

REMUNERATIONS & COMPENSATIONS

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

Remuneration Policy of Directors and Committees

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

1. GENERAL PROVISIONS FOR REMUNERATION

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

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

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

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

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

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

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

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

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

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

1. POLICY AND MECHANISMS OF REMUNERATIONS FOR EXECUTIVE MANAGEMENT MEMBERS

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

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

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

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

(1) Remunerations for current and previous Board of Directors

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

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

Clarifications:

(*) New members of the Board of Directors in the current term of the Board which began on April 17, 2022

(**) Members of the Board of Directors in the previous term of the Board whose term of office expired on 16 April 2022.

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

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

Clarifications:

(*) The new members of the committees in the current term, which began on April 17, 2022.

(**) Members of the committees in the previous term which ended on April 16, 2022.

(***) After the end of his membership in the previous term of the Board, he continued as a member from outside the Board

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

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

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

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

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

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

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

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