

## Bank Albilad invites its Shareholders to attend the Extraordinary General Assembly by Means of Modern Technology (First Meeting)

Explanation	Close
<b>Introduction</b>	The Board of Directors is pleased to invite the Bank's shareholders to participate and vote in the Extraordinary General Assembly Meeting (First Meeting) to be held, at 06:30 pm on Monday 11-10-1444H corresponding to 1-5-2023G, at the Bank's Head Office in Riyadh by means of modern technology.
<b>City and Location of the General Assembly's Meeting</b>	Head Office - Riyadh- by means of modern technology.
<b>URL for the Meeting Location</b>	<a href="https://login.tadawulaty.com.sa/ir/user/login.xhtml">https://login.tadawulaty.com.sa/ir/user/login.xhtml</a>
<b>Date of the General Assembly's Meeting</b>	2023-5-1 Corresponding to 1444-10-11
<b>Time of the General Assembly's Meeting</b>	18:30
<b>Attendance Eligibility</b>	Shareholders Registered in the Bank's Shareholders record in Securities Depository Center Company (Edaa) at the End of the Trading Session Preceding the General Assembly's Meeting as per Laws and Regulations
<b>Quorum for Convening the General Assembly's Meeting</b>	According to Article (32) of the bank's Articles of Association, an extraordinary general assembly meeting is valid if attended by shareholders who represent at least half of the capital. In the event that the quorum is not completed in the first meeting, the second meeting will be held one hour after the time of the first meeting, and the second meeting will be considered valid if attended by shareholders who represent at least a quarter of the capital.
<b>General Assembly Meeting Agenda</b>	<ol style="list-style-type: none"> <li>1) Viewing and discussing the Board of Directors' report for the fiscal year ending on 31 December 2022.</li> <li>2) To Vote on the external auditors report for the fiscal year ending on 31 December 2022 after discussed.</li> <li>3) Viewing and discussing the financial statements for the fiscal year ending on 31 December 2022.</li> <li>4) To Vote on appointing the auditors for the Bank from among the candidates based on the Audit Committee's recommendation. The appointed auditors shall examine, review and audit the (second, third) quarter and annual financial statements of the fiscal year 2023, and the first quarter of the fiscal year 2024, and the determination of the auditors' remuneration.</li> </ol>

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	<p>5) To Vote on releasing the members of the Board of Directors from their liabilities for the fiscal year ending on 31 December 2022.</p> <p>6) To Vote on delegating the Board of Directors to distribute interim dividends on a semi-annual or quarterly basis for the fiscal year 2023.</p> <p>7) To Vote on paying an amount of (SAR 3,200,000) as remuneration to the Board members by (320) thousand riyals for each member for the fiscal year ending on 31 December 2022.</p> <p>8) To Vote on the recommendation of the Board of Directors to distribute cash dividends to shareholders for 2022 with SAR (0.5) per share representing (5%) of the nominal value of the share, with a total amount of SAR (500) million, noting that the eligibility of dividend shall be for the bank's shareholders who own shares at the end of the trading day of the general assembly meeting and who are registered in the bank's shareholders register at Securities Depository Center Company (Edaa) at the end of the second trading day following the general assembly meeting noting that the dividends distribution commences on 10 May 2023.</p> <p>9) To Vote on delegating to the Board of Directors the authorisation powers of the General Assembly stipulated in paragraph (1) of Article 27 of the Companies Law, for a period of one year starting from the date of the approval by the General Assembly or until the end of the delegated Board of Directors' term, whichever is earlier, in accordance with the conditions set forth in the Implementing Regulation of the Companies Law for Listed Joint Stock Companies</p> <p>10) To Vote on delegating to the Board of Directors the authorisation powers of the General Assembly stipulated in paragraph (2) of Article 27 of the Companies Law, for a period of one year starting from the date of the approval by the General Assembly or until the end of the delegated Board of Directors' term, whichever is earlier, in accordance with the conditions set forth in the Implementing Regulation of the Companies Law for Listed Joint Stock Companies.</p> <p>11) To Vote on the Employee Shares Program and authorizing the Board of Directors to determine its conditions including the allocation price for each share offered to employees.</p> <p>12) To Vote on the purchase by Bank of a number of its shares with a maximum of (5,000,000) of its shares and allocating them as treasury shares within Employee Shares Program. The purchase of shares is funded from the Bank's internal resources and authorizing the Board of Directors or</p>

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	<p>whoever it delegates to complete the purchase with the period (12 month) from the date of the Assembly's approval including the allocation price for each share offered to employees. The purchased shares are kept until (10 years) from the date of EGM approval and after this period has passed the Bank will follow the procedures and mandatory in the relevant laws and regulations (subject to approving item number 11)</p> <p>13) To Vote on the amendment of the remuneration policy for members of the Board of Directors, its committees, and senior executives (Attached)</p>
<b>Proxy Form</b>	<b>N/A</b>
<b>E-Vote</b>	<p>Registered shareholders in Tadawulaty services can vote remotely on the general Assembly's meeting agenda starting from 01:00 am, Thursday 07/10/1444H (27/04/2023G), until the end of the Assembly meeting, the service is Provided by Edaa Center free of charge for all shareholders. Registration and voting can be done through the following link: <a href="https://login.tadawulaty.com.sa/ir/user/login.xhtml">https://login.tadawulaty.com.sa/ir/user/login.xhtml</a></p>
<b>Eligibility for Attendance Registration and Voting</b>	<p>Eligibility for Registering the Attendance of the General Assembly's Meeting Ends upon the Convenience of the General Assembly's Meeting. Eligibility for Voting on the Business of the Meeting Agenda Ends upon the Counting Committee Concludes Counting the Votes. The attending shareholders are also entitled to discuss the agenda items and ask questions.</p>
<b>Method of Communication</b>	<p>We would like to inform all shareholders that there will be a live broadcast of the meeting through the link available in Tadawulaty system, and all questions of our valued shareholders will be received during the meeting.</p> <p>For any quires, please contact Investor Relations Department at Phone Number: 00966 11 4798585 Email: <a href="mailto:shareholders@bankalbilad.com">shareholders@bankalbilad.com</a></p>
<b>Additional Information</b>	<p>We would like to draw the attention of the non-resident foreign investors that the cash dividend distribution which is transferred by the resident financial broker is subject to withholding tax of 5%, in accordance with the provisions of article 68 of the income tax law and article 63 of its implementing regulation.</p> <p>And we would like to advise all shareholders to update their investment account information with the financial broker to avoid any issue on receiving the announced dividends.</p>

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	<p>Shareholders who have not received their dividends for previous periods, a dividends search tool has been added in the Banks website under the link: <a href="https://www.bankalbilad.com/ar/about/investor-relations/Pages/unclaimed-dividends.aspx">https://www.bankalbilad.com/ar/about/investor-relations/Pages/unclaimed-dividends.aspx</a></p>

Audit Committee Annual Report to the General  
Assembly for the fiscal year 2022

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## 1. Introduction

The Audit Committee is an independent committee formed by a decision from the Bank's Ordinary General Assembly, with the objective of enhancing the bank's Shareholders and other stakeholders' confidence in the fairness of the bank's financial statements and enhancing the bank's control environment. Article 91 of the Corporate Governance regulations requires the Audit Committee to prepare an annual report to the bank's General Assembly detailing its activities that have been taken to satisfy its roles and responsibilities as stated in the committee's charter. Accordingly, the Audit Committee prepared this report to the General Assembly of the bank with the aim to provide the bank's shareholders and other stakeholders with an overview of the Audit Committee's key activities that have been undertaken within the scope of its set roles and responsibilities.

## 2. Committee Meetings

The Audit Committee held seven meetings during 2022 and submitted its minutes of meetings and quarterly activities' reports to the Board of Directors to provide reasonable assurances on the effectiveness of bank's control environment.

## 3. Committee 's Activities during 2022

The audit committee performed its activities in accordance with its charter and implemented all the items of its annual plan for 2022. The following is a summary of the audit committee key activities during the year:

### a) Financial statements

According to its responsibilities regarding the bank's financial statements the audit committee undertook this role by reviewing the bank's financial statements (quarterly and annually), discussing the important matters with the bank's Finance Division and External Auditors, ensuring that the financial statements disclosures are adequate and in line with accounting policies and standards, ensuring external auditors independence. Accordingly and upon external auditors confirmation that there were no material misstatements in the Bank's consolidated financial statements, as well as reasonable assurances from external auditors and the Finance division on the fairness of those financial statements, the Committee articulated its opinion and recommendations to the Board of Directors on them.

## b) External auditors

As part of its activities for 2022, the Audit committee has overseen the external auditors duties, monitored their performance and ensured their independence. Below is a summary of the audit committee's activities in this regard:

- Recommending to the Board of Directors the appointment of the bank's external auditors based on its study of the financial and technical analysis of the offers submitted by the nominated offices.
- Review and approve the external auditors' annual audit plan.
- Verify the independence of external auditors in accordance with professional regulations and standards.
- Evaluating the performance of external auditors in accordance with the evaluation criteria adopted by the Committee.
- Discussing the external auditor's annual management letter and ensuring that Internal Audit is following up the implementation of the corrective action plans submitted by the relevant departments in accordance with the set target dates.

## c) Internal audit

The Audit committee directly supervised the Internal Audit Division (IAD) activities and ensured its objectivity, independence, effectiveness of its working practices, as well as the availability of the resources required by the division to carry out its function effectively. The Committee's key activities that relate to IAD included the following:

- Approval of Internal Audit plan that takes in consideration the Bank's strategic plans, Governance & compliance requirements, and the risks associated with the Bank's business.
- Follow-up IAD's activities through IAD's periodic progress reports that include detailed presentation of the Annual Audit plan implementation progress, the released audit reports, and important reported audit issues.
- Follow-up on the progress in closing IAD reported observations which resulted in remarkable progress in the percentage of closing audit observations and non-existence of overdue audit observations and contributed to strengthening the Bank's Internal control environment.
- Appointing an independent Consultant to perform the external quality assessment for IAD activities.
- Recommend to Board of Directors to approve IAD updated Policy.
- Recommend to the Board of directors to approve IAD updated Organization Structure.

- Approve IAD updated audit manual.
- Evaluate the performance of Chief Audit Executive.
- Approve IAD annual Budget.
- Supported IAD value-added initiatives and activities that have contributed to the improvement of the bank's performance and level compliance with regulatory requirements and bank's policies and procedures.

#### **d) Sharia Audit**

The oversight role of audit committee related to Sharia audit function includes mainly the following:

- Approval of Sharia audit annual plan.
- Follow-up on the progress in implementing Sharia audit plan through periodic reports, which include detailed presentations on the progress in implementing their plan, the released Audit reports and important observations raised during each period.
- Follow-up on the progress in closing Sharia audit reported observations.

#### **e) Compliance**

The Audit committee contributed to Bank compliance with external regulatory requirements and bank's policies and procedures through discussion and follow-up on the reports related to weakness in the level of compliance and providing its recommendation in this regard. The committee's key activities that relate to enhancement of the bank's level of compliance include the following:

- The Committee discussed with the Chief Compliance Officer the periodic reports received from Compliance & Anti-Financial Crime Division which included the bank's compliance activities, Anti Money Laundering activities, penalties and violations, actions taken by the bank to address the root causes of penalties & violation and the adequacy of efforts to improve the level of compliance by the bank.
- Review reports received from the Central Bank and follow up on the progress in closing the observations contained in those reports.
- In accordance with the requirements of Article 55 of the Corporate Governance regulations, the committee reviewed the proposed contracts and transactions with related parties that have been referred to the Committee and provided its opinions to the Board of Directors.

## 4. Opinion of Audit Committee on the Adequacy of Internal Control System

The Bank's executive management is responsible for creating an appropriate and effective internal control system that includes development of policies and procedures under the supervision of the Board of Directors to achieve the Bank's strategic objectives. Accordingly, the bank has established an integrated internal control system as recommended by regulatory bodies.

This system starts by setting the general governance framework that sets the roles, authorities, and responsibilities to the board of directors and its sub committees as well as the bank's management committees to ensure existence of the required monitoring at the bank's overall level. In addition, all the bank's Divisions and Departments are working continuously to improve the internal control environment within the bank through continuous review and update of its policies and procedures to fix any discovered issues in the bank's internal control System. Taking in consideration, internal audit reports, regulatory bodies reports, meetings with external auditors and the bank's executive management, as well as other topics discussed during the Committee's meetings, the Audit Committee considers that the current internal control system is adequately designed, functions effectively, regularly monitored and that there is no fundamental weakness in the Bank's internal control system for fiscal year 2022. However, it is worth to mention that any internal control system regardless of its sound design and effectiveness cannot provide absolute assurance.

**Chairman of the Audit Committee**

**Adeeb Mohammed Abanumai**

Proposed Amendment to the Remuneration Policy for the Board of Directors Members, its Committees and Senior Management –March 2023

Article before Amendment	Proposed Amendment	Reasons for Amendment
Remuneration policy for members of the Board of Directors, its committees and senior executives	<ul style="list-style-type: none"> <li>Remuneration policy for members of the Board of Directors and its committees <b>and senior management</b></li> </ul>	
<p><b>1. The general provisions and rules:</b></p> <p>The remuneration of the members of the Board of Directors and its committees is subject to the provisions related to the Companies Law and regulations such as the regulatory controls and procedures issued in implementation of the Companies Law for listed joint-stock enterprises, the updated corporate governance regulations, and the relevant circulars and principles of the Saudi Arabian Monetary Agency and statute of the Bank. The standards and provisions shall be defined by this policy, the most important of which include:</p>	<ul style="list-style-type: none"> <li><b>The general provisions and rules:</b></li> <li>The remuneration of the members of the Board of Directors, its committees and Senior management is subject to the provisions related to the Companies Law and regulations such as implementing regulations of listed joint-stock enterprises, the updated corporate governance regulations, and the relevant circulars and principles of the Saudi Central Bank and the statute of the Bank. The standards and provisions shall be defined by this policy, the most important of which include:</li> </ul>	
<p><b>1-1 General provisions for remunerations:</b></p> <p>1-1-1 <b>Definition of remuneration:</b> According to the regulatory controls and procedures issued in implementation of the Companies Law for listed joint-stock enterprises and the updated corporate governance regulations, remunerations are the "amounts, allowances, earnings and the like, periodic or</p>	<ul style="list-style-type: none"> <li> <ul style="list-style-type: none"> <li><b>General provisions and rules:</b> <ul style="list-style-type: none"> <li><b>Definitions and terms:</b></li> </ul> </li> </ul> </li> <li>Wherever used herein, the following words and expressions shall have the same meanings given opposite thereto, unless the context shall otherwise require:</li> </ul>	

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Article before Amendment	Proposed Amendment	Reasons for Amendment
<p>annual remunerations associated with performance and short-term or long-term incentive plans and any in-kind benefits except for the reasonable actual expenses incurred by the company on the Board of Directors member to carry out his work.</p> <p>1-1-2 The amount paid to the Board of Directors members shall not exceed (5%) five percent of net profits. In all cases the total remuneration and financial or in-kind benefits received by a member of the Board of Directors shall not exceed (500) five hundred thousand riyals annually, including the attendance allowance, which shall not be more than (5000) five thousand riyals per meeting, in accordance with the controls prescribed in the Companies Law, the regulatory controls and procedures for the Companies Law and corporate governance regulations, the principles and instructions (circulars) of the Saudi Arabian Monetary Agency, and the relevant policies of the Bank.</p>	<ul style="list-style-type: none"> <li>▪ <b>Definition of remunerations :</b> According to the implementing regulations of the Companies Law for listed joint-stock enterprises and the updated corporate governance regulations, remunerations are the "amounts, allowances, earnings and the like, periodic or annual remunerations associated with performance and short-term or long-term incentive plans and any in-kind benefits (as for what applies to the Board of Directors members and its committees, the reasonable actual expenses incurred by the Bank on behalf of the member to carry out his work <b>shall be excepted in accordance with the relevant policy, policies and controls.</b>"</li> <li>▪ <b>Definition of senior management:</b> <b>senior management shall mean the functions and roles responsible for implementing strategic decisions and managing the Bank's support process</b></li> </ul>	

Proposed Amendment to the Remuneration Policy for the Board of Directors Members, its Committees and Senior Management –March 2023

Article before Amendment	Proposed Amendment	Reasons for Amendment
<p>1-1-3 The actual value of the expenses incurred by the member to attend the meetings of the Board of Directors and its committees, including accommodation and travel expenses shall not be included in the maximum remuneration provided for in the abovementioned paragraph in accordance with what is determined by this policy and related policies and documents.</p> <p>1-1-4 A member of the Board of Directors may receive a remuneration for his membership in the audit committee formed by the General Assembly, or for any additional executive, technical, administrative, or advisory work or positions under a professional license assigned to him in the Bank. This is in addition to the remuneration that he may get in his capacity as a member of the Board of Directors and in the committees</p>	<p>(members of the Management Committee), including top management positions that require the Saudi Central Bank makes no objection to appointment.</p>	

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Article before Amendment	Proposed Amendment	Reasons for Amendment
<p>formed by the Board of Directors in accordance with the Companies' Law, the corporate statute and this policy.</p> <p>1-1-5 The Board of Directors' (annual) report to the Bank's General Assembly – according to the attached table – shall include a comprehensive statement of all the sums received by the members during the Bank's fiscal year, including lump sum bonuses, attendance allowances, petty cash, and other cash or in-kind benefits. The report shall also include a statement of the sums obtained by the members of the Board in their capacity as authorized employees of the Bank, workers or administrators, or what they have received in return for technical or administrative services or consultations. The Board of Directors shall also provide in its annual report details on</p>		

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Article before Amendment	Proposed Amendment	Reasons for Amendment
<p>the policies related to remuneration and the mechanisms for determining them.</p> <p>1-1-6 In the event that any member of the committees is from absent from the meetings, an amount is deducted from his annual remuneration proportional to his absence rate, by dividing the total amount of remuneration by the total number of meetings held by the committee during the year and deducting the remuneration payable to the member for the meeting or meetings he has not attended.</p> <p>1-1-7 Members of the Board of Directors may not vote on the item of remuneration for members of the Board of Directors in the General Assembly.</p> <p>1-1-8 If the General Assembly decides to terminate the membership of a member of the Board of Directors who is absent because of his failure to attend three consecutive meetings of the Board without a legitimate excuse, this member shall</p>		

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<p>not be entitled to any remuneration for the period following the last meeting he attended and he shall return all the remuneration paid to him for that period.</p> <p>1-1-9 The remuneration of the members of the Board of Directors may vary in amount to reflect the member's experience, competencies, tasks assigned to him, his independence, the number of sessions he attends and other considerations.</p>		
<p><b>1-2 General Standards for determining remunerations:</b> The main standards for determining remunerations include:</p> <p>1-2-1 The remunerations shall be incentivizing –without any exaggeration - and determined with the purpose of attracting and retaining competencies and professional experiences.</p>	<p align="center">▪ <b>General Standards for determining remunerations:</b></p> <ul style="list-style-type: none"> <li>• The main standards for determining remunerations include: <ul style="list-style-type: none"> <li>• The remunerations shall be reasonably sufficient for attracting competencies and appropriate professional experiences, motivating, and retaining them, taking into</li> </ul> </li> </ul>	

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Article before Amendment	Proposed Amendment	Reasons for Amendment
<p>1-2-2 The remunerations shall be fair and proportional to the specialties, tasks and responsibilities assigned to a member during the fiscal year.</p> <p>1-2-3 If it appears to the Audit Committee, the Authority, or any relevant supervisory or oversight entity that the remunerations paid to any of the members of the Board of Directors, any of its committees are based on incorrect or misleading information that was presented to the General Assembly or included in the annual report of the Board of Directors, the member shall return it to the Bank, and the Bank has the right to ask him to return it.</p> <p>1-2-4 The remuneration of the independent members of the Board of Directors shall not be a percentage of the profits made by the company</p>	<p>consideration the Bank's business size and the sector that it works in.</p> <ul style="list-style-type: none"> <li>▪ The remunerations shall be fair and proportional to the specialties, tasks and responsibilities assigned during the fiscal year as well as <b>the academic and practical experiences.</b> <ul style="list-style-type: none"> <li>• <b>The remunerations shall be built on a recommendation by the Nominations and Remunerations Committee.</b></li> </ul> </li> </ul>	

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Article before Amendment	Proposed Amendment	Reasons for Amendment
<p>or be based directly or indirectly on the profitability of the Bank.</p> <p>1-2-5 The policy mechanism that the company adopts to apply, review, and assess how effectively it achieves its objectives shall be specified.</p>		
	<ul style="list-style-type: none"> <li>▪ <b>General provisions for the remuneration of the Board of Directors and its committees:</b> <ul style="list-style-type: none"> <li>• The sum of the remunerations and financial or in-kind benefits that a member of the Board of Directors receives shall not exceed <b>the maximum determined by the regulations and instructions of the regulatory and supervisory authorities.</b></li> <li>• The actual value of the expenses incurred by the member to attend the meetings of the Board of Directors and its committees,</li> </ul> </li> </ul>	<p>According to the new Companies Law and the implementin</p>

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Article before Amendment	Proposed Amendment	Reasons for Amendment
	<p>including accommodation and travel expenses shall not be included in the maximum remuneration provided for in the abovementioned paragraph in accordance with what is determined by this policy and related policies and documents</p> <ul style="list-style-type: none"> <li>• A member of the Board of Directors may receive a remuneration for his membership in the audit committee formed by the General Assembly, or for any additional executive, technical, administrative or advisory work or positions under a professional license assigned to him in the Bank. This is in addition to the remuneration that he may get in his capacity as a member of the Board of Directors and in the committees formed by</li> </ul>	<p>g regulations of the companies' law for listed companies</p>

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	<p>the Board of Directors in accordance with relevant regulations and laws as well as the corporate statute and this policy.</p> <ul style="list-style-type: none"> <li>The Board of Directors' (annual) report to the Bank's General Assembly – according to the attached table – shall include a comprehensive statement of all the sums received by the members or <b>those entitled to them</b> during the Bank's fiscal year, including lump sum bonuses, attendance allowances, expense allowance, and other cash or in-kind benefits. The report shall also include a statement of the sums obtained by the members of the Board in their capacity as authorized employees of the Bank, workers, or administrators, or what they have received in return for</li> </ul>	

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	<p>technical or administrative services or consultations. <b>The report shall also contain a statement of the Board's sessions and the number of sessions attended by each member.</b> The Board of Directors shall also provide in its annual report details on the policies related to remunerations and the mechanisms for determining them.</p> <ul style="list-style-type: none"> <li>• The members of the Board of Directors may not vote on the item of the remunerations of the members of the Board of Directors at the General Assembly.</li> <li>• If the General Assembly decides to terminate the membership of a member of the Board of Directors who is absent because of his failure to attend three consecutive or <b>five separate meetings</b> of</li> </ul>	<p><b>With reformulation and rearrangement</b></p>

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	<p>the Board without a legitimate excuse, this member shall not be entitled to any remuneration for the period following the last meeting he attended and he shall return all the remuneration paid to him for that period.</p> <ul style="list-style-type: none"> <li>• The remuneration of the members of the Board of Directors may vary in amount to reflect the member’s experience, competencies, tasks assigned to him, his independence, the number of sessions he attends and other considerations.</li> <li>• If it appears to the Audit Committee, the Authority, or any relevant supervisory or oversight entity that the remunerations paid to any of the members of the Board of Directors or any of its committees are based</li> </ul>	

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	<p>on incorrect or misleading information that was presented to the General Assembly or included in the annual report of the Board of Directors, the member shall return it to the Bank, and the Bank has the right to ask him to return it</p> <ul style="list-style-type: none"> <li>• The remuneration of the independent members of the Board of Directors shall not be a percentage of the profits made by the company or be based directly or indirectly on the profitability of the Bank.</li> </ul>	
	<ul style="list-style-type: none"> <li>▪ <b>General provisions for senior management remunerations:</b></li> <li>• The remunerations of employees in general and <b>members of senior management</b> in particular shall comply with the laws, regulations,</li> </ul>	<p>to correspond with the (updated) rules of bank</p>

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	<p>principles and rules of the Saudi Central Bank and the relevant Bank's documents, in particular taking into account the following:</p> <ul style="list-style-type: none"> <li>• 4.1.1.1 The standards and controls set forth in the “Bank Remunerations Rules” issued by the Saudi Central Bank.</li> <li>• 4.1.1.2 The policy and decisions issued by the Board of Directors - on the recommendation of the Nominations and Remunerations Committee - regarding compensation and benefits (remunerations), and the mechanisms for determining them for the Bank’s employees and senior management, provided that the specific standards and controls stated in the bank remuneration rules issued by the Saudi Central Bank are taken into consideration. Remunerations shall be defined by the mechanism policy that the Bank adopts when applying and reviewing it and assessing its effectiveness in achieving its objectives.</li> <li>• 4.1.1.3 The Board of Directors’ (annual) report submitted to the Bank’s General Assembly at its annual meeting shall disclose the</li> </ul>	<p>remuneration s issued by the Saudi Central Bank</p>

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	<p>remunerations of five senior executives who received the highest remunerations from the company, provided that are the Chief Executive Officer, and the Chief Financial Officer are among them.</p>	
<p><b>2 Mechanisms for determining remunerations:</b></p> <p><b>2-1 Remunerations of the Board members and its committees:</b></p> <p>1.1.2 Taking into account the provisions of the general rules above, 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 enterprises, the updated corporate governance regulations, and the relevant circulars and principles of the Saudi Central Bank, especially those related to the minimum and the maximum that shall not exceed five hundred thousand</p>	<ul style="list-style-type: none"> <li>• <b>Mechanisms for determining remunerations:</b> <ul style="list-style-type: none"> <li>○ <b>Remuneration of the Board members and its committees:</b> <ul style="list-style-type: none"> <li>▪ Taking into account the abovementioned general rules and in accordance with the implementing regulations of the Companies' Law related to listed joint stock enterprises, the updated corporate governance regulations, and the relevant circulars and principles of the Central Bank of Saudi Arabia, the remunerations of the Board members and its committees shall be determined in accordance with the policies, mechanisms and/or decisions issued by the Board of Directors.</li> <li>▪ Each member of the Board of Directors shall be paid - in addition to the lump sum remuneration and the</li> </ul> </li> </ul> </li> </ul>	<p>According to the new Companies Law and the implementing regulations of the Companies' Law for listed companies</p>

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Article before Amendment	Proposed Amendment	Reasons for Amendment
<p>Saudi riyals (500,000 riyals). The mechanisms for determining the remunerations for those targeted by this policy, including the the Board members and its committees are specified in accordance with the policies and decisions issued by the Board of Directors, taking into account the provisions of the Audit Committee in accordance with the Companies Law and its regulations and the relevant regulatory controls and regulations in particular.</p> <p>2.1.2 Each member of the Board of Directors shall be paid - in addition to the lump sum remuneration and the attendance allowance amount in accordance with the controls described above - 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.</p>	<p>attendance allowance amount in accordance with the controls described above - 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</p> <ul style="list-style-type: none"> <li>▪ Each (external) member of the Board Committees who is not a member of the Board of Directors shall be paid - in addition to the lump sum remuneration and the amount of the attendance allowance in accordance with the controls stated above - the value of the actual expenses incurred by the member to attend the committee meetings, including accommodation expenses and business class travel air expenses</li> </ul>	

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<p>3.1.2 Each (external) member of the Board Committees who is not a member of the Board of Directors shall be paid - in addition to the lump sum remuneration and the amount of the attendance allowance in accordance with the controls stated above - the value of the actual expenses incurred by the member to attend the committee meetings, including accommodation expenses and business class travel air expenses.</p>		
<p><b>2.2 Remunerations of Senior Executives:</b> Taking into account the applicable general rules and standards mentioned above and in accordance with what is stated in the relevant laws and regulations, the updated corporate governance regulations, and the circulars and principles of the Saudi Arabian Monetary Agency, the mechanisms for determining employee remunerations in general and senior executives in particular, shall be determined in accordance with the policies and decisions issued by the Board of Directors, taking into account the relevant controls and standards,</p>	<ul style="list-style-type: none"> <li>○ Remunerations of the <b>members of senior management:</b> <ul style="list-style-type: none"> <li>▪ Taking into account the applicable general rules and standards mentioned above and in accordance with the relevant laws and regulations in general and the principles and rules of the Saudi central Bank in particular, the mechanisms for determining employee remunerations in general and senior management in particular shall be determined in accordance with relevant standards and controls</li> </ul> </li> </ul>	<p>to correspond with the (updated) bank remuneration rules issued</p>

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Article before Amendment	Proposed Amendment	Reasons for Amendment
<p>especially those stated in the nomination and remunerations regulations approved by the General Assembly and the remuneration-related rules issued by the Saudi Arabian Monetary Agency, including:</p> <p>1.2.2 The remunerations shall be aligned with the Bank's strategy and objectives.</p> <p>2.2.2 Criteria for giving remunerations and the mechanism for disclosing them shall be specified and their implementation shall be verified.</p> <p>3.2.2 Remuneration standards shall be linked to performance.</p> <p>4.2.2 Remunerations shall be determined according to the job level as well as the tasks and responsibilities assigned to its occupant, educational qualifications, practical experience, skills, and level of performance.</p> <p>5.2.2 Remunerations shall match the size, nature and degree of the Bank's risks, and the remunerations shall be determined.</p>	<p>detailed in "the bank remuneration rules" issued by the Saudi Central Bank, especially those related to linking the payment of remunerations and their type with risks, including long-term, short-term and deferred remunerations, in accordance with the specified percentages and periods. The following shall be taken into account:</p> <ul style="list-style-type: none"> <li>• The remunerations shall be aligned with the Bank's strategy and objectives.</li> <li>• Criteria for giving remunerations and the mechanism for disclosing them shall be determined and their implementation shall be verified.</li> <li>• Remuneration standards shall be linked to performance.</li> <li>• Remunerations shall be determined according to the job level as well as the</li> </ul>	<p>by the Saudi Central Bank</p>

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Article before Amendment	Proposed Amendment	Reasons for Amendment
<p>6.2.2 The base of remunerations and incentives related to performance shall be determined according to the profit rate associated with the degree of risk, and in accordance with the controls, standards, rules and principles of the Saudi Arabian Monetary Agency related to remunerations and incentives, and the principles and standards of the Council concerned with financial stability.</p>	<p>tasks and responsibilities assigned to its occupant, educational qualifications, practical experience, skills and level of performance.</p> <ul style="list-style-type: none"> <li>• Remunerations shall match the size, nature and degree of the Bank's risks, and the remunerations shall be determined.</li> <li>• The base of remunerations and incentives related to performance shall be determined according to the profit rate associated with the degree of risk, and in accordance with the controls, standards, rules and principles of the Saudi Arabian Monetary Agency related to remunerations and incentives as well as the relevant principles and standards.</li> </ul>	

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Article before Amendment	Proposed Amendment	Reasons for Amendment
	<ul style="list-style-type: none"> <li>▪ The Board of Directors shall issue - on the recommendation of the Nominations Committee - the policy for remunerations (compensation and benefits) of the Bank's employees and senior management, and the mechanisms for determining them, provided that, in addition to what is mentioned above, the standards and controls stated in "the bank remuneration rules" issued by the Saudi Central Bank shall be taken into account. The policy shall specify the mechanism used by the Bank to apply and review it and assess how effectively it achieves its objectives in accordance with the following.</li> </ul>	
<p><b>3</b> Mechanisms for monitoring the implementation and assessment of the policy:</p> <p><b>3.1</b> The Nomination and Remuneration Committee shall develop a mechanism for implementing and reviewing this policy and</p>	<ul style="list-style-type: none"> <li>• Mechanisms for monitoring the implementation and assessment of the policy:             <ul style="list-style-type: none"> <li>• 3-1 The Nomination and Remuneration Committee shall ensure that this policy is implemented, reviewed, and assessed how effectively it</li> </ul> </li> </ul>	

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Article before Amendment	Proposed Amendment	Reasons for Amendment
<p>assess how effectively it achieves the established objectives. It may hire consultants or experts from inside or outside the Bank to carry out some of the work and tasks assigned to it in this regard, provided that the mechanism includes the following:</p> <p>3.1.1 The time that a member should dedicate for for the work of the Board or committee based on the number of the expected or planned sessions, work size, expected tasks, and so on in accordance with the best standards and applications.</p> <p>3.1.2 Rules regulating the granting of shares in the Bank to members of the Board of Directors and Executive Management, whether in the form of a new issue or shares purchased by the Bank, if so decided.</p> <p>3.1.3 Specifying the standards, controls and cases in which remunerations and/or any additional compensation may be paid to any of the members of the Board or one of its committees in return for his contribution and extra effort, or any additional executive, technical, administrative or advisory</p>	<p>achieves the established objectives. It may hire consultants or experts from inside or outside the Bank to carry out some of the work and tasks assigned to it in this regard, provided that the mechanism includes the following:</p> <ul style="list-style-type: none"> <li>▪ The time that a member should dedicate for for the work of the Board or committee based on the number of the expected or planned sessions, work size, expected tasks, and so on in accordance with the best standards and applications.</li> <li>▪ Rules regulating the granting of shares in the Bank to members of the Board of Directors and Executive Management, whether in the form of a new issue or shares purchased by the Bank, if so decided.</li> <li>▪ Specifying the standards, controls and cases in which remunerations and/or any additional compensation may be paid to any of the members of the Board or one of its committees in return for</li> </ul>	

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Article before Amendment	Proposed Amendment	Reasons for Amendment
<p>work or positions - under a professional license - assigned to him, in addition to the remuneration and compensation he receives – in accordance with the Companies Law and the company's statutes - for his membership in the Board and in the committees set up by the Board, and in accordance with the relevant rules, regulations, decisions and instructions.</p> <p><b>3.2</b> The policy shall be periodically monitored, reviewed and updated at least on a biennial basis or whenever necessary.</p>	<p>his contribution and extra effort, or any additional executive, technical, administrative or advisory work or positions - under a professional license - assigned to him, in addition to the remuneration and compensation he receives – in accordance with the Companies Law and the company's statutes - for his membership in the Board and in the committees set up by the Board, and in accordance with the relevant rules, regulations, decisions and instructions.</p> <ul style="list-style-type: none"> <li>○ The policy shall be periodically monitored, reviewed <b>in accordance with the relevant controls</b> or whenever necessary.</li> </ul>	
<p><b>4 Approving the issuance, development, and adjustment of the policy</b></p> <p>The issuance and updating/adjustment of this policy shall be approved by the General Assembly on the recommendation of the Board of</p>	<ul style="list-style-type: none"> <li>• <b>Issuing, updating, and adjusting the policy:</b></li> <li>• The issuance and updating/ adjustment of this policy shall be approved by the General Assembly on the recommendation of the Board of Directors, based on the recommendation of the Nomination and</li> </ul>	

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Article before Amendment	Proposed Amendment	Reasons for Amendment
Directors, based on the recommendation of the Nomination and Remuneration Committee.	Remuneration Committee. <b>The policy shall be reviewed on a biennial basis, taking into account the general final rules below.</b>	
	<ul style="list-style-type: none"> <li>• <b>General and final rules and provisions:</b> <ul style="list-style-type: none"> <li>○ This policy shall be considered the basis for everything related to the remuneration of the members of the Board of Directors, its committees and senior management and a supplement to it - in a way that does not conflict with its compulsory provisions and the relevant rules and regulations and the Bank's statute - the policies and decisions issued by the Board of Directors and in accordance with what is stated in this policy.</li> <li>○ The terms and provisions of this policy shall express the regulations, laws, rules, and controls issued by the binding regulatory authorities that come into force as soon as they are issued. In the event that any adjustments are made to it or any difference between them arises. The emerging and binding adjustments shall be complied with on the date specified for</li> </ul> </li> </ul>	to correspond with the (updated) bank remuneration rules issued by the Saudi Central Bank,

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Article before Amendment	Proposed Amendment	Reasons for Amendment
	<p>compliance. The rules and provisions stated in the policy shall be updated / adjusted with the approval of the Board of Directors.</p>	

- **DISCLAIMER:** The English version of the amendments is made for information purposes only, In case of a discrepancy, the Arabic version shall prevail.

## نموذج التوكيل Proxy Form

Dear Bank Albilad's Shareholders

السادة مساهمي بنك البلاد الكرام

The proxy form is not available as the general assembly meeting will be conducted by means of modern technology. The shareholders can participate in the General Assembly via electronic voting by the using Tadawulaty platform. Noting that the registration and voting in Tadawulaty service is available free of charge for all shareholders.

نموذج التوكيل غير متاح حيث سيتم بالاكْتفاء بعقد اجتماع الجمعية العامة عبر وسائل التقنية الحديثة عن بُعد، ويمكن للسادة المساهمين المشاركة في الجمعية العامة عبر التصويت الإلكتروني باستخدام نظام تداولتي. علماً بأن التسجيل في خدمة تداولتي والتصويت متاح مجاناً لجميع المساهمين.

We would like to inform you that there will be a live broadcast of the meeting through the link available in Tadawulaty system.

ونود الاخطا بأنة سيكون هناك بث مباشر للجمعية وذلك عن طريق الرابط المتاح في نظام تداولتي.

For any quires please contact Investor Relations Department at:

في حال وجود أي استفسارات يرجى الاتصال على علاقات المستثمرين عن طريق:

Phone Number: 00966 11 4798585

الهاتف 011 4798585

Email: [shareholders@bankalbilad.com](mailto:shareholders@bankalbilad.com)

البريد الإلكتروني: [Shareholders@bankalbilad.com](mailto:Shareholders@bankalbilad.com)

Best Regards

وتقبلوا وافر التحية والتقدير