, and deal in any other manner in shares and debentures of any</p>	<p>with all or part of what is stated above, and give such agents the power to authorize others, including the appointment of legal counsels, lawyers and legal representatives for the Company from among the Company's <b>employees</b> (inside or outside the Kingdom of Saudi Arabia) <b>in accordance with the relevant laws &amp; regulations</b>, and he/she shall grant them the right to sign on behalf of the Company within the scope of the powers of attorney granted to them, and to represent the Company before all private and official authorities, courts, judicial bodies and committees to defend, plead and claim with respect to any lawsuit filed by or against the Company, inside or outside the Kingdom, at all stages of litigation, and he/she shall have the right to remove them;</p> <p><b>B) Powers of the Managing Director:</b> The Managing Director shall be the first executive official, and he shall act in accordance with the provision of Article (23) of these Bylaws, and without contravening the provisions of the Banking Control Law and the</p>	

No.	Article	Before	After	Remarks
		<p>company in any place, within the limits prescribed by the effective regulations in the Kingdom of Saudi Arabia, or by the <b>resolutions</b> of the Board of Directors in this regard.</p> <p>15. To conclude all contracts transferring the title deeds of real estate within the limits determined by the <b>resolutions</b> of the Board of Directors, subject to the relevant regulations in the Kingdom.</p> <p>16. To sign lease agreements and renew the same, to receive the rental, and to appoint arbitrators, lawyers, and legal representatives of the Company from among the Company's <b>staff</b> (inside or outside the Kingdom), and he/she shall have the right to remove them.</p> <p>18. To make any report or acknowledgment to establish a due debt, or which is claimed to be due, for the company in any procedures which have been taken, or will be taken later on, by or against any natural person or legal person, or the heirs of a deceased, in accordance with any effective law to discharge insolvent debtors or to liquidate companies, and to attend the creditors' meetings pursuant to such procedures, and to propose any <b>resolution</b>, to</p>	<p>instructions issued by SAMA, he/she shall conduct the Company's daily affairs, which include, but are not limited to, the following business and actions:</p> <p>13. To purchase, sell, mortgage, and deal in any other manner in shares and debentures of any company in any place, within the limits prescribed by the effective regulations in the Kingdom of Saudi Arabia, or by the <b>decisions</b> of the Board of Directors in this regard.</p> <p>15. To conclude all contracts transferring the title deeds of real estate within the limits determined by the <b>decisions</b> of the Board of Directors, subject to the relevant regulations in the Kingdom.</p> <p>16. To sign lease agreements and renew the same, to receive the rental, and to appoint arbitrators, lawyers, and legal representatives of the Company from among the Company's <b>employees</b> (inside or outside the Kingdom), and he/she shall have the right to remove them.</p>	

No.	Article	Before	After	Remarks
		<p>recommend or to vote for or against him/her in any of these meetings, and in general to represent the Company with respect to all these procedures whether in case of insolvency or bankruptcy or liquidation arrangements or reconciliation, against or for any debtor of the Company, as he/she may deem appropriate.</p> <p>The Board of Directors shall, as soon as possible, appoint an assistant to the Managing Director, and such assistant shall be a Saudi national who is qualified for this position, and the Board shall determine his/her powers and remunerations.</p>	<p>18. To make any report or acknowledgment to establish a due debt, or which is claimed to be due, for the company in any procedures which have been taken, or will be taken later on, by or against any natural person or legal person, or the heirs of a deceased, in accordance with any effective law to discharge insolvent debtors or to liquidate companies, and to attend the creditors' meetings pursuant to such procedures, and to propose any decision, to recommend or to vote for or against him/her in any of these meetings, and in general to represent the Company with respect to all these procedures whether in case of insolvency or bankruptcy or liquidation arrangements or reconciliation, against or for any debtor of the Company, as he/she may deem appropriate.</p>	
36.	Article (24): The Board Meetings:	Article (23): The Board Meetings:	Article (24): The Board Meetings:	
37.	Article (24): The Board Meetings:	<p>The Board shall meet by invitation of its Chairman no less than four meetings annually.</p> <p>The invitation must be in writing and must be delivered in person, through mail, email, fax, or telegram, two weeks prior to the determined</p>	<p>1. The Board shall meet by invitation of its Chairman no less than four (4) meetings annually, with no less than one meeting every three months. The</p>	The article has been amended to comply with the requirements stipulated in Article (80) of the New Companies Law 2022G,

No.	Article	Before	After	Remarks
		date of the meeting, unless the Board members agree otherwise; the Chairman shall call the Board to convene where two (2) members request that therefrom.	Chairman shall call the Board to convene to discuss one or more matters if requested in writing by a board member.  2. The Board of Directors shall determine the location of its meetings, and may hold its meetings through means of contemporary technology. Provided that they allow the members of the Board of Directors to participate effectively and in a way that enables them to listen, discuss and vote on decisions.	and Article (30) of the Corporate Governance Regulations issued by the Capital Market Authority 2023G.
38.	Article (25): Board Meetings and Resolutions:	Article (24): Quorum of the Board Meetings:	Article (25): Board Meetings and Resolutions:	
39.	Article (25): Board Meetings and Resolutions:	The Board meeting shall only be valid if it is attended by at least seven (7) Board members in person or by proxy, provided that the members present in person shall at least be four (4) members, and in case that a Board member authorizes another member to attend the Board meeting, such proxy shall be in accordance with the following controls:	1. The Board meeting shall only be valid if it is attended by at least seven (7) Board members in person or by proxy, provided that the members present in person shall at least be four (4) members, and in case that a Board member authorizes another member to attend the Board meeting, such proxy shall be in accordance with the following controls:	The article has been amended to comply with the requirements stipulated in Article (30) of the Corporate Governance Regulations issued by the Capital Market Authority 2023G.

No.	Article	Before	After	Remarks
		<p>a) A Board member shall not represent more than one member in the same meeting.</p> <p>b) The proxy shall be in writing and in connection with a specific meeting.</p> <p>c) The representative may not vote on <b>resolutions</b> on which his/her principal is not allowed to vote by law.</p> <p>Board <b>resolutions</b> shall be adopted by the two-thirds majority of votes of the members attending or represented therein. In case of a tie, the Chairman of the <b>Board, or his/her representative</b>, shall have a casting vote.</p> <p>The Board of Directors may issue <b>resolution</b> by circulation <b>by presenting the same to all members separately</b>, unless one of the members requests, in writing, that the Board shall meet to deliberate thereon. Such <b>resolution</b> shall be adopted by the two-thirds majority votes of the Board members, and they must be brought before the Board at the first following meeting and documented in the minutes of meeting. The Board of Directors may issue <b>resolution</b> by circulation between members through modern electronic means (including e-mail) as well as approvals by the</p>	<p>a) A Board member shall not represent more than one member in the same meeting.</p> <p>b) The proxy shall be in writing and in connection with a specific meeting.</p> <p>c) The representative may not vote on <b>decisions</b> on which his/her principal is not allowed to vote by law.</p> <p>2. Board <b>decisions</b> shall be adopted by the two-thirds majority of votes of the members attending or represented therein. In case of a tie, the Chairman of the <b>meeting</b>, shall have a casting vote.</p> <p>(The paragraph was moved to a new article, Article (26): Issuing Council decisions on urgent matter)</p>	

No.	Article	Before	After	Remarks
		<p>Board by circulation between members through modern electronic means (including e-mail and the use of voting buttons). Each member shall, as soon as possible, after his/her approval by circulation through electronic means, submit a copy of the <b>resolution</b> to the Company with his/her signature.</p> <p><b>Board meetings may be held over the phone or by modern technology, provided that they allow the members of the Board of Directors to participate effectively and in a way that enables them to listen, discuss and vote on resolutions.</b></p>	<p>(The paragraph was moved to Article 24)</p>	
40.	Article (26): Issuance of Board Decisions in Urgent Matters:	( A new article has been added)	Article (26): Issuance of Board Decisions in Urgent Matters:	
41.	Article (26): Issuance of Board Decisions in Urgent Matters:	( A new article has been added)	The Board of Directors may issue <b>urgent decisions</b> by circulation by unless one of the members requests, in writing, that the Board shall meet to deliberate thereon. Such decisions shall be adopted by the two-thirds majority votes of the Board members, and they must be brought before the Board at the first following meeting <b>and documented in the minutes of said meeting.</b> The Board	The article has been amended to comply with the requirements stipulated in Article (82) of the New Companies Law 2022G.



No.	Article	Before	After	Remarks
			of Directors may issue <b>decisions</b> by circulation between members through modern electronic means (including e-mail) as well as approvals by the Board by circulation between members through modern electronic means (including e-mail and the use of voting buttons). Each member shall, as soon as possible, after his/her approval by circulation through electronic means, submit a copy of the resolution decision to the Company with his/her <b>written or electronic</b> signature.	
42.	Article (27): Deliberations of the Board:	<b>Article (25):</b> Deliberations of the Board:	<b>Article (27):</b> Deliberations of the Board:	
43.	Article (27): Deliberations of the Board:	Deliberations and <b>resolutions</b> of the Board shall be documented in minutes to be signed by the Chairman of the <b>Board</b> , the Board members attending the meeting and the Secretary. The minutes shall be recorded in a special register to be signed by the Chairman of the Board and the Secretary.	1. Deliberations and <b>decisions</b> of the Board shall be documented in minutes <b>prepared by the Board secretary</b> to be signed by the Chairman of the <b>meeting</b> , the Board members attending the meeting, and the Secretary. The minutes shall be recorded in a special register to be signed by the Chairman of the Board and the Secretary.  2. <b>Means of contemporary technology may be used to obtain signatures, record</b>	The article has been amended to comply with the requirements stipulated in Article (83) of the New Companies Law 2022 G.

No.	Article	Before	After	Remarks
			deliberations and decisions, and documenting meeting minutes.	
44.	Article (28): The Executive Committee:	Article (26): The Executive Committee:	Article (28): The Executive Committee:	
45.	Article (28): The Executive Committee:	Subject to the instructions issued by SAMA, the Board of Directors may form from among its members an Executive Committee. The Board shall appoint a Chairman from among the members of the Committee. The Board of Directors also determines the Committee's work method, its competence, the number of its members, and the necessary quorum for its meetings. The Committee exercises the powers granted to it by the Board in accordance with the instructions and directives of the Board. The Executive Committee may not cancel or amend any of the resolutions and rules approved by the Board.	Subject to the instructions issued by SAMA, the Board of Directors may form from among its members an Executive Committee. The Board shall appoint a Chairman from among the members of the Committee. The Board of Directors also determines the Committee's work method, its competence, the number of its members, and the necessary quorum for its meetings. The Committee exercises the powers granted to it by the Board in accordance with the instructions and directives of the Board. The Executive Committee may not cancel or amend any of the decisions and rules approved by the Board.	Updated for further clarification purposes
46.	Article (29): Audit Committee:	<b>Chapter 5</b> Article (40): Formation of the Committee: Article (41): Quorum of the Committee Meetings: Article (42): Powers of the Committee: Article (43): Reports of the Committee:	Article (29): Audit Committee:	The section has been removed to align with the requirements stipulated in Article (12) of the Corporate Governance Regulations issued by the Capital Market Authority 2023G.

No.	Article	Before	After	Remarks
47.	Article (29): Audit Committee:	<p>Article (40): Formation of the Committee: Subject to the provisions of the instructions issued by SAMA, by resolution of the Ordinary General Assembly, an audit committee shall be composed of three (3) members, other than from the executive members of the Board and whether or not from amongst the shareholders. The resolution must specify the functions and controls of the Committee and the remuneration of its members.</p> <p>Article (41): Quorum of the Committee Meetings: An Audit Committee meeting shall be valid only if attended by majority of its members, and its decisions shall be passed by a majority vote of attending members. In case of a tie, the Chairman of the meeting shall have a casting vote.</p> <p>Article (42): Powers of the Committee: The Audit Committee shall monitor the Company's activities. To this end, the Committee shall have access to the Company's records and documents and may acquire any clarification or statement from members of the Board or the Executive Management. The Committee may ask the Board to call for a meeting of the Company's General Assembly if the Board obstructs its work or if the Company suffers substantial damage or loss.</p> <p>Article (43): Reports of the Committee:</p>	<p>The Audit Committee shall be formed in accordance with the laws, regulations, and instructions, and after obtaining the written non-objection of the Saudi Central Bank.</p>	<p>These articles have been removed to align with the requirements stipulated in Article (12) of the Corporate Governance Regulations issued by the Capital Market Authority 2023G.</p>

No.	Article	Before	After	Remarks
		The Audit Committee shall examine the Company financial statements, reports, and notes submitted by the auditor and shall give its opinion thereon, if any. The Committee shall also prepare a report including its opinion on the efficiency of the Company's Internal Audit System and the other activities it performed within its powers. The Board shall keep sufficient copies of the Committee's report at the Company's head office at least twenty-one (21) days prior to the date the General Assembly convenes to provide any interested shareholder with a copy of the report. The report shall be recited at the Assembly meeting.		
48.	Chapter 4: Shareholders' Assemblies Article (30): Shareholder General Assembly Meeting:	Chapter 4 Shareholders' Assemblies Article (27): Attending Assemblies:	Article (30): Shareholder General Assembly Meeting:	
49.	Chapter 4: Shareholders' Assemblies Article (30): Shareholder General Assembly Meeting:	Each shareholder may, regardless of the number of shares owned thereby, attend the General Assembly and they may give proxy to another shareholder, other than a member of the Board or the Company's employees, to attend the General Assembly.	1. Shareholders' general assembly meetings shall be chaired by the chairman of the board of directors, the vice-chairman in case of the chairman's absence, or any member designated by the board of directors in the absence of both the chairman and vice-chairman. If none of the above is possible, the	The article has been amended to comply with the requirements stipulated in Article (84) of the New Companies Law 2022 G.

No.	Article	Before	After	Remarks
			<p>shareholders shall vote to designate a board member or any other person to chair the general assembly meeting.</p> <p>2. Each shareholder is entitled to attend General Assembly meetings and may give proxy to another shareholder, other than a member of the Board, to attend the General Assembly.</p> <p>3. Means of technology may be used to hold general assembly meetings and enable shareholders to engage in deliberations and vote on decisions.</p>	
50.	Article (28): The Constituent Assembly:	Article (28): The Constituent Assembly:	(This article has been removed)	
51.	Article (28): The Constituent Assembly:	The founders invite all subscribers to hold a Constituent Assembly within forty-five days from the date of the Ministry's resolution to authorize the incorporation of the Company, or from the date of closing the subscription in the Company's shares, offered for public subscription, and it is required for the meeting to be valid, the presence of a number of subscribers representing at least half of the capital. If this quorum is not present, a second meeting shall be called, at least fifteen (15) days after calling such meeting. In all cases, the second meeting shall be valid regardless of the number of subscribers represented therein.	(This article has been removed)	The article has been removed to align with the new Companies Law 2022.

No.	Article	Before	After	Remarks
52.	Article (29): Powers of the Constituent Assembly:	The Constituent Assembly shall have the powers to deal with the matters mentioned in Article (63) of the Companies Law.	(This article has been removed)	The article has been removed to align with the new Companies Law 2022.
53.	Article (31): Powers of the Extraordinary General Assembly	Article (30): Powers of the Ordinary General Assembly	Article (31): Powers of the Ordinary General Assembly	
54.	Article (32): Powers of the Extraordinary General Assembly	Article (31): Powers of the Extraordinary General Assembly:	Article (32): Powers of the Extraordinary General Assembly:	
55.	Article (32): Powers of the Extraordinary General Assembly	Without prejudice to the provisions of the Banking Control Law, the Extraordinary General Assembly shall be competent to amend the Company's Bylaws, except for the matters which are legally not allowed to be amended by it. It may issue resolutions on matters originally within the competences of the Ordinary General Assembly, under the same terms and conditions prescribed for the Ordinary General Assembly.	Without prejudice to the provisions of the Banking Control Law, the Extraordinary General Assembly shall after having obtained written SAMA non-objection, be competent to amend the Company's Bylaws, except for the matters which are legally not allowed to be amended by it, as well as the power to decide on the continuation or dissolution of the company and approving the company's purchase of its shares. And. it may issue decisions on matters originally within the competences of the Ordinary General	The article has been amended to comply with the requirements stipulated in Article (85) of the New Companies Law 2022G.

No.	Article	Before	After	Remarks
			Assembly, under the same terms and conditions prescribed for the Ordinary General Assembly.	
56.	Article (33): Calling for the Assemblies:	<b>Article (32):</b> Calling for the Assemblies:	<b>Article (33):</b> Calling for the Assemblies:	
57.	Article (33): Calling for the Assemblies:	<p>Meetings of the Ordinary <b>or</b> Special Assemblies shall be held by call of the Board. The Board shall call for a meeting of the Ordinary General Assembly <b>if this is requested by the</b> auditor, the Audit Committee or a number of shareholders <b>representing</b> at least <b>(5%)</b> of the <b>capital</b>. The auditor may call for a meeting of the General Assembly if the Board fails to call for such meeting within thirty (30) days from the date of the auditor's request.</p> <p>The call for a meeting of the General Assembly shall be <b>published in a daily newspaper distributed in the area where the Company's head office is located</b> at least twenty-one (21) days prior to the date scheduled for the meeting. <b>However, it may be sufficient to address the invitation for the meeting at the said time to all shareholders by registered mail.</b> The invitation shall include the agenda and a copy of the invitation, and the agenda <b>shall be sent to the Ministry of Commerce, the Capital Market Authority and the SAMA, during the prescribed period for publication.</b></p>	<p>1. Meetings of the Ordinary <b>and</b> Special Assemblies shall be held by call of the Board. The Board shall call for a meeting of the Ordinary General Assembly within <b>(30) days from the date of the auditor request</b>, the Audit Committee or a number of shareholders <b>holding shares equal to at least (10%) of the Company shares that have voting rights.</b> The auditor may call for a meeting of the <b>Ordinary</b> General Assembly if the Board fails to call for such meeting within thirty (30) days from the date of the auditor's request.</p> <p>2. <b>The request referred to in paragraph (1) of this article shall indicate the items on which shareholders are required to vote.</b></p> <p>3. The call for a meeting of the General Assembly shall be <b>made</b> at least twenty-one (21) days prior to the date</p>	The article has been amended to comply with the requirements stipulated in Article (90) and Article (91) of the New Companies Law 2022G, and Article (13) of the Corporate Governance Regulations issued by the Capital Market Authority 2023G.

No.	Article	Before	After	Remarks
			<p>scheduled for the meeting, in accordance with the Companies Law, taking into consideration the following:</p> <p>A. The invitation should be announced using means of contemporary technology.</p> <p>B. a copy of the invitation and the meeting agenda are sent to the Commercial Register, and to the CMA, as well as a copy of such to SAMA.</p> <p>4. The invitation to the meeting shall include all the matters required by the Companies Law and relevant regulation.</p>	
58.				
59.	Article (33): Assembly Attendance Register:	The shareholders wishing to attend the General or Special Assembly shall register their names at the Company's head office prior to the prescribed date for convening the Assembly.	(This article has been removed)	This Article has been removed as currently registrations are being conducted via electronic means.
60.	Article (34): Quorum for Meetings of the Ordinary General Assembly:	A meeting of the Ordinary General Assembly shall be valid only if attended by shareholders representing at least one-half of the capital. If such quorum is not attained in the first meeting, a second meeting shall be held one hour after the lapse of time set for the first meeting, provided that the invitation for holding the first meeting indicates the possibility of holding such meeting. In the event that the first invitation does not include the possibility of	1. A meeting of the Ordinary General Assembly shall be valid only if attended by shareholders who represent at least one-half of the company's voting shares.	The article has been amended to comply with the requirements stipulated in Article (92) of the New Companies Law 2022G.



No.	Article	Before	After	Remarks
		<p>holding a second meeting, an invitation is sent for a second meeting to be held within the thirty days following the previous meeting. This invitation shall be published in the manner stipulated in Article (32) of these Bylaws. In all cases, the second meeting shall be valid regardless of the number of shares represented therein.</p>	<p>2. If such quorum is not attained in accordance with paragraph one (1) of this article, an invitation shall be sent to a second meeting to be held under the same conditions stipulated in Article ninety-one (91) of the Companies Law. However, a second meeting may be held one hour after the lapse of time set for the first meeting, provided that the invitation for holding the first meeting indicates the possibility of holding such a meeting. In all cases, the second meeting shall be valid regardless of the number of voting shares represented therein.</p>	
61.	<p>Article (35): Quorum for Meetings of the Extraordinary General Assembly:</p>	<p>A meeting of the Extraordinary General Assembly shall be valid only if attended by shareholders representing at least one-half of the capital. If such quorum is not attained in the first meeting, a second meeting shall be held one hour after the lapse of time set for the first meeting, provided that the invitation for holding the first meeting indicates the possibility of holding such meeting. Otherwise, an invitation shall be made for a second meeting to be held under the same conditions provided for in Article (32) of these Bylaws. In all cases, the second meeting shall be valid if it is attended by a number of shareholders representing at least quarter of the capital; otherwise, an invitation shall be sent for a third</p>	<p>1. A meeting of the Extraordinary General Assembly shall be valid only if attended by shareholders representing at least one-half of the Company's voting shares.</p> <p>2. If the quorum required for an extraordinary general assembly meeting is not satisfied as stipulated in paragraph (1) of this Article, a call shall be made for a second meeting to be held under the same conditions stipulated in Article 91 of the Companies Law. However, a second meeting may be held one hour after the lapse of time set for the first meeting, provided that the</p>	<p>The article has been amended to comply with the requirements stipulated in Article (93) of the New Companies Law 2022G.</p>

No.	Article	Before	After	Remarks
		meeting to be convened in accordance with the provisions of Article (32) herein. The third meeting shall be valid regardless of the number of shares represented therein <b>after obtaining the approval of the competent authority.</b>	<p>invitation for holding the first meeting indicates the possibility of holding such meeting.</p> <p>3. In all cases, the second meeting shall be valid if it is attended by a number of shareholders representing at least quarter of the <b>Company's voting shares.</b></p> <p>4. <b>If the quorum required for the second meeting is not satisfied, an invitation shall be sent for a third meeting to be convened in accordance with the provisions of Article one (91) of the Companies Law, and the third meeting shall be valid regardless of the number of voting shares represented therein.</b></p>	
62.	Article (36): Voting at the General Assemblies:	Each <b>subscriber shall have one vote per share in the Constituent Assemblies,</b> and each shareholder shall have one vote per share in the General Assemblies. Cumulative voting shall be applied to election of the Board members.	<p>1. Each shareholder shall have one vote per share in the General Assemblies, <b>taking into account the right of Arab Bank PLC to appoint three members of the Board in accordance with Article Seventeen (17) of these Bylaws.</b> Cumulative voting shall be applied to election of the <b>remaining</b> Board members <b>So that the voting right of the share may not be used more than once.</b></p> <p>2. <b>In case of general assembly resolutions relating to transactions and</b></p>	The article has been amended to comply with the requirements stipulated in Article (95) of the New Companies Law 2022G.

No.	Article	Before	After	Remarks
			contracts in which a board member has a direct or indirect interest or which involve a conflict of interest, the member involved shall abstain from voting.	
63.	Article (37): Decisions of the Assemblies:	<b>Article (37): Resolutions</b> of the Assemblies:	<b>Article (37): Decisions</b> of the Assemblies:	
64.	Article (37): Decisions of the Assemblies:	<b>Resolutions of the Constituent General Assembly shall be passed by absolute majority of the shares represented at the meeting.</b> <b>Resolutions</b> of the Ordinary General Assembly shall be passed by two-thirds majority of the shares represented at the meeting. Resolutions of the Extraordinary General Assembly shall be passed by two-thirds majority of the shares represented at the meeting, unless the <b>resolution</b> relates to increase or reduction of capital, extension of the Company's term, dissolution of the Company prior to the term set therefor in its Bylaws, or merger of the Company with another company, in which case such <b>resolution</b> shall only be valid if passed with a three-quarters majority of the shares represented at the meeting.	<b>1. Decisions</b> of the Ordinary General Assembly shall be passed by <b>the approval</b> of two-thirds majority of the <b>voting</b> shares represented at the meeting. <b>Decisions</b> of the Extraordinary General Assembly shall be passed by two-thirds majority of the <b>voting</b> shares represented at the meeting, unless the <b>decision</b> relates to increase or reduction of capital, extension of the Company's term, dissolution of the Company prior to the term set therefor in its Bylaws, or merger of the Company with another company, <b>or division of the company into two companies or more</b> , in which case such <b>decision</b> shall only be valid if passed with a three-quarters majority of the shares represented at the meeting.	The article has been amended to comply with the requirements stipulated in Article (92), Article (93) and Article (94) of the New Companies Law 2022G.

No.	Article	Before	After	Remarks
			<p>2. Decisions of the Extraordinary General Assembly which are required to be registered with the Commercial Register as prescribed by the relevant regulations shall be registered therewith by the board of directors within fifteen (15) days from their issuance date.</p> <p>3. Without prejudice to the provisions of the Companies Law, the Company's Bylaws, or decisions of the Company's General Assembly shall become effective from the date of their issuance, unless said decisions stipulate a specific date or condition for their effectiveness.</p>	
65.	Article (38): Deliberations at Meetings of Assemblies:	Article (38): Deliberations at Meetings of Assemblies:	Article (38): Deliberations at Meetings of Assemblies:	
66.	Article (38): Deliberations at Meetings of Assemblies:	Each shareholder shall have the right to discuss the subjects listed on the agenda of the Assembly and may address questions in respect thereof to the Board members and the auditor. The Board members or the auditor shall answer questions of the shareholders to the extent that does not expose the Company's interest to harm. If a shareholder deems the answer to their question is unsatisfactory, they may raise	Each shareholder shall have the right to discuss the subjects listed on the agenda of the General Assembly and may address questions in respect thereof to the Board members and the auditor. The Board members or the auditor shall answer questions of the shareholders to the extent that does not expose the Company's interest to harm. If a	The article has been amended to comply with the requirements stipulated in Article (96) of the New Companies Law 2022G.

No.	Article	Before	After	Remarks
		the issue with the Assembly whose <b>resolution</b> in that regard shall be effective and enforceable.	shareholder deems the answer to their question is unsatisfactory, they may raise the issue with the <b>General Assembly</b> whose <b>decision</b> in that regard shall be effective and enforceable.	
67.	Article (39): Assembly Meeting Minutes	<b>Article (39): Chairmanship of Assemblies and Preparation of Minutes:</b>	<b>Article (39): Assembly Meeting Minutes</b>	
68.	Article (39): Assembly Meeting Minutes	<b>Shareholder General Assemblies shall be chaired by the Chairman of the Board; the Vice-Chairman of the Board, in case of absence of the Chairman, or by whomever the Board delegates from its members for this purpose, in case of absence of the Chairman or the Vice-Chairman of the Board.</b> At the meeting of the Assembly, there shall be written minutes including the number of shareholders <b>attending or represented</b> , the number of shares <b>they hold</b> in their personal capacity or by proxy, the number of votes they are entitled to, the <b>resolutions</b> adopted and the number of votes <b>for or against them</b> and a sufficient summary of the deliberations which has taken place in the meeting. After each meeting, minutes shall be regularly recorded in a special register to be signed by the Assembly's Chairman, Secretary and vote collector.	At the meeting of the Assembly, there shall be written minutes including the number of shareholders <b>in attendance whether in person or by proxy</b> , the number of shares <b>held by each attendee, whether held</b> in their personal capacity or by proxy, the number of votes they are entitled to, the <b>decisions</b> adopted and the number of <b>consenting and dissenting</b> votes and a sufficient summary of the deliberations which has taken place in the meeting. After each meeting, minutes shall be regularly recorded in a special register to be signed by the Assembly's Chairman, Secretary and vote collector.	The article has been amended to comply with the requirements stipulated in Article (97) of the New Companies Law 2022G.
69.	Chapter 5 Auditor	<b>Chapter 6</b> <b>Article (44): Appointment of Auditor:</b>	<b>Chapter 5</b>	

No.	Article	Before	After	Remarks
	Article (40): Appointment of Auditor:		Article (40): Appointment, Removal, and Resignation of Company Auditor:	
70.	Chapter 5 Auditor Article (40): Appointment of Auditor:	The Company shall have two auditors from amongst the auditors licensed to work in the Kingdom. The <b>Ordinary</b> General Assembly shall <b>annually</b> appoint the auditor and shall specify their <b>compensation</b> and term of office <b>and it shall determine their remunerations and term; and the General Assembly may, at any time, replace them, without prejudice to their right of compensation, if such removal is at an inconvenient time or for illegitimate reason.</b>	<p>1. The Company shall have two auditors from amongst the auditors licensed to work in the Kingdom. The General Assembly shall appoint the auditor and shall specify their <b>fees</b> and term of office, <b>and scope of work and they may be re-appointed, provided that the period of their appointment does not exceed the period prescribed by law.</b></p> <p>2. The General Assembly via resolution may remove the auditors, and the chairman of the board of directors shall notify the Competent Authority of the removal decision and the grounds therefor within a period not exceeding (5) days from the decision date.</p> <p>3. Either or both of the auditors may resign pursuant to a written notice submitted to the company. The resigning auditor's assignment shall terminate from the date of submitting the resignation notice or at a later date as specified therein, without prejudice to the Company's right to compensation for any damage it incurs, if justified. The resigning auditor shall, upon</p>	The article has been amended to comply with the requirements stipulated in Article (18) of the New Companies Law 2022.

No.	Article	Before	After	Remarks
			submission of the notice, provide the Company and the Competent Authority with the reasons for his/her resignation. The Company's board of directors shall call for General assembly to be held, to review said reasons and appoint another auditor, determining his/her fees, term of office and scope of work.	
71.	Article (41): Powers of the Auditor:	Article (45): Powers of the Auditor:	Article (41): Powers of the Auditor:	
72.	Article (41): Powers of the Auditor:	The auditor may, at any time, have access to the <b>books</b> and records of the Company and <b>any other documents</b> , may ask for any statements or clarifications they deem necessary to verify the assets and liabilities of the Company and may perform any other function within the scope of his/her work. The <b>Chairman of the Board</b> shall enable the auditor to <b>perform his/her duties</b> . If the auditor faces any difficulty in this regard, they shall state that fact in a report to be submitted to the Board. If the Board does not facilitate the job of the auditor, the auditor shall ask the Board to call for a meeting of the <b>Ordinary</b> General Assembly to consider the issue.	1. The auditor may, at any time, have access to the <b>Company files</b> and <b>accounting records</b> of the Company and <b>other supporting documents</b> , and may ask for any statements or clarifications they deem necessary to verify the assets and liabilities of the Company and <b>its compliance with the provisions of Banking Control Law</b> and may perform any other function within the scope of his/her work. The Board of <b>Directors</b> shall enable the auditor to <b>carry out his/her assignments</b> .  2. If the auditor faces any difficulty in this regard, they shall state that fact in a report to be submitted to the Board. If the Board does not facilitate the job of the auditor, the auditor shall ask the Board to call for a meeting of the General	The article has been amended to comply with the requirements stipulated in Article (20) of the New Companies Law 2022G.

No.	Article	Before	After	Remarks
			Assembly to consider the issue. If the board of directors fails to call for a meeting within thirty (30) days from the date of the auditor's request, the auditor may call for a meeting.	
73.	Chapter 6: Company Accounts and Distribution of Dividends Article (43): Financial Year:	<b>Chapter 7</b> Company Accounts and Distribution of Dividends <b>Article (46): Financial Year:</b>	Chapter 6: Company Accounts and Distribution of Dividends Article (42): Financial Year:	
74.	Chapter 6: Company Accounts and Distribution of Dividends Article (43): Financial Year:	The company's fiscal year commences as of the beginning of January and ends by the end of December of every year; however, the first fiscal year as of the date of the ministerial resolution incorporating the company and ends on 31 December in the following year.	The Company's fiscal year commences as of the beginning of January and ends by the end of December of every Gregorian year; however, the first fiscal year starts on the date of the Company's registration in the Commercial Register and ends on 31 December in the following year.	The article has been amended to comply with the requirements stipulated in Article (16) of the New Companies Law 2022G.
75.	Article (43): Financial Documents:	<b>Article (47):</b> Financial Documents:	<b>Article (43):</b> Financial Documents:	
76.	Article (43): Financial Documents:	1. At the end of the financial year, the Board shall prepare the Company's financial statements and a report about its activities and financial position for the previous financial year. The report must include the method proposed for distribution of dividends. The	1. At the end of the financial year, the Board shall prepare the Company's financial statements and a report about its activities and financial position for the previous fiscal year. The report must include the method proposed for	The article has been amended to comply with the requirements stipulated in Article (121) and Article (122) of the New Companies Law 2022G.



No.	Article	Before	After	Remarks
		<p>Board shall put these documents at the disposal of the auditor at least forty-five (45) days prior to the date scheduled for the convening of the General Assembly.</p> <p>2. The Company's Chairman of the Board, <b>CEO</b> and <b>CFO</b> shall sign the documents referred to in Paragraph (1) of this Article. Copies of these documents shall be kept at the Company's head office at the disposal of the shareholders <b>at least twenty-one (21) days prior to the date scheduled for the convening of the General Assembly.</b></p> <p>The Chairman of the Board shall provide the shareholders with the Company's financial statements, the Board report and the auditor's report, unless they are published <b>in a daily newspaper distributed in the area where the Company's head office is located. The Board shall also send a copy of these documents to the Ministry of Commerce, as well as to SAMA and the Capital Market Authority at least fifteen (15) days prior to the date scheduled for the convening of the General Assembly.</b></p> <p>3. The Chairman of the Board shall provide the shareholders with the Company's financial statements, the Board report and the auditor's report, unless they are published <b>in a daily newspaper distributed in the area where the Company's head office is located. The Board shall also send a copy of these documents to the Ministry of Commerce, as well as to SAMA and the Capital Market Authority at least fifteen (15)</b></p>	<p>distribution of dividends. The Board shall put these documents at the disposal of the auditor at least forty-five (45) days prior to the date scheduled for the convening of <b>the Annual Ordinary</b> General Assembly.</p> <p>2. The Company's Chairman of the Board, <b>Managing Director</b> and <b>Chief Financial Officer</b> shall sign the documents referred to in Paragraph (1) of this Article. Copies of these documents shall be kept at the Company's head office at the disposal of the shareholders.</p> <p>3. The Chairman of the Board shall provide the shareholders with the Company's financial statements, the Board report <b>after signing the same</b> and the auditor's report, unless they are published <b>using any means of technology at least twenty-one (21) days prior to the date scheduled for the</b></p>	

No.	Article	Before	After	Remarks
		days prior to the date scheduled for the convening of the General Assembly.	convening of the Annual General Assembly. The Chairman of the board shall also deposit such documents in accordance with the Companies Law's implementing regulations and provide SAMA with a copy thereof.	
77.	Article (44): Creation of Reserves	( A new article has been added )	Article (44): Creation of Reserves	
78.	Article (44): Creation of Reserves	( A new article has been added )	<p>1. The ordinary general assembly may, when determining dividends from the net profit, decide to create other reserves to serve the company's interest or ensure the distribution of fixed dividends, as feasible, to the shareholders.</p> <p>2. Based on Board of Directors recommendations, the General Assembly may allocate part of the net profits to achieve social purposes for the benefit of the Company's employees.</p> <p>3. The General Assembly determines the percentage that should be distributed among the shareholders from the net profits after deducting the reserves, if any.</p>	The article has been amended to comply with the requirements stipulated in Article (123) of the New Companies Law 2022G.

No.	Article	Before	After	Remarks
79.	Article (45): Distribution of Dividends:	<b>Article (48):</b> Distribution of Dividends:	<b>Article (45):</b> Distribution of Dividends:	
80.	Article (45): Distribution of Dividends:	<p>Subject to the instructions issued by SAMA, the Company's annual or interim net profits shall be distributed semi-annually or quarterly, which it determines after all overheads and other costs and creating the necessary reserves to face doubtful debts, investment losses and emergency obligations that the Board of Directors deems necessary in accordance with the provisions of the Banking Control Law is as follows:</p> <p>1. To calculate the amounts necessary to pay the prescribed zakat of Saudi shareholders, and the tax imposed on the non-Saudi shareholders in accordance with the prevailing regulations in the Kingdom of Saudi Arabia, and the Company shall pay such amount to the competent authorities <b>and the</b> zakat paid on behalf of the Saudi shareholders shall be deducted from their shares in the net profits, and the tax shall be deducted from the share of non-Saudis in the net profits.</p>	<p>Subject to the instructions issued by SAMA, the Company's annual or interim net profits shall be distributed semi-annually or quarterly, which it determines after all overheads and other costs and creating the necessary reserves to face doubtful debts, investment losses and emergency obligations that the Board of Directors deems necessary in accordance with the provisions of the Banking Control Law is as follows:</p> <p>1. To calculate the amounts necessary to pay the prescribed zakat of Saudi shareholders, and the tax imposed on the non-Saudi shareholders in accordance with the prevailing regulations in the Kingdom of Saudi Arabia, and the Company shall pay such amount to the competent authorities. <b>The</b> zakat paid on behalf of the Saudi shareholders shall be deducted from their shares in the net profits, and the tax shall be deducted from the share of non-Saudis in the net profits.</p>	The article has been amended to comply with the requirements stipulated in Article (106), Article (124) and Article (125) of the New Companies Law 2022G, and Article (45) of the Implementing Regulations of the Companies Law issued by the Capital Market Authority 2023G.

No.	Article	Before	After	Remarks
		<p>2. At least, 25% of the net profits shall be carried forward, after deducting the zakat and tax as mentioned in Paragraph (1) above, to form the statutory reserve, until such reserve becomes equal at least to the paid-up capital.</p> <p>3. In case of distributing the profits, <b>an amount, which is at least equal to (5%) of the paid-up capital of the remaining profits, shall be allocated to be distributed to the shareholders as may be proposed by the Board, and approved by the Ordinary General Assembly; in case that the remaining percentage of the profits which due to the shareholders is insufficient to pay this percentage, the shareholders may not claim the payment of the same in the following year or years.</b> However, the General Assembly shall not resolve to distribute a percentage of the profits exceeding what has been proposed by the Board.</p> <p>4. <b>After allocating the amounts mentioned in Paragraphs (1), (2) and (3) above, the remaining amount shall be used in the manner proposed by the Board and approved by the Ordinary General Assembly.</b></p> <p>5. <b>It is necessary to maintain the contribution rate for both Saudi and non-Saudi shareholders when calculating the necessary allocations for</b></p>	<p>2. At least, <b>twenty five percent (25%)</b> of the net profits shall be carried forward, after deducting the zakat and tax as mentioned in Paragraph (1) above, to form the statutory reserve, until such reserve becomes equal at least to the paid-up capital.</p> <p>3. In case of distributing <b>the profits, the general assembly shall determine the percentage of the net profit to be distributed to the shareholders, after deducting zakat and tax and the legal reserve, if any, as may be proposed by the Board of Directors, However, the General Assembly shall not resolve to distribute a percentage of the profits exceeding what has been proposed by the Board.</b></p>	

No.	Article	Before	After	Remarks
		the statutory reserve and other reserves from the net profits (after deducting zakat and tax), and both groups contributing to such reserves shall agree to deducting their contribution from their shares in the net profit pro rata to their holdings in the capital.		
81.	Article (46): Entitlement to Dividends:	Article (49): Entitlement to Dividends:	Article (46): Entitlement to Dividends:	
82.	Article (46): Entitlement to Dividends:	A shareholder will be entitled to their share of dividends in accordance with the <b>resolution</b> adopted by the General Assembly in this regard. The <b>resolution</b> must indicate the date of entitlement and the date of distribution. The entitlement in profits shall be for the shareholders <b>who are registered in the shareholders' register</b> by the end of the day that is scheduled for entitlement.	A shareholder will be entitled to their share of dividends in accordance with the <b>decision</b> adopted by the General Assembly in this regard. The <b>decision</b> must indicate the date of entitlement and the date of distribution. The entitlement in profits shall be for the <b>registered</b> shareholders. <b>The Board must implement the General Assembly resolution with respect to dividend distribution to the Registered Shareholders within fifteen (15) business days from the date they become entitled to such dividends as determined in such resolution, or the Board's resolution for the distribution of interim dividends.</b>	The article has been amended to comply with the requirements stipulated in Article (125) of the new Companies Law 2022G, and Article (46) of the Implementing Regulations of the Companies Law issued by the Capital Market Authority 2023G.

No.	Article	Before	After	Remarks
83.	Article (47): Distribution of Dividends to Holders of Preferred Shares:	<b>Article (50):</b> Distribution of Dividends to Holders of Preferred Shares:	<b>Article (47):</b> Distribution of Dividends to Holders of Preferred Shares:	
84.	Article (47): Distribution of Dividends to Holders of Preferred Shares:	<p>1. If no dividends are distributed for any financial year, no dividends may be distributed for the following years except after payment of the percentage specified in the provisions of Article (114) of the Companies Law to holders of preferred shares for that year.</p> <p>2. If the Company fails to pay the specified percentage under the provisions of Article (114) of the Companies Law from the dividends for three (3) consecutive years, the Special Assembly of holders of these shares, to convene pursuant to Article (89) of the Companies Law, may resolve either to attend the meetings of the Company's General Assembly and to participate in voting or to appoint representatives thereof at the Board in proportion to the value of their shares in the capital until the Company pays all priority dividends allocated for holders of such shares for the previous years.</p>	<p>If the Company fails to pay to the Holders of Preferred Shares the specified percentage of the Company's net profits after deduction of reserves (if any) for three (3) consecutive years, the Special Assembly of holders of these shares, held in accordance with the provisions of Article (89) of the Companies' Law, may resolve to allow them to attend the meetings of the Company's General Assembly and to participate in voting until the Company pays all dividends allocated for holders of such shares for all previous years. Each Preferred Share shall have one vote in the General Assembly, and the holder of a Preferred Share may, in this case, vote on all agenda items of the General Assembly without any exceptions.</p>	The article has been amended to comply with the requirements stipulated in Article (42) of the Implementing Regulations for the Companies Law issued by the Capital Market Authority 2023G.
85.	Article (48): The Company's Losses:	<b>Article (51):</b> The Company's Losses:	<b>Article (48):</b> The Company's Losses:	

No.	Article	Before	After	Remarks
86.	Article (48): The Company's Losses:	<p>1. If losses of the Company reach one-half of the paid capital, at any time during a financial year, any officer of the Company or the auditor shall, upon being aware of such losses, notify the Chairman of the Board and SAMA of such losses. The Chairman of the Board shall notify the Board members of such losses forthwith. Within fifteen (15) days from the date of being aware of the losses, the Board shall call for a meeting of the Extraordinary General Assembly within forty-five (45) days from the date the Board is aware of the losses in order to decide either to increase or reduce the Company's capital in accordance with the provisions of the Companies Law, the Banking Control Law, and the instructions issued by SAMA, to the extent the losses fall below one-half of the paid capital or to dissolve the Company prior to the term set herein.</p> <p>2. The Company shall be deemed to have expired by operation of the Companies Law if the General Assembly does not meet within the time specified in Paragraph (1) of this Article, if the Assembly meets and is unable to pass a resolution in this regard or if the Assembly decides to increase the capital according to the conditions stipulated in this Article but not all of the capital increase shares have been subscribed to within ninety (90) days from the date the Assembly's resolution to increase the capital is passed.</p>	<p>1. If losses of the Company reach one-half of the issued capital, the Board of Directors shall, within (60) days from the date of its knowledge thereof, immediately notify the Saudi Central Bank, and announce the losses and the recommendations relating thereto, and shall, within one hundred and eighty (180) days from said date, call for an extraordinary general assembly meeting to consider the continuation of the company by taking measures necessary to resolve such losses or the dissolution of the Company.</p> <p>2. Nothing in this Article shall be implemented except after obtaining a written non-objection from SAMA.</p>	The article has been amended to comply with the requirements stipulated in Article (132) of the New Companies Law 2022G.

No.	Article	Before	After	Remarks
		Nothing in this Article shall be implemented except after obtaining a written non-objection from SAMA.		
87.	Chapter 8 Disputes Article (52): Liability Action:	Chapter 8 Disputes Article (52): Liability Action:	(This article has been removed)	
88.	Chapter 8 Disputes Article (52): Liability Action:	Each shareholder has the right to file a liability action, which is vested in the Company, against the Board members if they committed a fault which has caused special damage to the shareholder. A shareholder may not file such action unless the Company is still entitled to file such an action. A shareholder shall inform the Company of their intent to file the action.	(This article has been removed)	The article has been removed in order to align with the new Companies Law 2022G.
89.	Article (49): Expiration of the Company:	Chapter 9 Dissolution and Liquidation of the Company Article (53): Expiration of the Company:	Chapter 7: Dissolution and Liquidation of the Company  Article (49): Expiration of the Company:	
90.	Article (49): Expiration of the Company:	The Company shall, immediately after the dissolution thereof, enter into the liquidation process, meanwhile the Company retains its legal entity to the extent necessary for liquidation; and the resolution of optional liquidation shall be issued by the Extraordinary General Assembly. The liquidation resolution must include appointment of one or more liquidators and must specify their powers, fees, and limitations of their powers and the period required for liquidation. The period for	Taking into account the instructions issued by the SAMA, the Company shall be terminated for any of the reasons mentioned in article two hundred and forty-three of the Companies Law (243), and upon its terminations it enters the stage of liquidation in accordance with the provisions of Chapter Twelve (12) of the Companies Law. If a company is terminated and its assets are not	The article has been amended to comply with the requirements stipulated in Chapter (12) of the New Companies Law 2022G.



No.	Article	Before	After	Remarks
		<p>voluntary liquidation may not exceed five (5) years and it may not be extended more than that except by a judicial order. The powers of the Board will end with the dissolution of the Company; however, members of the Board shall continue to manage the Company and they shall act as liquidators when dealing with third party until a liquidator is appointed. The Assemblies of shareholders shall continue to exist during the liquidation period and its role shall be restricted to performance of its functions that do not contradict those of the liquidator.</p> <p>A shareholder shall have the right to obtain his/her share of the Company's assets upon liquidation, after honouring the entire obligations of the Company.</p>	<p>sufficient to pay its debts, or if it is distressed under the Bankruptcy Law, it shall petition the competent judicial authority to initiate any liquidation proceedings under the Bankruptcy Law.</p> <p>2. The liquidator shall return to the shareholders the value of their shares in the capital in accordance with the priority stipulated in the relevant laws &amp; regulations. For different types and classes of shares – if any – the surplus shall be distributed among the shareholders in proportion to their shares in the capital.</p>	
91.	Chapter 8: Final Provisions Article (50):	<p>Chapter 10 Final Provisions</p> <p>Article (54):</p>	Chapter 8: Final Provisions Article (50):	
92.	Chapter 8: Final Provisions Article (50):	<p>The Companies Law, Banking Control Law, and other relevant laws and regulations shall apply to all other matters not specifically provided for herein.</p>	<p>1. The company is subject to the laws in force in the Kingdom of Saudi Arabia.</p> <p>2. Any provision in these Bylaws that contradicts the provisions of the Companies Law, banking control law and instructions issued by SAMA, or any relevant laws &amp; regulations shall not be considered and the provisions of the</p>	<p>This article has been amended to comply with the Articles of Association template/Guidelines issued by the Ministry of Commerce, Article (41).</p>

No.	Article	Before	After	Remarks
			Companies Law and relevant law & regulations shall be applied against it. Anything not provided for in these Bylaws shall be subject to the Companies Law and relevant laws & regulations.	
93.	Article (51):	Article (56):	Article (51):	
94.	Article (52):	Article (56):	Article (52):	
95.	Article (52):	These Bylaws shall be deposited and published in accordance with the provisions of the Companies Law, and all provisions of the Banking Control Law shall be observed.	These Bylaws shall be deposited and published in accordance with the provisions of the Companies Law, <b>its implementing regulations,</b> and all provisions of the Banking Control Law shall be observed.	Updated for further clarification purposes

# البنود من (٦١) الى (٦٢) العقود مع الأطراف ذو العلاقة

## Items from No (61) To No (62) Related Party Transactions

البند	طرف العقد	وصف العقد	الطرف ذو العلاقة	المدة	المبلغ
٦١	شركة الخليج للتدريب والتعليم	تقديم خدمات عمالية	الأستاذ صلاح راشد الراشد	سنة واحدة	14,148,310
٦٢	شركة ولاء للتأمين	تقديم خدمات التأمين للبنك	الأستاذ هشام بن عبد اللطيف حمد الجبر	سنة واحدة	68,152,829

Item	Party contract	Contract description	The related party	Period	Amount
61	Al-Khaleej Training and Education Company	Labor services	Mr. Salah Rashid Al-Rashid	One year	14,148,310
62	Walaa Cooperative Insurance Company	Renewal of insurance policies	Mr. Hisham Abdulatif Al-Jabr	One year	68,152,829

61- Voting on contracts and business dealings between the bank and Alkhaleej Training and Education Company, in which Board Chairman, Mr. Salah Rashid Alrashed, has an indirect interest, relating to manpower supply agreement (labour services) executed in the ordinary course of business of Arab National Bank. The total transactions with the bank during the year 2023 amounted is R (14,148,310) and without conditions or preferential benefits (attached).	٦١- التصويت على الأعمال والعقود التي تمت بين البنك وشركة الخليج للتدريب والتعليم والتي لرئيس مجلس الإدارة الأستاذ/ صلاح راشد الراشد مصلحة غير مباشرة فيها، وهي عبارة عن اتفاقية تقديم خدمات عمالية لصالح البنك العربي الوطني. وقد بلغ إجمالي التعاملات مع البنك (١٤,١٤٨,٣١٠) ريال سعودي خلال العام ٢٠٢٣م، وبدون شروط أو مزايا تفضيلية. (مرفق)
62- Voting on contracts and business dealings between the bank and Walaa Cooperative Insurance Company in which Board Member, Mr. Hesham Abdullatif Aljabr, has an indirect interest being a board member of Walaa Cooperative Insurance Company, relating to renewal of insurance policies for the benefit of Arab National Bank. The total transactions with the bank during the year 2023 amounted is SR (68,152,829) without conditions or preferential benefits (attached).	٦٢- التصويت على الأعمال والعقود التي تمت بين البنك وشركة ولاء للتأمين التعاوني والتي لعضو مجلس الإدارة الأستاذ/ هشام عبد اللطيف الجبر، مصلحة غير مباشرة فيها، بصفته عضو مجلس إدارة شركة ولاء للتأمين التعاوني، وهي عبارة عن تجديد لوثائق تأمين لصالح البنك العربي الوطني. وقد بلغ إجمالي التعاملات مع البنك خلال عام ٢٠٢٣م مبلغ (٦٨,١٥٢,٨٢٩) ريال سعودي، بدون شروط او مزايا تفضيلية. (مرفق)



15 February, 2024

**Board of Directors Notification Letter to the General Assembly**

**Dear/ Shareholders of Arab National Bank**

With reference to Article (71) the Companies Law issued by the Royal Decree No. M/132 dated 01/12/1443H, which stipulates that the Board member shall, as soon as he becomes aware of any direct or indirect interest he may have in company transactions or contracts. Such disclosure shall be recorded in the minutes of the board meeting. Said member may not vote on a decision by the Board and the general assembly's relating to such transactions and contracts. The Board shall notify the general assembly, when it convenes, of the transactions and contracts in which such board member has direct or indirect interest; the notice shall be accompanied with a special report prepared by the company auditor in accordance with auditing standards approved in the Kingdom.

In the opinion of the Management and the Board of Directors that transactions with the related parties and their entities are performed at arm's length basis, the related party transactions are governed by limits set by the Banking Control Law and regulations issued by the Saudi Central Bank.


We would like to inform you of the transactions and contracts where the Board of Directors of Arab National Bank have a direct or indirect interest for viewing or for seeking approval from the general assembly as follows:

- 1- Voting on contracts and business dealings between the bank and Alkhaleej Training and Education Company, in which Board Chairman, Mr. Salah Rashid Alrashed, has an indirect interest, relating to manpower supply agreement (labour services) executed in the ordinary course of business of Arab National Bank. The total transactions with the bank during the year 2023 amounted is SR 14,148,310, and without conditions or preferential benefits.
- 2- Voting on contracts and business dealings between the bank and Walaa Cooperative Insurance Company in which Board Member, Mr. Hesham Abdullatif Aljabr, has an indirect interest being a board member of Walaa Cooperative Insurance Company, relating to renewal of insurance policies for the benefit of Arab National Bank. The total transactions with the bank during the year 2023 amounted is SR 68,152,829 without conditions or preferential benefits.
- 3- Viewing on contracts and business dealings between the bank and ABANA Company, in which Board Chairman, Mr. Salah Rashid Alrashid, has an indirect interest, Money Transport, ATM Replenishment, and CCTV project of Arab National Bank. The total transactions with the bank during the year 2023 amounted is SR 8,976,715 without conditions or preferential benefits.
- 4- Viewing contracts and business dealings between the bank and the heirs of Hammoud Obaid Abdullah Al-Rasheed, which is Board Member, Mr. Obaid Al-Rasheed, has an indirect interest, Dhabab Branch location rental for Arab National Bank. The total transactions with the bank during the year 2023 amounted is SR 700,000, without conditions or preferential benefits.

- 5- Viewing contracts and business dealings between the bank and the Central Warehouses Company Limited, in which Board Chairman, Mr. Salah Rashid Alrashed, has an indirect interest, being rental charges of warehouses for the benefit of Arab National Bank. The total transactions with the bank during the year 2023 amounted is SR 1,499,400, without conditions or preferential benefits.
- 6- Viewing on the contracts and business dealing between the bank and Takamul Business Services Company, in which the Chairman of the Audit Committee, Mr. Thamer Misfer Al-Wadai, has an indirect interest. It is a subscription with Takamul for providing Business Services to Arab National Bank. The total transactions with the bank during the year 2023 amounted is SR 2,935,715, and without conditions or preferential benefits.

Please accept our sincere gratitude and appreciation,

**Board Directors of Arab National Bank**



Obaid A. Alrasheed  
(Managing Director)



Abdulmohsen Altouq  
(Deputy Chairman)



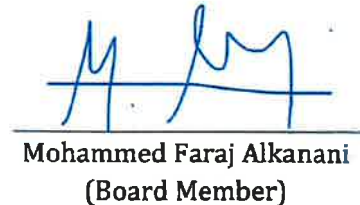
Salah Alrashed  
(Board Chairman)



Hesham Aljabr  
(Board Member)



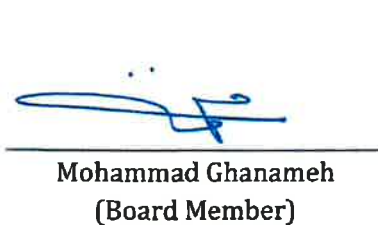
Thamer Al-Wadai  
(Board Member)



Mohammed Faraj Alkanani  
(Board Member)



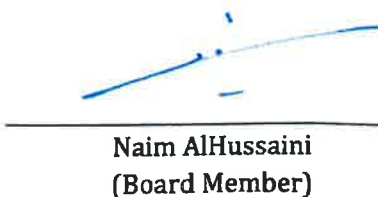
Osama Alatiki  
(Board Member)



Mohammad Ghanameh  
(Board Member)



Randa Sadik  
(Board Member)



Naim AlHussaini  
(Board Member)

## INDEPENDENT LIMITED ASSURANCE REPORT

To the shareholders  
Arab National Bank  
Riyadh, Kingdom of Saudi Arabia

### **Report on the declaration submitted by the Board of Directors in accordance with Article 71 of the Regulations for Companies requirements**

We have carried out a limited assurance engagement in order to state whether anything has come to our attention that causes us to believe that the subject matter detailed below (“Subject Matter”), has not been prepared and presented, in all material respects, in accordance with the applicable criteria (“Applicable Criteria”) below.

#### **Subject Matter**

The Subject Matter for our limited assurance engagement is related to the Declaration enclosed in the attached Appendix (“the Declaration”) by the Board of Directors of Arab National Bank (“the Bank”) for the year ended December 31, 2023.

The Declaration states the transactions with related parties where a Board of Directors member has a relationship and confirms whether the member has any interest, whether directly or indirectly, in the transactions or contracts made for the Bank for the year ended December 31, 2023.

#### **Applicable Criteria**

The Applicable Criteria with respect to this engagement are the requirements of Article 71 of the Regulations for Companies in the Kingdom of Saudi Arabia.

#### **Those Charged with Governance and Management Responsibility**

Those Charged with Governance and management of the Bank are responsible for the preparation and presentation of the Subject Matter in accordance with the Applicable Criteria and are responsible for the selection of methods used in the Applicable Criteria. Further, those charged with governance and management of the Bank, are responsible for establishing and maintaining internal controls relevant to the preparation and presentation of the Subject Matter that is free from material misstatement whether due to fraud or error, selecting and applying appropriate criteria, maintaining adequate records and making estimates that are reasonable in the circumstances.

#### **Our Responsibility**

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

Our procedures were designed to obtain a limited level of assurance on which to base our conclusion, and, as such, do not provide all of the evidence that would be required to provide a reasonable level of assurance. The procedures performed depend on our judgement including the risk of material misstatement of the Subject Matter, whether due to fraud or error. While we considered the effectiveness of management’s internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls.

**Independence and Quality Controls**

We are independent of the Bank in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) that is endorsed in the Kingdom of Saudi Arabia (“the Code”), that is relevant to our assurance engagement, and we have fulfilled our other ethical responsibilities in accordance with that Code.

Our firm applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

**Procedures**

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our procedures included, but were not limited to:

- Obtained the declaration by the Board of Directors for the year ended December 31, 2023.
- Obtained the Board of Directors resolution related to the Bank’s related party transactions confirming the direct or indirect interest in the transactions or contracts made with the Bank for the year ended December 31, 2023; and
- Compared the transactions included within the Declaration with the underlying supporting information of note 36 from the notes to the Bank’s audited consolidated financial statements for the year ended December 31, 2023.

**Limited Assurance Conclusion**

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the Declaration has not been prepared, in all material respects, in accordance with the requirements of Article 71 of the Regulations for Companies in the Kingdom of Saudi Arabia.

**Restriction of Use of Our Report**

Our report is prepared upon the request of the management of the Bank to be presented in the Bank’s General Assembly meeting in order for the Bank to comply with the requirements of Article 71 of the Regulations of Companies in the Kingdom of Saudi Arabia and should not be used for any other purposes.

**Deloitte and Touche & Co.  
Chartered Accountants**

P.O. Box 213  
Riyadh 11411  
Kingdom of Saudi Arabia



Mazen A. Al-Omari  
License No. 480  
Sha’ban 18, 1445  
February 28, 2024

