



**Basel III Pillar 3 Qualitative & Quantitative Disclosures
31 December 2025**

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Under the directives of Saudi Arabian Monetary Agency (SAMA), banks operating in the Kingdom of Saudi Arabia, implemented Basel Capital Adequacy framework. In this regard, SAMA's aim is to encourage market discipline through disclosures, which will provide the reader more valuable information about the banks' risks and exposures. In this context, below are the necessary disclosures required under the revised Pillar-III disclosure framework.

B.1 - Table OVA: Bank Risk Management Approach

Business model determination and risk profile

ANB's (The Bank's) Risk Management strategy is intrinsically interlinked with the Bank's business strategy, i.e. Bank's risk appetite and its business strategy co-exist to achieve and enhance shareholder/stakeholder value. The Bank has a conservative approach towards conducting business and assuming risks, with significant importance attached to its brand and reputation. The Bank's philosophy is to proactively manage risks to ensure that risk-taking activities are commensurate with its size and complexity of operations. The Bank's approach towards risk management is governed by the following guidelines:

- Risks are identified, measured, monitored, controlled and managed within a robust risk management framework.
- Risks are managed proactively, based on collective oversight, experience and conservative judgment, well-supported by systems, controls and processes.

The Bank's Board (The Board) determines the business strategy, which primarily revolves around the following broad categories of business segments:

Corporate Banking manages the Loans, deposits and other credit products for large corporate and institutional customers as well as small to medium sized businesses.

Treasury Banking manages the Bank's trading and investment portfolio and its funding, liquidity, currency and commission rate risks with focus on filling the business gaps within the Bank to enhance Corporate/Consumer cross-sell opportunities, and managing Bank's liquidity requirements through prudent policies.

Retail Banking focuses on deposit, credit and investment products for individuals.

Investment and brokerage services focuses on Investment management services and asset management activities related to dealing, managing, arranging, advising and custody of securities regulated by CMA.

The formulation of Bank's strategy is a thorough process, developed on the basis of inputs provided by each business unit, which are consolidated to provide a macro-level picture of the whole Bank. The results are then further reviewed, in light of the projected macro-economic environment in general and banking prospects, in particular. The impact of strategy on the Bank's capital adequacy is considered and adjustments are made to

ensure that Bank's strategy is in line with the projected risk appetite and capital adequacy. The iterative process continues till business strategy is aligned with the risk strategy.

The Board is responsible for creating environment and organizational structure to ensure effective implementation of the strategy within the risk management framework. The Board or relevant Board Committee reviews and approves risk management policies to manage all material risks faced by the Bank. Risk Management Group (RMG) is mandated with the task to communicate approved policies relating to risk identification, measurement, monitoring and control to all functional/business units in the Bank to ensure that risks undertaken are consistent with stakeholder expectations, Bank's strategic plan and regulatory requirements.

Based on the current business model, major risks faced by the Bank are Credit, Market & Liquidity and Operational, all of which have well-defined limits, controls and reporting mechanism in place.

Risk Governance Structure

The Bank's approach to risk management is based on well-established governance processes and relies on both individual responsibility and collective oversight, supported by comprehensive reporting, thus ensuring the achievement of strategic objectives with prudence and foresight. Risk management activities occur simultaneously at the following levels.

Strategic level involves risk management functions performed by the Board & its committees and senior management. It includes provision of all resources, i.e. human resources, systems, and support required for effective risk management on bank-wide basis.

Macro Level involves risk management within a business area or across business lines. Generally the risk management activities performed by middle management or units devoted to risk management fall into this category.

Micro Level involves real-time management where risks are actually created. These are the risk management activities performed by individuals who take risk on behalf of the Bank such as front office and loan origination functions.

The Bank's risk governance is built upon the premise that each business line is responsible for monitoring the risks inherent in its business activities, which is augmented by the oversight provided by the Board and its relevant committees.

A summary of roles and responsibilities of Board/its committees and other entities within the Bank is as follows:

Board is responsible for providing oversight on the effective management of the Bank's overall risk. While recognizing the risks to which the Bank is exposed, they provide the required human resources, environment, practices and systems to address such risks.

Board Risk Committee (BRC) is responsible to assist the Board in overseeing the risk management processes and ensuring that there are adequate internal control systems in place. BRC is also responsible for developing a risk strategy for the Bank to spell out the overall risk appetite, providing guidance/clarifications to RMG and senior management from time to time, and discharging other related responsibilities as may be assigned to it by the Board.

Executive Committee (ExCom) has been vested by the Board with powers to manage the Bank efficiently, and mainly responsible for implementing the Bank's strategy successfully. Excom approves risk management policies ensuring that they are communicated down the line by senior management. It also ensures implementation of risk management framework and maintaining adequate infrastructure to support the framework. Excom is also responsible for managing risks within the risk appetite set by the Board and ensuring the effectiveness of internal controls.

Risk Management Group (RMG) is responsible for effective implementation of the risk management framework across the Bank, including the following main activities:

- Formulation of individual risk policies in line with Risk Management Policy, risk appetite and regulatory guidelines.
- Review of Credit, Market, Liquidity, Operational and other risks (Business Continuity, Fraud, Technology Risk etc.) across the Bank and implementation of Basel/SAMA requirements for capital adequacy.

RMG plays a pivotal role in monitoring the risks associated with all major activities of the Bank. Its role, as a risk manager, is to set parameters for risk activities and, as a strategic partner, to advise Business and Support units, on the best ways to identify risks.

Business/Support Units are accountable for managing risks associated with their respective activities within established tolerances. The purpose of this is to ensure that those who make business decisions understand the risks they are taking and incorporate this understanding in decision-making process in order to achieve acceptable risk-adjusted returns.

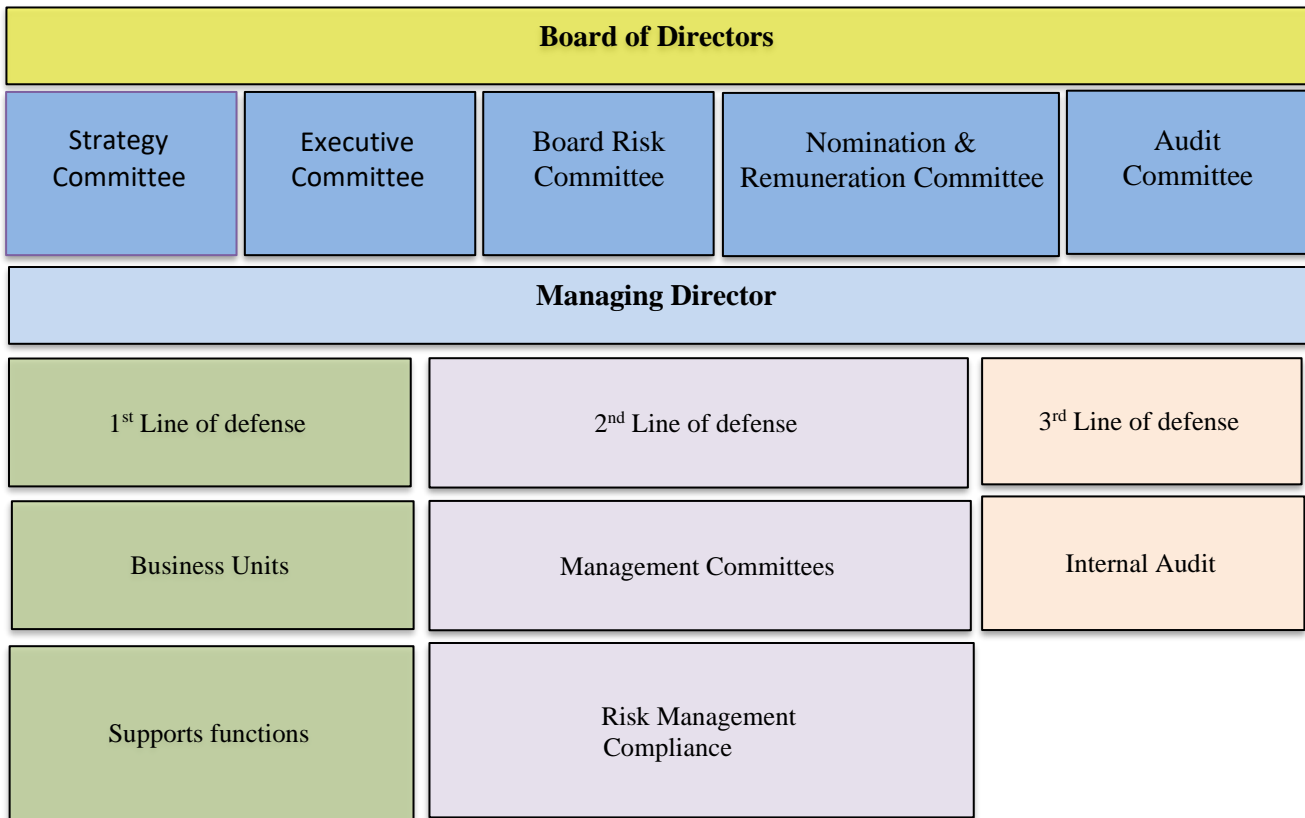
Compliance with the help of Business and Support functions, ensures Bank's compliance with the rules and regulations that govern banking business and implement Bank's Code of Ethical Behavior. Compliance is also responsible for implementing Anti-Money Laundering (AML) and Combat Terrorism Financing (CTF) rules. Fraud and Information Security risks are also managed by dedicated functions within Compliance.

The Compliance function assists in identifying, assessing, monitoring and reporting on compliance risk in Bank's operations and personnel conduct. The function contributes, in an independent manner, to the overall risk management of the Bank by protecting the integrity and reputation of the Bank and the staff, and in strengthening the accountability and transparency.

Internal Audit (IA) independently monitors the effectiveness of risk management policies, procedures and internal controls through periodic testing of the design and operation of the processes related to the identification, measurement, management, monitoring and reporting of risks. The findings of audit reviews are reported to the respective Business/Support Heads, relevant Committees and/or Audit Committee. The purpose of independent review is to ensure that those who take or accept risk on behalf of the Bank are not the only ones who measure, monitor and evaluate the risks. IA covers all perceived risks in the Bank including but not limited to Contingency, Fraud, Technology, Information Security risks, etc.

The Bank's Risk Governance structure follows 3 lines of defense model as shown below:

RISK GOVERNANCE STRUCTURE



Channels to communicate and enforce the risk culture

The Bank’s risk appetite and tolerance limits and policies relating to risk identification, measurement, monitoring and control are clearly communicated to all functional/business groups in the Bank to ensure that risks undertaken are consistent with shareholder’s expectations, Bank’s strategic plan and regulatory requirements. The purpose of effective communication is to ensure that the risk culture is understood throughout the Bank as intended.

RMG is responsible for inculcating risk culture and communication across the organization. The approach, inter alia, include development and dissemination of information through various documents/channels:

Policies define the Bank’s overall risk appetite developed based on best practices, requirements of regulatory authorities and inputs from business, senior management as well as ExCom/BRC/Board. Policies also provide guidance to businesses and risk management units by setting the boundaries on the types of risks the Bank is prepared and willing to take.

Guidelines are the directives provided to implement policies. Generally, they describe the risk exposures and conditions under which the Bank is prepared to do business. The guidelines may change from time to time, due to market or other circumstances. Risk taking outside of these guidelines requires exceptional approval by appropriate authorities.

Processes & Standards are the activities associated with identifying, evaluating, documenting, reporting and controlling risk. Standards define the breadth and quality of information required to make a decision, and the expectations in terms of quality of analysis and presentation.

Various Reporting tools are used to aggregate measures of risk across products and businesses for the purposes of ensuring compliance with policies, guidelines and standards, thus providing a mechanism for communicating the quantum and sensitivities of the various risks in the portfolio. This information is used by the senior management as well as ExCom/BRC/Board to understand the Bank's risk profile and performance of the portfolio against pre-defined goals.

The Bank ensures through its annual training and communication plans that risk management processes are understood and effectively practiced across the Bank. In addition to scheduled trainings, special training sessions, as per Business unit and Support functions' requests, are also conducted. Furthermore, interactive eLearning module which has been rolled-out across the Bank is also used for communicating risk-related issues.

Scope and main features of risk measurement systems

The Bank has developed various methodologies to measure and monitor major risks inherent in its operations. Risks are evaluated both quantitatively and qualitatively, as appropriate, on a recurring basis. The implications, advantages and shortcomings of any particular measurement approach are properly documented. Appropriate additional analysis is done to address potential shortcomings. Since all risks might not be readily quantifiable, where quantification is not an effective option, qualitative measures are developed. This enables understanding the nature and quantum of risk exposures and to make prudent decisions on the basis of such information.

Credit Risk tracks trends and identifies weaknesses in the quality of corporate, commercial, retail and private banking portfolio by employing Obligor & Facility risk rating system to assess the quality of obligor and riskiness of facilities. Rating system is established with the objective to place the responsibility on business units to regularly evaluate credit risk on exposures and identify problems within their portfolios as well as establishing early warning signals for detecting deterioration in credit quality

The Bank classifies its exposures into 13 risk categories, of which 10 are for performing obligors and 3 are for nonperforming obligors. Rating is assigned to a borrower through a system-based methodology, which takes into account financial and non-financial information, translating into a grade and Probability of Default (PD) for the relationship. Facility Risk Rating (FRR), which assesses the riskiness of facilities, is used for deriving the Loss Given Default (LGD) for a relationship, thus assigning separate rating for obligor and facility characteristics.

Market Risk identifies the risk through series of market factors in foreign exchange, interest rates, commodity prices, equity prices and their volatilities. To measure the market risk, the Bank uses fully integrated system to capture all live contracts. The system identifies all market factors from the traded contracts and measures the exposures accordingly. Market Risk Department (MRD) is responsible for the design and implementation of the Bank's market risk measurement system, which produces daily risk management reports that are closely evaluated based on the relationship between risk exposures and trading limits.

The Bank has established Risk & Control Self-Assessment (RCSA) framework to identify operational risks arising from products, procedures and activities and evaluate the effectiveness of controls over those risks. These risks & controls are self-assessed and monitored by the business/support units on a periodic basis. In addition,

products, policies and procedures are periodically reviewed to control and/or mitigate material operational risks, risk limits and control strategies to align business strategies with Bank's risk appetite.

The Bank's Operational Risk Loss Data Management process allows collection and analysis of loss events (actual, potential and near-miss) and identifies new risks or control weaknesses that caused the operational loss, escalating these to appropriate levels of management to the Operational Risk Committee (ORC). The mechanism aims at minimizing any financial consequences of the events and addressing the root causes for refining the control mechanism to reduce recurrence of similar nature of losses in future.

Process of risk information reporting provided to the Board and Senior Management

Management reports are generated for monitoring and control purposes on periodical basis - monthly, quarterly, semi-annually and annually, as appropriate.

The Bank's credit portfolio and key risks inherent in these portfolios is provided to Bank's Senior Management and Senior Credit Committee for their overview.

Daily reports on Trading and Liquidity risks, showing exposures versus limits are provided to the senior management including CRO, CFO and Group Treasurer. Any breach of internal limits need ratification from the approving authority, and implementation of the remedial actions is monitored by MRD. ALCO/MRPC is responsible for deciding the form and content of the reports required to carry out its functions.

Detailed market risk reviews are submitted to the Board and Excom, Risk Committee and Audit Committee, on a quarterly or semi-annual basis, as appropriate. The reviews highlight major changes in the Bank's market and liquidity risk profiles as well as compositions of the investments portfolio.

Periodic Operational risk updates on the overall operational risk environment of the Bank and key operational risk loss events are provided to Operational Risk Committee (ORC). Risk review reports submitted to Board Risk Committee on a quarterly basis summarizes operational risk loss events and status of operational risk profiles.

Risk Review Report is provided to the Board (on annual basis), BRC/Audit Committee (on quarterly basis) which covers overall RMG quarterly reports and updates.

Qualitative information on stress testing

A stress-testing framework that is commensurate with the Bank's size, location and nature of activities is in place. Sensitivity and Scenario-based approaches to stress testing are used to assess Bank's vulnerability and possible impact of negative economic events on its capital. The stress-testing framework is forward-looking and subject to change based on experience and evolving techniques. At least three stress-testing scenarios are applied to arrive at the stressed capital ratios, with a view to ensure that the Bank remains adequately capitalized under stressed conditions during economic down-turns. Adequate stress-testing procedures are in place for Credit, Market (trading book), Interest Rate (Banking book), Liquidity and Operational Risks. All the other risks covered under Internal Capital Adequacy Assessment Plan (ICAAP) have built-in mechanism to account for the forward looking stressed conditions. Stress testing is carried out on semi-annual basis. However, in the event of imminent adverse changes in the overall economy, stress testing may be conducted more frequently.

Strategies and processes to manage, hedge and mitigate risks

The Bank's Credit Policy provides detailed guidelines to manage credit risk effectively; it is reviewed and updated from time to time based on experience, emerging issues, best market practices and directives from regulatory authorities. The Credit Policy is designed to provide objectives and credit risk management strategies, with a view to strengthen and enhance Bank's ability to measure and mitigate credit risks on pre-emptive basis to minimize credit losses.

The Bank believes that collateral security is an effective means of mitigating risk and improving credit quality. Although generally desirable to enhance credit quality, Bank does not entirely rely on collateral to make lending decisions since collateral is only considered as a secondary source of repayment. Accordingly, wherever possible, tangible security is obtained based on the Bank's risk assessment.

The Bank has implemented an interest rate hedging policy in compliance with the International Accounting Standards. Interest rate derivatives, mainly interest rate swaps and futures are used to hedge specific exposures with an aim to keep the interest rate risks within limits. The Bank also uses currency swaps to hedge specific positions in foreign currencies, when necessary. Effectiveness of all hedges is regularly monitored throughout their term.

The existing control environment is the foundation on which the Bank functions; it provides discipline and structure that influences the quality of internal control. New/updated products, policies, procedures and systems are periodically reviewed to control and/or mitigate material operational risks, risk limits and control strategies to align business strategies with Bank's risk appetite. As a risk transfer mechanism, the Bank has also taken necessary insurance covers.

KM1: Key metrics (at consolidated group level) - December 2025

(Figures in SR 000's)

	a	b	c	d	e
	31-Dec-25	30-Sep-25	30-Jun-25	31-Mar-25	31-Dec-24
Available capital (amounts)					
1 Common Equity Tier 1 (CET1)	41,715,010	40,589,697	39,677,640	38,480,254	38,651,958
1a Fully loaded ECL accounting model	41,715,010	40,589,697	39,677,640	38,480,254	38,651,958
2 Tier 1	49,482,510	47,152,197	43,027,640	41,830,254	38,723,783
2a Fully loaded ECL accounting model Tier 1	49,482,510	47,152,197	43,027,640	41,830,254	38,723,783
3 Total Capital	50,788,455	51,381,376	47,241,482	45,771,172	42,629,125
3a Fully loaded ECL accounting model total capital	50,788,455	51,381,376	47,241,482	45,771,172	42,629,125
Risk-weighted assets (amount)					
4 Total risk-weighted assets (RWA)	253,671,240	249,957,187	240,687,422	231,471,243	223,372,898
4a Total risk-weighted assets (pre-floor)	253,671,240	249,957,187	240,687,422	231,471,243	223,372,898
Risk-based capital ratios as a percentage of RWA					
5 Common Equity Tier 1 (CET1) ratio (%)	16.44%	16.24%	16.49%	16.62%	17.30%
5a Fully loaded ECL accounting model CET1 (%)	16.44%	16.24%	16.49%	16.62%	17.30%
5b CET1 ratio (%) (pre-floor ratio)	16.44%	16.24%	16.49%	16.62%	17.30%
6 Tier 1 ratio (%)	19.51%	18.86%	17.88%	18.07%	17.34%
6a Fully loaded ECL accounting model Tier 1 ratio (%)	19.51%	18.86%	17.88%	18.07%	17.34%
6b Tier 1 ratio (%) (pre-floor ratio)	19.51%	18.86%	17.88%	18.07%	17.34%
7 Total capital ratio (%)	20.02%	20.56%	19.63%	19.77%	19.08%
7a Fully loaded ECL accounting model total capital ratio (%)	20.02%	20.56%	19.63%	19.77%	19.08%
7b Total capital ratio (%) (pre-floor ratio)	20.02%	20.56%	19.63%	19.77%	19.08%
Additional CET1 buffer requirements as a percentage of RWA					
8 Capital conservation buffer requirement (2.5% from 2019) (%)	2.50%	2.50%	2.50%	2.50%	2.50%
9 Countercyclical buffer requirement (%)	0.09%	0.04%	0.06%	0.04%	0.03%
10 Bank G-SIB and/or D-SIB additional requirements (%)					
11 Total of bank CET1 specific buffer requirements (%) (row 8 + row 9 + row 10)	2.59%	2.54%	2.56%	2.54%	2.53%
12 CET1 available after meeting the bank's minimum capital requirements (%)	9.36%	9.20%	9.43%	9.58%	10.27%
Basel III Leverage ratio					
13 Total Basel III leverage ratio exposure measure	322,123,612	318,690,734	306,112,886	299,848,895	284,957,146
14 Basel III leverage ratio (%) (including the impact of any applicable temporary exemption of central bank reserves)	15.36%	14.80%	14.06%	13.95%	13.59%
14a Fully loaded ECL accounting model Basel III leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) (%)	15.36%	14.80%	14.06%	13.95%	13.59%
14b Basel III leverage ratio (%) (excluding the impact of any applicable temporary exemption of central bank reserves)	15.36%	14.80%	14.06%	13.95%	13.59%
14c Basel III leverage ratio (%) (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values for SFT assets	15.34%	14.77%	14.04%	14.05%	13.64%
14d Basel III leverage ratio (%) (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values for SFT assets	15.34%	14.77%	14.04%	14.05%	13.64%
Liquidity Coverage Ratio					
15 Total high-quality liquid assets (HQLA)	53,601,398	50,673,259	50,596,594	48,830,036	45,774,841
16 Total net cash outflow	37,434,110	36,872,977	38,145,539	36,538,652	34,692,835
17 LCR ratio (%)	143%	137%	133%	134%	132%
Net Stable Funding Ratio					
18 Total available stable funding	177,841,685	177,799,620	168,257,977	161,467,259	151,051,994
19 Total required stable funding	151,225,905	148,211,389	143,717,418	136,242,639	128,887,665
20 NSFR ratio	118%	120%	117%	119%	117%

OV1: Overview of risk-weighted assets (RWA) - December 2025

(Figures in SR 000's)

		a	b	c
		RWA		Minimum capital requirements
		31-Dec-25	30-Sep-25	31-Dec-25
1	Credit risk (excluding counterparty credit risk)	220,945,856	217,584,230	17,675,668
2	Of which standardised approach (SA)	220,945,856	217,584,230	17,675,668
3	Of which: foundation internal ratings-based (F-IRB) approach	0	0	0
4	Of which: supervisory slotting approach	0	0	0
5	Of which: advanced internal ratings-based (A-IRB) approach	0	0	0
6	Counterparty credit risk (CCR)	1,660,850	1,463,681	132,868
7	Of which: standardised approach for counterparty credit risk	1,660,850	1,463,681	132,868
8	Of which: IMM	0	0	0
9	Of which: other CCR	0	0	0
10	Credit valuation adjustment (CVA)	5,091,076	4,246,394	407,286
11	Equity positions under the simple risk weight approach and the internal model method during the five-year linear phase-in period	0	0	0
12	Equity investments in funds – look-through approach	0	0	0
13	Equity investments in funds – mandate-based approach	0	0	0
14	Equity investments in funds – fall-back approach	49,648	5,239	3,972
15	Settlement risk	0	0	0
16	Securitisation exposures in banking book	0	0	0
17	Of which: securitisation IRB approach (SEC-IRBA)	0	0	0
18	Of which: securitisation external ratings-based approach (SEC-ERBA), including internal assessment approach (IAA)	0	0	0
19	Of which: securitisation standardised approach (SEC-SA)	0	0	0
20	Market risk	13,667,159	14,400,992	1,093,373
21	Of which: standardised approach (SA)	13,667,159	14,400,992	1,093,373
22	Of which: internal model approach (IMA)	0	0	0
23	Capital charge for switch between trading book and banking book	0	0	0
24	Operational risk	12,256,651	12,256,651	980,532
25	Amounts below the thresholds for deduction (subject to 250% risk weight)	0	0	0
26	Output floor applied	0	0	0
27	Floor adjustment (before application of transitional cap)	0	0	0
28	Floor adjustment (after application of transitional cap)	0	0	0
29	Total (1 + 6 + 10 + 11 + 12 + 13 + 14 + 15 + 16 + 20 + 23 + 24 + 25 + 28)	253,671,240	249,957,187	20,293,699

LI1: Differences between accounting and regulatory scopes of consolidation and mapping of financial statement categories with regulatory risk categories - December 2025

(Figures in SR 000's)

	(Figures in SR 000's)						
	a	b	c	d	e	f	g
	Carrying values as reported in published financial statements	Carrying values under scope of regulatory consolidation	Carrying values of items:				Not subject to capital requirements or subject to deduction from capital
Subject to credit risk framework			Subject to counterparty credit risk framework	Subject to the securitisation framework	Subject to the market risk framework		
Assets							
Cash and balances with SAMA	13,167,397	13,167,397	13,167,397				
Due from banks and other financial institutions	2,334,847	2,334,847	2,334,847				
Positive fair value derivatives	2,070,228	2,070,228		2,070,228			
Investments, net	60,011,931	60,011,931	60,011,931				
Loans and advances, net	195,299,305	195,299,305	195,299,305				
Investments in associates	908,126	908,126	908,126				
Other real estate	228,220	228,220	228,220				
Held for sale	250,085	250,085	250,085				
Property and equipment, net	3,299,379	3,299,379	3,299,379				
Other assets	3,813,756	3,813,756	3,813,756				
Total assets	281,383,274	281,383,274	279,313,046	2,070,228	0	0	0
Liabilities							
Due to banks and other financial institutions	11,948,622	11,948,622					
Negative fair value derivatives	1,326,794	1,326,794					
Customers' deposits	209,286,780	209,286,780					
Other liabilities	8,844,755	8,844,755					
Debt securities in issue	451,962	451,962					
Liabilities held for sale	11,358	11,358					
Total liabilities	231,870,271	231,870,271	0	0	0	0	0

LI2: Main sources of differences between regulatory exposure amounts and carrying values in financial statements - December 2025

(Figures in SR 000's)

		(Figures in SR 000's)				
		a	b	c	d	e
		Total	Items subject to:			
			Credit risk framework	Securitisation framework	Counterparty credit risk framework	Market risk framework
1	Asset carrying value amount under scope of regulatory consolidation (as per template LI1)	281,383,274	279,313,046		2,070,228	
2	Liabilities carrying value amount under regulatory scope of consolidation (as per template LI1)	231,870,271				
3	Total net amount under regulatory scope of consolidation	49,513,003	279,313,046	0	2,070,228	
4	Off-balance sheet amounts	85,950,764	34,967,963			
5	Differences in valuations					
6	Differences due to different netting rules, other than those already included in row 2					
7	Differences due to consideration of provisions					
8	Differences due to prudential filters					
9	Derivatives	78,353,085			4,673,995	55,620,599
10	Exposure amounts considered for regulatory purposes	213,816,852	314,281,009	0	6,744,223	55,620,599

CC1 - Composition of Regulatory Capital - December 2025 (Figures in SR 000's)

	Amounts	Source based on reference numbers / letters of the balance sheet under regulatory scope of consolidation
Common Equity Tier 1 capital: Instruments and reserves		
1	20,000,000	H
2	7,444,734	G + J
3	14,586,642	C
4		
5		
6	42,031,376	
Common Equity Tier 1 capital: Regulatory adjustments		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16	-316,366	
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28	-316,366	
29	41,715,010	
Additional Tier 1 capital: instruments		
30	7,767,500	
31	7,767,500	
32		
33		
34		
35		
36		
Additional Tier 1 capital: regulatory adjustments		
37		
38		
39		
40		
41		
42		
43		
44	7,767,500	
45	49,482,510	

46	Directly issued qualifying Tier 2 instruments plus related stock surplus	0	B
47	<i>Directly issued capital instruments subject to phase out from Tier 2</i>		
48	Tier 2 instruments (and CET1 and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties (amount allowed in group Tier 2)		
49	<i>of which: instruments issued by subsidiaries subject to phase out</i>		
50	Provisions	1,305,945	A
51	Tier 2 capital before regulatory adjustments	1,305,945	
	Tier 2 capital: regulatory adjustments		
52	Investments in own Tier 2 instruments		
53	Reciprocal cross-holdings in Tier 2 instruments		
54	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold)		
54a	Investments in the other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation and where the bank does not own more than 10% of the issued common share capital of the entity: amount previously designated for the 5% threshold but that no longer meets the condition (for G-SIBs only)		
55	Significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)		
56	National specific regulatory adjustments		
57	Total regulatory adjustments to Tier 2 capital		
58	Tier 2 capital (T2)	1,305,945	
59	Total regulatory capital (TC = T1 + T2)	50,788,455	
60	Total risk weighted assets	253,671,240	
	Capital ratios and buffers		
61	Common Equity Tier 1 (as a percentage of risk weighted assets)	16.44%	
62	Tier 1 (as a percentage of risk weighted assets)	19.51%	
63	Total capital (as a percentage of risk weighted assets)	20.02%	
64	Institution specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus countercyclical buffer requirements plus G-SIB buffer requirement expressed as a percentage of risk weighted assets)	7.09%	
65	of which: capital conservation buffer requirement	2.50%	
66	of which: bank specific countercyclical buffer requirement	0.09%	
67	of which: G-SIB buffer requirement		
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk weighted assets) available after meeting the bank's minimum capital requirements	9.36%	
	National minima (if different from Basel 3)		
69	National Common Equity Tier 1 minimum ratio (if different from Basel 3 minimum)	0	
70	National Tier 1 minimum ratio (if different from Basel 3 minimum)	0	
71	National total capital minimum ratio (if different from Basel 3 minimum)	0	
	Amounts below the thresholds for deduction (before risk weighting)		
72	Non-significant investments in the capital of other financials	0	
73	Significant investments in the common stock of financials	0	
74	Mortgage servicing rights (net of related tax liability)	0	
75	Deferred tax assets arising from temporary differences (net of related tax liability)	0	
	Applicable caps on the inclusion of provisions in Tier 2		
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	1,305,945	
77	Cap on inclusion of provisions in Tier 2 under standardised approach	2,846,843	
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)		
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach		
	Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2018 and 1 Jan 2022)		
80	Current cap on CET1 instruments subject to phase out arrangements	0	
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	0	
82	Current cap on AT1 instruments subject to phase out arrangements	0	
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	0	
84	Current cap on Tier 2 instruments subject to phase-out arrangements	0	
85	Amount excluded from Tier 2 capital due to cap (excess over cap after redemptions and maturities)	0	

CC2 - Reconciliation of regulatory capital to balance sheet - December 2025

(Figures in SR 000's)

	a	b	c
	Balance Sheet as in published financial statements	Under regulatory scope of consolidation	Reference
	As at 31 December 2025	As at 31 December 2025	
Assets			
Cash and balances at central banks	13,167,397	13,167,397	
Items in the course of collection from other banks	0	0	
Trading portfolio assets	0	0	
Financial assets designated at fair value	0	0	
Derivative financial instruments	2,070,228	2,070,228	
Deposits with banks and other financial institutions	2,334,847	2,334,847	
Loans and advances to customers	195,299,305	195,299,305	
Reverse repurchase agreements and other similar secured trading	0	0	
Investments, net	60,011,931	60,011,931	
Current and deferred tax assets	85,831	85,831	
Prepayments, accrued income and other assets	3,956,145	3,956,145	
Investments in associates and joint ventures	908,126	908,126	
Goodwill and intangible assets	0	0	
Of which: goodwill	0	0	(a)
Of which: other intangible (excluding MSRs)	0	0	(b)
Of which: MSRS	0	0	(c)
Property, plant and equipment	3,299,379	3,299,379	
Assets held for sale	250,085	250,085	
Total assets	281,383,274	281,383,274	
Liabilities			
Deposits from banks and other financial institutions	11,948,622	11,948,622	
Items in the course of collection due to other banks	0	0	
Customer accounts	209,286,780	209,286,780	
Repurchase agreements and other similar secured borrowing	0	0	
Trading portfolio liabilities	0	0	
Financial liabilities designated at fair value	0	0	
Derivative financial instruments	1,326,794	1,326,794	
Debt securities in issue	451,962	451,962	
Accruals, deferred income and other liabilities	7,164,318	7,164,318	
Current and deferred tax liabilities	541,061	541,061	
Of which: DTLS related to goodwill			(d)
Of which: DTLS related to intangible (excluding MSRs)			(e)
Of which: DTLS related to MSRS			(f)
Subordinated liabilities / Sukuk	0	0	
Provisions for credit related commitments and contingencies	536,952	536,952	
End of service benefits	602,424	602,424	
Liabilities associated with assets held for sale	11,358	11,358	
Total liabilities	231,870,271	231,870,271	
Shareholders' equity			
Paid-in share capital	20,000,000	20,000,000	
Of which: amount eligible for CET1	20,000,000	20,000,000	(h)
Of which: amount eligible for AT1	0		(i)
Treasury reserves	-316,366	-316,366	
Statutory reserves	13,175,000	13,175,000	
Accumulated other comprehensive income	1,411,642	1,411,642	
Retained earnings	7,444,734	7,444,734	
Proposed dividends	0	0	
Non-controlling Interest	30,493	30,493	
Tier 1 Sukuk	7,767,500	7,767,500	
Total Shareholders' equity	49,513,003	49,513,003	
Total Liabilities and equity	281,383,274	281,383,274	

CCA - Main features of regulatory capital instruments and of other TLAC-eligible instruments - December 2025

		Quantitative / qualitative Information
1	Issuer	ARAB NATIONAL BANK
2	Unique identifier (eg CUSPIN, ISIN or Bloomberg identifier for private placement)	SA168VK0M936
3	Governing law(s) of the instrument	Kingdom of Saudi Arabia
3a	Means by which enforceability requirement of Section 13 of the TLAC Term Sheet is achieved (for other TLAC-eligible instruments governed by foreign law)	
4	Transitional Basel III rules	Additional Tier 1
5	Post-transitional Basel III rules	Eligible
6	Eligible at solo/group/group&solo	Solo & Group
7	Instrument type (types to be specified by each jurisdiction)	Additional Tier 1 Sukuk
8	Amount recognized in regulatory capital (Currency in millions, as of most recent reporting date)	SAR 3,350 MILLION
9	Par value of instrument	SAR 3,350 MILLION
10	Accounting classification	Additional Tier 1 Capital (Equity)
11	Original date of issuance	3-Feb-25
12	Perpetual or dated	Perpetual
13	Original maturity date	NA
14	Issuer call subject to prior supervisory approval	Yes
15	Option call date, contingent call dates and redemption amount	First Call date 3 Feb 2030. The issuer may call the Sukuk starting from its fifth anniversary. The Sukuk may be redeemed in whole but not in part by the Issuer only in the circumstances described in the Conditions.
16	Subsequent call dates if applicable	Yes (see above)
	Coupons / dividends	Quarterly
17	Fixed or Floating dividend/coupon	Fixed Rate
18	Coupon rate and any related index	6.20
19	Existence of a dividend stopper	Yes
20	Fully discretionary, partially discretionary or mandatory	Mandatory
21	Existence of step up or other incentive to redeem	No
22	Non cumulative or cumulative	Non-cumulative
23	Convertible or non-convertible	Convertible
24	If convertible, conversion trigger (s)	N/A
25	If convertible, fully or partially	N/A
26	If convertible, conversion rate	N/A
27	If convertible, mandatory or optional conversion	N/A
28	If convertible, specify instrument type convertible into	N/A
29	If convertible, specify issuer of instrument it converts into	N/A
30	Write-down feature	Yes (At the point of Non-viability)
31	If write-down, write-down trigger (s)	Terms of contract of the instrument provide the legal basis for SAMA to trigger write-down (a contractual approach)
32	If write-down, full or partial	write-down fully or partial
33	If write-down, permanent or temporary	Permanent
34	If temporary writedown, description of the write-up mechanism	Determined by the Banking Regulator
34a	Type of subordination	Jr Subordinated
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	1- subordinate and junior to all Senior Obligations but not further or otherwise; 2- pari passu with all other Pari Passu Obligations; and 3- in priority only to all Junior Obligations.
36	Non-compliant transitioned features	N/A
37	If yes, specify non-compliant features	N/A

**CCA - Main features of regulatory capital instruments and of other TLAC-eligible instruments -
December 2025**

		Quantitative / qualitative Information
1	Issuer	Arab National Bank
2	Unique identifier (eg CUSPIN, ISIN or Bloomberg identifier for private placement)	SA16BVK0MPJ5
3	Governing law(s) of the instrument	Kingdom of Saudi Arabia
3a	Means by which enforceability requirement of Section 13 of the TLAC Term Sheet is achieved (for other TLAC-eligible instruments governed by foreign law)	
4	Transitional Basel III rules	Additional Tier 1
5	Post-transitional Basel III rules	Eligible
6	Eligible at solo/group/group&solo	Solo & group
7	Instrument type (types to be specified by each jurisdiction)	Additional Tier 1 Sukuk
8	Amount recognized in regulatory capital (Currency in millions, as of most recent reporting date)	SAR 400 Million
9	Par value of instrument	SAR 400 Million
10	Accounting classification	Additional Tier 1 Capital (Equity)
11	Original date of issuance	6-Aug-25
12	Perpetual or dated	Perpetual
13	Original maturity date	N/A
14	Issuer call subject to prior supervisory approval	Yes
15	Option call date, contingent call dates and redemption amount	First call date is 6 August 2030 and every fifth anniversary thereafter.
16	Subsequent call dates if applicable	Yes (see above)
	Coupons / dividends	Quarterly
17	Fixed or Floating dividend/coupon	Fixed
18	Coupon rate and any related index	6.45
19	Existence of a dividend stopper	Yes
20	Fully discretionary, partially discretionary or mandatory	Mandatory
21	Existence of step up or other incentive to redeem	No
22	Non cumulative or cumulative	Non-cumulative
23	Convertible or non-convertible	NA
24	If convertible, conversion trigger (s)	NA
25	If convertible, fully or partially	NA
26	If convertible, conversion rate	NA
27	If convertible, mandatory or optional conversion	NA
28	If convertible, specify instrument type convertible into	NA
29	If convertible, specify issuer of instrument it converts into	NA
30	Write-down feature	Yes (At the point of Non-viability)
31	If write-down, write-down trigger (s)	Terms of contract of the instrument provide the legal basis for SAMA to trigger write-down (a contractual approach)
32	If write-down, full or partial	write-down fully or partial
33	If write-down, permanent or temporary	Permanent
34	If temporary writedown, description of the write-up mechanism	Determined by the Banking Regulator
34a	Type of subordination	Jr Subordinated
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	1- subordinate and junior to all Senior Obligations but not further or otherwise; 2- pari passu with all other Pari Passu Obligations; and 3- in priority only to all Junior Obligations.
36	Non-compliant transitioned features	N/A
37	If yes, specify non-compliant features	N/A

**CCA - Main features of regulatory capital instruments and of other TLAC-eligible instruments -
December 2025**

		Quantitative / qualitative Information
1	Issuer	ANB TIER 1 SUKUK COMPANY LTD
2	Unique identifier (eg CUSPIN, ISIN or Bloomberg identifier for private placement)	XS3170935608
3	Governing law(s) of the instrument	English
3a	Means by which enforceability requirement of Section 13 of the TLAC Term Sheet is achieved (for other TLAC-eligible instruments governed by foreign law)	
4	Transitional Basel III rules	Additional Tier 1
5	Post-transitional Basel III rules	Eligible
6	Eligible at solo/group/group&solo	
7	Instrument type (types to be specified by each jurisdiction)	Additional Tier 1 Sukuk (JR subordinated note, AT1; Sukuk Structure Mudaraba, sustainability bond)
8	Amount recognized in regulatory capital (Currency in millions, as of most recent reporting date)	USD 750 MILLION
9	Par value of instrument	USD 750 MILLION
10	Accounting classification	Additional Tier 1 Capital
11	Original date of issuance	9-Sep-25
12	Perpetual or dated	Perpetual
13	Original maturity date	NA
14	Issuer call subject to prior supervisory approval	Yes
15	Option call date, contingent call dates and redemption amount	First call date is 9 September 2030. The issuer may call the sukuk starting from its fifth anniversary. Notes may be redeemed prior to maturity under certain conditions, as detailed in the base prospectus.
16	Subsequent call dates if applicable	Yes (see above)
	Coupons / dividends	Semi-annually
17	Fixed or Floating dividend/coupon	Variable (Semi-annual, fixed until 9 March 2031. If not redeemed, coupon refixes at 5Y UST + margin and every 5Y)
18	Coupon rate and any related index	6.4
19	Existence of a dividend stopper	Yes
20	Fully discretionary, partially discretionary or mandatory	Mandatory
21	Existence of step up or other incentive to redeem	No
22	Non cumulative or cumulative	Non-cumulative
23	Convertible or non-convertible	Convertible
24	If convertible, conversion trigger (s)	N/A
25	If convertible, fully or partially	N/A
26	If convertible, conversion rate	N/A
27	If convertible, mandatory or optional conversion	N/A
28	If convertible, specify instrument type convertible into	N/A
29	If convertible, specify issuer of instrument it converts into	N/A
30	Write-down feature	Yes (At the point of Non-viability)
31	If write-down, write-down trigger (s)	Terms of contract of the instrument provide the legal basis for SAMA to trigger write-down (a contractual approach). The Financial Regulator shall, in its sole discretion, determine the occurrence and scope of a Non-Viability Event and therefore the requirement for a Write-down.
32	If write-down, full or partial	write-down fully or partial
33	If write-down, permanent or temporary	Permanent
34	If temporary writedown, description of the write-up mechanism	Determined by the Banking Regulator
34a	Type of subordination	Junior Subordinated
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	(i) subordinate and junior to all Senior Obligations but not further or otherwise; (ii) pari passu with all other Pari Passu Obligations; and (iii) in priority to all Junior Obligations
36	Non-compliant transitioned features	N/A
37	If yes, specify non-compliant features	N/A

CCA - Main features of regulatory capital instruments and of other TLAC-eligible instruments - December 2025

		Quantitative / qualitative Information
1	Issuer	ARAB NATIONAL BANK
2	Unique identifier (eg CUSPIN, ISIN or Bloomberg identifier for private placement)	SA16EFK0N8J9
3	Governing law(s) of the instrument	SAUDI ARABIA
3a	Means by which enforceability requirement of Section 13 of the TLAC Term Sheet is achieved (for other TLAC-eligible instruments governed by foreign law)	
4	Transitional Basel III rules	ADDITIONAL TIER 1
5	Post-transitional Basel III rules	Eligible
6	Eligible at solo/group/group&solo	Solo & group
7	Instrument type (types to be specified by each jurisdiction)	Additional Tier 1 Sukuk
8	Amount recognized in regulatory capital (Currency in millions, as of most recent reporting date)	SAR 1,205,000
9	Par value of instrument	SAR 1,205,000
10	Accounting classification	Additional Tier 1 Capital (Equity)
11	Original date of issuance	29-Dec-25
12	Perpetual or dated	Perpetual
13	Original maturity date	N/A
14	Issuer call subject to prior supervisory approval	Yes
15	Option call date, contingent call dates and redemption amount	First call date is December 29, 2030. (Callable on and anytime after Dec 29, 2030)
16	Subsequent call dates if applicable	See above - Callable on and anytime after December 29 2030
	Coupons / dividends	Quarterly
17	Fixed or Floating dividend/coupon	Fixed
18	Coupon rate and any related index	6.35
19	Existence of a dividend stopper	Yes
20	Fully discretionary, partially discretionary or mandatory	Mandatory
21	Existence of step up or other incentive to redeem	No
22	Non cumulative or cumulative	N/A
23	Convertible or non-convertible	N/A
24	If convertible, conversion trigger (s)	N/A
25	If convertible, fully or partially	N/A
26	If convertible, conversion rate	N/A
27	If convertible, mandatory or optional conversion	N/A
28	If convertible, specify instrument type convertible into	N/A
29	If convertible, specify issuer of instrument it converts into	N/A
30	Write-down feature	Yes (At the point of Non-viability)
31	If write-down, write-down trigger (s)	Terms of contract of the instrument provide the legal basis for SAMA to trigger write-down (a contractual approach)
32	If write-down, full or partial	Written-down in part on a pro rata basis.
33	If write-down, permanent or temporary	Permenant
34	If temporary writedown, description of the write-up mechanism	Determined by the Banking Regulator
34a	Type of subordination	Jr Subordinated
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	1- subordinate and junior to all Senior Obligations but not further or otherwise; 2- pari passu with all other Pari Passu Obligations; and 3- in priority only to all Junior Obligations.
36	Non-compliant transitioned features	N/A
37	If yes, specify non-compliant features	N/A

CCyB1 – Geographical distribution of credit exposures used in the calculation of the bank-specific countercyclical capital buffer requirement - December 2025				(Figures in SR 000's)	
Geographical breakdown	a Countercyclical capital buffer rate	b Exposure values and/or risk-weighted assets (RWA) used in the computation of the countercyclical capital buffer		d Bank-specific countercyclical capital buffer rate	e Countercyclical capital buffer amount
		Exposure values	RWA		
Saudi Arabia	0.0%		178,891,518		0
Afghanistan	2.5%		0		0
Algeria	2.5%		0		0
Australia	1.0%		9,932		99
Austria	2.5%		3,880		97
Bahrain	2.5%		406,047		10,151
Bangladesh	2.5%		0		0
Belgium	1.0%		1,506		15
Bermuda	2.5%		1,893		47
Brazil	0.0%		0		0
Canada	0.0%		56,205		0
Cayman Island	2.5%		2,988,042		74,701
China	0.0%		0		0
Cyprus	2.5%		0		0
Denmark	2.5%		0		0
Egypt	2.5%		0		0
France	1.0%		48,022		480
Germany	0.8%		0		0
India	0.0%		5,649		0
Indonesia	0.0%		38,304		0
Italy	0.0%		0		0
Iraq	2.5%		0		0
Jordan	2.5%		151,181		3,780
Japan	0.0%		59,526		0
Korea S.	1.0%		19,903		199
Kuwait	2.5%		0		0
Lebanon	2.5%		0		0
Hong Kong	0.5%		1,905		10
Ireland	1.5%		14,096		211
Malaysia	2.5%		0		0
Mauritania	2.5%		0		0
Mexico	0.0%		83,729		0
Morocco	2.5%		10,648		266
Nepal	2.5%		0		0
Netherlands	2.0%		26,084		522
New Zealand	2.5%		0		0
Nigeria	2.5%		0		0
Norway	2.5%		32,031		801
Oman	2.5%		126,925		3,173
Qatar	2.5%		11,287		282
Pakistan	2.5%		0		0
Palestine	2.5%		0		0
Peru	2.5%		29,670		742
Philippines	0.0%		1,169		0
Russia	2.5%		0		0
Romania	2.5%		0		0
Singapore	0.0%		161,015		0
South Africa	1.0%		0		0
Spain	0.5%		3,458		17
Sri Lanka	2.5%		0		0
Sudan	2.5%		0		0
Sweden	2.0%		0		0
Switzerland	0.0%		0		0
Syria	2.5%		0		0
Thailand	2.5%		1,482		37
Tunisia	2.5%		0		0
Turkey	0.0%		10,353		0
United Arab Emirates	2.5%		270,852		6,771
United Kingdom	2.0%		245,421		4,908
United States	0.0%		2,242,667		0
Yemen	2.5%		0		0
Residual Other European Countries	2.5%		235,710		5,893
Residual Other European Union Countries	2.5%		1,979,745		49,494
Residual Other African Countries	2.5%		6,207		155
Residual Other Asian Countries	2.5%		6,532		163
Residual Other Middle Eastern Countries	2.5%		0		0
Residual Other North & Central American Countries	2.5%		54,819		1,370
Residual other Oceania Countries	2.5%		0		0
Residual Other South American Countries	2.5%		105,908		2,648
Sum			6,793,188		
Total			188,343,322	0.09%	167,033

ENC: Asset encumbrance - December 2025	(Figures in SR 000's)
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	a	b	c
	Encumbered assets	Unencumbered assets	Total
The assets on the balance sheet would be disaggregated; there can be as much disaggregation as desired	3,207,055	54,836,743	58,043,798

LR1: Summary comparison of accounting assets vs leverage ratio exposure measure - December 2025

(Figures in SR 000's)

		a
1	Total consolidated assets as per published financial statements	281,383,274
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	0
3	Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference	0
4	Adjustments for temporary exemption of central bank reserves (if applicable)	0
5	Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	0
6	Adjustments for regular-way purchases and sales of financial assets subject to trade date accounting	0
7	Adjustments for eligible cash pooling transactions	0
8	Adjustments for derivative financial instruments	4,673,995
9	Adjustment for securities financing transactions (ie repurchase agreements and similar secured lending)	0
10	Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	36,066,344
11	Adjustments for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital	0
12	Other adjustments	0
13	Leverage ratio exposure measure	322,123,612

LR2: Leverage ratio common disclosure - December 2025		(Figures in SR 000's)	
		a	b
		31-Dec-25	30-Sep-25
On-balance sheet exposures			
1	On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs), but including collateral)	281,359,274	280,452,768
2	Gross-up for derivatives collateral provided where deducted from balance sheet assets pursuant to the operative accounting framework	0	0
3	(Deductions of receivable assets for cash variation margin provided in derivatives transactions)	0	0
4	(Adjustment for securities received under securities financing transactions that are recognised as an asset)	0	0
5	(Specific and general provisions associated with on-balance sheet exposures that are deducted from Tier 1 capital)	0	0
6	(Asset amounts deducted in determining Tier 1 capital and regulatory adjustments)	0	0
7	Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of rows 1 to 6)	281,359,274	280,452,768
Derivative exposures			
8	Replacement cost associated with all derivatives transactions (where applicable net of eligible cash variation margin, with bilateral netting and/or the specific treatment for client cleared derivatives)	2,551,243	1,891,240
9	Add-on amounts for potential future exposure associated with all derivatives transactions	787,324	656,582
10	(Exempted central counterparty (CCP) leg of client-cleared trade exposures)	0	0
11	Adjusted effective notional amount of written credit derivatives	0	0
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	0	0
13	Total derivative exposures (sum of rows 8 to 12)	4,673,995	3,566,950
Securities financing transaction exposures			
14	Gross SFT assets (with no recognition of netting), after adjustment for sale accounting transactions	24,000	33,000
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)	0	0
16	Counterparty credit risk exposure for SFT assets	0	0
17	Agent transaction exposures	0	0
18	Total securities financing transaction exposures (sum of rows 14 to 17)	24,000	33,000
Other off-balance sheet exposures			
19	Off-balance sheet exposure at gross notional amount	85,950,764	85,260,572
20	(Adjustments for conversion to credit equivalent amounts)	-49,884,420	-50,622,556
21	(Specific and general provisions associated with off-balance sheet exposures deducted in determining Tier 1 capital)	0	0
22	Off-balance sheet items (sum of rows 19 to 21)	36,066,344	34,638,015
Capital and total exposures			
23	Tier 1 capital	49,482,510	47,152,197
24	Total exposures (sum of rows 7, 13, 18 and 22)	322,123,612	318,690,734
Leverage ratio			
25	Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves)	15.36%	14.80%
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves)	15.36%	14.80%
26	National minimum leverage ratio requirement	3.00%	3.00%
27	Applicable leverage buffers	12.36%	11.80%

* As per SA-CCR Exposure at Default is 1.4 * (Replacement Cost + PFE)

LR2: Leverage ratio common disclosure - December 2025		(Figures in SR 000's)	(Figures in SR 000's)
Disclosure of mean values		31-Dec-25	30-Sep-25
28	Mean value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	381,830	608,989
29	Quarter-end value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	24,000	33,000
30	Total exposures (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	322,481,442	319,266,723
30a	Total exposures (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	322,481,442	319,266,723
31	Basel III leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	15.34%	14.77%
31a	Basel III leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	15.34%	14.77%

LIQA - Liquidity Risk Management

Liquidity Risk Management

ANB's liquidity risk management philosophy is predicated upon a conservative business model. The primary objective of the Bank's Liquidity Risk management framework is to ensure that it has sufficient liquidity to meet its obligations in both normal and stressed conditions. The Bank should be able to satisfy its funding needs through normal sources without having to make unplanned sales of assets or borrow expensive funds under emergency conditions.

The Board of Directors (the Board) defines the Bank's liquidity risk strategy, and in particular its appetite for liquidity risk, based on recommendations made by the Asset and Liability Committee (ALCO). The Board reviews and approves the liquidity management policies after they have been reviewed and recommended by the Board Risk Committee (BRC). Also, the Board ensures that senior management manages liquidity risk effectively in the context of the Bank's business plan and long-term funding strategy, as well as the prevailing economic and financial conditions. The Bank uses liquidity ratios and stressed liquidity gaps as key metrics to establish its liquidity risk tolerance levels. These metrics measures the Bank's ability to fulfill all its payment obligations stemming from ongoing business operations under various stress scenarios. The tolerance levels are defined either in the form of limits or management action triggers (MAT) and are part of the Bank's overall liquidity management framework which is approved and reviewed by the Board on an annual basis.

At least once a year the Board reviews and approves the limits that are applied to measure and control liquidity risk on a bank-wide basis. ALCO/Market Risk Policy Committee (MRPC) sets the direction for the Bank's liquidity management subject to the liquidity risk limits and tolerance levels established by the Board. The Board delegates these limits to the Treasury Group through ALCO.

Treasury Group is responsible for managing day-to-day funding activities within the established liquidity risk management policies and limits. It is responsible for establishing appropriate procedures and effective communication channels with operational and business areas to alert the funding desks of imminent funding requirements including loan drawdowns, deposit withdrawals and off-balance sheet commitments. It monitors market developments, understands their implications for the Bank's liquidity risk exposure and recommends appropriate risk management measures to ALCO.

Market Risk Department (MRD), part of the independent Risk Management Group (RMG), periodically reviews liquidity risk policies and procedures, the adequacy of the risk measurement system, including key assumptions and scenarios used and reports their findings and recommendations to ALCO. It is also responsible for monitoring adherence to the various liquidity ratios and limits, both internal and regulatory.

Funding strategy

The Bank's funding strategy is to develop a diversified funding base, while providing protection against unexpected fluctuations. It aims to align sources of funding with their use. As such, earning assets (Loans and

Investments) are largely funded with customer deposits. The funding gap for these assets is met using secured funding and long term debt issuance.

The Bank maintains access to a variety of sources of wholesale funds in multiple currencies across a variety of distribution channels and geographies, including those available from money markets, repo markets and term depositors. It is an active participant in the money market and has direct access to local and international liquidity providers. As a result, wholesale funding is well diversified by product, investor, maturity, and currency.

Liquidity risk mitigation techniques

The Bank maintains excess liquidity in the form of cash and high-quality liquid unencumbered securities that together serve as the Bank's primary means of liquidity risk mitigation. It further limits the composition of high quality, liquid, unencumbered securities to high quality sovereign bonds.

Diversification of funding is another important area to mitigate liquidity risk. The Bank remains focused on diversifying funding sources. Its most stable funding source is retail clients. Other customer deposits and borrowing from wholesale clients are additional sources of funding.

The Bank is an active participant in money markets and has direct access to local and international liquidity providers. It maintains strong relationships with a number of local and international banks through extensive trading and funding transactions over a number of years. Accesses to both local and international money markets allow the Bank to maintain liquidity in both local and foreign currencies.

Stress Testing

Liquidity stress testing is fully integrated in the Bank's overall risk management stress testing framework. The Bank uses stress testing and scenario analysis to evaluate the impact of sudden and severe stress events on its liquidity positions. The stress scenarios have been designed to cover ANB-specific, market related events and inter-related risk factors of the two. The purpose of liquidity stress testing is to evaluate the bank's ability to meet the incremental funding requirements under the defined scenarios, with the results expressed in terms of stressed funding gaps and regulatory ratio compliance.

The bank constantly monitors the stress testing results, and always strives to maintain a strong liquidity profile to comply with the stringent liquidity stress limits.

Contingency Funding Plan

The Bank's contingency funding plan sets out the action the Bank will take to fund business activity in crisis situations and periods of market stress. It outlines a list of potential risk factors, key reports and metrics that are reviewed on an ongoing basis to assist in assessing the severity of a liquidity crisis and/or market dislocation. It also describes in detail the Bank's potential responses if the assessments indicate it has entered a liquidity crisis, which include funding its potential cash and collateral needs as well as utilizing secondary sources of liquidity. Mitigates and action items to address specific risks are also described and assigned to individuals responsible for execution.

The contingency funding plan identifies key groups of individuals to ensure effective coordination, control and distribution of information that are critical in the management of a crisis or period of funding stress. It also details the responsibilities of these groups and/or individuals, which include making and disseminating key decisions,

coordinating all contingency activities throughout the duration of the crisis or period of market stress, implementing liquidity maintenance activities and managing internal and external communication.

Customized measurement tools or metrics that assess the structure of the bank's balance sheet

The Bank uses a number of monitoring tools to identify, monitor and control its liquidity risk, which include measures targeting various material sources of liquidity risk along with stress testing. These monitoring tools form key components of the Bank's Pillar 2 liquidity risk identification, measurement and controlling processes. They are intended to supplement the liquidity requirements calculated within the scope of Basel/SAMA Pillar 1 regulatory liquidity requirements to ensure that the Bank maintains sufficient level of liquidity buffer under both normal and stressed circumstances.

- Intraday Liquidity Management
- Liquidity Mismatch Ratios
- Maximum Dependency on Interbank Funding
- Funding Run-off Ratios
- ANB's Market Indicators: 1) Interbank Borrowing Premium in SAR and USD; 2) Credit Spread Benchmarking
- Maximum Dependency on Wholesale Funding
- Maximum Dependency on Unstable Retail Funding Sources
- Intragroup Liquidity Consumption Ratio
- Foreign Currency Mismatch
- Off-balance-sheet (OBS) Liquidity Requirement Ratio
- Franchise Viability Risk (FVR) Liquidity Requirement Ratio
- Cash Conversion Rate for Marketable Assets
- Maximum Dependency on Cash Flows Provided by Non-Marketable Assets
- Funding Concentration Ratios
- Remaining Tenor for Term Deposit Funding
- Stress testing the B/S under two scenarios with the outcome being funding gaps in various time buckets.

Concentration limits on collateral pools and sources of funding

The Bank monitors a set of funding concentration ratios and control tools used to manage the bank exposure, which includes,

top 10,20 and LFP deposits against total customer deposits, maximum dependency on unstable retail and wholesale and interbank funding sources.

Liquidity exposures and funding needs at the level of individual legal entities, foreign branches and subsidiaries

ANB has several strategic partnerships, which are stand-alone legal entities. ANB monitors their financial performance, the criteria to assess the liquidity funding requirements and allocation to these entities (ANB's subsidiaries and associates including London branch and pass-through entities) has been established to standardize and regularize the liquidity transferability.

Moreover, the Bank established an internal measurement tool to evaluates the sufficiency of its liquidity facility to any of the subsidiary/branch/associates, and monitors such risk by calculating the Intragroup Liquidity Consumption Ratio.

Balance sheet and off-balance sheet items broken down into maturity buckets and the resultant liquidity gaps

Maturity Gap analysis is performed on multiple dimensions based on entity level, major currency, product, customer type along with consolidated overall gaps. The contractual cash flows of assets, liabilities and off-balance sheet (OBS) positions are allocated into different time buckets according to their contractual maturities and cash flow behavior patterns.

Other Qualitative Information

The Liquidity Coverage Ratio (LCR) is a Basel III metric that measures the sufficiency of High Quality Liquid Assets (HQLA) available to meet net short-term financial obligations over a thirty day period in an acute stress scenario. The SAMA regulatory minimum coverage level for LCR is currently 100%.

In August 2014, SAMA released the final guideline on “Liquidity Coverage Ratio Disclosure Standards”, requiring Saudi banks to disclose LCR beginning Q1 2015. LCR is disclosed using the standard Basel disclosure template and is calculated using the average of daily observations during the quarter.

Net Stable Funding Ratio (NSFR) is another Basel III Liquidity Metric, which requires ANB to hold a minimum amount of stable funding relative to the funding requirements of its asset positions as per the corresponding liquidity risk profile as defined by the standards. The minimum requirement is 100%.

LIQ1 - Liquidity Coverage Ratio - December 2025		(Figures in SR 000's)	
Amount in SAR '000		TOTAL UNWEIGHTED^a	TOTAL WEIGHTED^b
		VALUE (average)	VALUE (average)
High Quality Liquid Assets			
1	Total HQLA		53,601,398
CASH OUTFLOWS			
2	Retail deposits and deposits from small business customers, of which:	55,054,976	5,505,498
3	Stable deposits	-	-
4	Less stable deposits	55,054,976	5,505,498
5	Unsecured wholesale funding, of which:	92,503,305	45,936,459
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	-	-
7	Non-operational deposits (all counterparties)	91,646,571	45,079,726
8	Unsecured debt	856,734	856,734
9	Secured wholesale funding		
10	Additional requirements, of which:	10,519,754	1,873,926
11	Outflows related to derivative exposures and other collateral requirements	913,278	913,278
12	Outflows related to loss of funding on debt products	-	-
13	Credit and liquidity facilities	9,606,476	960,648
14	Other contractual funding obligations	-	-
15	Other contingent funding obligations	76,452,442.30	1,831,282.90
16	TOTAL CASH OUTFLOWS		55,147,166
CASH INFLOWS			
17	Secured lending (eg. reverse repos)	-	-
18	Inflows from fully performing exposures	29,197,106.20	16,624,120.00
19	Other cash inflows	1,088,935.20	1,088,935.20
20	TOTAL CASH INFLOWS		17,713,055.20
			TOTAL ADJUSTED VALUE
21	TOTAL HQLA		53,601,398
22	TOTAL NET CASH OUTFLOWS		37,434,110
23	LIQUIDITY COVERAGE RATIO (%)		143%

a Unweighted values must be calculated as outstanding balances maturing or callable within 30 days (for inflows and outflows).

b Weighted values must be calculated after the application of respective haircuts (for HQLA) or inflow and outflow rates (for inflows and outflows).

c Adjusted values must be calculated after the application of both

(i) haircuts and inflow and outflow rates

(ii) any applicable caps (ie cap on Level 2B and Level 2 assets for HQLA and cap on inflows).

Data presented in the disclosure is based on simple average of daily observation over the previous quarter.

LIQ2: Net Stable Funding Ratio (NSFR) - December 2025						(Figures in SR 000's)
(In currency amount)	a	b	c	d	e	
	Unweighted value by residual maturity				Weighted value	
	No maturity	< 6 months	6 months to < 1 year	≥ 1 year		
Available stable funding (ASF) item						
1	Capital:	49,513,002	0	0	0	49,513,002
2	Regulatory capital	49,513,002	0	0	0	49,513,002
3	Other capital instruments	0	0	0	0	0
4	Retail deposits and deposits from small business customers:	48,042,900	28,467,120	1,699,365	572,835	70,961,281
5	Stable deposits	0	0	0	0	0
6	Less stable deposits	48,042,900	28,467,120	1,699,365	572,835	70,961,281
7	Wholesale funding:	31,274,872	99,047,768	9,648,932	2,481,610	57,141,422
8	Operational deposits	0	0	0	0	0
9	Other wholesale funding	31,274,872	99,047,768	9,648,932	2,481,610	57,141,422
10	Liabilities with matching interdependent assets					
11	Other liabilities:	7,294,519	0	451,962	1,326,794	225,981
12	NSFR derivative liabilities		0	0	1,326,794	
13	All other liabilities and equity not included in the above categories	7,294,519	0	451,962	0	225,981
14	Total ASF					177,841,685
Required stable funding (RSF) item						
15	Total NSFR high-quality liquid assets (HQLA)					2,217,343
16	Deposits held at other financial institutions for operational purposes	0	0	0	0	0
17	Performing loans and securities:	7,887,865	73,515,689	22,866,936	109,000,865	139,349,038
18	Performing loans to financial institutions secured by Level 1 HQLA	0	551,875	0	0	27,594
19	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	1,167,503	6,956,586	56,417	3,876,083	5,122,904
20	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:	3,529,930	65,184,432	22,128,268	80,179,662	113,478,517
21	With a risk weight of less than or equal to 35% under the Basel II standardised approach for credit risk	0	0	0	0	0
22	Performing residential mortgages, of which:	3,550	370,257	409,012	14,155,341	9,592,381
23	With a risk weight of less than or equal to 35% under the Basel II standardised approach for credit risk	0	0	0	0	0
24	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	3,186,883	452,538	273,240	10,789,779	11,127,642
25	Assets with matching interdependent liabilities	0	0	0	0	0
26	Other assets:	3,655,639	2,784,343	148,120	2,626,154	9,069,865
27	Physical traded commodities, including gold	0				0
28	Assets posted as initial margin for derivative contracts and contributions to default funds of central counterparties		0	0	962,606	818,215
29	NSFR derivative assets		0	0	55,247	55,247
30	NSFR derivative liabilities before deduction of variation margin posted		0	0	265,359	265,359
31	All other assets not included in the above categories	3,655,639	2,784,343	148,120	1,342,942	7,931,044
32	Off-balance sheet items		0	0	11,793,167	589,658
33	Total RSF					151,225,905
34	Net Stable Funding Ratio (%)					117.60%

B.6 - Table CRA: General qualitative information about credit risk

Business model translation into the components of the Bank's credit risk profile

The Bank's credit risk exposures mainly arises from lending activities like loans & advances as well as exposures arising from off-balance sheet instruments like commitments, guarantees, letters of credit etc. Moreover, investments in the banking book also exposes the Bank to credit risk. The Bank's credit risk mainly arises from the following lending activities, being the major components of Bank's overall strategy: -

Corporate Market serviced by the Corporate Banking Group with focus on corporations in KSA, Project Finance & Syndication deals.

Commercial/SME Market serviced by Commercial Banking Department with focus on small to medium merchants and businesses engaged in commerce, manufacturing, services & construction projects.

Consumer Market serviced by Retail Banking Group provide personal loans, auto-lease and credit card facilities to employees of government entities and eligible corporations, whereas high Net-Worth individuals serviced by Private banking and Treasury Group, provide conventional facilities as well as margin trading and FX-trading facilities.

Criteria and approach used for defining credit risk management policy and setting credit risk limits

Credit Risk policies and procedures are established to provide control on credit risk portfolios through periodic assessment of the credit worthiness of obligors, quantifying maximum permissible exposure to specific obligor and continuous monitoring of individual exposures and portfolios. The Credit Risk policy of the Bank is designed to provide objectives and credit risk management strategies, which include:

- Strengthening and enhancing Bank's ability to measure and mitigate credit risks on pre-emptive basis to minimize credit losses.
- Strengthening and enhancing Bank's systems and procedures for early problem recognition.
- Strengthening and enhancing credit portfolio management process.
- Compliance with local regulatory requirement and industry's best practices for credit risk management.

The Bank's Credit Risk policy addresses all functions and activities related to the credit lending process, ranging from defining the minimum required information for assessing obligor credit worthiness to developing the clear risk-based approval authority mechanism.

The limits/benchmarks for credit risk are spread across various dimensions which include Industry Exposure Limits, Country Risk Exposure Limits and Counterparty Exposure Limits. Quantitative limits are set at different levels ranging from obligor to portfolio.

Structure and organization of the credit risk management and control function

The Credit Risk Department, part of Risk Management Group, is responsible for Policy formulation and Portfolio management for all type of credit risks undertaken by the Bank.

The Bank has adopted centralized credit approval process and follows the philosophy of joint approval authority, which is directly linked to the borrower's Probability of Default (PD) and its facility characteristics measured by Loss Given Default (LGD) estimates. Based on afore-mentioned factors, there are three main layers of approval authorities. The highest credit authority is vested in the Executive committee, a Board level committee. The second level of credit approval authority is vested in the Senior Credit Committee and third layer consists of four levels of approval authorities, which draws its members from the business units and the Credit Review Department.

Credit Review Department and Credit Administration & Control (CAC) are part of the credit management process; Credit Review Department is engaged in the day-to-day activities of the approval process, whereas CAC is part of the administrative, activation, control, monitoring, documentation and follow-up process.

Relationships between the credit risk management, risk control, compliance and internal audit

The Bank follows the philosophy of 3 lines of defense, wherein functional units are responsible for risks arising from their activities and act as first line of defense. The second line of defense comprises of relevant Management Committees, RMG and Compliance Functions. Credit Risk being part of RMG responsible for monitoring and controlling the credit risk inherent in all the activities undertaken across the Bank.

The Compliance function assists in identifying, assessing, monitoring and reporting on compliance risk in matters relating to credit risks faced by the Bank. The function contributes, in an independent manner, to credit risk management pertaining to regulatory compliance.

Internal Audit (IA) being the third line of defense, independently monitors the effectiveness of credit risk management policies, procedures and internal controls through periodic testing of the design and operation of the processes.

Scope of the reporting on credit risk exposure and on the credit risk management function to the executive management and to the board of directors

Management reports are generated for monitoring and control purposes on periodical basis - monthly, quarterly, semi-annually and annually, as appropriate. These reports are comprehensive, have wide scope and address several issues including:

- Portfolio quality, Industry concentration and large exposures;
- Product concentration, credit monitoring and concentration of shares held by the Bank as collateral; □
Past due follow-up, customer-provisioning details and provision movement report.

Credit Risk Department also submits for review, periodic reports to Board, Board Risk Committee and Audit Committee, covering its observation on key credit risks faced by the Bank.

CR1: Credit quality of assets - December 2025 (Figures in SR 000's)

	a		b	c	d		e	f	g
	Gross carrying values of		Non-defaulted exposures	Allowances/ impairments	Of which ECL accounting provisions for credit losses on SA exposures		Allocated in regulatory category of General	Of which ECL accounting provisions for credit losses on IRB exposures	Net values (a+b-c)
	Defaulted exposures				Allocated in regulatory category of Specific				
1 Loans	1,937,886	196,504,914		3,143,495	1,179,238	1,964,257		0	195,299,305
2 Debt Securities	0	52,707,988		56,994	0	56,994		0	52,650,994
3 Off-balance sheet exposures	586,261	57,020,513		536,952	417,926	119,026		0	57,069,822
4 Total	2,524,147	306,233,415		3,737,441	1,597,164	2,140,277		0	305,020,121

CR2: Changes in stock of defaulted loans and debt securities - December 2025

(Figures in SR 000's)

	a
1 Defaulted loans and debt securities at end of the previous reporting period	2,324,718
2 Loans and debt securities that have defaulted since the last reporting period	162,639
3 Returned to non-defaulted status	157,196
4 Amounts written off	822,678
5 Other changes	430,403
6 Defaulted loans and debt securities at end of the reporting period (1+2-3-4±5)	1,937,886

CRB: Additional disclosure related to the credit quality of assets

Scope and definitions of “past due” and “impaired” exposures

Definition of Past Due

Exposures that are not settled on their due date are classified as “Past Due” and reflected as such on the Bank’s books the following day. The appearance of a loan as past due, does not imply that there is a problematic credit, as the business units often successfully prompt the customers to settle such amounts within a few days.

Definition of Impaired Assets

In determining whether an individually assessed exposure has become impaired, Bank makes judgments as to whether there is any observable data indicating decrease in the estimated future cash flows. This evidence may include an indication that there has been an adverse change in the payment status of borrowers. Management uses estimates based on historical loss experience for loans with similar credit risk characteristics, when estimating the cash flows. The methodology and assumptions used for estimating both the amount and timing of future cash flows are reviewed regularly to reduce any differences between loss estimates and actual loss experience.

Extent of past-due exposures (more than 90 days) that are not considered to be impaired

Generally, individually assessed customers with 90+ DPDs are considered impaired. The only exception is, when relevant credit authorities approve certain selected customers to continue as performing despite the 90+ DPDs – such approvals are invariably supported by adequate justification provided by the concerned business units, which may include possibility of collection from receivable and/or availability of high quality collateral, good past-track, etc.

Description of methods used for determining impairments

The Bank reviews its portfolios to assess specific and collective impairment on a quarterly basis. In determining whether an impairment loss should be recorded, management applies judgement as to whether there is any observable data indicating that there is a measurable decrease in the estimated future cash flows. This evidence may include observable data indicating that there has been an adverse change in the payment status of borrowers in a group. Management uses estimates based on historical loss experience for loans with credit risk characteristics and objective evidence of impairment similar to those in the portfolio when estimating its cash flows. The methodology and assumptions used for estimating both the amount and the timing of future cash flows are reviewed regularly to reduce any differences between loss estimates and actual loss experience. In addition to specific allowances against individually significant loans and advances, the Bank also makes a collective impairment allowance against exposures that, although not specifically identified as requiring a specific allowance, have relatively greater risk of default than when originally granted. The collective impairment allowance is determined after taking into account:

- Historical loss experience in portfolios of similar credit risk characteristics (for example industry sector, borrower grade or product);
- The estimated period between impairment occurring and the loss being identified and evidenced by the establishment of an appropriate allowance against the individual loan; and
- Management’s judgement as to whether current economic and credit conditions are such that the actual level of inherent losses at the consolidated statement of financial position date is likely to be greater or less than that suggested by historical experience.

The period between a loss occurring and its identification is estimated by management for each identified portfolio based on economic and market conditions, customer behavior, portfolio management information, credit management techniques and collection and recovery experience in the market.

Bank’s definition of a restructured exposure

The Bank treats those exposures as restructured where any principal/interest (including penalty) is written-off prior to creation of a new loan, or any loan is granted at pricing lower than the cost (SIBOR/LIBOR) or problem customers (with Risk Rating 10 or worse) whose exposures are restructured and agreement signed. The revised amount of debt agreed with the customer is classified as a ‘Restructured Loan’ which the borrower agrees to settle through phased repayment over a period of time.

Quantitative Disclosures

The Quantitative Disclosures are provided separately in the following sections

CRB : Breakdown of exposures by Geographical Areas - December 2025						(Figures in SR 000's)	
Asset Classes	Saudi Arabia	Other GCC & Middle East	Europe	North America	South East Asia	Other Countries	Total credit exposures amount (post CCF and post-CRM)
Sovereigns and their central banks	54,253,508	630,325	55,777	41,884	15,212	57,858	55,054,564
Non-central government public sector entities	1,898,995	0	0	41,530	0	0	1,940,525
Multilateral development banks	0	0	0	0	0	0	0
Banks	2,114,734	1,743,909	1,297,549	1,386,604	18,612	234,373	6,795,781
Of which: securities firms and other financial institutions	0	0	0	0	0	0	0
Covered bonds	0	0	0	0	0	0	0
Corporates	111,969,411	513,387	4,348,129	4,404,819	268,133	274,545	121,778,424
Of which: securities firms and other financial institutions	4,303,623	0	37,810	534,052	46,260	34,747	4,956,492
Of which: specialised lending	13,217,132	317,793	3,823,303	0	0	0	17,358,228
Subordinated debt, equity and other capital	5,609,814	228,800	513,662	579,219	1,048	0	6,932,542
Retail	23,074,478	0	0	0	0	0	23,074,478
MSMEs	1,747	0	0	0	0	0	1,747
Real estate	70,577,134	170,083	388,565	85,456	0	0	71,221,239
Of which: general RR	32,368,223	0	388,565	85,456	0	0	32,842,244
Of which: IPRRE	2,066,896	0	0	0	0	0	2,066,896
Of which: general CRE	5,756,741	0	0	0	0	0	5,756,741
Of which: IPCR	13,303,465	0	0	0	0	0	13,303,465
Of which: land acquisition, development and construction	17,081,811	170,083	0	0	0	0	17,251,894
Defaulted exposures	841,391	0	0	0	0	0	841,391
Other assets	11,765,445	0	0	3,972	0	0	11,769,417
Total	282,104,910	3,286,504	6,603,680	6,543,484	303,005	566,776	299,408,361

CRB : Breakdown of exposures by Industry - December 2025																				(Figures in SR 000's)			
Asset Classes	1. Agriculture, forestry and Fishing	2. Mining and Quarrying	3. Manufacturing	4. Electricity, gas, steam and air conditioning supply	5. Water supply; sewerage, waste management and	6. Construction	7. Wholesale and retail trade; repair of motor vehicles and motorcycles	8. Transportation and storage	9. Accommodation and food service activities	10. Information and communication	11. Financial and insurance activities	12. Real estate activities	13. Professional, scientific and technical activities	14. Administrative and support service activities	15. Public administration and defense; compulsory social security	16. Education	17. Human health and social work activities	18. Arts, entertainment and recreation	19. Activities of extraterritorial organizations and bodies	20. Household (Personal)	21. Other Activities	Total Credit Exposure	
1 Sovereigns and their central banks	0	0	0	0	0	0	0	0	0	0	616,304	0	0	0	40,896,351	0	0	0	0	0	13,541,909	55,054,564	
2 Non-central government public	0	0	0	0	0	0	0	0	0	0	1,940,525	0	0	0	0	0	0	0	0	0	0	1,940,525	
3 Multilateral development banks	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
4 Banks	0	0	0	0	0	0	0	0	0	0	6,602,698	0	0	98,699	59,559	0	0	0	0	0	0	34,825	6,795,781
Of which: securities firms and other financial institutions	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
5 Covered bonds	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
6 Corporates	1,737,636	9,111,680	15,637,472	9,003,846	0	14,578,632	9,925,634	6,987,079	1,945,272	1,743,016	10,510,939	4,904,226	0	5,259,232	3,641	678,881	1,325,729	4,255,564	0	0	24,169,947	121,778,424	
Of which: securities firms and other financial institutions	0	221,511	20,020	0	0	147,747	0	0	0	0	1,441,906	22,000	0	0	0	0	8,425	383,710	0	0	2,711,172	4,956,492	
Of which: specialised lending	0	5,638,103	2,592,625	4,544,380	0	0	0	2,361,991	0	0	0	475,403	0	0	0	0	0	1,587,203	0	0	158,523	17,358,228	
7 Subordinated debt, equity and other capital	0	15	524,375	0	0	0	6	0	0	9	5,244,327	255,684	0	0	0	0	0	1	0	0	908,126	6,932,542	
8 Retail	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	23,074,478	23,074,478	
9 M&Es	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,747	1,747	
Of which: general RR	22,856	48,484	560,771	0	0	1,082,445	2,749,996	79,919	2,434,601	0	2,029,963	21,955,635	0	247,856	0	120,621	846,426	2,209,076	0	27,787,709	9,044,880	71,221,230	
Of which: IPRRE	0	18,903	130,011	0	0	94,973	46,582	2,973	8,436	0	1,942,765	883,095	0	30,094	0	4,019	11,597	15,166	0	27,787,709	1,865,918	32,842,244	
Of which: general CRE	0	29,582	245,323	0	0	444,020	1,179,853	43,732	102,405	0	87,198	1,767,286	0	54,338	0	46,976	708,005	43,508	0	0	1,004,515	5,756,896	
Of which: IPCR	7,577	0	40,244	0	0	15,803	987,494	0	1,142,493	0	0	6,914,785	0	66,030	0	0	30,385	1,707,091	0	0	2,391,560	13,303,465	
Of which: land acquisition, development and	15,278	0	145,192	0	0	328,140	412,445	33,213	1,181,266	0	0	11,141,291	0	85,372	0	65,571	96,439	443,310	0	0	3,304,376	17,251,894	
10 Defaulted exposures	0	0	259,192	117	0	126,017	40,441	2,888	22,625	0	0	23,454	0	9,269	0	80	44	0	0	0	94,334	262,930	
11 Other assets	0	0	0	0	0	0	0	0	0	0	2,074,200	0	0	0	0	0	0	0	0	0	4,054	9,691,164	
12 Total	1,760,492	9,160,180	16,981,809	9,003,963	0	15,787,094	12,716,076	7,069,887	4,402,498	1,743,025	29,018,956	27,138,999	0	5,615,056	40,959,530	799,582	2,172,199	6,464,641	0	50,960,575	57,653,780	299,408,361	

CRB : Breakdown of exposures by Residual Maturity - December 2025									(Figures in SR 000's)	
Asset Classes	Less than 8 days	8-30 days	30-90 days	90-180 days	180-360 days	1-3 years	3-5 years	Over 5 years	No Fixed Maturity	Total credit exposures amount (post CCF and post-CRM)
Sovereigns and their central banks	24,000	0	1,802,450	450,267	0	255,243	72,884	41,410,101	11,039,620	55,054,564
Non-central government public sector entities	0	0	0	0	0	10,069	50,331	1,880,124	0	1,940,525
Multilateral development banks	0	0	0	0	0	0	0	0	0	0
Banks	1,818,216	0	12,077	14,459	376,383	2,855,758	670,624	314,172	734,091	6,795,781
Of which: securities firms and other financial institutions	0	0	0	0	0	0	0	0	0	0
Covered bonds	0	0	0	0	0	0	0	0	0	0
Corporates	4,155,957	10,629,590	13,296,221	11,704,278	15,571,243	17,846,632	9,148,333	29,432,671	9,993,499	121,778,424
Of which: securities firms and other financial institutions	51,158	1,159,402	72,845	2,536,578	36,264	429,976	192,566	477,702	0	4,956,492
Of which: specialised lending	0	125,314	156,202	0	0	101,109	468,684	16,504,599	2,320	17,358,228
Subordinated debt, equity and other capital	0	19,158	0	187,038	215,778	540,707	1,073,457	828,646	4,067,758	6,932,542
Retail	7,578	9,029	1,474,655	99,573	470,109	5,038,649	14,935,494	1,039,391	0	23,074,478
MSMEs	0	0	1,747	0	0	0	0	0	0	1,747
Real estate	1,072,563	3,911,349	6,970,257	7,011,777	6,301,533	7,198,123	7,367,342	30,970,126	418,170	71,221,239
Of which: general RR	256,495	431,179	288,939	481,668	872,189	1,567,282	1,676,164	27,240,270	28,059	32,842,244
Of which: IPRRE	10,442	27,961	128,548	207,430	373,499	455,947	689,370	168,764	4,934	2,066,896
Of which: general CRE	37,672	519,177	1,395,425	1,276,499	699,225	826,577	501,136	389,341	111,687	5,756,741
Of which: IPCR	345,937	830,822	1,454,003	1,889,129	1,363,801	2,605,220	2,054,132	2,732,231	28,189	13,303,465
Of which: land acquisition, development and construction	422,016	2,102,209	3,703,341	3,157,050	2,992,818	1,743,098	2,446,540	439,520	245,300	17,251,894
Defaulted exposures	51,631	272	230,162	1,445	365	164,533	182,914	210,068	0	841,391
Other assets	0	0	0	0	0	0	0	0	11,769,417	11,769,417
Total	7,129,946	14,569,397	23,785,821	19,468,838	22,935,412	33,909,714	33,501,379	106,085,299	38,022,555	299,408,361

CRB - Impaired Loans, Past Due Loans and Allowances - December 2025									(Figures in SR 000's)	
Industry sector	Impaired loans *	Defaulted **	Aging of Past Due Loans (days)				Specific allowances			General allowances
			Less than 90	90-180	180-360	Over 360	Charges during the Year To Date	Charge-offs during the Year To Date	Balance at the end of the Year To Date	
Government and quasi government	-	-	3,207	-	-	-	-	-	-	-
Banks and other financial institutions	657	657	778,860	-	-	657	-	-	534	-
Agriculture and fishing	-	-	3,134	-	-	-	-	-	-	-
Manufacturing	658,817	658,817	575,243	559,635	3,438	95,744	-	121,225	391,944	-
Mining and quarrying	1,532	1,532	4,085	110	-	1,422	-	-	788	-
Electricity, water, gas and health services	837	837	11,271	-	-	837	-	-	719	-
Building and construction	241,866	241,866	950,899	26,362	9,995	205,508	-	63,650	150,974	-
Commerce	306,099	306,099	1,339,455	30,863	56,949	218,288	-	400,012	198,274	-
Transportation and communication	10,697	10,697	70,128	2,590	-	8,108	-	-	6,209	-
Services	78,260	78,260	1,254,895	7,894	43,301	27,065	-	-	43,973	-
Consumer loans and credit cards	100,884	100,884	1,839,960	100,884	-	-	-	235,304	144,766	-
Others	463,995	463,995	5,121,513	259,557	45,085	159,353	-	132	241,056	-
Total	1,863,645	1,863,645	11,952,648	987,895	158,767	716,982	550,577	820,323	1,179,238	1,964,257

* Impaired loans defined as any loan with specific provision

** Defaulted loans defined as non-performing loans

CRB : Impaired Loans, Past Due Loans And Allowances - December 2025						(Figures in SR 000's)	
Geographic area	Impaired loans*	Aging of Past Due Loans (days)				Specific allowances	General allowances
		Less than 90	90-180	180-360	Over 360		
Saudi Arabia	1,863,645	11,952,648	987,895	158,767	716,982	1,179,238	1,964,257
Other GCC & Middle East							
Europe							
North America							
South East Asia							
Others countries							
Total	1,863,645	11,952,648	987,895	158,767	716,982	1,179,238	1,964,257

* Impaired loans defined as any loan with specific provision

**CRB : Reconciliation Of Changes In The Allowances For Loan Impairment
- Funded Exposures - December 2025** (Figures in 000'S)

Particulars	Funded Exposures
Balance, beginning of the year	3,068,897
Amounts restated through opening retained earnings	-
Adjusted Balance, beginning of the year	3,068,897
Charge-offs taken against the allowances during the period	(820,323)
Amounts set aside (or reversed) during the period	894,921
Other adjustments:	-
- exchange rate differences	-
- business combinations	-
- acquisitions and disposals of subsidiaries	-
- etc.	-
Transfers between allowances	-
Balance, end of the year	3,143,495

▪ Charge-offs and net recoveries & Others that have been recorded directly to the income statement are SAR 8,670 thousand and SAR 188,361 thousand, respectively.

CRB : Reconciliation Of Changes In The Allowances For Impairment of Non-Funded Credit Facility - December 2025
(Figures in 000'S)

Particulars	Non Funded Exposures
Balance, beginning of the year	566,256
Amounts restated through opening retained earnings	-
Adjusted Balance, beginning of the year	566,256
Charge-offs taken against the allowances during the period	(2,354)
Amounts set aside (or reversed) during the period	(26,950)
Other adjustments:	-
- exchange rate differences	-
- business combinations	-
- acquisitions and disposals of subsidiaries	-
- etc.	-
Transfers between allowances	-
Balance, end of the year	536,952

CRC: Qualitative disclosure requirements related to credit risk mitigation techniques

Features of policies and processes for, and an indication of the Extent to which the Bank makes use of, on- and off-balance sheet netting.

The Bank reduces its exposures for capital adequacy calculations only, in cases where deposits/cash is in the form of collateral with a specific charge or lien in favor of the Bank.

Core features of policies and processes for collateral evaluation and management

The Bank believes that collateral security is an effective means of reducing risk and improving credit quality. Although collateral is generally desirable to enhance credit quality, Bank does not entirely rely on collateral to make lending decisions since collateral is only considered as a secondary source of repayment. The Bank's policy is to consider a credit exposure secured, if it is fully supported by tangible collateral/ security and in accordance with minimum requirement in terms of coverage ratios.

Information about market or credit risk concentrations under the credit risk mitigation instruments

For capital adequacy purposes, Bank only uses cash and bank guarantees as credit risk mitigants, thus presenting minimal market or concentration risk for mitigants used. As part of its regular monitoring, Bank also review it's holding vis-à-vis total market capitalization of the companies, whose shares are held as collateral.

CR3: Credit risk mitigation techniques – overview - December 2025

(Figures in SR 000's)

		a	b	c	d	e
		Exposures unsecured: carrying amount	Exposures to be secured	Exposures secured by collateral	Exposures secured by financial guarantees	Exposures secured by credit derivatives
1	Loans	164,863,655	30,435,650	22,585,963	7,849,687	.
2	Debt securities	52,501,118	206,870	206,870	-	.
3	Total	217,364,773	30,642,519	22,792,833	7,849,687	0
4	Of which defaulted	420,908	263,592	167,746	95,846	.

Table CRD: Qualitative disclosures on banks' use of external credit ratings under the standardised approach for credit risk

Asset classes for which ECAs are used

External Credit ratings of ECAs are used for the asset classes comprising of Sovereign, Banks & Securities Firms, Corporate, and Off-Balance items, wherever applicable.

Description of the process used to transfer the issuer to issue credit ratings

Under Standardized approach for Credit Risk, Bank uses issue-specific rating if such a rating is available for the issue in which the bank has invested. In circumstances where only issuer assessment is available, Bank consider high quality issuer assessment only for the senior claims on that issuer; other unassessed claims of the highly assessed issuer are treated as unrated. Applicable Basel guidelines for Issuer versus Issues assessment are complied with at all times.

Alignment of the alphanumerical scale of each agency used with risk buckets

For determining risk weighted exposure under Standardized approach, alignment of ECAs scales to risk buckets is applied as per mapping guidelines provided by SAMA.

CR4: Standardised approach – credit risk exposure and credit risk mitigation (CRM) effects - December 2025

(Figures in SR 000's)

	a	b	c	d	e	f
	Exposures before CCF and CRM		Exposures post-CCF and post-CRM		RWA and RWA density	
Asset classes	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
1 Sovereigns and their central banks	55,623,676	0	55,054,564	0	846,294	1.54%
2 Non-central government public sector entities	1,940,525	0	1,940,525	0	388,105	20.00%
3 Multilateral development banks	0	0	0	0	0	0.00%
4 Banks	3,537,811	4,596,759	3,537,811	3,257,970	3,993,740	58.77%
Of which: securities firms and other financial institutions	0	0	0	0	0	0.00%
5 Covered bonds	0	0	0	0	0	0.00%
6 Corporates	102,771,457	80,739,980	90,138,628	31,639,796	114,593,617	94.10%
Of which: securities firms and other financial institutions	4,475,168	1,821,375	4,390,445	566,047	4,675,310	94.33%
Of which: specialised lending	17,527,101	0	17,358,228	0	14,390,080	82.90%
7 Subordinated debt, equity and other capital	6,932,542	0	6,932,542	0	16,686,453	240.70%
8 Retail	23,100,512	0	23,074,478	0	17,321,084	75.07%
MSMEs	2,218	0	1,747	0	1,310	75.00%
9 Real estate	74,965,670	0	71,221,239	0	56,589,883	79.46%
Of which: general RRE	33,393,081	0	32,842,244	0	11,962,481	36.42%
Of which: IPRRE	2,291,245	0	2,066,896	0	1,470,884	71.16%
Of which: general CRE	6,271,135	0	5,756,741	0	5,367,481	93.24%
Of which: IPCRE	13,850,222	0	13,303,465	0	11,911,197	89.53%
Of which: land acquisition, development and construction	19,159,988	0	17,251,894	0	25,877,840	150.00%
10 Defaulted exposures	1,967,072	614,025	771,194	70,197	865,014	102.81%
11 Other assets	11,769,417	0	11,769,417	0	9,711,314	82.51%
12 Total	282,608,681	85,950,764	264,440,398	34,967,963	220,995,503	

CR5: Standardised approach – exposures by asset classes and risk weights - December 2025 (Figures in SR 000's)

	0%	20%	25%	30%	35%	40%	45%	50%	60%	70%	75%	80%	85%	90%	100%	105%	110%	130%	150%	250%	400%	1250%	Other	Total credit exposure amount (post-CCF and post-CRM)			
1 Sovereigns and their central banks	53,024,281	1,305,550	0	0	0	0	0	279,097	0	0	0	0	0	0	445,636	0	0	0	0	0	0	0	0	0	55,054,564		
2 Non-central government public sector entities	0	1,940,525	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,940,525		
3 Multilateral development banks	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
4 Banks	0	516,767	0	3,559,702	0	0	0	62,377	0	0	0	0	0	0	2,388,230	0	0	0	268,705	0	0	0	0	0	6,795,781		
Of which: securities firms and other financial institutions	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
5 Covered bonds	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
6 Corporates	0	206,830	0	0	0	0	0	7,855,558	0	0	0	4,994,868	19,811,834	0	86,017,799	0	0	2,832,923	58,614	0	0	0	0	0	121,778,424		
Of which: securities firms and other financial institutions	0	191,447	0	0	0	0	0	256,048	0	0	0	0	0	0	4,508,997	0	0	0	58,614	0	0	0	0	0	5,015,106		
Of which: specialised lending	0	0	0	0	0	0	0	5,638,103	0	0	0	4,994,868	0	0	3,892,335	0	0	2,832,923	0	0	0	0	0	0	17,358,228		
7 Subordinated debt, equity and other capital	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2,864,783	2,587,838	1,479,921	0	0	0	6,932,542		
8 Retail	0	0	0	0	0	0	0	0	0	23,015,092	0	0	0	0	56,358	0	0	0	0	0	0	0	0	3,028	23,074,478		
MSMEs	0	0	0	0	0	0	0	0	0	1,747	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,747		
9 Real estate	0	4,479,554	2,604,259	9,769,789	340,486	11,731,077	621,982	3,095,000	1,397,087	5,434,370	61,483	0	0	3,914,513	4,783,592	925,047	4,539,672	0	17,251,894	0	0	0	0	0	271,435	71,221,239	
Of which: general RRE	0	4,479,554	2,604,259	9,498,953	0	11,731,077	0	3,095,000	0	585,090	4,607	0	0	0	4,783,592	0	0	0	0	0	0	0	0	0	0	271,435	37,053,567
Of which: no loan splitting applied	0	4,479,554	2,604,259	9,498,953	0	11,731,077	0	3,095,000	0	585,090	4,607	0	0	0	4,783,592	0	0	0	0	0	0	0	0	0	0	271,435	37,053,567
Of which: loan splitting applied (Secured)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Of which: loan splitting applied (Unsecured)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Of which: IPRRE	0	0	0	270,836	340,486	0	621,982	0	333,764	0	56,875	0	0	0	0	925,047	0	0	0	0	0	0	0	0	0	2,548,991	
Of which: general CRE	0	0	0	0	0	0	0	0	1,063,322	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,063,322	
Of which: no loan splitting applied	0	0	0	0	0	0	0	0	1,063,322	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,063,322	
Of which: loan splitting applied (Secured)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Of which: loan splitting applied (Unsecured)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Of which: IPCRE	0	0	0	0	0	0	0	0	0	4,849,280	0	0	0	3,914,513	0	0	4,539,672	0	0	0	0	0	0	0	0	13,303,465	
Of which: land acquisition, development and construction	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	17,251,894	0	0	0	0	0	0	17,251,894	
10 Defaulted exposures	0	0	0	0	0	0	0	0	22,782	0	0	0	0	0	748,579	0	0	0	70,029	0	0	0	0	0	0	841,391	
11 Other assets	2,103,779	0	0	0	0	0	0	0	0	0	0	0	0	0	9,661,666	0	0	0	0	0	0	0	3,972	0	11,769,417		
12 Total	55,128,060	8,449,225	2,604,259	13,329,491	340,486	11,731,077	621,982	11,314,814	1,397,087	5,434,370	23,076,575	4,994,868	19,811,834	3,914,513	104,101,861	925,047	4,539,672	2,832,923	20,514,024	2,587,838	1,479,921	3,972	274,463	299,408,361			

Risk Weight	a On-balance sheet exposure	b Off-balance sheet exposure (pre-CCF)	c Weighted average CCF	d Exposure (post-CCF and post CRM)
1 Less than 40%	90,935,845	1,293,576	65.39%	91,146,392
2 40-70%	19,124,307	506,941	47.03%	18,750,427
3 75%	23,104,233	0	0.00%	23,076,575
4 80-85%	21,668,194	19,483,946	39.28%	24,806,702
5 90-100%	92,500,219	64,227,091	42.06%	108,741,841
6 105-130%	9,037,433	0	0.00%	8,300,669
7 150%	22,166,719	439,208	70.92%	20,514,024
8 250%	2,587,838	0	0.00%	2,587,838
9 400%	1,479,921	0	0.00%	1,479,921
10 1250%	3,972	0	0.00%	3,972
11 Total exposures	282,608,681	85,950,764	264.68%	299,408,361

CCRA: Qualitative disclosure related to counterparty credit risk

Risk management objectives and policies related to counterparty credit risk

The primary objective of counterparty credit risk management function is to effectively identify, measure and manage all derivatives related counterparty exposures through regular review of counterparty limits and daily monitoring of exposures vis-a-vis limits.

Method used to assign the operating limits defined in terms of internal capital

Credit Risk Limits are established on a Credit Equivalent basis, taking into consideration the product type, tenor and notional amounts. As part of its efforts in managing the counterparty credit risk, the Bank gradually increases exposures towards the central counterparties, which are mostly trades in interest rate swaps and futures, options and derivative trade through clearing brokers. All other derivative exposures are bilateral in nature.

Policies relating to guarantees and other risk mitigants and assessments

The Bank has signed Credit Support Annexure with all the major derivative financial counterparties to mitigate counterparty credit risk.

Policies with respect to wrong-way risk exposures

Wrong-way risk occurs when exposure to a counterparty is adversely correlated with the credit quality of that counterparty. The Bank considers its exposure to such risk limited, which is mitigated through common collateral management practice. Impact in terms of the amount of collateral that the bank would be required to provide given a credit rating downgrade The Bank is only providing variation margin in bilateral trades with financial counterparties. The impact of any increase in variation margin due to potential credit rating downgrade at present is considered minimal.

The impact in terms of the amount of collateral

Such impact is expected to be immaterial as to provide additional collateral amid a rating downgrade is a clause only applicable in a limited number of Credit Support Annex (CSA), which is largely mitigated by active margining process for both initial and variation margin management.

CCR1: Analysis of CCR exposures by approach - December 2025	(Figures in SR 000's)
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		a	b	c	d	e	f
		Replacement cost	Potential future exposure	Effective EPE	Alpha used for computing regulatory EAD	EAD post-CRM	RWA
1	SA-CCR (for derivatives)	1,184,401	547,331		1.4	2,424,425	1,615,859
2	Internal Model Method (for derivatives and SFTs)						
3	Simple Approach for credit risk mitigation (for SFTs)						
4	Comprehensive Approach for credit risk mitigation (for SFTs)						
5	Value-at-risk (VaR) for SFTs						
6	Total						1,615,859

CCR3: Standardised approach – CCR exposures by regulatory portfolio and risk weights - December 2025											(Figures in SR 000's)
Risk weight*→	a	b	c	d	e	f	g	h	i	j	k
	0%	10%	20%	30%	50%	75%	85%	100%	150%	Others	Total credit exposure
Regulatory portfolio*↓											
Sovereigns	0	0	0	0	0	0	0	0	0	0	0
Non-central government public sector entities	0	0	0	0	0	0	0	0	0	0	0
Multilateral development banks	0	0	0	0	0	0	0	0	0	0	0
Banks	0	0	637,893	329,374	0	0	0	134	0	0	967,401
Securities firms	0	0	0	0	0	0	0	0	0	0	0
Corporates	0	0	84,413	0	320	0	0	1,372,292	0	0	1,457,024
Regulatory retail portfolios	0	0	0	0	0	0	0	0	0	0	0
Other assets	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	722,306	329,374	320	0	0	1,372,426	0	0	2,424,425

CCR5: Composition of collateral for CCR exposure - December 2025

(Figures in SR 000's)

	a	b	c	d	e	f
	Collateral used in derivative transactions				Collateral used in SFTs	
	Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received	Fair value of posted collateral
	Segregated	Unsegregated	Segregated	Unsegregated		
Cash – domestic currency	0	0	0	0	0	0
Cash – other currencies	1,019,253	0	333,190	0	0	0
Domestic sovereign debt	0	0	0	0	0	0
Other sovereign debt	0	0	0	0	0	0
Government agency debt	0	0	0	0	0	0
Corporate bonds	0	0	0	0	0	0
Equity securities	0	0	0	0	0	0
Other collateral	0	0	0	0	0	0
Total	1,019,253	0	333,190	0	0	0

CCR8: Exposures to central counterparties - December 2025		(Figures in SR 000's)	
		a	b
		EAD (post-CRM)	RWA
1	Exposures to QCCPs (total)	2,249,569	44,991
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	0	0
3	(i) OTC derivatives	2,249,016	44,980
4	(ii) Exchange-traded derivatives	553	11
5	(iii) Securities financing transactions	0	0
6	(iv) Netting sets where cross-product netting has been approved	0	0
7	Segregated initial margin	0	
8	Non-segregated initial margin	0	0
9	Pre-funded default fund contributions	0	0
10	Unfunded default fund contributions	0	0
11	Exposures to non-QCCPs (total)		0
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which	0	0
13	(i) OTC derivatives	0	0
14	(ii) Exchange-traded derivatives	0	0
15	(iii) Securities financing transactions	0	0
16	(iv) Netting sets where cross-product netting has been approved	0	0
17	Segregated initial margin	0	
18	Non-segregated initial margin	0	0
19	Pre-funded default fund contributions	0	0
20	Unfunded default fund contributions	0	0

B.35 - Table MRA: Qualitative disclosure requirements related to market risk

Risk management objectives and policies for market risk

The primary objective of Bank's market risk management function is to provide a coherent policy and operating framework for a strong Bank-wide management of market risk and liquidity risk.

Bank's Strategies and processes

The Board approves market risk appetite, in terms of limits, for all types of market risks including foreign currency risk, interest rate risk and equity risk. These limits are based on notional amount, sensitivity, stop-loss and/or VaR (Value at Risk). The Board has also approved Market Risk Policy that provides guidance to identify, measure and monitor the Bank's exposure to market risk.

The Bank's Trading portfolio mainly consists of FX, interest rate trading positions and fixed income securities. The Bank maintains a prudent risk profile in derivatives trading which mainly consists of plain vanilla contracts with limited open positions across all market risk factors. The Bank's trading book has typically remained small with only a limited exposure in the proprietary trading positions. Trading deals are predominantly performed to off-set the risks arising as a result of deals done with corporate customers. The Board approves the trading limits keeping in view the overall business strategy of the Treasury Group. All traded products are covered by individual product programs, which lay down product description, business strategy, target customers, risk management, back office and accounting processes.

The Bank's trading book consists of positions in cash and derivative financial instruments (including FX and commodities) held either with short-term trading intent or in order to hedge other elements of the trading book. It classifies all treasury positions under held-for-trading, fx positions as well as some presumed financial instruments such as listed equity trades as part of its trading book for the purpose of computing Minimum Capital Requirements for Market Risk. Any movement of positions between the trading and banking book is extremely rare, and is not allowed in its normal course of business. In the past one year, there was no transfer of any positions from trading to the banking book, vice versa.

An internal risk transfer could occur in the Bank when: (1) its pass-through subsidiary transfers all its trades, both banking and trading positions, to the head office on a like-to-like basis (i.e. banking to banking or trading to trading); (2) one trading sales desk which is customer facing transfers its positions to the trading cover desk; (3) a banking book (such as the investment positions) needs to be hedged and enters into a derivative trade with the trading desk, which is always required to be fully closed with a third-party trade.

The internal risk transfer always occurs on a like-to-like basis and therefore have a minimum impact on the capital requirement as the internal trades would be eliminated upon consolidation, and any 3rd party trades in the trading book will be included as part of the trading book capital computation.

For liquidity risk management, please refer to section called “LIQA - Liquidity Risk Management”.

Structure and organisation of the market risk management function

Market risk and Liquidity risk are overseen by two management committees – Asset Liability Committee (ALCO) and Market Risk Policy Committee (MRPC). ALCO deals with Bank-wide market risk issues while MRPC deals with Treasury specific issues. ALCO meets on a regular basis to discuss the risk exposures vis-à-vis the prevailing market conditions and sets guidelines to manage these risks within the risk appetite set by the Board. MRPC acts with authority to monitor and control Treasury-related activities. MRPC has the authority to restrict utilization of the ALCO-approved limits. Market Risk Department, which is independent of the business function, monitors all limits and provides periodic market risk reports to ALCO and MRPC members.

Treasury Middle Office is an independent unit reporting to MRD and is responsible for ensuring that all Treasury related internal controls are functioning effectively and all non-adherences are brought to management’s attention on a timely basis.

Scope and nature of risk reporting and/or measurement systems.

Daily Report is provided to Senior Management that covers the trading activity and liquidity ratios. Stress testing for interest rate risk, foreign exchange risk and liquidity risk is conducted on a regular basis and results are presented to ALCO for review. Market Risk Department submits the following reports to ALCO, MRPC and Board on regular basis

- VaR analysis
- Interest rate gap Analysis
- Liquidity Risk Ratios
- Interest rate stress testing

Detailed market risk reviews are submitted to the Board, Excom, Risk Committee and Audit Committee, on a quarterly or semi-annual basis, as appropriate. The reviews highlight major changes in the Bank’s market and liquidity risk profiles as well as compositions of the investments portfolio.

MR1: Market risk under the standardised approach - December 2025	(Figures in SR 000's)
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	a
	Capital requirement in standardised approach
1 General interest rate risk	1,562
2 Equity risk	768,780
3 Commodity risk	17
4 Foreign exchange risk	258,386
5 Credit spread risk – non-securitisations	
6 Credit spread risk – securitisations (non-correlation trading portfolio)	
7 Credit spread risk – securitisation (correlation trading portfolio)	
8 Default risk – non-securitisations	52,811
9 Default risk – securitisations (non-correlation trading portfolio)	
10 Default risk – securitisations (correlation trading portfolio)	
11 Residual risk add-on	11,817
12 Total	1,093,373

ORA - Operational risk

Qualitative disclosure for Bank's operational risk capital approach

Policies, frameworks and guidelines for the management of operational risk

The bank has established a Operational Risk Management Policy at the top which sets the tone for Operational Risk Management across the bank. The bank also recognizes that there are certain risks in the Bank which are sources of operational risk, however, the risk management process to cover and monitor such risks come under the scope of other risk units of the Bank, such as, Business Continuity Division, Information Security Department, Technology Risk Management, Compliance and AML Group, Counter-Fraud Division (CFD) and Shari'ah Non-Compliance Risk.

Structure and organisation of operational risk management and control function

Operational Risk Management reports to the Chief Risk Officer and is independent from the risk-taking functions of the bank.

Operational risk measurement system

The bank has adopted SAMA's framework on 'Minimum Capital Requirements for Operational Risk' published in December 2022. The bank currently calculates its operational risk capital charge as per the standardized approach. The two main resources of data for calculation of operational risk capital charge include bank's financials and bank's historical operational risk losses.

The scope and main context of reporting framework on operational risk to executive management and to the board of directors

Periodic Operational risk updates on the overall operational risk environment of the Bank and key operational risk loss events are provided to executive management and Operational Risk Committee (ORC). Risk review reports submitted to Board Risk Committee on a quarterly basis summarizes operational risk loss events and status of operational risk profiles.

The risk mitigation and risk transfer used in the management of operational risk

Bank has established policies and procedures for several risk-taking activities, including but not limited to, launch of new products and services, outsourcing arrangements, changes to procedures, changes to systems, etc. The independent review process for such activities by Operational Risk Management as well as other 2nd line of defense functions effectively mitigates multitude of risks faced by the Bank.

OR1: Historical losses - December 2025											(Figures in SR 000's)	
	a	b	c	d	e	f	g	h	i	j	k	
	T	T-1	T-2	T-3	T-4	T-5	T-6	T-7	T-8	T-9	Ten year Average	
Using 44,600 SAR threshold												
1	Total amount of operational losses net of recoveries (no exclusions)	12,006	27,867	6,551	14,687	4,018	12,322	9,237	6,701	12,110	9,569	11,507
2	Total number of operational risk losses	34	25	25	28	16	31	23	26	43	33	28
3	Total amount of excluded operational risk losses	0	0	0	0	0	0	0	0	0	0	0
4	Total number of exclusions	0	0	0	0	0	0	0	0	0	0	0
5	Total amount of operational losses net of recoveries and net of excluded losses	12,006	27,867	6,551	14,687	4,018	12,322	9,237	6,701	12,110	9,569	11,507
Using 446,000 SAR threshold												
6	Total amount of operational losses net of recoveries (no exclusions)	7,150	26,151	3,380	12,118	2,412	9,843	8,528	4,971	8,326	6,554	8,943
7	Total number of operational risk losses	4	10	5	10	3	9	12	9	14	8	8
8	Total amount of excluded operational risk losses	0	0	0	0	0	0	0	0	0	0	0
9	Total number of exclusions	0	0	0	0	0	0	0	0	0	0	0
10	Total amount of operational losses net of recoveries and net of excluded losses	7,150	26,151	3,380	12,118	2,412	9,843	8,528	4,971	8,326	6,554	8,943
Details of operational risk capital calculation												
11	Are losses used to calculate the ILM (yes/no)?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
12	If "no" in row 11, is the exclusion of internal loss data due to non compliance with the minimum loss data standards (yes/no)?											
13	Loss event threshold: 44,600 SAR or 446,000 SAR for the operational risk capital calculation if applicable	44,600	44,600	44,600	44,600	44,600	44,600	44,600	44,600	44,600	44,600	44,600

OR2: Business Indicator and subcomponents - December 2025

(Figures in SR 000's)

		a	b	c
	BI and its subcomponents	T	T-1	T-2
1	Interest, lease and dividend component	4,724,811		
1a	Interest and lease income	14,454,214	12,477,349	7,656,670
1b	Interest and lease expense	6,481,870	5,340,355	2,020,218
1c	Interest earning assets	222,145,957	199,039,733	188,327,542
1d	Dividend income	157,628	143,139	159,619
2	Services component	1,760,060		
2a	Fee and commission income	1,866,425	1,694,719	1,443,582
2b	Fee and commission expense	1,157,691	1,058,185	897,670
2c	Other operating income	95,705	105,570	74,177
2d	Other operating expense	8,175	23,682	3,341
3	Financial component	4,657,830		
3a	Net P&L on the trading book	385,069	357,823	39,943
3b	Net P&L on the banking book	5,208,835	4,388,927	3,592,892
4	BI	11,142,701		
5	Business indicator component (BIC)	1,537,605		

Disclosure on BI:

		a
6a	BI gross of excluded divested activities	
6b	Reduction in BI due to excluded divested activities	

OR3: Minimum required operational risk capital - December 2025	(Figures in SR 000's)
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#	Particulars	a
1	Business indicator component (BIC)	1,537,605
2	Internal loss multiplier (ILM)	0.6377
3	Minimum required operational risk capital (ORC)	980,532
4	Operational risk RWA	12,256,651

B.42 - Interest rate risk in the banking book (IRRBB)

Qualitative disclosure requirement on IRRBB

Interest Rate Risk in Banking Book refers to the current or prospective risk to earnings and capital arising from adverse movements in interest rates affecting the Banking book assets, liabilities and off-balance-sheet positions. IRRBB arises principally from mismatches between the assets and their funding liabilities in terms of the future interest rates, maturities or cash flow profiles in the context of interest rates changes. IRRBB represents the most significant market risk exposure in the Bank's banking book balance sheet.

Interest rate risk in the Banking Book forms part of the Bank's overall risk management framework, which is driven from the Board down to each management levels. The Board defines the Bank's IRRBB risk appetite and ensures that the Bank has in place an adequate framework, policies/procedures and processes to manage IRRBB effectively. At operational level, IRRBB is overseen by two management committees, Asset Liability Committee (ALCO) and Market Risk Policy Committee (MRPC) under the delegated authority by the Board.

IRRBB is assessed and monitored at both macro level through gap analysis, EaR and EVE measurement, as well as micro level by analyzing the interest rate risk in light of the rate outlook and funding options. The assessment results may lead to Interest Rate Risk (IRR) hedging decision either by each individual transaction or by portfolio of homogenous IRR exposures. In both cases, the Bank designs the IRR hedge in such a way that the IFRS / IAS hedge accounting is always applied to minimize potential volatility in accounting profits and losses (P&L). All the IRRBB measures are monitored against approved limits and/or management action triggers (MAT).

The outcome of the monitoring and control tools are benchmarked against approved limit and MAT thresholds on monthly basis, and reported to the relevant stakeholders subsequently.

EVE and EaR measures are quantified under various rate shock scenarios, which include six prescribed regulatory interest rate shock scenarios to capture parallel and non-parallel gap risks for EVE and two prescribed regulatory interest rate shock scenarios for EaR. In addition, the Bank has eight internal rate shock scenarios being applied to both EaR and EVE which are used for internal reporting purpose. These stress scenarios are defined and reviewed by Risk Management Group. All significant changes are reviewed and approved by the ALCO on an annual basis to reflect current market conditions.

Bank use standard set of assumptions for both internal assessment and disclosure in Table B.

The assessment of IRRBB measures may lead to IRR hedging decision either by each individual transaction or by portfolio of homogenous IRR exposures. In both cases, the Bank designs the IRR hedge in such a way that the IFRS / IAS hedge accounting is always applied to minimize potential volatility in accounting profits and losses (P&L).

For individual hedges, the time and amounts are generally determined when the transactions are initiated. The objective is normally to off-set the re-pricing mismatches and to the extent possible so that the Bank is only left with fixed interest rate spread income or expense. For portfolio hedges, the time and amounts are generally

determined by: either (1) assessment results of the interest rate gaps as well as EaR and EVE risk exposures; or (2) a pre-defined hedging parameter for certain products such as fixed rate Loans.

Economic Value of Equity (EVE): Measurement of IRRBB under the EVE approach is to quantify the change in the net market value of the whole banking book under various interest rate shock scenarios, given the spot balance sheet positions as at certain point in time and using a run-off balance sheet assumption. Broadly, the EVE measurement include three components: (1) to construct re-pricing gap profiles in each significant currencies (e.g. USD and SAR) whereas insignificant currencies are aggregated under the other currency (OTH); (2) to establish interest rate shock scenarios; (3) to apply each of the scenarios to the gap profile and come up with net change in the equity due to the rate shocks.

Earnings at Risk (EaR): EaR is an earnings-based measure to analyze impact of changes in interest rates on the future accrued or reported net interest income (NII) on a 12-month rolling forward basis. It is intended to assess the Bank's ability to generate stable earnings on a sustained basis, which will allow it to provide its shareholders with stable dividend payments as well as to reduce the beta on its share price and therefore reduce its cost of capital.

Following are the key assumptions while calculating EVE and EaR.

- Average repricing maturity of non-maturity deposits (NMD)

Average repricing tenor and maturity of NMDs are derived using a combination of statistical tools, i.e. regression analysis and volatility measures using KSA banking sector and Bank's NMD historical data. The Bank's NMD deposit data is regressed against the key macro-economic variables using historical monthly data points.

- Prepayment rates of customer loans

Prepayment assumptions are based on prepayment behavior of loan book. The Bank uses historical data to analyze the prepayment behavior of loans.

- Inclusion of Commercial Margin in EVE calculations

For EVE measurement, the Bank applies discounting using relevant risk-free yield curves and excludes commercial margins from the projected cash flows. Accordingly, the EVE results reflect the sensitivity of the Bank's economic value to changes in benchmark interest rates only and do not incorporate changes attributable to commercial pricing spreads or product margins.

The Bank considers this approach appropriate for measuring pure interest rate risk exposure and consistent with internal IRRBB risk management practices and regulatory expectations. Any assumptions relating to the treatment of margins and spread components are subject to periodic review under the Bank's IRRBB governance framework.

**IRRBBA - IRRBB risk management objectives and policies (Quantitative disclosures) -
December 2025**

Quantitative disclosures		Years
1	Average repricing maturity assigned to non-maturity deposits (NMDs).	1.63 Years
2	Longest repricing maturity assigned to NMDs.	5 Years

IRRBB1 - Quantitative information on IRRBB - December 2025

(Figures in SR 000's)

In reporting currency	ΔEVE		ΔNII	
	T	T-1	T	T-1
Parallel up	-4,882,441	-4,302,154	-717,344	-458,920
Parallel down	6,115,517	5,508,914	711,395	452,410
Steeper	-2,470,934	-1,950,586		
Flattener	1,520,667	1,005,841		
Short rate up	-953,774	-1,077,210		
Short rate down	981,164	1,106,672		
Maximum	-4,882,441	-4,302,154	-717,344	-458,920
Period	T		T-1	
Tier 1 capital	49,482,510		38,723,783	

CVAA - General qualitative disclosure requirements related to CVA**An explanation and/or a description of the bank's processes**

The Bank regularly quantifies its CVA risk arising from its over-the-counter (OTC) derivative book, as part of its capital computation process and as required for its CVA/DVA accounting adjustments.

For CVA capital charge, the Bank follows the Reduced version of the BA-CVA as hedges are not recognized. For CVA/DVA accounting adjustment under IFRS 13, it uses the Monte-Carlo Simulation approach via a vendor system.

The Bank generally does not hedge its CVA risk given the size of such exposure has always been immaterial to the Bank's operations.

Whether the bank is eligible and has chosen to set its capital requirement for CVA at 100%

It is not applicable to the Bank as it adopted the Standard Approach to quantify its Minimum Capital Requirements for Market Risk in the trading book.

CVA1: The reduced basic approach for CVA (BA-CVA) - December 2025	(Figures in SR 000's)
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		a	b
		Components	BA-CVA RWA
1	Aggregation of systematic components of CVA risk	471,258	
2	Aggregation of idiosyncratic components of CVA risk	155,336	
3	Total		5,091,076

REMA : Remuneration Policy

Governance Framework of Remuneration System

The Board has appointed a Nomination and Remuneration Committee and approved its Terms of Reference. The Board is ultimately responsible for the overall design and oversight of the remuneration system that promote prudent risk-taking behaviors and business practices, and promoting effective governance, sound remuneration practices, ethical behavior and compliance with laws, regulations, and internal conduct standards, and ensuring accountability for misconduct.

The Remuneration Policy is given adequate consideration at the highest level with respect to the Bank's risk appetite and the need for stability of capital and liquidity. The governance process ensures that the Remuneration Policy is consistently applied within the Bank and operates as intended. The governance process has established an oversight mechanism to regularly evaluate the important design characteristics of the remuneration practices and their implementation. The responsibility of remuneration practice governance is shared between Board of Directors and Senior Management.

The Remuneration Policy is reviewed by the Nomination and Remuneration Committee and approved by the Board of Directors every three years, or when deemed necessary. The Nomination and Remuneration Committee has reviewed the Remuneration policy in 2024 subject to Saudi Central Bank (SAMA) Banks Remuneration Rules dated January 2023 and approved by the Board of Directors.

Scope of the Bank's Remuneration Policy

The Bank's Remuneration Policy is applicable to all full-time and part-time employees of ANB Group, including its branch in London, subject to any variations required by UK legislation, and its majority owned subsidiaries operating in the financial sector. Senior Management/Executive Management are covered under the Remuneration Policy for Board of Directors, Sub-board Committees and Executives Management approved by the General Assembly in April 2025.

The Remuneration Policy also defines Senior Management/Executive Management and employees considered as material risk-takers to be as follows:

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

2. Material Risk Takers: Employee's areas whose actions have a significant impact on the risk exposure of the Bank.

Design and Structure of Remuneration Processes

The remuneration system has been developed to offer an Employee Value Proposition to attract, retain and motivate potential talent so as to achieve the strategic objectives of the Bank in compliance with the Rules set out by the Saudi Central Bank ("SAMA") and are consistent with the rules and regulations issued by Capital Market Authority ("CMA"), and principles and standards by Financial Stability Board (FSB).

The policy aims at promoting effective risk management and achieving financial soundness and stability of the Bank. Whilst ensuring internal equity, it promotes fairness and transparency in the remuneration principles and processes. Moreover, it links remuneration with performance, both financial and non-financial. The broad structure of remuneration aligns remuneration with prudent risk, take into consideration risk capital, liquidity and the likelihood and timeliness of earnings.

The Remuneration Policy is reviewed by the Nomination and Remuneration Committee and approved by the Board of Directors every three years, or when deemed necessary. Nomination and Remuneration Committee has reviewed the Remuneration policy in 2024 subject to Saudi Central Bank (SAMA) Banks Remuneration Rules dated January 2023 and approved by the Board of Directors.

Bonus allocation and performance measurement of employees in Control Functions (Risk Management, Compliance, Internal Audit), are not determined by persons working in or associated with any business areas monitored by them, and financial contribution is largely irrelevant ensuring objectivity and independence.

Overview of the key risks considered for Remuneration Process

The Bank's net income is adjusted for all types of material risks, prior to allocating bonus to each individual, depending on the nature and complexity of the products involved by adopting the Risk Adjusted Return on Capital (RAROC) as the overarching technique to adjust the risk for all types of businesses. However, depending on the type and nature of the risk, the application of RAROC may vary as detailed below:

Credit Risk: Bank's income exposed to the credit risk is adjusted by way of Expected Loss (EL), estimated thru risk parameters, like Probability of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD). The adjustment is at the product level, like in the case of Retail, where PD, LGD and EAD are estimated for the total portfolio of Consumer Loans, Credit Card, Auto Lease, etc. For the Corporate book in contrast, these risk parameters are estimated at the borrower/facility level and accordingly, income is adjusted for each individual borrower.

Market Risk: The market risk, primarily inherent in the Trading Book, is adjusted for risk by way of Value at Risk (VaR) estimates.

Operational Risk: The operational risk is allocated to all the units of the Bank, and not just the profit centers. The adjustment is made by way of projecting the severity and likelihood of operational losses, which is derived from actual operational losses incurred during the previous three years.

Other Material Risks: All other material risks are assessed as part of the Pillar-II risk under Basel-II reporting. The major risks included under this category are primarily Concentration, Liquidity, Reputational and Interest Rate Risk in the Banking Book (IRRBB). These risks are allocated to various units of the Bank, depending on their involvement/responsibility in managing the relevant risk. The cost associated with liquidity and IRRBB risks, for instance, are used to adjust income of Treasury only. Similarly, the major part of reputational risk costs is allocated to front-end staff (mainly in Retail), who are in direct contact with external customers.

Linkage of performance measurement with levels of remuneration

The Board has appointed a Nomination and Remuneration Committee and approved its Terms of Reference. The Board is ultimately responsible for the overall design and oversight of the remuneration system that promote prudent risk-taking behaviours and business practices, and promoting effective governance, sound remuneration practices, ethical behavior and compliance with laws, regulations, and internal conduct standards, and ensuring accountability for misconduct.

The Remuneration Policy is given adequate consideration at the highest level with respect to the Bank's risk appetite and the need for stability of capital and liquidity. The governance process ensures that the Remuneration Policy is consistently applied within the Bank and operates as intended. The governance process has established an oversight mechanism to regularly evaluate the important design characteristics of the remuneration practices and their implementation. The responsibility of remuneration practice governance is shared between Board of Directors and Senior Management. The Remuneration Policy is reviewed by the Nomination and Remuneration Committee and approved by the Board of Directors every three years, or when deemed necessary.

The Nomination and Remuneration Committee has reviewed the Remuneration policy in 2024 subject to Saudi Central Bank (SAMA) Banks Remuneration Rules dated January 2023 and approved by the Board of Directors.

The Bank's Remuneration Policy is applicable to all full-time and part-time employees of ANB Group, including its branch in London, subject to any variations required by UK legislation, and its majority owned subsidiaries operating in the financial sector. Senior Management/Executive Management are covered under the Remuneration Policy for Board of Directors, Sub-board Committees and Executives Management approved by the General Assembly in April 2025.

The Remuneration Policy also defines Senior Management/Executive Management and employees considered as material risk-takers to be as follows:

1. Senior Management/Executive Management: The functions, roles and responsibilities entrusted to those positions who take, propose, and implement strategic decisions and manage the Bank's business processes including Senior Management positions that requires SAMA's non-objection for appointment.
2. Material Risk Takers: Employee's areas whose actions have a significant impact on the risk exposure of the Bank.

Adjustment of remuneration to take account of longer-term performance

Current and potential risks are taken into account when determining the size and distribution of the variable remuneration of Senior management as well as other employees whose actions have a material impact on the risk exposure of the bank where deferral of variable remuneration associated with current and potential risks, will apply as per the Bank's Shares Incentive Policy and Program:

- 1- At least a portion of 40 percent of their variable remuneration is awarded in shares and payable under deferral arrangements over a period of at least three years.
- 2- These proportions increase significantly along with the level of seniority and/or responsibility for Senior Executives and the most highly paid employees of at least above 60 percent of their variable remuneration is awarded in shares and payable under deferral arrangements over a period of at least three years.

In the event of negative contributions of the bank and/or the relevant line of business in any year during the vesting period, the Bank has the right through mechanisms such as in-year adjustment, malus or can also to claw back any unvested portions or paid amounts subject to the realized performance of the bank and the business line, considering the risks exposed to and adherence to rules, regulations and bank policies and procedures and ethical conduct.

Different forms of variable remuneration

Current and potential risks are taken into account when determining the size and distribution of the variable remuneration of Senior management as well as other employees whose actions have a material impact on the risk exposure of the bank where deferral of variable remuneration associated with current and potential risks, will apply as per the Bank's Shares Incentive Policy and Program:

- 1- At least a portion of 40 percent of their variable remuneration is awarded in shares and payable under deferral arrangements over a period of at least three years.
 - 2- These proportions increase significantly along with the level of seniority and/or responsibility for Senior Executives and the most highly paid employees of at least above 60 percent of their variable remuneration is awarded in shares and payable under deferral arrangements over a period of at least three years.
- ANB's remuneration structure offers different forms of variable remuneration the mix of different forms of variable remuneration:

-
- a) Annual Bonus in cash linked with bank/individual performance measurements
 - b) Incentive Schemes in cash for sales, collections, and service level employees
 - c) Annual Bonus in the form of shares for Senior Management, Material Risk Takers, and Retention.

The mix of variable remuneration differs across employees, considering role, responsibility and function/business area to which they belong, complexity of the tasks performed, skills set needed, industry practices, and market conditions.

REM1: Remuneration awarded during the financial year - December 2025

(Figures in SR 000's)

		a	b	
Remuneration amount		Senior management, as defined in SAMA circular No.42081293 date 21/11/1442AH	Other material risk-takers	
1	Fixed remuneration	Number of employee (Actual)	22	341
2		Total fixed remuneration (3 + 5 +7)	51,897	177,213
3		Of which: cash-based	51,897	177,213
4		Of which: deferred		
5		Of which: shares or other share-linked instruments		
6		Of which: deferred		
7		Of which: other forms		
8		Of which: deferred		
9	Variable remuneration	Number of employees	22	341
10		Total variable remuneration (11 + 13 + 15)	88,104	77,718
11		Of which: cash-based	41,485	58,679
12		Of which: deferred	7,310	4,280
13		Of which: shares or other share-linked instruments	46,619	19,039
14		Of which: deferred	46,619	19,039
15		Of which: other forms		
16		Of which: deferred		
17	Total remuneration (2 + 10)	140,001	254,931	

**REM2: Remuneration awarded during the financial year -
December 2025**

 (Figures in SR
000's)

Special payments	Guaranteed bonuses		Sign-on awards		Severance payments	
	Number of Employees	Total amount	Number of Employees	Total amount	Number of Employees	Total amount
Senior management	Nil		Nil		Nil	
Other material risk-takers	Nil		Nil		Nil	

REM3: Remuneration awarded during the financial year - December 2025 (Figures in SR 000's)

	a	b	c	d	e
Deferred and retained remuneration	Total amount of outstanding deferred remuneration	Of which: total amount of outstanding deferred and retained remuneration exposed to ex post explicit and/or	Total amount of amendment durign the year due to ex post explicit adjustment	Total amount of amendment durign the year due to ex post implicit adjustment *	Total amount of deferred remuneration paid out in the financial year
Senior management	9,110	9,110	0	1,800	7,310
Cash	9,110	9,110	0	1,800	7,310
Shares					
Cash-linked instruments					
Others					
Other material risk-takers	5,080	5,080	0	800	4,280
Cash	5,080	5,080	0	800	4,280
Shares					
Cash-linked instruments					
Others					
Total	14,190	14,190	0	2,600	11,590

*Outstanding exposed to ex post implicit adjustment represents the amount pertaining to employees, who have resigned from the services of the Bank, at the time of retention reward